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

FORM 6-K

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

For the Month of August, 2008

1-15240
(Commission File Number)

JAMES HARDIE INDUSTRIES N.V.

(Translation of registrant's name into English)

Atrium, 8th floor
Strawinskylaan 3077
1077 ZX Amsterdam, The Netherlands
(Address of principal executive offices)

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

Form 20-F ☑ Form 40-F ☐

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

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

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

Yes ☐ No ☑

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

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Safe Harbor Statement

The exhibits attached to this Form 6-K contain forward-looking statements. We may from time to time make forward-looking statements in our periodic reports filed with or furnished to the United States Securities and Exchange Commission on Forms 20-F and 6-K, in our annual reports to shareholders, in offering circulars, invitation memoranda and prospectuses, in media releases and other written materials and in oral statements made by our officers, directors or employees to analysts, institutional investors, lenders and potential lenders, representatives of the media and others. Examples of forward-looking statements include:

- expectations about the timing and amount of payments to the Asbestos Injuries Compensation Fund (AICF), a special purpose fund for the compensation of proven asbestos-related personal injury and death claims;
- statements regarding tax liabilities and related audits and proceedings;
- statements as to the possible consequences of proceedings brought against us and certain of our former directors and officers by the Australian Securities and Investments Commission;
- expectations concerning indemnification obligations;
- expectations concerning the costs associated with the suspension of operations at our Blandon, Pennsylvania and Plant City, Florida plants;
- expectations that our credit facilities will be extended or renewed;
- expectations concerning dividend payments;
- projections of our results of operations or financial condition;
- statements regarding our plans, objectives or goals, including those relating to competition, acquisitions dispositions and our products;
- statements about our future performance; and
- statements about product or environmental liabilities.

Words such as “believe,” “anticipate,” “plan,” “expect,” “intend,” “target,” “estimate,” “project,” “predict,” “forecast,” “guideline,” “should,” “aim” and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.

Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors, some of which are discussed under “Key Information – Risk Factors” beginning on page 6 of our Form 20-F filed on July 8, 2008 with the Securities and Exchange Commission, 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 and the effect of foreign exchange rates on the amount recorded in our financial statements as an asbestos liability; compliance with and changes in tax laws and treatments; competition and product pricing in the markets in which we operate; the consequences of product failures or defects; exposure to environmental, asbestos or other legal proceedings; general economic and market conditions; the supply and cost of raw materials; the success of our research and development efforts; our reliance on a small number of customers; compliance with and changes in environmental and health and safety laws; risks of conducting business internationally; compliance with and changes in laws and regulations; foreign exchange risks; the effect of natural disasters and changes in our key management personnel. We caution you that the foregoing list of factors is not exclusive and that other risks and uncertainties may cause actual results to differ materially from those in forward-looking statements. Forward-looking statements speak only as of the date they are made.

EXHIBIT INDEX

Exhibit No.	Description
Exhibit 99.1	Results for Announcement to the Market for Q1 FY2009 – Filed with the Australian Stock Exchange on August 20, 2008
Exhibit 99.2	Media Release for Q1 FY2009 – Filed with the Australian Stock Exchange on August 20, 2008
Exhibit 99.3	Management’s Analysis of Results for Q1 FY2009 – Filed with the Australian Stock Exchange on August 20, 2008
Exhibit 99.4	Consolidated Financial Statements for Q1 FY2009 – Filed with the Australian Stock Exchange on August 20, 2008
Exhibit 99.5	Results Presentations for Q1 FY2009 – Filed with the Australian Stock Exchange on August 20, 2008
Exhibit 99.6	Final share buy-back notice – Appendix 3F – Filed with the Australian Stock Exchange on August 20, 2008
Exhibit 99.7	Chairman’s Address to 2008 Annual meetings – Filed with the Australian Stock Exchange on August 20, 2008
Exhibit 99.8	CEO presentation to 2008 Annual meetings – Filed with the Australian Stock Exchange on August 20, 2008

SIGNATURES

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

James Hardie Industries N.V.

Date: August 22, 2008

By: /s/ Russell Chenu
Russell Chenu
Chief Financial Officer

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

Three Months Ended 30 June 2008

Key Information	Three Months Ended 30 June 2008 US$M	2007 US$M	Movement	
Net Sales From Ordinary Activities	365.0	424.4	Down	14%
Operating Profit Attributable to Shareholders	1.4	39.1	Down	96%
Net Tangible (Liabilities) Assets per Ordinary Share	US$ (0.55)	US$ 0.32	Down	—

Dividend Information

A dividend of US 8.0 cents per share/CUFS was paid to share/CUFS holders on 11 July 2008.

Movements in Controlled Entities during the three months 30 June 2008

The following entities were created: James Hardie Pulp Co., Inc. (6 June 2008) and JH U.S. Holdings, Inc. (6 June 2008).

Review

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

Results for the 1st Quarter Ended 30 June 2008
Contents

James Hardie Industries N.V. is incorporated in The Netherlands with corporate seat in Amsterdam. The liability of members is limited The information contained in the above documents comprise the information required by ASX Listing Rule 4.2A and should be read in conjunction with the James Hardie 2008 Annual Report which can be found on the company website at www.jameshardie.com.

Exhibit 99.2

James Hardie

MEDIA RELEASE

20 August 2008

For analyst and media enquiries please call Peter Baker on: Tel: (02) 8274 5239

1st quarter net operating profit US$41.6m (excluding asbestos)

James Hardie today announced a US$41.6 million net operating profit, excluding asbestos, for the quarter ended 30 June 2008, a decrease of 39% compared to the same period last year.

For the first quarter, net operating profit including asbestos was US$1.4 million, compared to US$39.1 million for the same quarter last year.

Operating Performance

First quarter net sales decreased 14% to US$365.0 million, gross profit was down 26% to US$124.0 million and EBIT excluding asbestos was 39% lower at US$64.0 million. EBIT including asbestos decreased 69% from US$75.0 million to US$22.9 million.

Results were significantly affected by further declines in the US housing market, where housing starts fell 35% in the first quarter compared to the same period last year. USA and Europe Fibre Cement net sales fell 20% in the first quarter compared to the same quarter of the prior fiscal year. USA and Europe Fibre Cement EBIT for the quarter decreased 42% to US$65.6 million, primarily due to the decreased EBIT performance of the US business. The US business EBIT decreased due to lower sales volume and higher unit costs, partially offset by a decrease in SG&A spending. The higher unit costs were driven by increased pulp and energy costs and lower fixed cost absorption.

Asia Pacific Fibre Cement net sales were up 17% for the quarter. Asia Pacific EBIT for the quarter increased 27% due to an improved gross margin performance and favourable currency exchange rate movements of the Asia Pacific business' currencies compared to the US dollar, partially offset by increased SG&A expenses.

Diluted earnings per share for the quarter decreased to US0.3 cents per share from US8.3 cents per share in the same period last year.

Diluted earnings per share excluding asbestos decreased from US14.6 cents to US9.6 cents for the quarter

In this Media Release, James Hardie may present financial measures, sales volume terms, financial ratios, and Non-US GAAP financial measures included in the Definitions section of this document starting on page 7. The company presents financial measures that it believes are customarily used by its Australian investors. Specifically, these financial measures, which are equivalent or derived from certain 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", "EBIT margin excluding asbestos", "Net operating profit excluding asbestos", "Diluted earnings per share excluding asbestos", "Operating profit before income taxes excluding asbestos" and "Effective tax rate excluding asbestos" and EBITDA). Unless otherwise stated, results and comparisons are of the 1st quarter of the current fiscal year versus the 1st quarter of the prior fiscal year.

1st Quarter at a Glance

US$ Million	Q1 FY 2009	Q1 FY 2008	% Change
Net sales	$ 365.0	$ 424.4	(14)
Gross profit	124.0	166.9	(26)
EBIT excluding asbestos	64.0	105.7	(39)
AICF SG&A expenses	(0.6)	(0.6)	—
Asbestos adjustments	(40.5)	(30.1)	(35)
EBIT	22.9	75.0	(69)
Net interest (expense) income	(1.1)	0.5	—
Income tax expense	(20.4)	(36.4)	44
Net operating profit	1.4	39.1	(96)

Net operating profit excluding asbestos decreased 39% for the quarter to US$41.6 million, as shown in the following table:

US$ Million	Q1 FY 2009	Q1 FY 2008	% Change
Net operating profit	$ 1.4	$ 39.1	(96)
Excluding:			
Asbestos:			
Asbestos adjustments	40.5	30.1	35
AICF SG&A expenses	0.6	0.6	—
AICF interest income	(0.9)	(1.6)	(44)
Tax expense related to asbestos adjustments	—	0.4	—
Net operating profit excluding asbestos	$ 41.6	$ 68.6	(39)

Commentary

“Our main businesses operated in markets that were affected by downturns, particularly in the US, where the downturn was the most severe,” said our CEO, Mr Louis Gries. “Despite this, we continued to focus on driving primary demand for fibre cement products in North America with strategies aimed at increasing our share of the US siding and backer board markets.

“Although we expect our volume to remain below prior year as a result of a continuing decline in housing markets, we expect our differentiated product strategy will allow us to maintain selling price and increase market share.

“In the US business our organisational cost base has been reduced as part of a major business reset implemented in April 2008.”

Share Buy-Back Program

The company has previously announced a share buy-back program of up to approximately 46.8 million shares. Prior to April 2008 the company had repurchased 35.7 million shares. The company did not purchase any shares during the period between 1 April 2008 and 20 August 2008. As the 12 month period for the buy-back program has now ended, the company ceased the buy-back program on 20 August 2008.

USA and Europe Fibre Cement

First quarter net sales were down 20% compared to the same quarter last year, to US$281.7 million. Sales volume decreased 20% to 468.5 million square feet, and the average net sales price decreased slightly from US$604 to US$601 per thousand square feet.

USA Fibre Cement sales volumes continued to be significantly affected by the ongoing weakness in the US housing market, where housing starts fell 35% in the first quarter compared to the same period last year. Results were also affected by a moderate unfavourable shift in the product mix caused by a relative increase in lower priced interior products.

Sales of exterior products declined as a result of lower demand for our siding, soffit and trim products, in all regions except Canada and Europe, although the differentiated ColorPlus® product line increased its market penetration in this quarter, compared to the same period last year.

EBIT for the quarter was 42% lower at US$65.6 million, primarily due to reduced gross profit performance in the US which resulted from lower sales volume, higher freight costs, higher average unit costs and a slightly lower average net sales price. The EBIT margin was 23.3% for the quarter compared to 32.0% for the same period last year.

Asia Pacific Fibre Cement

Net sales increased 17% to US$83.3 million for the quarter. In Australian dollars, net sales increased 3% due to a 4% increase in sales volume, partially offset by a decrease of 1% in the average Australian dollar net sales price.

On-going growth in sales of differentiated products, along with a more favourable product mix, helped the Australian and New Zealand businesses continue to offset declining housing markets.

The Australian business out-performed the market by focusing on its Scyon™ range of products and on growing primary demand sales in the smaller builder and renovations segments. The price of non-differentiated products remained under pressure from low-priced imports and local competitors. While residential construction in New Zealand continued to decline, the New Zealand business out-performed the market with increasing penetration through its unique Linea™ weatherboards and Axon™ cladding products. In the Philippines, sales volumes and revenue declined compared to the same quarter last year as a result of a reduction in export sales and a decline in the volume of higher-priced products in the sales mix.

EBIT was 27% higher for the quarter at US$15.8 million. Favourable currency exchange rate movements in the Asia Pacific business' currencies compared to the US dollar accounted for a large portion of this increase. In Australian dollars, Asia Pacific Fibre Cement EBIT increased 15% due to an increased gross margin, partially offset by increased SG&A expenses. The EBIT margin was 19.0% for the quarter compared with 17.4% for the same period last year.

Asbestos Adjustments

The effects of asbestos adjustments on EBIT for the quarter ended 30 June 2008 are as follows:

US$ Million	Q1 FY 2009	Q1 FY 2008
Effect of foreign exchange	$ (40.5)	$ (33.2)
Other adjustments	—	3.1
Asbestos adjustments	$ (40.5)	$ (30.1)

Readers are referred to Note 7 of the company's 30 June 2008 Condensed Consolidated Financial Statements for further information on the asbestos adjustments.

ASIC Proceedings

In February 2007, the Australian Securities and Investments Commission (ASIC) commenced civil proceedings against the company, a former subsidiary and ten then-present or former officers and directors of the James Hardie group. The civil proceedings concern alleged contraventions of certain provisions of the Corporations Law and/or the Corporations Act connected with the affairs of the company and certain subsidiaries during the period February 2001 to June 2003.

Readers are referred to Note 8 of the company's 30 June 2008 Condensed Consolidated Financial Statements for further information on the ASIC Proceedings.

Cash Flow

Operating cash flow for the quarter ended 30 June 2008 decreased from US$131.5 million to US$94.8 million. The decrease was driven primarily by a reduced contribution from the USA and Europe Fibre Cement business. Capital expenditures for the purchase of property, plant and equipment decreased from US$16.5 million to US$3.8 million.

Income Tax

Income Tax Expense

Income tax expense for the quarter decreased from US$36.4 million to US$20.4 million.

The company's effective tax rate on earnings excluding asbestos was 32.9% for the quarter compared to 34.4% for the same quarter in the prior year. The decrease in the effective tax rate excluding asbestos compared to the same period in the prior year is due to the impact of the change in the geographical mix of earnings.

Australian Taxation Office (ATO) — 1999 Disputed Amended Assessment

As announced on 22 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. The amended assessment relates to the amount of net capital gains arising as a result of an internal corporate restructure carried out in 1998 and has been issued pursuant to the discretion granted to the Commissioner of Taxation under Part IVA of the Income Tax Assessment Act 1936.

On 30 May 2007, the ATO issued a Notice of Decision disallowing the company's objection to the amended assessment. On 11 July 2007, the company filed an application appealing the Objection Decision with the Federal Court of Australia. The hearing of RCI's appeal is presently scheduled to commence in the Federal Court of Australia on 8 December 2008.

ATO — 2002 Tax Audit

The ATO is auditing the company's Australian income tax returns for the years ended 31 March 2002 and 31 March 2004 through 31 March 2006.

On 8 August 2008, the Federal Court of Australia (Federal Court) made orders providing for the reinstatement of the company's former wholly-owned subsidiary James Hardie Australia Finance Pty Limited (JHAF) to the register of companies and appointing Max Donnelly of Ferrier Hodgson as the new liquidator of JHAF. JHAF was deregistered on 23 August 2005 following a voluntary winding up. The company understands that the reinstatement of JHAF is a necessary pre-requisite to the ATO issuing an amended assessment in respect of one of the issues that has been the focus of the ATO's inquiries during the tax audit of fiscal year 2002.

The company is considering its position with respect to the ATO proceedings, the merits of the potential amended assessment and any obligations of JHAF to the ATO given its prior winding up.

Internal Revenue Service (IRS) — Notice of Proposed Adjustment (NOPA)

On 23 June 2008, the company announced that the IRS had issued it with a Notice of Proposed Adjustment (NOPA) that concludes that the company does not satisfy the United States - Netherlands Treaty Limitations on Benefits (LOB) provision of the US-NL Treaty applicable from early 2006 and that accordingly it is not entitled to beneficial withholding tax rates on payments from the company's United States subsidiaries to its Netherlands companies. The company does not agree with the conclusions reached by the IRS, and the company intends to contest the IRS' findings through the continuing audit process and, if necessary, through subsequent administrative appeals and possibly litigation. If the IRS position ultimately were to prevail, the company would be liable for a 30% withholding tax on dividend, interest and royalty payments made any time on or after 1 February 2006 by the company's US subsidiaries to JHI NV or the company's Dutch finance subsidiary.

On 16 July 2008 the company issued a rebuttal response to the IRS NOPA. On 18 July 2008 the IRS issued a 30 Day Letter that concludes that the company is not in compliance with the LOB provision for calendar years 2006 and 2007 and that it is not entitled to reduced withholding tax rates on payments from the United States to The Netherlands. The 30 Day Letter notice is a formal IRS examination report that requires the company to either agree in full and pay the tax or file a formal, written protest within 30 days of the 30 Day Letter to request consideration of the issues with the Appeals Division of the IRS.

The company filed a formal protest on 18 August 2008 to exercise its rights to an impartial hearing before the Appeals Division of the IRS.

Readers are referred to Note 11 of the company's 30 June 2008 Condensed Consolidated Financial Statements for further information on income taxes and income tax related issues.

Outlook

In the United States, National Association of Home Builders' (NAHB) Chief Economist, David Seiders, reports that NAHB's surveys of home builders "have yet to show stabilisation of either net home sales or sentiment regarding the demand side of the single-family market". According to Seiders, weak demand and heavy oversupply continue to put substantial downward pressure on house prices, and tight mortgage lending standards and expectations of further house price declines have kept prospective home buyers on the sidelines.

The NAHB anticipates recovery in housing starts to begin in the second quarter of next year, although both housing starts and residential fixed investment are expected to be down in 2009 on a year-on-year basis.

In Asia Pacific, building approvals are expected to continue to fall in Australia and New Zealand during fiscal year 2009. While there is likely to be some activity in medium density dwellings, renovations and commercial properties, this is not expected to offset the housing market decline. Housing affordability is expected to remain under pressure with high interest rates and fuel costs and increased building costs. Residential construction in the Philippines is expected to remain flat or decline.

The company notes the range of analysts' forecasts for operating profit from continuing operations, excluding asbestos, for the year ending 31 March 2009 of between US$97 million and US$130 million. The company is comfortable with the bottom half of this range, but notes there remains significant uncertainty over the outlook for US housing activity.

Changes in the company's asbestos liability to reflect changes in foreign exchange rates or updates of the actuarial estimate, ASIC proceeding matters, 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 consolidated financial statements. Readers are referred to Notes 7, 8 and 11 of the company's 30 June 2008 Condensed Consolidated Financial Statements for more information about the company's asbestos liability and income tax related issues.

Media/Analyst Enquiries:

Peter Baker
Executive Vice President — Asia Pacific

Telephone:	+61 2 8274 5239
Email:	media@jameshardie.com.au
Facsimile:	+61 2 8274 5218

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, a Management Presentation and a Financial Report.

These documents, along with a webcast of the management presentation on 20 August 2008, are available from the Investor Relations area of James Hardie's website at: www.jameshardie.com

The company lodged its annual filing for the year ended 31 March 2008 with the SEC on 8 July 2008.

