

CENTRAL OPERATIONS

September 2015

DISCLAIMER

FORWARD-LOOKING STATEMENTS

This Investor 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;
- 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 indemnification obligations;
- 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.

DISCLAIMER (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 21 May 2015, 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; 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; the effect of the transfer of the company’s corporate domicile from the Netherlands to Ireland, including changes in corporate governance and any potential tax benefits related thereto; 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 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.

AGENDA

- **Introduction & Org Overview**
- **JH Manufacturing Advantage**
- **Capacity Update**
- **JH Supply Chain Advantage**
- **Freight & Procurement Update**

CENTRAL OPERATIONS ORGANIZATION

Central Operations

Supply Chain

Raw Materials to Customer Integration:

- Procurement
- Production/Capacity Planning
- Outbound Freight
- Distribution Management (VMI)
- Customer Operations
- Supply Chain Strategy

Centralized Manufacturing

Key Shared Manufacturing Capabilities:

- Long-Term Capacity Planning
- Greenfield Plant Design
- Reliability Engineering
- Process Control
- *Post-Autoclave Engineering*
- *Core Engineering Development*



JH MANUFACTURING

JH MANUFACTURING OVERVIEW

JH manufacturing: Major lever in our competitive advantage

Proprietary technology delivers
unit cost & ROCE advantage



**Unique throughput advantage in
our Hatscheck manufacturing**



**Engineered scale creates labor
and capital advantage**



**Flexible manufacturing achieves
low unit cost through market
cycles**

Innovation in process capability
enables product leadership



**Process capability to deliver
innovative product differentiation**



**Innovation approach delivers
speed to market advantage**



**Network flexibility creates
delivered cost advantage**

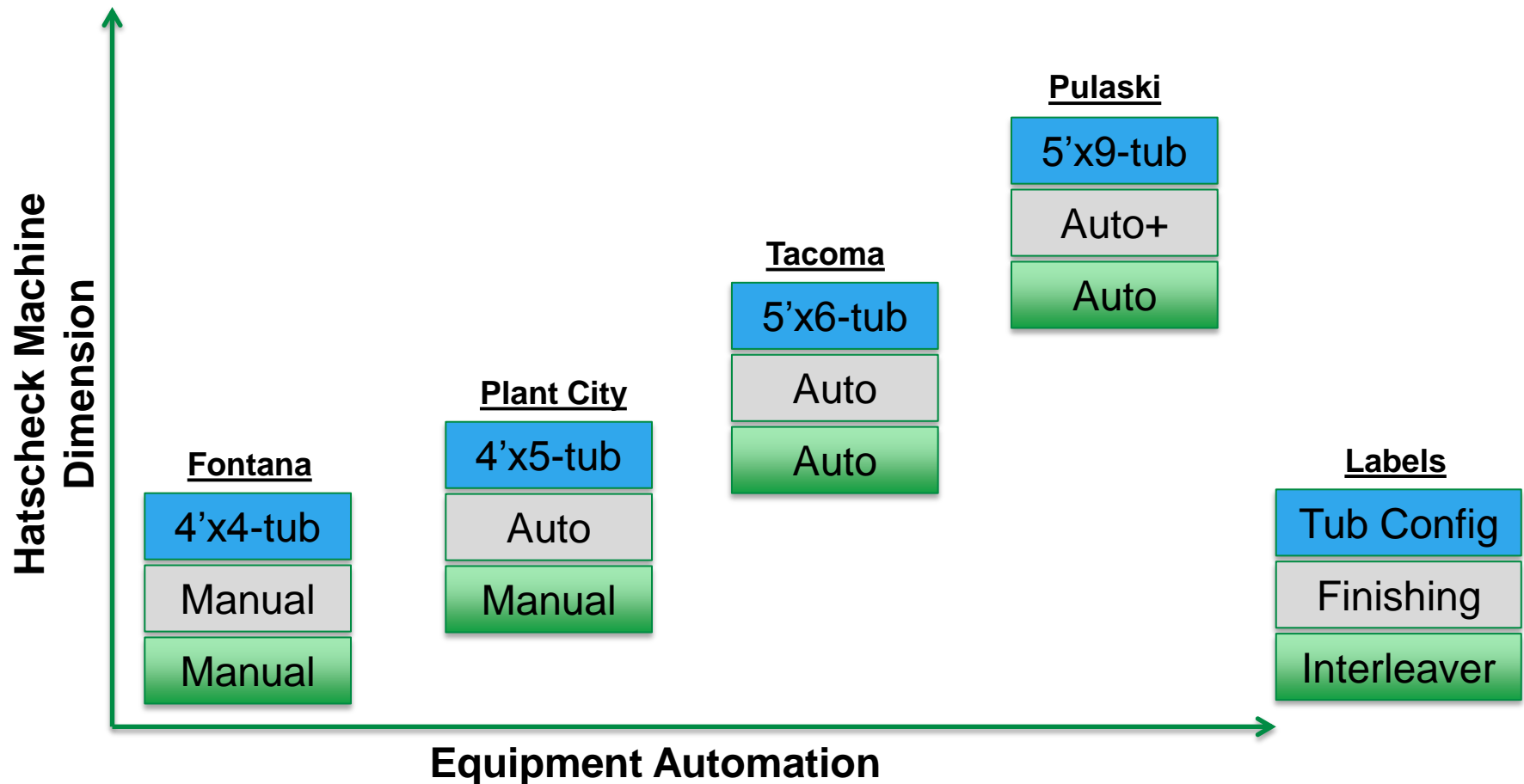
MANUFACTURING PROCESSES

PROCESS TECHNOLOGY SEGMENTS MANUFACTURING APPROACH

	<u>Pre-Autoclave</u>	<u>Post-Autoclave</u>
Manufacturing Process	Continuous Process Raw Material Conversion	Material handling Coatings application
Key Process Objectives	Long Continuous runs Raw material yield	Optimize coating yield
Inventory Model	Make-to-Inventory	Mix of Make-to-Inventory & Make-to-Order

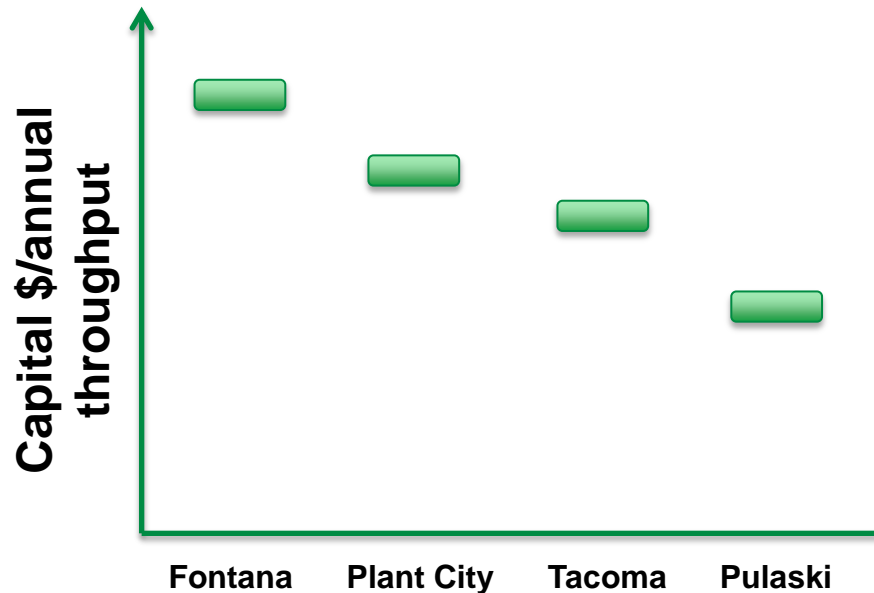
JH MANUFACTURING SCALE EVOLUTION

A culture of engineering step-change has yielded a tremendous increase in manufacturing scale

