

**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 2018

1-15240
(Commission File Number)

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

Europa House, Second Floor
Harcourt Centre
Harcourt Street, Dublin 2, Ireland
(Address of principal executive offices)

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

Form 20-F..X.... 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

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Forward-Looking Statements

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

Examples of forward-looking statements include:

- statements about the company’s future performance;
- projections of the company’s results of operations or financial condition;
- statements regarding the company’s plans, objectives or goals, including those relating to strategies, initiatives, competition, acquisitions, dispositions and/or its products;
- expectations concerning the costs associated with the suspension or closure of operations at any of the company’s plants and future plans with respect to any such plants;
- expectations concerning the costs associated with the significant capital expenditure projects at any of the company’s plants and future plans with respect to any such projects;
- expectations regarding the extension or renewal of the company’s credit facilities including changes to terms, covenants or ratios;
- expectations concerning dividend payments and share buy-backs;
- statements concerning the company’s corporate and tax domiciles and structures and potential changes to them, including potential tax charges;
- statements regarding tax liabilities and related audits, reviews and proceedings;
- statements regarding the possible consequences and/or potential outcome of legal proceedings brought against us and the potential liabilities, if any, associated with such proceedings;
- expectations about the timing and amount of contributions to AICF, a special purpose fund for the compensation of proven Australian asbestos-related personal injury and death claims;
- expectations concerning the adequacy of the company’s warranty provisions and estimates for future warranty-related costs;
- statements regarding the company’s ability to manage legal and regulatory matters (including but not limited to product liability, environmental, intellectual property and competition law matters) and to resolve any such pending legal and regulatory matters within current estimates and in anticipation of certain third-party recoveries; and
- statements about economic conditions, such as changes in the US economic or housing market conditions or changes in the market conditions in the Asia Pacific region, the levels of new home construction and home renovations, unemployment levels, changes in consumer income, changes or stability in housing values, the availability of mortgages and other financing, mortgage and other interest rates, housing affordability and supply, the levels of foreclosures and home resales, currency exchange rates, and builder and consumer confidence.

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

Forward-looking statements are based on the Company’s current expectations, estimates and assumptions and because forward-looking statements address future results, events and conditions, they, by their very nature, involve inherent risks and uncertainties, many of which are unforeseeable and beyond the Company’s control. Such known and unknown risks, uncertainties and other factors may cause actual results, performance or other achievements to differ materially from the anticipated results, performance or achievements expressed, projected or implied by these forward-looking statements. These factors, some of which are discussed

under "Risk Factors" in Section 3 of the Form 20-F filed with the Securities and Exchange Commission on 22 May 2018, 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 Company subsidiaries; required contributions to AICF, any shortfall in AICF and the effect of currency exchange rate movements on the amount recorded in the Company's financial statements as an asbestos liability; the continuation or termination of the governmental loan facility to AICF; 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, putative consumer class action or other legal proceedings; general economic and market conditions; the supply and cost of raw materials; possible increases in competition and the potential that competitors could copy the Company's products; reliance on a small number of customers; a customer's inability to pay; compliance with and changes in environmental and health and safety laws; risks of conducting business internationally; compliance with and changes in laws and regulations; currency exchange risks; dependence on customer preference and the concentration of the Company's customer base on large format retail customers, distributors and dealers; dependence on residential and commercial construction markets; the effect of adverse changes in climate or weather patterns; possible inability to renew credit facilities on terms favorable to the Company, or at all; acquisition or sale of businesses and business segments; changes in the Company's key management personnel; inherent limitations on internal controls; use of accounting estimates; the integration of Fermacell into our business; and all other risks identified in the Company's reports filed with Australian, Irish and US securities regulatory agencies and exchanges (as appropriate). The Company cautions you that the foregoing list of factors is not exhaustive and that other risks and uncertainties may cause actual results to differ materially from those referenced in the Company's forward-looking statements. Forward-looking statements speak only as of the date they are made and are statements of the Company's current expectations concerning future results, events and conditions. The Company assumes no obligation to update any forward-looking statements or information except as required by law.

EXHIBIT INDEX

Exhibit No.	Description
99.1	ASX Cover 30 June 2018
99.2	Media Release Q1 FY19
99.3	Management's Analysis of Results Q1 FY19
99.4	Management Presentation Q1 FY19
99.5	Condensed Consolidated Financial Statements Q1 FY19

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.

Date: 10 August 2018

James Hardie Industries plc
By: /s/ Natasha Mercer

Natasha Mercer
Company Secretary

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Results for Announcement to the Market

James Hardie Industries plc

ARBN 097 829 895

Three Months Ended 30 June 2018				
Key Information	Three Months Ended 30 June			
	FY 2019 US\$M	FY 2018 US\$M	Movement	
Net Sales From Ordinary Activities	651.0	507.7	Up	28%
Profit From Ordinary Activities After Tax Attributable to Shareholders	90.6	57.4	Up	58%
Net Profit Attributable to Shareholders	90.6	57.4	Up	58%
Net Tangible (Liabilities) Assets per Ordinary Share	US\$1.09	US\$(0.64)	Up	102%

Dividend Information

- A FY2018 second half ordinary dividend ("FY2018 second half dividend") of US30.0 cents per security was paid to CUFS holders on 3 August 2018.
- The record date to determine entitlements to the FY2018 second half dividend was 7 June 2018 (on the basis of proper instruments of transfer received by the Company's registrar, Computershare Investor Services Pty Ltd, Level 4, 60 Carrington Street, Sydney NSW 2000, Australia, by 5:00pm if securities are not CHESS approved, or security holding balances established by 5:00pm or such later time permitted by ASTC Operating Rules if securities are CHESS approved).
- The FY2018 second half dividend was, and future dividends will be unfranked for Australian taxation purposes.
- The company was required to deduct Irish DWT (currently 20% of the gross dividend amount) from this dividend and will be required to for future dividends, unless the beneficial owner has completed and returned a non-resident declaration form (DWT Form).
- The Australian currency equivalent amount of the FY2018 second half dividend paid to CUFS holders was 39.18 Australian cents per CUFS.
- No dividend reinvestment plan is currently in operation for dividends previously announced and paid by the Company.

Movements in Controlled Entities during the three months ended 30 June 2018

The following entities were created or acquired:

XI (DL) Holdings GmbH (3 April 2018), Fermacell GmbH (3 April 2018), SNC Parc 3 (3 April 2018), Fermacell B.V (3 April 2018), Fermacell Spain S.L.U. (3 April 2018), Fermacell Schraplau GmbH (3 April 2018), FELS Recycling GmbH (3 April 2018), Fermacell SAS (3 April 2018)

Review

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

Results for the 1st Quarter and Year Ended 30 June 2018

Contents

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

James Hardie Industries plc is incorporated under the laws of Ireland with its corporate seat in Dublin, Ireland. The liability of members is limited. The information contained in the above documents should be read in conjunction with the James Hardie 2018 Annual Report which can be found on the company website at www.jameshardie.com.

James Hardie Announces Adjusted Net Operating Profit of US\$79.9 million for Q1 Fiscal Year 2019

James Hardie today announced results for the quarter ended 30 June 2018:

- The Fermacell acquisition closed on 3 April 2018 and is included in the financial results for the first quarter of fiscal year 2019;
- Group Adjusted net operating profit of US\$79.9 million for the quarter, an increase of 29% compared to the prior corresponding period ("pcp");
- Group Adjusted EBIT of US\$107.1 million for the quarter, an increase of 21% compared to pcp;
- Group net sales of US\$651.0 million for the quarter, an increase of 28% compared to pcp;
- North America Fiber Cement Segment volume increased 5% for the quarter, compared to pcp;
- North America Fiber Cement Segment net sales of US\$433.8 million for the quarter, an increase of 10%, compared to pcp;
- North America Fiber Cement Segment EBIT margin of 24.7% for the quarter;
- Asia Pacific Fiber Cement Segment EBIT margin of 24.2% for the quarter; and
- Europe Building Products Segment Adjusted EBIT margin excluding costs associated with the acquisition of 11.9% for the quarter.

CEO Commentary

James Hardie CEO Louis Gries said, "Our North America Fiber Cement Segment delivered solid top line growth of 10% for the quarter. Volume increased 5%, with our interiors business having only marginal growth and our exteriors business returning to growth above our addressable market. While we have returned to growth above our market index in our exteriors business, increased traction will be required to hit our FY19 targeted range."

He continued, "Within our Asia Pacific Fiber Cement Segment, net sales increased 15% for the quarter, primarily due to the strong growth in our Australian business. Furthermore, EBIT increased 7% for the quarter, driven by the strong performance of our Australian business, partially offset by the performance of our New Zealand business."

He added, "We closed our acquisition of Fermacell to start the quarter on 3 April 2018, and the new Europe Building Products Segment delivered strong net sales compared to the prior corresponding period, and an Adjusted EBIT margin excluding costs associated with the acquisition of 11.9%. We are encouraged by the early indicators from our European team."

Mr. Gries concluded, "Our group results reflect robust Adjusted EBIT growth for the quarter, driven by improved North America results and earnings from the Fermacell business which was acquired during the quarter. Further, although our North American Fiber Cement segment EBIT margin of 24.7% is in the upper part of our target range, we will be pressured by a continued inflationary environment impacting input and freight markets throughout the year. Finally, on 2 July 2018, we made a payment of US\$103.0 million to AICF, representing 35% of our free cash flow, as defined by the AFFA, for fiscal year 2018."

Outlook

We expect to see the steady growth in the US housing market to continue in fiscal year 2019. The single family new construction market and repair and remodel market are expected to grow similarly to the year-on-year growth experienced in fiscal year 2018. The Company expects new construction starts between approximately 1.2 and 1.3 million.

We expect our North America Fiber Cement segment EBIT margin to be in the top end of our stated target range of 20% to 25% for fiscal year 2019. This expectation is based upon the Company continuing to achieve strong operating performance in its plants, stable exchange rates and a moderate inflationary trend for input costs.

Net sales from the Australian business are expected to trend above the average growth of the domestic repair and remodel and single family detached housing markets in the eastern states of Australia.

Full Year Earnings Guidance

Management notes the range of analysts' forecasts for net operating profit excluding asbestos for the year ending 31 March 2019 is between US\$313 million and US\$358 million. Management expects full year Adjusted net operating profit to be between US\$300 million and US\$340 million assuming, among other things, housing conditions in the United States continue to improve in line with our assumed forecast of new construction starts, input prices remain consistent and an average USD/AUD exchange rate that is at, or near current levels for the remainder of the year. Management cautions that although US housing activity has been improving, market conditions remain somewhat uncertain and some input costs remain volatile.

The comparable Adjusted net operating profit for fiscal year 2018 was US\$291.3 million. The Company is unable to forecast the comparable US GAAP financial measure due to uncertainty regarding the impact of actuarial estimates on asbestos-related assets and liabilities in future periods.

Further Information

Readers are referred to the Company's Condensed Consolidated Financial Statements and Management's Analysis of Results for the three months ended 30 June 2018 for additional information regarding the Company's results, including information regarding income taxes, the asbestos liability and contingent liabilities.

As of 30 June 2018, the Company changed its reportable operating segments. Previously, the Company reported on four operating segments: (i) North America Fiber Cement, (ii) International Fiber Cement, (iii) Other Businesses, and (iv) Research and Development. As of 30 June 2018, the Company began reporting on five operating segments: (i) North America Fiber Cement, (ii) Asia Pacific Fiber Cement, (iii) Europe Building Products, (iv) Other Businesses, and (v) Research and Development. The significant changes to how certain businesses are reported in the new segment structure are as follows: (i) our European Fiber Cement business as well as the newly acquired Fermacell business are now reported as the Europe Building Products segment, and the remaining businesses that were historically reported in the International Fiber Cement segment are now reported in the Asia Pacific Fiber Cement segment. The Company has revised its historical segment information for the three months ended 30 June 2017 to be consistent with the new reportable segment structure. The change in reportable segments had no effect on the Company's financial position, results of operations or cash flows for the periods presented. Readers are referred to Note 15 of our condensed consolidated financial statements for further information on our segments.

Use of Non-GAAP Financial Information; Australian Equivalent Terminology

This Media Release includes financial measures that are not considered a measure of financial performance under generally accepted accounting principles in the United States (GAAP), such as Adjusted net operating profit and Adjusted EBIT. These non-GAAP financial measures should not be considered to be more meaningful than the equivalent GAAP measure. Management has included such measures to provide investors with an alternative method for assessing its operating results in a manner that is focused on the performance of its ongoing operations and excludes the impact of certain legacy items, such as asbestos adjustments. Additionally, management uses such non-GAAP financial measures for the same purposes. However, these non-GAAP financial measures are not prepared in accordance with US GAAP, may not be reported by all of the Company's competitors and may not be directly comparable to similarly titled measures of the Company's competitors due to potential differences in the exact method of calculation. For additional information regarding the non-GAAP financial measures presented in this Media Release, including a reconciliation of each non-GAAP financial measure to the equivalent US GAAP measure, see the section titled "Non-US GAAP Financial Measures" included in the Company's Management's Analysis of Results for the first quarter ended 30 June 2018.

In addition, this Media Release includes financial measures and descriptions that are considered to not be in accordance with US GAAP, but which are consistent with financial measures reported by Australian companies, such as operating profit, EBIT and EBIT margin. Since the Company prepares its Consolidated Financial Statements in accordance with US GAAP, the Company provides investors with a table and definitions presenting cross-references between each US GAAP financial measure used in the Company's Consolidated Financial Statements to the equivalent non-US GAAP financial measure used in this press release. See the sections titled "Non-US GAAP Financial Measures" included in the Company's Management's Analysis of Results for the first quarter ended 30 June 2018.

Forward-Looking Statements

This Media Release contains forward-looking statements and information that are necessarily subject to risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of James Hardie to be materially different from those expressed or implied in this release, including, among others, the risks and uncertainties set forth in Section 3 "Risk Factors" in James Hardie's Annual Report on Form 20-F for the year ended 31 March 2018; changes in general economic, political, governmental and business conditions globally and in the countries in which James Hardie does business; changes in interest rates, changes in inflation rates; changes in exchange rates; the level of construction generally; changes in cement demand and prices; changes in raw material and energy prices; changes in business strategy and various other factors. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein. James Hardie assumes no obligation to update or correct the information contained in this Media Release except as required by law.

END

Media/Analyst Enquiries:

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Vice President, Investor and Media Relations

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Management's Analysis of Results

This Management's Analysis of Results forms part of a package of information about James Hardie Industries plc's results. It should be read in conjunction with the other parts of this package, including the Media Release, the Management Presentation and the condensed consolidated financial statements. Except as otherwise indicated in this Management's Analysis of Results, James Hardie Industries plc is referred to as "JHI plc." JHI plc, together with its direct and indirect wholly-owned subsidiaries, are collectively referred to as "James Hardie," the "Company," "we," "our," or "us." Definitions for certain capitalized terms used in this Management's Analysis of Results can be found in the section titled "Non-GAAP Financial Measures."

This Management's Analysis of Results includes financial measures that are not considered a measure of financial performance under generally accepted accounting principles in the United States ("US GAAP"). These non-GAAP financial measures should not be considered to be more meaningful than the equivalent US GAAP measures. Management has included such measures to provide investors with an alternative method for assessing its financial condition and operating results in a manner that is focused on the performance of its ongoing operations. These measures exclude the impact of certain legacy items, such as asbestos adjustments, or significant non-recurring items, such as debt restructuring and acquisition costs, as well as adjustments to tax expense. In addition, management provides an adjusted effective tax rate, which excludes the tax impact of the pre-tax special items (items listed above) and tax special items. Management believes that this non-GAAP tax measure provides an ongoing effective rate which investors may find useful for historical comparisons and for forecasting and is an alternative method of assessing the economic impact of taxes on the Company, as it more closely approximates payments to taxing authorities. Management uses such non-GAAP financial measures for the same purposes. These non-GAAP measures should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with US GAAP. These non-GAAP financial measures are not prepared in accordance with US GAAP, may not be reported by all of the Company's competitors and may not be directly comparable to similarly titled measures of the Company's competitors due to potential differences in the exact method of calculation. For additional information regarding the non-GAAP financial measures presented in this Management's Analysis of Results, including a reconciliation of each non-GAAP financial measure to the equivalent US GAAP measure, see the section titled "Non-US GAAP Financial Measures." In addition, this Management's Analysis of Results includes financial measures and descriptions that are considered to not be in accordance with US GAAP, but which are consistent with financial measures reported by Australian companies. Since James Hardie prepares its condensed consolidated financial statements in accordance with US GAAP, the Company provides investors with a table and definitions presenting cross-references between each US GAAP financial measure used in the Company's condensed consolidated financial statements to the equivalent non-US GAAP financial measure used in this Management's Analysis of Results. See the section titled "Non-US GAAP Financial Measures."

These documents, along with an audio webcast of the Management Presentation on 10 August 2018, are available from the Investor Relations area of our website at <http://www.ir.jameshardie.com.au>

NOTE TO THE READER:

As of 30 June 2018, the Company changed its reportable operating segments. Previously, the Company reported on four operating segments: (i) North America Fiber Cement, (ii) International Fiber Cement, (iii) Other Businesses, and (iv) Research and Development. As of 30 June 2018, the Company began reporting on five operating segments: (i) North America Fiber Cement, (ii) Asia Pacific Fiber Cement, (iii) Europe Building Products, (iv) Other Businesses, and (v) Research and Development. The significant changes to how certain businesses are reported in the new segment structure are as follows: (i) our European Fiber Cement business, as well as the newly acquired Fermacell business, are now reported as the Europe Building Products segment, and the remaining

businesses that were historically reported in the International Fiber Cement segment are now reported in the Asia Pacific Fiber Cement segment. The Company has revised its historical segment information for the first quarter ended 30 June 2017 to be consistent with the new reportable segment structure. The change in reportable segments had no effect on the Company's financial position, results of operations or cash flows for the periods presented. Readers are referred to Note 15 of our condensed consolidated financial statements for further information on our segments.

Media/Analyst Enquiries:

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

US\$ Millions	Three Months Ended 30 June		
	FY19	FY18	Change %
Net sales	\$ 651.0	\$ 507.7	28
Cost of goods sold	(429.9)	(338.7)	(27)
Gross profit	221.1	169.0	31
Selling, general and administrative expenses	(104.9)	(73.5)	(43)
Research and development expenses	(9.4)	(7.6)	(24)
Asbestos adjustments	25.1	(3.9)	
EBIT	131.9	84.0	57
Net interest expense	(10.6)	(6.5)	(63)
Other income (expense)	0.2	(0.4)	
Operating profit before income taxes	121.5	77.1	58
Income tax expense	(30.9)	(19.7)	(57)
Net operating profit	\$ 90.6	\$ 57.4	58
Earnings per share - basic (US cents)	21	13	
Earnings per share - diluted (US cents)	20	13	
Volume (mmsf)	938.6	690.2	36

Net sales for the quarter increased 28% from the prior corresponding period to US\$651.0 million, due to the acquisition of Fermacell in Europe and higher net sales in the North America Fiber Cement and Asia Pacific Fiber Cement segment. The increase in North America Fiber Cement net sales is due to higher sales volumes and higher average net sales price, and the increase in Asia Pacific Fiber Cement net sales is driven by higher volumes.

Gross profit of US\$221.1 million for the quarter increased 31% when compared to the prior corresponding period. Gross profit margin of 34% for the quarter increased 0.7 percentage points when compared with the prior corresponding period.

Selling, general and administrative (“SG&A”) expenses of US\$104.9 million for the quarter increased 43% when compared to the prior corresponding period. The increase is primarily driven by the SG&A costs of the European Building Products segment which are significantly higher when compared to the prior corresponding period

due to the acquisition of Fermacell on 3 April 2018.

Asbestos adjustments for the quarter primarily reflect the non-cash foreign exchange re-measurement impact on asbestos related balance sheet items, driven by the change in AUD/USD spot exchange rate.

Other income (expense) for the quarter reflects the gains and losses on interest rate swaps.

Income tax expense for the quarter increased compared to the prior corresponding period, primarily due to an increase in reported EBIT and a change in the accounting treatment of intangible assets amortization which did not apply in the prior corresponding period, partially offset by the decrease in US corporate income tax rate.

Net operating profit for the quarter increased compared to the prior corresponding period, primarily driven by the favorable underlying performance of the operating business units and the favorable movement in asbestos adjustments, partially offset by higher SG&A expenses and income tax expense.

North America Fiber Cement Segment

Operating results for the North America Fiber Cement segment were as follows:

US\$ Millions	Three Months Ended 30 June		
	FY19	FY18	Change
Volume (mmsf)	591.0	561.5	5 %
Average net sales price per unit (per msf)	US\$725	US\$693	5 %
Fiber cement net sales	433.8	393.1	10%
Gross profit			23%
Gross margin (%)			3.7 pts
EBIT	107.2	79.8	34%
EBIT margin (%)	24.7	20.3	4.4 pts

Net sales for the quarter were favorably impacted by a higher average net sales price and higher volumes compared to prior corresponding period. The increase in average net sales price primarily reflects the annual change in our strategic pricing effective April 2018, as well as favorable product mix. Volume increased 5% versus the prior corresponding quarter reflecting a return to a slightly positive growth above the market index in exteriors, as well as marginal growth in interiors, although this growth remains below the interiors market index. While we have returned to growth above market in our exteriors business, continued momentum will be required to reach our full year goals.

