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

FORM 6-K

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

For the Month of February, 2011

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 6-K 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; 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 Page
99.2	Q3 FY11 Media Release
99.3	Q3 FY11 Management's Analysis
99.4	Q3 FY11 Management's Presentation
99.5	Q3 FY11 Financials

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, 18 February 2011

By: /s/Marcin Firek

Marcin Firek
Company Secretary

Results for Announcement to the Market

James Hardie Industries SE

ARBN 097 829 895

Nine Months Ended 31 December 2010

Key Information	Nine Months Ended 31 December			
	2010 US$M	2009 US$M	Movement	
Net Sales From Ordinary Activities	878.6	849.7	Up	3%
(Loss) Profit From Ordinary Activities After Tax Attributable to Shareholders	(345.2)	(82.6)	Down	—
Net (Loss) Profit Attributable to Shareholders	(345.2)	(82.6)	Down	—
Net Tangible Liabilities per Ordinary Share	US$(1.03)	US$(0.30)	Down	—

Dividend Information

- No interim dividend for fiscal year 2011 will be paid to share/CUFS holders.

Movements in Controlled Entities during the nine months ended 31 December 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).

The following entity changed its name:

- James Hardie Fibre Cement Pty Ltd changed its name to ACN 082 153 759 Pty Ltd (21 May 2010)

The following companies were placed into voluntary members liquidation:

- Yelrom International Pty Ltd. (16 August 2010); and
- ACN 001 664 740 (16 August 2010);

Review

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

Results for the 3rd Quarter and Nine Months Ended 31 December 2010

Contents

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

James Hardie

MEDIA RELEASE

18 February 2011

For analyst and media enquiries, please call Sean O'Sullivan on +61 2 82745239

3rd quarter net operating profit US$21.0m
Nine month net operating profit US$82.2m
(excluding asbestos, ASIC expenses and tax adjustments)

James Hardie today announced a US$21.0 million net operating profit, excluding asbestos, ASIC expenses and tax adjustments, for the quarter ended 31 December 2010. This represents a decrease of 30% compared to the prior corresponding quarter.

For the nine months, net operating profit excluding asbestos, ASIC expenses and tax adjustments decreased 25% to US$82.2 million from US$109.3 million in the prior corresponding period.

USA and Europe Fibre Cement continued to be adversely affected by lower new housing starts and a weak repair and remodel market. In addition, higher raw material and freight costs have continued to unfavourably impact the business' results.

Asia Pacific Fibre Cement benefited from a continued recovery in Australian domestic housing starts, growth in primary demand and gain in category share. However, these benefits were partially offset by abnormally heavy summer rains and consequential flooding on much of Australia's eastern seaboard, particularly during the month of December.

CEO Commentary

"Market conditions in the US residential housing sector, while less volatile than in prior periods, remain weak and challenging," said James Hardie CEO, Louis Gries. "Total US housing starts for the quarter were 120,500, down 2.4% from the previous corresponding quarter in the prior year. Also, activity within our segment of the US repair and remodel market continued to suggest signs of weakness in the third quarter.

"As with previous periods, a combination of factors such as high levels of unemployment, low levels of consumer confidence, restricted access to credit and excess housing inventory continue to hinder growth in the residential housing construction market," Mr. Gries added.

In this Media Release, James Hardie may present financial measures, sales volume terms, financial ratios, and Non-US GAAP financial measures included in the Definitions section of this document starting on page 8. 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", "Adjusted EBITDA" and "General corporate costs excluding ASIC expenses and domicile change related costs"). Unless otherwise stated, results and comparisons are of the 3rd quarter and the nine months of fiscal year 2011 versus the 3rd quarter and the nine months of the prior fiscal year.

“While the Asia Pacific business’ result was affected by adverse weather conditions along the eastern seaboard of Australia in December, particularly in Queensland, it still contributed strongly to the result in the quarter, partially offsetting the decline in our US business result. The US business result was affected by unfavourable unit cost absorption due to lower production volume and higher raw material costs, particularly for pulp.

“Notwithstanding the ongoing difficult operating environment in the US, the company continues to perform well financially and our employees remain focussed on driving our long term strategies.”

Operating Performance

Total net sales for the quarter increased 4% to US$272.6 million, gross profit was down 12% to US$84.8 million and EBIT excluding asbestos and ASIC expenses decreased 31% to US$30.2 million compared to the prior corresponding quarter. EBIT including asbestos and ASIC expenses for the quarter moved from US$25.1 million in the third quarter of last year to a loss of US$16.9 million in the current quarter.

For the nine months, total sales increased 3% to US$878.6 million, gross profit was down 9% to US$295.0 million and EBIT excluding asbestos and ASIC expenses decreased 19% to US$137.2 million. EBIT including asbestos and ASIC expenses moved from a loss of US$32.8 million million to income of US$53.9 million.

3rd Quarter and Nine Months at a Glance

US$ Millions	Q3 FY 2011	Q3 FY 2010	% Change	9 Months FY 2011	9 Months FY 2010	% Change
Net sales	$272.6	$261.0	4	$ 878.6	$ 849.7	3
Gross profit	84.8	96.7	(12)	295.0	324.7	(9)
EBIT excluding asbestos and ASIC expenses	30.2	43.8	(31)	137.2	170.4	(19)
AICF SG&A expenses	(0.7)	(0.6)	(17)	(1.7)	(1.6)	(6)
Asbestos adjustments	(46.4)	(17.5)	—	(91.1)	(200.0)	54
ASIC related (expenses) recoveries	—	(0.6)	—	9.5	(1.6)	—
EBIT	(16.9)	25.1	—	53.9	(32.8)	—
Net interest expense	(1.3)	(0.8)	(63)	(3.3)	(1.9)	(74)
Other income (expense)	2.7	2.2	23	(4.6)	6.0	—
Income tax expense	(10.9)	(11.6)	6	(391.2)	(53.9)	—
Net operating (loss) profit	(26.4)	14.9	—	(345.2)	(82.6)	—
Diluted loss per share (US cents)	(6.0)	3.4	—	(79.3)	(19.1)	—

The net operating result for the quarter including asbestos, ASIC expenses and tax adjustments was a loss of US$26.4 million, compared to net operating income of US$14.9 million for the corresponding quarter of the prior year.

The current quarter’s result also includes an unfavourable asbestos adjustment related to currency translation of US$46.4 million, which is attributable to the appreciation of the Australian dollar against the US dollar. For the quarter from 1 October 2010 to 31 December 2010, the Australian dollar appreciated against the US dollar by 5% to US$1.0167, compared to a 2% appreciation from 1 October 2009 to 31 December 2009.

For the nine months, the net operating loss including asbestos, ASIC expenses and tax adjustments moved from US$82.6 million last year to US$345.2 million this fiscal year. This result reflects a non-cash charge of US$345.2 million recognised in the second quarter of the current financial year for taxes, penalties and interest following RCI Pty Ltd's loss on appeal in the Australian Federal Court against an Australian Taxation Office amended assessment relating to fiscal year 1999. RCI strongly disputes the amended assessment and is pursuing an appeal of the Federal Court's judgment before the Full Court of the Federal Court of Australia.

Net operating profit excluding asbestos, ASIC expenses and tax adjustments decreased 30% for the quarter to US$21.0 million. For the nine months, net operating profit excluding asbestos, ASIC expenses and tax adjustments decreased 25% to US$82.2 million, as shown in the following table:

US$ Millions	Q3 FY 2011	Q3 FY 2010	% Change	9 Months FY 2011	9 Months FY 2010	% Change
Net operating loss	$(26.4)	$ 14.9	—	$(345.2)	$ (82.6)	—
Excluding:						
Asbestos:						
Asbestos adjustments	46.4	17.5	—	91.1	200.0	(54)
AICF SG&A expenses	0.7	0.6	17	1.7	1.6	6
AICF interest income	(0.7)	(0.9)	22	(2.4)	(2.6)	8
Gain on AICF investments	—	(2.4)	—	—	(4.7)	—
Tax expense related to asbestos adjustments	—	—	—	0.6	—	—
ASIC related (recoveries) expenses	0.0	0.6	—	(9.5)	1.6	—
Tax adjustments	1.0	(0.5)	—	345.9	(4.0)	—
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	**$ 21.0**	**$ 29.8**	**(30)**	**$ 82.2**	**$ 109.3**	**(25)**
Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments (US cents)	4.8	6.8	(29)	18.8	25.3	(26)

Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments for the quarter decreased 29% to US4.8 cents in the current quarter compared to US6.8 cents in the corresponding quarter of the prior year. For the nine months, diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments decreased 26% to US18.8 cents compared to US25.3 cents in the corresponding period of the prior year.

USA and Europe Fibre Cement

According to the US Census Bureau, single family housing starts in the December 2010 quarter were 104,700, 9% below the December 2009 quarter. Similarly for the nine months to 31 December 2010, single family housing starts were at 356,500, 3% below the prior corresponding period.

Seasonally adjusted total housing starts (annualised) for the month of December 2010 were 529,000, down 4% month-on-month and at near historical low levels.

Against this background, USA and Europe Fibre Cement net sales increased 2% to US$182.6 million in the quarter and decreased 2% to US$616.3 million in the nine months when compared to the corresponding periods of the prior fiscal year. Sales volume increased 1% and decreased 5% in the same periods.

The average net sales price increased 1% to US$657 per thousand square feet in the quarter and 3% to US$656 per thousand square feet in the nine months when compared to the previous corresponding periods.

USA and Europe Fibre Cement EBIT decreased by 34% to US$26.3 million for the quarter due to unfavourable cost absorption resulting from manufacturing costs being spread over lower production volume. The decrease in EBIT was also driven by higher input costs (primarily pulp and freight), partially offset by a higher average net sales price and lower SG&A expenses.

The USA and Europe EBIT Margin was 14.4% for the quarter and 19.8% for the nine months compared to 22.1% and 27.5% for the corresponding prior year periods. The prior year results reflect higher sales volume and materially lower input costs.

Asia Pacific Fibre Cement

Net sales increased 10% to US$90.0 million in the quarter. In Australian dollars, net sales remained flat for the quarter as the increase in average net sales price was offset by a reduction in sales volume.

For the nine months, net sales increased 20% to US$262.3 million. The higher value of the Asia Pacific business' currencies accounted for 12% of the increase. The underlying Australian dollar business results accounted for the remaining 8% increase, as sales volume and average net sales price increased.

The impact of higher interest rates resulted in a moderate slowdown in housing activity in Australia during the quarter. In addition, the Australian business was adversely affected by abnormally high rainfall along the eastern seaboard, and in particular in Queensland, our main growth market.

According to the Australian Bureau of Statistics, total building approvals decreased 3.4% for the quarter, while total building approvals for the nine months were up 8.8% compared to the previous corresponding periods. Approvals for detached housing (more indicative of underlying trends for James Hardie's market) in the quarter and nine months declined 16.2% and 6.5%, respectively, compared to the previous corresponding periods.

The New Zealand business' sales volume was lower for the quarter, but it remained relatively flat in the nine month period. Gross margin performance continues to benefit from cost reductions across the business and increased sales of differentiated products.

The Philippines business' results improved when compared to the prior and previous corresponding quarter, reflecting improved market conditions, notwithstanding a temporary disruption to its manufacturing capability due to a mechanical failure during the second quarter. The temporary disruption was resolved by the end of the second quarter.

Asia Pacific Fibre Cement EBIT increased 16% from US$17.3 million to US$20.0 million and 35% from US$44.4 million to US$60.0 million for the quarter and nine months, respectively. Favourable currency exchange rate movements in the Asia Pacific business' currencies against the US dollar accounted for 13% and 14% of this increase for the quarter and nine months, respectively. In Australian dollars, Asia Pacific Fibre Cement EBIT for the nine months increased 21% due to higher sales volume, an increase in average net sales price, a favourable shift in product mix and improved plant performance., partially offset by higher input costs (primarily pulp) and SG&A expenses.

Cash Flow

Net operating cash flow declined US$92.8 million from US$198.6 million in the corresponding period of the prior year to US$105.8 million for the nine months. Net operating cash flow was unfavourably affected by a US$63.7 million contribution to the AICF on 1 July 2010. The company did not make a contribution to the AICF in the year ended 31 March 2010.

Excluding the AICF contribution, net operating cash flow was US$169.5 million for the nine months, down by 15% on US$198.6 million in the corresponding period of the prior year. The decrease was primarily due to a decline in earnings relative to the comparable nine month period and an increase in trade payables, partially offset by collections of trade receivables.

For the nine months ended 31 December 2010, net capital expenditures increased slightly to US$37.3 million from US$35.2 million in the prior comparable period.

Outlook

Activity in the US residential housing market continues to track at historically low levels and while the potential exists for improved levels of performance in calendar 2011, at the moment there is no evidence to suggest that a recovery of the housing sector is underway.

While unemployment remains high and consumer confidence low, the company remains wary about predicting the timing of a US residential housing market recovery.

In the Asia Pacific region, the recent rises in interest rates have had an unfavourable effect on housing activity during the quarter. When combined with the impact of abnormally heavy rainfall and consequential flooding in Queensland, Victoria and northern New South Wales, softer demand is anticipated in these markets and the outlook remains uncertain in the near term.

Earnings Guidance

Full year earnings for fiscal year 2011 excluding asbestos, ASIC expenses and tax adjustments have been adjusted downward from prior guidance at the lower end of US$110 million to US$125 million and is now anticipated to be within the range of US$105 million to US$115 million, assuming, among other things, a relatively unchanged US$/A$ exchange rate for the remaining three months of fiscal year 2011. The comparable earnings excluding asbestos, ASIC expenses and tax adjustments for fiscal year 2010 was US$133 million. Management cautions that conditions remain uncertain and notes that the costs of some inputs, particularly pulp, remain high.

Impact and Response to Floods in Australia

The widespread heavy rains and flooding that have impacted the eastern seaboard of Australia, particularly Queensland since the end of November, have impacted our employees and their families, our facilities in Queensland and our markets.

In response, James Hardie has committed to helping affected employees and communities through:

- Contributing A$150,000 in cash, being A$75,000 to the Queensland Premier's Fund (channeled directly to the state of Queensland) and A$75,000 to the fund established by the Mayor of the City of Ipswich (location of the company's Carole Park plant and an area severely impacted by the floods).
- Donating James Hardie fibre cement products with a market value of A$100,000.
- Matching dollar-for-dollar cash donations from James Hardie employees, now in excess of A$25,000 in total, to a fund established to assist employees affected by floods in southeast Queensland, where James Hardie has two manufacturing facilities.

The company continues to consider other ways it can assist victims of the floods.

The floods have also had a significant impact on our business. While neither of our Queensland plants were flooded, both our Meeandah (Pipes) and Carole Park facilities were temporarily shut down due to inability to move materials and people in and out of the facilities.

Further Information

Readers are referred to the company's Condensed Consolidated Financial Statements and Management's Analysis of Results for the period ended 31 December 2010 for additional information regarding the company's results, including information regarding income taxes, asbestos and contingent liabilities.

Changes in the company's asbestos liability (including to reflect changes in foreign exchange rates), ASIC proceedings, income tax related issues and other matters referred to in the disclaimer at the end of this document may have a material impact on the company's Condensed Consolidated Financial Statements. Readers are referred to Notes 7, 9, 10 and 11 of the company's 31 December 2010 Consolidated Financial Statements for more information about the company's asbestos liability, ASIC proceedings and income tax related issues, respectively.