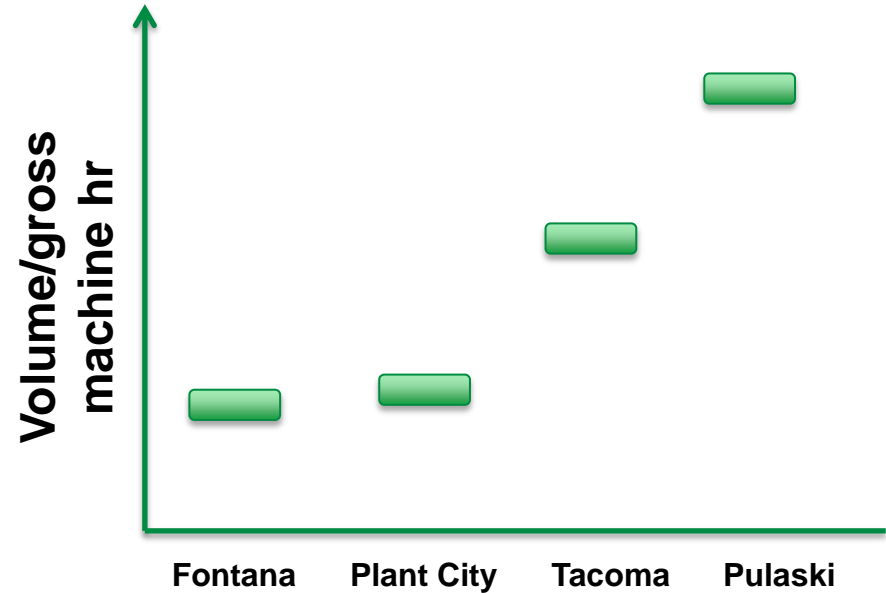


SCALE AS A COMPETITIVE ADVANTAGE

Manufacturing scale creates a significant competitive advantage



**Capital Efficiency Unmatched
by Competitors**



**Machine Size & Automation
Yields High Labor Efficiency**

JH MANUFACTURING ADVANTAGE

Internally developed process capability enables product differentiation

Product thickness
and density control



HardieTrim® and
Artisan product lines

Fit-to-purpose
manufacturing processing



HardieZone®
Engineered for Climate

Post-processing
engineering



HardieShingle®

Coatings application
expertise



ColorPlus® Technology

MANUFACTURING ADVANTAGE SUMMARY

- **Step change engineering focus has delivered a substantial manufacturing scale advantage**
- **Constant investment in manufacturing process capabilities enable our product differentiation**
- **Flexibility in manufacturing & capacity model allow for cost advantage through market cycles**

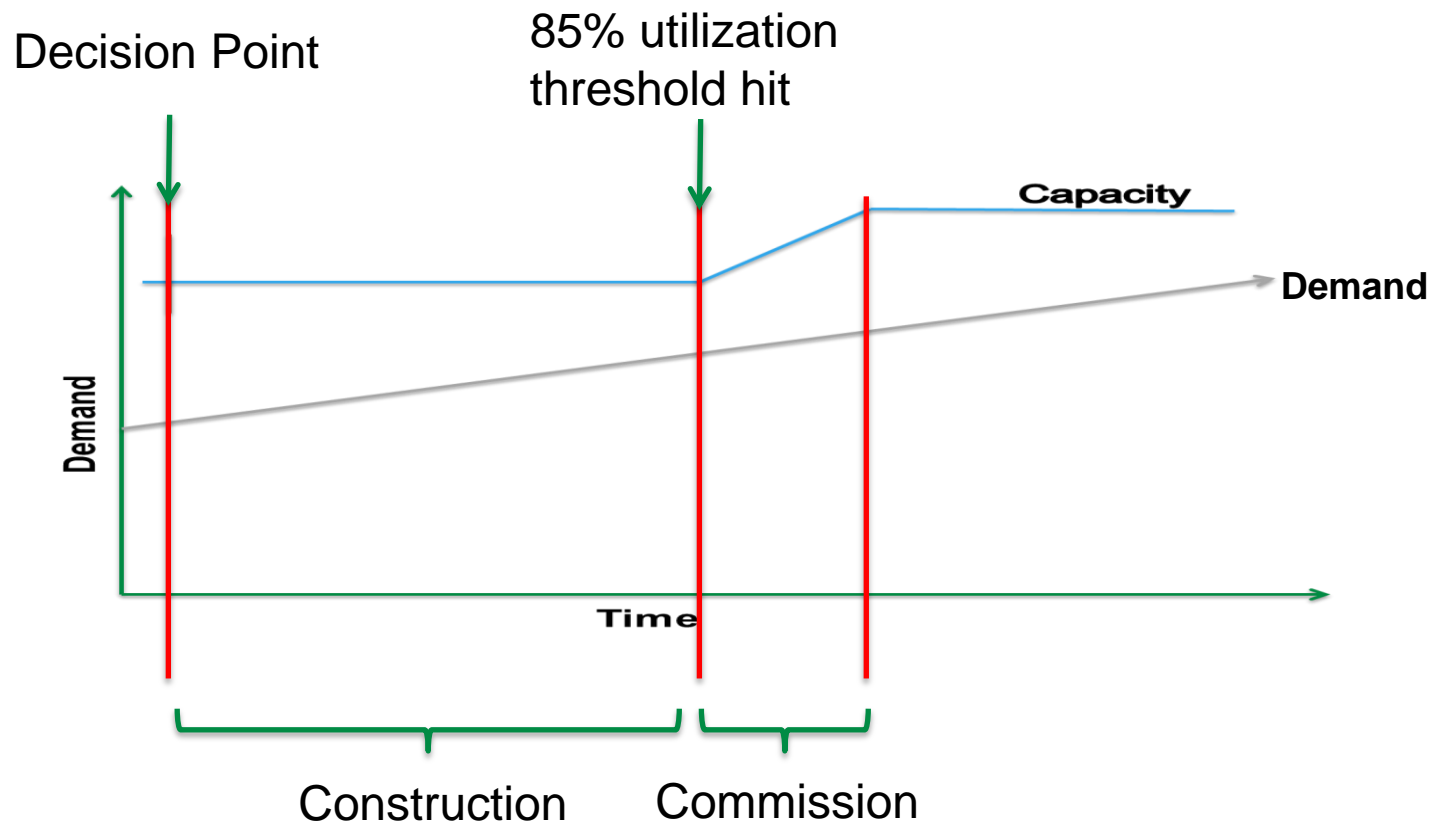
JH MANUFACTURING CAPACITY

CORE CONCEPTS OF OUR MANUFACTURING CAPACITY PHILOSOPHY:

- ➡ Enable 35/90 by ensuring market supply ahead of demand
- ➡ Commission new capacity to optimize network costs
- ➡ Invest in capacity that maximizes value creation

ENSURING MARKET SUPPLY LONG-TERM CAPACITY PLANNING

Our trigger to invest in new capacity is designed to buffer demand uncertainty over our design/construction/commission period



JH CAPACITY TYPES

As a result, we manage several different types of capacity:

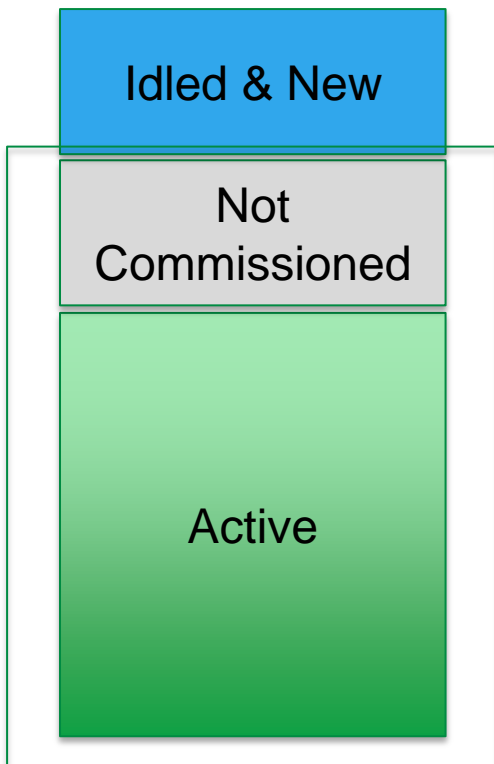
<u>Capacity Category</u>	<u>Time to Mobilize</u>	<u>Network Examples</u>
Idled & New	18-24 month construction lead-time	Summerville Next Greenfield
Not Commissioned	90-day start-up lead-time	Cleburne SM3 Plant City SM4
Active	30-day “flex” lead-time	Peru SM1 & SM2 Pulaski SM1 & SM2 Tacoma SM1

Used in our Short-Term Capacity Management Process

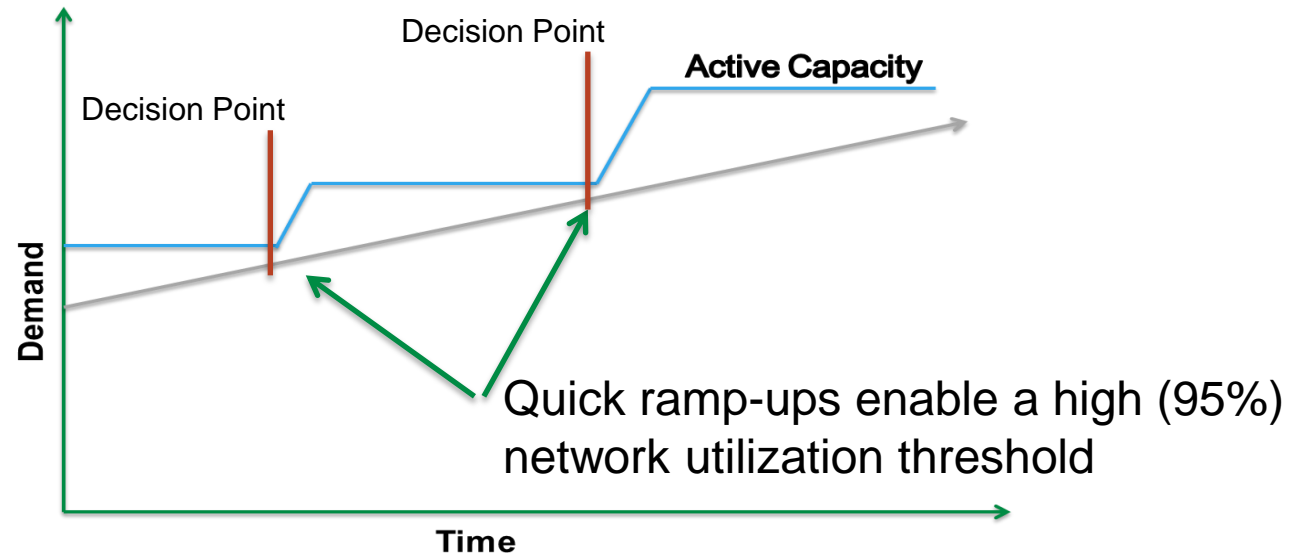
SHORT-TERM CAPACITY MANAGEMENT APPROACH

IN OUR SHORT-TERM CAPACITY PLANNING, ACTIVE & NOT COMMISSIONED CAPACITY ENABLES A HIGH UTILIZATION TARGET

Capacity Category



Utilization Triggers

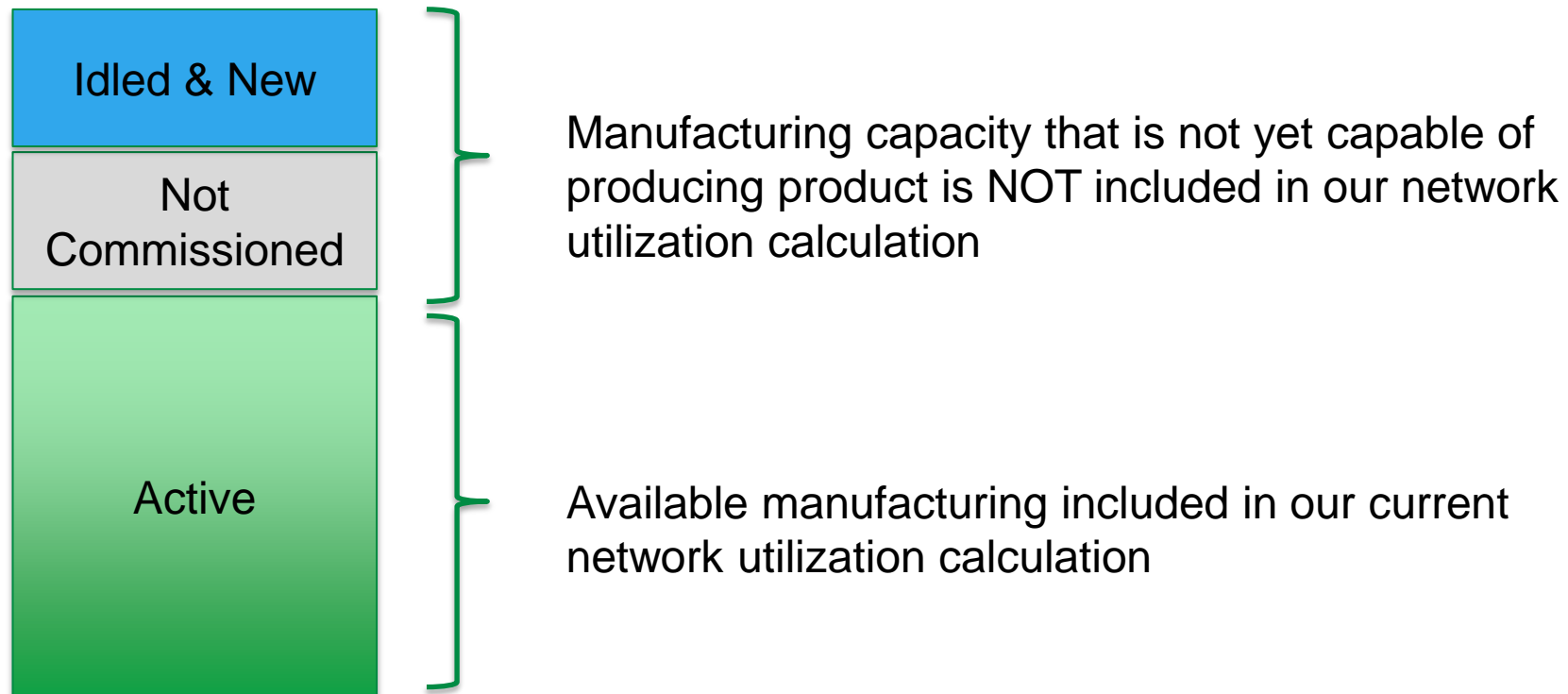


Targeting high network utilization optimizes total network cost while guaranteeing supply

