UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer Pursuant to Rule 13a-16 or 15d-16
under the Securities Exchange Act of 1934

For the Month of November, 2009

1-15240
(Commission File Number)

JAMES HARDIE INDUSTRIES N.V.

(Translation of registrant's name into English)

Atrium, 8th floor
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 the registrant by furnishing the information contained in this Form 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 contains forward-looking statements. We may from time to time make forward-looking statements in our periodic reports filed with or furnished to the United States Securities and Exchange Commission on Forms 20-F and 6-K, in our annual reports to shareholders, in offering circulars, invitation memoranda and prospectuses, in media releases and other written materials and in oral statements made by our officers, directors or employees to analysts, institutional investors, existing and potential lenders, representatives of the media and others. Statements that are not historical facts are forward-looking statements and such forward-looking statements are statements made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Examples of forward-looking statements include:

- statements about our future performance;
- projections of our results of operations or financial condition;
- statements regarding our plans, objectives or goals, including those relating to our strategies, initiatives, competition, acquisitions, dispositions and/or our products;
- expectations concerning the costs associated with the suspension or closure of operations at any of our plants and future plans with respect to any such plants;
- expectations that our credit facilities will be extended or renewed;
- expectations concerning dividend payments;
- statements concerning our corporate and tax domiciles and potential changes to them;
- statements regarding tax liabilities and related audits and proceedings;
- statements as to the possible consequences of proceedings brought against us and certain of our former directors and officers by the ASIC;
- expectations about the timing and amount of contributions to the AICF, a special purpose fund for the compensation of proven Australian asbestos-related personal injury and death claims;
- expectations concerning indemnification obligations; and
- statements about product or environmental liabilities.

Words such as “believe,” “anticipate,” “plan,” “expect,” “intend,” “target,” “estimate,” “project,” “predict,” “forecast,” “guideline,” “aim,” “will,” “should,” “continue” and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. Readers are cautioned not to place undue reliance on these forward-looking statements and all such forward-looking statements are qualified in their entirety by reference to the following cautionary statements.

Forward-looking statements are based on our estimates and assumptions and because forward-looking statements address future results, events and conditions, they, by their very nature, involve inherent risks and uncertainties. Such known and unknown risks, uncertainties and other factors may cause our actual results, performance or other achievements to differ materially from the anticipated results, performance or achievements expressed, projected or implied by these forward-looking statements. These factors, some of which are discussed under “Key Information — Risk Factors” beginning on page 6 of the Form 20-F filed with the US Securities and Exchange Commission on 25 June 2009, include, but are not limited to: all matters relating to or arising out of the prior manufacture of products that contained asbestos by current and former James Hardie subsidiaries; required contributions to the AICF, any shortfall in the AICF and the effect of currency exchange rate movements on the amount recorded in our financial statements as an asbestos liability; compliance with and changes in tax laws and treatments; competition and product pricing in the markets in which we operate; the consequences of product failures or defects; exposure to environmental, asbestos or other legal proceedings; general economic and market conditions; the supply and cost of raw materials; the success of research and development efforts; reliance on a small number of customers; a customer’s inability to pay; compliance with and changes in environmental and health and safety laws; risks of conducting business internationally; our pending transformation to a Dutch “SE” company and proposal to transfer our corporate domicile from The Netherlands to Ireland to become an Irish “SE” company; compliance with and changes in laws and regulations; currency exchange risks; the concentration of our customer base on large format retail customers, distributors and dealers; the effect of natural disasters; changes in our key management personnel; inherent limitations on internal controls; use of accounting estimates; and all other risks identified in our reports filed with Australian, Dutch and US securities agencies and exchanges (as appropriate). We caution you that the foregoing list of factors is not exhaustive and that other risks and uncertainties may cause actual results to differ materially from those in forward-looking statements. Forward-looking statements speak only as of the date they are made and are statements of our current expectations concerning future results, events and conditions.

EXHIBIT INDEX

Exhibit No.	Description
99.1	ASX cover sheet
99.2	Media Release
99.3	Management’s Analysis
99.4	Management’s Presentation
99.5	Financials
99.6	Directors Report

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: Wednesday, 25 November 2009	By: /s/ Marcin Firek
	Marcin Firek Legal Counsel, Australia and Company Secretary

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Exhibit 99.1

Results for Announcement to the Market
James Hardie Industries N.V.
ARBN 097 829 895

Appendix 4D – Half Year Ended 30 September 2009

	Half Year Ended 30 September			
Key Information	2009 US$M	2008 US$M	Movement	
Net Sales From Ordinary Activities	588.7	706.9	Down	17%
(Loss) Profit From Ordinary Activities After Tax Attributable to Shareholders	(97.5)	154.9	Down	—
Net (Loss) Profit Attributable to Shareholders	(97.5)	154.9	Down	—
Net Tangible Liabilities per Ordinary Share	US$ (0.35)	US$ (0.27)	Down	31%

Dividend Information

- No interim dividend for fiscal year 2009 will be paid to share/CUFS holders.

Movements in Controlled Entities during the half year ended 30 September 2009

The following entities were created: JHCBM NV (11 May 2009), JHCBM Public Limited Company (2 June 2009), JHIHCBM Public Limited Company (2 June 2009), James Hardie Holdings Limited (10 June 2009), James Hardie International Finance Limited (10 June 2009) and James Hardie Technology Holdings Limited (16 June 2009)

The following entity was liquidated: James Hardie Pulp Co., Inc. (5 June 2009)

The following entity ceased to exist pursuant to a merger: James Hardie International Holdings B.V. (17 September 2009)

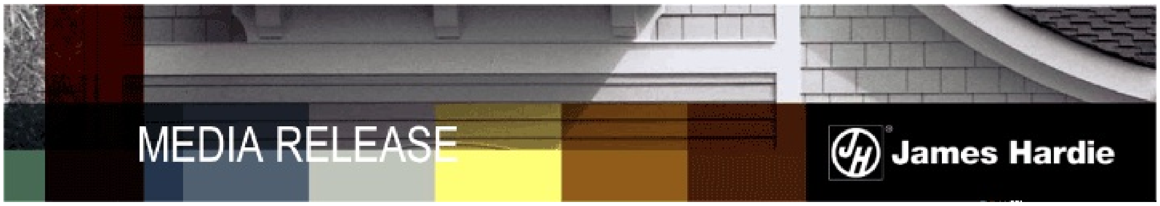
The following entities changed their name: James Hardie Technology Holdings Limited changed its name to James Hardie Technology Limited (22 June 2009), and JHCBM N.V. changed its name to James Hardie International Holdings N.V. (17 September 2009)

Review

The results and financial information included within this half year report have been prepared using US GAAP and have been subject to an independent review by external auditors.

Results for the 2nd Quarter and Half Year Ended 30 September 2009
Contents

James Hardie Industries N.V. is incorporated in The Netherlands with corporate seat in Amsterdam. The liability of members is limited. The information contained in the above documents comprise the information required by ASX Listing Rule 4.2A and should be read in conjunction with the James Hardie 2009 Annual Report which can be found on the company website at www.jameshardie.com.



For analyst and media enquiries please
Call Sean O' Sullivan on: +61 2 8274 5239

23 November 2009

2nd quarter net operating profit US$37.6m
Half year net operating profit US$79.2m
(Excluding asbestos, ASIC expenses and tax adjustments)

James Hardie today announced a US$37.6 million net operating profit, excluding asbestos, ASIC expenses and tax adjustments, for the quarter ended 30 September 2009. This represents an increase of 4% compared to the corresponding quarter of last year.

The net operating result including asbestos, ASIC expenses and tax adjustments was a loss of US$19.6 million, compared to a profit of US$153.5 million for the same quarter last year.

For the half year, net operating profit excluding asbestos, ASIC expenses and tax adjustments increased 4% to US$79.2 million from US$76.2 million. Including asbestos, ASIC expenses and tax adjustments, net operating profit moved from US$154.9 million to a loss of US$97.5 million.

The results include unfavourable asbestos adjustments of US$62.7 million for the quarter and US$182.5 million for the half year, which are solely attributable to the appreciation of the Australian dollar against the US dollar, from US$0.6872 at 31 March 2009, to US$0.8126 at 30 June 2009 and to US$0.8786 at 30 September 2009.

USA and Europe Fibre Cement sales volume continued to decline on a year over year basis, although compared to the first quarter of fiscal year 2010 sales volume was down only slightly.

According to US Bureau of the Census single family housing starts in the September quarter 2009 were 139,000, 15% below the September quarter 2008. For the month of September 2009, single family housing starts were 74% below the January 2006 peak of 2.265 million annualised starts.

In this Media Release, James Hardie may present financial measures, sales volume terms, financial ratios, and Non-US GAAP financial measures included in the Definitions section of this document starting on page 7. The company presents financial measures that it believes are customarily used by its Australian investors. Specifically, these financial measures, which are equivalent to or derived from certain US GAAP measures as explained in the definitions, include "EBIT", "EBIT margin", "Operating profit" and "Net operating profit". The company may also present other terms for measuring its sales volume ("million square feet" or "mmsf" and "thousand square feet" or "msf"); financial ratios ("Gearing ratio", "Net interest expense cover", "Net interest paid cover", "Net debt payback", "Net debt (cash)"); and Non-US GAAP financial measures ("EBIT excluding asbestos and ASIC expenses", "EBIT margin excluding asbestos and ASIC expenses", "Net operating profit excluding asbestos, ASIC expenses and tax adjustments", "Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments", "Operating profit before income taxes excluding asbestos", "Effective tax rate excluding asbestos and tax adjustments", "EBITDA" and "General corporate costs excluding domicile change related costs"). Unless otherwise stated, results and comparisons are of the 2nd quarter and 1st half of the current fiscal year versus the 2nd quarter and 1st half of the prior fiscal year.

Operating Performance

Total sales for the second quarter decreased 11% to US$304.2 million, gross profit was up 4% to US$117.6 million and EBIT excluding asbestos and ASIC expenses was 11% higher at US$62.8 million compared to the same period last year. EBIT including asbestos and ASIC expenses for the second quarter moved from US$192.2 million last year to a loss of US$0.8 million in the current year.

For the half year, total sales decreased 17% to US$588.7 million, gross profit was down 4% to US$228.0 million and EBIT excluding asbestos and ASIC expenses increased 4% to US$126.6 million. EBIT including asbestos and ASIC expenses moved from US$215.1 million to a loss of US$57.9 million.

Despite a 17% decline in volume, USA and Europe Fibre Cement EBIT increased 7% from US$61.1 million to US$65.3 million for the quarter and increased 6% from US$126.7 million to US$134.1 million for the half year. These improved earnings were driven by lower input costs and improved plant performance which contributed to lower average unit manufacturing costs, as well as lower freight costs, an increase in the average net sales price and a slight decrease in SG&A spending.

Asia Pacific Fibre Cement net sales were down 5% and 16% for the quarter and half year, respectively. Asia Pacific Fibre Cement EBIT increased 15% to US$16.2 million for the quarter and decreased 9% to US$27.1 million for the half year. Unfavourable foreign exchange rate movements of the Asia Pacific Fibre Cement business' currencies compared to the US dollar continue to negatively affect comparatives of US dollar results. In Australian dollars, Asia Pacific Fibre Cement EBIT increased for the quarter and half year due to improved gross margin performance and lower SG&A expenses.

Loss per share for the quarter and half year were US4.5 cents and US22.5 cents, respectively, compared to diluted earnings per share of US35.5 and US35.8 cents, respectively, in the same periods of last year.

2nd Quarter and Half Year at a Glance

US$ Millions	Q2 FY 2010	Q2 FY 2009	% Change	HY FY 2010	HY FY 2009	% Change
Net sales	$304.2	$341.9	(11)	$ 588.7	$706.9	(17)
Gross profit	117.6	113.2	4	228.0	237.2	(4)
EBIT excluding asbestos and ASIC expenses	62.8	56.7	11	126.6	122.2	4
AICF SG&A expenses	(0.5)	(0.3)	(67)	(1.0)	(0.9)	(11)
Asbestos adjustments	(62.7)	140.8	—	(182.5)	100.3	—
ASIC expenses	(0.4)	(5.0)	92	(1.0)	(6.5)	85
EBIT	(0.8)	192.2	—	(57.9)	215.1	—
Net interest (expense) income	(0.4)	0.3	—	(1.1)	(0.8)	(38)
Other (expense) income	(1.0)	—	—	3.8	—	—
Income tax expense	(17.4)	(39.0)	55	(42.3)	(59.4)	29
Net operating (loss) profit	(19.6)	153.5	—	(97.5)	154.9	—
Diluted (loss) earnings per share (US cents)	(4.5)	35.5	—	(22.5)	35.8	—

Net operating profit excluding asbestos, ASIC expenses and tax adjustments increased 4% for the quarter and the half year to US$37.6 million and US$79.2 million, respectively, as shown in the following table:

US$ Millions	Q2 FY 2010	Q2 FY 2009	% Change	HY FY 2010	HY FY 2009	% Change
Net operating (loss) profit	$(19.6)	$ 153.5	—	$ (97.5)	$ 154.9	—
Excluding:						
Asbestos:						
Asbestos adjustments	62.7	(140.8)	—	182.5	(100.3)	—
AICF SG&A expenses	0.5	0.3	67	1.0	0.9	11
AICF interest income	(1.0)	(2.3)	57	(1.7)	(3.2)	47
Gain on AICF investments	(1.9)	—	—	(2.3)	—	—
ASIC expenses	0.4	5.0	(92)	1.0	6.5	(85)
Tax adjustments	(3.5)	20.5	—	(3.8)	17.4	—
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	**$ 37.6**	**$ 36.2**	**4**	**$ 79.2**	**$ 76.2**	**4**
Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments (US cents)	8.6	8.4	2	18.2	17.6	3

Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments for the quarter increased 2% to US8.6 cents and for the half year increased 3% from US17.6 cents in the prior year to US18.2 cents in the current year.

CEO Commentary

"The US residential construction market remains at near historical low levels," said James Hardie CEO, Mr Louis Gries.

As with the first quarter of fiscal year 2010, earnings benefitted from lower input and freight costs, improved plant performance and a higher average net sales price when compared with the corresponding period in fiscal year 2009.

"In this low-demand environment, the business continues to perform well financially and has stayed on strategy with product leadership initiatives," Mr Gries added.

Asbestos Compensation

Since the Asbestos Injuries Compensation Fund (AICF) was established in 2007, James Hardie has contributed A$302 million to the fund. In fiscal year 2010, contributions to the AICF were restricted by the decline in the company's cash flow as a result of, among other things, the unprecedented downturn in the US housing markets.

On 23 April 2009, James Hardie and the New South Wales (NSW) Government were advised by the AICF that its Board had determined that it was reasonably foreseeable that, within two years, the available assets of the AICF were likely to be insufficient to fund the payment of all reasonably foreseeable liabilities.

On 7 November 2009, the NSW Government and the Australian Government advised that the Australian Government will loan up to A$160 million to the NSW Government to contribute towards a standby loan facility of up to A$320 million that the NSW Government will make available to the AICF. The proposed standby loan facility will enable the AICF to meet a short-term funding shortfall, and to continue to make payments in full.

James Hardie will now work with the AICF, the NSW Government and the Australian Government to finalise the terms and documentation of the proposed standby loan facility.

Acknowledging the standby loan facility, James Hardie reiterated its commitment to the Amended and Restated Final Funding Agreement (Amended FFA) negotiated between the company, the AICF and the NSW Government. Furthermore, based on its fiscal year results to date, James Hardie anticipates that it will make a contribution to the AICF in 2010 in accordance with the Amended FFA.

USA and Europe Fibre Cement

Net sales decreased 13% in the quarter to US$229.0 million compared to the same quarter last year. Second quarter sales volume decreased 17% to 356.9 million square feet. The average net sales price increased 5% from US$612 per thousand square feet to US$642 per thousand square feet.

For the half year, net sales were down 17% compared to the same period last year, to US$452.2 million. Sales volume decreased 21% to 714.0 million square feet, and the average net sales price increased 4% from US$606 to US$633 per thousand square feet.

Despite a 17% and 21% decrease in volume in the quarter and half year, respectively, USA and Europe Fibre Cement EBIT increased 7% to US$65.3 million for the quarter and increased 6% to US$134.1 million for the half year. This increase was driven by lower average unit manufacturing costs, lower freight costs, an increase in the average net sales price and a slight decrease in SG&A spending. The USA and Europe Fibre Cement EBIT margin was 28.6% for the quarter and 29.7% for the half year compared to 23.3% and 23.2%, respectively, for the corresponding periods of the prior year.

Asia Pacific Fibre Cement

Net sales decreased 5% to US$75.2 million for the quarter. In Australian dollars, net sales increased 2% due to a 2% increase in the average Australian dollar net sales price while sales volume remained flat.

For the half year, net sales decreased 16% to US$136.5 million. In Australian dollars, net sales decreased 3% due to a 6% decrease in sales volume, partially offset by a 3% increase in average net sales price.

The Australian business managed to maintain its sales results in the quarter, despite the overall market downturn. While Australian Bureau of Statistics data shows an increase in September approvals (compared to August approvals), addressable residential housing approvals are down 11.4% for the 12 months ended September 2009, with detached houses down 8.5% and medium density housing down 25%. The Queensland market, which is James Hardie's largest, continued to experience the greatest declines. The recovery apparent in September is likely to be adversely affected by the reduction in the First Home Owner Grant and recent increase in interest rates.

In New Zealand, residential construction stabilised, although at a significantly lower level, with total residential building approvals down 35% in the year ended August 2009, compared to the prior year. The commercial market, while more buoyant, continued to weaken.

In the Philippines, sales volume increased as a result of continued improvement in market share growth. The business' results also benefitted from an increased average net sales price, improved manufacturing performance and reduced production costs. The Philippines business continues to seek avenues to grow volume and to lower its operating costs.

Asia Pacific Fibre Cement EBIT increased 15% to US$16.2 million for the quarter, mainly driven by higher gross margin performance, partially offset by unfavourable foreign exchange rate movements in the Asia Pacific business' currencies compared to the US dollar. In Australian dollars, Asia Pacific Fibre Cement EBIT increased 21% for the quarter.

For the half year, Asia Pacific Fibre Cement EBIT decreased 9% to US$27.1 million, mainly due to unfavourable foreign exchange rate movements in the Asia Pacific business' currencies compared to the US dollar. In Australian dollars, Asia Pacific Fibre Cement EBIT increased 4% due to an improved gross margin performance.

Cash Flow

Net operating cash flow for the half year increased to US$152.1 million from US$93.3 million in the same period last year. Capital expenditures for the purchase of property, plant and equipment for the half year increased to US$20.9 million from US$9.4 million in the same period of the prior year.

The strength of the free cash flow in the quarter and half year enabled the company to reduce net debt by US$62.1 million and US$53.3 million, respectively, during the second and first quarters of the current fiscal year. As a consequence, net debt has fallen from US$281.6 million at 31 March 2009 to US$166.2 million at 30 September 2009.

Outlook

US housing starts remain subdued with US Bureau of the Census reporting that single family housing starts in the September quarter 2009 were 139,000, 15% below the September quarter 2008. Despite this, there are some initial signs that the cycle appears to be nearing the bottom, including:

- recent improvements in the number of monthly housing starts, albeit from a low base;
- a small increase in the number of single family permits; and
- some improvements in the NAHB/Wells Fargo Housing Market Index builder confidence index, again from a very low base.

Challenges to a recovery remain, including restricted access to credit for prospective home owners, the expiration of the first-time home buyers credit at the end of April 2010, the October 2009 decline in housing starts to a six-month seasonally-adjusted annualised low of 529,000, and prevailing employment market conditions.

In Australia, while housing starts in 2009 are unlikely to exceed 2008 numbers, underlying momentum in the industry appears to be gathering pace.

In New Zealand, new residential construction is anticipated to remain at the current level, having reached a market low of around 1,000 approvals per month. Housing affordability is expected to remain under pressure with increased building costs.

After months of slowing economic conditions in the Philippines, key economic indicators are showing slight improvement.

The company notes the range of analysts' forecasts for operating profit excluding asbestos, for the year ending 30 March 2010 is between US$77 million and US$115 million. Management anticipates full year earnings excluding asbestos, ASIC expenses and costs of redomicile to be at the top of the current range of analysts' forecasts. Management cautions that market conditions remain uncertain and the upcoming northern hemisphere winter is expected to be a very challenging period for the company to generate significant operating earnings.

Changes in the company's asbestos liability (to reflect changes in foreign exchange rates), ASIC proceedings, income tax related issues and other matters referred to in the disclaimer at the end of this document may have a material impact on the company's condensed consolidated financial statements. Readers are referred to Notes 6, 8 and 9 of the company's 30 September 2009 Condensed Consolidated Financial Statements for more information about the company's asbestos liability, ASIC proceedings and income tax related issues, respectively.

Readers are referred to the company's Condensed Consolidated Financial Statements and Management's Analysis of Results for the period ended 30 September 2009 for additional information regarding the company's results, including information regarding income taxes, asbestos and contingent liabilities.

END

Media/Analyst Enquiries:

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Vice President Investor and Media Relations

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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 the package, including Management's Analysis of Results, the Management Presentation and the Condensed Consolidated Financial Statements.

These documents, along with a webcast of the management presentation on 23 November 2009, are available from the Investor Relations area of James Hardie's website at: www.jameshardie.com

The company routinely posts information that may be of importance to investors in the Investor Relations section of its website, including press releases, financial results and other information. The company encourages investors to consult this section of its website regularly.

The company lodged its annual filing for the year ended 31 March 2009 with the SEC on 25 June 2009.

All holders of the company's securities may receive, on request, a hard copy of our complete audited financial statements, free of charge. Requests can be made via the company website or by contacting one of the company's corporate offices. Contact details are available on the company's website.

Definitions

Financial Measures – US GAAP equivalents

EBIT and EBIT margin – EBIT, as used in this document, is equivalent to the US GAAP measure of operating income. EBIT margin is defined as EBIT as a percentage of net sales. James Hardie believes EBIT and EBIT margin to be relevant and useful information as these are the primary measures used by management to measure the operating profit or loss of its business. EBIT is one of several metrics used by management to measure the earnings generated by the company's operations, excluding interest and income tax expenses. Additionally, EBIT is believed to be a primary measure and terminology used by its Australian investors. 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 the company has defined them, may not be comparable to similarly titled measures reported by other companies.

Operating profit – is equivalent to the US GAAP measure of income.

Net operating profit – is equivalent to the US GAAP measure of net income.

Sales Volume

mmsf – million square feet, where a square foot is defined as a standard square foot of 5/16" thickness.

msf – thousand square feet, where a square foot is defined as a standard square foot of 5/16" thickness.

Financial Ratios

Gearing Ratio – Net debt (cash) divided by net debt (cash) plus shareholders' equity.

Net interest expense cover – EBIT divided by net interest expense.

Net interest paid cover – EBIT divided by cash paid during the period for interest, net of amounts capitalised.

Net debt payback – Net debt (cash) divided by cash flow from operations.

Net debt (cash) – short-term and long-term debt less cash and cash equivalents.

Non-US GAAP Financial Measures

EBIT and EBIT margin excluding asbestos and ASIC expenses – EBIT and EBIT margin excluding asbestos and ASIC expenses are not measures of financial performance under US GAAP and should not be considered to be more meaningful than EBIT and EBIT margin. James Hardie has included these financial measures to provide investors with an alternative method for assessing its operating results in a manner that is focussed on the performance of its ongoing operations and provides useful information regarding its financial condition and results of operations. The company uses these non-US GAAP measures for the same purposes.

US$ Millions	Q2 FY 2010	Q2 FY 2009	HY FY 2010	HY FY 2009
EBIT	$ (0.8)	$ 192.2	$ (57.9)	$ 215.1
Asbestos:				
Asbestos adjustments	62.7	(140.8)	182.5	(100.3)
AICF SG&A expenses	0.5	0.3	1.0	0.9
ASIC expenses	0.4	5.0	1.0	6.5
EBIT excluding asbestos and ASIC expenses	62.8	56.7	126.6	122.2
Net Sales	$304.2	$ 341.9	$588.7	$ 706.9
EBIT margin excluding asbestos and ASIC expenses	20.6%	16.6%	21.5%	17.3%

Net operating profit excluding asbestos, ASIC expenses and tax adjustments – Net operating profit excluding asbestos, ASIC expenses and tax adjustments is not a measure of financial performance under US GAAP and should not be considered to be more meaningful than net income. The company has included this financial measure to provide investors with an alternative method for assessing its operating results in a manner that is focussed on the performance of its ongoing operations. The company uses this non-US GAAP measure for the same purposes.

US$ Millions	Q2 FY 2010	Q2 FY 2009	HY FY 2010	HY FY 2009
Net operating (loss) profit	$ (19.6)	$ 153.5	$ (97.5)	$ 154.9
Asbestos:				
Asbestos adjustments	62.7	(140.8)	182.5	(100.3)
AICF SG&A expenses	0.5	0.3	1.0	0.9
AICF interest income	(1.0)	(2.3)	(1.7)	(3.2)
Gain on AICF investments	(1.9)	—	(2.3)	—
ASIC expenses	0.4	5.0	1.0	6.5
Tax adjustments	(3.5)	20.5	(3.8)	17.4
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	$ 37.6	$ 36.2	$ 79.2	$ 76.2

Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments – Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments is not a measure of financial performance under US GAAP and should not be considered to be more meaningful than diluted earnings per share. The company has included this financial measure to provide investors with an alternative method for assessing its operating results in a manner that is focussed on the performance of its ongoing operations. The company's management uses this non-US GAAP measure for the same purposes.

US$ Millions	Q2 FY 2010	Q2 FY 2009	HY FY 2010	HY FY 2009
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	$ 37.6	$ 36.2	$ 79.2	$ 76.2
Weighted average common shares outstanding — Diluted (millions)	436.4	433.0	436.0	433.1
Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments (US cents)	8.6	8.4	18.2	17.6

Effective tax rate excluding asbestos and tax adjustments – Effective tax rate excluding asbestos and tax adjustments is not a measure of financial performance under US GAAP and should not be considered to be more meaningful than effective tax rate. The company has included this financial measure to provide investors with an alternative method for assessing its operating results in a manner that is focussed on the performance of its ongoing operations. The company's management uses this non-US GAAP measure for the same purposes.