END

Media/Analyst Enquiries:

Sean O' Sullivan	Telephone: +61 2 8274 5239
Vice President Investor and Media Relations	Email: media@jameshardie.com.au

This Media Release forms part of a package of information about the company's results. It should be read in conjunction with the other parts of the package, including Management's Analysis of Results, the Management Presentation and the Consolidated Financial Statements. These documents, along with an audio webcast of the Management Presentation on 18 February 2010, are available from the Investor Relations area of James Hardie's website at: www.jameshardie.com

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

The company lodged its annual filing for the year ended 31 March 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	Q3 FY 2011	Q3 FY 2010	9 Months FY 2011	9 Months FY 2010
EBIT	$ (16.9)	$ 25.1	$ 53.9	$ (32.8)
Asbestos:				
Asbestos adjustments	46.4	17.5	91.1	200.0
AICF SG&A expenses	0.7	0.6	1.7	1.6
ASIC related expenses (recoveries)	—	0.6	(9.5)	1.6
EBIT excluding asbestos and ASIC expenses	30.2	43.8	137.2	170.4
Net sales	$272.6	$261.0	$878.6	$849.7
EBIT margin excluding asbestos and ASIC expenses	11.1%	16.8%	15.6%	20.1%

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

US$ Millions	Q3 FY 2011	Q3 FY 2010	9 Months FY 2011	9 Months FY 2010
Net operating (loss) profit	$(26.4)	$ 14.9	$(345.2)	$ (82.6)
Asbestos:				
Asbestos adjustments	46.4	17.5	91.1	200.0
AICF SG&A expenses	0.7	0.6	1.7	1.6
AICF interest income	(0.7)	(0.9)	(2.4)	(2.6)
Gain on AICF investments	—	(2.4)	—	(4.7)
Tax expense related to asbestos adjustments	—	—	0.6	—
ASIC related expenses (recoveries)	—	0.6	(9.5)	1.6
Tax adjustments	1.0	(0.5)	345.9	(4.0)
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	$ 21.0	$ 29.8	$ 82.2	$ 109.3

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

US$ Millions	Q3 FY 2011	Q3 FY 2010	9 Months FY 2011	9 Months FY 2010
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	$ 21.0	$ 29.8	$ 82.2	$ 109.3
Weighted average common shares outstanding - Diluted (millions)	438.0	438.8	437.7	432.7
Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments (US cents)	4.8	6.8	18.8	25.3

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

US$ Millions	Q3 FY 2011	Q3 FY 2010	9 Months FY 2011	9 Months FY 2010
Operating (loss) profit before income taxes	$(15.5)	$ 26.5	$ 46.0	$ (28.7)
Asbestos:				
Asbestos adjustments	46.4	17.5	91.1	200.0
AICF SG&A expenses	0.7	0.6	1.7	1.6
AICF interest income	(0.7)	(0.9)	(2.4)	(2.6)
Gain on AICF investments	—	(2.4)	—	(4.7)
Operating profit before income taxes excluding asbestos	$ 30.9	$ 41.3	$ 136.4	$165.6
Income tax expense	(10.9)	(11.6)	(391.2)	(53.9)
Asbestos:				
Tax expense related to asbestos adjustments	—	—	0.6	—
Tax adjustments	1.0	(0.5)	345.9	(4.0)
Income tax expense excluding tax adjustments	(9.9)	(12.1)	(44.7)	(57.9)
Effective tax rate excluding asbestos and tax adjustments	32.0%	29.3%	32.8%	35.0%

<u>Adjusted EBITDA</u> — 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 Adjusted EBITDA in the same manner as James Hardie has and, accordingly, Adjusted EBITDA may not be comparable with other companies. The company has included information concerning Adjusted EBITDA because it believes that this data is commonly used by investors to evaluate the ability of a company's earnings from its core business operations to satisfy its debt, capital expenditure and working capital requirements.

US$ Millions	Q3 FY 2011	Q3 FY 2010	9 Months FY 2011	9 Months FY 2010
EBIT	$(16.9)	$ 25.1	$ 53.9	$ (32.8)
Depreciation and amortisation	15.9	15.8	46.9	45.6
Adjusted EBITDA	$ (1.0)	$ 40.9	$ 100.8	$ 12.8

<u>General corporate costs excluding ASIC expenses and domicile change related costs</u> — 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	Q3 FY 2011	Q3 FY 2010	9 Months FY 2011	9 Months FY 2010
General corporate costs	$ 12.1	$ 7.6	$ 21.1	$ 34.4
Excluding:				
ASIC related (expenses) recoveries	—	(0.6)	9.5	(1.6)
Domicile change related costs	—	(1.2)	(1.8)	(8.4)
General corporate costs excluding ASIC expenses and domicile change related costs	$ 12.1	$ 5.8	$ 28.8	$ 24.4

Disclaimer

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

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

18 February 2011

James Hardie Industries SE
Results for the 3rd Quarter and Nine Months Ended 31 December 2010

US GAAP - US$ Millions	Q3 FY11	Q3 FY10	% Change	9 Months FY11	9 Months FY10	% Change
	Three Months and Nine Months Ended 31 December					
Net Sales						
USA and Europe Fibre Cement	$ 182.6	$ 179.1	2	$ 616.3	$ 631.3	(2)
Asia Pacific Fibre Cement	90.0	81.9	10	262.3	218.4	20
Total Net Sales	$ 272.6	$ 261.0	4	$ 878.6	$ 849.7	3
Cost of goods sold	(187.8)	(164.3)	(14)	(583.6)	(525.0)	(11)
Gross profit	84.8	96.7	(12)	295.0	324.7	(9)
Selling, general and administrative expenses	(49.4)	(46.9)	(5)	(130.4)	(137.3)	5
Research & development expenses	(5.9)	(7.2)	18	(19.6)	(20.2)	3
Asbestos adjustments	(46.4)	(17.5)	—	(91.1)	(200.0)	54
EBIT	(16.9)	25.1	—	53.9	(32.8)	—
Net interest expense	(1.3)	(0.8)	(63)	(3.3)	(1.9)	(74)
Other income (expense)	2.7	2.2	23	(4.6)	6.0	—
Operating (loss) profit before income taxes	(15.5)	26.5	—	46.0	(28.7)	—
Income tax expense	(10.9)	(11.6)	6	(391.2)	(53.9)	—
Net operating (loss) profit	$ (26.4)	$ 14.9	—	$(345.2)	$ (82.6)	—
(Loss) income per share — diluted (US cents)	(6.0)	3.4	—	(79.3)	(19.1)	—
Volume (mmsf)						
USA and Europe Fibre Cement	277.9	275.7	1	939.2	989.7	(5)
Asia Pacific Fibre Cement	99.6	100.8	(1)	305.7	292.1	5
Average net sales price per unit (per msf)						
USA and Europe Fibre Cement	US$ 657	US$ 650	1	US$ 656	US$ 638	3
Asia Pacific Fibre Cement	A $ 911	A $ 897	2	A $ 928	A $ 897	3

In this Management's Analysis of Results, James Hardie may present financial measures, sales volume terms, financial ratios, and Non-US GAAP financial measures included in the Definitions section of this document starting on page 14. The company presents financial measures that it believes are customarily used by its Australian investors. Specifically, these financial measures, which are equivalent to or derived from certain US GAAP measures as explained in the definitions, include "EBIT", "EBIT margin", "Operating profit" and "Net operating profit". The company may also present other terms for measuring its sales volume ("million square feet" or "mmsf" and "thousand square feet" or "msf"); financial ratios ("Gearing ratio", "Net interest expense cover", "Net interest paid cover", "Net debt payback", "Net debt (cash)"); and Non-US GAAP financial measures ("EBIT excluding asbestos and ASIC expenses", "EBIT margin excluding asbestos and ASIC expenses", "Net operating profit excluding asbestos, ASIC expenses and tax adjustments", "Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments", "Operating profit before income taxes excluding asbestos", "Effective tax rate excluding asbestos and tax adjustments", "Adjusted EBITDA" and "General corporate costs excluding ASIC expenses and domicile change related costs"). Unless otherwise stated, results and comparisons are of the 3 rd quarter and nine months of the current fiscal year versus the 3 rd quarter and nine months of the prior fiscal year.

Total Net Sales

Total net sales for the quarter increased 4% compared to the previous corresponding period from US$261.0 million to US$272.6 million. For the nine months, total net sales increased 3% from US$849.7 million to US$878.6 million. For the quarter and nine months, revenue was favourably impacted by an increase in the average net sales price and an appreciation of the Asia Pacific currencies against the US dollar.

USA and Europe Fibre Cement

Quarter

Net sales increased 2% from US$179.1 million to US$182.6 million compared to the prior corresponding period. The increase was driven by higher sales volume and an increase in the average net sales price, which increased 1% from US$650 per thousand square feet to US$657 per thousand square feet as a result of a price increase announced earlier in the year, partially offset by an unfavourable shift in product mix.

Nine Months

Net sales decreased 2% from US$631.3 million to US$616.3 million due to lower sales volume, partially offset by a higher average net sales price.

Sales volume decreased 5% from 989.7 million square feet to 939.2 million square feet, primarily due to weaker demand for the company's products in the US caused by the prolonged weakness in both the new construction and repair and remodel markets.

The average net sales price increased 3% from US$638 per thousand square feet to US$656 per thousand square feet as a result of a price increase and a favourable shift in product mix.

Discussion

USA and Europe Fibre Cement EBIT decreased by 34% to US$26.3 million in the quarter compared to the prior corresponding quarter. The EBIT performance in the quarter was affected by unfavourable cost absorption as a result of manufacturing costs being spread over lower production volume in the second and third quarters of the current financial year and higher input costs (primarily pulp and freight), partially offset by an increase in the average net sales price and lower SG&A expenses.

At US$972 per ton, the average Northern Bleached Softwood Kraft (NBSK) pulp price in the quarter was 20% higher than the corresponding quarter last year. For the nine months, the NBSK pulp price was 36% higher at US$982 per ton, compared to the previous corresponding period.

Overall, activity in the US housing construction market remains weak and close to historical low levels. According to the US Census Bureau, single family housing starts, which is a key category driver for the company, were 104,700 in the December 2010 quarter, 9% below the December 2009 quarter. Similarly for the nine months to 31 December 2010, single family housing starts were at 356,500, 3% below the prior corresponding period.

The combination of high levels of unemployment, low consumer confidence, limited access to credit for prospective home buyers, and supply from foreclosed properties continues to inhibit recovery in the sector.

Asia Pacific Fibre Cement

Quarter

Net sales increased 10% from US$81.9 million to US$90.0 million, resulting from the higher value of the Asia Pacific business' currencies against the US dollar. In Australian dollars, net sales remained flat as the increase in average net sales price was offset by a reduction in sales volume.

Nine Months

Net sales for the nine months increased 20% from US$218.4 million to US$262.3 million. The higher value of the Asia Pacific business' currencies against the US dollar accounted for 12% of this increase. The underlying Australian dollar business results accounted for the remaining 8% increase, as sales volume and average net sales price increased.

Discussion

The impact of higher interest rates has resulted in a moderate slowdown in housing activity across Australia during the quarter. In addition, the Australian business was adversely affected by abnormally high rainfall along the eastern seaboard in December, and in particular in Queensland, our main growth market.

Growth in primary demand for fibre cement and category share have combined to partially offset the moderation in market conditions.

The sales mix in the Australian business continued to shift towards differentiated products. Scyon™ brand products represented 25% of sales revenue in the quarter, up from 19% in the previous corresponding period.

The New Zealand business' sales volume was lower for the quarter but remained relatively flat in the nine month period. Gross margin performance continues to benefit from cost reductions across the business and increased sales of differentiated products.

The Philippines business results improved in the quarter when compared to the prior and previously corresponding quarter, reflecting improved manufacturing performance (the prior quarter performance was impacted by a mechanical failure) and improving market conditions.

Gross Profit

Quarter

Gross profit for the quarter decreased 12% from US$96.7 million to US$84.8 million. The gross profit margin decreased 5.9 percentage points from 37.0% to 31.1%.

Compared to the prior corresponding period, USA and Europe Fibre Cement gross profit decreased 23%, of which 15% was due to unfavourable cost absorption as a result of manufacturing costs being spread over lower production volume, 6% due to an increase in input costs (primarily pulp), 4% due to an adverse shift in product mix and 2% due to higher freight costs, partially offset by a 3% benefit from an increase in average net sales price and a 1% benefit from an increase in sales volume.

The gross profit margin of the USA and Europe Fibre Cement business decreased by 9.8 percentage points.

Asia Pacific Fibre Cement gross profit increased 17% compared to the prior corresponding period, of which 14% resulted from favourable currency exchange rate movements in the Asia Pacific business' currencies compared to the US dollar. In Australian dollars, gross profit increased 3%, of which 7% was due to an increase in average net sales price and favourable shift in product mix, partially offset by a 3% detriment due to higher raw material input costs (primarily pulp) and 1% due to lower sales volume.

The gross profit margin of the Asia Pacific Fibre Cement business increased by 2.2 percentage points.

Nine Months

Gross profit for the nine months decreased 9% from US$324.7 million to US$295.0 million. The gross profit margin decreased 4.6 percentage points from 38.2% to 33.6%.

USA and Europe Fibre Cement gross profit decreased 19% compared to the same period last year, of which 12% was due to unfavourable cost absorption as a result of manufacturing costs being spread over lower production volume in the second and third quarters of the current financial year, 6% due to higher input costs (primarily pulp), 5% due to lower sales volume and 2% due to increased freight costs, partially offset by a 6% benefit from an increase in average net sales price.

The gross profit margin of the USA and Europe Fibre Cement business decreased by 7.1 percentage points.

Asia Pacific Fibre Cement gross profit increased 30% compared to the same period last year, of which 13% resulted from favourable currency exchange rate movements in the Asia Pacific business' currencies compared to the US dollar.

In Australian dollars, gross profit increased 17%, of which 12% was due to an increase in average net sales price, 5% due to higher sales volume, 4% due to a favourable shift in product mix and 4% due to lower manufacturing costs being spread over higher production volume, partially offset by a 4% detriment due to increased pulp costs and 2% detriment due to a mechanical failure in the Philippines that occurred during the second quarter.

The gross profit margin of the Asia Pacific Fibre Cement business increased by 2.5 percentage points.

Selling, General and Administrative (SG&A) Expenses

Quarter

SG&A expenses increased 5%, from US$46.9 million to US$49.4 million. Higher SG&A expenses in the Asia Pacific Fibre Cement segment and in general corporate costs were partially offset by a reduction in SG&A expenses in the USA and Europe Fibre Cement segment. As a percentage of sales, SG&A expenses increased 0.1 percentage points to 18.1%.

SG&A expenses for the quarter included non-claims handling related operating expenses of the Asbestos Injuries Compensation Fund (AICF) of US$0.7 million.

Nine Months

SG&A expenses decreased 5%, from US$137.3 million to US$130.4 million. The decrease was primarily due to recoveries from third parties of US$10.3 million related to the costs of bringing and defending appeals for certain of the ten former officers and directors involved in the ASIC proceedings. As a percentage of sales, SG&A expenses declined 1.4 percentage points to 14.8%. Further information on general corporate costs is included below.

SG&A expenses for the nine months included non-claims handling related operating expenses of the AICF of US$1.7 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.

On 30 September 2010, the company entered into agreements with third parties and subsequently received payment for US$10.3 million related to the costs of the ASIC proceedings for certain former officers. This resulted in a net benefit of US$9.5 million for the nine months, compared to an expense of US$1.6 million for the corresponding period of the prior year, respectively. These recoveries are included as a component of selling, general and administrative expenses for the nine months ended 31 December 2010.

On 17 December 2010, the New South Wales Court of Appeal dismissed the Company's appeal against Justice Gzell's judgment and ASIC's cross appeals against the appellants. ASIC has subsequently filed applications for special leave in the High Court appealing from the Court of Appeals judgment in favour of the former directors' appeals. Certain former officers have also filed special leave applications in the High Court.

In terms of the Court of Appeal judgments, ASIC was ordered to pay the costs of the former directors whose appeals were successful and the company was ordered to pay 90% of costs incurred by ASIC in connection with the company appeal.

The amount of the costs the Company may be required to pay to ASIC following the Court of Appeal judgments is contingent on a number of factors, which include, without limitation, whether such costs (including the costs orders in ASIC's favour against the Company in the first instance hearing, which orders were not disturbed by the Court of Appeal) are reasonable having regard to the issues pursued in the case by ASIC against the company, the associated legal work undertaken specifically in respect of those issues (as distinct from the legal costs of a previous claim and related order against the Company that was withdrawn by ASIC in September 2008 just prior to the commencement of the first instance trial, the legal costs incurred by ASIC in connection with similar or overlapping claims against other parties in the first instance or appeal proceedings and the successful interlocutory appeal by the company against ASIC during the course of the first instance hearing), the number of legal practitioners involved in such legal work and their applicable fee rates.

In light of the uncertainty surrounding the amount of such costs, the company has not recorded any provision for these costs at 31 December 2010.

Losses and expenses arising from the ASIC proceedings (including appeal and special leave application costs by other parties) could have a material adverse effect on the Company's financial position, liquidity, results of operations and cash flows.

For the quarter and nine months, the company incurred legal costs related to the ASIC proceedings of nil and US$0.8 million, respectively. The company's cumulative net costs in relation to the ASIC proceedings from their commencement in February 2007 to 31 December 2010 have totalled US$13.6 million.

Readers are referred to Note 9 of the company's 31 December 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 23% lower for the quarter at US$3.3 million, compared to the corresponding quarter of the prior year, and 3% lower for the nine months at US$11.4 million.

Other research and development costs associated with commercialisation projects in business units are included in the business unit segment results. In total, these costs were 10% lower for the quarter at US$2.6 million and 4% lower for the nine months at US$8.2 million, compared to the prior corresponding periods.

Asbestos Adjustments

The company’s asbestos adjustments are derived from an estimate of future Australian asbestos-related liabilities in accordance with the Amended and Restated Final Funding Agreement (AFFA).

The asbestos-related assets and liabilities are denominated in Australian dollars. Therefore the reported value of these asbestos-related assets and liabilities in the company’s condensed consolidated balance sheets in US dollars is subject to adjustment, with a corresponding effect on the company’s condensed consolidated statement of operations, depending on the closing exchange rate between the two currencies at the balance sheet date. For the quarter ended 31 December 2010, the Australian dollar appreciated against the US dollar by 5%, compared to a 2% appreciation during the corresponding period of last year. For the nine months ended 31 December 2010, the Australian dollar appreciated against the US dollar by 11%, compared to a 31% appreciation in the same period of last year.

