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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 August, 2010

1-15240
(Commission File Number)

JAMES HARDIE INDUSTRIES SE
(Translation of registrant's name into English)

Second Floor, Europa House
Harcourt Centre, Harcourt Street
Dublin 2, Ireland
(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 Statements

This 6K 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;
- statements about product or environmental liabilities; and
- statements about economic conditions, such as the levels of new home construction, unemployment levels, the availability of mortgages and other financing, mortgage and other interest rates, housing affordability and supply, the levels of foreclosures and home resales, currency exchange rates and consumer confidence.

Words such as "believe," "anticipate," "plan," "expect," "intend," "target," "estimate," "project," "predict," "forecast," "guideline," "aim," "will," "should," "likely," "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 current expectations, estimates and assumptions and because forward-looking statements address future results, events and conditions, they, by their very nature, involve inherent risks and uncertainties, many of which are unforeseeable and beyond the Company's control. 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 30 June 2010, 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; proposed governmental loan facility to the AICF; compliance with and changes in tax laws and treatments; competition and product pricing in the markets in which the Company operates; seasonal fluctuations in the demand for our products; 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; the potential that competitors could copy our products; 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; compliance with and changes in laws and regulations; the effect of the Company's transfer of its corporate domicile from The Netherlands to Ireland to become an Irish SE including employee relations, changes in corporate governance, potential tax benefits and the effect of any negative publicity; 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, Irish 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 INDEX

Exhibit No.	Description
99.1	ASX cover sheet
99.2	Management's Analysis of Results — Q1 FY11
99.3	Management's Presentation — Q1 FY11
99.4	Consolidated Financial Statements — Q1 FY11

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 SE

Date: Friday, 13 August 2010

By: /s/ Marcin Firek
Marcin Firek
Company Secretary

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Results for Announcement to the Market
James Hardie Industries SE
ARBN 097 829 895

Three Months Ended 30 June 2010

	Three Months Ended 30 June			
Key Information	2010 US$M	2009 US$M	Movement	
Net Sales From Ordinary Activities	318.4	284.5	Up	12%
Profit (Loss) From Ordinary Activities After Tax Attributable to Shareholders	104.9	(77.9)	Up	—
Net Profit (Loss) Attributable to Shareholders	104.9	(77.9)	Up	—
Net Tangible Liabilities per Ordinary Share	US$ (0.06)	US$ (0.35)	Up	—

Dividend Information

- No final dividend for fiscal year 2010 was paid to share/CUFS holders.

Movements in Controlled Entities during the three months ended 30 June 2010

The following entities ceased to exist pursuant to a merger:

- James Hardie International Finance Sub II B.V. (7 June 2010);
- James Hardie International Finance Sub I B.V. (7 June 2010); and
- James Hardie International Finance B.V. (7 June 2010).

Review

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

Results for the 1st Quarter Ended 30 June 2010
Contents

1. Media Release
2. Management's Analysis of Results
3. Management Presentation
4. Consolidated Financial Statements

James Hardie Industries SE is incorporated under the laws of Ireland with its corporate seat in Dublin, Ireland. The liability of members is limited. The information contained in the above documents should be read in conjunction with the James Hardie 2010 Annual Report which can be found on the company website at www.jameshardie.com.

Exhibit 99.2

12 August 2010

James Hardie Industries SE
Results for the 1st Quarter Ended 30 June 2010

US GAAP — US$ Millions	Three Months Ended 30 June Q1 FY11	Q1 FY10	% Change
Net Sales			
USA and Europe Fibre Cement	$ 233.0	$ 223.2	4
Asia Pacific Fibre Cement	85.4	61.3	39
Total Net Sales	$ 318.4	$ 284.5	12
Cost of goods sold	(201.6)	(174.1)	(16)
Gross profit	116.8	110.4	6
Selling, general and administrative expenses	(45.9)	(41.4)	(11)
Research & development expenses	(7.0)	(6.3)	(11)
Asbestos adjustments	63.1	(119.8)	—
EBIT	127.0	(57.1)	—
Net interest expense	(1.1)	(0.7)	(57)
Other (expense) income	(4.4)	4.8	—
Operating profit (loss) before income taxes	121.5	(53.0)	—
Income tax expense	(16.6)	(24.9)	33
Net operating profit (loss)	$ 104.9	$ (77.9)	—
Earnings (loss) per share — diluted (US cents)	23.9	(18.0)	—
Volume (mmsf)			
USA and Europe Fibre Cement	354.8	357.1	(1)
Asia Pacific Fibre Cement	106.4	88.9	20
Average net sales price per unit (per msf)			
USA and Europe Fibre Cement	US$ 657	US$ 625	5
Asia Pacific Fibre Cement	A$ 908	A$ 909	—

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 12. 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 ASIC expenses and domicile change related costs"). Unless otherwise stated, results and comparisons are of the 1st quarter of the current fiscal year versus the 1st quarter of the prior fiscal year.

Total Net Sales

Total net sales for the quarter increased 12% compared to the previous corresponding period from US$284.5 million to US$318.4 million. Revenue was favourably affected by the Asia Pacific Fibre Cement results, which reflected both an increase in sales volume and a significant appreciation of local currencies against the US dollar.

Total net sales also benefited from an increase in average net sales price of 5% in the USA and Europe Fibre Cement business, partially offset by a 1% reduction in sales volume. The Asia Pacific Fibre Cement business had an increase in sales volume of 20%, although the average net sales price remained flat, with realised price increases being offset by a change in the geographic mix of sales.

USA and Europe Fibre Cement

Net sales increased 4% from US$223.2 million to US$233.0 million due to higher average net sales price.

Sales volume was relatively flat as activity in the US housing construction and renovations markets continued to disappoint amid weak economic conditions.

The average net sales price increased 5% from US$625 per thousand square feet to US$657 per thousand square feet as a result of a favourable shift in product mix and price increases.

Discussion

According to the US Census Bureau, single family housing starts in the June 2010 quarter were 142,000, 14% above the June 2009 quarter, but still 74% below the peak of the cycle in the June 2005 quarter. Seasonally adjusted annualised total housing starts for June 2010 were 549,000, down 5% month-on-month and at their lowest level since April 2009.

The expiry of the US government tax incentive at the end of April 2010, together with low consumer confidence, tight consumer credit and continuing competition from foreclosed properties, combined to inhibit activity in the residential housing construction sector. High levels of unemployment and uncertainty in the overall economy also appear to have had a negative impact on housing construction activity.

Against this background, USA and Europe Fibre Cement EBIT decreased by 18% to US$56.1 million in the quarter compared to the prior corresponding period. The EBIT performance for the quarter was unfavourably affected by higher input costs (primarily pulp and freight) and higher SG&A expenses, partially offset by a higher net sales price.

The average Northern Bleached Softwood Kraft (NBSK) pulp price in the quarter was 54% higher than in the equivalent period of last year and 13% higher than in the fourth quarter of fiscal year 2010. The latest RISI forecast indicates that NBSK pulp price may have peaked.

Freight costs also increased significantly compared to the previous corresponding period, affected by higher freight rates, a reduction in sales volume in regions with lower freight charges, the impact of product mix and increased shipping distances.

Although USA and Europe Fibre Cement sales volume was comparable with the corresponding quarter of the prior year, monthly sales volume declined each month during the quarter ended 30 June 2010, and since the end of April has declined when compared to the corresponding months of fiscal year 2010.

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

Asia Pacific Fibre Cement

Net sales increased 39% from US$61.3 million to US$85.4 million. The higher value of the Asia Pacific business' currencies against the US dollar accounted for 19% of the increase, while the remaining 20% of the increase was due to the underlying Australian dollar business results, as sales volume increased.

Discussion

The Australian business sales volume benefited from a Federal Government stimulus package which helped to increase housing starts. Together with continuing primary demand growth and category share gains, this led to higher demand for James Hardie products in the first quarter.

In contrast with improvements in the new construction market segment, the renovations and commercial markets were flat in the first quarter of fiscal year 2011 when compared to the fourth quarter of fiscal year 2010.

The Australian business sales mix continued to shift towards differentiated products, with a 68% increase in Scyon™ product sales volume compared to the previous corresponding quarter. Scyon differentiated products represented 15% of sales volume in the quarter, an increase from 11% in the first quarter of fiscal year 2010.

The New Zealand business also improved, primarily due to reductions in plant and marketing costs, higher sales volume, favourable raw material costs (due to a stronger New Zealand dollar compared to the US dollar) and an improved residential market. The commercial market continued to lag the prior year.

The Philippines business benefited from growth in housing starts, an increase in export sales, stronger sales of differentiated products and continued growth in primary demand.

Gross Profit

Gross profit increased 6% from US$110.4 million to US$116.8 million. The gross profit margin decreased 2.1 percentage points from 38.8% to 36.7%.

Compared to the prior corresponding period, USA and Europe Fibre Cement gross profit decreased 7%, of which 9% was due to higher pulp costs and 5% due to higher freight cost, partially offset by a 10% benefit from an increase in average net sales price.

The gross profit margin of the USA and Europe Fibre Cement business decreased by 4.4 percentage points in the quarter.

Asia Pacific Fibre Cement gross profit increased 71% compared to the prior corresponding period. The increase was due to a 24% benefit resulting from the appreciation of the Asia Pacific business' currencies against the US dollar. In Australian dollars, Asia Pacific Fibre Cement gross profit increased by 47% compared to the prior corresponding period. Gross profit benefited 17% from sales price increases, 15% from higher sales volume, 6% from improved plant performance and 5% from lower energy costs.

The gross profit margin of the Asia Pacific Fibre Cement business increased by 6.6 percentage points in the quarter.

Selling, General and Administrative (SG&A) Expenses

SG&A expenses increased 11%, from US$41.4 million to US$45.9 million. Higher SG&A expenses in the USA and Europe Fibre Cement and Asia Pacific Fibre Cement segments were partially offset by a reduction in general corporate costs. As a percentage of sales, SG&A expenses declined 0.2 percentage points to 14.4%.

SG&A expenses for the quarter included non-claims handling related operating expenses of the Asbestos Injuries Compensation Fund (AICF) of US$0.4 million.

ASIC Proceedings

On 23 April 2009, his Honour Justice Gzell issued judgment against the company and ten former officers and directors of the company.

All defendants other than two lodged appeals against Justice Gzell's judgments, and the Australian Securities and Investments Commission (ASIC) responded by lodging cross-appeals against the appellants. The appeals lodged by the former directors and officers were heard in April 2010 and the appeal lodged by the company was heard in May 2010. A final judgment is awaited.

During the quarter, the company incurred legal costs related to the ASIC proceedings of US$0.6 million. These costs were flat compared to the prior corresponding period. ASIC expenses are included in SG&A expenses.

The company's cumulative net costs in relation to the ASIC proceedings from their commencement in February 2007 to 30 June 2010 have totaled US$23.7 million.

Readers are referred to Note 9 of the company's 30 June 2010 Condensed Consolidated Financial Statements for further information on the ASIC Proceedings.

Research and Development Expenses

Research and development expenses include costs associated with "core" research projects that are designed to benefit all business units. These costs are recorded in the Research and Development segment rather than being attributed to individual business units. These costs were 24% higher for the quarter at US$4.1 million, compared to the corresponding period of the prior year.

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 3% lower for the quarter at US$2.9 million compared to the prior corresponding period.

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 (AFFA) 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 Consolidated Balance Sheets in US dollars is subject to adjustment, with a corresponding effect on the company's Consolidated Statement of Operations, depending on the closing exchange rate between the two currencies at the balance sheet date. The Australian dollar depreciated against the US dollar by 7%

from 31 March 2010 to 30 June 2010, compared to an 18% appreciation during the corresponding period of last year.

Asbestos adjustments resulting from the effect of foreign exchange movements were favourable adjustments of US$63.1 million, compared to unfavourable adjustments of US$119.8 million in the corresponding quarter of the prior year.

Claims Data

For the three months ended 30 June 2010, there were 135 claims received, a reduction from 160 claims received for the same period last year and lower than actuarial expectations for the current period.

There were 100 claims settled for the three months ended 30 June 2010, a decrease from 159 claims settled for the same period last year, and below actuarial expectations for the current period.

The average claim settlement was A$190,000 for the three months ended 30 June 2010, slightly higher than A$181,000 average claim settlement for the corresponding period last year, and below actuarial expectations for the current period.

Asbestos claims paid totaled A$20.2 million for the three months ended 30 June 2010, a reduction from A$27.3 million claims paid for the same period last year, and below the actuarial expectation of A$29.2 million for the current period. The lower than expected expenditure was due to lower settlement activity and lower than expected claim settlement sizes.

All figures provided in this Claims Data section are gross of insurance and other recoveries. Readers are referred to Note 7 of the company's 30 June 2010 Condensed Consolidated Financial Statements for further information on asbestos adjustments.

EBIT

EBIT for the quarter moved from a loss of US$57.1 million to EBIT of US$127.0 million. EBIT for the quarter includes net favourable asbestos adjustments of US$63.1 million, AICF SG&A expenses of US$0.4 million and ASIC expenses of US$0.6 million. For the corresponding period in the prior year, EBIT included net unfavourable asbestos adjustments of US$119.8 million, AICF SG&A expenses of US$0.5 million and ASIC expenses of US$0.6 million, as shown in the table below.