US$ Millions	Q2 FY 2010	Q2 FY 2009	HY FY 2010	HY FY 2009
Operating (loss) profit before income taxes	$ (2.2)	$ 192.5	$ (55.2)	$ 214.3
Asbestos:				
Asbestos adjustments	62.7	(140.8)	182.5	(100.3)
AICF SG&A expenses	0.5	0.3	1.0	0.9
AICF interest income	(1.0)	(2.3)	(1.7)	(3.2)
Gain on AICF investments	(1.9)	—	(2.3)	—
Operating profit before income taxes excluding asbestos	$ 58.1	$ 49.7	$124.3	$ 111.7
Income tax expense	(17.4)	(39.0)	(42.3)	(59.4)
Tax adjustments	(3.5)	20.5	(3.8)	17.4
Income tax expense excluding tax adjustments	(20.9)	(18.5)	(46.1)	(42.0)
Effective tax rate excluding asbestos and tax adjustments	36.0%	37.2%	37.1%	37.6%

EBITDA – is not a measure of financial performance under US GAAP and should not be considered an alternative to, or more meaningful than, income from operations, net income or cash flows as defined by US GAAP or as a measure of profitability or liquidity. Not all companies calculate EBITDA in the same manner as James Hardie has and, accordingly, EBITDA may not be comparable with other companies. The company has included information concerning EBITDA because it believes that this data is commonly used by investors to evaluate the ability of a company's earnings from its core business operations to satisfy its debt, capital expenditure and working capital requirements.

US$ Millions	Q2 FY 2010	Q2 FY 2009	HY FY 2010	HY FY 2009
EBIT	$ (0.8)	$192.2	$(57.9)	$215.1
Depreciation and amortisation	14.8	14.6	29.8	28.6
EBITDA	$ 14.0	$206.8	$(28.1)	$243.7

General corporate costs excluding ASIC and domicile change related costs – General corporate costs excluding ASIC and domicile change related costs is not a measure of financial performance under US GAAP and should not be considered to be more meaningful than general corporate costs. James Hardie has included these financial measures to provide investors with an alternative method for assessing its operating results in a manner that is focussed on the performance of its ongoing operations and provides useful information regarding its financial condition and results of operations. The company uses these non-US GAAP measures for the same purposes.

US$ Millions	Q2 FY 2010	Q2 FY 2009	HY FY 2010	HY FY 2009
General corporate costs	$ 14.3	$ 18.5	$ 26.8	$ 30.9
Excluding:				
ASIC expenses	(0.4)	(5.0)	(1.0)	(6.5)
Domicile change related costs	(2.7)	(0.1)	(7.2)	(0.3)
General corporate costs excluding ASIC and domicile change related costs	$ 11.2	$ 13.4	$ 18.6	$ 24.1

Disclaimer

This Media Release contains forward-looking statements. We may from time to time make forward-looking statements in our periodic reports filed with or furnished to the United States Securities and Exchange Commission on Forms 20-F and 6-K, in our annual reports to shareholders, in offering circulars, invitation memoranda and prospectuses, in media releases and other written materials and in oral statements made by our officers, directors or employees to analysts, institutional investors, existing and potential lenders, representatives of the media and others. Statements that are not historical facts are forward-looking statements and such forward-looking statements are statements made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Examples of forward-looking statements include:

- statements about our future performance;
- projections of our results of operations or financial condition;
- statements regarding our plans, objectives or goals, including those relating to our strategies, initiatives, competition, acquisitions, dispositions and/or our products;
- expectations concerning the costs associated with the suspension or closure of operations at any of our plants and future plans with respect to any such plants;
- expectations that our credit facilities will be extended or renewed;
- expectations concerning dividend payments;
- statements concerning our corporate and tax domiciles and potential changes to them;
- statements regarding tax liabilities and related audits and proceedings;
- statements as to the possible consequences of proceedings brought against us and certain of our former directors and officers by the ASIC;
- expectations about the timing and amount of contributions to the AICF, a special purpose fund for the compensation of proven Australian asbestos-related personal injury and death claims;
- expectations concerning indemnification obligations; and
- statements about product or environmental liabilities.

Words such as “believe,” “anticipate,” “plan,” “expect,” “intend,” “target,” “estimate,” “project,” “predict,” “forecast,” “guideline,” “aim,” “will,” “should,” “continue” and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. Readers are cautioned not to place undue reliance on these forward-looking statements and all such forward-looking statements are qualified in their entirety by reference to the following cautionary statements.

Forward-looking statements are based on our estimates and assumptions and because forward-looking statements address future results, events and conditions, they, by their very nature, involve inherent risks and uncertainties. Such known and unknown risks, uncertainties and other factors may cause our actual results, performance or other achievements to differ materially from the anticipated results, performance or achievements expressed, projected or implied by these forward-looking statements. These factors, some of which are discussed under “Key Information — Risk Factors” beginning on page 6 of the Form 20-F filed with the US Securities and Exchange Commission on 25 June 2009, include, but are not limited to: all matters relating to or arising out of the prior manufacture of products that contained asbestos by current and former James Hardie subsidiaries; required contributions to the AICF, any shortfall in the AICF and the effect of currency exchange rate movements on the amount recorded in our financial statements as an asbestos liability; compliance with and changes in tax laws and treatments; competition and product pricing in the markets in which we operate; the consequences of product failures or defects; exposure to environmental, asbestos or other legal proceedings; general economic and market conditions; the supply and cost of raw materials; the success of research and development efforts; reliance on a small number of customers; a customer’s inability to pay; compliance with and changes in environmental and health and safety laws; risks of conducting business internationally; our pending transformation to a Dutch “SE” company and proposal to transfer our corporate domicile from The Netherlands to Ireland to become an Irish “SE” company; compliance with and changes in laws and regulations; currency exchange risks; the concentration of our customer base on large format retail customers, distributors and dealers; the effect of natural disasters; changes in our key management personnel; inherent limitations on internal controls; use of accounting estimates; and all other risks identified in our reports filed with Australian, Dutch and US securities agencies and exchanges (as appropriate). We caution you that the foregoing list of factors is not exhaustive and that other risks and uncertainties may cause actual results to differ materially from those in forward-looking statements. Forward-looking statements speak only as of the date they are made and are statements of our current expectations concerning future results, events and conditions.

23 November 2009

James Hardie Industries N.V.
Results for the 2nd Quarter and Half Year Ended 30 September 2009

	Three Months and First Half Year Ended 30 September					
US GAAP - US$ Millions	Q2 FY10	Q2 FY09	% Change	HY FY10	HY FY09	% Change
Net Sales						
USA and Europe Fibre Cement	$ 229.0	$ 263.0	(13)	$ 452.2	$ 544.7	(17)
Asia Pacific Fibre Cement	75.2	78.9	(5)	136.5	162.2	(16)
Total Net Sales	$ 304.2	$ 341.9	(11)	$ 588.7	$ 706.9	(17)
Cost of goods sold	(186.6)	(228.7)	18	(360.7)	(469.7)	23
Gross profit	117.6	113.2	4	228.0	237.2	(4)
Selling, general and administrative expenses	(49.0)	(56.0)	13	(90.4)	(110.2)	18
Research & development expenses	(6.7)	(5.8)	(16)	(13.0)	(12.2)	(7)
Asbestos adjustments	(62.7)	140.8	—	(182.5)	100.3	—
EBIT	(0.8)	192.2	—	(57.9)	215.1	—
Net interest (expense) income	(0.4)	0.3	—	(1.1)	(0.8)	(38)
Other (expense) income	(1.0)	—	—	3.8	—	—
Operating (loss) profit before income taxes	(2.2)	192.5	—	(55.2)	214.3	—
Income tax expense	(17.4)	(39.0)	55	(42.3)	(59.4)	29
Net operating (loss) profit	$ (19.6)	$ 153.5	—	$ (97.5)	$ 154.9	—
(Loss) earnings per share — diluted (US cents)	(4.5)	35.5	—	(22.5)	35.8	—
Volume (mmsf)						
USA and Europe Fibre Cement	356.9	429.9	(17)	714.0	898.4	(21)
Asia Pacific Fibre Cement	102.4	102.0	—	191.3	203.9	(6)
Average net sales price per unit (per msf)						
USA and Europe Fibre Cement	US$ 642	US$ 612	5	US$ 633	US$ 606	4
Asia Pacific Fibre Cement	A$ 886	A$ 869	2	A$ 896	A$ 868	3

In this Management's Analysis of Results, James Hardie may present financial measures, sales volume terms, financial ratios, and Non-US GAAP financial measures included in the Definitions section of this document starting on page 14. The company presents financial measures that it believes are customarily used by its Australian investors. Specifically, these financial measures, which are equivalent to or derived from certain US GAAP measures as explained in the definitions, include "EBIT", "EBIT margin", "Operating profit" and "Net operating profit". The company may also present other terms for measuring its sales volume ("million square feet" or "mmsf" and "thousand square feet" or "msf"); financial ratios ("Gearing ratio", "Net interest expense cover", "Net interest paid cover", "Net debt payback", "Net debt (cash)"); and Non-US GAAP financial measures ("EBIT excluding asbestos and ASIC expenses", "EBIT margin excluding asbestos and ASIC expenses", "Net operating profit excluding asbestos, ASIC expenses and tax adjustments", "Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments", "Operating profit before income taxes excluding asbestos", "Effective tax rate excluding asbestos and tax adjustments", "EBITDA" and "General corporate costs excluding domicile change related costs"). Unless otherwise stated, results and comparisons are of the 2nd quarter and 1st half year of the current fiscal year versus the 2nd quarter and 1st half year of the prior fiscal year.

Total Net Sales

Total net sales for the quarter decreased 11% compared to the same quarter of the previous year, from US$341.9 million to US$304.2 million. For the half year, total net sales decreased 17% from US$706.9 million to US$588.7 million.

USA and Europe Fibre Cement

Quarter

Net sales decreased 13% from US$263.0 million to US$229.0 million due to lower sales volume, partially offset by a higher average net sales price.

Sales volume declined 17% from 429.9 million square feet to 356.9 million square feet, primarily due to lower demand for the company's products in the US as a result of continuing weakness in housing construction activity and general economic conditions.

The average net sales price increased 5% from US$612 per thousand square feet to US$642 per thousand square feet.

Half Year

Net sales decreased 17% from US$544.7 million to US$452.2 million due to lower sales volume, partially offset by a higher average net sales price.

Sales volume decreased 21% from 898.4 million square feet to 714.0 million square feet, primarily due to weaker demand for the company's products in the US caused by continuing weakness in housing construction activity and deteriorating economic conditions. Although housing affordability has improved, the reduced supply of mortgage credit for prospective home buyers and low consumer confidence are negatively affecting demand.

The average net sales price increased 4% from US$606 per thousand square feet to US$633 per thousand square feet.

Discussion

While there are some indications that sentiment in the US residential construction industry is improving, housing starts remain at near historical lows and sales volume continues to be lower than in prior periods. The USA and Europe Fibre Cement sales volume was 17% lower compared to the corresponding quarter of the prior year. Compared to the first quarter of fiscal year 2010, sales volume was down slightly.

According to the US Bureau of the Census, single family housing starts in the September quarter 2009 were 139,000, 15% below the September quarter 2008. However, the repair and remodel market in the US remains relatively resilient.

EBIT increased by 7% to US$65.4 million in the quarter compared to the corresponding period in the prior year. The EBIT performance was favourably affected by a higher average net sales price, lower cost of raw materials and other inputs, reduced freight costs and lower selling, general and administrative expenses.

Key raw materials and energy costs were lower compared to the same period last year, with the price of pulp down significantly in the quarter compared to the same quarter last year. However, pulp prices were higher in the quarter compared to the first quarter of fiscal year 2010. The NBSK index averaged US$696 per ton in the second quarter, compared to US$883 per ton in the prior corresponding period, but was up from US$642 per ton in the first quarter of fiscal year 2010. Natural gas prices also began edging up in the quarter compared to the first quarter of fiscal year 2010.

The ColorPlus® product range continued to increase its penetration rate, gaining 3% to 56% in the North in the September quarter 2009. The penetration rate in the West improved moderately, while penetration in the South remained relatively flat. Penetration rates of complementary products such as Trim, Soffit and Wrap are also improving.

Asia Pacific Fibre Cement

Quarter

Net sales for the quarter decreased 5% from US$78.9 million to US$75.2 million. The lower value of the Asia Pacific business' currencies against the US dollar in the second quarter of the current year compared to the corresponding quarter of the prior year accounted for 7% of this decrease, partially offset by a 2% increase in the underlying Australian dollar business results. In Australian dollars, net sales increased 2% due to a 2% increase in average net sales price, while sales volume remained flat.

Half Year

Net sales for the half year decreased 16% from US$162.2 million to US$136.5 million. Unfavourable foreign exchange rate movements in the Asia Pacific business' currencies compared to the US dollar accounted for 13% of this decline, while the underlying Australian dollar business results accounted for the remaining 3% decrease. In Australian dollars, net sales decreased 3% due to a 6% decrease in sales volume, partially offset by a 3% increase in average net sales price.

Discussion

The Australian business managed to maintain its sales results in the quarter, despite the overall market downturn. Australian Bureau of Statistics data shows addressable residential housing approvals down 11.4% for the 12 months ended September 2009, with detached houses down 8.5% and medium density down 25%. While there was some recovery in September, the Queensland market, James Hardie's largest, continued to experience the greatest declines.

EasyLap™ panel tongue and groove wall sheet was launched with favourable market response. Despite overall market declines, the Scyon ™ branded product range continued to build momentum, with sales volume in the quarter up 20% on the prior year period, primarily driven by Secura™ flooring. Scyon™ differentiated products represented 13% of sales in the quarter, up from 11% in the same quarter of the prior year.

In New Zealand, residential construction stabilised, although at a significantly lower level, with total residential building approvals down 35% in the 12 months ended September 2009, compared to the prior year. The commercial market, while more buoyant, continued to weaken.

Despite challenging market conditions, James Hardie New Zealand continued to perform well, primarily driven by market penetration of its differentiated product range. These products now account for 46% of total sales volume, up 2% from the prior year, primarily driven by the success of HardieGlaze™ lining and Axon™ panel.

In the Philippines, sales volume increased as a result of continued market share growth. The business' results also benefitted from increased average net sales price, improved manufacturing performance and reduced production costs. The business continues to seek avenues to grow volume and lower operating costs.

Gross Profit

Quarter

Gross profit for the quarter increased 4% from US$113.2 million to US$117.6 million. The gross profit margin increased 5.6 percentage points from 33.1% to 38.7%.

USA and Europe Fibre Cement gross profit increased 4% compared to the same quarter of last year due to higher average net sales price, lower raw materials and other input costs and lower freight costs, partially offset by lower sales volume. The gross profit margin of the USA and Europe Fibre Cement business increased by 6.7 percentage points.

Asia Pacific Fibre Cement gross profit increased 2% compared to the same period last year. This increase was due to a 10% increase in the underlying Australian dollar business results, partially offset by an 8% decrease caused by lower values of the Asia Pacific business' currencies compared to the US dollar. In Australian dollars, gross profit increased 10% primarily due to lower unit manufacturing costs. The gross profit margin of the Asia Pacific Fibre Cement business increased by 2.1 percentage points.

Half Year

Gross profit for the half year decreased 4% from US$237.2 million to US$228.0 million. The gross profit margin increased 5.1 percentage points from 33.6% to 38.7%.

USA and Europe Fibre Cement gross profit decreased 1% compared to the same period last year due to lower sales volume, partially offset by higher average net sales price, lower raw materials and other input costs and lower freight costs. The gross profit margin of the USA and Europe Fibre Cement business increased by 6.6 percentage points.

Asia Pacific Fibre Cement gross profit declined 15% compared to the same period last year. This was due to a 13% decrease caused by unfavourable currency exchange rate movements in the Asia Pacific business' currencies compared to the US dollar, and a 2% decrease in the underlying Australian dollar business results. In Australian dollars, gross profit declined 2% primarily as a result of lower sales volume. The gross profit margin of the Asia Pacific Fibre Cement business increased by 0.3 percentage points.

Selling, General and Administrative (SG&A) Expenses

Quarter

SG&A expenses decreased 13% for the quarter, from US$56.0 million to US$49.0 million. The decrease was primarily due to lower general corporate costs and lower SG&A spending. As a percentage of sales, SG&A expenses declined 0.3 of a percentage point to 16.1%. Further information on general corporate costs is included below.

SG&A expenses for the quarter include non-claims handling related operating expenses of the Asbestos Injuries Compensation Fund (AICF) of US$0.5 million.

Half Year

SG&A expenses decreased 18% for the half year, from US$110.2 million to US$90.4 million. The decrease was primarily due to lower SG&A spending in the USA and Europe Fibre Cement and Asia Pacific Fibre Cement segments and lower general corporate costs. As a percentage of sales, SG&A expenses declined 0.2 of a percentage point to 15.4%. Further information on general corporate costs is included below.

SG&A expenses for the half year include non-claims handling related operating expenses of the AICF of US$1.0 million.

ASIC Proceedings

This section should be read in light of earlier disclosures made by the company regarding these proceedings following the judgment delivered on 23 April 2009, by Justice Gzell against the company, ABN 60 (formerly JHIL) and ten former directors and officers, and similar disclosures concerning the existence of indemnities in favour of certain of its directors and officers under which the company has incurred, and may continue to incur, further costs which may be material.

Since these earlier disclosures were made, all defendants other than two (including ABN 60) have lodged appeals against Justice Gzell's judgments. ASIC has responded by lodging cross appeals against the appellants. The appeals are listed for hearing over a period of up to nine days commencing 19 April 2010.

For the quarter and half year ended 30 September 2009, the company incurred legal costs related to the ASIC proceedings, noted as ASIC expenses, of US$0.4 million and US$1.0 million, respectively. These costs were substantially lower than for the quarter and half year ended 30 September 2008, when the company incurred ASIC expenses of US$5.0 million and US$6.5 million, respectively. ASIC expenses are included in SG&A expenses.

The company's net costs in relation to the ASIC proceedings from February 2007 to 30 September 2009 total US$20.7 million.

Readers are referred to Note 8 of the company's 30 September 2009 Condensed Consolidated Financial Statements for further information on the ASIC Proceedings.

Research and Development Expenses

Research and development expenses include costs associated with "core" research projects that are designed to benefit all business units. These costs are recorded in the Research and Development segment rather than being attributed to individual business units. These costs were 17% higher for the quarter at US$4.1 million, compared to the same period in the prior year, and flat for the half year at US$7.4 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 were 13% higher for the quarter at US$2.6 million and 17% higher for the half year at US$5.6 million, compared to the prior corresponding periods.

Asbestos Adjustments

The company's asbestos adjustments are derived from an estimate of future Australian asbestos-related liabilities in accordance with the Amended and Restated Final Funding Agreement (Amended FFA) that was signed with the New South Wales Government on 21 November 2006 and approved by the company's security holders on 7 February 2007.

The asbestos-related assets and liabilities are denominated in Australian dollars. Therefore the reported value of these asbestos-related assets and liabilities in the company's condensed consolidated balance sheets in US dollars is subject to adjustment, with a corresponding effect on the company's condensed consolidated statement of operations, depending on the closing exchange rate between the two currencies at the balance sheet date. For the quarter from 30 June 2009 to 30 September 2009, the Australian dollar appreciated against the US dollar by 8% to US$0.8786, compared to a 17% depreciation to US$0.8013 during the same period last year.

For the half year from 31 March 2009 to 30 September 2009, the Australian dollar appreciated against the US dollar by 28%, compared to a 13% depreciation in the same period last year.

The company receives an updated actuarial estimate as at 31 March each year. The last actuarial assessment was performed as of 31 March 2009.

The asbestos adjustments for the quarter ended 30 September 2009 are as follows:

US$ Millions	Q2 FY10	Q2 FY09	HY FY10	HY FY09
Effect of foreign exchange movements	(62.7)	140.8	$(182.5)	$ 100.3
Asbestos adjustments	$ (62.7)	$ 140.8	$(182.5)	$ 100.3

Claims Data

The number of new claims of 126 and 286 for the quarter and half year ended 30 September 2009, respectively, is lower than new claims of 159 and 310 reported for the same periods last year, respectively, and slightly below actuarial expectations for the half year ended 30 September 2009.

The number of claims settled of 141 and 300 for the quarter and half year ended 30 September 2009, respectively, is lower than claims settled of 144 and 320 for the same period last year, respectively. The average claim settlement for the half year ended 30 September 2009 of A$176,433 is A$1,533 higher than the same period last year and broadly in line with the actuarial expectation for the half year.

Asbestos claims paid of A$28.8 million and A$56.1 million for the quarter and half year ended 30 September 2009, respectively, are in line with the actuarial expectation of A$28.6 million and A$57.1 million for the quarter and half year ended 30 September 2009, respectively.

Readers are referred to Note 6 of the company's 30 September 2009 Condensed Consolidated Financial Statements for further information on asbestos adjustments.

EBIT

EBIT for the quarter moved from US$192.2 million to a loss of US$0.8 million. The loss for the quarter includes net unfavourable asbestos adjustments of US$62.7 million, AICF SG&A expenses of US$0.5 million and ASIC expenses of US$0.4 million. For the same period in the prior year, EBIT included net favourable asbestos adjustments of US$140.8 million, AICF SG&A expenses of US$0.3 million and ASIC expenses of US$5.0 million, as shown in the table below.

EBIT for the half year moved from US$215.1 million for the same period last year to a loss of US$57.9 million for the current period. The loss for the half year includes net unfavourable asbestos adjustments of US$182.5 million, AICF SG&A expense of US$1.0 million and ASIC expenses of US$1.0 million. For the same period in the prior year, EBIT included net favourable asbestos adjustment of US$100.3 million and AICF SG&A expenses of US$0.9 million and ASIC expenses of US$6.5 million, as shown in the table below.

All of the asbestos adjustments described above are solely the result of movements in the Australian dollar/US dollar foreign exchange rate during the relevant periods.

EBIT — US$ Millions	Q2 FY10	Q2 FY09	% Change	HY FY10	HY FY09	% Change
	Three Months and First Half Year Ended 30 September					
USA and Europe Fibre Cement	$ 65.3	$ 61.1	7	$ 134.1	$ 126.7	6
Asia Pacific Fibre Cement	16.2	14.1	15	27.1	29.9	(9)
Research & Development	(4.8)	(5.0)	4	(8.8)	(10.0)	12
General Corporate:						
General corporate costs	(14.3)	(18.5)	23	(26.8)	(30.9)	13
Asbestos adjustments	(62.7)	140.8	—	(182.5)	100.3	—
AICF SG&A expenses	(0.5)	(0.3)	(67)	(1.0)	(0.9)	(11)
EBIT	(0.8)	192.2	—	(57.9)	215.1	—
Excluding:						
Asbestos:						
Asbestos adjustments	62.7	(140.8)	—	182.5	(100.3)	—
AICF SG&A expenses	0.5	0.3	67	1.0	0.9	11
ASIC expenses	0.4	5.0	(92)	1.0	6.5	(85)
EBIT excluding asbestos and ASIC expenses	**$ 62.8**	**$ 56.7**	**11**	**$ 126.6**	**$ 122.2**	**4**
Net sales	$304.2	$ 341.9	(11)	$ 588.7	$ 706.9	(17)
EBIT margin excluding asbestos and ASIC expenses	20.6%	16.6%		21.5%	17.3%	

USA and Europe Fibre Cement EBIT

Despite a 17% and 21% decrease in volume for the quarter and half year, respectively, USA and Europe Fibre Cement EBIT increased 7% from US$61.1 million to US$65.3 million for the quarter and increased 6% from US$126.7 million to US$134.1 million for the half year. This increase was driven by improved plant performance, which contributed to lower average unit manufacturing costs, as well as lower freight costs, an increase in the average net sales price and a slight decrease in SG&A expenses. The USA and Europe Fibre Cement EBIT margin was 5.3 percentage points higher at 28.6% for the quarter and was 6.5 percentage points higher at 29.7% for the half year.

Asia Pacific Fibre Cement EBIT

Asia Pacific Fibre Cement EBIT for the quarter increased 15% from US$14.1 million to US$16.2 million. The underlying Australian dollar business results accounted for 21% of this increase, partially offset by a 6% decline in the Asia Pacific business' currencies compared to the US dollar. In Australian dollars, Asia Pacific Fibre Cement EBIT for the quarter increased 21% due to a higher gross margin performance. The EBIT margin was 3.6 percentage points higher at 21.5%.

Asia Pacific Fibre Cement EBIT for the half year decreased 9% from US$29.9 million to US$27.1 million. Unfavourable currency exchange rate movements in the Asia Pacific business' currencies compared to the US dollar accounted for 13% of this decrease, partially offset by a 4% increase in the underlying Australian dollar business results. In Australian dollars, Asia Pacific Fibre Cement EBIT for the half year increased 4% due to an improved gross margin performance. The EBIT margin was 1.5 percentage points higher at 19.9%.

General Corporate Costs

Notwithstanding substantial costs incurred in preparing for and running the RCI/ATO court proceedings in September, general corporate costs for the quarter decreased 23% from US$18.5 million to US$14.3 million. For the half year, general corporate costs decreased 13% from US$30.9 million to US$26.8 million.

The company incurred professional services costs associated with the company's proposed domicile change of US$2.7 million and US$7.2 million in the current quarter and half year, respectively, compared to US$0.1 million and US$0.3 million in the corresponding quarter and half year of the prior year, respectively.

For the quarter, ASIC expenses fell from US$5.0 million in the second quarter of the prior year, to US$0.4 million in the current quarter. For the half year, ASIC expenses decreased from US$6.5 million in the prior year to US$1.0 million in the current year.

General corporate costs excluding ASIC and re-domicile costs for the quarter decreased from US$13.4 million in the prior year to US$11.2 million in the current year. General corporate costs excluding re-domicile costs for the half year decreased from US$24.1 million in the prior year to US$18.6 million in the current year. Lower corporate spending and the stronger US dollar exchange rate on the high proportion of corporate costs incurred in euros and Australian dollars contributed to the decrease.

Net Interest Expense

Net interest expense for the quarter moved from an income of US$0.3 million in the corresponding quarter of the prior year, to an expense of US$0.4 million in the current quarter. Net interest expense for the quarter ended 30 September 2009 includes AICF interest income of US$1.0 million and a realised loss of US$0.7 million on interest rate swaps for the quarter ended 30 September 2009. Net interest expense for the quarter ended 30 September 2008 included AICF interest income of US$2.3 million and nil related to interest rate swaps.