Asbestos adjustments resulting from the effect of foreign exchange movements were unfavourable adjustments of US$46.4 million and US$91.1 million for the quarter and nine months, respectively, compared to unfavourable adjustments of US$17.5 million and US$200.0 million in the corresponding quarter and nine months of the prior year, respectively.

Claims Data

For the quarter, the number of new claims of 142 is higher than new claims of 115 reported for the corresponding quarter of the prior year. For the nine months, the number of new claims of 398 is lower than new claims of 401 reported for the corresponding period last year, and below actuarial expectations for the nine months ended 31 December 2010.

For the quarter, the number of claims settled of 139 is higher than claims settled of 130 in the corresponding quarter of the prior year. For the nine months, the number of settled claims of 334 is lower than claims settled of 430 for the same period last year.

The average claim settlement for the nine months ended 31 December 2010 of A$196,000 is A$9,000 higher than the same period last year and below the actuarial expectations for the nine months.

Asbestos claims paid of A$23.2 million and A$71.9 million for the quarter and nine months ended 31 December 2010, respectively, are lower than the actuarial expectation of A$29.3 million and A$87.8 million for the quarter and nine months ended 31 December 2010, respectively. The lower-than-expected expenditure was due to lower settlement activity and lower-than-expected claim settlement amounts.

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 31 December 2010 Condensed Consolidated Financial Statements for further information on asbestos adjustments.

EBIT

EBIT moved from US$25.1 million in the corresponding quarter of the prior year to a loss of US$16.9 million for the current quarter. The loss for the current quarter includes net unfavourable asbestos adjustments of US$46.4 million and AICF SG&A expenses of US$0.7 million. For the corresponding period in the prior year, the loss included net unfavourable asbestos adjustments of US$17.5 million, AICF SG&A expenses of US$0.6 million and ASIC expenses of US$0.6 million, as shown in the table below.

EBIT moved from a loss of US$32.8 million in the corresponding nine month period of the prior year to income of US$53.2 million for the current period. EBIT for the current nine month period includes net unfavourable asbestos adjustments of US$91.1 million, AICF SG&A expenses of US$1.7 million and a net benefit related to the ASIC proceedings of US$9.5 million. For the corresponding period in the prior year, the loss included net unfavourable asbestos adjustments of US$200.0 million, AICF SG&A expense of US$1.6 million and ASIC expenses of US$1.6 million, as shown in the table below.

EBIT - US$ Millions	Three Months and Nine Months Ended 31 December Q3 FY11	Q3 FY10	% Change	9 Months FY11	9 Months FY10	% Change
USA and Europe Fibre Cement	$ 26.3	$ 39.6	(34)	$121.8	$ 173.7	(30)
Asia Pacific Fibre Cement	20.0	17.3	16	60.0	44.4	35
Research & Development	(4.0)	(6.1)	34	(14.0)	(14.9)	6
General Corporate:						
General corporate costs	(12.1)	(7.6)	(59)	(21.1)	(34.4)	39
Asbestos adjustments	(46.4)	(17.5)	—	(91.1)	(200.0)	54
AICF SG&A expenses	(0.7)	(0.6)	(17)	(1.7)	(1.6)	(6)
EBIT	(16.9)	25.1	—	53.9	(32.8)	—
Excluding:						
Asbestos:						
Asbestos adjustments	46.4	17.5	—	91.1	200.0	(54)
AICF SG&A expenses	0.7	0.6	17	1.7	1.6	6
ASIC related expenses (recoveries)	—	0.6	—	(9.5)	1.6	—
EBIT excluding asbestos and ASIC expenses	**$ 30.2**	**$ 43.8**	**(31)**	**$137.2**	**$ 170.4**	**(19)**
Net sales	$272.6	$261.0	4	$878.6	$ 849.7	3
EBIT margin excluding asbestos and ASIC expenses	11.1%	16.8%		15.6%	20.1%	

USA and Europe Fibre Cement EBIT

USA and Europe Fibre Cement EBIT fell 34% from US$39.6 million to US$26.3 million compared to the corresponding quarter in the prior year. For the nine months, USA and Europe Fibre Cement fell 30% from US$173.7 million to US$121.8 million compared to the corresponding period of the prior year.

For the quarter and nine months, the decrease was primarily due to manufacturing costs being spread over lower production volume in the second and third quarters of the current financial year and higher input costs (primarily pulp and freight), partially offset by a higher average net sales price. The decrease in EBIT for the quarter was partially offset by a reduction in SG&A expenses.

The results for the nine months were unfavourably impacted by lower sales volume and higher SG&A expenses.

For the quarter, the EBIT margin was 7.7 percentage points lower at 14.4%. For the nine months, the EBIT margin was 7.7 percentage points lower at 19.8%.

Asia Pacific Fibre Cement EBIT

Asia Pacific Fibre Cement EBIT for the quarter increased 16% from US$17.3 million to US$20.0 million. Favourable currency exchange rate movements in the Asia Pacific business' currencies compared to the US dollar accounted for 13% of this increase. The EBIT margin was 1.1 percentage points higher at 22.2%.

For the nine months, Asia Pacific Fibre Cement EBIT increased 35% from US$44.4 million to US$60.0 million, of which 14% was attributed to the appreciation of Asia Pacific Business' currencies compared to the US dollar. In Australian dollars, Asia Pacific Fibre Cement EBIT increased 21% primarily due to higher sales volume, an increase in average net sales price, a favourable shift in product mix and improved plant performance, partially offset by higher input costs (primarily pulp) and SG&A expenses. The EBIT margin was 2.6 percentage points higher at 22.9%.

General Corporate Costs

General corporate costs for the quarter increased from US$7.6 million to US$12.1 million. For the nine months, general corporate costs decreased 39% from US$34.4 million to US$21.1 million. For the quarter, the increase is primarily attributed to a US$7.6 million non-recurring write-back of a legal provision recognised in the corresponding quarter of the prior year. General corporate costs for the nine months of the current financial year were lower primarily due to US$10.3 million recovered from third parties in respect of previously incurred ASIC expenses.

For the quarter, ASIC expenses moved from US$0.6 million in the third quarter of the prior year to nil in the current quarter. For the nine months, ASIC expenses moved from an expense of US$1.6 million in the prior year to a benefit of US$9.5 million in the current year.

General corporate costs excluding ASIC expenses and domicile change related costs for the quarter increased from US$5.8 million in the corresponding quarter of the prior year to US$12.1 million in the current quarter. General corporate costs excluding ASIC expenses and domicile change related costs for the nine months increased from US$24.4 million in the prior year to US$28.8 million in the current year. The increase in general corporate costs excluding ASIC expenses and domicile change related costs for the quarter and nine month period is primarily attributed to a US$7.6 million non-recurring write-back of a legal provision recognised in the previous corresponding quarter and nine month period.

Net Interest Expense

Net interest expense increased from US$0.8 million in the corresponding quarter of the prior year to US$1.3 million in the current quarter. Net interest expense for the quarter includes a realised loss of US$1.0 million on interest rate swaps and AICF interest income of US$0.7 million. Net interest expense for the corresponding quarter of the prior year included a realised loss of US$0.1 million on interest rate swaps and AICF interest income of US$0.9 million.

For the nine months, net interest expense increased from US$1.9 million in the prior year to US$3.3 million. Net interest expense for the nine months ended 31 December 2010 includes AICF interest income of US$2.4 million and a realised loss of US$2.8 million on interest rate swaps. Net interest expense for the nine months ended 31 December 2009 includes AICF interest income of US$2.6 million and a realised loss of US$1.2 million on interest rate swaps.

Other Income (Expense)

For the quarter, other income increased from US$2.2 million in the corresponding quarter of the prior year to US$2.7 million in the current quarter. Other income for the corresponding quarter of the prior year included a sale of restricted short-term investments held by the AICF, resulting in a realised gain of US$2.4 million that did not recur in the current quarter. In addition, the change in the fair value of interest rate swap contracts resulted in an unrealised gain of US$2.7 million and an unrealised loss of US$0.2 million for the three months ended 31 December 2010 and 2009, respectively.

For the nine months, other expense moved from income of US$6.0 million in the prior year to an expense of US$4.6 million in the current year. This movement is due to an unrealised loss resulting from a change in the fair value of interest rate swap contracts of US$4.6 million in the current nine month period, compared to an unrealised gain of US$1.3 million for the corresponding period of the prior year. In addition, a realised gain of US$4.7 million was recognised in the same period of last year, which resulted from the sale of restricted short-term investments held by the AICF that did not recur in the current period.

Income Tax

Income Tax Expense

Income tax expense for the quarter decreased from US$11.6 million to US$10.9 million and from US$53.9 million to US$391.2 million for the nine months, as further explained below. The company's effective tax rate on earnings excluding asbestos and tax adjustments was 32.0% for the quarter, compared to 29.3% for the corresponding quarter of the prior year, and 32.8% for the nine months, compared to 35.0% for the corresponding prior period. The change in effective tax rate excluding asbestos and tax adjustments compared with last year is attributable to changes in the geographic mix of earnings and expenses and reductions in non-tax deductible expenses.

Tax Adjustments

The company recorded unfavourable tax adjustments of US$1.0 million and US$345.9 million for the quarter and nine months, respectively, compared to favourable tax adjustments of US$0.5 million and US$4.0 million for the quarter and nine months of the prior year. The tax adjustments in the quarter and nine months reflect income tax expense for the disputed amended assessment with the ATO (refer below) and 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. On 1 September 2010, the Federal Court dismissed RCI's appeal.

Prior to the Federal Court's decision on RCI's appeal, the Company believed it was more-likely-than-not that the tax position reported in RCI's tax return for the 1999 fiscal year would be upheld on appeal. As a result, the Company treated the payment of 50% of the amended assessment, general interest charges (GIC) and interest accrued on amounts paid to the ATO with respect to the amended assessment as a deposit on its consolidated balance sheet from July 2006 to 31 August 2010.

As a result of the Federal Court's decision, the Company re-assessed its tax position with respect to the amended assessment and concluded that the 'more-likely-than-not' recognition threshold as prescribed by US GAAP was no longer met. Accordingly, the Company removed the deposit with the ATO from its consolidated balance sheet and recognised a non-cash expense of US$345.2 million (A$388.0 million) on its consolidated statement of operations for the nine months ended 31 December 2010. In addition, the Company recognised an uncertain tax position of US$187.3 million (A$184.3 million) on its consolidated balance sheet relating to the unpaid portion of the amended assessment.

RCI strongly disputes the amended assessment and is pursuing an appeal of the Federal Court's judgment before the Full Court of the Federal Court of Australia.

With effect from September 2010, the company includes interest incurred on the unpaid balance of the amended assessment as a component of income tax expense and will continue to do so until RCI ultimately prevails on the matter or the remaining outstanding balance of the amended assessment is paid.

Net Operating Loss

Net operating loss for the quarter was US$26.4 million, compared to an income of US$14.9 million for the corresponding quarter of the prior year. Net operating profit excluding asbestos, ASIC expenses and tax adjustments decreased 30% from US$29.8 million to US$21.0 million as shown in the table below.

For the nine months, net operating loss was US$345.2 million, compared to US$82.6 million for the corresponding period of the prior year. Net operating profit excluding asbestos, ASIC expenses and tax adjustments decreased 25% from US$109.3 million to US$82.2 million as shown in the table below.

	Three Months and Nine Months Ended 31 December					
Net Operating Profit - US$ millions	Q3 FY11	Q3 FY10	% Change	9 Months FY11	9 Months FY10	% Change
Net operating (loss) profit	$ (26.4)	$ 14.9	—	$(345.2)	$ (82.6)	—
Excluding:						
Asbestos:						
Asbestos adjustments	46.4	17.5	—	91.1	200.0	(54)
AICF SG&A expenses	0.7	0.6	17	1.7	1.6	6
AICF interest income	(0.7)	(0.9)	22	(2.4)	(2.6)	8
Gain on AICF investments	—	(2.4)	—	—	(4.7)	—
Tax expense related to asbestos adjustments	—	—	—	0.6	—	—
ASIC related expenses (recoveries)	—	0.6	—	(9.5)	1.6	—
Tax adjustments	1.0	(0.5)	—	345.9	(4.0)	—
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	**$ 21.0**	**$ 29.8**	**(30)**	**$ 82.2**	**$ 109.3**	**(25)**

Cash Flow

Net operating cash flow declined US$92.8 million from US$198.6 million in the corresponding period of the prior year to US$105.8 million for the nine months. Net operating cash flow was unfavourably affected by a US$63.7 million contribution to the AICF on 1 July 2010. The company did not make a contribution to the AICF in financial year 2010.

Excluding the AICF contribution, net operating cash flow was US$169.5 million for the nine months, down by 15% on US$198.6 million in the corresponding period of the prior year. The decrease was primarily due to a decline in earnings relative to the comparable nine month period and an increase in trade payables, partially offset by collections of trade receivables.

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.

For the nine months ended 31 December 2010, capital expenditures increased to US$37.3 million from US$35.2 million in the prior comparable period as strategic capital expenditures increased slightly.

Liquidity and Capital Resources

At 31 December 2010, the company had net debt of US$57.8 million. Net debt at 31 December 2010 decreased by US$77.0 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$24.2 million as of 31 December 2010. At that date, it also had credit facilities totalling US$265.0 million, of which US$82.0 million was drawn. The credit facilities are all uncollateralised and consist of the following:

		At 31 December 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	—	$ 45.0	$ —
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until December 2012	—	130.0	—
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until February 2013	1.15%	90.0	82.0
Total		**$265.0**	**$ 82.0**

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.

During the nine months, the company drew down US$417.0 million and repaid US$489.0 million of its term facilities. The weighted average remaining term of the total credit facilities of US$265.0 million at 31 December 2010 was 1.7 years.

Since 31 December 2010, the company has entered into new borrowing agreements. As of 18 February 2011, the Company has total credit facilities of US$320.0 million, a US$55.0 million increase from the US$265.0 million in total credit facilities as of 31 December 2010. The weighted average remaining term of the total credit facilities, US$320.0 million at 18 February 2011, was 2.1 years, an increase of 0.4 years from 31 December 2010. As of 18 February 2011, the Company has no credit facilities maturing within 18 months.

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, anticipated future net operating cash flow and cash available under unutilised committed or proposed new credit facilities.

Asbestos Compensation

On 9 December 2010, the AICF, Amaca, Amaba and ABN 60 entered into a secured standby loan facility and related agreements (the Facility) with The State of New South Wales, Australia whereby the AICF may borrow, subject to certain conditions, up to an aggregate amount of A$320.0 million (US$325.3 million, based on the exchange rate at 31 December 2010). In accordance with the terms of the Facility, drawings under the Facility may only be used by the AICF to fund the payment of asbestos claims and certain operating and legal costs of the AICF, Amaca, Amaba and ABN 60.

The term of the Facility expires on 1 November 2030, at which time all amounts outstanding under the Facility become due and payable. As of 18 February 2011, the conditions precedent to drawdown on the facility have not been satisfied; accordingly, there have been no drawings or amounts outstanding under the Facility to date.

Any drawings, repayments, or payments of accrued interest under the Facility by the AICF do not impact the Company's net operating cash flow, as defined in the AFFA, on which annual contributions made by the Company to the AICF are based. James Hardie Industries SE and its wholly-owned subsidiaries are not a party to, guarantor of, or security provider in respect of the Facility.

Readers are referred to Note 7 of the company's 31 December 2010 Condensed Consolidated Financial Statements for further information on the Facility.

The company made a further contribution of approximately A$72.8 million (US$63.7 million) to the AICF on 1 July 2010. This amount represented 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.

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 15 November, 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

<u>EBIT and EBIT margin</u> — 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.

<u>Operating profit</u> — is equivalent to the US GAAP measure of income.

<u>Net operating profit</u> — is equivalent to the US GAAP measure of net income.

Sales Volume

<u>mmsf</u> — million square feet, where a square foot is defined as a standard square foot of 5/16" thickness.

<u>msf</u> — thousand square feet, where a square foot is defined as a standard square foot of 5/16" thickness.

Financial Ratios

<u>Gearing Ratio —</u> Net debt (cash) divided by net debt (cash) plus shareholders' equity.

<u>Net interest expense cover —</u> EBIT divided by net interest expense.

<u>Net interest paid cover —</u> EBIT divided by cash paid during the period for interest, net of amounts capitalised.

<u>Net debt payback —</u> Net debt (cash) divided by cash flow from operations.

<u>Net debt (cash)</u> — short-term and long-term debt less cash and cash equivalents.