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

Definitions

Financial Measures – US GAAP equivalents

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

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

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

Sales Volumes

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

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

Financial Ratios

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

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

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

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

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

Non-US GAAP Financial Measures

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

US$ Millions	Q1 FY 2009	Q1 FY 2008
EBIT	$ 22.9	$ 75.0
Asbestos:		
Asbestos adjustments	40.5	30.1
AICF SG&A expenses	0.6	0.6
EBIT excluding asbestos	64.0	105.7
Net Sales	$365.0	$424.4
EBIT margin excluding asbestos	17.5%	24.9%

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

US$ Millions	Q1 FY 2009	Q1 FY 2008
Net operating profit	$ 1.4	$ 39.1
Asbestos:		
Asbestos adjustments	40.5	30.1
AICF SG&A expenses	0.6	0.6
AICF interest income	(0.9)	(1.6)
Tax expense related to asbestos adjustments	—	0.4
Net operating profit excluding asbestos	$ 41.6	$ 68.6

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

US$ Millions	Q1 FY 2009	Q1 FY 2008
Net operating profit excluding asbestos	$ 41.6	$ 68.6
Weighted average common shares outstanding — Diluted (millions)	432.2	469.4
Diluted earnings per share excluding asbestos (US cents)	9.6	14.6

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

US$ Millions	Q1 FY 2009	Q1 FY 2008
Operating profit before income taxes	$ 21.8	$ 75.5
Asbestos:		
Asbestos adjustments	40.5	30.1
AICF SG&A expenses	0.6	0.6
AICF interest income	(0.9)	(1.6)
Operating profit before income taxes excluding asbestos	$ 62.0	$104.6
Income tax expense	(20.4)	(36.4)
Tax expense related to asbestos adjustments	—	0.4
Income tax expense excluding asbestos	(20.4)	(36.0)
Effective tax rate excluding asbestos	32.9%	34.4%

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

US$ Millions	Q1 FY 2009	Q1 FY 2008
EBIT	$ 22.9	$ 75.0
Depreciation and amortisation	14.0	14.2
EBITDA	$ 36.9	$ 89.2

Disclaimer

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- statements regarding tax liabilities and related audits and proceedings;
- statements as to the possible consequences of proceedings brought against us and certain of our former directors and officers by the Australian Securities and Investments Commission;
- expectations concerning indemnification obligations;
- expectations concerning the costs associated with the suspension of operations at our Blandon, Pennsylvania and Plant City, Florida plants;
- expectations that our credit facilities will be extended or renewed;
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20 August 2008

James Hardie Industries N.V.
Results for the 1st Quarter Ended 30 June 2008

US GAAP - US$ Millions	Three Months Ended 30 June FY 2009	FY 2008	% Change
Net Sales			
USA and Europe Fibre Cement	$ 281.7	$ 353.2	(20)
Asia Pacific Fibre Cement	83.3	71.2	17
Total Net Sales	$ 365.0	$ 424.4	(14)
Cost of goods sold	(241.0)	(257.5)	6
Gross profit	124.0	166.9	(26)
Selling, general and administrative expenses	(53.3)	(55.5)	4
Research & development expenses	(7.3)	(6.3)	(16)
Asbestos adjustments	(40.5)	(30.1)	(35)
EBIT	22.9	75.0	(69)
Net interest (expense) income	(1.1)	0.5	—
Operating profit before income taxes	21.8	75.5	(71)
Income tax expense	(20.4)	(36.4)	44
Net operating profit	$ 1.4	$ 39.1	(96)
Earnings per share — diluted (US cents)	0.3	8.3	(96)
Volume (mmsf)			
USA and Europe Fibre Cement	468.5	584.6	(20)
Asia Pacific Fibre Cement	101.9	98.0	4
Average net sales price per unit (per mmsf)			
USA and Europe Fibre Cement	US$ 601	US$ 604	—
Asia Pacific Fibre Cement	A$ 867	A$ 873	(1)

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 10. The company presents financial measures that it believes are customarily used by its Australian investors. Specifically, these financial measures, which are equivalent or derived from certain 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", "EBIT margin excluding asbestos", "Net operating profit excluding asbestos", "Diluted earnings per share excluding asbestos", "Operating profit before income taxes excluding asbestos" and "Effective tax rate excluding asbestos" and EBITDA). Unless otherwise stated, results and comparisons are of the 1st quarter of the current fiscal year versus the 1st quarter of the prior fiscal year.

Total Net Sales

Total net sales for the quarter decreased 14% compared to the same quarter of the previous year, from US$424.4 million to US$365.0 million.

Net sales from USA and Europe Fibre Cement for the quarter decreased 20% from US$353.2 million to US$281.7 million due to a reduction in sales volume and a slight reduction in average net sales price.

Net sales from Asia Pacific Fibre Cement for the quarter increased 17% from US$71.2 million to US$83.3 million due to favourable currency exchange rate movements and an increase in sales volume partially offset by a slightly lower average net sales price.

USA and Europe Fibre Cement

Net sales decreased 20% from US$353.2 million in the first quarter of the prior fiscal year to US$281.7 million due to decreased sales volume and a slight decrease in the average net sales price.

Sales volume decreased 20% from 584.6 million square feet to 468.5 million square feet for the quarter, primarily due to weaker demand for the company's products in the US caused by continued weakness in housing construction activity and deteriorating economic conditions.

The average net sales price decreased slightly from US$604 per thousand square feet to US$601 per thousand square feet due to a shift in the product sales mix.

As announced on 22 May 2008, the company has closed the USA Hardie Pipe business. An insignificant amount of sales were recorded in the quarter.

Discussion

Sales in our USA Fibre Cement business continued to be significantly affected by the ongoing weakness in the US housing market, where housing starts fell 35% in the first quarter compared to the same period last year. Our results were also affected by a moderate unfavourable shift in the product mix caused by a relative increase in lower priced interior products.

Sales of exterior products declined as a result of lower demand for our siding, soffit and trim products, in all regions except Canada. Sales of interior products were also lower across all three regional divisions compared to the same period last year.

The business continued to focus on its strategy of aggressively growing demand for fibre cement and on leveraging technology to offer differentiated products with superior value to reduce direct competition. The differentiated ColorPlus® product line increased its market penetration in this quarter, compared to the same period last year. The ColorPlus® range has since been rolled out in the West and South and achieved moderate penetration rate gains compared to the same period last year.

Repair and remodelling activity has decreased but it has not been affected to the same extent as the new construction segment of the housing market. However, weakness in repair and remodelling activity led to sales of our interior products being slightly lower compared to the same quarter last year.

Asia Pacific Fibre Cement

Net sales for the quarter increased 17% from US$71.2 million to US$83.3 million. Favorable currency exchange rate movements in the Asia Pacific business' currencies compared to the US dollar accounted for 14% of this increase, while the underlying Australian dollar business results accounted for the remaining 3% increase. In Australian dollars, net sales increased 3% due to a 4% increase in sales volume partially offset by a 1% decrease in average net sales price.

Discussion

On-going growth in sales of differentiated products, along with a more favourable product mix, allowed the Australian and New Zealand businesses to deliver good results in the weaker markets.

In Australia, the Australian Bureau of Statistics (ABS) reported building approvals fell 6.5% in May on a seasonally-adjusted basis, while the Housing Industry Association (HIA) reported sales down by nearly 8% year-on-year. Housing affordability was at its lowest level in ten years with financial pressure on households caused by housing interest rates of over 9% per annum and rising fuel costs.

During the quarter, the Australian business launched two new Scyon™ range products, in conjunction with a marketing campaign aimed at the renovation and re-cladding markets.

The price of non-differentiated products remained under pressure from low-priced imports and local competitors.

Residential construction in New Zealand continued to decline, with consents 17-18% lower than for the same period last year, although the commercial market remained consistent and there was some growth in renovations. The New Zealand business' sales volume was off 6%.

In the Philippines, sales volumes and revenue declined in local currency compared to the same quarter last year as a result of a reduction in export sales and a decline in the volume of higher-priced products in the sales mix.

Gross Profit

Gross profit decreased 26% from US$166.9 million to US$124.0 million. The gross profit margin decreased 5.3 percentage points from 39.3% to 34.0%.

USA and Europe Fibre Cement gross profit decreased 33% compared to the same quarter last year due to lower sales volume, higher freight costs, higher average unit costs and a slightly lower average net sales price. The gross profit margin of the USA and Europe Fibre Cement business decreased by 6.6 percentage points.

Asia Pacific Fibre Cement gross profit increased 26% compared to the same period last year. Favourable currency exchange rate movements in the Asia Pacific business' currencies compared to the US dollar accounted for 15% of this increase, while the underlying Australian dollar business results accounted for the remaining 11% increase. The gross profit margin of the Asia Pacific Fibre Cement business increased by 2.2 percentage points. In Australian dollars, gross profit increased 11% as a result of the changing product mix, raw material cost management and consistent manufacturing performance.

Selling, General and Administrative (SG&A) Expenses

SG&A expenses decreased 4% for the quarter, from US$55.5 million to US$53.3 million. As a percentage of sales, SG&A expenses increased 1.5 percentage points to 14.6%. SG&A expenses for the quarter include non-claims handling related operating expenses of the AICF of US$0.6 million.

ASIC Proceedings

In February 2007, the Australian Securities and Investments Commission (ASIC) commenced civil proceedings against JHI NV, a former subsidiary and ten then-present or former officers and directors of the James Hardie group. The civil proceedings concern alleged contraventions of certain provisions of the Corporations Law and/or the Corporations Act connected with the affairs of the company and certain subsidiaries during the period February 2001 to June 2003.

There remains considerable uncertainty surrounding the likely outcome of the ASIC proceedings in the longer term and there is a possibility that the company could become responsible for other amounts in addition to the defence costs. However, at this stage, the company believes that, while incurring such amounts is reasonably possible, the actual amount or range of amounts is not estimable and accordingly as of 30 June 2008, has not recorded any related reserves.

Readers are referred to Note 8 of the company's 30 June 2008 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% higher for the quarter at US$4.8 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 4% higher for the quarter at US$2.5 million.

Asbestos Adjustments

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

The asbestos-related assets and liabilities are denominated in Australian dollars. Therefore the reported value of these asbestos-related assets and liabilities in the company's consolidated balance sheets in US dollars is subject to adjustment, with a corresponding effect on the company's consolidated statement of operations, depending on the closing exchange rate between the two currencies at the balance sheet date.

The asbestos adjustments for the quarter ended 30 June 2008 are as follows:

US$ Million	Q1 FY 2009	Q1 FY 2008
Effect of foreign exchange	$ (40.5)	$ (33.2)
Other adjustments	—	3.1
Asbestos adjustments	$ (40.5)	$ (30.1)

Readers are referred to Note 7 of the company's 30 June 2008 Condensed Consolidated Financial Statements for further information on the asbestos adjustments.

EBIT

EBIT for the quarter decreased from US$75.0 million to US$22.9 million. EBIT for the quarter includes net unfavourable asbestos adjustments of US$40.5 million and AICF SG&A expenses of US$0.6 million. For the same period in the prior year, EBIT included net unfavourable asbestos adjustments of US$30.1 million and AICF SG&A expenses of US$0.6 million, as shown in the table below.

	Three Months Ended 30 June		
EBIT - US$ Millions	FY 2009	FY 2008	% Change
USA and Europe Fibre Cement	$ 65.6	$ 113.1	(42)
Asia Pacific Fibre Cement	15.8	12.4	27
Research & Development	(5.0)	(4.1)	(22)
General Corporate	(12.4)	(15.7)	21
Asbestos adjustments	(40.5)	(30.1)	(35)
AICF SG&A expenses	(0.6)	(0.6)	—
EBIT	22.9	75.0	(69)
Excluding:			
Asbestos:			
Asbestos adjustments	40.5	30.1	35
AICF SG&A expenses	0.6	0.6	—
EBIT excluding asbestos	$ 64.0	$ 105.7	(39)
Net sales	$ 365.0	$ 424.4	(14)
EBIT margin excluding asbestos	17.5%	24.9%	

USA and Europe Fibre Cement EBIT

USA and Europe Fibre Cement EBIT for the quarter decreased 42% from US$113.1 million to US$65.6 million, primarily due to reduced gross profit performance in the US, which resulted from lower sales volume, higher freight costs, higher average unit manufacturing costs and a slightly lower average net sales price. The USA and Europe Fibre Cement EBIT margin was lower by 8.7 percentage points at 23.3%.

As announced on 22 May 2008, the company has closed the USA Hardie Pipe business. A small EBIT loss was recorded for the quarter.

Asia Pacific Fibre Cement EBIT

Asia Pacific Fibre Cement EBIT for the quarter increased 27% from US$12.4 million to US$15.8 million. Favourable currency exchange rate movements in the Asia Pacific business' currencies compared to the US dollar accounted for 12% of this increase, while the underlying Australian dollar business results accounted for the remaining 15% increase. In Australian dollars, Asia Pacific Fibre Cement EBIT for the quarter increased 15% due to an improved gross margin performance, partially offset by increased SG&A expenses. The EBIT margin was 1.6 percentage points higher at 19.0%.

General Corporate Costs

General corporate costs for the quarter decreased by US$3.3 million from US$15.7 million to US$12.4 million as indicated in the table on page 5, primarily due to warranty provisions relating to non-US activities of nil compared to US$4.0 million for the same period last year, partially offset by the adverse impact of foreign exchange rate movements on the high proportion of corporate costs incurred in Euros and Australian dollars, when translated into US dollars.

Net Interest (Expense) Income

Net interest (expense) income for the quarter decreased from income of US$0.5 million to an expense of US$1.1 million. The decrease was primarily due to lower interest income earned on investments and cash balances held by the AICF in the current quarter and an increase in net interest expense resulting from the higher average level of net debt outstanding compared to the same period in the prior year.

Income Tax

Income Tax Expense

Income tax expense for the quarter decreased from US$36.4 million to US$20.4 million.

The company's effective tax rate on earnings excluding asbestos was 32.9% for the quarter compared to 34.4% for the same quarter in the prior year. The decrease in the effective tax rate excluding asbestos compared to the same period in the prior year is due to the impact of the change in the geographical mix of earnings.

Australian Taxation Office (ATO) – 1999 Disputed Amended Assessment

As announced on 22 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. The amended assessment relates to the amount of net capital gains arising as a result of an internal corporate restructure carried out in 1998 and has been issued pursuant to the discretion granted to the Commissioner of Taxation under Part IVA of the Income Tax Assessment Act 1936.

On 30 May 2007, the ATO issued a Notice of Decision disallowing the company's objection to the amended assessment. On 11 July 2007, the company filed an application appealing the Objection Decision with the Federal Court of Australia. The hearing of RCI's appeal is presently scheduled to commence in the Federal Court of Australia on 8 December 2008.

ATO – 2002 Tax Audit

The ATO is auditing the company's Australian income tax returns for the years ended 31 March 2002 and 31 March 2004 through 31 March 2006.

On 8 August 2008, the Federal Court of Australia (Federal Court) made orders providing for the reinstatement of the company's former wholly-owned subsidiary James Hardie Australia Finance Pty Limited (JHAF) to register of companies and appointing Max Donnelly of Ferrier Hodgson as the new liquidator of JHAF. JHAF was deregistered on 23 August 2005 following a voluntary winding up. The company understands that the reinstatement of JHAF is a necessary pre-requisite to the ATO issuing an amended assessment in respect of one of the issues that has been the focus of the ATO's inquiries during the tax audit of fiscal year 2002.

The company is considering its position with respect to the merits of the potential amended assessment and any obligations of JHAF to the ATO given its prior winding up.

Internal Revenue Service (IRS) — Notice of Proposed Adjustment (NOPA)

On 23 June 2008, the company announced that the IRS had issued it with a Notice of Proposed Adjustment (NOPA) that concludes that the company does not satisfy the United States – Netherlands Treaty Limitations on Benefits (LOB) provision of the US-NL Treaty applicable from early 2006 and that accordingly it is not entitled to beneficial withholding tax rates on payments from the company's United States subsidiaries to its Netherlands companies. The company does not agree with the conclusions reached by the IRS, and the company intends to contest the IRS' findings through the continuing audit process and, if necessary, through subsequent administrative appeals and possibly litigation. If the IRS position ultimately were to prevail, the company would be liable for a 30% withholding tax on dividend, interest and royalty payments made any time on or after 1 February 2006 by the company's US subsidiaries to JHI NV or the company's Dutch finance subsidiary.

On 16 July 2008 the company issued a rebuttal response to the IRS NOPA. On 18 July 2008 the IRS issued a 30 Day Letter that concludes that the company is not in compliance with the LOB provision for calendar years 2006 and 2007 and that it is not entitled to reduced withholding tax rates on payments from the United States to The Netherlands. The 30 Day Letter notice is a formal IRS examination report that requires the company to either agree in full and pay the tax or file a formal, written protest within 30 days of the 30 Day Letter to request consideration of the issues with the Appeals Division of the IRS.

The company filed a formal protest on 18 August 2008 to exercise its rights to an impartial hearing before the Appeals Division of the IRS.

Readers are referred to Note 11 of the company's 30 June 2008 Condensed Consolidated Financial Statements for further information on income taxes and income tax related issues.

Net Operating Profit

Net operating profit for the quarter decreased from US$39.1 million to US$1.4 million. Net operating profit excluding asbestos decreased 39% from US$68.6 million to US$41.6 million as shown in the table below.

	Three Months Ended 30 June		
Net Operating Profit - US$ millions	FY 2009	FY 2008	% Change
Net operating profit	$ 1.4	$ 39.1	(96)
Excluding:			
Asbestos:			
Asbestos adjustments	40.5	30.1	35
Tax expense related to asbestos adjustments	—	0.4	—
AICF SG&A costs	0.6	0.6	—
AICF interest income	(0.9)	(1.6)	44
Net operating profit excluding asbestos	$ 41.6	68.6	(39)

Liquidity and Capital Resources

The company has historically met its working capital needs and capital expenditure requirements through a combination of cash flow from operations, proceeds from the divestiture of businesses, credit facilities and other borrowings, proceeds from the sale of property, plant and equipment, and proceeds from the redemption of investments. Seasonal fluctuations in working capital generally have not had a significant impact on its short-term or long-term liquidity. The company anticipates it will have sufficient funds to meet its planned working capital and other expected cash requirements for the next 12 months based on its existing cash balances and anticipated operating cash flows arising during the year. The company anticipates that any additional requirements will be met from existing cash, unutilised committed facilities, anticipated future net operating cash flows and proposed new facilities.