EBIT - US$ Millions	Three Months Ended 30 June Q1 FY11	Q1 FY10	% Change
USA and Europe Fibre Cement	$ 56.1	$ 68.8	(18)
Asia Pacific Fibre Cement	22.1	10.9	—
Research & Development	(5.0)	(4.0)	(25)
General Corporate:			
General corporate costs	(8.9)	(12.5)	29
Asbestos adjustments	63.1	(119.8)	—
AICF SG&A expenses	(0.4)	(0.5)	20
EBIT	127.0	(57.1)	—
Excluding:			
Asbestos:			
Asbestos adjustments	(63.1)	119.8	—
AICF SG&A expenses	0.4	0.5	(20)
ASIC expenses	0.6	0.6	—
EBIT excluding asbestos and ASIC expenses	**$ 64.9**	**$ 63.8**	**2**
Net sales	$ 318.4	$ 284.5	12
EBIT margin excluding asbestos and ASIC expenses	20.4%	22.4%	

USA and Europe Fibre Cement EBIT

USA and Europe Fibre Cement EBIT decreased by 18% from US$68.8 million to US$56.1 million for the quarter. The decrease in EBIT was driven by higher material input costs (primarily pulp), higher freight costs and higher SG&A expense, partially offset by a higher average net sales price. The USA and Europe Fibre Cement EBIT margin was 6.7 percentage points lower at 24.1%.

Asia Pacific Fibre Cement EBIT

Asia Pacific Fibre Cement EBIT for the quarter increased 103% from US$10.9 million to US$22.1 million. Favourable currency exchange rate movements in the Asia Pacific business' currencies compared to the US dollar accounted for 27% of this increase. In Australian dollars, Asia Pacific Fibre Cement EBIT for the quarter increased 75% due to increased sales volume, growth in sales of higher-margin differentiated products, favourable freight costs and improved plant performance. The EBIT margin was 8.1 percentage points higher at 25.9%.

General Corporate Costs

General corporate costs for the quarter decreased 29% from US$12.5 million to US$8.9 million.

The company incurred costs associated with its proposed domicile change of US$0.9 million in the current quarter, compared to US$4.5 million in the corresponding quarter of the prior year.

For the quarter, ASIC expenses of US$0.6 million were comparable with the corresponding quarter of the prior year.

General corporate costs excluding ASIC expenses and domicile change related costs of US$7.4 million for the quarter were comparable with the corresponding quarter of the prior year.

Net Interest Expense

Net interest expense increased from US$0.7 million in the corresponding quarter of the prior year to US$1.1 million in the current quarter. Net interest expense for the quarter ended 30 June 2010 includes a realised loss of US$0.4 million on interest rate swaps and AICF interest income of US$0.6 million. Net interest expense for the quarter ended 30 June 2009 included a realised loss of US$0.4 million on interest rate swaps and AICF interest income of US$0.7 million.

Other (Expense) Income

Other expense moved from income of US$4.8 million in the corresponding quarter of the prior year to expense of US$4.4 million in the current quarter. Other expense for the quarter ended 30 June 2010 includes an unrealised loss of US$4.4 million resulting from movements in the fair value of interest rate swap contracts and nil arising from the sale of restricted short-term investments held by the AICF. Other income for the quarter ended 30 June 2009 included an unrealised gain of US$4.4 million resulting from movements in the fair value of interest rate swap contracts and a realised gain of US$0.4 million arising from the sale of restricted short-term investments held by the AICF.

Income Tax

Income Tax Expense

Income tax expense for the quarter decreased from US$24.9 million to US$16.6 million. The company's effective tax rate on earnings excluding asbestos and tax adjustments was 31.4% for the quarter, compared to 38.1% for the corresponding quarter of the prior year. The change in effective tax rate excluding asbestos and tax adjustments compared to the prior corresponding period is attributable to changes in the geographic mix of earnings and expenses and reductions in non-tax deductible expenses.

Tax Adjustments

The company recorded favourable tax adjustments of US$2.1 million for the quarter, compared to favourable tax adjustments of US$0.3 million for the corresponding quarter of the prior year. The tax adjustments in the quarters relate to adjustments in the value of provisions for uncertain tax positions.

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 30 June 2010 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 30 June 2010 and related accrued interest receivable as a deposit, and it is the company's intention to treat any payments to be made at a later date as a deposit. At 30 June 2010 and 31

March 2010, this deposit totalled US$234.2 million (A$274.8 million) and US$247.2 million (A$269.9 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 30 June 2010, the charge would have been an estimated amount of US$330.4 million (A$387.7 million). However, except for quarterly payments by RCI of interest on the unpaid balance of the amended assessment (being US$157.0 million (A$184.3 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$104.9 million, compared to a loss of US$77.9 million for the corresponding quarter of the prior year. Net operating profit excluding asbestos, ASIC expenses and tax adjustments decreased from US$41.6 million to US$40.5 million as shown in the table below.

	Three Months Ended 30 June		
Net Operating Profit - US$ millions	Q1 FY11	Q1 FY10	% Change
Net operating profit (loss)	$ 104.9	$ (77.9)	—
Excluding:			
Asbestos:			
Asbestos adjustments	(63.1)	119.8	—
AICF SG&A expenses	0.4	0.5	—
AICF interest income	(0.6)	(0.7)	—
Gain on AICF investments	—	(0.4)	—
Tax benefit related to asbestos adjustments	0.4	—	—
ASIC expenses	0.6	0.6	—
Tax adjustments	(2.1)	(0.3)	—
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	**$ 40.5**	**$ 41.6**	**(3)**

Cash Flow

Net operating cash flow moved adversely by US$107.4 million from net cash provided of US$82.4 million in the corresponding quarter of the prior year to net cash used of US$25.0 million for the quarter ended 30 June 2010. Net operating cash flow was unfavourably affected by an increase in restricted cash resulting from the company's anticipated contribution to the AICF of US$63.7 million on 1 July 2010.

Excluding restricted cash for the AICF contribution, net operating cash flow was US$38.7 million for the quarter, down by 53% on US$82.4 million in the prior year quarter. Factors contributing to this decrease included payment of US$18.6 million for the company's Dutch exit tax and unscheduled increases in net working capital during the quarter.

In the second quarter, the company expects that cash flow will be positively impacted by reductions in inventory levels as the company re-aligns operations with the lower than expected level of activity in the US housing market.

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, 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 quarter ended 30 June 2010, net capital expenditures increased to US$13.3 million from US$9.7 million in the prior comparable period as strategic capital expenditures increased.

Liquidity and Capital Resources

At 30 June 2010, the company had net debt of US$171.9 million, which includes debt incurred of US$63.7 million resulting from the company's anticipated contribution to the AICF. Net debt at 30 June 2010 increased by US$37.1 million, compared to net debt of US$134.8 million at 31 March 2010.

Excluding restricted cash, the company had cash and cash equivalents of US$43.1 million as of 30 June 2010. At that date, it also had credit facilities totalling US$265.0 million, of which US$215.0 million was drawn. The credit facilities are all uncollateralised and consist of the following:

		At 30 June 2010	
Description	**Effective Interest Rate**	**Total Facility**	**Principal Drawn**
(US$ millions)			
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until February 2011	1.37%	45.0	45.0
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until December 2012	3.23%	130.0	80.0
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until February 2013	1.21%	90.0	90.0
Total		**$ 265.0**	**$ 215.0**

On 16 June 2010, US$161.7 million of the company's term facilities matured, which included US$95.0 million of term facilities that were outstanding at 31 March 2010. The company did not refinance these facilities; accordingly, amounts outstanding under these facilties were repaid by using longer-term facilities.

The weighted average remaining term of the total credit facilities at 30 June 2010 was 2.2 years.

If the company is unable to extend its remaining 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.

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 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.

Asbestos Compensation

In fiscal year 2010, the company's contributions to the AICF were restricted by a decline in the company's net operating cash flow as a result of, among other things, the unprecedented downturn in the US housing market.

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 announced that the Australian Government had agreed to 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 had agreed to make available to the AICF. The proposed standby loan facility would 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 ability to repay the loan.

The provision of the proposed 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 terms of the agreement are currently being negotiated and the facility has not yet been finalised.

James Hardie made a further contribution of approximately A$72.8 million (US$63.7 million) to the AICF on 1 July 2010. This amount represents 35% of the company's free cash flow for fiscal year 2010, as defined by the AFFA.

Since the AICF was established in February 2007, the company has contributed A$375 million to the fund.

Re-domicile

The company completed Stage 1 of the re-domicile Proposal on 19 February 2010 and transformed from a Dutch NV company to a Dutch SE company. On 2 June 2010, shareholders approved Stage 2 of the Proposal, with 99.59% of votes cast in favour of the resolution.

Following this vote, on 17 June 2010, the company moved its corporate domicile to Ireland and became subject to Irish law, in addition to the Council of the European Union's Regulation on the Statute for a European Company regulations governing an SE. The Board of Directors of James Hardie Industries SE held its first meeting in Ireland on 29 June 2010. This represented the final step in the company's transfer from The Netherlands to Ireland.

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 Management Presentation on 12 August 2010, are available from the Investor Relations area of the company'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 2010 with the SEC on 30 June 2010.

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	Q1 FY 2011	Q1 FY 2010
EBIT	$ 127.0	$ (57.1)
Asbestos:		
Asbestos adjustments	(63.1)	119.8
AICF SG&A expenses	0.4	0.5
ASIC expenses	0.6	0.6
EBIT excluding asbestos and ASIC expenses	64.9	63.8
Net sales	$ 318.4	$ 284.5
EBIT margin excluding asbestos and ASIC expenses	20.4%	22.4%

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	Q1 FY 2011	Q1 FY 2010
Net operating profit (loss)	$ 104.9	$ (77.9)
Asbestos:		
Asbestos adjustments	(63.1)	119.8
AICF SG&A expenses	0.4	0.5
AICF interest income	(0.6)	(0.7)
Gain on AICF investments	—	(0.4)
Tax benefit related to asbestos adjustments	0.4	—
ASIC expenses	0.6	0.6
Tax adjustments	(2.1)	(0.3)
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	$ 40.5	$ 41.6

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	Q1 FY 2011	Q1 FY 2010
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	$ 40.5	$ 41.6
Weighted average common shares outstanding - Diluted (millions)	438.6	435.4
Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments (US cents)	9.2	9.6

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

US$ Millions	Q1 FY 2011	Q1 FY 2010
Operating profit (loss) before income taxes	$ 121.5	$ (53.0)
Asbestos:		
Asbestos adjustments	(63.1)	119.8
AICF SG&A expenses	0.4	0.5
AICF interest income	(0.6)	(0.7)
Gain on AICF investments	—	(0.4)
Operating profit before income taxes excluding asbestos	$ 58.2	$ 66.2
Income tax expense	(16.6)	(24.9)
Asbestos:		
Tax benefit related to asbestos adjustments	0.4	—
Tax adjustments	(2.1)	(0.3)
Income tax expense excluding tax adjustments	(18.3)	(25.2)
Effective tax rate excluding asbestos and tax adjustments	31.4%	38.1%

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	Q1 FY 2011	Q1 FY 2010
EBIT	$ 127.0	$ (57.1)
Depreciation and amortisation	15.4	15.0
EBITDA	$ 142.4	$ (42.1)

General corporate costs excluding ASIC expenses and domicile change related costs — General corporate costs excluding ASIC expenses 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	Q1 FY 2011	Q1 FY 2010
General corporate costs	$ 8.9	$ 12.5
Excluding:		
ASIC expenses	(0.6)	(0.6)
Domicile change related costs	(0.9)	(4.5)
General corporate costs excluding ASIC expenses and domicile change related costs	$ 7.4	$ 7.4

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 AFFA liability recorded in the fourth quarter of fiscal year 2006 and believes that security holders will do the same.

As set forth in Note 7 of the 30 June 2010 Condensed Consolidated Financial Statements, the net AFFA 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 SE's financial statements and related notes contained in the company's 30 June 2010 Condensed Consolidated Financial Statements.

James Hardie Industries SE
Consolidated Balance Sheet
30 June 2010
(unaudited)

US$ Millions	Total Fibre Cement Operations- excluding Asbestos Compensation	Asbestos Compensation	As Reported
ASSETS			
Current assets			
Cash and cash equivalents	$ 234.4	$ (191.3)	$ 43.1
Restricted cash and cash equivalents	64.3	—	64.3
Restricted cash and cash equivalents — Asbestos	—	43.8	43.8
Restricted short-term investments — Asbestos	—	4.7	4.7
Accounts and notes receivable, net of allowance for doubtful accounts of $2.6 million	119.0	0.1	119.1
Inventories	154.9	—	154.9
Prepaid expenses and other current assets	24.6	0.2	24.8
Insurance receivable — Asbestos	—	13.4	13.4
Workers' compensation — Asbestos	—	0.1	0.1
Deferred income taxes	21.8	—	21.8
Deferred income taxes — Asbestos	—	12.5	12.5
Total current assets	**619.0**	**(116.5)**	**502.5**
Restricted cash and cash equivalents	4.7	—	4.7
Property, plant and equipment, net	700.9	2.2	703.1
Insurance receivable — Asbestos	—	162.9	162.9
Workers' compensation — Asbestos	—	91.9	91.9
Deferred income taxes	3.5	—	3.5
Deferred income taxes — Asbestos	—	389.3	389.3
Deposit with Australian Taxation Office	234.2	—	234.2
Other assets	39.9	—	39.9
Total assets	**$ 1,602.2**	**$ 529.8**	**$ 2,132.0**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	$ 91.7	$ 1.2	92.9
Current portion of long-term debt	45.0	—	45.0
Accrued payroll and employee benefits	26.9	0.2	27.1
Accrued product warranties	7.0	—	7.0
Income taxes payable	(14.8)	15.3	0.5
Asbestos liability	—	99.3	99.3
Workers' compensation — Asbestos	—	0.1	0.1
Other liabilities	22.6	—	22.6
Total current liabilities	**178.4**	**116.1**	**294.5**
Long-term debt	170.0	—	170.0
Deferred income taxes	115.9	—	115.9
Accrued product warranties	18.3	—	18.3
Asbestos liability	—	1,389.6	1,389.6
Workers' compensation — Asbestos	—	91.9	91.9
Other liabilities	76.1	2.4	78.5
Total liabilities	**558.7**	**1,600.0**	**2,158.7**
Commitments and contingencies			
Shareholders' equity (deficit)			
Common stock	221.1	—	221.1
Additional paid-in capital	41.4	—	41.4
Retained earnings (accumulated deficit)	739.7	(1,072.5)	(332.8)
Accumulated other comprehensive income	41.3	2.3	43.6
Total shareholders' equity (deficit)	1,043.5	(1,070.2)	(26.7)
Total liabilities and shareholders' equity (deficit)	**$ 1,602.2**	**$ 529.8**	**$ 2,132.0**

