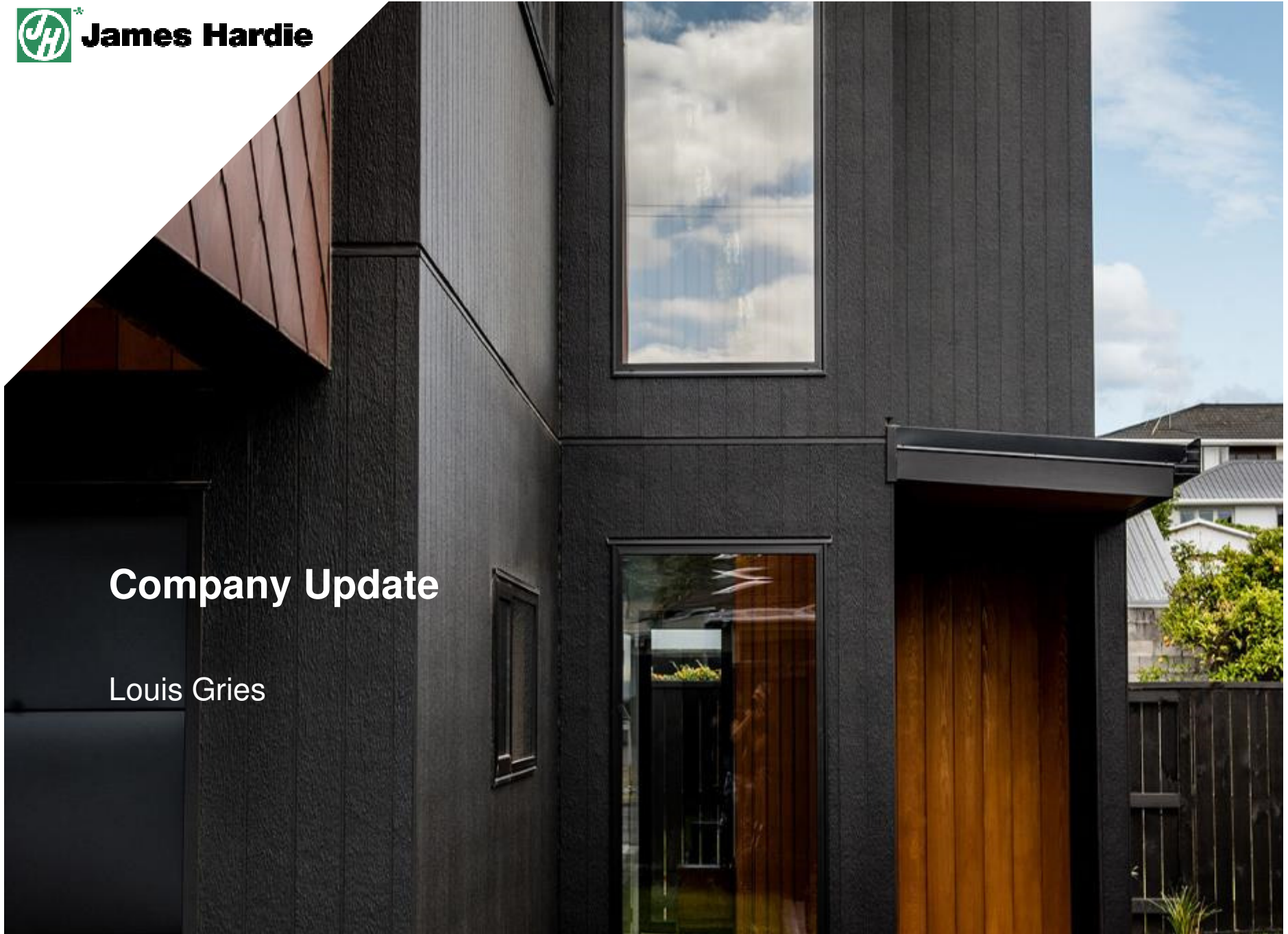


Company Update

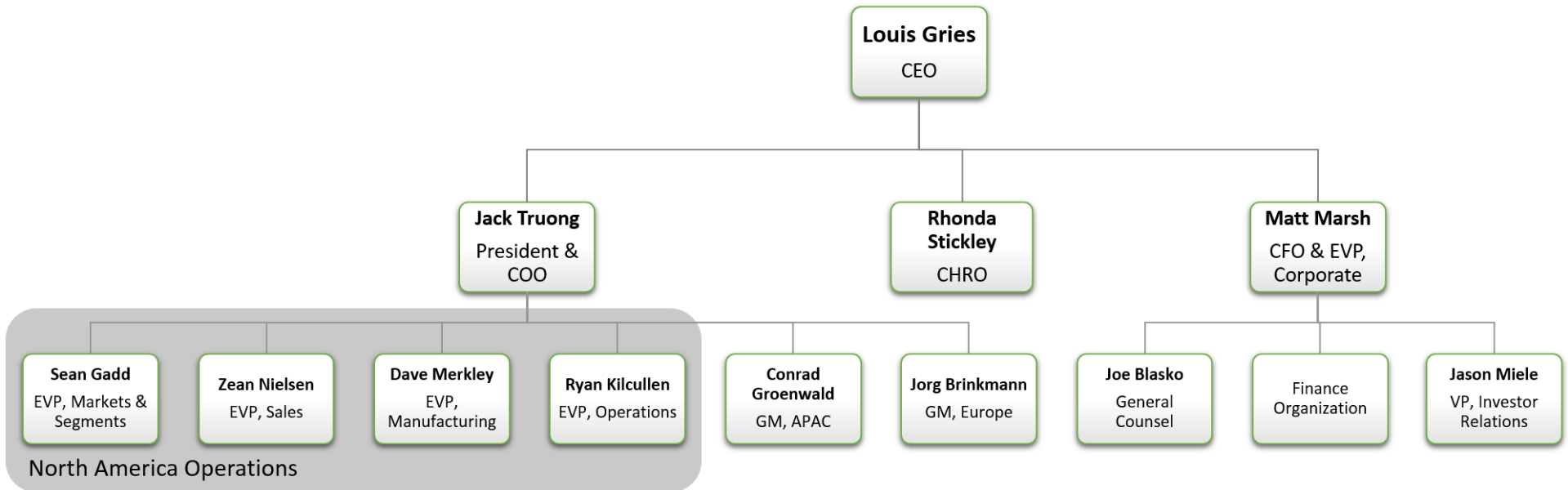
Louis Gries



We are an Organic Growth Company

- **North America:** 35/90
 - Exteriors volume growth above market with 20-25% EBIT margin
- **Europe:** Create a €1 billion business with Hardie like returns within the next 10 years
- **APAC:** Deliver organic growth above market with strong returns

ORGANIZATION CHART – TRANSITION PERIOD





NA Fiber Cement Organic Growth Strategy Update & Go-Forward



WHAT IS 35/90?

