

Results for Announcement to the Market

James Hardie Industries plc

ARBN 097 829 895

Appendix 4D – Nine Months Ended 31 December 2012

Key Information	Nine Months Ended 31 December			
	2012 US\$M	2011 US\$M	Movement	
Net Sales From Ordinary Activities	994.5	928.2	Up	7%
Profit From Ordinary Activities After Tax Attributable to Shareholders	115.0	123.6	Down	7%
Net Profit Attributable to Shareholders	115.0	123.6	Down	7%
Net Tangible Assets (Liabilities) per Ordinary Share	US\$0.18	US\$(0.83)	Up	-

Dividend Information

- A FY2012 second half ordinary dividend (**FY2012 second half dividend**) of US38.0 cents per security was paid to CUFS holders on 23 July 2012.
- A FY2013 first half ordinary dividend (**FY2013 first half dividend**) of US5.0 cents per security was paid to CUFS holders on 25 January 2013.

Movements in Controlled Entities during the nine months ended 31 December 2012

The following entity was de-registered during the nine months ended 31 December 2012:

- James Hardie Aust Investments No 1 Pty Ltd (5 June 2012)

Review

The results and financial information included within this nine month report have been prepared using US GAAP and have been subject to an independent review by external auditors.

Results for the 3rd Quarter and Nine Months Ended 31 December 2012

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James Hardie Industries plc is incorporated under the laws of Ireland with its corporate seat in Dublin, Ireland. The liability of members is limited. The information contained in the above documents should be read in conjunction with the James Hardie 2012 Annual Report which can be found on the company website at www.jameshardie.com.

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27 February 2013

For analyst and media enquiries, please call Sean O'Sullivan on +61 2 82745246

3rd quarter net operating profit US\$28.8m
Nine month net operating profit US\$113.1m
(excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments)

James Hardie today announced a US\$28.8 million net operating profit, excluding asbestos, asset impairments, Australian Securities and Investments Commission ("ASIC") expenses, New Zealand product liability expenses and tax adjustments, for the quarter ended 31 December 2012, an increase of 3% compared to US\$28.0 million in the prior corresponding quarter.

Net operating profit including asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments increased to US\$31.5 million, compared to a loss of US\$4.8 million in the prior corresponding quarter, as discussed below.

For the nine months, net operating profit excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments increased 3% to US\$113.1 million, compared to US\$109.3 million in the prior corresponding period. The nine month result reflects, on a pre-tax basis, a US\$5.5 million foreign exchange gain and a US\$2.7 million legal cost recovery.

Net operating profit including asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments decreased 7% from US\$123.6 million in the prior corresponding period to US\$115.0 million, as discussed below.

CEO Commentary

"Our sales volume increased 17% in the USA and Europe Fibre Cement segment during the quarter, providing further evidence that the housing recovery in the US is gaining momentum. However, EBIT growth continued to be constrained by a lower average net sales price and elevated costs due to ongoing investment in organisational capabilities ahead of a more active market environment," said James Hardie CEO, Louis Gries.

"Over the next twelve months, sales growth is anticipated to exceed operating cost increases. EBIT to revenue margins are therefore expected to improve," said Mr Gries.

In this Media Release, 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 8. 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 ("EBIT excluding asbestos, asset impairments, ASIC expenses and New Zealand product liability expenses", "EBIT margin excluding asbestos, asset impairments, ASIC expenses and New Zealand product liability expenses", "Net operating profit excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments", "Diluted earnings per share excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments", "Operating profit before income taxes excluding asbestos and asset impairments", "Effective tax rate excluding asbestos, asset impairments and tax adjustments", "Adjusted EBITDA", "General corporate costs excluding ASIC expenses, intercompany foreign exchange gain and recovery of RCI legal costs" and "Selling, general and administrative expenses excluding New Zealand product liability expenses"). Unless otherwise stated, results and comparisons are of the 3rd quarter and the nine months of the current fiscal year versus the 3rd quarter and the nine months of the prior fiscal year.

“In anticipation of a continued market recovery in the US, the company intends to expand production capacity, and the Board has approved capital expenditure of US\$34 million for the reconfiguration and refurbishment of the Fontana, California plant, which was closed in December 2008 and is scheduled to re-open in early calendar year 2014,” Mr Gries added.

“Sales volume in our Asia Pacific business increased compared to prior quarters. The third quarter result reflected consistent earnings of our Philippines business and a continued recovery in the New Zealand market, while our Australia business continued to operate at subdued levels,” said Louis Gries.

Operating Performance

For the quarter, total net sales increased 13% to US\$320.4 million and gross profit was up 6% to US\$96.2 million. EBIT excluding asbestos, asset impairments, ASIC expenses and New Zealand product liability expenses decreased 6% to US\$34.7 million compared to the prior corresponding quarter. EBIT including asbestos, asset impairments, ASIC expenses and New Zealand product liability expenses for the quarter increased from US\$1.8 million in the third quarter of last year to US\$32.5 million in the third quarter of the current year.

For the nine months, total net sales increased 7% to US\$994.5 million and gross profit was up 2% to US\$317.5 million, compared to US\$311.4 million in the prior corresponding period. EBIT excluding asbestos, asset impairments, ASIC expenses and New Zealand product liability expenses decreased 5% to US\$144.0 million and reflects, on a pre-tax basis, a foreign exchange gain of US\$5.5 million and a legal cost recovery of US\$2.7 million, as explained above. EBIT including asbestos, asset impairments, ASIC expenses and New Zealand product liability expenses decreased from US\$162.9 million to US\$137.8 million.

3rd Quarter and Nine Months Results at a Glance

US\$ Millions	Q3 FY 2013	Q3 FY 2012	% Change	9 Months FY 2013	9 Months FY 2012	% Change
Net sales	\$ 320.4	\$ 283.0	13	\$ 994.5	\$ 928.2	7
Gross profit	96.2	90.6	6	317.5	311.4	2
EBIT excluding asbestos, ASIC expenses, asset impairments and New Zealand product liability expenses	34.7	36.8	(6)	144.0	152.0	(5)
AICF SG&A expenses	(0.5)	(0.9)	44	(1.2)	(2.3)	48
Asbestos adjustments	11.7	(33.5)	-	14.5	15.2	(5)
ASIC expenses	(0.1)	(0.3)	67	(0.5)	(1.0)	50
New Zealand product liability expenses	(7.5)	(0.3)	-	(13.2)	(1.0)	-
Asset impairments	(5.8)	-	-	(5.8)	-	-
EBIT	32.5	1.8	-	137.8	162.9	(15)
Net interest income (expense)	2.1	(1.5)	-	2.3	(3.7)	-
Other income (expense)	0.5	1.5	(67)	1.2	(0.5)	-
Income tax expense	(3.6)	(6.6)	45	(26.3)	(35.1)	25
Net operating profit (loss)	31.5	(4.8)	-	115.0	123.6	(7)
Diluted earnings (loss) per share (US cents)	7.2	(1.1)	-	26.2	28.2	(7)

For the quarter, net operating profit increased to US\$31.5 million, compared to a loss of US\$4.8 million in the prior corresponding quarter. Net operating profit for the quarter included favourable asbestos adjustments of US\$11.7 million, asset impairment charges of US\$5.8 million and New Zealand product liability expenses of US\$7.5 million. The increase in New Zealand product liability expenses relates to an accounting provision for certain legacy product liability claims in New Zealand that now have reduced access to recoveries from third parties to cover a portion of the costs incurred to resolve these claims. These legacy claims relate to buildings that were primarily constructed during calendar years 1998-2004.

For the nine months, net operating profit decreased 7% from US\$123.6 million in the prior corresponding period to US\$115.0 million. Net operating profit for the nine months included favourable asbestos adjustments of US\$14.5 million, asset impairment charges of US\$5.8 million and New Zealand product liability expenses of US\$13.2 million. Net operating profit for the nine months was also favourably impacted by, on a pre-tax basis, a US\$5.5 million foreign exchange gain on an Australian dollar intercompany loan and a recovery of US\$2.7 million for legal costs associated with the conclusion of RCI Pty Ltd's ("RCI") disputed amended tax assessment from the Australian Taxation Office ("ATO").

US\$ Millions	Q3 FY 2013	Q3 FY 2012	% Change	9 Months FY 2013	9 Months FY 2012	% Change
Net operating profit (loss)	\$ 31.5	\$ (4.8)	-	\$ 115.0	\$ 123.6	(7)
Diluted earnings (loss) per share	7.2	(1.1)	-	26.2	28.2	(7)
Excluding:						
Asbestos:						
Asbestos adjustments	(11.7)	33.5	-	(14.5)	(15.2)	5
AICF SG&A expenses	0.5	0.9	(44)	1.2	2.3	(48)
AICF interest income	(3.4)	(0.8)	-	(5.6)	(2.2)	-
Tax expense (benefit) related to asbestos adjustments	2.5	(0.1)	-	5.1	(0.1)	-
Asset impairments	5.8	-	-	5.8	-	-
ASIC expenses	0.1	0.3	(67)	0.5	1.0	(50)
New Zealand product liability expenses	7.5	0.3	-	13.2	1.0	-
Tax adjustments	(4.0)	(1.3)	-	(7.6)	(1.1)	-
Net operating profit excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments	\$ 28.8	\$ 28.0	3	\$ 113.1	\$ 109.3	3
Diluted earnings per share excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments (US cents)	6.5	6.4	2	25.8	24.9	4

Diluted earnings per share excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments for the quarter increased 2% to US6.5 cents compared to US6.4 cents in the prior corresponding quarter. For the quarter, diluted earnings per share increased to US7.2 cents from a loss of US1.1 cents in the prior corresponding quarter.

For the nine months, diluted earnings per share excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments increased 4% to US25.8 cents compared to US24.9 cents in the corresponding period of the prior year. Diluted earnings per share decreased 7% from US28.2 cents to US26.2 cents during the nine months compared to the prior corresponding period.

USA and Europe Fibre Cement

USA and Europe Fibre Cement EBIT for the quarter decreased from US\$31.0 million in the prior corresponding quarter to US\$24.6 million. For the nine months, USA and Europe Fibre Cement EBIT decreased from US\$126.3 million in the prior corresponding period to US\$118.9 million.

For both the quarter and the nine months, EBIT was impacted by a lower average net sales price, higher fixed manufacturing costs, an unfavourable shift in product mix, higher organisational costs to increase capability in anticipation of an improved operating environment in the US housing market and asset impairment charges at the Waxahachie and Fontana plants. These unfavourable movements were partially offset by higher sales volume and lower input costs (primarily pulp and freight) compared to the prior corresponding period.

For the quarter, USA and Europe Fibre Cement EBIT excluding asset impairment charges decreased 2% from US\$31.0 million in the prior corresponding quarter to US\$30.4 million. For the nine months, USA and Europe Fibre Cement EBIT excluding asset impairment charges decreased 1% from US\$126.3 million in the prior corresponding period to US\$124.7 million.

At US\$863 per ton, the average Northern Bleached Softwood Kraft (NBSK) pulp price in the quarter was 6% lower than in the equivalent quarter of last year and, at US\$872 per ton, the average NBSK pulp price in the nine months was 11% lower than the previous corresponding period.

According to the US Census Bureau, single family housing starts, which are one of the key drivers of the company's performance, were 128,800 in the December 2012 quarter, 29% above the December 2011 quarter. Industry data indicates gains in both single-family and multi-family production. This increase in activity in the US housing market follows consistent gains in builder confidence.

Although industry analysts suggest that increased activity in the US housing market is expected to continue relative to the prior year, the company expects an improvement in the US operating environment to occur over a protracted period, and the rate of growth may be constrained due to ongoing tight credit conditions and elevated levels of unemployment in the broader US economy.

In anticipation of a continued recovery in the US housing market, the company expects to incur capital expenditures over the next twelve months to increase production capacity, including at the Fontana, California plant, which is expected to re-open in early calendar year 2014. The Fontana plant is the company's original fibre cement plant in the US and opened in 1989.

Asia Pacific Fibre Cement

According to Australian Bureau of Statistics data, detached housing approvals, on an original basis, for the nine months to 31 December 2012 decreased 3% when compared with the prior corresponding period, reflecting continued weak consumer confidence. For the quarter ended 31 December 2012, detached housing approvals increased 3% when compared to the prior corresponding period.

Sales volume in the Australian business increased in the quarter when measured against the previous corresponding quarter, but decreased in the nine month period.

The lower operating earnings of the Australian business relative to the prior corresponding quarter and nine months reflect a subdued and increasingly competitive operating environment.

For both the quarter and nine months, the New Zealand business' sales volumes increased when compared to the prior corresponding periods. The business is performing well relative to the market and is positioned to take advantage of an upturn in the New Zealand housing market.

The Philippines business also continued to perform well and contributed increased earnings for the quarter and nine months, when compared to previous corresponding periods.

Cash Flow

Net operating cash flow decreased from US\$109.2 million in the corresponding period of the prior year to US\$83.3 million for the nine months. The movement in net operating cash flow was primarily driven by the company's contribution to the Asbestos Injuries Compensation Fund ("AICF") of US\$45.4 million (A\$45.2 million) in July 2012. Additionally, during the nine months, the company made a tax payment of US\$81.3 million in respect of FY2012 which arose from the conclusion of RCI's disputed amended tax assessment with the ATO. Net operating cash flow in the corresponding period of the prior year included the company's contribution to AICF of US\$51.5 million (A\$48.9 million), a tax refund of US\$12.3 million and a payment of withholding taxes of US\$35.5 million, arising from the company's corporate structure simplification as announced on 17 May 2011, of which US\$32.6 million was recognised as an expense in the final quarter of financial year 2011.

Net capital expenditure for the purchase of property, plant and equipment in the nine months increased to US\$41.3 million, from US\$25.2 million in the same period of the prior year. The current year increase in capital expenditures is largely a result of facility upgrades and expansions, as the company is anticipating a continued recovery in the US housing market.

Dividends paid during the nine months increased to US\$166.4 million, reflecting a payment of US38.0 cents per security, compared to nil in the prior corresponding period.

Outlook

The operating environment in the US continues to reflect an increasing number of housing starts and improved house values. According to the National Association of Home Builders ("NAHB"), single-family building permits in calendar year 2012 were up 24%, with multi-family building permits up 53%, relative to the prior calendar year. In addition, industry data indicates that activity in the repair and remodel market for calendar year 2012 is at its highest nominal dollar value since September 2007.

The company expects that the rate of improvement in the US housing market will be commensurate with industry forecasts. In anticipation of the continued US housing market recovery, the company is developing organisational capability and investing in both capacity expansions and market development initiatives.

If the underlying market demand improves as expected, the company anticipates that EBIT over the next twelve months will increase as the growth in sales exceeds spending on organisational initiatives. These gains are expected to result in an EBIT to revenue margin above 20% in the USA and Europe Fibre Cement segment.

In Australia, the operating environment remains subdued and the company does not expect any substantial pick up in demand in the near term. The New Zealand market continues to improve and the Philippines business continues to perform well and is expected to contribute consistent earnings in a stable operating environment.

Full Year Earnings Guidance

Management expects full year earnings excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments to be between US\$136 million and US\$141 million assuming, among other things, housing industry conditions in the United States continue to improve and that an average exchange rate of approximately US\$1.04/A\$1.00 applies for the balance of the year ending 31 March 2013. This full year earnings guidance reflects, on a pre-tax basis, a US\$5.5 million foreign exchange gain and a US\$2.7 million legal cost recovery, as described above.

Management cautions that housing market conditions remain uncertain and some input costs remain volatile. The comparable net operating profit excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments for fiscal year 2012 was US\$142.8 million.

The Company is unable to forecast the comparable U.S. GAAP financial measure due to uncertainty regarding the impact of actuarial estimates on asbestos-related assets and liabilities in future periods.

Dividend and Future Shareholder Returns

As announced on 21 May 2012, the company paid a dividend to shareholders of US38.0 cents per security ("FY2012 second half dividend") on 23 July 2012. The total amount of the FY2012 second half dividend was US\$166.4 million, compared to nil in the prior corresponding period.

As announced on 15 November 2012, the company paid a dividend to shareholders of US5.0 cents per security on 25 January 2013 ("FY2013 first half dividend"). The total amount of the FY2013 first half dividend was US\$22.1 million. During the prior corresponding period, the company paid a dividend ("FY2012 first half dividend") to shareholders of US\$17.4 million, reflecting a payment of US4.0 cents per security.

As also announced on 15 November 2012, the company expects to be in a position to make further distributions to shareholders in the near term as follows:

- (1) subject to share price levels, the company intends to distribute approximately US\$150 million to shareholders under its existing share buyback program, which expires in May 2013;
- (2) for dividends payable in respect of financial year 2014 onwards, the company intends to increase its dividend payout ratio from 20% to 30% of net operating profit (excluding asbestos adjustments) to 30% to 50% of net operating profit (excluding asbestos adjustments); and

(3) if and to the extent that the company does not undertake share buybacks between today and the announcement of FY 2013 results in May 2013, the company will consider an increase of its dividend payout ratio for financial year 2013. In this event, the dividend in respect of the second half of financial year 2013 is anticipated to be approximately US35.0 cents per security, subject to:

- an assessment of the current and expected industry conditions in the group's major markets of the US and Australia;
- an assessment of the group's capital requirements, especially for funding of expansion and growth initiatives;
- global economic conditions and outlook; and
- total net operating profit (excluding asbestos adjustments) for financial year 2013.

Further Information

Readers are referred to the company's Condensed Consolidated Financial Statements and Management's Analysis of Results for the quarter ended 31 December 2012 for additional information regarding the company's results, including information regarding income taxes, the asbestos liability, asset impairments and contingent liabilities.

Changes in the company's asbestos liability (including changes in foreign exchange rates), ASIC proceedings, New Zealand product liability, income tax related issues and other matters referred to in the disclaimer at the end of this document may have a material impact on the company's Condensed Consolidated Financial Statements.

Readers are referred to Notes 14, 7, 9 and 10 of the company's 31 December 2012 Condensed Consolidated Financial Statements for more information regarding the company's asset impairments, asbestos liability, ASIC proceedings, New Zealand product liability and income tax related issues, respectively.

END

Media/Analyst Enquiries:

Sean O' Sullivan
Vice President Investor and Media Relations

Telephone: +61 2 8274 5246
Email: media@jameshardie.com.au

This Media Release forms part of a package of information about the company's results. It should be read in conjunction with the other parts of the package, including Management's Analysis of Results, the Management Presentation and the Condensed Consolidated Financial Statements. These documents, along with an audio webcast of the Management Presentation of 27 February 2013, are available from the Investor Relations area of James Hardie's website at: www.jameshardie.com

The company routinely posts information that may be of importance to investors in the Investor Relations section of its website, including press releases, financial results and other information. The company encourages investors to consult this section of its website regularly.

The company filed its annual report on Form 20-F for the year ended 31 March 2012 with the SEC on 2 July 2012.

All holders of the company's securities may receive, on request, a hard copy of our complete audited consolidated financial statements, free of charge. Requests can be made via the Investor Relations area of the company's website or by contacting one of the company's corporate offices. Contact details are available on the company's website.

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 Softwood 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 before income taxes – is equivalent to the US GAAP measure of income before income taxes.

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

Sales Volume

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, asset impairments, ASIC expenses and New Zealand product liability expenses – EBIT and EBIT margin excluding asbestos, asset impairments, ASIC expenses and New Zealand product liability 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	Q3 FY 2013	Q3 FY 2012	9 Months FY 2013	9 Months FY 2012
EBIT	\$ 32.5	\$ 1.8	\$ 137.8	\$ 162.9
Asbestos:				
Asbestos adjustments	(11.7)	33.5	(14.5)	(15.2)
AICF SG&A expenses	0.5	0.9	1.2	2.3
Asset impairments	5.8	-	5.8	-
ASIC expenses	0.1	0.3	0.5	1.0
New Zealand product liability expenses	7.5	0.3	13.2	1.0
EBIT excluding asbestos, asset impairments, ASIC expenses and New Zealand product liability expenses	34.7	36.8	144.0	152.0
Net sales	\$ 320.4	\$ 283.0	\$ 994.5	\$ 928.2
EBIT margin excluding asbestos, asset impairments, ASIC expenses and New Zealand product liability expenses	10.8%	13.0%	14.5%	16.4%

Net operating profit excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments – Net operating profit excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability 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 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 focussed on the performance of its ongoing operations. Management uses this non-US GAAP measure for the same purposes.

