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 February, 2010

**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	Appendix 3B

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: Friday, 12 February 2010	By: /s/ Marcin Firek Marcin Firek Legal Counsel, Australia and Company Secretary

Exhibit 99.1

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

Nine Months Ended 31 December 2009

	Nine Months Ended 31 December			
Key Information	2009 US$M	2008 US$M	Movement	
Net Sales From Ordinary Activities	849.7	961.3	Down	12%
(Loss) Profit From Ordinary Activities After Tax Attributable to Shareholders	(82.6)	265.9	Down	—
Net (Loss) Profit Attributable to Shareholders	(82.6)	265.9	Down	—
Net Tangible Liabilities per Ordinary Share	US$ (0.30)	US$ (0.09)	Down	—

Dividend Information

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

Movements in Controlled Entities during the nine months ended 31 December 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 nine month report have been prepared using US GAAP and have been subject to an independent review by external auditors.

Results for the 3rd Quarter and nine months ended 31 December 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 should be read in conjunction with the James Hardie 2009 Annual Report which can be found on the company website at www.jameshardie.com.

MEDIA RELEASE

James Hardie

For analyst and media enquiries, please
call Sean O'Sullivan on +61 2 82745246

11 February 2010

3rd quarter net operating profit US$29.8m
Nine month net operating profit US$109.3m
(Excluding asbestos, ASIC expenses and tax adjustments)

James Hardie today announced a US$29.8 million net operating profit, excluding asbestos, ASIC expenses and tax adjustments, for the quarter ended 31 December 2009. This represents an increase of 66% compared to the corresponding quarter of last year.

The net operating result including asbestos, ASIC expenses and tax adjustments was a profit of US$14.9 million, compared to a profit of US$111.0 million for the corresponding quarter of last year.

For the nine months to 31 December 2009, net operating profit excluding asbestos, ASIC expenses and tax adjustments increased 18% to US$109.3 million from US$92.8 million. Including asbestos, ASIC expenses and tax adjustments, net operating profit moved from US$265.9 million to a loss of US$82.6 million.

The results include unfavourable asbestos adjustments of US$17.5 million for the quarter and US$200.0 million for the nine months, which are attributable to the 31% appreciation of the Australian dollar against the US dollar, from US$0.6872 at 31 March 2009, to US$0.8968 at 31 December 2009. The results also include a favourable US$7.6 million adjustment (pre and post tax) to a legal provision following settlement of a contractual warranty.

CEO Commentary

"The business continued to perform well through the downturn in the US residential construction market," said James Hardie CEO, Mr Louis Gries.

"Year-to-date results benefited from lower input and freight costs, improved plant performance and a higher average net sales price when compared with fiscal year 2009.

"With pulp and freight costs rising ahead of proven evidence of a sustainable recovery in the US residential construction market, there is a risk that margins will be under greater pressure going forward.

"We continue to pursue and fund product leadership initiatives and market share growth, and believe these will deliver substantial benefits when the market improves," said Mr Gries.

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 6. 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 3rd quarter and the nine months of the current fiscal year versus the 3rd quarter and the nine months of the prior fiscal year.

Operating Performance

Total sales for the third quarter grew 3% to US$261.0 million, gross profit was up 17% to US$96.7 million and EBIT excluding asbestos and ASIC expenses was 39% higher at US$43.8 million compared to the corresponding period of last year. EBIT including asbestos and ASIC expenses for the third quarter fell 79% from US$118.9 million last year to US$25.1 million in the current year.

For the nine months, total sales decreased 12% to US$849.7 million, gross profit was up 2% to US$324.7 million and EBIT excluding asbestos and ASIC expenses was 11% higher at US$170.4 million. EBIT including asbestos and ASIC expenses moved from US$334.0 million to a loss of US$32.8 million.

3rd Quarter and Nine Months at a Glance

US$ Millions	Q3 FY 2010	Q3 FY 2009	% Change	9 Months FY 2010	9 Months FY 2009	% Change
Net sales	$261.0	$254.4	3	$ 849.7	$ 961.3	(12)
Gross profit	96.7	82.4	17	324.7	319.6	2
EBIT excluding asbestos and ASIC expenses	43.8	31.6	39	170.4	153.8	11
AICF SG&A expenses	(0.6)	(0.5)	(20)	(1.6)	(1.4)	(14)
Asbestos adjustments	(17.5)	93.6	—	(200.0)	193.9	—
ASIC expenses	(0.6)	(5.8)	90	(1.6)	(12.3)	87
EBIT	25.1	118.9	(79)	(32.8)	334.0	—
Net interest expense	(0.8)	(1.1)	27	(1.9)	(1.9)	—
Other income	2.2	—	—	6.0	—	—
Income tax expense	(11.6)	(6.8)	(71)	(53.9)	(66.2)	19
Net operating profit (loss)	14.9	111.0	(87)	(82.6)	265.9	—
Diluted earnings (loss) per share (US cents)	3.4	25.6	(87)	(19.1)	61.3	—

Net operating profit excluding asbestos, ASIC expenses and tax adjustments increased 66% for the quarter to US$29.8 million, and 18% to US$109.3 million for the nine months, as shown in the following table:

US$ Millions	Q3 FY 2010	Q3 FY 2009	% Change	9 Months FY 2010	9 Months FY 2009	% Change
Net operating profit (loss)	$ 14.9	$111.0	(87)	$ (82.6)	$ 265.9	—
Excluding:						
Asbestos:						
Asbestos adjustments	17.5	(93.6)	—	200.0	(193.9)	—
AICF SG&A expenses	0.6	0.5	20	1.6	1.4	14
AICF interest income	(0.9)	(1.6)	44	(2.6)	(4.8)	46
Gain on AICF investments	(2.4)	—	—	(4.7)	—	—
ASIC expenses	0.6	5.8	(90)	1.6	12.3	(87)
Tax adjustments	(0.5)	(4.1)	(88)	(4.0)	11.9	—
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	**$ 29.8**	**$ 18.0**	**66**	**$ 109.3**	**$ 92.8**	**18**
Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments (US cents)	6.8	4.2	62	25.3	21.4	18

Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments for the quarter increased 62% to US6.8 cents and for the nine months increased 18% from US21.4 cents in the prior year to US25.3 cents in the current year.

USA and Europe Fibre Cement

According to the US Census Bureau, single family housing starts in the quarter ended 31 December 2009 were 103,100, slightly below the December 2008 figure of 103,600. Annualised seasonally-adjusted single family housing starts in December 2009 were 456,000, 75% below the January 2006 peak of 1.823 million annualised single family housing starts.

Against this background, net sales decreased 9% in the quarter to US$179.1 million compared to the corresponding quarter of last year. Third quarter sales volume decreased 14% to 275.7 million square feet. The average net sales price increased 6% from US$612 to US$650 per thousand square feet.

For the nine months, net sales were down 15% compared to the corresponding period of last year, to US$631.3 million. Sales volume decreased 19% to 989.7 million square feet, and the average net sales price increased 5% from US$608 to US$638 per thousand square feet.

Despite 14% and 19% decreases in volume in the quarter and nine months, respectively, USA and Europe Fibre Cement EBIT fell by just 2% to US$39.6 million for the quarter and increased 4% to US$173.7 million for the nine months. The increase in the nine month EBIT was driven by lower input costs (primarily pulp, energy and freight), higher net average sales price, improved plant performance (which contributed to lower average unit manufacturing costs), and lower SG&A expenses. For the quarter, SG&A expenses increased. The USA and Europe Fibre Cement EBIT margin was 22.1% for the quarter and 27.5% for the nine months, compared to 20.6% and 22.5%, respectively, for the corresponding periods of the prior year.

Asia Pacific Fibre Cement

Net sales increased 40% to US$81.9 million for the quarter. The higher value of the Asia Pacific business' currencies against the US dollar in the third quarter accounted for 37% of the increase. In Australian dollars, net sales increased 3% due to an increase in sales volume.

For the nine months, net sales were relatively flat, at US$218.4 million, compared to US$220.7 million for the prior corresponding period. In Australian dollars, net sales decreased 1% due to a 3% decrease in sales volume, partially offset by a 2% increase in average net sales price.

The Australian business achieved strong results in the quarter, reflecting the improving local housing market. Australian Bureau of Statistics (ABS) data for the three months to 31 December 2009 showed residential housing approvals up 32% on the corresponding quarter of the prior year.

In New Zealand, residential housing consents continued to improve during the quarter ended 31 December 2009, with housing approvals up 27% on the quarter ended 31 December 2008. In this environment, the company continued to perform solidly, with differentiated products representing 57% of total sales revenue, up 2% on the prior comparable period.

In the Philippines, sales volume declined slightly due to the timing of promotional programs.

Asia Pacific Fibre Cement EBIT for the quarter increased 65% from US$10.5 million to US$17.3 million. Favourable currency exchange rate movements in the Asia Pacific business' currencies compared to the US dollar accounted for 45% of this increase.

In Australian dollars, Asia Pacific Fibre Cement EBIT for the quarter increased 20% due to an increase in sales volume and reduced raw material and manufacturing costs, partially offset by higher SG&A expenses.

Asia Pacific Fibre Cement EBIT for the nine months increased 10% from US$40.4 million to US$44.4 million as a result of an increase in the underlying Australian dollar business results due to an increase in the average net sales price, lower raw material and manufacturing costs and reduced SG&A expenses. In Australian dollars, Asia Pacific Fibre Cement EBIT for the nine months increased 9% due to an improved gross margin performance and reduced SG&A expenses.

Re-domicile

On 21 August 2009, JHI NV shareholders approved Stage 1 of a 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).

In the Explanatory Memorandum for Stage 1 of the Proposal, the company estimated that the Proposal would be implemented by January 2010.

Under European Union (EU) law, before Stage 1 could be implemented, the company was required to negotiate the terms of future EU employee involvement in the SE company with a Special Negotiating Body (SNB) of employees from EU member states in which James Hardie operates. In February 2010, agreement was reached with the SNB, and the company now expects to implement Stage 1 of the Proposal by the end of February 2010.

After Stage 1 has been completed, the company intends to seek shareholder approval for Stage 2 at a meeting which it anticipates will be convened in the second quarter of calendar 2010. If shareholders approve Stage 2, the Proposal is expected to be completed early in the second half of calendar 2010.

Outlook

The outlook for the US residential construction industry remains uncertain with recent data presenting mixed indications as to the extent and sustainability of the anticipated recovery.

In January 2010, the US Commerce Department announced that new housing permit applications had risen by 11% to an annual rate of 653,000. At the same time, the US National Association of Home Builders announced that housing starts had fallen 4% in December 2009 from November 2009, to an annualised rate of 557,000. Indications are that unseasonably cold and wet weather in December may have prevented some housing construction work from starting.

Despite some early signs that the US housing market will improve during 2010, it continues to face several challenges, including tight lending standards which are restricting the availability of credit for mortgages, a weak employment market and a continuing supply of foreclosed homes expected to hit the market in the next 12 months.

The residential housing markets in both Australia and New Zealand are expected to continue to improve modestly in the fourth quarter and next financial year, although softness in both the renovation and commercial markets is expected to offset a significant portion of the stronger residential housing growth.

Additionally, in Australia, the recent increases in the Reserve Bank cash rate (up to 3.75% per annum), together with the removal of the Federal Government First Home Buyer incentives, may adversely affect housing affordability and have a negative impact on the market.

In the Philippines, the outlook for the housing market for 2010 is becoming more optimistic.

Earnings Guidance

The company notes the range of analysts' forecasts for operating profit excluding asbestos, for the year ending 31 March 2010 is between US$111.0 million and US$135.0 million. Management anticipates full year operating profit excluding asbestos, ASIC expenses and costs of re-domicile to be towards the top of the current range of analysts' forecasts. Management cautions that market conditions remain uncertain, with the current northern hemisphere winter expected to continue to be a very challenging period for the company to generate significant operating profit.

Further Information

Readers are referred to the company's Condensed Consolidated Financial Statements and Management's Analysis of Results for the period ended 31 December 2009 for additional information regarding the company's results, including information regarding income taxes, asbestos and contingent liabilities.

Changes in the company's asbestos liability (including 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 31 December 2009 Condensed Consolidated Financial Statements for more information about the company's asbestos liability, ASIC proceedings and income tax related issues, respectively.

END

Media/Analyst Enquiries:

Sean O' Sullivan
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 an audio webcast of the management presentation on 11 February 2010, 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	Q3 FY 2010	Q3 FY 2009	9 Months FY 2010	9 Months FY 2009
EBIT	$ 25.1	$118.9	$ (32.8)	$ 334.0
Asbestos:				
Asbestos adjustments	17.5	(93.6)	200.0	(193.9)
AICF SG&A expenses	0.6	0.5	1.6	1.4
ASIC expenses	0.6	5.8	1.6	12.3
EBIT excluding asbestos and ASIC expenses	43.8	31.6	170.4	153.8
Net Sales	$261.0	$254.4	$849.7	$ 961.3
EBIT margin excluding asbestos and ASIC expenses	16.8%	12.4%	20.1%	16.0%

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	Q3 FY 2010	Q3 FY 2009	9 Months FY 2010	9 Months FY 2009
Net operating profit (loss)	$ 14.9	$111.0	$ (82.6)	$ 265.9
Asbestos:				
Asbestos adjustments	17.5	(93.6)	200.0	(193.9)
AICF SG&A expenses	0.6	0.5	1.6	1.4
AICF interest income	(0.9)	(1.6)	(2.6)	(4.8)
Gain on AICF investments	(2.4)	—	(4.7)	—
ASIC expenses	0.6	5.8	1.6	12.3
Tax adjustments	(0.5)	(4.1)	(4.0)	11.9
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	$ 29.8	$ 18.0	$ 109.3	$ 92.8

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	Q3 FY 2010	Q3 FY 2009	9 Months FY 2010	9 Months FY 2009
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	$ 29.8	$ 18.0	$ 109.3	$ 92.8
Weighted average common shares outstanding - Diluted (millions)	438.8	433.5	432.7	433.5
Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments (US cents)	6.8	4.2	25.3	21.4

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	Q3 FY 2010	Q3 FY 2009	9 Months FY 2010	9 Months FY 2009
Operating profit (loss) before income taxes	$ 26.5	$117.8	$ (28.7)	$ 332.1
Asbestos:				
Asbestos adjustments	17.5	(93.6)	200.0	(193.9)
AICF SG&A expenses	0.6	0.5	1.6	1.4
AICF interest income	(0.9)	(1.6)	(2.6)	(4.8)
Gain on AICF investments	(2.4)	—	(4.7)	—
Operating profit before income taxes excluding asbestos	$ 41.3	$ 23.1	$165.6	$ 134.8
Income tax expense	(11.6)	(6.8)	(53.9)	(66.2)
Tax adjustments	(0.5)	(4.1)	(4.0)	11.9
Income tax expense excluding tax adjustments	(12.1)	(10.9)	(57.9)	(54.3)
Effective tax rate excluding asbestos and tax adjustments	29.3%	47.2%	35.0%	40.3%

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	Q3 FY 2010	Q3 FY 2009	9 Months FY 2010	9 Months FY 2009
EBIT	$ 25.1	$118.9	$ (32.8)	$ 334.0
Depreciation and amortisation	15.8	13.0	45.6	41.6
EBITDA	$ 40.9	$131.9	$ 12.8	$ 375.6

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	Q3 FY 2010	Q3 FY 2009	9 Months FY 2010	9 Months FY 2009
General corporate costs	$ 7.6	$ 20.3	$ 34.4	$ 51.2
Excluding:				
ASIC expenses	(0.6)	(5.8)	(1.6)	(12.3)
Domicile change related costs	(1.2)	(2.2)	(8.4)	(2.5)
General corporate costs excluding ASIC and domicile change related costs	$ 5.8	$ 12.3	$ 24.4	$ 36.4

Disclaimer

This Media Release 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, including potential tax charges;
- statements regarding tax liabilities and related audits, reviews 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.

11 February 2010

James Hardie Industries N.V.
Results for the 3rd Quarter and Nine Months Ended 31 December 2009

US GAAP - US$ Millions	Q3 FY10	Q3 FY09	% Change	9 Months FY10	9 Months FY09	% Change
	Three Months and Nine Months Ended 31 December					
Net Sales						
USA and Europe Fibre Cement	$ 179.1	$ 195.9	(9)	$ 631.3	$ 740.6	(15)
Asia Pacific Fibre Cement	81.9	58.5	40	218.4	220.7	(1)
Total Net Sales	$ 261.0	$ 254.4	3	$ 849.7	$ 961.3	(12)
Cost of goods sold	(164.3)	(172.0)	4	(525.0)	(641.7)	18
Gross profit	96.7	82.4	17	324.7	319.6	2
Selling, general and administrative expenses	(46.9)	(51.9)	10	(137.3)	(161.7)	15
Research & development expenses	(7.2)	(5.2)	(38)	(20.2)	(17.8)	(13)
Asbestos adjustments	(17.5)	93.6	—	(200.0)	193.9	—
EBIT	25.1	118.9	(79)	(32.8)	334.0	—
Net interest expense	(0.8)	(1.1)	27	(1.9)	(1.9)	—
Other income	2.2	—	—	6.0	—	—
Operating profit (loss) before income taxes	26.5	117.8	(78)	(28.7)	332.1	—
Income tax expense	(11.6)	(6.8)	(71)	(53.9)	(66.2)	19
Net operating profit (loss)	$ 14.9	$ 111.0	(87)	$ (82.6)	$ 265.9	—
Earnings (loss) per share — diluted (US cents)	3.4	25.6	(87)	(19.1)	61.3	—
Volume (mmsf)						
USA and Europe Fibre Cement	275.7	319.9	(14)	989.7	1,218.3	(19)
Asia Pacific Fibre Cement	100.8	97.5	3	292.1	301.4	(3)
Average net sales price per unit (per msf)						
USA and Europe Fibre Cement	US$ 650	US$ 612	6	US$ 638	US$ 608	5
Asia Pacific Fibre Cement	A$ 897	A$ 897	—	A$ 897	A$ 877	2

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 15. 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 3rd quarter and the nine months of the current fiscal year versus the 3rd quarter and the nine months of the prior fiscal year.

