

INVESTOR PRESENTATION

December 2011

DISCLAIMER

This Management Presentation contains forward-looking statements. James Hardie may from time to time make forward-looking statements in its periodic reports filed with or furnished to the SEC, 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 our products;
- expectations concerning the costs associated with the suspension or closure of operations at any of the company's plants and future plans with respect to any such plants;
- expectations that the company's credit facilities will be extended or renewed;
- expectations concerning dividend payments and share buy-backs;
- statements concerning the company's corporate and tax domiciles and potential changes to them, including potential tax charges;
- statements regarding tax liabilities and related audits, reviews and proceedings;
- statements as to the possible consequences of proceedings brought against the company and certain of its former directors and officers by the Australian Securities and Investments Commission (ASIC);
- expectations about the timing and amount of contributions to the Asbestos Injuries Compensation Fund (AICF), a special purpose fund for the compensation of proven Australian asbestos-related personal injury and death claims;
- expectations concerning indemnification obligations;
- statements about product or environmental liabilities; and
- statements about economic conditions, such as economic or housing recovery, the levels of new home construction, unemployment levels, 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 consumer confidence.

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

Forward-looking statements are based on the company's current expectations, estimates and assumptions and because forward-looking statements address future results, events and conditions, they, by their very nature, involve inherent risks and uncertainties, many of which are unforeseeable and beyond the company's control. Such known and unknown risks, uncertainties and other factors may cause 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 US Securities and Exchange Commission on 29 June 2011, as amended by the Form 20-F/A filed on 14 July 2011, include, but are not limited to: all matters relating to or arising out of the prior manufacture of products that contained asbestos by current and former James Hardie subsidiaries; required contributions to the AICF, any shortfall in the AICF and the effect of currency exchange rate movements on the amount recorded in the company's financial statements as an asbestos liability; governmental loan facility to the AICF; compliance with and changes in tax laws and treatments; competition and product pricing in the markets in which the company operates; the consequences of product failures or defects; exposure to environmental, asbestos or other legal proceedings; general economic and market conditions; the supply and cost of raw materials; 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; the effect of the transfer of the company's corporate domicile from The Netherlands to Ireland to become an Irish SE including employee relations, changes in corporate governance and potential tax benefits; 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; and all other risks identified in the company's reports filed with Australian, Irish and US securities agencies and exchanges (as appropriate). The company cautions 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 in forward-looking statements. Forward-looking statements speak only as of the date they are made and are statements of the company's current expectations concerning future results, events and conditions.

AGENDA

- Business overview
- USA and Europe Fibre Cement
- Asia Pacific Fibre Cement
- Group Outlook
- Summary
- Appendix

In this Management Presentation, James Hardie may present financial measures, sales volume terms, financial ratios, and Non-US GAAP financial measures included in the Definitions section of this document starting on page 32. The company presents financial measures that it believes are customarily used by its Australian investors. Specifically, these financial measures, which are equivalent to or derived from certain US GAAP measures as explained in the definitions, include "EBIT", "EBIT margin", "Operating profit" and "Net operating profit". The company may also present other terms for measuring its sales volumes ("million square feet or mmsf" and "thousand square feet or msf"), financial ratios ("Gearing ratio", "Net interest expense cover", "Net interest paid cover", "Net debt payback", "Net debt (cash)", and Non-US GAAP financial measures ("EBIT excluding asbestos, ASIC expenses and asset impairments", "EBIT margin excluding asbestos, ASIC expenses and asset impairments", "Net operating profit excluding asbestos, ASIC expenses, asset impairments and tax adjustments", "Diluted earnings per share excluding asbestos, ASIC expenses, asset impairments and tax adjustments", "Operating profit before income taxes excluding asbestos and asset impairments", "Effective tax rate excluding asbestos, asset impairments and tax adjustments", "EBITDA" and "General corporate costs excluding domicile change related costs"). Unless otherwise stated, results and comparisons are of the 1st quarter and current fiscal year versus the 1st quarter of the prior fiscal year.

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JAMES HARDIE: A GROWTH FOCUSED COMPANY



- Annual net sales US\$1.3b
- Total assets US\$1.4b
- Net debt US\$36.7m
- Operations in North America, Asia Pacific and Europe
- 2,500 employees
- Market cap US\$2.8b
- S&P/ASX 100 company
- NYSE ADR listing

Note: Net sales (annualised), total assets and net debt are at 30 September 2011. Total assets exclude asbestos compensation.

