



Q3 FY16 MANAGEMENT PRESENTATION

19 February 2016

DISCLAIMER

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;
- 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

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



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 and other terms section of this document. 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 before income taxes” and “Net operating profit”. The company may also present other terms for measuring its sales volume (“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 (“Adjusted EBIT”, “Adjusted EBIT margin”, “Adjusted net operating profit”, “Adjusted diluted earnings per share”, “Adjusted operating profit before income taxes”, “Adjusted effective tax rate on earnings”, “Adjusted EBITDA”, and “Adjusted selling, general and administrative expenses”. Unless otherwise stated, results and comparisons are of the third quarter and nine months of the current fiscal year versus the third quarter and nine months of the prior fiscal year.



OVERVIEW AND OPERATING REVIEW

Louis Gries, CEO

GROUP OVERVIEW²

Adjusted Net Operating Profit

3rd Qtr		Nine Months	
US\$56.2M	↑	US\$185.0M	↑
16%		13%	

Adjusted Diluted EPS

3rd Qtr		Nine Months	
US13cents	↑	US41cents	↑
18%		11%	

Adjusted EBIT

3rd Qtr		Nine Months	
US\$82.0M	↑	US\$267.0M	↑
23%		20%	

Net Operating Cash Flow

Nine Months	
US\$200.5M	↑
93%	

Adjusted EBIT Margin %

3rd Qtr		Nine Months	
19.8%	↑	20.7%	↑
2.6 pts		2.8 pts	

- Higher volumes in all businesses¹
- Higher average net sales prices in local currencies
- Continued focus on operational efficiency as our plants continue to sustain improved performance
- YTD North America and Europe Fiber Cement segment EBIT margin of 25.1% slightly above our target range of 20% to 25%

¹ Excluding the effect of Australian Pipes business which was sold in Q1 FY16

² Comparisons are to prior comparable period ("pcp")

NORTH AMERICA AND EUROPE FIBER CEMENT SUMMARY¹

	Q3'16	9 Months FY16
Net Sales	US\$330.5M ↑ 12%	US\$1,029.4M ↑ 8%
Sales Volume	477.2 mmsf ↑ 12%	1,475.0 mmsf ↑ 7%
Average Price	US\$678 per msf ↑ US\$3	US\$681 per msf ↑ US\$3
EBIT	US\$79.0M ↑ 24%	US\$257.9M ↑ 25%

Volume

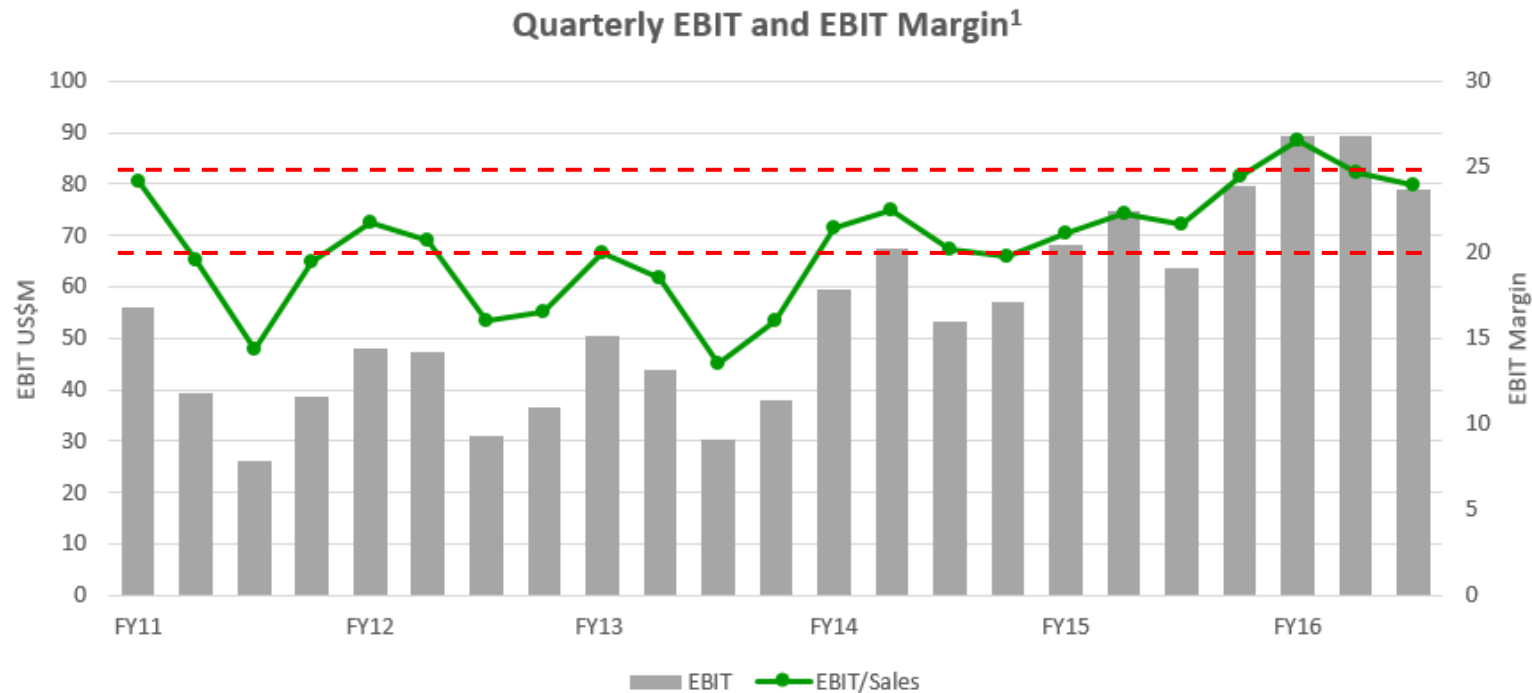
- Modest R&R and new construction market growth
- Increasing PDG remains the highest priority in the North America business