US\$ Millions	Q3 FY 2013	Q3 FY 2012	9 Months FY 2013	9 Months FY 2012
Net operating profit (loss)	\$ 31.5	\$ (4.8)	\$ 115.0	\$ 123.6
Asbestos:				
Asbestos adjustments	(11.7)	33.5	(14.5)	(15.2)
AICF SG&A expenses	0.5	0.9	1.2	2.3
AICF interest income	(3.4)	(0.8)	(5.6)	(2.2)
Tax expense (benefit) related to asbestos	2.5	(0.1)	5.1	(0.1)
Asset impairments	5.8	-	5.8	-
ASIC expenses	0.1	0.3	0.5	1.0
New Zealand product liability expenses	7.5	0.3	13.2	1.0
Tax adjustments	(4.0)	(1.3)	(7.6)	(1.1)
Net operating profit excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments	\$ 28.8	\$ 28.0	\$ 113.1	\$ 109.3

Diluted earnings per share excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments – Diluted earnings per share excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability 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	Q3 FY 2013	Q3 FY 2012	9 Months FY 2013	9 Months FY 2012
Net operating profit excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments	\$ 28.8	\$ 28.0	\$ 113.1	\$ 109.3
Weighted average common shares outstanding - Diluted (millions)	440.3	435.0	439.0	438.4
Diluted earnings per share excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments (US cents)	6.5	6.4	25.8	24.9

Effective tax rate excluding asbestos, asset impairments and tax adjustments – Effective tax rate excluding asbestos, asset impairments 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	Q3 FY 2013	Q3 FY 2012	9 Months FY 2013	9 Months FY 2012
Operating profit before income taxes	\$ 35.1	\$ 1.8	\$ 141.3	\$ 158.7
Asbestos:				
Asbestos adjustments	(11.7)	33.5	(14.5)	(15.2)
AICF SG&A expenses	0.5	0.9	1.2	2.3
AICF interest income	(3.4)	(0.8)	(5.6)	(2.2)
Asset impairments	5.8	-	5.8	-
Operating profit before income taxes excluding asbestos and asset impairments	\$ 26.3	\$ 35.4	\$ 128.2	\$ 143.6
Income tax expense	(3.6)	(6.6)	(26.3)	(35.1)
Asbestos:				
Tax expense (benefit) related to asbestos adjustments	2.5	(0.1)	5.1	(0.1)
Tax adjustments	(4.0)	(1.3)	(7.6)	(1.1)
Income tax expense excluding tax adjustments	(5.1)	(8.0)	(28.8)	(36.3)
Effective tax rate	10.3%	366.7%	18.6%	22.1%
Effective tax rate on earnings excluding asbestos, asset impairments and tax adjustments	19.4%	22.6%	22.5%	25.3%

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	Q3 FY 2013	Q3 FY 2012	9 Months FY 2013	9 Months FY 2012
EBIT	\$ 32.5	\$ 1.8	\$ 137.8	\$ 162.9
Depreciation and amortisation	17.3	17.0	48.0	47.8
Adjusted EBITDA	\$ 49.8	\$ 18.8	\$ 185.8	\$ 210.7

General corporate costs excluding ASIC expenses, intercompany foreign exchange gain and recovery of RCI legal costs – General corporate costs excluding ASIC expenses, intercompany foreign exchange gain and recovery of RCI legal 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 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	Q3 FY 2013	Q3 FY 2012	9 Months FY 2013	9 Months FY 2012
General corporate costs	\$ 8.2	\$ 9.2	\$ 20.3	\$ 27.1
Excluding:				
ASIC expenses	(0.1)	(0.3)	(0.5)	(1.0)
Intercompany foreign exchange gain	-	-	5.5	-
Recovery of RCI legal costs	-	-	2.7	-
General corporate costs excluding ASIC expenses, intercompany foreign exchange gain and recovery of RCI legal costs	\$ 8.1	\$ 8.9	\$ 28.0	\$ 26.1

Selling, general and administrative expenses excluding New Zealand product liability expenses – Selling, general and administrative expenses excluding New Zealand product liability expenses 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	Q3 FY 2013	Q3 FY 2012	9 Months FY 2013	9 Months FY 2012
Selling, general and administrative expenses	\$ 59.7	\$ 48.0	\$ 160.6	\$ 142.1
Excluding:				
New Zealand product liability expenses	(7.5)	(0.3)	(13.2)	(1.0)
Selling, general and administrative expenses excluding New Zealand product liability expenses	\$ 52.2	\$ 47.7	\$ 147.4	\$ 141.1
Net Sales	\$ 320.4	\$ 283.0	\$ 994.5	\$ 928.2
Selling, general and administrative expenses as a percentage of sales	18.6%	17.0%	16.1%	15.3%
Selling, general and administrative expenses excluding New Zealand product liability expenses as a percentage of net sales	16.3%	16.9%	14.8%	15.2%

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Forward-Looking Statements

This Media Release 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 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;
- 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 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 economic or housing recovery, 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.

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 "Risks Factors" in Section 3 of the Form 20-F filed with the Securities and Exchange Commission on 2 July 2012, 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 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 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 favourable 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. The company assumes no obligation to update any forward-looking statements or information except as required by law.



MANAGEMENT'S ANALYSIS OF RESULTS

27 February 2013

James Hardie Industries plc
Results for the 3rd Quarter and Nine Months Ended 31 December 2012

US GAAP - US\$ Millions	Three Months and Nine Months Ended 31 December					
	Q3 FY13	Q3 FY12	% Change	9 Months FY13	9 Months FY12	% Change
Net Sales						
USA and Europe Fibre Cement	\$ 224.5	\$ 192.8	16	\$ 714.6	\$ 641.3	11
Asia Pacific Fibre Cement	95.9	90.2	6	279.9	286.9	(2)
Total Net Sales	\$ 320.4	\$ 283.0	13	\$ 994.5	\$ 928.2	7
Cost of goods sold	(224.2)	(192.4)	(17)	(677.0)	(616.8)	(10)
Gross profit	96.2	90.6	6	317.5	311.4	2
Selling, general and administrative expenses	(59.7)	(48.0)	(24)	(160.6)	(142.1)	(13)
Research & development expenses	(9.9)	(7.3)	(36)	(27.8)	(21.6)	(29)
Asset impairments	(5.8)	-	-	(5.8)	-	-
Asbestos adjustments	11.7	(33.5)	-	14.5	15.2	(5)
EBIT	32.5	1.8	-	137.8	162.9	(15)
Net interest income (expense)	2.1	(1.5)	-	2.3	(3.7)	-
Other income (expense)	0.5	1.5	(67)	1.2	(0.5)	-
Operating profit before income taxes	35.1	1.8	-	141.3	158.7	(11)
Income tax expense	(3.6)	(6.6)	45	(26.3)	(35.1)	25
Net operating profit (loss)	\$ 31.5	\$ (4.8)	-	\$ 115.0	\$ 123.6	(7)
Earnings (loss) per share - diluted (US cents)	7.2	(1.1)	-	26.2	28.2	(7)
Volume (mmsf)						
USA and Europe Fibre Cement	351.1	301.0	17	1,108.7	980.6	13
Asia Pacific Fibre Cement	100.2	94.4	6	297.5	298.2	-
Average net sales price per unit (per msf)						
USA and Europe Fibre Cement	US\$639	US\$641	-	US\$645	US\$654	(1)
Asia Pacific Fibre Cement	A\$922	A\$946	(3)	A\$914	A\$924	(1)

In this Management's Analysis of Results, 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 15. 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 ("EBIT excluding asbestos, asset impairments, ASIC expenses and New Zealand product liability expenses", "EBIT margin excluding asbestos, asset impairments, ASIC expenses and New Zealand product liability expenses", "Net operating profit excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments", "Diluted earnings per share excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments", "Operating profit before income taxes excluding asbestos and asset impairments", "Effective tax rate on earnings excluding asbestos, asset impairments and tax adjustments", "Adjusted EBITDA", "General corporate costs excluding ASIC expenses, intercompany foreign exchange gain and recovery of RCI legal costs" and "Selling, general and administrative expenses excluding New Zealand product liability expenses"). Unless otherwise stated, results and comparisons are of the 3rd quarter and the nine months of the current fiscal year versus the 3rd quarter and the nine months of the prior fiscal year.

Total Net Sales

Total net sales for the quarter increased 13% compared to the prior corresponding quarter from US\$283.0 million to US\$320.4 million. For the nine months, total net sales increased 7% from US\$928.2 million to US\$994.5 million.

For the quarter, net sales were favourably impacted by higher sales volume in both the USA and Europe and Asia Pacific Fibre Cement segments, partially offset by lower average net sales prices, particularly in the Asia Pacific Fibre Cement segment.

For the nine months, revenue was favourably impacted by higher sales volume in the USA and Europe Fibre Cement segment, partially offset by lower average net sales prices in both the USA and Europe and Asia Pacific Fibre Cement segments.

USA and Europe Fibre Cement

Quarter

Net sales increased 16% from US\$192.8 million to US\$224.5 million due to higher sales volume. Sales volume increased 17% from 301.0 million square feet in the prior corresponding quarter to 351.1 million square feet due to increased activity in both single-family and multi-family construction relative to the prior corresponding quarter.

The average net sales price decreased slightly to US\$639 per thousand square feet, compared to US\$641 per thousand square feet in the prior corresponding quarter. The lower average net sales price was primarily a result of increased sales volume in price-sensitive segments of the market, including multi-family and starter homes, and an unfavourable shift in geographic mix, when compared to the prior corresponding quarter.

Nine Months

Net sales increased 11% from US\$641.3 million in the prior corresponding period to US\$714.6 million due to higher sales volume, partially offset by a lower average net sales price. Sales volume increased 13% from 980.6 million square feet to 1,108.7 million square feet, due to higher demand for the company's products, reflecting increased activity in the US housing market, when compared with the prior corresponding period.

The average net sales price decreased 1% from US\$654 per thousand square feet to US\$645 per thousand square feet. The lower average net sales price during the nine months was consistent with the decrease during the quarter, as discussed above.

Discussion

For the quarter, USA and Europe Fibre Cement EBIT decreased from US\$31.0 million in the prior corresponding quarter to US\$24.6 million. For the nine months, USA and Europe Fibre Cement EBIT decreased from US\$126.3 million in the prior corresponding period to US\$118.9 million.

For both the quarter and the nine months, EBIT was impacted by a lower average net sales price, higher fixed manufacturing costs, an unfavourable shift in product mix, higher organisational costs to increase capability in anticipation of an improved operating environment in the US housing market and asset impairment charges at the Waxahachie and Fontana plants. These unfavourable movements were partially offset by higher sales volume and lower input costs (primarily pulp and freight) compared to the prior corresponding periods.

For the quarter, USA and Europe Fibre Cement EBIT excluding asset impairment charges decreased 2% from US\$31.0 million in the prior corresponding quarter to US\$30.4 million. For the nine months, USA and Europe Fibre Cement EBIT excluding asset impairment charges decreased 1% from US\$126.3 million in the prior corresponding period to US\$124.7 million.

At US\$863 per ton, the average Northern Bleached Softwood Kraft (NBSK) pulp price in the quarter was 6% lower than in the equivalent quarter of last year and, at US\$872 per ton, the average NBSK pulp price in the nine months was 11% lower than the previous corresponding period.

According to the US Census Bureau, single family housing starts, which are one of the key drivers of the company's performance, were 128,800 in the December 2012 quarter, 29% above the December 2011 quarter. Industry data indicates gains in both single-family and multi-family production. This increase in activity in the US housing market follows consistent gains in builder confidence.

Although industry analysts suggest that increased activity in the US housing market is expected to continue relative to the prior year, the company expects an improvement in the US operating environment to occur over a protracted period, and the rate of growth may be constrained due to ongoing tight credit conditions and elevated levels of unemployment in the broader US economy.

In anticipation of a continued recovery in the US housing market, the company expects to incur capital expenditures over the next twelve months to increase production capacity.

Asia Pacific Fibre Cement

Quarter

Net sales increased 6% to US\$95.9 million compared with US\$90.2 million in the prior corresponding quarter. Appreciation of Asia Pacific business currencies compared to the US dollar led to a 2% increase in US dollar net sales. In Australian dollars, net sales increased 4% due to an increase in sales volume, partially offset by a decrease in the average net sales price compared to the prior corresponding quarter.

Nine Months

Net sales decreased 2% to US\$279.9 million compared with US\$286.9 million in the prior corresponding period. Depreciation of Asia Pacific business currencies compared to the US dollar led to a 1% decrease in US dollar net sales. In Australian dollars, net sales decreased 1% primarily due to a 1% decrease in the average net sales price and a slight reduction in sales volume.

Discussion

According to Australian Bureau of Statistics data, detached housing approvals, on an original basis, for the nine months to 31 December 2012 decreased 3% when compared with the prior corresponding period, reflecting continued weak consumer confidence. For the quarter ended 31 December 2012, detached housing approvals increased 3% when compared to the prior corresponding period.

Sales volume in the Australian business increased in the quarter when measured against the previous corresponding quarter, but decreased in the nine month period. The lower operating earnings of the Australian business relative to the prior corresponding quarter and nine months reflect a subdued and increasingly competitive operating environment.

For both the quarter and nine months, the New Zealand business' sales volumes increased when compared to the prior corresponding periods. The business is performing well relative to market and is strongly positioned to take advantage of improving market demand.

The Philippines business continued to perform well and contributed consistent earnings for the quarter and nine months, when compared to previous corresponding periods.

Gross Profit

Quarter

Gross profit for the quarter increased 6% from US\$90.6 million to US\$96.2 million. The gross profit margin decreased 2.0 percentage points from 32.0% to 30.0%.

USA and Europe Fibre Cement gross profit increased 8% and gross margin decreased 2.2 percentage points compared to the prior corresponding quarter. Gross margin was unfavourably impacted by 1.7 percentage points due to an increase in fixed manufacturing costs, 0.8 percentage points due to lower average net sales price and 0.8 percentage points due to an unfavourable shift in product mix, partially offset by 1.1 percentage points due to lower input costs (primarily pulp and freight).

Asia Pacific Fibre Cement gross profit increased 2% and gross margin decreased 1.3 percentage points compared to the prior corresponding quarter. Gross margin was unfavourably impacted by 2.2 percentage points due to lower average net sales price, 1.8 percentage points due to higher manufacturing costs and 0.7 percentage points due to an unfavourable shift in product mix, partially offset by 2.0 percentage points due to lower input costs (primarily pulp), 0.9 percentage points due to a favourable shift in geographic mix, 0.3 percentage points due to an increase in sales volume and 0.2 percentage points due to favourable foreign currency movements.

Nine Months

Gross profit for the nine months increased 2% to US\$317.5 million, compared to US\$311.4 million in the prior corresponding period. Gross profit margin decreased 1.6 percentage points from 33.5% to 31.9%.

USA and Europe Fibre Cement gross profit increased 4% and gross margin decreased 1.6 percentage points, compared to the same period last year. Gross margin was unfavourably impacted by 2.0 percentage points due to lower average net sales price, 1.1 percentage points due to an increase in fixed manufacturing costs and 0.2 percentage points due to a favourable shift in product mix, partially offset by 1.7 percentage points due to lower input costs (primarily pulp and freight).

Asia Pacific Fibre Cement gross profit decreased 7% compared to the same period last year and gross margin decreased 1.7 percentage points. Gross margin was unfavourably impacted by 2.2 percentage points due to higher manufacturing costs, 0.7 percentage points due to an unfavourable shift in product mix and 0.7 percentage points due to lower average net sales price, partially offset by 1.4 percentage points due to lower input costs (primarily pulp and freight) and 0.5 percentage points due to a favourable shift in geographic mix.

Selling, General and Administrative (SG&A) Expenses

Quarter

SG&A expenses increased 24% from US\$48.0 million in the prior corresponding quarter to US\$59.7 million. SG&A expenses for the quarter were adversely impacted by an increase of US\$7.5 million in an accounting provision for certain legacy product liability claims in New Zealand that now have reduced access to recoveries from third parties to cover a portion of the costs incurred to resolve these claims. These legacy claims relate to buildings that were primarily constructed during calendar years 1998-2004.

SG&A expenses for the quarter were also unfavourably impacted by higher organisational costs, including employment and marketing expenses, relative to the prior corresponding quarter, to strengthen the organisation in anticipation of higher activity levels, specifically in the USA & Europe Fibre Cement segment. As a percentage of sales, SG&A expenses increased from 17.0% to 18.6% when compared to the prior corresponding quarter.

As a percentage of sales, SG&A expenses excluding legacy New Zealand product liability expenses decreased from 16.9% to 16.3% when compared to the prior corresponding quarter.

SG&A expenses for the quarter included non-claims handling related operating expenses of Asbestos Injuries Compensation Fund ("AICF") of US\$0.5 million compared to US\$0.9 million in the prior corresponding quarter.

Readers are referred to Note 9 of the company's 31 December 2012 Condensed Consolidated Financial Statements, for further information on New Zealand product liability expenses.

Nine Months

SG&A expenses increased 13%, from US\$142.1 million in the prior corresponding period to US\$160.6 million. SG&A expenses for the nine months were adversely impacted by an increase of US\$13.2 million due to movements in accounting provisions for certain legacy product liability claims in New Zealand, as discussed above. SG&A expenses for the nine months were also unfavourably impacted by funding initiatives to strengthen the organisation in anticipation of higher activity levels in the US housing industry, partially offset by lower general corporate costs (described below). SG&A expenses for the nine months were favourably impacted by a US\$5.5 million foreign exchange gain and a recovery of US\$2.7 million (A\$2.6 million) for legal costs associated with the conclusion of RCI Pty Ltd's ("RCI") disputed amended tax assessment with the Australian Tax Office ("ATO"). As a percentage of sales, SG&A expenses increased 0.8 percentage points to 16.1%. As a percentage of sales, SG&A expenses excluding legacy New Zealand product liability expenses decreased from 15.2% to 14.8% when compared to the prior corresponding period.

SG&A expenses for the nine months included non-claims handling related operating expenses of AICF of US\$1.2 million, compared to US\$2.3 million in the prior corresponding period.

Readers are referred to Note 9 of the company's 31 December 2012 Condensed Consolidated Financial Statements for further information on New Zealand product liability expenses.

Research and Development Expenses

Research and development expenses include costs associated with research projects that are designed to benefit all business units. These costs are recorded in the Research and Development ("R&D") segment rather than attributed to individual business units. These costs were 43% higher for the quarter at US\$6.3 million, compared to US\$4.4 million in the corresponding quarter of the prior year and 30% higher for the nine months at US\$17.6 million compared to US\$13.5 million in the prior corresponding period.

Other R&D costs associated with commercialisation projects in business units are included in the business unit segment results. In total, these costs were 24% higher for the quarter at US\$3.6 million compared to US\$2.9 million in the prior corresponding quarter and 26% higher for the nine months at US\$10.2 million, compared to US\$8.1 million in the prior corresponding periods.

The increase in R&D costs during the quarter and nine months ended are a result of the company's continued investment in core R&D projects within the USA and Europe and Asia Pacific Fibre Cement segments. In addition, R&D headcount increased as the company opened a new R&D facility in Chicago during the third quarter.

Asset Impairments

During the three and nine months ended 31 December 2012, the company recorded asset impairment charges of US\$5.8 million related to redundant machinery and equipment that was no longer able to be utilised to manufacture products at the company's Waxahachie and Fontana plants.

The asset impairment charges were recorded in the USA and Europe Fibre Cement segment. The impaired assets were reduced to a net book value of nil, which was the estimated fair value based on a discounted cash flow analysis that considered, to the extent practicable, a market participant's expectations and assumptions and the impaired assets' highest and best use. The impaired assets are in the process of being replaced by plant and equipment with enhanced capability in order to increase production capacity in anticipation of a further recovery in the US housing market.

Asbestos Adjustments

The company's asbestos adjustments are derived from an estimate of future Australian asbestos-related liabilities in accordance with the Amended and Restated Final Funding Agreement ("AFFA").

The asbestos-related assets and liabilities are denominated in Australian dollars. Therefore, the reported value of these asbestos-related assets and liabilities in the company's Condensed Consolidated Balance Sheet in US dollars is subject to adjustment, with a corresponding effect on the company's Condensed Consolidated Statement of Operations, depending on the closing exchange rate between the two currencies at the balance sheet date.

For the quarter ended 31 December 2012, the Australian dollar spot rate depreciated against the US dollar by 1%, compared to a 4% appreciation during the corresponding period of last year. For the nine months, the Australian dollar spot rate depreciated against the US dollar by 1%, compared to a 2% depreciation during the corresponding period of last year.

Asbestos adjustments resulting from the effect of foreign exchange movements were favourable adjustments of US\$6.1 million and US\$2.6 million during the quarter and nine months ended 31 December 2012, respectively. The company recognised unfavourable adjustments of US\$33.5 million and favourable adjustments of US\$15.2 million in the prior corresponding quarter and nine month period, respectively. Asbestos adjustments in the three and nine months ended 31 December 2012 were also favourably impacted by US\$5.6 million and US\$11.9 million, respectively, due to insurance recoveries that were previously deemed uncollectible. There were no such adjustments in the prior corresponding quarter and nine month period.

Claims Data

For the quarter ended 31 December 2012, and 2011, the number of new claims reported was 125 and 115, respectively. During the nine months ended 31 December 2012 and 2011, new claims of 401 and 343 were reported, respectively. Current year claims of 401 are above actuarial expectations of 378 new claims for the nine months ended 31 December 2012.

There were 132 and 99 claims settled for the quarter ended 31 December 2012 and 2011, respectively. During the nine months ended 31 December 2012 and 2011, 416 and 328 claims were settled, respectively. Current year claims settled of 416 are above actuarial expectations of 378 claims settled for the nine months ended 31 December 2012.

The average claim settlement of A\$245,000 for the nine months ended 31 December 2012 was A\$38,000 higher than the average claim settlement in the prior corresponding period. The increase in average claims settled is largely attributable to mesothelioma claims, which represented a larger proportion of total claims than in the prior corresponding period, and are more costly to settle. However, average claim sizes for mesothelioma were slightly below actuarial expectations for the period, with the average cost of settling other claims being slightly higher than actuarial expectations for the period.