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JAMES HARDIE – A WORLD LEADER IN FIBRE CEMENT



Asia Pacific Fibre Cement Products

- Residential siding
- Commercial exteriors
- Flooring
- Ceiling and internal walls

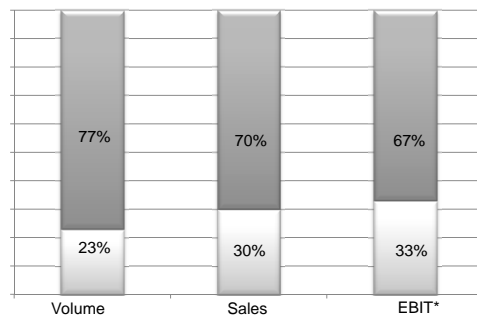
USA Fibre Cement Products

- Siding
- Soffit
- Fascia
- Trim
- Backerboard



James Hardie Manufacturing Operations
 James Hardie Manufacturing Operations - production suspended²
 James Hardie Sales Office

GLOBAL - BUSINESS PORTFOLIO



USA and Europe Fibre Cement
 Asia-Pacific Fibre Cement

At and for the six months ended 30 September 2011
 * EBIT – Excludes Research and Development EBIT and Asbestos-related items

FIBRE CEMENT – SUPERIOR PRODUCT PERFORMANCE

Fibre cement is more durable than wood and engineered wood, and looks and performs better than vinyl, and cheaper and quicker to build with than brick

| Fibre cement | | Vinyl | Engineered wood |
|---|-------------------------|---|---|
|  | ✓ Fire resistant | ? | ? |
| | ✓ Hail resistant | ? | ? |
| | ✓ Resists warping | ? | ? |
| | ✓ Resists buckling | ? | ? |
|  | ✓ Colour lasts longer | ? | ? |
| | ✓ Dimensional stability | ? | ? |
|  | ✓ Can be repainted | ? | ? |
| | |  |  |
| | |  | |
| | |  | |

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2nd QUARTER FY12 RESULTS – GROUP OVERVIEW

- 2nd quarter operating results reflected higher sales volume, favourable manufacturing performance and an appreciation of Asia Pacific businesses' currencies compared to the US dollar, partially offset by higher freight costs, higher SG&A expenses (primarily in the US business) and a reduction in the average sales price in the Asia Pacific business
- Half year operating results reflected favourable manufacturing performance, higher sales volume (in the US business), an appreciation of Asia Pacific business' currencies compared to the US dollar, partially offset by higher freight costs and a reduction in the average sales price in the Asia Pacific business
- As of 30 September 2011, the company had repurchased 2.4 million of shares at an aggregate cost of A\$13.7 million (US\$13.7 million) and an average price paid per share of A\$5.63 (US\$5.65)
- Interim dividend of US4.0 cents announced

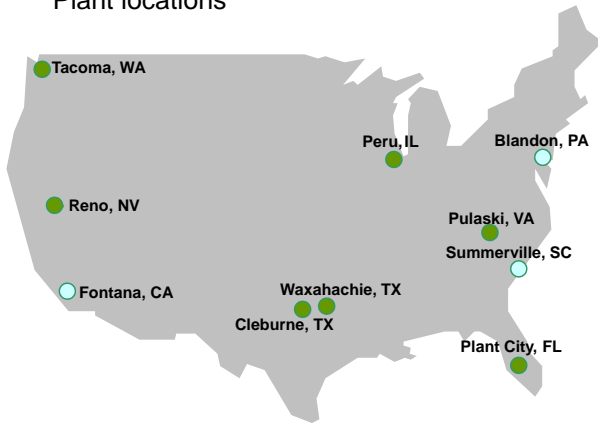
| US\$ Millions | Q2 | Q2 | % | HY | HY | % |
|---|-------------|-------------|-----------|-------------|-------------|-----------|
| | FY 2012 | FY 2011 | Change | FY 2012 | FY 2011 | Change |
| Net operating profit (loss) | 127.4 | (423.7) | - | 128.4 | (318.8) | - |
| Net operating profit excluding asbestos, ASIC expenses and tax adjustments | 41.2 | 20.7 | 99 | 80.6 | 61.2 | 32 |
| Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments (US cents) | 9.4 | 4.7 | - | 18.3 | 14.0 | 31 |