EBIT

- Lower freight and unit costs relative to pcp
- Sustained positive performance improvement trend in our manufacturing plant network
- Higher volume compared to pcp
- Partially offset by higher SG&A expenses relative to pcp

¹ Comparisons are to prior comparable period ("pcp")

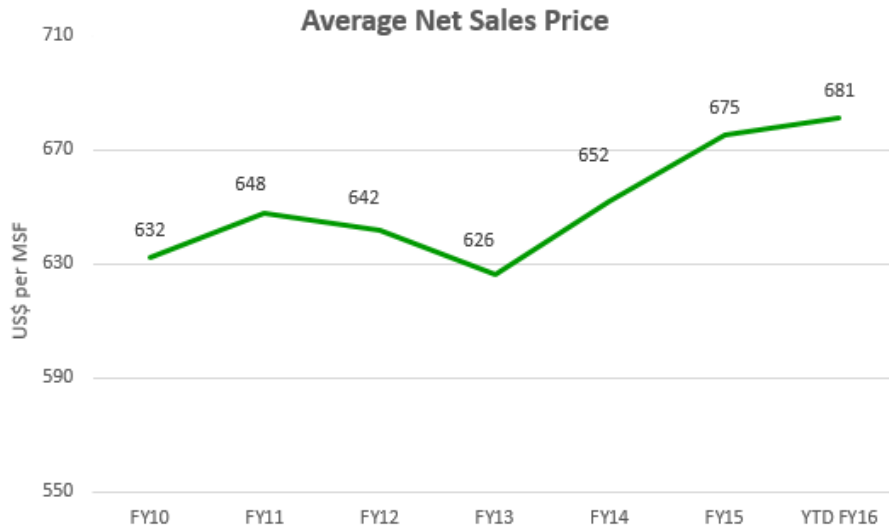
NORTH AMERICA AND EUROPE FIBER CEMENT



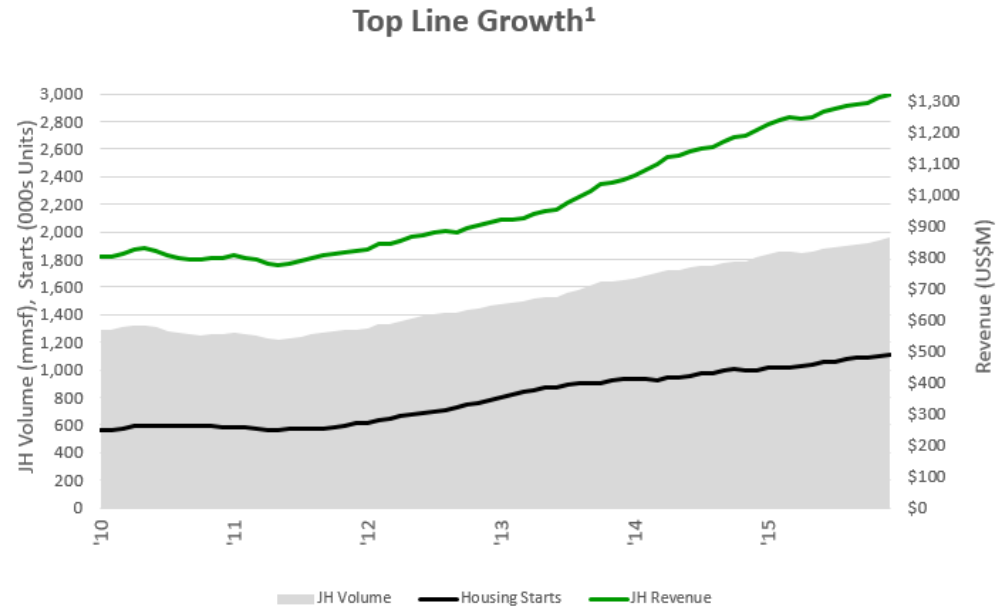
YTD EBIT Margin up 340 bps to 25.1%

¹ Excludes asset impairment charges of US\$14.3 million in 4th quarter FY12, US\$5.8 million in 3rd quarter FY13 and US\$11.1 million in 4th quarter FY13

NORTH AMERICA AND EUROPE FIBER CEMENT



2+% gross price annual increase, partially offset by the strengthening US dollar and product mix



Revenue up 8% YTD on 7% volume growth. Continuing to outpace U.S. housing starts growth

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

ASIA PACIFIC FIBER CEMENT SUMMARY³

	Q3'16	9 Months FY16
Net Sales	A\$115.8M ↑ 6%	A\$354.8M ↑ 9%
Sales Volume	109.5 mmsf ↓ 6%	344.2 mmsf ↑ 1%
Sales Volume Excluding ¹	109.5 mmsf ↑ 3%	334.4 mmsf ↑ 7%
Average Price	A\$1,044 per msf ↑ 12%	A\$1,018 per msf ↑ 8%
US\$ EBIT ²	US\$19.9M ↓ 15%	US\$61.6M ↓ 12%
A\$ EBIT ²	A\$27.6M ↑ 1%	A\$83.0M ↑ 7%

¹ Excludes Australian Pipes business which was sold in Q1 FY16

² Excludes New Zealand weathertightness claims

³ Comparisons are to prior comparable period ("pcp")

Volume

- Favorable conditions in addressable markets
- Excluding the Australian Pipes business, volume increased for both the quarter and YTD