For the half year, net interest expense increased from US$0.8 million in the prior year to US$1.1 million. Net interest expense for the half year ended 30 September 2009 includes AICF interest income of US$1.7 million and a realised loss of US$1.1 million on interest rate swaps for the half year ended 30 September 2009. Net interest expense for the half year ended 30 September 2008 included AICF interest income of US$3.2 million and nil related to interest rate swaps.

Other Income

AICF Investments

During the six months ended 30 September 2009, the AICF sold US$29.3 million (A$36.8 million) of its short-term investments which at 31 March 2009 had been adjusted to their fair market value of US$27.0 million (A$33.9 million). The sales for the six months ended 30 September 2009 resulted in a realised gain of US$2.3 million (A$2.9 million) recorded in the line item *Other Income*.

At 30 September 2009, the company revalued the AICF's remaining short-term investments available-for-sale resulting in a positive mark-to-market fair value adjustment of US$5.1 million (A$6.4 million). This appreciation in the value of the investments is recorded as an unrealised gain in *Other Comprehensive Income*.

Interest Rate Swaps

At 30 September 2009 the company had interest rate swap contracts with a total principal of US$250.0 million. For all of these interest rate swap contracts, the company has agreed to pay fixed interest rates while receiving a floating interest rate. These contracts were entered into to protect against upward movements in US$ London Interbank Offered Rate (LIBOR) and the associated interest the company pays on its external credit facilities. At 30 September 2009, the weighted average fixed interest rate of these contracts was 2.49% per annum and the weighted average remaining life was 3.3 years. These contracts have a fair value of US$0.6 million, which is included in *Accounts and Notes Receivable*. Movements in the fair value of these interest rate swaps are recorded in the statement of operations in *Other Income*. For the quarter and half year ended 30 September 2009, the company recorded an unrealised loss on interest rate swaps of US$2.9 million and unrealised gain on interest rate swaps of US$1.5 million, respectively.

On a quarterly basis, the company settles the net quarterly interest position with counterparties to the interest rate swaps. These net settlements are recorded as *Interest Expense*. For the quarter and half year ended 30 September 2009, the company recorded US$0.7 million and US$1.1 million of interest expense related to these net settlements, respectively.

Income Tax

Income Tax Expense

Income tax expense for the quarter decreased from US$39.0 million to US$17.4 million and from US$59.4 million to US$42.3 million for the half year. The company's effective tax rate on earnings excluding asbestos and tax adjustments was 36.0% for the quarter, compared to 37.2% for the same quarter of the prior period, and 37.1% for the half year, compared to 37.6% for the corresponding prior period. The change in effective tax rates excluding asbestos and tax adjustments compared with last year is attributable to changes in the geographic mix of earnings and expenses.

Tax Adjustments

The company recorded favourable tax adjustments of US$3.5 million and US$3.8 million for the quarter and half year ended 30 September 2009, compared to the unfavourable tax adjustments of US$20.5 million and US$17.4 million for the quarter and half year of the prior period. The tax adjustments made in the second quarters and the half years of fiscal years 2009 and 2010 relate to unrecognised tax benefit adjustments.

Australian Taxation Office (ATO) — 1999 Disputed Amended Assessment

In March 2006, RCI Pty Ltd (RCI), a wholly-owned subsidiary of the company, received an amended assessment from the ATO in respect of RCI's income tax return for the year ended 31 March 1999.

On 30 May 2007, the ATO issued a Notice of Decision disallowing the company's objection to the amended assessment (Objection Decision). On 11 July 2007, the company filed an application appealing the Objection Decision with the Federal Court of Australia. The matter was heard before the Federal Court of Australia in September 2009. Judgment was reserved and has not yet been handed down.

The company believes that it is more-likely-than-not that the tax position reported in RCI's tax return for the 1999 fiscal year will be upheld on appeal. Therefore, the company has not recorded any liability at 30 September 2009 for the amended assessment.

The company expects that amounts paid in respect of the amended assessment will be recovered by RCI (with interest) at the time RCI is successful in its appeal against the amended assessment.

As a result, the company has treated all payments in respect of the amended assessment that have been made up to 30 September 2009 and related accrued interest receivable as a deposit, and it is the company's intention to treat any payments to be made at a later date as a deposit. At 30 September 2009 and 31 March 2009, this deposit totalled US$229.3 million (A$261.0 million) and US$173.5 million (A$252.5 million), respectively.

Readers are referred to Note 9 of the company's 30 September 2009 Condensed Consolidated Financial Statements for further information on income taxes and income tax-related issues.

Net Operating (Loss) Profit

Net operating loss for the quarter was US$19.6 million, compared to a profit of US$153.5 million for the same quarter of the prior period. Net operating profit excluding asbestos, ASIC expenses and tax adjustments increased 4% from US$36.2 million to US$37.6 million as shown in the table below.

For the half year, net operating loss moved from a profit of US$154.9 million to a loss of US$97.5 million. Net operating profit excluding asbestos, ASIC expenses and tax adjustments increased 4% from US$76.2 million to US$79.2 million as shown in the table below.

	Three Months and First Half Year Ended 30 September					
Net Operating Profit - US$ millions	Q2 FY10	Q2 FY09	% Change	HY FY10	HY FY09	% Change
Net operating (loss) profit	$ (19.6)	$ 153.5	—	$ (97.5)	$ 154.9	—
Excluding:						
Asbestos:						
Asbestos adjustments	62.7	(140.8)	—	182.5	(100.3)	—
AICF SG&A expenses	0.5	0.3	67	1.0	0.9	11
AICF interest income	(1.0)	(2.3)	57	(1.7)	(3.2)	47
Gain on AICF investments	(1.9)	—	—	(2.3)	—	—
ASIC expenses	0.4	5.0	(92)	1.0	6.5	(85)
Tax adjustments	(3.5)	20.5	—	(3.8)	17.4	—
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	**$ 37.6**	**$ 36.2**	**4**	**$ 79.2**	**$ 76.2**	**4**

Dividend

The company announced on 20 May 2009 that it would omit the year-end dividend for fiscal year 2009 to conserve capital and that, until such time as market and global economic conditions improve significantly and the level of uncertainty surrounding future industry trends as well as company specific contingencies dissipates, it is anticipated the company will continue to omit dividends in order to conserve capital. This remains the company's position.

Cash Flow

Net operating cash flow for the half year ended 30 September 2009 increased to US$152.1 million, from US$93.3 million in the same period last year. Capital expenditures for the purchase of property, plant and equipment for the half year ended 30 September 2009 increased to US$20.9 million from US$9.4 million in the same period of the prior year.

The strength of the free cash flow in the quarter and half year enabled the company to reduce net debt by US$62.1 million and US$53.3 million, respectively, during the second and first quarters of the current fiscal year.

Liquidity and Capital Resources

At 30 September 2009, the company had net debt of US$166.2 million, a decrease of US$115.4 million from net debt of US$281.6 million at 31 March 2009.

The company has historically met its working capital needs and capital expenditure requirements from a combination of cash flow from operations, proceeds from the divestiture of businesses, credit facilities and other borrowings, 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 its short-term or long-term liquidity. The company anticipates it will have sufficient funds to meet its planned working capital and other expected cash requirements for the next 12 months based on its existing cash balances, cash available under proposed new credit facilities and anticipated operating cash flows arising during the year. The company anticipates that any additional cash requirements will be met from existing cash, unutilised committed credit facilities, anticipated future net operating cash flows and proposed new credit facilities.

Excluding restricted cash, the company had cash and cash equivalents of US$45.8 million as of 30 September 2009. At that date, it also had credit facilities totalling US$446.7 million, of which US$212.0 million was drawn. The credit facilities are all uncollateralised and consist of the following:

	At 30 September 2009		
Description	**Effective Interest Rate**	**Total Facility**	**Principal Drawn**
(US$ millions)			
364-day facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until November 2009	1.15%	$ 50.0	$ 50.0
364-day facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until June 2010	—	16.7	—
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until June 2010	0.94%	245.0	144.0
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until February 2011	1.13%	45.0	18.0
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until February 2013	—	90.0	—
Total		**$446.7**	**$ 212.0**

The weighted average remaining term of the total credit facilities, US$446.7 million at 30 September 2009, was 1.2 years.

Credit facilities as of 30 September 2009 consist of 364-day facilities in the amount of US$50.0 million which expired in November 2009. Total facilities at 23 November 2009 are US$396.7 million.

If the company is unable to extend its credit facilities, or is unable to renew its credit facilities on terms that are substantially similar to the ones it presently has, it may experience liquidity issues and may have to reduce its levels of planned capital expenditures, continue to suspend dividend payments or take other measures to conserve cash in order to meet its future cash flow requirements.

Asbestos Compensation

Since the AICF was established in 2007, the company has contributed A$302 million to the fund. In fiscal year 2010, contributions to the AICF were restricted by the decline in the company's cash flow as a result of, among other things, the unprecedented downturn in the US housing markets.

On 23 April 2009, James Hardie and the New South Wales (NSW) Government were advised by the AICF that its Board had determined that it was reasonably foreseeable that, within two years, the available assets of the AICF were likely to be insufficient to fund the payment of all reasonably foreseeable liabilities.

On 7 November 2009, the NSW Government and the Australian Government advised that the Australian Government will loan up to A$160 million to the NSW Government to contribute towards a standby loan facility of up to A$320 million that the NSW Government will make available to the AICF. The proposed standby loan facility will enable the AICF to meet a short-term funding shortfall, and to continue to make payments in full.

James Hardie will now work with the AICF, the NSW Government and the Australian Government to finalise the terms and documentation of the proposed standby loan facility.

Acknowledging the standby loan facility, James Hardie reiterated its commitment to the Amended FFA negotiated between the company, the AICF and the NSW Government. Furthermore, based on its fiscal year results to date, James Hardie anticipates that it will make a contribution to the AICF in 2010 in accordance with the Amended FFA.

Corporate Restructure

On 21 August 2009, JHI NV shareholders approved Stage 1 of the two-stage proposal (the Proposal) to transform the company into a Societas Europaea (SE) (Stage 1) and, subsequently, change its domicile from The Netherlands to Ireland (Stage 2). Readers are referred to the company's Registration Statement on Form F-4 (File No. 333-160177) filed with the United States Securities and Exchange Commission, as amended, for further information on the Proposal.

END

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This Management's Analysis of Results forms part of a package of information about James Hardie's results. It should be read in conjunction with the other parts of this package, including the Media Release, the Management Presentation and the Condensed Consolidated Financial Statements.

These documents, along with a webcast of the presentation on 23 November 2009, are available from the Investor Relations area of the James Hardie website at www.jameshardie.com

The company routinely posts information that may be of importance to investors in the Investor Relations section of its website, including press releases, financial results and other information. The company encourages investors to consult this section of its website regularly.

The company lodged its annual filing for the year ended 31 March 2009 with the SEC on 25 June 2009.

All holders of the company's securities may receive, on request, a hard copy of our complete audited financial statements, free of charge. Requests can be made via the Investor Relations area of the company's website or by contacting one of the company's corporate offices. Contact details are available on the company's website.

Definitions

Financial Measures – US GAAP equivalents

EBIT and EBIT margin – EBIT, as used in this document, is equivalent to the US GAAP measure of operating income. EBIT margin is defined as EBIT as a percentage of net sales. James Hardie believes EBIT and EBIT margin to be relevant and useful information as these are the primary measures used by management to measure the operating profit or loss of its business. EBIT is one of several metrics used by management to measure the earnings generated by the company's operations, excluding interest and income tax expenses. Additionally, EBIT is believed to be a primary measure and terminology used by its Australian investors. 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 the company has defined them, may not be comparable to similarly titled measures reported by other companies.

Operating profit – is equivalent to the US GAAP measure of income.

Net operating profit – is equivalent to the US GAAP measure of net income.

Sales Volume

mmsf – million square feet, where a square foot is defined as a standard square foot of 5/16" thickness.

msf – thousand square feet, where a square foot is defined as a standard square foot of 5/16" thickness.

Financial Ratios

Gearing Ratio – Net debt (cash) divided by net debt (cash) plus shareholders' equity.

Net interest expense cover – EBIT divided by net interest expense.

Net interest paid cover – EBIT divided by cash paid during the period for interest, net of amounts capitalised.

Net debt payback – Net debt (cash) divided by cash flow from operations.

Net debt (cash) – short-term and long-term debt less cash and cash equivalents.

Non-US GAAP Financial Measures

EBIT and EBIT margin excluding asbestos and ASIC expenses – EBIT and EBIT margin excluding asbestos and ASIC expenses are not measures of financial performance under US GAAP and should not be considered to be more meaningful than EBIT and EBIT margin. James Hardie has included these financial measures to provide investors with an alternative method for assessing its operating results in a manner that is focussed on the performance of its ongoing operations and provides useful information regarding its financial condition and results of operations. The company uses these non-US GAAP measures for the same purposes.

US$ Millions	Q2 FY 2010	Q2 FY 2009	HY FY 2010	HY FY 2009
EBIT	$ (0.8)	$ 192.2	$ (57.9)	$ 215.1
Asbestos:				
Asbestos adjustments	62.7	(140.8)	182.5	(100.3)
AICF SG&A expenses	0.5	0.3	1.0	0.9
ASIC expenses	0.4	5.0	1.0	6.5
EBIT excluding asbestos and ASIC expenses	62.8	56.7	126.6	122.2
Net Sales	$304.2	$ 341.9	$588.7	$ 706.9
EBIT margin excluding asbestos and ASIC expenses	20.6%	16.6%	21.5%	17.3%

Net operating profit excluding asbestos, ASIC expenses and tax adjustments – Net operating profit excluding asbestos, ASIC expenses and tax adjustments is not a measure of financial performance under US GAAP and should not be considered to be more meaningful than net income. The company has included this financial measure to provide investors with an alternative method for assessing its operating results in a manner that is focussed on the performance of its ongoing operations. The company uses this non-US GAAP measure for the same purposes.

US$ Millions	Q2 FY 2010	Q2 FY 2009	HY FY 2010	HY FY 2009
Net operating (loss) profit	$ (19.6)	$ 153.5	$ (97.5)	$ 154.9
Asbestos:				
Asbestos adjustments	62.7	(140.8)	182.5	(100.3)
AICF SG&A expenses	0.5	0.3	1.0	0.9
AICF interest income	(1.0)	(2.3)	(1.7)	(3.2)
Gain on AICF investments	(1.9)	—	(2.3)	—
ASIC expenses	0.4	5.0	1.0	6.5
Tax adjustments	(3.5)	20.5	(3.8)	17.4
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	$ 37.6	$ 36.2	$ 79.2	$ 76.2

Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments – Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments is not a measure of financial performance under US GAAP and should not be considered to be more meaningful than diluted earnings per share. The company has included this financial measure to provide investors with an alternative method for assessing its operating results in a manner that is focussed on the performance of its ongoing operations. The company's management uses this non-US GAAP measure for the same purposes.

US$ Millions	Q2 FY 2010	Q2 FY 2009	HY FY 2010	HY FY 2009
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	$ 37.6	$ 36.2	$ 79.2	$ 76.2
Weighted average common shares outstanding - Diluted (millions)	436.4	433.0	436.0	433.1
Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments (US cents)	8.6	8.4	18.2	17.6

Effective tax rate excluding asbestos and tax adjustments – Effective tax rate excluding asbestos and tax adjustments is not a measure of financial performance under US GAAP and should not be considered to be more meaningful than effective tax rate. The company has included this financial measure to provide investors with an alternative method for assessing its operating results in a manner that is focussed on the performance of its ongoing operations. The company's management uses this non-US GAAP measure for the same purposes.

US$ Millions	Q2 FY 2010	Q2 FY 2009	HY FY 2010	HY FY 2009
Operating (loss) profit before income taxes	$ (2.2)	$ 192.5	$ (55.2)	$ 214.3
Asbestos:				
Asbestos adjustments	62.7	(140.8)	182.5	(100.3)
AICF SG&A expenses	0.5	0.3	1.0	0.9
AICF interest income	(1.0)	(2.3)	(1.7)	(3.2)
Gain on AICF investments	(1.9)	—	(2.3)	—
Operating profit before income taxes excluding asbestos	$ 58.1	$ 49.7	$124.3	$ 111.7
Income tax expense	(17.4)	(39.0)	(42.3)	(59.4)
Tax adjustments	(3.5)	20.5	(3.8)	17.4
Income tax expense excluding tax adjustments	(20.9)	(18.5)	(46.1)	(42.0)
Effective tax rate excluding asbestos and tax adjustments	36.0%	37.2%	37.1%	37.6%

EBITDA – is not a measure of financial performance under US GAAP and should not be considered an alternative to, or more meaningful than, income from operations, net income or cash flows as defined by US GAAP or as a measure of profitability or liquidity. Not all companies calculate EBITDA in the same manner as James Hardie has and, accordingly, EBITDA may not be comparable with other companies. The company has included information concerning EBITDA because it believes that this data is commonly used by investors to evaluate the ability of a company's earnings from its core business operations to satisfy its debt, capital expenditure and working capital requirements.

US$ Millions	Q2 FY 2010	Q2 FY 2009	HY FY 2010	HY FY 2009
EBIT	$ (0.8)	$192.2	$ (57.9)	$215.1
Depreciation and amortisation	14.8	14.6	29.8	28.6
EBITDA	$ 14.0	$206.8	$ (28.1)	$243.7

General corporate costs excluding ASIC and domicile change related costs – General corporate costs excluding ASIC and domicile change related costs is not a measure of financial performance under US GAAP and should not be considered to be more meaningful than general corporate costs. James Hardie has included these financial measures to provide investors with an alternative method for assessing its operating results in a manner that is focussed on the performance of its ongoing operations and provides useful information regarding its financial condition and results of operations. The company uses these non-US GAAP measures for the same purposes.

US$ Millions	Q2 FY 2010	Q2 FY 2009	HY FY 2010	HY FY 2009
General corporate costs	$ 14.3	$ 18.5	$ 26.8	$ 30.9
Excluding:				
ASIC expenses	(0.4)	(5.0)	(1.0)	(6.5)
Domicile change related costs	(2.7)	(0.1)	(7.2)	(0.3)
General corporate costs excluding ASIC and domicile change related costs	$ 11.2	$ 13.4	$ 18.6	$ 24.1

Supplemental Financial Information

James Hardie's management measures its operating performance and analyses year-over-year changes in operating results with and without the effect of the net Amended FFA liability recorded in the fourth quarter of fiscal year 2006 and believes that security holders will do the same.

As set forth in Note 6 of the 30 September 2009 Condensed Consolidated Financial Statements, the net Amended FFA liability, while recurring, is based on periodic actuarial determinations, claims, experience and currency fluctuations. It has no relation to the results of the company's operations. Accordingly, management believes that the following information is useful to it and investors in evaluating ongoing operating financial performance.

The following tables are considered non-GAAP and are not intended to be used or viewed in any respect as substitutes for the company's GAAP consolidated financial statements. These non-GAAP measures should only be viewed as a supplement to reported GAAP financial statements, and, in all cases, the corresponding GAAP amounts are shown on the same line as the non-GAAP measure, to avoid any possible confusion.

The following tables should be read in conjunction with JHI NV's financial statements and related notes contained in the company's 30 September 2009 Condensed Consolidated Financial Statements.

Management's Analysis of Results: James Hardie – 2nd quarter and Half Year FY10

James Hardie Industries N.V.
Consolidated Balance Sheet
30 September 2009
(unaudited)

US$ Millions	Total Fibre Cement Operations- excluding Asbestos Compensation	Asbestos Compensation	As Reported
ASSETS			
Current assets			
Cash and cash equivalents	$ 294.7	$ (248.9)	$ 45.8
Restricted cash and cash equivalents	5.3	—	5.3
Restricted cash and cash equivalents — Asbestos	—	45.8	45.8
Restricted short-term investments — Asbestos	—	43.5	43.5
Accounts and notes receivable, net of allowance for doubtful accounts of $1.7 million	127.5	0.1	127.6
Inventories	128.4	—	128.4
Prepaid expenses and other current assets	32.2	0.2	32.4
Insurance receivable — Asbestos	—	16.1	16.1
Workers' compensation — Asbestos	—	0.7	0.7
Deferred income taxes	26.8	—	26.8
Deferred income taxes — Asbestos	—	15.8	15.8
Total current assets	**614.9**	**(126.7)**	**488.2**
Property, plant and equipment, net	708.1	1.4	709.5
Insurance receivable — Asbestos	—	184.7	184.7
Workers' compensation — Asbestos	—	94.3	94.3
Deferred income taxes	3.0	—	3.0
Deferred income taxes — Asbestos	—	410.1	410.1
Deposit with Australian Taxation Office	229.3	—	229.3
Other assets	1.6	—	1.6
Total assets	**$ 1,556.9**	**$ 563.8**	**$ 2,120.7**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	$ 95.6	$ 0.8	$ 96.4
Short-term debt	50.0	—	50.0
Current portion of long-term debt	144.0	—	144.0
Accrued payroll and employee benefits	33.9	0.2	34.1
Accrued product warranties	7.8	—	7.8
Income taxes payable	37.6	(34.0)	3.6
Asbestos liability	—	100.0	100.0
Workers' compensation — Asbestos	—	0.7	0.7
Other liabilities	22.1	—	22.1
Total current liabilities	**391.0**	**67.7**	**458.7**
Long-term debt	18.0	—	18.0
Deferred income taxes	109.6	—	109.6
Accrued product warranties	20.1	—	20.1
Asbestos liability	—	1,491.4	1,491.4
Workers' compensation — Asbestos	—	94.3	94.3
Other liabilities	78.8	2.8	81.6
Total liabilities	**617.5**	**1,656.2**	**2,273.7**
Commitments and contingencies			
Shareholders' equity (deficit)			
Common stock	219.7	—	219.7
Additional paid-in capital	28.2	—	28.2
Retained earnings (accumulated deficit)	647.2	(1,097.5)	(450.3)
Accumulated other comprehensive income	44.3	5.1	49.4
Total shareholders' equity (deficit)	939.4	(1,092.4)	(153.0)
Total liabilities and shareholders' equity (deficit)	**$ 1,556.9**	**$ 563.8**	**$ 2,120.7**

James Hardie Industries N.V.
Consolidated Statement of Operations
For the six months ended 30 September 2009
(unaudited)

US$ Millions	Total Fibre Cement Operations-excluding Asbestos Compensation	Asbestos Compensation	As Reported
Net Sales	588.7	—	588.7
Cost of goods sold	(360.7)	—	(360.7)
Gross profit	228.0	—	228.0
Selling, general and administrative expenses	(89.4)	(1.0)	(90.4)
Research and development expenses	(13.0)	—	(13.0)
Asbestos adjustments	—	(182.5)	(182.5)
EBIT	125.6	(183.5)	(57.9)
Net Interest (expense) income	(2.8)	1.7	(1.1)
Other income	1.5	2.3	3.8
Operating profit (loss) before income taxes	124.3	(179.5)	(55.2)
Income tax expense	(42.3)	—	(42.3)
Net Operating Profit (Loss)	**$ 82.0**	**$ (179.5)**	**$ (97.5)**

James Hardie Industries N.V.
Consolidated Statement of Cash Flows
For the six months ended 30 September 2009
(unaudited)

US$ Millions	Total Fibre Cement Operations- excluding Asbestos Compensation	Asbestos Compensation	As Reported
Cash Flows from Operating Activities			
Net income (loss)	$ 82.0	$ (179.5)	$ (97.5)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortisation	29.8	—	29.8
Deferred income taxes	9.8	14.3	24.1
Prepaid pension cost	0.2	—	0.2
Stock-based compensation	4.0	—	4.0
Asbestos adjustments	—	182.5	182.5
Changes in operating assets and liabilities:			
Restricted cash and cash equivalents	—	37.0	37.0
Accounts and notes receivable	(11.6)	(0.2)	(11.8)
Inventories	4.9	—	4.9
Prepaid expenses and other current assets	(11.0)	(0.2)	(11.2)
Insurance receivable — Asbestos	—	5.3	5.3
Accounts payable and accrued liabilities	5.1	(13.1)	(8.0)
Asbestos liability	—	(46.1)	(46.1)
Deposit with Australian Taxation Office	(6.8)	—	(6.8)
Other accrued liabilities and other liabilities	45.7	—	45.7
Net cash provided by operating activities	$ 152.1	$ —	$ 152.1
Cash Flows From Investing Activities			
Purchases of property, plant and equipment	(20.9)	—	(20.9)
Net cash used in investing activities	$ (20.9)	$ —	$ (20.9)
Cash Flows from Financing Activities			
Repayments of short-term borrowings	(102.3)	—	(102.3)
Proceeds from long-term borrowings	15.0	—	15.0
Repayments of long term borrowings	(24.7)	—	(24.7)
Proceeds from issuance of shares	2.0	—	2.0
Net cash used in financing activities	$ (110.0)	$ —	$ (110.0)
Effect of exchange rate changes on cash	(17.8)	—	(17.8)
Net increase in cash and cash equivalents	3.4	—	3.4
Cash and cash equivalents at beginning of period	42.4	—	42.4
Cash and cash equivalents at end of period	$ 45.8	$ —	$ 45.8
Components of Cash and Cash Equivalents			
Cash at bank and on hand	19.1	—	19.1
Short-term deposits	26.7	—	26.7
Cash and cash equivalents at end of period	$ 45.8	$ —	$ 45.8

Disclaimer

This Management's Analysis of Results contains forward-looking statements. We may from time to time make forward-looking statements in our periodic reports filed with or furnished to the United States Securities and Exchange Commission on Forms 20-F and 6-K, in our annual reports to shareholders, in offering circulars, invitation memoranda and prospectuses, in media releases and other written materials and in oral statements made by our officers, directors or employees to analysts, institutional investors, existing and potential lenders, representatives of the media and others. Statements that are not historical facts are forward-looking statements and such forward-looking statements are statements made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Examples of forward-looking statements include:

- statements about our future performance;
- projections of our results of operations or financial condition;
- statements regarding our plans, objectives or goals, including those relating to our strategies, initiatives, competition, acquisitions, dispositions and/or our products;
- expectations concerning the costs associated with the suspension or closure of operations at any of our plants and future plans with respect to any such plants;
- expectations that our credit facilities will be extended or renewed;
- expectations concerning dividend payments;
- statements concerning our corporate and tax domiciles and potential changes to them;
- statements regarding tax liabilities and related audits and proceedings;
- statements as to the possible consequences of proceedings brought against us and certain of our former directors and officers by the ASIC;
- expectations about the timing and amount of contributions to the AICF, a special purpose fund for the compensation of proven Australian asbestos-related personal injury and death claims;
- expectations concerning indemnification obligations; and
- statements about product or environmental liabilities.