¹ Comparisons are of the 2nd quarter and half year of the current fiscal year versus the 2nd quarter and half year of the prior fiscal year

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THE USA BUSINESS – LARGEST FIBRE CEMENT PRODUCER IN NORTH AMERICA

Plant locations



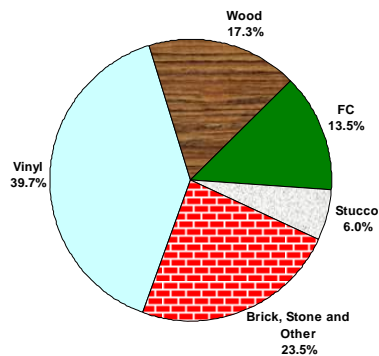
JH Plant Design Capacity

| Flat Sheet Plants | Capacity (mmsf) |
|--|-----------------|
| Plants operating at August 2011 | |
| Cleburne, Texas | 500 |
| Peru, Illinois | 560 |
| Plant City, Florida | 300 |
| Pulaski, Virginia | 600 |
| Reno, Nevada | 300 |
| Tacoma, Washington | 200 |
| Waxahachie, Texas | 360 |
| Plants suspended at August 2011 | |
| Blandon, Pennsylvania ¹ | 200 |
| Fontana, California ¹ | 180 |
| Summerville, South Carolina ¹ | 190 |
| Flat Sheet Total | 3,390 |

¹ Production was suspended at the Blandon plant in October 2007; at the Summerville plant in November 2008; and at the Fontana plant in December 2008

US EXTERIOR CLADDING MARKET

Large growth opportunity

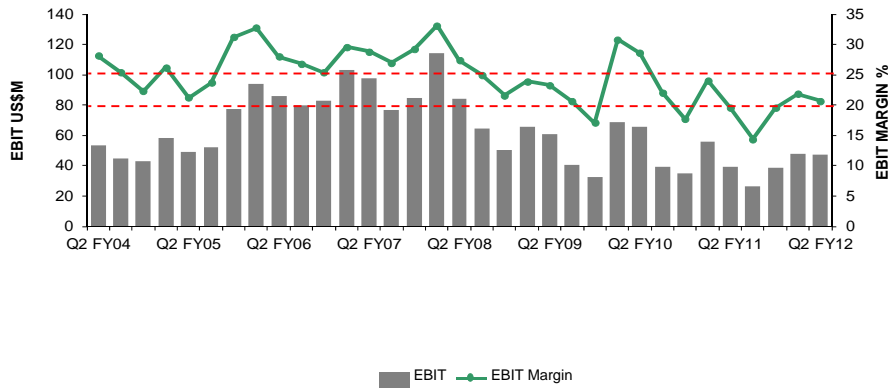


Note: 1) Market share figures reflect siding only; exclude fascia, soffits & trim; data reflects Repair & Remodel and New Construction markets, combined.
 2) Siding volumes exclude waste factors, a change from previously reported numbers.

Sources: NAHB Builder Practices and Consumer Practices Report – 2008 Siding and Exterior Wall Finish, adjusted to reflect JH's estimate for FC and wood categories.