Price

- Favorably impacted by annual price increase
- Favorable regional and product mix
- Impacted by appreciation of Philippines currency against the Australian Dollar

EBIT

- Input costs adversely impacted by Carole Park startup costs combined with stronger USD price effect
- Q3 FY16 results unfavorably impacted by Rosehill site purchase in December FY15
- EBIT results in USD unfavorably impacted by the strengthening of the US Dollar



FINANCIAL REVIEW

Matt Marsh, CFO and Executive VP – Corporate

RESULTS – 3rd QUARTER FY16

Three Months Ended 31 December

US\$ Millions	Q3'16	Q3'15	% Change
Net sales	413.9	388.4	7
Gross profit	149.5	135.2	11
SG&A expenses	(61.4)	(56.0)	(10)
EBIT	52.1	126.4	(59)
Net operating profit	25.4	107.5	(76)
Adjusted EBIT ¹	82.0	66.9	23
Adjusted net operating profit ²	56.2	48.6	16

¹ Excludes Asbestos related expenses and adjustments and NZWT claims

² Excludes Asbestos related expenses and adjustments, NZWT claims, and tax adjustments

³ Excludes Australian Pipes business which was sold in Q1 FY16

Net sales increased

- Higher volume in both operating segments³
- Higher average net sales prices in local currencies

Gross profit margin increased 130 bps

- Improved performance across our US plants
- Lower unit costs

SG&A expenses increased

- Continuing to invest in the business

Adjusted net operating profit increased

- Adjusted EBIT increased 23% compared to pcp
- Higher gross interest expense of US\$4.9 million
- US\$5.0 million higher Adjusted income tax expense

RESULTS – NINE MONTHS FY16

Nine Months Ended 31 December

US\$ Millions	9 Months FY16	9 Months FY15	% Change
Net sales	1,292.4	1,245.6	4
Gross profit	472.1	426.3	11
SG&A expenses	(185.5)	(176.7)	(5)
EBIT	297.7	322.4	(8)
Net operating profit	215.6	263.6	(18)
Adjusted EBIT ¹	267.0	223.2	20
Adjusted net operating profit ²	185.0	164.1	13

¹ Excludes Asbestos related expenses and adjustments and NZWT claims

² Excludes Asbestos related expenses and adjustments, NZWT claims, and tax adjustments

Net sales increased

- Higher volume in both operating segments
- Higher average net sales prices in local currencies

Gross profit margin increased 230 bps

- Improved performance across our US plants
- Lower unit costs

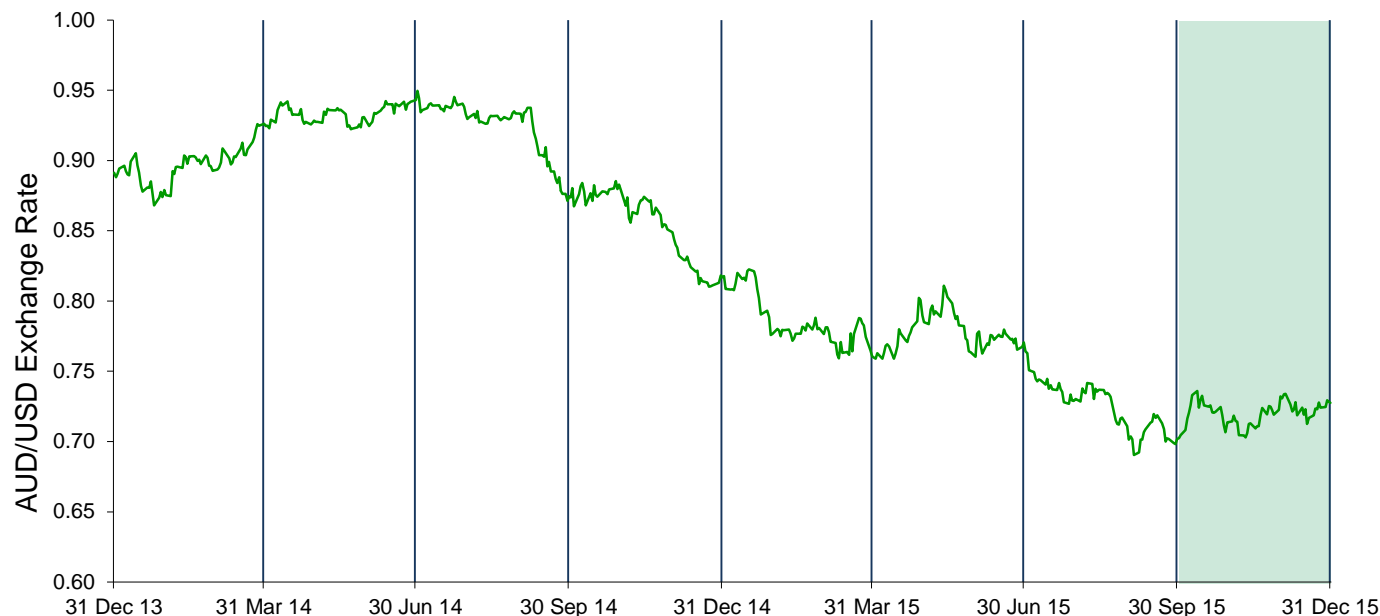
SG&A expenses increased

- Investing in both segments, partially offset by FX
- Higher stock compensation expense

Adjusted net operating profit increased

- 20% Adjusted EBIT growth
- Higher gross interest expense of US\$15.7 million
- US\$7.9 million favorable movement in other income
- US\$16.2 million increase in Adjusted income tax expense