HOW WE MEASURE UTILIZATION

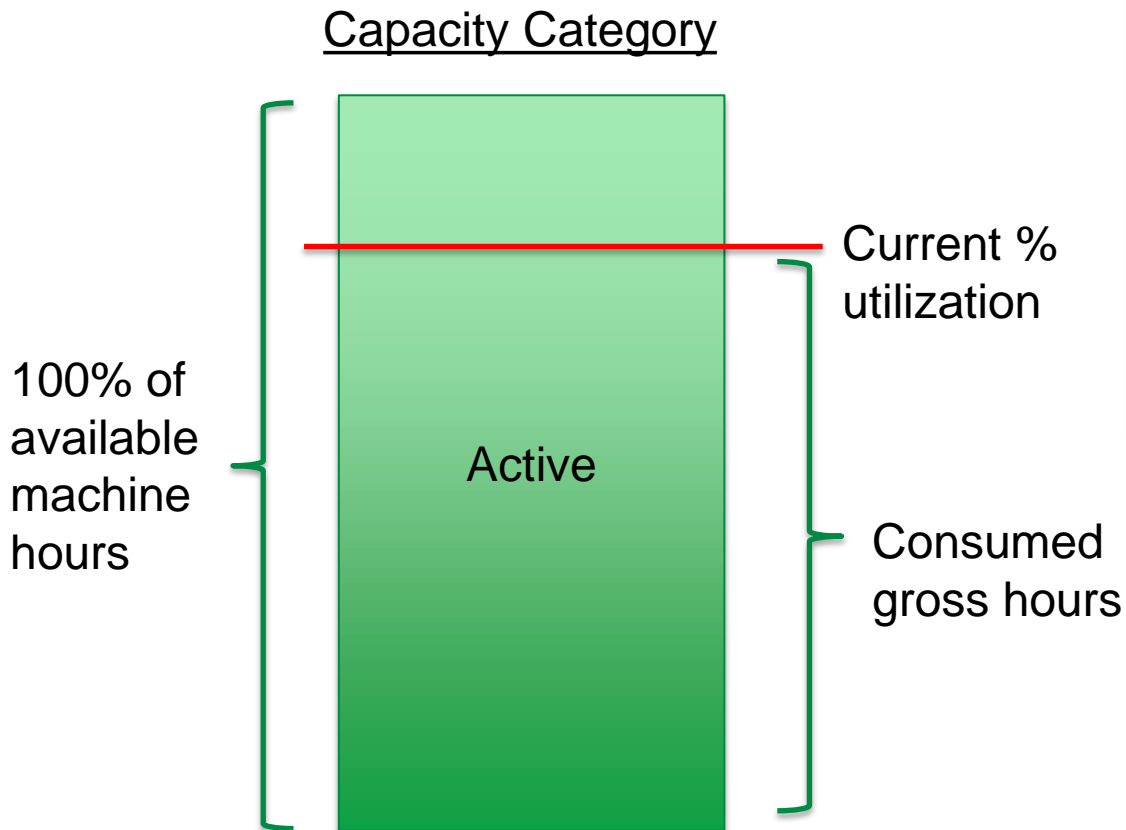
OUR UTILIZATION METRIC CONSIDERS THE ACTIVE CAPACITY BUCKET ONLY

Capacity Category



HOW WE CALCULATE UTILIZATION

OUR UTILIZATION METRIC IS CALCULATED BASED ON GROSS HOURS OF OUR “ACTIVE” CAPACITY

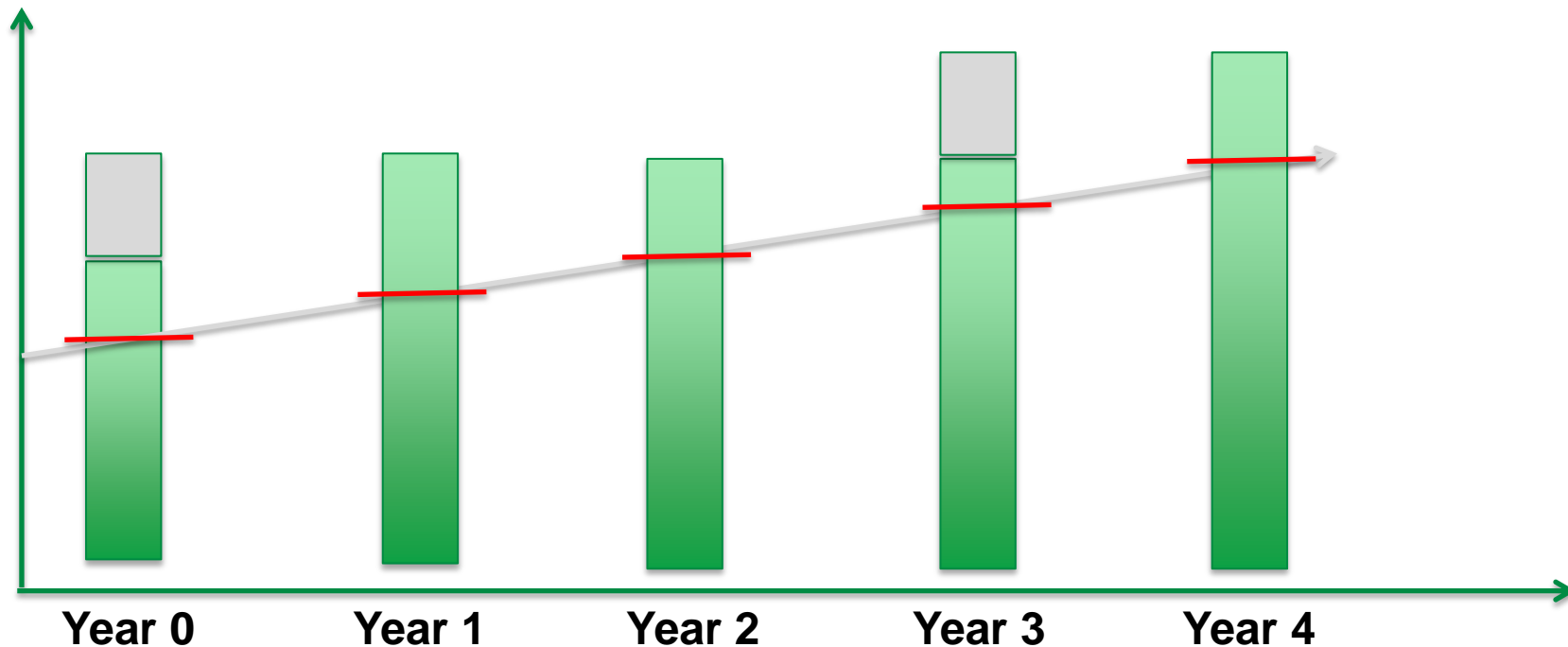


JH Utilization =

Consumed gross hours
100% of available machine hours

EXAMPLE CAPACITY ADD SEQUENCE

Line Commissioned	<i>No</i>	<i>Yes</i>	<i>No</i>	<i>No</i>	<i>Yes</i>
Active Utilization	88%	95%/78%	84%	93%	95%/84%
New Capacity Build Triggered	<i>No</i>	<i>Yes – year 3</i>	<i>No</i>	<i>Yes – year 5</i>	<i>Yes – year 6</i>



OUTLOOK ON NEW CAPACITY TIMING

Based on the this logic, our current outlook for capacity start-ups is:

MANUFACTURING CAPACITY	EXPECTED COMMISSIONING
PLANT CITY SM4	FY17 – FY18
CLEBURNE SM3	FY18 – FY19
SUMMERVILLE SM1	FY19 – FY21
TACOMA SM2	FY19 – FY22

Actual start-up dates are highly sensitive to: market growth, JH PDG performance, & product-specific capability requirements