James Hardie Industries SE
Consolidated Statement of Operations
For the three months ended 30 June 2010
(unaudited)

US$ Millions	Total Fibre Cement Operations-excluding Asbestos Compensation	Asbestos Compensation	As Reported
Net Sales	318.4	—	318.4
Cost of goods sold	(201.6)	—	(201.6)
Gross profit	116.8	—	116.8
Selling, general and administrative expenses	(45.5)	(0.4)	(45.9)
Research and development expenses	(7.0)	—	(7.0)
Asbestos adjustments	—	63.1	63.1
EBIT	64.3	62.7	127.0
Net Interest (expense) income	(1.7)	0.6	(1.1)
Other expense	(4.4)	—	(4.4)
Operating profit before income taxes	58.2	63.3	121.5
Income tax expense	(16.2)	(0.4)	(16.6)
Net Operating Profit	**$ 42.0**	**$ 62.9**	**$ 104.9**

James Hardie Industries SE
Consolidated Statement of Cash Flows
For the three months ended 30 June 2010
(unaudited)

US$ Millions	Total Fibre Cement Operations-excluding Asbestos Compensation	Asbestos Compensation	As Reported
Cash Flows from Operating Activities			
Net income	42.0	62.9	$ 104.9
Adjustments to reconcile net income to net cash used by operating activities:			
Depreciation and amortisation	15.4	—	15.4
Deferred income taxes	4.1	0.8	4.9
Stock-based compensation	1.8	—	1.8
Asbestos adjustments	—	(63.1)	(63.1)
Changes in operating assets and liabilities:			
Restricted cash and cash equivalents	(63.7)	(2.4)	(66.1)
Restricted short-term investments	—	9.1	9.1
Accounts and notes receivable	32.1	0.1	32.2
Inventories	(8.0)	—	(8.0)
Prepaid expenses and other current assets	5.6	(0.2)	5.4
Insurance receivable — Asbestos	—	11.9	11.9
Accounts payable and accrued liabilities	(37.9)	1.2	(36.7)
Asbestos liability	—	(18.5)	(18.5)
Deposit with Australian Taxation Office	(2.3)	—	(2.3)
Other accrued liabilities	(14.1)	(1.8)	(15.9)
Net cash used by operating activities	$ (25.0)	$ —	$ (25.0)
Cash Flows From Investing Activities			
Purchases of property, plant and equipment	(13.5)	—	(13.5)
Proceeds from sales of investments	0.2	—	0.2
Net cash used in investing activities	$ (13.3)	$ —	$ (13.3)
Cash Flows from Financing Activities			
Proceeds from long-term borrowings	376.0	—	376.0
Repayments of long-term borrowings	(315.0)	—	(315.0)
Proceeds from issuance of shares	0.1	—	0.1
Net cash provided by financing activities	$ 61.1	$ —	$ 61.1
Effect of exchange rate changes on cash	1.1	—	1.1
Net increase in cash and cash equivalents	23.9	—	23.9
Cash and cash equivalents at beginning of period	19.2	—	19.2
Cash and cash equivalents at end of period	$ 43.1	$ —	$ 43.1
Components of Cash and Cash Equivalents			
Cash at bank and on hand	25.1	—	25.1
Short-term deposits	18.0	—	18.0
Cash and cash equivalents at end of period	$ 43.1	$ —	$ 43.1

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;
- statements about product or environmental liabilities; and
- statements about economic conditions, such as the levels of new home construction, unemployment levels, the availability of mortgages and other financing, mortgage and other interest rates, housing affordability and supply, the levels of foreclosures and home resales, currency exchange rates and consumer confidence.

Words such as "believe," "anticipate," "plan," "expect," "intend," "target," "estimate," "project," "predict," "forecast," "guideline," "aim," "will," "should," "likely," "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 current expectations, estimates and assumptions and because forward-looking statements address future results, events and conditions, they, by their very nature, involve inherent risks and uncertainties, many of which are unforeseeable and beyond the Company's control. 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 30 June 2010, 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; proposed governmental loan facility to the AICF; compliance with and changes in tax laws and treatments; competition and product pricing in the markets in which the Company operates; seasonal fluctuations in the demand for our products; 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; the potential that competitors could copy our products; 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; compliance with and changes in laws and regulations; the effect of the Company's transfer of its corporate domicile from The Netherlands to Ireland to become an Irish SE including employee relations, changes in corporate governance, potential tax benefits and the effect of any negative publicity; 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, Irish and US securities agencies and exchanges (as appropriate). The Company cautions that the foregoing list of factors is not exhaustive and that other risks and uncertainties may cause actual results to differ materially from those in forward-looking statements. Forward-looking statements speak only as of the date they are made and are statements of the Company's current expectations concerning future results, events and conditions.

James Hardie

Exhibit 99.3
Q1 FY11 Management Presentation

12 August 2010

James Hardie

Disclaimer

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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;
- expectations concerning indemnification obligations;
- statements about product or environmental liabilities; and
- statements about economic conditions, such as the levels of new home construction, unemployment levels, the availability of mortgages and other financing, mortgage and other interest rates, housing affordability and supply, the levels of foreclosures and home resales, currency exchange rates and consumer confidence.

Words such as "believe," "anticipate," "plan," "expect," "intend," "target," "estimate," "project," "predict," "forecast," "guideline," "aim," "will," "should," "likely," "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.

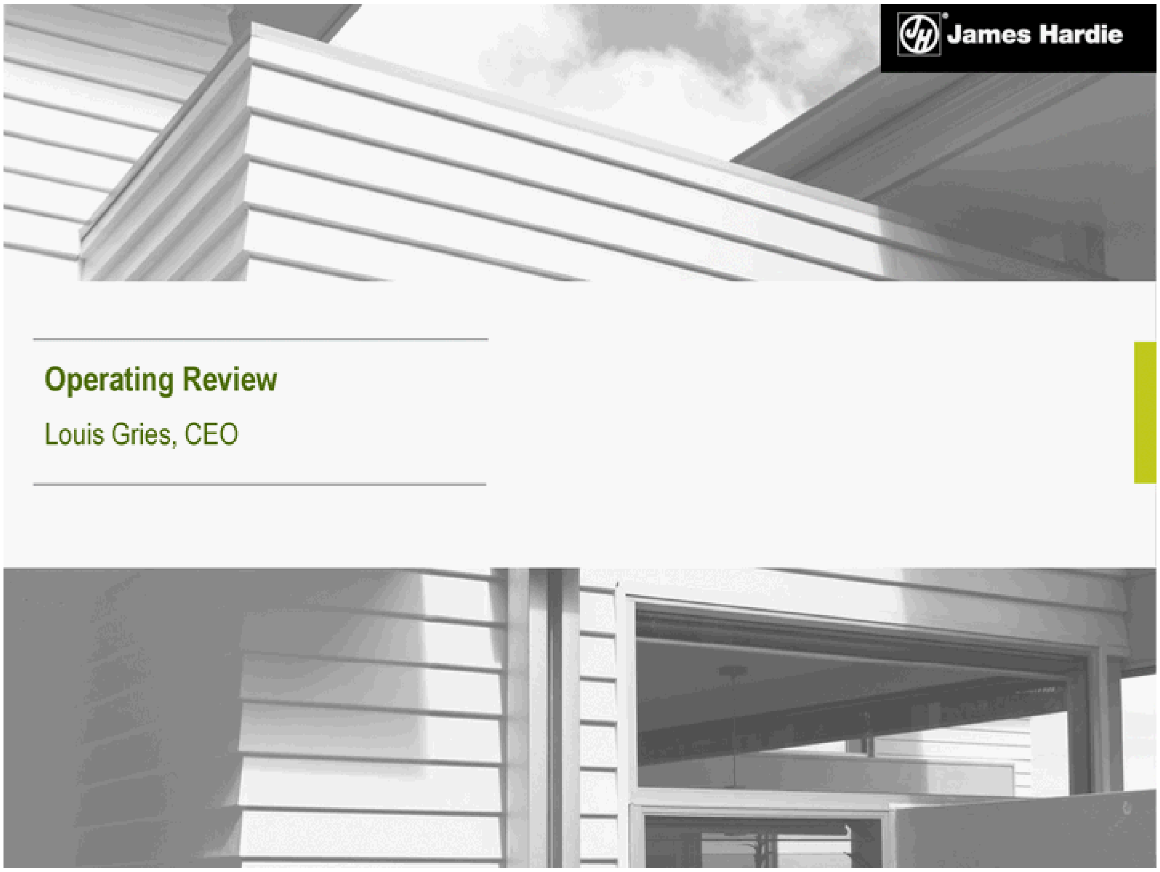
Forward-looking statements are based on the Company's current expectations, estimates and assumptions and because forward-looking statements address future results, events and conditions, they, by their very nature, involve inherent risks and uncertainties, many of which are unforeseeable and beyond the Company's control. 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 30 June 2010, 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; proposed governmental loan facility to the AICF; compliance with and changes in tax laws and treatments; competition and product pricing in the markets in which the Company operates; seasonal fluctuations in the demand for our products; 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; the potential that competitors could copy our products; 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; compliance with and changes in laws and regulations; the effect of the Company's transfer of its corporate domicile from The Netherlands to Ireland to become an Irish SE including employee relations, changes in corporate governance, potential tax benefits and the effect of any negative publicity; 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, Irish and US securities agencies and exchanges (as appropriate). The Company cautions that the foregoing list of factors is not exhaustive and that other risks and uncertainties may cause actual results to differ materially from those in forward-looking statements. Forward-looking statements speak only as of the date they are made and are statements of the Company's current expectations concerning future results, events and conditions.

James Hardie

Agenda

- 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 39. 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 ASIC expenses and domicile change related costs"). Unless otherwise stated, results and comparisons are of the 1st quarter of the current fiscal year versus the 1st quarter of the prior fiscal year.


James Hardie
Operating Review
Louis Gries, CEO

James Hardie

Group Overview

- 1st Quarter operating results reflect a challenging US operating environment, higher input costs (particularly pulp and freight in the US), a strong positive contribution by the Asia Pacific businesses and lower corporate costs.
- The net operating result including asbestos, ASIC expenses and tax adjustments was primarily affected by a favourable asbestos adjustment of US$63.1m for the quarter which is attributable to the depreciation of the A$ against the US$.

US$ Millions	Q1 FY 11	Q1 FY 10	% Change
Net operating profit (loss)	104.9	(77.9)	-
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	**40.5**	**41.6**	(3)
Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments (US cents)	9.2	9.6	(4)

USA and Europe Fibre Cement

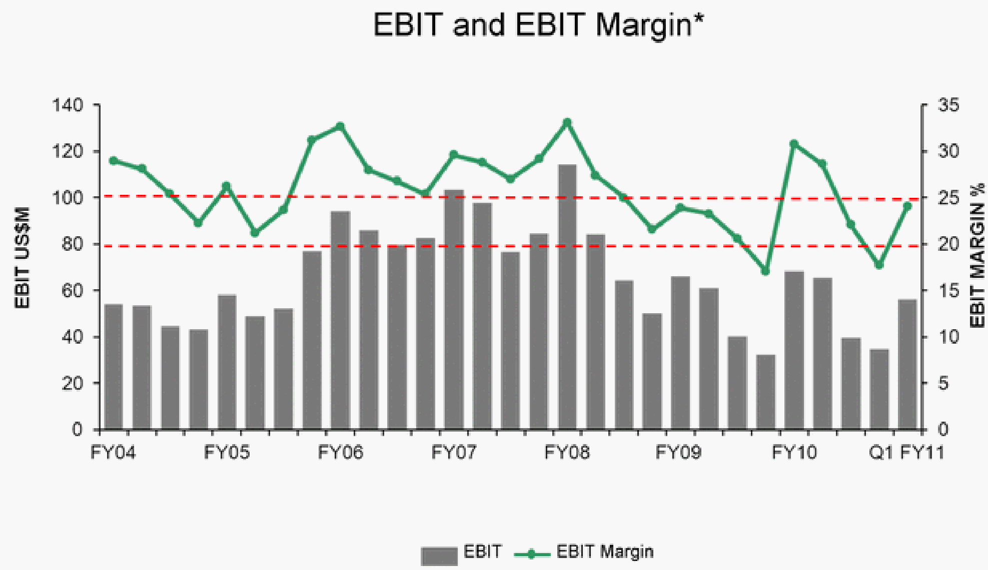
1st Quarter Result

Net Sales	up	4% to US$233.0 million
Sales Volume	flat	at 354.8 mmsf
Average Price	up	5% to US$657 per msf
EBIT	down	18% to US$56.1 million
EBIT Margin	down	6.7 pts to 24.1%

James Hardie

USA and Europe Fibre Cement

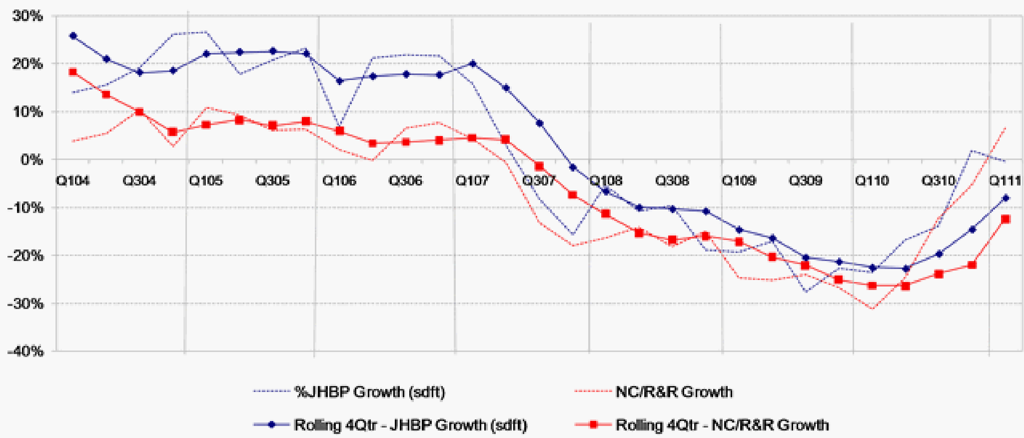
USA and Europe Fibre Cement



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

USA and Europe Fibre Cement

Primary Growth Performance



All market and market share figures are management estimates.