Asbestos claims paid totalled A\$30.9 million and A\$98.0 million for the quarter and nine months ended 31 December 2012, respectively, compared to A\$22.4 million and A\$73.9 million during the same periods last year. Asbestos claims paid during the quarter of A\$30.9 million were relatively consistent with the actuarial expectation of A\$30.6 million. The higher than expected claims paid of A\$98.0 million during the nine months was due to a higher number of claims settled, which included a higher proportion of mesothelioma settlements, compared to the prior corresponding period.

All figures provided in this Claims Data section are gross of insurance and other recoveries. Readers are referred to Note 7 of the company's 31 December 2012 Condensed Consolidated Financial Statements for further information on asbestos adjustments.

AICF Loan Facility

On 17 February 2012, AICF made an initial drawdown of A\$29.7 million (being US\$32.0 million translated at the prevailing spot exchange rate at 17 February 2012) under the secured standby loan facility and related agreements (the "Facility") with the State of New South Wales, Australia. The initial drawing is reflected on the condensed consolidated balance sheet within *Current portion of long-term debt – Asbestos* at 31 March 2012.

On 2 April 2012, the company made an early contribution of US\$138.7 million (A\$132.3 million) to AICF, which enabled AICF to fully repay all amounts outstanding under the Facility on 3 April 2012. On 2 July 2012, the company made an additional contribution of US\$45.4 million (A\$45.2 million) to AICF. Total contributions for the nine months ended 31 December 2012 were US\$184.1 million (A\$177.5 million).

Readers are referred to Note 7 of the company's 31 December 2012 Condensed Consolidated Financial Statements for further information on the AICF loan facility.

EBIT

EBIT for the quarter increased from US\$1.8 million in the prior corresponding quarter to US\$32.5 million. EBIT for the quarter included favourable asbestos adjustments of US\$11.7 million, AICF SG&A expenses of US\$0.5 million, asset impairments of US\$5.8 million, Australian Securities and Investments Commission ("ASIC") expenses of US\$0.1 million and New Zealand product liability expenses of US\$7.5 million. For the corresponding quarter of the prior year, EBIT included unfavourable asbestos adjustments of US\$33.5 million, AICF SG&A expenses of US\$0.9 million, ASIC expenses of US\$0.3 million and New Zealand product liability expenses of US\$0.3 million, as shown in the table below.

EBIT for the nine months decreased to US\$137.8 million, compared to US\$162.9 million in the prior corresponding period. EBIT for the nine months included favourable asbestos adjustments of US\$14.5 million, AICF SG&A expenses of US\$1.2 million, asset impairments of US\$5.8 million, ASIC expenses of US\$0.5 million and New Zealand product liability expenses of US\$13.2 million. For the corresponding period of the prior year, EBIT included favourable asbestos adjustments of US\$15.2 million, AICF SG&A expenses of US\$2.3 million, ASIC expenses of US\$1.0 million and New Zealand product liability expenses of US\$1.0 million, as shown in the table below.

EBIT - US\$ Millions

	Three Months and Nine Months Ended 31 December					
	Q3 FY13	Q3 FY12	% Change	9 Months FY13	9 Months FY12	% Change
USA and Europe Fibre Cement	\$ 30.4	\$ 31.0	(2)	\$ 124.7	\$ 126.3	(1)
Asia Pacific Fibre Cement	19.2	19.7	(3)	58.2	67.0	(13)
Research & Development	(6.8)	(5.0)	(36)	(19.1)	(15.2)	(26)
Asset impairments	(5.8)	-	-	(5.8)	-	-
New Zealand product liability expenses	(7.5)	(0.3)	-	(13.2)	(1.0)	-
General Corporate:						
General corporate costs	(8.2)	(9.2)	11	(20.3)	(27.1)	25
Asbestos adjustments	11.7	(33.5)	-	14.5	15.2	(5)
AICF SG&A expenses	(0.5)	(0.9)	44	(1.2)	(2.3)	48
EBIT	32.5	1.8	-	137.8	162.9	(15)
Excluding:						
Asbestos:						
Asbestos adjustments	(11.7)	33.5	-	(14.5)	(15.2)	5
AICF SG&A expenses	0.5	0.9	(44)	1.2	2.3	(48)
Asset impairments	5.8	-	-	5.8	-	-
ASIC expenses	0.1	0.3	(67)	0.5	1.0	(50)
New Zealand product liability expenses	7.5	0.3	-	13.2	1.0	-
EBIT excluding asbestos, asset impairments, ASIC expenses and New Zealand product liability expenses	\$ 34.7	\$ 36.8	(6)	\$ 144.0	\$ 152.0	(5)
Net sales	\$ 320.4	\$ 283.0	13	\$ 994.5	\$ 928.2	7
EBIT margin excluding asbestos, asset impairments, ASIC expenses and New Zealand product liability expenses	10.8%	13.0%		14.5%	16.4%	

USA and Europe Fibre Cement EBIT

USA and Europe Fibre Cement EBIT excluding asset impairment charges for the quarter decreased 2% from US\$31.0 million of the prior corresponding quarter to US\$30.4 million.

For the nine months, USA and Europe Fibre Cement EBIT excluding asset impairment charges decreased 1% from US\$126.3 million of the prior corresponding period to US\$124.7 million.

The decrease in EBIT for the quarter and nine months was primarily driven by lower average net sales price, an unfavourable shift in product mix, higher fixed manufacturing costs, higher organisational costs in anticipation of higher activity levels and asset impairment charges, as discussed above. These decreases were partially offset by increased sales volume and lower input costs (primarily pulp and freight).

For the quarter, the EBIT margin excluding asset impairment charges was 2.6 percentage points lower at 13.5%. For the nine months, the EBIT margin excluding asset impairment charges was 2.2 percentage points lower at 17.5%.

Asia Pacific Fibre Cement EBIT

Asia Pacific Fibre Cement EBIT excluding New Zealand product liability expenses for the quarter decreased 3% from US\$19.7 million to US\$19.2 million compared to the corresponding quarter of the prior year. In Australian dollars, Asia Pacific Fibre Cement EBIT for the quarter decreased 5%, due to a lower average net sales price and higher fixed manufacturing costs, partially offset by an increase in sales volume and lower input costs (primarily pulp). The Asia Pacific Fibre Cement EBIT margin excluding New Zealand product liability expenses was 1.8 percentage points lower at 20.0%.

For the nine months, Asia Pacific Fibre Cement EBIT excluding New Zealand product liability expenses decreased 13% from US\$67.0 million to US\$58.2 million, of which 2% was attributable to the depreciation of Asia Pacific business' currencies compared to the US dollar.

In Australian dollars, Asia Pacific Fibre Cement EBIT decreased 11% compared to the prior corresponding period, due to higher fixed manufacturing costs and an unfavourable shift in product mix, partially offset by lower input costs (primarily pulp and freight). The EBIT margin excluding New Zealand product liability expenses was 2.6 percentage points lower at 20.8%.

General Corporate Costs

General corporate costs for the quarter decreased to US\$8.2 million, compared to US\$9.2 million in the prior corresponding quarter. General corporate costs for the quarter included ASIC expenses of US\$0.1 million. Excluding ASIC expenses, general corporate costs decreased to US\$8.1 million from US\$8.9 million in the prior corresponding quarter.

For the nine months, general corporate costs decreased to US\$20.3 million, compared to US\$27.1 million in the prior corresponding period. General corporate costs for the nine months included ASIC expenses of US\$0.5 million and were favourably impacted by a recovery of legal costs of US\$2.7 million and a foreign exchange gain of US\$5.5 million following the conclusion of RCI's disputed amended tax assessment with the ATO. Excluding ASIC expenses, the recovery of legal costs and foreign exchange gain, general corporate costs for the nine months increased from US\$26.1 million to US\$28.0 million.

Net Interest Income (Expense)

Net interest income (expense) moved from net interest expense of US\$1.5 million in the prior corresponding quarter to net interest income of US\$2.1 million in the third quarter. Net interest expense for the quarter included AICF interest income of US\$3.4 million and other interest income of US\$0.1 million, partially offset by interest and borrowing costs relating to the company's external credit facilities of US\$0.9 million and a realised loss of US\$0.5 million on interest rate swaps. Net interest expense for the quarter ended 31 December 2011 included interest and borrowing costs relating to the company's external credit facilities of US\$0.9 million and a realised loss of US\$1.4 million on interest rate swaps, partially offset by AICF interest income of US\$0.8 million.

For the nine months, net interest income moved from an expense of US\$3.7 million in the prior corresponding period to net interest income of US\$2.3 million. Net interest income for the nine months included AICF interest income of US\$5.6 million and other interest income of US\$0.7 million, partially offset by interest and borrowing costs relating to the company's external credit facilities of US\$2.5 million and a realised loss of US\$1.5 million on interest rate swaps. Net interest expense for the nine months ended 31 December 2011 included interest and borrowing costs relating to the company's external credit facilities of US\$2.9 million and a realised loss of US\$3.2 million on interest rate swaps, partially offset by AICF interest income of US\$2.2 million and other interest income of US\$0.2 million.

Other Income (Expense)

Other income which relates solely to changes in the fair value of interest rate swap contracts, decreased to US\$0.5 million compared to US\$1.5 million in the corresponding quarter of the prior year.

For the nine months, other income (expense) moved from an expense of US\$0.5 million in the prior corresponding period to income of US\$1.2 million in the current year. This change is due solely to decreases in the fair value of interest rate swap contracts which were favourably impacted by an increase in medium-term US dollar interest rates in the nine months.

Income Tax

Income Tax Expense

Income tax expense for the quarter decreased from US\$6.6 million to US\$3.6 million and from US\$35.1 million to US\$26.3 million for the nine months, as further explained below.

The company's U.S. GAAP effective tax rate on earnings for the quarter and nine months is not meaningful, as it was impacted by favourable asbestos adjustments of US\$11.7 million and US\$14.5 million, respectively, compared to unfavourable asbestos adjustments and favourable asbestos adjustments of US\$33.5 million and US\$15.2 million in the prior corresponding quarter and nine month period, respectively. The US GAAP effective tax rate for the quarter and nine months was also impacted by asset impairment charges of US\$5.8 million, compared to nil in the prior corresponding quarter and nine month period.

The company's effective tax rate on earnings excluding asbestos, asset impairments and tax adjustments was 19.4% for the quarter, compared to 22.6% for the prior corresponding quarter, and 22.5% for the nine months, compared to 25.3% for the prior corresponding period. The decrease in the effective tax rate on earnings excluding asbestos, asset impairments and tax adjustments relative to the prior corresponding quarter and nine months is due to a lower proportion of taxable earnings in jurisdictions with higher statutory income tax rates. The company's geographic mix of earnings and expenses during the quarter was also favourably affected by fluctuations in foreign currency exchange rates of the US dollar to currencies of relevant local jurisdictions. During the nine months, the company's geographic mix of earnings and expenses was unfavourably affected by the weaker US dollar compared to currencies of relevant local jurisdictions.

Tax Adjustments

The company recorded net favourable tax adjustments of US\$4.0 million and US\$7.6 million for the quarter and nine months, respectively, compared to net favourable tax adjustments of US\$1.3 million and US\$1.1 million for the quarter and nine months of the prior year.

Tax adjustments for the current and corresponding quarter and nine months consist of adjustments in the value of provisions for uncertain tax positions and net tax benefits that the company anticipates will eventually become unavailable. Tax adjustments for the quarter and nine months were also impacted by asset impairment charges, as discussed above.

Net Operating Profit (Loss)

Net operating profit for the quarter was US\$31.5 million, compared to a loss of US\$4.8 million for the corresponding quarter of the prior year. Net operating profit excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments increased from US\$28.0 million to US\$28.8 million, as shown in the table below.

For the nine months, net operating profit was US\$115.0 million, compared to US\$123.6 million for the corresponding period of the prior year. Net operating profit reflects, on a pre-tax basis, a US\$5.5 million foreign exchange gain and a US\$2.7 million legal cost recovery from the ATO, as discussed above. Net operating profit excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments increased to US\$113.1 million from US\$109.3 million in the prior corresponding nine months, as shown in the table below.

Net Operating Profit - US\$ millions

	Three Months and Nine Months Ended 31 December					
	Q3 FY13	Q3 FY12	% Change	9 Months FY13	9 Months FY12	% Change
Net operating profit (loss)	\$ 31.5	\$ (4.8)	-	\$ 115.0	\$ 123.6	(7)
Excluding:						
Asbestos:						
Asbestos adjustments	(11.7)	33.5	-	(14.5)	(15.2)	5
AICF SG&A expenses	0.5	0.9	(44)	1.2	2.3	(48)
AICF interest income	(3.4)	(0.8)	-	(5.6)	(2.2)	-
Tax expense (benefit) related to asbestos adjustments	2.5	(0.1)	-	5.1	(0.1)	-
Asset impairments	5.8	-	-	5.8	-	-
ASIC expenses	0.1	0.3	(67)	0.5	1.0	(50)
New Zealand product liability expenses	7.5	0.3	-	13.2	1.0	-
Tax adjustments	(4.0)	(1.3)	-	(7.6)	(1.1)	-
Net operating profit excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments	\$ 28.8	\$ 28.0	3	\$ 113.1	\$ 109.3	3
Diluted earnings per share excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments (US cents)	6.5	6.4	2	25.8	24.9	4

Cash Flow

Net operating cash flow decreased from US\$109.2 million in the corresponding period of the prior year to US\$83.3 million for the nine months. The movement in net operating cash flow was primarily driven by the company's contribution to AICF of US\$45.4 million (A\$45.2 million) in July 2012. Additionally, during the nine months, the company made a tax payment of US\$81.3 million in respect of FY2012 which arose from the conclusion of RCI's disputed amended tax assessment with the ATO. Net operating cash flow in the corresponding period of the prior year included the company's contribution to AICF of US\$51.5 million (A\$48.9 million), a tax refund of US\$12.3 million and a payment of withholding taxes of US\$35.5 million, arising from the company's corporate structure simplification as announced on 17 May 2011, of which US\$32.6 million was recognised as an expense in the final quarter of financial year 2011.

Net capital expenditure for the purchase of property, plant and equipment in the nine months increased to US\$41.3 million, from US\$25.2 million in the same period of the prior year. The current year increase in capital expenditures is largely a result of facility upgrades and expansions as the company is anticipating a continued recovery in the US housing market.

Dividends paid during the nine months increased to US\$166.4 million, reflecting a payment of US38.0 cents per security, compared to nil in the prior corresponding period.

Dividend and Future Shareholder Returns

As announced on 21 May 2012, the company paid a dividend to shareholders of US38.0 cents per security ("FY2012 second half dividend") on 23 July 2012. The total amount of the FY2012 second half dividend was US\$166.4 million, compared to nil in the prior corresponding period.

As announced on 15 November 2012, the company paid a dividend to shareholders of US5.0 cents per security on 25 January 2013 ("FY2013 first half dividend"). The total amount of the FY2013 first half dividend was US\$22.1 million. During the prior corresponding period, the company paid a dividend ("FY2012 first half dividend") to shareholders of US\$17.4 million, reflecting a payment of US4.0 cents per security.

As also announced on 15 November 2012, the company expects to be in a position to make further distributions to shareholders in the near term as follows:

- (1) subject to share price levels, the company intends to distribute approximately US\$150 million to shareholders under its existing share buyback program, which expires in May 2013;
- (2) for dividends payable in respect of financial year 2014 onwards, the company intends to increase its dividend payout ratio from 20% to 30% of net operating profit (excluding asbestos adjustments) to 30% to 50% of net operating profit (excluding asbestos adjustments); and
- (3) if and to the extent that the company does not undertake share buybacks between today and the announcement of FY 2013 results in May 2013, the company will consider an increase of its dividend payout ratio for financial year 2013. In this event, the dividend in respect of the second half of financial year 2013 is anticipated to be approximately US35.0 cents per security, subject to:
 - an assessment of the current and expected industry conditions in the group’s major markets of the US and Australia;
 - an assessment of the group’s capital requirements, especially for funding of expansion and growth initiatives;
 - global economic conditions and outlook; and
 - total net operating profit (excluding asbestos adjustments) for financial year 2013.

Liquidity and Capital Resources

Excluding the AICF loan facility (which James Hardie is not a party to, guarantor of or security provider for), the company’s net cash position decreased from US\$265.4 million at 31 March 2012 to US\$159.5 million at 31 December 2012. During the nine months, the company’s net cash position was impacted by a dividend payment of US\$166.4 million, a contribution to AICF of US\$45.4 million (A\$45.2 million) and a tax payment of US\$81.3 million on interest received from the ATO in the fourth quarter of the prior financial year.

On 25 January 2013, the company paid a dividend to shareholders of US5.0 cents per security. The total amount of the FY2013 first half dividend was US\$22.1 million.

At 31 December 2012, the company had credit facilities totalling US\$280.0 million, of which none were drawn. The credit facilities are all uncollateralised and consist of the following:

Description	Effective Interest Rate	Total Facility	Principal Drawn
(US\$ millions)			
Term facilities, can be drawn in US\$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until February 2013	-	50.0	-
Term facilities, can be drawn in US\$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until March 2013	-	180.0	-
Term facilities, can be drawn in US\$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until February 2014	-	50.0	-
Total		\$ 280.0	\$ -

The company draws on and repays amounts available under its term facilities throughout the financial year. During the nine months, the company drew down US\$50.0 million and repaid US\$50.0 million of its term facilities. The weighted average remaining term of the total credit facilities at 31 December 2012 was 0.4 years.

During the nine months ended 31 December 2012, the maturity date for US\$50.0 million of the company's term facilities was extended from 30 September 2012 to 31 March 2013 and US\$130.0 million of the company's term facilities was extended from 21 December 2012 to 31 March 2013.

The company intends to refinance its existing credit facilities during the fourth quarter of financial year 2013. If the company is unable to refinance or extend its existing credit facilities on terms that are substantially similar to the ones it presently has, it may experience liquidity issues and may have to reduce its levels of planned capital expenditures, suspend share buy-back activities or dividend payments, or take other measures to conserve cash in order to meet its future cash flow requirements.

The company has historically met its working capital needs and capital expenditure requirements from a combination of cash flow from operations, credit facilities and other borrowings. Seasonal fluctuations in working capital generally have not had a significant impact on its short-term or long-term liquidity.

The company expects to expand production capacity in anticipation of an improving operating environment and announced today that it expects to incur capital expenditures to increase production capacity at its Fontana plant. In addition, the company is assessing its existing production capacity in Australia and anticipates additional capital expenditures to address production capacity needs in the medium term. The company anticipates it will have sufficient funds to meet its planned working capital and other expected cash requirements for the next twelve months based on its existing cash balances and anticipated operating cash flows arising during the year. The company anticipates that any additional cash requirements will be met from existing cash balances, unutilised committed credit facilities and anticipated future net operating cash flow.

Asbestos Compensation

On 2 April 2012, the company made an advance payment of US\$138.7 million (A\$132.3 million) to AICF, approximately three months earlier than this amount would ordinarily be contributed. This early contribution was made in accordance with arrangements agreed with the NSW Government and AICF and represents 35% of amounts received from the ATO by RCI, a wholly-owned subsidiary of the company. The company made a further contribution of approximately US\$45.4 million (A\$45.2 million) to AICF on 2 July 2012. Total contributions of US\$184.1 million (A\$177.5 million) in fiscal year 2013 represented 35% of the company's free cash flow for financial year 2012, as defined by the AFFA.

From the time AICF was established in February 2007 through December 2012, the company has contributed A\$599.2 million to the fund.

END

Media/Analyst Enquiries:

Sean O' Sullivan
Vice President Investor and Media Relations

Telephone: +61 2 8274 5246

Email: media@jameshardie.com.au

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

These documents, along with an audio webcast of the Management Presentation of 27 February 2013, are available from the Investor Relations area of the company's website at www.jameshardie.com

The company routinely posts information that may be of importance to investors in the Investor Relations section of its website, including press releases, financial results and other information. The company encourages investors to consult this section of its website regularly.

The company filed its annual report on Form 20-F for the year ended 31 March 2012 with the SEC on 2 July 2012.

All holders of the company's securities may receive, on request, a hard copy of our complete audited consolidated financial statements, free of charge. Requests can be made via the Investor Relations area of the company's website or by contacting one of the company's corporate offices. Contact details are available on the company's website.

For personal use only

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 Softwood 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 before income taxes – is equivalent to the US GAAP measure of income before income taxes.

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

Sales Volume

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, asset impairments, ASIC expenses and New Zealand product liability expenses – EBIT and EBIT margin excluding asbestos, asset impairments, ASIC expenses and New Zealand product liability 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	Q3 FY 2013	Q3 FY 2012	9 Months FY 2013	9 Months FY 2012
EBIT	\$ 32.5	\$ 1.8	\$ 137.8	\$ 162.9
Asbestos:				
Asbestos adjustments	(11.7)	33.5	(14.5)	(15.2)
AICF SG&A expenses	0.5	0.9	1.2	2.3
Asset impairments	5.8	-	5.8	-
ASIC expenses	0.1	0.3	0.5	1.0
New Zealand product liability expenses	7.5	0.3	13.2	1.0
EBIT excluding asbestos, asset impairments, ASIC expenses and New Zealand product liability expenses	34.7	36.8	144.0	152.0
Net sales	\$ 320.4	\$ 283.0	\$ 994.5	\$ 928.2
EBIT margin excluding asbestos, asset impairments, ASIC expenses and New Zealand product liability expenses	10.8%	13.0%	14.5%	16.4%

Net operating profit excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments – Net operating profit excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability 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 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 focussed on the performance of its ongoing operations. Management uses this non-US GAAP measure for the same purposes.