USA AND EUROPE FIBRE CEMENT

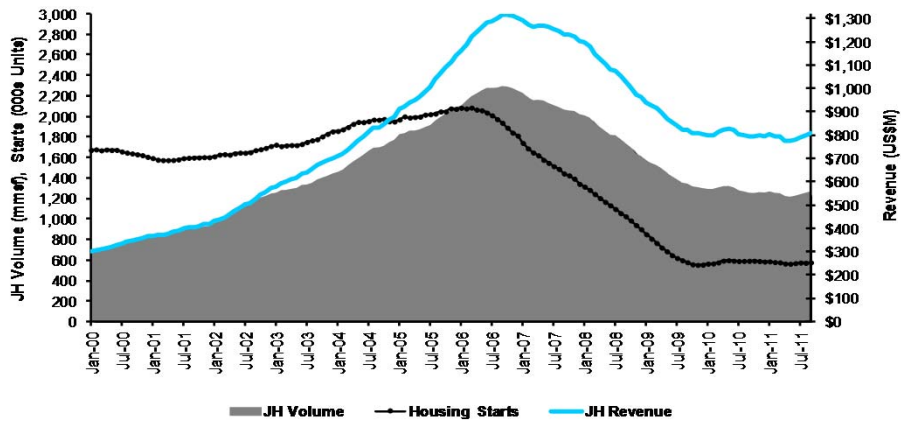
EBIT and EBIT Margin*



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

USA AND EUROPE FIBRE CEMENT

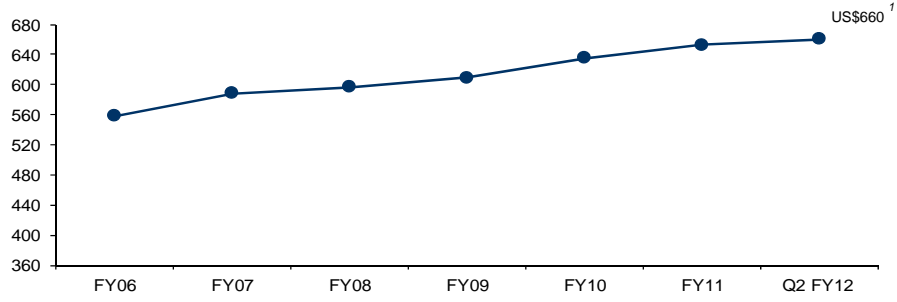
Top Line Growth



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

USA AND EUROPE FIBRE CEMENT

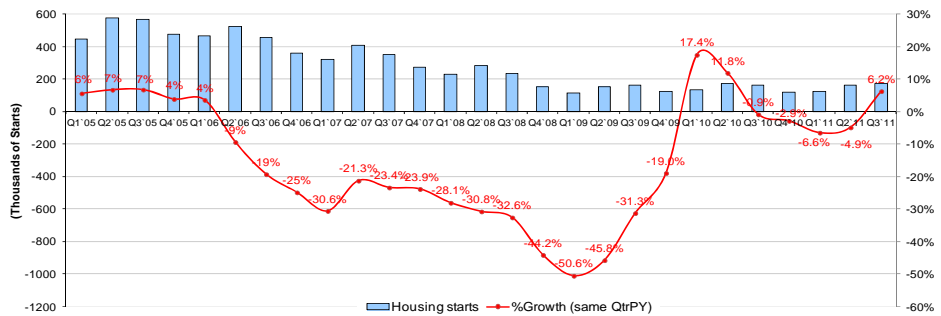
Average Net Sales Price (US dollars)



¹ FY12 average net sales price represents 2nd quarter year to date; other years presented are for the full year

TOTAL USA HOUSING STARTS – US CENSUS BUREAU

**U.S. Housing Starts
Calendar Quarters**



RESPONSE TO US HOUSING DOWNTURN

- Focus on primary demand growth and cost management
- Business re-set to balance supply and demand
 - production suspended at Blandon PA (November 2007), Summerville SC (November 2008) plants and Fontana CA (December 2008)
 - corporate-wide review of activities, projects and cost-saving opportunities
- Employee numbers in US business down >25% from peak in 2006
- Continuing to invest in long term growth initiatives, such as R&D and market development
- Continuing to invest in market initiatives such as increased penetration of Repair and Remodel and non-metro markets new “job pack” distribution and rollout of products initiatives such as Colorplus and Artisan
- Able to ‘flex up’ quickly if needed

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PRODUCT LEADERSHIP EXAMPLE – COLORPLUS®

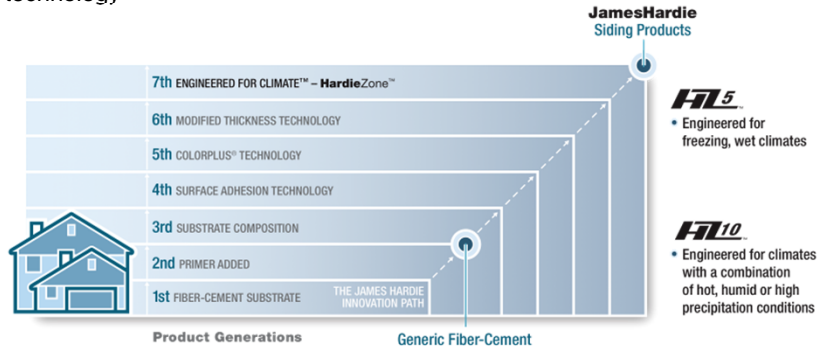
- ColorPlus® Collection (pre-painted siding and trim):
 - Driving growth against vinyl in Northern USA
 - Launched in Western and Southern USA FY07
- Higher value products with higher revenue stream
- Strategy designed to reduce ‘on the wall’ cost and close gap with vinyl siding
 - Supply of pre-painted exterior products
 - Reduce supply chain costs
 - Best practice installation
- Channel increases revenue base and gains incremental volume
- End-user gets higher quality product at reduced cost