Excluding restricted cash, the company had cash and cash equivalents of US$171.3 million as of 30 June 2008. At that date, it also had credit facilities totalling US$490.0 million, of which US$324.5 million was drawn. The credit facilities are all uncollateralised and consist of the following:

Description	Effective Interest Rate	At 30 June 2008 Total Facility	Principal Drawn
(US$ millions)			
364-day facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until December 2008	3.31%	$ 55.0	$ 50.0
364-day facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until June 2009	3.38%	55.0	51.7
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until June 2010	3.46%	245.0	212.8
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until February 2011	3.58%	45.0	10.0
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until February 2013	—	90.0	—
Total		$ 490.0	$ 324.5

Our credit facilities as of 30 June 2008 consist of 364-day facilities in the amount of US$55.0 million, which as of 30 June 2008, mature in December 2008. We have requested extensions of the maturity date of such credit facilities to June 2009.

At 30 June 2008, the company had net debt of US$153.2 million, a reduction of US$75.9 million from net debt of US$229.1 million at 31 March 2008. The weighted average remaining term of the total credit facilities, US$490.0 million, at 30 June 2008 was 2.2 years.

In July 2006, pursuant to an agreement negotiated with the ATO and in accordance with the ATO Receivables Policy, the company made a payment of A$184.0 million (US$162.5 million) along with the provision of a guarantee from JHI NV in favour of the ATO for the unpaid balance of the assessment. The company has also agreed to pay general interest charges (GIC) accruing on the unpaid balance of the assessment in arrears on a quarterly basis. Even if the company is ultimately successful in its appeal and the cash deposit is refunded, the procedural requirement to post a cash deposit and pay ongoing payments of accruing GIC pending the outcome of the appeal could materially and adversely affect the company's financial position and liquidity in the intervening period. See "Australian Taxation Office (ATO) – 1999 Disputed Amended Assessment" above for further information on the ATO amended assessment.

If the company is unable to extend its credit facilities, or is unable to renew its credit facilities on terms that are substantially similar to the ones it presently has, it may experience liquidity issues and will have to reduce its levels of planned capital expenditures, reduce or eliminate dividend payments and stock repurchases or take other measures to conserve cash in order to meet its future cash flow requirements. The company anticipates being able to meet its future payment obligations for the next 12 months from existing cash, unutilised committed facilities, anticipated future net operating cash flows and proposed new facilities.

Share Buy-Back Program

The company has previously announced a share buy-back program of up to approximately 46.8 million shares. Prior to April 2008 the company had repurchased 35.7 million shares. The company did not purchase any shares during the period between 1 April 2008 and 20 August 2008. As the 12 month period for the buy-back program has now ended, the company ceased the buy-back program on 20 August 2008.

Cash Flow

Operating cash flow for the quarter ended 30 June 2008 decreased from US$131.5 million to US$94.8 million. The decrease was driven primarily by the reduced contribution from the USA and Europe Fibre Cement business.

Capital expenditures for the purchase of property, plant and equipment decreased from US$16.5 million to US$3.8 million. The company anticipates capital expenditures throughout fiscal year 2009 to be lower compared to the previous fiscal year.

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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 a Media Release, a Management Presentation and a Financial Report.

These documents, along with a webcast of the presentation on 20 August 2008, are available from the Investor Relations area of the James Hardie website at www.jameshardie.com

The company lodged its annual filing for the year ended 31 March 2008 with the SEC on 8 July 2008.

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 Volumes

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

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

Financial Ratios

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

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

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

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

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

Non-US GAAP Financial Measures

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

US$ Millions	Q1 FY 2009	Q1 FY 2008
EBIT	$ 22.9	$ 75.0
Asbestos:		
Asbestos adjustments	40.5	30.1
AICF SG&A expenses	0.6	0.6
EBIT excluding asbestos	64.0	105.7
Net Sales	$365.0	$424.4
EBIT margin excluding asbestos	17.5%	24.9%

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

US$ Millions	Q1 FY 2009	Q1 FY 2008
Net operating profit	$ 1.4	$ 39.1
Asbestos:		
Asbestos adjustments	40.5	30.1
AICF SG&A expenses	0.6	0.6
AICF interest income	(0.9)	(1.6)
Tax expense related to as bestos adjustments	—	0.4
Net operating profit excluding asbestos	$ 41.6	$ 68.6

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

US$ Millions	Q1 FY 2009	Q1 FY 2008
Net operating profit excluding asbestos	$ 41.6	$ 68.6
Weighted average common shares outstanding — Diluted (millions)	432.2	469.4
Diluted earnings per share excluding asbestos (US cents)	9.6	14.6

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

US$ Millions	Q1 FY 2009	Q1 FY 2008
Operating profit before income taxes	$ 21.8	$ 75.5
Asbestos:		
Asbestos adjustments	40.5	30.1
AICF SG&A expenses	0.6	0.6
AICF interest income	(0.9)	(1.6)
Operating profit before income taxes excluding asbestos	$ 62.0	$104.6
Income tax expense	(20.4)	(36.4)
Tax expense related to asbestos adjustments	—	0.4
Income tax expense excluding asbestos	(20.4)	(36.0)
Effective tax rate excluding asbestos	32.9%	34.4%

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

US$ Millions	Q1 FY 2009	Q1 FY 2008
EBIT	$ 22.9	$ 75.0
Depreciation and amortisation	14.0	14.2
EBITDA	$ 36.9	$ 89.2

Supplemental Financial Information

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

As set forth in Note 7 of the 30 June 2008 Financial Report, the net Amended FFA liability, while recurring, is based on periodic actuarial determinations, claims experience and currency fluctuations. It has no relation to the results of the company's operations. Accordingly, management believes that the following information is useful to it and investors in evaluating ongoing operating financial performance.

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

The following tables should be read in conjunction with JHI NV's financial statements and related notes contained in the company's 30 June 2008 Consolidated Financial Statements.

James Hardie Industries N.V.
Consolidated Balance Sheet
30 June 2008
(unaudited)

US$ Millions	Total Fibre Cement Operations- excluding Asbestos Compensation	Asbestos Compensation	As Reported
ASSETS			
Current assets			
Cash and cash equivalents	$ 320.9	$ (149.6)	$ 171.3
Restricted cash and cash equivalents	5.2	—	5.2
Restricted cash and cash equivalents — Asbestos	—	16.5	16.5
Restricted short-term investments — Asbestos	—	82.3	82.3
Accounts and notes receivable, net of allowance for doubtful accounts of $1.7 million	140.5	0.1	140.6
Inventories	159.0	—	159.0
Prepaid expenses and other current assets	17.4	0.3	17.7
Insurance receivable - Asbestos	—	14.7	14.7
Workers' compensation - Asbestos	—	7.2	7.2
Deferred income taxes	18.5	—	18.5
Deferred income taxes - Asbestos	—	9.1	9.1
Total current assets	**661.5**	**(19.4)**	**642.1**
Property, plant and equipment, net	747.4	0.8	748.2
Insurance receivable - Asbestos	—	198.7	198.7
Workers' compensation - Asbestos	—	82.4	82.4
Deferred income taxes	47.6	—	47.6
Deferred income taxes - Asbestos	—	414.3	414.3
Deposit with Australian Taxation Office	222.8	—	222.8
Other assets	1.2	—	1.2
Total assets	**$ 1,680.5**	**$ 676.8**	**$ 2,357.3**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	$ 91.3	$ 1.1	$ 92.4
Short-term debt	101.7	—	101.7
Dividends payable	34.6	—	34.6
Accrued payroll and employee benefits	20.8	0.2	21.0
Accrued product warranties	7.8	—	7.8
Income taxes payable	35.9	(24.1)	11.8
Asbestos liability	—	82.5	82.5
Workers' compensation - Asbestos	—	7.2	7.2
Other liabilities	36.8	—	36.8
Total current liabilities	**328.9**	**66.9**	**395.8**
Long-term debt	222.8	—	222.8
Deferred income taxes	126.0	—	126.0
Accrued product warranties	11.3	—	11.3
Asbestos liability	—	1,542.8	1,542.8
Workers' compensation - Asbestos	—	82.4	82.4
Other liabilities	210.3	3.5	213.8
Total liabilities	**899.3**	**1,695.6**	**2,594.9**
Commitments and contingencies			
Shareholders' equity (deficit)			
Common stock	219.7	—	219.7
Additional paid-in capital	21.4	—	21.4
Retained earnings (accumulated deficit)	527.5	(1,015.2)	(487.7)
Common stock in treasury	(4.0)	—	(4.0)
Accumulated other comprehensive income	16.6	(3.6)	13.0
Total shareholders' equity (deficit)	781.2	(1,018.8)	(237.6)
Total liabilities and shareholders' equity (deficit)	**$ 1,680.5**	**$ 676.8**	**$ 2,357.3**

James Hardie Industries N.V.
Consolidated Statement of Operations
For the three months ended 30 June 2008
(unaudited)

US$ Millions	Total Fibre Cement Operations- excluding Asbestos Compensation	Asbestos Compensation	As Reported
Net Sales	365.0	—	365.0
Cost of goods sold	(241.0)	—	(241.0)
Gross profit	124.0	—	124.0
Selling, general and administrative expenses	(52.7)	(0.6)	(53.3)
Research and development expenses	(7.3)	—	(7.3)
Asbestos adjustments	—	(40.5)	(40.5)
EBIT	64.0	(41.1)	22.9
Net Interest (expense) income	(2.0)	0.9	(1.1)
Operating profit (loss) before income taxes	62.0	(40.2)	21.8
Income tax expense	(20.4)	—	(20.4)
Net Operating Profit (Loss)	**$ 41.6**	**$ (40.2)**	**$ 1.4**

James Hardie Industries N.V.
Consolidated Statement of Cash Flows
For the three months ended 30 June 2008
(unaudited)

US$ Millions	Total Fibre Cement Operations- excluding Asbestos Compensation	Asbestos Compensation	As Reported
Cash Flows from Operating Activities			
Net Income (loss)	$ 41.6	$ (40.2)	$ 1.4
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation	14.0	—	14.0
Deferred income taxes	(6.9)	—	(6.9)
Stock-based compensation	2.0	—	2.0
Asbestos adjustments	—	40.5	40.5
Changes in operating assets and liabilities:			
Restricted cash and cash equivalents	(0.2)	22.3	22.1
Accounts and notes receivable	(9.0)	(0.4)	(9.4)
Inventories	21.2	—	21.2
Prepaid expenses and other current assets	10.5	0.1	10.6
Insurance receivable — Asbestos	—	5.1	5.1
Accounts payable and accrued liabilities	(15.5)	0.3	(15.2)
Asbestos liability	—	(27.7)	(27.7)
Deposit with Australian Taxation Office	(3.1)	—	(3.1)
Other accrued liabilities and other liabilities	40.2	—	40.2
Net cash provided by operating activities	$ 94.8	$ —	$ 94.8
Cash Flows From Investing Activities			
Purchases of property, plant and equipment	(3.8)	—	(3.8)
Net cash used in investing activities	$ (3.8)	$ —	$ (3.8)
Cash Flows from Financing Activities			
Proceeds from short term borrowings	11.7	—	11.7
Proceeds from long term borrowings	48.3	—	48.3
Proceeds from issuance of shares	0.1	—	0.1
Net cash provided by financing activities	$ 60.1	$ —	$ 60.1
Effects of exchange rate changes on cash	(15.2)	—	(15.2)
Net increase in cash and cash equivalents	135.9	—	135.9
Cash and cash equivalents at beginning of period	35.4	—	35.4
Cash and cash equivalents at end of period	$ 171.3	$ —	$ 171.3
Components of Cash and Cash Equivalents			
Cash at bank and on hand	136.3	—	136.3
Short-term deposits	35.0	—	35.0
Cash and cash equivalents at end of period	$ 171.3	$ —	$ 171.3

Disclaimer

This Management's Analysis of Results contains forward-looking statements. We may from time to time make forward-looking statements in our periodic reports filed with or furnished to the United States Securities and Exchange Commission on Forms 20-F and 6-K, in our annual reports to shareholders, in offering circulars, invitation memoranda and prospectuses, in media releases and other written materials and in oral statements made by our officers, directors or employees to analysts, institutional investors, lenders and potential lenders, representatives of the media and others. Examples of forward-looking statements include:

- expectations about the timing and amount of payments to the Asbestos Injuries Compensation Fund (AICF), a special purpose fund for the compensation of proven Australian asbestos-related personal injury and death claims;
- statements regarding tax liabilities and related audits and proceedings;
- statements as to the possible consequences of proceedings brought against us and certain of our former directors and officers by the Australian Securities and Investments Commission;
- expectations concerning indemnification obligations;
- expectations concerning the costs associated with the suspension of operations at our Blandon, Pennsylvania and Plant City, Florida plants;
- expectations that our credit facilities will be extended or renewed;
- expectations concerning dividend payments;
- projections of our results of operations or financial condition;
- statements regarding our plans, objectives or goals, including those relating to competition, acquisitions dispositions and our products;
- statements about our future performance; and
- statements about product or environmental liabilities.

Words such as "believe," "anticipate," "plan," "expect," "intend," "target," "estimate," "project," "predict," "forecast," "guideline," "should," "aim" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.

Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors, some of which are discussed under "Key Information – Risk Factors" beginning on page 6 of our Form 20-F filed on 8 July 2008 with the Securities and Exchange Commission, 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 and the effect of foreign exchange on the amount recorded in our financial statements as an asbestos liability; compliance with and changes in tax laws and treatments; competition and product pricing in the markets in which we operate; the consequences of product failures or defects; exposure to environmental, asbestos or other legal proceedings; general economic and market conditions; the supply and cost of raw materials; the success of our research and development efforts; our reliance on a small number of customers; compliance with and changes in environmental and health and safety laws; risks of conducting business internationally; compliance with and changes in laws and regulations; foreign exchange risks; and the effect of natural disasters and changes in our key management personnel. We caution you that the foregoing list of factors is not exclusive and that other risks and uncertainties may cause actual results to differ materially from those in forward-looking statements. Forward-looking statements speak only as of the date they are made.

Exhibit 99.4

James Hardie Industries N.V. and Subsidiaries
Condensed Consolidated Financial Statements
as of and for the Three Months Ended 30 June 2008

Index

Item 1. Financial Statements

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

	(Millions of US dollars)		(Millions of Australian dollars)	
	30 June 2008	31 March 2008	**30 June 2008**	31 March 2008
Assets				
Current assets:				
Cash and cash equivalents	**$ 171.3**	$ 35.4	**A$ 178.1**	A$ 38.6
Restricted cash and cash equivalents	**5.2**	5.0	**5.4**	5.5
Restricted cash and cash equivalents — Asbestos	**16.5**	37.4	**17.2**	40.8
Restricted short-term investments — Asbestos	**82.3**	77.7	**85.6**	84.7
Accounts and notes receivable, net of allowance for doubtful accounts of $1.7 million (A$1.9 million) and $2.0 million (A$2.2 million) as of 30 June 2008 and 31 March 2008, respectively	**140.6**	131.4	**146.2**	143.3
Inventories	**159.0**	179.7	**165.3**	195.9
Prepaid expenses and other current assets	**17.7**	28.0	**18.4**	30.5
Insurance receivable — Asbestos	**14.7**	14.1	**15.3**	15.4
Workers' compensation — Asbestos	**7.2**	6.9	**7.5**	7.5
Deferred income taxes	**18.5**	8.2	**19.2**	8.9
Deferred income taxes — Asbestos	**9.1**	9.1	**9.5**	9.9
Total current assets	**642.1**	532.9	**667.7**	581.0
Property, plant and equipment, net	**748.2**	756.4	**777.8**	824.7
Insurance receivable — Asbestos	**198.7**	194.3	**206.5**	211.8
Workers' compensation — Asbestos	**82.4**	78.5	**85.7**	85.6
Deferred income taxes	**47.6**	13.2	**49.5**	14.4
Deferred income taxes — Asbestos	**414.3**	397.1	**430.7**	433.0
Deposit with Australian Taxation Office	**222.8**	205.8	**231.6**	224.4
Other assets	**1.2**	1.7	**1.2**	1.9
Total assets	**$ 2,357.3**	$ 2,179.9	**A$ 2,450.7**	A$ 2,376.8
Liabilities and Shareholders' Deficit				
Current liabilities:				
Accounts payable and accrued liabilities	**$ 92.4**	$ 107.6	**A$ 96.0**	A$ 117.3
Short-term debt	**101.7**	90.0	**105.7**	98.1
Dividends payable	**34.6**	—	**36.0**	—
Accrued payroll and employee benefits	**21.0**	37.0	**21.8**	40.3
Accrued product warranties	**7.8**	6.9	**8.1**	7.5
Income taxes payable	**11.8**	13.0	**12.3**	14.2
Asbestos liability	**82.5**	78.7	**85.8**	85.8
Workers' compensation — Asbestos	**7.2**	6.9	**7.5**	7.5
Other liabilities	**36.8**	9.1	**38.3**	9.9
Total current liabilities	**395.8**	349.2	**411.5**	380.6
Long-term debt	**222.8**	174.5	**231.6**	190.3
Deferred income taxes	**126.0**	84.2	**131.0**	91.8
Accrued product warranties	**11.3**	10.8	**11.7**	11.8
Asbestos liability	**1,542.8**	1,497.8	**1,603.7**	1,633.1
Workers' compensation — Asbestos	**82.4**	78.5	**85.7**	85.6
Other liabilities	**213.8**	187.5	**222.2**	204.4
Total liabilities	**2,594.9**	2,382.5	**A$ 2,697.4**	A$ 2,597.6
Commitments and contingencies (Note 7)				
Shareholders' deficit:				
Common stock, Euro 0.59 par value, 2.0 billion shares authorised; 432,239,668 shares issued at 30 June 2008 and 432,214,668 shares issued at 31 March 2008	**219.7**	219.7		
Additional paid-in capital	**21.4**	19.3		
Accumulated deficit	**(487.7)**	(454.5)		
Common stock in treasury, at cost, 708,695 shares at 30 June 2008 and 31 March 2008	**(4.0)**	(4.0)		
Accumulated other comprehensive income	**13.0**	16.9		
Total shareholders' deficit	**(237.6)**	(202.6)		
Total liabilities and shareholders' deficit	**$ 2,357.3**	$ 2,179.9		

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

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

(Millions of US dollars, except per share data)	Three Months Ended 30 June 2008	2007
Net sales	**$ 365.0**	$ 424.4
Cost of goods sold	**(241.0)**	(257.5)
Gross profit	**124.0**	166.9
Selling, general and administrative expenses	**(53.3)**	(55.5)
Research and development expenses	**(7.3)**	(6.3)
Asbestos adjustments	**(40.5)**	(30.1)
Operating income	**22.9**	75.0
Interest expense	**(2.6)**	(1.3)
Interest income	**1.5**	1.8
Income before income taxes	**21.8**	75.5
Income tax expense	**(20.4)**	(36.4)
Net income	**$ 1.4**	$ 39.1
Net income per share — basic	**$ 0.00**	$ 0.08
Net income per share — diluted	**$ 0.00**	$ 0.08
Weighted average common shares outstanding (Millions):		
Basic	**432.2**	467.4
Diluted	**432.2**	469.4