US\$ Millions	Q3 FY 2013	Q3 FY 2012	9 Months FY 2013	9 Months FY 2012
Net operating profit (loss)	\$ 31.5	\$ (4.8)	\$ 115.0	\$ 123.6
Asbestos:				
Asbestos adjustments	(11.7)	33.5	(14.5)	(15.2)
AICF SG&A expenses	0.5	0.9	1.2	2.3
AICF interest income	(3.4)	(0.8)	(5.6)	(2.2)
Tax expense (benefit) related to asbestos	2.5	(0.1)	5.1	(0.1)
Asset impairments	5.8	-	5.8	-
ASIC expenses	0.1	0.3	0.5	1.0
New Zealand product liability expenses	7.5	0.3	13.2	1.0
Tax adjustments	(4.0)	(1.3)	(7.6)	(1.1)
Net operating profit excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments	\$ 28.8	\$ 28.0	\$ 113.1	\$ 109.3

Diluted earnings per share excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments – Diluted earnings per share excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability 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	Q3 FY 2013	Q3 FY 2012	9 Months FY 2013	9 Months FY 2012
Net operating profit excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments	\$ 28.8	\$ 28.0	\$ 113.1	\$ 109.3
Weighted average common shares outstanding - Diluted (millions)	440.3	435.0	439.0	438.4
Diluted earnings per share excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments (US cents)	6.5	6.4	25.8	24.9

Effective tax rate on earnings excluding asbestos, asset impairments and tax adjustments – Effective tax rate on earnings excluding asbestos, asset impairments 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	Q3 FY 2013	Q3 FY 2012	9 Months FY 2013	9 Months FY 2012
Operating profit before income taxes	\$ 35.1	\$ 1.8	\$ 141.3	\$ 158.7
Asbestos:				
Asbestos adjustments	(11.7)	33.5	(14.5)	(15.2)
AICF SG&A expenses	0.5	0.9	1.2	2.3
AICF interest income	(3.4)	(0.8)	(5.6)	(2.2)
Asset impairments	5.8	-	5.8	-
Operating profit before income taxes excluding asbestos and asset impairments	\$ 26.3	\$ 35.4	\$ 128.2	\$ 143.6
Income tax expense	(3.6)	(6.6)	(26.3)	(35.1)
Asbestos:				
Tax expense (benefit) related to asbestos adjustments	2.5	(0.1)	5.1	(0.1)
Tax adjustments	(4.0)	(1.3)	(7.6)	(1.1)
Income tax expense excluding tax adjustments	(5.1)	(8.0)	(28.8)	(36.3)
Effective tax rate	10.3%	366.7%	18.6%	22.1%
Effective tax rate on earnings excluding asbestos, asset impairments and tax adjustments	19.4%	22.6%	22.5%	25.3%

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	Q3 FY 2013	Q3 FY 2012	9 Months FY 2013	9 Months FY 2012
EBIT	\$ 32.5	\$ 1.8	\$ 137.8	\$ 162.9
Depreciation and amortisation	17.3	17.0	48.0	47.8
Adjusted EBITDA	\$ 49.8	\$ 18.8	\$ 185.8	\$ 210.7

General corporate costs excluding ASIC expenses, intercompany foreign exchange gain and recovery of RCI legal costs – General corporate costs excluding ASIC expenses, intercompany foreign exchange gain and recovery of RCI legal 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	Q3 FY 2013	Q3 FY 2012	9 Months FY 2013	9 Months FY 2012
General corporate costs	\$ 8.2	\$ 9.2	\$ 20.3	\$ 27.1
Excluding:				
ASIC expenses	(0.1)	(0.3)	(0.5)	(1.0)
Intercompany foreign exchange gain	-	-	5.5	-
Recovery of RCI legal costs	-	-	2.7	-
General corporate costs excluding ASIC expenses, intercompany foreign exchange gain and recovery of RCI legal costs	\$ 8.1	\$ 8.9	\$ 28.0	\$ 26.1

Selling, general and administrative expenses excluding New Zealand product liability expenses –

Selling, general and administrative expenses excluding New Zealand product liability expenses 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	Q3 FY 2013	Q3 FY 2012	9 Months FY 2013	9 Months FY 2012
Selling, general and administrative expenses	\$ 59.7	\$ 48.0	\$ 160.6	\$ 142.1
Excluding:				
New Zealand product liability expenses	(7.5)	(0.3)	(13.2)	(1.0)
Selling, general and administrative expenses excluding New Zealand product liability expenses	\$ 52.2	\$ 47.7	\$ 147.4	\$ 141.1
Net Sales	\$ 320.4	\$ 283.0	\$ 994.5	\$ 928.2
Selling, general and administrative expenses as a percentage of sales	18.6%	17.0%	16.1%	15.3%
Selling, general and administrative expenses excluding New Zealand product liability expenses as a percentage of net sales	16.3%	16.9%	14.8%	15.2%

Supplemental Financial Information

James Hardie's management measures its operating performance and analyses year-over-year changes in operating results with and without the effect of the net AFFA liability recorded in the fourth quarter of fiscal year 2006 and believes that security holders will do the same.

As set forth in Note 7 of the 31 December 2012 Condensed Consolidated Financial Statements, the net AFFA liability, while recurring, is based on periodic actuarial determinations, claims, experience and currency fluctuations. It has no relation to the results of the company's operations. Accordingly, management believes that the following information is useful to it and investors in evaluating ongoing operating financial performance.

The following tables are considered non-GAAP and are not intended to be used or viewed in any respect as substitutes for the company's GAAP consolidated financial statements. These tables are included to show the impact of the AFFA liability on the company's balance sheet, statement of operations and cash flows for the period. The company cautions that these non-GAAP measures should only be viewed as a supplement to the reported GAAP financial statements, and, in all cases, the corresponding GAAP amounts are shown on the same line as the non-GAAP measure. To avoid any confusion, the sum of the supplemental Total Fibre Cement and Asbestos measures for each income statement line item equal the income statement line item as disclosed in the consolidated financial statements.

The following tables should be read in conjunction with JHI plc's financial statements and related notes contained in the company's 31 December 2012 Condensed Consolidated Financial Statements and the reader should be cautious to avoid relying on the supplementary information as it is not intended to take undue precedence over the reported GAAP financial statements.

James Hardie Industries plc
Consolidated Balance Sheet
31 December 2012
(unaudited)

US\$ Millions

ASSETS

Current assets

Cash and cash equivalents	\$ 628.0	\$ (468.5)	\$ 159.5
Restricted cash and cash equivalents	2.4	-	2.4
Restricted cash and cash equivalents - Asbestos	-	150.0	150.0
Restricted short-term investments - Asbestos	-	7.0	7.0
Accounts and other receivables, net of allowance for doubtful accounts of \$2.1 million	110.5	0.2	110.7
Inventories	180.9	-	180.9
Prepaid expenses and other current assets	20.4	0.1	20.5
Insurance receivable - Asbestos	-	15.2	15.2
Workers' compensation - Asbestos	-	0.4	0.4
Deferred income taxes	17.8	-	17.8
Deferred income taxes - Asbestos	-	20.4	20.4

Total current assets

Restricted cash and cash equivalents	2.6	-	2.6
Property, plant and equipment, net	652.6	2.1	654.7
Insurance receivable - Asbestos	-	189.6	189.6
Workers' compensation - Asbestos	-	83.2	83.2
Deferred income taxes	19.1	-	19.1
Deferred income taxes - Asbestos	-	398.8	398.8
Other assets	33.9	-	33.9

Total assets

LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities

Accounts payable and accrued liabilities	\$ 86.5	\$ 1.6	\$ 88.1
Dividends payable	22.1	-	22.1
Accrued payroll and employee benefits	38.1	0.2	38.3
Accrued product warranties	6.1	-	6.1
Income taxes payable	25.8	(19.4)	6.4
Asbestos liability	-	125.1	125.1
Workers' compensation - Asbestos	-	0.4	0.4
Other liabilities	31.1	-	31.1

Total current liabilities

Deferred income taxes	97.4	-	97.4
Accrued product warranties	20.8	-	20.8
Asbestos liability	-	1,431.0	1,431.0
Workers' compensation - Asbestos	-	83.2	83.2
Other liabilities	35.4	2.1	37.5

Total liabilities

Commitments and contingencies

Shareholders' equity (deficit)

Common stock	226.8	-	226.8
Additional paid-in capital	91.7	-	91.7
Retained earnings (accumulated deficit)	936.7	(1,224.8)	(288.1)
Accumulated other comprehensive income (loss)	49.7	(0.9)	48.8

Total shareholders' equity (deficit)

Total liabilities and shareholders' equity (deficit)

Total Fibre Cement Operations- excluding Asbestos Compensation	Asbestos Compensation	As Reported (US GAAP)
\$ 628.0	\$ (468.5)	\$ 159.5
2.4	-	2.4
-	150.0	150.0
-	7.0	7.0
110.5	0.2	110.7
180.9	-	180.9
20.4	0.1	20.5
-	15.2	15.2
-	0.4	0.4
17.8	-	17.8
-	20.4	20.4
960.0	(275.2)	684.8
2.6	-	2.6
652.6	2.1	654.7
-	189.6	189.6
-	83.2	83.2
19.1	-	19.1
-	398.8	398.8
33.9	-	33.9
\$ 1,668.2	\$ 398.5	\$ 2,066.7
\$ 86.5	\$ 1.6	\$ 88.1
22.1	-	22.1
38.1	0.2	38.3
6.1	-	6.1
25.8	(19.4)	6.4
-	125.1	125.1
-	0.4	0.4
31.1	-	31.1
209.7	107.9	317.6
97.4	-	97.4
20.8	-	20.8
-	1,431.0	1,431.0
-	83.2	83.2
35.4	2.1	37.5
363.3	1,624.2	1,987.5
226.8	-	226.8
91.7	-	91.7
936.7	(1,224.8)	(288.1)
49.7	(0.9)	48.8
1,304.9	(1,225.7)	79.2
\$ 1,668.2	\$ 398.5	\$ 2,066.7

James Hardie Industries plc
Consolidated Statement of Operations
For the nine months ended 31 December 2012
(unaudited)

US\$ Millions

Net Sales	\$ 994.5	\$ -	\$ 994.5
Cost of goods sold	(677.0)	-	(677.0)
Gross profit	317.5	-	317.5
Selling, general and administrative expenses	(159.4)	(1.2)	(160.6)
Research and development expenses	(27.8)	-	(27.8)
Asset impairments	(5.8)	-	(5.8)
Asbestos adjustments	-	14.5	14.5
EBIT	124.5	13.3	137.8
Net Interest (expense) income	(3.3)	5.6	2.3
Other income	1.2	-	1.2
Operating profit before income taxes	122.4	18.9	141.3
Income tax expense	(21.2)	(5.1)	(26.3)
Net operating profit	\$ 101.2	\$ 13.8	\$ 115.0

Total Fibre Cement Operations- excluding Asbestos Compensation	Asbestos Compensation	As Reported (US GAAP)
\$ 994.5	\$ -	\$ 994.5
(677.0)	-	(677.0)
317.5	-	317.5
(159.4)	(1.2)	(160.6)
(27.8)	-	(27.8)
(5.8)	-	(5.8)
-	14.5	14.5
124.5	13.3	137.8
(3.3)	5.6	2.3
1.2	-	1.2
122.4	18.9	141.3
(21.2)	(5.1)	(26.3)
\$ 101.2	\$ 13.8	\$ 115.0

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James Hardie Industries plc
Consolidated Statement of Cash Flows
For the nine months ended 31 December 2012
(unaudited)

US\$ Millions

Cash Flows from Operating Activities

	Total Fibre Cement Operations- excluding Asbestos Compensation	Asbestos Compensation	As Reported (US GAAP)
Net income	101.2	13.8	\$ 115.0
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortisation	48.0	-	48.0
Deferred income taxes	(11.9)	5.1	(6.8)
Stock-based compensation	5.2	-	5.2
Asbestos adjustments	-	(14.5)	(14.5)
Asset impairments	5.8	-	5.8
Tax benefit from stock options exercised	(0.9)	-	(0.9)
Changes in operating assets and liabilities:			
Restricted cash and cash equivalents	138.9	61.7	200.6
Payment to the AICF	-	(184.1)	(184.1)
Accounts and other receivables	26.8	0.5	27.3
Inventories	8.2	-	8.2
Prepaid expenses and other assets	3.9	0.4	4.3
Insurance receivable - Asbestos	-	35.1	35.1
Accounts payable and accrued liabilities	(60.3)	0.9	(59.4)
Asbestos liability	-	(102.6)	(102.6)
Other accrued liabilities	2.5	(0.4)	2.1

Net cash provided by (used in) operating activities

\$ 267.4 \$ (184.1) \$ 83.3

Cash Flows From Investing Activities

Purchases of property, plant and equipment	(41.8)		(41.8)
Proceeds from sale of property, plant and equipment	0.5	-	0.5

Net cash used in investing activities

\$ (41.3) \$ - \$ (41.3)

Cash Flows from Financing Activities

Proceeds from long-term borrowings	50.0	-	50.0
Repayments of long-term borrowings	(50.0)	-	(50.0)
Proceeds from issuance of shares	20.8	-	20.8
Tax benefit from stock options exercised	0.9	-	0.9
Dividends paid	(166.4)	-	(166.4)

Net cash used in financing activities

\$ (144.7) \$ - \$ (144.7)

Effect of exchange rate changes on cash	(3.2)	-	(3.2)
Net increase (decrease) in cash and cash equivalents	78.2	(184.1)	(105.9)
Cash and cash equivalents at beginning of period	265.4	-	265.4
Cash and cash equivalents at end of period	\$ 343.6	\$ (184.1)	\$ 159.5

Components of Cash and Cash Equivalents

Cash at bank and on hand	334.4	(184.1)	150.3
Short-term deposits	9.2	-	9.2
Cash and cash equivalents at end of period	\$ 343.6	\$ (184.1)	\$ 159.5

Forward-Looking Statements

This Management's Analysis of Results 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 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;
- 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 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 economic or housing recovery, 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.

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 "Risks Factors" in Section 3 of the Form 20-F filed with the Securities and Exchange Commission on 2 July 2012, 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 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 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 favourable 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. The company assumes no obligation to update any forward-looking statements or information except as required by law.



Q3 FY13 MANAGEMENT PRESENTATION

27 February 2013



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- 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 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;
- 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;
- 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 economic or housing recovery, 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.

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 "Risks Factors" in Section 3 of the Form 20-F filed with the Securities and Exchange Commission on 2 July 2012, 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 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 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 favourable 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. The company assumes no obligation to update any forward-looking statements or information except as required by law.

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- Overview and Operating Review – Louis Gries, CEO
- Financial Review – Russell Chenu, CFO
- 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 section of this document starting on page 47. 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 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, asset impairments, ASIC expenses and New Zealand product liability expenses", "EBIT margin excluding asbestos, asset impairments, ASIC expenses and New Zealand product liability expenses", "Net operating profit excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments", "Diluted earnings per share excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments", "Operating profit before income taxes excluding asbestos and asset impairments", "Effective tax rate on earnings excluding asbestos, asset impairments and tax adjustments", "Adjusted EBITDA", "General corporate costs excluding ASIC expenses, intercompany foreign exchange gain and recovery of RCI legal costs" and "Selling, general and administrative expenses excluding New Zealand product liability expenses"). Unless otherwise stated, results and comparisons are of the 3rd quarter and nine months of the current fiscal year versus the 3rd quarter and nine months of the prior fiscal year.



OVERVIEW AND OPERATING REVIEW

Louis Gries, CEO





US\$ Millions	Q3	Q3	%	9 Months	9 Months	%
	FY 2013	FY 2012	Change	FY 2013	FY 2012	Change
Net operating profit (loss)	31.5	(4.8)	-	115.0	123.6	(7)
Net operating profit excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments	28.8	28.0	3	113.1	109.3	3
Diluted earnings per share excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments (US cents)	6.5	6.4	2	25.8	24.9	4

- 3rd quarter and nine month net operating profit reflects asset impairment charges of US\$5.8 million in the USA and Europe Fibre Cement segment
- 3rd quarter and nine month net operating profit reflects New Zealand product liability expenses of US\$7.5 million and US\$13.2 million, respectively, in the Asia Pacific Fibre Cement segment
- Net operating profit excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments reflects, on a pre-tax basis, foreign exchange gain of US\$5.5 million on an Australian dollar intercompany loan and a recovery of US\$2.7 million of legal costs in relation to the ATO amended tax assessment
- FY2013 first half dividend of US5.0 cents per security (US4.0 cents in FY12) paid on 25 January 2013. The total amount of the dividend was US\$22.1 million (US\$17.4 million in FY12)

¹ Comparisons are of the 3rd quarter and nine months of the current fiscal year versus the 3rd quarter and nine months of the prior fiscal year 5



3rd Quarter Result ¹

Net Sales	up	16% to US\$224.5 million
Sales Volume	up	17% to 351.1 mmsf
Average Price	down	from US\$641 per msf to US\$639 per msf
EBIT ²	down	2% to US\$30.4 million
EBIT Margin ²	down	2.6 pts to 13.5%

¹ Comparisons are of the 3rd quarter of the current fiscal year versus the 3rd quarter of the prior fiscal year

² Excludes asset impairments of US\$5.8 million in Q3 '13 and nil in Q3 '12

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Nine Months Result ¹

Net Sales	up	11% to US\$714.6 million
Sales Volume	up	13% to 1,108.7 mmsf
Average Price	down	1% to US\$645 per msf
EBIT ²	down	1% to US\$124.7 million
EBIT Margin ²	down	2.2 pts to 17.5%

¹ Comparisons are of the 3rd quarter of the current fiscal year versus the 3rd quarter of the prior fiscal year
² Excludes asset impairments of US\$5.8 million in nine months FY13 and nil in nine months FY12



In anticipation of a continued market recovery in the US housing market, the company has incurred higher costs in the US to increase its organisational capability

Such costs include:

- Increase in headcount relative to 31 March 2012:
 - Manufacturing up 7%
 - Marketing, Sales and General and Administrative up 9%
 - Supply Chain up 29%
 - R&D up 13%
- Increase in sales and marketing expenses for promotions, tradeshow and advertising
- New R&D facility opened in Q3 FY13 and increased spending on key core R&D projects

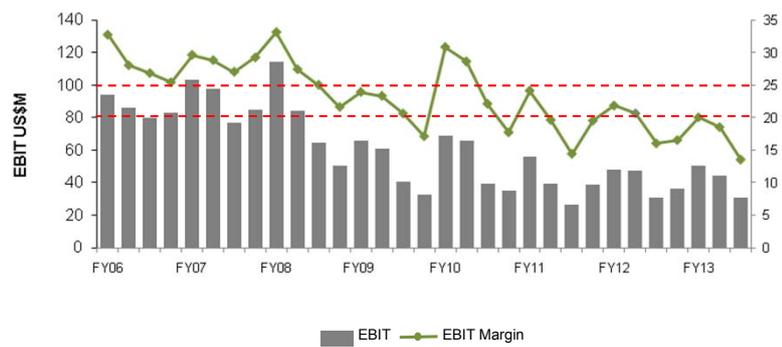
Future sales growth is anticipated to exceed operating cost increases, with EBIT to revenue margins expected to improve over the next twelve months

The Company also expects to incur US\$34 million in capital expenditure, over the next twelve months, to increase production capacity at the Fontana, CA plant, which is expected to re-open in early calendar year 2014

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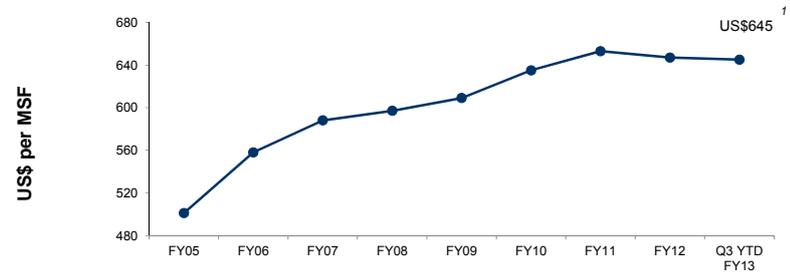
Quarterly EBIT and EBIT Margin ¹



¹ Excludes impairment charges of US\$38.6 million in Q4 FY08, US\$14.3 million in Q4 FY12 and US\$5.8 million in Q3 FY13



Average Net Sales Price (US dollars)



¹ FY13 average net sales price represents 3rd quarter year-to-date; other years presented are for the full year

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3rd Quarter Result ¹

Net Sales	up	6% to US\$95.9 million
Sales Volume	up	6% to 100.2 mmsf
Average Price	down	3% to A\$922 per msf
EBIT ²	down	3% to US\$19.2 million
EBIT Margin ²	down	1.8 pts to 20.0%

