



Australian Market and Business Strategy

Mark Fisher

Investor/Analyst Update – 19 September 2012



AGENDA

- Business Overview
- Market Update
- Business Strategy
- Market Penetration



JHA – GROWTH FOCUSED BUSINESS



Australia Fibre Cement Products

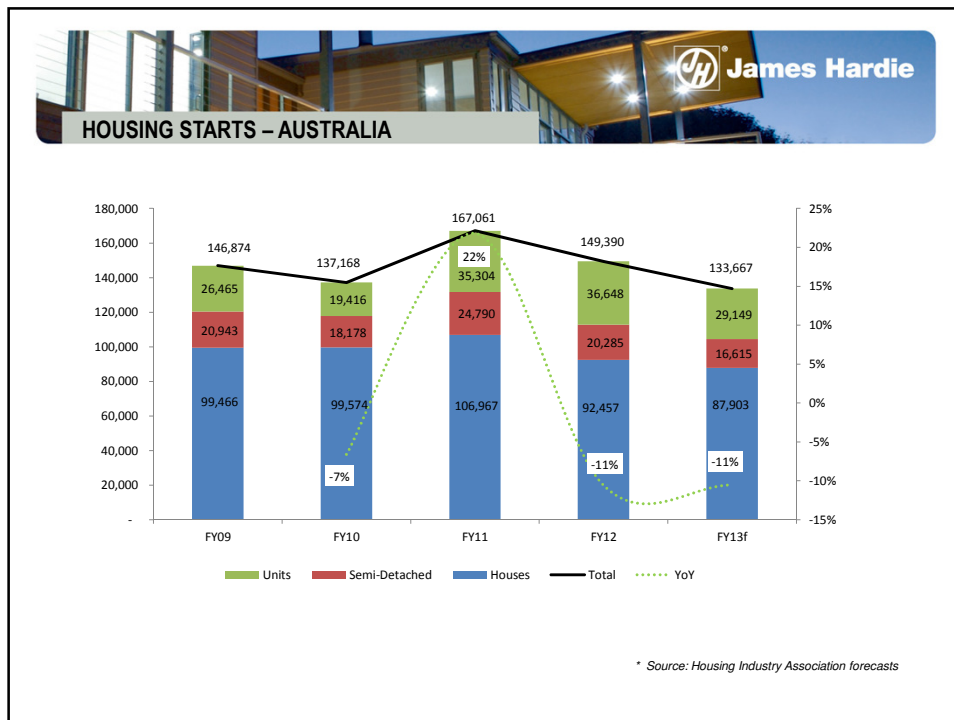
- Residential external cladding
- Residential wet area linings
- Residential wet area flooring
- Non-Residential external facade
- Non-Residential interior linings
- Non-Residential structural flooring

- Two plants located in Sydney and Brisbane
- 500+ employees
- Sales offices in all states



STRATEGY: GROW PRIMARY DEMAND

- Organisational capability
- Defend and grow category share of core
- Accelerate differentiated product sales
- Relentless approach to costs



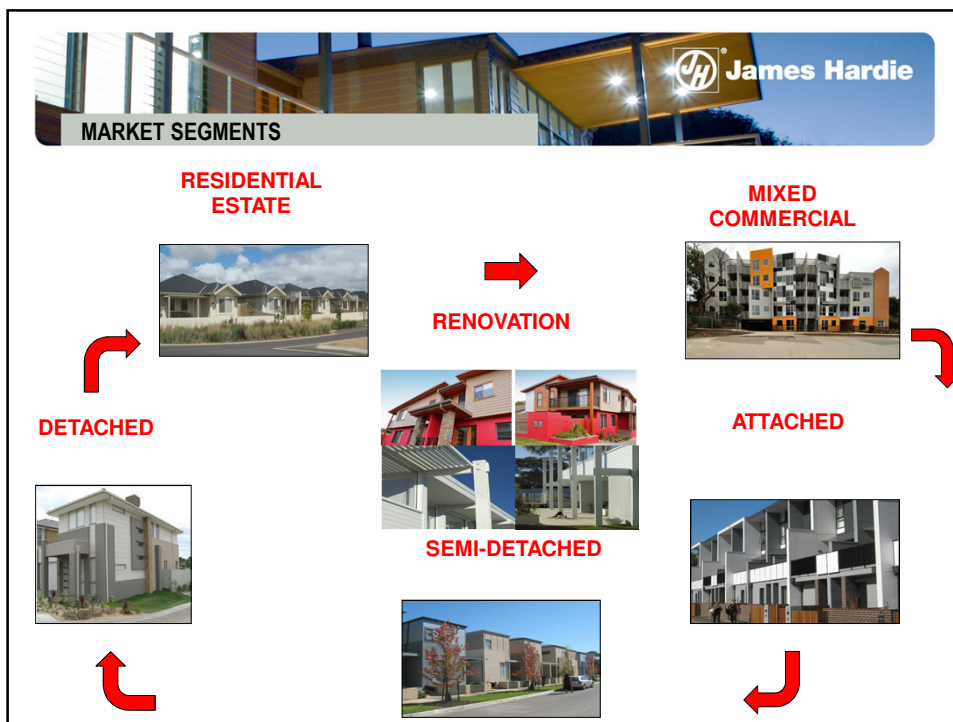
MARKET – AUSTRALIA

(+)

- ✓ Demand for housing still exceeds supply in Australia by 150,000
- ✓ Official Cash Rate has seen 2 drops of 0.75% this year– now at 3.5%
- ✓ Reduction of flat/regular blocks and block size accelerating, ~ 40% in some cases
- ✓ Growth in resource sector driving demand in regional accommodation

(-)

- ✗ Market continues to remain flat with some small recovery expected late in CY 2012
- ✗ Consumer confidence in the local economy remains low, contracting on last month by 2.5%
- ✗ Standard Variable Mortgage Rate at 6.85%
- ✗ Carbon tax introduction on July 1 2012
- ✗ New house Construction for CY2012 forecast at 133k – down from 150k LY



James Hardie

FY13 Q1 SUMMARY

- Addressable residential market down 12%
- Business outperforming market
- Scyon™ continues to grow
- Business ahead of market trends
- Positive PDG
- EBIT margin > 20%



Building a “high performing” culture

- Recruit for smart, driven and real individuals
- Increase individual performance
- Develop leader capability
- Retain talent through targeted efforts

9









Questions