We note that there are a number of data sources that measure US housing market growth. At the time of filing our results for the period ended 30 June 2018, only US Census Bureau data was available. According to the US Census Bureau, single family housing starts for the quarter were 257,900, or 9% above the prior corresponding period.

While we have provided US Census Bureau data above, we note that this data can be different from other indices we use to measure US housing market growth, namely the McGraw-Hill Construction Residential Starts Data (also known as Dodge), the National Association of Home Builders and Fannie Mae.

The change in gross margin for the quarter can be attributed to the following components:

For the Three Months Ended 30 June 2018:

Higher average net sales price	3.1 pts
Lower start up costs	0.5 pts
Lower production costs	0.1 pts
Total percentage point change in gross margin	3.7 pts

Gross margin for the quarter increased 3.7 percentage points compared to the prior corresponding period, primarily driven by higher average net sales price and lower start up costs. Although production costs were slightly favorable compared to the elevated levels reflected in the prior corresponding period, freight and pulp costs remain elevated and continue to compress North America segment margins.

EBIT for the quarter increased 34% compared to the prior corresponding period, primarily driven by a 23% increase in gross profit.

EBIT margin for the quarter increased 4.4 percentage points to 24.7% when compared to the prior corresponding period, driven primarily by the increase in gross margin as described above. In addition, as a percentage of sales, SG&A expenses decreased 0.6 percentage points for the quarter, when compared to the prior corresponding period.

Asia Pacific Fiber Cement Segment

The Asia Pacific Fiber Cement segment is comprised of the following businesses: (i) Australia Fiber Cement, (ii) New Zealand Fiber Cement, and (iii) Philippines Fiber Cement.

Operating results for the Asia Pacific Fiber Cement segment in US dollars were as follows:

US\$ Millions	Three Months Ended 30 June		
	FY19	FY18	Change
Volume (mmsf)	138.0	120.1	15%
Average net sales price per unit (per msf)	US\$753	US\$753	—%
Fiber cement net sales	117.1	101.6	15%
Gross profit			9%
Gross margin (%)			(2.2 pts)
EBIT	28.3	26.4	7%
EBIT margin (%)	24.2	26.0	(1.8 pts)

Volume for the quarter increased 15% compared to the prior corresponding period, driven by higher sales volumes in all regions, primarily in our Australian and the Philippines businesses. In Australia, growth was driven by market penetration and category share gains. In the Philippines, volume growth was a result of strategic distributor programs implemented in the region. In addition, each business achieved volume growth above their underlying market growth.

Fiber cement net sales for the quarter increased 15% compared to the prior corresponding period, in line with our volume growth for the period.

Gross profit for the quarter increased 9% compared to the prior corresponding period. The increase for the quarter was primarily driven by strong sales growth in our Australian business, partially offset by unfavorable plant performance in New Zealand, as well as, higher production costs driven by higher pulp and freight costs.

The change in gross margin for the quarter can be attributed to the following components:

For the Three Months Ended 30 June 2018:

Average net sales price	— pts
Higher production costs	(2.2 pts)
Total percentage point change in gross margin	(2.2 pts)

EBIT for the quarter increased 7% when compared to the prior corresponding period to US\$28.3 million, primarily due to the 9% increase in gross profit described above, partially offset by higher SG&A expenses. The increase in SG&A expenses for the quarter was primarily driven by higher labor costs. As a percentage of sales, SG&A expense decreased 0.6 percentage points for the quarter when compared to the prior corresponding period.

*Country Analysis*Australia Fiber Cement

Net sales for the quarter increased from the prior corresponding period, primarily due to an increase in volume. The key driver of volume growth was continued market penetration, as we continued to gain market share during the quarter. The category share gains reflect the addition of several large customers, including one large customer in the first half of fiscal year 2018, and another large customer in the current quarter. The volume growth during the quarter was most prominent in the East Coast regions, and was realized in both the new construction and additions and alterations markets.

EBIT for the quarter increased 18% when compared to the prior corresponding period. The increase in EBIT is primarily driven by higher net sales and favorable plant performance, partially offset by higher freight and pulp costs.

According to Australian Bureau of Statistics data, approvals for detached houses, which are a key driver of the Australian business' sales volume, were 31,249 for the quarter, an increase of 5%, when compared to the prior corresponding quarter. The other key driver of our sales volume is the alterations and additions market, which increased 9% for the three months ended 30 June 2018 when compared to the prior corresponding period.

New Zealand Fiber Cement

Net sales for the quarter increased 8% from the prior corresponding period in line with the increase in volume.

While net sales increased, EBIT for the quarter decreased compared to the prior corresponding period, primarily driven by unfavorable plant performance.

Philippines Fiber Cement

Volume for the quarter increased 13% when compared to the prior corresponding period, primarily as a result of market share gains during the quarter. EBIT for the quarter was higher compared to the prior corresponding period, driven by strong volume growth and favorable plant performance, partially offset by start-up costs associated with our capacity expansion.

Europe Building Products Segment

The Europe Building Products segment is comprised of: (i) Europe Fiber Cement and (ii) Fiber Gypsum. Operating results for the Europe Building Products segment in US dollars were as follows:

US\$ Millions	Three Months Ended 30 June		
	FY19	FY18	Change
Volume (mmsf)	209.6	8.6	
Average net sales price per unit (per msf)	US\$397	US\$953	(58%)
Fiber cement net sales	9.2	9.2	—%
Fiber gypsum net sales ¹	86.2	—	
Net sales	95.4	9.2	
Gross profit ²			
Gross margin (%) ²			
EBIT ³	(4.6)	(0.2)	
EBIT margin (%) ³	(4.8)	(2.2)	(2.6 pts)

¹ Also includes cement bonded board net sales

² The change in gross profit and gross margin is not presented due to the impact from the acquisition of Fermacell during the quarter

³ Includes US\$8.7 million of Fermacell transaction and integration costs, and a US\$7.3 million inventory fair value adjustment resulting from acquisition accounting adjustments.

Net sales for the quarter increased compared to the prior corresponding period, driven by the increase in volume due to the Fermacell acquisition on 3 April 2018. Average net sales price in US dollars decreased compared to prior corresponding period, primarily due to product mix, as most of the volume for the quarter was from fiber gypsum products, which have lower average net sales price than fiber cement or cement bonded board products.

EBIT loss for the quarter increased US\$4.4 million, compared to the prior corresponding period, primarily due to additional transaction and integration costs incurred by the Fermacell acquisition, as well as the one-time inventory fair value adjustment of US\$7.3 million. As part of the acquisition of Fermacell, we incurred US\$7.2 million of transaction costs and US\$1.5 million of integration related costs during the quarter.

Below, we have included a Non-US GAAP measure, “Europe Building Products segment EBIT excluding costs associated with the acquisition”. Note that the below reconciling items have not been excluded from Adjusted EBIT and Adjusted net operating profit as presented on pages 11 and 13, respectively.

US\$ Millions	Three Months Ended 30 June	
	FY19	
Europe Building Products segment EBIT		(4.6)
Inventory fair value adjustment ¹		7.3
Transaction costs ²		7.2
Integration costs ³		1.5
Europe Building Products segment Adjusted EBIT excluding costs associated with the acquisition		11.4
Europe Building Products segment Adjusted EBIT margin excluding costs associated with the acquisition		11.9%

¹ Under US GAAP, we are required to value the inventory acquired at fair market value, resulting in a preliminary total inventory fair value adjustment of US\$7.3 million. As this inventory was sold during the quarter, the entire adjustment was recognized into cost of goods sold

² Transaction costs include certain non-recurring fees incurred in conjunction with the acquisition of Fermacell

³ Integration costs relate to professional, legal and other fees incurred in conjunction with the integration of Fermacell

Net sales in the Europe Building Products segment of US\$95.4 million increased 17% from pro-forma net sales from the prior corresponding period of US\$81.5 million. The increase is primarily attributable to net sales increase of 8% driven by fiber gypsum market share growth in certain regions and a 9% favorable impact from changes in Euro to US\$ foreign exchange rates.

Other Businesses Segment

US\$ Millions	Three Months Ended 30 June		
	FY19	FY18	Change
Net sales	4.7	3.8	24%
Gross profit			60%
Gross profit margin (%)			8.9 pts
EBIT	(1.5)	(1.8)	17%

We continue to invest in business development opportunities aligned with our long term strategy and continue to incur losses in our Other Businesses segment. EBIT loss for the quarter decreased 17% to a loss of US\$1.5 million, when compared to the prior corresponding period. We continue to invest in future growth through our commitment to building quality manufacturing, product development capabilities and organizational capability.

Research and Development Segment

We record R&D expenses depending on whether they are core R&D projects that are designed to benefit all business units, which are recorded in our R&D segment, or commercialization projects for the benefit of a particular business unit, which are recorded in the individual business unit's segment results. The table below details the expenses of our R&D segment:

US\$ Millions	Three Months Ended 30 June		
	FY19	FY18	Change %
Segment R&D expenses	\$ (6.9)	\$ (5.6)	(23)
Segment R&D SG&A expenses	(0.5)	(0.5)	—
Total R&D EBIT	\$ (7.4)	\$ (6.1)	(21)

The change in segment R&D expenses for the quarter is due to an increase in core research and development projects being undertaken by the R&D team. The expense will fluctuate period to period depending on the nature and number of core R&D projects being worked on and the AUD/USD exchange rates during the period.

Other R&D expenses associated with commercialization projects in business units are recorded in the results of the respective business unit segment. Other R&D expenses associated with commercialization projects were US\$2.5 million for the quarter, compared to US\$2.0 million for the prior corresponding period.

General Corporate

Results for General Corporate were as follows:

US\$ Millions	Three Months Ended 30 June		
	FY19	FY18	Change %
General Corporate SG&A expenses	\$ (14.9)	\$ (9.8)	(52)
Asbestos:			
Asbestos adjustments	25.1	(3.9)	
AICF SG&A expenses ¹	(0.3)	(0.4)	25
General Corporate EBIT	\$ 9.9	\$ (14.1)	

¹Relates to non-claims related operating costs incurred by AICF, which we consolidate into our financial results due to our pecuniary and contractual interests in AICF.

For the quarter, General Corporate SG&A expenses increased US\$ 5.1 million, primarily due to a non-recurring US\$3.4 million gain in the prior year from the sale of a storage building located near our Fontana facility, as well as the settlement of a US\$1.6 million New Zealand weathertightness legal claim.

Asbestos adjustments for both periods primarily reflect the non-cash foreign exchange re-measurement impact on asbestos related balance sheet items, driven by the change in the AUD/USD spot exchange rate from the beginning balance sheet date to the ending balance sheet date, for each respective period.

The AUD/USD spot exchange rates are shown in the table below:

FY19		FY18	
31 March 2018	0.7681	31 March 2017	0.7644
30 June 2018	0.7387	30 June 2017	0.7697
Change (\$)	(0.0294)	Change (\$)	0.0053
Change (%)	(4)	Change (%)	1

Readers are referred to Note 9 of our 30 June 2018 condensed consolidated financial statements for further information on asbestos adjustments.

EBIT

The table below summarizes EBIT results as discussed above:

US\$ Millions	Three Months Ended 30 June		
	FY19	FY18	Change %
North America Fiber Cement	\$ 107.2	\$ 79.8	34
Asia Pacific Fiber Cement	28.3	26.4	7
Europe Building Products	(4.6)	(0.2)	
Other Businesses	(1.5)	(1.8)	17
Research and Development	(7.4)	(6.1)	(21)
General Corporate ¹	(14.9)	(9.8)	(52)
Adjusted EBIT	107.1	88.3	21
Asbestos:			
Asbestos adjustments	25.1	(3.9)	
AICF SG&A expenses	(0.3)	(0.4)	25
EBIT	\$ 131.9	\$ 84.0	57

¹ Excludes Asbestos-related expenses and adjustments

Net Interest Expense

US\$ Millions	Three Months Ended 30 June		
	FY19	FY18	Change %
Gross interest expense	\$ (13.2)	\$ (7.6)	(74)
Capitalized interest	1.8	0.9	
Interest income	0.5	0.1	
Net AICF interest income	0.3	0.1	
Net interest expense	\$ (10.6)	\$ (6.5)	(63)

Gross interest expense for the quarter increased US\$5.6 million when compared to the prior corresponding period, primarily due to the higher outstanding balance of our senior unsecured notes, as well as interest on our 364-day term loan facility. Net AICF interest income for the quarter increased US\$0.2 million primarily due to higher balances on deposits.

Other Income (Expense)

During the quarter, other income increased from a US\$0.4 million loss in the prior corresponding period to a US\$ 0.2 million gain. The movement in other income is primarily driven by the valuation of our interest rate swaps.

Income Tax

	Three Months Ended 30 June	
	FY19	FY18
Income tax expense (US\$ Millions)	(30.9)	(19.7)
Effective tax rate (%)	25.4	25.6
Adjusted income tax expense ¹ (US\$ Millions)	(16.5)	(19.6)
Adjusted effective tax rate ¹ (%)	17.1	24.1

¹Adjusted income tax expense represents income tax on net operating profit excluding asbestos, the amortization benefit of certain US intangible assets and other tax adjustments.

Total income tax expense for the quarter increased US\$ 11.2 million, when compared to the prior corresponding period. The increase in income tax expense for the quarter was primarily due to an increase in reported EBIT and the change in the accounting treatment of the amortization of intangible assets which did not apply in the prior corresponding period, partially offset by the decrease in US corporate income tax rate.

Total Adjusted income tax expense for the quarter decreased US\$3.1 million compared to the prior corresponding period. The decrease in Adjusted income tax expense was driven by a reduction in the US statutory corporate tax rate following the enactment of the US Tax Cuts and Jobs Act, offset by adjustments from the ongoing accounting treatment of amortization of intangible assets.

Readers are referred to Note 12 of our 30 June 2018 condensed consolidated financial statements for further information related to income tax.

Net Operating Profit

US\$ Millions	Three Months Ended 30 June		
	FY19	FY18	Change %
EBIT	\$ 131.9	\$ 84.0	57
Net interest expense	(10.6)	(6.5)	(63)
Other income (expense)	0.2	(0.4)	
Income tax expense	(30.9)	(19.7)	(57)
Net operating profit	90.6	57.4	58
Excluding:			
Asbestos:			
Asbestos adjustments	(25.1)	3.9	
AICF SG&A expenses	0.3	0.4	(25)
AICF interest income, net	(0.3)	(0.1)	
Tax adjustments ¹	14.4	0.1	
Adjusted net operating profit	79.9	61.7	29
Adjusted diluted earnings per share (US cents)	18	14	

¹ Includes tax adjustments related to Asbestos, the amortization benefit of certain US intangible assets and other tax adjustments.

Adjusted net operating profit of US\$79.9 million for the quarter increased US\$18.2 million, or 29%, compared to the prior corresponding period, primarily due to the US\$18.8 million increase in Adjusted EBIT. This increase was primarily driven by the underlying performance of the operating business units, as reflected by the US\$27.4 million increase in Adjusted EBIT in the North America Fiber Cement segment.

Cash Flow

Operating Activities

Cash provided by operating activities increased US\$30.1 million to US\$113.3 million. The increase in cash provided by operating activities was primarily driven by a US\$25.8 million increase in net income adjusted for non-cash items and favorable change in working capital of US\$20.6 million, partially offset by unfavorable changes in other operating assets and liabilities of US\$16.3 million. The favorable change in working capital was primarily due to rebuilding inventories in the North American Fiber Cement segment, in the prior year, related to our then capacity constraint. The changes in other operating assets and liabilities was driven by normal variations in the course of our business.

Investing Activities

Cash used in investing activities increased US\$554.6 million to US\$595.7 million. The increase in cash used in investing activities was primarily due to the US\$558.7 million acquisition of Fermacell, as well as an increase in purchases in property, plant and equipment of US\$25.5 million. The increase in capital expenditures was primarily related to the greenfield expansion project in Tacoma, as well as expenditures at our greenfield expansion project in Prattville. This was partially offset by US\$38.4 million in proceeds received by AICF from short-term investments, which matured into cash during the year.

Financing Activities

Cash provided by financing activities increased US\$469.1 million to US\$392.4 million. The increase in cash provided by financing activities was driven by the proceeds from our 364-day term loan facility of US\$492.4 million, and the US\$51.9 million repayment by AICF of its NSW loan in the prior year, compared to nil in the current year. This increase was partially offset by higher net repayments of credit facilities of US\$75.0 million in the current year.

Capacity Expansion

We continually evaluate the capacity required to service the housing markets in which we operate to ensure we meet demand and achieve our market penetration objectives. During the current quarter:

In North America we:

- Completed the start-up at our Summerville facility;
- Completed the construction of a greenfield expansion project on land adjacent to our existing Tacoma facility at a previously announced estimated total cost of US\$121.5 million, which was commissioned during the quarter and continues to start-up as planned; and
- Commenced the construction of a greenfield expansion project in Prattville, Alabama, which is expected to be commissioned in the first half of fiscal year 2020 at a previously announced estimated total cost of US\$240.0 million.

In Asia Pacific we:

- Completed the additional capacity expansion in the Philippines, which continues to start-up as planned; and
- Continued the planning and design of a brownfield expansion project at our existing Carole Park facility in Australia with an estimated total cost of A\$28.5 million. The brownfield expansion project is expected to be commissioned by the first quarter of fiscal year 2021.

Liquidity and Capital Allocation

Our cash position decreased from US\$281.6 million at 31 March 2018 to US\$ 182.7 million at 30 June 2018.

At 30 June 2018, we held three forms of debt: an unsecured revolving credit facility; a 364-day term loan facility; and senior unsecured notes. The effective weighted average interest rate on our total debt was 3.6% and 4.7% at 30 June 2018 and 31 March 2018, respectively. The weighted average term of all debt, including undrawn facilities, was 5.1 years and 6.9 years at 30 June 2018 and 31 March 2018, respectively. The reduction in the weighted average term of all debt was driven by the inclusion of the 364-day term loan facility.

At 30 June 2018, we had US\$500.0 million available in an unsecured revolving credit facility. At 30 June 2018, we had no amounts drawn under the unsecured revolving credit facility, compared to US\$100.0 million at 31 March 2018. The unsecured revolving credit facility's expiration date is December 2022 and the size of the facility may be increased by up to US\$250.0 million.

On 3 April 2018, we drew €400.0 million (US\$466.2 million based on the exchange rate at 30 June 2018) from the 364-day term loan facility, and used these funds to complete the Fermacell acquisition. No further drawdowns are permitted under this term loan facility. We anticipate we will refinance the 364-day term loan facility with a long term debt facility during the current fiscal year.

Based on our existing cash balances, together with anticipated operating cash flows arising during the year and unutilized committed credit facilities, we anticipate that we will have sufficient funds to meet our planned working capital and other expected cash requirements for the next twelve months.

We have historically met our working capital needs and capital expenditure requirements from a combination of cash flows from operations and credit facilities. Seasonal fluctuations in working capital generally have not had a significant impact on our short or long term liquidity.

Capital Management and Dividends

The following table summarizes the dividends declared or paid in respect of fiscal years 2019, 2018 and 2017:

US\$ Millions	US Cents/ Security	US\$ Total Amount	Announcement Date	Record Date	Payment Date
FY 2018 second half dividend ¹	0.30	132.5	22 May 2018	7 June 2018	3 August 2018
FY 2018 first half dividend	0.10	46.2	9 November 2017	13 December 2017	23 February 2018
FY 2017 second half dividend	0.28	131.3	18 May 2017	8 June 2017	4 August 2017
FY 2017 first half dividend	0.10	46.6	17 November 2016	21 December 2016	24 February 2017
FY 2016 second half dividend	0.29	130.2	19 May 2016	9 June 2016	5 August 2016

¹The FY2018 second half dividend total amount of US\$132.5 million represents the value of the dividend declared. Any difference between the amount declared and the amount payable per the Company's condensed consolidated balance sheets is due to unrealized foreign exchange gain or loss associated with the change in the dividend liability between the record date and the balance sheet date.

We periodically review our capital structure and capital allocation objectives and expect the following prioritization to remain:

- invest in R&D and capacity expansion to support organic growth;
- provide ordinary dividend payments within the payout ratio of 50-70% of net operating profit, excluding asbestos;

- maintain flexibility for accretive and strategic inorganic growth and/or flexibility to manage through market cycles; and
- consider other shareholder returns when appropriate.