CHANGES IN AUD vs. USD



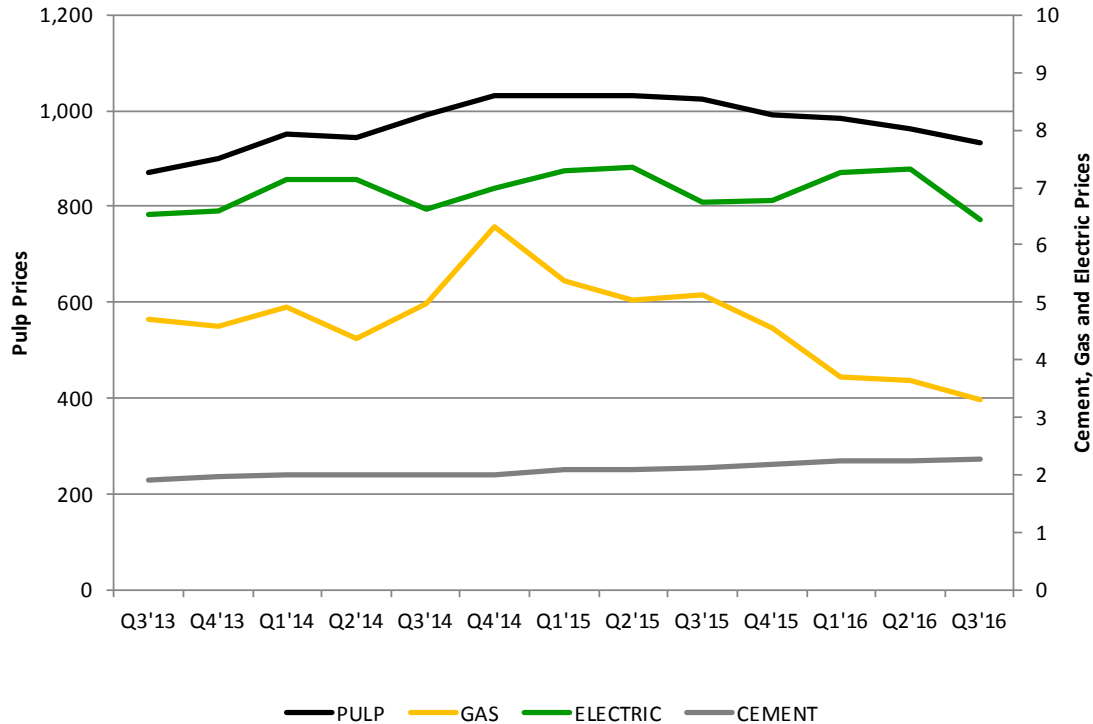
US\$ Millions	As Reported			Excluding Translation Impact ¹		Translation Impact ²	
	9 Months FY16	9 Months FY15	% Change	9 Months FY16	% Change	9 Months FY16	% Change
Net Sales	1,292.4	1,245.6	4	1,348.5	8	(56.1)	(4)
Gross Profit	472.1	426.3	11	490.6	15	(18.5)	(4)
Adjusted EBIT	267.0	223.2	20	277.8	24	(10.8)	(4)
Adjusted net operating profit	185.0	164.1	13	190.4	16	(5.4)	(3)

¹ As Reported 9 Months FY16 figures using 9 Month FY15 weighted average exchange rate of 1.1057

² Reflects the difference between YTD'16 As Reported and YTD'16 using YTD'15 weighted exchange rate

US INPUT COSTS

Quarterly US Input Costs

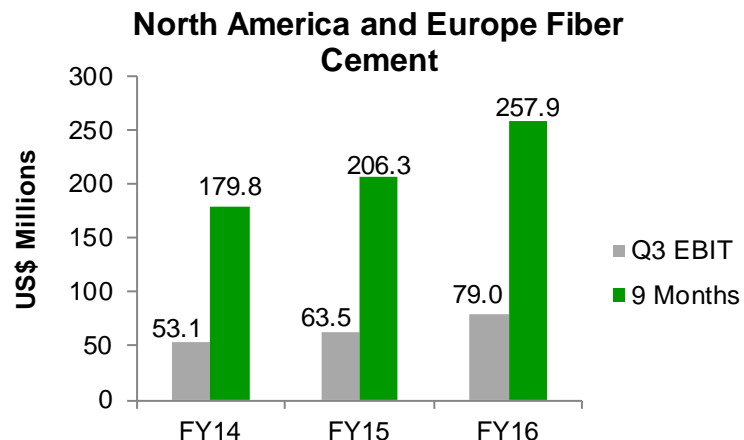


- The price of NBSK pulp decreased by ~9% compared to pcp
- Cement prices continue to rise, up 8% compared to pcp
- Gas prices are down more than 20% compared to pcp
- Electricity prices decreased 10% compared to pcp

The information underlying the table above is sourced as follows:

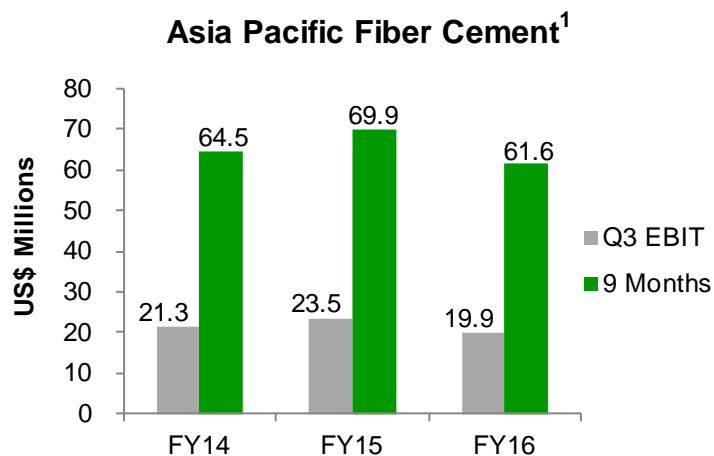
- Pulp – Cost per ton – from RISI
- Cement – Relative index from the Bureau of Labor Statistics
- Gas – Cost per thousand cubic feet for industrial users – from US Energy Information Administration
- Electric – Cost per thousand kilowatt hour for industrial users – from US Energy Information Administration