Asia Pacific Fibre Cement

James Hardie

1st Quarter Result

Net Sales	up	39% to US$85.4 million
Sales Volume	up	20% to 106.4 mmsf
Average Price	flat	at A$908 per msf
EBIT	up	103% to US$22.1 million
EBIT Margin	up	8.1 pts to 25.9%

James Hardie

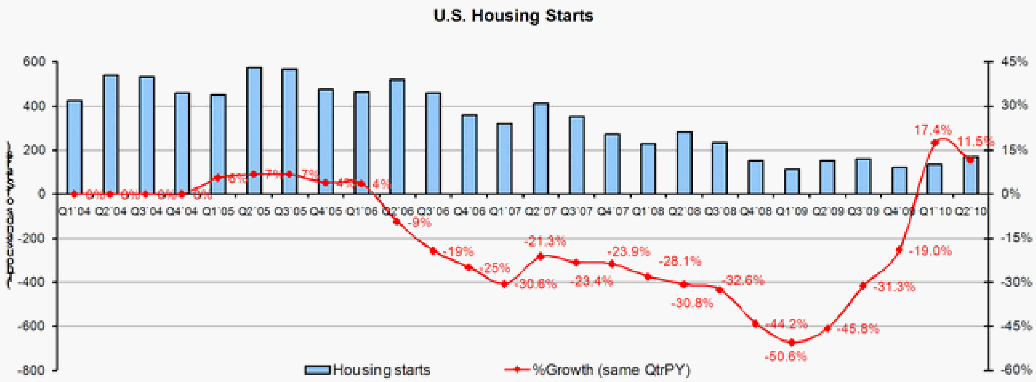
Group 1st Quarter Summary*

- USA and Europe Fibre Cement results reflected:
  - A challenging operating environment
  - Higher input costs – primarily pulp and freight
  - Higher SG&A expenses
  - Partially offset by a higher average net sales price
- Asia Pacific Fibre Cement results reflected:
  - Improved operating environments
  - Continuing primary demand growth and category share gains
  - Increased sales volume and growth in sales of higher margin differentiated products
  - The higher value of Asia Pacific business currencies against US dollar

* Comparisons are of first quarter fiscal year 2011 versus first quarter fiscal year 2010

Total USA Housing Starts – US Census Bureau

- US housing starts data indicating signs of a stalled recovery



Group Outlook

United States

- The recovery in the US remains weak and fragile
- Hopes for an accelerated recovery have dissipated as the expiry of the US government tax incentive at the end of April 2010, together with low consumer confidence and continuing competition from foreclosed properties, combined to inhibit activity in the residential housing sector
- Other challenges – highlighted in previous quarters – remain, including:
  - Higher raw material costs
  - Constrained credit conditions for prospective buyers and developers
  - Weak employment markets
  - Uncertainty in the overall economy
- Additionally, a slowdown in key states such as Texas has further dampened the recovery

Group Outlook

Asia Pacific

- The residential housing markets in Australia, New Zealand and the Philippines are expected to maintain their underlying strength in fiscal year 2011

- Softness in the renovation and commercial markets is expected to offset a significant portion of the stronger new housing growth

Group Strategy

- The company remains focused on:
  - Delivering primary demand growth
  - Continuing to shift to a higher value product mix
  - Achieving its zero to landfill objective
  - Building the operational strength and flexibility to deliver and sustain earnings in a low-demand environment or increase output should a stronger than expected recovery eventuate

James Hardie

Financial Review

Russell Chenu, CFO

Overview

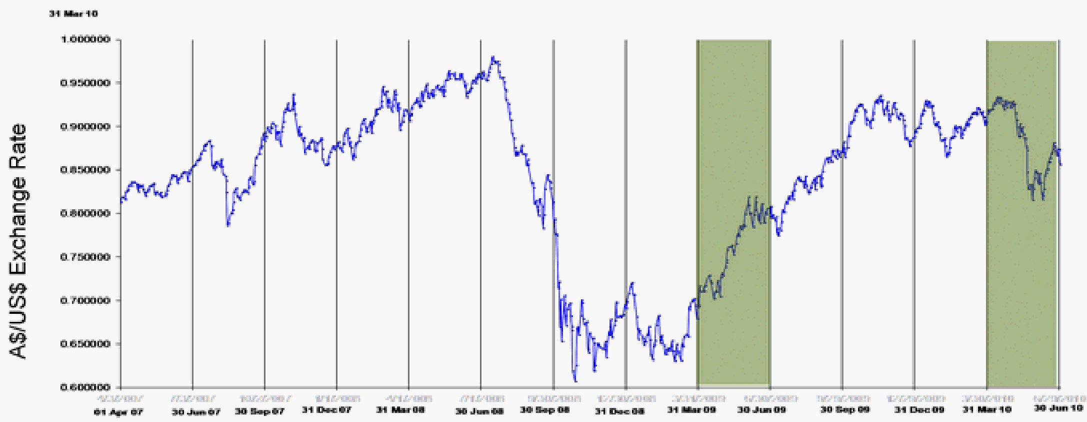
Operations*

- Results continue to be affected by weak housing activity in the US
- Higher input costs in the US business, particularly pulp and freight, also significantly affected this quarter's result
- Earnings in the quarter benefitted from:
  - the strong contribution of Asia Pacific businesses
  - the strength of Asia Pacific business' currencies
  - higher average net sales price
  - lower corporate costs
- Management anticipates full year earnings excluding asbestos, ASIC expenses and tax adjustments to be in the range of US$110m to US$125m

*Comparisons are 1st quarter 2011 on 1st quarter 2010

James Hardie

Consequences of changes – A$ versus US$



	Earnings	Balance Sheet
▪ Favourable impact from translation of Asia Pacific results – Q1 FY11 vs Q1 FY10	√	
▪ Unfavourable impact on corporate costs incurred in Australian dollars – Q1 FY11 vs Q1 FY10	√	
▪ Favourable impact from translation of asbestos liability balance – 30 June 2010 vs 31 March 2010	√	√
▪ Unfavourable impact from translation of Australian dollar deposit with ATO relating to 1999 Amended Assessment – 30 June 2010 vs 31 March 2010		√

James Hardie

Results – Q1

US$ Millions

	Q1 '11	Q1 '10	% Change
Net sales	318.4	284.5	12
Gross profit	116.8	110.4	6
SG&A expenses	(45.9)	(41.4)	(11)
Research & development expenses	(7.0)	(6.3)	(11)
Asbestos adjustments	63.1	(119.8)	-
EBIT	**127.0**	**(57.1)**	**-**
Net interest expense	(1.1)	(0.7)	(57)
Other (expense) income	(4.4)	4.8	-
Income tax expense	(16.6)	(24.9)	33
Net operating profit (loss)	**104.9**	**(77.9)**	**-**

James Hardie

Results – Q1 (continued)

US$ Millions	Q1 '11	Q1 '10	% Change
Net operating profit (loss)	104.9	(77.9)	-
Asbestos:			
Asbestos adjustments	(63.1)	119.8	-
Other asbestos *	(0.2)	(0.6)	-
Tax benefit related to asbestos adjustments	0.4	-	-
ASIC expenses	0.6	0.6	-
Tax adjustments	(2.1)	(0.3)	-
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	**40.5**	**41.6**	**(3)**

* Includes AICF SG&A, interest income and gain on investments

James Hardie

Segment Net Sales – Q1

US$ Millions

	Q1 '11	Q1 '10	% Change
USA and Europe Fibre Cement	233.0	223.2	4
Asia Pacific Fibre Cement	85.4	61.3	39
Total	**318.4**	**284.5**	**12**

Segment EBIT – Q1

James Hardie

US$ Millions

	Q1 '11	Q1 '10	% Change
USA and Europe Fibre Cement	56.1	68.8	(18)
Asia Pacific Fibre Cement	22.1	10.9	-
Research & development[1]	(5.0)	(4.0)	(25)
Total segment EBIT	73.2	75.7	(3)
General corporate excluding asbestos and ASIC expenses	(8.3)	(11.9)	31
Total EBIT excluding asbestos and ASIC expenses	**64.9**	**63.8**	**2**
Asbestos adjustments	63.1	(119.8)	-
AICF SG&A expenses	(0.4)	(0.5)	20
ASIC expenses	(0.6)	(0.6)	-
Total EBIT	127.0	(57.1)	-

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

Income Tax Expense – Q1

US$ Millions	Q1 '11	Q1 '10
Operating profit (loss) before income taxes	121.5	(53.0)
Asbestos:		
Asbestos adjustments	(63.1)	119.8
Other asbestos *	(0.2)	(0.6)
Operating profit before income taxes excluding asbestos	58.2	66.2
Income tax expense	(16.6)	(24.9)
Asbestos:		
Tax benefit related to asbestos adjustments	0.4	-
Tax adjustments	(2.1)	(0.3)
Income tax expense excluding tax adjustments	(18.3)	(25.2)
Effective tax rate excluding asbestos and tax adjustments	31.4%	38.1%

* Includes AICF SG&A, interest income and gain on investments

James Hardie

Cash Flow

US$ Millions	Q1 '11	Q1 '10
EBIT	**127.0**	**(57.1)**
Non-cash items:		
Asbestos adjustments	(63.1)	119.8
Other non-cash items	22.1	40.9
Net working capital movements	(22.8)	(33.7)
Cash Generated By Trading Activities	**63.2**	**69.9**
Tax payments	(19.7)	(1.2)
Change in asbestos-related assets & liabilities	(0.6)	17.2
Deposit with ATO	(2.3)	(2.3)
Interest paid (net)	(1.9)	(1.2)
Net Operating Cash Flow Before Anticipated AICF Contribution	**38.7**	**82.4**
Restricted Cash - for contribution to the AICF 1 July 2010	(63.7)	-
Net Operating Cash Flow	**(25.0)**	**82.4**
Purchases of property, plant & equipment	(13.3)	(9.7)
Equity issued	0.1	-
Effect of exchange rate on cash	1.1	(19.4)
Movement In Net Cash	**(37.1)**	**53.3**
Beginning Net Debt	(134.8)	(281.6)
Ending Net Debt[1]	**(171.9)**	**(228.3)**

[1] Ending net debt of US$171.9m includes debt incurred of US$63.7m, resulting from the company's contribution to AICF on 1 July 2010. The offsetting cash deposit has been excluded because the amount is classified as "Restricted Cash."