Words such as "believe," "anticipate," "plan," "expect," "intend," "target," "estimate," "project," "predict," "forecast," "guideline," "aim," "will," "should," "continue" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. Readers are cautioned not to place undue reliance on these forward-looking statements and all such forward-looking statements are qualified in their entirety by reference to the following cautionary statements.

Forward-looking statements are based on our estimates and assumptions and because forward-looking statements address future results, events and conditions, they, by their very nature, involve inherent risks and uncertainties. Such known and unknown risks, uncertainties and other factors may cause our actual results, performance or other achievements to differ materially from the anticipated results, performance or achievements expressed, projected or implied by these forward-looking statements. These factors, some of which are discussed under "Key Information - Risk Factors" beginning on page 6 of the Form 20-F filed with the US Securities and Exchange Commission on 25 June 2009, include, but are not limited to: all matters relating to or arising out of the prior manufacture of products that contained asbestos by current and former James Hardie subsidiaries; required contributions to the AICF, any shortfall in the AICF and the effect of currency exchange rate movements on the amount recorded in our financial statements as an asbestos liability; compliance with and changes in tax laws and treatments; competition and product pricing in the markets in which we operate; the consequences of product failures or defects; exposure to environmental, asbestos or other legal proceedings; general economic and market conditions; the supply and cost of raw materials; the success of research and development efforts; reliance on a small number of customers; a customer's inability to pay; compliance with and changes in environmental and health and safety laws; risks of conducting business internationally; our pending transformation to a Dutch "SE" company and proposal to transfer our corporate domicile from The Netherlands to Ireland to become an Irish "SE" company; compliance with and changes in laws and regulations; currency exchange risks; the concentration of our customer base on large format retail customers, distributors and dealers; the effect of natural disasters; changes in our key management personnel; inherent limitations on internal controls; use of accounting estimates; and all other risks identified in our reports filed with Australian, Dutch and US securities agencies and exchanges (as appropriate). We caution you that the foregoing list of factors is not exhaustive and that other risks and uncertainties may cause actual results to differ materially from those in forward-looking statements. Forward-looking statements speak only as of the date they are made and are statements of our current expectations concerning future results, events and conditions.

Exhibit 99.4


James Hardie
Q2 FY10 Management Presentation
23 November 2009

Disclaimer

James Hardie

This Management Presentation contains forward-looking statements. We may from time to time make forward-looking statements in our periodic reports filed with or furnished to the United States Securities and Exchange Commission on Forms 20-F and 6-K, in our annual reports to shareholders, in offering circulars, invitation memoranda and prospectuses, in media releases and other written materials and in oral statements made by our officers, directors or employees to analysts, institutional investors, existing and potential lenders, representatives of the media and others. Statements that are not historical facts are forward-looking statements and such forward-looking statements are statements made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Examples of forward-looking statements include:

- *statements about our future performance;*
- *projections of our results of operations or financial condition;*
- *statements regarding our plans, objectives or goals, including those relating to our strategies, initiatives, competition, acquisitions, dispositions and/or our products;*
- *expectations concerning the costs associated with the suspension or closure of operations at any of our plants and future plans with respect to any such plants;*
- *expectations that our credit facilities will be extended or renewed;*
- *expectations concerning dividend payments;*
- *statements concerning our corporate and tax domiciles and potential changes to them;*
- *statements regarding tax liabilities and related audits and proceedings;*
- *statements as to the possible consequences of proceedings brought against us and certain of our former directors and officers by the Australian Securities & Investments Commission;*
- *expectations about the timing and amount of contributions to the Asbestos Injuries Compensation Fund, a special purpose fund for the compensation of proven Australian asbestos-related personal injury and death claims;*
- *expectations concerning indemnification obligations; and*
- *statements about product or environmental liabilities.*

Words such as "believe," "anticipate," "plan," "expect," "intend," "target," "estimate," "project," "predict," "forecast," "guideline," "aim," "will," "should," "continue" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. Readers are cautioned not to place undue reliance on these forward-looking statements and all such forward-looking statements are qualified in their entirety by reference to the following cautionary statements.

Forward-looking statements are based on our estimates and assumptions and because forward-looking statements address future results, events and conditions, they, by their very nature, involve inherent risks and uncertainties. Such known and unknown risks, uncertainties and other factors may cause our actual results, performance or other achievements to differ materially from the anticipated results, performance or achievements expressed, projected or implied by these forward-looking statements. These factors, some of which are discussed under "Key Information - Risk Factors" beginning on page 6 of the Form 20-F filed with the US Securities and Exchange Commission on 25 June 2009, include, but are not limited to: all matters relating to or arising out of the prior manufacture of products that contained asbestos by current and former James Hardie subsidiaries; required contributions to the AICF, any shortfall in the AICF and the effect of currency exchange rate movements on the amount recorded in our financial statements as an asbestos liability; compliance with and changes in tax laws and treatments; competition and product pricing in the markets in which we operate; the consequences of product failures or defects; exposure to environmental, asbestos or other legal proceedings; general economic and market conditions; the supply and cost of raw materials; the success of research and development efforts; reliance on a small number of customers; a customer's inability to pay; compliance with and changes in environmental and health and safety laws; risks of conducting business internationally; our pending transformation to a Dutch "SE" company and proposal to transfer our corporate domicile from The Netherlands to Ireland to become an Irish "SE" company; compliance with and changes in laws and regulations; currency exchange risks; the concentration of our customer base on large format retail customers, distributors and dealers; the effect of natural disasters; changes in our key management personnel; inherent limitations on internal controls; use of accounting estimates; and all other risks identified in our reports filed with Australian, Dutch and US securities agencies and exchanges (as appropriate). We caution you that the foregoing list of factors is not exhaustive and that other risks and uncertainties may cause actual results to differ materially from those in forward-looking statements. Forward-looking statements speak only as of the date they are made and are statements of our current expectations concerning future results, events and conditions.

Agenda

James Hardie

- Overview and Operating Review – Louis Gries, CEO
- Financial Review – Russell Chenu, CFO
- Questions and Answers

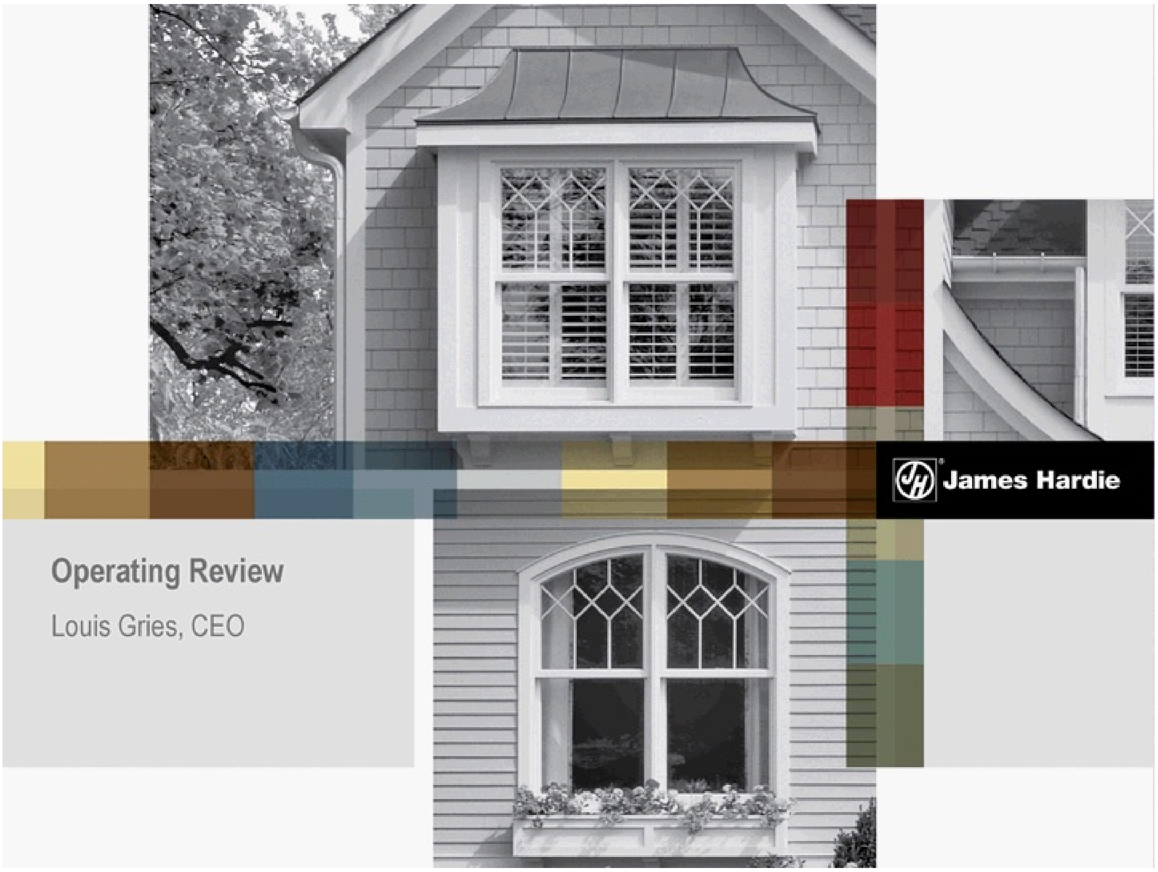
In this Management Presentation, James Hardie may present financial measures, sales volume terms, financial ratios, and Non-US GAAP financial measures included in the Definitions section of this document starting on page 47. The company presents financial measures that it believes are customarily used by its Australian investors. Specifically, these financial measures, which are equivalent to or derived from certain US GAAP measures as explained in the definitions, include "EBIT", "EBIT margin", "Operating profit" and "Net operating profit". The company may also present other terms for measuring its sales volumes ("million square feet or mmsf" and "thousand square feet or msf"); financial ratios ("Gearing ratio", "Net interest expense cover", "Net interest paid cover", "Net debt payback", "Net debt (cash)"); and Non-US GAAP financial measures ("EBIT excluding asbestos, ASIC expenses and asset impairments", "EBIT margin excluding asbestos, ASIC expenses and asset impairments", "Net operating profit excluding asbestos, ASIC expenses, asset impairments and tax adjustments", "Diluted earnings per share excluding asbestos, ASIC expenses, asset impairments and tax adjustments", "Operating profit before income taxes excluding asbestos and asset impairments", "Effective tax rate excluding asbestos, asset impairments and tax adjustments", "EBITDA" and "General corporate costs excluding domicile change related costs"). Unless otherwise stated, results and comparisons are of the 2nd quarter and 1st half of the current fiscal year versus the 2nd quarter and 1st half of the prior fiscal year.

Overview

James Hardie

- Operating results reflect the benefits of lower input and freight costs, improved plant performance and a higher net sales price
- The net operating result including asbestos, ASIC expenses and tax adjustments was primarily affected by an unfavorable asbestos adjustment of US$62.7m for the quarter which is solely attributable to the appreciation of the A$ against the US$

US$ Millions	Q2 FY10	Q2 FY09	% Change	HY FY10	HY FY09	% Change
Net operating (loss) profit	(19.6)	153.5	-	(97.5)	154.9	-
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	**37.6**	**36.2**	**4**	**79.2**	**76.2**	**4**
Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments (US cents)	8.6	8.4	2	18.2	17.6	3


James Hardie
Operating Review
Louis Gries, CEO

Global Strategy

James Hardie

- Aggressively grow demand for our products in targeted market segments
- Grow our overall market position while defending our share in existing market segments
- Offer products with superior value to that of our competitors
- Introduce differentiated products to deliver a sustainable competitive advantage

2nd Quarter USA market conditions

James Hardie

- Ongoing weakness in the US residential construction and repair and remodel markets
- September quarter 2009 single unit housing starts were 139,000, 15% below September quarter 2008
- Single unit annualised housing starts in the month of September 2009 were 26% of their January 2006 peak of 2.265m
- Housing starts remain near historical lows and significant challenges remain
- Repair and remodel down, but has proved more resilient than new construction

USA and Europe Fibre Cement

James Hardie

2nd Quarter Result *

Net Sales	down	13% to US$229.0 million
Sales Volume	down	17% to 356.9 mmsf
Average Price	up	5% to US$642 per msf
EBIT	up	7% to US$65.3 million
EBIT Margin	up	5.3 pts to 28.6%

*Comparisons are of the 2nd quarter of the current fiscal year versus the 2nd quarter of the prior fiscal year

USA and Europe Fibre Cement

James Hardie

Half Year Result *

Net Sales	down	17% to US$452.2 million
Sales Volume	down	21% to 714.0 mmsf
Average Price	up	4% to US$633 per msf
EBIT	up	6% to US$134.1 million
EBIT Margin	up	6.5 pts to 29.7%

*Comparisons are of the half year of the current fiscal year versus the half year of the prior fiscal year

USA and Europe Fibre Cement

James Hardie

2nd Quarter Key Points

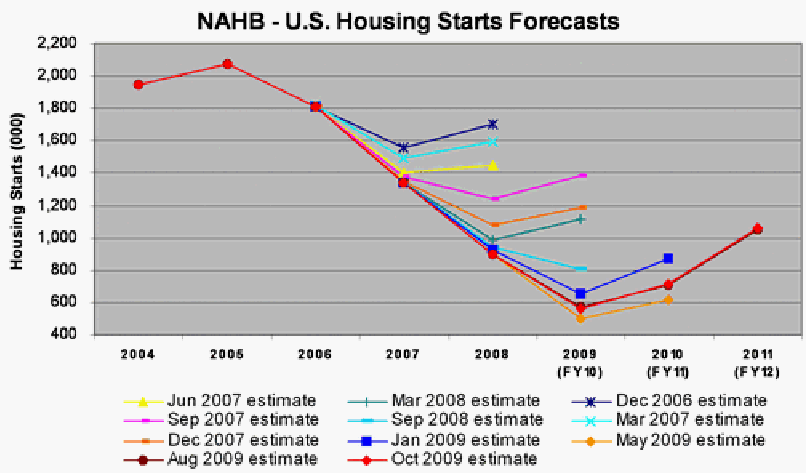
- Sales volumes down due to decline in housing starts and weaker repair and remodel market
- Net sales down due to weaker demand, partially offset by a higher average net sales price
- Key raw materials and energy costs lower compared to previous corresponding quarter. However, prices for pulp and energy, and to a lesser extent freight, were higher than in the first quarter of FY10
- EBIT favourably effected by lower average unit manufacturing costs, lower freight, higher average net sales price and a slight decrease in SG&A spending
- ColorPlus® increased its penetration, gaining 3% to reach 56%, in the north in the second quarter of FY10. Penetration rates of complementary products such as Trim, Soffit and Wrap also increased

Comparisons are second quarter 2010 on second quarter 2009 unless otherwise stated

Total USA Housing Starts – NAHB

James Hardie

- NAHB forecast of 2009 Housing Starts has improved since May's release. Starts are currently forecast to be down 37% or 564k (including MF-high) from prior year.



Source: NAHB Executive Level Forecasts - Total US Housing Starts *(incl. SF, MF-low and MF-high)*

USA and Europe Fibre Cement

James Hardie

Outlook

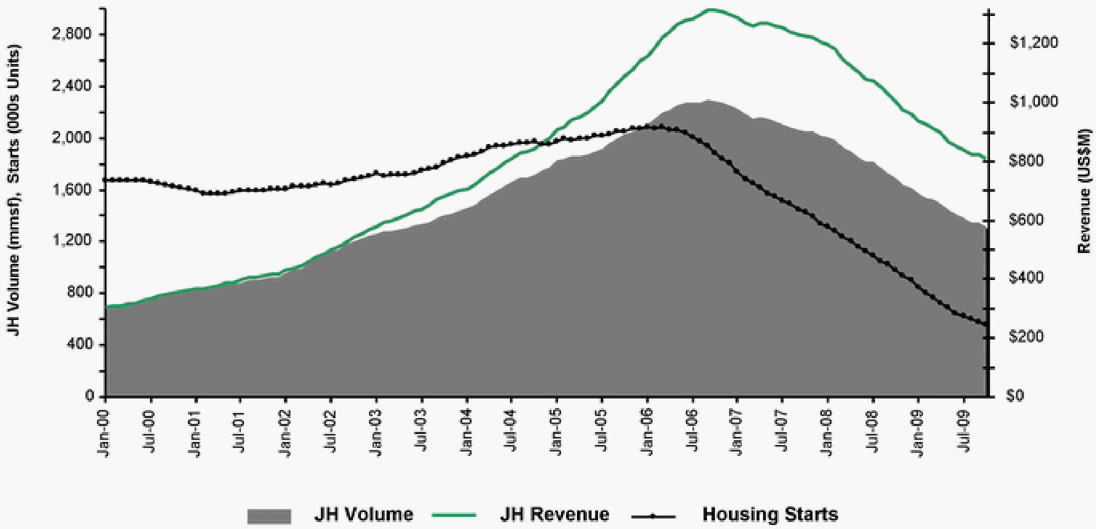
- The US residential construction market continues to be volatile and it remains too early to ascertain the timing, rate or extent of any recovery
- Challenges remain including:
  - restricted access to credit for prospective home owners
  - expiration of the first home buyers' credit at the end of April 2010
  - continued deterioration of employment markets
  - October 2009 decline in housing starts to six month low of 529,000*
- The business remains focused on:
  - driving long term strategy
  - sustaining earnings in a low demand environment and
  - retaining the operational flexibility to lift production and achieve an increased rate of primary demand growth when a recovery eventuates
- We expect the US business will continue to perform solidly, allowing for seasonality, despite the challenging environment

*seasonally adjusted and annualised

USA Fibre Cement

James Hardie

Top Line Growth

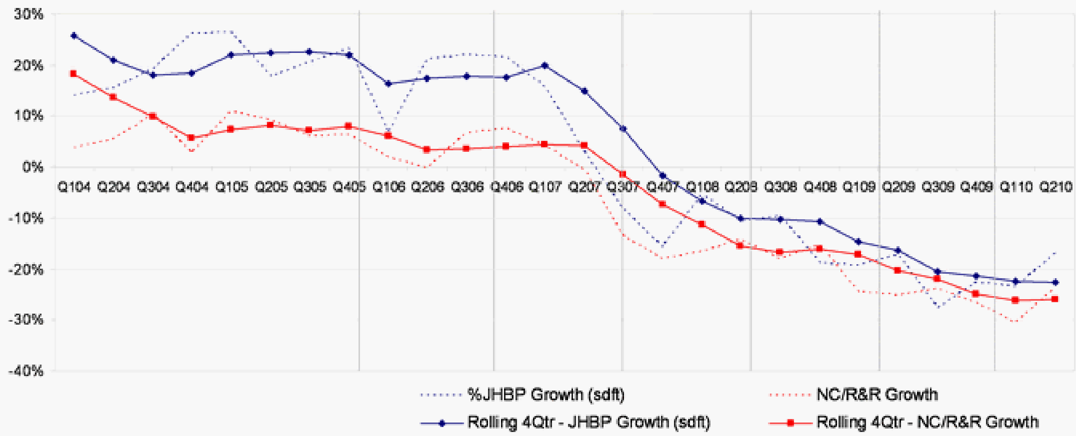


Rolling 12 month average of seasonally adjusted estimate of housing starts by US Census Bureau

USA Fibre Cement

James Hardie

Primary Growth Performance



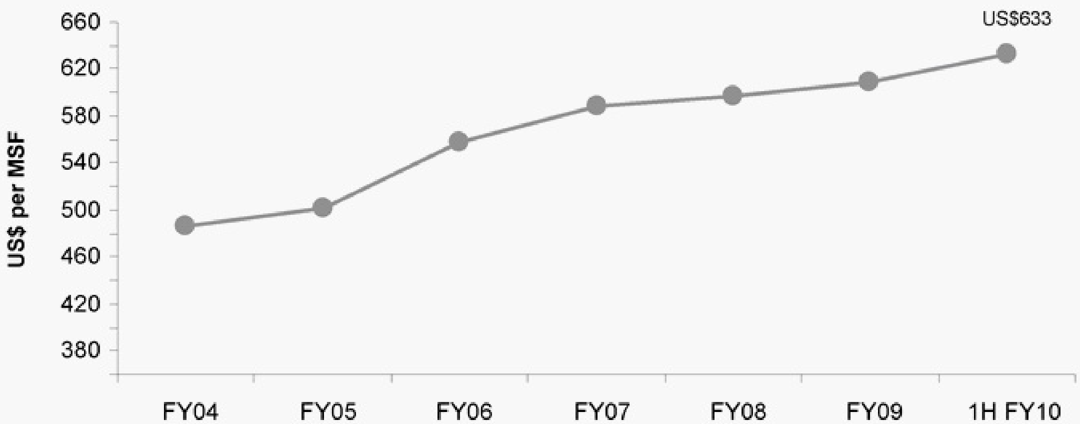
Sources: *Dodge US addressable starts (SF & MF-low); US Census R&R $ expenditures less CPI*

Note:
- *US Census discontinued their R&R $ expenditures report in 2007*
- *2008 R&R = avg. published Home Depot & Lowe's same store sales less CPI*

USA and Europe Fibre Cement

James Hardie

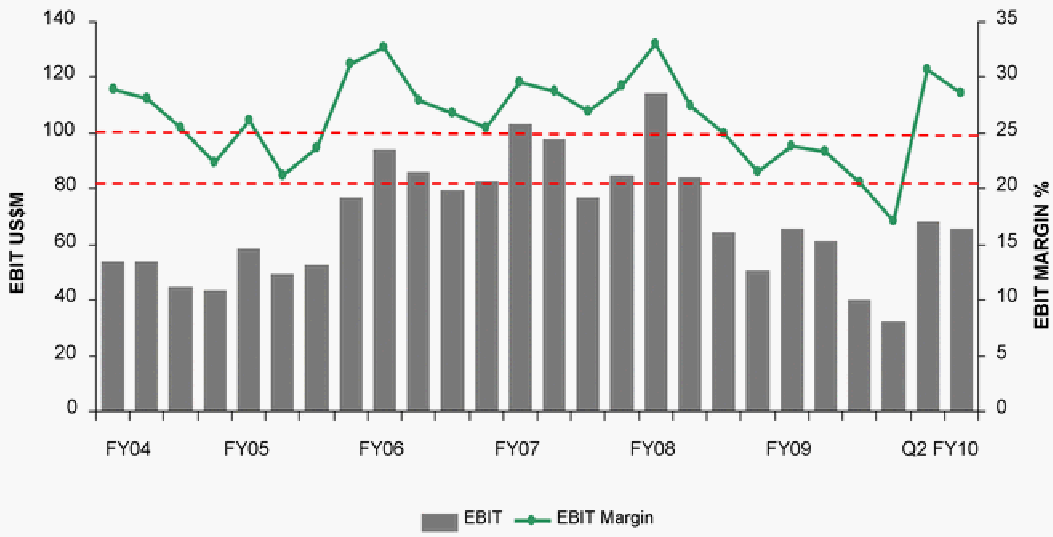
Average Net Selling Price



USA and Europe Fibre Cement

James Hardie

EBIT and EBIT Margin*



* Excludes impairment charges of US$45.6 million in Q4 FY08

Asia Pacific Fibre Cement

James Hardie

2nd Quarter Result*

Net Sales	down	5% to US$75.2 million
Sales Volume	flat	at 102.4 mmsf
Average Price	up	2% to A$886 per msf
EBIT	up	15% to US$16.2 million
EBIT Margin	up	3.6 pts to 21.5%

*Comparisons are of the 2nd quarter of the current fiscal year versus the 2nd quarter of the prior fiscal year

Asia Pacific Fibre Cement

James Hardie

Half Year Result*

Net Sales	down	16% to US$136.5 million
Sales Volume	down	6% to 191.3 mmsf
Average Price	up	3% to A$896 per msf
EBIT	down	9% to US$27.1 million
EBIT Margin	up	1.5 pts to 19.9%

*Comparisons are of the half year of the current fiscal year versus the half year of the prior fiscal year

Asia Pacific Fibre Cement

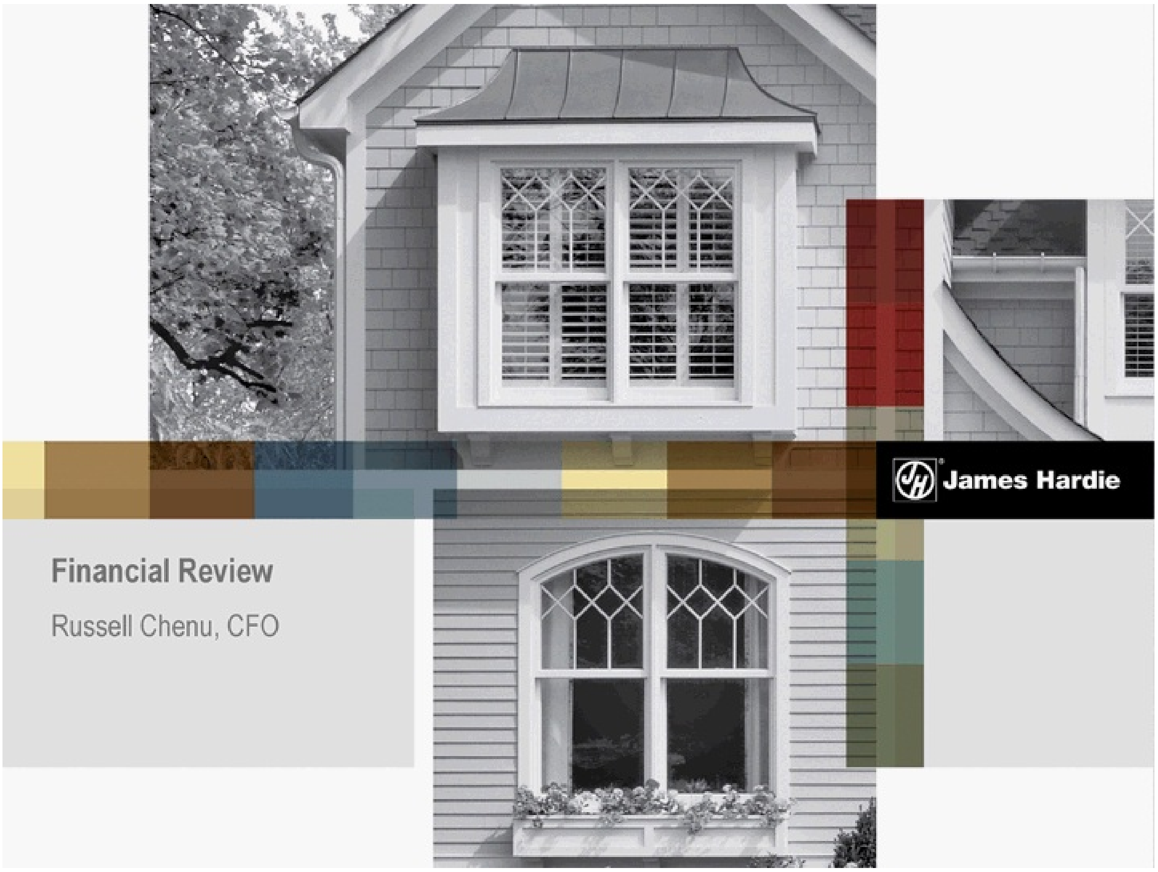
James Hardie

2nd Quarter Key Points

- Despite the overall downturn, the Australian business maintained its sales volumes in the quarter
- In A$, net sales increased 2% due to a 2% increase in the average net sales price
- Australia and New Zealand residential housing approvals down 11.4% and 35% respectively for the 12 months ended September 2009
- Both the Australian and New Zealand businesses continued to grow their sales of differentiated products
- In the Philippines, sales volumes increased as a result of continued market share growth