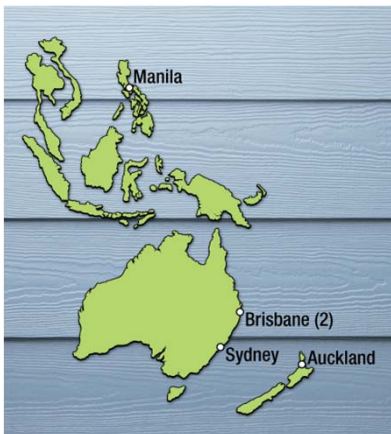
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PRODUCT LEADERSHIP EXAMPLE – HARDIEZONE™ SYSTEM

- 7th Generation versus 2nd Generation generic fibre cement
- The HardieZone™ System represents a logical extension of Hardie technology



ASIA PACIFIC FIBRE CEMENT



- Five manufacturing plants in Asia Pacific
- Net sales US\$393.4m
- EBIT US\$93.2m
- Higher value differentiated products
- Lower delivered cost
- Shift to growth model

Asia Pacific manufacturing facilities. Net Sales and EBIT as at 30 September 2011 and annualised.

ASIA PACIFIC FIBRE CEMENT – EXAMPLES

Ceilings and partitions



Philippines

Exterior cladding



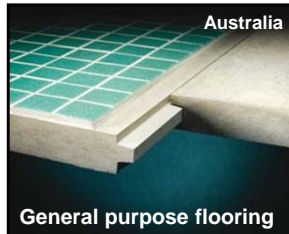
Australia

New Zealand



Interior walls

Australia



General purpose flooring

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GROUP OUTLOOK

United States

- Although industry activity and demand have stabilised, there remains no evidence of a sustainable recovery
- Pulp prices have softened but remain relatively high
- Freight costs have increased, although seasonal downturn in rates now apparent
- Company initiatives, such as the increased penetration of repair and remodel and non-metro markets and our house pack strategies, remain on track to improve upon the gains in fibre cement category share and the exterior cladding market achieved this year

Asia Pacific

- Australia: despite a recent cut in official interest rates, industry data indicates that the housing market appears likely to remain weak in the second half of FY12
- New Zealand: activity in the housing construction industry remains subdued
- Philippines: the business continues to perform well in a stable environment

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CAPITAL MANAGEMENT

- The reduced level of debt, along with a reduction in the number of company specific contingencies and a strengthened confidence in the business' ability to adapt and meet the challenges of the low demand operating environment has enabled the Board to announce in May 2011 the resumption of an active approach to capital management

Dividends

- New policy to distribute between 20% and 30% of profits after tax (excluding asbestos adjustments) in the form of ordinary dividends
- Interim dividend of 4 US cents per security to be paid on 23 January 2012

Share buyback

- On market share buyback of up to 5% of issued capital over 12 months commencing May 2011
- As at 30 September 2011, the company had repurchased 2.4 million shares

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SUMMARY

- We have a strong, well-established, growth-focused, strong cash generating and high return business
- We have a sustainable competitive advantage
- Our model for strong growth is based on:
 - Large market opportunity
 - Superior value proposition
 - Proprietary and/or protected technology
 - Ongoing commitment to research and development
 - Significant organisational advantages
 - Focused strategy and organisational effort
 - Scale
- Despite the low demand environment the company has performed exceptionally well consistently delivering solid financial returns
- The company is positioned well to leverage its increased capabilities when a recovery eventuates

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Appendix

GLOBAL STRATEGY

Industry leadership and profitable growth

- Aggressively grow demand for our products in targeted market segments
- Grow our overall market position while defending our share in existing market segments
- Introduce differentiated products to deliver a sustainable competitive advantage