SEGMENT EBIT – 3RD QUARTER and NINE MONTHS FY16



North America and Europe Fiber Cement EBIT summary

- Quarter and YTD EBIT increased by 24% and 25%, respectively when compared to pcp
- Primarily driven by lower production costs
- North America FC EBIT margin increased 2.3 pts for the quarter and 3.4 pts for the half year



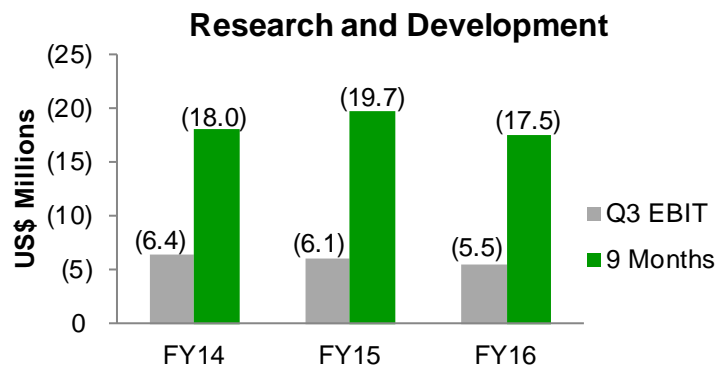
Asia Pacific Fiber Cement EBIT¹ summary

- EBIT in local currency for the quarter and YTD increased 1% and 7%, respectively when compared to pcp
- Increase reflects higher volume² and price, partially offset by increased production costs

¹ Excludes New Zealand weathertightness claims

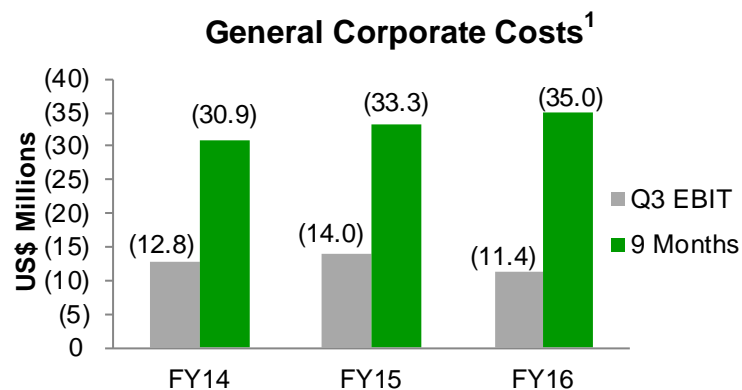
² Excludes Australian Pipes business which was sold in Q1 FY16

SEGMENT EBIT – 3RD QUARTER and NINE MONTHS FY16



R&D summary

- On strategy to invest between 2%-3% of sales
- Decrease impacted by strengthening US dollar
- Fluctuations reflect normal variation and timing in number of R&D projects in process in any given period



General corporate costs

- Results for the quarter reflect:
 - Decrease in discretionary expenses
 - Decrease in realized foreign exchange losses
- YTD results reflect:
 - Higher stock compensation expense
 - Decrease in discretionary expenses

¹ Excludes Asbestos related expenses and adjustments and ASIC expenses

INCOME TAX

Three Months and Nine Months Ended 31 December

US\$ Millions	Q3'16	Q3'15	9 Months FY16	9 Months FY15
Operating profit before taxes	47.3	124.7	282.5	315.0
Asbestos adjustments ¹	29.6	(54.8)	(31.1)	(96.0)
NZ weathertightness claims	0.4	(5.2)	0.5	(4.2)
Adjusted net operating profit before taxes	77.3	64.7	251.9	214.8
Adjusted income tax expense ²	(21.1)	(16.1)	(66.9)	(50.7)
Adjusted effective tax rate	27.3%	24.9%	26.6%	23.6%
Income tax expense	(21.9)	(17.2)	(66.9)	(51.4)
Income taxes paid			46.1	24.2
Income taxes payable			7.3	3.3

26.6% estimated Adjusted effective tax rate (ETR) for the year

- Adjusted income tax expense and adjusted ETR increased due to changes in geographical mix of earnings
- Income taxes are paid and payable in Ireland, the US, Canada, New Zealand and the Philippines
- Income taxes are not currently paid or payable in Europe (excluding Ireland) or Australia due to tax losses. Australian tax losses primarily result from deductions relating to contributions to AICF

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

² Excludes tax effects of Asbestos and other tax adjustments

CASHFLOW

US\$ Millions	9 Months FY16	9 Months FY15 ¹	Change (%)
Net Income	215.6	263.6	
Adjustment for non-cash items	36.8	(36.2)	
Annual AICF contribution	(62.8)	(113.0)	44
Operating working capital ²	15.0	(9.1)	
Other net operating activities	(4.1)	(1.2)	
Cash Flow from Operations	200.5	104.1	
Capital expenditures ³	(44.2)	(241.0)	82
Acquisition of assets	(0.5)	-	
Free Cash Flow	155.8	(136.9)	
Dividends paid	(206.8)	(355.9)	42
Net proceeds from long-term debt	97.1	390.0	(75)
Share related activities	(18.1)	(5.6)	
Free Cash Flow after Financing Activities	28.0	(108.4)	