HEADWINDS TO CAPITAL EFFICIENCY

SEVERAL FACTORS ARE DRIVING UP THE COST TO CONSTRUCT NEW CAPACITY

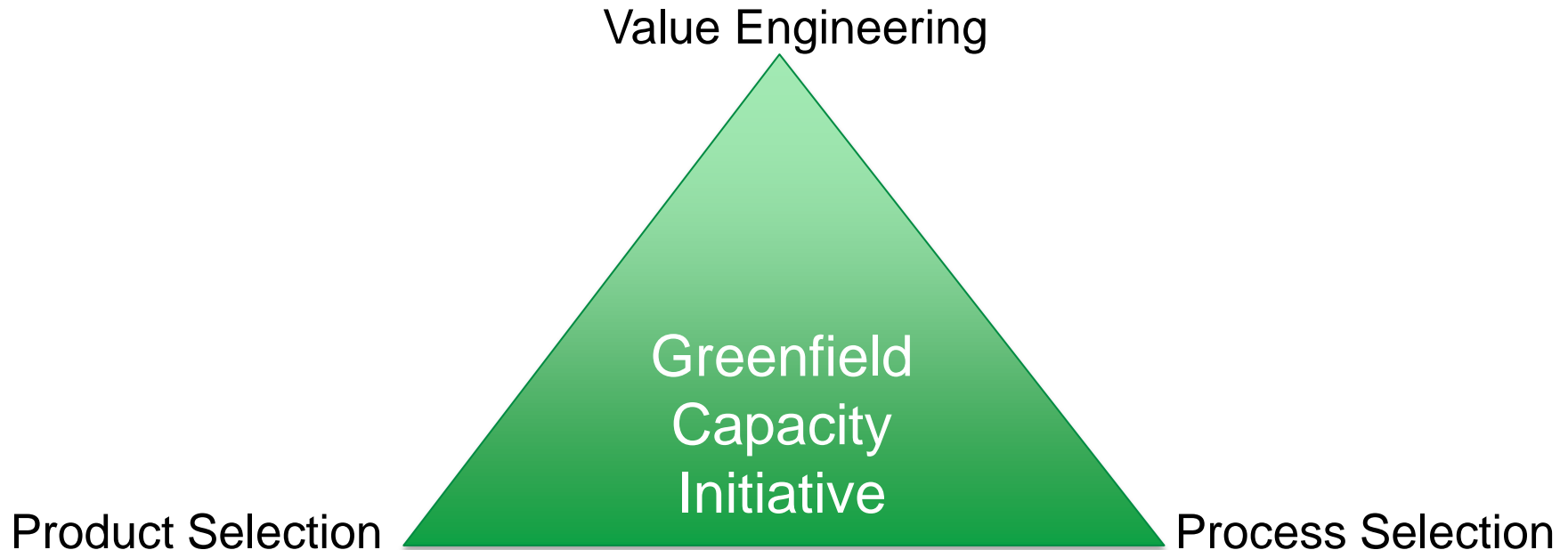
- ➡ Increasing regulatory requirements in air & water
- ➡ Inflationary pressure in install & engineering labor
- ➡ Manufacturing processes to continue differentiation

We have recently begun several initiatives to off-set these costs

CAPITAL EFFICIENCY

EXAMPLE: GREENFIELD CAPACITY INITIATIVE

We have recently resourced a team to off-set these cost headwinds



MANUFACTURING ADVANTAGE SUMMARY

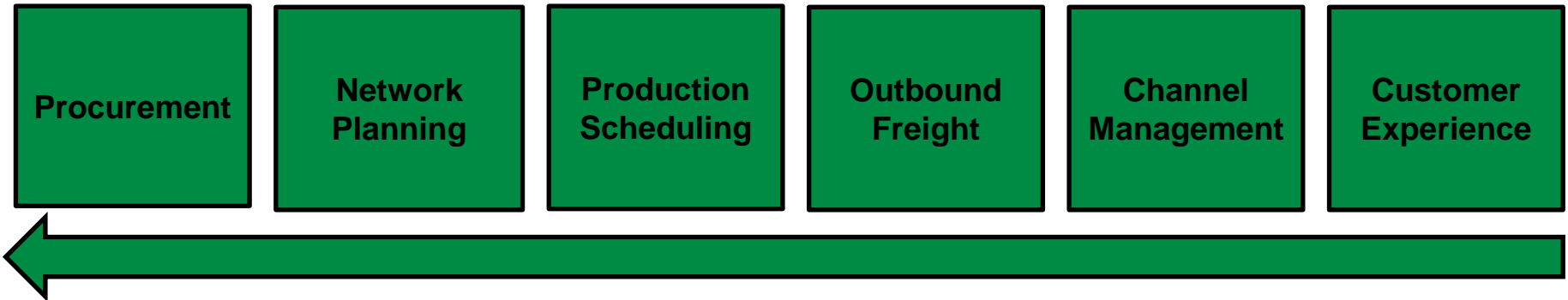
- We are committed to ensuring product supply and will continue to invest ahead of demand
- Our short-term capacity management program targets high active utilization
- We are resourcing programs to maintain our capital efficiency advantage



JH SUPPLY CHAIN ADVANTAGE

JH SUPPLY CHAIN OVERVIEW

A fully integrated value chain that begins with customer value creation...

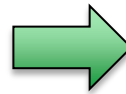
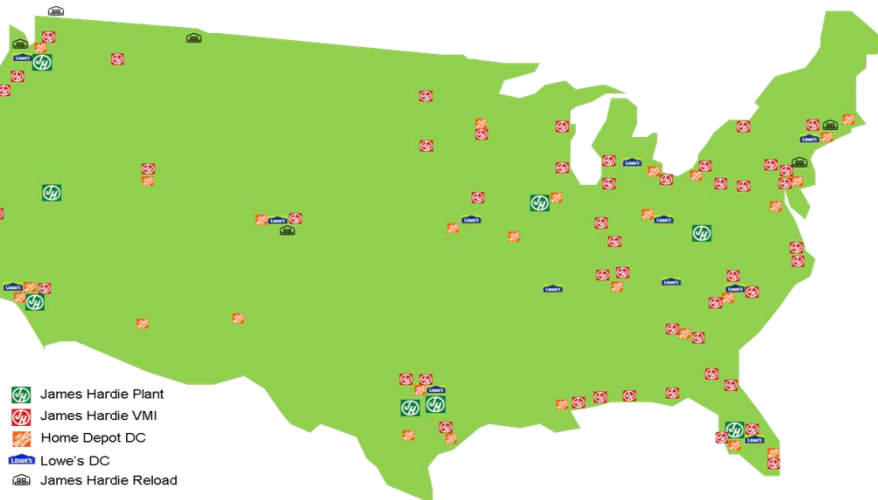


...and has capabilities that create a substantial competitive advantage:

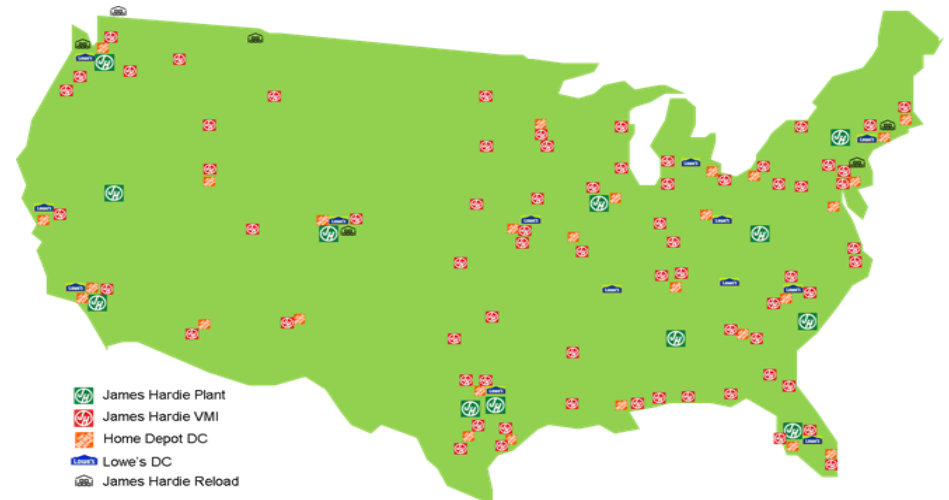
- Highly integrated customer/channel relationships
- To-the-piece order flow, manufacturing and delivery capability
- Automated production scheduling that leverages manufacturing scale
- Flexible network model providing redundancy and optimal landed cost