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

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

(Millions of Australian dollars, except per share data)	Three Months Ended 30 June 2008	2007
Net sales	**A$ 386.9**	A$ 510.3
Cost of goods sold	**(255.5)**	(309.6)
Gross profit	**131.4**	200.7
Selling, general and administrative expenses	**(56.5)**	(66.7)
Research and development expenses	**(7.7)**	(7.6)
Asbestos adjustments	**(42.9)**	(36.2)
Operating income	**24.3**	90.2
Interest expense	**(2.8)**	(1.6)
Interest income	**1.6**	2.2
Income before income taxes	**23.1**	90.8
Income tax expense	**(21.6)**	(43.8)
Net income	**A$ 1.5**	A$ 47.0
Net income per share — basic	**A$ 0.00**	A$ 0.10
Net income per share — diluted	**A$ 0.00**	A$ 0.10
Weighted average common shares outstanding (Millions):		
Basic	**432.2**	467.4
Diluted	**432.2**	469.4

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

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

(Millions of US dollars)	Three Months Ended 30 June 2008	2007
Cash Flows From Operating Activities		
Net income	**$ 1.4**	$ 39.1
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation	**14.0**	14.2
Deferred income taxes	**(6.9)**	11.7
Prepaid pension cost	**—**	0.4
Stock-based compensation	**2.0**	1.5
Asbestos adjustments	**40.5**	30.1
Other	**—**	(0.8)
Changes in operating assets and liabilities:		
Restricted cash and cash equivalents	**22.1**	10.7
Accounts and notes receivable	**(9.4)**	(2.5)
Inventories	**21.2**	16.0
Prepaid expenses and other current assets	**10.6**	(15.6)
Insurance receivable — Asbestos	**5.1**	6.2
Accounts payable and accrued liabilities	**(15.2)**	21.2
Asbestos liability	**(27.7)**	(17.2)
Deposit with Australian Taxation Office	**(3.1)**	(1.0)
Other accrued liabilities and other liabilities	**40.2**	17.5
Net cash provided by operating activities	**94.8**	131.5
Cash Flows From Investing Activities		
Purchases of property, plant and equipment	**(3.8)**	(16.5)
Net cash used in investing activities	**(3.8)**	(16.5)
Cash Flows From Financing Activities		
Proceeds from short-term borrowings	**11.7**	—
Repayments of short-term borrowings	—	(23.0)
Proceeds from long-term borrowings	**48.3**	—
Repayments of long-term borrowings	—	(40.0)
Proceeds from issuance of shares	**0.1**	2.2
Tax benefit from stock options exercised	—	0.2
Net cash provided by (used in) financing activities	**60.1**	(60.6)
Effects of exchange rate changes on cash	**(15.2)**	(7.9)
Net increase in cash and cash equivalents	**135.9**	46.5
Cash and cash equivalents at beginning of period	**35.4**	34.1
Cash and cash equivalents at end of period	**$ 171.3**	$ 80.6
Components of Cash and Cash Equivalents		
Cash at bank and on hand	**$ 136.3**	$ 32.7
Short-term deposits	**35.0**	47.9
Cash and cash equivalents at end of period	**$ 171.3**	$ 80.6

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

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

(Millions of Australian dollars)	Three Months Ended 30 June 2008	2007
Cash Flows From Operating Activities		
Net income	**A$ 1.5**	A$ 47.0
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation	**14.8**	17.1
Deferred income taxes	**(7.3)**	14.1
Prepaid pension cost	—	0.5
Stock-based compensation	**2.1**	1.8
Asbestos adjustments	**42.9**	36.2
Other	—	(1.0)
Changes in operating assets and liabilities:		
Restricted cash and cash equivalents	**23.4**	12.9
Accounts and notes receivable	**(10.0)**	(2.9)
Inventories	**22.5**	19.2
Prepaid expenses and other current assets	**11.2**	(18.8)
Insurance receivable — Asbestos	**5.4**	7.5
Accounts payable and accrued liabilities	**(16.1)**	25.5
Asbestos liability	**(29.4)**	(20.7)
Deposit with Australian Taxation Office	**(3.3)**	(1.2)
Other accrued liabilities and other liabilities	**42.6**	21.0
Net cash provided by operating activities	**100.3**	158.2
Cash Flows From Investing Activities		
Purchases of property, plant and equipment	**(4.0)**	(19.8)
Net cash used in investing activities	**(4.0)**	(19.8)
Cash Flows From Financing Activities		
Proceeds from short-term borrowings	**12.4**	—
Repayments of short-term borrowings	—	(27.7)
Proceeds from long-term borrowings	**51.2**	—
Repayments of long-term borrowings	—	(48.1)
Proceeds from issuance of shares	**0.1**	2.6
Tax benefit from stock options exercised	—	0.2
Net cash provided by (used in) financing activities	**63.7**	(73.0)
Effects of exchange rate changes on cash	**(20.5)**	(12.7)
Net increase in cash and cash equivalents	**139.5**	52.7
Cash and cash equivalents at beginning of period	**38.6**	42.3
Cash and cash equivalents at end of period	**A$ 178.1**	A$ 95.0
Components of Cash and Cash Equivalents		
Cash at bank and on hand	**A$ 141.7**	A$ 38.5
Short-term deposits	**36.4**	56.5
Cash and cash equivalents at end of period	**A$ 178.1**	A$ 95.0

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

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

	Common Stock	Additional Paid-in Capital	Accumulated Deficit	Treasury Stock	Accumulated Other Comprehensive Income	Total
Balances as of 31 March 2008	**$ 219.7**	**$ 19.3**	**$ (454.5)**	**$ (4.0)**	**$ 16.9**	**$ (202.6)**
Comprehensive loss						
Net income	—	—	1.4	—	—	1.4
Unrealised gain on investments	—	—	—	—	0.8	0.8
Foreign currency translation gain	—	—	—	—	(4.7)	(4.7)
Other comprehensive loss	—	—	—	—	(3.9)	(3.9)
Total comprehensive loss						(2.5)
Stock-based compensation	—	2.0	—	—	—	2.0
Stock options exercised	—	0.1	—	—	—	0.1
Dividends payable	—	—	(34.6)	—	—	(34.6)
Balances as of 30 June 2008	**$ 219.7**	**$ 21.4**	**$ (487.7)**	**$ (4.0)**	**$ 13.0**	**$ (237.6)**

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, Philippines and Europe.

Basis of Presentation

The consolidated financial statements represent the financial position, results of operations and cash flows of JHI NV and its current wholly owned subsidiaries and special purpose entities, collectively referred to as either the "Company" or "James Hardie" and JHI NV together with its subsidiaries as of the time relevant to the applicable reference, the "James Hardie Group," unless the context indicates otherwise. These interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the notes thereto, included in the Company's Annual Report on Form 20-F for the fiscal year ended 31 March 2008.

The condensed consolidated financial statements included herein are unaudited; however, they contain all normal recurring adjustments which, in the opinion of the Company's management, are necessary to state fairly the consolidated financial position of the Company at 30 June 2008, and the consolidated results of operations and consolidated cash flows for the three months ended 30 June 2008 and 2007. The results of operations for the three months ended 30 June 2008 are not necessarily indicative of the results to be expected for the full year. The balance sheet at 31 March 2008 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

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

(US$1 = A$)	31 March 2008	30 June **2008**	30 June 2007
Assets and liabilities	1.0903	**1.0395**	n/a
Statements of operations	n/a	**1.0601**	1.2024
Cash flows — beginning cash	n/a	**1.0903**	1.2395
Cash flows — ending cash	n/a	**1.0395**	1.1782
Cash flows — current period movements	n/a	**1.0601**	1.2024

2. Summary of Significant Accounting Policies

Reclassifications

Certain prior year balances have been reclassified to conform with the current year presentation. The reclassifications do not impact shareholder's equity.

Earnings Per Share

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

(Millions of shares)	Three Months Ended 30 June 2008	2007
Basic common shares outstanding	**432.2**	467.4
Dilutive effect of stock options	**—**	2.0
Diluted common shares outstanding	**432.2**	469.4

(US dollars)	2008	2007
Net income per share — basic	**$ 0.00**	$ 0.08
Net income per share — diluted	**$ 0.00**	$ 0.08

Potential common shares of 19.6 million and nil for the three months ended 30 June 2008 and 2007, respectively, have been excluded from the calculation of diluted common shares outstanding because the effect of their inclusion would be anti-dilutive.

Advertising

The Company expenses the production costs of advertising the first time the advertising takes place. Advertising expense was US$3.5 million and US$4.0 million during the three months ended 30 June 2008 and 2007, respectively.

Asbestos

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

In February 2007, the shareholders approved the Amended FFA entered into on 21 November 2006 to provide long-term funding to the Asbestos Injury 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 "Liable Entities")) are found liable.

Upon shareholder approval of the Amended FFA, in accordance with Financial Accounting Standards Board ("FASB") Interpretation No. 46R, the Company consolidated the AICF with the Company resulting in a separate recognition of the asbestos liability and certain other items including the related Australian income tax benefit. Among other items, the Company recorded a deferred tax asset for the anticipated tax benefit related to asbestos liabilities and a corresponding increase in the asbestos liability. As stated in "Deferred Income Taxes" below, the Company's Performing Subsidiary will be able to claim a taxable deduction for contributions to the asbestos fund. For the year ended 31 March 2007, the Company classified the expense related to the increase of the asbestos liability as asbestos adjustments and the Company classified the benefit related to the recording of the related deferred tax asset as an income tax benefit (expense) on its consolidated statements of operations.

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

AICF

Under the terms of the Amended FFA, James Hardie 117 Pty Ltd (the "Performing Subsidiary") has a contractual liability to make payments to the AICF. This funding to the AICF results in the Company having a pecuniary interest in the AICF. The interest is considered variable because the potential impact on the Company will vary based upon the annual actuarial assessments obtained by the AICF with respect to asbestos-related personal injury claims against the Liable Entities. Due to the Company's variable interest in the AICF, it consolidates the AICF in accordance with FASB, Interpretation No. 46R, "Consolidation of Variable Interest Entities".

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

Asbestos-Related Assets and Liabilities

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

<u>Asbestos Liability</u>

The amount of the asbestos liability reflects the terms of the Amended FFA, which has been calculated by reference to (but is not exclusively based upon) the most recent actuarial estimate of projected future cash flows prepared by KPMG Actuaries. Based on KPMG Actuaries' assumptions, KPMG Actuaries arrived at a range of possible total cash flows and proposed a central estimate which is intended to reflect an expected outcome. The Company views the central estimate as the basis for recording the asbestos liability in the Company's financial statements, which under US GAAP, it considers the best estimate under SFAS No. 5. The asbestos liability includes these cash flows as undiscounted and uninflated on the basis that it is inappropriate to discount or inflate future cash flows when the timing and amounts of such cash flows is not fixed or readily determinable.

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

Insurance Receivable

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

Included in insurance receivable is US$14.6 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 Liable Entities. 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 Liable Entities.

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

The portion of the KPMG Actuaries estimate that is expected to be met by the workers' compensation schemes or policies of the Liable Entities 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.

Restricted Short-Term Investments

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

AICF – Other Assets and Liabilities

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

Deferred Income Taxes

The Performing Subsidiary is able to claim a taxation deduction for its contributions to the AICF over a five-year period from the date of contribution. Consequently, a deferred tax asset has been recognised equivalent to the anticipated tax benefit over the life of the Amended FFA.

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

Fair Value Measurements

In September 2006, the FASB issued Statement No. 157, "Fair Value Measurements" ("SFAS No. 157"), which defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles ("GAAP") and expands disclosures about fair value measurements. The expanded disclosures in this statement about the use of fair value to measure assets and liabilities should provide users of financial statements with better information about the extent to which fair value is used to measure recognised assets and liabilities, the inputs used to develop the measurements, and the effect of certain measurements on earnings (or changes in net assets) for the period. Certain provisions of SFAS No. 157 became effective for the Company from 1 April 2008; our adoption did not impact our consolidated financial position or results of operations. The additional disclosures required by SFAS No. 157 are included in Note 3, Fair Value Measurements.

Fair Value Option for Financial Assets and Financial Liabilities

In February 2007, the FASB issued Statement No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities" ("SFAS No. 159"), which allows for voluntary measurement of financial assets and liabilities as well as certain other items at fair value. Unrealised gains and losses on financial instruments for which the fair value option has been elected are reported in earnings. The provisions of SFAS No. 159 are effective for the Company from 1 April 2008; the adoption of SFAS No. 159 did not have a material impact on its financial statements.

Business Combinations

In December 2007, the FASB issued SFAS No. 141 (revised 2007), "Business Combinations ("SFAS No. 141R")", which replaces SFAS No. 141. The statement establishes principles and requirements for how the acquirer in a business combination recognises and measures in its financial statements the identifiable assets acquired, the liabilities assumed, and any controlling interest; recognises and measures the goodwill acquired in the business combination or a gain from a bargain purchase; and determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination. The provisions of SFAS No. 141R are effective for the Company for business combinations for which the acquisition date is on or after 1 April 2009. The Company is currently evaluating the impact that adopting SFAS No. 141 will have on its financial statements.

Noncontrolling Interests in Consolidated Financial Statements – an amendment to ARB No. 51

In December 2007, the FASB approved the issuance of SFAS No. 160 "Noncontrolling Interests in Consolidated Financial Statements – an amendment to ARB No. 51" ("SFAS No. 160"). SFAS No. 160 establishes accounting and reporting standards that require the ownership interest in subsidiaries held by parties other than the entity be clearly identified and presented in the Consolidated Balance Sheets within equity, but separate from the entity's equity; the amount of consolidated net income attributable to the entity and the noncontrolling interest be clearly identified and presented on the face of the Consolidated Statement of Earnings; and changes in the entity's ownership interest while the entity retains its controlling financial interest in its subsidiary be accounted for consistently. The provisions of SFAS No. 160 are effective for the Company on 1 April 2009. The Company is currently evaluating the impact that adopting SFAS No. 160 will have on its financial statements.

Disclosures about Derivative Instruments and Hedging Activities

In March 2008, the FASB issued SFAS No. 161, "Disclosures about Derivative Instruments and Hedging Activities" ("SFAS No. 161"). SFAS No. 161 is intended to improve financial reporting of derivative instruments and hedging activities by requiring enhanced disclosures to enable investors to better understand their effects on an entity's financial position, financial performance, and cash flows. SFAS No. 161 is effective for the Company April 1, 2009. The Company is currently evaluating the impact that adopting SFAS No. 161 will have on its financial statements.

Hierarchy of Generally Accepted Accounting Principles

In May 2008, the FASB issued SFAS No. 162 "The Hierarchy of Generally Accepted Accounting Principles" ("SFAS No. 162") . SFAS No. 162 identifies the sources of accounting principles and the framework for selecting the principles used in the preparation of financial statements of nongovernmental entities that are presented in conformity with U.S. GAAP. This statement shall be effective 60 days following the Securities Exchange and Commission's approval of the Public Company Accounting Oversight Board amendments to AU Section 411, "The Meaning of Present Fairly in Conformity With Generally Accepted Accounting Principles." The adoption of SFAS No. 162 is not expected to have a material impact on the Company's financial statements.

3. Fair Value Measurements

As discussed in Note 2, we adopted SFAS No. 157 effective 1 April 2008. This standard defines fair value, establishes a framework for measuring fair value and expands disclosure requirements about fair value measurements. SFAS No. 157 defines fair value as the prices that would need to be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The fair value hierarchy prescribed by SFAS No. 157 contains three levels as follows:

Level 1 – Unadjusted quoted prices that are available in active markets for the identical assets or liabilities at the measurement date.

Level 2 – Other observable inputs available at the measurement date, other than the quoted prices included in Level 1, either directly or indirectly, including:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets in non-active markets;
- inputs other than quoted prices that are observable for the asset or liability; and
- inputs that are derived principally from or corroborated by other observable market data.

Level 3 – Unobservable inputs that cannot be corroborated by observable market data and reflect the use of significant management judgment. These values are generally determined using pricing models for which the assumptions utilise management's estimates of market participant assumptions.

The following table sets forth by level within the fair value hierarchy, the Company's financial assets that were accounted for at the fair value on a recurring basis at 30 June 2008 according to the valuation techniques it used to determine their fair values.

	Fair Value at 30 June 2008	Fair Value Measurements Using Inputs Considered as		
		Level 1	Level 2	Level 3
Assets				
Cash and cash equivalents	$ 171.3	$ 171.3	—	—
Restricted cash and cash equivalents	21.7	21.7	—	—
Restricted short-term investments	82.3	82.3	—	—
Total	$ 275.3	$ 275.3	—	—

4. Inventories

Inventories consist of the following components:

(Millions of US dollars)	**30 June 2008**	31 March 2008
Finished goods	**$ 105.9**	$ 127.4
Work-in-process	**7.6**	8.4
Raw materials and supplies	**53.0**	51.0
Provision for obsolete finished goods and raw materials	**(7.5)**	(7.1)
Total inventories	**$ 159.0**	$ 179.7

5. Operating Segment Information and Concentrations of Risk

The Company has reported its operating segment information in the format that the operating segment information is available to and evaluated by the Managing Board of Directors. USA and European Fibre Cement manufactures fibre cement interior linings, exterior siding and related accessories products in the United States; these products are sold in the United States, Canada and Europe. Asia Pacific Fibre Cement includes all fibre cement manufactured in Australia, New Zealand and the Philippines and sold in Australia, New Zealand and Asia. Research and Development represents the cost incurred by the research and development centres. On 1 April 2008, the Company realigned its operating segments by combining the previously reported segments of USA Fibre Cement and Other, into one operating segment, USA and European Fibre Cement. On 22 May 2008, the Company ceased the operation of its pipe business in the United States. The Company's operating segments are strategic operating units that are managed separately due to their different products and/or geographical location.