¹ Certain prior year balances have been reclassified to conform to the current year presentation

² Excludes AP related to capital expenditures

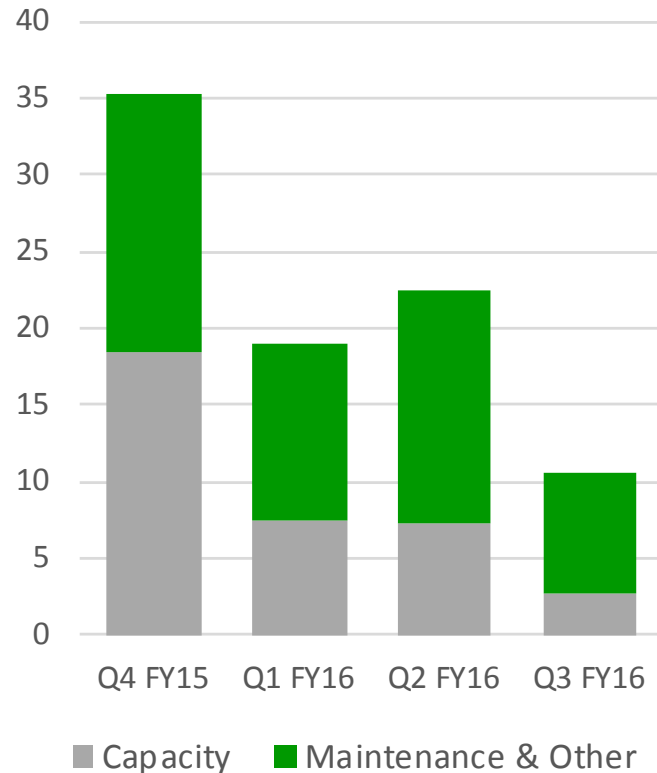
³ Includes capitalized interest and proceeds from sale of property, plant and equipment

⁴ Accounts receivable ("AR") and Accounts payable ("AP")

- Increase in net operating cash flow
 - Lower annual contribution to AICF FY16 v FY15
 - Favorable change in working capital due to:
 - Lower inventory
 - Less cash generated from AR⁴ and AP⁴
- Lower capital expenditures
 - Australian capacity projects complete
 - Near completion of our US capital expansion projects
- Lower financing activities
 - Decrease in net proceeds from borrowings
 - Partially offset by a decrease in dividends paid

CAPEX

CAPEX Spend



- YTD FY16 CAPEX spend of US\$52.1 million decreased US\$188.3 million compared to pcp
- Maintenance CAPEX continues
- US capacity projects substantially complete
- Commissioning of new sheet machines at our Plant City and Cleburne facilities has been deferred, subject to our continued monitoring of market conditions
- Carole Park capacity expansion project complete and commissioned during Q2 FY16

FINANCIAL MANAGEMENT SUPPORTING GROWTH

Strong Financial Management

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

Disciplined Capital Allocation

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

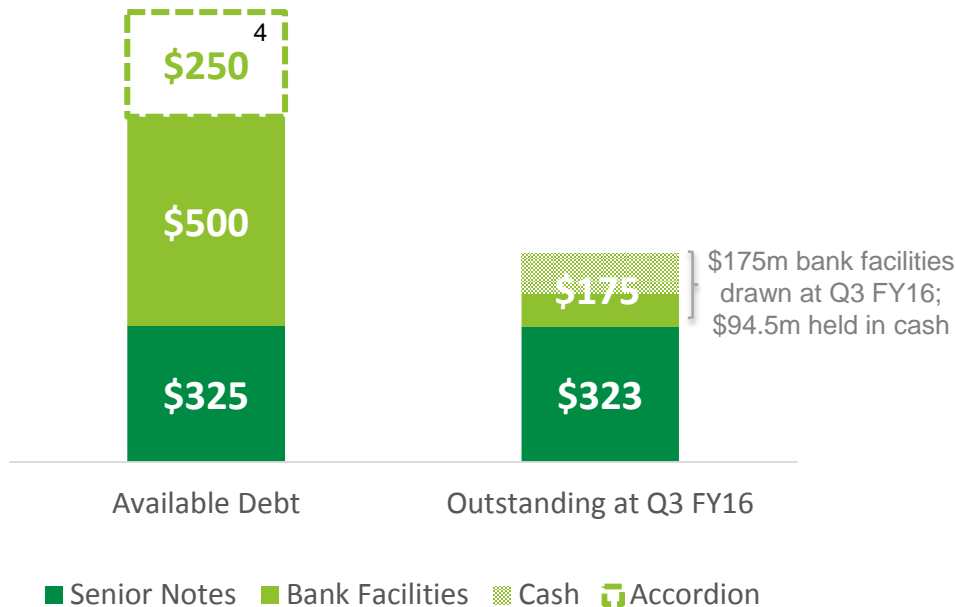
Liquidity and Funding

- Conservative leveraging of balance sheet within 1-2 times adjusted EBITDA target
 - 5.8 year weighted average maturity of bank facilities
 - ~\$500million of revolving bank facilities
 - 65% liquidity as of Q3 FY16 on bank debt

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

LIQUIDITY PROFILE

Debt Profile US\$ Millions



- Corporate debt structure
 - US\$500 million revolving credit facility, with a December 2020 maturity, replaced bilateral loan facilities
 - US\$325 million 8 year senior unsecured notes^{1,2}
- Strong balance sheet
 - US\$94.5 million of cash
 - 65% liquidity as of Q3 FY16 on bank debt
- Interest rate swaps resulted on average 50% fixed / 50% floating ratio for drawn bank facilities Q3 FY16
- US\$403.2 million net debt³ as of Q3 FY16
- 1x net debt to EBITDA excluding asbestos at the bottom of the target leverage range of 1-2 times