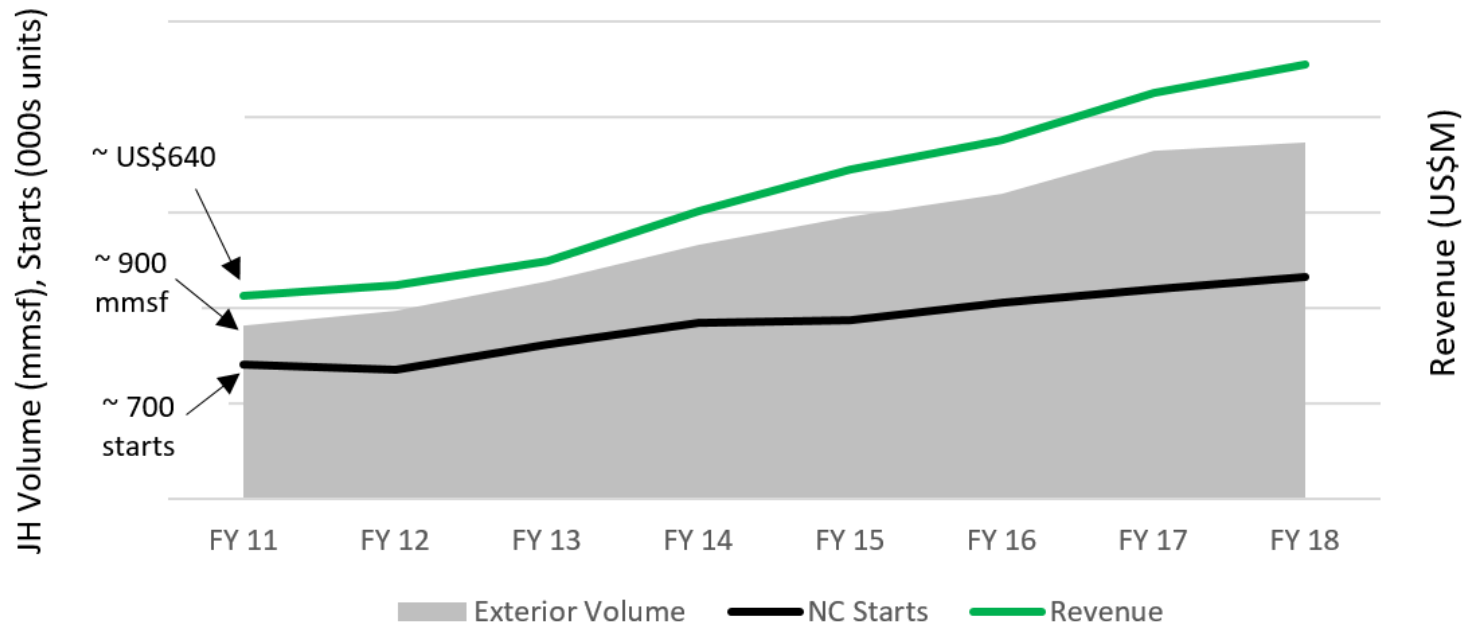
- Exterior strategy for North America business
- Siding & trims
- Participate in all segments
 - Market Development to switch the preference for vinyl in Northern and Mid-Atlantic regions
 - Defend against hard siding competitors that attempt to position themselves as close alternatives sold at a discount to JH
- PDG (growth above market index) is the outcome
 - Market Index is determined by the change in market activity weighted for segment positions

SIDING INDUSTRY CATEGORIES

- Natural Wood
- Hardboard
- OSB
- Aluminum
- Vinyl
- Fiber Cement
- Resin-based

BUILT FOR 6 PERCENT

Exteriors - Top Line Growth



Source: JHX reported results and Dodge Data & Analytics.

GETTING BACK TO 6 PERCENT

- Capacity shortfall has been addressed across all product lines
- Value Props are strong, but are being enhanced:
 - Market Development model vs. vinyl had to be tuned-up to address an increasing on-the-wall premium relative to home value
 - In competitive hard siding markets that can benefit from a factory finished solution, we are funding initiatives that increase the net value of ColorPlus® against perceived close alternatives
- Reallocation of our field sales resources toward previously underserved markets has started to show early returns

JH INTERIORS – HISTORICAL PERSPECTIVE

From zero to market share leader based on:

- Technical product performance advantages
- Contractor benefits
- Focused approach to market share development

The cement board category grew rapidly from 1990 - 2012

- Category growth has flattened out and started to slowly decline based on changing flooring preferences
- Competition in some still niche applications from mats & membranes

JH OPS ENABLES THE ORGANIC GROWTH STRATEGY

- High throughput, low unit cost advantage over other FC participants
- Further gains available in plant performance, product capability & capital efficiency
- 1991 – 2018 ... and beyond
 - 24/7 operation
 - Machine scale
 - Regional sites to reduce shipping radius
 - Large sites to build on machine scale advantages
 - Additional processes to hone in on specific customer needs
 - Zero Harm commitment
 - Lean initiative
 - Mega sites that are positioned to provide greater flexibility and reach



Q&A