Non-US GAAP Financial Measures

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

US$ Millions	Q3 FY 2011	Q3 FY 2010	9 Months FY 2011	9 Months FY 2010
EBIT	$ (16.9)	$ 25.1	$ 53.9	$ (32.8)
Asbestos:				
Asbestos adjustments	46.4	17.5	91.1	200.0
AICF SG&A expenses	0.7	0.6	1.7	1.6
ASIC related expenses (recoveries)	—	0.6	(9.5)	1.6
EBIT excluding asbestos and ASIC expenses	30.2	43.8	137.2	170.4
Net sales	$272.6	$261.0	$878.6	$849.7
EBIT margin excluding asbestos and ASIC expenses	11.1%	16.8%	15.6%	20.1%

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

US$ Millions	Q3 FY 2011	Q3 FY 2010	9 Months FY 2011	9 Months FY 2010
Net operating (loss) profit	$(26.4)	$ 14.9	$(345.2)	$ (82.6)
Asbestos:				
Asbestos adjustments	46.4	17.5	91.1	200.0
AICF SG&A expenses	0.7	0.6	1.7	1.6
AICF interest income	(0.7)	(0.9)	(2.4)	(2.6)
Gain on AICF investments	—	(2.4)	—	(4.7)
Tax expense related to asbestos adjustments	—	—	0.6	—
ASIC related expenses (recoveries)	—	0.6	(9.5)	1.6
Tax adjustments	1.0	(0.5)	345.9	(4.0)
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	$ 21.0	$ 29.8	$ 82.2	$ 109.3

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

US$ Millions	Q3 FY 2011	Q3 FY 2010	9 Months FY 2011	9 Months FY 2010
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	$ 21.0	$ 29.8	$ 82.2	$ 109.3
Weighted average common shares outstanding - Diluted (millions)	438.0	438.8	437.7	432.7
Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments (US cents)	4.8	6.8	18.8	25.3

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

US$ Millions	Q3 FY 2011	Q3 FY 2010	9 Months FY 2011	9 Months FY 2010
Operating (loss) profit before income taxes	$(15.5)	$ 26.5	$ 46.0	$ (28.7)
Asbestos:				
Asbestos adjustments	46.4	17.5	91.1	200.0
AICF SG&A expenses	0.7	0.6	1.7	1.6
AICF interest income	(0.7)	(0.9)	(2.4)	(2.6)
Gain on AICF investments	—	(2.4)	—	(4.7)
Operating profit before income taxes excluding asbestos	$ 30.9	$ 41.3	$ 136.4	$165.6
Income tax expense	(10.9)	(11.6)	(391.2)	(53.9)
Asbestos:				
Tax expense related to asbestos adjustments	—	—	0.6	—
Tax adjustments	1.0	(0.5)	345.9	(4.0)
Income tax expense excluding tax adjustments	(9.9)	(12.1)	(44.7)	(57.9)
Effective tax rate excluding asbestos and tax adjustments	32.0%	29.3%	32.8%	35.0%

Adjusted 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 adjusted EBITDA in the same manner as James Hardie has and, accordingly, adjusted EBITDA may not be comparable with other companies. The company has included information concerning adjusted EBITDA because it believes that this data is commonly used by investors to evaluate the ability of a company's earnings from its core business operations to satisfy its debt, capital expenditure and working capital requirements.

US$ Millions	Q3 FY 2011	Q3 FY 2010	9 Months FY 2011	9 Months FY 2010
EBIT	$(16.9)	$ 25.1	$ 53.9	$ (32.8)
Depreciation and amortisation	15.9	15.8	46.9	45.6
Adjusted EBITDA	$ (1.0)	$ 40.9	$ 100.8	$ 12.8

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	Q3 FY 2011	Q3 FY 2010	9 Months FY 2011	9 Months FY 2010
General corporate costs	$ 12.1	$ 7.6	$ 21.1	$ 34.4
Excluding:				
ASIC related (expenses) recoveries	—	(0.6)	9.5	(1.6)
Domicile change related costs	—	(1.2)	(1.8)	(8.4)
General corporate costs excluding ASIC expenses and domicile change related costs	$ 12.1	$ 5.8	$ 28.8	$ 24.4

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 31 December 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 31 December 2010 Condensed Consolidated Financial Statements.

James Hardie Industries SE
Consolidated Balance Sheet
31 December 2010
(unaudited)

US$ Millions	Total Fibre Cement Operations- excluding Asbestos Compensation	Asbestos Compensation	As Reported
ASSETS			
Current assets			
Cash and cash equivalents	$ 261.8	$ (237.6)	$ 24.2
Restricted cash and cash equivalents	0.7	—	0.7
Restricted cash and cash equivalents — Asbestos	—	80.8	80.8
Restricted short-term investments — Asbestos	—	5.7	5.7
Accounts and other receivables, net of allowance for doubtful accounts of $2.4 million	100.8	0.1	100.9
Inventories	155.1	—	155.1
Prepaid expenses and other current assets	38.2	0.2	38.4
Insurance receivable — Asbestos	—	18.6	18.6
Workers' compensation — Asbestos	—	0.1	0.1
Deferred income taxes	20.0	—	20.0
Deferred income taxes — Asbestos	—	14.2	14.2
Total current assets	**576.6**	**(117.9)**	**458.7**
Restricted cash and cash equivalents	4.6	—	4.6
Property, plant and equipment, net	707.1	2.4	709.5
Insurance receivable — Asbestos	—	184.0	184.0
Workers' compensation — Asbestos	—	109.7	109.7
Deferred income taxes	18.0	—	18.0
Deferred income taxes — Asbestos	—	452.6	452.6
Other assets	34.7	—	34.7
Total assets	**$ 1,341.0**	**$ 630.8**	**$ 1,971.8**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	$ 98.5	$ 1.2	$ 99.7
Accrued payroll and employee benefits	33.0	0.2	33.2
Accrued product warranties	5.9	—	5.9
Income taxes payable	(16.9)	18.3	1.4
Asbestos liability	—	118.4	118.4
Workers' compensation — Asbestos	—	0.1	0.1
Other liabilities	16.8	—	16.8
Total current liabilities	**137.3**	**138.2**	**275.5**
Long-term debt	82.0	—	82.0
Deferred income taxes	101.4	—	101.4
Accrued product warranties	19.8	—	19.8
Asbestos liability	—	1,604.0	1,604.0
Workers' compensation — Asbestos	—	109.7	109.7
Australian Taxation Office — amended assessment	187.3	—	187.3
Other liabilities	39.4	2.8	42.2
Total liabilities	**567.2**	**1,854.7**	**2,421.9**
Shareholders' equity (deficit)			
Common stock	221.3	—	221.3
Additional paid-in capital	48.3	—	48.3
Retained earnings (accumulated deficit)	443.5	(1,226.4)	(782.9)
Accumulated other comprehensive income	60.7	2.5	63.2
Total shareholders' equity (deficit)	773.8	(1,223.9)	(450.1)
Total liabilities and shareholders' equity (deficit)	**$ 1,341.0**	**$ 630.8**	**$ 1,971.8**

James Hardie Industries SE
Consolidated Statement of Operations
For the nine months ended 31 December 2010
(unaudited)

US$ Millions	Total Fibre Cement Operations-excluding Asbestos Compensation	Asbestos Compensation	As Reported
Net Sales	$ 878.6	$ —	$ 878.6
Cost of goods sold	(583.6)	—	(583.6)
Gross profit	295.0	—	295.0
Selling, general and administrative expenses	(128.7)	(1.7)	(130.4)
Research and development expenses	(19.6)	—	(19.6)
Asbestos adjustments	—	(91.1)	(91.1)
EBIT	146.7	(92.8)	53.9
Net Interest (expense) income	(5.7)	2.4	(3.3)
Other expense	(4.6)	—	(4.6)
Operating profit (loss) before income taxes	136.4	(90.4)	46.0
Income tax expense[1]	(390.6)	(0.6)	(391.2)
Net Operating Loss	**$ (254.2)**	**$ (91.0)**	**$ (345.2)**

1 Includes a charge of US$345.2 million following the dismissal of RCI's appeal of the 1999 disputed amended tax assessment, which did not result in a cash outflow for the nine months ended 31 December 2010.

James Hardie Industries SE
Consolidated Statement of Cash Flows
For the nine months ended 31 December 2010
(unaudited)

US$ Millions	Total Fibre Cement Operations- excluding Asbestos Compensation	Asbestos Compensation	As Reported
Cash Flows from Operating Activities			
Net loss	(254.2)	(91.0)	$ (345.2)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Depreciation and amortisation	46.9	—	46.9
Deferred income taxes	(23.5)	0.6	(22.9)
Stock-based compensation	7.2	—	7.2
Asbestos adjustments	—	91.1	91.1
Tax benefit from stock options exercised	(0.8)	—	(0.8)
Changes in operating assets and liabilities:			
Restricted cash and cash equivalents	—	38.9	38.9
Restricted short-term investments	—	9.5	9.5
Payment to the AICF	—	(63.7)	(63.7)
Accounts and notes receivable	60.0	0.1	60.1
Inventories	(1.9)	—	(1.9)
Prepaid expenses and other assets	(2.8)	0.2	(2.6)
Insurance receivable — Asbestos	—	19.5	19.5
Accounts payable and accrued liabilities	(20.6)	(0.5)	(21.1)
Asbestos liability	—	(68.3)	(68.3)
Deposit with Australian Taxation Office	249.5	—	249.5
Australian Taxation Office — amended assessment	187.3	—	187.3
Other accrued liabilities	(77.6)	(0.1)	(77.7)
Net cash provided by (used in) operating activities	$ 169.5	$ (63.7)	$ 105.8
Cash Flows From Investing Activities			
Purchases of property, plant and equipment	(37.3)	—	(37.3)
Proceeds from sale of property, plant and equipment	0.6	—	0.6
Net cash used in investing activities	$ (36.7)	$ —	$ (36.7)
Cash Flows from Financing Activities			
Proceeds from long-term borrowings	417.0	—	417.0
Repayments of long-term borrowings	(489.0)	—	(489.0)
Proceeds from issuance of shares	1.0	—	1.0
Tax benefit from stock options exercised	0.8	—	0.8
Net cash used in financing activities	$ (70.2)	$ —	$ (70.2)
Effect of exchange rate changes on cash	6.0	—	6.0
Net increase (decrease) in cash and cash equivalents	68.7	(63.7)	5.0
Cash and cash equivalents at beginning of period	19.2	—	19.2
Cash and cash equivalents at end of period	$ 87.9	$ (63.7)	$ 24.2
Components of Cash and Cash Equivalents			
Cash at bank and on hand	87.8	(63.7)	24.1
Short-term deposits	0.1	—	0.1
Cash and cash equivalents at end of period	$ 87.9	$ (63.7)	$ 24.2

Disclaimer

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

- statements about the Company's future performance;
- projections of the Company's results of operations or financial condition;
- statements regarding the Company's plans, objectives or goals, including those relating to its strategies, initiatives, competition, acquisitions, dispositions and/or its products;
- expectations concerning the costs associated with the suspension or closure of operations at any of the Company's plants and future plans with respect to any such plants;
- expectations that the Company's credit facilities will be extended or renewed;
- expectations concerning dividend payments;
- statements concerning the Company's corporate and tax domiciles and potential changes to them, including potential tax charges;
- statements regarding tax liabilities and related audits, reviews and proceedings;
- statements as to the possible consequences of proceedings brought against the Company and certain of its former directors and officers by the ASIC;
- expectations about the timing and amount of contributions to the AICF, a special purpose fund for the compensation of proven Australian asbestos-related personal injury and death claims;
- expectations concerning indemnification obligations;
- 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; 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 99.4

James Hardie

Q3 FY11 Management Presentation

18 February 2011

James Hardie

Disclaimer

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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 48. 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 3rd quarter and nine months of the current fiscal year versus the 3rd quarter and nine months the prior fiscal year.

James Hardie

Operating Review

Louis Gries, CEO

James Hardie

Group Overview

- The net operating result excluding asbestos, ASIC expenses and tax adjustments for the 3rd quarter ended December 2010 decreased 30% to US$21.0 million
- The 3rd quarter operating result reflects the seasonal slowdown and continuing difficult conditions in the US housing market and a stronger contribution by the Asia Pacific businesses
- For the nine months, the net operating result, excluding asbestos, ASIC expenses and tax adjustments decreased 25% to US$82.2 million

US$ Millions	Q3 FY 2011	Q3 FY 2010	% Change	9 Months FY 11	9 Months FY 10	% Change
Net operating (loss) profit	(26.4)	14.9	-	(345.2)	(82.6)	-
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	**21.0**	**29.8**	(30)	**82.2**	**109.3**	(25)
Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments (US cents)	4.8	6.8	(29)	18.8	25.3	(26)

USA and Europe Fibre Cement

3rd Quarter Result *

Net Sales	up	2% to US$182.6 million
Sales Volume	up	1% to 277.9 mmsf
Average Price	up	1% to US$657 per msf
EBIT	down	34% to US$26.3 million
EBIT Margin	down	7.7 pts to 14.4%

*Comparisons are of the 3rd quarter of the current fiscal year versus the 3rd quarter of the prior fiscal year

USA and Europe Fibre Cement

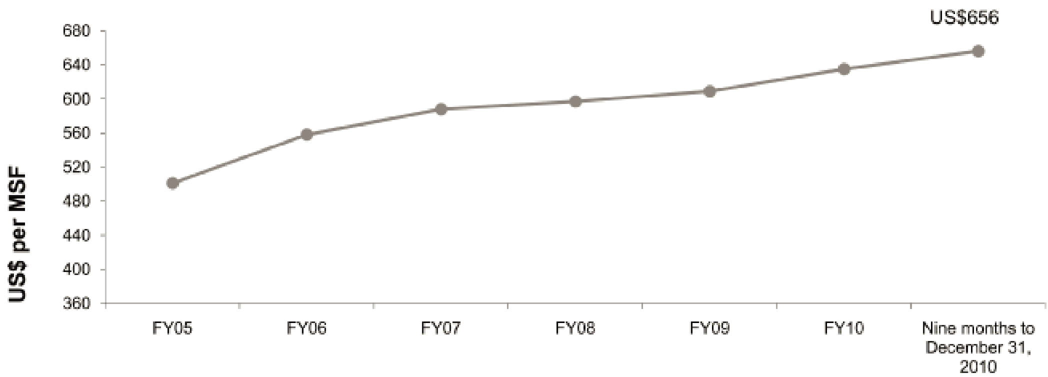
Nine Months Result *

Net Sales	down	2% to US$616.3 million
Sales Volume	down	5% to 939.2 mmsf
Average Price	up	3% to US$656 per msf
EBIT	down	30% to US$121.8 million
EBIT Margin	down	7.7 pts to 19.8%

*Comparisons are of nine months of the current fiscal year versus nine months of the prior fiscal year

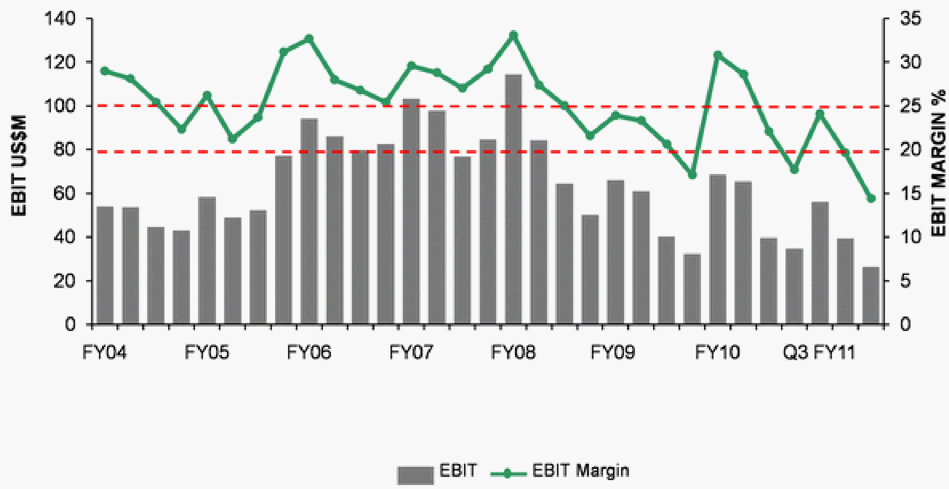
USA and Europe Fibre Cement

Average Net Sales Price



USA and Europe Fibre Cement

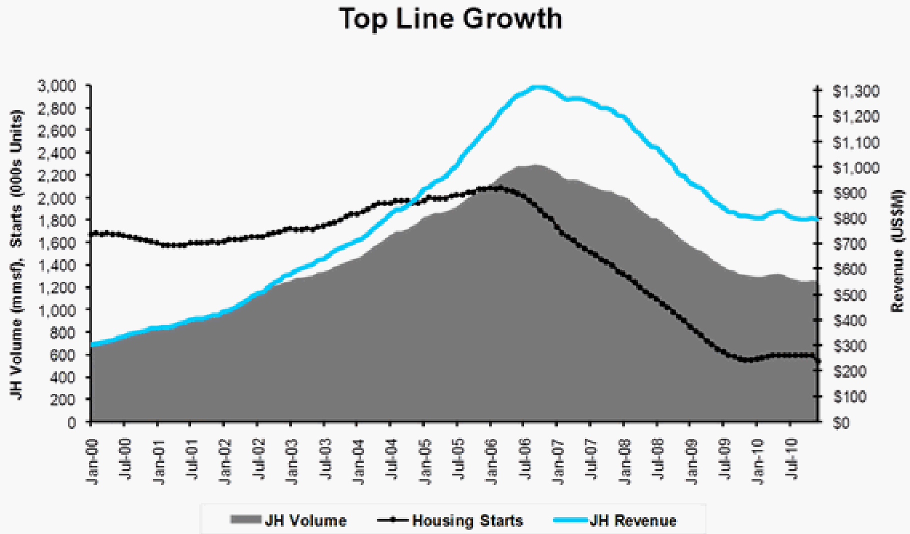
EBIT and EBIT Margin*



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

James Hardie

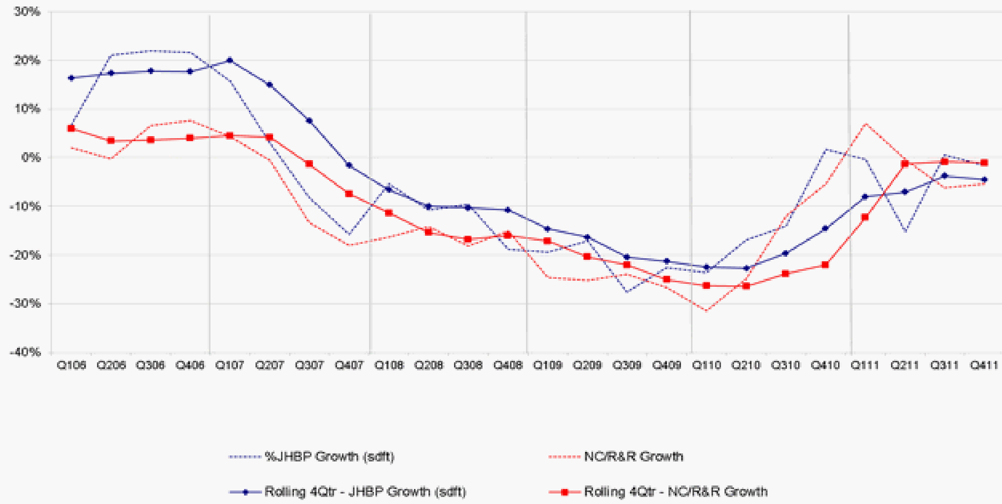
USA Fibre Cement



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

USA and Europe Fibre Cement

Primary Growth Performance



All market and market share figures are management estimates.