Other Asbestos Information

Claims Data

	Three Months Ended 30 June		
	FY19	FY18	Change %
Claims received	125	146	14
Actuarial estimate for the period	144	144	—
Difference in claims received to actuarial estimate	19	(2)	
Average claim settlement ¹ (A\$)	276,000	228,000	(21)
Actuarial estimate for the period ²	290,000	283,000	(2)
Difference in claims paid to actuarial estimate	14,000	55,000	

¹ Average claim settlement is derived as the total amount paid divided by the number of non-nil claim settlements

² This actuarial estimate is a function of the assumed experience by disease type and the relative mix of settlements assumed by disease type. Any variances in the assumed mix of settlements by disease type will have an impact on the average claim settlement experience

For the quarter ended 30 June 2018, we noted the following related to asbestos-related claims:

- Claims received during the quarter were 13% below actuarial estimates and 14% lower than the prior corresponding period;
- Mesothelioma claims reported for the quarter were 14% below actuarial expectations and 17% lower than the prior corresponding period;
- The average claim settlement for the quarter was 5% below actuarial expectations and 21% higher than the prior corresponding period;
- Average claim settlement sizes for mesothelioma were at or below actuarial expectations for most age groups during the quarter and were generally lower compared to actuarial expectations for all other disease types for the quarter;
- The decrease in the average claim settlement for the quarter versus actuarial estimates was largely attributable to a lower number of and a lower average claim settlement for non-mesothelioma claims.

AICF Funding

On 2 July 2018, we made a payment of A\$138.4 million (US\$103.0 million) to AICF, representing 35% of our free cash flow for fiscal year 2018. Free cash flow, as defined in the AFFA, was equivalent to our fiscal year 2018 operating cash flow of US\$295.0 million, adjusted to 2006 US GAAP, for free cash flow of US\$294.2 million.

Free cash flow as defined in the AFFA for the three months ended 30 June 2018 is US\$ 137.5 million, which is equivalent to operating cash flows of US\$113.3 million, plus adjustments of US\$24.2 million.

From the time AICF was established in February 2007 through 2 July 2018, we have contributed approximately A\$1,193.4 million to the fund. Readers are referred to Note 9 of our 30 June 2018 condensed consolidated financial statements for further information on asbestos.

Financial Measures - US GAAP equivalents

This document contains financial statement line item descriptions that are considered to be non-US GAAP, but are consistent with those used by Australian companies. Because we prepare our condensed consolidated financial statements under US GAAP, the following table cross-references each non-US GAAP line item description, as used in Management's Analysis of Results and Media Release, to the equivalent US GAAP financial statement line item description used in our condensed consolidated financial statements:

Management's Analysis of Results and Media Release	Consolidated Statements of Operations and Other Comprehensive Income (Loss) (US GAAP)
Net sales	Net sales
Cost of goods sold	Cost of goods sold
Gross profit	Gross profit
Selling, general and administrative expenses	Selling, general and administrative expenses
Research and development expenses	Research and development expenses
Asbestos adjustments	Asbestos adjustments
EBIT*	Operating income (loss)
Net interest income (expense)*	Sum of interest expense and interest income
Other income (expense)	Other income (expense)
Operating profit (loss) before income taxes*	Income (loss) before income taxes
Income tax (expense) benefit	Income tax (expense) benefit
Net operating profit (loss)*	Net income (loss)

*- Represents non-US GAAP descriptions used by Australian companies.

EBIT – Earnings before interest and tax.

EBIT margin – EBIT margin is defined as EBIT as a percentage of net sales.

Sales Volume

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

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

This Management's Analysis of Results includes certain financial information to supplement the Company's condensed consolidated financial statements which are prepared in accordance with accounting principles generally accepted in the United States ("US GAAP"). These financial measures are designed to provide investors with an alternative method for assessing our performance from on-going operations, capital efficiency and profit generation. Management uses these financial measure for the same purposes. These financial measures include:

- Adjusted EBIT;
- Europe Building Products Segment Adjusted EBIT excluding costs associated with the acquisition;
- Adjusted EBIT margin;
- Europe Building Products Segment Adjusted EBIT margin excluding costs associated with the acquisition;
- Adjusted net operating profit;
- Adjusted diluted earnings per share;
- Adjusted operating profit before income taxes;
- Adjusted income tax expense;
- Adjusted effective tax rate;
- Adjusted EBITDA;
- Adjusted EBITDA excluding Asbestos; and
- Adjusted selling, general and administrative expenses ("Adjusted SG&A").

These financial measures are or may be non-US GAAP financial measures as defined in the rules of the U.S. Securities and Exchange Commission and may exclude or include amounts that are included or excluded, as applicable, in the calculation of the most directly comparable financial measures calculated in accordance with US GAAP. These financial measures are not meant to be considered in isolation or as a substitute for comparable US GAAP financial measures and should be read only in conjunction with the Company's condensed consolidated financial statements prepared in accordance with US GAAP. In evaluating these financial measures, investors should note that other companies reporting or describing similarly titled financial measures may calculate them differently and investors should exercise caution in comparing the Company's financial measures to similar titled measures by other companies.

Non-financial Terms

AFFA – Amended and Restated Final Funding Agreement

AICF – Asbestos Injuries Compensation Fund Ltd

Legacy New Zealand weathertightness claims ("New Zealand weathertightness") – Expenses arising from defending and resolving claims in New Zealand that allege poor building design, inadequate certification of plans, inadequate construction review and compliance certification and deficient work by sub-contractors

New South Wales loan facility ("NSW Loan") – AICF has access to a secured loan facility made available by the New South Wales Government, which can be used by AICF to fund the payment of asbestos claims and certain operating and legal costs.

Financial Measures - US GAAP equivalents

Adjusted EBIT

US\$ Millions	Three Months Ended 30 June	
	FY19	FY18
EBIT	\$ 131.9	\$ 84.0
Asbestos:		
Asbestos adjustments	(25.1)	3.9
AICF SG&A expenses	0.3	0.4
Adjusted EBIT	\$ 107.1	\$ 88.3
Net sales	651.0	507.7
Adjusted EBIT margin	16.5%	17.4%

Europe Building Products Segment Adjusted EBIT excluding costs associated with the acquisition

US\$ Millions	Three Months Ended 30 June	
	FY19	
Europe Building Products Segment EBIT	\$ (4.6)	
Inventory fair value adjustment	7.3	
Transaction costs	7.2	
Integration costs	1.5	
Europe Building Products Segment Adjusted EBIT excluding costs associated with the acquisition	\$ 11.4	
European Building Products segment net sales	95.4	
Europe Building Products Segment Adjusted EBIT margin excluding costs associated with the acquisition	11.9%	

Adjusted Net Operating Profit

US\$ Millions	Three Months Ended 30 June	
	FY19	FY18
Net operating profit	\$ 90.6	\$ 57.4
Asbestos:		
Asbestos adjustments	(25.1)	3.9
AICF SG&A expenses	0.3	0.4
AICF interest income, net	(0.3)	(0.1)
Tax adjustments ¹	14.4	0.1
Adjusted net operating profit	\$ 79.9	\$ 61.7

¹ Includes tax adjustments related to Asbestos, amortization benefit of certain US intangible assets and other tax adjustments.

Adjusted diluted earnings per share

	Three Months Ended 30 June	
	FY19	FY18
Adjusted net operating profit (US\$ millions)	\$ 79.9	\$ 61.7
Weighted average common shares outstanding - Diluted (millions)	443.0	441.6
Adjusted diluted earnings per share (US cents)	18	14

Adjusted effective tax rate

US\$ Millions	Three Months Ended 30 June	
	FY19	FY18
Operating profit before income taxes	\$ 121.5	\$ 77.1
Asbestos:		
Asbestos adjustments	(25.1)	3.9
AICF SG&A expenses	0.3	0.4
AICF interest income, net	(0.3)	(0.1)
Adjusted operating profit before income taxes	\$ 96.4	\$ 81.3
Income tax expense	(30.9)	(19.7)
Tax adjustments ¹	14.4	0.1
Adjusted income tax expense	\$ (16.5)	\$ (19.6)
Effective tax rate	25.4%	25.6%
Adjusted effective tax rate	17.1%	24.1%

¹ Includes tax adjustments related to Asbestos, the amortization benefit of certain US intangible assets and other tax adjustments

Adjusted EBITDA excluding Asbestos

US\$ Millions	Three Months Ended 30 June	
	FY19	FY18
EBIT	\$ 131.9	\$ 84.0
Depreciation and amortization	28.1	21.8
Adjusted EBITDA	\$ 160.0	\$ 105.8
Asbestos:		
Asbestos adjustments	(25.1)	3.9
AICF SG&A expenses	0.3	0.4
Adjusted EBITDA excluding Asbestos	\$ 135.2	\$ 110.1

Adjusted selling, general and administrative expenses ("Adjusted SG&A")

US\$ Millions	Three Months Ended 30 June	
	FY19	FY18
SG&A expenses	\$ 104.9	\$ 73.5
Excluding:		
AICF SG&A expenses	(0.3)	(0.4)
Adjusted SG&A expenses	\$ 104.6	\$ 73.1
Net sales	\$ 651.0	\$ 507.7
SG&A expenses as a percentage of net sales	16.1%	14.5%
Adjusted SG&A expenses as a percentage of net sales	16.1%	14.4%

As set forth in Note 9 of the condensed consolidated financial statements, the net AFFA liability, while recurring, is based on periodic actuarial determinations, claims experience and currency fluctuations. The company's management measures its financial position, operating performance and year-over-year changes in operating results with and without the effect of the net AFFA liability. Accordingly, management believes that the following non-GAAP information is useful to it and investors in evaluating the company's financial position and ongoing operating financial performance. The following non-GAAP table should be read in conjunction with the condensed consolidated financial statements and related notes contained therein.

James Hardie Industries plc
Supplementary Financial Information
30 June 2018
(Unaudited)

US\$ Millions	Total Excluding Asbestos Compensation	Asbestos Compensation	As Reported (US GAAP)
Restricted cash and cash equivalents – Asbestos	\$ —	\$ 38.9	\$ 38.9
Restricted short term investments – Asbestos	—	—	—
Insurance receivable – Asbestos ¹	—	54.1	54.1
Workers compensation asset – Asbestos ¹	—	29.8	29.8
Deferred income taxes – Asbestos	—	363.2	363.2
Asbestos liability ¹	—	1,143.3	1,143.3
Workers compensation liability – Asbestos ¹	—	29.8	29.8
Income taxes payable ¹	39.1	(5.1)	34.0
Asbestos adjustments	—	25.1	25.1
Selling, general and administrative expenses	(104.6)	(0.3)	(104.9)
Net interest expense	(10.9)	0.3	(10.6)
Income tax expense	(30.9)	—	(30.9)

¹ The amounts shown on these lines are a summation of both the current and non-current portion of the respective asset or liability as presented on our condensed consolidated balance sheets.

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

Examples of forward-looking statements include:

- statements about the Company's future performance;
- projections of the Company's results of operations or financial condition;
- statements regarding the Company's plans, objectives or goals, including those relating to strategies, initiatives, competition, acquisitions, dispositions and/or its products;
- expectations concerning the costs associated with the suspension or closure of operations at any of the Company's plants and future plans with respect to any such plants;
- expectations concerning the costs associated with the significant capital expenditure projects at any of the Company's plants and future plans with respect to any such projects;
- expectations regarding the extension or renewal of the Company's credit facilities including changes to terms, covenants or ratios;
- expectations concerning dividend payments and share buy-backs;
- statements concerning the Company's corporate and tax domiciles and structures and potential changes to them, including potential tax charges;
- statements regarding tax liabilities and related audits, reviews and proceedings;
- statements regarding the possible consequences and/or potential outcome of legal proceedings brought against us and the potential liabilities, if any, associated with such proceedings;
- expectations about the timing and amount of contributions to AICF, a special purpose fund for the compensation of proven Australian asbestos-related personal injury and death claims;
- expectations concerning the adequacy of the Company's warranty provisions and estimates for future warranty-related costs;
- statements regarding the Company's ability to manage legal and regulatory matters (including but not limited to product liability, environmental, intellectual property and competition law matters) and to resolve any such pending legal and regulatory matters within current estimates and in anticipation of certain third-party recoveries; and
- statements about economic conditions, such as changes in the US economic or housing market conditions or changes in the market conditions in the Asia Pacific region, the levels of new home construction and home renovations, unemployment levels, changes in consumer income, changes or stability in housing values, the availability of mortgages and other financing, mortgage and other interest rates, housing affordability and supply, the levels of foreclosures and home resales, currency exchange rates, and builder and consumer confidence.

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

Forward-looking statements are based on the Company's current expectations, estimates and assumptions and because forward-looking statements address future results, events and conditions, they, by their very nature, involve inherent risks and uncertainties, many of which are unforeseeable and beyond the Company's control. Such known and unknown risks, uncertainties and other factors may cause actual results, performance or other achievements to differ materially from the anticipated results, performance or achievements expressed, projected or implied by these forward-looking statements. These factors, some of which are discussed under "Risk Factors" in Section 3 of the Form 20-F filed with the Securities and Exchange Commission on 22 May 2018, 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 Company subsidiaries; required contributions to AICF, any shortfall in AICF and the effect of currency exchange rate movements on the amount recorded in the Company's financial statements as an asbestos liability; the continuation or termination of the governmental loan facility to AICF; 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, putative consumer class action or other legal proceedings; general economic and market conditions; the supply and cost of raw materials; possible increases in competition and the potential that competitors could copy the Company's products; reliance on a small number of customers; a customer's inability to pay; compliance with and changes in environmental and health and safety laws; risks of conducting business internationally; compliance with and changes in laws and regulations; currency exchange risks; dependence on customer preference and the concentration of the Company's customer base on large format retail customers, distributors and dealers; dependence on residential and commercial construction markets; the effect of adverse changes in climate or weather patterns; possible inability to renew credit facilities on terms favorable to the Company, or at all; acquisition or sale of businesses and business segments; changes in the Company's key management personnel; inherent limitations on internal controls; use of accounting estimates; the integration of Fermacell into our business; and all other risks identified in the Company's reports filed with Australian, Irish and US securities regulatory agencies and exchanges (as appropriate). The Company cautions you that the foregoing list of factors is not exhaustive and that other risks and uncertainties may cause actual results to differ materially from those referenced in the Company's forward-looking statements. Forward-looking statements speak only as of the date they are made and are statements of the Company's current expectations concerning future results, events and conditions. The Company assumes no obligation to update any forward-looking statements or information except as required by law.

Exhibit 99.4



Q1 FY19 MANAGEMENT PRESENTATION

10 August 2018

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

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

Examples of forward-looking statements include:

- statements about the Company's future performance;
- projections of the Company's results of operations or financial condition;
- statements regarding the Company's plans, objectives or goals, including those relating to strategies, initiatives, competition, acquisitions, dispositions and/or its products;
- expectations concerning the costs associated with the suspension or closure of operations at any of the Company's plants and future plans with respect to any such plants;
- expectations concerning the costs associated with the significant capital expenditure projects at any of the Company's plants and future plans with respect to any such projects;
- expectations regarding the extension or renewal of the Company's credit facilities including changes to terms, covenants or ratios;
- expectations concerning dividend payments and share buy-backs;
- statements concerning the Company's corporate and tax domiciles and structures and potential changes to them, including potential tax charges;
- statements regarding tax liabilities and related audits, reviews and proceedings;
- statements regarding the possible consequences and/or potential outcome of legal proceedings brought against us and the potential liabilities, if any, associated with such proceedings;
- expectations about the timing and amount of contributions to Asbestos Injuries Compensation Fund (AICF), a special purpose fund for the compensation of proven Australian asbestos-related personal injury and death claims;
- expectations concerning the adequacy of the Company's warranty provisions and estimates for future warranty-related costs;
- statements regarding the Company's ability to manage legal and regulatory matters (including but not limited to product liability, environmental, intellectual property and competition law matters) and to resolve any such pending legal and regulatory matters within current estimates and in anticipation of certain third-party recoveries; and
- statements about economic conditions, such as changes in the US economic or housing recovery or changes in the market conditions in the Asia Pacific region, the levels of new home construction and home renovations, unemployment levels, changes in consumer income, changes or stability in housing values, the availability of mortgages and other financing, mortgage and other interest rates, housing affordability and supply, the levels of foreclosures and home resales, currency exchange rates, and builder and consumer confidence.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS (continued)

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

Forward-looking statements are based on the Company's current expectations, estimates and assumptions and because forward-looking statements address future results, events and conditions, they, by their very nature, involve inherent risks and uncertainties, many of which are unforeseeable and beyond the Company's control. Such known and unknown risks, uncertainties and other factors may cause actual results, performance or other achievements to differ materially from the anticipated results, performance or achievements expressed, projected or implied by these forward-looking statements. These factors, some of which are discussed under "Risk Factors" in Section 3 of the Form 20-F filed with the Securities and Exchange Commission on 22 May 2018, 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 Company subsidiaries; required contributions to AICF, any shortfall in AICF and the effect of currency exchange rate movements on the amount recorded in the Company's financial statements as an asbestos liability; the continuation or termination of the governmental loan facility to AICF; 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, putative consumer class action or other legal proceedings; general economic and market conditions; the supply and cost of raw materials; possible increases in competition and the potential that competitors could copy the Company's products; reliance on a small number of customers; a customer's inability to pay; compliance with and changes in environmental and health and safety laws; risks of conducting business internationally; compliance with and changes in laws and regulations; currency exchange risks; dependence on customer preference and the concentration of the Company's customer base on large format retail customers, distributors and dealers; dependence on residential and commercial construction markets; the effect of adverse changes in climate or weather patterns; possible inability to renew credit facilities on terms favorable to the Company, or at all; acquisition or sale of businesses and business segments; changes in the Company's key management personnel; inherent limitations on internal controls; use of accounting estimates; the integration of Fermacell into our business; and all other risks identified in the Company's reports filed with Australian, Irish and US securities regulatory agencies and exchanges (as appropriate). The Company cautions you that the foregoing list of factors is not exhaustive and that other risks and uncertainties may cause actual results to differ materially from those referenced in the Company's forward-looking statements. Forward-looking statements speak only as of the date they are made and are statements of the Company's current expectations concerning future results, events and conditions. The Company assumes no obligation to update any forward-looking statements or information except as required by law.

NOTE TO THE READER

As of 30 June 2018, the Company changed its reportable operating segments. Previously, the Company reported on four operating segments: (i) North America Fiber Cement, (ii) International Fiber Cement, (iii) Other Businesses, and (iv) Research and Development. As of 30 June 2018, the Company began reporting on five operating segments: (i) North America Fiber Cement, (ii) Asia Pacific Fiber Cement, (iii) Europe Building Products, (iv) Other Businesses, and (v) Research and Development. The significant changes to how certain businesses are reported in the new segment structure are as follows: (i) our European Fiber Cement business, as well as the newly acquired Fermacell business, are now reported as the Europe Building Products segment, and the remaining businesses that were historically reported in the International Fiber Cement segment are now reported in the Asia Pacific Fiber Cement segment. The Company has revised its historical segment information for the first quarter ended 30 June 2017 to be consistent with the new reportable segment structure. The change in reportable segments had no effect on the Company's financial position, results of operations or cash flows for the periods presented. Readers are referred to Note 15 of our condensed consolidated financial statements for further information on our segments.

USE OF NON-GAAP FINANCIAL INFORMATION; AUSTRALIAN EQUIVALENT TERMINOLOGY

This Management Presentation includes financial measures that are not considered a measure of financial performance under generally accepted accounting principles in the United States (US GAAP). These financial measures are designed to provide investors with an alternative method for assessing our performance from on-going operations, capital efficiency and profit generation. Management uses these financial measures for the same purposes. These financial measures include:

- Adjusted EBIT;
- Europe Building Products Segment Adjusted EBIT excluding costs associated with the acquisition;
- Adjusted EBIT margin;
- Europe Building Products Segment Adjusted EBIT margin excluding costs associated with the acquisition;
- Adjusted net operating profit;
- Adjusted diluted earnings per share;
- Adjusted operating profit before income taxes;
- Adjusted income tax expense;
- Adjusted effective tax rate;
- Adjusted EBITDA;
- Adjusted EBITDA excluding Asbestos; and
- Adjusted selling, general and administrative expenses ("Adjusted SG&A").

These financial measures are or may be non-US GAAP financial measures as defined in the rules of the U.S. Securities and Exchange Commission and may exclude or include amounts that are included or excluded, as applicable, in the calculation of the most directly comparable financial measures calculated in accordance with US GAAP. These non-GAAP financial measures should not be considered to be more meaningful than the equivalent US GAAP measure. Management has included such measures to provide investors with an alternative method for assessing its operating results in a manner that is focused on the performance of its ongoing operations and excludes the impact of certain legacy items, such as asbestos adjustments. Additionally, management uses such non-GAAP financial measures for the same purposes. However, these non-GAAP financial measures are not prepared in accordance with US GAAP, may not be reported by all of the Company's competitors and may not be directly comparable to similarly titled measures of the Company's competitors due to potential differences in the exact method of calculation. For additional information regarding the non-GAAP financial measures presented in this Management Presentation, including a reconciliation of each non-GAAP financial measure to the equivalent US GAAP measure, see the slide titled "Non-US GAAP Financial Measures" included in the Appendix to this Management Presentation.