Total Net Sales

Total net sales for the quarter increased 3% compared to the corresponding quarter of the previous year, from US$254.4 million to US$261.0 million. Although overall sales volume was lower, total net sales for the quarter were favourably affected by the Asia Pacific Fibre Cement results, which reflected a significant appreciation of local currencies against the US dollar, as well as higher volume. For the nine months, total net sales decreased 12% from US$961.3 million to US$849.7 million.

USA and Europe Fibre Cement

Quarter

Lower sales volume, partially offset by a higher average net sales price, led to a 9% reduction in net sales, from US$195.9 million to US$179.1 million.

Sales volume declined 14% from 319.9 million square feet to 275.7 million square feet, primarily due to lower demand for the company's products in the US as a result of general economic conditions continuing to adversely affect housing construction activity.

The average net sales price increased 6% from US$612 per thousand square feet to US$650 per thousand square feet as a result of a price increase early in the current financial year and a favourable shift in the product mix.

Nine Months

Lower sales volume, partially offset by a higher average net sales price, led to a 15% decline in net sales, from US$740.6 million to US$631.3 million.

Sales volume decreased 19% from 1,218.3 million square feet to 989.7 million square feet, primarily due to weaker demand for the company's products in the US caused by continuing significant declines in housing construction activity and deteriorating economic conditions. Although housing affordability has improved, the reduced availability of mortgage credit for prospective home buyers and low consumer confidence continue to negatively affect demand.

The average net sales price increased 5% from US$608 per thousand square feet to US$638 per thousand square feet as a result of a price increase early in the current financial year and a favourable shift in the product mix.

Discussion

USA and Europe Fibre Cement sales volume was 14% lower compared to the corresponding quarter of the prior year. Sales volume was down for both exterior and, to a lesser extent, interior products and in all regions with the exception of Canada.

According to the US Census Bureau, single family housing starts in the December quarter of 2009 were 103,100, slightly below the figure of 103,600 for the December quarter of 2008. In January 2010, the US National Association of Home Builders reported that nationwide single family housing starts fell 4% from November 2009 to a seasonally adjusted annual rate of 456,000 units in December 2009.

EBIT fell by 2% to US$39.6 million in the quarter compared to the corresponding period of the prior year. The EBIT performance was unfavourably impacted by lower sales volume and higher selling, general and administrative expenses, although this was partially offset by higher average net sales price.

Key raw materials and energy costs were lower compared to the corresponding period last year. Despite rising pulp prices, the average pulp price for the quarter was down, compared to the corresponding quarter of last year, although higher compared to the second quarter of fiscal year 2010.

NBSK pulp prices have been rising since the end of the first quarter of fiscal year 2010. Increased demand from China and continuing downtime in pulp mills is enabling producers to continue to announce substantial price increases, although capacity is continuing to be brought back on line as the index pricing has increased.

Natural gas prices also continued to rise in the third quarter. According to the New York Mercantile Exchange Natural Gas Index, the price for natural gas was down compared to the corresponding period last year, but up slightly compared to the previous quarter. Indications are that natural gas prices may be higher in the next quarter and the coming year. Similarly, early signs are emerging that freight costs can also be expected to rise in calendar year 2010 as the US economy begins to recover.

The ColorPlus® product range continued to increase its penetration rate, gaining 7 percentage points to approximately 60% in the North in the quarter, compared to the corresponding quarter of the prior year. Both the West and South posted moderate improvements in penetration rates.

The company's strategy remains unchanged, with the focus continuing to be on primary demand growth, product mix shift and zero to landfill.

Asia Pacific Fibre Cement

Quarter

Net sales for the quarter increased 40% from US$58.5 million to US$81.9 million compared to the prior corresponding quarter. The higher value of the Asia Pacific business' currencies against the US dollar in the third quarter accounted for 37% of the increase, while the remaining 3% increase was due to the underlying Australian dollar business results. In Australian dollars, net sales increased 3% due to an increase in sales volume.

Nine Months

Net sales for the nine months were relatively flat, at US$218.4 million, compared to US$220.7 million for the prior corresponding period. These results were relatively unaffected by foreign exchange rate movements, as the average exchange rates for the Asia Pacific business' currencies compared to the US dollar were similar for the nine months ended 31 December 2009 and 2008. In Australian dollars, net sales decreased 1% due to a 3% decrease in sales volume, partially offset by a 2% increase in average net sales price.

Discussion

The Australian business achieved solid results, reflecting the improving local housing market. According to the Australian Bureau of Statistics (ABS) data for the three months to 31 December 2009, residential housing approvals increased 32% compared to the corresponding quarter of the prior year, with detached housing approvals up 34% and medium density approvals up 19%. To a large extent, these significant improvements in housing approvals reflect the positive impact of the Australian Federal Government stimulus package.

Sales results benefited from a focus on the small builder and renovations segments. Sales volume of the Scyon™ branded differentiated product range increased 25% compared to the third quarter of the prior fiscal year, driven primarily by Secura™ flooring. As a percentage of volume, Scyon™ differentiated products represented 13% of sales in the third quarter of fiscal year 2010, an increase from 11% in the third quarter of the prior fiscal year.

In New Zealand, residential housing consents continued to improve during the quarter, with December quarter housing approvals increasing 27% compared to the December quarter of 2008. The company continued to perform solidly in New Zealand, with differentiated products representing 57% of total sales revenue, up 2% compared to the prior corresponding period.

Appreciating local currencies resulted in a 13% decrease in raw material costs in Australia and New Zealand in the quarter, compared to the prior corresponding period. The vast majority of these savings related to pulp, where increases in the US dollar price of pulp were more than offset by the appreciation of local currencies.

In the Philippines, sales volume declined slightly due to the timing of promotional programs.

Gross Profit

Quarter

Gross profit for the quarter increased by 17% from US$82.4 million to US$96.7 million. The gross profit margin increased 4.6 percentage points from 32.4% to 37.0%.

USA and Europe Fibre Cement gross profit increased by 7% compared to the corresponding quarter of last year. Gross profit received an 8% benefit from lower input costs, primarily pulp, energy and freight, and also benefited from an increase in average net sales price and improved plant performance (which contributed to lower average unit manufacturing costs). These benefits were partially offset by a reduction in volume and a resulting increase in fixed unit cost of manufacturing, as fixed costs were spread over significantly lower production volume.

The gross profit margin of the USA and Europe Fibre Cement business increased by 5.9 percentage points.

Asia Pacific Fibre Cement gross profit increased 58% compared to the corresponding period of last year. This was primarily due to the appreciation of the Asia Pacific business' currencies against the US dollar in the third quarter of the current year compared to the corresponding quarter of the prior year.

In Australian dollars, Asia Pacific Fibre Cement gross profit increased by 16%, benefiting from an increase in sales volume, favourable price and product mix shift, and reduced manufacturing costs. Gross profit also received a 7% benefit from decreasing raw material costs, as appreciating local currencies offset the increasing costs of raw materials and other inputs that are traded in US dollars. These benefits were partially offset by increased warranty costs.

The gross profit margin of the Asia Pacific Fibre Cement business increased by 3.4 percentage points.

Nine Months

Gross profit for the nine months increased 2% from US$319.6 million to US$324.7 million. The gross profit margin increased 5.0 percentage points from 33.2% to 38.2%.

USA and Europe Fibre Cement gross profit increased 1% compared to the corresponding period of last year. The gross profit received a 17% benefit from lower input costs, primarily pulp, energy and freight, and also benefited from a higher average net sales price. These benefits were partially offset by a reduction in sales volume and a resulting increase in fixed unit cost of manufacturing, as fixed costs were spread over significantly lower production volume.

The gross profit margin of the USA and Europe Fibre Cement business increased by 6.4 percentage points.

Asia Pacific Fibre Cement gross profit increased 3% compared to the corresponding period of last year.

In Australian dollars, Asia Pacific Fibre Cement gross profit increased by 4%, benefiting from favourable price and product mix shift, reduced manufacturing costs and decreasing raw material costs as appreciating local currencies offset increasing prices of commodities that are traded in US dollars. These benefits were partially offset by a reduction in sales volume, increased warranty costs and costs associated with the start-up of new equipment in New Zealand.

The gross profit margin of the Asia Pacific Fibre Cement business increased by 1.3 percentage points.

Selling, General and Administrative (SG&A) Expenses

Quarter

SG&A expenses decreased 10% for the quarter, from US$51.9 million to US$46.9 million. The decrease was primarily due to a favourable US$7.6 million adjustment to a legal provision following settlement of a contractual warranty and lower general corporate costs, partially offset by higher SG&A spending. As a percentage of sales, SG&A expenses declined 2.4 percentage points to 18.0%.

SG&A expenses for the quarter included non-claims handling related operating expenses of the Asbestos Injuries Compensation Fund (AICF) of US$0.6 million.

Nine Months

For the nine months, SG&A expenses decreased 15% from US$161.7 million to US$137.3 million. The decrease was primarily due to a favourable US$7.6 million adjustment to a legal provision following settlement of a contractual warranty, lower general corporate costs and lower SG&A spending in the USA and Europe Fibre Cement and Asia Pacific Fibre Cement segments. As a percentage of sales, SG&A expenses declined 0.6 of a percentage point to 16.2%.

For the nine months, SG&A expenses included non-claims handling related operating expenses of the AICF of US$1.6 million.

Further information on general corporate costs is included below.

ASIC Proceedings

There has been no substantial change in the status of the ASIC Proceedings since the company's Condensed Consolidated Financial Statements for the period ended 30 September 2009 were lodged with the Australian Securities Exchange on 23 November 2009. The appeals in this matter remain listed for hearing over a period of up to nine days commencing 19 April 2010.

For the quarter and nine months ended 31 December 2009, the company incurred legal costs related to the ASIC proceedings, noted as ASIC expenses, of US$0.6 million and US$1.6 million, respectively. These costs were substantially lower than for the quarter and nine months ended 31 December 2008, when the company incurred ASIC expenses of US$5.8 million and US$12.3 million, respectively. ASIC expenses are included in SG&A expenses.

The company's net costs in relation to the ASIC proceedings from their commencement in February 2007 to 31 December 2009 total US$21.3 million.

Readers are referred to Note 8 of the company's 31 December 2009 Condensed Consolidated Financial Statements for further information on the ASIC Proceedings.

Chile Litigation

On 30 December 2009, the company entered into a settlement agreement with Compañía Industrial El Volcán S.A. (El Volcan) resolving all outstanding issues between the parties relating to the sale of Fibrocementos Volcán Limitada (FC Volcan) (the former James Hardie Chilean entity) to El Volcan in July 2005. Under the settlement agreement, James Hardie will have no further obligation to defend or indemnify El Volcan in the antitrust proceedings commenced by Industría Cementa Limitada or Electrónica Quimel S.A.

El Volcan will now be responsible for its own defence of the antitrust proceedings, including payment of any final judgments rendered on appeal. El Volcan will also be required to defend and indemnify James Hardie against any future claims by third parties related to the management or business of FC Volcan, including any future antitrust allegations. The terms and conditions of the settlement remain confidential. All amounts owed by the company under the terms of the settlement were paid in full on 31 December 2009. As a result, the amount of the company's provision in excess of the settlement amount was reversed, resulting in a gain of US$7.6 million included in general corporate costs for the three and nine months ended 31 December 2009. Accordingly, the company has not recorded any liability on its Condensed Consolidated Balance Sheet at 31 December 2009 relating to the Chile litigation.

Readers are referred to Note 8 of the company's 31 December 2009 Condensed Consolidated Financial Statements for further information on the Chile litigation, including background details.

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 30% higher for the quarter at US$4.3 million, compared to the corresponding period of the prior year, and 5% higher for the nine months at US$11.7 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 53% higher for the quarter at US$2.9 million and 27% higher for the nine months at US$8.5 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 (NSW) Government in November 2006 and approved by the company's security holders in 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 September 2009 to 31 December 2009, the Australian dollar appreciated against the US dollar by 2% to US$0.8968, compared to a 14% depreciation to US$0.6923 during the corresponding period last year. For the nine months from 31 March 2009 to 31 December 2009, the Australian dollar appreciated against the US dollar by 31%, compared to a 25% depreciation in the corresponding period last year.

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 asbestos adjustments for the quarter and nine months ended 31 December 2009 are as follows:

US$ Millions	Q3 FY10	Q3 FY09	9 Months FY10	9 Months FY09
Effect of foreign exchange rate movements	(17.5)	93.6	$(200.0)	$ 193.9
Asbestos adjustments	$ (17.5)	$ 93.6	$(200.0)	$ 193.9

Claims Data

The number of new claims in the current year, being 115 and 401 for the quarter and nine months ended 31 December 2009, respectively, is lower than new claims of 152 and 462 reported for the corresponding periods of last year, and also slightly below actuarial expectations for the nine months ended 31 December 2009.

The number of claims settled of 130 and 430 for the quarter and nine months ended 31 December 2009, respectively, is lower than claims settled of 163 and 483 for the corresponding periods of last year, respectively.

The average claim settlement for the nine months ended 31 December 2009 of A$187,000 is A$2,000 lower than for the corresponding period of last year and broadly in line with the actuarial expectation for the nine months.

Asbestos claims paid of A$28.8 million and A$84.9 million for the quarter and nine months ended 31 December 2009, respectively, are in line with the actuarial expectation of A$28.6 million and A$85.6 million for the quarter and nine months ended 31 December 2009, respectively.

As of 31 December 2009, the AICF had cash and investment assets of A$78.5 million (US$70.4 million).

All figures provided in this Claims Data section are gross of insurance and other recoveries. Readers are referred to Note 6 of the company's 31 December 2009 Condensed Consolidated Financial Statements for further information on asbestos adjustments.

EBIT

EBIT for the quarter decreased by 79%, from US$118.9 million to US$25.1 million. EBIT for the quarter includes net unfavourable asbestos adjustments of US$17.5 million, AICF SG&A expenses of US$0.6 million and ASIC expenses of US$0.6 million. For the corresponding period in the prior year, EBIT included net favourable asbestos adjustments of US$93.6 million, AICF SG&A expenses of US$0.5 million and ASIC expenses of US$5.8 million, as shown in the table below.

EBIT for the nine months moved from US$334.0 million for the corresponding period last year to a loss of US$32.8 million for the current period. The loss for the nine months includes net unfavourable asbestos adjustments of US$200.0 million (due to appreciation of the Australian dollar against the US dollar during the period), AICF SG&A expenses of US$1.6 million and ASIC expenses of US$1.6 million.

For the corresponding period in the prior year, EBIT included net favourable asbestos adjustments of US$193.9 million (attributable to depreciation of the Australian dollar against the US dollar during the period), AICF SG&A expenses of US$1.4 million and ASIC expenses of US$12.3 million, as shown in the following table.

EBIT - US$ Millions	Q3 FY10	Q3 FY09	% Change	9 Months FY10	9 Months FY09	% Change
	Three Months and Nine Months Ended 31 December					
USA and Europe Fibre Cement	$ 39.6	$ 40.3	(2)	$ 173.7	$ 167.0	4
Asia Pacific Fibre Cement	17.3	10.5	65	44.4	40.4	10
Research & Development	(6.1)	(4.7)	(30)	(14.9)	(14.7)	(1)
General Corporate:						
General corporate costs	(7.6)	(20.3)	63	(34.4)	(51.2)	33
Asbestos adjustments	(17.5)	93.6	—	(200.0)	193.9	—
AICF SG&A expenses	(0.6)	(0.5)	(20)	(1.6)	(1.4)	(14)
EBIT	25.1	118.9	(79)	(32.8)	334.0	—
Excluding:						
Asbestos:						
Asbestos adjustments	17.5	(93.6)	—	200.0	(193.9)	—
AICF SG&A expenses	0.6	0.5	20	1.6	1.4	14
ASIC expenses	0.6	5.8	(90)	1.6	12.3	(87)
EBIT excluding asbestos and ASIC expenses	**$ 43.8**	**$ 31.6**	**39**	**$ 170.4**	**$ 153.8**	**11**
Net sales	$261.0	$254.4	3	$ 849.7	$ 961.3	(12)
EBIT margin excluding asbestos and ASIC expenses	16.8%	12.4%		20.1%	16.0%	

USA and Europe Fibre Cement EBIT

Despite a 14% and a 19% decrease in volume for the quarter and nine months, respectively, USA and Europe Fibre Cement EBIT fell by just 2% from US$40.3 million to US$39.6 million for the quarter and increased 4% from US$167.0 million to US$173.7 million for the nine months. The increase in the nine month EBIT was driven by lower input costs (primarily pulp, energy and freight), higher net average sales price, improved plant performance (which contributed to lower average unit manufacturing costs) and lower SG&A expenses. For the quarter, SG&A expenses increased. The USA and Europe Fibre Cement EBIT margin was 1.5 percentage points higher at 22.1% for the quarter and was 5.0 percentage points higher at 27.5% for the nine months.

Asia Pacific Fibre Cement EBIT

Asia Pacific Fibre Cement EBIT for the quarter increased 65%, from US$10.5 million to US$17.3 million. Favourable currency exchange rate movements in the Asia Pacific business' currencies compared to the US dollar accounted for 45% of this increase. In Australian dollars, Asia Pacific Fibre Cement EBIT for the quarter increased 20% due to an increase in sales volume and reduced raw material costs and manufacturing costs, partially offset by higher SG&A expenses. The EBIT margin was 3.2 percentage points higher at 21.1%.

Asia Pacific Fibre Cement EBIT for the nine months increased 10% from US$40.4 million to US$44.4 million as a result of an increase in the underlying Australian dollar business results due to an increase in the average net sales price, lower raw material and manufacturing costs and reduced SG&A costs. In Australian dollars, Asia Pacific Fibre Cement EBIT for the nine months increased 9% due to an improved gross margin performance and reduced SG&A costs. The EBIT margin was 2.0 percentage points higher at 20.3%.

General Corporate Costs

General corporate costs for the quarter decreased 63% from US$20.3 million to US$7.6 million. For the nine months, general corporate costs decreased 33% from US$51.2 million to US$34.4 million.