James Hardie

Debt

- At 30 June 2010

US$ Millions		
Total facilities		265.0
Gross debt	215.0	
Cash	43.1	
Net debt		171.9
Unutilised facilities and cash		**93.1**

- Net debt increased by US$37.1 million compared to net debt at 31 March 2010
- Gross debt of US$215.0m and net debt of US$171.9m at 30 June 2010 included debt incurred of US$63.7m, resulting from pre-funding of the company's contribution to AICF on 1 July 2010, with the asset treated as restricted cash on 30 June 2010
- Weighted average remaining term of total facilities was 2.2 years at 30 June 2010 up from 1.5 years at 30 June 2009
- James Hardie remains well within its financial debt covenants

James Hardie

Legacy Issues Update

Asbestos

- On 7 November 2009, the Australian and NSW Governments announced an A$320m standby loan facility for AICF. James Hardie is continuing to work with the NSW Government and the AICF to finalise the details of the facility

ATO – 1999 Disputed Amended Assessment

- Federal Court hearing completed September 2009
- Judgement awaited
- ATO deposit at 30 June 2010 was A$274.8m (US$234.2m)

ASIC Proceedings

- All defendants other than Peter Macdonald and ABN60 appealed the Supreme Court decision
- Appeals heard April/May 2010
- Judgement awaited

Legacy Issues Update – continued

Domicile

- Stage one of the two stage proposal to move domicile to Ireland approved by 99.3% of votes cast on 21 August 2009
- Stage two approved by 99.6% of votes cast on 2 June 2010
- Following the vote, on 17 June 2010, the company moved its corporate domicile to Ireland
- The Board of Directors held its first meeting in Ireland on 29 June 2010
- This represented the final step in the company's transfer from The Netherlands to Ireland

James Hardie

Asbestos Fund Update – Pro forma (unaudited)

A$ millions	
AICF holdings 31 March 2010 (cash and short term investments)	63.1
Claims paid	(18.6)
Legal costs	(1.6)
Insurance and cross claim recoveries	13.4
Other	0.6
AICF holding 30 June 2010 (cash and short term investments)	56.9
James Hardie's contribution* 1 July 2010	72.8
Net AICF holding 1 July 2010 (cash and short term investments)	**129.7**

*In accordance with the Amended and Restated Final Funding Agreement

James Hardie

Key Ratios

	Q1 '11	FY 2010	FY 2009
EPS (Diluted)[1,4]	36.9c	30.2c	23.1c
Dividend Paid per share	N/A	N/A	8.0c
Return on Shareholders' Funds [1,4]	14.5%	13.1%	11.6%
Return on Capital Employed [2,4]	22.5%	17.4%	16.7%
EBIT/ Sales (EBIT margin) [2]	20.4%	18.6%	14.2%
Gearing Ratio[1]	13.2%	10.9%	24.0%
Net Interest Expense Cover [2]	38.2x	28.6x	18.2x
Net Interest Paid Cover [2]	34.2x	29.0x	21.9x
Net Debt Payback [3]	-	0.7yrs	4.3yrs

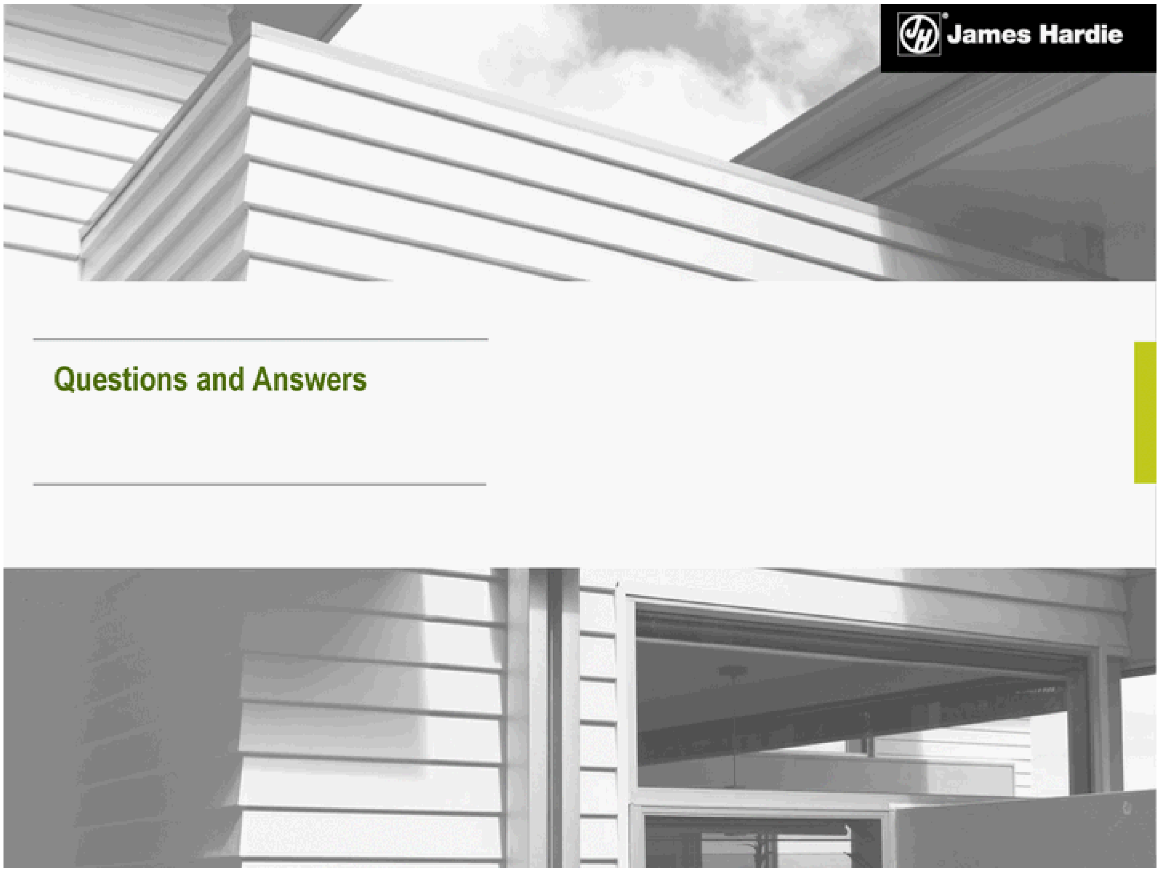
[1] Excludes asbestos adjustments, AICF SG&A expenses, AICF interest income, gain or impairment on AICF investments, tax benefits related to asbestos adjustments, ASIC expenses and tax adjustments
[2] Excludes asbestos adjustments, AICF SG&A expenses and ASIC expenses
[3] Includes restricted cash set aside for AFFA
[4] EPS, Dividend Paid per share, Return on Shareholders' Funds and Return on Capital Employed are reported as annualised on the basis of Q1 '11 results

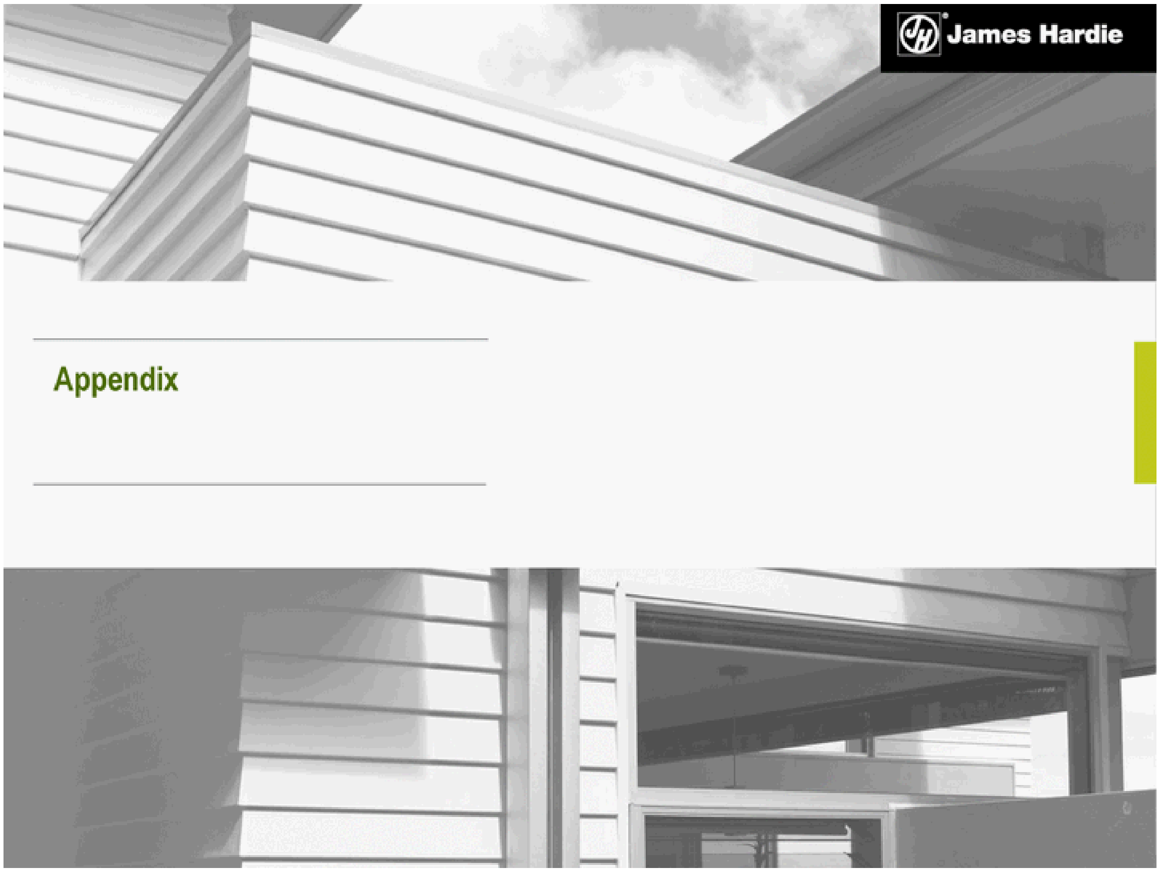
Summary

- USA and Europe Fibre Cement 1st Quarter EBIT decreased by 18% due to higher input costs (primarily pulp and freight) and higher SG&A expenses, partially offset by a higher average net sales price
- Asia Pacific Fibre Cement net sales increased 39% to US$85.4m for the quarter. The higher value of Asia Pacific business' currencies against the US$ accounted for 19% of the increase
- USA and Europe Fibre Cement 1st Quarter EBIT margin decreased 6.7 percentage points to 24.1%. Asia Pacific Fibre Cement EBIT margin increased 8.1 percentage point to 25.9%
- Net operating profit excluding asbestos, ASIC expenses and tax adjustments decreased 3% to US$40.5m
- A contribution of A$72.8m (US$63.7m) was made to the AICF on 1 July 2010

Guidance

- Challenges remain, with the operating environment in the US, in particular, still weak and fragile
- Management anticipates FY11 full year earnings excluding asbestos, ASIC expenses and tax adjustments to be in the range of US$110m to US$125m
- Management cautions that conditions remain uncertain and notes that the cost of some inputs, particularly pulp, remain high
- The company continues to perform well financially and our employees remain focused on driving our long term strategies, notwithstanding the challenges facing the business


James Hardie
Questions and Answers


James Hardie
Appendix

Global Strategy

- 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

General Corporate Costs – Q1

US$ Millions	Q1 '11	Q1 '10	% Change
Stock compensation expense	1.8	2.0	10
Other costs	5.6	5.4	(4)
General corporate costs excluding ASIC expenses and domicile change related costs	7.4	7.4	-
ASIC expenses	0.6	0.6	-
Domicile change related costs	0.9	4.5	80
General corporate costs	8.9	12.5	29

James Hardie

EBITDA – Q1

US$ Millions	Q1 '11	Q1 '10	% Change
EBIT			
USA and Europe Fibre Cement	56.1	68.8	(18)
Asia Pacific Fibre Cement	22.1	10.9	-
Research & development	(5.0)	(4.0)	(25)
General corporate excluding asbestos and ASIC expenses	(8.3)	(11.9)	31
Depreciation and Amortisation			-
USA and Europe Fibre Cement	12.9	12.4	4
Asia Pacific Fibre Cement	2.5	2.6	(4)
Total EBITDA excluding asbestos and ASIC expenses	**80.3**	**78.8**	**2**
Asbestos adjustments	63.1	(119.8)	-
AICF SG&A expenses	(0.4)	(0.5)	20
ASIC expenses	(0.6)	(0.6)	(6)
Total EBITDA	**142.4**	**(42.1)**	**-**

James Hardie

Capital Expenditure

US$ Millions	Q1 '11	Q1 '10	% Change
USA and Europe Fibre Cement	12.3	7.0	76
Asia Pacific Fibre Cement	1.2	2.7	(56)
Total	**13.5**	**9.7**	**39**

James Hardie

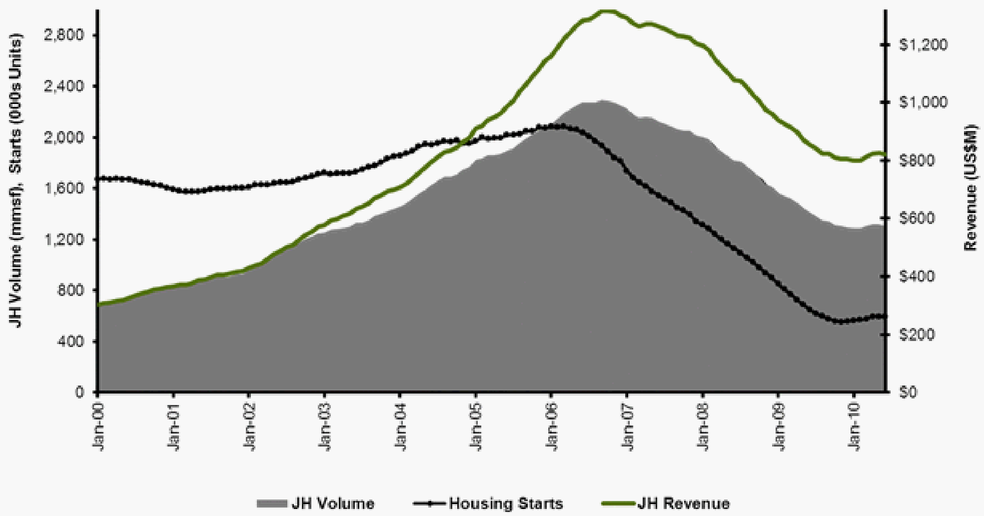
Net Interest Expense

US$ Millions	Q1 '11	Q1 '10
Gross interest expense	(1.4)	(1.1)
Interest income	0.1	0.1
Realised loss on interest rate swaps	(0.4)	(0.4)
Net interest expense excluding AICF interest income	**(1.7)**	**(1.4)**
AICF interest income	0.6	0.7
Net interest expense	(1.1)	(0.7)

James Hardie

USA Fibre Cement

Top Line Growth



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

James Hardie

Endnotes

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.