James Hardie

Asia Pacific Fibre Cement

3rd Quarter Result *

Net Sales	up	10% to US$90.0 million
Sales Volume	down	1% to 99.6 mmsf
Average Price	up	2% to A$911 per msf
EBIT	up	16% to US$20.0 million
EBIT Margin	up	1.1 pts to 22.2%

*Comparisons are of the 3rd quarter of the current fiscal year versus the 3rd quarter of the prior fiscal year

James Hardie

Asia Pacific Fibre Cement

Nine Months Result *

Net Sales	up	20% to US$262.3 million
Sales Volume	up	5% to 305.7 mmsf
Average Price	up	3% to A$928 per msf
EBIT	up	35% to US$60.0 million
EBIT Margin	up	2.6 pts to 22.9%

*Comparisons are of nine months of the current fiscal year versus nine months of the prior fiscal year

James Hardie

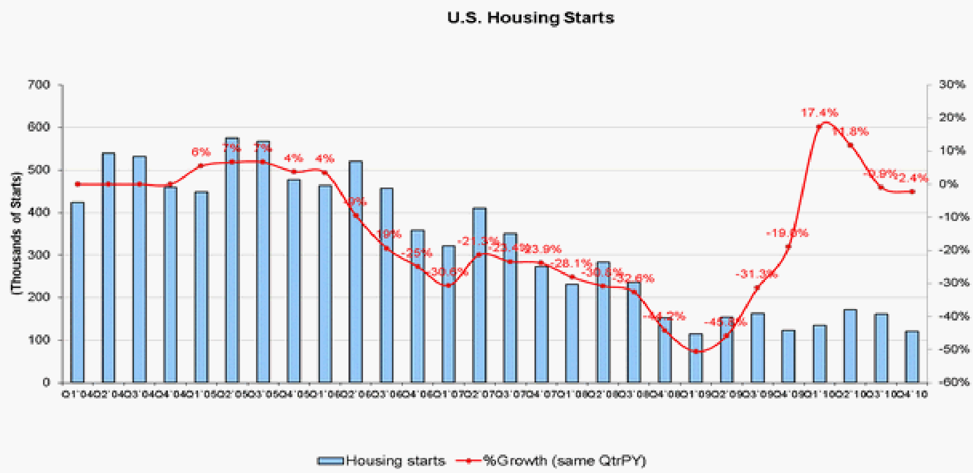
Group 3rd Quarter Summary*

- USA and Europe Fibre Cement results reflected:
  - The seasonal slowdown and ongoing adverse US market environment
  - Higher input costs – primarily pulp and freight
  - Higher unit cost of manufacturing following planned inventory reduction
  - Partially offset by a higher average net sales price and lower SG&A expenses
- Asia Pacific Fibre Cement results reflected:
  - Solid though moderating operating environment adversely affected by higher interest rates and abnormally heavy rainfall in eastern Australia
  - Increased sales of differentiated products
  - The appreciation of Asia Pacific business currencies against the US dollar

*Comparisons are of the 3rd quarter of the current fiscal year versus the 3rd quarter of the prior fiscal year

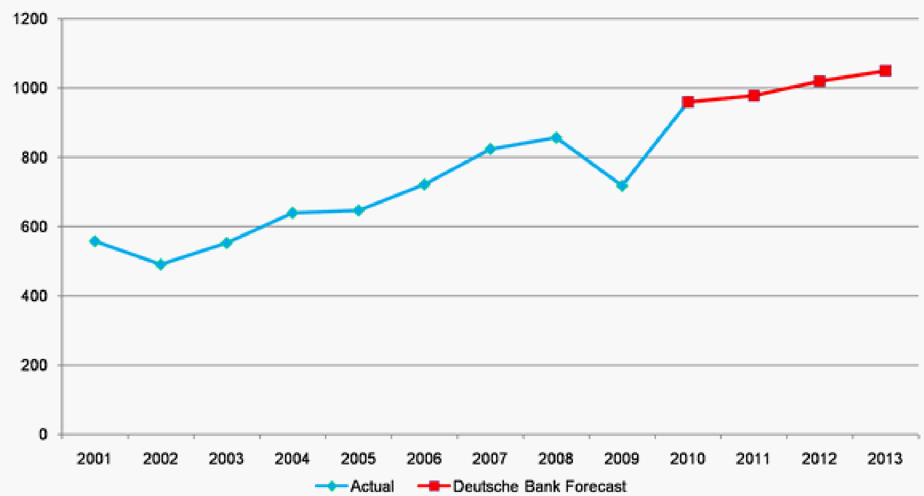
Total USA Housing Starts – US Census Bureau

- US housing starts data provide little evidence that a recovery is underway



Pulp Price Forecast

- Market commentators increasingly bearish in their forecasts for pulp costs



James Hardie

Group Outlook

United States

- Market environment likely to remain challenging
- No evidence that a recovery in the residential housing construction market is underway
- Pressure on input costs – particularly pulp
- While unemployment remains high and consumer confidence low, the company remains wary about predicting the timing of a US residential housing market recovery

Asia Pacific

- Momentum in the Australian housing construction market is likely to moderate due to:
  - Effects of recent rises in interest rates in Australia
  - Slowdown in the level of immigration
  - Near term impact of abnormally heavy rains and consequential flooding in Queensland, Victoria and northern New South Wales
- The New Zealand and Philippines markets are expected to remain relatively stable

James Hardie

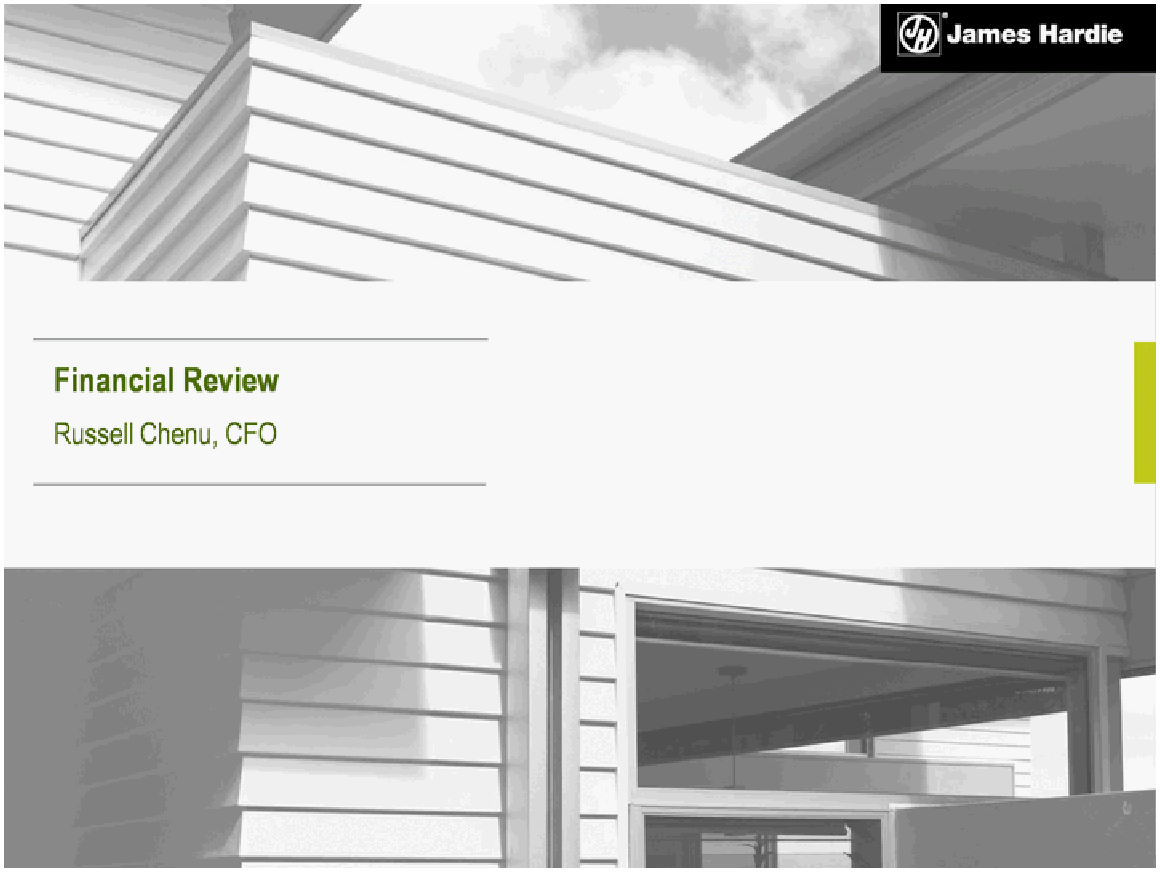
Group Outlook

Group Strategy

- The company's key medium term priorities in the US are:
  - Growing primary demand and exterior cladding market share – with focus on repair and remodel and non-metro markets
  - Increasing market penetration of our ColorPlus® products

Overall Group Strategy

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


James Hardie
Financial Review
Russell Chenu, CFO

James Hardie

Overview*

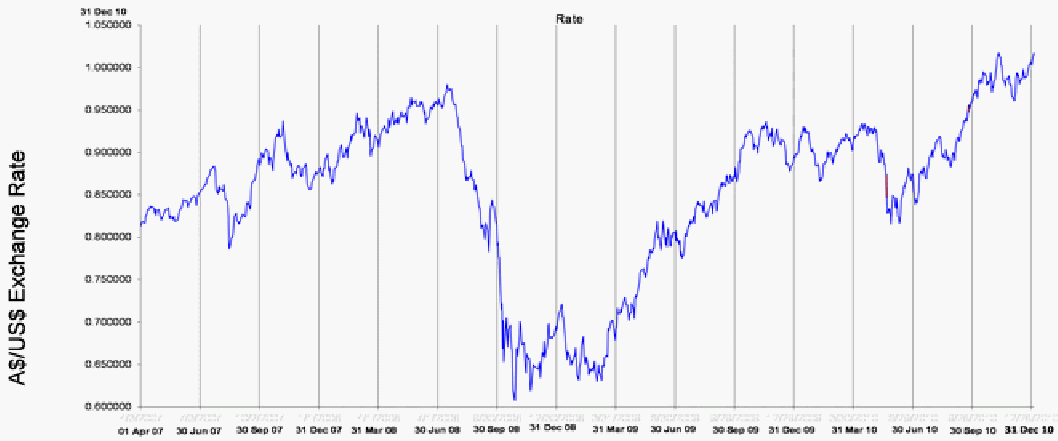
Operations

- US earnings this quarter were adversely affected by:
  - Lower new housing starts
  - Weakened repair and remodel market
  - High input costs – particularly pulp and freight
  - Unfavourable unit cost absorption due to lower production volume
- These influences were partially offset by:
  - Higher average net sales price
  - Lower SG&A expenses
- Asia Pacific earnings this quarter were adversely affected by moderating market conditions in Australia driven by recent increases in interest rates and abnormally heavy rains along the eastern seaboard

*Comparisons are of 3rd quarter of the current fiscal year versus the 3rd quarter of the prior fiscal year

James Hardie

Consequences of changes – A$ versus US$



	Earnings	Balance Sheet
▪ Favourable impact from translation of Asia Pacific results – Q3 FY11 vs Q3 FY10	√	
▪ Unfavourable impact from corporate costs incurred in Australian dollars – Q3 FY11 vs Q3 FY10	√	
▪ Unfavourable impact from translation of asbestos liability balance – 31 December 2010 vs 31 March 2010	√	√

Results – Q3

US$ Millions	Q3 '11	Q3 '10	% Change
Net sales	272.6	261.0	4
Gross profit	84.8	96.7	(12)
SG&A expenses	(49.4)	(46.9)	(5)
Research & development expenses	(5.9)	(7.2)	18
Asbestos adjustments	(46.4)	(17.5)	-
EBIT	**(16.9)**	**25.1**	-
Net interest expense	(1.3)	(0.8)	(63)
Other expense	2.7	2.2	23
Income tax expense	(10.9)	(11.6)	6
Net operating (loss) profit	**(26.4)**	**14.9**	-

James Hardie

Results – Q3 (continued)

US$ Millions	Q3 '11	Q3 '10	% Change
Net operating (loss) profit	(26.4)	14.9	-
Asbestos:			
Asbestos adjustments	46.4	17.5	-
Other asbestos *	-	(2.7)	-
ASIC related expenses	-	0.6	-
Tax adjustments	1.0	(0.5)	-
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	**21.0**	**29.8**	(30)

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

James Hardie

Results – Nine Months

US$ Millions	9 Months FY2011	9 Months FY2010	% Change
Net sales	878.6	849.7	3
Gross profit	295.0	324.7	(9)
SG&A expenses	(130.4)	(137.3)	5
Research & development expenses	(19.6)	(20.2)	3
Asbestos adjustments	(91.1)	(200.0)	54
EBIT	**53.9**	**(32.8)**	**-**
Net interest expense	(3.3)	(1.9)	(74)
Other (expense) income	(4.6)	6.0	-
Income tax expense	(391.2)	(53.9)	-
Net operating loss	**(345.2)**	**(82.6)**	**-**

James Hardie

Results – Nine Months (continued)

US$ Millions	9 Months FY2011	9 Months FY2010	% Change
Net operating loss	(345.2)	(82.6)	-
Asbestos:			
Asbestos adjustments	91.1	200.0	(54)
Other asbestos *	(0.7)	(5.7)	-
Tax benefit related to asbestos adjustments	0.6	-	-
ASIC related (recoveries) expenses	(9.5)	1.6	-
Tax adjustments	345.9	(4.0)	-
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	**82.2**	**109.3**	**(25)**

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

Segment Net Sales – Q3

US$ Millions

	Q3 '11	Q3 '10	% Change
USA and Europe Fibre Cement	182.6	179.1	2
Asia Pacific Fibre Cement	90.0	81.9	10
Total	**272.6**	**261.0**	**4**

Segment Net Sales – Nine Months

James Hardie

US$ Millions

	9 Months FY2011	9 Months FY2010	% Change
USA and Europe Fibre Cement	616.3	631.3	(2)
Asia Pacific Fibre Cement	262.3	218.4	20
Total	**878.6**	**849.7**	**3**

James Hardie

Segment EBIT – Q3

US$ Millions	Q3 '11	Q3 '10	% Change
USA and Europe Fibre Cement	26.3	39.6	(34)
Asia Pacific Fibre Cement	20.0	17.3	16
Research & development[1]	(4.0)	(6.1)	34
Total segment EBIT	42.3	50.8	(17)
General corporate excluding asbestos and ASIC expenses	(12.1)	(7.0)	(73)
Total EBIT excluding asbestos and ASIC expenses	**30.2**	**43.8**	**(31)**
Asbestos adjustments	(46.4)	(17.5)	-
AICF SG&A expenses	(0.7)	(0.6)	(17)
ASIC expenses	-	(0.6)	-
Total EBIT	(16.9)	25.1	-