The company incurred costs associated with the company's proposed re-domicile of US$1.2 million and US$8.4 million in the current quarter and nine months, respectively, compared to US$2.2 million and US$2.5 million in the corresponding quarter and nine months of the prior year, respectively.

For the quarter, ASIC expenses fell from US$5.8 million in the third quarter of the prior year, to US$0.6 million in the current quarter. For the nine months, ASIC expenses decreased from US$12.3 million in the prior year to US$1.6 million in the current year.

General corporate costs excluding ASIC and re-domicile related costs for the quarter decreased from US$12.3 million in the prior year to US$5.8 million in the current year. The reduction was caused by a US$7.6 million reversal of a legal provision, partially offset by an increase in other general corporate costs. General corporate costs excluding ASIC and re-domicile related costs for the nine months decreased from US$36.4 million in the prior year to US$24.4 million in the current year.

Net Interest Expense

Net interest expense for the quarter decreased from US$1.1 million in the corresponding quarter of the prior year, to US$0.8 million in the current quarter. Net interest expense for the quarter ended 31 December 2009 includes AICF interest income of US$0.9 million and a realised loss of US$0.1 million on interest rate swaps. Net interest expense for the quarter ended 31 December 2008 included AICF interest income of US$1.6 million and nil related to interest rate swaps.

For the nine months, net interest expense was the same as the prior year, at US$1.9 million. Net interest expense for the nine months ended 31 December 2009 includes AICF interest income of US$2.6 million and a realised loss of US$1.2 million on interest rate swaps. Net interest expense for the nine months ended 31 December 2008 included AICF interest income of US$4.8 million and nil related to interest rate swaps.

Other Income

AICF Investments

During the nine months ended 31 December 2009, the AICF sold US$47.4 million (A$56.8 million) of its short-term investments which at 31 March 2009 had been adjusted to their fair market value of US$42.7 million (A$51.2 million). The sales for the nine months ended 31 December 2009 resulted in a realised gain of US$4.7 million (A$5.6 million) recorded in the line item *Other Income*.

At 31 December 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$3.4 million (A$4.1 million). This appreciation in the value of the investments is recorded as an unrealised gain in *Other Comprehensive Income* in the company's 31 December 2009 Condensed Consolidated Financial Statements.

Interest Rate Swaps

At 31 December 2009, the company had interest rate swap contracts with a total principal of US$250.0 million. For all of these interest rate swap contracts, the company has agreed to pay fixed interest rates while receiving a floating interest rate. These contracts were entered into for protection against upward movements in US$ London Interbank Offered Rate (LIBOR) and the associated interest the company pays on its external credit facilities.

At 31 December 2009, the weighted average fixed interest rate of these contracts is 2.49% per annum and the weighted average remaining life is 3.0 years. These contracts have a fair value of US$0.4 million, which is included in *Accounts Payable* in the company's 31 December 2009 Condensed Consolidated Financial Statements. Movements in the fair value of these interest rate swaps are recorded in the company's Condensed Consolidated Statement of Operations in *Other Income*.

For the quarter and nine months ended 31 December 2009, the company recorded an unrealised loss of US$0.2 million and an unrealised gain of US$1.3 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 in the company's Condensed Consolidated Statement of Operations in *Interest Expense*. For the quarter and nine months ended 31 December 2009, the company recorded US$0.1 million and US$1.2 million of interest expense related to these net settlements, respectively.

Income Tax

Income Tax Expense

Income tax expense for the quarter increased from US$6.8 million to US$11.6 million. For the nine months ended 31 December 2009, income tax expense decreased from US$66.2 million to US$53.9 million. The company's effective tax rate on earnings excluding asbestos and tax adjustments was 29.3% for the quarter, compared to 47.2% for the corresponding quarter of the prior period, and 35.0% for the nine months, compared to 40.3% for the corresponding prior period. The change in effective tax rates excluding asbestos and tax adjustments compared to the prior corresponding periods is attributable to changes in the geographic mix of earnings and expenses, reductions in non-tax deductible expenses and the reversal of a non-taxable legal provision in operating profit.

Tax Adjustments

The company recorded favourable tax adjustments of US$0.5 million and US$4.0 million for the quarter and nine months ended 31 December 2009, respectively, compared to favourable tax adjustments of US$4.1 million for the quarter and unfavourable tax adjustments of US$11.9 million for the nine months of the prior year. The tax adjustments in the third quarters and the nine months 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 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 31 December 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 made up to 31 December 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 31 December 2009 and 31 March 2009, this deposit totalled US$237.9 million (A$265.3 million) and US$173.5 million (A$252.5 million), respectively.

Should the judgment of the Federal Court in respect of the hearing in September 2009 be against RCI, a charge may be required to be recorded while the company continues an appeal process in higher courts. Had the company been required to take this charge at 31 December 2009, the charge would have been an estimated amount of US$341.6 million (A$380.9 million). However, except for quarterly payments by RCI of interest on the unpaid balance of the amended assessment (being US$165.0 million (A$184.0 million), no cash would be required to be exchanged between RCI and the ATO until the matter has been ultimately resolved.

Net Operating Profit (Loss)

Net operating profit for the quarter was US$14.9 million, compared to US$111.0 million for the corresponding quarter of the prior period. Net operating profit excluding asbestos, ASIC expenses and tax adjustments increased from US$18.0 million to US$29.8 million as shown in the table below.

For the nine months, net operating loss moved from a profit of US$265.9 million to a loss of US$82.6 million. Net operating profit excluding asbestos, ASIC expenses and tax adjustments increased 18% from US$92.8 million to US$109.3 million as shown in the table below.

The current period amounts include a one time legal provision reversal discussed in the General Corporate Costs section above.

	Three Months and Nine Months Ended 31 December					
Net Operating Profit - US$ millions	Q3 FY10	Q3 FY09	% Change	9 Months FY10	9 Months FY09	% Change
Net operating profit (loss)	$ 14.9	$111.0	(87)	$ (82.6)	$ 265.9	—
Excluding:						
Asbestos:						
Asbestos adjustments	17.5	(93.6)	—	200.0	(193.9)	—
AICF SG&A expenses	0.6	0.5	20	1.6	1.4	14
AICF interest income	(0.9)	(1.6)	44	(2.6)	(4.8)	46
Gain on AICF investments	(2.4)	—	—	(4.7)	—	—
ASIC expenses	0.6	5.8	(90)	1.6	12.3	(87)
Tax adjustments	(0.5)	(4.1)	88	(4.0)	11.9	—
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	**$ 29.8**	**$ 18.0**	**66**	**$ 109.3**	**$ 92.8**	**18**

Cash Flow

During the nine months ended 31 December 2009, net operating cash flow increased by US$173.3 million from US$25.3 million in the prior comparable period to US$198.6 million in the current period. This increase is primarily due to two significant cash outflows in the prior comparable period that did not recur in the current period: the payment to the AICF of US$50.7 million and the payment to the ATO of US$101.6 million in settlement of disputes for the years 2002 and 2004 to 2006. Excluding these two non-recurring payments, net operating cash flow increased by US$21.0 million. Net operating cash flow was also positively affected by a net improvement of operating results across the business.

Historically, the company has generated cash from operations before accounting for unusual or discrete large cash outflows. Therefore, in periods when the company does not incur any unusual or discrete large cash outflows, such as or similar to the ATO settlement during the prior comparable period, the company expects that net operating cash flow will be the primary source of liquidity to fund business activities. In periods where cash flows from operations are insufficient to fund all business activities, the company expects to rely more significantly on available credit facilities and other sources of working capital.

During the nine months ended 31 December 2009, net cash used in investing activities increased to US$35.2 million from US$16.8 million in the prior comparable period as capital expenditures increased.

The strength of free cash flow in the quarter and nine months ended 31 December 2009 enabled the company to reduce net debt by US$25.4 million and US$140.8 million, respectively.

Liquidity and Capital Resources

At 31 December 2009, the company had net debt of US$140.8 million, a decrease of US$140.8 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, 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 flow and proposed new credit facilities.

Excluding restricted cash, the company had cash and cash equivalents of US$51.2 million as of 31 December 2009. At that date, it also had credit facilities totalling US$426.7 million, of which US$192.0 million was drawn. The credit facilities are all uncollateralised and consist of the following:

	At 31 December 2009		
Description	**Effective Interest Rate**	**Total Facility**	**Principal Drawn**
(US$ millions)			
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until June 2010	0.88%	$161.7	$ 139.0
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until February 2011	1.13%	45.0	8.0
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until December 2012	0.95%	130.0	45.0
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		**$426.7**	**$ 192.0**

The weighted average remaining term of the total credit facilities at 31 December 2009 was 1.9 years.

In December 2009, the company refinanced US$130.0 million in facilities, which previously had maturity dates in or prior to June 2010. The maturity date of these new facilities is in December 2012.

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 a 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, the company and the 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 to claimants.

On 2 December 2009, the NSW Government passed The James Hardie Former Subsidiaries (Winding up and Administration) Amendment Bill 2009 to authorise and approve the loan facility agreement, associated guarantees and security, and ensure that the AICF has the authority to repay the loan.

The provision of the standby loan facility to the AICF does not reduce the company's obligations under the AFFA. The obligation to pay claimants remains with the AICF, and it is anticipated that its primary source of funding will continue to be contributions from James Hardie.

The company will continue to work with the AICF, the NSW Government and the Australian Government to finalise the terms and documentation of the proposed standby loan facility.

Re-domicile

On 21 August 2009, JHI NV shareholders approved Stage 1 of a 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).

Taxes

During the three months ended 31 December 2009 and in conjunction with Stage 1 of the Proposal, the company incurred a US$19.3 million tax liability that arose from: (i) a capital gain on the transfer of its intellectual property from The Netherlands to a newly-formed James Hardie entity located in Bermuda and tax resident in Ireland and (ii) the exit from the Dutch Financial Risk Reserve regime. The company's Explanatory Memorandum for the Proposal described the tax consequences of this transfer and exit from the Dutch regime. In accordance with US GAAP, this charge has been deferred and included in non-current *Other Assets* in the company's 31 December 2009 Condensed Consolidated Balance Sheets.

The Dutch Tax Authority (DTA) is currently reviewing the fair market value of the company's intellectual property as determined by a third party valuation firm. This review by the DTA is ongoing and has the potential to result in a higher tax liability than the US$19.3 million tax liability incurred by the company. Although it is possible the company may incur an additional tax liability as a result of the DTA's review, an amount cannot be estimated at this time.

Implementation Timing

In the Explanatory Memorandum for the Proposal, the company estimated that the Proposal would be implemented by January 2010.

Under European Union (EU) law, before Stage 1 could be implemented, the company was required to negotiate the terms of future EU employee involvement in the SE company with a Special Negotiating Body (SNB) of employees from EU member states in which the company operates. This future involvement takes the form of information provided to employees by the company and consultation between the company and employees on certain issues. As of 31 December 2009, negotiations with the SNB were on-going.

In February 2010, agreement was reached with the SNB, and the company now expects to implement Stage 1 of the Proposal by the end of February 2010.

After Stage 1 is completed, the company intends to seek shareholder approval for Stage 2 at a meeting which it anticipates will be convened in the second quarter of calendar 2010. If shareholders approve Stage 2, the Proposal is expected to be completed early in the second half of calendar 2010.

Senior Management Changes

To better position the company for any recovery in the US market, and to facilitate an increased focus on top line growth, the company has implemented a restructure of its senior management team with effect from the beginning of 2010.

Nigel Rigby has been appointed Executive General Manager USA and will be responsible for the US business.

Mark Fisher has been appointed Executive General Manager and will be responsible for research and development, engineering, manufacturing, logistics and product management, as well as the company's non-US businesses.

The company's former Senior Leadership Team is transitioning into a Group Management Team, consisting of:

- Louis Gries, CEO;
- Russell Chenu, CFO;
- Nigel Rigby, EGM USA;
- Mark Fisher, EGM International;
- Robert Cox, General Counsel and Company Secretary; and
- Sean O'Sullivan, Vice President Investor and Media Relations.

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 an audio webcast of the presentation on 11 February 2010, 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	Q3 FY 2010	Q3 FY 2009	9 Months FY 2010	9 Months FY 2009
EBIT	$ 25.1	$118.9	$ (32.8)	$ 334.0
Asbestos:				
Asbestos adjustments	17.5	(93.6)	200.0	(193.9)
AICF SG&A expenses	0.6	0.5	1.6	1.4
ASIC expenses	0.6	5.8	1.6	12.3
EBIT excluding asbestos and ASIC expenses	43.8	31.6	170.4	153.8
Net Sales	$261.0	$254.4	$849.7	$ 961.3
EBIT margin excluding asbestos and ASIC expenses	16.8%	12.4%	20.1%	16.0%

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	Q3 FY 2010	Q3 FY 2009	9 Months FY 2010	9 Months FY 2009
Net operating profit (loss)	$ 14.9	$111.0	$ (82.6)	$ 265.9
Asbestos:				
Asbestos adjustments	17.5	(93.6)	200.0	(193.9)
AICF SG&A expenses	0.6	0.5	1.6	1.4
AICF interest income	(0.9)	(1.6)	(2.6)	(4.8)
Gain on AICF investments	(2.4)	—	(4.7)	—
ASIC expenses	0.6	5.8	1.6	12.3
Tax adjustments	(0.5)	(4.1)	(4.0)	11.9
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	$ 29.8	$ 18.0	$ 109.3	$ 92.8

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	Q3 FY 2010	Q3 FY 2009	9 Months FY 2010	9 Months FY 2009
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	$ 29.8	$ 18.0	$ 109.3	$ 92.8
Weighted average common shares outstanding - Diluted (millions)	438.8	433.5	432.7	433.5
Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments (US cents)	6.8	4.2	25.3	21.4

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	Q3 FY 2010	Q3 FY 2009	9 Months FY 2010	9 Months FY 2009
Operating profit (loss) before income taxes	$ 26.5	$117.8	$ (28.7)	$ 332.1
Asbestos:				
Asbestos adjustments	17.5	(93.6)	200.0	(193.9)
AICF SG&A expenses	0.6	0.5	1.6	1.4
AICF interest income	(0.9)	(1.6)	(2.6)	(4.8)
Gain on AICF investments	(2.4)	—	(4.7)	—
Operating profit before income taxes excluding asbestos	$ 41.3	$ 23.1	$165.6	$ 134.8
Income tax expense	(11.6)	(6.8)	(53.9)	(66.2)
Tax adjustments	(0.5)	(4.1)	(4.0)	11.9
Income tax expense excluding tax adjustments	(12.1)	(10.9)	(57.9)	(54.3)
Effective tax rate excluding asbestos and tax adjustments	29.3%	47.2%	35.0%	40.3%

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	Q3 FY 2010	Q3 FY 2009	9 Months FY 2010	9 Months FY 2009
EBIT	$ 25.1	$118.9	$ (32.8)	$ 334.0
Depreciation and amortisation	15.8	13.0	45.6	41.6
EBITDA	$ 40.9	$131.9	$ 12.8	$ 375.6

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	Q3 FY 2010	Q3 FY 2009	9 Months FY 2010	9 Months FY 2009
General corporate costs	$ 7.6	$ 20.3	$ 34.4	$ 51.2
Excluding:				
ASIC expenses	(0.6)	(5.8)	(1.6)	(12.3)
Domicile change related costs	(1.2)	(2.2)	(8.4)	(2.5)
General corporate costs excluding ASIC and domicile change related costs	$ 5.8	$ 12.3	$ 24.4	$ 36.4

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 31 December 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 31 December 2009 Condensed Consolidated Financial Statements.