In addition, this Management Presentation includes financial measures and descriptions that are considered to not be in accordance with US GAAP, but which are consistent with financial measures reported by Australian companies, such as operating profit, EBIT and EBIT margin. Since the Company prepares its Consolidated Financial Statements in accordance with US GAAP, the Company provides investors with a table and definitions presenting cross-references between each US GAAP financial measure used in the Company's Condensed Consolidated Financial Statements to the equivalent non-US GAAP financial measure used in this Management Presentation. See the section titled "Non-US GAAP Financial Measures" included in the Appendix to this Management Presentation.

AGENDA

- Overview and Operating Review – Louis Gries, CEO
- Financial Review – Matt Marsh, EVP and CFO
- Questions and Answers





OVERVIEW AND OPERATING REVIEW

Louis Gries, CEO

GROUP OVERVIEW

Adjusted Net Operating Profit¹

1st Qtr

US\$79.9M  29%


Adjusted Diluted EPS¹

1st Qtr

US18 cents  29%

Adjusted EBIT²

1st Qtr

US\$107.1M  21%


Net Operating Cash Flow

1st Qtr

US\$113.3M  36%

Adjusted EBIT Margin %²

1st Qtr

16.5%  0.9 pts

- North America Fiber Cement segment - exteriors growth above market index
- Strong quarter for Asia Pacific Fiber Cement segment
- Closed Fermacell acquisition on 3 April 2018
- Europe Building Products: Q1'19 Adjusted EBIT margin excluding³ of 11.9%

¹ Excludes Asbestos related expenses and adjustments and tax adjustments

² Excludes Asbestos related expenses and adjustments

³ Excludes US\$7.3 million inventory fair value adjustment, US\$7.2 million in transaction costs and US\$1.5 million of integration costs

NORTH AMERICA FIBER CEMENT SUMMARY

	Q1'19
Net Sales	US\$433.8M ↑ 10%
Sales Volume	591.0 mmsf ↑ 5%
Average Price	US\$725 per msf ↑ 5%
EBIT	US\$107.2M ↑ 34%

Volume

- Slightly positive PDG in exteriors
- Marginal growth in interiors

Price

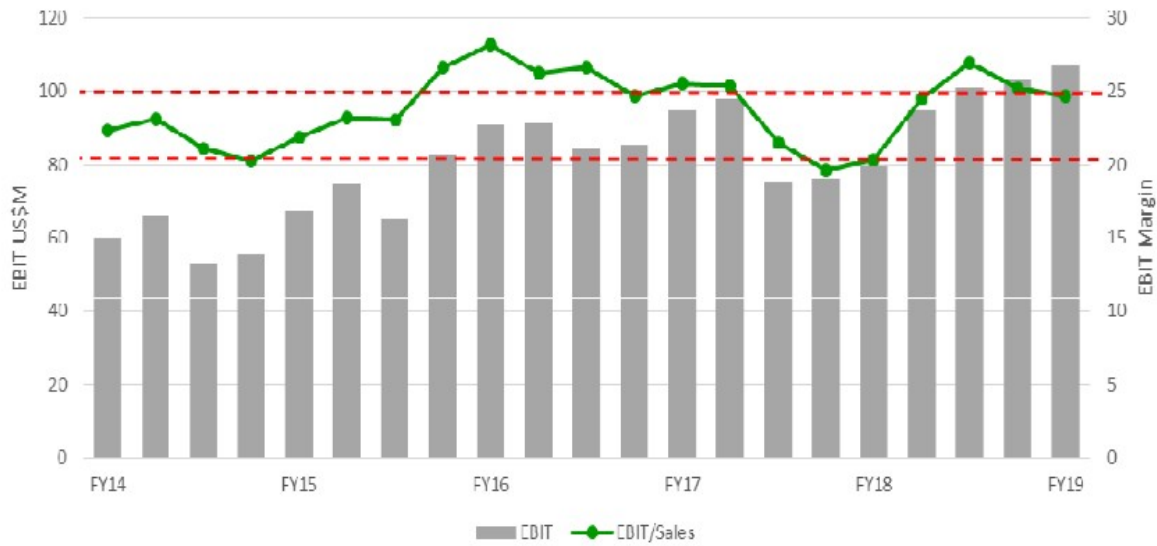
- Favorably impacted by annual change in our strategic pricing effective April 2018 and product mix

EBIT

- EBIT increased compared to pcp driven by:
 - Higher average net sales price and volume
 - Partially offset by higher pulp and freight costs

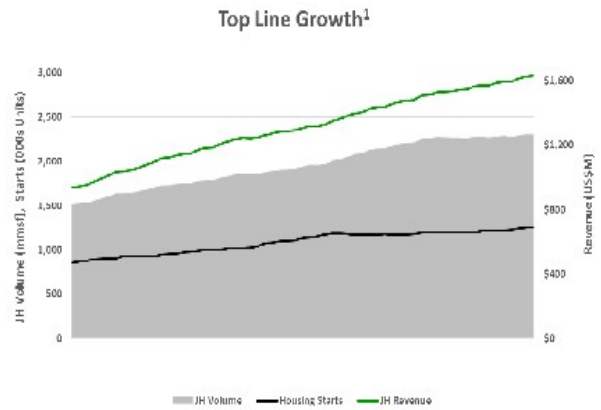
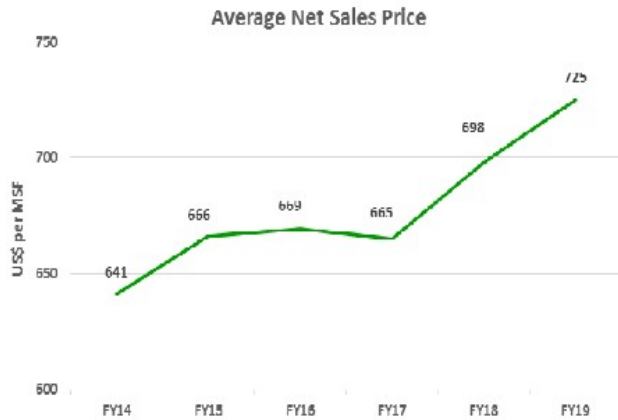
NORTH AMERICA FIBER CEMENT

Quarterly EBIT and EBIT Margin



Q1 FY19 EBIT Margin % up 440 bps to 24.7% compared to pcp and remaining in higher end of our target range

NORTH AMERICA FIBER CEMENT



- FY19 strategic price increase effective April 2018
- Overall, satisfied with price positioning

- US housing conditions remain favorable

¹ Rolling 12 month average of seasonally adjusted estimate of housing starts by US Census Bureau

ASIA PACIFIC FIBER CEMENT SUMMARY

	Q1'19
Net Sales	US\$117.1M ↑ 15%
Sales Volume	138.0 mmsf ↑ 15%
Average Price	US\$753 per msf FLAT
EBIT	US\$28.3M ↑ 7%

Volume

- Driven primarily by strong performance in our Australian and Philippines businesses
- Volume growth in all regions above underlying market growth

EBIT

- Strong results in our Australian business driven by continued market penetration and category share gain
- Favorable plant performance in Australia and the Philippines
- Offset by:
 - Unfavorable plant performance in New Zealand
 - Higher production costs from higher pulp and freight costs

ASIA PACIFIC FIBER CEMENT (USD)



Q1'19		
Australia		
Volume	Net Sales	EBIT
↑	↑	↑

Australia

- Continued market penetration and strong growth above the market index
- EBIT favorably impacted by volume, partially offset by higher pulp and freight costs



Q1'19		
New Zealand		
Volume	Net Sales	EBIT
↑	↑	↓

New Zealand

- Higher net sales driven by higher volume
- EBIT adversely impacted by plant performance



Q1'19		
Philippines		
Volume	Net Sales	EBIT
↑	↑	↑

Philippines

- Volume increase driven by market share gains
- EBIT favorably impacted by volume growth
- Start up of capacity expansion project, on track

EUROPE BUILDING PRODUCTS SUMMARY¹

	Q1'19	
Net Sales	US\$95.4M	↑
Sales Volume	209.6 mmsf	↑
Average Price	US\$397per msf	↓
EBIT	US\$(4.6)M	↓
EBIT Excluding ²	US\$11.4M	↑
EBIT Margin Excluding ²	11.9%	↑

¹ Our European Fiber Cement business, as well as the newly acquired Fermacell business, are now reported as the Europe Building Products segment

² Exclude transaction & integration costs of US\$8.7 million and inventory fair value adjustment of US\$7.3 million.

Volume

- Increase driven by acquisition of Fermacell in April 2018

Price

- Decrease due to product mix
- Fiber Gypsum has a lower average net sales price compared to Fiber Cement

Net Sales

- On a pro-forma basis, net sales increased 17%
- Pro-forma net sales increased 8%, excluding the impact of foreign exchange, driven by fiber gypsum growth

EBIT

- Adjusted EBIT margin excluding² of 11.9%
- EBIT loss includes:
 - US\$8.7 million of transaction and integration costs
 - US\$7.3 million of inventory fair value adjustment



FINANCIAL REVIEW

Matt Marsh, EVP and CFO

RESULTS – 1st QUARTER FY19

Three Months Ended 30 June

US\$ Millions	Q1'19	Q1'18	% Change
Net sales	651.0	507.7	28
Gross profit	221.1	169.0	31
EBIT	131.9	84.0	57
Net operating profit	90.6	57.4	58
Adjusted EBIT ¹	107.1	88.3	21
Adjusted net operating profit ²	79.9	61.7	29

¹ Excludes Asbestos related expenses and adjustments

² Excludes Asbestos related expenses and adjustments and other tax adjustments

Net sales increased 28%, US\$143.3 million

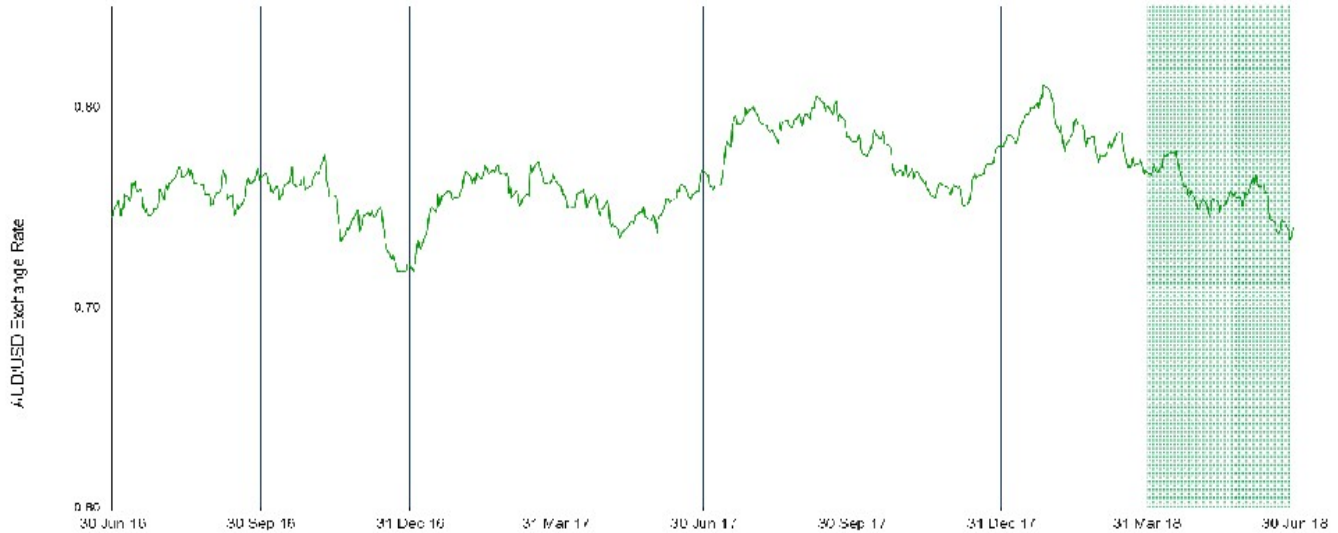
- The acquired Fermacell business in Europe contributed net sales of US\$86.2 million
- Higher average net sales price and volumes in North America Fiber Cement segment
- Higher volumes in Asia Pacific Fiber Cement segment

Gross profit increased 31%, gross margin % up 70 bps

Adjusted net operating profit increased 29%

- North America Fiber Cement segment EBIT increased 34% versus pcj

CHANGES IN AUD vs. USD



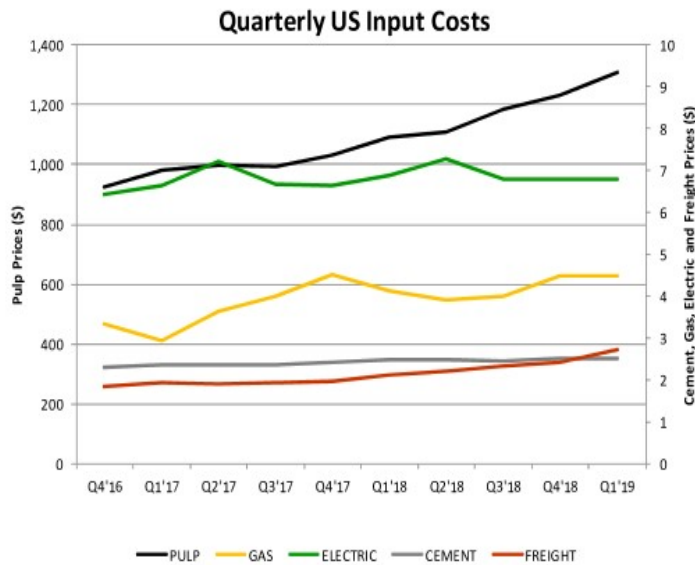
US\$ Millions	As Reported			Excluding Translation Impact ¹	
	Q1 FY19	Q1 FY18	% Change	Q1 FY19	% Change
Net Sales	\$ 651.0	\$ 507.7	▲ 28%	\$ 643.8	▲ 27%
Gross Profit	221.1	169.0	▲ 31%	219.4	▲ 30%
Adjusted EBIT	107.1	88.3	▲ 21%	107.5	▲ 22%
Adjusted net operating profit	\$ 79.9	\$ 61.7	▲ 29%	\$ 80.8	▲ 31%

Translation Impact ²	
\$ (Unfav)/Fav	%
7.2	▲ 1%
1.7	▲ 1%
(0.4)	▼ 1%
(0.9)	▼ 2%

¹ As Reported Q1 FY19 figures converted using Q1 FY18 weighted average exchange rates

² Reflects the difference between Q1 FY19 As Reported and Q1 FY19 using Q1 FY18 weighted average exchange rates

NORTH AMERICA INPUT COSTS

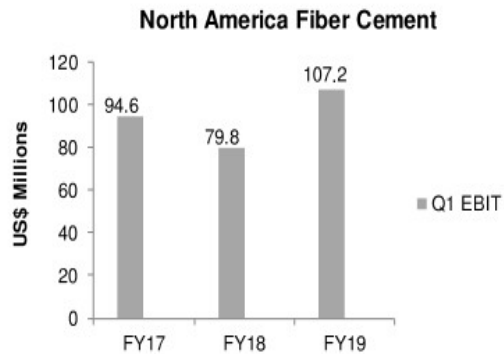


- Freight market prices **up** 29% compared to pcp
- The price of NBSK pulp **up** 20% compared to pcp
- Gas prices **up** 9% compared to pcp
- Cement prices **up** 2% compared to pcp
- Electric prices are **down** 1% compared to pcp

The information underlying the table above is sourced as follows:

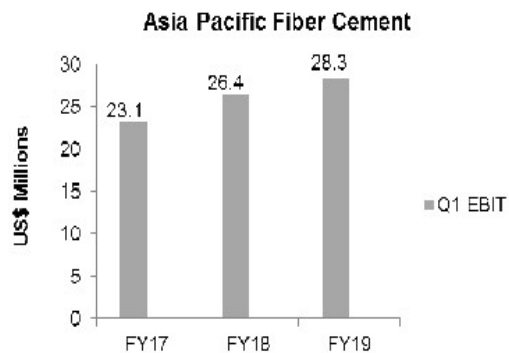
- Pulp – Cost per ton – from RISI
- Gas – Cost per thousand cubic feet for industrial users – from US Energy Information Administration
- Electric – Cost per thousand kilowatt hour for industrial users – from US Energy Information Administration
- Cement – Relative index from the Bureau of Labor Statistics
- Freight – Cost per mile – from Dial-a-Truck Solutions
- Gas and Electric prices for current quarter are based on prior quarter actuals

SEGMENT EBIT – 1st QUARTER FY19



North America Fiber Cement EBIT summary

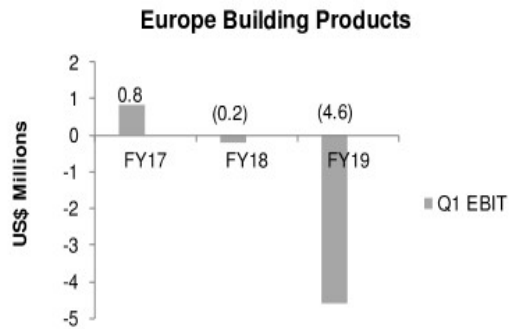
- EBIT increased 34% compared to pcp
- Increase primarily driven by higher average net sales price and higher volumes
- North America margins continue to be compressed by elevated freight and pulp costs



Asia Pacific Fiber Cement EBIT summary

- EBIT increased 7% compared to pcp
- Strong volume and net sales growth in Australia and the Philippines
- Unfavorably impacted by higher pulp and freight costs, and New Zealand plant performance

SEGMENT EBIT – 1st QUARTER FY19



Europe Building Products EBIT summary

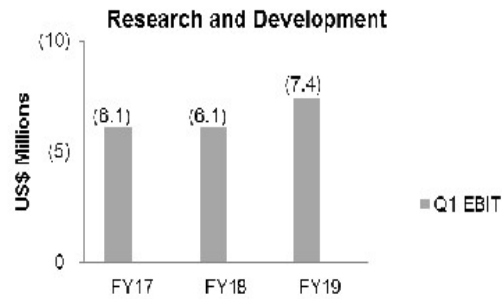
- EBIT impacted by costs associated with acquisition:
 - US\$8.7 million of transaction and integration costs; and
 - US\$7.3 million in inventory fair value adjustment
- EBIT margin of 11.9% excluding transaction and integration costs and inventory fair value adjustment
- Integration costs for the remainder of FY19 are expected to be approximately US\$15 million



Other Businesses

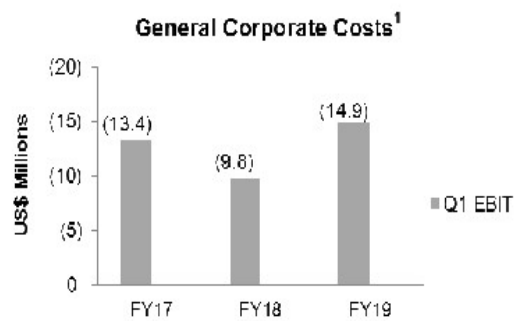
- Continued investment in product development, manufacturing and organizational capabilities

SEGMENT EBIT – 1st QUARTER FY19



R&D

- On strategy to invest ~2-3% of net sales
- Increased spend from overall increase in number of projects



General Corporate Costs

- Increase driven by:
 - Non-recurring gain of US\$3.4 million in the prior year from the sale of a storage building near our Fontana facility
 - A US\$1.6 million New Zealand weathertightness legal claim settlement

¹ Excludes Asbestos related expenses and adjustments

Income Taxes

- **How ETR is calculated under US GAAP changed in Q1 FY19**
 - Recorded a net deferred tax asset of US\$1,164.8 million arising from all previous intragroup transfers, including an internal restructuring which took place in Q4 FY18 to align certain intangible assets with our US business
 - Effective 1 April 2018, amortization of these intangible assets will reduce the deferred tax asset instead of reducing income tax expense
- **Economic (cash taxes paid) impact of tax expected to remain constant or improve**
 - Future Adjusted ETR may be more volatile because of:
 - New US GAAP standards
 - Ongoing impacts of US Tax Reform

INCOME TAX

Three Months Ended 30 June

US\$ Millions	Q1'19	Q1'18
Operating profit before taxes	121.5	77.1
Asbestos adjustments ¹	(25.1)	4.2
Adjusted operating profit before income taxes	96.4	81.3
Adjusted income tax expense ²	(16.5)	(19.6)
Adjusted effective tax rate	17.1%	24.1%
Income tax expense	(30.9)	(19.7)
Income taxes paid	4.2	2.6
Income taxes payable ³	34.0	9.1

¹ Includes Asbestos adjustments, AICF SG&A expenses and net AICF interest income

² Excludes tax effects of Asbestos, adjustments relating to the amortization of certain US intangible assets in FY19 and other tax adjustments

³ Includes non-current US income taxes payable of US\$25.9 million at Q1 FY19 related to the deemed repatriation promulgated by the US Tax Cuts and Jobs Act and will be paid in annual installments through FY25