Operating Segments

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

(Millions of US dollars)	Net Sales to Customers [1] Three Months Ended 30 June 2008	2007
USA & Europe Fibre Cement	**$ 281.7**	$ 353.2
Asia Pacific Fibre Cement	**83.3**	71.2
Worldwide total	**$ 365.0**	$ 424.4

(Millions of US dollars)	Income Before Income Taxes Three Months Ended 30 June 2008	2007
USA & Europe Fibre Cement	**$ 65.6**	$ 113.1
Asia Pacific Fibre Cement	**15.8**	12.4
Research and Development	**(5.0)**	(4.1)
Segments total	**76.4**	121.4
General Corporate[2]	**(53.5)**	(46.4)
Total operating income	**22.9**	75.0
Net interest (expense) income [3]	**(1.1)**	0.5
Worldwide total	**$ 21.8**	$ 75.5

(Millions of US dollars)	Total Identifiable Assets 30 June 2008	31 March 2008
USA & Europe Fibre Cement	**$ 819.6**	$ 846.4
Asia Pacific Fibre Cement	**232.5**	218.3
Research and Development	**14.1**	13.9
Segments total	**1,066.2**	1,078.6
General Corporate[4]	**1,291.1**	1,101.3
Worldwide total	**$ 2,357.3**	$ 2,179.9

Geographic Areas

(Millions of US dollars)	Net Sales to Customers Three Months Ended 30 June 2008	2007
USA	**$ 277.1**	$ 349.1
Australia	**58.5**	46.8
New Zealand	**17.2**	17.3
Other Countries	**12.2**	11.2
Worldwide total	**$ 365.0**	$ 424.4

(Millions of US dollars)	Total Identifiable Assets 30 June 2008	31 March 2008
USA	**$ 818.5**	$ 846.6
Australia	**149.0**	139.0
New Zealand	**34.5**	26.1
Other Countries	**64.2**	66.9
Segments total	**1,066.2**	1,078.6
General Corporate[4]	**1,291.1**	1,101.3
Worldwide total	**$ 2,357.3**	$ 2,179.9

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

2 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. Also included in General Corporate are unfavourable asbestos adjustments of US$40.5 million and US$30.1 million for the three months ended 30 June 2008 and 2007, respectively and AICF SG&A expenses of US$0.6 million in each of the three months ended 30 June 2008 and 2007.

3 Included in net interest income (expense) is AICF interest income of US$0.9 million and US$1.6 million for the three months ended 30 June 2008 and 2007, respectively. See Note 7.

4 Asbestos-related assets at 30 June 2008 and 31 March 2008 are US$826.4 million and US$817.1 million, respectively, and are included in the General Corporate segment. See Note 7.

6. Accumulated Other Comprehensive Income

Accumulated other comprehensive income consists of the following components:

(Millions of US dollars)	**30 June 2008**	31 March 2008
Pension and post-retirement benefit adjustments (net of US$1.0 million and US$1.0 million tax benefit, respectively)	**$ (2.1)**	$ (2.1)
Unrealised loss on restricted short-term investments	**(3.6)**	(4.4)
Foreign currency translation adjustments	**18.7**	23.4
Total accumulated other comprehensive income	**$ 13.0**	$ 16.9

7. Asbestos

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

Asbestos Adjustments

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

	Three Months Ended 30 June	
(Millions of US dollars)	**2008**	2007
Effect of foreign exchange	**(40.5)**	(33.2)
Other adjustments	**—**	3.1
Total Asbestos Adjustments	**$ (40.5)**	$ (30.1)

Asbestos-Related Assets and Liabilities

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

(Millions of US dollars)	**30 June 2008**	31 March 2008
Asbestos liability — current	**$ (82.5)**	$ (78.7)
Asbestos liability — non-current	**(1,542.8)**	(1,497.8)
Asbestos liability — Total	**(1,625.3)**	(1,576.5)
Insurance receivable — current	**14.7**	14.1
Insurance receivable — non-current	**198.7**	194.3
Insurance receivable — Total	**213.4**	208.4
Workers’ compensation asset — current	**7.2**	6.9
Workers’ compensation asset — non-current	**82.4**	78.5
Workers’ compensation liability — current	**(7.2)**	(6.9)
Workers’ compensation liability — non-current	**(82.4)**	(78.5)
Workers’ compensation — Total	**—**	—
Deferred income taxes — current	**9.1**	9.1
Deferred income taxes — non-current	**414.3**	397.1
Deferred income taxes — Total	**423.4**	406.2
Income tax payable (reduction in income tax payable)	**24.1**	20.4
Other net liabilities	**(3.6)**	(3.4)
Net Amended FFA liability	**(968.0)**	(944.9)
Restricted cash and cash equivalents and restricted short-term investment assets of the AICF	**98.8**	115.1
Unfunded Net Amended FFA liability	**$ (869.2)**	$ (829.8)

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 will receive an updated actuarial estimate as of 31 March each year. The last actuarial assessment was performed as of 31 March 2008.

The changes in the asbestos liability for the three months ended 30 June 2008 are detailed in the table below:

	A$ Millions	A$ to US$ rate	US$ Millions
Asbestos liability — 31 March 2008	A$ (1,718.9)	1.0903	$ (1,576.5)
Asbestos claims paid[1]	28.5	1.0601	26.9
AICF claims-handling costs incurred[1]	0.9	1.0601	0.8
Effect of foreign exchange			(76.5)
Asbestos liability — 30 June 2008	**A$ (1,689.5)**	1.0395	**$ (1,625.3)**

Insurance Receivable — Asbestos

The changes in the insurance receivable for the three months ended 30 June 2008 are detailed in the table below:

	A$ Millions	A$ to US$ rate	US$ Millions
Insurance receivable — 31 March 2008	A$ 227.2	1.0903	$ 208.4
Insurance recoveries[1]	(5.4)	1.0601	(5.1)
Effect of foreign exchange			10.1
Insurance receivable — 30 June 2008	**A$ 221.8**	1.0395	**$ 213.4**

Deferred Income Taxes — Asbestos

The changes in the deferred income taxes — asbestos for the three months ended 30 June 2008 are detailed in the table below:

	A$ Millions	A$ to US$ rate	US$ Millions
Deferred tax assets — 31 March 2008	A$ 442.9	1.0903	$ 406.2
Amounts offset against income tax payable[1]	(2.8)	1.0601	(2.6)
Effect of foreign exchange			19.8
Deferred tax assets — 30 June 2008	**A$ 440.1**	1.0395	**$ 423.4**

Income Tax Payable

A portion of the deferred income tax asset is applied against the Company's income tax payable. At 30 June 2008 and 31 March 2008, this amount was US$24.1 million and US$20.4 million, respectively. During the three months ended 30 June 2008, there was a US$1.1 million favourable effect of foreign exchange.

Other Net Liabilities

Other net liabilities include a provision for asbestos-related education and medical research contributions of US$3.5 million at 30 June 2008. 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 liability of US$0.1 million at 30 June 2008. During the three months ended 30 June 2008, there was a US$0.2 million unfavourable effect of foreign exchange on the other net liabilities.

Restricted Cash and Short-term Investments of the AICF

Cash and cash equivalents and short-term investments of the AICF are reflected as restricted assets as these assets are restricted for use in the settlement of asbestos claims and payment of the operating costs of the AICF. During the three months ended 30 June 2008, no short-term investments were purchased or sold.

The changes in the restricted cash and short-term investments of the AICF for the three months ended 30 June 2008 are detailed in the table below:

	A$ Millions	A$ to US$ rate	US$ Millions
Restricted cash and cash equivalents and restricted short-term investments – 31 March 2008	A$ 125.5	1.0903	$ 115.1
Asbestos claims paid[1]	(28.5)	1.0601	(26.9)
AICF operating costs paid — claims-handling[1]	(0.9)	1.0601	(0.8)
AICF operating costs paid — non claims-handling[1]	(0.6)	1.0601	(0.6)
Insurance recoveries[1]	5.4	1.0601	5.1
Interest and investment income[1]	1.0	1.0601	0.9
Unrealised gain on investments[1]	0.8	1.0601	0.8
Effect of foreign exchange			5.2
Restricted cash and cash equivalents and restricted short-term investments – 30 June 2008	**A$ 102.7**	1.0395	**$ 98.8**

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.

Claims Data

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

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

	Three Months Ended 30 June 2008	For the Year Ended 31 March 2008	2007	2006[1]	2005
Number of open claims at beginning of period	**523**	490	564	712	687
Number of new claims	**151**	552	463	346	489
Number of closed claims	**176**	519	537	502	464
Number of open claims at end of period	**498**	523	490	556	712
Average settlement amount per settled claim	**A$184,556**	A$147,349	A$166,164	A$151,883	A$157,594
Average settlement amount per case closed	**A$164,632**	A$126,340	A$128,723	A$122,535	A$136,536
Average settlement amount per settled claim	**US$174,093**	US$128,096	US$127,163	US$114,318	US$116,572
Average settlement amount per case closed	**US$155,299**	US$109,832	US$ 98,510	US$ 92,229	US$100,996

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

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

8. Commitment and Contingencies

ASIC Proceedings

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

In the proceedings, ASIC seeks:

- declarations regarding the alleged contraventions;
- orders for pecuniary penalties in such amount as the Court thinks fit up to the limits specified in the Corporations Act;
- orders that former James Hardie group directors or officers Michael Brown, Michael Gillfillan, Meredith Hellicar, Martin Koffel, Peter Macdonald, Philip Morley, Geoffrey O'Brien, Peter Shafron, Gregory Terry and Peter Willcox be prohibited from managing an Australian corporation for such period as the Court thinks fit;
- an order that the Company execute a deed of indemnity in favour of ABN 60 providing that the Company indemnify ABN 60 for an amount up to a maximum of A$1.9 billion, for such amount as ABN 60, or its directors, consider, after giving careful consideration, is necessary to ensure that ABN 60 is able to pay its debts, as and when they fall due, and for such amount as ABN 60, or its directors, reasonably believe is necessary to ensure that ABN 60 remains solvent; and
- its costs of the proceedings.

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

ASIC has indicated that its investigations into other related matters continue and may result in further actions, both civil and criminal. However, it has not indicated the possible defendants to any such actions.

The Company has entered into deeds of indemnity with certain of its directors and officers, as is common practice for publicly listed companies. The Company's articles of association also contain an indemnity for directors and officers and the Company has granted indemnities to certain of its former related corporate bodies which may require the Company to indemnify those entities against indemnities they have granted their directors and officers. To date, claims for payments of expenses incurred have been received from certain former directors and officers in relation to the ASIC investigation, and in relation to the examination of these persons by ASIC delegates. Now that proceedings have been brought against former directors and officers of the James Hardie Group, the Company has and will continue to incur further costs under these indemnities which may be significant. Initially, the Company has obligations, or has offered, to advance funds in respect of defence costs and such advances have been and will continue to be made. Currently, a portion of the defence costs of former directors are being advanced by third parties, with the Company paying the balance. Based upon the information available to it presently, the Company expects this to continue absent any finding of dishonesty against any former director or officer. The Company notes that other recoveries may be available, depending upon the outcome of the ASIC proceedings, including either as a result of a costs order being made against ASIC or, if ASIC is successful in securing civil penalty declarations, as a result of repayments by former directors and officers in accordance with the terms of their indemnities. It is the Company's policy to expense legal costs as incurred.

There remains considerable uncertainty surrounding the likely outcome of the ASIC proceedings in the longer term and there is a possibility that the Company could become responsible for other amounts in addition to the defence costs. However, at this stage, the Company believes that, although it is reasonably possible that such amounts will be incurred in the ASIC proceedings, the actual amount or range of amounts is not estimable and accordingly, as of 30 June 2008, has not recorded any related reserves.

Environmental and Legal

The operations of the Company, like those of other companies engaged in similar businesses, are subject to a number of federal, state and local 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.

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, 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.

9. Short and Long-Term Debt

Debt consists of the following components:

(Millions of US dollars)	**30 June 2008**	31 March 2008
Short-term debt	**$ 101.7**	$ 90.0
Long-term debt	**222.8**	174.5
Total debt[1]	**$ 324.5**	$ 264.5

1 Total debt at 3.43% and 3.63% weighted average interest rates at 30 June and 31 March 2008, respectively.

At 30 June 2008, the Company's credit facilities consisted of :

Description	Effective Interest Rate	At 30 June 2008 Total Facility	Principal Drawn
(US$ millions)			
364-day facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until December 2008	3.31%	$ 55.0	$ 50.0
364-day facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until June 2009	3.38%	55.0	51.7
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until June 2010	3.46%	245.0	212.8
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until February 2011	3.58%	45.0	10.0
Term facilities, can be drawn in US$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until February 2013	—	90.0	—
Total		$490.0	$ 324.5

The Company's credit facilities as of 30 June 2008 consist of 364-day facilities in the amount of US$55.0 million, which as of 30 June, mature in December 2008. The Company has requested extensions of the maturity date of such credit facilities to June 2009.

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 drawn-down period. The Company paid commitment fees in the amount of US$0.2 million and US$0.1 million, respectively for the three months ended 30 June 2008 and 2007. At 30 June 2008, there was US$324.5 million drawn under the combined facilities and US$165.5 million was available.

Short-term debt at 30 June 2008 and 31 March 2008 comprised US$101.7 million and US$90.0 million, respectively, drawn under the 364-day facilities. Long-term debt at 30 June 2008 and 31 March 2008 comprised US$222.8 million and US$174.5 million, respectively, drawn under the term facilities.

At 30 June 2008, management believes that the Company was in compliance with all restrictive 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 Pty Limited, Amaca Pty Limited, ABN 60 Pty Limited 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, (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 Pty Limited, Amaca Pty Limited, ABN 60 Pty Limited and Marlew Mining Pty Limited and (iv) has limits on how much it can spend on an annual basis in relation to asbestos payments to the AICF. Such limits are consistent with the contractual liabilities of the Performing Subsidiary and the Company under the Amended FFA.

The Company anticipates being able to meet its future payment obligations for the next 12 months from existing cash, unutilised committed facilities, anticipated future net operating cash flows and proposed new facilities.

10. Non-Current Liabilities

Non-current other liabilities consist of the following components:

(Millions of US dollars)	**30 June 2008**	31 March 2008
Employee entitlements	**$ 7.2**	$ 6.4
Uncertain tax positions	**132.9**	123.7
Other	**73.7**	57.4
Total non-current other liabilities	**$ 213.8**	$ 187.5

11. Income Taxes

FASB Interpretation No. 48

The Company adopted FASB Interpretation No. 48 ("FIN 48"), "Accounting for Uncertainty in Income Taxes, an interpretation of SFAS No. 109 , Accounting for Income Taxes" on April 1, 2007. The adoption of FIN 48 resulted in the reduction of the Company's consolidated beginning retained earnings of US$78.0 million. As of the adoption date, the Company had US$39.0 million of gross unrecognised tax benefits that, if recognised, would affect the effective tax rate. As of the adoption date, the Company's opening accrual for interest and penalties was US$39.7 million.

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

(US$ millions)	Unrecognized tax benefits	Interest and Penalties
Balance at 1 April 2007	$ 39.0	$ 39.7
Additions for tax positions of the current year	1.3	—
Additions for tax positions of prior year	16.0	1.8
Foreign translation adjustment	5.6	5.5
Balance at 31 March 2008	$ 61.9	$ 47.0
Additions for tax positions of the current year	0.4	0.2
Additions for tax positions of prior year	9.4	0.5
Settlements paid during the current period	(3.1)	(0.3)
Foreign translation adjustment	2.5	2.2
Balance at 30 June 2008	**$ 71.1**	**$ 49.6**

As of 30 June 2008 the total amount of unrecognised tax benefits and the total amount of interest and penalties accrued related to unrecognised tax benefits that, if recognised, would affect the effective tax rate is US$71.1 million and US$49.6 million, respectively.

The Company recognises penalties and interest accrued related to unrecognised tax benefits in income tax expense. During the three months ended 30 June 2008, the total amount of interest and penalties recognised in tax expense was US$2.6 million.

The liabilities associated with FIN 48 are included in other non current liabilities on the Company's consolidated balance sheet.

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

The Company or one of its subsidiaries files income tax returns in the US federal jurisdiction, and various states and foreign jurisdictions including Australia and The Netherlands. The Company is no longer subject to US federal examinations by US Internal Revenue Service ("IRS") for tax years prior to and including tax year 2004. The Company is no longer subject to examinations by The Netherlands tax authority, for tax years prior to tax year 2002. With certain limited exceptions, the Company is no longer subject to Australian federal examinations by the Australian Taxation Office ("ATO") for tax years prior to tax year 2000. The Company is currently subject to audit and review in a number of jurisdictions in which it operates and has been advised that further audits will commence in the next 12 months. It is anticipated that the audits and reviews currently being conducted will be completed within the next 24 months. Of the audits currently being conducted, none have progressed sufficiently to predict their ultimate outcome. The Company accrues income tax liabilities for these audits based upon knowledge of all relevant facts and circumstances, taking into account existing tax laws, its experience with previous audits and settlements, the status of current tax examinations and how the tax authorities view certain issues.

Internal Revenue Service (IRS) — Notice of Proposed Adjustment (NOPA)

On 23 June 2008, the Company announced that the IRS had issued it with a Notice of Proposed Adjustment ("NOPA") that concludes that the Company does not satisfy the United States — Netherlands Treaty Limitations on Benefits ("LOB") provision of the New US-NL Treaty and that accordingly it is not entitled to beneficial withholding tax rates on payments from the Company's United States subsidiaries to its Netherlands companies. The Company does not agree with the conclusions reached by the IRS, and it intends to contest the IRS' findings through the continuing audit process and, if necessary, through subsequent administrative appeals and possibly litigation. If the IRS position ultimately were to prevail, the Company would be liable for a 30% withholding tax on dividend, interest and royalty payments made any time on or after 1 February 2006 by the Company's US subsidiaries to JHI NV or the Company's Dutch finance subsidiary. In that event, the Company estimates that it would owe approximately US$37.0 million in additional tax for calendar years 2006 and 2007 plus, as of 30 June 2008, US$3.0 million in interest and US$7.0 million in penalties related to that tax. Interest will continue to accrue and compound daily at the published monthly Federal Funds short term rate plus 3% until the issue is resolved or a deposit of the full amount of the tax, interest and penalties is made with the IRS or a bond for such amounts is posted. Penalties for calendar years 2006 and 2007 will continue to accrue at the rate of one-half percent per month up to a maximum of 25%. The US$7.0 million accrued penalty through 30 June 2008 could continue to accrue to a maximum total of US$13.0 million. Additional tax, interest and penalties would be payable for later calendar years and such amounts could be significantly more per year in later years than the amounts indicated in the NOPA for calendar years 2006 and 2007.

On 16 July 2008 the Company issued a rebuttal response to the IRS NOPA. On 18 July 2008 the IRS issued a 30 Day Letter that concludes that the Company is not in compliance with the LOB provision for the calendar years 2006 and 2007 and that it is not entitled to reduced withholding tax rates on payments from the United States to the Netherlands. The 30 Day Letter is a formal IRS examination report that requires the Company to either agree in full and pay the tax or file a formal, written protest within 30 days of the 30 Day Letter to request consideration of the issues with the Appeals Division of the IRS.