¹ Callable from 15 February 2018; callable at par from 15 February 2021

² Original issue discount (OID) US\$2.3 million at 31 December 2015

³ Excludes Short-term debt - Asbestos

⁴ Incremental liquidity of up to \$250m 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 until requested

FY2016 GUIDANCE

- Management notes the range of analysts' forecasts for net operating profit excluding asbestos for the year ending 31 March 2016 is between US\$237 million and US\$249 million
- Management expects full year Adjusted net operating profit to be between US\$240 million and US\$250 million assuming, among other things, housing conditions in the United States continue to improve in line with our assumed forecast of new construction starts of approximately 1.1 million, and input prices 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. 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 and Nine Months Ended 31 December

US\$ Millions	Q3'16	Q3'15	% Change	9 Months FY16	9 Months FY15	% Change
Net Sales						
North America and Europe Fiber Cement	\$ 330.5	\$ 294.5	12	\$ 1,029.4	\$ 951.4	8
Asia Pacific Fiber Cement	83.4	93.9	(11)	263.0	294.2	(11)
Total Net Sales	\$ 413.9	\$ 388.4	7	\$ 1,292.4	\$ 1,245.6	4
EBIT - US\$ Millions						
North America and Europe Fiber Cement	\$ 79.0	\$ 63.5	24	\$ 257.9	\$ 206.3	25
Asia Pacific Fiber Cement ¹	19.9	23.5	(15)	61.6	69.9	(12)
Research & Development	(5.5)	(6.1)	10	(17.5)	(19.7)	11
General Corporate ²	(11.4)	(14.0)	19	(35.0)	(33.3)	(5)
Adjusted EBIT	\$ 82.0	\$ 66.9	23	\$ 267.0	\$ 223.2	20
Net interest expense excluding AICF interest income	(6.6)	(2.0)		(19.1)	(4.5)	
Other income (expense)	1.9	(0.2)		4.0	(3.9)	
Adjusted income tax expense	(21.1)	(16.1)	(31)	(66.9)	(50.7)	(32)
Adjusted net operating profit	\$ 56.2	\$ 48.6	16	\$ 185.0	\$ 164.1	13

¹ Asia Pacific Fiber Cement EBIT excludes New Zealand weathertightness claims

² Excludes Asbestos related expenses and adjustments

KEY RATIOS

Nine Months Ended 31 December			
	9 Months FY16	9 Months FY15	9 Months FY14
EPS (Diluted) ¹ (US Cents)	41c	37c	34c
EBIT/ Sales (EBIT margin) ²	20.7%	17.9%	17.5%
Gearing Ratio ¹	27.7%	20.3%	(13.4)%
Net Interest Expense Cover ²	14.7x	49.6x	63.0x
Net Interest Paid Cover ²	20.1x	106.3x	65.1x
Net Debt Payback ³	1.0yrs	0.8yrs	-

¹ Excludes asbestos adjustments, AICF SG&A expenses, AICF interest income, New Zealand weathertightness claims and tax adjustments

² Excludes asbestos adjustments, AICF SG&A expenses and New Zealand weathertightness claims

³ Excludes asbestos adjustments and changes in asbestos-related assets and liabilities

ASBESTOS CLAIMS DATA

Three Months and Nine Months Ended 31 December

	Q3'16	Q3'15	Change %	9 Months FY16	9 Months FY15	Change %
Claims received	159	170	6	455	507	10
Actuarial estimate for the period	165	153	(8)	494	458	(8)
Difference in claims received to actuarial estimate	6	(17)		39	(49)	
Average claim settlement ¹ (A\$)	275,000	249,000	(10)	239,000	246,000	3
Actuarial estimate for the period ²	302,000	289,000	(4)	302,000	289,000	(4)
Difference in claims paid to actuarial estimate	27,000	40,000	33	63,000	43,000	(47)

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

- Claims received during the quarter and nine months were 4% and 8% below actuarial estimates, respectively
- Mesothelioma claims reported for the nine months are 5% above non-seasonally adjusted expectations and are 2% below pcp
- Average claim settlement for quarter and nine months is lower by 9% and 21%, respectively, versus actuarial estimates
- Average claim settlement sizes are generally lower across all disease types compared to actuarial estimates for FY16
- Decrease in average claim settlement for the quarter and nine months compared to actuarial estimates is due to lower number of large claims settled compared to pcp

DEPRECIATION AND AMORTIZATION

US\$ Millions	Three and Nine Months Ended 31 December			
	Q3'16	Q3'15	9 Months FY16	9 Months FY15
Depreciation and amortization				
North America and Europe Fiber Cement	\$ 17.4	\$ 15.6	\$ 48.7	\$ 45.2
Asia Pacific Fiber Cement	1.9	2.3	6.4	6.8
Total depreciation and amortization	\$ 19.3	\$ 17.9	\$ 55.1	\$ 52.0

DEFINITIONS AND OTHER 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

Non-financial Terms

AFFA – Amended and Restated Final Funding Agreement

AICF – Asbestos Injuries Compensation Fund Ltd

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

Legacy New Zealand weathertightness claims (“New Zealand weathertightness claims”) – 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

DEFINITIONS AND OTHER TERMS

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 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.