¹ Comparisons are of the 3rd quarter of the current fiscal year versus the 3rd quarter of the prior fiscal year
² Excludes New Zealand product liability expenses of US\$7.5 million and US\$0.3 million in Q3 FY13 and Q3 FY12, respectively



Nine Months Result ¹

Net Sales	down	2% to US\$279.9 million
Sales Volume	down	from 298.2 mmsf to 297.5 mmsf
Average Price	down	1% to A\$914 per msf
EBIT ²	down	13% to US\$58.2 million
EBIT Margin ²	down	2.6 pts to 20.8%

¹ Comparisons are of the nine months of the current fiscal year versus the nine months of the prior fiscal year
² Excludes New Zealand product liability expenses of US\$13.2 million and US\$1.0 million in the nine months of FY13 and the nine months of FY12, respectively



- **USA and Europe Fibre Cement results reflected:**
 - Higher sales volume
 - Lower average net sales price
 - Lower input costs (primarily pulp and freight)
 - Higher fixed manufacturing costs
 - Asset impairment charges of US\$5.8 million
 - Higher organisational costs to fund initiatives that improve capability in anticipation of a continued market recovery in the US
- **Asia Pacific Fibre Cement results reflected:**
 - Higher sales volume
 - Lower average net sales price
 - Subdued operating environment in Australia
 - An improved operating environment in New Zealand
 - Unfavourable movements in an accounting provision for certain legacy product liability claims in New Zealand
 - Consistent earnings in the Philippines market
 - Higher fixed manufacturing costs and lower input costs (primarily pulp)

¹ Comparisons are of the 3rd quarter of the current fiscal year versus the 3rd quarter of the prior fiscal year



United States

- Industry data indicates consistent improvement in builder confidence and increased activity in the US housing market - momentum of recovery appears well founded
- In anticipation of housing recovery continuing, the business is funding initiatives to improve organisational capabilities, which has constrained earnings
- Growth in sales over the next twelve months is expected to exceed spending on organisational initiatives and improve EBIT to revenue margins
- Capital expenditure of US\$34 million approved for reconfiguration and refurbishment of the Fontana, CA plant, which is scheduled to re-open in early calendar year 2014

Asia Pacific

- In Australia, the market environment remains subdued and market demand is not expected to improve in the near term
- The New Zealand housing market continues to improve
- In the Philippines, the business continues to perform well and is expected to continue to contribute consistent earnings in a stable operating environment



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 ColorPlus® and Trim products
 - Continue to rollout the job pack distribution model

Overall Group Strategy

- The company's focus is to:
 - Aggressively grow demand for products in targeted market segments
 - Grow the company's overall market position while defending market share in existing segments
 - Introduce differentiated products to deliver a sustainable competitive advantage
 - Build operational strength and organisational capability to increase output in anticipation of a continued market recovery in the US



FINANCIAL REVIEW

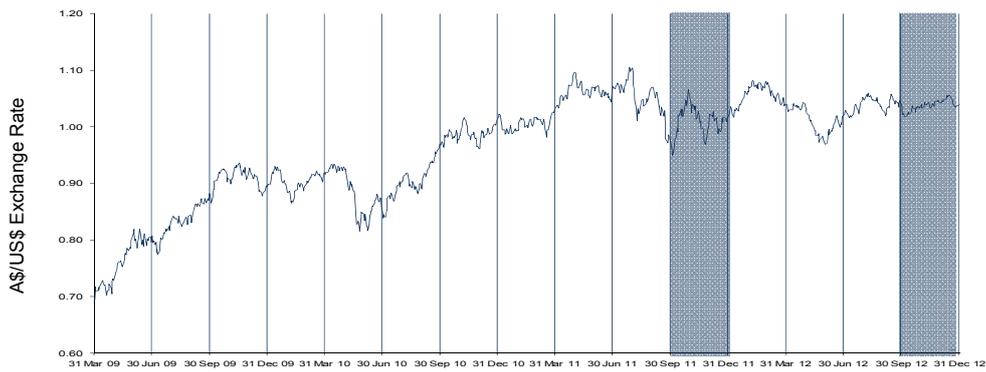
Russell Chenu, CFO





Highlights

- Third quarter and nine month earnings impacted by:
 - Improved sales volume in the US business reflecting an improved market environment
 - Price in the US business constrained by targeted penetration into price-sensitive market segments
 - Funding of initiatives in the US business to increase organisational capabilities in anticipation of a continued market recovery in the US
 - Unfavourable movements in accounting provisions for legacy product liability claims in New Zealand, resulting in a charge of US\$7.5 million and \$13.2 million in the third quarter and nine months, respectively
 - Asset impairment charges of US\$5.8 million (Q3)
 - Non-recurring foreign exchange gain of US\$5.5 million (Q1) and recovery of RCI legal costs of US\$2.7 million (Q2)
- Total contribution of US\$184.1 million (A\$177.5 million) to AICF in the 2013 financial year represents 35% of free cash flow, as defined by the AFFA, in the 2012 financial year
- On 23 July 2012, the Company paid a FY2012 second half dividend of US\$166.4 million, reflecting a payment of US38.0 cents per security (nil in FY12). On 25 January 2013, the Company paid a FY2013 first half dividend of US\$22.1 million (US\$17.4 million in FY12), reflecting a payment of US5.0 cents per security (US4.0 cents in FY12)



– Favourable impact from translation of Asia Pacific results – Q3 FY13 vs Q3 FY12	<u>Earnings</u> √	<u>Balance Sheet</u> N/A
– Unfavourable impact on corporate costs incurred in Australian dollars – Q3 FY13 vs Q3 FY12	√	N/A
– Favourable impact from translation of asbestos liability balance – 31 December 2012 vs 31 March 2012	√	√

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RESULTS – Q3

<u>US\$ Millions</u>	<u>Q3 '13</u>	<u>Q3 '12</u>	<u>% Change</u>
Net sales	320.4	283.0	13
Gross profit	96.2	90.6	6
SG&A expenses	(59.7)	(48.0)	(24)
Research & development expenses	(9.9)	(7.3)	(36)
Asset impairments	(5.8)	-	-
Asbestos adjustments	11.7	(33.5)	-
EBIT	32.5	1.8	-
Net interest income (expense)	2.1	(1.5)	-
Other income	0.5	1.5	(67)
Income tax expense	(3.6)	(6.6)	45
Net operating profit (loss)	31.5	(4.8)	-

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RESULTS – Q3 (CONTINUED)

<u>US\$ Millions</u>	<u>Q3 '13</u>	<u>Q3 '12</u>	<u>% Change</u>
Net operating profit (loss)	31.5	(4.8)	-
Asbestos:			
Asbestos adjustments	(11.7)	33.5	-
Other asbestos ¹	(2.9)	0.1	-
Tax expense (benefit) related to asbestos adjustments	2.5	(0.1)	-
Asset impairments	5.8	-	-
ASIC expenses	0.1	0.3	(67)
New Zealand product liability expenses	7.5	0.3	-
Tax adjustments	(4.0)	(1.3)	-
Net operating profit excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments	28.8	28.0	3

¹ Includes AICF SG&A expenses and AICF interest income

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RESULTS – NINE MONTHS			
US\$ Millions	9 Months FY 2013	9 Months FY 2012	% Change
Net sales	994.5	928.2	7
Gross profit	317.5	311.4	2
SG&A expenses	(160.6)	(142.1)	(13)
Research & development expenses	(27.8)	(21.6)	(29)
Asset impairments	(5.8)	-	-
Asbestos adjustments	14.5	15.2	(5)
EBIT	137.8	162.9	(15)
Net interest income (expense)	2.3	(3.7)	-
Other income (expense)	1.2	(0.5)	-
Income tax expense	(26.3)	(35.1)	25
Net operating profit	115.0	123.6	(7)

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RESULTS – NINE MONTHS (CONTINUED)			
US\$ Millions	9 Months FY 2013	9 Months FY 2012	% Change
Net operating profit	115.0	123.6	(7)
Asbestos:			
Asbestos adjustments	(14.5)	(15.2)	5
Other asbestos ¹	(4.4)	0.1	-
Tax expense (benefit) related to asbestos adjustments	5.1	(0.1)	-
Asset impairments	5.8	-	-
ASIC expenses	0.5	1.0	(50)
New Zealand product liability expenses	13.2	1.0	-
Tax adjustments	(7.6)	(1.1)	-
Net operating profit excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments	113.1	109.3	3

¹ Includes AICF SG&A expenses and AICF interest income

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SEGMENT NET SALES – Q3

<u>US\$ Millions</u>	<u>Q3 '13</u>	<u>Q3 '12</u>	<u>% Change</u>
USA and Europe Fibre Cement	224.5	192.8	16
Asia Pacific Fibre Cement	95.9	90.2	6
Total	320.4	283.0	13



SEGMENT NET SALES – NINE MONTHS

<u>US\$ Millions</u>	<u>9 Months FY 2013</u>	<u>9 Months FY 2012</u>	<u>% Change</u>
USA and Europe Fibre Cement	714.6	641.3	11
Asia Pacific Fibre Cement	279.9	286.9	(2)
Total	994.5	928.2	7

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SEGMENT EBIT – Q3

US\$ Millions	Q3 '13	Q3 '12	% Change
USA and Europe Fibre Cement ¹	30.4	31.0	(2)
Asia Pacific Fibre Cement ²	19.2	19.7	(3)
Research & Development ³	(6.8)	(5.0)	(36)
Total segment EBIT excluding asset impairments and New Zealand product liability expenses	42.8	45.7	(6)
General corporate costs excluding asbestos and ASIC expenses	(8.1)	(8.9)	9
Total EBIT excluding asbestos, asset impairments, ASIC expenses and New Zealand product liability expenses	34.7	36.8	(6)
Asbestos adjustments	11.7	(33.5)	-
AICF SG&A expenses	(0.5)	(0.9)	44
Asset impairments	(5.8)	-	-
ASIC expenses	(0.1)	(0.3)	67
New Zealand product liability expenses	(7.5)	(0.3)	-
Total EBIT	32.5	1.8	-

¹ USA and Europe Fibre Cement EBIT excludes Q3 FY13 asset impairments
² Asia Pacific Fibre Cement EBIT excludes New Zealand product liability expenses
³ Research and development expenses include costs associated with research projects that are designed to benefit all business units. These costs are recorded in the Research and Development segment rather than attributed to individual business units



SEGMENT EBIT – NINE MONTHS

US\$ Millions	9 Months FY 2013	9 Months FY 2012	% Change
USA and Europe Fibre Cement ¹	124.7	126.3	(1)
Asia Pacific Fibre Cement ²	58.2	67.0	(13)
Research & Development ³	(19.1)	(15.2)	(26)
Total segment EBIT excluding asset impairments and New Zealand product liability expenses	163.8	178.1	(8)
General corporate costs excluding asbestos and ASIC expenses ⁴	(19.8)	(26.1)	24
Total EBIT excluding asbestos, asset impairments, ASIC expenses and New Zealand product liability expenses	144.0	152.0	(5)
Asbestos adjustments	14.5	15.2	(5)
AICF SG&A expenses	(1.2)	(2.3)	48
Asset impairments	(5.8)	-	-
ASIC expenses	(0.5)	(1.0)	50
New Zealand product liability expenses	(13.2)	(1.0)	-
Total EBIT	137.8	162.9	(15)

¹ USA and Europe Fibre Cement EBIT excludes Q3 FY13 asset impairments
² Asia Pacific Fibre Cement EBIT excludes New Zealand product liability expenses
³ Research and development expenses include costs associated with research projects that are designed to benefit all business units. These costs are recorded in the Research and Development segment rather than attributed to individual business units
⁴ General corporate costs excluding asbestos and ASIC expenses for the nine months of the current fiscal year reflects a legal cost recovery of US\$2.7 million associated with the conclusion of RCI's disputed amended tax assessment with the ATO and a US\$5.5 million foreign exchange gain related to an Australian dollar intercompany loan

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INCOME TAX EXPENSE – Q3

<u>US\$ Millions</u>	<u>Q3 '13</u>	<u>Q3 '12</u>
Operating profit before income taxes	35.1	1.8
Asbestos:		
Asbestos adjustments	(11.7)	33.5
Other asbestos ¹	(2.9)	0.1
Asset impairments	5.8	-
Operating profit before income taxes excluding asbestos and asset impairments	<u>26.3</u>	<u>35.4</u>
Income tax expense	(3.6)	(6.6)
Asbestos:		
Tax expense (benefit) related to asbestos adjustments	2.5	(0.1)
Tax adjustments	(4.0)	(1.3)
Income tax expense excluding tax adjustments	<u>(5.1)</u>	<u>(8.0)</u>
Effective tax rate excluding asbestos, asset impairments and tax adjustments	<u>19.4%</u>	<u>22.6%</u>

¹ Includes AICF SG&A expenses and AICF interest income



INCOME TAX EXPENSE – NINE MONTHS

<u>US\$ Millions</u>	<u>9 Months FY 2013</u>	<u>9 Months FY 2012</u>
Operating profit before income taxes	141.3	158.7
Asbestos:		
Asbestos adjustments	(14.5)	(15.2)
Other asbestos ¹	(4.4)	0.1
Asset impairments	5.8	-
Operating profit before income taxes excluding asbestos and asset impairments	<u>128.2</u>	<u>143.6</u>
Income tax expense	(26.3)	(35.1)
Asbestos:		
Tax expense (benefit) related to asbestos adjustments	5.1	(0.1)
Tax adjustments	(7.6)	(1.1)
Income tax expense excluding tax adjustments	<u>(28.8)</u>	<u>(36.3)</u>
Effective tax rate excluding asbestos, asset impairments and tax adjustments	<u>22.5%</u>	<u>25.3%</u>

¹ Includes AICF SG&A expenses and AICF interest income



CASHFLOW ¹

US\$ Millions	9 Months FY 2013	9 Months FY 2012
EBIT	137.8	162.9
Non-cash items:		
Asbestos adjustments	(14.5)	(15.2)
Asset impairments	5.8	-
Other non-cash items	45.5	55.6
Net working capital movements	34.1	25.8
Cash Generated By Trading Activities	208.7	229.1
Tax payments, net	(85.0)	(28.4)
Change in other non-trading assets and liabilities	149.4	(34.0)
Change in asbestos-related assets & liabilities	(4.4)	0.1
Payment to the AICF	(184.1)	(51.5)
Interest paid (net)	(1.3)	(6.1)
Net Operating Cash Flow	83.3	109.2
Purchases of property, plant & equipment	(41.8)	(25.5)
Proceeds from sale of property, plant & equipment	0.5	0.3
Common stock repurchased and retired	-	(19.0)
Dividends paid	(166.4)	-
Proceeds from issuance of shares	20.8	1.3
Tax benefit from stock options exercised	0.9	2.6
Effect of exchange rate on cash	(3.2)	(2.7)
Movement in Net (Debt) Cash	(105.9)	66.2
Beginning Net Cash (Debt)	265.4	(40.4)
Ending Net Cash	159.5	25.8

¹ Comparisons are of the nine months ended of the current fiscal year versus the nine months ended of the prior fiscal year. Certain reclassifications have been reflected in the prior period to conform with current period presentation

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CAPITAL MANAGEMENT

- On 23 July 2012, the Company paid a FY2012 second half dividend of US\$166.4 million, reflecting a payment of US38.0 cents per security (nil in FY12). On 25 January 2013, the Company paid a FY2013 first half dividend of US\$22.1 million (US\$17.4 million in FY12), reflecting a payment of US5.0 cents per security (US4.0 cents in FY12)
- No share buyback activity occurred during the nine months
- As announced on 15 November 2012, the company expects to be in a position to make further distributions to shareholders in the near term as follows:
 - subject to share price levels, the company intends to distribute approximately US\$150 million to shareholders under its existing share buyback program, which expires in May 2013;
 - for dividends payable in respect of financial year 2014 onwards, the company intends to increase its dividend payout ratio from 20% to 30% of net operating profit (excluding asbestos adjustments) to 30% to 50% of net operating profit (excluding asbestos adjustments); and
 - if and to the extent the company does not undertake share buybacks between today and the announcement of FY2013 results in May 2013, the company will consider an increase of its dividend payout ratio for FY2013. In this event, the dividend in respect of the second half of FY 2013 is anticipated to be approximately US35.0 cents per security, subject to certain conditions as outlined in the 15 November 2012 announcement

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DEBT

At 31 December 2012:

<u>US\$ Millions</u>	
Total facilities	280.0
Gross debt	-
Cash	159.5
Net cash	<u>(159.5)</u>
Unutilised facilities and cash	<u>439.5</u>

- Net cash of US\$159.5 million compared to net cash of US\$265.4 million at 31 March 2012
- Weighted average remaining term of total facilities was 0.4 years at 31 December 2012, down from 0.9 years at 31 March 2012. The Company is intending to refinance its existing credit facilities during the fourth quarter of the 2013 financial year
- James Hardie remains well within its financial debt covenants



ASBESTOS FUND – PRO FORMA (UNAUDITED)

<u>A\$ millions</u>	
AICF cash and deposits - 31 March 2012	62.5
Contribution to AFFA by James Hardie ¹	177.5
Insurance and cross claim recoveries	34.1
Interest income and unrealised gain on investments	6.3
Claims paid	(98.0)
Operating costs	(2.9)
Repayment of NSW Government loan facility	(29.7)
Other	<u>1.4</u>
AICF net cash and deposits - 31 December 2012	<u>151.2</u>

¹ In accordance with Amended and Restated Final Funding Agreement

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	9 Months FY 2013	9 Months FY 2012	9 Months FY2011
EPS (Diluted) ¹	25.8c	24.9c	18.9c
EBIT/ Sales (EBIT margin) ²	14.5%	16.4%	15.7%
Gearing Ratio ¹	-13.9%	-2.0%	4.6%
Net Interest Expense Cover ²	43.6x	25.8x	24.2x
Net Interest Paid Cover ²	110.8x	24.9x	22.6x
Net Debt Payback ³	-	-	0.3yrs

^{*} Certain reclassifications have been reflected in the prior periods shown above to conform with current period presentation
¹ Excludes asbestos adjustments, AICF SG&A expenses, AICF interest income, tax benefit related to asbestos adjustments, ASIC expenses/recoveries, asset impairments, New Zealand product liability expenses and tax adjustments
² Excludes asbestos adjustments, AICF SG&A expenses, asset impairments, New Zealand product liability expenses and ASIC expenses/recoveries
³ Includes restricted cash set aside for AFFA

Note: For the 2012 and 2011 financial years, key ratios for the nine month period have been presented above for comparative purposes 33



- Net operating profit excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments for the 3rd quarter and nine months was US\$28.8 million and US\$113.1 million, respectively.
- The 3rd quarter results reflected:
 - Higher sales volume in the USA and Europe Fibre Cement segment due to improved housing activity and gains in market and category share in the US
 - Higher sales volume in Asia Pacific Fibre Cement segment
 - Higher SG&A expenses driven by:
 - Increase in legacy New Zealand product liability expenses, and
 - Funding of initiatives in the US in anticipation of market demand moving back to more normal levels

¹ Comparisons are of the 3rd quarter and nine months of the current fiscal year versus the 3rd quarter and nine months of the prior fiscal year 34

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- Management expects full year earnings excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments to be between US\$136 million and US\$141 million
- Management cautions that guidance is dependent upon US housing industry conditions continuing to improve and that an average exchange rate of approximately US\$1.04/A\$1.00 applies for the balance of the fiscal year ending 31 March 2013
- Management cautions that housing market conditions remain uncertain and notes that some input costs remain volatile
- Management is unable to forecast the comparable US GAAP financial measure due to the uncertainty regarding the impact of actuarial estimates on asbestos-related assets and liabilities in future periods