The Company filed a formal protest on 18 August 2008 to exercise its rights to an impartial hearing before the Appeals Division of the IRS.

ATO – 2002 Tax Audit

The ATO is auditing the Company's Australian income tax returns for the years ended 31 March 2002 and 31 March 2004 through 31 March 2006. On 8 August 2008, the Federal Court of Australia (" Federal Court") made orders providing for the reinstatement of the Company's former wholly-owned subsidiary James Hardie Australia Finance Pty Limited ("JHAF") to the register of companies and appointing Max Donnelly of Ferrier Hodgson as the new liquidator of JHAF. JHAF was deregistered on 23 August 2005 following a voluntary winding up. The Company understands that the reinstatement of JHAF is a necessary pre-requisite to the ATO issuing an amended assessment in respect of one of the issues that has been the focus of the ATO's inquiries during the tax audit of fiscal year 2002. The Company understands that it is the view of the ATO that an amended assessment issued to JHAF would comprise primary tax of A$101.5 million (US$97.6 million), estimated penalties of A$50.8 million (US$48.9 million) and as of 30 June 2008 estimated general interest charges ("GIC") charges of A$88.0 million (US$84.7 million). GIC would continue to accrue until the issue is resolved or full payment of any amended assessment is made. The new liquidator would need to determine, among other things, whether and to what extent JHAF is able to put itself in a position to meet any ultimate tax liability assessed in respect of it. The Company is considering its position with respect to the merits of the potential amended assessment and any obligations of JHAF to the ATO given its prior winding up.

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. On 11 July 2007, the Company filed an application appealing the Objection Decision with the Federal Court of Australia. The hearing for RCI's trial is presently scheduled to commence on 8 December 2008.

The Company believes that it is more likely than not that the tax position reported in RCI's tax return for the 1999 fiscal year will be upheld on appeal. Therefore, the Company believes that the requirements under FIN 48 for recording a liability have not been met and therefore it has not recorded any liability at 30 June 2008 for the amended assessment.

The Company expects that amounts paid in respect of the amended assessment will be recovered by RCI (with interest) at the time RCI is successful in its appeal against the amended assessment. As a result, the Company has treated all payments in respect of the amended assessment that have been made up to 30 June 2008 as a deposit and it is the Company's intention to treat any payments to be made at a later date as a deposit.

12. Stock-Based Compensation

At 30 June 2008, the Company had the following equity award plans: the Executive Share Purchase Plan; the Managing Board Transitional Stock Option Plan; the JHI NV 2001 Equity Incentive Plan; the Supervisory Board Share Plan 2006 and the Long-Term Incentive Plan.

Compensation expense arising from equity award grants as estimated using option-pricing models was US$2.0 million and US$1.5 million for the three months ended 30 June 2008 and 30 June 2007, respectively. As of 30 June 2008, the unrecorded deferred stock-based compensation balance related to equity awards was US$9.9 million after estimated forfeitures and will be recognised over an estimated weighted average amortisation period of 1.6 years.

Stock Options

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

		Outstanding Options	
	Shares Available for Grant	Number	Weighted Average Exercise Price
Balance at 1 April 2008	15,564,294	22,190,237	**A$7.29**
Exercised	—	(25,000)	A$5.99
Forfeited	2,136,680	(2,136,680)	A$7.44
Balance at 30 June 2008	**17,700,974**	**20,028,557**	**A$7.27**

The Company accounts for stock options in accordance with the fair value provisions of SFAS No. 123R, which requires the Company to estimate the value of stock options issued and recognise this estimated value as compensation expense over the periods in which the stock options vest.

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

There were no stock options granted during the three months ended 30 June 2008 and 30 June 2007.

Restricted Stock

Under the terms of the JHI NV 2001 Equity Incentive Plan the Company granted 698,440 restricted stock units to employees on 17 June 2008 which vest in full on 17 June 2010.

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

	Shares	Weighted Average Grant Date Fair Value
Nonvested at 31 March 2008	—	—
Granted	698,440	A$4.25
Forfeited	(1,057)	A$4.25
Nonvested at 30 June 2008	**697,383**	**A$4.25**

The Company accounts for restricted stock in accordance with the fair value provisions of SFAS No. 123R, which requires the Company to estimate the value of restricted stock issued and recognise this estimated value as compensation expense over the periods in which the restricted stock vests.

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

The following table includes the assumptions used for restricted stock grants valued during the three months ended 30 June 2008. There were no restricted stock units granted during the three months ended 30 June 2007.

	30 June 2008
Dividend yield	**$0.20 per annum**
Risk free interest rate	**2.9%**
Expected life in years	**2.0**
JHX stock price at grant date	**A$ 4.93**

Item 2. Quantitative and Qualitative Disclosures About Market Risk

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

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

We have operations in foreign countries and, as a result, are exposed to foreign currency exchange rate risk inherent in purchases, sales, assets and liabilities denominated in currencies other than the US dollar. We also are exposed to interest rate risk associated with our long-term debt and to changes in prices of commodities we use in production.

Our policy is to enter into derivative instruments solely to mitigate risks in our business and not for trading or speculative purposes.

Foreign Currency Exchange Rate Risk

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

For the three months ended 30 June 2008, the following currencies comprised the following percentages of our net sales, cost of goods sold, expenses and liabilities:

	US$	A$	NZ$	Other(1)
Net sales	75.9%	16.0%	4.7%	3.4%
Cost of goods sold	81.5%	13.2%	3.0%	2.3%
Expenses(2)	39.8%	55.2%	1.9%	3.1%
Liabilities (excluding borrowings)(2)	34.8%	64.0%	0.4%	0.8%

(1) Comprises Philippine pesos and Euros.

(2) Liabilities include A$ denominated asbestos liability, which was initially recorded in the fourth quarter of fiscal year 2006. Expenses include adjustments to the liability. See Note 6 for further information.

We purchase raw materials and fixed assets and sell some finished product for amounts denominated in currencies other than the functional currency of the business in which the related transaction is generated. In order to protect against foreign exchange rate movements, we may enter into forward exchange contracts timed to mature when settlement of the underlying transaction is due to occur. At 30 June 2008, there were no such material contracts outstanding.

Interest Rate Risk

We have market risk from changes in interest rates, primarily related to our borrowings. At 30 June 2008, all of the Company’s borrowings were variable-rate. From time to time, we may enter into interest rate swap contracts in an effort to mitigate interest rate risk. As of 30 June 2008, the Company had no interest swap contracts outstanding. As of 30 June 2008, the Company had no forward rate agreements outstanding.

Item 2. Quantitative and Qualitative Disclosures About Market Risk

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

Commodity Price Risk

The Company is exposed to changes in prices of commodities used in its operations, primarily associated with energy, fuel and raw materials such as pulp and cement. Pulp has historically demonstrated more price sensitivity than other raw materials that we use in our manufacturing process. In addition, energy, fuel, and cement prices rose in fiscal years 2007 and 2008 and continued to rise during the first three months of fiscal year 2009. Pulp prices have also been subject to significant price fluctuations in the past. The Company expects that pulp, energy, fuel and cement prices will continue to fluctuate in the near future. Although the Company has not entered into any such contracts as of 30 June 2008; to minimise the additional working capital requirements caused by rising prices related to these commodities, the Company may seek to enter into contracts with suppliers in the future for the purchase of these commodities that could fix the Company's prices over the longer-term. However, if the Company enters into such contracts with suppliers and if such commodity prices decrease, the Company's cost of sales may be negatively impacted due to the fixed pricing over the longer-term.

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

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

Disclaimer

This Financial Report 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, lenders and potential lenders, representatives of the media and others. Examples of forward-looking statements include:

- expectations about the timing and amount of payments to the Asbestos Injuries Compensation Fund (AICF), a special purpose fund for the compensation of proven Australian asbestos-related personal injury and death claims;
- statements regarding tax liabilities and related audits and proceedings;
- statements as to the possible consequences of proceedings brought against the Company and certain of its former directors and officers by the Australian Securities and Investments Commission;
- expectations concerning indemnification obligations;
- expectations concerning the costs associated with the suspension of operations at the Company's Blandon, Pennsylvania and Plant City, Florida plants.
- expectations that the Company's credit facilities will be extended or renewed;
- expectations concerning dividend payments;
- projections of the Company's results of operations or financial condition;
- statements regarding the Company's plans, objectives or goals, including those relating to competition, acquisitions, dispositions and the Company's products;
- statements about the Company's future performance; and
- statements about product or environmental liabilities.

Words such as "believe," "anticipate," "plan," "expect," "intend," "target," "estimate," "project," "predict," "forecast," "guideline," "should," "aim" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.

Forward-looking statements involve inherent risks and uncertainties. The Company cautions that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors, some of which are discussed under "Key Information — Risk Factors" beginning on page 6 of the Form 20-F filed on 8 July 2008 with the Securities and Exchange Commission, 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 and the effect of foreign exchange on the amount recorded in the Company's financial statements as an asbestos liability; compliance with and changes in tax laws and treatments; competition and product pricing in the markets in which the Company operates; the consequences of product failures or defects; exposure to environmental, asbestos or other legal proceedings; general economic and market conditions; the supply and cost of raw materials; the success of research and development efforts; reliance on a small number of customers; compliance with and changes in environmental and health and safety laws; risks of conducting business internationally; compliance with and changes in laws and regulations; foreign exchange risks; and the effect of natural disasters and changes in our key management personnel. The Company cautions that the foregoing list of factors is not exclusive 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.

Exhibit 99.5


James Hardie
James Hardie Q1 FY09 Results
20 August 2008
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 37. 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", EBIT margin excluding asbestos", "Net operating profit excluding asbestos", "Diluted earnings per share excluding asbestos", "Operating profit before income taxes excluding asbestos", "Effective tax rate excluding asbestos" and EBITDA). Unless otherwise stated, results and comparisons are of the 1st quarter of the current fiscal year versus the 1st quarter of the prior fiscal year.

Agenda

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

Overview

- Results affected by on-going weakness in all markets, particularly the US
- Businesses continued to outperform their markets by focusing on growing primary demand for fibre cement and targeting sales of differentiated products

US$ Millions	Q1 FY 2009	Q1 FY 2008	% Change
Net operating profit	1.4	39.1	(96)
Net operating profit excluding asbestos	41.6	68.6	(39)
Diluted earnings per share excluding asbestos (US cents)	9.6	14.6	(34)


James Hardie
Operating Review
Louis Gries, CEO

James Hardie

USA Fibre Cement

This house in Nashville, Tennesee, features HardiePlank™ lap siding in the ColorPlus® Technology colour, Woodland Cream, with HardieShingle™ siding in Woodland Cream and HardieTrim™ boards in Arctic White.

James Hardie

USA Fibre Cement

1st Quarter Result

Net Sales	down	20% to US$276.3 million
Sales Volume	down	19% to 462.6 mmsf
Average Price	down	1% to US$597 per msf
EBIT	down	42% to US$65.6 million
EBIT Margin	down	9.2 pts to 23.9%

USA Fibre Cement

James Hardie

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 reduce direct price competition

USA Fibre Cement

James Hardie

1st Quarter Market Conditions

- Further deterioration in new housing construction activity
  - Starts down 35% for the quarter, compared to last year
- Market demand affected by weaker economic conditions, tighter lending standards and falling house prices
- Inventory levels of new homes remain high
- More existing homes for sale due to increase in foreclosures
- Builder confidence levels remain very low
- Repair and remodelling activity down, but much less than new construction

USA Fibre Cement

James Hardie

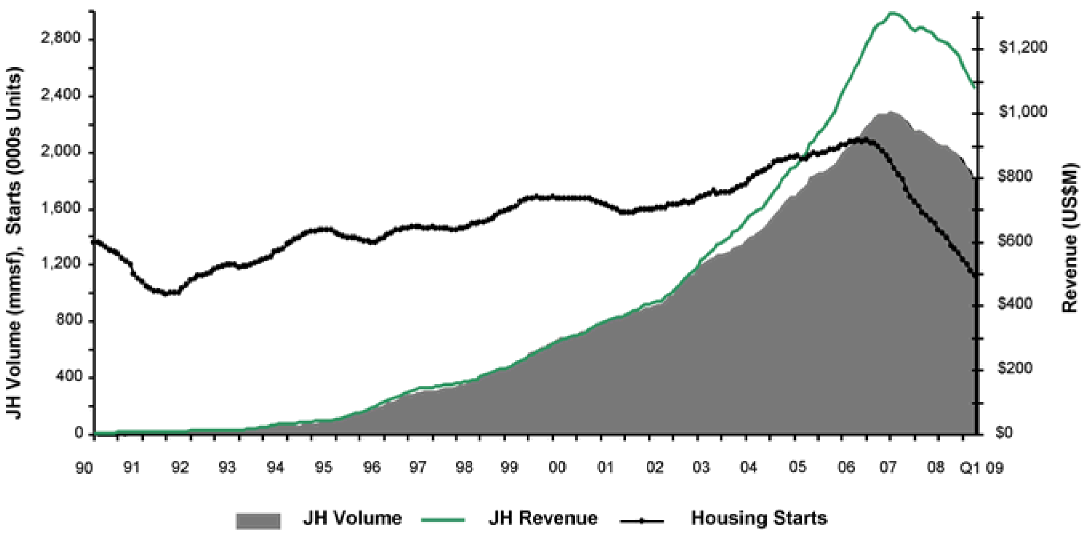
1st Quarter Key Points

- Sales down due to declining market opportunity
- Sales volumes were lower across all divisions and in each key region, other than Canada
- While sales of most exterior products declined, differentiated ColorPlus® collection of products increased market penetration in the quarter
- Weakness in Repair and Remodelling activity led to lower sales of interior products
- Freight costs increased
- Average net sales price fell slightly due to a higher proportion of interior products sold

Outlook

- Housing affordability improved but demand constrained by lack of credit availability and consumer confidence
- Repair and Remodelling activity expected to continue to be soft
- Good operating cash flow generation
- Maintain or grow market share of fibre cement against alternative materials
- Maintain share of fibre cement category

Top Line Growth

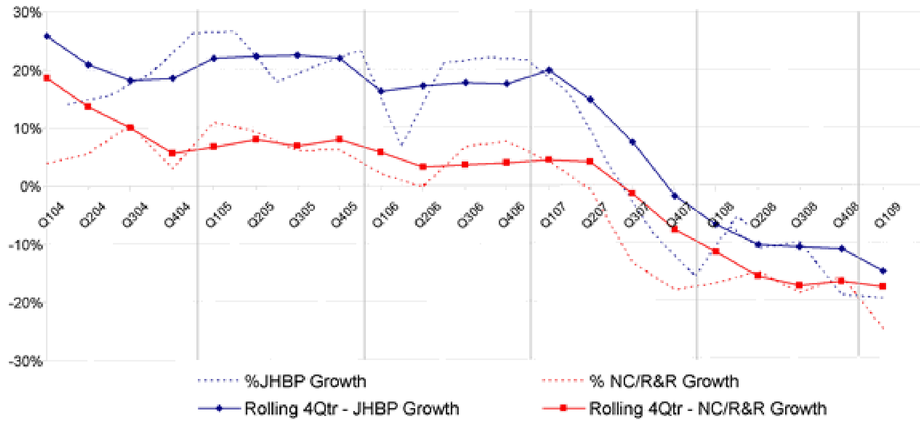


Rolling 12 month average of seasonally adjusted estimate of housing starts by US Census Bureau.

USA Fibre Cement

James Hardie

Primary Growth Performance

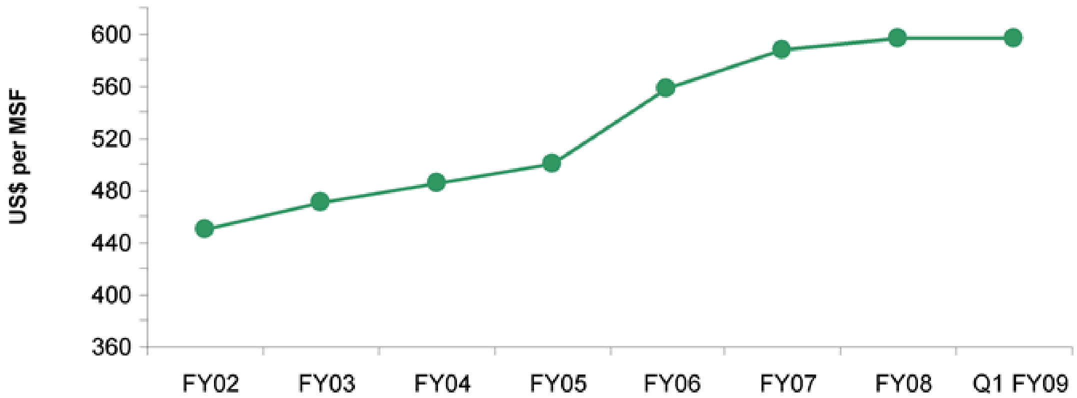


Sources: Dodge US addressable starts (SF & MF-low); US Census R&R $ expenditures less CPI

Note:
- *US Census discontinued their R&R $ expenditures report in 2007*
- *Q108 R&R = avg. published Home Depot & Lowe's same store sales less CPI*