James Hardie Industries N.V.
Consolidated Balance Sheet
31 December 2009
(unaudited)

US$ Millions	Total Fibre Cement Operations- excluding Asbestos Compensation	Asbestos Compensation	As Reported
ASSETS			
Current assets			
Cash and cash equivalents	$ 272.9	$ (221.7)	$ 51.2
Restricted cash and cash equivalents	0.2	—	0.2
Restricted cash and cash equivalents — Asbestos	—	43.5	43.5
Restricted short-term investments — Asbestos	—	26.9	26.9
Accounts and notes receivable, net of allowance for doubtful accounts of $1.9 million	114.6	0.1	114.7
Inventories	133.3	—	133.3
Prepaid expenses and other current assets	27.8	0.2	28.0
Insurance receivable — Asbestos	—	16.4	16.4
Workers' compensation — Asbestos	—	0.7	0.7
Deferred income taxes	27.2	—	27.2
Deferred income taxes — Asbestos	—	16.1	16.1
Total current assets	**576.0**	**(117.8)**	**458.2**
Restricted cash and cash equivalents	5.1	—	5.1
Property, plant and equipment, net	708.1	1.9	710.0
Insurance receivable — Asbestos	—	182.9	182.9
Workers' compensation — Asbestos	—	96.3	96.3
Deferred income taxes	1.4	—	1.4
Deferred income taxes — Asbestos	—	414.4	414.4
Deposit with Australian Taxation Office	237.9	—	237.9
Other assets	24.7	—	24.7
Total assets	**$ 1,553.2**	**$ 577.7**	**$ 2,130.9**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	$ 74.0	$ 0.8	74.8
Current portion of long-term debt	139.0	—	139.0
Accrued payroll and employee benefits	36.9	0.2	37.1
Accrued product warranties	7.5	—	7.5
Income taxes payable	21.6	(12.1)	9.5
Asbestos liability	—	102.1	102.1
Workers' compensation — Asbestos	—	0.7	0.7
Other liabilities	23.4	—	23.4
Total current liabilities	**302.4**	**91.7**	**394.1**
Long-term debt	53.0	—	53.0
Deferred income taxes	116.4	—	116.4
Accrued product warranties	18.7	—	18.7
Asbestos liability	—	1,495.7	1,495.7
Workers' compensation — Asbestos	—	96.3	96.3
Other liabilities	84.9	2.9	87.8
Total liabilities	**575.4**	**1,686.6**	**2,262.0**
Commitments and contingencies			
Shareholders' equity (deficit)			
Common stock	221.0	—	221.0
Additional paid-in capital	35.7	—	35.7
Retained earnings (accumulated deficit)	676.9	(1,112.3)	(435.4)
Accumulated other comprehensive income	44.2	3.4	47.6
Total shareholders' equity (deficit)	977.8	(1,108.9)	(131.1)
Total liabilities and shareholders' equity (deficit)	**$ 1,553.2**	**$ 577.7**	**$ 2,130.9**

James Hardie Industries N.V.
Consolidated Statement of Operations
For the nine months ended 31 December 2009
(unaudited)

US$ Millions	Total Fibre Cement Operations- excluding Asbestos Compensation	Asbestos Compensation	As Reported
Net Sales	849.7	—	849.7
Cost of goods sold	(525.0)	—	(525.0)
Gross profit	324.7	—	324.7
Selling, general and administrative expenses	(135.7)	(1.6)	(137.3)
Research and development expenses	(20.2)	—	(20.2)
Asbestos adjustments	—	(200.0)	(200.0)
EBIT	168.8	(201.6)	(32.8)
Net Interest (expense) income	(4.5)	2.6	(1.9)
Other income	1.3	4.7	6.0
Operating profit (loss) before income taxes	165.6	(194.3)	(28.7)
Income tax expense	(53.9)	—	(53.9)
Net Operating Profit (Loss)	**$ 111.7**	**$ (194.3)**	**$ (82.6)**

James Hardie Industries N.V.
Consolidated Statement of Cash Flows
For the nine months ended 31 December 2009
(unaudited)

US$ Millions	Total Fibre Cement Operations-excluding Asbestos Compensation	Asbestos Compensation	As Reported
Cash Flows from Operating Activities			
Net income (loss)	$ 111.7	$ (194.3)	$ (82.6)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortisation	45.6	—	45.6
Deferred income taxes	26.2	19.1	45.3
Stock-based compensation	5.6	—	5.6
Asbestos adjustments	—	200.0	200.0
Changes in operating assets and liabilities:			
Restricted cash and cash equivalents	—	14.6	14.6
Restricted short-term investments	—	42.6	42.6
Accounts and notes receivable	(17.3)	(0.1)	(17.4)
Inventories	(14.4)	—	(14.4)
Prepaid expenses and other current assets	(32.3)	(0.2)	(32.5)
Insurance receivable — Asbestos	—	10.8	10.8
Accounts payable and accrued liabilities	40.0	(19.6)	20.4
Asbestos liability	—	(72.9)	(72.9)
Deposit with Australian Taxation Office	(14.4)	—	(14.4)
Other accrued liabilities and other liabilities	47.9	—	47.9
Net cash provided by operating activities	$ 198.6	$ —	$ 198.6
Cash Flows From Investing Activities			
Purchases of property, plant and equipment	(35.2)	—	(35.2)
Net cash used in investing activities	$ (35.2)	$ —	$ (35.2)
Cash Flows from Financing Activities			
Repayments of short-term borrowings	(93.3)	—	(93.3)
Proceeds from long-term borrowings	110.0	—	110.0
Repayments of long term borrowings	(148.7)	—	(148.7)
Proceeds from issuance of shares	8.3	—	8.3
Tax benefit from stock options exercised	0.9	—	0.9
Net cash used in financing activities	$ (122.8)	$ —	$ (122.8)
Effect of exchange rate changes on cash	(31.8)	—	(31.8)
Net increase in cash and cash equivalents	8.8	—	8.8
Cash and cash equivalents at beginning of period	42.4	—	42.4
Cash and cash equivalents at end of period	$ 51.2	$ —	$ 51.2
Components of Cash and Cash Equivalents			
Cash at bank and on hand	35.9	—	35.9
Short-term deposits	15.3	—	15.3
Cash and cash equivalents at end of period	$ 51.2	$ —	$ 51.2

Disclaimer

This Management's Analysis of Results 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, including potential tax charges;
- statements regarding tax liabilities and related audits, reviews 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.

Exhibit 99.4


James Hardie
Q3 FY10 Management Presentation
11 February 2010

Disclaimer

James Hardie

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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, including potential tax charges;*
- *statements regarding tax liabilities and related audits, reviews 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;*
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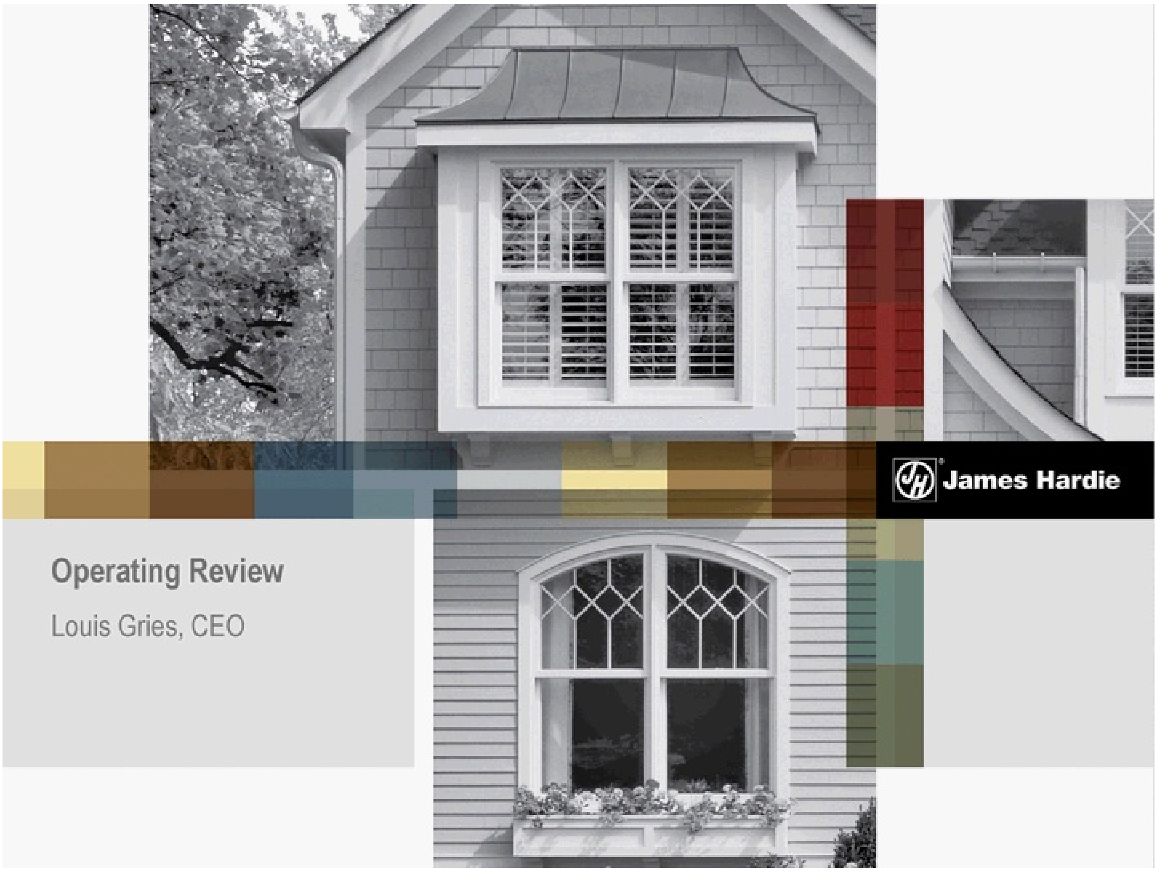
Agenda

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 49. 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 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 3rd quarter and nine months of the current fiscal year versus the 3rd quarter and nine months of the prior fiscal year.


James Hardie
Operating Review
Louis Gries, CEO

Group Overview

James Hardie

- Operating results reflect the benefits of lower input and freight costs, improved plant performance, a higher average net sales price, and lower SG&A expenses compared to FY09
- The net operating result including asbestos, ASIC expenses and tax adjustments for nine months was primarily affected by an unfavourable asbestos adjustment of US$200m which is attributable to the appreciation of the A$ against the US$

US$ Millions	Q3 FY 2010	Q3 FY 2009	% Change	9 Months FY 2010	9 Months FY 2009	% Change
Net operating (loss) profit	14.9	111.0	(87)	(82.6)	265.9	-
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	**29.8**	**18.0**	66	**109.3**	**92.8**	18
Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments (US cents)	6.8	4.2	62	25.3	21.4	18

USA and Europe Fibre Cement

James Hardie

3rd Quarter Result

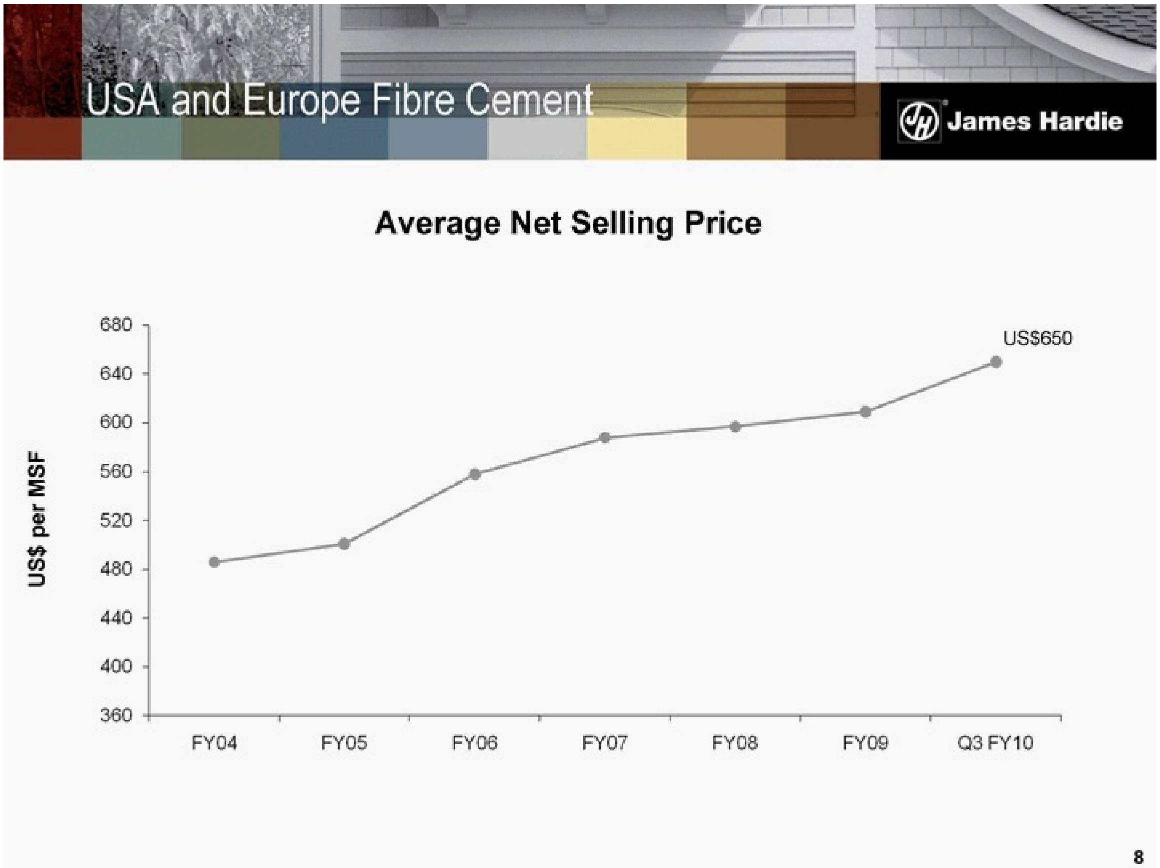
Net Sales	down	9% to US$179.1 million
Sales Volume	down	14% to 275.7 mmsf
Average Price	up	6% to US$650 per msf
EBIT	down	2% to US$39.6 million
EBIT Margin	up	1.5 pts to 22.1%

USA and Europe Fibre Cement

James Hardie

Nine Month Result

Net Sales	down	15% to US$631.3 million
Sales Volume	down	19% to 989.7 mmsf
Average Price	up	5% to US$638 per msf
EBIT	up	4% to US$173.7 million
EBIT Margin	up	5.0 pts to 27.5%


USA and Europe Fibre Cement
James Hardie
Average Net Selling Price
US$ per MSF
680
640
600
560
520
480
440
400
360
FY04
FY05
FY06
FY07
FY08
FY09
Q3 FY10
US$650
8

USA and Europe Fibre Cement

James Hardie

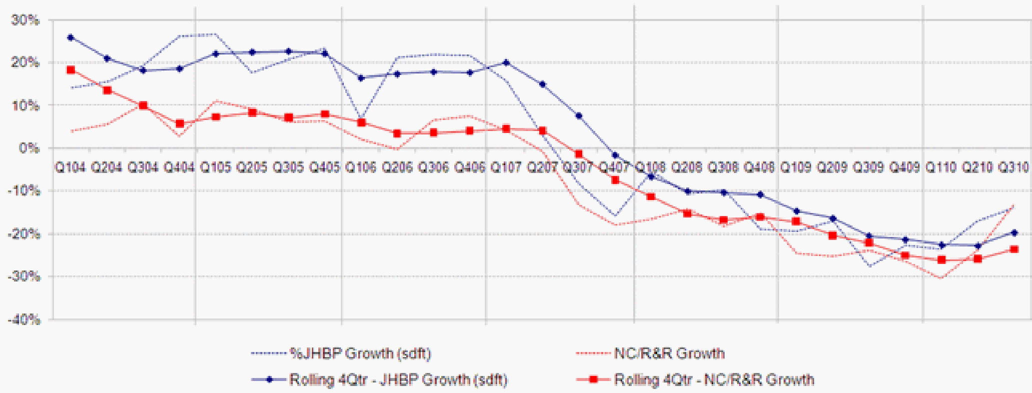
EBIT and EBIT Margin*

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

USA and Europe 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*
- *After 2007 R&R = avg. published Home Depot & Lowe's same store sales less CPI*

Management Restructure

James Hardie

The company has restructured its senior management team:

- Nigel Rigby is now responsible for the US business
- Mark Fisher is now responsible for research and development, engineering, manufacturing, logistics and product management, as well as the company's non-US businesses
- The restructure is designed to better position the company for the recovery in the US market, and to facilitate an increased focus on top line growth
- The former Senior Leadership Team is transitioning into the Group Management Team, consisting of: Louis Gries, Russell Chenu, Nigel Rigby, Mark Fisher, Robert Cox and Sean O'Sullivan

Asia Pacific Fibre Cement

James Hardie

3rd Quarter Result

Net Sales	up	40% to US$81.9 million
Sales Volume	up	3% to 100.8 mmsf
Average Price	flat	at A$897 per msf
EBIT	up	65% to US$17.3 million
EBIT Margin	up	3.2 pts to 21.1%

Asia Pacific Fibre Cement

James Hardie

Nine Month Result

Net Sales	down	1% to US$218.4 million
Sales Volume	down	3% to 292.1 mmsf
Average Price	up	2% to A$897 per msf
EBIT	up	10% to US$44.4 million
EBIT Margin	up	2 pts to 20.3%

Group 3rd Quarter Summary

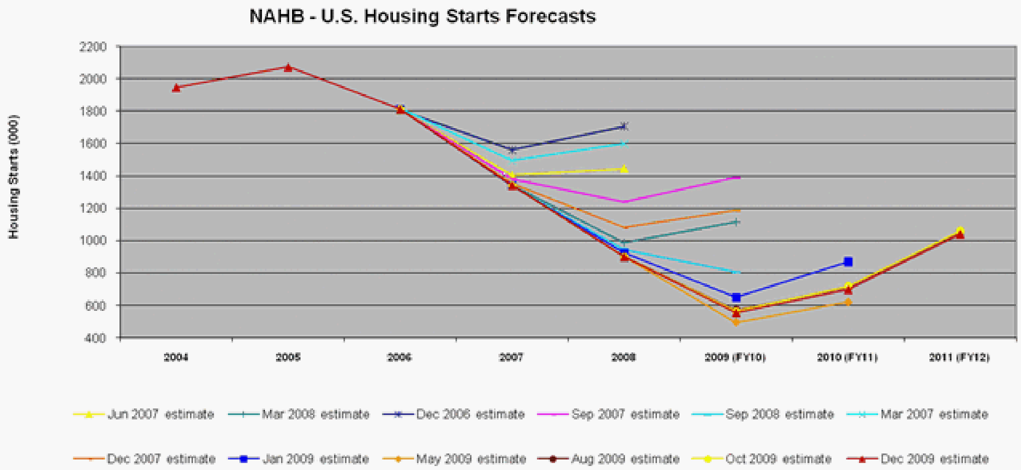
James Hardie

- USA and Europe Fibre Cement business results benefited from:
  - Lower input costs, primarily pulp, energy and freight
  - Higher average net sales price
  - Improved plant performance
  - Product mix shift and primary demand growth
- Asia Pacific Fibre Cement business results reflected:
  - Appreciation of Asia Pacific currencies compared to the US dollar
  - Increased sales volume in Australia
  - Reduced raw material and manufacturing costs
  - Improving or stabilising market conditions
- Overall the company performed strongly despite challenging operating environments

Total USA Housing Starts – NAHB

James Hardie

- NAHB forecast of 2010 Housing Starts has declined slightly since October's release.