17.1% estimated adjusted effective tax rate for the year

- Adjusted income tax expense decreased driven by a reduction in the US statutory corporate tax rate following the enactment of the US Tax Cuts and Jobs Act and adjustments related to the ongoing accounting treatment of amortization of intangible assets.
- Income taxes are not currently paid or payable in Australia due to tax losses. Australian tax losses primarily result from deductions relating to contributions to AICF

CASHFLOW¹

US\$ Millions	FY19	FY18	Change (%)
Net Income	90.6	57.4	58
Adjustment for non-cash items	26.5	33.9	(22)
Operating working capital ²	30.6	10.0	
Other net operating activities	(34.4)	(18.1)	(90)
Cash Flow from Operations	113.3	83.2	36
Purchases of property, plant and equipment ³	(75.4)	(49.0)	(54)
Proceeds from sale of property, plant and equipment	-	7.9	
Acquisition of assets	(558.7)	-	
Proceeds from investments - Asbestos	38.4	-	
Free Cash Flow⁴	(482.4)	42.1	
Net repayments of credit facilities	(100.0)	(25.0)	
Proceeds from 364-day term loan facility	492.4	-	
Repayment of NSW loan- Asbestos	-	(51.9)	
Share related activities	-	0.2	
Free Cash Flow after Financing Activities	(90.0)	(34.6)	

Increase in net operating cash flow

- Increase in net income, primarily due to underlying business unit performance
- Favorable movements in inventory from higher volumes sold
- Partially offset by an unfavorable change in other net operating activities from the normal course of business

Higher investing activities

- Acquisition of Fermacell in Europe
- Increase in capacity expansion related capital expenditures
- Maturity of AICF investments during the quarter

Cash provided by financing activities

- Driven by proceeds from our 364-day term loan facility
- No NSW loan repayment in the current year
- Partially offset by higher net repayment of credit facilities

¹ The presentation of the cashflow was changed retrospectively upon adoption of ASU 2016-18 to include Restricted cash and Restricted cash- asbestos

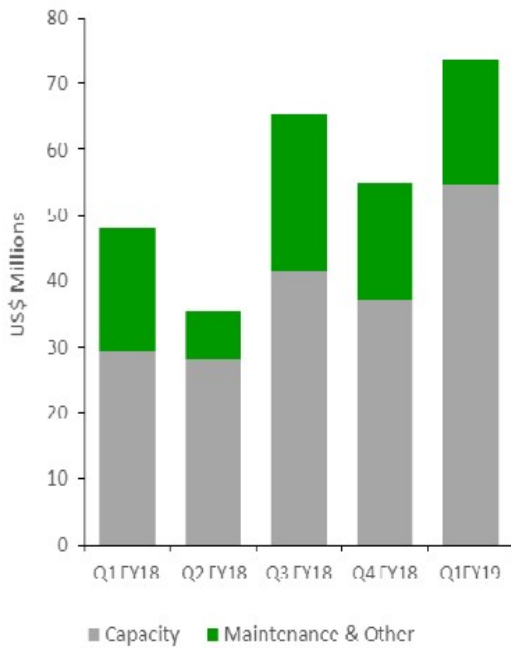
² Excludes AP related to capital expenditures

³ Includes capitalized interest

⁴ Distinct from the term defined by the AFFA for purposes of calculating our annual contribution to AICF

CAPITAL EXPENDITURES

CAPEX Spend



Q1 FY19 CAPEX spend of US\$73.6 million increased US\$25.5 million compared to pcp

- North America capacity projects:
 - Completed the start-up at our Summerville facility
 - Completed and commissioned our greenfield expansion in Tacoma, which continues to start-up as planned
 - Commenced the construction of Prattville facility, expected to be commissioned in 1H FY20
- Asia Pacific capacity projects:
 - Completed the additional capacity expansion in the Philippines, which continues to start up as planned
 - Continued the planning and design of a brownfield expansion project at our Carole Park facility in Australia, expected to be commissioned by Q1 FY21

FINANCIAL MANAGEMENT SUPPORTING GROWTH

Strong Financial Management

- Strong margins and operating cash flows
- Strong governance and transparency
- Investment-grade financial management

Moody's

Ba1

affirmed Nov'17
outlook stable

S&P

BB

affirmed Nov'17
outlook stable

Fitch

BBB-

affirmed Nov'17
outlook stable

Disciplined Capital Allocation

- Invest in R&D and capacity expansion to support organic growth
- Maintain ordinary dividends within the defined payout ratio
- Flexibility for:
 - Cyclical market volatility
 - Accretive and strategic inorganic opportunities
 - Further shareholder returns when appropriate

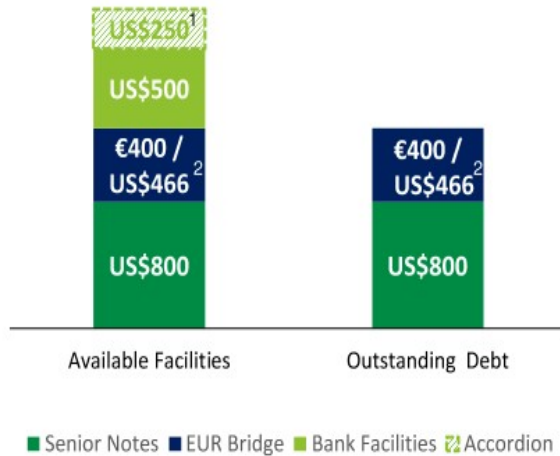
Liquidity and Funding

- Conservative leveraging of balance sheet at a target within 1-2 times Adjusted EBITDA excluding asbestos.
 - US\$500 million unsecured revolving credit facility;
 - US\$800m senior unsecured notes;
 - €400 (US\$466.2) million 364-day bridge finance utilized to fund Fermacell acquisition
- At Q1 FY19, total debt had a weighted average maturity of 5.1 years and weighted average rate of 3.6%

Financial management consistent with investment grade credit
Ability to withstand market cycles and other unanticipated events

LIQUIDITY PROFILE AT 30 JUNE 2018

Debt Profile Millions



¹ Incremental liquidity of up to US\$250 million may be accessed via an accordion feature, which is provided for under the terms of the syndicated revolving credit facility agreement, but not credit approved.

² On 3 April 2018, €400m was drawn on the 364-day bridging term loan to facilitate the Fermacell acquisition. The single-draw facility amount of €400 million equates to \$466.2 million at the exchange rate on 30 June 2018.

³ Includes debt issuance costs (\$16.6 million)

Strong balance sheet

- US\$182.7 million cash
- US\$1,066.9 million net debt³
- US\$500 million revolving credit facility available

Corporate debt structure

- US\$400 million 4.75% senior unsecured notes maturing January 2025
- US\$400 million 5.00% senior unsecured notes maturing January 2028
- US\$500 million unsecured revolving credit facility, with a December 2022 maturity
- €400 (US\$466.2) million bridge finance drawn², expected to be replaced with long-term funding in FY19

Leverage strategy

- ~1.9x net debt to adjusted EBITDA as defined in our debt covenants; high end of the 1-2x leverage target range

FY2019 GUIDANCE

- Management notes the range of analysts' forecasts for net operating profit excluding asbestos for the year ending 31 March 2019 is between US\$313 million and US\$358 million
- Management expects full year Adjusted net operating profit to be between US\$300 million and US\$340 million assuming, among other things, housing conditions in the United States continue to improve in line with our assumed forecast of new construction starts between approximately 1.2 and 1.3 million, input prices remain consistent and an average USD/AUD exchange rate that is at or near current levels for the remainder of the year and a moderate inflationary trend for input costs
- Management cautions that although US housing activity has been improving, market conditions remain somewhat uncertain and some input costs remain volatile. Management is unable to forecast the comparable US GAAP financial measure due to uncertainty regarding the impact of actuarial estimates on asbestos-related assets and liabilities in future periods



QUESTIONS



APPENDIX

FINANCIAL SUMMARY

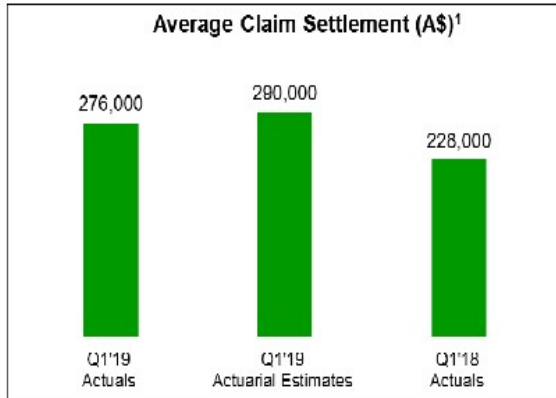
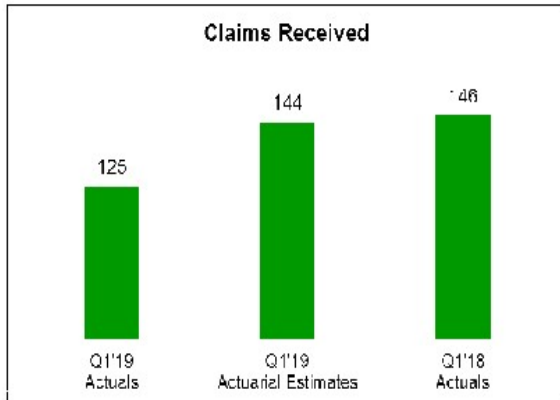
Three Months Ended 30 June			
US\$ Millions	Q1'19	Q1'18	% Change
Net Sales			
North America Fiber Cement	\$ 433.8	\$ 393.1	10
Asia Pacific Fiber Cement	117.1	101.6	15
Europe Building Products	95.4	9.2	
Other Businesses	4.7	3.8	24
Total Net Sales	\$ 651.0	\$ 507.7	28
EBIT			
North America Fiber Cement	\$ 107.2	\$ 79.8	34
Asia Pacific Fiber Cement	28.3	26.4	7
Europe Building Products ¹	(4.6)	(0.2)	
Other Businesses	(1.5)	(1.8)	17
Research & Development	(7.4)	(6.1)	(21)
General Corporate ²	(14.9)	(9.8)	(52)
Adjusted EBIT	\$ 107.1	\$ 88.3	21
Net interest expense ³	(10.9)	(6.6)	(65)
Other income (expense)	0.2	(0.4)	
Adjusted income tax expense	(16.5)	(19.6)	16
Adjusted net operating profit	\$ 79.9	\$ 61.7	29

¹ Includes Europe transaction and integration costs and inventory fair value adjustment

² Excludes Asbestos related expenses and adjustments

³ Excludes AICF interest income

ASBESTOS CLAIMS DATA



- Claims received were 13% below actuarial estimate and 14% lower than pcp
- Claims reporting for mesothelioma:
 - 14% below actuarial estimates
 - 17% lower than pcp
- Average claim settlement was 5% below actuarial estimates and 21% higher than pcp:
 - Average claim settlement sizes for mesothelioma were at or below actuarial expectations for most age groups
 - Generally lower average claim settlement sizes across all other disease types
 - Lower number of and a lower average claim settlement for non-mesothelioma claims

¹ Average claim settlement is derived as the total amount paid divided by the number of non-nil claim

DEPRECIATION AND AMORTIZATION

US\$ Millions	Three Months Ended 30 June	
	Q1'19	Q1'18
Depreciation and amortization		
North America Fiber Cement	\$ 18.1	\$ 17.1
Asia Pacific Fiber Cement	3.1	\$ 3.1
Europe Building Products	4.7	-
Other Businesses	0.6	0.5
Research and Development	0.3	0.4
General Corporate	1.3	0.7
Total depreciation and amortization	\$ 28.1	\$ 21.8

NON-US GAAP FINANCIAL MEASURES AND TERMS

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

Definitions

EBIT – Earnings before interest and taxes

EBIT margin – EBIT margin is defined as EBIT as a percentage of net sales

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

Non-financial Terms

AFFA – Amended and Restated Final Funding Agreement

AICF – Asbestos Injuries Compensation Fund Ltd

Legacy New Zealand weathertightness claims ("New Zealand weathertightness") – Expenses arising from defending and resolving claims in New Zealand that allege poor building design, inadequate certification of plans, inadequate construction review and compliance certification and deficient work by sub-contractors

New South Wales loan facility ("NSW Loan") – AICF has access to a secured loan facility made available by the New South Wales Government, which can be used by AICF to fund the payment of asbestos claims and certain operating and legal costs

NON-US GAAP FINANCIAL MEASURES

Financial Measures – US GAAP equivalents

This document contains financial statement line item descriptions that are considered to be non-US GAAP, but are consistent with those used by Australian companies. Because the company prepares its Consolidated Financial Statements under US GAAP, the following table cross-references each non-US GAAP line item description, as used in Management's Analysis of Results and Media Release, to the equivalent US GAAP financial statement line item description used in the company's Consolidated Financial Statements:

Management's Analysis of Results and Media Release	Consolidated Statements of Operations and Other Comprehensive Income (Loss) (US GAAP)
Net sales	Net sales
Cost of goods sold	Cost of goods sold
Gross profit	Gross profit
Selling, general and administrative expenses	Selling, general and administrative expenses
Research and development expenses	Research and development expenses
Asbestos adjustments	Asbestos adjustments
EBIT*	Operating income (loss)
Net interest income (expense)*	Sum of interest expense and interest income
Other income (expense)	Other income (expense)
Operating profit (loss) before income taxes*	Income (loss) before income taxes
Income tax (expense) benefit	Income tax (expense) benefit
Net operating profit (loss)*	Net income (loss)

*- Represents non-US GAAP descriptions used by Australian companies.

NON-US GAAP FINANCIAL MEASURES

Financial Measures – US GAAP equivalents

Adjusted EBIT

US\$ Millions	Three Months Ended 30 June	
	Q1'19	Q1'18
EBIT	\$ 131.9	\$ 84.0
Asbestos:		
Asbestos adjustments	(25.1)	3.9
AICF SG&A expenses	0.3	0.4
Adjusted EBIT	\$ 107.1	\$ 88.3
Net sales	\$ 651.0	\$ 507.7
Adjusted EBIT margin	16.5%	17.4%

Adjusted net operating profit

US\$ Millions	Three Months Ended 30 June	
	Q1'19	Q1'18
Net operating profit	\$ 90.6	\$ 57.4
Asbestos:		
Asbestos adjustments	(25.1)	3.9
AICF SG&A expenses	0.3	0.4
AICF interest income, net	(0.3)	(0.1)
Tax adjustments ¹	14.4	0.1
Adjusted net operating profit	\$ 79.9	\$ 61.7

¹ Includes tax adjustments related to Asbestos, the amortization benefit of certain US intangible assets and other tax adjustments

NON-US GAAP FINANCIAL MEASURES

Europe Building Products Segment Adjusted EBIT excluding costs associated with the acquisition

US\$ Millions	Three Months Ended 30 June	
		Q1'19
EBIT	\$	(4.6)
Inventory fair value adjustment		7.3
Transaction Costs		7.2
Integration Costs		1.5
Europe Building Products Segment Adjusted EBIT excluding costs associated with the acquisition	\$	11.4
Europe Building Products Segment net sales	\$	95.4
Europe Building Products Segment Adjusted EBIT margin excluding costs associated with the acquisition		11.9%

NON-US GAAP FINANCIAL MEASURES

Adjusted diluted earnings per share

	Three Months Ended 30 June	
	Q1'19	Q1'18
Adjusted net operating profit (US\$ Millions)	\$ 79.9	\$ 61.7
Weighted average common shares outstanding - Diluted (millions)	443.0	441.6
Adjusted diluted earnings per share (US cents)	18	14

Adjusted effective tax rate

US\$ Millions	Three Months Ended 30 June	
	Q1'19	Q1'18
Operating profit before income taxes	\$ 121.5	\$ 77.1
Asbestos:		
Asbestos adjustments	(25.1)	3.9
AICF SG&A expenses	0.3	0.4
AICF interest income, net	(0.3)	(0.1)
Adjusted operating profit before income taxes	\$ 96.4	\$ 81.3
Income tax expense	\$ (30.9)	\$ (19.7)
Tax adjustments ¹	14.4	0.1
Adjusted income tax expense	\$ (16.5)	\$ (19.6)
Effective tax rate	25.4%	25.6%
Adjusted effective tax rate	17.1%	24.1%

¹ Includes tax adjustments related to Asbestos, the amortization benefit of certain US intangible assets and other tax adjustments

NON-US GAAP FINANCIAL MEASURES

Adjusted EBITDA excluding Asbestos

US\$ Millions	Three Months Ended 30 June	
	Q1'19	Q1'18
EBIT	\$ 131.9	\$ 84.0
Depreciation and amortization	28.1	21.8
Adjusted EBITDA	\$ 160.0	\$ 105.8
Asbestos:		
Asbestos adjustments	(25.1)	3.9
AICF SG&A expenses	0.3	0.4
Adjusted EBITDA excluding Asbestos	\$ 135.2	\$ 110.1

Adjusted selling, general and administrative expenses ("Adjusted SG&A")

US\$ Millions	Three Months Ended 30 June	
	Q1'19	Q1'18
SG&A expenses	\$ 104.9	\$ 73.5
Excluding:		
AICF SG&A expenses	(0.3)	(0.4)
Adjusted SG&A expenses	\$ 104.6	\$ 73.1
Net sales	\$ 651.0	\$ 507.7
SG&A expenses as a percentage of net sales	16.1%	14.5%
Adjusted SG&A expenses as a percentage of net sales	16.1%	14.4%



Q1 FY19 MANAGEMENT PRESENTATION

10 August 2018

James Hardie Industries plc
Condensed Consolidated Financial Statements
as of and for the Year Ended 30 June 2018

James Hardie Industries plc

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James Hardie Industries plc

Condensed Consolidated Balance Sheets

(Millions of US dollars)	(Unaudited) 30 June 2018	31 March 2018
Assets		
Current assets:		
Cash and cash equivalents	\$ 182.7	\$ 281.6
Restricted cash	5.0	5.0
Restricted cash - Asbestos	38.9	26.6
Restricted short-term investments - Asbestos	—	38.4
Accounts and other receivables, net of provision for doubtful trade debts of US\$1.8 million and US\$1.3 million as of 30 June 2018 and 31 March 2018	225.6	202.7
Inventories	287.8	255.7
Prepaid expenses and other current assets	25.0	25.4
Insurance receivable - Asbestos	5.0	5.1
Workers' compensation - Asbestos	2.1	2.1
Total current assets	772.1	842.6
Property, plant and equipment, net	1,258.4	992.1
Goodwill	211.8	4.9
Intangible assets, net	187.9	12.3
Insurance receivable - Asbestos	49.1	52.8
Workers' compensation - Asbestos	27.7	28.8
Deferred income taxes	1,113.8	29.9
Deferred income taxes - Asbestos	363.2	382.9
Other assets	2.8	4.7
Total assets	\$ 3,986.8	\$ 2,351.0
Liabilities and Shareholders' Equity (Deficit)		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 258.3	\$ 193.3
Dividends payable	127.8	—
Short-term debt	464.6	—
Accrued payroll and employee benefits	53.7	61.8
Accrued product warranties	7.5	7.3
Income taxes payable	8.1	3.2
Asbestos liability	109.8	114.1
Workers' compensation - Asbestos	2.1	2.1
Other liabilities	23.4	12.8
Total current liabilities	1,055.3	394.6
Long-term debt	785.0	884.4
Deferred income taxes	83.5	66.4
Accrued product warranties	45.0	45.5
Income taxes payable	25.9	25.9
Asbestos liability	1,033.5	1,101.0
Workers' compensation - Asbestos	27.7	28.8
Other liabilities	48.3	25.9
Total liabilities	3,104.2	2,572.5
Commitments and contingencies (Note 11)		
Shareholders' equity (deficit):		
Common stock, Euro 0.59 par value, 2.0 billion shares authorized; 441,524,118 shares issued and outstanding at 30 June 2018 and 31 March 2018	229.5	229.5
Additional paid-in capital	189.4	185.6
Accumulated shareholders' equity (deficit)	483.1	(635.3)
Accumulated other comprehensive loss	(19.4)	(1.3)
Total shareholders' equity (deficit)	882.6	(221.5)
Total liabilities and shareholders' equity (deficit)	\$ 3,986.8	\$ 2,351.0

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

James Hardie Industries plc
Condensed Consolidated Statements of Operations and Comprehensive Income
(Unaudited)

(Millions of US dollars, except per share data)	Three Months Ended 30 June	
	2018	2017
Net sales	\$ 651.0	\$ 507.7
Cost of goods sold	(429.9)	(338.7)
Gross profit	221.1	169.0
Selling, general and administrative expenses	(104.9)	(73.5)
Research and development expenses	(9.4)	(7.6)
Asbestos adjustments	25.1	(3.9)
Operating income	131.9	84.0
Interest expense, net of capitalized interest	(11.4)	(6.7)
Interest income	0.8	0.2
Other income (expense)	0.2	(0.4)
Income before income taxes	121.5	77.1
Income tax expense	(30.9)	(19.7)
Net income	\$ 90.6	\$ 57.4
Income per share:		
Basic	\$ 0.21	\$ 0.13
Diluted	\$ 0.20	\$ 0.13
Weighted average common shares outstanding (Millions):		
Basic	441.5	440.9
Diluted	443.0	441.6
Comprehensive income, net of tax:		
Net income	\$ 90.6	\$ 57.4
Cash flow hedges	(0.1)	—
Currency translation adjustments	(18.0)	2.7
Comprehensive income	\$ 72.5	\$ 60.1