Outlook

- In Australia, while housing starts are unlikely to exceed 2008 numbers, underlying momentum in the residential construction industry appears to be gathering pace
- In New Zealand, new residential construction is anticipated to remain at current low levels of 1000 units per month with housing affordability under pressure from increased building costs
- After months of slowing conditions in the Philippines, key economic indicators are showing slight improvement
- Despite the challenging operating environment the businesses in all three geographies continue to deliver solid financial outcomes


James Hardie
Financial Review
Russell Chenu, CFO

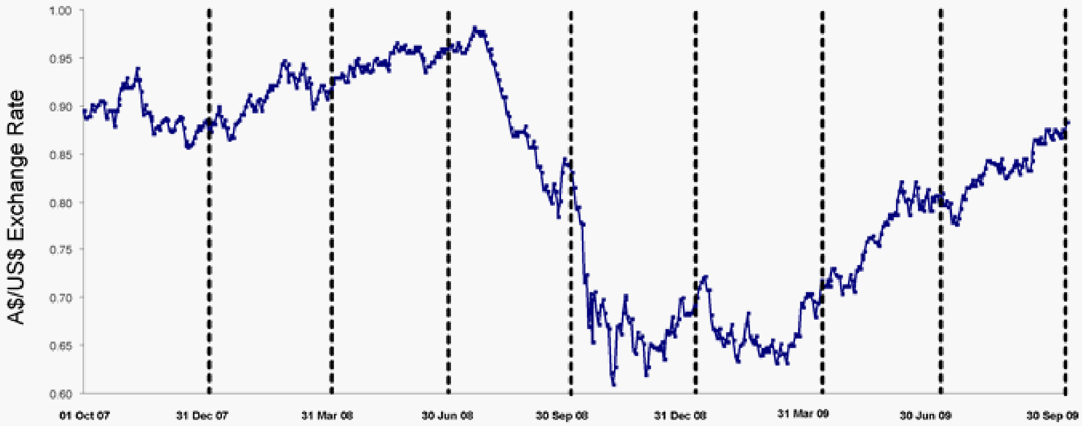
Overview

James Hardie

- Results continue to be affected by weak housing construction activity in all markets
- Net operating profit materially and adversely affected by asbestos
- Strong cash flow enabled an US$62.1 million reduction in net debt during the second quarter
- Decreases in SG&A spending compared to FY09
- Significant depreciation of A$: US$ exchange rate affecting results – each US$0.01 movement in A$ impacts earnings by approximately US$10m

Consequences of changes – A$ versus US$

James Hardie



	Earnings	Balance Sheet
▪ Unfavourable impact from translation of Asia Pacific results – Q2 FY10 vs Q2 FY09 and HY FY10 vs HY FY09	√	X
▪ Favourable impact on corporate costs incurred in Australian dollars – Q2 FY10 vs Q2 FY09 and HY FY10 vs HY FY09	√	X
▪ Unfavourable impact from translation of asbestos liability balance – 30 September 2009 vs 31 March 2009	√	√
▪ Favourable impact from translation of Australian dollar deposit with ATO relating to 1999 Amended Assessment – 30 September 2009 vs 31 March 2009	X	√

Results – Q2

James Hardie

US$ Millions	Q2'10	Q2'09	% Change
Net sales	304.2	341.9	(11)
Gross profit	117.6	113.2	4
SG&A expenses	(49.0)	(56.0)	13
Research & development expenses	(6.7)	(5.8)	(16)
Asbestos adjustments	(62.7)	140.8	-
EBIT	**(0.8)**	**192.2**	**-**
Net interest (expense) income	(0.4)	0.3	-
Other expense	(1.0)	-	-
Income tax expense	(17.4)	(39.0)	55
Net operating (loss) profit	**(19.6)**	**153.5**	**-**

Results – Q2 (continued)

James Hardie

US$ Millions	Q2'10	Q2'09	% Change
Net operating (loss) profit	(19.6)	153.5	-
Asbestos:			
Asbestos adjustments	62.7	(140.8)	-
AICF SG&A expenses	0.5	0.3	67
AICF interest income	(1.0)	(2.3)	57
Gain on AICF investments	(1.9)	-	-
ASIC expenses	0.4	5.0	(92)
Tax adjustments	(3.5)	20.5	-
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	**37.6**	**36.2**	**4**

Results – Half Year

James Hardie

US$ Millions	HY'10	HY'09	% Change
Net sales	588.7	706.9	(17)
Gross profit	228.0	237.2	(4)
SG&A expenses	(90.4)	(110.2)	18
Research & development expenses	(13.0)	(12.2)	(7)
Asbestos adjustments	(182.5)	100.3	-
EBIT	**(57.9)**	**215.1**	**-**
Net interest expense	(1.1)	(0.8)	(38)
Other income	3.8	-	-
Income tax expense	(42.3)	(59.4)	29
Net operating (loss) profit	**(97.5)**	**154.9**	**-**

Results – Half Year (continued)

James Hardie

US$ Millions	HY'10	HY'09	% Change
Net operating profit	(97.5)	154.9	-
Asbestos:			
Asbestos adjustments	182.5	(100.3)	-
AICF SG&A expenses	1.0	0.9	11
AICF interest income	(1.7)	(3.2)	47
Gain on AICF investments	(2.3)	-	-
ASIC expenses	1.0	6.5	(85)
Tax adjustments	(3.8)	17.4	-
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	**79.2**	**76.2**	**4**

Segment Net Sales – Q2

James Hardie

US$ Millions	Q2'10	Q2'09	% Change
USA and Europe Fibre Cement	229.0	263.0	(13)
Asia Pacific Fibre Cement	75.2	78.9	(5)
Total	**304.2**	**341.9**	**(11)**

Segment Net Sales – Half Year

James Hardie

US$ Millions	HY'10	HY'09	% Change
USA and Europe Fibre Cement	452.2	544.7	(17)
Asia Pacific Fibre Cement	136.5	162.2	(16)
Total	588.7	706.9	(17)

Segment EBIT – Q2

James Hardie

US$ Millions	Q2'10	Q2'09	% Change
USA and Europe Fibre Cement	65.3	61.1	7
Asia Pacific Fibre Cement	16.2	14.1	15
Research & development[1]	(4.8)	(5.0)	4
Total segment EBIT	76.7	70.2	9
General corporate excluding asbestos and ASIC expenses	(13.9)	(13.5)	(3)
Total EBIT excluding asbestos and ASIC expenses	**62.8**	**56.7**	**11**
Asbestos adjustments	(62.7)	140.8	-
AICF SG&A expenses	(0.5)	(0.3)	(67)
ASIC expenses	(0.4)	(5.0)	92
Total EBIT	(0.8)	192.2	-

[1] Research & development includes "core" research & development expenses and administrative expenses, but excludes product development expenses

Segment EBIT – Half Year

James Hardie

US$ Millions	HY'10	HY'09	% Change
USA and Europe Fibre Cement	134.1	126.7	6
Asia Pacific Fibre Cement	27.1	29.9	(9)
Research & development[1]	(8.8)	(10.0)	12
Total segment EBIT	152.4	146.6	4
General corporate excluding asbestos and ASIC expenses	(25.8)	(24.4)	(6)
Total EBIT excluding asbestos and ASIC expenses	**126.6**	**122.2**	**4**
Asbestos adjustments	(182.5)	100.3	-
AICF SG&A expenses	(1.0)	(0.9)	(11)
ASIC expenses	(1.0)	(6.5)	85
Total EBIT	(57.9)	215.1	-

[1] Research & development includes "core" research & development expenses and administrative expenses, but excludes product development expenses

Net Interest (Expense) Income

James Hardie

US$ Millions	Q2'10	Q2'09	HY'10	HY'09
Gross interest expense	(0.9)	(2.3)	(2.0)	(4.9)
Capitalised interest	0.1	-	0.1	-
Interest income	0.1	0.3	0.2	0.9
Net interest expense excluding AICF interest income and interest rate swaps	**(0.7)**	**(2.0)**	**(1.7)**	**(4.0)**
AICF interest income	1.0	2.3	1.7	3.2
Realised loss on interest rate swaps	(0.7)	-	(1.1)	-
Net interest (expense) income	(0.4)	0.3	(1.1)	(0.8)

Income Tax Expense – Q2

James Hardie

US$ Millions	Q2'10	Q2'09
Operating (loss) profit before income taxes	(2.2)	192.5
Asbestos:		
Asbestos adjustments	62.7	(140.8)
AICF SG&A expenses	0.5	0.3
AICF interest income	(1.0)	(2.3)
Gain on AICF investments	(1.9)	-
Operating profit before income taxes excluding asbestos	58.1	49.7
Income tax expense	(17.4)	(39.0)
Tax adjustments	(3.5)	20.5
Income tax expense excluding tax adjustments	(20.9)	(18.5)
Effective tax rate excluding asbestos and tax adjustments	**36.0%**	**37.2%**

Income Tax Expense – Half Year

James Hardie

US$ Millions	HY'10	HY'09
Operating (loss) profit before income taxes	(55.2)	214.3
Asbestos:		
Asbestos adjustments	182.5	(100.3)
AICF SG&A expenses	1.0	0.9
AICF interest income	(1.7)	(3.2)
Gain on AICF investments	(2.3)	-
Operating profit before income taxes excluding asbestos	124.3	111.7
Income tax expense	(42.3)	(59.4)
Tax adjustments	(3.8)	17.4
Income tax expense excluding tax adjustments	(46.1)	(42.0)
Effective tax rate excluding asbestos and tax adjustments	**37.1%**	**37.6%**

General Corporate Costs – Q2

James Hardie

US$ Millions	Q2'10	Q2'09	% Change
Stock compensation expense	2.1	1.6	(31)
Other costs	9.1	11.8	23
General corporate costs excluding ASIC and domicile change related costs	**11.2**	**13.4**	**16**
ASIC expenses	0.4	5.0	92
Domicile change related costs	2.7	0.1	-
Total general corporate costs	14.3	18.5	23

General Corporate Costs – Half Year

James Hardie

US$ Millions	HY'10	HY'09	% Change
Stock compensation expense	4.1	3.6	(14)
Other costs	14.5	20.5	29
General corporate costs excluding ASIC and domicile change related costs	**18.6**	**24.1**	**23**
ASIC expenses	1.0	6.5	85
Domicile change related costs	7.2	0.3	-
Total general corporate costs	26.8	30.9	13

EBITDA – Q2

James Hardie

US$ Millions	Q2'10	Q2'09	% Change
EBIT			
USA and Europe Fibre Cement	65.3	61.1	7
Asia Pacific Fibre Cement	16.2	14.1	15
Research & development	(4.8)	(5.0)	2
General corporate excluding asbestos and ASIC expenses	(13.9)	(13.5)	(3)
Depreciation and Amortisation			
USA and Europe Fibre Cement	12.8	11.7	9
Asia Pacific Fibre Cement	2.0	2.9	(31)
Total EBITDA excluding asbestos and ASIC expenses	**77.6**	**71.3**	**9**
Asbestos adjustments	(62.7)	140.8	-
AICF SG&A expenses	(0.5)	(0.3)	(67)
ASIC expenses	(0.4)	(5.0)	92
Total EBITDA	**14.0**	**206.8**	**(93)**

EBITDA – Half Year

James Hardie

US$ Millions	HY'10	HY'09	% Change
EBIT			
USA and Europe Fibre Cement	134.1	126.7	6
Asia Pacific Fibre Cement	27.1	29.9	(9)
Research & development	(8.8)	(10.0)	11
General corporate excluding asbestos and ASIC expenses	(25.8)	(24.4)	(6)
Depreciation and Amortisation			
USA and Europe Fibre Cement	25.2	23.1	9
Asia Pacific Fibre Cement	4.6	5.5	(16)
Total EBITDA excluding asbestos and ASIC expenses	**156.4**	**150.8**	**4**
Asbestos adjustments	(182.5)	100.3	-
AICF SG&A expenses	(1.0)	(0.9)	(11)
ASIC expenses	(1.0)	(6.5)	85
Total EBITDA	(28.1)	243.7	-

Cash Flow

James Hardie

US$ Millions	HY'10	HY'09	% Change
EBIT	**(57.9)**	**215.1**	**-**
Non-cash items			
- Asbestos adjustments	182.5	(100.3)	-
- Other non-cash items	58.1	35.5	64
- Change in restricted cash – asbestos	37.0	38.7	(4)
Net working capital movements	(32.9)	(28.3)	(16)
Cash generated by trading activities	**186.8**	**160.7**	**16**
Tax payments	(26.1)	(22.7)	(15)
Payment to the AICF	-	(27.4)	-
Deposit with ATO	(6.8)	(13.5)	50
Interest paid (net)	(1.8)	(3.8)	53
Net Operating Cash Flow	**152.1**	**93.3**	**63**
Purchases of property, plant & equipment	(20.9)	(9.4)	-
Dividends paid	-	(34.6)	-
Equity issued	2.0	0.1	-
Other	(17.8)	5.4	-
Movement in Net Cash	**115.4**	**54.8**	**-**
Net Debt – 31 March 2009	(281.6)	(229.1)	(23)
Net Debt – 30 September 2009	**(166.2)**	**(174.3)**	**5**

Capital Expenditure

James Hardie

US$ Millions	HY'10	HY'09	% Change
USA and Europe Fibre Cement	17.5	6.9	(153)
Asia Pacific Fibre Cement	3.4	2.5	(36)
Total	**20.9**	**9.4**	**(122)**

Debt

James Hardie

- Debt facilities at 30 September 2009

US$ Millions		
Total facilities		446.7
Gross Debt	212.0	
Cash	45.8	
Net debt		166.2
Unutilised facilities and cash		**280.5**

- Net debt decreased US$115.4 million compared to net debt at 31 March 2009
- Weighted average remaining term of total facilities was 1.2 years at 30 September 2009
- Since 30 September 2009 an US$50.0 million facility has expired and not been renewed
- James Hardie remains well within its financial debt covenants

Key Ratios

James Hardie

	Q2' FY10	FY09	FY08
EPS (Diluted)[1]	18.2c	22.3c	38.1c
Dividend Paid per share	N/A	8.0c	27.0c
Return on Shareholders' Funds[1]	16.5%	11.2%	17.7%
Return on Capital Employed[2]	23.1%	16.7%	24.2%
EBIT/ Sales (EBIT margin)[2]	21.5%	14.2%	19.2%
Gearing Ratio[1]	13.9%	24.0%	21.5%
Net Interest Expense Cover[2]	45.2x	18.2x	33.9x
Net Interest Paid Cover[2]	70.3x	21.9x	22.0x
Net Debt Payback[3]	0.5yrs	4.3yrs	0.7yrs

[1] Excludes asbestos adjustments, AICF SG&A expenses, AICF interest income, gain on AICF investments, ASIC expenses, asset impairments and tax adjustments

[2] Excludes asbestos adjustments, AICF SG&A expenses and ASIC expenses

[3] Excludes payments under the Amended FFA

Summary

James Hardie

- USA and Europe Fibre Cement EBIT improved 7% driven by lower unit manufacturing costs, lower freight costs, an increase in average net sales price and a slight decrease in SG&A spending
- Asia Pacific Fibre Cement EBIT, in Australian dollars, increased 21% due to a higher gross margin performance
- Net operating profit excluding asbestos, ASIC expenses and tax adjustments, increased 4%
- Strong FY10 half-year net cash flow generation from operations
- All businesses performed strongly in continuing difficult operating environments

All percentages compare 2nd quarter 2010 with 2nd quarter 2009

Asbestos Fund Update

James Hardie

- AICF holdings at 30 September 2009
  - A$101.6m – cash and short-term investments (A$110.6m at 30.9.08)
- Net claims paid HY FY10:

A$ Millions	AICF HY FY10	KPMG Actuarial Estimate*	AICF HY FY09
Claims Paid	51.9	52.6	46.8
Legal Costs	4.2	4.5	4.8
Insurance and cross claim recoveries	(6.7)	(8.9)	(9.1)
Total net claims costs	49.4	48.2	42.5

* Updated actuarial estimate as at 31March 2009

Legacy Issues Update

James Hardie

Asbestos

- On 7 November 2009, the Australian and NSW Governments announced a A$320m standby loan facility for Asbestos Injuries Compensation Fund (AICF)
- James Hardie reiterated its commitment to its obligations as agreed with AICF and the NSW Government in the Amended and Restated Final Funding Agreement

ATO – 1999 Disputed Amended Assessment

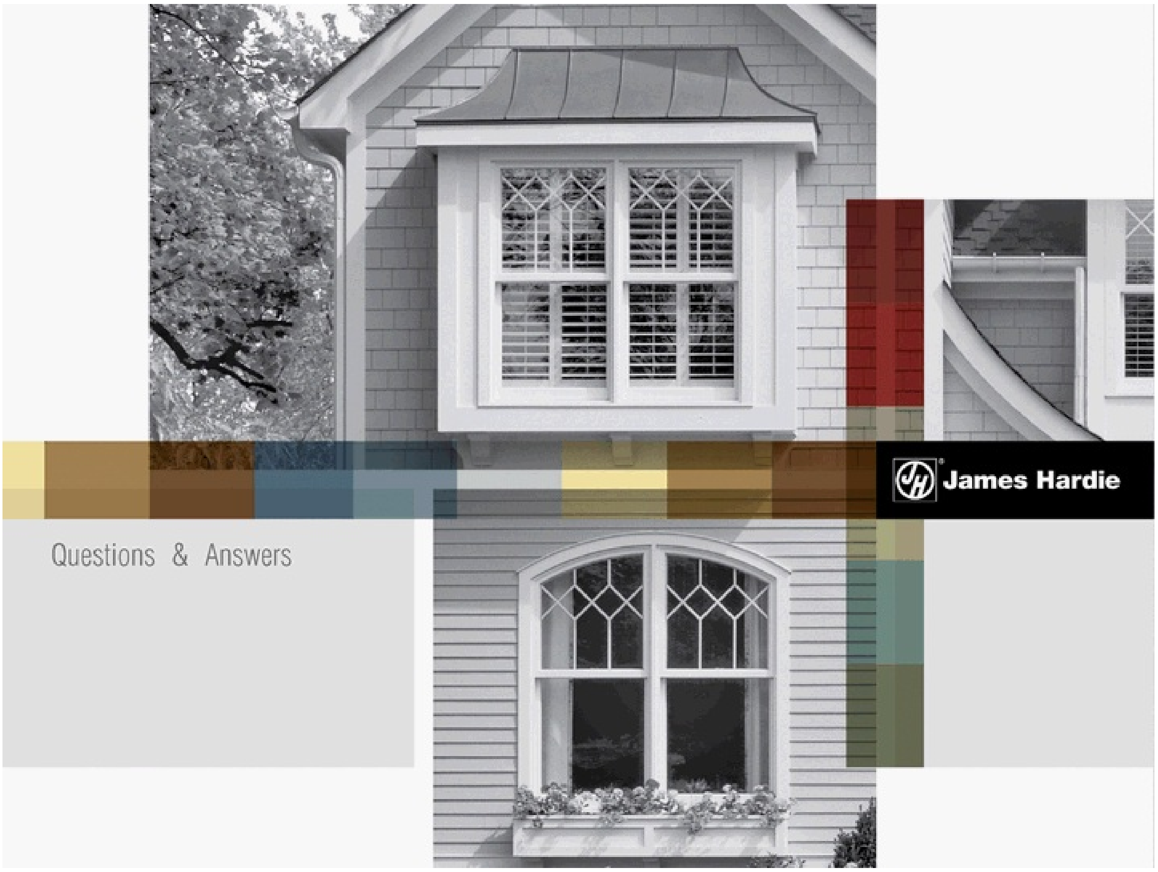
- Federal Court hearings completed in September 2009
- Judgement expected late 2009/early 2010
- ATO deposit as at September 2009 was US$229.3m

ASIC Proceedings

- All defendants other than Peter Macdonald and ABN60 have appealed the Supreme Court decision
- Appeal hearing set down to commence on 19 April 2010

Domicile

- Stage one of the two stage proposal to move domicile to Ireland approved by 99.3% of votes cast on 21 August 2009
- An EGM to seek shareholder approval for stage two of the proposal to become an Irish SE is expected for early 2010


Questions & Answers
James Hardie

Endnotes

James Hardie

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 Analysis of Results, a Media Release and a Financial Report.

Definitions

Financial Measures – US GAAP equivalents

EBIT and EBIT Margin - EBIT, as used in this document, is equivalent to the US GAAP measure of operating income. EBIT margin is defined as EBIT as a percentage of 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 earnings generated from our operations, excluding interest and income tax expenses. Additionally, EBIT is believed to be a primary measure and terminology used by our Australian investors. 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.

Operating profit - is equivalent to the US GAAP measure of income.

Net operating profit - is equivalent to the US GAAP measure of net income.

Sales Volumes

mmsf – million square feet, where a square foot is defined as a standard square foot of 5/16" thickness.

msf – thousand square feet, where a square foot is defined as a standard square foot of 5/16" thickness.

Endnotes

James Hardie

Financial Ratios

Gearing Ratio – Net debt (cash) divided by net debt (cash) plus shareholders' equity.

Net interest expense cover – EBIT divided by net interest expense.

Net interest paid cover – EBIT divided by cash paid during the period for interest, net of amounts capitalised.

Net debt payback – Net debt (cash) divided by cash flow from operations.

Net debt (cash) – Short-term and long-term debt less cash and cash equivalents.

Non-US GAAP Financial Measures

EBIT and EBIT margin excluding asbestos and ASIC expenses – EBIT and EBIT margin excluding asbestos and ASIC expenses are not measures of financial performance under US GAAP and should not be considered to be more meaningful than EBIT and EBIT margin. James Hardie has included these financial measures to provide investors with an alternative method for assessing its operating results in a manner that is focussed on the performance of its ongoing operations and provides useful information regarding its financial condition and results of operations. The company uses these non-US GAAP measures for the same purposes.

US$ Millions	Q2 FY 2010	Q2 FY 2009	HY FY 2010	HY FY 2009
EBIT	$ (0.8)	$ 192.2	$ (57.9)	$ 215.1
Asbestos:				
Asbestos adjustments	62.7	(140.8)	182.5	(100.3)
AICF SG&A expenses	0.5	0.3	1.0	0.9
ASIC expenses	0.4	5.0	1.0	6.5
EBIT excluding asbestos and ASIC expenses	62.8	56.7	126.6	122.2
Net Sales	$ 304.2	$ 341.9	$ 588.7	$ 706.9
EBIT margin excluding asbestos and ASIC expenses	20.6%	16.6%	21.5%	17.3%

Non-US GAAP Financial Measures (continued)

Net operating profit excluding asbestos, ASIC expenses and tax adjustments – Net operating profit excluding asbestos, ASIC expenses and tax adjustments is not a measure of financial performance under US GAAP and should not be considered to be more meaningful than net income. The company has included this financial measure to provide investors with an alternative method for assessing its operating results in a manner that is focussed on the performance of its ongoing operations. The company uses this non-US GAAP measure for the same purposes.

US$ Millions	Q2 FY 2010	Q2 FY 2009	HY FY 2010	HY FY 2009
Net operating (loss) profit	$ (19.6)	$ 153.5	$ (97.5)	$ 154.9
Asbestos:				
Asbestos adjustments	62.7	(140.8)	182.5	(100.3)
AICF SG&A expenses	0.5	0.3	1.0	0.9
AICF interest income	(1.0)	(2.3)	(1.7)	(3.2)
Gain on AICF investments	(1.9)	-	(2.3)	-
ASIC expenses	0.4	5.0	1.0	6.5
Tax adjustments	(3.5)	20.5	(3.8)	17.4
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	$ 37.6	$ 36.2	$ 79.2	$ 76.2

Non-US GAAP Financial Measures (continued)

Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments – Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments is not a measure of financial performance under US GAAP and should not be considered to be more meaningful than diluted earnings per share. The company has included this financial measure to provide investors with an alternative method for assessing its operating results in a manner that is focussed on the performance of its ongoing operations. The company's management uses this non-US GAAP measure for the same purposes.

US$ Millions	Q2 FY 2010	Q2 FY 2009	HY FY 2010	HY FY 2009
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	$ 37.6	$ 36.2	$ 79.2	$ 76.2
Weighted average common shares outstanding - Diluted (millions)	436.4	433.0	436.0	433.1
Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments (US cents)	8.6	8.4	18.2	17.6

Non-US GAAP Financial Measures (continued)

Effective tax rate excluding asbestos and tax adjustments – Effective tax rate excluding asbestos and tax adjustments is not a measure of financial performance under US GAAP and should not be considered to be more meaningful than effective tax rate. The company has included this financial measure to provide investors with an alternative method for assessing its operating results in a manner that is focussed on the performance of its ongoing operations. The company's management uses this non-US GAAP measure for the same purposes.