DEFINITIONS AND OTHER TERMS

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

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 capitalized

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

Adjusted EBIT and Adjusted EBIT margin – Adjusted EBIT and Adjusted EBIT margin 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 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	Three Months and Nine Months Ended 31 December			
	Q3'16	Q3'15	9 Months FY16	9 Months FY15
EBIT	\$ 52.1	\$ 126.4	\$ 297.7	\$ 322.4
Asbestos:				
Asbestos adjustments	29.0	(54.9)	(32.5)	(96.9)
AICF SG&A expenses	0.5	0.6	1.3	1.9
New Zealand weathertightness claims	0.4	(5.2)	0.5	(4.2)
Adjusted EBIT	82.0	66.9	267.0	223.2
Net sales	\$ 413.9	\$ 388.4	\$ 1,292.4	\$ 1,245.6
Adjusted EBIT margin	19.8%	17.2%	20.7%	17.9%

NON-US GAAP FINANCIAL MEASURES

Adjusted net operating profit – Adjusted net operating profit is not a measure of financial performance under US GAAP and should not be considered to be more meaningful than net operating profit. Management has included this financial measure 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. Management uses this non-US GAAP measure for the same purposes.

US\$ Millions	Three Months and Nine Months Ended 31 December			
	Q3'16	Q3'15	9 Months FY16	9 Months FY15
Net operating profit	\$ 25.4	\$ 107.5	\$ 215.6	\$ 263.6
Asbestos:				
Asbestos adjustments	29.0	(54.9)	(32.5)	(96.9)
AICF SG&A expenses	0.5	0.6	1.3	1.9
AICF interest expense (income), net	0.1	(0.5)	0.1	(1.0)
New Zealand weathertightness claims	0.4	(5.2)	0.5	(4.2)
Asbestos and other tax adjustments	0.8	1.1	-	0.7
Adjusted net operating profit	\$ 56.2	\$ 48.6	\$ 185.0	\$ 164.1

NON-US GAAP FINANCIAL MEASURES

Adjusted diluted earnings per share – Adjusted diluted earnings per share 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 focused on the performance of its ongoing operations. Management uses this non-US GAAP measure for the same purposes.

	Three Months and Nine Months Ended 31 December			
	Q3'16	Q3'15	9 Months FY16	9 Months FY15
Adjusted net operating profit (US\$ Millions)	\$ 56.2	\$ 48.6	\$ 185.0	\$ 164.1
Weighted average common shares outstanding - Diluted (millions)	447.1	445.9	447.3	445.9
Adjusted diluted earnings per share (US cents)	13	11	41	37

NON-US GAAP FINANCIAL MEASURES

Adjusted income tax expense and Adjusted effective tax rate – Adjusted income tax expenses and Adjusted effective tax rate is not a measure of financial performance under US GAAP and should not be considered to be more meaningful than income tax expense and effective tax rate, respectively. 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. Management uses these non-US GAAP measures for the same purposes.

US\$ Millions	Three Months and Nine Months Ended 31 December			
	Q3'16	Q3'15	9 Months FY16	9 Months FY15
Operating profit before income taxes	\$ 47.3	\$ 124.7	\$ 282.5	\$ 315.0
Asbestos:				
Asbestos adjustments	29.0	(54.9)	(32.5)	(96.9)
AICF SG&A expenses	0.5	0.6	1.3	1.9
AICF interest expense (income), net	0.1	(0.5)	0.1	(1.0)
New Zealand weathertightness claims	0.4	(5.2)	0.5	(4.2)
Adjusted operating profit before income taxes	\$ 77.3	\$ 64.7	\$ 251.9	\$ 214.8
Income tax expense	\$ (21.9)	\$ (17.2)	\$ (66.9)	\$ (51.4)
Asbestos-related and other tax adjustments	0.8	1.1	-	0.7
Adjusted income tax expense	\$ (21.1)	\$ (16.1)	\$ (66.9)	\$ (50.7)
Effective tax rate	46.3%	13.8%	23.7%	16.3%
Adjusted effective tax rate	27.3%	24.9%	26.6%	23.6%

NON-US GAAP FINANCIAL MEASURES

Adjusted 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 Adjusted EBITDA in the same manner as James Hardie has and, accordingly, Adjusted EBITDA may not be comparable with other companies. Management has included information concerning Adjusted 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	Three Months and Nine Months Ended 31 December			
	Q3'16	Q3'15	9 Months FY16	9 Months FY15
EBIT	\$ 52.1	\$ 126.4	\$ 297.7	\$ 322.4
Depreciation and amortization	19.3	17.9	55.1	52.0
Adjusted EBITDA	\$ 71.4	\$ 144.3	\$ 352.8	\$ 374.4

NON-US GAAP FINANCIAL MEASURES

Adjusted selling, general and administrative expenses – Adjusted selling, general and administrative expenses (“Adjusted SG&A”) is not a measure of financial performance under US GAAP and should not be considered to be more meaningful than selling, general and administrative expenses. 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	Three Months and Nine Months Ended 31 December			
	Q3'16	Q3'16	9 Months FY16	9 Months FY15
SG&A expenses	\$ 61.4	\$ 56.0	\$ 185.5	\$ 176.7
Excluding:				
New Zealand weathertightness claims	(0.4)	5.2	(0.5)	4.2
AICF SG&A expenses	(0.5)	(0.6)	(1.3)	(1.9)
Adjusted SG&A expenses	\$ 60.5	\$ 60.6	\$ 183.7	\$ 179.0
Net Sales	\$ 413.9	\$ 388.4	\$ 1,292.4	\$ 1,245.6
SG&A expenses as a percentage of net sales	14.8%	14.4%	14.4%	14.2%
Adjusted selling, general and administrative expenses as a percentage of net sales	14.6%	15.6%	14.2%	14.4%



Q3 FY16 MANAGEMENT PRESENTATION

19 February 2016