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

Group Outlook

James Hardie

United States

- The outlook for residential construction remains uncertain with recent data presenting mixed indications as to the extent and sustainability of the anticipated recovery

- Challenges remain, including:
  - Restricted access to credit for prospective home owners
  - Weak and deteriorating employment markets
  - An expected increase in the supply of foreclosed homes in the next 12 months
  - Expiry of home owners tax credit at the end of April 2010

- However, some positives are emerging including:
  - Improvements in housing affordability
  - A modest recovery in consumer confidence
  - An increase in building permit applications

Group Outlook

James Hardie

Australia

- The residential housing market is expected to improve modestly during calendar 2010, supported by increases in housing approvals, robust employment numbers, high levels of immigration and heightened competition amongst mortgage lenders

- Some negatives have emerged, including recent rises in the cash rate, removal of the Government's first home buyer incentives and recent softness in retail sales

New Zealand

- New residential construction is anticipated to remain at or around current levels, having recently improved from historic lows
- Softness in the renovation and commercial markets is likely to offset a significant portion of the stronger residential housing growth

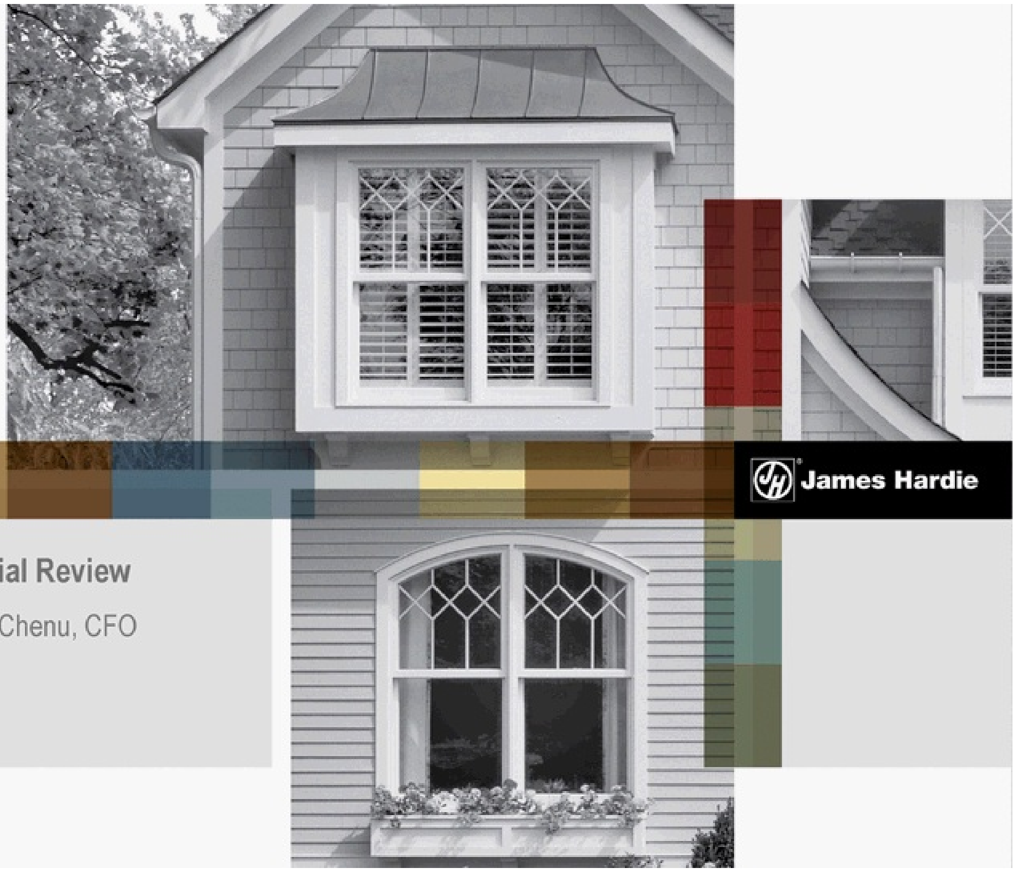
Philippines

- Outlook for the housing market for 2010 is becoming cautiously more optimistic

Group Outlook

James Hardie

- The company remains focused on:
  - Delivering primary demand growth
  - Increasing the rate of product mix shift
  - Achieving its zero to landfill objective
  - Building the operational strength and flexibility to deliver a superior performance
- All business segments are expected to continue to perform strongly, despite the challenging environments



James Hardie

Financial Review

Russell Chenu, CFO

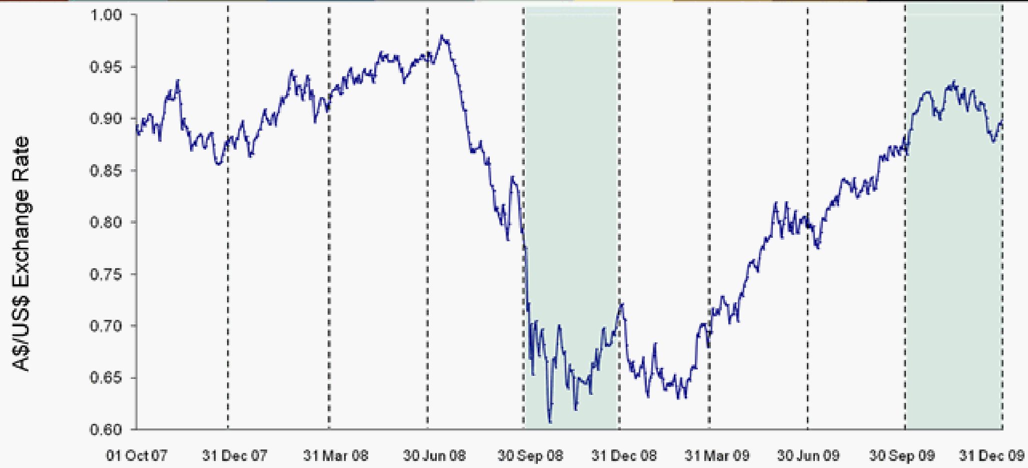
Overview

James Hardie

- Results continue to be affected by weak housing construction activity, particularly in the US
- Earnings in the quarter benefited from lower input costs, higher average net selling prices, lower SG&A and the strength of Asia Pacific currencies, when compared to the third quarter of FY09
- Strong net cash flow generation in the quarter and year to date has enabled a reduction in net debt of US$140.8 million to US$140.8 million
- All businesses performed strongly in continuing difficult operating environments

Consequences of changes – A$ versus US$

James Hardie



	Earnings	Balance Sheet
▪ Favourable impact from translation of Asia Pacific results – Q3 FY10 vs Q3 FY09	√	
▪ Unfavourable impact on corporate costs incurred in Australian dollars – Q3 FY10 vs Q3 FY09	√	
▪ Unfavourable impact from translation of asbestos liability balance – 31 December 2009 vs 31 March 2009	√	√
▪ Favourable impact from translation of Australian dollar deposit with ATO relating to 1999 Amended Assessment – 31 December 2009 vs 31 March 2009		√

Results – Q3

James Hardie

US$ Millions	Q3 '10	Q3 '09	% Change
Net sales	261.0	254.4	3
Gross profit	96.7	82.4	17
SG&A expenses	(46.9)	(51.9)	10
Research & development expenses	(7.2)	(5.2)	(38)
Asbestos adjustments	(17.5)	93.6	-
EBIT	**25.1**	**118.9**	**(79)**
Net interest expense	(0.8)	(1.1)	27
Other income	2.2	-	-
Income tax expense	(11.6)	(6.8)	(71)
Net operating profit	**14.9**	**111.0**	**(87)**

Results – Q3 (continued)

James Hardie

US$ Millions	Q3 '10	Q3 '09	% Change
Net operating profit	14.9	111.0	(87)
Asbestos:			
Asbestos adjustments	17.5	(93.6)	-
AICF SG&A expenses	0.6	0.5	20
AICF interest income	(0.9)	(1.6)	44
Gain on AICF investments	(2.4)	-	-
ASIC expenses	0.6	5.8	(90)
Tax adjustments	(0.5)	(4.1)	88
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	**29.8**	**18.0**	**66**

Results – Nine Months

James Hardie

US$ Millions	9 Months FY10	9 Months FY09	% Change
Net sales	849.7	961.3	(12)
Gross profit	324.7	319.6	2
SG&A expenses	(137.3)	(161.7)	15
Research & development expenses	(20.2)	(17.8)	(13)
Asbestos adjustments	(200.0)	193.9	-
EBIT	**(32.8)**	**334.0**	**-**
Net interest expense	(1.9)	(1.9)	-
Other income	6.0	-	-
Income tax expense	(53.9)	(66.2)	19
Net operating (loss) profit	**(82.6)**	**265.9**	**-**

Results – Nine Months (continued)

James Hardie

US$ Millions	9 Months FY10	9 Months FY09	% Change
Net operating (loss) profit	(82.6)	265.9	-
Asbestos:			
Asbestos adjustments	200.0	(193.9)	-
AICF SG&A expenses	1.6	1.4	14
AICF interest income	(2.6)	(4.8)	46
Gain on AICF investments	(4.7)	-	-
ASIC expenses	1.6	12.3	(87)
Tax adjustments	(4.0)	11.9	-
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	**109.3**	**92.8**	**18**

Segment Net Sales – Q3

James Hardie

US$ Millions

	Q3 '10	Q3 '09	% Change
USA and Europe Fibre Cement	179.1	195.9	(9)
Asia Pacific Fibre Cement	81.9	58.5	40
Total	**261.0**	**254.4**	**3**

Segment Net Sales – Nine Months

James Hardie

US$ Millions	9 Months FY10	9 Months FY09	% Change
USA and Europe Fibre Cement	631.3	740.6	(15)
Asia Pacific Fibre Cement	218.4	220.7	(1)
Total	**849.7**	**961.3**	**(12)**

Segment EBIT – Q3

James Hardie

US$ Millions

	Q3 '10	Q3 '09	% Change
USA and Europe Fibre Cement	39.6	40.3	(2)
Asia Pacific Fibre Cement	17.3	10.5	65
Research & development[1]	(6.1)	(4.7)	(30)
Total segment EBIT	50.8	46.1	10
General corporate excluding asbestos and ASIC expenses	(7.0)	(14.5)	52
Total EBIT excluding asbestos and ASIC expenses	**43.8**	**31.6**	**39**
Asbestos adjustments	(17.5)	93.6	-
AICF SG&A expenses	(0.6)	(0.5)	(20)
ASIC expenses	(0.6)	(5.8)	90
Total EBIT	25.1	118.9	(79)

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

Segment EBIT – Nine Months

James Hardie

US$ Millions	9 Months FY10	9 Months FY09	% Change
USA and Europe Fibre Cement	173.7	167.0	4
Asia Pacific Fibre Cement	44.4	40.4	10
Research & development[1]	(14.9)	(14.7)	(1)
Total segment EBIT	203.2	192.7	5
General corporate excluding asbestos and ASIC expenses	(32.8)	(38.9)	16
Total EBIT excluding asbestos and ASIC expenses	**170.4**	**153.8**	**11**
Asbestos adjustments	(200.0)	193.9	-
AICF SG&A expenses	(1.6)	(1.4)	(14)
ASIC expenses	(1.6)	(12.3)	87
Total EBIT	(32.8)	334.0	-

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

Income Tax Expense – Q3

James Hardie

US$ Millions	Q3 '10	Q3 '09
Operating profit before income taxes	$ 26.5	$ 117.8
Asbestos:		
Asbestos adjustments	17.5	(93.6)
AICF SG&A expenses	0.6	0.5
AICF interest income	(0.9)	(1.6)
Gain on AICF investments	(2.4)	-
Operating profit before income taxes excluding asbestos	$ 41.3	$ 23.1
Income tax expense	(11.6)	(6.8)
Tax adjustments	(0.5)	(4.1)
Income tax expense excluding tax adjustments	(12.1)	(10.9)
Effective tax rate excluding asbestos and tax adjustments	29.3%	47.2%

Income Tax Expense – Nine Months

James Hardie

US$ Millions	9 Months FY 2010	9 Months FY 2009
Operating profit before income taxes	$ (28.7)	$ 332.1
Asbestos:		
Asbestos adjustments	200.0	(193.9)
AICF SG&A expenses	1.6	1.4
AICF interest income	(2.6)	(4.8)
Gain on AICF investments	(4.7)	-
Operating profit before income taxes excluding asbestos	$ 165.6	$ 134.8
Income tax expense	(53.9)	(66.2)
Tax adjustments	(4.0)	11.9
Income tax expense excluding tax adjustments	(57.9)	(54.3)
Effective tax rate excluding asbestos and tax adjustments	35.0%	40.3%

General Corporate Costs – Q3

James Hardie

US$ Millions	Q3 '10	Q3 '09	% Change
Stock compensation expense	1.6	1.6	-
Legal provision write back	(7.6)	-	-
Other costs	11.8	10.7	(10)
General corporate costs excluding ASIC and domicile change related costs	5.8	12.3	53
ASIC expenses	0.6	5.8	90
Domicile change related costs	1.2	2.2	45
Total general corporate costs	7.6	20.3	63

General Corporate Costs – Nine Months

James Hardie

US$ Millions	9 Months FY10	9 Months FY09	% Change
Stock compensation expense	5.6	5.2	(8)
Legal provision write back	(7.6)	-	-
Other costs	26.4	31.2	15
General corporate costs excluding ASIC and domicile change related costs	24.4	36.4	33
ASIC expenses	1.6	12.3	87
Domicile change related costs	8.4	2.5	-
Total general corporate costs	34.4	51.2	33

EBITDA – Q3

James Hardie

US$ Millions	Q3 '10	Q3 '09	% Change
EBIT			
USA and Europe Fibre Cement	39.6	40.3	(2)
Asia Pacific Fibre Cement	17.3	10.5	65
Research & development	(6.1)	(4.7)	(30)
General corporate excluding asbestos and ASIC expenses	(7.0)	(14.5)	52
Depreciation and Amortisation			-
USA and Europe Fibre Cement	13.2	10.7	23
Asia Pacific Fibre Cement	2.6	2.3	13
Total EBITDA excluding asbestos and ASIC expenses	**59.6**	**44.6**	**34**
Asbestos adjustments	(17.5)	93.6	-
AICF SG&A expenses	(0.6)	(0.5)	(20)
ASIC expenses	(0.6)	(5.8)	90
Total EBITDA	**40.9**	**131.9**	**(69)**

EBITDA – Nine Months

James Hardie

US$ Millions	9 Months FY10	9 Months FY09	% Change
EBIT			
USA and Europe Fibre Cement	173.7	167.0	4
Asia Pacific Fibre Cement	44.4	40.4	10
Research & development	(14.9)	(14.7)	(1)
General corporate excluding asbestos and ASIC expenses	(32.8)	(38.9)	16
Depreciation and Amortisation			-
USA and Europe Fibre Cement	38.4	33.8	14
Asia Pacific Fibre Cement	7.2	7.8	(8)
Total EBITDA excluding asbestos and ASIC expenses	**216.0**	**195.4**	**11**
Asbestos adjustments	(200.0)	193.9	-
AICF SG&A expenses	(1.6)	(1.4)	(14)
ASIC expenses	(1.6)	(12.3)	87
Total EBITDA	**12.8**	**375.6**	**(97)**

Cash Flow

James Hardie

US$ Millions

	9 Months FY10	9 Months FY09	% Change
EBIT	**(32.8)**	**334.0**	**-**
Non-cash items:			
Asbestos adjustments	200.0	(193.9)	-
Other non-cash items	96.5	20.9	-
Change in restricted cash – asbestos	14.6	60.4	(76)
Change in restricted short-term investment – asbestos	42.6	(4.5)	-
Net working capital movements	(64.6)	7.6	-
Cash generated by trading activities	**256.3**	**224.5**	**14**
Tax payments	(40.9)	(32.0)	(28)
Payment to the AICF	-	(50.7)	-
ATO Settlement	-	(101.6)	-
Deposit with ATO	(14.4)	(8.5)	(69)
Interest paid (net)	(2.4)	(6.4)	63
Net Operating Cash Flow	**198.6**	**25.3**	**-**
Purchases of property, plant & equipment	(35.2)	(16.8)	-
Dividends paid	-	(34.6)	-
Equity issued	9.1	0.1	-
Other	(31.7)	15.3	-
Movement in Net Cash	**140.8**	**(10.7)**	**-**
Net Debt – 31 March 2009	281.6	229.1	23
Net Debt – 31 December 2009	**140.8**	**239.8**	**(41)**

Capital Expenditure

James Hardie

US$ Millions	9 Months FY10	9 Months FY09	% Change
USA and Europe Fibre Cement	29.5	13.2	123
Asia Pacific Fibre Cement	5.7	3.6	58
Total	**35.2**	**16.8**	**110**

Debt

James Hardie

- At 31 December 2009

US$ Millions		
Total facilities		426.7
Gross Debt	192.0	
Cash	51.2	
Net debt		140.8
Unutilised facilities and cash		**285.9**

- Net debt decreased US$140.8 million compared to net debt at 31 March 2009
- In December 2009, the company refinanced US$130 million of US$150 million in facilities which previously had maturity dates in or prior to June 2010. These expire December 2012
- Weighted average remaining term of total facilities was 1.9 years at 31 December 2009
- James Hardie remains well within its financial debt covenants

Asbestos Fund Update

James Hardie

- AICF holdings at 31 December 2009
  - A$78.5m – cash and short-term investments (A$105.6m at 31 December 2008)
- Net claims paid nine months FY10:

A$ Millions	AICF Nine Months '10	KPMG Actuarial Estimate*	AICF Nine Months '09
Claims Paid	78.0	78.9	81.0
Legal Costs	6.9	6.8	6.8
Insurance and cross claim recoveries	(12.9)	(13.3)	(19.7)
Total net claims costs	72.0	72.4	68.1

* Updated actuarial estimate as at 31 March 2009

Legacy Issues Update

James Hardie

Asbestos

- On 7 November 2009, the Australian and NSW Governments announced an A$320m standby loan facility for Asbestos Injuries Compensation Fund

ATO – 1999 Disputed Amended Assessment

- Federal Court hearing completed September 2009
- Judgement expected early to mid 2010
- ATO deposit at 31 December 2009 was A$265.3m (US$237.9m)

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

Legacy Issues Update – continued

James Hardie

Domicile

- Stage one of the two stage proposal to move domicile to Ireland approved by 99.3% of votes cast on 21 August 2009
- Last outstanding item before completion of Stage 1 was an EU law requirement to negotiate with EU employees. These negotiations concluded in February 2010
- In conjunction with Stage 1 of the proposal, the company incurred in the quarter a US$19.3 million tax liability that arose from:
  - Capital gain on transfer of intellectual property, and
  - Exit from the Dutch Financial Risk Reserve regime
- In accordance with US GAAP, this charge has been deferred and included in non-current "other assets"
- The Dutch Tax Authority (DTA) is currently reviewing the fair market value of the company's intellectual property transferred to Ireland
- This review by DTA is ongoing and has the potential to result in a higher tax liability than the US$19.3 million recognised at 31 December 2009
- Proposal to become an Irish SE to be put to shareholders at a meeting anticipated to be held in the second quarter of CY 2010, with Proposal to be completed early in the second half of CY 2010