US$ Millions	Q2 FY 2010	Q2 FY 2009	HY FY 2010	HY FY 2009
Operating (loss) profit before income taxes	$ (2.2)	$ 192.5	$ (55.2)	$ 214.3
Asbestos:				
Asbestos adjustments	62.7	(140.8)	182.5	(100.3)
AICF SG&A expenses	0.5	0.3	1.0	0.9
AICF interest income	(1.0)	(2.3)	(1.7)	(3.2)
Gain on AICF investments	(1.9)	-	(2.3)	-
Operating profit before income taxes excluding asbestos	$ 58.1	$ 49.7	$ 124.3	$ 111.7
Income tax expense	(17.4)	(39.0)	(42.3)	(59.4)
Tax adjustments	(3.5)	20.5	(3.8)	17.4
Income tax expense excluding asbestos and tax adjustments	(20.9)	(18.5)	(46.1)	(42.0)
Effective tax rate excluding asbestos and tax adjustments	36.0%	37.2%	37.1%	37.6%

Non-US GAAP Financial Measures (continued)

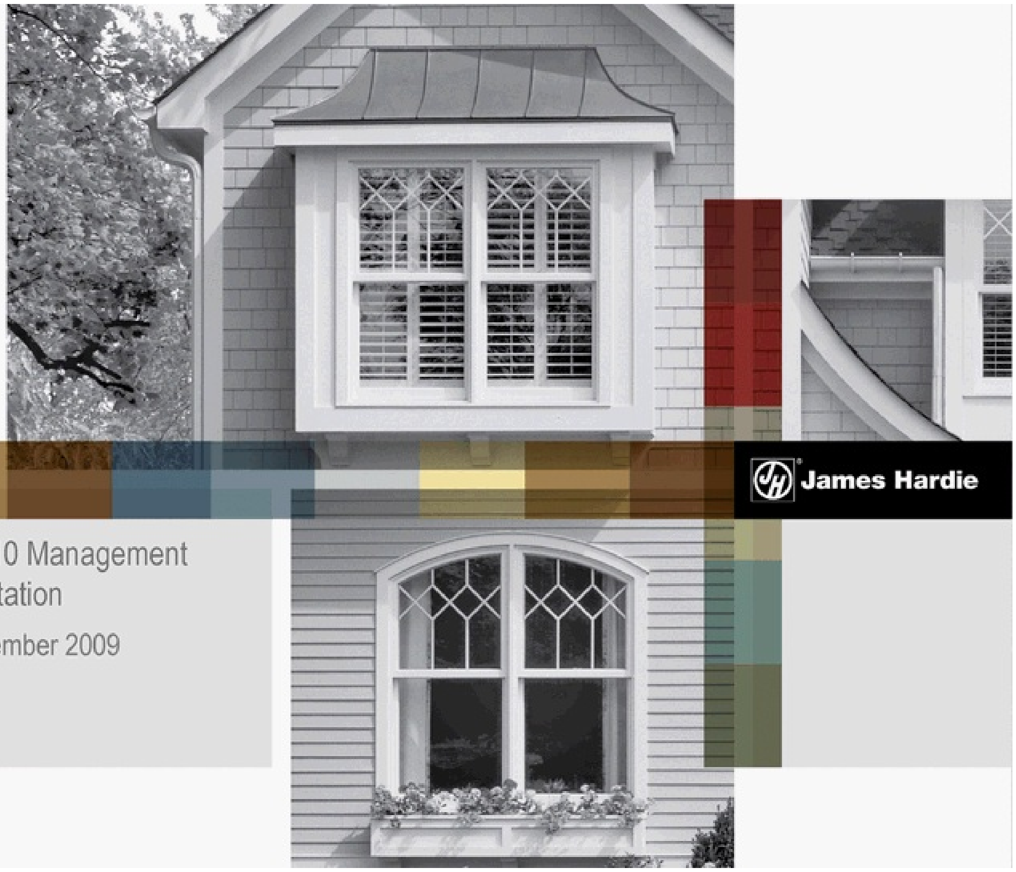
EBITDA – is not a measure of financial performance under US GAAP and should not be considered an alternative to, or more meaningful than, income from operations, net income or cash flows as defined by US GAAP or as a measure of profitability or liquidity. Not all companies calculate EBITDA in the same manner as James Hardie has and, accordingly, EBITDA may not be comparable with other companies. The company has included information concerning EBITDA because it believes that this data is commonly used by investors to evaluate the ability of a company's earnings from its core business operations to satisfy its debt, capital expenditure and working capital requirements.

US$ Millions	Q2 FY 2010	Q2 FY 2009	HY FY 2010	HY FY 2009
EBIT	$ (0.8)	$ 192.2	$ (57.9)	$ 215.1
Depreciation and amortisation	14.8	14.6	29.8	28.6
EBITDA	$ 14.0	$ 206.8	$ (28.1)	$ 243.7

Non-US GAAP Financial Measures (continued)

General corporate costs excluding domicile change related costs – General corporate costs excluding domicile change related costs is not a measure of financial performance under US GAAP and should not be considered to be more meaningful than general corporate costs. James Hardie has included these financial measures to provide investors with an alternative method for assessing its operating results in a manner that is focussed on the performance of its ongoing operations and provides useful information regarding its financial condition and results of operations. The company uses these non-US GAAP measures for the same purposes.

US$ Millions	Q2 FY 2010	Q2 FY 2009	HY FY 2010	HY FY 2009
General corporate costs	$ 14.3	$ 18.5	$ 26.8	$ 30.9
Excluding:				
Domicile change related costs	(2.7)	(0.1)	(7.2)	(0.3)
General corporate costs excluding domicile change related costs	$ 11.6	$ 18.4	$ 19.6	$ 30.6



Q2 FY10 Management Presentation

23 November 2009

Exhibit 99.5

James Hardie Industries N.V.
and Subsidiaries
Condensed Consolidated Financial Statements
as of and for the Period Ended 30 September 2009

James Hardie Industries N.V. and Subsidiaries
Index

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of
James Hardie Industries N.V.:

We have reviewed the condensed consolidated balance sheet of James Hardie Industries N.V. and subsidiaries as of 30 September 2009, and the related condensed consolidated statements of operations for the three-month and six-month periods ended 30 September 2009 and 2008, and the condensed consolidated statements of cash flows for the six-month periods ended 30 September 2009 and 2008. These financial statements are the responsibility of the Company's management.

We conducted our review in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the condensed consolidated financial statements referred to above for them to be in conformity with US generally accepted accounting principles.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet of James Hardie Industries N.V. and subsidiaries as of 31 March 2009, and the related consolidated statements of operations, shareholders' deficit, and cash flows for the year then ended (not presented herein) and in our report dated 18 May 2009, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of 31 March 2009, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

Ernst & Young LLP

Orange County, California
23 November 2009

Item 1. Financial Statements

James Hardie Industries N.V. and Subsidiaries
Condensed Consolidated Balance Sheets
(Unaudited)

	(Millions of US dollars) 30 September 2009	31 March 2009	(Millions of Australian dollars) 30 September 2009	31 March 2009
Assets				
Current assets:				
Cash and cash equivalents	**$ 45.8**	$ 42.4	**A$ 52.1**	A$ 61.7
Restricted cash and cash equivalents	**5.3**	5.3	**6.0**	7.7
Restricted cash and cash equivalents — Asbestos	**45.8**	45.4	**52.1**	66.1
Restricted short-term investments — Asbestos	**43.5**	52.9	**49.5**	77.0
Accounts and notes receivable, net of allowance for doubtful accounts of $1.7 million (A$1.9 million) and $1.4 million (A$2.0 million) as of 30 September 2009 and 31 March 2009, respectively	**127.6**	111.4	**145.2**	162.1
Inventories	**128.4**	128.9	**146.1**	187.6
Prepaid expenses and other current assets	**32.4**	20.4	**36.9**	29.7
Insurance receivable — Asbestos	**16.1**	12.6	**18.3**	18.3
Workers' compensation — Asbestos	**0.7**	0.6	**0.8**	0.9
Deferred income taxes	**26.8**	32.5	**30.5**	47.3
Deferred income taxes — Asbestos	**15.8**	12.3	**18.0**	17.9
Total current assets	**488.2**	464.7	**555.5**	676.3
Property, plant and equipment, net	**709.5**	700.8	**807.6**	1,019.8
Insurance receivable — Asbestos	**184.7**	149.0	**210.2**	216.9
Workers' compensation — Asbestos	**94.3**	73.8	**107.3**	107.4
Deferred income taxes	**3.0**	2.1	**3.4**	3.1
Deferred income taxes — Asbestos	**410.1**	333.2	**466.8**	484.8
Deposit with Australian Taxation Office	**229.3**	173.5	**261.0**	252.5
Other assets	**1.6**	1.6	**1.8**	2.3
Total assets	**$ 2,120.7**	$ 1,898.7	**A$ 2,413.6**	A$ 2,763.1
Liabilities and Shareholders' Deficit				
Current liabilities:				
Accounts payable and accrued liabilities	**$ 96.4**	$ 89.1	**A$ 109.7**	A$ 129.7
Short-term debt	**50.0**	93.3	**56.9**	135.8
Current portion of long-term debt	**144.0**	—	**163.9**	—
Accrued payroll and employee benefits	**34.1**	35.5	**38.8**	51.7
Accrued product warranties	**7.8**	7.4	**8.9**	10.8
Income taxes payable	**3.6**	1.4	**4.1**	2.0
Asbestos liability	**100.0**	78.2	**113.8**	113.8
Workers' compensation — Asbestos	**0.7**	0.6	**0.8**	0.9
Other liabilities	**22.1**	9.5	**25.2**	13.8
Total current liabilities	**458.7**	315.0	**522.1**	458.5
Long-term debt	**18.0**	230.7	**20.5**	335.7
Deferred income taxes	**109.6**	100.8	**124.7**	146.7
Accrued product warranties	**20.1**	17.5	**22.9**	25.5
Asbestos liability	**1,491.4**	1,206.3	**1,697.5**	1,755.4
Workers' compensation — Asbestos	**94.3**	73.8	**107.3**	107.4
Other liabilities	**81.6**	63.3	**92.9**	92.1
Total liabilities	**2,273.7**	2,007.4	**A$ 2,587.9**	A$ 2,921.3
Commitments and contingencies (Note 8)				
Shareholders' deficit:				
Common stock, Euro 0.59 par value, 2.0 billion shares authorised; 432,884,760 shares issued at 30 September 2009 and 432,263,720 shares issued at 31 March 2009	**219.7**	219.2		
Additional paid-in capital	**28.2**	22.7		
Accumulated deficit	**(450.3)**	(352.8)		
Accumulated other comprehensive income	**49.4**	2.2		
Total shareholders' deficit	**(153.0)**	(108.7)		
Total liabilities and shareholders' deficit	**$ 2,120.7**	$ 1,898.7		

The accompanying notes are an integral part of these consolidated financial statements.

James Hardie Industries N.V. and Subsidiaries
Condensed Consolidated Statements of Operations
(Unaudited)

(Millions of US dollars, except per share data)	Three Months Ended 30 September 2009	Three Months Ended 30 September 2008	Six Months Ended 30 September 2009	Six Months Ended 30 September 2008
Net sales	**$ 304.2**	$ 341.9	**$ 588.7**	$ 706.9
Cost of goods sold	**(186.6)**	(228.7)	**(360.7)**	(469.7)
Gross profit	**117.6**	113.2	**228.0**	237.2
Selling, general and administrative expenses	**(49.0)**	(56.0)	**(90.4)**	(110.2)
Research and development expenses	**(6.7)**	(5.8)	**(13.0)**	(12.2)
Asbestos adjustments	**(62.7)**	140.8	**(182.5)**	100.3
Operating (loss) income	**(0.8)**	192.2	**(57.9)**	215.1
Interest expense	**(1.5)**	(2.3)	**(3.0)**	(4.9)
Interest income	**1.1**	2.6	**1.9**	4.1
Other (expense) income	**(1.0)**	—	**3.8**	—
(Loss) income before income taxes	**(2.2)**	192.5	**(55.2)**	214.3
Income tax expense	**(17.4)**	(39.0)	**(42.3)**	(59.4)
Net (loss) income	**$ (19.6)**	$ 153.5	**$ (97.5)**	$ 154.9
Net (loss) income per share — basic	**$ (0.05)**	$ 0.36	**$ (0.23)**	$ 0.36
Net (loss) income per share — diluted	**$ (0.05)**	$ 0.35	**$ (0.23)**	$ 0.36
Weighted average common shares outstanding (Millions):				
Basic	**432.5**	432.2	**432.4**	432.2
Diluted	**432.5**	433.0	**432.4**	433.1

The accompanying notes are an integral part of these consolidated financial statements.

James Hardie Industries N.V. and Subsidiaries
Condensed Consolidated Statements of Operations
(Unaudited)

(Millions of Australian dollars, except per share data)	Three Months Ended 30 September 2009	Three Months Ended 30 September 2008	Six Months Ended 30 September 2009	Six Months Ended 30 September 2008
Net sales	**A$ 364.6**	A$ 384.5	**A$ 739.5**	A$ 771.4
Cost of goods sold	**(223.7)**	(257.0)	**(453.1)**	(512.5)
Gross profit	**140.9**	127.5	**286.4**	258.9
Selling, general and administrative expenses	**(59.0)**	(62.9)	**(113.6)**	(120.6)
Research and development expenses	**(8.0)**	(6.4)	**(16.3)**	(12.9)
Asbestos adjustments	**(71.4)**	152.3	**(229.3)**	109.4
Operating income (loss)	**2.5**	210.5	**(72.8)**	234.8
Interest expense	**(1.8)**	(6.9)	**(3.8)**	(5.3)
Interest income	**1.3**	2.9	**2.4**	4.5
Other (expense) income	**(1.5)**	—	**4.8**	—
Income (loss) before income taxes	**0.5**	206.5	**(69.4)**	234.0
Income tax expense	**(20.3)**	(43.2)	**(53.1)**	(64.8)
Net (loss) income	**A$ (19.8)**	A$ 163.3	**A$ (122.5)**	A$ 169.2
Net (loss) income per share — basic	**A$ (0.05)**	A$ 0.38	**A$ (0.28)**	A$ 0.39
Net (loss) income per share — diluted	**A$ (0.05)**	A$ 0.38	**A$ (0.28)**	A$ 0.39
Weighted average common shares outstanding (Millions):				
Basic	**432.5**	432.2	**432.4**	432.2
Diluted	**432.5**	433.0	**432.4**	433.1

The accompanying notes are an integral part of these consolidated financial statements.

James Hardie Industries N.V. and Subsidiaries
Condensed Consolidated Statements of Cash Flows
(Unaudited)

(Millions of US dollars)	Six Months Ended 30 September 2009	2008
Cash Flows From Operating Activities		
Net (loss) income	**$ (97.5)**	$ 154.9
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortisation	**29.8**	28.6
Deferred income taxes	**24.1**	2.9
Prepaid pension cost	**0.2**	0.4
Stock-based compensation	**4.0**	3.6
Asbestos adjustments	**182.5**	(100.3)
Changes in operating assets and liabilities:		
Restricted cash and cash equivalents	**37.0**	38.5
Payment to the AICF	**—**	(27.4)
Accounts and notes receivable	**(11.8)**	(2.5)
Inventories	**4.9**	21.7
Prepaid expenses and other current assets	**(11.2)**	(16.4)
Insurance receivable — Asbestos	**5.3**	8.3
Accounts payable and accrued liabilities	**(8.0)**	5.9
Asbestos liability	**(46.1)**	(48.9)
Deposit with Australian Taxation Office	**(6.8)**	(13.5)
Other accrued liabilities and other liabilities	**45.7**	37.5
Net cash provided by operating activities	**152.1**	93.3
Cash Flows From Investing Activities		
Purchases of property, plant and equipment	**(20.9)**	(9.4)
Net cash used in investing activities	**(20.9)**	(9.4)
Cash Flows From Financing Activities		
Proceeds from short-term borrowings	**—**	14.7
Repayments of short-term borrowings	**(102.3)**	—
Proceeds from long-term borrowings	**15.0**	—
Repayments of long-term borrowings	**(24.7)**	(13.0)
Proceeds from issuance of shares	**2.0**	0.1
Dividends paid	**—**	(34.6)
Net cash used in financing activities	**(110.0)**	(32.8)
Effects of exchange rate changes on cash	**(17.8)**	5.4
Net increase in cash and cash equivalents	**3.4**	56.5
Cash and cash equivalents at beginning of period	**42.4**	35.4
Cash and cash equivalents at end of period	**$ 45.8**	$ 91.9
Components of Cash and Cash Equivalents		
Cash at bank and on hand	**$ 19.1**	$ 50.0
Short-term deposits	**26.7**	41.9
Cash and cash equivalents at end of period	**$ 45.8**	$ 91.9

The accompanying notes are an integral part of these consolidated financial statements.

James Hardie Industries N.V. and Subsidiaries
Condensed Consolidated Statements of Cash Flows
(Unaudited)

(Millions of Australian dollars)	Six Months Ended 30 September 2009	Six Months Ended 30 September 2008
Cash Flows From Operating Activities		
Net (loss) income	**A$ (122.5)**	A$ 169.2
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortisation	**37.4**	31.2
Deferred income taxes	**30.3**	3.2
Prepaid pension cost	**0.3**	0.4
Stock-based compensation	**5.0**	3.9
Asbestos adjustments	**229.3**	(109.4)
Changes in operating assets and liabilities:		
Restricted cash and cash equivalents	**46.5**	42.0
Payment to the AICF	**—**	(29.9)
Accounts and notes receivable	**(14.8)**	(2.7)
Inventories	**6.2**	23.7
Prepaid expenses and other current assets	**(14.1)**	(17.9)
Insurance receivable — Asbestos	**6.7**	9.1
Accounts payable and accrued liabilities	**(10.0)**	6.4
Asbestos liability	**(57.9)**	(53.4)
Deposit with Australian Taxation Office	**(8.5)**	(14.7)
Other accrued liabilities and other liabilities	**57.4**	40.9
Net cash provided by operating activities	**191.3**	102.0
Cash Flows From Investing Activities		
Purchases of property, plant and equipment	**(26.3)**	(10.3)
Net cash used in investing activities	**(26.3)**	(10.3)
Cash Flows From Financing Activities		
Proceeds from short-term borrowings	**—**	16.0
Repayments of short-term borrowings	**(128.5)**	—
Proceeds from long-term borrowings	**18.8**	—
Repayments of long-term borrowings	**(31.0)**	(14.2)
Proceeds from issuance of shares	**2.5**	0.1
Dividends paid	**—**	(37.8)
Net cash used in financing activities	**(138.2)**	(35.9)
Effects of exchange rate changes on cash	**(36.4)**	20.3
Net (decrease) increase in cash and cash equivalents	**(9.6)**	76.1
Cash and cash equivalents at beginning of period	**61.7**	38.6
Cash and cash equivalents at end of period	**A$ 52.1**	A$ 114.7
Components of Cash and Cash Equivalents		
Cash at bank and on hand	**A$ 21.7**	A$ 62.4
Short-term deposits	**30.4**	52.3
Cash and cash equivalents at end of period	**A$ 52.1**	A$ 114.7

The accompanying notes are an integral part of these consolidated financial statements.

James Hardie Industries N.V. and Subsidiaries
Condensed Consolidated Statements of Changes in Shareholders' Deficit
(Unaudited)

(Millions of US dollars)	Common Stock	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Total
Balances as of 31 March 2009	**$ 219.2**	**$ 22.7**	**$ (352.8)**	**$ 2.2**	**$ (108.7)**
Comprehensive (loss) income:					
Net loss	—	—	(97.5)	—	(97.5)
Pension and post-retirement benefit adjustments	—	—	—	0.2	0.2
Unrealised gain on investments	—	—	—	5.1	5.1
Foreign currency translation gain	—	—	—	41.9	41.9
Other comprehensive income	—	—	—	47.2	47.2
Total comprehensive loss					(50.3)
Stock-based compensation	—	4.0	—	—	4.0
Stock options exercised	0.5	1.5	—	—	2.0
Balances as of 30 September 2009	**$ 219.7**	**$ 28.2**	**$ (450.3)**	**$ 49.4**	**$ (153.0)**

The accompanying notes are an integral part of these consolidated financial statements.

1. Background and Basis of Presentation

Nature of Operations

The Company manufactures and sells fibre cement building products for interior and exterior building construction applications primarily in the United States, Australia, New Zealand, the Philippines and Europe.

Basis of Presentation

The consolidated financial statements represent the financial position, results of operations and cash flows of James Hardie Industries N.V. ("JHI NV") and its current wholly owned subsidiaries and special purpose entities, collectively referred to as either the "Company" or "James Hardie" and JHI NV, together with its subsidiaries as of the time relevant to the applicable reference, the "James Hardie Group," unless the context indicates otherwise. These interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the notes thereto, included in the Company's Annual Report on Form 20-F for the fiscal year ended 31 March 2009, filed with the United States Securities and Exchange Commission on 25 June 2009.

The condensed consolidated financial statements included herein are unaudited; however, they contain all normal recurring adjustments which, in the opinion of the Company's management, are necessary to state fairly the consolidated financial position of the Company at 30 September 2009, and the consolidated results of operations for the three months and six months ended 30 September 2009 and 2008 and consolidated cash flows for the six months ended 30 September 2009 and 2008. The results of operations for the three months and six months ended 30 September 2009 are not necessarily indicative of the results to be expected for the full year. The balance sheet at 31 March 2009 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by accounting principles generally accepted in the United States of America ("US GAAP") for complete financial statements.

The assets, liabilities, statements of operations and statements of cash flows of the Company have been presented with accompanying Australian dollar (A$) convenience translations as the majority of the Company's shareholder base is Australian. These A$ convenience translations are not prepared in accordance with US GAAP and have not been audited. The exchange rates used to calculate the convenience translations are as follows:

(US$1 = A$)	31 March 2009	30 September **2009**	30 September 2008
Assets and liabilities	1.4552	**1.1382**	1.2480
Statements of operations	n/a	**1.2562**	1.0912
Cash flows — beginning cash	n/a	**1.4552**	1.0903
Cash flows — ending cash	n/a	**1.1382**	1.2480
Cash flows — current period movements	n/a	**1.2562**	1.0912

We have evaluated all subsequent events through 23 November 2009, the date the financial statements were issued.

2. Summary of Significant Accounting Policies

Reclassifications

Certain prior year balances have been reclassified to conform to the current year presentation. The reclassifications do not impact shareholders' deficit.

Depreciation and Amortisation

The Company records depreciation and amortisation under both cost of goods sold and selling, general and administrative expenses, depending on the asset's business use. All depreciation and amortisation related to plant building, machinery and equipment is recorded in cost of goods sold.

Earnings Per Share

The Company is required to disclose basic and diluted earnings per share ("EPS"). Basic EPS is calculated using net income divided by the weighted average number of common shares outstanding during the period. Diluted EPS is similar to basic EPS except that the weighted average number of common shares outstanding is increased to include the number of additional common shares calculated using the treasury method that would have been outstanding if the dilutive potential common shares, such as options, had been issued. Accordingly, basic and dilutive common shares outstanding used in determining net (loss) income per share are as follows:

	Three Months Ended 30 September		Six Months Ended 30 September	
(Millions of shares)	**2009**	2008	**2009**	2008
Basic common shares outstanding	**432.5**	432.2	**432.4**	432.2
Dilutive effect of stock awards	—	0.8	—	0.9
Diluted common shares outstanding	**432.5**	433.0	**432.4**	433.1

(US dollars)	**2009**	2008	**2009**	2008
Net (loss) income per share — basic	**$ (0.05)**	$ 0.36	**$ (0.23)**	$ 0.36
Net (loss) income per share — diluted	**$ (0.05)**	$ 0.35	**$ (0.23)**	$ 0.36

Potential common shares of 14.1 million and 19.2 million for the three months ended 30 September 2009 and 2008, and 16.3 million and 19.0 million for the six months ended 30 September 2009 and 2008, respectively, have been excluded from the calculation of diluted common shares outstanding because the effect of their inclusion would be anti-dilutive.

Unless antidilutive, restricted stock units ("RSUs") which vest solely based on continued employment are considered to be outstanding as of their issuance date for purposes of computing diluted EPS and are included in the calculation of diluted EPS using the Treasury Method. Once these RSUs vest, they are included in the basic EPS calculation on a weighted-average basis.

RSUs which vest based on performance or market conditions are considered contingent shares. At each reporting date prior to the end of the contingency period, the Company determines the number of contingently issuable shares to include in the diluted EPS, as the number of shares that would be issuable under the terms of the RSU arrangement, if the end of the reporting period were the end of the contingency period. Once these RSUs vest, they are included in the basic EPS calculation on a weighted-average basis.

Advertising

The Company expenses the production costs of advertising the first time the advertising takes place. Advertising expense was US$2.7 million and US$3.1 million during the three months ended 30 September 2009 and 2008, respectively, and US$4.5 million and US$6.6 million during the six months ended 30 September 2009 and 2008, respectively.

Asbestos

At 31 March 2006, the Company recorded an asbestos provision based on the estimated economic impact of the Original Final Funding Agreement (“Original FFA”) entered into on 1 December 2005. The amount of the net asbestos provision of US$715.6 million was based on the terms of the Original FFA, which included an actuarial estimate prepared by KPMG Actuaries as of 31 March 2006 of the projected future cash outflows, undiscounted and uninflated, and the anticipated tax deduction arising from Australian legislation which came into force on 6 April 2006. The amount represented the net economic impact that the Company was prepared to assume as a result of its voluntary funding of the asbestos liability which was under negotiation with various parties.

In February 2007, the shareholders approved the Amended FFA entered into on 21 November 2006 to provide long-term funding to the Asbestos Injuries Compensation Fund (“AICF”), a special purpose fund that provides compensation for Australian-related personal injuries for which certain former subsidiary companies of James Hardie in Australia (being Amaca Pty Ltd (“Amaca”), Amaba Pty Ltd (“Amaba”) and ABN 60 Pty Limited (“ABN 60”) (collectively, the “Former James Hardie Companies”)) are found liable.