James Hardie

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	Q1 FY 2011	Q1 FY 2010
EBIT	$ 127.0	$ (57.1)
Asbestos:		
Asbestos adjustments	(63.1)	119.8
AICF SG&A expenses	0.4	0.5
ASIC expenses	0.6	0.6
EBIT excluding asbestos and ASIC expenses	64.9	63.8
Net sales	$ 318.4	$ 284.5
EBIT margin excluding asbestos and ASIC expenses	20.4%	22.4%

James Hardie

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	Q1 FY 2011	Q1 FY 2010
Net operating profit (loss)	$ 104.9	$ (77.9)
Asbestos:		
Asbestos adjustments	(63.1)	119.8
AICF SG&A expenses	0.4	0.5
AICF interest income	(0.6)	(0.7)
Gain on AICF investments	-	(0.4)
Tax benefit related to asbestos adjustments	0.4	-
ASIC expenses	0.6	0.6
Tax adjustments	(2.1)	(0.3)
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	$ 40.5	$ 41.6

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	Q1 FY 2011	Q1 FY 2010
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	$ 40.5	$ 41.6
Weighted average common shares outstanding - Diluted (millions)	438.6	435.4
Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments (US cents)	9.2	9.6

Non-US GAAP Financial Measures (continued)

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

US$ Millions	Q1 FY 2011	Q1 FY 2010
Operating profit (loss) before income taxes	$ 121.5	$ (53.0)
Asbestos:		
Asbestos adjustments	(63.1)	119.8
AICF SG&A expenses	0.4	0.5
AICF interest income	(0.6)	(0.7)
Gain on AICF investments	-	(0.4)
Operating profit before income taxes excluding asbestos	$ 58.2	$ 66.2
Income tax expense	(16.6)	(24.9)
Asbestos:		
Tax benefit related to asbestos adjustments	0.4	-
Tax adjustments	(2.1)	(0.3)
Income tax expense excluding tax adjustments	(18.3)	(25.2)
Effective tax rate excluding asbestos and tax adjustments	31.4%	38.1%

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	**Q1 FY 2011**	**Q1 FY 2010**
EBIT	$ 127.0	$ (57.1)
Depreciation and amortisation	15.4	15.0
EBITDA	$ 142.4	$ (42.1)

Non-US GAAP Financial Measures (continued)

General corporate costs excluding ASIC expenses and domicile change related costs – General corporate costs excluding ASIC expenses 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	Q1 FY 2011	Q1 FY 2010
General corporate costs	$ 8.9	$ 12.5
Excluding:		
ASIC expenses	(0.6)	(0.6)
Domicile change related costs	(0.9)	(4.5)
General corporate costs excluding ASIC expenses and domicile change related costs	$ 7.4	$ 7.4

James Hardie

Q1 FY11 Management Presentation

12 August 2010

Exhibit 99.4

James Hardie Industries SE and Subsidiaries
Condensed Consolidated Financial Statements
as of and for the Period Ended 30 June 2010

James Hardie Industries SE and Subsidiaries

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Item 1. Financial Statements

James Hardie Industries SE and Subsidiaries

Consolidated Balance Sheets
(Unaudited)

	(Millions of US dollars) 30 June 2010	31 March 2010
Assets		
Current assets:		
Cash and cash equivalents	**$ 43.1**	$ 19.2
Restricted cash and cash equivalents	**64.3**	0.6
Restricted cash and cash equivalents — Asbestos	**43.8**	44.5
Restricted short-term investments — Asbestos	**4.7**	13.3
Accounts and other receivables, net of allow ance for doubtful accounts of $2.6 million and $2.3 million as of 30 June 2010 and 31 March 2010, respectively	**119.1**	155.0
Inventories	**154.9**	149.1
Prepaid expenses and other current assets	**24.8**	25.6
Insurance receivable — Asbestos	**13.4**	16.7
Workers' compensation — Asbestos	**0.1**	0.1
Deferred income taxes	**21.8**	24.0
Deferred income taxes — Asbestos	**12.5**	16.4
Total current assets	**502.5**	464.5
Restricted cash and cash equivalents	**4.7**	4.7
Property, plant and equipment, net	**703.1**	710.6
Insurance receivable — Asbestos	**162.9**	185.1
Workers' compensation — Asbestos	**91.9**	98.8
Deferred income taxes	**3.5**	3.2
Deferred income taxes — Asbestos	**389.3**	420.0
Deposit with Australian Taxation Office	**234.2**	247.2
Other assets	**39.9**	44.7
Total assets	**$ 2,132.0**	$ 2,178.8
Liabilities and Shareholders' Deficit		
Current liabilities:		
Accounts payable and accrued liabilities	**$ 92.9**	$ 100.9
Current portion of long-term debt	**45.0**	95.0
Accrued payroll and employee benefits	**27.1**	42.1
Accrued product warranties	**7.0**	6.7
Income taxes payable	**0.5**	34.9
Asbestos liability	**99.3**	106.7
Workers' compensation — Asbestos	**0.1**	0.1
Other liabilities	**22.6**	27.7
Total current liabilities	**294.5**	414.1
Long-term debt	**170.0**	59.0
Deferred income taxes	**115.9**	113.5
Accrued product warranties	**18.3**	18.2
Asbestos liability	**1,389.6**	1,512.5
Workers' compensation — Asbestos	**91.9**	98.8
Other liabilities	**78.5**	80.6
Total liabilities	**2,158.7**	2,296.7
Commitments and contingencies (Note 9)		
Shareholders' deficit:		
Common stock, Euro 0.59 par value, 2.0 billion shares authorised; 435,438,790 shares issued at 30 June 2010 and 434,524,879 shares issued at 31 March 2010	**221.1**	221.1
Additional paid-in capital	**41.4**	39.5
Accumulated deficit	**(332.8)**	(437.7)
Accumulated other comprehensive income	**43.6**	59.2
Total shareholders' deficit	**(26.7)**	(117.9)
Total liabilities and shareholders' deficit	**$ 2,132.0**	$ 2,178.8

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

James Hardie Industries SE and Subsidiaries

Consolidated Statements of Operations
(Unaudited)

(Millions of US dollars, except per share data)	Three Months Ended 30 June 2010	2009
Net sales	**$ 318.4**	$ 284.5
Cost of goods sold	**(201.6)**	(174.1)
Gross profit	**116.8**	110.4
Selling, general and administrative expenses	**(45.9)**	(41.4)
Research and development expenses	**(7.0)**	(6.3)
Asbestos adjustments	**63.1**	(119.8)
Operating income (loss)	**127.0**	(57.1)
Interest expense	**(1.8)**	(1.5)
Interest income	**0.7**	0.8
Other (expense) income	**(4.4)**	4.8
Income (loss) before income taxes	**121.5**	(53.0)
Income tax expense	**(16.6)**	(24.9)
Net income (loss)	**$ 104.9**	$ (77.9)
Net income (loss) per share — basic	**$ 0.24**	$ (0.18)
Net income (loss) per share — diluted	**$ 0.24**	$ (0.18)
Weighted average common shares outstanding (Millions):		
Basic	**434.7**	432.3
Diluted	**438.6**	432.3

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

James Hardie Industries SE and Subsidiaries

Consolidated Statements of Cash Flows
(Unaudited)

(Millions of US dollars)	Three Months Ended 30 June 2010	2009
Cash Flows From Operating Activities		
Net income (loss)	**$ 104.9**	$ (77.9)
Adjustments to reconcile net income (loss) to net cash (used in) provided by operating activities:		
Depreciation and amortisation	**15.4**	15.0
Deferred income taxes	**4.9**	23.9
Stock-based compensation	**1.8**	2.0
Asbestos adjustments	**(63.1)**	119.8
Changes in operating assets and liabilities:		
Restricted cash and cash equivalents	**(66.1)**	17.2
Restricted short-term investments	**9.1**	—
Accounts and other receivable	**32.2**	(25.2)
Inventories	**(8.0)**	(10.9)
Prepaid expenses and other assets	**5.4**	(0.1)
Insurance receivable — Asbestos	**11.9**	3.9
Accounts payable and accrued liabilities	**(36.7)**	6.3
Asbestos liability	**(18.5)**	(21.4)
Deposit with Australian Taxation Office	**(2.3)**	(2.3)
Other accrued liabilities	**(15.9)**	32.1
Net cash (used in) provided by operating activities	**$ (25.0)**	$ 82.4
Cash Flows From Investing Activities		
Purchases of property, plant and equipment	**$ (13.5)**	$ (9.7)
Proceeds from sale of property, plant and equipment	**0.2**	—
Net cash used in investing activities	**$ (13.3)**	$ (9.7)
Cash Flows From Financing Activities		
Repayments of short-term borrowings	**—**	(43.3)
Proceeds from long-term borrowings	**376.0**	15.0
Repayments of long-term borrowings	**(315.0)**	(24.7)
Proceeds from issuance of shares	**0.1**	—
Net cash provided by (used in) financing activities	**$ 61.1**	$ (53.0)
Effects of exchange rate changes on cash	**$ 1.1**	$ (19.4)
Net increase in cash and cash equivalents	**23.9**	0.3
Cash and cash equivalents at beginning of period	**19.2**	42.4
Cash and cash equivalents at end of period	**$ 43.1**	$ 42.7
Components of Cash and Cash Equivalents		
Cash at bank and on hand	**$ 25.1**	$ 13.7
Short-term deposits	**18.0**	29.0
Cash and cash equivalents at end of period	**$ 43.1**	$ 42.7

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

James Hardie Industries SE and Subsidiaries

Consolidated Statements of Changes in Shareholders' Deficit
(Unaudited)

(Millions of US dollars)	Common Stock	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive (Loss) Income	Total
Balances as of 31 March 2010	**$ 221.1**	**$ 39.5**	**$ (437.7)**	**$ 59.2**	**$ (117.9)**
Comprehensive income:					
Net income	—	—	104.9	—	104.9
Unrealised gain on investments	—	—	—	1.1	1.1
Foreign currency translation loss	—	—	—	(16.7)	(16.7)
Other comprehensive loss	—	—	—	(15.6)	(15.6)
Total comprehensive income					89.3
Stock-based compensation	—	1.8	—	—	1.8
Equity awards exercised/released	—	0.1	—	—	0.1
Balances as of 30 June 2010	**$ 221.1**	**$ 41.4**	**$ (332.8)**	**$ 43.6**	**$ (26.7)**

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

Notes to Consolidated Financial Statements
(Unaudited)

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.

Background

On 21 August 2009, JHI NV shareholders approved a plan to transform the Company into a Societas Europaea ("SE") and, subsequently, change its domicile from The Netherlands to Ireland. On 19 February 2010, the Company was transformed from a Dutch "NV" company to a Dutch "SE" Company, and on 17 June 2010, the Company moved its corporate domicile from The Netherlands to Ireland. The Company became an Irish tax resident on 29 June 2010 and operates under the name of James Hardie Industries Societas Europaea ("JHI SE").

Basis of Presentation

The consolidated financial statements represent the financial position, results of operations and cash flows of JHI SE and its wholly-owned subsidiaries and special purpose entity, collectively referred to as either the "Company" or "James Hardie" and "JHI SE", 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 2010, filed with the United States Securities and Exchange Commission on 30 June 2010.

The condensed consolidated financial statements included herein are unaudited; however, they contain all adjustments (all of which are normal and recurring) which, in the opinion of the Company's management, are necessary to state fairly the consolidated financial position of the Company at 30 June 2010, and the consolidated results of operations for the three months ended 30 June 2010 and 2009 and consolidated cash flows for the three months ended 30 June 2010 and 2009. The results of operations for the three months ended 30 June 2010 are not necessarily indicative of the results to be expected for the full year. The balance sheet at 31 March 2010 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 in this interim financial report.

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.

Accounting Principles

The consolidated financial statements are prepared in accordance with US GAAP. The US dollar is used as the reporting currency. All subsidiaries and qualifying special purpose entities are consolidated and all significant intercompany transactions and balances are eliminated.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Foreign Currency Translation

All assets and liabilities are translated into US dollars at current exchange rates while revenues and expenses are translated at average exchange rates in effect for the period. The effects of foreign currency translation adjustments are included directly in other comprehensive income in shareholders' equity. Gains and losses arising from foreign currency transactions are recognised in income currently.

Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents relate to amounts subject to letters of credit with insurance companies and cash set aside for the Company's contribution to the AICF in accordance with the Amended FFA, which restrict the cash from use for general corporate purposes.

Revenue Recognition

The Company recognises revenue when the risks and obligations of ownership have been transferred to the customer, which generally occurs at the time of delivery to the customer. The Company records estimated reductions in sales for customer rebates and discounts including volume, promotional, cash and other discounts. Rebates and discounts are recorded based on management's best estimate when products are sold. The estimates are based on historical experience for similar programs and products. Management reviews these rebates and discounts on an ongoing basis and the related accruals are adjusted, if necessary, as additional information becomes available.

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.

Advertising

The Company expenses the production costs of advertising the first time the advertising takes place. Advertising expense was US$3.2 million and US$1.8 million during the three months ended 30 June 2010 and 2009, respectively.

Earnings Per Share

The Company discloses 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 income (loss) per share are as follows:

(Millions of shares)	Three Months Ended 30 June 2010	2009
Basic common shares outstanding	**434.7**	432.3
Dilutive effect of stock awards	**3.9**	—
Diluted common shares outstanding	**438.6**	432.3

(US dollars)	2010	2009
Net income (loss) per share — basic	**$ 0.24**	$ (0.18)
Net income (loss) per share — diluted	**$ 0.24**	$ (0.18)

Potential common shares of 8.1 million and 17.5 million for the three months ended 30 June 2010 and 2009, respectively, have been excluded from the calculation of diluted common shares outstanding because the effect of their inclusion would be anti-dilutive.

Unless they are anti-dilutive, 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.

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 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 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 subject to the provisions of the Amended FFA. The Company appoints three of the AICF directors and the NSW 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 (as defined in the Amended FFA), actuarial estimations, actual claims paid, operating expenses of the AICF and the annual cash flow cap. JHI SE 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.

For the three months ended 30 June 2010, the Company did not provide 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 the Company's long-term financial success, specifically the Company's ability to generate net operating cash flow.