QUESTIONS



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APPENDIX

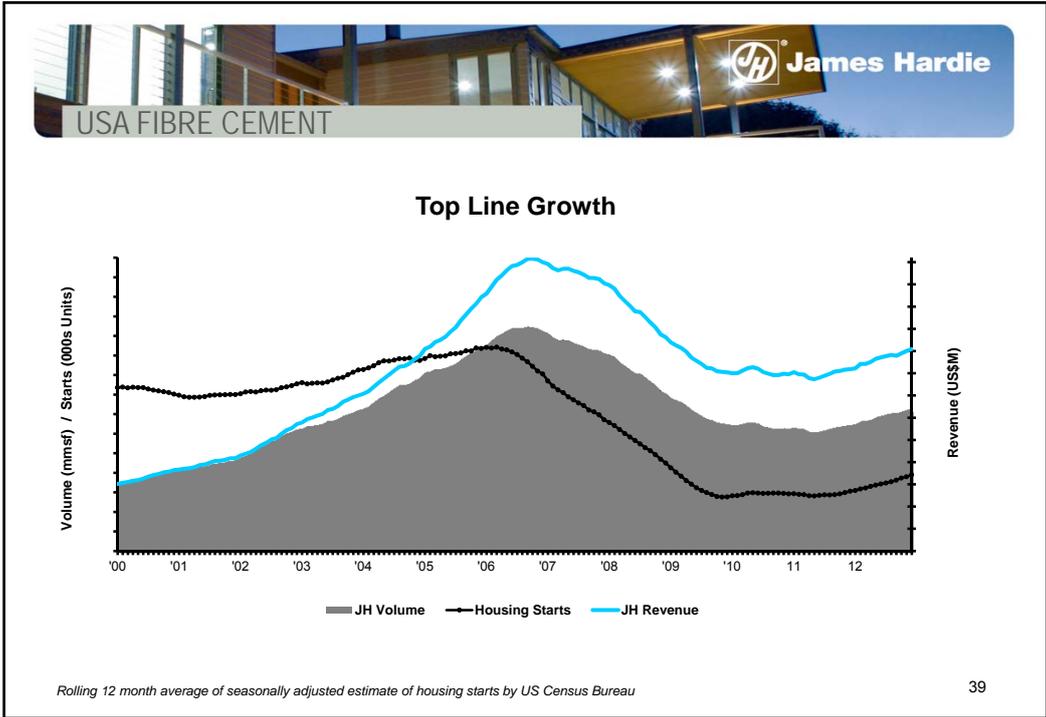


FINANCIAL SUMMARY – NINE MONTHS

US\$ Millions	9 Months					
	Q3 '13	Q3 '12	% Change	FY2013	FY2012	% Change
Net Sales						
USA and Europe Fibre Cement	\$ 224.5	\$ 192.8	16	\$ 714.6	\$ 641.3	11
Asia Pacific Fibre Cement	95.9	90.2	6	279.9	286.9	(2)
Total Net Sales	\$ 320.4	\$ 283.0	13	\$ 994.5	\$ 928.2	7
EBIT - US\$ Millions¹						
USA and Europe Fibre Cement	\$ 30.4	\$ 31.0	(2)	\$ 124.7	\$ 126.3	(1)
Asia Pacific Fibre Cement	19.2	19.7	(3)	58.2	67.0	(13)
Research & Development	(6.8)	(5.0)	(36)	(19.1)	(15.2)	(26)
General corporate costs excluding asbestos and ASIC	(8.1)	(8.9)	9	(19.8)	(26.1)	24
Total EBIT excluding asbestos, asset impairments, ASIC expenses and New Zealand product liability expenses	\$ 34.7	\$ 36.8	(6)	\$ 144.0	\$ 152.0	(5)
Net interest expense excluding AICF interest income	(1.3)	(2.3)	43	(3.3)	(5.9)	44
Other income (expense)	0.5	1.5	(67)	1.2	(0.5)	-
Income tax expense excluding tax adjustments	(5.1)	(8.0)	36	(28.8)	(36.3)	21
Net operating profit excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments	\$ 28.8	\$ 28.0	3	\$ 113.1	\$ 109.3	3

¹ USA and Europe Fibre Cement EBIT excludes asset impairments of US\$5.8 million (Q3 '13 and YTD '13). Asia Pacific Fibre Cement EBIT excludes New Zealand product liability expenses of US\$7.5 million (Q3'13), US\$0.3 million (Q3'12), US\$13.2 million (YTD '13) and US\$1.0 million (YTD '12)

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GENERAL CORPORATE COSTS – Q3

<u>US\$ Millions</u>	<u>Q3 '13</u>	<u>Q3 '12</u>	<u>% Change</u>
Stock compensation expense	3.1	4.6	33
Other costs	5.0	4.3	(16)
General corporate costs excluding ASIC expenses	8.1	8.9	9
ASIC expenses	0.1	0.3	67
General corporate costs	8.2	9.2	11

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GENERAL CORPORATE COSTS – NINE MONTHS

<u>US\$ Millions</u>	<u>9 Months FY 2013</u>	<u>9 Months FY 2012</u>	<u>% Change</u>
Stock compensation expense	8.7	8.4	(4)
Other costs	19.3	17.7	(9)
General corporate costs excluding ASIC expenses, intercompany foreign exchange gain and recovery of legal costs	28.0	26.1	(7)
ASIC expenses	0.5	1.0	50
Recovery of RCI legal costs	(2.7)	-	-
Intercompany foreign exchange gain	(5.5)	-	-
General corporate costs	20.3	27.1	25

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EBITDA – Q3

US\$ Millions	Q3 '13	Q3 '12	% Change
EBIT			
USA and Europe Fibre Cement ¹	30.4	31.0	(2)
Asia Pacific Fibre Cement ²	19.2	19.7	(3)
Research & Development	(6.8)	(5.0)	(36)
General corporate excluding asbestos and ASIC expenses	(8.1)	(8.9)	9
Depreciation and Amortisation			
USA and Europe Fibre Cement	14.7	14.4	2
Asia Pacific Fibre Cement	2.6	2.6	-
Total EBITDA excluding asbestos, asset impairments, ASIC expenses and New Zealand product liability expenses	52.0	53.8	(3)
Asbestos adjustments	11.7	(33.5)	-
AICF SG&A expenses	(0.5)	(0.9)	44
Asset impairments	(5.8)	-	-
ASIC expenses	(0.1)	(0.3)	67
New Zealand product liability expenses	(7.5)	(0.3)	-
Total EBITDA	49.8	18.8	-

¹ Excludes asset impairments in Q3 FY13
² Excludes New Zealand product liability expenses

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EBITDA – NINE MONTHS

US\$ Millions	9 Months FY 2013	9 Months FY 2012	% Change
EBIT			
USA and Europe Fibre Cement ¹	124.7	126.3	(1)
Asia Pacific Fibre Cement ²	58.2	67.0	(13)
Research & Development	(19.1)	(15.2)	(26)
General corporate excluding asbestos and ASIC expenses	(19.8)	(26.1)	24
Depreciation and Amortisation			
USA and Europe Fibre Cement	40.6	39.8	2
Asia Pacific Fibre Cement	7.4	8.0	(8)
Total EBITDA excluding asbestos, asset impairments, ASIC expenses and New Zealand product liability expenses	192.0	199.8	(4)
Asbestos adjustments	14.5	15.2	(5)
AICF SG&A expenses	(1.2)	(2.3)	48
Asset impairments	(5.8)	-	-
ASIC expenses	(0.5)	(1.0)	50
New Zealand product liability expenses	(13.2)	(1.0)	-
Total EBITDA	185.8	210.7	(12)

¹ Excludes asset impairments in FY13
² Excludes New Zealand product liability expenses

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<u>US\$ Millions</u>	9 Months FY 2013	9 Months FY 2012	% Change
USA and Europe Fibre Cement (including Research and Development)	34.1	20.6	66
Asia Pacific Fibre Cement	7.7	4.9	57
Total	41.8	25.5	64

Capital expenditure of US\$34 million approved for reconfiguration and refurbishment of the Fontana, CA plant, which is scheduled to re-open early calendar year 2014



<u>US\$ Millions</u>	Q3 '13	Q3 '12	9 Months FY 2013	9 Months FY 2012
Gross interest expense	(0.9)	(0.9)	(2.5)	(2.9)
Interest income	0.1	-	0.7	0.2
Realised loss on interest rate swaps	(0.5)	(1.4)	(1.5)	(3.2)
Net interest expense excluding AICF interest income	(1.3)	(2.3)	(3.3)	(5.9)
AICF interest income	3.4	0.8	5.6	2.2
Net interest income (expense)	2.1	(1.5)	2.3	(3.7)



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 Consolidated Financial Statements

Definitions

Non-financial Terms

- ABS** – Australian Bureau of Statistics
- AFFA** – Amended and Restated Final Funding Agreement
- AICE** – 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 before income taxes** - is equivalent to the US GAAP measure of income before income taxes
- Net operating profit** - is equivalent to the US GAAP measure of net income



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

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EBIT and EBIT margin excluding asbestos, asset impairments, ASIC expenses and New Zealand product liability expenses – EBIT and EBIT margin excluding asbestos, asset impairments, ASIC expenses and New Zealand product liability 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	Q3	Q3	9 Months	9 Months
	FY 2013	FY 2012	FY 2013	FY 2012
EBIT	\$ 32.5	\$ 1.8	\$ 137.8	\$ 162.9
Asbestos:				
Asbestos adjustments	(11.7)	33.5	(14.5)	(15.2)
AICF SG&A expenses	0.5	0.9	1.2	2.3
Asset impairments	5.8	-	5.8	-
ASIC expenses	0.1	0.3	0.5	1.0
New Zealand product liability expenses	7.5	0.3	13.2	1.0
EBIT excluding asbestos, asset impairments, ASIC expenses and New Zealand product liability expenses	34.7	36.8	144.0	152.0
Net sales	\$ 320.4	\$ 283.0	\$ 994.5	\$ 928.2
EBIT margin excluding asbestos, asset impairments, ASIC expenses and New Zealand product liability expenses	10.8%	13.0%	14.5%	16.4%



Net operating profit excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments – Net operating profit excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability 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 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 focussed on the performance of its ongoing operations. Management uses this non-US GAAP measure for the same purposes

US\$ Millions	Q3	Q3	9 Months	9 Months
	FY 2013	FY 2012	FY 2013	FY 2012
Net operating profit (loss)	\$ 31.5	\$ (4.8)	\$ 115.0	\$ 123.6
Asbestos:				
Asbestos adjustments	(11.7)	33.5	(14.5)	(15.2)
AICF SG&A expenses	0.5	0.9	1.2	2.3
AICF interest income	(3.4)	(0.8)	(5.6)	(2.2)
Tax expense (benefit) related to asbestos	2.5	(0.1)	5.1	(0.1)
Asset impairments	5.8	-	5.8	-
ASIC expenses	0.1	0.3	0.5	1.0
New Zealand product liability expenses	7.5	0.3	13.2	1.0
Tax adjustments	(4.0)	(1.3)	(7.6)	(1.1)
Net operating profit excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments	\$ 28.8	\$ 28.0	\$ 113.1	\$ 109.3

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Diluted earnings per share excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments – Diluted earnings per share excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability 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	Q3	Q3	9 Months	9 Months
	FY 2013	FY 2012	FY 2013	FY 2012
Net operating profit excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments	\$ 28.8	\$ 28.0	\$ 113.1	\$ 109.3
Weighted average common shares outstanding - Diluted (millions)	440.3	435.0	439.0	438.4
Diluted earnings per share excluding asbestos, asset impairments, ASIC expenses, New Zealand product liability expenses and tax adjustments (US cents)	6.5	6.4	25.8	24.9



Effective tax rate excluding asbestos, asset impairments and tax adjustments – Effective tax rate on earnings excluding asbestos, asset impairments 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	Q3	Q3	9 Months	9 Months
	FY 2013	FY 2012	FY 2013	FY 2012
Operating profit before income taxes	\$ 35.1	\$ 1.8	\$ 141.3	\$ 158.7
Asbestos:				
Asbestos adjustments	(11.7)	33.5	(14.5)	(15.2)
AICF SG&A expenses	0.5	0.9	1.2	2.3
AICF interest income	(3.4)	(0.8)	(5.6)	(2.2)
Asset impairments	5.8	-	5.8	-
Operating profit before income taxes excluding asbestos and asset impairments	\$ 26.3	\$ 35.4	\$ 128.2	\$ 143.6
Income tax expense	(3.6)	(6.6)	(26.3)	(35.1)
Asbestos:				
Tax expense (benefit) related to asbestos adjustments	2.5	(0.1)	5.1	(0.1)
Tax adjustments	(4.0)	(1.3)	(7.6)	(1.1)
Income tax expense excluding tax adjustments	(5.1)	(8.0)	(28.8)	(36.3)
Effective tax rate	10.3%	366.7%	18.6%	22.1%
Effective tax rate on earnings excluding asbestos, asset impairments and tax adjustments	19.4%	22.6%	22.5%	25.3%

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NON-US GAAP FINANCIAL MEASURES (CONTINUED)

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	Q3	Q3	9 Months	9 Months
	FY 2013	FY 2012	FY 2013	FY 2012
EBIT	\$ 32.5	\$ 1.8	\$ 137.8	\$ 162.9
Depreciation and amortisation	17.3	17.0	48.0	47.8
Adjusted EBITDA	\$ 49.8	\$ 18.8	\$ 185.8	\$ 210.7



NON-US GAAP FINANCIAL MEASURES (CONTINUED)

General corporate costs excluding ASIC expenses, intercompany foreign exchange gain and recovery of RCI legal costs – General corporate costs excluding ASIC expenses, intercompany foreign exchange gain and recovery of RCI legal 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 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	Q3	Q3	9 Months	9 Months
	FY 2013	FY 2012	FY 2013	FY 2012
General corporate costs	\$ 8.2	\$ 9.2	\$ 20.3	\$ 27.1
Excluding:				
ASIC expenses	(0.1)	(0.3)	(0.5)	(1.0)
Intercompany foreign exchange gain	-	-	5.5	-
Recovery of RCI legal costs	-	-	2.7	-
General corporate costs excluding ASIC expenses, intercompany foreign exchange gain and recovery of RCI legal costs	\$ 8.1	\$ 8.9	\$ 28.0	\$ 26.1

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Selling, general and administrative expenses excluding New Zealand product liability expenses – Selling, general and administrative expenses excluding New Zealand product liability expenses 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 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	Q3 FY 2013	Q3 FY 2012	9 Months FY 2013	9 Months FY 2012
Selling, general and administrative expenses	\$ 59.7	\$ 48.0	\$ 160.6	\$ 142.1
Excluding:				
New Zealand product liability expenses	(7.5)	(0.3)	(13.2)	(1.0)
Selling, general and administrative expenses excluding New Zealand product liability expenses	\$ 52.2	\$ 47.7	\$ 147.4	\$ 141.1
Net Sales	\$ 320.4	\$ 283.0	\$ 994.5	\$ 928.2
Selling, general and administrative expenses as a percentage of sales	18.6%	17.0%	16.1%	15.3%
Selling, general and administrative expenses excluding New Zealand product liability expenses as a percentage of net sales	16.3%	16.9%	14.8%	15.2%



Q3 FY13 MANAGEMENT PRESENTATION

27 February 2013



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James Hardie Industries plc
Condensed Consolidated Financial Statements
as of and for the Period Ended 31 December 2012

James Hardie Industries plc

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James Hardie Industries plc
Condensed Consolidated Balance Sheets
(Unaudited)

(Millions of US dollars)

	31 December 2012	31 March 2012
Assets		
Current assets:		
Cash and cash equivalents	\$ 159.5	\$ 265.4
Restricted cash and cash equivalents	2.4	140.4
Restricted cash and cash equivalents - Asbestos	150.0	59.0
Restricted short-term investments - Asbestos	7.0	6.0
Accounts and other receivables, net of allowance for doubtful accounts of \$2.1 million and \$2.3 million as of 31 December 2012 and 31 March 2012, respectively	110.7	137.7
Inventories	180.9	189.0
Prepaid expenses and other current assets	20.5	18.8
Insurance receivable - Asbestos	15.2	19.9
Workers' compensation - Asbestos	0.4	0.5
Deferred income taxes	17.8	15.9
Deferred income taxes - Asbestos	20.4	23.0
Total current assets	<u>684.8</u>	<u>875.6</u>
Restricted cash and cash equivalents	2.6	3.5
Property, plant and equipment, net	654.7	665.5
Insurance receivable - Asbestos	189.6	208.6
Workers' compensation - Asbestos	83.2	83.4
Deferred income taxes	19.1	11.1
Deferred income taxes - Asbestos	398.8	421.5
Other assets	33.9	40.8
Total assets	<u>\$ 2,066.7</u>	<u>\$ 2,310.0</u>
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 88.1	\$ 92.6
Current portion of long-term debt - Asbestos	-	30.9
Dividends payable	22.1	-
Accrued payroll and employee benefits	38.3	45.4
Accrued product warranties	6.1	7.4
Income taxes payable	6.4	81.7
Asbestos liability	125.1	125.3
Workers' compensation - Asbestos	0.4	0.5
Other liabilities	31.1	19.3
Total current liabilities	<u>317.6</u>	<u>403.1</u>
Deferred income taxes	97.4	100.5
Accrued product warranties	20.8	19.6
Asbestos liability	1,431.0	1,537.3
Workers' compensation - Asbestos	83.2	83.4
Other liabilities	37.5	39.7
Total liabilities	<u>1,987.5</u>	<u>2,183.6</u>
Commitments and contingencies (Note 9)		
Shareholders' equity:		
Common stock, Euro 0.59 par value, 2.0 billion shares authorised; 440,917,727 shares issued at 31 December 2012 and 437,175,963 shares issued at 31 March 2012	226.8	224.0
Additional paid-in capital	91.7	67.6
Accumulated deficit	(288.1)	(214.6)
Accumulated other comprehensive income	48.8	49.4
Total shareholders' equity	<u>79.2</u>	<u>126.4</u>
Total liabilities and shareholders' equity	<u>\$ 2,066.7</u>	<u>\$ 2,310.0</u>

The accompanying notes are an integral part of these consolidated financial statements.

James Hardie Industries plc
Condensed Consolidated Statements of Operations and Comprehensive
Income (Loss)
(Unaudited)

(Millions of US dollars, except per share data)	Three Months Ended 31 December		Nine Months Ended 31 December	
	2012	2011	2012	2011
Net sales	\$ 320.4	\$ 283.0	\$ 994.5	\$ 928.2
Cost of goods sold	(224.2)	(192.4)	(677.0)	(616.8)
Gross profit	96.2	90.6	317.5	311.4
Selling, general and administrative expenses	(59.7)	(48.0)	(160.6)	(142.1)
Research and development expenses	(9.9)	(7.3)	(27.8)	(21.6)
Asset impairments	(5.8)	-	(5.8)	-
Asbestos adjustments	11.7	(33.5)	14.5	15.2
Operating income	32.5	1.8	137.8	162.9
Interest expense	(1.4)	(2.3)	(4.0)	(6.1)
Interest income	3.5	0.8	6.3	2.4
Other income (expense)	0.5	1.5	1.2	(0.5)
Income before income taxes	35.1	1.8	141.3	158.7
Income tax expense	(3.6)	(6.6)	(26.3)	(35.1)
Net income (loss)	\$ 31.5	\$ (4.8)	\$ 115.0	\$ 123.6
Net income (loss) per share:				
Basic	\$ 0.07	\$ (0.01)	\$ 0.26	\$ 0.28
Diluted	\$ 0.07	\$ (0.01)	\$ 0.26	\$ 0.28
Weighted average common shares outstanding (Millions):				
Basic	440.0	435.0	438.6	436.2
Diluted	440.3	435.0	439.0	438.4
Comprehensive income:				
Net income (loss)	\$ 31.5	\$ (4.8)	\$ 115.0	\$ 123.6
Unrealised gain (loss) on investments	0.1	(0.3)	0.9	(0.2)
Currency translation adjustments	(3.4)	(2.0)	(1.5)	(2.0)
Comprehensive income (loss)	\$ 28.2	\$ (7.1)	\$ 114.4	\$ 121.4

The accompanying notes are an integral part of these consolidated financial statements.

James Hardie Industries plc
Condensed Consolidated Statements of Cash Flows
(Unaudited)

(Millions of US dollars)	Nine Months Ended 31 December	
	2012	2011
Cash Flows From Operating Activities		
Net income	\$ 115.0	\$ 123.6
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortisation	48.0	47.8
Deferred income taxes	(6.8)	5.1
Stock-based compensation	5.2	5.3
Asbestos adjustments	(14.5)	(15.2)
Asset impairments	5.8	-
Tax benefit from stock options exercised	(0.9)	(2.6)
Changes in operating assets and liabilities:		
Restricted cash and cash equivalents	200.6	54.5
Restricted short-term investments	-	(0.1)
Payment to AICF	(184.1)	(51.5)
Accounts and other receivables	27.3	26.7
Inventories	8.2	(18.5)
Prepaid expenses and other assets	4.3	15.6
Insurance receivable - Asbestos	35.1	23.0
Accounts payable and accrued liabilities	(59.4)	8.2
Asbestos liability	(102.6)	(78.8)
Other accrued liabilities	2.1	(33.9)
Net cash provided by operating activities	\$ 83.3	\$ 109.2
Cash Flows From Investing Activities		
Purchases of property, plant and equipment	\$ (41.8)	\$ (25.5)
Proceeds from sale of property, plant and equipment	0.5	0.3
Net cash used in investing activities	(41.3)	(25.2)
Cash Flows From Financing Activities		
Proceeds from long-term borrowings	50.0	123.0
Repayments of long-term borrowings	(50.0)	(169.0)
Proceeds from issuance of shares	20.8	1.3
Tax benefit from stock options exercised	0.9	2.6
Common stock repurchased and retired	-	(19.0)
Dividends paid	(166.4)	-
Net cash used in financing activities	(144.7)	(61.1)
Effects of exchange rate changes on cash	\$ (3.2)	\$ (2.7)
Net (decrease) increase in cash and cash equivalents	(105.9)	20.2
Cash and cash equivalents at beginning of period	265.4	18.6
Cash and cash equivalents at end of period	\$ 159.5	\$ 38.8
Components of Cash and Cash Equivalents		
Cash at bank and on hand	\$ 150.3	\$ 38.6
Short-term deposits	9.2	0.2
Cash and cash equivalents at end of period	\$ 159.5	\$ 38.8

The accompanying notes are an integral part of these consolidated financial statements.

James Hardie Industries plc

Notes to Consolidated Financial Statements

1. Background and Basis of Presentation

On 15 October 2012, the Company was transformed from an Irish Societas Europaea ("SE") to an Irish public limited company ("plc") and now operates under the name of James Hardie Industries plc.