USA AND EUROPE FIBRE CEMENT – PRIORITIES AND STRATEGY

Key Priorities

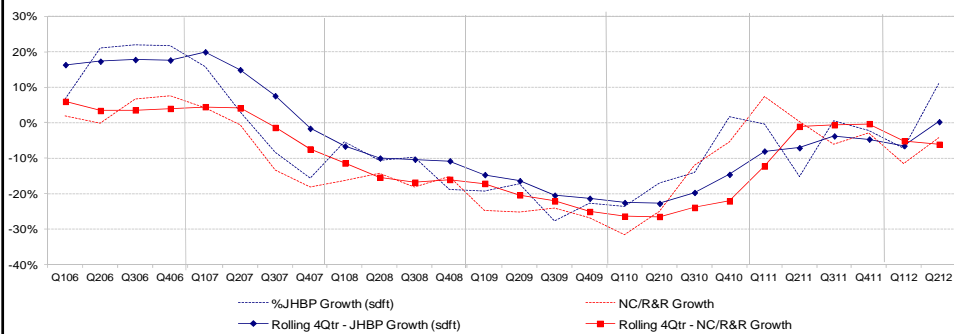
- The company's key medium term priorities in the US are:
 - Grow primary demand and exterior cladding market share – with focus on repair and remodel and non-metro markets
 - Increase market penetration of our ColorPlus® and Trim products
 - Continue to rollout our job pack distribution model

Overall Group Strategy

- The company's focus is to:
 - Deliver primary demand growth
 - Continue to shift to a higher value product mix
 - Increase manufacturing efficiency
 - Build the operational strength and flexibility to deliver and sustain earnings in a low demand environment and increase output should a stronger than expected recovery eventuate

USA AND EUROPE FIBRE CEMENT

Primary Growth Performance



All market and market share figures are management's estimates.

GUIDANCE

- Challenges remain, with the operating environment in the US and New Zealand still weak and the Australian residential market softening
- Management confirms previously indicated FY12 full year earnings excluding asbestos, ASIC expenses and tax adjustments expected to be within the range of US\$126 million to US\$140 million
- Management cautions that conditions remain uncertain and notes that the cost of some inputs, particularly pulp and freight, remain high
- Management cautions that guidance is dependent upon housing industry conditions and the A\$/US\$ exchange rate remaining stable for the balance of the fiscal year ending 31 March 2012
- The company continues to perform well financially and our employees remain focussed on driving our long term strategies, notwithstanding the challenges facing the business

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LEGACY ISSUES UPDATE

ATO – 1999 Disputed Amended Assessment

- James Hardie's initial appeal dismissed by the Federal Court of Australia in September 2010
- Charge of US\$345.2 million effective 1 September 2010 (no impact on net operating cash flow in FY11)
- On 22 August 2011, the Full Federal Court upheld RCI's appeal, ordered that RCI's objection be allowed in full and awarded RCI costs
- The ATO filed an application for special leave to appeal the Full Federal Court's decision to the High Court of Australia
- Hearing date for the application for special leave has not been set down by the High Court

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KEY RATIOS

| | HY '12 | HY '11 | HY '10 |
|---|---------------|---------------|---------------|
| EPS (Diluted) ¹ | 18.3c | 14.0c | 18.2c |
| EBIT/ Sales (EBIT margin) ² | 17.7% | 17.7% | 21.5% |
| Gearing Ratio ¹ | 2.7% | 10.6% | 13.9% |
| Net Interest Expense Cover ² | 31.8x | 28.9x | 45.2x |
| Net Interest Paid Cover ² | 30.1x | 34.5x | 70.3x |
| Net Debt Payback | 0.2yrs | 1.0yrs | 0.5yrs |

¹ Excludes asbestos adjustments, AICF SG&A expenses, AICF interest income, gain or impairment on AICF investments, tax benefits related to asbestos adjustments, ASIC expenses/recoveries and tax adjustments

² Excludes asbestos adjustments, AICF SG&A expenses and ASIC expenses/recoveries

Note : For the 2011 and 2010 financial year, key ratios at the half year have been presented above for comparative purposes.