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 7 — 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:

Asbestos Liability

The amount of the asbestos liability reflects the terms of the Amended FFA, which has been calculated by reference to (but is not exclusively based upon) the most recent actuarial estimate of projected future cash flows prepared by KPMG Actuaries. Based on their assumptions, they 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 are 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$8.9 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 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 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. Realised gains and losses on short-term investments are recognised in *Other Income* on the consolidated statement of operations.

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 tax 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 June 2009, the Financial Accounting Standards Board ("FASB") issued an amendment to the accounting and disclosure requirements for the consolidation of variable interest entities ("VIEs"). This accounting guidance eliminates the exemption for qualifying special purpose entities and establishes a new approach for determining the primary beneficiary of a VIE based on whether the entity (a) has the power to direct the activities of the VIE that most significantly impact the entity's economic performance and (b) has the obligation to absorb losses of the entity or the right to receive benefits from the entity that could potentially be significant to the VIE. The guidance requires an ongoing reconsideration of the primary beneficiary, and amends the events that trigger a reassessment of whether an entity is a VIE. Enhanced disclosures are also required to provide information about an enterprise's involvement in a VIE. The guidance was effective for the first annual reporting period beginning after 15 November 2009, for interim periods within that first annual reporting period, and for interim and annual reporting periods thereafter. The adoption of this guidance did not have a material impact on the Company's financial position, results of operations or cash flows.

In January 2010, the FASB issued ASU No. 2010-06, which requires new fair value disclosures pertaining to significant transfers in and out of Level 1 and Level 2 fair value measurements and the reasons for the transfers and activity. For Level 3 fair value measurements, purchases, sales, issuances and settlements must be reported on a gross basis. Further, additional disclosures are required by class of assets or liabilities, as well as inputs used to measure fair value and valuation techniques. ASU No. 2010-06 is effective for interim and annual reporting periods beginning after 15 December 2009, except for the disclosures about purchases, sales, issuances and settlements on a gross basis, which is effective for fiscal years beginning after 15 December 2010. The adoption of the effective portions of this ASU did not result in a material impact to the Company's consolidated financial position, results of operations or cash flows. The Company does not anticipate that the adoption of the remaining portions of this ASU will result in a material impact to its consolidated financial position, results of operations or cash flows.

In April 2010, the FASB issued ASU No. 2010-13, which provides additional guidance concerning the classification of an employee share-based payment award with an exercise price denominated in the currency of a market in which the underlying equity security trades. This update clarifies that an employee share-based payment award with an exercise price denominated in the currency of a market in which a substantial portion of the entity's equity securities trades should not be considered to contain a condition that is not a market, performance or service condition. Therefore, an entity would not classify such an award as a liability if it otherwise qualifies as equity. The amendments included in this update do not expand the recurring disclosure requirements already in effect. The amendments in this update are effective for fiscal years and interim periods beginning on or after 15 December 2010. The Company does not anticipate that the adoption of this ASU will result in a material impact to its consolidated financial position, results of operations or cash flows.

3. Restricted Cash

Included in restricted cash and cash equivalents is US$63.7 million set aside for the Company's expected contribution to the AICF in accordance with the Amended FFA and US$5.3 million related to an insurance policy at 30 June 2010.

Included in restricted cash and cash equivalents is US$5.3 million related to an insurance policy at 31 March 2010.

4. Inventories

Inventories consist of the following components:

(Millions of US dollars)	**30 June 2010**	31 March 2010
Finished goods	**$ 103.6**	$ 99.8
Work-in-process	**4.1**	4.8
Raw materials and supplies	**54.3**	52.0
Provision for obsolete finished goods and raw materials	**(7.1)**	(7.5)
Total inventories	**$ 154.9**	$ 149.1

5. 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 2010:					
Cost	$ 18.1	$ 215.9	$ 939.6	$ 47.7	**$ 1,221.3**
Accumulated depreciation	—	(71.1)	(439.6)	—	**(510.7)**
Net book value	18.1	144.8	500.0	47.7	**710.6**
Changes in net book value:					
Capital expenditures	—	0.8	23.4	(10.7)	**13.5**
Retirements and sales	—	—	(0.2)	—	**(0.2)**
Depreciation	—	(2.4)	(13.0)	—	**(15.4)**
Foreign currency translation adjustments	—	—	(5.4)	—	**(5.4)**
Total changes	—	(1.6)	4.8	(10.7)	**(7.5)**
Balance at 30 June 2010:					
Cost	18.1	216.7	957.4	37.0	**1,229.2**
Accumulated depreciation	—	(73.5)	(452.6)	—	**(526.1)**
Net book value	$ 18.1	$ 143.2	$ 504.8	$ 37.0	**$ 703.1**

1 Construction in progress consists of plant expansions and upgrades.

6. Short and Long-Term Debt

At 30 June 2010, 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 February 2011	1.37%	$ 45.0	$ 45.0
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until December 2012	3.23%	130.0	80.0
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until February 2013	1.21%	90.0	90.0
Total		**$ 265.0**	**$ 215.0**

The weighted average interest rate on the Company's total debt was 2.00% and 0.92% at 30 June 2010 and 31 March 2010, respectively, and the weighted average term of all debt facilities is 2.2 years at 30 June 2010.

For all facilities, the interest rate is calculated two business days prior to the commencement of each draw-down period based on the US$ London Interbank Offered Rate ("LIBOR") plus the margins of individual lenders and is payable at the end of each draw-down period. At 30 June 2010, there was US$215.0 million drawn under the combined facilities and US$50.0 million was unutilised and available.

On 16 June 2010, US$161.7 million of the Company's term facilities matured, which included US$95.0 million of term facilities that were outstanding at 31 March 2010. The Company did not refinance these facilities; accordingly, amounts outstanding under these facilities were repaid by using longer-term facilities.

At 30 June 2010, 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.

7. Asbestos

To provide long-term funding to the AICF, the Amended FFA 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 are comprised of favourable foreign currency movements of US$63.1 million and unfavourable foreign currency movements of US$119.8 million for the three months ended 30 June 2010 and 2009, respectively.

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)	**30 June 2010**	31 March 2010
Asbestos liability — current	**$ (99.3)**	$ (106.7)
Asbestos liability — non-current	**(1,389.6)**	(1,512.5)
Asbestos liability — Total	**(1,488.9)**	(1,619.2)
Insurance receivable — current	**13.4**	16.7
Insurance receivable — non-current	**162.9**	185.1
Insurance receivable — Total	**176.3**	201.8
Workers' compensation asset — current	**0.1**	0.1
Workers' compensation asset — non-current	**91.9**	98.8
Workers' compensation liability — current	**(0.1)**	(0.1)
Workers' compensation liability — non-current	**(91.9)**	(98.8)
Workers' compensation — Total	**—**	—
Deferred income taxes — current	**12.5**	16.4
Deferred income taxes — non-current	**389.3**	420.0
Deferred income taxes — Total	**401.8**	436.4
Income tax payable	**15.3**	16.5
Other net liabilities	**(1.3)**	(1.7)
Net Amended FFA liability	**(896.8)**	(966.2)
Restricted cash and cash equivalents and restricted short-term investment assets of the AICF	**48.5**	57.8
Unfunded Net Amended FFA liability	**$ (848.3)**	$ (908.4)

At 30 June 2010, the Company set aside US$63.7 million as restricted cash for its expected contribution to the AICF in accordance with the terms of the Amended FFA. The full amount of US$63.7 million was contributed to the AICF on 1 July 2010.

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 2010.

The changes in the asbestos liability for the three months ended 30 June 2010 are detailed in the table below:

(Millions of US dollars)	A$ Millions	A$ to US $ rate	US$ Millions
Asbestos liability — 31 March 2010	A$(1,768.0)	1.0919	$ (1,619.2)
Asbestos claims paid[1]	20.2	1.1314	17.9
AICF claims-handling costs incurred[1]	0.7	1.1314	0.6
Gain on foreign currency exchange			111.8
Asbestos liability — 30 June 2010	**A$(1,747.1)**	1.1734	**$ (1,488.9)**

Insurance Receivable — Asbestos

The changes in the insurance receivable for the three months ended 30 June 2010 are detailed in the table below:

(Millions of US dollars)	A$ Millions	A$ to US $ rate	US$ Millions
Insurance receivable — 31 March 2010	A $220.3	1.0919	$ 201.8
Insurance recoveries[1]	(13.4)	1.1314	(11.9)
Loss on foreign currency exchange			(13.6)
Insurance receivable — 30 June 2010	**A $206.9**	1.1734	**$ 176.3**

Deferred Income Taxes — Asbestos

The changes in the deferred income taxes — asbestos for the three months ended 30 June 2010 are detailed in the table below:

(Millions of US dollars)	A$ Millions	A$ to US $ rate	US$ Millions
Deferred tax assets — 31 March 2010	A $476.5	1.0919	$ 436.4
Amounts offset against income tax payable[1]	(4.5)	1.1314	(4.0)
AICF earnings [1]	(0.5)	1.1314	(0.4)
Loss on foreign currency exchange			(30.2)
Deferred tax assets — 30 June 2010	**A $471.5**	1.1734	**$ 401.8**

1 The average exchange rate for the period is used to convert the Australian dollar amount to US dollars based on the assumption that these transactions occurred evenly throughout the period.

Income Taxes Payable

A portion of the deferred income tax asset is applied against the Company's income tax payable. At 30 June 2010 and 31 March 2010, this amount was US$4.0 million and US$15.3 million, respectively. During the three months ended 30 June 2010, there was a US$1.2 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$2.4 million and US$2.6 million at 30 June 2010 and 31 March 2010, respectively. 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 and US$0.9 million at 30 June 2010 and 31 March 2010, respectively. During the three months ended 30 June 2010, there was a US$0.1 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.

At 30 June 2010, the Company revalued the AICF's short-term investments available-for-sale resulting in a positive mark-to-market fair value adjustment of US$1.1 million (A$1.3 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 three months ended 30 June 2010 are detailed in the table below:

(Millions of US dollars)	A$ Millions	A$ to US $ rate	US$ Millions
Restricted cash and cash equivalents and restricted short-term investments — 31 March 2010	A $63.1	1.0919	$ 57.8
Asbestos claims paid[1]	(20.2)	1.1314	(17.9)
AICF operating costs paid — claims-handling[1]	(0.7)	1.1314	(0.6)
AICF operating costs paid — non claims-handling[1]	(0.5)	1.1314	(0.4)
Insurance recoveries[1]	13.5	1.1314	11.9
Interest and investment income[1]	0.7	1.1314	0.6
Unrealised gain on investments[1]	1.3	1.1314	1.1
Other[1]	(0.3)	1.1314	(0.3)
Loss on foreign currency exchange			(3.7)
Restricted cash and cash equivalents and restricted short-term investments — 30 June 2010	**A $56.9**	1.1734	**$ 48.5**

1 The average exchange rate for the period is used to convert the Australian dollar amount to US dollars based on the assumption that these transactions occurred evenly throughout the period.

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 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:

	Three Months Ended 30 June 2010	For the Years Ended 31 March			
		2010	2009	2008	2007
Number of open claims at beginning of period	529	534	523	490	564
Number of new claims	135	535	607	552	463
Number of closed claims	100	540	596	519	537
Number of open claims at end of period	564	529	534	523	490
Average settlement amount per settled claim	A$ 189,553	A$ 190,627	A$ 190,638	A$ 147,349	A$ 166,164
Average settlement amount per case closed	A$ 155,433	A$ 171,917	A$ 168,248	A$ 126,340	A$ 128,723
Average settlement amount per settled claim	US$ 167,538	US$ 162,250	US$ 151,300	US$ 128,096	US$ 127,163
Average settlement amount per case closed	US$ 137,381	US$ 146,325	US$ 133,530	US$ 109,832	US$ 98,510

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.

8. Fair Value Measurements

Assets and liabilities of the Company that are carried at fair value are classified in one of the following three categories:

Level 1 Quoted market prices in active markets for identical assets and liabilities that the Company has the ability to access at the measurement date;

Level 2 Observable market-based inputs or unobservable inputs that are corroborated by market data for the asset or liability at the measurement date;

Level 3 Unobservable inputs that are not corroborated by market data used when there is minimal market activity for the asset or liability at the measurement date.

Fair value measurements of assets and liabilities are assigned a level within the fair value hierarchy based on the lowest level of any input that is significant to the fair value measurement in its entirety.

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 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. The Company recorded an unrealised gain on these restricted short-term investments of US$1.1 million for the three months ended 30 June 2010. This unrealised gain is included as a separate component of accumulated other comprehensive income.

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

Interest Rate Swaps – Interest rate swaps are recorded in the financial statements at fair value. Changes in fair value are recorded in the statement of operations in *Other Income*. At 30 June 2010, the Company had interest rate swap contracts with a total notional principal of US$200.0 million. For all of these interest rate swap contracts, the Company has agreed to pay fixed interest rates while receiving a floating interest rate. The purpose of holding these interest rate swap contracts is to protect against upward movements in US$ LIBOR and the associated interest the Company pays on its external credit facilities.

The fair value of interest rate swap contracts is calculated based on the fixed rate, notional principal, settlement date and present value of the future cash inflows and outflows based on the terms of the agreement and the future floating interest rates as determined by a future interest rate yield curve. The model used to value the interest rate swap contracts is based upon well recognised financial principles, and interest rate yield curves can be validated through readily observable data by external sources. Although readily observable data is used in the valuations, different valuation methodologies could have an effect on the estimated fair value. Accordingly, the interest rate swap contracts are categorised as Level 2.