Although the Company has no legal ownership in the AICF, JHI NV holds an interest in a variable interest entity (the AICF) via its pecuniary and contractual interest in the AICF as a result of the funding arrangements outlined in the Amended FFA. As a result, upon shareholder approval of the Amended FFA, the Company was required to consolidate the AICF, resulting in a separate recognition of the asbestos liability and certain other items including the related Australian income tax benefit. Among other items, the Company recorded a deferred tax asset for the anticipated tax benefit related to asbestos liabilities and a corresponding increase in the asbestos liability. As stated in “Deferred Income Taxes” below, James Hardie 117 Pty Ltd (the “Performing Subsidiary”) is able to claim a taxable deduction for contributions to the asbestos fund. For the year ended 31 March 2007, the Company classified the expense related to the increase of the asbestos liability as asbestos adjustments and the Company classified the benefit related to the recording of the related deferred tax asset as an income tax benefit (expense) on its consolidated statements of operations.

Amaca and Amaba separated from the James Hardie Group in February 2001. ABN 60 separated from the James Hardie Group in March 2003. Upon shareholder approval of the Amended FFA in February 2007, shares in the Former James Hardie Companies were transferred to the AICF. The Company appoints three of the AICF directors and the NSW state government appoints two of the AICF directors. The AICF manages Australian asbestos-related personal injury claims made against the Former James Hardie Companies and makes compensation payments in respect of those proven claims.

AICF

Under the terms of the Amended FFA, the Performing Subsidiary has a contractual liability to make payments to the AICF. This funding to the AICF results in the Company having a pecuniary interest in the AICF. The interest is considered variable because the potential impact on the Company will vary based upon the annual actuarial assessments obtained by the AICF with respect to asbestos-related personal injury claims against the Former James Hardie Companies. Due to the Company’s variable interest in the AICF, the Company includes the AICF’s assets, liabilities and operating results in the Company’s consolidated financial statements.

The AICF has operating costs that are claims related and non-claims related. Claims related costs incurred by the AICF are treated as reductions to the accrued asbestos liability balances previously reflected in the consolidated balance sheets. Non-claims related operating costs incurred by the AICF are expensed as incurred in the line item *Selling, general and administrative expenses* in the consolidated statements of operations. The AICF earns interest on its cash and cash equivalents and on its short-term investments; these amounts are included in the line item *Interest income* in the consolidated statements of operations.

Asbestos-Related Assets and Liabilities

The Company has recorded on its consolidated balance sheets certain assets and liabilities under the terms of the Amended FFA. These items are Australian dollar-denominated and are subject to translation into US dollars at each reporting date. These assets and liabilities are commonly referred to by the Company as *Asbestos-Related Assets and Liabilities* and include:

Asbestos Liability

The amount of the asbestos liability reflects the terms of the Amended FFA, which has been calculated by reference to (but is not exclusively based upon) the most recent actuarial estimate of projected future cash flows prepared by KPMG Actuaries. Based on KPMG Actuaries' assumptions, KPMG Actuaries arrived at a range of possible total cash flows and proposed a central estimate which is intended to reflect an expected outcome. The Company views the central estimate as the basis for recording the asbestos liability in the Company's financial statements, which under US GAAP, it considers the best estimate. The asbestos liability includes these cash flows as undiscounted and uninflated on the basis that it is inappropriate to discount or inflate future cash flows when the timing and amounts of such cash flows is not fixed or readily determinable.

Adjustments in the asbestos liability due to changes in the actuarial estimate of projected future cash flows and changes in the estimate of future operating costs of the AICF are reflected in the consolidated statements of operations during the period in which they occur. Claims paid by the AICF and claims-handling costs incurred by the AICF are treated as reductions in the accrued balances previously reflected in the consolidated balance sheets.

Insurance Receivable

There are various insurance policies and insurance companies with exposure to the asbestos claims. The insurance receivable determined by KPMG Actuaries reflects the recoveries expected from all such policies based on the expected pattern of claims against such policies less an allowance for credit risk based on credit agency ratings. The insurance receivable generally includes these cash flows as undiscounted and uninflated on the basis that it is inappropriate to discount or inflate future cash flows when the timing and amounts of such cash flows are not fixed or readily determinable. The Company only records insurance receivables that it deems to be probable.

Included in insurance receivable is US$12.0 million recorded on a discounted basis because the timing of the recoveries has been agreed with the insurer.

Adjustments in insurance receivable due to changes in the actuarial estimate, or changes in the Company's assessment of recoverability are reflected in the consolidated statements of operations during the period in which they occur. Insurance recoveries are treated as a reduction in the insurance receivable balance.

Workers' Compensation

Workers' compensation claims are claims made by former employees of the Former James Hardie Companies. Such past, current and future reported claims were insured with various insurance companies and the various Australian State-based workers' compensation schemes (collectively "workers' compensation schemes or policies"). An estimate of the liability related to workers' compensation claims is prepared by KPMG Actuaries as part of the annual actuarial assessment. This estimate contains two components, amounts that will be met by a workers' compensation scheme or policy, and amounts that will be met by the Former James Hardie Companies.

The portion of the KPMG Actuaries' estimate that is expected to be met by the Former James Hardie Companies is included as part of the *Asbestos Liability*. Adjustments to this estimate are reflected in the consolidated statements of operations during the period in which they occur.

The portion of the KPMG Actuaries' estimate that is expected to be met by the workers' compensation schemes or policies of the Former James Hardie Companies is recorded by the Company as a workers' compensation liability. Since these amounts are expected to be paid by the workers' compensation schemes or policies, the Company records an equivalent workers' compensation receivable.

Adjustments to the workers' compensation liability result in an equal adjustment in the workers' compensation receivable recorded by the Company and have no effect on the consolidated statements of operations.

Asbestos-Related Research and Education Contributions

The Company agreed to fund asbestos-related research and education initiatives for a period of 10 years, beginning in fiscal year 2007. The liabilities related to these agreements are included in "Other Liabilities" on the consolidated balance sheets.

Restricted Cash and Cash Equivalents

Cash and cash equivalents of the AICF are reflected as restricted assets, as the use of these assets is restricted to the settlement of asbestos claims and payment of the operating costs of the AICF. The Company classifies these amounts as a current asset on the face of the consolidated balance sheet since they are highly liquid.

Restricted Short-Term Investments

Short-term investments consist of highly liquid investments held in the custody of major financial institutions. All short-term investments are classified as available for sale and are recorded at market value using the specific identification method. Unrealised gains and losses on the market value of these investments are included as a separate component of accumulated other comprehensive income.

AICF – Other Assets and Liabilities

Other assets and liabilities of the AICF, including fixed assets, trade receivables and payables are included on the consolidated balance sheets under the appropriate captions and their use is restricted to the operations of the AICF.

Deferred Income Taxes

The Performing Subsidiary is able to claim a taxation deduction for its contributions to the AICF over a five-year period from the date of contribution. Consequently, a deferred tax asset has been recognised equivalent to the anticipated tax benefit over the life of the Amended FFA. The current portion of the deferred tax asset represents Australian tax benefits that will be available to the Company during the subsequent twelve months.

Adjustments are made to the deferred income tax asset as adjustments to the asbestos-related assets and liabilities are recorded.

Foreign Currency Translation

The asbestos-related assets and liabilities are denominated in Australian dollars and thus the reported values of these asbestos-related assets and liabilities in the Company's consolidated balance sheets in US dollars are subject to adjustment depending on the closing exchange rate between the two currencies at the balance sheet date. The effect of foreign exchange rate movements between these currencies is included in *Asbestos Adjustments* in the consolidated statements of operations.

Recent Accounting Pronouncements

The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles

In July 2009, the FASB issued the *FASB Accounting Standards Codification* ("Codification") as the single source of authoritative nongovernmental US GAAP. The Codification is effective for interim and annual periods ending after 15 September 2009. The adoption of the Codification did not have a material impact on the Company's financial statements.

3. Inventories

Inventories consist of the following components:

(Millions of US dollars)	30 September 2009	31 March 2009
Finished goods	**$ 81.6**	$ 82.5
Work-in-process	**6.0**	4.7
Raw materials and supplies	**48.1**	48.9
Provision for obsolete finished goods and raw materials	**(7.3)**	(7.2)
Total inventories	**$ 128.4**	$ 128.9

4. Property, Plant and Equipment

Property, plant and equipment consist of the following components:

(Millions of US dollars)	Land	Buildings	Machinery and Equipment	Construction In Progress[1]	Total
Balance at 31 March 2009:					
Cost	18.0	212.3	867.9	51.6	**1,149.8**
Accumulated depreciation	—	(61.4)	(387.6)	—	**(449.0)**
Net book value	$ 18.0	$ 150.9	$ 480.3	$ 51.6	**$ 700.8**
Changes in net book value:					
Capital expenditures	—	1.8	10.5	8.6	**20.9**
Depreciation	—	(4.9)	(24.9)	—	**(29.8)**
Other movements	—	—	20.7	(20.7)	—
Foreign currency translation adjustments	—	—	17.6	—	**17.6**
Total changes	—	(3.1)	23.9	(12.1)	**8.7**
Balance at 30 September 2009:					
Cost	18.0	214.1	916.7	39.5	**1,188.3**
Accumulated depreciation	—	(66.3)	(412.5)	—	**(478.8)**
Net book value	$ 18.0	$ 147.8	$ 504.2	$ 39.5	**$ 709.5**

1 Construction in progress consists of plant expansions and upgrades.

5. Short and Long-Term Debt

Debt consists of the following components:

(Millions of US dollars)	**30 September 2009**	31 March 2009
Short-term debt	**$ 50.0**	$ 93.3
Current portion of long-term debt	**144.0**	—
Long-term debt	**18.0**	230.7
Total debt[1]	**$ 212.0**	$ 324.0

1 Total debt at 1.01% and 1.48% weighted average interest rates at 30 September 2009 and 31 March 2009, respectively.

At 30 September 2009, the Company's credit facilities consisted of:

Description	**Effective Interest Rate**	**Total Facility**	**Principal Drawn**
(US$ millions)			
364-day facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until November 2009	1.15%	50.0	50.0
364-day facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until June 2010	—	16.7	—
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until June 2010	0.94%	245.0	144.0
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until February 2011	1.13%	45.0	18.0
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until February 2013	—	90.0	—
Total		**$ 446.7**	**$ 212.0**

For all facilities, the interest rate is calculated two business days prior to the commencement of each draw-down period based on the US$ London Interbank Offered Rate ("LIBOR") plus the margins of individual lenders and is payable at the end of each draw-down period. At 30 September 2009, there was US$212.0 million drawn under the combined facilities and US$234.7 million was unutilised and available.

At 30 September 2009, management believes that the Company was in compliance with all restrictive debt covenants contained in its credit facility agreements. Under the most restrictive of these covenants, the Company (i) is required to maintain certain ratios of indebtedness to equity which do not exceed certain maximums, excluding assets, liabilities and other balance sheet items of the AICF, Amaba, Amaca, ABN 60 and Marlew Mining Pty Limited, (ii) must maintain a minimum level of net worth, excluding assets, liabilities and other balance sheet items of the AICF; for these purposes “net worth” means the sum of the par value (or value stated in the books of the James Hardie Group) of the capital stock (but excluding treasury stock and capital stock subscribed or unissued) of the James Hardie Group, the paid in capital and retained earnings of the James Hardie Group and the aggregate amount of provisions made by the James Hardie Group for asbestos related liabilities, in each case, as such amounts would be shown in the consolidated balance sheet of the James Hardie Group if Amaba, Amaca, ABN 60 and Marlew Mining Pty Limited were not accounted for as subsidiaries of the Company, (iii) must meet or exceed a minimum ratio of earnings before interest and taxes to net interest charges, excluding all income, expense and other profit and loss statement impacts of the AICF, Amaba, Amaca, ABN 60 and Marlew Mining Pty Limited and (iv) must ensure that no more than 35% of Free Cash Flow (as defined in the Amended FFA) in any given Financial Year is contributed to the AICF on the payment dates under the Amended FFA in the next following Financial Year. The limit does not apply to payments of interest to the AICF. Such limits are consistent with the contractual liabilities of the Performing Subsidiary and the Company under the Amended FFA.

6. Asbestos

The Amended FFA to provide long-term funding to the AICF was approved by shareholders in February 2007. The accounting policies utilised by the Company to account for the Amended FFA are described in Note 2, *Summary of Significant Accounting Policies* .

Asbestos Adjustments

The asbestos adjustments included in the consolidated statements of operations comprise the following:

	Three Months Ended 30 September		Six Months Ended 30 September	
(Millions of US dollars)	**2009**	2008	**2009**	2008
Effect of foreign currency exchange	**$ (62.7)**	$ 140.8	**$ (182.5)**	$ 100.3
Total Asbestos Adjustments	**$ (62.7)**	$ 140.8	**$ (182.5)**	$ 100.3

Asbestos-Related Assets and Liabilities

Under the terms of the Amended FFA, the Company has included on its consolidated balance sheets certain asbestos-related assets and liabilities. These amounts are detailed in the table below, and the net total of these asbestos-related assets and liabilities is commonly referred to by the Company as the "Net Amended FFA Liability".

(Millions of US dollars)	**30 September 2009**	31 March 2009
Asbestos liability — current	**$ (100.0)**	$ (78.2)
Asbestos liability — non-current	**(1,491.4)**	(1,206.3)
Asbestos liability — Total	**(1,591.4)**	(1,284.5)
Insurance receivable — current	**16.1**	12.6
Insurance receivable — non-current	**184.7**	149.0
Insurance receivable — Total	**200.8**	161.6
Workers' compensation asset — current	**0.7**	0.6
Workers' compensation asset — non-current	**94.3**	73.8
Workers' compensation liability — current	**(0.7)**	(0.6)
Workers' compensation liability — non-current	**(94.3)**	(73.8)
Workers' compensation — Total	**—**	—
Deferred income taxes — current	**15.8**	12.3
Deferred income taxes — non-current	**410.1**	333.2
Deferred income taxes — Total	**425.9**	345.5
Income tax payable (reduction in income tax payable)	**34.0**	22.8
Other net liabilities	**(2.1)**	(2.0)
Net Amended FFA liability	**(932.8)**	(756.6)
Restricted cash and cash equivalents and restricted short-term investment assets of the AICF	**89.3**	98.3
Unfunded Net Amended FFA liability	**$ (843.5)**	$ (658.3)

Asbestos Liability

The amount of the asbestos liability reflects the terms of the Amended FFA, which has been calculated by reference to (but is not exclusively based upon) the most recent actuarial estimate of the projected future asbestos-related cash flows prepared by KPMG Actuaries. The asbestos liability also includes an allowance for the future claims-handling costs of the AICF. The Company receives an updated actuarial estimate as of 31 March each year. The last actuarial assessment was performed as of 31 March 2009.

The changes in the asbestos liability for the six months ended 30 September 2009 are detailed in the table below:

	A$ Millions	A$ to US$ rate	US$ Millions
Asbestos liability – 31 March 2009	A$ (1,869.2)	1.4552	$ (1,284.5)
Asbestos claims paid[1]	56.1	1.2562	44.7
AICF claims-handling costs incurred[1]	1.8	1.2562	1.4
Loss on foreign currency exchange			(353.0)
Asbestos liability – 30 September 2009	**A$ (1,811.3)**	1.1382	**$ (1,591.4)**

Insurance Receivable – Asbestos

The changes in the insurance receivable for the six months ended 30 September 2009 are detailed in the table below:

	A$ Millions	A$ to US$ rate	US$ Millions
Insurance receivable – 31 March 2009	A$ 235.2	1.4552	$ 161.6
Insurance recoveries[1]	(6.7)	1.2562	(5.3)
Gain on foreign currency exchange			44.5
Insurance receivable – 30 September 2009	**A$ 228.5**	1.1382	**$ 200.8**

Deferred Income Taxes – Asbestos

The changes in the deferred income taxes — asbestos for the six months ended 30 September 2009 are detailed in the table below:

	A$ Millions	A$ to US$ rate	US$ Millions
Deferred tax assets – 31 March 2009	A$ 502.7	1.4552	$ 345.5
Amounts offset against income tax payable[1]	(15.9)	1.2562	(12.7)
Impact of other asbestos adjustments[1]	(2.0)	1.2562	(1.6)
Gain on foreign currency exchange			94.7
Deferred tax assets – 30 September 2009	**A$ 484.8**	1.1382	**$ 425.9**

Income Tax Payable

A portion of the deferred income tax asset is applied against the Company's income tax payable. At 30 September 2009 and 31 March 2009, this amount was US$34.0 million and US$22.8 million, respectively. During the six months ended 30 September 2009, there was a US$7.7 million favourable effect of foreign currency exchange.

Other Net Liabilities

Other net liabilities include a provision for asbestos-related education and medical research contributions of US$2.8 million at 30 September 2009. Also included in other net liabilities are the other assets and liabilities of the AICF including trade receivables, prepayments, fixed assets, trade payables and accruals.

These other assets and liabilities of the AICF were a net asset of US$0.7 million at 30 September 2009. During the six months ended 30 September 2009, there was a US$0.5 million unfavourable effect of foreign currency exchange on the other net liabilities.

Restricted Cash and Short-term Investments of the AICF

Cash and cash equivalents and short-term investments of the AICF are reflected as restricted assets as these assets are restricted for use in the settlement of asbestos claims and payment of the operating costs of the AICF. During the six months ended 30 September 2009, the AICF sold US$29.3 million (A$36.8 million) of its short-term investments which at 31 March 2009 had been adjusted to their fair market value of US$27.0 million (A$33.9 million). The sales for the six months ended 30 September 2009 resulted in the Company recording a realised gain of US$2.3 million (A$2.9 million) in the line item *Other Income*.

At 30 September 2009, the Company revalued the AICF's remaining short-term investments available-for-sale resulting in a positive mark-to-market fair value adjustment of US$5.1 million (A$6.4 million). This appreciation in the value of the investments was recorded as an unrealised gain in *Other Comprehensive Income*.

The changes in the restricted cash and short-term investments of the AICF for the six months ended 30 September 2009 are detailed in the table below:

	A$ Millions	A$ to US$ rate	US$ Millions
Restricted cash and cash equivalents and restricted short-term investments – 31 March 2009	A$ 143.1	1.4552	$ 98.3
Asbestos claims paid[1]	(56.1)	1.2562	(44.7)
AICF operating costs paid — claims-handling[1]	(1.8)	1.2562	(1.4)
AICF operating costs paid — non claims-handling[1]	(1.2)	1.2562	(1.0)
Insurance recoveries[1]	6.7	1.2562	5.3
Interest and investment income[1]	2.1	1.2562	1.7
Unrealised gain on investments[1]	6.4	1.2562	5.1
Gain on investments[1]	2.9	1.2562	2.3
Other[1]	(0.5)	1.2562	(0.4)
Gain on foreign currency exchange			24.1
Restricted cash and cash equivalents and restricted short-term investments – 30 September 2009	**A$ 101.6**	1.1382	**$ 89.3**

1 The average exchange rate for the period is used to convert the Australian dollar amount to US dollars.

Claims Data

The AICF provides compensation payments for Australian asbestos-related personal injury claims against the Former James Hardie Companies. The claims data in this section are only reflective of these Australian asbestos-related personal injury claims against the Former James Hardie Companies.

The following table, provided by KPMG Actuaries, shows the activity related to the numbers of open claims, new claims and closed claims during each of the past five years and the average settlement per settled claim and case closed:

	Six Months Ended 30 September 2009	For the Years Ended 31 March 2009	2008	2007	2006 [1]
Number of open claims at beginning of period	**534**	523	490	564	712
Number of new claims	**286**	607	552	463	346
Number of closed claims	**300**	596	519	537	502
Number of open claims at end of period	**520**	534	523	490	556
Average settlement amount per settled claim	**A$ 176,433**	A$190,638	A$147,349	A$166,164	A$151,883
Average settlement amount per case closed	**A$ 169,376**	A$168,248	A$126,340	A$128,723	A$122,535
Average settlement amount per settled claim	**US$ 140,450**	US$151,300	US$128,096	US$127,163	US$114,318
Average settlement amount per case closed	**US$ 134,832**	US$133,530	US$109,832	US$ 98,510	US$ 92,229

1 Information includes claims data for only 11 months ended 28 February 2006. Claims data for the 12 months ended 31 March 2006 were not available at the time the Company's financial statements were prepared.

Under the terms of the Amended FFA, the Company has obtained rights of access to actuarial information produced for the AICF by the actuary appointed by the AICF (the "Approved Actuary"). The Company's future disclosures with respect to claims statistics are subject to it obtaining such information from the Approved Actuary. The Company has had no general right (and has not obtained any right under the Amended FFA) to audit or otherwise require independent verification of such information or the methodologies to be adopted by the Approved Actuary. As such, the Company will need to rely on the accuracy and completeness of the information and analysis of the Approved Actuary when making future disclosures with respect to claims statistics.

7. Fair Value Measurements

The Company's financial instruments consist primarily of cash and cash equivalents, restricted cash and cash equivalents, restricted short-term investments, trade receivables, trade payables, debt and interest rate swaps.

Cash and cash equivalents, Restricted cash and cash equivalents, Trade receivables and Trade payables – These items are recorded in the financial statements at historical cost. The historical cost basis for these amounts is estimated to approximate their respective fair values due to the short maturity of these instruments.

Restricted short-term investments – Restricted short-term investments are recorded in the financial statements at fair value. The fair value of restricted short-term investments is based on quoted market prices. Changes in fair value are recorded, net of tax, as other comprehensive income and included as a component in shareholders' deficit. Restricted short-term investments are held and managed by the AICF and are reported at their fair value. At 31 March 2009, the Company determined that these investments were other than temporarily impaired due to the current economic environment, the length of time the fair value of the assets were less than cost and the extent of the discount of the fair value compared to the cost of the assets. The Company recorded an unrealised gain on these restricted short-term investments of US$5.1 million for the six months ended 30 September 2009. This unrealised gain is included as a separate component of accumulated other comprehensive income.

Debt – Debt is generally recorded in the financial statements at historical cost. The carrying value of debt provided under the Company's credit facilities approximates fair value since the interest rates charged under these credit facilities are tied directly to market rates and fluctuate as market rates change.

Interest Rate Swaps – Interest rate swaps are recorded in the financial statements at fair value. Changes in fair value are recorded in the statement of operations in *Other Income*. At 30 September 2009, the Company had interest rate swap contracts with a total principal of US$250.0 million. For all of these interest rate swap contracts, the Company has agreed to pay fixed interest rates while receiving a floating interest rate. These contracts were entered into to protect against upward movements in US$ LIBOR and the associated interest the Company pays on its external credit facilities. At 30 September 2009 the weighted average fixed interest rate of these contracts is 2.49% and the weighted average remaining life is 3.3 years. These contracts have a fair value of US$0.4 million, which is included in *Accounts Payable*. The Company recorded an unrealised loss on interest rate swaps of $2.9 million and unrealised gain on interest rate swaps of $1.5 million, respectively, for the three and six months ended 30 September 2009.

The following table sets forth by level within the fair value hierarchy, the Company's financial assets and liabilities that were accounted for at fair value on a recurring basis at 30 September 2009 according to the valuation techniques the Company used to determine their fair values.

(Millions of US Dollars)	Fair Value at 30 September 2009	Fair Value Measurements Using Inputs Considered as		
		Level 1	Level 2	Level 3
Assets				
Cash and cash equivalents	$ 45.8	$ 45.8	$ —	$ —
Restricted cash and cash equivalents	51.1	51.1	—	—
Restricted short-term investments	43.5	43.5	—	—
Total Assets	$ 140.4	$ 140.4	$ —	$ —
Liabilities				
Accounts Payable	0.4	—	$ 0.4	$ —
Total Liabilities	$ 0.4	$ —	$ 0.4	$ —

8. Commitment and Contingencies

The Company is involved from time to time in various legal proceedings and administrative actions incidental or related to the normal conduct of its business. Although it is impossible to predict the outcome of any pending legal proceeding, management believes that such proceedings and actions should not, except as it relates to asbestos, the ASIC proceedings and income taxes as described in these financial statements, individually or in the aggregate, have a material adverse effect on its consolidated financial position, results of operations or cash flows.

ASIC Proceedings

The note below should be read in the light of earlier disclosures made by the Company (see for example the notes to the Company's Condensed Consolidated Financial Statements as of and for the Period Ended 30 June 2009 lodged with the ASX on 18 August 2009 and the Company's statement on the ASIC proceedings of 20 August 2009) regarding these proceedings following the judgment delivered on 23 April 2009, by Justice Gzell against the Company, ABN 60 (formerly JHIL) and ten former directors and officers, and the same notes concerning the existence of indemnities in favour of certain of its directors and officers under which it has incurred, and may continue to incur, further costs which may be material.

Since these earlier disclosures were made, all defendants other than two have lodged appeals against Justice Gzell’s judgments. ASIC has responded by lodging cross appeals against the appellants. The appeals are listed for hearing over a period of up to nine days commencing 19 April 2010.

Depending upon the outcome of the appeals and cross-appeals, further or different findings may be made as to the liability of each defendant-appellant, any banning orders, fines payable, and as to the costs of the appeal and the first instance proceedings that the Company may become liable for either in respect of its own appeal or the appeals of other defendants-appellants under indemnities. As with the first instance proceedings, the Company has agreed to pay a proportion of the costs of bringing and defending appeals, with the remaining costs being met by third parties. The Company notes that other recoveries may be available, including as a result of successful appeals or repayments by former directors and officers in accordance with the terms of their indemnities.

As a result of the above variables and uncertainties, it is not presently possible for the Company to estimate the amount or range of amounts, including costs that it might become liable to pay as a consequence of the appeal proceedings. Accordingly, as of 30 September 2009, the Company has not recorded any related loss reserves.

It is the Company’s policy to expense legal costs as incurred. Losses and expenses arising from the ASIC proceedings could have a material adverse effect on the Company’s financial position, liquidity, results of operations and cash flows.

Chile Litigation

On 24 April 2009, a trial court in Santiago, Chile awarded the equivalent of US$13.4 million in damages against Fibrocementos Volcan Limitada (“FC Volcan”, the former James Hardie Chilean entity), in civil litigation brought by Industria Cementa Limitada (“Cementa”) in 2007. FC Volcan is appealing the decision to the Santiago Court of Appeal.