Nature of Operations

James Hardie Industries plc (formerly James Hardie Industries SE) manufactures and sells fibre cement building products for interior and exterior building construction applications primarily in the United States, Australia, New Zealand, the Philippines and Europe.

Basis of Presentation

The consolidated financial statements represent the financial position, results of operations and cash flows of James Hardie Industries plc and its wholly-owned subsidiaries and a special purpose entity, collectively referred to as either the "Company" or "James Hardie" and "JHI plc", together with its subsidiaries as of the time relevant to the applicable reference, the "James Hardie Group," unless the context indicates otherwise. These interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the notes thereto, included in the Company's Annual Report on Form 20-F for the fiscal year ended 31 March 2012, which was filed with the United States Securities and Exchange Commission ("SEC") on 2 July 2012.

The condensed consolidated financial statements included herein are unaudited; however, they contain all adjustments which, in the opinion of the Company's management, are necessary to state fairly the consolidated financial position of the Company at 31 December 2012, the consolidated results of operations and comprehensive income for the three months and nine months ended 31 December 2012 and 2011 and consolidated cash flows for the nine months ended 31 December 2012 and 2011. Except for the adjustment to the consolidated financial statements as of and for the period ended 31 December 2012 relating to the asset impairment charges, which is fully set forth in Note 14, all adjustments are normal and recurring for the periods noted above.

The Company has recorded on its balance sheet certain assets and liabilities, including asbestos-related assets and liabilities under the terms of the Amended and Restated Final Funding Agreement ("AFFA"), that are denominated in Australian dollars and subject to translation into US dollars at each reporting date. Unless otherwise noted, the exchange rates used to convert Australian dollar denominated amounts into US dollars in the condensed consolidated financial statements are as follows:

(US\$1 = A\$)	31 March 2012	31 December 2012	2011
Assets and liabilities	0.9614	0.9631	0.9840
Statements of operations	n/a	0.9717	0.9604
Cash flows - beginning cash	n/a	0.9614	0.9676
Cash flows - ending cash	n/a	0.9631	0.9840
Cash flows - current period movements	n/a	0.9717	0.9604

The results of operations for the three months and nine months ended 31 December 2012 are not necessarily indicative of the results to be expected for the full year. The balance sheet at 31 March 2012 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by accounting principles generally accepted in the United States of America ("US GAAP") for complete financial statements in this interim financial report.

James Hardie Industries plc

Notes to Consolidated Financial Statements (continued)

2. Recent Accounting Pronouncements

In June 2011, the Financial Accounting Standards board ("FASB") issued ASU No. 2011-05, which requires that all non-owner changes in stockholders' equity be presented either in a single continuous statement of comprehensive income or in two separate but consecutive statements, eliminating the option to present other comprehensive income in the statement of changes in equity. Under either choice, items that are reclassified from other comprehensive income to net income are required to be presented on the face of the financial statements where the components of net income and the components of other comprehensive income are presented. ASU No. 2011-05 is effective for fiscal years, and interim periods within those years, beginning after 15 December 2011. The adoption of this ASU did not result in a material impact on the Company's consolidated financial position, results of operations or cash flows.

In December 2011, the FASB issued ASU No. 2011-12, which defers the implementation of only those changes in ASU No. 2011-05 that relate to the presentation of reclassification adjustments out of accumulated other comprehensive income. All other requirements in ASU No. 2011-05 are not affected by this update, including the requirement to report comprehensive income either in a single continuous statement or in two separate but consecutive financial statements. The amendments in ASU No. 2011-12 are effective at the same time as the amendments in ASU No. 2011-05, being fiscal years, and interim periods within those years, beginning after 15 December 2011. The adoption of this ASU did not result in a material impact on the Company's consolidated financial position, results of operations or cash flows.

In February 2013, the FASB issued ASU No. 2013-02, which requires the presentation of significant amounts reclassified out of accumulated other comprehensive income by the respective line items of net income, either on the face of the statement where net income is presented or in the notes, but only if the amount reclassified is required under U.S. GAAP to be reclassified to net income in its entirety in the same reporting period. For other amounts that are not required under U.S. GAAP to be reclassified in their entirety to net income, an entity is required to cross-reference to other disclosures required under U.S. GAAP that provide additional detail about those amounts. The amendments in ASU No. 2013-02 are effective for fiscal years and interim periods within those years, beginning after 15 December 2012. The adoption of this ASU is not expected to result in a material impact on the Company's consolidated financial position, results of operations or cash flows.

3. Earnings Per Share

The Company discloses basic and diluted earnings per share ("EPS"). Basic EPS is calculated using net income divided by the weighted average number of common shares outstanding during the period. Diluted EPS is similar to basic EPS except that the weighted average number of common shares outstanding is increased to include the number of additional common shares calculated using the Treasury Method that would have been outstanding if the dilutive potential common shares, such as stock options and restricted stock units ("RSU's"), had been issued.

James Hardie Industries plc
Notes to Consolidated Financial Statements (continued)

Accordingly, basic and dilutive common shares outstanding used in determining net income (loss) per share are as follows:

(Millions of shares)	Three Months Ended 31 December		Nine Months Ended 31 December	
	2012	2011	2012	2011
Basic common shares outstanding	440.0	435.0	438.6	436.2
Dilutive effect of stock awards	0.3	-	0.4	2.2
Diluted common shares outstanding	<u>440.3</u>	<u>435.0</u>	<u>439.0</u>	<u>438.4</u>
(US dollars)	2012	2011	2012	2011
Net income (loss) per share:				
Basic	\$ 0.07	\$ (0.01)	\$ 0.26	\$ 0.28
Diluted	\$ 0.07	\$ (0.01)	\$ 0.26	\$ 0.28

Potential common shares of 2.9 million and 10.5 million for the three months ended 31 December 2012 and 2011, respectively, and 6.3 million and 11.9 million for the nine months ended 31 December 2012 and 2011, respectively, have been excluded from the calculation of diluted common shares outstanding because the effect of their inclusion would be anti-dilutive.

Unless they are anti-dilutive, RSUs, which vest solely based on continued employment are considered to be outstanding as of their issuance date for purposes of computing diluted EPS and are included in the calculation of diluted EPS using the Treasury Method. Once these RSUs vest, they are included in the basic EPS calculation on a weighted-average basis.

RSUs which vest based on performance or market conditions are considered contingent shares. At each reporting date prior to the end of the contingency period, the Company determines the number of contingently issuable shares to include in the diluted EPS, as the number of shares that would be issuable under the terms of the RSU arrangement, if the end of the reporting period were the end of the contingency period. Once these RSUs vest, they are included in the basic EPS calculation on a weighted-average basis.

4. Restricted Cash

Included in restricted cash and cash equivalents is US\$5.0 million at 31 December 2012 and US\$5.2 million at 31 March 2012 related to an insurance policy that restricts the cash from use for general corporate purposes.

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James Hardie Industries plc
Notes to Consolidated Financial Statements (continued)

5. Inventories

Inventories consist of the following components:

(Millions of US dollars)	31 December 2012	31 March 2012
Finished goods	\$ 115.6	\$ 117.9
Work-in-process	6.5	9.0
Raw materials and supplies	65.1	67.4
Provision for obsolete finished goods and raw materials	(6.3)	(5.3)
Total inventories	<u>\$ 180.9</u>	<u>\$ 189.0</u>

6. Long-Term Debt

At 31 December 2012, the Company's credit facilities consisted of:

Description	Effective Interest Rate	Total Facility	Principal Drawn
(US\$ millions)			
Term facilities, can be drawn in US\$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until February 2013	-	50.0	-
Term facilities, can be drawn in US\$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until March 2013	-	180.0	-
Term facilities, can be drawn in US\$, variable interest rates based on LIBOR plus margin, can be repaid and redrawn until February 2014	-	50.0	-
Total		<u>\$ 280.0</u>	<u>\$ -</u>

At 31 December 2012, no amounts were drawn under the combined facilities. The weighted average interest rate on the Company's total outstanding debt was nil at 31 December 2012 and 31 March 2012, and the weighted average term of all debt facilities is 0.4 years at 31 December 2012. The weighted average fixed interest rate on the Company's interest rate swap contracts is set forth in Note 8.

During the nine months ended 31 December 2012, the maturity date for US\$50.0 million of the company's term facilities was extended from 30 September 2012 to 31 March 2013 and US\$130.0 million of the company's term facilities was extended from 21 December 2012 to 31 March 2013.

For all facilities, the interest rate is calculated two business days prior to the commencement of each draw-down period based on the US\$ London Interbank Offered Rate ("LIBOR") plus the margins of individual lenders and is payable at the end of each draw-down period.

James Hardie Industries plc

Notes to Consolidated Financial Statements (continued)

At 31 December 2012, the Company was in compliance with all restrictive debt covenants contained in its credit facility agreements. Under the most restrictive of these covenants, the Company (i) is required to maintain certain ratios of indebtedness to equity which do not exceed certain maximums, excluding assets, liabilities and other balance sheet items of the Asbestos Injuries Compensation Fund ("AICF"), Amaba, Amaca, ABN 60 and Marlew Mining Pty Limited, (ii) must maintain a minimum level of net worth, excluding assets, liabilities and other balance sheet items of AICF; for these purposes "net worth" means the sum of the par value (or value stated in the books of the James Hardie Group) of the capital stock (but excluding treasury stock and capital stock subscribed or unissued) of the James Hardie Group, the paid in capital and retained earnings of the James Hardie Group and the aggregate amount of provisions made by the James Hardie Group for asbestos related liabilities, in each case, as such amounts would be shown in the consolidated balance sheet of the James Hardie Group if Amaba, Amaca, ABN 60 and Marlew Mining Pty Limited were not consolidated with the James Hardie Group, (iii) must meet or exceed a minimum ratio of earnings before interest and taxes to net interest charges, excluding all income, expense and other profit and loss statement impacts of AICF, Amaba, Amaca, ABN 60 and Marlew Mining Pty Limited, and (iv) must ensure that no more than 35% of Free Cash Flow (as defined in the AFFA), in any given financial year ("Annual Cash Flow Cap") is contributed to AICF on the payment dates under the AFFA in the next following financial year. The Annual Cash Flow Cap does not apply to payments of interest, if any, to AICF and is consistent with contractual obligations of the Performing Subsidiary and the Company under the AFFA.

7. Asbestos

In February 2007, the shareholders approved a proposal pursuant to which the Company provides long-term funding to the Asbestos Injuries Compensation Fund ("AICF"), a special purpose fund that provides compensation for Australian-related personal injuries for which certain former subsidiary companies of James Hardie in Australia (being Amaca Pty Ltd ("Amaca"), Amaba Pty Ltd ("Amaba") and ABN 60 Pty Limited ("ABN 60") (collectively, the "Former James Hardie Companies")) are found liable. The Company owns 100% of James Hardie 117 Pty Ltd (the "Performing Subsidiary") that funds the AICF subject to the provisions of the AFFA. The Company appoints three of the AICF directors and the NSW Government appoints two of the AICF directors.

Under the terms of the AFFA, the Performing Subsidiary has an obligation to make payments to the AICF on an annual basis. The amounts of these annual payments are dependent on several factors, including the Company's free cash flow (as defined in the AFFA), actuarial estimations, actual claims paid, operating expenses of the AICF and the Annual Cash Flow Cap. JHI plc guarantees the Performing Subsidiary's obligation. As a result, the Company considers itself to be the primary beneficiary of the AICF.

Although the Company has no legal ownership in AICF, for financial reporting purposes, the Company's interest in AICF is considered variable and the Company consolidates AICF due to the Company's pecuniary and contractual interests in AICF as a result of the funding arrangements outlined in the AFFA.

For the three and nine months ended 31 December 2012, the Company did not provide financial or other support to the AICF that it was not previously contractually required to provide. Future funding of the AICF by the Company continues to be linked under the terms of the AFFA to the Company's long-term financial success, specifically the Company's ability to generate net operating cash flow.

James Hardie Industries plc
Notes to Consolidated Financial Statements (continued)

Asbestos Adjustments

The following table sets forth the asbestos adjustments included in the condensed consolidated statements of operations and comprehensive income for the three and nine months ended 31 December 2012 and 2011:

(Millions of US dollars)	Three Months Ended 31 December		Nine Months Ended 31 December	
	2012	2011	2012	2011
Effect of foreign exchange rate movements	\$ 6.1	\$ (33.5)	\$ 2.6	\$ 15.2
Adjustments in insurance receivables	5.6	-	11.9	-
Asbestos Adjustments	\$ 11.7	\$ (33.5)	\$ 14.5	\$ 15.2

Adjustments in insurance receivables due to changes in the Company's assessment of recoverability are reflected as asbestos adjustments on the condensed consolidated statements of operations and comprehensive income during the period in which the adjustments occur.

Asbestos-Related Assets and Liabilities

The Company has included on its consolidated balance sheets certain asbestos-related assets and liabilities under the terms of the AFFA. These amounts are detailed in the table below, and the net total of these asbestos-related assets and liabilities is referred to by the Company as the "Net AFFA Liability".

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James Hardie Industries plc
Notes to Consolidated Financial Statements (continued)

(Millions of US dollars)	31 December 2012	31 March 2012
Asbestos liability – current	\$ (125.1)	\$ (125.3)
Asbestos liability – non-current	<u>(1,431.0)</u>	<u>(1,537.3)</u>
Asbestos liability - Total	(1,556.1)	(1,662.6)
Insurance receivable – current	15.2	19.9
Insurance receivable – non-current	<u>189.6</u>	<u>208.6</u>
Insurance receivable – Total	204.8	228.5
Workers' compensation asset – current	0.4	0.5
Workers' compensation asset – non-current	83.2	83.4
Workers' compensation liability – current	(0.4)	(0.5)
Workers' compensation liability – non-current	<u>(83.2)</u>	<u>(83.4)</u>
Workers' compensation – Total	-	-
Loan facility	-	(30.9)
Other net liabilities	(1.6)	(2.3)
Restricted cash and cash equivalents and restricted short-term investment assets of the AICF	157.0	65.0
Net AFFA liability	<u>\$ (1,195.9)</u>	<u>\$ (1,402.3)</u>
Deferred income taxes – current	20.4	23.0
Deferred income taxes – non-current	<u>398.8</u>	<u>421.5</u>
Deferred income taxes – Total	419.2	444.5
Income tax payable	19.4	18.5
Net Unfunded AFFA liability, net of tax	<u>\$ (757.3)</u>	<u>\$ (939.3)</u>

On 2 April 2012, the Company contributed US\$138.7 million (A\$132.3 million) to AICF. A further contribution of US\$45.4 million (A\$45.2 million) was contributed on 2 July 2012, in accordance with the terms of the AFFA. Total contributions for the nine months ended 31 December 2012 were US\$184.1 million (A\$177.5 million).

Asbestos Liability

The amount of the asbestos liability reflects the terms of the AFFA, which has been calculated by reference to (but is not exclusively based upon) the most recent actuarial estimate of the projected future asbestos-related cash flows prepared by KPMG Actuarial. The asbestos liability also includes an allowance for the future claims-handling costs of the AICF. The Company receives an updated actuarial estimate as of 31 March each year. The most recent actuarial assessment was performed as of 31 March 2012.

James Hardie Industries plc

Notes to Consolidated Financial Statements (continued)

The changes in the asbestos liability for the nine months ended 31 December 2012 are detailed in the table below:

(Millions of US dollars)	A\$ Millions	A\$ to US\$ rate	US\$ Millions
Asbestos liability – 31 March 2012	A\$ (1,598.4)	0.9614	\$ (1,662.6)
Asbestos claims paid ¹	98.0	0.9717	100.9
AICF claims-handling costs incurred ¹	1.7	0.9717	1.7
Gain on foreign currency exchange			3.9
Asbestos liability – 31 December 2012	<u>A\$ (1,498.7)</u>	0.9631	<u>\$ (1,556.1)</u>

Insurance Receivable – Asbestos

The changes in the insurance receivable for the nine months ended 31 December 2012 are detailed in the table below:

(Millions of US dollars)	A\$ Millions	A\$ to US\$ rate	US\$ Millions
Insurance receivable – 31 March 2012	A\$ 219.7	0.9614	\$ 228.5
Insurance recoveries ¹	(34.1)	0.9717	(35.1)
Write-back of insurance receivable ¹	11.5	0.9717	11.9
Loss on foreign currency exchange			(0.5)
Insurance receivable – 31 December 2012	<u>A\$ 197.1</u>	0.9631	<u>\$ 204.8</u>

Included in insurance receivable is US\$5.9 million recorded on a discounted basis because the timing of the recoveries has been agreed with the insurer.

Deferred Income Taxes – Asbestos

The changes in the deferred income taxes - asbestos for the nine months ended 31 December 2012 are detailed in the table below:

(Millions of US dollars)	A\$ Millions	A\$ to US\$ rate	US\$ Millions
Deferred tax assets – 31 March 2012	A\$ 427.3	0.9614	\$ 444.5
Amounts offset against income taxes payable ¹	(18.6)	0.9717	(19.1)
AICF earnings ¹	(5.0)	0.9717	(5.1)
Loss on foreign currency exchange			(1.1)
Deferred tax assets – 31 December 2012	<u>A\$ 403.7</u>	0.9631	<u>\$ 419.2</u>

¹ The average exchange rate for the period is used to convert the Australian dollar amount to US dollars based on the assumption that these transactions occurred evenly throughout the period.

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Notes to Consolidated Financial Statements (continued)

Income Taxes Payable

A portion of the deferred income tax asset is applied against the Company's income tax payable. At 31 December 2012 and 31 March 2012, this amount was US\$19.1 million and US\$23.1 million, respectively. During the nine months ended 31 December 2012, there was a US\$0.7 million unfavourable effect of foreign currency exchange.

Other Net Liabilities

Other net liabilities include a provision for asbestos-related education and medical research contributions of US\$2.1 million and US\$2.3 million at 31 December 2012 and 31 March 2012, respectively.

Restricted Cash and Short-term Investments of the AICF

Cash and cash equivalents and short-term investments of AICF are reflected as restricted assets as these assets are restricted for use in the settlement of asbestos claims and payment of the operating costs of AICF.

In June 2012, AICF invested US\$106.5 million (A\$105.0 million) of its excess cash in time deposits. These time deposits bear a fixed interest rate of 5.1% and have a maturity of six months. Prior to their maturity, these time deposits were reflected within restricted short-term investments on the consolidated balance sheet and classified as available-for-sale. In December 2012, these time deposits matured and are reflected as restricted cash and cash equivalents - asbestos on the condensed consolidated balance sheet as of 31 December 2012.

At 31 December 2012, the Company revalued AICF's short-term investments available-for-sale resulting in a positive mark-to-market fair value adjustment of US\$0.9 million. This appreciation in the fair value of investments is recorded in Comprehensive Income.

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Notes to Consolidated Financial Statements (continued)

The changes in the restricted cash and short-term investments of the AICF for the nine months ended 31 December 2012 are detailed in the table below:

(Millions of US dollars)	A\$ Millions	A\$ to US\$ rate	US\$ Millions
Restricted cash and cash equivalents and restricted short-term investments – 31 March 2012	A\$ 62.5	0.9614	\$ 65.0
Asbestos Claims Paid ¹	(98.0)	0.9717	(100.9)
Payment received in accordance with AFFA ²	177.5	0.9641	184.1
AICF operating costs paid - claims-handling ¹	(1.7)	0.9717	(1.7)
AICF operating costs paid - non claims-handling ¹	(1.2)	0.9717	(1.2)
Insurance recoveries ¹	34.1	0.9717	35.1
Interest and Investment Income ¹	5.4	0.9717	5.6
Unrealised gain on investments ¹	0.9	0.9717	0.9
NSW loan repayment ²	(29.7)	0.9901	(30.0)
Investments received for insurance recoveries ¹	0.2	0.9717	0.2
Other ¹	1.2	0.9717	1.2
Loss on foreign currency exchange			(1.3)
Restricted cash and cash equivalents and restricted short-term investments – 31 December 2012	A\$ 151.2	0.9631	\$ 157.0

¹ The average exchange rate for the period is used to convert the Australian dollar amount to US dollars based on the assumption that these transactions occurred evenly throughout the period.

² The spot exchange rates on the date the transactions occurred are used to convert the Australian dollar amounts to US dollars.

Claims Data

The AICF provides compensation payments for Australian asbestos-related personal injury claims against the Former James Hardie Companies. The claims data in this section are reflective of these Australian asbestos-related personal injury claims against the Former James Hardie Companies.