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

James Hardie Industries plc
Condensed Consolidated Statements of Cash Flows
(Unaudited)

(Millions of US dollars)	Three Months Ended 30 June	
	2018	2017
Cash Flows From Operating Activities		
Net income	\$ 90.6	\$ 57.4
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	28.1	21.8
Deferred income taxes	14.4	4.4
Stock-based compensation	3.8	2.9
Asbestos adjustments	(25.1)	3.9
Excess tax benefits from share-based awards	—	(0.1)
Other, net	5.3	1.0
Changes in operating assets and liabilities:		
Accounts and other receivables	14.6	12.3
Inventories	3.6	(10.8)
Prepaid expenses and other assets	(0.7)	(2.0)
Insurance receivable - Asbestos	1.7	0.6
Accounts payable and accrued liabilities	12.4	8.5
Claims paid - Asbestos	(26.1)	(20.5)
Income taxes payable	4.6	7.2
Other accrued liabilities	(13.9)	(3.4)
Net cash provided by operating activities	\$ 113.3	\$ 83.2
Cash Flows From Investing Activities		
Purchases of property, plant and equipment	\$ (73.6)	\$ (48.1)
Proceeds from sale of property, plant and equipment	—	7.9
Capitalized interest	(1.8)	(0.9)
Acquisition of business, net of cash acquired	(558.7)	—
Proceeds from investments - Asbestos	38.4	
Net cash used in investing activities	\$ (595.7)	\$ (41.1)
Cash Flows From Financing Activities		
Proceeds from credit facilities	\$ —	\$ 30.0
Repayments of credit facilities	(100.0)	(55.0)
Proceeds from 364-day term loan facility	492.4	—
Proceeds from issuance of shares	—	0.2
Repayments of NSW Loan - Asbestos	—	(51.9)
Net cash provided by (used in) financing activities	\$ 392.4	\$ (76.7)
Effects of exchange rate changes on cash and cash equivalents, restricted cash and restricted cash - Asbestos	\$ 3.4	\$ (4.1)
Net decrease in cash and cash equivalents, restricted cash and restricted cash - Asbestos	(86.6)	(38.7)
Cash and cash equivalents, restricted cash and restricted cash - Asbestos at beginning of period	313.2	192.8
Cash and cash equivalents, restricted cash and restricted cash - Asbestos at end of period	\$ 226.6	\$ 154.1

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

James Hardie Industries plc

Notes to Condensed Consolidated Financial Statements

1. Background and Basis of Presentation

Nature of Operations

James Hardie Industries plc manufactures and sells fiber cement, fiber gypsum and cement-bonded building products for interior and exterior building construction applications, primarily in the United States, Australia, Canada, New Zealand, the Philippines and Europe. On 3 April 2018, James Hardie Industries plc completed the acquisition of German-based XI (DL) Holdings GmbH and its subsidiaries (including, but not limited to, Fermacell GmbH) (collectively, "Fermacell"). Fermacell manufactures and sells fiber gypsum and cement-bonded building products primarily in continental Europe.

Basis of Presentation

The condensed consolidated financial statements represent the financial position, results of operations and cash flows of James Hardie Industries plc and its wholly-owned subsidiaries and variable interest entity. Except as otherwise indicated, James Hardie Industries plc is referred to as "JHI plc." JHI plc, together with its direct and indirect subsidiaries, are collectively referred to as "James Hardie" or the "Company." 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 2018, which was filed with the United States Securities and Exchange Commission ("SEC") on 22 May 2018.

The condensed consolidated financial statements included herein are unaudited; however, they contain all adjustments (all of which are normal and recurring) which, in the opinion of the Company's management, are necessary to state fairly the condensed consolidated balance sheets of the Company at 30 June 2018, the condensed consolidated statements of operations and comprehensive income for the three months ended 30 June 2018 and 2017 and the condensed consolidated statements cash flows for the three months ended 30 June 2018 and 2017.

The Company has recorded on its balance sheet certain foreign assets and liabilities, including asbestos-related assets and liabilities under the terms of the Amended and Restated Final Funding Agreement ("AFFA"), that are denominated in foreign currencies and subject to translation (foreign entities) or remeasurement (Asbestos Injuries Compensation Fund ("AICF") entity) into US dollars at each reporting date. Unless otherwise noted, the Company converts foreign currency denominated assets and liabilities into US dollars at the current spot rate at the end of the reporting period; while revenues and expenses are converted using an average exchange rate for the period. Gains or losses resulting from transactions denominated in foreign currencies are included in selling, general and administrative expenses in the condensed consolidated statements of operations and comprehensive income, and may be offset by other transactions. The Company recorded a foreign exchange gain relating to its Euro denominated term loan which was economically offset by a foreign exchange loss on loans between subsidiaries resulting in a net translation gain of US\$1.8 million which was recorded in the selling, general and administrative expenses in the condensed consolidated financial statements.

The results of operations for the three months ended 30 June 2018 are not necessarily indicative of the results to be expected for the full year. The balance sheet at 31 March 2018 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by accounting principles generally accepted in the United States of America ("US GAAP") for complete financial statements in this interim financial report.

Business combinations

The Company accounts for acquired businesses using the acquisition method of accounting. This method requires that the purchase price be allocated to the identifiable assets acquired and liabilities assumed at their estimated fair values. The excess of the purchase price over the identifiable assets acquired and liabilities assumed is recorded as goodwill.

The fair values are determined by management, taking into consideration information supplied by management of the acquired entities, and other relevant information. Such information typically includes valuations obtained from independent appraisal experts, which management reviews and considers in its estimates of fair values. The valuations are generally based upon future cash flow projections for the acquired assets, discounted to present value. The determination of fair values requires significant judgment by management, particularly with respect to the value of identifiable intangible assets. This judgment could result in either a higher or lower value assigned to amortizable or depreciable assets. The impact could result in either higher or lower amortization and/or depreciation expense.

James Hardie Industries plc

Notes to Condensed Consolidated Financial Statements (continued)

Management's estimates of fair value are based upon assumptions believed to be reasonable, but due to the inherent uncertainty during the measurement period, which may be up to one year from the acquisition date, the Company records adjustments to the assets acquired and liabilities assumed, with the corresponding offset to goodwill. The purchase price allocation of the Fermacell Acquisition is based upon a preliminary valuation and the estimates and assumptions are subject to change within the measurement period as additional information is obtained.

Goodwill and Other Intangible Assets

Goodwill is the excess of purchase price over the fair value of tangible and identifiable intangible net assets acquired in various business combinations. Goodwill is not amortized but is tested at the reporting unit level for impairment annually, or more often if indicators of impairment exist. A goodwill impairment charge is recorded for the amount by which the carrying value of the reporting unit exceeds the fair value of the reporting unit. We did not record any goodwill impairment charges for the three months ended 30 June 2018 or 2017.

Intangible assets from acquired businesses are recognized at their estimated fair values at the date of acquisition and consist of trademarks, customer relationships and other intangible assets. Finite-lived intangibles are amortized to expense over the applicable useful lives, ranging from 2 to 13 years, based on the nature of the asset and the underlying pattern of economic benefit as reflected by future net cash inflows. The Company performs an impairment test of intangibles annually, or whenever events or changes in circumstances indicate their carrying value may be impaired.

Reclassifications

Within the operating activities section of the condensed consolidated statements of cash flows for the three months ended 30 June 2017, the Company reclassified the change in the *Income Taxes Payable* balance of US\$7.2 million which was previously included within a change in *Other Accrued Liabilities*, and separated these costs in the change in *Income Taxes Payable* line item, to conform to current year presentation.

The Company adopted Accounting Standards Update ("ASU") No. 2016-18 starting with the fiscal year beginning 1 April 2018, which required *Restricted Cash* and *Restricted Cash - Asbestos* to be included in the starting and ending cash balances on the condensed consolidated statements of cash flows. See Note 2 for further details on this accounting standard update, including all reclassifications made to the condensed consolidated statements of cash flows for the three months ended 30 June 2017.

Within the *Total Assets* section of the condensed consolidated balance sheet as of 31 March 2018, the Company reclassified the *Intangible Assets, Net* and *Goodwill* balance of US\$12.3 million and US\$4.9 million, respectively, which was previously included in *Other Assets* to conform to current year presentation.

Reporting Segments

During the first quarter of fiscal year 2019, the Company changed its reportable operating segments in conjunction with how information is evaluated by the Chief Operating Decision Maker (CODM) for the purpose of assessing segment performance and allocation of resources. The Company has revised its historical segment information at 31 March 2018 and for the three months ended 30 June 2017 to be consistent with the current reportable segment structure. The change in reportable segments had no effect on the Company's financial position, results of operations or cash flows for the periods presented. See Note 15 for further details on segment reporting.

James Hardie Industries plc
Notes to Condensed Consolidated Financial Statements (continued)

2. Recent Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board ("FASB") issued ASU No. 2014-09, which provides guidance requiring companies to recognize revenue depicting the transfer of goods or services to customers in amounts that reflect the payment to which a company expects to be entitled in exchange for those goods or services. ASU No. 2014-09 also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. ASU No. 2014-09 is effective for annual reporting periods beginning after 15 December 2017, and interim periods within those years, with early adoption permitted for annual reporting periods beginning after 15 December 2016. Companies may use either a full retrospective or a modified retrospective approach to adopt ASU No. 2014-09. The Company adopted ASU No. 2014-09 (and related clarifying guidance issued by the FASB) starting with the fiscal year beginning 1 April 2018 using a modified retrospective approach. As a result of adopting ASU No. 2014-09, the Company recorded no adjustment to the opening retained earnings as of 1 April 2018. The impact to revenues and related deferred revenue balances as a result of applying ASU No. 2014-09 was not material as of and for the three months ended 30 June 2018. See Note 4 for further details.

In February 2016, the FASB issued ASU No. 2016-02, which provides guidance on the amount, timing, and uncertainty of cash flows arising from leases. The standard requires lessees to recognize lease assets and lease liabilities on the balance sheet and requires expanded disclosures about leasing arrangements. Lessor accounting will remain largely unchanged from current guidance, however ASU No. 2016-02 will provide improvements that are intended to align lessor accounting with the lessee model and with updated revenue recognition guidance. The amendments in ASU No. 2016-02 shall be applied on a modified retrospective basis, and are effective for fiscal years and interim periods within those years, beginning after 15 December 2018, with early adoption permitted. In July 2018, the FASB issued ASU No. 2018-11, which provided a second accepted transition method, which would allow companies to adopt the new lease standard as a cumulative-effect adjustment to the opening balance of retained earnings as of the beginning of the period of adoption, rather than at the beginning of the earliest period presented. The Company has begun its process for implementing this guidance, including performing a preliminary review of all active leases. The Company will adopt ASU No. 2016-02 starting with the fiscal year beginning 1 April 2019, using the second modified retrospective transition method outlined in ASU No. 2018-11, and is currently evaluating the impact of the guidance on its consolidated financial statements.

In October 2016, the FASB issued ASU No. 2016-16, which requires entities to recognize the income tax consequences of intra-entity transfers of assets other than inventory when the transfer occurs. The amendments in ASU No. 2016-16 are effective for fiscal years and interim periods within those years, beginning after 15 December 2017, with early adoption permitted. The amendments in ASU No. 2016-16 shall be applied on a modified retrospective basis, wherein the beginning retained earnings in the period in which the guidance is adopted should include a cumulative-effect adjustment to reflect the effects of applying the new guidance. The Company adopted ASU No. 2016-16 starting with the fiscal year beginning 1 April 2018, and recorded an increase in gross deferred income tax assets of US\$1,313.0 million, a valuation allowance of US\$148.2 million, a decrease in other assets of US\$4.5 million and a corresponding cumulative retained earnings adjustment of US\$1,160.3 million, resulting from all internal restructuring transactions undertaken in prior years, including the internal restructuring transaction implemented during the year ended 31 March 2018 relating to the alignment of certain intangible assets with its US business.

In November 2016, the FASB issued ASU No. 2016-18, which requires the statement of cash flows to explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. The amendments in ASU No. 2016-18 are effective for fiscal years and interim periods within those years, beginning after 15 December 2017, with early adoption permitted. The Company adopted ASU No. 2016-18 starting with the fiscal year beginning 1 April 2018 and the amendments in ASU No. 2016-18 were applied on a retrospective basis for each period presented. In accordance with disclosure requirements of this new accounting standard, the impact of adoption on the condensed consolidated statements of cash flows was as follows:

(Millions of US dollars)	Three months ended 30 June 2018					
	As reported		ASU 2016-18	As adjusted		
Cash and cash equivalents at the beginning of the period	\$	281.6	\$	31.6	\$	313.2

James Hardie Industries plc
Notes to Condensed Consolidated Financial Statements (continued)

(Millions of US dollars)	Three months ended 30 June 2017		
	As reported	ASU 2016-18	As adjusted
Cash and cash equivalents at the beginning of the period	\$ 78.9	\$ 113.9	\$ 192.8
Cash and cash equivalents at the end of the period	112.3	41.8	154.1
Restricted cash - Asbestos	19.7	(19.7)	—
Asbestos liability	(20.5)	20.5	—
Asbestos claims paid	—	(20.5)	(20.5)
Net cash provided by operating activities	102.9	(19.7)	83.2
Repayments of NSW Loan - Asbestos	—	(51.9)	(51.9)
Net cash used in financing activities	(24.8)	(51.9)	(76.7)
Effects of exchange rate changes on cash	(3.6)	(0.5)	(4.1)

In January 2017, the FASB issued ASU No. 2017-01, which clarifies the definition of a business to assist entities with evaluating whether transactions should be accounted for as acquisitions or disposals of either assets or of businesses. The amendments in ASU No. 2017-01 are effective for fiscal years and interim periods within those years, beginning after 15 December 2017, on a prospective basis. Early adoption of the amendments in ASU No. 2017-01 is allowable for transactions in which the acquisition date, the date of the deconsolidation of a subsidiary or the date a group of assets is derecognized occurs before the report issuance date. The Company adopted ASU No. 2017-01 starting with the fiscal year beginning 1 April 2018 and the adoption of this standard did not have a material impact on the consolidated financial statements.

In January 2017, the FASB issued ASU No. 2017-04, which removes step 2 from the goodwill impairment test. Under the new guidance, if a reporting unit's carrying amount exceeds its fair value, an entity will record an impairment charge based on that difference. The impairment charge will be limited to the amount of goodwill allocated to that reporting unit. The amendments in ASU No. 2017-04 are effective for fiscal years and interim periods within those years, beginning after 15 December 2019, with early adoption permitted. The Company adopted ASU No. 2017-04 starting with the fiscal year beginning 1 April 2018 and the adoption of this standard did not have a material impact on the consolidated financial statements.

In March 2018, the FASB issued ASU No. 2018-05, which provides the SEC Staff's guidance when preparing the initial accounting for the income tax effects of the US Tax Cuts and Jobs Act ("TCJ Act"), which was enacted on 22 December 2017. The staff guidance addresses the specific situation in which the initial accounting for certain income tax effects of the TCJ Act will not be complete at the time that financial statements are issued. ASU No. 2018-05 is effective for financial statements that include the reporting period in which the TCJ Act was enacted. Therefore, the Company implemented the guidance in ASU No. 2018-05 in its financial statements for the fiscal year ending 31 March 2018. The Company completed or provisionally estimated all of the effects of the TCJ Act during the fiscal year ended 31 March 2018. The final impact of the TCJ Act may differ from these provisionally estimated tax effects, including the effects of, among other things, the estimate of available foreign tax credits and additional guidance or regulations that may be issued including state tax conformity impacts.

In July 2018, the FASB issued ASU No. 2018-09, which clarifies, corrects errors in, and makes minor improvements to a wide variety of topics in the Accounting Standards Codification ("ASC"). The transition and effective date of this guidance is based on the facts and circumstances of each amendment. Some of the amendments in ASU No. 2018-09 do not require transition guidance and were effective upon issuance of ASU No. 2018-09. The Company adopted these specific amendments during the three months ended 30 June 2018 and noted no material impact on its consolidated financial statements. However, many of the amendments do have transition guidance with effective dates for annual periods beginning after 15 December 2018. For these specific amendments, the Company will follow the specific transition guidance for each relevant amendment, and does not expect the adoption of these amendments to have a material impact on its consolidated financial statements.

James Hardie Industries plc
Notes to Condensed Consolidated Financial Statements (continued)

3. Earnings Per Share

The Company discloses basic and diluted earnings per share ("EPS"). Basic EPS is calculated using net income divided by the weighted average number of common shares outstanding during the period. Diluted EPS is similar to basic EPS except that the weighted average number of common shares outstanding is increased to include the number of additional common shares calculated using the Treasury Method that would have been outstanding if the dilutive potential common shares, such as stock options and restricted stock units ("RSUs"), had been issued.

Basic and diluted common shares outstanding used in determining net income per share are as follows:

(Millions of shares)	Three Months Ended 30 June	
	2018	2017
Basic common shares outstanding	441.5	440.9
Dilutive effect of stock awards	1.5	0.7
Diluted common shares outstanding	443.0	441.6

(US dollars)	2018		2017	
	Net income per share - basic	\$	0.21	\$
Net income per share - diluted	\$	0.20	\$	0.13

There were no potential common shares which would be considered anti-dilutive for the three months ended 30 June 2018 and 2017.

Unless they are anti-dilutive, RSU's which vest solely based on continued employment are considered to be outstanding as of their issuance date for purposes of computing diluted EPS and are included in the calculation of diluted EPS using the Treasury Method. Once these RSU's vest, they are included in the basic EPS calculation on a weighted-average basis.

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

Potential common shares of 1.8 million and 1.9 million for the three months ended 30 June 2018 and 2017, respectively, have been excluded from the calculation of diluted common shares outstanding as they are considered contingent shares which are not expected to vest.

4. Revenues

The following represents the Company's disaggregated revenues for the periods ended 30 June 2018 and 2017:

(Millions of US dollars)	Three Months Ended 30 June 2018					Consolidated
	North America Fiber Cement	Asia Pacific Fiber Cement	Europe Building Products	Other Businesses		
Fiber cement revenues	\$ 433.8	\$ 117.1	\$ 9.2	\$ —	\$ —	\$ 560.1
Fiber gypsum revenues	—	—	86.2	—	—	86.2
Other revenues	—	—	—	4.7	—	4.7
Total revenues	\$ 433.8	\$ 117.1	\$ 95.4	\$ 4.7	\$ —	\$ 651.0

James Hardie Industries plc
Notes to Condensed Consolidated Financial Statements (continued)

(Millions of US dollars)	Three Months Ended 30 June 2017				
	North America Fiber Cement	Asia Pacific Fiber Cement	Europe Building Products	Other Businesses	Consolidated
Fiber cement revenues	\$ 393.1	\$ 101.6	\$ 9.2	\$ —	\$ 503.9
Fiber gypsum revenues	—	—	—	—	—
Other revenues	—	—	—	3.8	3.8
Total revenues	\$ 393.1	\$ 101.6	\$ 9.2	\$ 3.8	\$ 507.7

The process by which the Company recognizes revenues is similar across each of the Company's reportable segments and is described in further detail below. Fiber cement and fiber gypsum revenues are primarily generated from the sale of siding and various boards used in internal and external applications, as well as accessories. Fiber gypsum revenues also includes the sale of cement bonded boards in the Europe Building Products segment. Other revenues in the Asia Pacific segment are generated from the sale of a permanent formwork solution in Australia. Other revenues in the Other Businesses segment are generated from the sale of fiberglass products and windows in North America.

The Company recognizes revenues when the requisite performance obligation has been met, that is, when the Company transfers control of its products to customers, which depending on the terms of the underlying contract, is generally upon delivery. The Company considers shipping and handling activities that it performs as activities to fulfill the sales of its products, with amounts billed for such costs included in net sales and the associated costs incurred for such services recorded in cost of sales, in accordance with the practical expedient provided by ASC 606.

Certain of the Company's customers receive discounts and rebates as sales incentives, amounts which are recorded as a reduction to revenue at the time the revenue is recognized. These amounts are an estimate recorded by the Company based on historical experience and contractual obligations, the underlying assumptions of which are periodically reviewed and adjusted by the Company as necessary.

The Company's contracts are generally short-term in nature, generally not exceeding twelve months, with payment terms varying by the type and location of products or services offered, however the the period of time between invoicing and when payment is due is not significant.