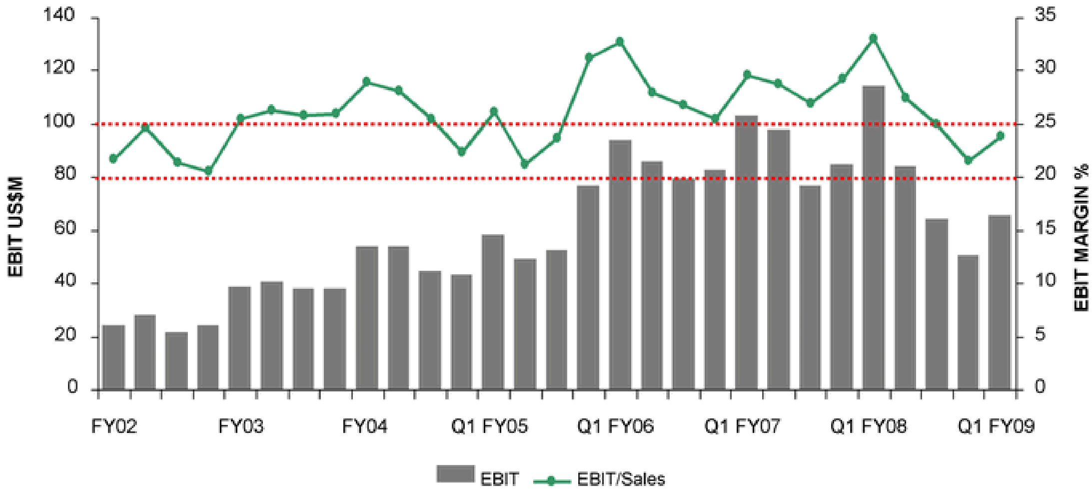
USA Fibre Cement

Average Net Selling Price



USA Fibre Cement

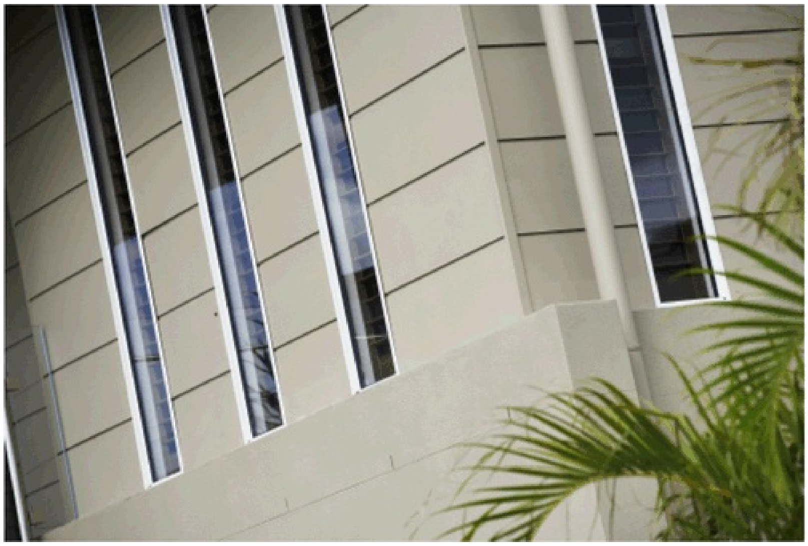
EBIT and EBIT Margin*



*Excludes restructuring and other operating expenses of US$12.6 million in Q3 FY02 and impairment charges of US$45.6 million in Q4 FY08

Asia Pacific Fibre Cement

James Hardie



The new Scyon™ Stria™ cladding featured on a home by Plantation Homes at North Lakes, Queensland

Asia Pacific Fibre Cement

James Hardie

1st Quarter Result

Net Sales	up	17% to US$83.3 million
Sales Volume	up	4% to 101.9 mmsf
Average Price	down	1% to A$867 per msf
EBIT	up	27% to US$15.8 million
EBIT Margin	up	1.6 pts to 19.0%

Asia Pacific Fibre Cement

James Hardie

Strategy

- Increase sales of differentiated products that offer superior value
- Increase fibre cement penetration by providing customers with a Smarter Way to Build
- Improve market position while defending our share of existing segments
- Relentlessly reduce operating costs to compete on traditional products

Asia Pacific Fibre Cement

James Hardie

Key Points

- Residential construction declined in both Australia and New Zealand
- US$ financial results again assisted by appreciation of Asia Pacific currencies
- Q1 net sales up 3% in A$ due to 4% increase in sales volume, partly offset by a 1% decrease in the average Australian dollar net sales price
- Sales of differentiated products continued to grow in Australia and New Zealand
- Non-differentiated products remain subject to competitive pricing pressure
- Stronger EBIT performance in A$, up 15% for the quarter due to improved gross margin performance

Asia Pacific Fibre Cement

James Hardie

Outlook

- Building approvals expected to continue to fall in Australia and in New Zealand
- Housing affordability to remain under pressure with high interest rates and fuel costs
- Continued growth in sales of differentiated products
- Non-differentiated products in Australia are expected to remain subject to strong competition
- In the Philippines, residential construction activity is expected to be flat, or decline


James Hardie
Financial Review
Russell Chenu, CFO

Overview

- Result affected by further declines in US housing market
- Reduced cash flow as a result of reduced contribution from US business
- Decrease in capital expenditure
- Asbestos adjustments:
  - US$40.5m in Q1 – unfavourable currency movement on A$ asbestos liability
- Realigned reportable operating segments:
  - USA Fibre Cement and Other combined; now USA and Europe Fibre Cement

Results – Q1

US$ Millions	Q1'09	Q1'08	% Change
Net sales	365.0	424.4	(14)
Gross profit	124.0	166.9	(26)
SG&A expenses	(53.3)	(55.5)	4
Asbestos adjustments	(40.5)	(30.1)	(35)
EBIT	**22.9**	**75.0**	**(69)**
Net interest (expense) income	(1.1)	0.5	-
Income tax expense	(20.4)	(36.4)	44
Net operating profit	**1.4**	**39.1**	**(96)**

James Hardie

Results – Q1

US$ Millions	Q1'09	Q1'08	% Change
Net operating profit	1.4	39.1	(96)
Asbestos:			
Asbestos adjustments	40.5	30.1	35
AICF SG&A expenses	0.6	0.6	-
AICF interest income	(0.9)	(1.6)	44
Net operating profit excluding asbestos	**41.6**	**68.6**	**(39)**

Segment Net Sales – Q1

US$ Millions	Q1'09	Q1'08	% Change
USA and Europe Fibre Cement	281.7	353.2	(20)
Asia Pacific Fibre Cement	83.3	71.2	17
Total	**365.0**	**424.4**	**(14)**

James Hardie

Segment EBIT – Q1

US$ Millions	Q1'09	Q1'08	% Change
USA and Europe Fibre Cement	65.6	113.1	(42)
Asia Pacific Fibre Cement	15.8	12.4	27
R & D[1]	(5.0)	(4.1)	(22)
Total segment EBIT	**76.4**	**121.4**	**(37)**
General Corporate	(12.4)	(15.7)	21
Total EBIT excluding asbestos	**64.0**	**105.7**	**(39)**
Asbestos adjustments	(40.5)	(30.1)	(35)
AICF SG&A expenses	(0.6)	(0.6)	-
Total EBIT	**22.9**	**75.0**	**(69)**

[1] R&D includes "core" R&D expenses and administrative expenses, but excludes product development expenses

Corporate Costs – Q1

US$ Millions	Q1'09	Q1'08	% Change
Stock compensation expenses	2.0	1.5	(33)
Earnings-related bonus	0.6	0.9	-
Non-US warranty provision	-	4.0	-
ASIC proceedings	1.5	1.2	(25)
Other costs	8.3	8.1	(2)
Total	**12.4**	**15.7**	**21**

Net Interest (Expense) Income

US$ Millions	Q1'09	Q1'08
Gross interest expense	(2.6)	(1.4)
Interest income	0.6	0.3
Net interest expense excluding AICF net interest income	(2.0)	(1.1)
AICF net interest income	0.9	1.6
Net interest (expense) income	(1.1)	0.5

Income Tax Expense – Q1

US$ Millions	Q1'09	Q1'08
Operating profit before income taxes	$21.8	$75.5
Asbestos:		
Asbestos adjustments	40.5	30.1
AICF SG&A expenses	0.6	0.6
AICF interest income	(0.9)	(1.6)
Operating profit before income taxes excluding asbestos	$62.0	$104.6
Income tax expense	(20.4)	(36.4)
Asbestos:		
Tax expense related to asbestos adjustments	-	0.4
Income tax expense excluding asbestos	(20.4)	(36.0)
Effective tax rate excluding asbestos	32.9%	34.4%

Income Tax

- Australian Taxation Office (ATO) – 1999 Disputed Amended Assessment
- ATO – 2002 and 2004-2006 Tax Audits
- Internal Revenue Service (IRS) – Notice of Proposed Adjustment (NOPA)

James Hardie

EBITDA – Q1

US$ Millions	Q1'09	Q1'08	% Change
EBIT			
USA and Europe Fibre Cement	65.6	113.1	(42)
Asia Pacific Fibre Cement	15.8	12.4	27
R & D	(5.0)	(4.1)	(22)
General Corporate	(12.4)	(15.7)	21
Depreciation and Amortisation			
USA and Europe Fibre Cement	11.4	11.5	(1)
Asia Pacific Fibre Cement	2.6	2.7	(4)
Total EBITDA excluding asbestos	78.0	119.9	(35)
Asbestos adjustments	(40.5)	(30.1)	(35)
AICF SG&A expenses	(0.6)	(0.6)	-
Total EBITDA	**36.9**	**89.2**	**(59)**

James Hardie

Cash Flow

US$ Millions	Q1'09	Q1'08	% Change
EBIT	**22.9**	**75.0**	**(69)**
Non-cash items			
- Asbestos adjustments	40.5	30.1	35
- Other non-cash items	9.1	27.0	(66)
Net working capital movements	46.9	8.1	-
Cash generated by trading activities	**119.4**	**140.2**	**(15)**
Tax payments	(20.0)	(4.9)	-
Deposit with ATO	(3.1)	(1.0)	-
Interest paid (net)	(1.5)	(2.8)	46
Net Operating Cash Flow	**94.8**	**131.5**	**(28)**
Purchases of property, plant & equipment	(3.8)	(16.5)	77
Equity issued	0.1	2.4	(96)
Other	(15.2)	(7.9)	(92)
Movement in Net Cash	**75.9**	**109.5**	**(31)**
Net Debt – 31 March 2008	(229.1)	(153.9)	(49)
Net Debt – 30 June 2008	(153.2)	(44.4)	-

Capital Expenditure

US$ Millions	Q1'09	Q1'08	% Change
USA and Europe Fibre Cement	3.5	14.7	76
Asia Pacific Fibre Cement	0.3	1.8	83
Total	**3.8**	**16.5**	**77**

Key Ratios

	Q1' FY09	FY08	FY07
EPS (Diluted)[1]	9.6c	36.9c	49.3c
Dividend Paid per share	-	27.0c	9.0c
Return on Shareholders' Funds[1]	19.9%	17.7%	24.0%
Return on Capital Employed[2]	21.9%	24.2%	27.7%
EBIT/ Sales (EBIT Margin)[2]	17.5%	19.2%	21.6%
Gearing Ratio[1]	15.4%	21.5%	12.5%
Net Interest Expense Cover[1]	32.0x	33.9x	51.2x
Net Interest Paid Cover[2]	42.7x	22.0x	65.2x
Net Debt Payback[3]	0.4yrs	0.7yrs	1.9 yrs

[1] Excludes asbestos adjustments, AICF SG&A expenses and AICF interest income
[2] Excludes asbestos adjustments and AICF SG&A expenses
[3] Excludes payments under the Amended FFA

Summary

- Results significantly affected by further declines in US housing market
- Strong operating cash flows despite challenging market
- US organisational cost base further reduced as part of business re-set implemented in April 2008
- Net operating line materially affected by asbestos adjustments
- Results remain subject to fluctuation in A$: US$ exchange rate for foreseeable future
  - US$0.01 change in A$:US$ exchange rate = approximately US$8.0 million foreign exchange gain/loss on asbestos liability

Questions
&
Answers

James Hardie

Disclaimer

This Management Presentation contains forward-looking statements. We may from time to time make forward-looking statements in our periodic reports filed with or furnished to the United States Securities and Exchange Commission on Forms 20-F and 6-K, in our annual reports to shareholders, in offering circulars, invitation memoranda and prospectuses, in media releases and other written materials and in oral statements made by our officers, directors or employees to analysts, institutional investors, lenders and potential lenders, representatives of the media and others. Examples of forward-looking statements include:

- expectations about the timing and amount of payments to the Asbestos Injuries Compensation Fund (AICF), a special purpose fund for the compensation of proven Australian asbestos-related personal injury and death claims;
- statements regarding tax liabilities and related proceedings;
- statements as to the possible consequences of proceedings brought against us and certain of our former directors and officers by the Australian Securities and Investments Commission;
- expectations concerning indemnification obligations;
- expectations concerning the costs associated with the suspension of operations at our Blandon Pennsylvania and Plant City, Florida plants;
- expectations that our credit facilities will be extended or renewed;
- expectations concerning dividend payments;
- projections of our operating results or financial condition;
- statements regarding our plans, objectives or goals, including those relating to competition, acquisitions, dispositions and our products;
- statements about our future performance; and
- statements about product or environmental liabilities.

Words such as "believe," "anticipate," "plan," "expect," "intend," "target," "estimate," "project," "predict," "forecast," "guideline," "should," "aim" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.

Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors, some of which are discussed under "Key Information - Risk Factors" beginning on page 6 of our Form 20-F filed on 8 July 2008 with the Securities and Exchange Commission, 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 and the effect of foreign exchange on the amount recorded in our financial statements as an asbestos liability; compliance with and changes in tax laws and treatments; competition and product pricing in the markets in which we operate; the consequences of product failures or defects; exposure to environmental, asbestos or other legal proceedings; general economic and market conditions; the supply and cost of raw materials; the success of our research and development efforts; our reliance on a small number of customers; compliance with and changes in environmental and health and safety laws; risks of conducting business internationally; compliance with and changes in laws and regulations; foreign exchange risks; and the effect of natural disasters and changes in our key management personnel. We caution you that the foregoing list of factors is not exclusive and that other risks and uncertainties may cause actual results to differ materially from those in forward-looking statements. Forward-looking statements speak only as of the date they are made.

Endnotes

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

Definitions

Financial Measures – US GAAP equivalents

EBIT and EBIT Margin - EBIT, as used in this document, is equivalent to the US GAAP measure of operating income. EBIT margin is defined as EBIT as a percentage of net sales. We believe EBIT and EBIT margin to be relevant and useful information as these are the primary measures used by our management to measure the operating profit or loss of our business. EBIT is one of several metrics used by our management to measure the earnings generated from our operations, excluding interest and income tax expenses. Additionally, EBIT is believed to be a primary measure and terminology used by our Australian investors. EBIT and EBIT margin should be considered in addition to, but not as a substitute for, other measures of financial performance reported in accordance with accounting principles generally accepted in the United States of America. EBIT and EBIT margin, as we have defined them, may not be comparable to similarly titled measures reported by other companies.

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

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

Sales Volumes

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

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

Endnotes

James Hardie

Financial Ratios

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

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

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

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

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

Non-US GAAP Financial Measures

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

US$ Millions	Q1 FY 2009	Q1 FY 2008
EBIT	$ 22.9	$ 75.0
Asbestos:		
Asbestos adjustments	40.5	30.1
AICF SG&A expenses	0.6	0.6
EBIT excluding asbestos	64.0	105.7
Net Sales	$ 365.0	$ 424.4
EBIT margin excluding asbestos	17.5%	24.9%

Non-US GAAP Financial Measures (continued)

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

US$ Millions	Q1 FY 2009	Q1 FY 2008
Net operating profit	$ 1.4	$ 39.1
Asbestos:		
Asbestos adjustments	40.5	30.1
AICF SG&A expenses	0.6	0.6
AICF interest income	(0.9)	(1.6)
Tax expense related to asbestos adjustments	-	0.4
Net operating profit excluding asbestos	$ 41.6	$ 68.6

Non-US GAAP Financial Measures (continued)

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

US$ Millions	Q1 FY 2009	Q1 FY 2008
Net operating profit excluding asbestos	$ 41.6	$ 68.6
Weighted average common shares outstanding - Diluted (millions)	432.2	469.4
Diluted earnings per share excluding asbestos (US cents)	9.6	14.6

Non-US GAAP Financial Measures (continued)

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

US$ Millions	Q1 FY 2009	Q1 FY 2008
Operating profit before income taxes	$ 21.8	$ 75.5
Asbestos:		
Asbestos adjustments	40.5	30.1
AICF SG&A expenses	0.6	0.6
AICF interest income	(0.9)	(1.6)
Operating profit before income taxes excluding asbestos	$ 62.0	$ 104.6
Income tax expense	(20.4)	(36.4)
Tax expense related to asbestos adjustments	-	0.4
Income tax expense excluding asbestos	(20.4)	(36.0)
Effective tax rate excluding asbestos	32.9%	34.4%

Non-US GAAP Financial Measures (continued)

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

US$ Millions	Q1 FY 2009	Q1 FY 2008
EBIT	$ 22.9	$ 75.0
Depreciation and amortisation	14.0	14.2
EBITDA	$ 36.9	$ 89.2

James Hardie Q1 FY09 Results

20 August 2008

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 37. 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", EBIT margin excluding asbestos", "Net operating profit excluding asbestos", "Diluted earnings per share excluding asbestos", "Operating profit before income taxes excluding asbestos" , "Effective tax rate excluding asbestos" and EBITDA). Unless otherwise stated, results and comparisons are of the 1st quarter of the current fiscal year versus the 1st quarter of the prior fiscal year.

Appendix 3F

Final share buy-back notice
(*except* minimum holding buy-back)

Introduced 1/9/99. Origin: Appendices 7D and 7E. Amended 30/9/2001.

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

Name of entity	ABN
JAMES HARDIE INDUSTRIES N.V. **Incorporated in the Netherlands. The liability of members is limited**	**ARBN 097 829 895**

We (the entity) give ASX the following information.

Description of buy-back

1	Type of buy-back	On-market

Details of all shares bought back

2	Number of shares bought back	35,686,802 CUFS
3	Total consideration paid or payable for the shares	$236,374,651.32
4	If buy-back is an on-market buy-back - highest and lowest price paid	highest price: $7.63 date: 20 September 2007 lowest price: $5.53 date: 11 March 2008

Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.

2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here: (Director/Company secretary) Date: 20 August 2008

Print name: Robert E Cox

== == == == ==

James Hardie

CHAIRMAN'S ADDRESS

For analyst and media enquiries
please call Peter Baker on:
(02) 8274 5239

20 August 2008

Chairman's Address to 2008 Annual Meetings

Mike Hammes

There are quite a few items of business to be covered at this meeting, so I will keep my comments brief, and focus on two areas that I consider particularly significant.

The first of these is your Board of Directors.

Over the last few years, you have heard the company's chairmen telling this meeting that the Board has been committed to a process of board renewal.

We have welcomed several new directors, and have new directors that we are putting forward to you this year for election to the Board. You will already have seen details about these candidates in your Notice of Meetings and two of the nominees will speak to this meeting later when we reach the relevant item of business.

It is unfortunate that the two candidates for the Joint and Supervisory Boards, David Anderson and David Harrison, were unable to attend this meeting Both have attended all the Board meetings held since their respective appointments and have been valuable contributors to Board deliberations.

The other side of the renewal process is that some directors leave the Board and it is these directors I want to consider today.

Since the last annual meeting, John Barr has left the Board, and shortly after this meeting, he will be followed by James Loudon and Don DeFossett.

John joined the Board in September 2003 and left at the end of March this year, because of other board and business commitments. John was Acting Chairman from February 2007 to April 2007 and his contributions to the Board also included chairing the Remuneration Committee and taking to shareholders the asbestos compensation funding arrangements.