JH SUPPLY CHAIN SCALE ADVANTAGE

JH Network – Today



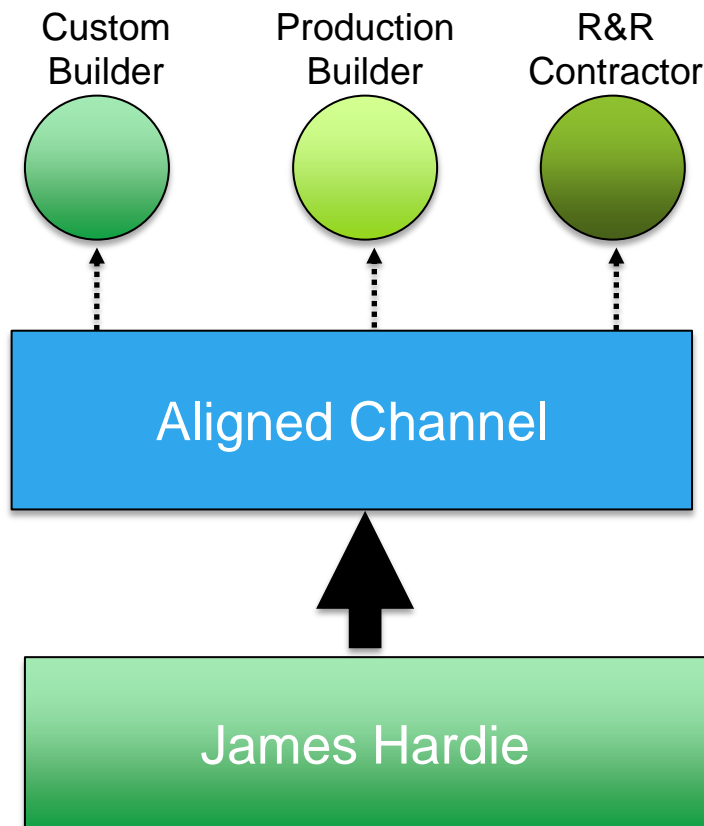
JH Network – 35/90



*Specific locations subject to change

JH SUPPLY CHAIN OBJECTIVES

JH SUPPLY CHAIN CREATES CUSTOMER VALUE WHILE OPTIMIZING TOTAL VALUE CHAIN COSTS



Enable access to differentiated products across all customer segments

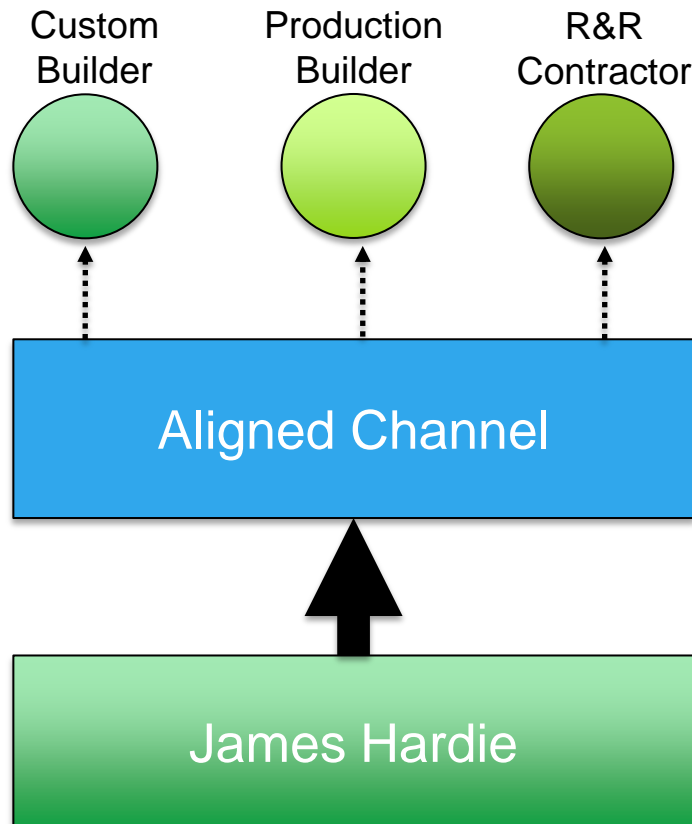
Minimize “total supply chain cost” through the entire channel

Leverage JH manufacturing and freight scale and capability advantage

SUPPLY CHAIN ADVANTAGE: JOBPACK EXAMPLE

JOBPACKS: TO-THE-PIECE COLORPLUS® HOUSE PACKS

DELIVERED VIA LTL FREIGHT IN 8 DAYS



Enable access – The entire ColorPlus® product range at an unmatched lead time

Minimize “total supply chain cost” removes the need for channel inventory on “the tail”

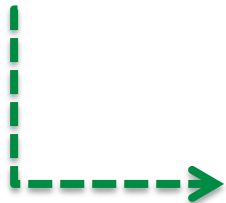
Optimize JH manufacturing and freight - automated order flow and truck routing that significantly minimize the “less-than-full” pallet/truck penalty

JH SUPPLY CHAIN – CAPABILITY ADVANTAGE

HIGHLY AUTOMATED, INTEGRATED SYSTEMS

Enable Customer Integration

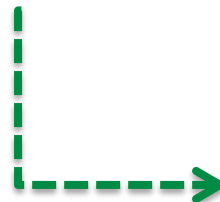
(HardieLink®)
Automated
Order Taking
Software



(APO)
Optimization
Planning
Software builds &
aggregates large
production runs

Leverage & Exploit Manufacturing Scale

(APO) System
Generates VMI
Replenishment
Trucks



(JDA) TMS Software
combines job packs
and VMI
replenishment to
optimize truck weight
and multi-stop routing