5. Cash and Cash Equivalents, Restricted Cash and Restricted Cash - Asbestos

The following table provides a reconciliation of *Cash and cash equivalents, Restricted cash and Restricted cash - Asbestos* reported within the condensed consolidated balance sheets that sum to the total of the same such amounts shown in the condensed consolidated statements of cash flows:

(Millions of US dollars)	30 June	31 March
	2018	2018
Cash and cash equivalents	\$ 182.7	\$ 281.6
Restricted cash	5.0	5.0
Restricted cash - Asbestos	38.9	26.6
Total cash and cash equivalents, restricted cash and restricted cash - Asbestos	\$ 226.6	\$ 313.2

Included in *Restricted cash* is US\$5.0 million related to an insurance policy at 30 June 2018 and 31 March 2018, which restricts the cash from general corporate purposes.

Included in *Restricted cash - Asbestos* is US\$38.9 million and US\$26.6 million at 30 June 2018 and 31 March 2018, respectively. The use of these assets is restricted to the settlement of asbestos claims and for the payment of the operating costs of AICF.

James Hardie Industries plc
Notes to Condensed Consolidated Financial Statements (continued)

6. Inventories

Inventories consist of the following components:

(Millions of US dollars)	30 June 2018	31 March 2018
Finished goods	\$ 205.0	\$ 190.3
Work-in-process	9.1	8.1
Raw materials and supplies	81.9	65.3
Provision for obsolete finished goods and raw materials	(8.2)	(8.0)
Total inventories	\$ 287.8	\$ 255.7

As of 30 June 2018 and 31 March 2018, US\$30.8 million and US\$30.2 million, respectively, of the Company's finished goods inventory balance was held at vendor managed inventory locations.

7. Goodwill and Other Intangible Assets

Intangible assets from acquired businesses are recognized at their estimated fair values at the date of acquisition and consist of trademarks, customer relationships and other intangible assets. Finite-lived intangibles are amortized to expense over the applicable useful lives, ranging from 2 to 13 years, based on the nature of the asset and the underlying pattern of economic benefit as reflected by future net cash inflows. The Company performs an impairment test of intangibles annually, or whenever events or changes in circumstances indicate their carrying value may be impaired.

Indefinite-Lived Intangible Assets

The following are the changes in the carrying value of indefinite-lived intangible assets for the three months ended 30 June 2018:

(Millions of US dollars)	Goodwill ¹	Trade names ²	Other ³
Balance - 31 March 2018	\$ 4.9	\$ —	\$ 7.4
Acquired during the period	218.6	126.8	—
Foreign exchange impact	(11.7)	(6.7)	—
Balance - 30 June 2018	\$ 211.8	\$ 120.1	\$ 7.4

1 At 30 June 2018, Goodwill of US\$206.9 million, US\$4.6 million and US\$0.3 million was included in the Europe Building Products segment, Other businesses segment and Asia Pacific Fiber Cement segment, respectively. At 31 March 2018, Goodwill of US\$4.6 million and US\$0.3 million was included in the Other businesses segment and the Asia Pacific Fiber Cement segment, respectively.

2 Trade names are included in the Europe Building Products segment at 30 June 2018.

3 Other indefinite-lived intangible assets are included in the North America Fiber Cement segment at 31 March 2018 and 30 June 2018.

James Hardie Industries plc
Notes to Condensed Consolidated Financial Statements (continued)

Amortizable Intangible Assets

The following are the changes in the carrying value of amortizable intangible assets primarily held in the Europe Building Products segment for the three months ended 30 June 2018:

(Millions of US dollars)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Customer relationships:			
Balance - 31 March 2018	\$ —	\$ —	\$ —
Acquired during the period	57.8	—	57.8
Amortization	—	(1.1)	(1.1)
Foreign exchange impact	(3.2)	0.1	(3.1)
Balance - 30 June 2018	<u>\$ 54.6</u>	<u>\$ (1.0)</u>	<u>\$ 53.6</u>

(Millions of US dollars)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Other intangibles:			
Balance - 31 March 2018	\$ 9.7	\$ (4.8)	\$ 4.9
Acquired during the period	2.4	—	2.4
Amortization	—	(0.4)	(0.4)
Foreign exchange impact	(0.1)	—	(0.1)
Balance - 30 June 2018	<u>\$ 12.0</u>	<u>\$ (5.2)</u>	<u>\$ 6.8</u>

The amortization of intangible assets was US\$ 1.5 million and US\$0.2 million for the three months ended 30 June 2018 and 2017, respectively.

At 30 June 2018, the weighted-average remaining useful life of the Company's amortizable intangible assets is as follows:

(In Years)	30 June 2018	31 March 2018
Customer Relationships	12.8	—
Other Intangibles	6.1	6.1
Total	12.0	6.1

At 30 June 2018, the estimated future amortization of intangible assets is as follows:

Years ended 31 March (Millions of US dollars):

2019	\$ 5.9
2020	4.0
2021	3.5
2022	4.0
2023	4.6

James Hardie Industries plc

Notes to Condensed Consolidated Financial Statements (continued)

8. Long-Term Debt

At 30 June 2018, the Company had three forms of debt: an unsecured revolving credit facility; a 364-day term loan facility (the "Term Loan Facility"); and senior notes due 2025 and 2028. The effective weighted average interest rate on the Company's total debt was 3.6% and 4.7% at 30 June 2018 and 31 March 2018, respectively. The weighted average term of the unsecured revolving credit facility, Term Loan Facility and senior notes, including undrawn facilities, was 5.1 years and 6.9 years at 30 June 2018 and 31 March 2018, respectively.

Unsecured Revolving Credit Facility

In December 2015, James Hardie International Finance Designated Activity Company ("JHIF") and James Hardie Building Products Inc. ("JHBP"), each a wholly-owned subsidiary of JHI plc, entered into a US\$500.0 million unsecured revolving credit facility (the "Revolving Credit Facility") with certain commercial banks and HSBC Bank USA, National

Association, as administrative agent. The Revolving Credit Facility's original expiration date was December 2020 and the size of the facility may be increased by up to US\$250.0 million. In December 2017, JHIF amended the Revolving Credit Facility to among other things, extend the maturity date to December 2022.

Debt issuance costs in connection with the Revolving Credit Facility are recorded as an offset to *Long-Term Debt* in the Company's condensed consolidated balance sheets and are being amortized as interest expense using the effective interest method over the stated term of 5 years. At 30 June 2018 and 31 March 2018, the Company's total debt issuance costs have an unamortized balance of US\$3.1 million and US\$3.3 million, respectively.

The amount drawn under the Revolving Credit Facility was nil and US\$100.0 million at 30 June 2018 and 31 March 2018, respectively.

The effective weighted average interest rate on the Company's total outstanding Revolving Credit Facility was nil and 3.2% at 30 June 2018 and 31 March 2018, respectively.

Borrowings under the Revolving Credit Facility bear interest at per annum rates equal to, at the borrower's option, either: (i) the London Interbank Offered Rate ("LIBOR") plus an applicable margin for LIBOR loans; or (ii) a base rate plus an applicable margin for base rate loans. The base rate is calculated as the highest of (x) the rate that the administrative agent announces from time to time as its prime lending rate, as in effect from time to time, (y) 1/2 of 1% in excess of the overnight Federal Funds Rate, and (z) LIBOR for an interest period of one month plus 1.00%. The applicable margin is calculated based on a pricing grid that in each case is linked to our consolidated net leverage ratio. For LIBOR Loans, the applicable margin ranges from 1.25% to 2.00%, and for base rate loans it ranges from 0.25% to 1.00%. The Company also pays a commitment fee of between 0.20% and 0.35% on the actual daily amount of the unutilized revolving loans. The applicable commitment fee percentage is based on a pricing grid linked to the Company's consolidated net leverage ratio.

The Revolving Credit Facility is guaranteed by each of James Hardie International Group Limited's ("JHIGL") and James Hardie Technology Limited ("JHTL"), each of which are wholly-owned subsidiaries of JHI plc.

The Revolving Credit Facility agreement contains certain covenants that, among other things, restrict JHIGL and its restricted subsidiaries' ability to incur indebtedness and grant liens other than certain types of permitted indebtedness and permitted liens, make certain restricted payments, and undertake certain types of mergers or consolidations actions. In addition, the Company: (i) must not exceed a maximum ratio of net debt to earnings before interest, tax, depreciation and amortization, excluding all asbestos-related liabilities, assets, income, gains, losses and charges other than AICF payments, all AICF selling, general and administrative ("SG&A") expenses, all Australian Securities and Investment Commission ("ASIC")-related expenses, all recoveries and asset impairments, and all New Zealand product liability expenses and (ii) must meet or exceed a minimum ratio of earnings before interest, tax, depreciation and amortization to interest charges, excluding all income, expense and other profit and loss statement impacts of asbestos income, gains, losses and charges, all AICF SG&A expenses, all ASIC-related expenses, all recoveries and asset impairments, and all New Zealand product liability expenses. At 30 June 2018, the Company was in compliance with all covenants contained in the Revolving Credit Facility agreement.

James Hardie Industries plc

Notes to Condensed Consolidated Financial Statements (continued)

Term Loan Facility

In December 2017, JHIF and JHBP entered into the Term Loan Facility with certain commercial banks and HSBC Bank USA, National Association, as administrative agent. On 3 April 2018, the Company drew €400.0 million (US\$466.2 million based on the exchange rate at 30 June 2018) on this Term Loan Facility, and used these funds to complete the Fermacell acquisition. Pursuant to its terms, the Term Loan Facility provided for a single drawing, and any undrawn amounts are no longer available. Further, amounts drawn under the Term Loan Facility may not be re-borrowed once repaid or prepaid. The Company intends on replacing this Term Loan Facility with long term debt during the current fiscal year, but as no agreement is yet in place, the Company has classified the Term Loan Facility as *Short-term debt* on the condensed consolidated balance sheet at 30 June 2018.

Debt issuance costs in connection with the Term Loan Facility are recorded as an offset to *Long-Term Debt* in the Company's condensed consolidated balance sheets and are being amortized as interest expense using the effective interest method over the stated term of one year. At 30 June 2018 and 31 March 2018, the Company's total debt issuance costs have an unamortized balance of US\$1.6 million and nil, respectively.

Borrowings under the Term Loan Facility will bear interest at per annum rates equal to, at borrower's option, either: (i) the LIBOR plus an applicable margin for LIBOR loans; or (ii) a base rate plus an applicable margin for base rate loans. The base rate is calculated as the highest of (x) the rate that the administrative agent announces from time to time as its prime lending rate, as in effect from time to time, (y) 1/2 of 1% in excess of the overnight Federal Funds Rate, and (z) LIBOR for an interest period of one month plus 1.00%. The applicable margin is calculated based on a pricing grid that in each case is linked to our consolidated net leverage ratio. For LIBOR loans, the applicable margin ranges from 1.25% to 2.00%, and for base rate loans it ranges from 0.25% to 1.00%.

The Term Loan Facility is guaranteed by each of JHIGL and JHTL, each of which are wholly-owned subsidiaries of JHI plc.

The Term Loan Facility agreement contains certain covenants that, among other things, restrict JHIGL and its restricted subsidiaries' ability to incur indebtedness and grant liens other than certain types of permitted indebtedness and permitted liens, make certain restricted payments, and undertake certain types of mergers or consolidations actions. In addition, the Company: (i) must not exceed a maximum of net debt to earnings before interest, tax, depreciation and amortization, excluding all asbestos-related liabilities, assets, income, gains, losses and charges other than AICF payments, all AICF SG&A expenses, all ASIC-related expenses, all recoveries and asset impairments, and all New Zealand product liability expenses and (ii) must meet or exceed a minimum ratio of earnings before interest, tax, depreciation and amortization to interest charges, excluding all income, expense and other profit and loss statement impacts of asbestos income, gains, losses and charges, all AICF SG&A expenses, all ASIC-related expenses, all recoveries and asset impairments, and all New Zealand product liability expenses. At 30 June 2018, the Company was in compliance with all covenants contained in the Term Loan Facility agreement.

2025 and 2028 Senior Notes

In December 2017, JHIF completed the sale of US\$800.0 million aggregate principal amount of senior unsecured notes. The sale of the senior notes were issued at par with US\$400.0 million due 15 January 2025 (the "2025 Notes") and the remaining US\$400.0 million due 15 January 2028 (the "2028 Notes").

Debt issuance costs in connection with the 2025 and 2028 Notes are recorded as an offset to *Long-Term Debt* on the Company's condensed consolidated balance sheets.

Debt issuance costs in connection with the 2025 Notes have an unamortized balance of US\$5.9 million and US\$6.1 million at 30 June 2018 and 31 March 2018, respectively. The debt issuance costs are being amortized as interest expense using the effective interest method over the stated term of 7 years. Interest is payable semi-annually in arrears on 15 January and 15 July of each year at a rate of 4.75% with first payment due on 15 July 2018.

Debt issuance costs in connection with the 2028 Notes have an unamortized balance of US\$6.0 million and US\$6.2 million at 30 June 2018 and 31 March 2018, respectively. The debt issuance costs are being amortized as interest

James Hardie Industries plc

Notes to Condensed Consolidated Financial Statements (continued)

expense using the effective interest method over the stated term of 10 years. Interest is payable semi-annually in arrears on 15 January and 15 July of each year at a rate of 5.00% with first payment due on 15 July 2018.

The 2025 and 2028 Notes are guaranteed by JHIGL, JHBP and JHTL, each of which are wholly-owned subsidiaries of JHI plc.

The indenture governing the 2025 and 2028 Notes contains covenants that, among other things, limit the ability of the guarantors and their restricted subsidiaries to incur liens on assets, make certain restricted payments, engage in certain sale and leaseback transactions and merge or consolidate with or into other companies. These covenants are subject to certain exceptions and qualifications as described in the indenture. At 30 June 2018, the Company was in compliance with all of its requirements under the indenture related to the 2025 and 2028 Notes.

The Company's 2025 and 2028 Notes have an estimated fair value of US\$770.0 million and US\$787.5 million at 30 June 2018 and 31 March 2018, respectively, based on the trading price observed in the market at or near the balance sheet date and are categorized as Level 1 within the fair value hierarchy.

Off Balance Sheet Arrangements

As of 30 June 2018, the Company had a total borrowing base capacity under the Revolving Credit Facility of US\$500.0 million with outstanding borrowings of nil, and US\$9.5 million of drawn letters of credit and bank guarantees. These letters of credit and bank guarantees relate to various operational matters including insurance, performance bonds and other items, leaving the Company with US\$490.5 million of available borrowing capacity under the Revolving Credit Facilities.

9. Asbestos

In February 2007, the Company's shareholders approved the AFFA, an agreement pursuant to which the Company provides long-term funding to the AICF.

Asbestos Adjustments

Asbestos-related assets and liabilities are denominated in Australian dollars. The reported values of these asbestos-related assets and liabilities in the Company's condensed consolidated balance sheets in US dollars are subject to adjustment depending on the closing exchange rate between the two currencies at the balance sheet dates, the effect of which is included in *Asbestos adjustments* in the condensed consolidated statements of operations and comprehensive income.

The following table sets forth the *Asbestos adjustments* included in the condensed consolidated statements of operations and comprehensive income for the three months ended 30 June 2018 and 2017:

(Millions of US dollars)	Three Months Ended 30 June	
	2018	2017
Effect of foreign exchange on other Asbestos net liabilities	\$ 26.3	\$ (4.7)
(Loss) Gain on foreign currency forward contracts	(1.2)	1.7
Asbestos research education fund	—	(0.9)
Asbestos Adjustments	\$ 25.1	\$ (3.9)

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Notes to Condensed Consolidated Financial Statements (continued)

Claims Data

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

	Three Months	For the Years Ended 31 March				
	Ended 30 June 2018	2018	2017	2016	2015	2014
Number of open claims at beginning of period	336	352	426	494	466	462
Number of new claims	125	562	557	577	665	608
Number of closed claims	166	578	631	645	637	604
Number of open claims at end of period	295	336	352	426	494	466
Average settlement amount per settled claim	A\$276,183	A\$253,431	A\$223,535	A\$248,138	A\$254,209	A\$253,185
Average settlement amount per case closed	A\$251,227	A\$217,038	A\$167,563	A\$218,900	A\$217,495	A\$212,944
Average settlement amount per settled claim	US\$209,103	US\$196,093	US\$168,300	US\$182,763	US\$222,619	US\$236,268
Average settlement amount per case closed	US\$190,208	US\$167,934	US\$126,158	US\$161,229	US\$190,468	US\$198,716

Under the terms of the AFFA, the Company has rights of access to actuarial information produced for AICF by the actuary appointed by AICF, which is currently KPMG Actuarial. The Company's disclosures with respect to claims statistics are subject to it obtaining such information, however, the AFFA does not provide the Company an express right to audit or otherwise require independent verification of such information or the methodologies to be adopted by the approved actuary. As such, the Company relies on the accuracy and completeness of the information provided by AICF to the approved actuary and the resulting information and analysis of the approved actuary when making disclosures with respect to claims statistics.

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Notes to Condensed Consolidated Financial Statements (continued)

Asbestos-Related Assets and Liabilities

The Company has included on its condensed consolidated balance sheets the asbestos-related assets and liabilities of AICF under the terms of the AFFA. These amounts are detailed in the table below, and the net total of these asbestos-related assets and liabilities is referred to by the Company as the "Net AFFA Liability."

(Millions of US dollars)	30 June 2018	31 March 2018
Asbestos liability – current	\$ (109.8)	\$ (114.1)
Asbestos liability – non-current	(1,033.5)	(1,101.0)
Asbestos liability – Total	(1,143.3)	(1,215.1)
Insurance receivable – current	5.0	5.1
Insurance receivable – non-current	49.1	52.8
Insurance receivable – Total	54.1	57.9
Workers' compensation asset – current	2.1	2.1
Workers' compensation asset – non-current	27.7	28.8
Workers' compensation liability – current	(2.1)	(2.1)
Workers' compensation liability – non-current	(27.7)	(28.8)
Workers' compensation – Total	—	—
Other net liabilities	(2.7)	(2.2)
Restricted cash - Asbestos	38.9	26.6
Restricted short-term investments - Asbestos	—	38.4
Net Unfunded AFFA liability	\$ (1,053.0)	\$ (1,094.4)
Deferred income taxes – non-current	363.2	382.9
Income tax payable	5.1	21.1
Net Unfunded AFFA liability, net of tax	\$ (684.7)	\$ (690.4)

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Notes to Condensed Consolidated Financial Statements (continued)

The following is a detailed rollforward of the Net Unfunded AFFA liability, net of tax, for the year ended 30 June 2018:

(Millions of US dollars)	Asbestos Liability	Insurance Receivables	Restricted Cash and Investments	Other Assets and Liabilities	Net Unfunded AFFA Liability	Deferred Tax Assets	Income Tax Payable	Net Unfunded AFFA Liability, net of tax
Balance - 31 March 2018	\$ (1,215.1)	\$ 57.9	\$ 65.0	\$ (2.2)	\$ (1,094.4)	\$ 382.9	\$ 21.1	\$ (690.4)
Asbestos claims paid ¹	25.9	—	(25.9)	—	—	—	—	—
AICF claims-handling costs incurred (paid)	0.3	—	(0.3)	—	—	—	—	—
AICF operating costs paid - non claims-handling	—	—	(0.3)	—	(0.3)	—	—	(0.3)
Insurance recoveries	—	(1.7)	0.9	—	(0.8)	—	—	(0.8)
Movement in income tax payable	—	—	—	—	—	(5.2)	(15.6)	(20.8)
Other movements	—	—	1.3	—	1.3	—	—	1.3
Effect of foreign exchange	45.6	(2.1)	(1.8)	(0.5)	41.2	(14.5)	(0.4)	26.3
Balance - 30 June 2018	\$ (1,143.3)	\$ 54.1	\$ 38.9	\$ (2.7)	\$ (1,053.0)	\$ 363.2	\$ 5.1	\$ (684.7)

1 Claims paid of US\$25.9 million reflects A\$34.2 million converted at the average exchange rate for the period based on the assumption that these transactions occurred evenly throughout the period.

AICF Funding

On 2 July 2018, the Company made a payment of A\$138.4 million (US\$103.0 million) to AICF. This amount represents 35% of its free cash flow for fiscal year 2018 which is equivalent to the operating cash flows of US\$295.0 million less an adjustment of US\$0.8 million, resulting in free cash flow of US\$294.2 million for fiscal year 2018, as defined by the AFFA. For the three months ended 30 June 2018, the Company did not provide financial or other support to AICF that it was not previously contractually required to provide.

Free cash flow as defined in the AFFA for the three months ended 30 June 2018 is US\$ 137.5 million, which is equivalent to operating cash flows of US\$113.3 million, plus adjustments of US\$24.2 million.

Restricted Short-Term Investments

In July 2017, AICF invested A\$100.0 million (US\$73.9 million, based on the exchange rate at 30 June 2018) of its excess cash in time deposits. In fiscal year 2018, A\$50.0 million of these time deposits matured, with the remaining A\$50.0 million outstanding as of 31 March 2018. During the three months ended 30 June 2018, the remaining A\$50.0 million of time deposits matured and were reclassified to *Restricted cash - Asbestos* on the condensed consolidated balance sheets. As of 30 June 2018, there were no outstanding restricted short-term investments.