James Loudon has served James Hardie since 2002, when he joined the Board to add extensive construction industry and finance expertise. James made a crucial contribution to the company chairing the Board subcommittee overseeing the resolution of the asbestos compensation proposal.

We owe James a particular vote of thanks for the way he has put the company's interests ahead of his personal plans. James has twice delayed his planned retirement from the Board, initially to assist with successful resolution of the asbestos compensation proposal; then to assist with the assimilation of the several new directors who have joined the Board since the beginning of 2007.

Finally, I thank Don DeFosset, who was Chairman of the company for much of last year and who will retire, after the Annual General Meeting.

On behalf of all the Directors, management and shareholders, I thank these directors for their contribution to the company.

The second subject I want to address is the state of our industry, its effect on our company, and the related subject of how to retain and motivate our senior managers and ensure that we continue to align – to the maximum extent possible — their focus with that of our shareholders.

We did receive some comments and questions about this subject from shareholders, and I thought it best to address the issue up front and be available for further questions and answers when we get to the relevant items of business.

Today I would like to share with you some of the Board's deliberations on this issue.

Our industry is clearly going through the most serious downturn it has faced in almost anyone's memory.

Combined with this, the management team (and the Board) has had – and will continue to have to deal with and resolve important legacy issues that require significant management and Board time to ensure that they are handled appropriately, considering all the stakeholders that are important to James Hardie.

The performance of the management team — and the operating results that they have delivered in the face of these challenges — has, in the opinion of the Board, been outstanding.

Frankly, I can personally attest to the fact that James Hardie's performance is the envy of the global building materials industry.

I won't go into these three points – the overall industry situation, the continuing legacy issues, and the operating performance of the company — Louis will handle these in some detail in his presentation.

Instead, I will concentrate on what the Board identified as being one of its key objectives, given our strong and unanimous belief in management's performance (supported by the vast majority of the shareholders we have talked to).

During these very critical times for James Hardie, we had to ensure that:

(a)the management team remains motivated to perform and deliver operating results (and continues to be aligned with shareholders' interests); and

(b)the superior management team that Louis has developed at James Hardie is not "picked off" by competitors who also will be getting ready for the industry re-bound that will come (even though no one yet knows when).

The Board took this responsibility very seriously and we commissioned two independent advisory firms to help us accomplish this critically important task.

We believe the right balance between risk and reward has been accomplished and that management will be strongly motivated to increase shareholder value in the short/medium and long term.

We believe a favourable shareholder vote on this issue will be an important vote of confidence in the management team, and on the program that has been put together to motivate them to continue to be the best management team in the global building materials industry.

These are not easy times for anyone in the building industry. I don't believe the inherent demand for housing has been fundamentally altered for all times — and I do believe that James Hardie is unusually well-positioned for the re-bound when it does come along.

I assure you that Louis and his team, and the Board, will continue to take the decisions and actions necessary to ensure James Hardie and its shareholders are well-positioned for the eventual return of normal demand in the US housing industry.

Ends

Media/Analyst Enquiries:

Peter Baker
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Email: media@jameshardie.com.au
Facsimile: +61 2 8274 5218

Disclaimer

This Media Release contains forward-looking statements. We may from time to time make forward-looking statements in our periodic reports filed with or furnished to the United States Securities and Exchange Commission on Forms 20-F and 6-K, in our annual reports to shareholders, in offering circulars, invitation memoranda and prospectuses, in media releases and other written materials and in oral statements made by our officers, directors or employees to analysts, institutional investors, lenders and potential lenders, representatives of the media and others. Examples of forward-looking statements include:

- expectations about the timing and amount of payments to the Asbestos Injuries Compensation Fund (AICF), a special purpose fund for the compensation of proven Australian asbestos-related personal injury and death claims;
- statements regarding tax liabilities and related audits and proceedings;
- statements as to the possible consequences of proceedings brought against us and certain of our former directors and officers by the Australian Securities and Investments Commission;
- expectations concerning indemnification obligations;
- expectations concerning the costs associated with the suspension of operations at our Blandon, Pennsylvania and Plant City, Florida plants;
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- expectations concerning dividend payments;
- projections of our results of operations or financial condition;
- statements regarding our plans, objectives or goals, including those relating to competition, acquisitions dispositions and our products;
- statements about our future performance; and
- statements about product or environmental liabilities.

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Exhibit 99.8


James Hardie
James Hardie Annual Information Meeting
Louis Gries, CEO

Agenda

- Results overview FY 2008 and Q 1 FY 2009
- USA Fibre Cement
- Legacy issues

Agenda

US $ million	Q1 FY08	Q2 FY08	Q3 FY08	Q4 FY08	Q1 FY09
Net Sales	424.4	390.1	341.4	312.9	365.0
Gross Profit	166.9	138.8	117.1	107.2	124.0
Gross Margin	39.3%	35.6%	34.3%	34.3%	34.0%
EBIT[1]	105.7	74.4	57.4	43.2	64.0
EBIT Margin[1]	24.9%	19.1%	16.8%	13.8%	17.5%
Net Operating Profit[1]	68.6	46.5	34.1	20.1	41.5
Earnings per share[1] US c	14.6	10.0	7.5	4.6	9.6

[1] Excluding asbestos and impairments

James Hardie

Key points

USA Fibre Cement

- Sales down due to declining market opportunity
- While sales of most exterior products declined, differentiated ColorPlus® collection of products increased market penetration in the quarter
- Weakness in Repair and Remodelling activity pulling down sales of interior products

Asia Pacific Fibre Cement

- Residential construction declined in both Australia and New Zealand
- US$ financial results again assisted by appreciation of Asia Pacific currencies
- Sales of differentiated products continued to grow in Australia and New Zealand
- Non-differentiated products remain subject to competitive pricing pressure

USA Fibre Cement

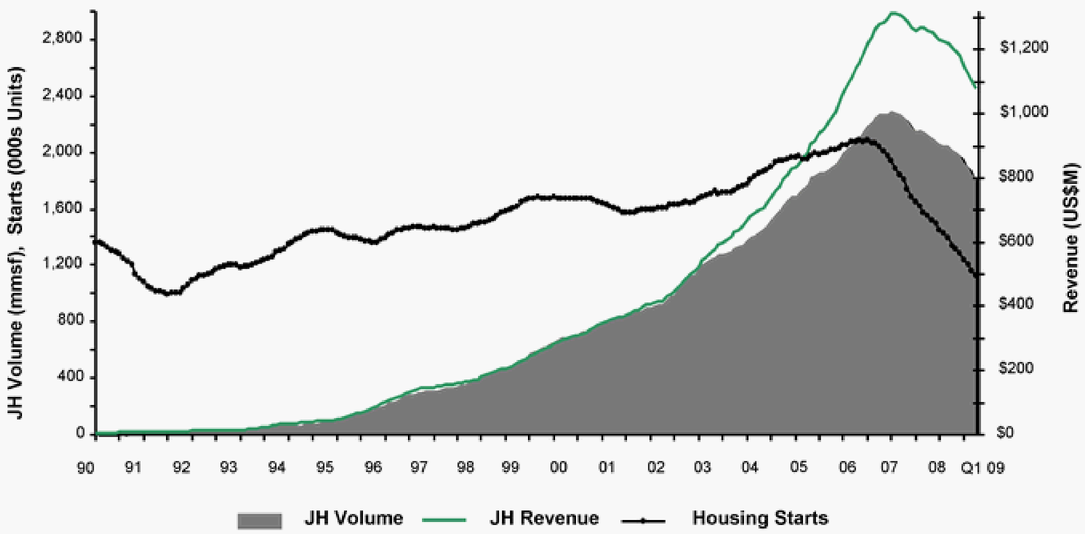
James Hardie

James Hardie lap and shingle siding with ColorPlus® Technology featured in *MidWest Homes'* Minnesota Top Homes Volume 2. The home was built by Mark Anthony Homes in Hudson, Wisconsin.

USA Fibre Cement

James Hardie

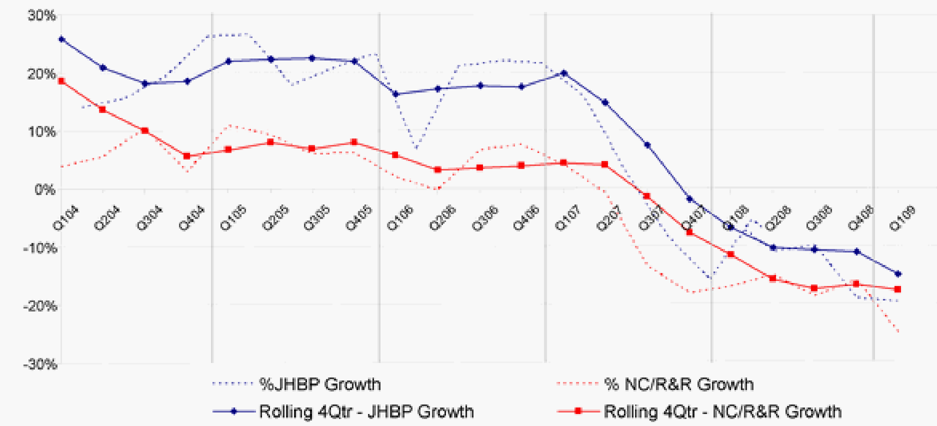
Top Line Growth



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

USA Fibre Cement

Primary Growth Performance



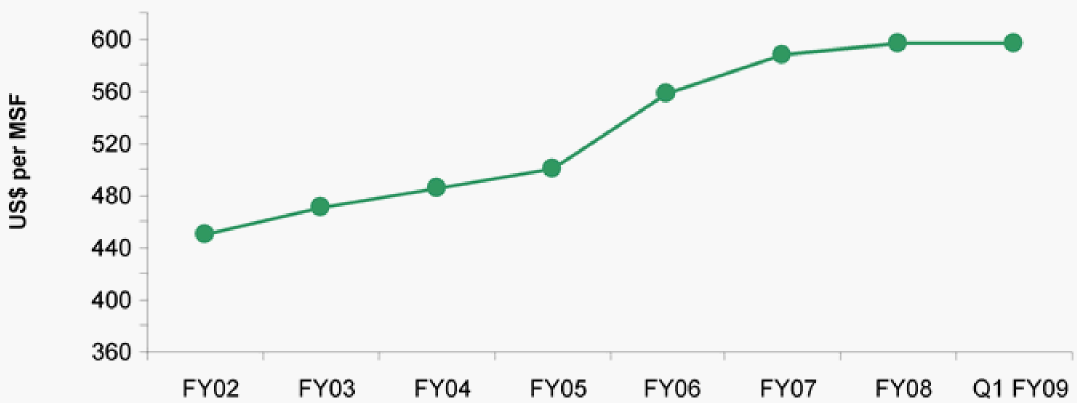
Sources: Dodge US addressable starts (SF & MF-low); US Census R&R $ expenditures less CPI

Note:
- *US Census discontinued their R&R $ expenditures report in 2007*
- *Q108 R&R = avg. published Home Depot & Lowe's same store sales less CPI*

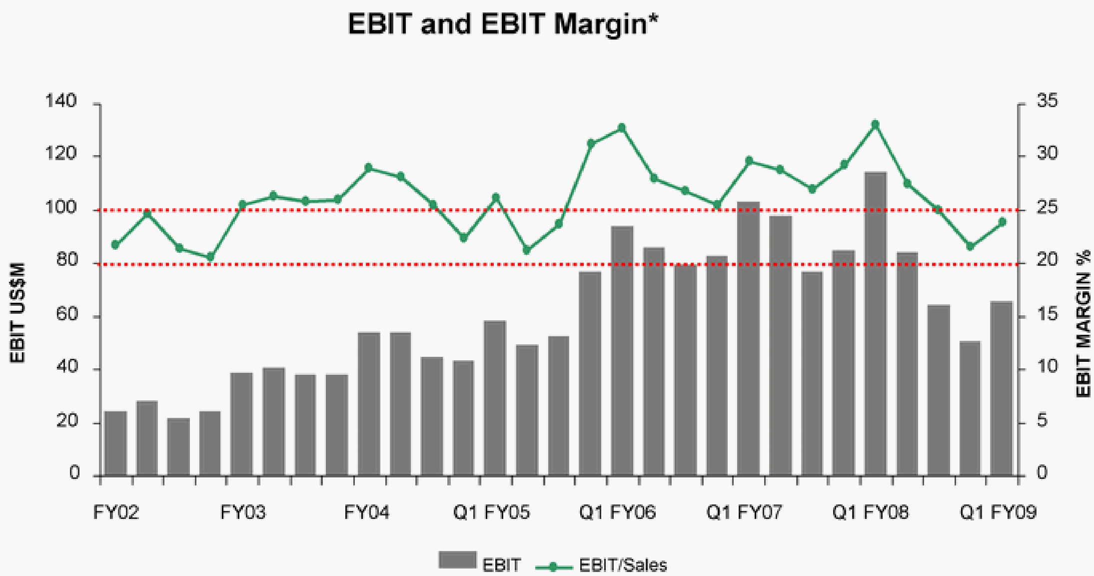
USA Fibre Cement

James Hardie

Average Net Selling Price



USA Fibre Cement



*Excludes restructuring and other operating expenses of US$12.6 million in Q3 FY02 and impairment charges of US$45.6 million in Q4 FY08

USA Fibre Cement

James Hardie

Managing through the housing downturn

- Continued market deterioration resulted in a further business reset in April
- Reset included manufacturing and SG&A adjustments
- Reviewed activities and projects across the organisation
  - Changes made to SG&A cost base considering:
    - Ability to make a significant impact during FY09
    - Impact on ability to enable business to compete and grow as the housing market recovers
    - Long term strategic value
- Employee numbers in US business reduced by 9% or 170, down 19% from 2174 at its peak in 2006

Outlook

USA Fibre Cement

- On-going downward pressure on house prices and weaker demand
- Repair and remodelling activity expected to continue to be soft
- Good operating cash flow generation
- Maintain or grow market share of fibre cement against alternative materials

Asia Pacific

- Building approvals expected to continue to fall in Australia and in New Zealand
- Housing affordability to remain under pressure with high interest rates and fuel costs
- Continued growth in sales of differentiated products, but non-differentiated products in Australia to remain subject to competition
- In the Philippines, residential construction activity is expected to be flat, or decline

Key ratios

James Hardie

	Q1' FY09	FY08	FY07
EPS (Diluted)[1]	9.6c	36.9c	49.3c
Dividend Paid per share	-	27.0c	9.0c
Return on Shareholders' Funds[1]	19.9%	17.7%	24.0%
Return on Capital Employed[2]	21.9%	24.2%	27.7%
EBIT/ Sales (EBIT margin)[2]	17.5%	19.2%	21.6%
Gearing Ratio[1]	15.4%	21.5%	12.5%
Net Interest Expense Cover[1]	32.0x	33.9x	51.2x
Net Interest Paid Cover[2]	42.7x	22.0x	65.2x
Net Debt Payback[3]	0.4yrs	0.7yrs	1.9 yrs

[1] Excludes asbestos adjustments, AICF SG&A expenses and AICF interest income
[2] Excludes asbestos adjustments and AICF SG&A expenses
[3] Excludes payments under the Amended FFA

Legacy issues

- Domicile
  - Treaty change in 2004
  - IRS NOPA for 2006 and 2007
  - Complexity driven by Dutch corporate law, Australian and US securities law and tax in all these jurisdictions
- ASIC Proceedings
  - Trial to start in September
- ATO tax assessments
  - 1999
  - potential 2002 to 2006

Summary

- Good business in a poor housing market
- Corporate drag continues to be challenging

Disclaimer

James Hardie

This Presentation contains forward-looking statements. We may from time to time make forward-looking statements in our periodic reports filed with or furnished to the United States Securities and Exchange Commission on Forms 20-F and 6-K, in our annual reports to shareholders, in offering circulars, invitation memoranda and prospectuses, in media releases and other written materials and in oral statements made by our officers, directors or employees to analysts, institutional investors, lenders and potential lenders, representatives of the media and others. Examples of forward-looking statements include:

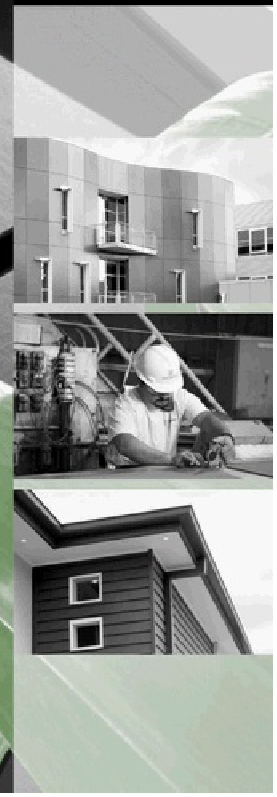
- *expectations about the timing and amount of payments to the Asbestos Injuries Compensation Fund (AICF), a special purpose fund for the compensation of proven Australian asbestos-related personal injury and death claims;*
- *statements regarding tax liabilities and related proceedings;*
- *statements as to the possible consequences of proceedings brought against us and certain of our former directors and officers by the Australian Securities and Investments Commission;*
- *expectations concerning indemnification obligations;*
- *expectations concerning the costs associated with the suspension of operations at our Blandon Pennsylvania and Plant City, Florida plants;*
- *expectations that our credit facilities will be extended or renewed;*
- *expectations concerning dividend payments;*
- *projections of our operating results or financial condition;*
- *statements regarding our plans, objectives or goals, including those relating to competition, acquisitions, dispositions and our products;*
- *statements about our future performance; and*
- *statements about product or environmental liabilities.*

Words such as "believe," "anticipate," "plan," "expect," "intend," "target," "estimate," "project," "predict," "forecast," "guideline," "should," "aim" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.

Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors, some of which are discussed under "Key Information - Risk Factors" beginning on page 6 of our Form 20-F filed on 8 July 2008 with the Securities and Exchange Commission, 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 and the effect of foreign exchange on the amount recorded in our financial statements as an asbestos liability; compliance with and changes in tax laws and treatments; competition and product pricing in the markets in which we operate; the consequences of product failures or defects; exposure to environmental, asbestos or other legal proceedings; general economic and market conditions; the supply and cost of raw materials; the success of our research and development efforts; our reliance on a small number of customers; compliance with and changes in environmental and health and safety laws; risks of conducting business internationally; compliance with and changes in laws and regulations; foreign exchange risks; and the effect of natural disasters and changes in our key management personnel. We caution you that the foregoing list of factors is not exclusive and that other risks and uncertainties may cause actual results to differ materially from those in forward-looking statements. Forward-looking statements speak only as of the date they are made.

James Hardie Annual Information Meeting

20 August 2008



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