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ASIA PACIFIC 5 YEAR RESULTS OVERVIEW

| | FY07 | FY08 | FY09 | FY10 | FY11 | HY FY12* |
|-------------------------------------|-------------|-------------|-------------|-------------|-------------|-----------------|
| Net Sales US\$m | 223 | 298 | 273 | 296 | 353 | 196 |
| Sales Volume mmsf | 390 | 398 | 390 | 389 | 407 | 203 |
| Average Price A\$ per msf | 842 | 862 | 879 | 894 | 916 | 914 |
| EBIT US\$m | 39 | 50 | 47 | 58 | 79 | 46 |
| EBIT Margin % | 16 | 17 | 17 | 20 | 23 | 24 |

* For six months ending 30 September 2012

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USA AND EUROPE 5 YEAR RESULTS OVERVIEW

| | FY07 | FY08 | FY09 | FY10 | FY11 | HY FY12* |
|--------------------------------------|-------|-------|-------|------|-------|----------|
| Net Sales US\$m | 1,262 | 1,144 | 910 | 828 | 814 | 448 |
| Sales Volume mmsf | 2,148 | 1,916 | 1,508 | 1303 | 1,248 | 679 |
| Average Price US\$ per msf | 588 | 597 | 604 | 635 | 652 | 660 |
| EBIT US\$m | 362 | 313 | 200 | 208 | 160 | 95 |
| EBIT Margin % | 29 | 27 | 22 | 25 | 20 | 21 |

* For six months ending 30 September 2012

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ENDNOTES

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

Definitions

Non-financial Terms

ABS – Australian Bureau of Statistics.

AFFA – Amended and Restated Final Funding Agreement.

AICF – Asbestos Injuries Compensation Fund Ltd.

ASIC – Australian Securities and Investments Commission.

ATO – Australian Taxation Office.

NBSK – Northern Bleached Soft Kraft; the company's benchmark grade of pulp.

Financial Measures – US GAAP equivalents

EBIT and EBIT Margin - EBIT, as used in this document, is equivalent to the US GAAP measure of operating income. EBIT margin is defined as EBIT as a percentage of net sales.

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

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

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ENDNOTES (CONTINUED)

Sales Volumes

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

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

Financial Ratios

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

Net interest expense cover – EBIT divided by net interest expense (excluding loan establishment fees).

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

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

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

Return on Capital employed – EBIT divided by gross capital employed.

NON-US GAAP FINANCIAL MEASURES

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

| US\$ Millions | Q2 | Q2 | HY | HY |
|--|----------|-----------|----------|----------|
| | FY 2012 | FY 2011 | FY 2012 | FY 2011 |
| EBIT | \$ 143.6 | \$ (56.2) | \$ 161.1 | \$ 70.8 |
| Asbestos: | | | | |
| Asbestos adjustments | (86.9) | 107.8 | (48.7) | 44.7 |
| AICF SG&A expenses | 0.8 | 0.6 | 1.4 | 1.0 |
| ASIC related expenses (recoveries) | 0.5 | (10.1) | 0.7 | (9.5) |
| EBIT excluding asbestos and ASIC expenses | 58.0 | 42.1 | 114.5 | 107.0 |
| Net sales | \$ 331.6 | \$ 287.6 | \$ 645.2 | \$ 606.0 |
| EBIT margin excluding asbestos and ASIC expenses | 17.5% | 14.6% | 17.7% | 17.7% |

NON-US GAAP FINANCIAL MEASURES (CONTINUED)

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

| US\$ Millions | Q2 FY 2012 | Q2 FY 2011 | HY FY 2012 | HY FY 2011 |
|--|---------------|---------------|---------------|---------------|
| Net operating profit (loss) | \$ 127.4 | \$ (423.7) | \$ 128.4 | \$ (318.8) |
| Asbestos: | | | | |
| Asbestos adjustments | (86.9) | 107.8 | (48.7) | 44.7 |
| AICF SG&A expenses | 0.8 | 0.6 | 1.4 | 1.0 |
| AICF interest income | (0.9) | (1.1) | (1.4) | (1.7) |
| Tax expense related to asbestos adjustments | - | 0.2 | - | 0.6 |
| ASIC related expenses (recoveries) | 0.5 | (10.1) | 0.7 | (9.5) |
| Tax adjustments ¹ | 0.3 | 347.0 | 0.2 | 344.9 |
| Net operating profit excluding asbestos, ASIC expenses and tax adjustments | \$ 41.2 | \$ 20.7 | \$ 80.6 | \$ 61.2 |

¹ The second quarter and half year results of the prior year included a charge of US\$345.2 million resulting from the dismissal by the Federal Court of Australia of RCI's appeal of the ATO's disputed 1999 amended assessment. Readers are referred to Note 10 of the condensed consolidated financial statements for further information.