Optimize Delivered Cost with Freight/Sourcing

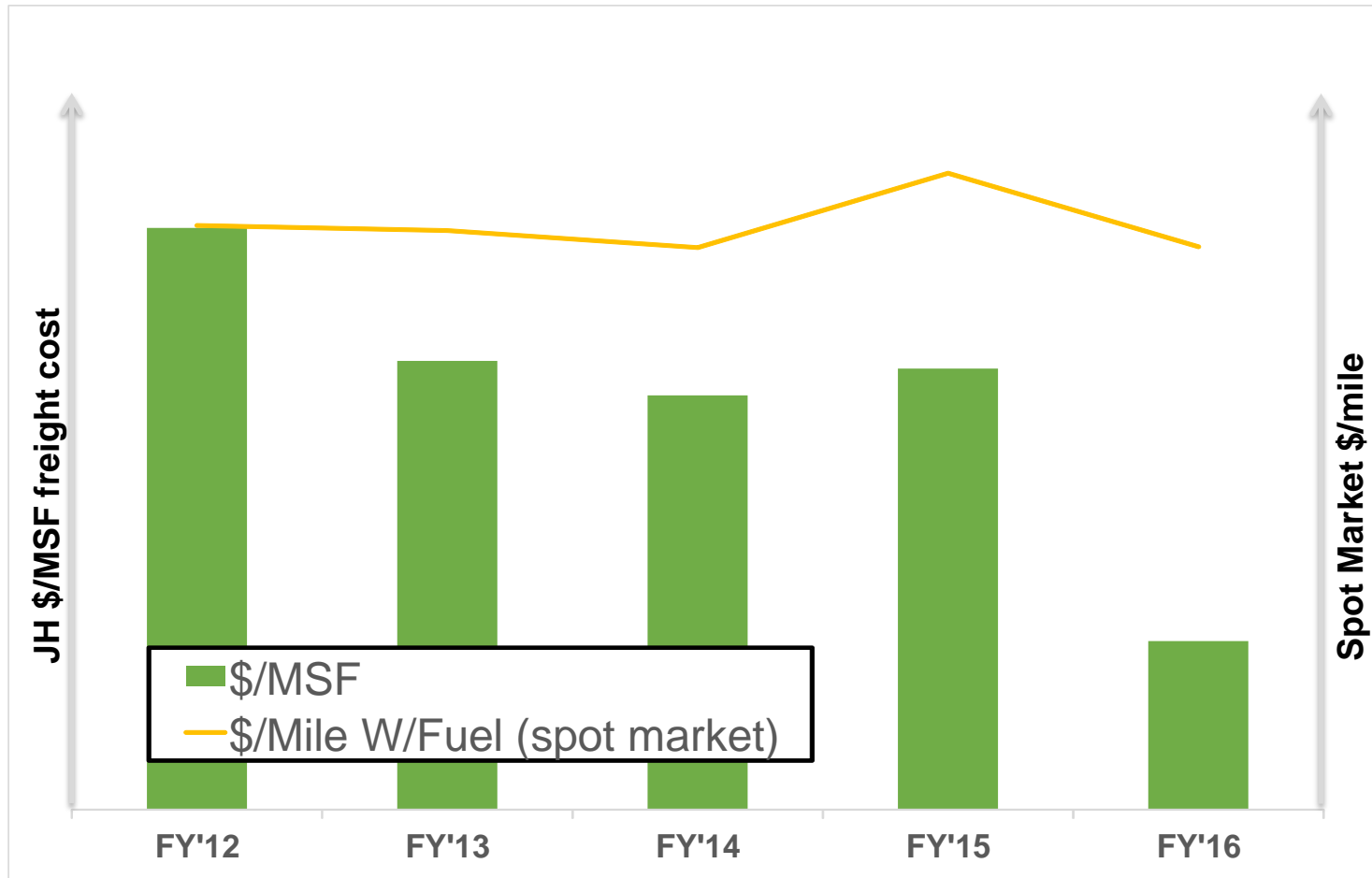
(JDA)
Sequential low
cost tendering
for delivery

OPTIMIZING SUPPLY CHAIN COSTS

CORE CONCEPTS OF OUR APPROACH TO FREIGHT:

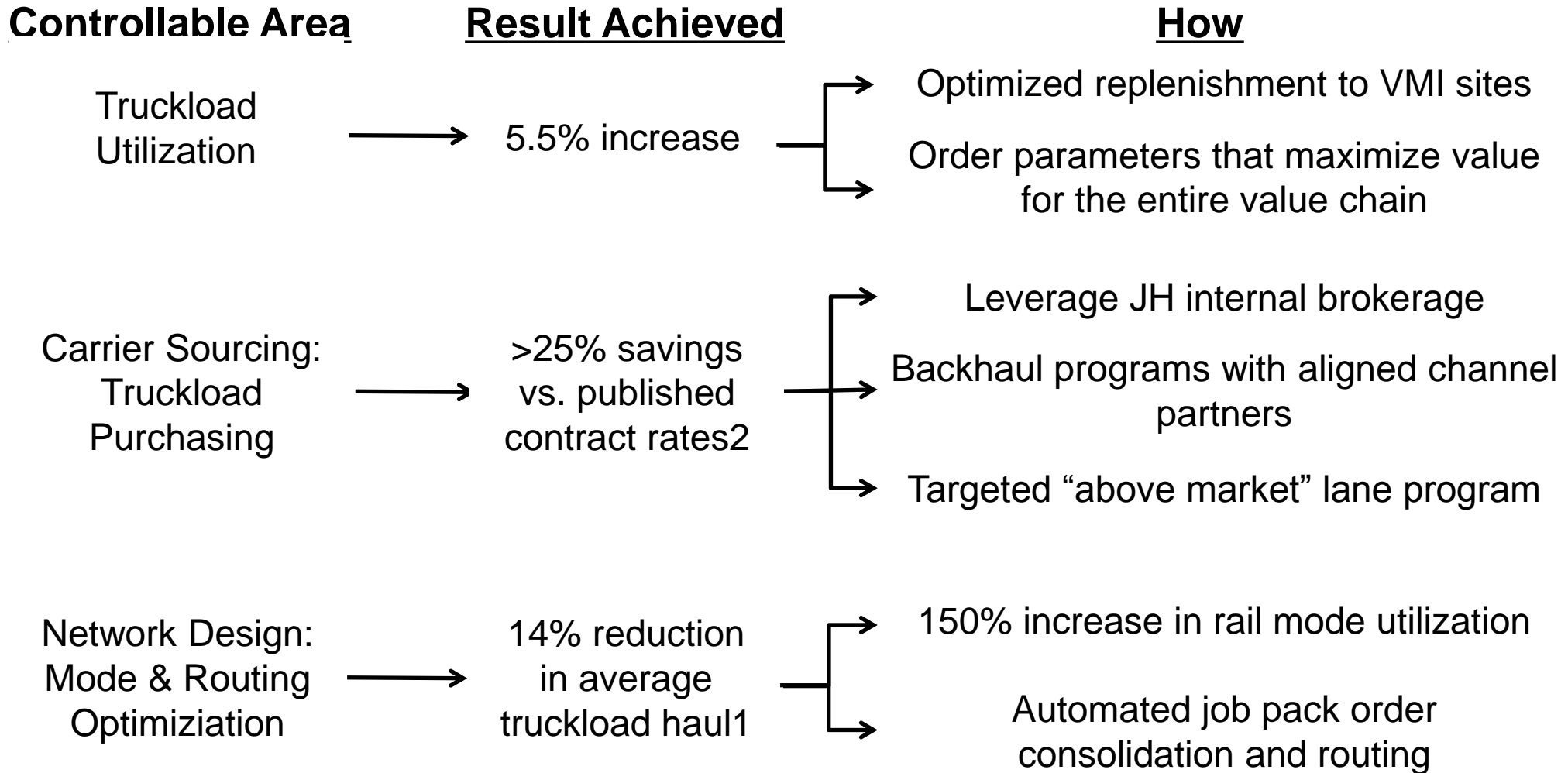
- ➡ We optimize much of our network around freight
- ➡ Freight is a commodity – the spot market is an advantage for us
- ➡ We manage to detailed performance metrics on controllable cost drivers

JH FREIGHT COST VS THE MARKET (FY12 – CURRENT)



Source: DAT Rateview (Spot market \$/Mile W/Fuel)

FY12 – FY16 PERFORMANCE IMPROVEMENT LEVERS



¹ Source: DAT Rateview ² Source: DAT Rateview: Jul '14 – Jul '15

FREIGHT SUMMARY AND OUTLOOK

- JH will continue YOY improvement in controllable areas
- In FY16 we are benefitting from a favorable operating environment in both supply/demand and fuel costs
- While the current operating environment is soft, our future state thinking on freight is impacted by the following realities:
 - Regulatory changes that reduce driver capacity
 - Demographic shifts, resulting in fewer drivers in workforce
 - Uncertain economic climate which limits capacity investments