Key Ratios

James Hardie

	9 Months FY10	FY09	FY08
EPS (Diluted)[1]	25.3c	22.3c	38.1c
Dividend Paid per share	N/A	8.0c	27.0c
Return on Shareholders' Funds[1]	14.9%	11.2%	17.7%
Return on Capital Employed[2]	19.9%	16.7%	24.2%
EBIT/ Sales (EBIT margin)[2]	20.1%	14.2%	19.2%
Gearing Ratio[1]	11.7%	24.0%	21.5%
Net Interest Expense Cover[2]	37.9x	18.2x	33.9x
Net Interest Paid Cover[2]	71.0x	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 and tax adjustments
[2] Excludes asbestos adjustments, AICF SG&A expenses and ASIC expenses
[3] Excludes payments under the Amended FFA

Summary

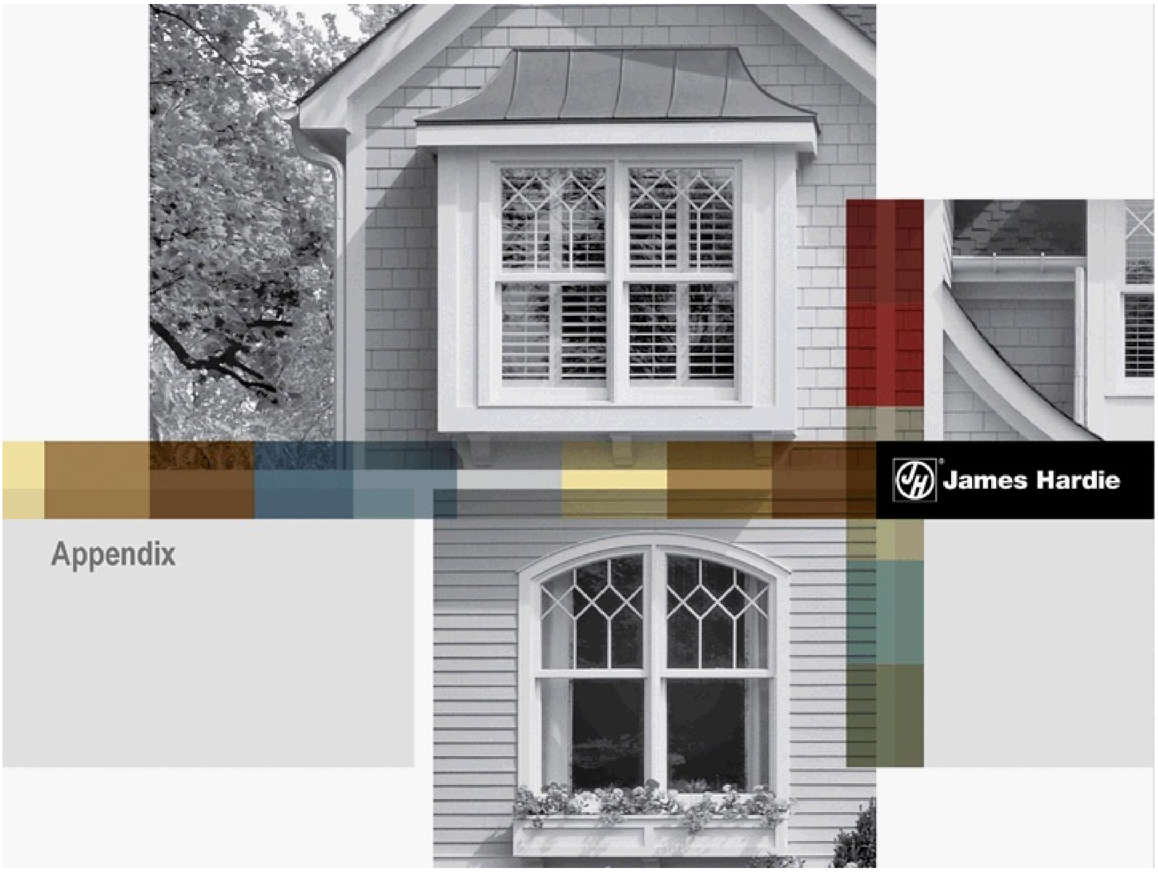
James Hardie

- USA and Europe Fibre Cement nine month EBIT improved 4% driven by improved plant performance, lower input costs, higher average net sales price and lower SG&A spending
- Asia Pacific Fibre Cement nine month EBIT, in Australian dollars, increased 9% due to improved gross margin performance and lower SG&A expenses
- USA and Europe Fibre Cement nine month EBIT margin improved 5.0 percentage points to 27.5%. Asia Pacific Fibre Cement EBIT margin improved 2.0 percentage points to 20.3%
- Net operating profit excluding asbestos, ASIC expenses and tax adjustments increased 66% for the quarter and 18% for the nine months*
- Challenges remain with the operating environment still difficult and some input costs rising ahead of proven evidence of sustainable recoveries in core markets
- All businesses continue to contribute strongly

*When compared to previous corresponding periods

James Hardie

Questions & Answers


Appendix
James Hardie

Global Strategy

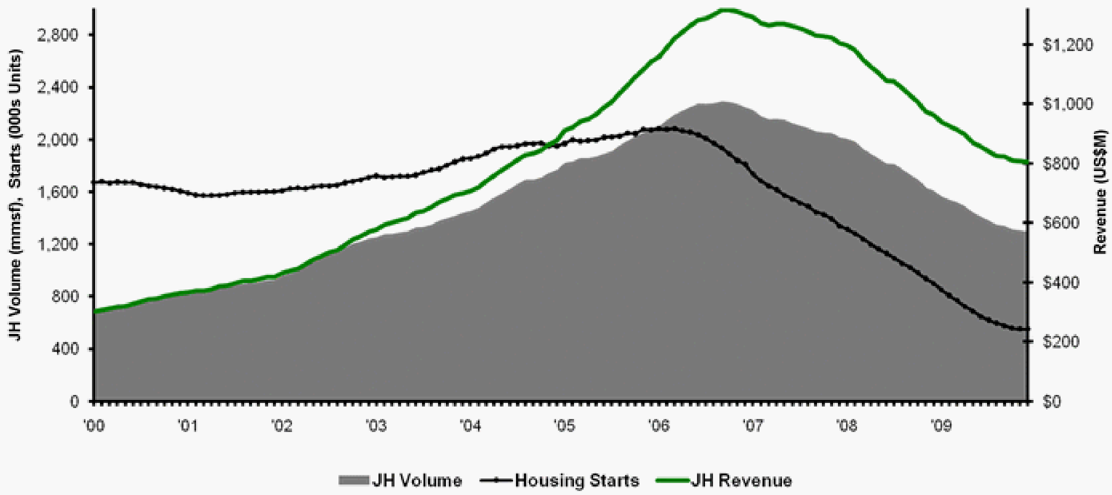
James Hardie

- 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

USA Fibre Cement

James Hardie

Top Line Growth



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

Net Interest Expense

James Hardie

US$ Millions	Q3 '10	Q3 '09	9 Months FY10	9 Months FY09
Gross interest expense	(1.7)	(2.4)	(3.7)	(7.3)
Capitalised interest	-	-	0.1	-
Interest income	0.1	(0.3)	0.3	0.6
Net interest expense excluding AICF interest income and interest rate swaps	**(1.6)**	**(2.7)**	**(3.3)**	**(6.7)**
AICF interest income	0.9	1.6	2.6	4.8
Realised loss on interest rate swaps	(0.1)	-	(1.2)	-
Net interest expense	(0.8)	(1.1)	(1.9)	(1.9)

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.

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	Q3 FY 2010	Q3 FY 2009	9 Months FY 2010	9 Months FY 2009
EBIT	$ 25.1	$ 118.9	$ (32.8)	$ 334.0
Asbestos:				
Asbestos adjustments	17.5	(93.6)	200.0	(193.9)
AICF SG&A expenses	0.6	0.5	1.6	1.4
ASIC expenses	0.6	5.8	1.6	12.3
EBIT excluding asbestos and ASIC expenses	43.8	31.6	170.4	153.8
Net Sales	$ 261.0	$ 254.4	$ 849.7	$ 961.3
EBIT margin excluding asbestos and ASIC expenses	16.8%	12.4%	20.1%	16.0%

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	Q3 FY 2010	Q3 FY 2009	9 Months FY 2010	9 Months FY 2009
Net operating profit (loss)	$ 14.9	$ 111.0	$ (82.6)	$ 265.9
Asbestos:				
Asbestos adjustments	17.5	(93.6)	200.0	(193.9)
AICF SG&A expenses	0.6	0.5	1.6	1.4
AICF interest income	(0.9)	(1.6)	(2.6)	(4.8)
Gain on AICF investments	(2.4)	-	(4.7)	-
ASIC expenses	0.6	5.8	1.6	12.3
Tax adjustments	(0.5)	(4.1)	(4.0)	11.9
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	$ 29.8	$ 18.0	$ 109.3	$ 92.8

James Hardie

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	Q3 FY 2010	Q3 FY 2009	9 Months FY 2010	9 Months FY 2009
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	$ 29.8	$ 18.0	$ 109.3	$ 92.8
Weighted average common shares outstanding - Diluted (millions)	438.8	433.5	432.7	433.5
Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments (US cents)	6.8	4.2	25.3	21.4

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	Q3 FY 2010	Q3 FY 2009	9 Months FY 2010	9 Months FY 2009
Operating profit (loss) before income taxes	$ 26.5	$ 117.8	$ (28.7)	$ 332.1
Asbestos:				
Asbestos adjustments	17.5	(93.6)	200.0	(193.9)
AICF SG&A expenses	0.6	0.5	1.6	1.4
AICF interest income	(0.9)	(1.6)	(2.6)	(4.8)
Gain on AICF investments	(2.4)	-	(4.7)	-
Operating profit before income taxes excluding asbestos	$ 41.3	$ 23.1	$ 165.6	$ 134.8
Income tax expense	(11.6)	(6.8)	(53.9)	(66.2)
Tax adjustments	(0.5)	(4.1)	(4.0)	11.9
Income tax expense excluding tax adjustments	(12.1)	(10.9)	(57.9)	(54.3)
Effective tax rate excluding asbestos and tax adjustments	29.3%	47.2%	35.0%	40.3%

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.

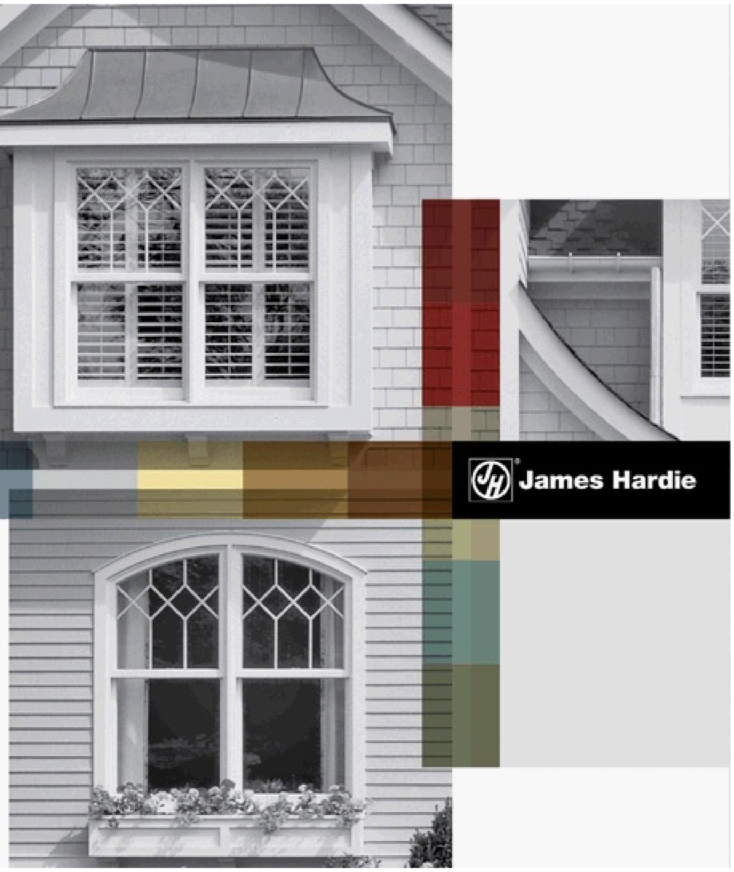
US$ Millions	Q3 FY 2010	Q3 FY 2009	9 Months FY 2010	9 Months FY 2009
EBIT	$ 25.1	$ 118.9	$ (32.8)	$ 334.0
Depreciation and amortisation	15.8	13.0	45.6	41.6
EBITDA	$ 40.9	$ 131.9	$ 12.8	$ 375.6

James Hardie

Non-US GAAP Financial Measures (continued)

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	Q3 FY 2010	Q3 FY 2009	9 Months FY 2010	9 Months FY 2009
General corporate costs	$ 7.6	$ 20.3	$ 34.4	$ 51.2
Excluding:				
ASIC expenses	(0.6)	(5.8)	(1.6)	(12.3)
Domicile change related costs	(1.2)	(2.2)	(8.4)	(2.5)
General corporate costs excluding ASIC and domicile change related costs	$ 5.8	$ 12.3	$ 24.4	$ 36.4



Q3 FY10 Management Presentation

11 February 2010

Exhibit 99.5

James Hardie Industries N.V.
and Subsidiaries
Condensed Consolidated Financial Statements
as of and for the Period Ended 31 December 2009

James Hardie Industries N.V. and Subsidiaries
Index

Item 1. Financial Statements

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

	(Millions of US dollars)		(Millions of Australian dollars)	
	31 December 2009	31 March 2009	**31 December 2009**	31 March 2009
Assets				
Current assets:				
Cash and cash equivalents	**$ 51.2**	$ 42.4	**A$ 57.1**	A$ 61.7
Restricted cash and cash equivalents	**0.2**	0.3	**0.2**	0.4
Restricted cash and cash equivalents — Asbestos	**43.5**	45.4	**48.5**	66.1
Restricted short-term investments — Asbestos	**26.9**	52.9	**30.0**	77.0
Accounts and notes receivable, net of allowance for doubtful accounts of $1.9 million (A$2.1 million) and $1.4 million (A$2.0 million) as of 31 December 2009 and 31 March 2009, respectively	**114.7**	111.4	**127.9**	162.1
Inventories	**133.3**	128.9	**148.6**	187.6
Prepaid expenses and other current assets	**28.0**	20.4	**31.2**	29.7
Insurance receivable — Asbestos	**16.4**	12.6	**18.3**	18.3
Workers' compensation — Asbestos	**0.7**	0.6	**0.8**	0.9
Deferred income taxes	**27.2**	32.5	**30.3**	47.3
Deferred income taxes — Asbestos	**16.1**	12.3	**18.0**	17.9
Total current assets	**458.2**	459.7	**510.9**	669.0
Restricted cash and cash equivalents	**5.1**	5.0	**5.7**	7.3
Property, plant and equipment, net	**710.0**	700.8	**791.7**	1,019.8
Insurance receivable — Asbestos	**182.9**	149.0	**204.0**	216.9
Workers' compensation — Asbestos	**96.3**	73.8	**107.4**	107.4
Deferred income taxes	**1.4**	2.1	**1.6**	3.1
Deferred income taxes — Asbestos	**414.4**	333.2	**462.1**	484.8
Deposit with Australian Taxation Office	**237.9**	173.5	**265.3**	252.5
Other assets	**24.7**	1.6	**27.5**	2.3
Total assets	**$ 2,130.9**	$ 1,898.7	**A$ 2,376.2**	A$ 2,763.1
Liabilities and Shareholders' Deficit				
Current liabilities:				
Accounts payable and accrued liabilities	**$ 74.8**	$ 89.1	**A$ 83.4**	A$ 129.7
Short-term debt	**—**	93.3	**—**	135.8
Current portion of long-term debt	**139.0**	—	**155.0**	—
Accrued payroll and employee benefits	**37.1**	35.5	**41.4**	51.7
Accrued product warranties	**7.5**	7.4	**8.4**	10.8
Income taxes payable	**9.5**	1.4	**10.6**	2.0
Asbestos liability	**102.1**	78.2	**113.9**	113.8
Workers' compensation — Asbestos	**0.7**	0.6	**0.8**	0.9
Other liabilities	**23.4**	9.5	**26.1**	13.8
Total current liabilities	**394.1**	315.0	**439.6**	458.5
Long-term debt	**53.0**	230.7	**59.1**	335.7
Deferred income taxes	**116.4**	100.8	**129.8**	146.7
Accrued product warranties	**18.7**	17.5	**20.9**	25.5
Asbestos liability	**1,495.7**	1,206.3	**1,667.9**	1,755.4
Workers' compensation — Asbestos	**96.3**	73.8	**107.4**	107.4
Other liabilities	**87.8**	63.3	**97.9**	92.1
Total liabilities	**2,262.0**	2,007.4	**A$ 2,522.6**	A$ 2,921.3
Commitments and contingencies (Note 8)				
Shareholders' deficit:				
Common stock, Euro 0.59 par value, 2.0 billion shares authorised; 434,400,474 shares issued at 31 December 2009 and 432,263,720 shares issued at 31 March 2009	**221.0**	219.2		
Additional paid-in capital	**35.7**	22.7		
Accumulated deficit	**(435.4)**	(352.8)		
Accumulated other comprehensive income	**47.6**	2.2		
Total shareholders' deficit	**(131.1)**	(108.7)		
Total liabilities and shareholders' deficit	**$ 2,130.9**	$ 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 31 December 2009	Three Months Ended 31 December 2008	Nine Months Ended 31 December 2009	Nine Months Ended 31 December 2008
Net sales	**$ 261.0**	$ 254.4	**$ 849.7**	$ 961.3
Cost of goods sold	**(164.3)**	(172.0)	**(525.0)**	(641.7)
Gross profit	**96.7**	82.4	**324.7**	319.6
Selling, general and administrative expenses	**(46.9)**	(51.9)	**(137.3)**	(161.7)
Research and development expenses	**(7.2)**	(5.2)	**(20.2)**	(17.8)
Asbestos adjustments	**(17.5)**	93.6	**(200.0)**	193.9
Operating income (loss)	**25.1**	118.9	**(32.8)**	334.0
Interest expense	**(1.8)**	(2.5)	**(4.8)**	(7.4)
Interest income	**1.0**	1.4	**2.9**	5.5
Other income	**2.2**	—	**6.0**	—
Income (loss) before income taxes	**26.5**	117.8	**(28.7)**	332.1
Income tax expense	**(11.6)**	(6.8)	**(53.9)**	(66.2)
Net income (loss)	**$ 14.9**	$ 111.0	**$ (82.6)**	$ 265.9
Net income (loss) per share — basic	**$ 0.03**	$ 0.26	**$ (0.19)**	$ 0.62
Net income (loss) per share — diluted	**$ 0.03**	$ 0.26	**$ (0.19)**	$ 0.61
Weighted average common shares outstanding (Millions):				
Basic	**433.3**	432.2	**432.7**	432.2
Diluted	**438.8**	433.5	**432.7**	433.5