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

James Hardie

Segment EBIT – Nine Months

US$ Millions	9 Months FY 2011	9 Months FY 2010	% Change
USA and Europe Fibre Cement	121.8	173.7	(30)
Asia Pacific Fibre Cement	60.0	44.4	35
Research & development[1]	(14.0)	(14.9)	6
Total segment EBIT	167.8	203.2	(17)
General corporate excluding asbestos and ASIC expenses	(30.6)	(32.8)	7
Total EBIT excluding asbestos and ASIC expenses	**137.2**	**170.4**	**(19)**
Asbestos adjustments	(91.1)	(200.0)	54
AICF SG&A expenses	(1.7)	(1.6)	(6)
ASIC expenses	9.5	(1.6)	-
Total EBIT	53.9	(32.8)	-

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

James Hardie

Income Tax Expense – Q3

US$ Millions	Q3 '11	Q3 '10
Operating (loss) profit before income taxes	(15.5)	26.5
Asbestos:		
Asbestos adjustments	46.4	17.5
Other asbestos *	-	(2.7)
Operating profit before income taxes excluding asbestos	30.9	41.3
Income tax expense	(10.9)	(11.6)
Tax adjustments	1.0	(0.5)
Income tax expense excluding tax adjustments	(9.9)	(12.1)
Effective tax rate excluding asbestos and tax adjustments	32.0%	29.3%

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

Income Tax Expense – Nine Months

US$ Millions	9 Months FY 2011	9 Months FY 2010
Operating profit (loss) before income taxes	46.0	(28.7)
Asbestos:		
Asbestos adjustments	91.1	200.0
Other asbestos *	(0.7)	(5.7)
Operating profit before income taxes excluding asbestos	136.4	165.6
Income tax expense	(391.2)	(53.9)
Asbestos:		
Tax expense related to asbestos adjustments	0.6	-
Tax adjustments	345.9	(4.0)
Income tax expense excluding tax adjustments	(44.7)	(57.9)
Effective tax rate excluding asbestos and tax adjustments	32.8%	35.0%

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

Cash Flow

US$ Millions	9 Months FY 2011	9 Months FY 2010
EBIT	**53.9**	**(32.8)**
Non-cash items:		
Asbestos adjustments	91.1	200.0
Other non-cash items	30.4	96.5
Net working capital movements	33.9	(64.6)
Cash Generated By Trading Activities	**209.3**	**199.1**
Tax payments	(33.0)	(40.9)
Change in asbestos-related assets & liabilities	(0.7)	57.2
Payment to the AICF	(63.7)	-
Deposit with ATO	-	(14.4)
Interest paid (net)	(6.1)	(2.4)
Net Operating Cash Flow	**105.8**	**198.6**
Purchases of property, plant & equipment	(37.3)	(35.2)
Proceeds from sale of property, plant & equipment	0.6	-
Equity issued	1.8	9.1
Effect of exchange rate on cash	6.1	(31.7)
Movement In Net Cash	**77.0**	**140.8**
Beginning Net Debt	(134.8)	(281.6)
Ending Net Debt	**(57.8)**	**(140.8)**

James Hardie

Debt

- At 31 December 2010

US$ Millions		
Total facilities		265.0
Gross debt	82.0	
Cash	24.2	
Net debt		57.8
Unutilised facilities and cash		**207.2**

- Net debt decreased by US$77.0 million compared to net debt at 31 March 2010
- Net debt decreased by US$81.6 million compared to net debt at 30 September 2010
- Weighted average remaining term of total facilities of US$265.0 million was 1.7 years at 31 December 2010 down from 1.9 years at 31 December 2009
- James Hardie remains well within its financial debt covenants

James Hardie

Legacy Issues Update

ATO – 1999 Disputed Amended Assessment

- James Hardie's initial appeal dismissed in September 2010
- Appeal to full bench of the Federal Court expected to be heard in 2011
- Charge of US$345.2 million effective 1 September 2010 (no impact to net operating cash flow for the nine month period)

ASIC Proceedings

- Court of Appeal judgement handed down on 17 December 2010
- Company's appeal dismissed
- Non-executive directors appeals upheld
- ASIC and former executives seeking special leave to appeal certain aspects of Court of Appeal judgment to the High Court of Australia
- Determination of special leave applications expected by August 2011

Asbestos

- NSW and Australian Governments announced on 7 December 2010 that a standby loan facility of up to A$320 million for the AICF had been formalised
- Satisfaction of conditions precedent to drawdown currently in process

Asbestos Fund Update – Pro forma at 31 December 2010 (unaudited)

A$ millions	
AICF holdings 31 March 2010 (cash and short term investments)	63.1
Contribution by James Hardie*	72.8
Insurance and cross claim recoveries	21.0
Interest income and unrealised gain on investments	4.0
Claims paid	(71.9)
Operating costs	(3.9)
Net AICF holdings 31 December 2010 (cash and short term investments)	85.1

*In accordance with the Amended and Restated Final Funding Agreement

Key Ratios

	9 Months FY 2011	FY 2010	FY 2009
EPS (Diluted)[1,3]	25.0c	30.2c	23.1c
Dividend Paid per share	N/A	N/A	8.0c
Return on Shareholders' Funds[1,3]	9.5%	13.1%	11.6%
Return on Capital Employed[2,3]	20.4%	17.4%	16.7%
EBIT/ Sales (EBIT margin)[2]	15.6%	18.6%	14.2%
Gearing Ratio[1]	4.6%	10.9%	24.0%
Net Interest Expense Cover[2]	24.1x	28.6x	18.2x
Net Interest Paid Cover[2]	22.1x	29.0x	21.9x
Net Debt Payback[3,4]	0.3yrs	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] EPS, Dividend Paid per share, Return on Shareholders' Funds, Return on Capital Employed and Net Debt Payback are reported as annualised on the basis of Nine Months '11 results
[4] Excludes payments under the Amended FFA

Summary

- USA and Europe Fibre Cement 3rd quarter EBIT decreased by 34% to US$26.3 million due mainly to unfavourable cost absorption and higher input costs partially offset by a higher net sales price and a reduction in SG&A expenses. For the nine months, EBIT fell 30% to US$121.8 million

- Asia Pacific 3rd quarter EBIT increased 16% to US$20.0 million. Favourable currency exchange rate movements accounted for 13% of this increase. For the nine months EBIT increased 35% to US$60.0 million

- The Company's net operating profit excluding asbestos, ASIC expense and tax adjustments decreased 30% and 25% in the quarter and nine months respectively to US$21.0 million and US$82.2 million

Guidance

- Management anticipates FY11 full year earnings excluding asbestos, ASIC expenses and tax adjustments to be in the range of US$105 million to US$115 million
- Management cautions the outlook remains uncertain with US operating environment remaining challenging, Australian conditions moderating and forecasts for input costs, particularly pulp, trending upwards
- Despite the difficult US market environment the Company continues to perform well operationally and financially. Management and employees remain focused on driving our long term strategies

Questions and Answers

Appendix

James Hardie

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

James Hardie

General Corporate Costs – Q3

US$ Millions	Q3 '11	Q3 '10	% Change
Stock compensation expense	2.4	1.6	(50)
Legal provision write back	-	(7.6)	-
Other costs	9.7	11.8	18
General corporate costs excluding ASIC expenses and domicile change related costs	12.1	5.8	-
ASIC related expenses	-	0.6	-
Domicile change related costs	-	1.2	(1)
General corporate costs	12.1	7.6	(59)

James Hardie

General Corporate Costs – Nine Months

US$ Millions	9 Months FY2011	9 Months FY2010	% Change
Stock compensation expense	7.2	5.6	(29)
Legal provision write back	-	(7.6)	-
Other costs	21.6	26.4	18
General corporate costs excluding ASIC expenses and domicile change related costs	28.8	24.4	(18)
ASIC related (recoveries) expenses *	(9.5)	1.6	-
Domicile change related costs	1.8	8.4	79
General corporate costs	21.1	34.4	39

*FY2011 includes US$10.3 million recovery from third parties

James Hardie

EBITDA – Q3

US$ Millions	Q3 '11	Q3 '10	% Change
EBIT			
USA and Europe Fibre Cement	26.3	39.6	(34)
Asia Pacific Fibre Cement	20.0	17.3	16
Research & development	(4.0)	(6.1)	34
General corporate excluding asbestos and ASIC expenses	(12.1)	(7.0)	(73)
Depreciation and Amortisation			
USA and Europe Fibre Cement	13.2	13.2	-
Asia Pacific Fibre Cement	2.7	2.6	4
Total EBITDA excluding asbestos and ASIC expenses	**46.1**	**59.6**	**(23)**
Asbestos adjustments	(46.4)	(17.5)	-
AICF SG&A expenses	(0.7)	(0.6)	(17)
ASIC expenses	-	(0.6)	-
Total EBITDA	**(1.0)**	**40.9**	**-**

James Hardie

EBITDA – Nine Months

US$ Millions	9 Months FY 2011	9 Months FY 2010	% Change
EBIT			
USA and Europe Fibre Cement	121.8	173.7	(30)
Asia Pacific Fibre Cement	60.0	44.4	35
Research & development	(14.0)	(14.9)	6
General corporate excluding asbestos and ASIC expenses	(30.6)	(32.8)	7
Depreciation and Amortisation			
USA and Europe Fibre Cement	39.6	38.4	3
Asia Pacific Fibre Cement	7.3	7.2	1
Total EBITDA excluding asbestos and ASIC expenses	**184.1**	**216.0**	**(15)**
Asbestos adjustments	(91.1)	(200.0)	54
AICF SG&A expenses	(1.7)	(1.6)	(6)
ASIC expenses	9.5	(1.6)	-
Total EBITDA	**100.8**	**12.8**	**-**

James Hardie

Capital Expenditure

US$ Millions	9 Months FY 2011	9 Months FY 2010	% Change
USA and Europe Fibre Cement	31.4	29.5	6
Asia Pacific Fibre Cement	5.9	5.7	4
Total	**37.3**	**35.2**	**7**

James Hardie

Net Interest Expense

US$ Millions	Q3 '11	Q3 '10	9 Months FY 2011	9 Months FY 2010
Gross interest expense	(1.0)	(1.7)	(3.2)	(3.7)
Capitalised interest	-	-	-	0.1
Interest income	-	0.1	0.3	0.3
Realised loss on interest rate swaps	(1.0)	(0.1)	(2.8)	(1.2)
Net interest expense excluding AICF interest income	**(2.0)**	**(1.7)**	**(5.7)**	**(4.5)**
AICF interest income	0.7	0.9	2.4	2.6
Net interest expense	(1.3)	(0.8)	(3.3)	(1.9)

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 the Management's Analysis of Results, Media Release and Condensed Consolidated Financial Statements.

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.

James Hardie

Financial Ratios

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

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

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

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

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

Non-US GAAP Financial Measures

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

US$ Millions	Q3 FY 2011	Q3 FY 2010	9 Months FY 2011	9 Months FY 2010
EBIT	$ (16.9)	$ 25.1	$ 53.9	$ (32.8)
Asbestos:				
Asbestos adjustments	46.4	17.5	91.1	200.0
AICF SG&A expenses	0.7	0.6	1.7	1.6
ASIC related expenses (recoveries)	-	0.6	(9.5)	1.6
EBIT excluding asbestos and ASIC expenses	30.2	43.8	137.2	170.4
Net sales	$ 272.6	$ 261.0	$ 878.6	$ 849.7
EBIT margin excluding asbestos and ASIC expenses	11.1%	16.8%	15.6%	20.1%

Non-US GAAP Financial Measures (continued)

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

US$ Millions	Q3 FY 2011	Q3 FY 2010	9 Months FY 2011	9 Months FY 2010
Net operating (loss) profit	$ (26.4)	$ 14.9	$ (345.2)	$ (82.6)
Asbestos:				
Asbestos adjustments	46.4	17.5	91.1	200.0
AICF SG&A expenses	0.7	0.6	1.7	1.6
AICF interest income	(0.7)	(0.9)	(2.4)	(2.6)
Gain on AICF investments	-	(2.4)	-	(4.7)
Tax expense related to asbestos adjustments	-	-	0.6	-
ASIC related expenses (recoveries)	-	0.6	(9.5)	1.6
Tax adjustments	1.0	(0.5)	345.9	(4.0)
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	$ 21.0	$ 29.8	$ 82.2	$ 109.3

Non-US GAAP Financial Measures (continued)

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

US$ Millions	Q3 FY 2011	Q3 FY 2010	9 Months FY 2011	9 Months FY 2010
Net operating profit excluding asbestos, ASIC expenses and tax adjustments	$ 21.0	$ 29.8	$ 82.2	$ 109.3
Weighted average common shares outstanding - Diluted (millions)	438.0	438.8	437.7	432.7
Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments (US cents)	4.8	6.8	18.8	25.3

Non-US GAAP Financial Measures (continued)

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

US$ Millions	Q3 FY 2011	Q3 FY 2010	9 Months FY 2011	9 Months FY 2010
Operating (loss) profit before income taxes	$ (15.5)	$ 26.5	$ 46.0	$ (28.7)
Asbestos:				
Asbestos adjustments	46.4	17.5	91.1	200.0
AICF SG&A expenses	0.7	0.6	1.7	1.6
AICF interest income	(0.7)	(0.9)	(2.4)	(2.6)
Gain on AICF investments	-	(2.4)	-	(4.7)
Operating profit before income taxes excluding asbestos	$ 30.9	$ 41.3	$ 136.4	$ 165.6
Income tax expense	(10.9)	(11.6)	(391.2)	(53.9)
Asbestos:				
Tax expense related to asbestos adjustments	-	-	0.6	-
Tax adjustments	1.0	(0.5)	345.9	(4.0)
Income tax expense excluding tax adjustments	(9.9)	(12.1)	(44.7)	(57.9)
Effective tax rate excluding asbestos and tax adjustments	32.0%	29.3%	32.8%	35.0%

Non-US GAAP Financial Measures (continued)

Adjusted 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 adjusted EBITDA in the same manner as James Hardie has and, accordingly, adjusted EBITDA may not be comparable with other companies. The company has included information concerning adjusted EBITDA because it believes that this data is commonly used by investors to evaluate the ability of a company's earnings from its core business operations to satisfy its debt, capital expenditure and working capital requirements.

US$ Millions	Q3 FY 2011	Q3 FY 2010	9 Months FY 2011	9 Months FY 2010
EBIT	$ (16.9)	$ 25.1	$ 53.9	$ (32.8)
Depreciation and amortisation	15.9	15.8	46.9	45.6
Adjusted EBITDA	$ (1.0)	$ 40.9	$ 100.8	$ 12.8

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	Q3 FY 2011	Q3 FY 2010	9 Months FY 2011	9 Months FY 2010
General corporate costs	$ 12.1	$ 7.6	$ 21.1	$ 34.4
Excluding:				
ASIC related (expenses) recoveries	-	(0.6)	9.5	(1.6)
Domicile change related costs	-	(1.2)	(1.8)	(8.4)
General corporate costs excluding ASIC expenses and domicile change related costs	$ 12.1	$ 5.8	$ 28.8	$ 24.4

Q3 FY11 Management Presentation

18 February 2011

Exhibit 99.5

James Hardie Industries SE
and Subsidiaries
Condensed Consolidated Financial Statements
as of and for the Period Ended 31 December 2010

James Hardie Industries SE and Subsidiaries Index

Item 1. Condensed Consolidated Financial Statements (Unaudited)

Item 1. Financial Statements

James Hardie Industries SE and Subsidiaries
Consolidated Balance Sheets
(Unaudited)

	(Millions of US dollars) 31 December 2010	31 March 2010
Assets		
Current assets:		
Cash and cash equivalents	**$ 24.2**	$ 19.2
Restricted cash and cash equivalents	**0.7**	0.6
Restricted cash and cash equivalents — Asbestos	**80.8**	44.5
Restricted short-term investments — Asbestos	**5.7**	13.3
Accounts and other receivables, net of allowance for doubtful accounts of $2.4 million and $2.3 million as of 31 December 2010 and 31 March 2010, respectively	**100.9**	155.0
Inventories	**155.1**	149.1
Prepaid expenses and other current assets	**38.4**	25.6
Insurance receivable — Asbestos	**18.6**	16.7
Workers' compensation — Asbestos	**0.1**	0.1
Deferred income taxes	**20.0**	24.0
Deferred income taxes — Asbestos	**14.2**	16.4
Total current assets	**458.7**	464.5
Restricted cash and cash equivalents	**4.6**	4.7
Property, plant and equipment, net	**709.5**	710.6
Insurance receivable — Asbestos	**184.0**	185.1
Workers' compensation — Asbestos	**109.7**	98.8
Deferred income taxes	**18.0**	3.2
Deferred income taxes — Asbestos	**452.6**	420.0
Deposit with Australian Taxation Office	**—**	247.2
Other assets	**34.7**	44.7
Total assets	**$ 1,971.8**	$ 2,178.8
Liabilities and Shareholders' Deficit		
Current liabilities:		
Accounts payable and accrued liabilities	**$ 99.7**	$ 100.9
Current portion of long-term debt	**—**	95.0
Accrued payroll and employee benefits	**33.2**	42.1
Accrued product warranties	**5.9**	6.7
Income taxes payable	**1.4**	34.9
Asbestos liability	**118.4**	106.7
Workers' compensation — Asbestos	**0.1**	0.1
Other liabilities	**16.8**	27.7
Total current liabilities	**275.5**	414.1
Long-term debt	**82.0**	59.0
Deferred income taxes	**101.4**	113.5
Accrued product warranties	**19.8**	18.2
Asbestos liability	**1,604.0**	1,512.5
Workers' compensation — Asbestos	**109.7**	98.8
Australian Taxation Office — unpaid amended assessment	**187.3**	—
Other liabilities	**42.2**	80.6
Total liabilities	**2,421.9**	2,296.7
Commitments and contingencies (Note 9)		
Shareholders' deficit:		
Common stock, Euro 0.59 par value, 2.0 billion shares authorised; 436,085,585 shares issued at 31 December 2010 and 434,524,879 shares issued at 31 March 2010	**221.3**	221.1
Additional paid-in capital	**48.3**	39.5
Accumulated deficit	**(782.9)**	(437.7)
Accumulated other comprehensive income	**63.2**	59.2
Total shareholders' deficit	**(450.1)**	(117.9)
Total liabilities and shareholders' deficit	**$ 1,971.8**	$ 2,178.8