AICF – New South Wales Government Secured Loan Facility

AICF may borrow, subject to certain conditions, up to an aggregate amount of A\$320.0 million (US\$ 236.4 million, based on the exchange rate at 30 June 2018). The AICF Loan Facility is available to be drawn for the payment of claims through 1 November 2030, at which point, all outstanding borrowings must be repaid. Borrowings made under the AICF Loan Facility are classified as current, as AICF intends to repay the debt within one year.

Interest accrues daily on amounts outstanding, is calculated based on a 365-day year and is payable monthly. AICF may, at its discretion, elect to accrue interest payable on amounts outstanding under the AICF Loan Facility on the date interest becomes due and payable.

At 30 June 2018 and 31 March 2018, AICF had an outstanding balance under the AICF Loan Facility of nil.

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Notes to Condensed Consolidated Financial Statements (continued)

10. Derivative Instruments

The Company uses derivatives for risk management purposes and does not engage in speculative activity. A risk management objective for the Company is to mitigate interest rate risk associated with the Company's external credit facilities and foreign currency risk primarily with respect to forecasted transactions denominated in foreign currencies. The determination of whether the Company enters into a derivative transaction to achieve these risk management objectives depends on a number of factors, including an evaluation of the extent to which derivative instruments will achieve such risk management objectives of the Company.

The Company may from time to time enter into interest rate swap contracts to protect against upward movements in US Dollar LIBOR and the associated interest the Company pays on its external credit facilities. Interest rate swaps are recorded in the financial statements at fair value. Changes in fair value are recorded in the condensed consolidated statements of operations and comprehensive income in *Other income (expense)*.

Interest Rate Swaps

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

For interest rate swap contracts, the Company has agreed to pay fixed interest rates while receiving a floating interest rate. These contracts have a fair value of US\$0.7 million and US\$0.4 million receivable at 30 June 2018 and at 31 March 2018, respectively, which are included in *Accounts receivables*.

At 30 June 2018, the weighted average fixed interest rate of these contracts is 2.2% and the weighted average remaining life is 1.1 years.

For the three months ended 30 June 2018, the Company included in *Other income (expense)* an unrealized gain of US\$0.3 million and a realized loss of US\$0.1 million on interest rate swap contracts. For the three months ended 30 June 2017, the Company included in *Other income (expense)* an unrealized loss of US\$0.2 million and a realized loss of US\$0.2 million on interest rate swap contracts.

Foreign Currency Forward Contracts

The Company's foreign currency forward contracts are valued using models that maximize the use of market observable inputs including interest rate curves and both forward and spot prices for currencies and are categorized as Level 2 within the fair value hierarchy. At 30 June 2018, the Company had foreign currency forward contracts with a notional value of US\$232.2 million. The forward contracts at 30 June 2018 were primarily related to the dividend announced in May 2018 and the AICF payment in July 2018.

Changes in the fair value of forward contracts that are not designated as hedges are recorded in earnings within *Other income (expense)* at each measurement date. As discussed above, these derivatives are typically entered into as economic hedges of changes in currency exchange rates.

The forward contracts had an unrealized loss of US\$6.3 million in the three months ended 30 June 2018. This loss was offset by the US\$1.2 million gain on the revaluation of the liability associated with the AICF payment and the US\$5.1 million gain on the revaluation of the dividends payable balance, for a net impact of nil in *Other income (expense)*.

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Notes to Condensed Consolidated Financial Statements (continued)

The forward contracts had an unrealized gain of US\$4.1 million in the three months ended 30 June 2017. This gain was offset by the US\$1.7 million loss on the revaluation of the liability associated with the AICF payment and the US\$2.4 million loss on the revaluation of the dividends payable balance, for a net impact of nil in *Other income (expense)*.

The following table sets forth the total outstanding notional amount and the fair value of the Company's derivative instruments:

(Millions of US dollars)	Notional Amount		Fair Value as of			
			30 June 2018		31 March 2018	
	30 June 2018	31 March 2018	Assets	Liabilities	Assets	Liabilities
Derivatives not accounted for as hedges						
Interest rate swap contracts	\$ 100.0	\$ 100.0	\$ 0.7	\$ —	\$ 0.4	\$ —
Foreign currency forward contracts	232.2	0.8	—	6.3	—	—
Total	\$ 332.2	\$ 100.8	\$ 0.7	\$ 6.3	\$ 0.4	\$ —

11. Commitments and Contingencies

The Company is involved from time to time in various legal proceedings and administrative actions related to the normal conduct of its business, including general liability claims, putative class action lawsuits and litigation concerning its products.

Although it is impossible to predict the outcome of any pending legal proceeding, management believes that such proceedings and actions should not, individually or in the aggregate, have a material adverse effect on the Company's condensed consolidated financial position, results of operations or cash flows, except as they relate to asbestos as described in these condensed consolidated financial statements.

Environmental and Legal

The operations of the Company, like those of other companies engaged in similar businesses, are subject to a number of laws and regulations on air and water quality, waste handling and disposal. The Company's policy is to accrue for environmental costs when it is determined that it is probable that an obligation exists and the amount can be reasonably estimated.

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Notes to Condensed Consolidated Financial Statements (continued)

12. Income Taxes

Income taxes payable represents taxes currently payable which are computed at statutory income tax rates applicable to taxable income derived in each jurisdiction in which the Company conducts business. During the three months ended 30 June 2018, the Company paid tax, net of any refunds received, of US\$4.2 million.

Deferred tax balances consist of the following components:

(Millions of US dollars)	30 June 2018	31 March 2018
Deferred tax assets:		
Intangible assets	\$ 1,271.3	\$ —
Asbestos liability	363.2	382.9
Other provisions and accruals	34.1	37.7
Net operating loss carryforwards	40.3	25.5
Foreign tax credit carryforwards	119.2	126.1
Total deferred tax assets	1,828.1	572.2
Valuation allowance	(270.6)	(129.6)
Total deferred tax assets net of valuation allowance	1,557.5	442.6
Deferred tax liabilities:		
Depreciable and amortizable assets	(119.4)	(81.6)
Other	(44.6)	(14.6)
Total deferred tax liabilities	(164.0)	(96.2)
Total deferred taxes, net	\$ 1,393.5	\$ 346.4

The Company adopted ASU No. 2016-16 starting with the fiscal year beginning 1 April 2018, and recorded an increase in gross deferred income tax assets of US\$1,313.0 million, a valuation allowance of US\$148.2 million and a decrease in other assets of US\$4.5 million. The deferred income tax asset is a result of all internal restructuring transactions involving intangible assets undertaken in prior years, including the internal restructuring transaction implemented during the year ended 31 March 2018 relating to the alignment of certain intangible assets with its US business. Intangible assets have an amortizable life of 15 years for US federal tax purposes.

Deferred income taxes include European, Australian and US net operating loss carry-forwards. At 30 June 2018, the Company had European tax loss carry-forwards of approximately US\$9.0 million, Australian tax loss carry-forwards of approximately US\$18.5 million and US tax loss carry-forwards of approximately US\$12.8 million that are available to offset future taxable income in the respective jurisdiction.

At 30 June 2018, the Company had a valuation allowance against a portion of the European tax loss carry-forwards in respect of which realization is not more likely than not.

The Australian tax loss carry-forwards primarily result from current and prior year tax deductions for contributions to AICF. James Hardie 117 Pty Limited, the performing subsidiary under the AFFA, is able to claim a tax deduction for its contributions to AICF over a five-year period commencing in the year the contribution is incurred. At 30 June 2018, the Company recognized a tax deduction of US\$17.3 million (A\$22.8 million) for the current year relating to total contributions to AICF of US\$369.1 million (A\$456.8 million) incurred in fiscal years 2015 through 2018.

Due to the size and nature of its business, the Company is subject to ongoing reviews by taxing jurisdictions on various tax matters. The Company accrues for tax contingencies based upon its best estimate of the taxes ultimately expected to be paid, which it updates over time as more information becomes available. Such amounts are included in taxes payable or other non-current liabilities, as appropriate. If the Company ultimately determines that payment of these amounts is unnecessary, the Company reverses the liability and recognizes a tax benefit during the period in which

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Notes to Condensed Consolidated Financial Statements (continued)

the Company determines that the liability is no longer necessary. The Company records additional tax expense in the period in which it determines that the recorded tax liability is less than the ultimate assessment it expects.

Taxing authorities from various jurisdictions in which the Company operates are in the process of reviewing and auditing the Company's respective jurisdictional tax returns for various ranges of years. The Company accrues tax liabilities in connection with ongoing audits and reviews based on 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.

Unrecognized Tax Benefits

At 30 June 2018 and 31 March 2018, the total amount of unrecognized tax benefits accrued by the Company related to unrecognized tax benefits that, if recognized, would affect the tax expense is US\$0.7 million.

The Company recognizes penalties and interest accrued related to unrecognized tax benefits in *Income tax expense*. During the three months ended 30 June 2018, the total amount of interest and penalties recognized in *Income tax expense* was US\$0.1 million. The liabilities associated with uncertain tax benefits are included in *Other liabilities* on the Company's condensed consolidated balance sheets.

13. Stock-Based Compensation

Total stock-based compensation expense consists of the following:

(Millions of US dollars)	Three Months Ended 30 June	
	2018	2017
Liability Awards Income	\$ (0.8)	\$ (0.2)
Equity Awards Expense	3.8	2.9
Total stock-based compensation expense	\$ 3.0	\$ 2.7

As of 30 June 2018, the unrecorded future stock-based compensation expense related to outstanding equity awards was US\$17.1 million and will be recognized over an estimated weighted average amortization period of 2.0 years.

14. Capital Management and Dividends

The following table summarizes the dividends declared or paid during the fiscal years 2019, 2018 and 2017:

(Millions of US dollars)	US Cents/Security	US\$ Millions Total Amount	Announcement Date	Record Date	Payment Date
FY 2018 second half dividend ¹	0.30	132.5	22 May 2018	7 June 2018	3 August 2018
FY 2018 first half dividend	0.10	46.2	9 November 2017	13 December 2017	23 February 2018
FY 2017 second half dividend	0.28	131.3	18 May 2017	8 June 2017	4 August 2017
FY 2017 first half dividend	0.10	46.6	17 November 2016	21 December 2016	24 February 2017
FY 2016 second half dividend	0.29	130.2	19 May 2016	9 June 2016	5 August 2016

¹ The FY2018 second half dividend total amount of US\$132.5 million represents the value of the dividend declared. Any difference between the amount declared and the amount payable per the Company's condensed consolidated balance sheets is due to unrealized foreign exchange gain or loss associated with the change in the dividend liability between the record date and the balance sheet date.

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Notes to Condensed Consolidated Financial Statements (continued)

15. Operating Segment Information and Concentrations of Risk

During the first quarter of fiscal year 2019, the Company changed its reportable operating segments. Previously, the Company maintained four operating segments: (i) North America Fiber Cement; (ii) International Fiber Cement; (iii) Other Businesses; and (iv) Research and Development. Beginning in the first quarter of fiscal year 2019, the Company replaced the International Fiber Cement segment with two new segments: (i) Asia Pacific Fiber Cement; and (ii) Europe Building Products. There were no changes to the North America Fiber Cement; Other Businesses; and Research and Development segments. The Company has revised its historical segment information at 31 March 2018 and for the three months ended 30 June 2017 to be consistent with the current reportable segment structure. The change in reportable segments had no effect on the Company's financial position, results of operations or cash flows for the periods presented.

The North America Fiber Cement segment manufactures fiber cement interior linings, exterior siding products and related accessories in the United States; these products are sold in the United States and Canada. The Asia Pacific Fiber Cement segment includes all fiber cement products manufactured in Australia, New Zealand and the Philippines, and sold in Australia, New Zealand, Asia, the Middle East and various Pacific Islands. The Europe segment includes the newly acquired Fermacell business and fiber cement product manufactured in the United States that is sold in Europe. The Other Businesses segment includes certain non-fiber cement manufacturing and sales activities in North America, including fiberglass windows. The Research and Development segment represents the cost incurred by the research and development centers. General Corporate costs primarily consist of *Asbestos adjustments*, 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.

Operating Segments

The following is the Company's operating segment information:

(Millions of US dollars)	Net Sales to Customers Three Months Ended 30 June	
	2018	2017
North America Fiber Cement	\$ 433.8	\$ 393.1
Asia Pacific Fiber Cement	117.1	101.6
Europe Building Products	95.4	9.2
Other Businesses	4.7	3.8
Worldwide total	<u>\$ 651.0</u>	<u>\$ 507.7</u>

(Millions of US dollars)	Income Before Income Taxes Three Months Ended 30 June	
	2018	2017
North America Fiber Cement ¹	\$ 107.2	\$ 79.8
Asia Pacific Fiber Cement ¹	28.3	26.4
Europe Building Products ^{1,7}	(4.6)	(0.2)
Other Businesses	(1.5)	(1.8)
Research and Development ¹	(7.4)	(6.1)
Segments total	122.0	98.1
General Corporate ^{2,6}	9.9	(14.1)
Total operating income	131.9	84.0
Net interest expense ³	(10.6)	(6.5)
Other income (expense)	0.2	(0.4)
Worldwide total	<u>\$ 121.5</u>	<u>\$ 77.1</u>

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Notes to Condensed Consolidated Financial Statements (continued)

(Millions of US dollars)	Total Identifiable Assets	
	30 June	31 March
	2018	2018
North America Fiber Cement	\$ 1,107.7	\$ 1,070.7
Asia Pacific Fiber Cement	312.3	328.8
Europe Building Products	731.2	22.8
Other Businesses	32.0	30.1
Research and Development	7.5	7.5
Segments total	2,190.7	1,459.9
General Corporate ^{4,5}	1,796.1	891.1
Worldwide total	\$ 3,986.8	\$ 2,351.0

The following is the Company's geographical information:

(Millions of US dollars)	Net Sales to Customers Three Months Ended 30 June	
	2018	2017
	North America	\$ 438.5
Australia	83.9	71.0
Germany	35.0	0.6
New Zealand	20.6	19.0
Other Countries ⁸	73.0	20.2
Worldwide total	\$ 651.0	\$ 507.7

(Millions of US dollars)	Total Identifiable Assets	
	30 June	31 March
	2018	2018
North America	\$ 1,142.9	\$ 1,103.6
Australia	227.5	242.6
Germany	530.2	0.5
New Zealand	34.2	34.8
Other Countries	255.9	78.4
Segments total	2,190.7	1,459.9
General Corporate ^{4,5}	1,796.1	891.1
Worldwide total	\$ 3,986.8	\$ 2,351.0

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Notes to Condensed Consolidated Financial Statements (continued)

1 The following table summarizes research and development costs by segment:

(Millions of US dollars)	Three Months Ended 30 June	
	2018	2017
North America Fiber Cement	\$ 1.5	\$ 1.6
Asia Pacific Fiber Cement	0.5	0.4
Europe Building Products	0.5	—
Research and Development ^a	6.9	5.6
	<u>\$ 9.4</u>	<u>\$ 7.6</u>

a For the three months ended 30 June 2018 and 2017, Research and Development segment also included *Selling, general and administrative* expenses of US\$0.5 million.

2 Included in the General Corporate costs are the following:

(Millions of US dollars)	Three Months Ended 30 June	
	2018	2017
Asbestos adjustments	\$ 25.1	\$ (3.9)
AICF SG&A expenses	\$ (0.3)	\$ (0.4)

3 The Company does not report net interest expense for each operating segment as operating segments are not held directly accountable for interest expense. All net interest expense is included in General Corporate costs. Included in net interest expense is AICF net interest income of US\$0.3 million and US\$0.1 million for the three months ended 30 June 2018 and 2017, respectively. See note 9 for more information.

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

5 Asbestos-related assets at 30 June 2018 and 31 March 2018 are US\$86.9 million and US\$537.7 million, respectively, and are included in General Corporate costs.

6 Included in General Corporate costs was the settlement of a US\$1.6 million New Zealand weathertightness legal claim and a gain on the sale of the Fontana building of US\$3.4 million for the three months ended 30 June 2018 and 2017, respectively.

7 Included in the Europe Building Products segment for the three months ended 30 June 2018 were Fermacell acquisition and integration costs of US\$8.7 million and the amortization of the inventory fair value adjustment of US\$7.3 million. As this inventory was sold during the quarter, the entire adjustment was recognized into cost of goods sold.

8 Included are all other countries that account for less than 5% of net sales individually.

16. Accumulated Other Comprehensive Loss

During the three months ended 30 June 2018 there were the following reclassifications out of *Accumulated other comprehensive loss*:

(Millions of US dollars)	Cash Flow Hedges	Foreign Currency Translation Adjustments	Total
Balance at 31 March 2018	\$ 0.3	\$ (1.6)	\$ (1.3)
Other comprehensive loss	(0.1)	(18.0)	(18.1)
Balance at 30 June 2018	\$ 0.2	\$ (19.6)	\$ (19.4)

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Notes to Condensed Consolidated Financial Statements (continued)

17. Business Combinations

Farmacell Acquisition

On 3 April 2018, the Company completed its acquisition of thearmacell business with Xella International S.A. for a purchase price of €516.4 million (US\$ 635.6 based on the exchange rate at 3 April 2018). The acquisition was pursuant to the Sales and Purchase Agreement dated 7 November 2017, and was structured as a stock purchase, resulting in 100% ownership ofarmacell. The Company financed the acquisition through a combination of cash on hand and borrowings of €400.0 million (US\$492.4 million based on the exchange rate at 3 April 2018) from the Term Loan Facility. See note 8 for more information.

Headquartered in Duisburg, Germany,armacell operates six manufacturing plants across Germany, the Netherlands and Spain, with a sales force in 12 countries and revenues generated primarily from countries in Western Europe.armacell is a provider of innovative building solutions, producing and distributing high quality fiber gypsum boards and cement-bonded boards, which are two complementary products in the high performance board space. Management believes this acquisition will generate significant value by providing the Company with a significant European presence and a differentiated platform to position the Company for meaningful long-term growth in Europe.

In connection with this acquisition, the Company incurred related acquisition and integration costs of approximately US\$8.7 million for the three months ended 30 June 2018, which have been recorded in the condensed consolidated statements of operations and comprehensive income in *Selling, general and administrative expenses*.

The following is the purchase price allocation forarmacell:

(Millions of US dollars)		
Cash and cash equivalents	\$	76.9
Accounts and other receivable, net		43.7
Inventories		39.7
Other assets		4.1
Property, plant and equipment		231.5
Intangible assets		187.0
Accounts payable		(40.5)
Other liabilities		(40.0)
Deferred tax liabilities		(85.4)
Net assets acquired	\$	417.0
Goodwill		218.6
Total consideration	\$	635.6

The purchase price allocation set forth above reflects preliminary fair value estimates based on preliminary work and analyses performed and is subject to change as additional information to assist in determining the fair value of the net assets acquired at the closing date is obtained during the post-closing measurement period of up to one year.

The following table summarizes the estimated fair value of acquired identifiable intangible assets:

(Millions of US dollars)	Estimated remaining useful life (years)	Fair Value
Trade name	Indefinite	\$ 126.8
Customer relationships	13	57.8
Other intangible assets	2 - 13	2.4
Total		\$ 187.0

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Notes to Condensed Consolidated Financial Statements (continued)

Intangible assets will be evaluated for impairment annually or more frequently if an event occurs or circumstances change that indicate it may be impaired, by comparing its fair value to its carrying amount to determine if a write-down to fair value is required.

Goodwill is attributable primarily to the benefits from the increased scale of the Company as a result of the Fermacell acquisition. Goodwill arising from the Fermacell acquisition is not deductible for income tax purposes.

Supplemental Pro Forma Results of Operations

The following unaudited supplemental pro forma information presents the results of operations of the Company, after giving effect to the Fermacell acquisition, as if the Company had completed the Fermacell Acquisition and related financing (as described in Note 8) on 1 April 2017, but using the preliminary estimates of the fair values of the assets acquired and liabilities assumed as of the closing dates of the acquisition. These unaudited pro forma results are presented for informational purposes only and are not necessarily indicative of what the actual results of operations of the Company would have been if the Fermacell acquisition and related financing had occurred on the date assumed, nor are they indicative of future results of operations.

James Hardie Industries Consolidated Pro Forma

(Millions of US dollars)	Three Months Ended 30 June	
	2018 (Unaudited)	2017 (Unaudited)
Net sales	\$ 651.0	\$ 580.0
Income before income taxes	137.5	83.0

Europe Building Products Pro Forma

(Millions of US dollars)	Three Months Ended 30 June	
	2018 (Unaudited)	2017 (Unaudited)
Net sales	\$ 95.4	\$ 81.5
Income before income taxes	11.4	7.9

The unaudited pro forma results include the depreciation and amortization of the fair value of the acquired property, plant and equipment, customer relationships and other intangible assets and interest expense on the 364-day term loan used to acquire Fermacell. The unaudited pro forma results exclude the impact of the acquisition and integration costs of \$8.7 million and the inventory fair value adjustment of \$7.3 million.