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 31 December 2009	Three Months Ended 31 December 2008	Nine Months Ended 31 December 2009	Nine Months Ended 31 December 2008
Net sales	**A$ 279.4**	A$ 379.8	**A$ 1,018.9**	A$ 1,151.2
Cost of goods sold	**(176.4)**	(255.9)	**(629.5)**	(768.4)
Gross profit	**103.0**	123.9	**389.4**	382.8
Selling, general and administrative expenses	**(51.0)**	(76.4)	**(164.6)**	(193.7)
Research and development expenses	**(7.9)**	(5.1)	**(24.2)**	(21.3)
Asbestos adjustments	**(10.5)**	122.8	**(239.8)**	232.2
Operating income (loss)	**33.6**	165.2	**(39.2)**	400.0
Interest expense	**(2.0)**	(3.6)	**(5.8)**	(8.9)
Interest income	**1.1**	2.1	**3.5**	6.6
Other income	**2.4**	—	**7.2**	—
Income (loss) before income taxes	**35.1**	163.7	**(34.3)**	397.7
Income tax expense	**(11.5)**	(14.5)	**(64.6)**	(79.3)
Net income (loss)	**A$ 23.6**	149.2	**A$ (98.9)**	318.4
Net income (loss) per share — basic	**A$ 0.05**	A$ 0.35	**A$ (0.23)**	A$ 0.74
Net income (loss) per share — diluted	**A$ 0.05**	A$ 0.34	**A$ (0.23)**	A$ 0.73
Weighted average common shares outstanding (Millions):				
Basic	**433.3**	432.2	**432.7**	432.2
Diluted	**438.8**	433.5	**432.7**	433.5

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)	Nine Months Ended 31 December 2009	Nine Months Ended 31 December 2008
Cash Flows From Operating Activities		
Net (loss) income	**$ (82.6)**	$ 265.9
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortisation	**45.6**	41.6
Deferred income taxes	**45.3**	(26.6)
Prepaid pension cost	**—**	0.7
Stock-based compensation	**5.6**	5.2
Asbestos adjustments	**200.0**	(193.9)
Other	**—**	0.2
Changes in operating assets and liabilities:		
Restricted cash and cash equivalents	**14.6**	60.2
Restricted short-term investments	**42.6**	(4.5)
Payment to the AICF	**—**	(50.7)
Accounts and notes receivable	**(17.4)**	34.2
Inventories	**(14.4)**	28.7
Prepaid expenses and other current assets	**(32.5)**	1.4
Insurance receivable — Asbestos	**10.8**	16.5
Accounts payable and accrued liabilities	**20.4**	2.3
Asbestos liability	**(72.9)**	(75.4)
Deposit with Australian Taxation Office	**(14.4)**	(8.5)
ATO settlement payment	**—**	(101.6)
Other accrued liabilities	**47.9**	29.6
Net cash provided by operating activities	**198.6**	25.3
Cash Flows From Investing Activities		
Purchases of property, plant and equipment	**(35.2)**	(16.8)
Net cash used in investing activities	**(35.2)**	(16.8)
Cash Flows From Financing Activities		
Proceeds from short-term borrowings	**—**	7.2
Repayments of short-term borrowings	**(93.3)**	—
Proceeds from long-term borrowings	**110.0**	26.5
Repayments of long-term borrowings	**(148.7)**	—
Proceeds from issuance of shares	**8.3**	0.1
Tax benefit from stock options exercised	**0.9**	—
Dividends paid	**—**	(34.6)
Net cash used in financing activities	**(122.8)**	(0.8)
Effects of exchange rate changes on cash	**(31.8)**	15.3
Net increase in cash and cash equivalents	**8.8**	23.0
Cash and cash equivalents at beginning of period	**42.4**	35.4
Cash and cash equivalents at end of period	**$ 51.2**	$ 58.4
Components of Cash and Cash Equivalents		
Cash at bank and on hand	**$ 35.9**	$ 18.8
Short-term deposits	**15.3**	39.6
Cash and cash equivalents at end of period	**$ 51.2**	$ 58.4

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)	Nine Months Ended 31 December 2009	2008
Cash Flows From Operating Activities		
Net (loss) income	**A$ (98.9)**	A$ 318.4
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortisation	**54.7**	49.8
Deferred income taxes	**54.3**	(31.9)
Prepaid pension cost	**—**	0.8
Stock-based compensation	**6.7**	6.2
Asbestos adjustments	**239.8**	(232.2)
Other	**—**	0.2
Changes in operating assets and liabilities:		
Restricted cash and cash equivalents	**17.5**	72.1
Restricted short-term investments	**51.1**	(5.4)
Payment to the AICF	**—**	(60.7)
Accounts and notes receivable	**(20.9)**	41.0
Inventories	**(17.3)**	34.4
Prepaid expenses and other current assets	**(39.0)**	1.7
Insurance receivable — Asbestos	**13.0**	19.8
Accounts payable and accrued liabilities	**24.5**	2.8
Asbestos liability	**(87.4)**	(90.3)
Deposit with Australian Taxation Office	**(17.3)**	(10.2)
ATO settlement payment	**—**	(121.7)
Other accrued liabilities	**57.4**	35.4
Net cash provided by operating activities	**238.2**	30.2
Cash Flows From Investing Activities		
Purchases of property, plant and equipment	**(42.2)**	(20.1)
Net cash used in investing activities	**(42.2)**	(20.1)
Cash Flows From Financing Activities		
Proceeds from short-term borrowings	**—**	8.6
Repayments of short-term borrowings	**(111.9)**	—
Proceeds from long-term borrowings	**131.9**	31.7
Repayments of long-term borrowings	**(178.3)**	—
Proceeds from issuance of shares	**10.0**	0.1
Tax benefit from stock options exercised	**1.1**	—
Dividends paid	**—**	(41.4)
Net cash used in financing activities	**(147.2)**	(1.0)
Effects of exchange rate changes on cash	**(53.4)**	36.7
Net (decrease) increase in cash and cash equivalents	**(4.6)**	45.8
Cash and cash equivalents at beginning of period	**61.7**	38.6
Cash and cash equivalents at end of period	**A$ 57.1**	A$ 84.4
Components of Cash and Cash Equivalents		
Cash at bank and on hand	**A$ 40.0**	A$ 27.2
Short-term deposits	**17.1**	57.2
Cash and cash equivalents at end of period	**A$ 57.1**	A$ 84.4

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

James Hardie Industries N.V. and Subsidiaries
Condensed Consolidated Statement 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	—	—	(82.6)	—	(82.6)
Pension and post-retirement benefit adjustments	—	—	—	0.2	0.2
Unrealised gain on investments	—	—	—	3.4	3.4
Foreign currency translation gain	—	—	—	41.8	41.8
Other comprehensive income	—	—	—	45.4	45.4
Total comprehensive loss					(37.2)
Stock-based compensation	—	5.6	—	—	5.6
Tax benefit from stock options exercised	—	0.9	—	—	0.9
Stock options exercised	1.8	6.5	—	—	8.3
Balances as of 31 December 2009	**$ 221.0**	**$ 35.7**	**$ (435.4)**	**$ 47.6**	**$ (131.1)**

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 entity, 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 31 December 2009, and the consolidated results of operations for the three months and nine months ended 31 December 2009 and 2008 and consolidated cash flows for the nine months ended 31 December 2009 and 2008. The results of operations for the three months and nine months ended 31 December 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:

	31 March	31 December	
(US$1 = A$)	2009	**2009**	2008
Assets and liabilities	1.4552	**1.1151**	1.4444
Statements of operations	n/a	**1.1991**	1.1975
Cash flows — beginning cash	n/a	**1.4552**	1.0903
Cash flows — ending cash	n/a	**1.1151**	1.4444
Cash flows — current period movements	n/a	**1.1991**	1.1975

We have evaluated all subsequent events through 11 February 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 31 December		Nine Months Ended 31 December	
(Millions of shares)	**2009**	2008	**2009**	2008
Basic common shares outstanding	**433.3**	432.2	**432.7**	432.2
Dilutive effect of stock awards	**5.5**	1.3	**—**	1.3
Diluted common shares outstanding	**438.8**	433.5	**432.7**	433.5

(US dollars)	**2009**	2008	**2009**	2008
Net income (loss) per share — basic	**$0.03**	$0.26	**$(0.19)**	$0.62
Net income (loss) per share — diluted	**$0.03**	$0.26	**$(0.19)**	$0.61

Potential common shares of 7.6 million and 18.5 million for the three months ended 31 December 2009 and 2008, and 13.4 million and 19.3 million for the nine months ended 31 December 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$2.2 million and US$1.9 million during the three months ended 31 December 2009 and 2008, respectively, and US$6.7 million and US$8.5 million during the nine months ended 31 December 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 and Restated Final Funding Agreement ("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.

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 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

In February 2007, the Company's shareholders approved a proposal pursuant to which the Company provides long-term funding to the AICF. The Company owns 100% of James Hardie 117 Pty Ltd (the "Performing Subsidiary") that funds the AICF. In addition, the Company appoints three of the AICF directors and the NSW state government appoints two of the AICF directors.

Under the terms of the Amended FFA, the Performing Subsidiary has an obligation to make payments to the AICF on an annual basis, depending on the Company's net operating cash flow. The amounts of these annual payments are dependent on several factors, including the Company's free cash flow (defined as cash from operations in accordance with US GAAP in force at the date of the Original FFA), actuarial estimations, actual claims paid, operating expenses of the AICF and the annual cash flow cap. JHI NV guarantees the Performing Subsidiary's obligation. As a result, the Company considers it to be the primary beneficiary of the AICF.

The Company's interest in the AICF 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.

Although the Company has no legal ownership in the AICF, the Company consolidates the AICF due to its pecuniary and contractual interests in the AICF as a result of the funding arrangements outlined in the Amended FFA. The Company's consolidation of the AICF resulted 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, the Performing Subsidiary is able to claim a tax 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.

As of 31 December 2009, the Company has not provided financial or other support to the AICF that it was not previously contractually required to provide. Future funding for the AICF continues to be linked under the terms of the Amended FFA to our long-term financial success, especially the Company’s ability to generate net operating cash flow.

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 to claimants.

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.

See Asbestos-Related Assets and Liabilities below and Note 6 – Asbestos for further details on the related assets and liabilities recorded in the Company’s consolidated balance sheet under the terms of the Amended FFA.

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 referred to by the Company as *Asbestos-Related Assets and Liabilities* and include:

<u>Asbestos Liability</u>

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$12.3 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

In April 2009, the FASB expanded disclosure requirements for interim reporting periods to include disclosures about the fair value of financial instruments held by the Company. The Company adopted this statement effective for its first quarter of fiscal 2010, which has resulted in the disclosure of the fair values attributable to debt instruments within the interim report. See Note 7 for further information.

Effective for the Company's second quarter of fiscal 2010, the Company adopted the FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles which only affected the specific references to US GAAP literature in the notes to the consolidated financial statements. There was no impact on the Company's results of operations, financial condition or liquidity.

3. Inventories

Inventories consist of the following components:

(Millions of US dollars)	**31 December 2009**	31 March 2009
Finished goods	**$ 87.9**	$ 82.5
Work-in-process	**4.4**	4.7
Raw materials and supplies	**48.7**	48.9
Provision for obsolete finished goods and raw materials	**(7.7)**	(7.2)
Total inventories	**$ 133.3**	$ 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	—	2.2	14.9	18.1	**35.2**
Depreciation	—	(7.3)	(38.3)	—	**(45.6)**
Other movements	—	—	20.7	(20.7)	**—**
Foreign currency translation adjustments	—	—	19.6	—	**19.6**
Total changes	—	(5.1)	16.9	(2.6)	**9.2**
Balance at 31 December 2009:					
Cost	18.0	214.5	923.1	49.0	**1,204.6**
Accumulated depreciation	—	(68.7)	(425.9)	—	**(494.6)**
Net book value	$ 18.0	$ 145.8	$ 497.2	$ 49.0	**$ 710.0**

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)	**31 December 2009**	31 March 2009
Short-term debt	**$ —**	$ 93.3
Current portion of long-term debt	**139.0**	—
Long-term debt	**53.0**	230.7
Total debt	**$ 192.0**	$ 324.0

The weighted average interest rate on the Company's total debt was 0.91% and 1.48% at 31 December 2009 and 31 March 2009, respectively.

At 31 December 2009, the Company's credit facilities consisted of:

Description	**Effective Interest Rate**	**Total Facility**	**Principal Drawn**
(US$ millions)			
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until June 2010	0.88%	$ 161.7	$ 139.0
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until February 2011	1.13%	45.0	8.0
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until December 2012	0.95%	130.0	45.0
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until February 2013	—	90.0	—
Total		**$ 426.7**	**$ 192.0**

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 31 December 2009, there was US$192.0 million drawn under the combined facilities and US$234.7 million was unutilised and available.

In December 2009, the Company refinanced US$130 million in facilities, which previously had maturity dates on or prior to June 2010. The maturity date of these new facilities is in December 2012 and the weighted average term of all debt facilities is 1.9 years at 31 December 2009.

At 31 December 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 31 December		Nine Months Ended 31 December	
(Millions of US dollars)	**2009**	2008	**2009**	2008
Effect of foreign currency exchange	**$ (17.5)**	$ 93.6	**$ (200.0)**	$ 193.9
Total Asbestos Adjustments	**$ (17.5)**	$ 93.6	**$ (200.0)**	$ 193.9

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 referred to by the Company as the "Net Amended FFA Liability".

(Millions of US dollars)	**31 December 2009**	31 March 2009
Asbestos liability – current	**$ (102.1)**	$ (78.2)
Asbestos liability – non-current	**(1,495.7)**	(1,206.3)
Asbestos liability – Total	**(1,597.8)**	(1,284.5)
Insurance receivable – current	**16.4**	12.6
Insurance receivable – non-current	**182.9**	149.0
Insurance receivable – Total	**199.3**	161.6
Workers' compensation asset – current	**0.7**	0.6
Workers' compensation asset – non-current	**96.3**	73.8
Workers' compensation liability – current	**(0.7)**	(0.6)
Workers' compensation liability – non-current	**(96.3)**	(73.8)
Workers' compensation – Total	**—**	—
Deferred income taxes – current	**16.1**	12.3
Deferred income taxes – non-current	**414.4**	333.2
Deferred income taxes – Total	**430.5**	345.5
Income tax payable (reduction in income tax payable)	**12.1**	22.8
Other net liabilities	**(1.7)**	(2.0)
Net Amended FFA liability	**(957.6)**	(756.6)
Restricted cash and cash equivalents and restricted short-term investment assets of the AICF	**70.4**	98.3
Unfunded Net Amended FFA liability	**$ (887.2)**	$ (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 nine months ended 31 December 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]	84.9	1.1991	70.8
AICF claims-handling costs incurred[1]	2.5	1.1991	2.1
Loss on foreign currency exchange			(386.2)
Asbestos liability – 31 December 2009	**A$ (1,781.8)**	1.1151	**$ (1,597.8)**

Insurance Receivable – Asbestos

The changes in the insurance receivable for the nine months ended 31 December 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]	(12.9)	1.1991	(10.8)
Gain on foreign currency exchange			48.5
Insurance receivable – 31 December 2009	**A$ 222.3**	1.1151	**$ 199.3**

Deferred Income Taxes – Asbestos

The changes in the deferred income taxes — asbestos for the nine months ended 31 December 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]	(20.3)	1.1991	(17.0)
Impact of other asbestos adjustments[1]	(2.3)	1.1151	(2.0)
Gain on foreign currency exchange			104.0
Deferred tax assets – 31 December 2009	**A$ 480.1**	1.1151	**$ 430.5**

Income Taxes Payable

A portion of the deferred income tax asset is applied against the Company's income tax payable. At 31 December 2009 and 31 March 2009, this amount was US$12.1 million and US$22.8 million, respectively. During the nine months ended 31 December 2009, there was a US$5.7 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$2.9 million at 31 December 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$1.1 million at 31 December 2009. During the nine months ended 31 December 2009, there was a US$0.6 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 nine months ended 31 December 2009, the AICF sold US$47.4 million (A$56.8 million) of its short-term investments which at 31 March 2009 had been adjusted to their fair market value of US$42.7 million (A$51.2 million). The sales for the nine months ended 31 December 2009 resulted in the Company recording a realised gain of US$4.7 million (A$5.6 million) in the line item *Other Income*.