The accompanying notes are an integral part of these 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 31 December 2010	Three Months Ended 31 December 2009	Nine Months Ended 31 December 2010	Nine Months Ended 31 December 2009
Net sales	**$ 272.6**	$ 261.0	**$ 878.6**	$ 849.7
Cost of goods sold	**(187.8)**	(164.3)	**(583.6)**	(525.0)
Gross profit	**84.8**	96.7	**295.0**	324.7
Selling, general and administrative expenses	**(49.4)**	(46.9)	**(130.4)**	(137.3)
Research and development expenses	**(5.9)**	(7.2)	**(19.6)**	(20.2)
Asbestos adjustments	**(46.4)**	(17.5)	**(91.1)**	(200.0)
Operating (loss) income	**(16.9)**	25.1	**53.9**	(32.8)
Interest expense	**(2.0)**	(1.8)	**(6.0)**	(4.8)
Interest income	**0.7**	1.0	**2.7**	2.9
Other income (expense)	**2.7**	2.2	**(4.6)**	6.0
(Loss) income before income taxes	**(15.5)**	26.5	**46.0**	(28.7)
Income tax expense	**(10.9)**	(11.6)	**(391.2)**	(53.9)
Net (loss) income	**$ (26.4)**	$ 14.9	**$ (345.2)**	$ (82.6)
Net (loss) income per share — basic	**$ (0.06)**	$ 0.03	**$ (0.79)**	$ (0.19)
Net (loss) income per share — diluted	**$ (0.06)**	$ 0.03	**$ (0.79)**	$ (0.19)
Weighted average common shares outstanding (Millions):				
Basic	**435.8**	433.3	**435.3**	432.7
Diluted	**435.8**	438.8	**435.3**	432.7

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

James Hardie Industries SE and Subsidiaries
Consolidated Statements of Cash Flows
(Unaudited)

(Millions of US dollars)	Nine Months Ended 31 December 2010	2009
Cash Flows From Operating Activities		
Net loss	**$ (345.2)**	$ (82.6)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortisation	**46.9**	45.6
Deferred income taxes	**(22.9)**	45.3
Stock-based compensation	**7.2**	5.6
Asbestos adjustments	**91.1**	200.0
Tax benefit from stock options exercised	**(0.8)**	—
Changes in operating assets and liabilities:		
Restricted cash and cash equivalents	**38.9**	14.6
Restricted short-term investments	**9.5**	42.6
Payment to the AICF	**(63.7)**	—
Accounts and other receivables	**60.1**	(17.4)
Inventories	**(1.9)**	(14.4)
Prepaid expenses and other assets	**(2.6)**	(32.5)
Insurance receivable — Asbestos	**19.5**	10.8
Accounts payable and accrued liabilities	**(21.1)**	20.4
Asbestos liability	**(68.3)**	(72.9)
Deposit with Australian Taxation Office	**249.5**	(14.4)
Australian Taxation Office — unpaid amended assessment	**187.3**	—
Other accrued liabilities	**(77.7)**	47.9
Net cash provided by operating activities	**$ 105.8**	$ 198.6
Cash Flows From Investing Activities		
Purchases of property, plant and equipment	**$ (37.3)**	$ (35.2)
Proceeds from sale of property, plant and equipment	**0.6**	—
Net cash used in investing activities	**$ (36.7)**	$ (35.2)
Cash Flows From Financing Activities		
Repayments of short-term borrowings	—	(93.3)
Proceeds from long-term borrowings	**417.0**	110.0
Repayments of long-term borrowings	**(489.0)**	(148.7)
Proceeds from issuance of shares	**1.0**	8.3
Tax benefit from stock options exercised	**0.8**	0.9
Net cash used in financing activities	**$ (70.2)**	$ (122.8)
Effects of exchange rate changes on cash	**$ 6.1**	$ (31.8)
Net increase in cash and cash equivalents	**5.0**	8.8
Cash and cash equivalents at beginning of period	**19.2**	42.4
Cash and cash equivalents at end of period	**$ 24.2**	$ 51.2
Components of Cash and Cash Equivalents		
Cash at bank and on hand	**$ 24.1**	$ 35.9
Short-term deposits	**0.1**	15.3
Cash and cash equivalents at end of period	**$ 24.2**	$ 51.2

The accompanying notes are an integral part of these 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 loss	—	—	(345.2)	—	(345.2)
Unrealised gain on investments	—	—	—	1.3	1.3
Foreign currency translation loss	—	—	—	2.7	2.7
Other comprehensive loss	—	—	—	4.0	4.0
Total comprehensive loss					(341.2)
Stock-based compensation	—	7.2	—	—	7.2
Tax benefit from stock options exercised	—	0.8	—	—	0.8
Equity awards exercised/released	0.2	0.8	—	—	1.0
Balances as of 31 December 2010	**$ 221.3**	**$ 48.3**	**$ (782.9)**	**$ 63.2**	**$ (450.1)**

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

1. Background and Basis of Presentation

Nature of Operations

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

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 and, in so doing, became an Irish "SE" Company. 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 a 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 which, in the opinion of the Company's management, are necessary to state fairly the consolidated financial position of the Company at 31 December 2010, and the consolidated results of operations for the three months and nine months ended 31 December 2010 and 2009 and consolidated cash flows for the nine months ended 31 December 2010 and 2009. Except for the adjustment to the consolidated financial statements relating to RCI's 1999 disputed amended assessment with the Australian Taxation Office ("ATO"), which is fully set forth in Note 10, all adjustments are normal and recurring for the periods noted above.

The results of operations for the three months and nine months ended 31 December 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 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$1.6 million and US$2.2 million during the three months ended 31 December 2010 and 2009, respectively, and US$6.5 million and US$6.7 million during the nine months ended 31 December 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 loss per share are as follows:

	Three Months Ended 31 December		Nine Months Ended 31 December	
(Millions of shares)	**2010**	2009	**2010**	2009
Basic common shares outstanding	**435.8**	433.3	**435.3**	432.7
Dilutive effect of stock awards	—	5.5	—	—
Diluted common shares outstanding	**435.8**	438.8	**435.3**	432.7

(US dollars)	**2010**	2009	**2010**	2009
Net loss per share — basic and diluted	**$(0.06)**	$0.03	**$(0.79)**	$(0.19)
Net loss per share — diluted	**$(0.06)**	$0.03	**$(0.79)**	$(0.19)

Potential common shares of 13.6 million and 7.6 million for the three months ended 31 December 2010 and 2009, respectively, and 13.4 million for each of the nine months ended 31 December 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 nine months ended 31 December 2010, the Company did not provide financial or other support to the AICF that it was not previously contractually required to provide. Future funding of the AICF by the Company 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 in 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 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 records insurance receivables that are deemed probable of being realised.

Included in insurance receivable is US$10.6 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 on 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 on its consolidated financial position, results of operations or cash flows.

3. Restricted Cash

Included in restricted cash and cash equivalents is US$5.3 million related to an insurance policy at 31 December 2010 and 31 March 2010, which restrict the cash from use for general corporate purposes.

4. Inventories

Inventories consist of the following components:

(Millions of US dollars)	**31 December 2010**	31 March 2010
Finished goods	**$ 102.1**	$ 99.8
Work-in-process	**5.1**	4.8
Raw materials and supplies	**54.7**	52.0
Provision for obsolete finished goods and raw materials	**(6.8)**	(7.5)
Total inventories	**$ 155.1**	$ 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	$ 205.2	$ 897.9	$ 47.7	**$ 1,221.3**
Accumulated depreciation	—	(57.0)	(401.3)	—	**(510.7)**
Net book value	18.1	144.8	500.0	47.7	**710.6**
Changes in net book value:					
Capital expenditures	0.2	3.7	54.0	(20.6)	**37.3**
Retirements and sales	—	—	(0.6)	—	**(0.6)**
Depreciation	—	(7.1)	(39.8)	—	**(46.9)**
Foreign currency translation adjustments	—	—	9.1	—	**9.1**
Total changes	0.2	(3.4)	22.7	(20.6)	**(1.1)**
Balance at 31 December 2010:					
Cost	18.3	208.9	960.4	27.1	**1,214.7**
Accumulated depreciation	—	(64.1)	(441.1)	—	**(505.2)**
Net book value	$ 18.3	$ 144.8	$ 519.3	$ 27.1	**$ 709.5**

1 Construction in progress consists of plant expansions and upgrades.

6. Short and Long-Term Debt

At 31 December 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	—	$ 45.0	$ —
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until December 2012	—	130.0	—
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until February 2013	1.15%	90.0	82.0
Total		**$ 265.0**	**$ 82.0**

The weighted average fixed interest rate on the Company's interest rate swap contracts is set forth in Note 8. The weighted average interest rate on the Company's total debt was 1.15% and 0.92% at 31 December 2010 and 31 March 2010, respectively, and the weighted average term of all debt facilities is 1.7 years at 31 December 2010.

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 31 December 2010, credit facilities included term facilities in the amount of US$45.0 million that mature in February 2011. As of 31 December 2010, no amounts were outstanding under these credit facilities. In February 2011, the Company replaced these credit facilities with new term facilities totaling US$100.0 million. These facilities became available to the Company in February 2011. US$50.0 million of these facilities mature in September 2012 and US$50.0 million of these facilities mature in February 2014.

For all facilities, the interest rate is calculated two business days prior to the commencement of each draw-down period based on the US$ London Interbank Offered Rate ("LIBOR") plus the margins of individual lenders and is payable at the end of each draw-down period. At 31 December 2010, there was US$82.0 million drawn under the combined facilities and US$183.0 million was unutilised and available.

At 31 December 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

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

Asbestos Adjustments

The asbestos adjustments included in the consolidated statements of operations comprise unfavourable foreign currency movements of US$46.4 million and US$17.5 million for the three months ended 31 December 2010 and 2009, respectively, and unfavourable foreign currency movements of US$91.1 million and US$200.0 million for the nine months ended 31 December 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)	**31 December 2010**	31 March 2010
Asbestos liability — current	**$ (118.4)**	$ (106.7)
Asbestos liability — non-current	**(1,604.0)**	(1,512.5)
Asbestos liability — Total	**(1,722.4)**	(1,619.2)
Insurance receivable — current	**18.6**	16.7
Insurance receivable — non-current	**184.0**	185.1
Insurance receivable — Total	**202.6**	201.8
Workers' compensation asset — current	**0.1**	0.1
Workers' compensation asset — non-current	**109.7**	98.8
Workers' compensation liability — current	**(0.1)**	(0.1)
Workers' compensation liability — non-current	**(109.7)**	(98.8)
Workers' compensation — Total	**—**	—
Deferred income taxes — current	**14.2**	16.4
Deferred income taxes — non-current	**452.6**	420.0
Deferred income taxes — Total	**466.8**	436.4
Income tax payable	**18.3**	16.5
Other net liabilities	**(1.5)**	(1.7)
Net Amended FFA liability	**(1,036.2)**	(966.2)
Restricted cash and cash equivalents and restricted short-term investment assets of the AICF	**86.5**	57.8
Unfunded Net Amended FFA liability	**$ (949.7)**	$ (908.4)

On 1 July 2010, the Company contributed US$63.7 million to the AICF in accordance with the terms of the Amended FFA.

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 nine months ended 31 December 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]	71.9	1.0808	66.5
AICF claims-handling costs incurred[1]	1.9	1.0808	1.8
Loss on foreign currency exchange			(171.5)
Asbestos liability — 31 December 2010	**A$ (1,694.2)**	0.9836	**$ (1,722.4)**

Insurance Receivable — Asbestos

The changes in the insurance receivable for the nine months ended 31 December 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]	(21.0)	1.0808	(19.5)
Gain on foreign currency exchange			20.3
Insurance receivable — 31 December 2010	**A$ 199.3**	0.9836	**$ 202.6**

Deferred Income Taxes — Asbestos

The changes in the deferred income taxes — asbestos for the nine months ended 31 December 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]	(16.7)	1.0808	(15.5)
AICF earnings[1]	(0.7)	1.0808	(0.6)
Gain on foreign currency exchange			46.5
Deferred tax assets — 31 December 2010	**A$ 459.1**	0.9836	**$ 466.8**

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 31 December 2010 and 31 March 2010, this amount was US$15.5 million and US$15.3 million, respectively. During the nine months ended 31 December 2010, there was a US$1.8 million unfavourable effect of foreign currency exchange.

Other Net Liabilities

Other net liabilities include a provision for asbestos-related education and medical research contributions of US$2.8 million and US$2.6 million at 31 December 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$1.3 million and US$0.9 million at 31 December 2010 and 31 March 2010, respectively. During the nine months ended 31 December 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 31 December 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$1.3 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 nine months ended 31 December 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]	(71.9)	1.0808	(66.5)
Payments received in accordance with AFFA[2]	72.8	1.1430	63.7
AICF operating costs paid — claims-handling[1]	(1.9)	1.0808	(1.8)
AICF operating costs paid — non claims-handling[1]	(1.8)	1.0808	(1.7)
Insurance recoveries[1]	21.0	1.0808	19.5
Interest and investment income[1]	2.6	1.0808	2.4
Unrealised gain on investments[1]	1.4	1.0808	1.3
Other[1]	(0.2)	1.0808	(0.2)
Gain on foreign currency exchange			12.0
Restricted cash and cash equivalents and restricted short-term investments — 31 December 2010	**A$ 85.1**	0.9836	**$ 86.5**

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.

2 The spot exchange rate on the date of payment is used to convert the Australian dollar amount to US dollars.

Claims Data

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

	Nine Months Ended 31 December 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	398	535	607	552	463
Number of closed claims	334	540	596	519	537
Number of open claims at end of period	593	529	534	523	490
Average settlement amount per settled claim	A$ 195,697	A$190,627	A$190,638	A$147,349	A$166,164
Average settlement amount per case closed	A$ 161,714	A$171,917	A$168,248	A$126,340	A$128,723
Average settlement amount per settled claim	US$ 181,067	US$162,250	US$151,300	US$128,096	US$127,163
Average settlement amount per case closed	US$ 149,624	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.

AICF — NSW Government Secured Loan Facility

On 9 December 2010, the AICF, Amaca, Amaba and ABN 60 (together, the "Obligors") entered into a secured standby loan facility and related agreements (the "Facility") with The State of New South Wales, Australia ("NSW") whereby the AICF may borrow, subject to certain conditions, up to an aggregate amount of A$320.0 million (US$325.3 million, based on the exchange rate at 31 December 2010). In accordance with the terms of the Facility, drawings under the Facility may only be used by the AICF to fund the payment of asbestos claims and certain operating and legal costs of the Obligors.

The amount available to be drawn depends on the value of the insurance policies benefiting the Obligors and may be adjusted upward or downward, subject to a ceiling of A$320.0 million. The amount available is subject to periodic review by NSW. The Facility is available to be drawn up to the tenth anniversary of signing and must be repaid on or by 1 November 2030.

Interest accrues daily on amounts outstanding. Interest is calculated based on a 365-day year and is payable monthly. The AICF may, at its discretion, elect to capitalise interest payable on amounts outstanding under the Facility on the date interest becomes due and payable. In addition, if the AICF does not pay interest on a due date, it is taken to have elected to capitalise the interest.

NSW will borrow up to 50% of the amount made available under the Facility from the Commonwealth of Australia ("Commonwealth").

To the extent that NSW's source of funding the Facility is from the Commonwealth, the interest rate on the Facility is calculated by reference to the cost of NSW's borrowings from the Commonwealth for that purpose, being calculated with reference to the Commonwealth Treasury fixed coupon bond rate for a period determined as appropriate by the Commonwealth.