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NON-US GAAP FINANCIAL MEASURES (CONTINUED)

Non-US GAAP Financial Measures (continued)

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

| US\$ Millions | Q2 FY 2012 | Q2 FY 2011 | HY FY 2012 | HY FY 2011 |
|---|---------------|---------------|---------------|---------------|
| Net operating profit excluding asbestos, ASIC expenses and tax adjustments | \$ 41.2 | \$ 20.7 | \$ 80.6 | \$ 61.2 |
| Weighted average common shares outstanding - Diluted (millions) | 440.0 | 437.5 | 440.0 | 437.8 |
| Diluted earnings per share excluding asbestos, ASIC expenses and tax adjustments (US cents) | 9.4 | 4.7 | 18.3 | 14.0 |

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NON-US GAAP FINANCIAL MEASURES (CONTINUED)

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

| US\$ Millions | Q2 FY 2012 | Q2 FY 2011 | HY FY 2012 | HY FY 2011 |
|---|---------------|---------------|---------------|---------------|
| Operating profit (loss) before income taxes | \$ 141.9 | \$ (60.0) | \$ 156.9 | \$ 61.5 |
| Asbestos: | | | | |
| Asbestos adjustments | (86.9) | 107.8 | (48.7) | 44.7 |
| AICF SG&A expenses | 0.8 | 0.6 | 1.4 | 1.0 |
| AICF interest income | (0.9) | (1.1) | (1.4) | (1.7) |
| Operating profit before income taxes excluding asbestos | \$ 54.9 | \$ 47.3 | \$ 108.2 | \$ 105.5 |
| Income tax expense | (14.5) | (363.7) | (28.5) | (380.3) |
| Asbestos: | | | | |
| Tax expense related to asbestos adjustments | - | 0.2 | - | 0.6 |
| Tax adjustments ¹ | 0.3 | 347.0 | 0.2 | 344.9 |
| Income tax expense excluding tax adjustments | (14.2) | (16.5) | (28.3) | (34.8) |
| Effective tax rate excluding asbestos and tax adjustments | 25.9% | 34.9% | 26.2% | 33.0% |

¹ The second quarter and half year results of the prior year included a charge of US\$345.2 million resulting from the dismissal by the Federal Court of Australia of RCI's appeal of the ATO's disputed 1999 amended assessment. Readers are referred to Note 10 of the condensed consolidated financial statements for further information.

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NON-US GAAP FINANCIAL MEASURES (CONTINUED)

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

| US\$ Millions | Q2 FY 2012 | Q2 FY 2011 | HY FY 2012 | HY FY 2011 |
|-------------------------------|---------------|---------------|---------------|---------------|
| EBIT | \$ 143.6 | \$ (56.2) | \$ 161.1 | \$ 70.8 |
| Depreciation and amortisation | 14.6 | 15.6 | 30.8 | 31.0 |
| Adjusted EBITDA | \$ 158.2 | \$ (40.6) | \$ 191.9 | \$ 101.8 |

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NON-US GAAP FINANCIAL MEASURES (CONTINUED)

General corporate costs excluding ASIC expenses and domicile change related costs— General corporate costs excluding ASIC expenses and domicile change related costs is not a measure of financial performance under US GAAP and should not be considered to be more meaningful than general corporate costs. Management has included these financial 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 provides useful information regarding its financial condition and results of operations. Management uses these non-US GAAP measures for the same purposes.

| US\$ Millions | Q2 FY 2012 | Q2 FY 2011 | HY FY 2012 | HY FY 2011 |
|--|---------------|---------------|---------------|---------------|
| General corporate costs | \$ 10.2 | \$ 0.1 | \$ 17.9 | \$ 9.0 |
| Excluding: | | | | |
| ASIC related (expenses) recoveries | (0.5) | 10.1 | (0.7) | 9.5 |
| Domicile change related costs | - | (0.7) | - | (1.6) |
| General corporate costs excluding ASIC expenses and domicile change related costs | \$ 9.7 | \$ 9.5 | \$ 17.2 | \$ 16.9 |