At 30 June 2010 the weighted average fixed interest rate of these contracts is 2.40% and the weighted average remaining life is 3.3 years. These contracts have a fair value of US$6.8 million, which is included in *Accounts Payable*. For the three months ended 30 June 2010, The Company included in *Other Income* an unrealised loss on interest rate swaps of US$4.4 million. Included in *Interest Expense* is a realised loss on settlements of interest rate swap contracts of US$0.4 million for the three months ended 30 June 2010.

The following table sets forth by level within the fair value hierarchy, the Company's financial assets and liabilities that were accounted for at fair value on a recurring basis at 30 June 2010 according to the valuation techniques the Company used to determine their fair values.

(Millions of US dollars)	Fair Value at 30 June 2010	Fair Value Measurements Using Inputs Considered as Level 1	Level 2	Level 3
Assets				
Cash and cash equivalents	$ 43.1	$ 43.1	$ —	$ —
Restricted cash and cash equivalents	112.8	112.8	—	—
Restricted short-term investments	4.7	4.7	—	—
Total Assets	$ 160.6	$ 160.6	$ —	$ —
Liabilities				
Interest rate swap contracts	6.8	—	6.8	—
Total Liabilities	$ 6.8	$ —	$ 6.8	$ —

9. 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 Australian Securities and Investments Commission ("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

In February 2007, ASIC commenced civil proceedings in the Supreme Court of New South Wales (the "Court") against the Company, ABN 60 and ten then-present or former officers and directors of the James Hardie Group. While the subject matter of the allegations varied between individual defendants, the allegations against the Company were confined to alleged contraventions of provisions of the Australian Corporations Act/Law relating to continuous disclosure, a director's duty of care and diligence, and engaging in misleading or deceptive conduct in respect of a security.

The Company defended each of the allegations made by ASIC and the orders sought against it in the proceedings, as did the other former directors and officers of the Company.

The proceedings commenced on 29 September 2008 before his Honour Justice Gzell. On 23 April 2009, Justice Gzell issued judgment against the Company and the ten former officers and directors of the Company. All defendants other than two lodged appeals against Justice Gzell's judgments, and ASIC responded by lodging cross appeals against the appellants. The appeals lodged by the former directors and officers were heard in April 2010 and the appeal lodged by the Company was heard in May 2010. A final judgment has not been rendered.

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 portion 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.

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.

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 30 June 2010, the Company has not recorded any related loss reserves.

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.

10. Income Taxes

Due to the size and nature of its business, the Company is subject to ongoing reviews by taxing jurisdictions on various tax matters. The Company accrues for tax contingencies based upon its best estimate of the taxes ultimately expected to be paid, which it updates over time as more information becomes available. Such amounts are included in taxes payable or other non-current liabilities, as appropriate. If the Company ultimately determines that payment of these amounts is unnecessary, the Company reverses the liability and recognises a tax benefit during the period in which the Company determines that the liability is no longer necessary. The Company records additional tax expense in the period in which it determines that the recorded tax liability is less than the ultimate assessment it expects.

The Company or its subsidiaries files income tax returns in various jurisdictions including the United States, The Netherlands, Australia, Ireland, New Zealand and the Philippines. 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 2005. The Company is no longer subject to examinations by the Australian Taxation Office ("ATO") for tax years prior to tax year 2007.

ATO — 1999 Disputed Amended Assessment

In March 2006, RCI Pty Ltd ("RCI"), a wholly-owned subsidiary of the Company, received an amended assessment from the ATO with respect to RCI's income tax return for the year ended 31 March 1999. The amended assessment related to the amount of net capital gains arising as a result of an internal corporate restructure carried out in 1998 and was issued pursuant to the discretion granted to the Commissioner of Taxation under Part IVA of the Income Tax Assessment Act 1936. The amended assessment issued to RCI was for a total of A$412.0 million. However, after subsequent remissions of general interest charges ("GIC") by the ATO the total was changed to A$368.0 million, comprising primary tax after allowable credits, penalties, and GIC.

During fiscal year 2007, RCI agreed with the ATO that in accordance with the ATO Receivable Policy, RCI would pay 50% of the total amended assessment being A$184.0 million (US$152.5 million), and provide a guarantee from James Hardie Industries SE (formerly James Hardie Industries N.V.) in favour of the ATO for the remaining unpaid 50% of the amended assessment, pending outcome of the appeal of the amended assessment. RCI also agreed to pay GIC accruing on the unpaid balance of the amended assessment in arrears on a quarterly basis.

On 30 May 2007, the ATO issued a Notice of Decision disallowing RCI's objection to the amended assessment ("Objection Decision"). On 11 July 2007, RCI filed an application appealing the Objection Decision and the matter was heard before the Federal Court of Australia in September 2009. Judgment was reserved and a decision is awaited.

The Company believes that it is more-likely-than-not that the tax position reported in RCI's tax return for the 1999 fiscal year will be upheld on appeal. Therefore, the Company has not recorded any liability at 30 June 2010 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 through 30 June 2010 and related accrued interest receivable as a deposit, and it is the Company's intention to treat any payments to be made at a later date as a deposit. At 30 June 2010 and 31 March 2010, this deposit totaled US$234.2 million (A$274.8 million) and US$247.2 million (A$269.9 million), respectively.

Included in other non-current liabilities are taxes payable on accrued interest of US$43.4 million and US$43.0 million at 30 June 2010 and 31 March 2010, 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 2010	**$ 7.7**	**$ (26.9)**
Additions (deletions) for tax positions of prior year	—	(1.5)
Other reductions for the tax positions of prior periods	(1.3)	(0.4)
Foreign currency translation adjustment	—	2.0
Balance at 30 June 2010	**$ 6.4**	**$ (26.8)**

As of 30 June 2010, 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$6.4 million and an expense of US$26.8 million, respectively.

The Company recognises penalties and interest accrued related to unrecognised tax benefits in income tax expense. During the three months ended 30 June 2010, the total amount of interest and penalties recognised in tax expense as a benefit was US$1.9 million.

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.

11. Stock-Based Compensation

At 30 June 2010, the Company had the following equity award plans: the Executive Share Purchase Plan; the JHI SE 2001 Equity Incentive Plan ("EIP"); the 2005 Managing Board Transition Stock Option Plan; the Long-Term Incentive Plan 2006 ("LTIP") 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$1.8 million and US$2.0 million for the three months ended 30 June 2010 and 2009, respectively. As of 30 June 2010, the unrecorded deferred stock-based compensation balance related to equity awards was US$11.1 million after estimated forfeitures and will be recognised over an estimated weighted average amortisation period of 1.6 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 (A$)
Balance at 31 March 2010	**25,288,048**	**14,444,438**	**7.44**
Exercised		(12,489)	6.38
Forfeited		(181,675)	7.08
Forfeitures available for re-grant	181,675		
Balance at 30 June 2010	**25,469,723**	**14,250,274**	**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 three months ended 30 June 2010 and 2009.

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 (A$)
Non-vested at 31 March 2010	**4,736,721**	**4.57**
Granted	807,457	7.35
Vested	(541,491)	4.92
Forfeited	(239,292)	5.23
Non-vested at 30 June 2010	**4,763,395**	**4.96**

Restricted Stock – performance vesting

The Company granted 807,457 restricted stock units with a performance vesting condition under the LTIP to senior executives of the Company for the three months ended 30 June 2010. The vesting of the restricted stock units is deferred for two years and the amount of restricted stock units that will vest at that time is dependent on the scorecard rating of the award recipient. The scorecard reflects a number of key qualitative and quantitative performance objectives and the outcomes the Board expects to see achieved at the end of the vesting period.

When the scorecard is applied at the conclusion of fiscal year 2012, the award recipients may receive all, some, or none of their awards. The scorecard can only be applied by the Board to exercise discretion at the percentage of restricted stock units that will vest. The scorecard may not be applied to enhance the maximum award that was originally granted to the award recipient.

The fair value of each restricted stock unit (performance 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 (performance vesting) valued during the three months ended 30 June 2010:

Date of grant	7 June 2010
Dividend yield (per annum)	$ 0.00
Risk free interest rate[1]	n/a
Expected life in years	2.0
JHX stock price at grant date (A$)	7.23
Number of restricted stock units	807,457

1 The risk free rate is not applicable as the assumed dividend yield is nil.

Scorecard LTI – Cash Settled Units

Under the terms of the LTIP, the Company granted awards equivalent to 808,819 and 1,083,081 Scorecard LTI units during the three months ended 30 June 2010 and 2009, respectively, that provide recipients a cash incentive based on JHI SE's common stock price on the vesting date. The vesting of awards is measured on individual performance conditions based on certain performance measures. Compensation expense recognised for awards are based on the fair market value of JHI SE's common stock on the date of grant and recorded as a liability. The liability is adjusted for subsequent changes in JHI SE's common stock price at each balance sheet date.

12. 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 senior management. 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.

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 30 June 2010	2009
USA & Europe Fibre Cement	**$ 233.0**	$ 223.2
Asia Pacific Fibre Cement	**85.4**	61.3
Worldwide total	**$ 318.4**	$ 284.5

(Millions of US dollars)	Income (Loss) Before Income Taxes Three Months Ended 30 June 2010	2009
USA & Europe Fibre Cement[2]	**$ 56.1**	$ 68.8
Asia Pacific Fibre Cement[2]	**22.1**	10.9
Research and Development[2]	**(5.0)**	(4.0)
Segments total	**73.2**	75.7
General Corporate[3]	**53.8**	(132.8)
Total operating income (loss)	**127.0**	(57.1)
Net interest expense[4]	**(1.1)**	(0.7)
Other (expense) income	**(4.4)**	4.8
Worldwide total	**$ 121.5**	$ (53.0)

James Hardie Industries SE and Subsidiaries
Notes to Consolidated Financial Statements
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(Millions of US dollars)	Total Identifiable Assets 30 June 2010	31 March 2010
USA & Europe Fibre Cement	$ 776.9	$ 780.8
Asia Pacific Fibre Cement	207.4	216.9
Research and Development	13.6	14.2
Segments total	997.9	1,011.9
General Corporate[5, 6]	1,134.1	1,166.9
Worldwide total	$ 2,132.0	$ 2,178.8

Geographic Areas (Millions of US dollars)	Net Sales to Customers[1] Three Months Ended 30 June 2010	2009
USA	$ 226.5	$ 219.1
Australia	63.3	43.2
New Zealand	13.2	10.6
Other Countries	15.4	11.6
Worldwide total	$ 318.4	$ 284.5

(Millions of US dollars)	Total Identifiable Assets 30 June 2010	31 March 2010
USA	$ 776.7	$ 783.6
Australia	128.7	131.6
New Zealand	44.6	49.8
Other Countries	47.9	46.9
Segments total	997.9	1,011.9
General Corporate[5, 6]	1,134.1	1,166.9
Worldwide total	$ 2,132.0	$ 2,178.8

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

2 Research and development costs of US$2.6 million and US$2.7 million for the three months ended 30 June 2010 and 2009, respectively, were expensed in the USA and Europe Fibre Cement segment. Research and development costs of US$0.3 million for the three months ended 30 June 2010 and 2009 were expensed in the Asia Pacific Fibre Cement segment. Research and development costs of US$4.1 million and US$3.3 million for the three months ended 30 June 2010 and 2009, respectively, were expensed in the Research and Development segment. The Research and Development

segment also included selling, general and administrative expenses of US$0.9 million and US$0.7 million for the three months ended 30 June 2010 and 2009, respectively.

3 The principal components of General Corporate are officer and employee compensation and related benefits, professional and legal fees, administrative costs, and rental expense net of rental income on the Company's corporate offices. Included in General Corporate for the three months ended 30 June 2010 are favourable asbestos adjustments of US$63.1 million, AICF SG&A expenses of US$0.4 million and ASIC expenses of US$0.6 million. Included in General Corporate for the year ended 30 June 2009 are unfavourable asbestos adjustments of US$119.8 million, AICF SG&A expenses of US$0.5 million and ASIC expenses of US$0.6 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) income is AICF interest income of US$0.6 million and US$0.7 million for the three months ended 30 June 2010 and 2009, respectively.

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

6 Asbestos-related assets at 30 June 2010 and 31 March 2010 are US$721.1 million and US$797.7 million, respectively, and are included in the General Corporate segment.

13. Accumulated Other Comprehensive Income

Accumulated other comprehensive income consists of the following components:

(Millions of US dollars)	**30 June 2010**	31 March 2010
Pension and post-retirement benefit adjustments	**$ (1.6)**	$ (1.6)
Unrealised gain on restricted short-term investments	**2.3**	1.2
Foreign currency translation adjustments	**42.9**	59.6
Total accumulated other comprehensive income	**$ 43.6**	$ 59.2

James Hardie Industries SE and Subsidiaries

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;
- statements about product or environmental liabilities; and
- statements about economic conditions, such as the levels of new home construction, unemployment levels, the availability of mortgages and other financing, mortgage and other interest rates, housing affordability and supply, the levels of foreclosures and home resales, currency exchange rates and consumer confidence.

Words such as "believe," "anticipate," "plan," "expect," "intend," "target," "estimate," "project," "predict," "forecast," "guideline," "aim," "will," "should," "likely," "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 current expectations, estimates and assumptions and because forward-looking statements address future results, events and conditions, they, by their very nature, involve inherent risks and uncertainties, many of which are unforeseeable and beyond the Company's control. 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 30 June 2010, 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; proposed governmental loan facility to the AICF; compliance with and changes in tax laws and treatments; competition and product pricing in the markets in which the Company operates; seasonal fluctuations in the demand for our products; 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; the potential that competitors could copy our products; 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; compliance with and changes in laws and regulations; the effect of the Company’s transfer of its corporate domicile from The Netherlands to Ireland to become an Irish SE including employee relations, changes in corporate governance, potential tax benefits and the effect of any negative publicity; 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, Irish 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.