In summary, to the extent that NSW's source of funding is not from the Commonwealth, the interest rate on drawings under the Facility is calculated as (i) during the period to (but excluding) 1 May 2020, a yield percent per annum calculated at the time of the first drawdown of the Facility by reference to the NSW Treasury Corporation's 6% 1/05/2020 Benchmark Bonds, (ii) during the period after 1 May 2020, a yield percent per annum calculated by reference to NSW Treasury Corporation bonds on issue at that time and maturing in 2030, or (iii) in any case, if the relevant bonds are not on issue, a yield percent per annum in respect of such other source of funding for the Facility determined by the NSW Government in good faith to be used to replace those bonds, including any guarantee fee payable to the Commonwealth in respect of the bonds (where the bonds are guaranteed by the Commonwealth) or other source of funding.

Under the Facility, Amaca, Amaba and ABN 60 each guarantee the payment of amounts owed by the AICF and the AICF's performance of its obligations under the Facility. Each Obligor has granted a security interest in certain property including cash accounts, proceeds from insurance claims, payments remitted by the Company to the AICF and contractual rights under certain documents including the Amended FFA. Each Obligor may not deal with the secured property until all amounts outstanding under the Facility are paid, except as permitted under the terms of the security interest.

Under the terms of the Facility, each Obligor must, upon receipt of proceeds from insurance claims and payments remitted by the Company under the Amended FFA, apply all of such proceeds in repayment of amounts owing under the Facility. NSW may, at its sole discretion, waive or postpone (in such manner and for such period as it determines) the requirement for the Obligors to apply proceeds of insurance claims and payments remitted by the Company to repay amounts owed under the Facility to ensure the AICF has sufficient liquidity to meet its future cash flow needs.

The Obligors are subject to certain operating covenants under the Facility and the terms of the security interest, including, without limitation, (i) positive covenants relating to providing corporate reporting documents, providing particular notifications and complying with the terms of the Amended FFA, and (ii) negative covenants restricting them from voiding, canceling, settling, or adversely affecting existing insurance policies, disposing of assets and granting security to secure any other financial indebtedness, other than in accordance with the terms and conditions of the Facility.

Upon an event of default, NSW may cancel the commitment and declare all amounts outstanding as immediately due and payable. The events of default include, without limitation, failure to pay or repay amounts due in accordance with the Facility, breach of covenants, misrepresentation, cross default by an obligor and an adverse judgment (other than a personal asbestos or Marlew claim) against an Obligor.

The term of the Facility expires on 1 November 2030. At that time, all amounts outstanding under the Facility become due and payable. As of 18 February 2011, the conditions precedent to drawdown on the facility have not been satisfied and there are no amounts outstanding under the Facility. Further, from the time of signing through 18 February 2011, there have not been any drawings on the Facility by the AICF.

Any drawings, repayments, or payments of accrued interest under the Facility by the AICF do not impact the Company's net operating cash flow, as defined in the Amended FFA, on which annual contributions remitted by the Company to the AICF are based. James Hardie Industries SE and its wholly-owned subsidiaries are not a party to, guarantor of, or security provider in respect of the Facility.

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$1.3 million for the nine months ended 31 December 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 31 December 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 31 December 2010 the weighted average fixed interest rate of these contracts is 2.4% and the weighted average remaining life is 2.8 years. These contracts have a fair value of US$7.0 million, which is included in *Accounts Payable*. For the nine months ended 31 December 2010, the Company included in *Other Income* an unrealised loss on interest rate swaps of US$4.6 million. Included in *Interest Expense* is a realised loss on settlements of interest rate swap contracts of US$2.8 million for the nine months ended 31 December 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 31 December 2010 according to the valuation techniques the Company used to determine their fair values.

		Fair Value Measurements Using Inputs Considered as		
(Millions of US dollars)	Fair Value at 31 December 2010	Level 1	Level 2	Level 3
Assets				
Cash and cash equivalents	$ 24.2	$ 24.2	$ —	$ —
Restricted cash and cash equivalents	86.1	86.1	—	—
Restricted short-term investments	5.7	5.7	—	—
Total Assets	$ 116.0	$ 116.0	$ —	$ —
Liabilities				
Interest rate swap contracts	7.0	—	7.0	—
Total Liabilities	$ 7.0	$ —	$ 7.0	$ —

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, the Australian Securities and Investments Commission ("ASIC") commenced civil proceedings in the Supreme Court of New South Wales 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 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.

On 30 September 2010, the Company entered into agreements with third parties and subsequently received payment for US$10.3 million relating to the costs of the ASIC proceedings for certain former officers. These recoveries are reflected as a reduction to selling, general and administrative expenses for the nine months ended 31 December 2010. The Company notes that other recoveries may be available resulting from repayments by third parties, including former directors and officers, in accordance with the terms of their indemnities.

On 17 December 2010, the New South Wales Court of Appeal dismissed the Company's appeal against Justice Gzell's judgment and ASIC's cross appeals against the appellants. ASIC subsequently filed applications for special leave in the High Court appealing from the Court of Appeals judgment in favour of the former directors' appeals. Certain former officers have also filed special leave applications in the High Court.

In regard to the Court of Appeal judgments, ASIC was ordered to pay the costs of the former directors whose appeals were successful and the company was ordered to pay 90% of the costs incurred by ASIC in connection with the company appeal.

The amount of the costs the Company may be required to pay to ASIC following the Court of Appeal judgments is contingent on a number of factors, which include, without limitation, whether such costs (including the costs orders in ASIC's favour against the Company in the first instance hearing, which orders were not disturbed by the Court of Appeal) are reasonable having regard to the issues pursued in the case by ASIC against the Company, the associated legal work undertaken specifically in respect of those issues (as distinct from the legal costs of a previous claim and related order against the

Company that was withdrawn by ASIC in September 2008 just prior to the commencement of the first instance trial, the legal costs incurred by ASIC in connection with similar or overlapping claims against other parties in the first instance or appeal proceedings and the successful interlocutory appeal by the company against ASIC during the course of the first instance hearing), the number of legal practitioners involved in such legal work and their applicable fee rates.

In light of the uncertainty surrounding the amount of such costs, the Company has not recorded any provision for these costs at 31 December 2010. 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 with the first instance proceedings, the Company will pay a portion of the costs of bringing and defending appeals, with the remaining costs being met by third parties, including former directors and officers, in accordance with the terms of their indemnities. It is the Company's policy to expense legal costs as incurred.

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. Australian Taxation Office — Amended Assessment

In March 2006, RCI Pty Ltd ("RCI"), a wholly-owned subsidiary of the Company, received an amended assessment from the Australian Taxation Office ("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.

The ATO conceded that RCI has a reasonably arguable position that the amount of net capital gains arising as a result of the corporate restructure carried out in 1998 was reported correctly in the fiscal year 1999 tax return and that Part IVA does not apply.

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.

On 1 September 2010, the Federal Court of Australia dismissed RCI's appeal.

Prior to the Federal Court's decision on RCI's appeal, the Company believed it was more-likely-than-not that the tax position reported in RCI's tax return for the 1999 fiscal year would be upheld on appeal. As a result, the Company treated the payment of 50% of the amended assessment, GIC and interest accrued on amounts paid to the ATO with respect to the amended assessment as a deposit on its consolidated balance sheet.

As a result of the Federal Court's decision, the Company re-assessed its tax position with respect to the amended assessment and concluded that the 'more-likely-than-not' recognition threshold as prescribed by US GAAP was no longer met. Accordingly, the Company removed the deposit with the ATO from its consolidated balance sheet and recognised an expense of US$345.2 million (A$388.0 million) on its consolidated statement of operations, which did not result in a cash outflow for the nine months ended 31 December 2010. In addition, the Company recognised an uncertain tax position of US$187.3 million (A$184.3 million) on its consolidated balance sheet relating to the unpaid portion of the amended assessment.

RCI strongly disputes the amended assessment and is pursuing an appeal of the Court's judgment before the Full Court of the Federal Court of Australia.

With effect from 1 September 2010, the Company is expensing future payments of GIC to the ATO as incurred until RCI ultimately prevails on the matter or the remaining outstanding balance of the amended assessment is paid.

The ATO was awarded costs in connection with RCI's appeal of the objection decision to the Federal Court of Australia. The Company has provided a provision for such costs within other non-current liabilities on the Company's consolidated balance sheet at 31 December 2010.

11. 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, Ireland, The Netherlands, Australia, 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 2007. The Company is no longer subject to examinations by The Netherlands tax authority, for tax years prior to 2005. The Company is no longer subject to examinations by the ATO for tax years prior to 2007.

The Company is currently reviewing its subsidiary holding company structure and its policies on intercompany debt and inter-group dividends among subsidiary companies.

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 for tax positions of the current year	0.1	—
Additions for tax positions of prior year	153.3	193.8
Other reductions for the tax positions of prior periods	(0.9)	(0.3)
Foreign currency translation adjustment	21.9	24.3
Balance at 31 December 2010	**$ 182.1**	**$ 190.9**

As of 31 December 2010, the total amount of unrecognised tax benefits and the total amount of interest and penalties accrued or prepaid by the Company related to unrecognised tax benefits that, if recognised, would affect the effective tax rate is US$182.1 million and US$190.9 million, respectively.

The Company recognises penalties and interest accrued related to unrecognised tax benefits in income tax expense. During the nine months ended 31 December 2010, the total amount of interest and penalties recognised in tax expense was US$193.5 million.

Except for the liability associated with the ATO amended assessment as disclosed in Note 10, 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 elapse 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.

12. Stock-Based Compensation

Compensation expense arising from equity-based award grants as estimated using pricing models was US$2.4 million and US$2.9 million for the three months ended 31 December 2010 and 2009, respectively, and US$7.2 million and US$6.9 million for the nine months ended 31 December 2010 and 2009, respectively. As of 31 December 2010, the unrecorded deferred stock-based compensation balance related to equity awards was US$12.3 million after estimated forfeitures and will be recognised over an estimated weighted average amortisation period of 2.2 years.

Stock Options

The Company estimates the fair value of each stock option on the date of grant using either the Black-Scholes option-pricing model or a binomial lattice model that incorporates a Monte Carlo Simulation (the "Monte Carlo method"). There were no stock options granted during the nine months ended 31 December 2010 and 2009.

The following table summarises the Company's stock options available for grant and the movement in 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		(229,982)	4.21
Forfeited		(2,049,557)	8.10
Forfeitures available for re-grant	959,557		
Balance at 31 December 2010	**26,247,605**	**12,164,899**	**7.39**

Restricted Stock

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

The following table summarises 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	2,106,051	5.85
Vested	(970,793)	4.94
Forfeited	(760,017)	5.14
Non-vested at 31 December 2010	**5,111,962**	**4.94**

Restricted Stock — service vesting

The Company granted 347,400 restricted stock units (service vesting) under the 2001 Equity Incentive Plan for the three and nine months ended 31 December 2010.

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

Restricted Stock — performance vesting

The Company granted 807,457 restricted stock units with a performance vesting condition under the 2006 Long-Term Incentive Plan (LTIP) to senior executives of the Company for the nine months ended 31 December 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.

Restricted Stock — market condition

Under the terms of the LTIP, the Company granted 951,194 restricted stock units with a market vesting condition to members of the Company's senior executive team during the nine months ended 31 December 2010. The vesting of these restricted stock units is subject to a market condition as outlined in the LTIP rules.

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

The following table includes the assumptions used for all restricted stock grants valued during the nine months ended 31 December 2010:

Date of grant	7 Dec 2010	15 Sep 2010	7 Jun 2010
Dividend yield (per annum)	$ 0.00	$ 0.00	$ 0.00
Risk free interest rate[1]	n/a	n/a	n/a
Expected life in years	3.0	3.0	2.0
JHX stock price at grant date (A$)	6.21	5.94	7.23
Number of restricted stock units	347,400	951,194	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 821,459 Scorecard LTI units during the nine months ended 31 December 2010, which 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.

13. 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 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 31 December		Net Sales to Customers[1] Nine Months Ended 31 December	
	2010	2009	**2010**	2009
USA & Europe Fibre Cement	**$ 182.6**	$ 179.1	**$ 616.3**	$ 631.3
Asia Pacific Fibre Cement	**90.0**	81.9	**262.3**	218.4
Worldwide total	**$ 272.6**	$ 261.0	**$ 878.6**	$ 849.7

(Millions of US dollars)	Income (Loss) Before Income Taxes Three Months Ended 31 December		Income (Loss) Before Income Taxes Nine Months Ended 31 December	
	2010	2009	**2010**	2009
USA & Europe Fibre Cement[2]	**$ 26.3**	$ 39.6	**$ 121.8**	$ 173.7
Asia Pacific Fibre Cement[2]	**20.0**	17.3	**60.0**	44.4
Research and Development[2]	**(4.0)**	(6.1)	**(14.0)**	(14.9)
Segments total	**42.3**	50.8	**167.8**	203.2
General Corporate[3]	**(59.2)**	(25.7)	**(113.9)**	(236.0)
Total operating income (loss)	**(16.9)**	25.1	**53.9**	(32.8)
Net interest expense[4]	**(1.3)**	(0.8)	**(3.3)**	(1.9)
Other (expense) income	**2.7**	2.2	**(4.6)**	6.0
Worldwide total	**$ (15.5)**	$ 26.5	**$ 46.0**	$ (28.7)

(Millions of US dollars)	Total Identifiable Assets **31 December 2010**	31 March 2010
USA & Europe Fibre Cement	**$ 734.5**	$ 780.8
Asia Pacific Fibre Cement	**226.2**	216.9
Research and Development	**14.5**	14.2
Segments total	**975.2**	1,011.9
General Corporate[5, 6]	**996.6**	1,166.9
Worldwide total	**$ 1,971.8**	$ 2,178.8

Geographic Areas

(Millions of US dollars)	Net Sales to Customers[1] Three Months Ended 31 December		Net Sales to Customers[1] Nine Months Ended 31 December	
	2010	2009	**2010**	2009
USA	**$ 177.1**	$ 174.2	**$ 598.5**	$ 616.9
Australia	**67.9**	59.6	**199.1**	158.4
New Zealand	**13.3**	14.2	**40.3**	37.0
Other Countries	**14.3**	13.0	**40.7**	37.4
Worldwide total	**$ 272.6**	$ 261.0	**$ 878.6**	$ 849.7

(Millions of US dollars)	Total Identifiable Assets **31 December 2010**	31 March 2010
USA	**$ 735.4**	$ 783.6
Australia	**150.4**	131.6
New Zealand	**40.6**	49.8
Other Countries	**48.8**	46.9
Segments total	**975.2**	1,011.9
General Corporate[5, 6]	**996.6**	1,166.9
Worldwide total	**$ 1,971.8**	$ 2,178.8

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

2 Research and development costs of US$2.2 million and US$2.7 million for the three months ended 31 December 2010 and 2009, respectively, were expensed in the USA and Europe Fibre Cement segment. Research and development costs of US$0.4 million and US$0.2 million for the three months ended 31 December 2010 and 2009, respectively, were expensed in the Asia Pacific Fibre Cement segment. Research and development costs of US$3.3 million and US$4.3 million for the three months ended 31 December 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$0.7 million and US$1.8 million for the three months ended 31 December 2010 and 2009, respectively.

Research and development costs of US$7.2 million and US$7.8 million for the nine months ended 31 December 2010 and 2009, respectively, were expensed in the USA and Europe Fibre Cement segment. Research and development costs of US$1.0 million and US$0.7 million for the nine months ended 31 December 2010 and 2009, respectively, were expensed in the Asia Pacific Fibre Cement segment. Research and development costs of US$11.4 million and US$11.7 million for the nine months ended 31 December 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$2.6 million and US$2.2 million for the nine months ended 31 December 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 31 December 2010 are unfavourable asbestos adjustments of US$46.4 million, AICF SG&A expenses of US$0.7 million and nil related to the ASIC proceedings. Included in General Corporate for the three months ended 31 December 2009 are unfavourable asbestos adjustments of US$17.5 million, AICF SG&A expenses of US$0.6 million and ASIC expenses of US$0.6 million. Included in General Corporate for the nine months ended 31 December 2010 are unfavourable asbestos adjustments of US$91.1 million, AICF SG&A expenses of US$1.7 million and a net benefit of US$9.5 million related to the ASIC proceedings. Included in General Corporate for the nine months ended 31 December 2009 are unfavourable asbestos adjustments of US$200.0 million, AICF SG&A expenses of US$1.6 million and ASIC expenses of US$1.6 million.

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 is AICF interest income of US$0.7 million and US$0.9 million for the three months ended 31 December 2010 and 2009, respectively. Included in net interest expense for the nine months ended 31

December 2010 and 2009 is AICF interest income of US$2.4 million and US$2.6 million, respectively. See Note 7.

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

6 Asbestos-related assets at 31 December 2010 and 31 March 2010 are US$868.4 million and US$797.7 million, respectively, and are included in the General Corporate segment.

14. Accumulated Other Comprehensive Income

Accumulated other comprehensive income consists of the following components:

(Millions of US dollars)	**31 December 2010**	31 March 2010
Pension and post-retirement benefit adjustments	**$ (1.6)**	$ (1.6)
Unrealised gain on restricted short-term investments	**2.5**	1.2
Foreign currency translation adjustments	**62.3**	59.6
Total accumulated other comprehensive income	**$ 63.2**	$ 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; 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.