Cementa, a fibre cement manufacturer in Chile, commenced anti-trust proceedings in 2003 against the former James Hardie Chilean entity alleging that it had engaged in predatory pricing, by selling products below cost when it entered the Chilean market, in breach of the relevant anti-trust laws in Chile. Another fiber cement manufacturer in Chile, Producción Química y Electrónica Quimel S.A. (“Quimel”), also joined the proceedings.

As these actions existed prior to James Hardie’s sale of its Chilean business in July 2005, the Company had agreed to indemnify the buyer subject to certain conditions and limitations, for damages or penalties awarded against FC Volcan in relation to such proceedings, and the Company retained conduct of the defence of the matters.

After the anti-trust proceedings concluded in 2006, Cementa, in 2007, brought a separate civil action against FC Volcan claiming that Cementa had suffered damages, allegedly as a result of predatory pricing. This action resulted in the US$13.4 million damages award which is now the subject of the appeal by FC Volcan.

Quimel also filed a separate civil action against FC Volcan in 2007 claiming that it had suffered damages, allegedly as a result of predatory pricing. On 23 June 2009 the Chilean trial court dismissed the claim filed by Quimel against FC Volcan. Quimel has appealed the trial court decision, but a date for the appeal has not yet been set.

The Company denied and continues to deny the allegations of predatory pricing in Chile. The Company retained conduct of the appeal of the two civil damages matters. The Company intends to vigorously pursue all appellate and other alternatives as it does not concur with the decision of the trial court. The Company also intends to exercise its rights under the indemnification provisions, including applicable conditions and limitations.

As of 30 September 2009, management believes it has adequately provided for this contingency.

Environmental and Legal

The operations of the Company, like those of other companies engaged in similar businesses, are subject to a number of laws and regulations on air and water quality, waste handling and disposal. The Company's policy is to accrue for environmental costs when it is determined that it is probable that an obligation exists and the amount can be reasonably estimated. In the opinion of management, based on information presently known except as set forth above, the ultimate liability for such matters should not have a material adverse effect on either the Company's consolidated financial position, results of operations or cash flows.

9. Income Taxes

The Company or one of its subsidiaries files income tax returns in the US federal jurisdiction, and various states and foreign jurisdictions including Australia and The Netherlands. The Company is no longer subject to US federal examinations by US Internal Revenue Service ("IRS") for tax years prior to tax year 2007. The Company is no longer subject to examinations by The Netherlands tax authority for tax years prior to tax year 2002. The Company is no longer subject to Australian federal examinations by the Australian Taxation Office ("ATO") for tax years prior to tax year 2007.

ATO — 1999 Disputed Amended Assessment

In March 2006, RCI Pty Ltd ("RCI"), a wholly-owned subsidiary of the Company, received an amended assessment from the ATO in respect of RCI's income tax return for the year ended 31 March 1999.

On 30 May 2007, the ATO issued a Notice of Decision disallowing the Company's objection to the amended assessment ("Objection Decision"). On 11 July 2007, the Company filed an application appealing the Objection Decision with the Federal Court of Australia. The matter was heard before the Federal Court of Australia in September 2009. Judgment was reserved and has not yet been handed down.

The Company believes that it is more-likely-than-not that the tax position reported in RCI's tax return for the 1999 fiscal year will be upheld on appeal. Therefore, the Company has not recorded any liability at 30 September 2009 for the amended assessment.

The Company expects that amounts paid in respect of the amended assessment will be recovered by RCI (with interest) at the time RCI is successful in its appeal against the amended assessment. As a result, the Company has treated all payments in respect of the amended assessment that have been made up to 30 September 2009 and related accrued interest receivable as a deposit, and it is the Company's intention to treat any payments to be made at a later date as a deposit. At 30 September 2009 and 31 March 2009, this deposit totaled US$229.3 million (A$261.0 million) and US$173.5 million (A$252.5 million), respectively.

Unrecognised Tax Benefits

A reconciliation of the beginning and ending amount of unrecognised tax benefits and interest and penalties are as follows:

(US$ millions)	Unrecognised tax benefits	Interest and Penalties
Balance at 31 March 2009	$ 12.3	$ (16.0)
Additions for tax positions of the current year	0.4	—
Additions for tax positions of prior year	4.2	(1.1)
Other reductions for the tax positions of prior periods	(5.0)	—
Foreign currency translation adjustment	—	(5.1)
Balance at 30 September 2009	**$ 11.9**	**$ (22.2)**

As of 30 September 2009 the total amount of unrecognised tax benefits and the total amount of interest and penalties accrued related to unrecognised tax benefits that, if recognised, would affect the effective tax rate is US$11.9 million and an expense of US$22.2 million, respectively.

The Company recognises penalties and interest accrued related to unrecognised tax benefits in income tax expense. During the three months and six months ended 30 September 2009, the total amount of interest and penalties recognised in tax expense as a benefit was US$0.9 million and $1.1 million, respectively.

The liabilities associated with uncertain tax benefits are included in other non-current liabilities on the Company's consolidated balance sheet.

A number of years may lapse before an uncertain tax position is audited and ultimately settled. It is difficult to predict the ultimate outcome or the timing of resolution for uncertain tax positions. It is reasonably possible that the amount of unrecognised tax benefits could significantly increase or decrease within the next twelve months. These changes could result from the settlement of ongoing litigation, the completion of ongoing examinations, the expiration of the statute of limitations, or other circumstances. At this time, an estimate of the range of the reasonably possible change cannot be made.

10. Stock-Based Compensation

At 30 September 2009, the Company had the following equity award plans: the Executive Share Purchase Plan; the JHI NV 2001 Equity Incentive Plan; the 2005 Managing Board Transition Stock Option Plan; the Long-Term Incentive Plan 2006 as amended in 2009 and the Supervisory Board Share Plan 2006.

Compensation expense arising from equity award grants as estimated using pricing models was US$2.0 million and US$1.6 million for the three months ended 30 September 2009 and 2008, respectively, and US$4.0 million and US$3.6 million for the six months ended 30 September 2009 and 2008, respectively. As of 30 September 2009, the unrecorded deferred stock-based compensation balance related to equity awards was US$12.6 million after estimated forfeitures and will be recognised over an estimated weighted average amortisation period of 2.5 years.

Stock Options

The following table summarises all of the Company's stock options available for grant and the movement in all of the Company's outstanding options during the noted period:

		Outstanding Options	
	Shares Available for Grant	Number	Weighted Average Exercise Price
Balance at 31 March 2009	23,747,833	18,272,928	A$7.28
Exercised	—	(621,040)	A$4.61
Forfeited	1,034,231	(1,034,231)	A$7.65
Balance at 30 September 2009	**24,782,064**	**16,617,657**	A$**7.35**

The Company's stock based-compensation expense is the estimated fair value of options granted over the periods in which the stock options vest.

The Company estimates the fair value of each option grant on the date of grant using either the Black-Scholes option-pricing model or a binomial lattice model that incorporates a Monte Carlo Simulation (the "Monte Carlo method").

There were no stock options granted during the six months ended 30 September 2009 and 2008.

Restricted Stock

The Company estimates the value of restricted stock issued and recognises this estimated value as compensation expense over the periods in which the restricted stock vests.

The following table summarises all of the Company's restricted stock activity during the noted period:

	Shares	Weighted Average Fair Value at Grant Date
Non-vested at 31 March 2009	2,991,061	A$ 3.95
Granted	1,588,595	A$ 4.85
Forfeited	(53,499)	A$ 4.26
Non-vested at 30 September 2009	**4,526,157**	**A$ 4.26**

Restricted Stock – service vesting

The Company granted 1,066,595 restricted stock units (service vesting) to employees during the six months ended 30 September 2009, under the Long-Term Incentive Plan. During the six months ended 30 September 2008, the Company granted 698,440 restricted stock units (service vesting) to employees under the JHI NV 2001 Equity Incentive Plan and 201,324 restricted stock units (service vesting) to employees under the Long-Term Incentive Plan.

The fair value of each restricted stock unit (service vesting) is equal to the market value of the Company's common stock on the date of grant, adjusted for the fair value of dividends as the restricted stock holder is not entitled to dividends over the vesting period.

The following table includes the assumptions used for restricted stock grants (service vesting) valued during the six months ended 30 September 2009 and 2008:

	29 May 2009 Grant	15 September 2008 Grant	17 June 2008 Grant
Dividend yield[1]	$0.00 per annum	$0.20 per annum	$0.20 per annum
Risk free interest rate[1]	n/a	1.8%	2.9%
Expected life in years	2.0	2.0	2.0
JHX stock price at grant date	A$ 4.31	A$ 3.71	A$ 4.93
Number of restricted stock units	1,066,595	201,324	698,440

1 For the grant on 29 May 2009, the risk free rate is not applicable as the assumed dividend yield is nil.

Restricted Stock – market condition

Under the terms of the Long-Term Incentive Plan, the Company granted 522,000 and 822,541 restricted stock units (market condition) to members of the Company's Managing Board and senior managers during the six months ended 30 September 2009 and 2008, respectively. The vesting of these restricted stock units (market condition) is subject to a market condition as outlined in the Long-Term Incentive Plan rules.

The fair value of each of these restricted stock units (market condition) granted under the Long-Term Incentive Plan is estimated using a binomial lattice model that incorporates a Monte Carlo Simulation (the "Monte Carlo method").

The following table includes the assumptions used for restricted stock grants (market condition) valued during the six months ended 30 September 2009 and 2008:

	15 September 2009 Grant	15 September 2008 Grant
Dividend yield	**2.3%**	**3.9%**
Expected volatility	**42.1%**	**34.9%**
Risk free interest rate	**2.5%**	**2.6%**
Expected life in years	**3.0**	**3.0**
JHX stock price at grant date	**A$ 7.04**	**A$ 3.71**
Number of restricted stock units	**522,000**	**822,541**

Scorecard LTI – cash settled units

Under the terms of the Long-Term Incentive Plan, the Company granted awards equivalent to 1,083,021 Scorecard LTI units that provide recipients a cash incentive based on JHI NV's common stock price on the vesting date and the number of awards granted to recipients that vest on the vesting date. The vesting of awards is measured on individual performance conditions based on the scorecard. Compensation expense recognized for awards are based on the fair market value of JHI NV's common stock on the date of grant, adjusted for subsequent changes in JHI NV's common stock price at the balance sheet date.

11. Operating Segment Information

The Company has reported its operating segment information in the format that the operating segment information is available to and evaluated by the Managing Board of Directors. USA and Europe Fibre Cement manufactures fibre cement interior linings, exterior siding and related accessories products in the United States; these products are sold in the United States, Canada and Europe. Asia Pacific Fibre Cement includes all fibre cement manufactured in Australia, New Zealand and the Philippines and sold in Australia, New Zealand and Asia. Research and Development represents the cost incurred by the research and development centres. The Company's operating segments are strategic operating units that are managed separately due to their different products and/or geographical location.

Operating Segments

The following are the Company's operating segments and geographical information:

	Net Sales to Customers[1] Three Months Ended 30 September		Net Sales to Customers[1] Six Months Ended 30 September	
(Millions of US dollars)	**2009**	2008	**2009**	2008
USA & Europe Fibre Cement	**$ 229.0**	$ 263.0	**$ 452.2**	$ 544.7
Asia Pacific Fibre Cement	**75.2**	78.9	**136.5**	162.2
Worldwide total	**$ 304.2**	$ 341.9	**$ 588.7**	$ 706.9

	(Loss) Income Before Income Taxes Three Months Ended 30 September		(Loss) Income Before Income Taxes Six Months Ended 30 September	
(Millions of US dollars)	**2009**	2008	**2009**	2008
USA & Europe Fibre Cement[2]	**$ 65.3**	$ 61.1	**$ 134.1**	$ 126.7
Asia Pacific Fibre Cement[2]	**16.2**	14.1	**27.1**	29.9
Research and Development[2]	**(4.8)**	(5.0)	**(8.8)**	(10.0)
Segments total	**76.7**	70.2	**152.4**	146.6
General Corporate[3]	**(77.5)**	122.0	**(210.3)**	68.5
Total operating (loss) income	**(0.8)**	192.2	**(57.9)**	215.1
Net interest (expense) income[4]	**(0.4)**	0.3	**(1.1)**	(0.8)
Other (expense) income	**(1.0)**	—	**3.8**	—
Worldwide total	**$ (2.2)**	$ 192.5	**$ (55.2)**	$ 214.3

(Millions of US dollars)	Total Identifiable Assets **30 September 2009**	31 March 2009
USA & Europe Fibre Cement	**$ 764.1**	$ 772.6
Asia Pacific Fibre Cement	**206.4**	167.9
Research and Development	**13.3**	12.2
Segments total	**983.8**	952.7
General Corporate[5,6]	**1,136.9**	946.0
Worldwide total	**$ 2,120.7**	$ 1,898.7

Geographic Areas

(Millions of US dollars)	Net Sales to Customers[1] Three Months Ended 30 September **2009**	2008	Net Sales to Customers[1] Six Months Ended 30 September **2009**	2008
USA	**$ 223.6**	$ 257.8	**$ 442.7**	$ 534.9
Australia	**55.6**	58.1	**98.8**	116.6
New Zealand	**12.2**	13.4	**22.8**	30.6
Other Countries	**12.8**	12.6	**24.4**	24.8
Worldwide total	**$ 304.2**	$ 341.9	**$ 588.7**	$ 706.9

(Millions of US dollars)	Total Identifiable Assets **30 September 2009**	31 March 2009
USA	**$ 764.2**	$ 774.4
Australia	**130.3**	99.8
New Zealand	**40.0**	27.1
Other Countries	**49.3**	51.4
Segments total	**983.8**	952.7
General Corporate[5,6]	**1,136.9**	946.0
Worldwide total	**$ 2,120.7**	$ 1,898.7

1 Export sales and inter-segmental sales are not significant.

2 Research and development costs of US$2.4 million and US$1.8 million for the three months ended 30 September 2009 and 2008, respectively, were expensed in the USA and Europe Fibre Cement segment. Research and development costs of US$0.2 million and US$0.4 million for the three months ended 30 September 2009 and 2008, respectively, were expensed in the Asia Pacific Fibre Cement segment. Research and development costs of US$4.1 million and US$3.6 million for the three months ended 30 September 2009 and 2008, respectively, were expensed in the Research and Development segment. The Research and Development segment also included selling, general and administrative expenses of US$0.7 million and US$1.1 million for the three months ended 30 September 2009 and 2008, respectively. Research and development costs of US$5.0 million and US$3.9 million for the six months ended 30 September 2009 and 2008, respectively, were expensed in the USA and Europe Fibre Cement segment.

Research and development costs of US$0.6 million and US$0.8 million for the six months ended 30 September 2009 and 2008, respectively, were expensed in the Asia Pacific Fibre Cement segment. Research and development costs of US$7.4 million and US$7.5 million for the six months ended 30 September 2009 and 2008, respectively, were expensed in the Research and Development segment. The Research and Development segment also included selling, general and administrative expenses of US$1.4 million and US$2.2 million for the six months ended 30 September 2009 and 2008, respectively.

3 The principal components of General Corporate are officer and employee compensation and related benefits; professional and legal fees; administrative costs; and rental expense, net of rental income, on the Company's corporate offices. Included in General Corporate for the three months ended 30 September 2009 are unfavourable asbestos adjustments of US$62.7 million, AICF SG&A expenses of US$0.5 million and ASIC expenses of US$0.4 million. Included in General Corporate for the three months ended 30 September 2008 are favourable asbestos adjustments of US$140.8 million, AICF SG&A expenses of US$0.3 million and ASIC expenses of US$5.0 million. Included in General Corporate for the six months ended 30 September 2009 are unfavourable asbestos adjustments of US$182.5 million, AICF SG&A expenses of US$1.0 million and ASIC expenses of US$1.0 million. Included in General Corporate for the six months ended 30 September 2008 are favourable asbestos adjustments of US$100.3 million, AICF SG&A expenses of US$0.9 million and ASIC expenses of US$6.5 million.

4 The Company does not report net interest expense for each operating segment as operating segments are not held directly accountable for interest expense. Included in net interest expense and net interest income, respectively, for the three months ended 30 September 2009 and 2008 is AICF interest income of US$1.0 million and US$2.3 million, respectively. Included in net interest expense for the six months ended 30 September 2009 and 2008 is AICF interest income of US$1.7 million and US$3.2 million, respectively. See Note 6.

5 The Company does not report deferred tax assets and liabilities for each operating segment as operating segments are not held directly accountable for deferred income taxes. All deferred income taxes are included in General Corporate.

6 Asbestos-related assets at 30 September 2009 and 31 March 2009 are US$812.7 million and US$681.0 million, respectively, and are included in the General Corporate segment.

12. Accumulated Other Comprehensive Income

Accumulated other comprehensive income consists of the following components:

(Millions of US dollars)	**30 September 2009**	31 March 2009
Pension and post-retirement benefit adjustments (net of tax of US$1.1 million, respectively)	**$ (1.2)**	$ (1.4)
Unrealised gain on restricted short-term investments	**5.1**	—
Foreign currency translation adjustments	**45.5**	3.6
Total accumulated other comprehensive income	**$ 49.4**	$ 2.2

13. Corporate Restructure

On 21 August 2009, JHI NV shareholders voted and approved the Stage 1 portion of the two-stage proposal (the Proposal) to transform the Company into a Societas Europaea ("SE") (Stage 1) and, subsequently, change its domicile from The Netherlands to Ireland (Stage 2). Readers are referred to the Company's Registration Statement on Form F-4 (File No. 333-160177) filed with the United States Securities and Exchange Commission, as amended, for further information on the Proposal.

Item 2. Quantitative and Qualitative Disclosures About Market Risk

James Hardie Industries N.V. and Subsidiaries
(Unaudited)

In this report, James Hardie Industries N.V. and its subsidiaries are collectively referred to as the "Company," "we," "us," or "our," and the terms "US$", "A$", "NZ$", "PHP", refer to United States dollars, Australian dollars, New Zealand dollars and Philippine pesos, respectively.

The Company has operations in foreign countries and, as a result, are exposed to foreign currency exchange rate risk inherent in purchases, sales, assets and liabilities denominated in currencies other than the US dollar. The Company also is exposed to interest rate risk associated with its long-term debt and to changes in prices of commodities the Company uses in production.

The Company's policy is to enter into derivative instruments solely to mitigate risks in its business and not for trading or speculative purposes.

Foreign Currency Exchange Rate Risk

The Company has significant operations outside of the United States and, as a result, are exposed to changes in exchange rates which affect the Company's financial position, results of operations and cash flows. In addition, payments to the AICF are required to be made in Australian dollars which, because the majority of the Company's revenues are produced in US dollars, exposes the Company to risks associated with fluctuations in the US dollar/Australian dollar exchange rate.

For the six months ended 30 September 2009, the following currencies comprised the following percentages of the Company's net sales, cost of goods sold, expenses and liabilities:

	US$	A$	NZ$	Other[1]
Net sales	75.2%	16.8%	3.9%	4.1%
Cost of goods sold	72.4%	18.9%	4.4%	4.3%
Expenses[2]	25.7%	71.4%	0.9%	2.0%
Liabilities (excluding borrowings)[2]	38.9%	60.1%	0.4%	0.6%

1 Comprises Philippine pesos and Euros.

2 Liabilities include A$ denominated asbestos liability. Expenses include adjustments to the asbestos liability. See Note 6 for further information.

The Company purchases raw materials and fixed assets and sells some finished product for amounts denominated in currencies other than the functional currency of the business in which the related transaction is generated. In order to protect against foreign exchange rate movements, the Company may enter into forward exchange contracts timed to mature when settlement of the underlying transaction is due to occur.

Interest Rate Risk

The Company has market risk from changes in interest rates, primarily related to its borrowings under external credit facilities. At 30 September 2009, all of the Company's borrowings were variable-rate. From time to time, the Company may enter into interest rate swap contracts in an effort to mitigate interest rate risk associated with its variable rate borrowings. At 30 September 2009 the Company had interest rate swap contracts with a total principal of US$250.0 million. See Note 7 for further information.

Commodity Price Risk

The Company is exposed to changes in prices of commodities used in its operations, primarily associated with energy, fuel and raw materials such as pulp and cement. Pulp has historically demonstrated more price sensitivity than other raw materials that the Company uses in its manufacturing process. Pulp prices have also been subject to significant price fluctuations in the past. The Company expects that pulp, energy, fuel and cement prices will continue to fluctuate in the near future. To minimise the additional working capital requirements caused by rising prices related to these commodities, the Company may seek to enter into contracts with suppliers for the purchase of these commodities that could fix the Company’s prices over the longer-term. However, if the Company enters into such contracts with suppliers and if such commodity prices decrease, the Company’s cost of sales may be negatively impacted due to the fixed pricing over the longer-term.

James Hardie Industries N.V. and Subsidiaries
(Unaudited)

This Financial Report 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 the Media Release, Management Presentation and Management's Analysis of Results.

Disclaimer

This Financial Report contains forward-looking statements. James Hardie may from time to time make forward-looking statements in its periodic reports filed with or furnished to the United States Securities and Exchange Commission on Forms 20-F and 6-K, in the annual reports to shareholders, in offering circulars, invitation memoranda and prospectuses, in media releases and other written materials and in oral statements made by the Company's officers, directors or employees to analysts, institutional investors, existing and potential lenders, representatives of the media and others. Statements that are not historical facts are forward-looking statements and such forward-looking statements are statements made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Examples of forward-looking statements include:

- statements about the Company's future performance;
- projections of the Company's results of operations or financial condition;
- statements regarding the Company's plans, objectives or goals, including those relating to its strategies, initiatives, competition, acquisitions, dispositions and/or its products;
- expectations concerning the costs associated with the suspension or closure of operations at any of the Company's plants and future plans with respect to any such plants;
- expectations that the Company's credit facilities will be extended or renewed;
- expectations concerning dividend payments;
- statements concerning the Company's corporate and tax domiciles and potential changes to them;
- statements regarding tax liabilities and related audits and proceedings;
- statements as to the possible consequences of proceedings brought against the Company and certain of its former directors and officers by the ASIC;
- expectations about the timing and amount of contributions to the AICF, a special purpose fund for the compensation of proven Australian asbestos-related personal injury and death claims;
- expectations concerning indemnification obligations; and
- statements about product or environmental liabilities.

Words such as "believe," "anticipate," "plan," "expect," "intend," "target," "estimate," "project," "predict," "forecast," "guideline," "aim," "will," "should," "continue" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. Readers are cautioned not to place undue reliance on these forward-looking statements and all such forward-looking statements are qualified in their entirety by reference to the following cautionary statements.

Forward-looking statements are based on the Company's estimates and assumptions and because forward-looking statements address future results, events and conditions, they, by their very nature, involve inherent risks and uncertainties. Such known and unknown risks, uncertainties and other factors may cause the Company's actual results, performance or other achievements to differ materially from the anticipated results, performance or achievements expressed, projected or implied by these forward-looking statements. These factors, some of which are discussed under "Key Information — Risk Factors" beginning on page 6 of the Form 20-F filed with the US Securities and Exchange Commission on 25 June 2009, include, but are not limited to: all matters relating to or arising out of the prior manufacture of products that contained asbestos by current and former James Hardie subsidiaries; required contributions to the AICF, any shortfall in the AICF and the effect of currency exchange rate movements on the amount recorded in the Company's financial statements as an asbestos liability; compliance with and changes in tax laws and treatments; competition and product pricing in the markets in which the Company operates; the consequences of product failures or defects; exposure to environmental, asbestos or other legal proceedings; general economic and market conditions; the supply and cost of raw materials; the success of research and development efforts; reliance on a small number of customers; a customer's inability to pay; compliance with and changes in environmental and health and safety laws; risks of conducting business internationally; the Company's pending transformation to a Dutch "SE" company and proposal to transfer its corporate domicile from The Netherlands to Ireland to become an Irish "SE" company; compliance with and changes in laws and regulations; currency exchange risks; the concentration of the Company's customer base on large format retail customers, distributors and dealers; the effect of natural disasters; changes in the Company's key management personnel; inherent limitations on internal controls; use of accounting estimates; and all other risks identified in the Company's reports filed with Australian, Dutch and US securities agencies and exchanges (as appropriate). The Company cautions that the foregoing list of factors is not exhaustive and that other risks and uncertainties may cause actual results to differ materially from those in forward-looking statements. Forward-looking statements speak only as of the date they are made and are statements of the Company's current expectations concerning future results, events and conditions.

James Hardie Industries NV

Directors' Report
for the half year ended 30 September 2009

Directors

At the date of this report the members of the **Supervisory Board** are: Mr MN Hammes (Chairman), Mr DG McGauchie AO (Deputy Chairman), and Messrs BP Anderson, D Dilger, D Harrison, J Osborne and RMJ van der Meer; and the members of the **Managing Board** are: Messrs L Gries (CEO), RL Chenu (CFO) and RE Cox (General Counsel and Company Secretary). The **Joint Board** consists of all of the members of the Supervisory Board plus Mr Gries.

The changes in the composition of the Boards between 1 April 2008 and the date of this report were: Mr J Osborne was appointed as a member of the Supervisory and Joint Boards with effect from 12 March 2009 and re-elected at the Annual General Meeting on 21 August 2009; Mr D Dilger was elected as a member of the Joint and Supervisory Boards with effect from 2 September 2009, Mrs C Walter resigned from the Joint and Supervisory Boards on 13 March 2009 and Mr D Andrews resigned from the Joint and Supervisory Boards on 10 February 2009.

Review of Operations

Please see Management's Analysis of Results relating to the period ended 30 September 2009.

Auditor's Independence

The Directors obtained an annual independence declaration from the Company's auditors, Ernst & Young LLP.

This report is made in accordance with a resolution of the members of the Joint Board.

Michael N. Hammes

MN Hammes
Chairman
Joint and Supervisory Boards

L Gries
Chief Executive Officer and
Chairman Managing Board

Amsterdam, The Netherlands, 23 November 2009

James Hardie Industries NV

Joint Board of Directors' Declaration
for the half year ended 30 September 2009

The Joint Board of Directors of James Hardie Industries NV declare that with regards to the attached:

a) the Report complies with the accounting standards in accordance with which it was prepared;

b) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company; and

c) in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This report is made in accordance with a resolution of the members of the Joint Board.

Michael N. Hammes

MN Hammes
Chairman
Joint and Supervisory Boards

L Gries
Chief Executive Officer and
Chairman Managing Board

Amsterdam, The Netherlands, 23 November 2009