PROCUREMENT APPROACH

WE HAVE TWO PRIMARY OBJECTIVES FOR OUR PROCUREMENT PROCESSES

Ensure long-term supply

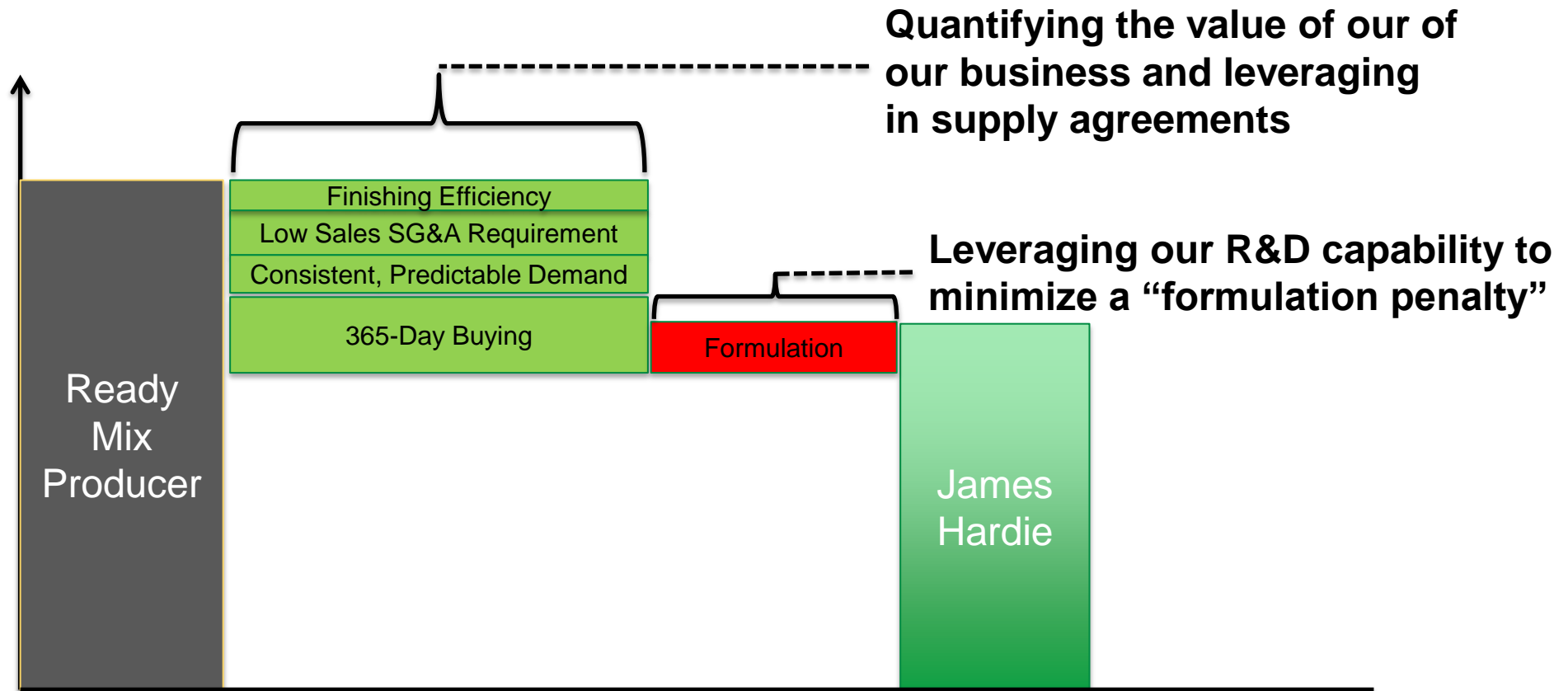
- ➔ Strategic partnerships in select commodity categories
- ➔ Management capability to offset supply risk
- ➔ R&D capability to create alternative sourcing options

Optimize pricing power on scale & JH value proposition

- ➔ Industry analysis to quantify JH value as a customer
- ➔ Leverage spot markets to increase pricing pressure
- ➔ Strategic vertical integration to key commodity categories

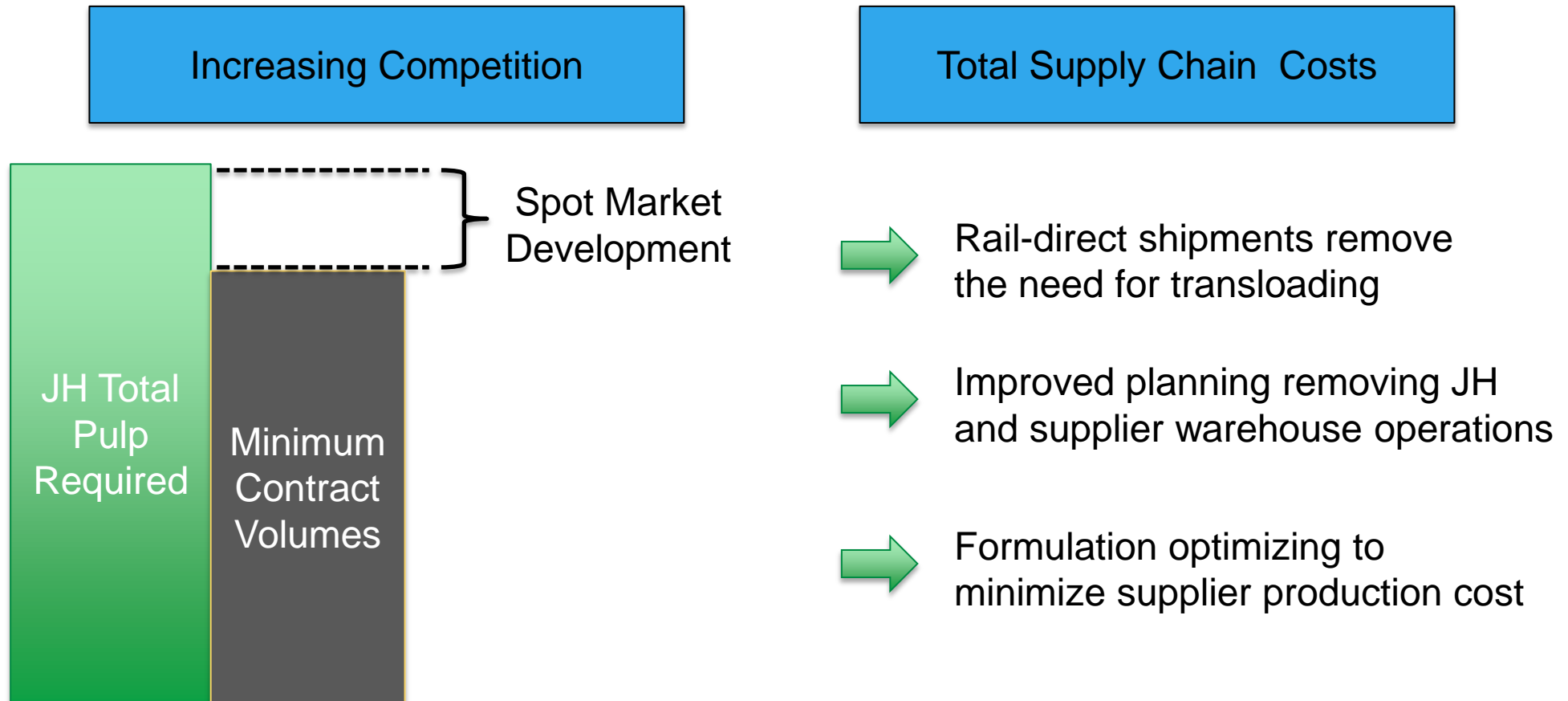
CEMENT: UNDERSTANDING OUR VALUE AS A CUSTOMER

Supply/demand dynamics are driving increased pricing in all regions



PULP: COMPETITIVE PRESSURE & SUPPLY CHAIN EFFICIENCIES

Our long-term pulp supply is secured through contracts with strategic partners. Within those agreements, we are focused on cost optimization



SUPPLY CHAIN SUMMARY

- Supply Chain is a strategic area focused on value creation for our customers
- We have substantial operating capabilities that enable optimized delivered cost through the entire value chain
- We continue to be focus on elevating our controllable performance to market through all market conditions

QUESTIONS