At 31 December 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$3.4 million (A$4.1 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 nine months ended 31 December 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]	(84.9)	1.1991	(70.8)
AICF operating costs paid — claims-handling[1]	(2.5)	1.1991	(2.1)
AICF operating costs paid — non claims-handling[1]	(2.0)	1.1991	(1.6)
Insurance recoveries[1]	12.9	1.1991	10.8
Interest and investment income[1]	3.1	1.1991	2.6
Unrealised gain on investments[1]	4.1	1.1991	3.4
Gain on investments[1]	5.6	1.1991	4.7
Other[1]	(0.9)	1.1991	(0.9)
Gain on foreign currency exchange			26.0
Restricted cash and cash equivalents and restricted short-term investments – 31 December 2009	**A$ 78.5**	1.1151	**$ 70.4**

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:

	Nine Months Ended 31 December 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	**401**	607	552	463	346
Number of closed claims	**430**	596	519	537	502
Number of open claims at end of period	**505**	534	523	490	556
Average settlement amount per settled claim	**A$ 186,527**	A$ 190,638	A$ 147,349	A$ 166,164	A$ 151,883
Average settlement amount per case closed	**A$ 173,080**	A$ 168,248	A$ 126,340	A$ 128,723	A$ 122,535
Average settlement amount per settled claim	**US$ 155,556**	US$ 151,300	US$ 128,096	US$ 127,163	US$ 114,318
Average settlement amount per case closed	**US$ 144,342**	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$3.4 million for the nine months ended 30 December 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 31 December 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 31 December 2009 the weighted average fixed interest rate of these contracts is 2.49% and the weighted average remaining life is 3.0 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 US$0.2 million and an unrealised gain of US$1.3 million, respectively, for the three and nine months ended 31 December 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 31 December 2009 according to the valuation techniques the Company used to determine their fair values.

(Millions of US Dollars)	Fair Value at 31 December 2009	Fair Value Measurements Using Inputs Considered as		
		Level 1	Level 2	Level 3
Assets				
Cash and cash equivalents	$ 51.2	$ 51.2	$ —	$ —
Restricted cash and cash equivalents	48.8	48.8	—	—
Restricted short-term investments	26.9	26.9	—	—
Total Assets	$ 126.9	$ 126.9	$ —	$ —
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 Annual Report on Form 20-F for the fiscal year ended 31 March 2009 lodged with the United States Securities and Exchange Commission on 25 June 2009, 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, the Company's statement on the ASIC proceedings on 20 August 2009, and the notes to the Company's Condensed Consolidated Financial Statements as of and for the Period Ended 30 September 2009 lodged with the ASX on 23 November 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.

There has been no substantive change to the status of the proceedings as disclosed in the Company's Condensed Consolidated Financial Statements as of and for the Period Ended 30 September 2009. As previously disclosed, 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 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 31 December 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

Settlement

On 30 December 2009, the Company entered into a settlement agreement with Compañía Industrial El Volcán S.A. ("El Volcan") resolving all outstanding issues between the parties relating to the sale of Fibrocementos Volcan Limitada ("FC Volcan") (the former James Hardie Chilean entity) to El Volcan in July 2005. Under the settlement agreement, James Hardie will have no further obligation to defend or indemnify El Volcan in the antitrust proceedings commenced by Industria Cementa Limitada ("Cementa") or Electrónica Quimel S.A. ("Quimel"). El Volcan will now be responsible for its own defense of the antitrust proceedings, including payment of any final judgments rendered on appeal. El Volcan will also be required to defend and indemnify James Hardie against any future claims by third parties related to the management or business of FC Volcan, including any future antitrust allegations. The terms and conditions of the settlement remain confidential. All amounts owed by the Company under the terms of the settlement were paid in full on 31 December 2009. As a result, the amount of the Company's provision in excess of the settlement amount was reversed, resulting in a gain of US$7.6 million included in the Condensed Consolidated Statement of Operations for the three and nine months ending 31 December 2009. Accordingly, the Company has no provisions recorded on its Condensed Consolidated Balance Sheet at 31 December 2009 relating to the Chile litigation.

Background

On 24 April 2009, a trial court in Santiago, Chile awarded the then equivalent of US$13.4 million in damages against FC Volcan, the former James Hardie Chilean entity), in civil litigation brought by Cementa in 2007.

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. 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, El Volcan, subject to certain conditions and limitations, for damages or penalties awarded against FC Volcan in relation to such proceedings.

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.

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.

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, The Netherlands, and the Republic of Ireland. 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.

Due to the Company's size and the nature of its business, the Company is subject to ongoing reviews by authorities in taxing jurisdictions on various tax matters.

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 31 December 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 31 December 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 31 December 2009 and 31 March 2009, this deposit totaled US$237.9 million (A$265.3 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	1.6	—
Additions for tax positions of prior year	4.1	(2.2)
Other reductions for the tax positions of prior periods	(5.0)	—
Foreign currency translation adjustment	—	(5.6)
Balance at 31 December 2009	**$ 13.0**	**$ (23.8)**

As of 31 December 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$13.0 million and an expense of US$(23.8) million, respectively.

The Company recognises penalties and interest accrued related to unrecognised tax benefits in income tax expense. During the three months and nine months ended 31 December 2009, the total amount of interest and penalties recognised in tax expense as a benefit was US$1.1 million and US$2.2 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 31 December 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-based award grants as estimated using pricing models was US$2.9 million and US$1.6 million for the three months ended 31 December 2009 and 2008, respectively, and US$6.9 million and US$5.2 million for the nine months ended 31 December 2009 and 2008, respectively. As of 31 December 2009, the unrecorded deferred stock-based compensation balance related to equity awards was US$11.0 million after estimated forfeitures and will be recognised over an estimated weighted average amortisation period of 2.2 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
Newly Authorised	—	—	
Exercised	—	(1,928,745)	A$ 5.39
Forfeited	1,414,320	(1,644,320)	A$ 7.91
Balance at 31 December 2009	**25,162,153**	**14,699,863**	**A$ 7.45**

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 nine months ended 31 December 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	2,047,970	A$ 5.38
Vested	(208,009)	A$ 3.85
Forfeited	(69,806)	A$ 4.21
Non-vested at 31 December 2009	**4,761,216**	**A$ 4.57**

Restricted Stock – service vesting

The Company granted 1,066,595 restricted stock units (service vesting) under the Long-Term Incentive Plan and 277,719 restricted stock units (service vesting) under the JHI NV 2001 Equity Incentive Plan for the nine months ended 31 December 2009.

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 nine months ended 31 December 2009:

	07 December 2009 Grant	29 May 2009 Grant
Dividend yield[1]	$0.00 per annum	$0.00 per annum
Risk free interest rate[1]	n/a	n/a
Expected life in years	3.0	2.0
JHX stock price at grant date	A$ 8.30	A$ 4.31
Number of restricted stock units	277,719	1,066,595

1 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 703,656 restricted stock units (market condition) to members of the Company's Managing Board and senior managers during the nine months ended 31 December 2009. The vesting of these restricted stock units 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 nine months ended 31 December 2009:

	11 December 2009 Grant	15 September 2009 Grant
Expected volatility	49.9%	42.1%
Risk free interest rate	2.1%	2.5%
Expected life in years	3.0	3.0
JHX stock price at grant date	A$ 8.20	A$ 7.04
Number of restricted stock units	181,656	522,000

Scorecard LTI – Cash Settled Units

Under the terms of the Long-Term Incentive Plan, the Company granted awards equivalent to 1,089,265 Scorecard LTI units that provide recipients a cash incentive based on JHI NV's common stock price on the vesting date. The vesting of awards is measured on individual performance conditions based on the scorecard. Compensation expense recognised 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.

Cash Settled Units

The Company granted 35,741 cash settled units (service vesting) to employees during the nine months ended 31 December 2009, under the JHI NV 2001 Equity Incentive Plan. Compensation expense recognised 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, Asia, the Middle East, and various Pacific Islands. 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:

(Millions of US dollars)	Net Sales to Customers [1] Three Months Ended 31 December **2009**	Net Sales to Customers [1] Three Months Ended 31 December 2008	Net Sales to Customers [1] Nine Months Ended 31 December **2009**	Net Sales to Customers [1] Nine Months Ended 31 December 2008
USA & Europe Fibre Cement	**$ 179.1**	$ 195.9	**$ 631.3**	$ 740.6
Asia Pacific Fibre Cement	**81.9**	58.5	**218.4**	220.7
Worldwide total	**$ 261.0**	$ 254.4	**$ 849.7**	$ 961.3

James Hardie Industries N.V. and Subsidiaries
Notes to Condensed Consolidated Financial Statements
(Unaudited)

(Millions of US dollars)	(Loss) Income Before Income Taxes Three Months Ended 31 December 2009	2008	(Loss) Income Before Income Taxes Nine Months Ended 31 December 2009	2008
USA & Europe Fibre Cement[2]	**$ 39.6**	$ 40.3	**$ 173.7**	$ 167.0
Asia Pacific Fibre Cement[2]	**17.3**	10.5	**44.4**	40.4
Research and Development[2]	**(6.1)**	(4.7)	**(14.9)**	(14.7)
Segments total	**50.8**	46.1	**203.2**	192.7
General Corporate[3]	**(25.7)**	72.8	**(236.0)**	141.3
Total operating income (loss)	**25.1**	118.9	**(32.8)**	334.0
Net interest expense[4]	**(0.8)**	(1.1)	**(1.9)**	(1.9)
Other (expense) income	**2.2**	—	**6.0**	—
Worldwide total	**$ 26.5**	$ 117.8	**$ (28.7)**	$ 332.1

(Millions of US dollars)	Total Identifiable Assets 31 December 2009	31 March 2009
USA & Europe Fibre Cement	**$ 754.0**	$ 772.6
Asia Pacific Fibre Cement	**209.0**	167.9
Research and Development	**14.9**	12.2
Segments total	**977.9**	952.7
General Corporate[5,6]	**1,153.0**	946.0
Worldwide total	**$ 2,130.9**	$ 1,898.7

Geographic Areas

(Millions of US dollars)	Net Sales to Customers[1] Three Months Ended 31 December 2009	2008	Net Sales to Customers[1] Nine Months Ended 31 December 2009	2008
USA	**$ 174.2**	$ 192.3	**$ 616.9**	$ 727.2
Australia	**59.6**	39.9	**158.4**	156.5
New Zealand	**14.2**	10.6	**37.0**	41.2
Other Countries	**13.0**	11.6	**37.4**	36.4
Worldwide total	**$ 261.0**	$ 254.4	**$ 849.7**	$ 961.3

	Total Identifiable Assets	
(Millions of US dollars)	**31 December 2009**	31 March 2009
USA	**$ 756.3**	$ 774.4
Australia	**130.9**	99.8
New Zealand	**39.9**	27.1
Other Countries	**50.8**	51.4
Segments total	**977.9**	952.7
General Corporate[5,6]	**1,153.0**	946.0
Worldwide total	**$ 2,130.9**	$ 1,898.7

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

2 Research and development costs of US$2.7 million and US$1.6 million for the three months ended 31 December 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$0.2 million for the three months ended 31 December 2009 and 2008, respectively, were expensed in the Asia Pacific Fibre Cement segment. Research and development costs of US$4.3 million and US$3.4 million for the three months ended 31 December 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$1.8 million and US$1.3 million for the three months ended 31 December 2009 and 2008, respectively.

Research and development costs of US$7.8 million and US$5.5 million for the nine months ended 31 December 2009 and 2008, respectively, were expensed in the USA and Europe Fibre Cement segment. Research and development costs of US$0.7 million and US$1.0 million for the nine months ended 31 December 2009 and 2008, respectively, were expensed in the Asia Pacific Fibre Cement segment. Research and development costs of US$11.7 million and US$11.3 million for the nine months ended 31 December 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$2.2 million and US$2.9 million for the nine months ended 31 December 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 31 December 2009 are unfavourable asbestos adjustments of US$17.5 million, AICF SG&A expenses of US$0.6 million and ASIC expenses of US$0.6 million. Included in General Corporate for the three months ended 31 December 2008 are favourable asbestos adjustments of US$93.6 million, AICF SG&A expenses of US$0.5 million and ASIC expenses of US$5.8 million. Included in General Corporate for the nine months ended 31 December 2009 are unfavourable asbestos adjustments of US$200.0 million, AICF SG&A expenses of US$1.6 million and ASIC expenses of US$1.6 million. Included in General Corporate for the nine months ended 31 December 2008 are favourable asbestos adjustments of US$193.9 million, AICF SG&A expenses of US$1.4 million and ASIC expenses of US$12.3 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 for the three months ended 31 December 2009 and 2008 is AICF interest income of US$0.9 million and

US$1.6 million, respectively. Included in net interest expense for the nine months ended 31 December 2009 and 2008 is AICF interest income of US$2.6 million and US$4.8 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 31 December 2009 and 31 March 2009 are US$799.4 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)	**31 December 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	**3.4**	—
Foreign currency translation adjustments	**45.4**	3.6
Total accumulated other comprehensive income	**$ 47.6**	$ 2.2

13. Re-domicile

On 21 August 2009, JHI NV shareholders approved Stage 1 of a 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 the Republic of 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 on 20 July 2009, as amended (the “Amended Registration Statement”), for further information on the Proposal.

Taxes

During the three months ended 31 December 2009 and in conjunction with Stage 1, the Company incurred a US$19.3 million tax liability that arose from: (i) a capital gain on the transfer of its intellectual property from The Netherlands to a newly-formed James Hardie entity located in Bermuda and tax resident in the Republic of Ireland and (ii) the exit from the Dutch Financial Risk Reserve regime. In accordance with US GAAP, this charge has been deferred and included in non-current *Other Assets* on our Condensed Consolidated Balance Sheet as of 31 December 2009.

The Dutch Tax Authority (the “DTA”) is currently reviewing the fair market value of the Company’s intellectual property as determined by an third party valuation firm. This review by the DTA is ongoing and has the potential to result in a higher tax liability. Although it is possible the Company may incur an additional tax liability as a result of the DTA’s review, an amount cannot be estimated at this time.

Implementation Timing

In its Explanatory Memorandum for the Proposal, the Company estimated that the Proposal would be completed by January 2010.

Under European Union (EU) law, before Stage 1 could be implemented, the Company was required to negotiate the terms of future employee involvement in the SE Company with a Special Negotiating Body (“SNB”) of employees from EU member states in which the Company operates. This future involvement takes the form of information provided to employees by the Company and consultation between the Company and employees on certain issues. As of 31 December 2009, negotiations with the SNB were on-going.

In February 2010, agreement was reached with the SNB, and the Company now expects to implement Stage 1 of the Proposal by the end of February 2010.

After Stage 1 has been completed, the Company intends to seek shareholder approval for Stage 2 at a meeting which it anticipates will be convened in the second quarter of calendar 2010. If shareholders approve Stage 2 , the Proposal is expected to be completed early in the second half of calendar 2010.

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 nine months ended 31 December 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	72.6%	18.6%	4.4%	4.4%
Cost of goods sold	69.9%	20.7%	4.9%	4.5%
Expenses[2]	30.5%	65.8%	1.1%	2.6%
Liabilities (excluding borrowings)[2]	41.7%	57.5%	—	0.8%

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 31 December 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 31 December 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, including potential tax charges;
- statements regarding tax liabilities and related audits, reviews 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.

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available.

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

James Hardie Industries N.V.

ARBN

097 829 895 Incorporated in The Netherlands. The liability of members is limited.

We (the entity) give ASX the following information.

Part 1 — All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	Restricted Stock Units, being contractual entitlements granted to employees under the 2001 Equity Incentive Plan to be issued ordinary shares/CUFS upon satisfaction of certain conditions.
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	850 Restricted Stock Units, issued on 10 February 2009 (US time).

3	Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	850 Restricted Stock Units which will vest as follows Quantity / Vest Date 213 / 7 Dec 2010 212 / 7 Dec 2011 425 / 7 Dec 2012 Upon vesting, the holder of a Restricted Stock Unit will be entitled to be issued one ordinary share/CUFS for each Restricted Stock Unit held.
4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	Restricted Stock Units: Not applicable
5	Issue price or consideration	No cash consideration was paid for the Restricted Stock Units
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	850 Restricted Stock Units granted as awards under the 2001 Equity Incentive Plan and intended to promote the Company's long term financial interests by encouraging management to acquire an ownership position in the Company, aligning their interests with those of the Company's security holders and encouraging and rewarding their performance.

7	Dates of entering +securities into uncertificated holdings or despatch of certificates	Restricted Stock Units: Not Applicable	
		Number	+Class
8	Number and +class of all +securities quoted on ASX (*including* the securities in clause 2 if applicable)	434,506,974	Ordinary shares/ CUFS
		Number	+Class
9	Number and +class of all +securities not quoted on ASX (*including* the securities in clause 2 if applicable)	14,486,424 4,750,678 The following Stock Options have been cancelled: 100,000 at $8.90 2100 at $8.40	Options Restricted Stock Units
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Rank for dividends equally with issued ordinary shares/CUFS	

Part 2 – Bonus issue or pro rata issue

11	Is security holder approval required?	Not applicable
12	Is the issue renounceable or non-renounceable?	Not applicable
13	Ratio in which the +securities will be offered	Not applicable
14	+Class of +securities to which the offer relates	Not applicable
15	+Record date to determine entitlements	Not applicable
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable

17	Policy for deciding entitlements in relation to fractions	Not applicable
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	Not applicable
19	Closing date for receipt of acceptances or renunciations	Not applicable
20	Names of any underwriters	Not applicable
21	Amount of any underwriting fee or commission	Not applicable
22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	Not applicable
25	If the issue is contingent on +security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	Not applicable
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable

28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable
30	How do +security holders sell their entitlements *in full* through a broker?	Not applicable
31	How do +security holders sell *part* of their entitlements through a broker and accept for the balance?	Not applicable
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	Not applicable
33	+Despatch date	Not applicable

Part 3 — Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(*tick one*)

(a) ☐ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 — 1,000
1,001 — 5,000
5,001 — 10,000
10,001 — 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought	
39	Class of +securities for which quotation is sought	
40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)	

42 Number and +class of all +securities quoted on ASX (*including* the securities in clause 38)	Number	+Class

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the+securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those+securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any+securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the+securities be quoted.
- If we are a trust, we warrant that no person has the right to return the+securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before+quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: /s/ Robert E Cox Date: 11 February 2010
(Director/Company secretary)

Print name: Robert E Cox