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The following table shows the activity related to the numbers of open claims, new claims and closed claims during each of the past five years and the average settlement per settled claim and case closed:

	Nine Months Ended		For the Years Ended 31 March			
	31 December 2012 ¹	2012	2011	2010	2009	2008
Number of open claims at beginning of period	592	564	529	534	523	490
Number of new claims	401	456	494	535	607	552
Number of closed claims	569	428	459	540	596	519
Number of open claims at end of period	424	592	564	529	534	523
Average settlement amount per settled claim	A\$ 244,713	A\$ 218,610	A\$ 204,366	A\$ 190,627	A\$ 190,638	A\$ 147,349
Average settlement amount per case closed	A\$ 210,006	A\$ 198,179	A\$ 173,199	A\$ 171,917	A\$ 168,248	A\$ 126,340
Average settlement amount per settled claim	US\$ 251,840	US\$ 228,361	US\$ 193,090	US\$ 162,250	US\$ 151,300	US\$ 128,096
Average settlement amount per case closed	US\$ 216,122	US\$ 207,019	US\$ 163,642	US\$ 146,325	US\$ 133,530	US\$ 109,832

¹ Included in the number of closed claims of 569 for the nine months ended 31 December 2012 are 153 claims primarily settled at nil settlement amounts that had been closed in prior years but not reflected as such in the year in which they were closed. Accordingly these 153 claims have been included in claims activity during the nine months ended 31 December 2012 to appropriately reflect the actual number of open claims at 31 December 2012. These 153 additional claims that were closed in prior years have been excluded for the purposes of determining the average settlement amount in both US and Australian dollars, as reflected in the table above, for the nine months ended 31 December 2012. As these 153 claims were closed in prior years, the actual number of closed claims during the nine months ended 31 December 2012 was 416 claims.

Under the terms of the AFFA, the Company has rights of access to actuarial information produced for the AICF by the actuary appointed by the AICF (the "Approved Actuary"). The Company's disclosures with respect to claims statistics are subject to it obtaining such information from the Approved Actuary. The AFFA does not provide the Company an express right to audit or otherwise require independent verification of such information or the methodologies to be adopted by the Approved Actuary. As such, the Company relies on the accuracy and completeness of the information and analysis of the Approved Actuary when making disclosures with respect to claims statistics.

8. Fair Value Measurements

Assets and liabilities of the Company that are carried at fair value are classified in one of the following three categories:

- Level 1 Quoted market prices in active markets for identical assets and liabilities that the Company has the ability to access at the measurement date;
- Level 2 Observable market-based inputs or unobservable inputs that are corroborated by market data for the asset or liability at the measurement date;
- Level 3 Unobservable inputs that are not corroborated by market data used when there is minimal market activity for the asset or liability at the measurement date.

Fair value measurements of assets and liabilities are assigned a level within the fair value hierarchy based on the lowest level of any input that is significant to the fair value measurement in its entirety.

At 31 December 2012, the Company's financial instruments consist primarily of cash and cash equivalents, restricted cash and cash equivalents, restricted short-term investments, trade receivables, trade payables, debt and interest rate swaps.

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Cash and cash equivalents, Restricted cash and cash equivalents, Trade receivables and Trade payables – These items are recorded in the financial statements at historical cost. The historical cost basis for these amounts is estimated to approximate their respective fair values due to the short maturity of these instruments.

Restricted short-term investments – Restricted short-term investments are held and managed by AICF and are recorded in the financial statements at fair value. The fair value of restricted short-term investments is based on inputs that are observable in the market or can be derived principally from or corroborated by observable market data such as pricing for similar securities, recently executed transactions, cash flow models with yield curves and benchmark securities. Accordingly, restricted short-term investments are categorised as Level 2. Changes in fair value are recorded as other comprehensive income and included as a component in shareholders' equity.

Debt – Debt is generally recorded in the financial statements at historical cost. The carrying value of debt provided under the Company's credit facilities approximates fair value since the interest rates charged under these credit facilities are tied directly to market rates and fluctuate as market rates change. As of 31 December 2012, no debt was outstanding under the Company's existing credit facilities.

Interest Rate Swaps – The Company may from time to time enter into interest rate swap contracts to protect against upward movements in US\$ LIBOR and the associated interest the Company pays on its external credit facilities. Interest rate swaps are recorded in the financial statements at fair value. Changes in fair value are recorded in the consolidated statement of operations and comprehensive income in *Other Income (Expense)*. At 31 December 2012, the Company had interest rate swap contracts with a total notional principal of US\$100.0 million. For all of these interest rate swap contracts, the Company has agreed to pay fixed interest rates while receiving a floating interest rate.

The fair value of interest rate swap contracts is calculated based on the fixed rate, notional principal, settlement date and present value of the future cash inflows and outflows based on the terms of the agreement and the future floating interest rates as determined by a future interest rate yield curve. The model used to value the interest rate swap contracts is based upon well recognised financial principles, and interest rate yield curves can be validated through readily observable data by external sources. Although readily observable data is used in the valuations, different valuation methodologies could have an effect on the estimated fair value. Accordingly, the interest rate swap contracts are categorised as Level 2.

At 31 December 2012 the weighted average fixed interest rate of these contracts is 2.5% and the weighted average remaining life is 0.7 years. These contracts have a fair value of US\$1.9 million, which is included in *Accounts Payable*. For the three and nine months ended 31 December 2012, the Company included in *Other Income (Expense)* an unrealised gain of US\$0.5 million and US\$1.2 million, respectively, on interest rate swap contracts. Included in interest expense is a realised loss on settlements of interest rate swap contracts of US\$0.5 million and US\$1.5 million for the three and nine months ended 31 December 2012, respectively. For the three and nine months ended 31 December 2011, the Company included in *Other Income (Expense)* an unrealised gain of US\$1.5 million and an unrealised loss of US\$0.5 million, respectively, on interest rate swap contracts. Included in interest expense for the three and nine months ended 31 December 2011 is a realised loss on settlements of interest rate swap contracts of US\$1.4 million and US\$3.2 million, respectively.

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Notes to Consolidated Financial Statements (continued)

The following table sets forth by level within the fair value hierarchy, the Company's financial assets and liabilities that were accounted for at fair value on a recurring basis at 31 December 2012 according to the valuation techniques the Company used to determine their fair values.

(Millions of US dollars)	Fair Value at 31 December 2012	Fair Value Measurements Using Inputs Considered as		
		Level 1	Level 2	Level 3
Assets				
Cash and cash equivalents	\$ 159.5	\$ 159.5	\$ -	\$ -
Restricted cash and cash equivalents	155.0	155.0	-	-
Restricted short-term investments	7.0	-	7.0	-
Total Assets	\$ 321.5	\$ 314.5	\$ 7.0	\$ -
Liabilities				
Interest rate swap contracts included in Accounts Payable	1.9	-	1.9	-
Total Liabilities	\$ 1.9	\$ -	\$ 1.9	\$ -

9. Commitments and Contingencies

The Company is involved from time to time in various legal proceedings and administrative actions related to the normal conduct of its business, including general liability claims, putative class action lawsuits and litigation concerning its products.

Although it is impossible to predict the outcome of any pending legal proceeding, management believes that such proceedings and actions should not, individually or in the aggregate, have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows, except as they relate to asbestos, the Australian Securities and Investments Commission ("ASIC") proceedings, New Zealand product liability claims and income taxes as described in these financial statements.

ASIC Proceedings

In February 2007, ASIC commenced civil proceedings in the Supreme Court of New South Wales against the Company, ABN 60 and ten then-present or former officers and directors of the James Hardie Group. While the subject matter of the allegations varied between individual defendants, the allegations against the Company were confined to alleged contraventions of provisions of the Australian Corporations Act/Law relating to continuous disclosure and engaging in misleading or deceptive conduct in respect of a security. The Company defended each of the allegations made by ASIC and the orders sought against it in the proceedings, as did the former directors and officers of the Company.

On 23 April 2009, the Supreme Court issued judgment against the Company and the ten former officers and directors of the Company.

Eight of the ten defendants lodged appeals against the Supreme Court's judgments, and ASIC responded by lodging cross appeals against the appellants. The appeals lodged by the former directors and officers were heard in April 2010 and the appeal lodged by the Company was heard in May 2010.

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Notes to Consolidated Financial Statements (continued)

On 30 September 2010, the Company entered into agreements with third parties and subsequently received payment of US\$10.3 million relating to the costs of the ASIC proceedings for certain former officers. These recoveries were reflected as a reduction to selling, general and administrative expenses for the year ended 31 March 2011.

On 17 December 2010, the New South Wales Court of Appeal dismissed the Company's appeal against the Supreme Court's judgment and ASIC's cross appeal and ordered that the Company pay 90% of the costs incurred by ASIC in respect of the Company's appeal. The Court of Appeal also allowed the appeals brought by the non-executive directors, but dismissed ASIC's related cross-appeals, and ordered ASIC to pay the non-executive directors costs of the proceedings and the appeals. The Court of Appeal allowed the appeals and cross appeals in respect of certain former officers in part and reserved certain matters for further submissions. On 6 May 2011, the Court of Appeal rendered judgment in the exoneration, penalty and cost matters for certain former officers in which it varied certain orders made at first instance and ordered that there be no order as to the costs of the appeals of the certain former officers and ASIC's related cross-appeals.

ASIC subsequently filed applications for special leave to the High Court appealing from the Court of Appeal judgment in favour of the former directors' and former officers' appeals. Two former officers also filed special leave applications to the High Court. The Company did not file an application for special leave to the High Court. The High Court granted ASIC's application for special leave on 13 May 2011. The High Court also granted the special leave applications for one of the former officers, and the other former officer withdrew his application. Appeals brought by ASIC and the Company's former non-executive directors and former officer were heard by the High Court over three days commencing 25 October 2011.

On 3 May 2012, the High Court upheld ASIC's appeal with costs and overturned the Court of Appeal's decision in favour of the former non-executive directors and dismissed the former officer's appeal against the Court of Appeal's decision. The High Court did not render judgment on claims by the directors and officer to be excused from liability, penalty and disqualification and on certain questions concerning costs and, instead, remitted these matters back to the Court of Appeal for further consideration.

The Court of Appeal heard submissions on the matters remitted by the High Court over a three-day period commencing 20 August 2012. The Court of Appeal delivered its judgment on 12 November 2012. In respect of five of the former non-executive directors, the Court of Appeal ordered that they each pay a penalty of A\$25,000 and in respect of two of the former non-executive directors, the Court of Appeal ordered that they each pay a penalty of A\$20,000. The Court of Appeal also imposed banning orders on each of the non-executive directors, which restrict them from serving as a director for various lengths of time, the longest of which is through 30 April 2013. The Court of Appeal ordered that the former officer pay a penalty of A\$75,000 plus interest and be banned from acting as a director for a period of seven years commencing on 27 August 2009. The Court of Appeal made costs orders against the former non-executive directors and former officer in respect of some of ASIC's costs incurred in the various Court of Appeal proceedings. The parties have made further submissions to the Court of Appeal in respect of some remaining costs issues. The Court of Appeal is yet to deliver its judgment on these remaining issues.

The amount of the costs that the Company may be required to pay to ASIC following the Court of Appeal judgment in December 2010 is contingent on a number of factors. These include, without limitation, whether such costs (including the costs orders in ASIC's favour against the Company in the first instance hearing, which orders were not disturbed by the Court of Appeal) are reasonable having regard to the issues pursued in the case by ASIC against the Company, the number of legal practitioners involved in such legal work and their applicable fee rates. In addition, the amount of

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Notes to Consolidated Financial Statements (continued)

costs is contingent on the associated legal work undertaken specifically in respect of those issues (since the Company is not liable for legal costs of a previous claim and related order that was withdrawn by ASIC in September 2008, the overlapping claims against other parties in the first instance or appeal proceedings or the successful interlocutory appeal by the Company against ASIC during the course of the first instance hearing).

ASIC has not notified the Company of the amount of costs that it has incurred in connection with the ASIC proceedings and any costs that may be asserted by ASIC in the future will be subject to third party review and may not represent the amount of costs the Company will ultimately be liable to pay. Accordingly, in light of the inherent uncertainty surrounding the amount of such costs, together with the unusual circumstances surrounding the ASIC proceedings, the Company is unable to estimate the additional loss or range of loss relating to the quantum of costs incurred by ASIC at this time. Therefore, the Company has not recorded any provision for these costs at 31 December 2012. Throughout the proceedings, the Company has paid a proportion of the costs of the seven former non-executive directors and the former executive, with the remaining costs being met by third parties.

The liability the Company may have under indemnities for costs orders made in these proceedings is contingent on the costs incurred by ASIC, which as noted above, is not estimable at this time. The Company notes that other recoveries may be available, including as a result of repayments by former directors and officers in accordance with the terms of their indemnities. As a result, it is not presently possible for the Company to estimate the amount of loss or range of loss that it might become liable to pay under indemnities for costs orders, as a consequence of the ASIC proceedings.

Losses and expenses arising from the ASIC proceedings could have a material adverse effect on the Company's financial position, liquidity, results of operations and cash flows. It is the Company's policy to expense legal costs as incurred.

New Zealand Product Liability

Since fiscal year 2002, the Company has been and continues to be joined in a number of product liability claims in New Zealand that relate to residential buildings (single dwellings and apartment complexes) and a small number of non-residential buildings, primarily constructed from 1998 to 2004. The product liability claims often involve multiple parties and allege that losses were incurred due to excessive moisture penetration of the buildings' structures. The claims typically include allegations of poor building design, inadequate certification of plans, inadequate construction review and compliance certification and deficient work by sub-contractors.

The Company recognises a liability for both asserted and unasserted New Zealand product liability claims in the period in which the loss becomes probable and estimable. The amount of estimated loss is dependent on a number of factors including, without limitation, the specific facts and circumstances unique to each claim brought against the Company, the existence of any co-defendants involved in defending the claim, the solvency of such co-defendants (including the ability of such co-defendants to remain solvent until the related claim is ultimately resolved), the availability of claimant compensation under a Government compensation scheme, the amount of loss estimated to be allocable to the Company in instances that involve co-defendants in defending the claim and the extent to which the Company has access to third-party recoveries to cover a portion of the costs incurred in defending and resolving such actions.

Historically, the Company has been joined to these New Zealand product liability claims as one of several co-defendants, including local government entities responsible for enforcing building codes and practices, resulting in the Company becoming liable for only a portion of each claim. In addition,

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Notes to Consolidated Financial Statements (continued)

the Company has had access to third-party recoveries to defray a significant portion of the costs incurred in resolving such claims.

Despite having resolved a number of legacy product liability claims in New Zealand since 2002, the Company is becoming exposed to liability for a greater proportion of these claims due to the insolvency of co-defendants and the expiration of some of the Company's rights of recovery from third-parties. Accordingly, losses incurred in connection with defending and resolving asserted and unasserted New Zealand product liability claims in the future could have a material adverse effect on the Company's financial position, liquidity, results of operations and cash flows.

The Company has made a provision for asserted and unasserted New Zealand product liability claims within Other Current and Other Non-current Liabilities, with a corresponding estimated receivable for third-party recoveries being recognised within Accounts and Other Receivables at 31 December 2012. The amount of provision for product liability claims in New Zealand, net of estimated third-party recoveries, is US\$16.5 million at 31 December 2012 compared to US\$3.0 million at 31 March 2012. During the nine months ended 31 December 2012, the Company recognised US\$13.2 million in expenses related to the legacy New Zealand product liability claims.

Environmental

The operations of the Company, like those of other companies engaged in similar businesses, are subject to a number of laws and regulations on air and water quality, waste handling and disposal. The Company's policy is to accrue for environmental costs when it is determined that it is probable that an obligation exists and the amount can be reasonably estimated.

10. Income Taxes

Due to the size and nature of its business, the Company is subject to ongoing reviews by taxing jurisdictions on various tax matters. The Company accrues for tax contingencies based upon its best estimate of the taxes ultimately expected to be paid, which it updates over time as more information becomes available. Such amounts are included in taxes payable or other non-current liabilities, as appropriate. If the Company ultimately determines that payment of these amounts is unnecessary, the Company reverses the liability and recognises a tax benefit during the period in which the Company determines that the liability is no longer necessary. The Company records additional tax expense in the period in which it determines that the recorded tax liability is less than the ultimate assessment it expects.

The Company or its subsidiaries files income tax returns in various jurisdictions including Ireland, the United States, Australia, New Zealand, the Philippines and The Netherlands. The Company is no longer subject to US federal examinations by US Internal Revenue Service ("IRS") for tax years prior to tax year 2009. The Company is no longer subject to examinations by The Netherlands tax authority, for tax years prior to tax year 2007. The Company is no longer subject to Australian federal examinations by the Australian Taxation Office ("ATO") for tax years prior to tax year 2009.

Taxing authorities from various jurisdictions in which the Company operates are in the process of auditing the Company's respective jurisdictional income tax returns for various ranges of years. None of the audits have progressed sufficiently to predict their ultimate outcome. The Company accrues income tax liabilities in connection with ongoing audits and reviews based on knowledge of all relevant facts and circumstances, taking into account existing tax laws, its experience with previous audits and settlements, the status of current tax examinations and how the tax authorities view certain issues.

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Notes to Consolidated Financial Statements (continued)

Unrecognised Tax Benefits

A reconciliation of the beginning and ending amount of unrecognised tax benefits and interest and penalties are as follows:

(Millions of US dollars)	Unrecognised tax benefits	Interest and Penalties
Balance at 31 March 2012	\$ 2.6	\$ 0.9
Additions (deletions) for tax positions of prior year	1.9	(0.1)
Expiration of statute of limitations	(2.8)	(0.7)
Other reductions for the tax positions of prior periods	-	(0.1)
Balance at 31 December 2012	\$ 1.7	\$ -

As of 31 December 2012, the total amount of unrecognised tax benefits and the total amount of interest and penalties accrued or prepaid by the Company related to unrecognised tax benefits that, if recognised, would affect the effective tax rate is US\$1.7 million and nil, respectively.

The Company recognises penalties and interest accrued related to unrecognised tax benefits in income tax expense. During the nine months ended 31 December 2012, income of US\$0.9 million relating to interest and penalties was recognised within income tax expense arising from movements in unrecognised tax benefits. The liabilities associated with uncertain tax benefits are included in other non-current liabilities on the Company's condensed consolidated balance sheet.

A number of years may elapse before an uncertain tax position is audited or ultimately resolved. It is difficult to predict the ultimate outcome or the timing of resolution for uncertain tax positions. It is reasonably possible that the amount of unrecognised tax benefits could significantly increase or decrease within the next twelve months. These changes could result from the settlement of ongoing litigation, the completion of ongoing examinations, the expiration of the statute of limitations, or other circumstances. At this time, an estimate of the range of the reasonably possible change cannot be made.

11. Stock-Based Compensation

Compensation expense arising from equity-based award grants, as estimated using pricing models, was US\$2.0 million and US\$2.4 million for the three months ended 31 December 2012 and 2011, and US\$5.2 million and US\$5.3 million for the nine months ended 31 December 2012 and 2011, respectively. As of 31 December 2012, the unrecorded future stock-based compensation expense related to outstanding equity awards was US\$13.7 million after estimated forfeitures and will be recognised over an estimated weighted average amortisation period of 3.3 years.

Restricted Stock- service vesting

On 7 December 2012, 265,988 restricted stock units (service vesting) were granted to employees under the 2001 Equity Incentive Plan. The fair value of each restricted stock unit (service vesting) is equal to the market value of the Company's common stock on the date of the grant, adjusted for the fair value of estimated dividends as the restricted stock holder is not entitled to dividends over the vesting period.

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On 7 December 2012, 240,645 restricted stock units (service vesting) that were previously granted as part of the 2001 Equity Incentive Plan became fully vested and the underlying common stock was issued.

Restricted Stock – performance vesting

The Company granted 266,627 restricted stock units with a performance vesting condition under the 2006 Long-Term Incentive Plan (“LTIP”) to senior executives and managers of the Company on 7 June 2012 as part of the FY2012 long-term incentive award. The vesting of the restricted stock units is deferred for two years and the amount of restricted stock units that will vest at that time is subject to the Board’s exercise of negative discretion.

When the Board reviews the awards and determines whether any negative discretion should be applied at the vesting date, the award recipients may receive all, some, or none of their awards. The Board may only exercise negative discretion and may not enhance the maximum award that was originally granted to the award recipient.

The Company granted 450,336 restricted stock units with a performance vesting condition under the LTIP to senior executives and managers of the Company on 14 September 2012 as part of the FY2013 long-term incentive award. The vesting of the restricted stock units is deferred for three years and is subject to a Return on Capital Employed (“ROCE”) performance hurdle being met. The vesting of the restricted stock units is also subject to limited discretion by the Board. The Board’s discretion will reflect the Board’s judgment of the quality of the returns balanced against management’s delivery of market share growth and a scorecard of key qualitative and quantitative performance objectives.

The fair value of each restricted stock unit (performance vesting) is adjusted for changes in JHI plc’s common stock price at each balance sheet date until the performance conditions are applied at the vesting date.

On 7 June 2012, 592,442 restricted stock units (performance vesting) that were granted on 7 June 2010 as part of the FY2010 long-term incentive award became fully vested and the underlying common stock was issued.

Restricted Stock – market condition

Under the terms of the LTIP, the Company granted 432,654 restricted stock units (market condition) to senior executives and managers of the Company on 14 September 2012 as part of the FY2013 long-term incentive award. The vesting of these restricted stock units is subject to a market condition as outlined in the LTIP.

The fair value of each of these restricted stock units (market condition) granted under the LTIP is estimated using a binomial lattice model that incorporates a Monte Carlo simulation (the “Monte Carlo” method). The following table includes the assumptions used for restricted stock grants (market condition) valued during the nine months ended 31 December 2012:

Date of grant	14 Sep 2012
Dividend yield (per annum)	1.5%
Expected volatility	52.2%
Risk free interest rate	0.7%
JHX stock price at grant date (A\$)	8.95
Number of restricted stock units	432,654

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Scorecard LTI – Cash Settled Units

On 21 June 2012, 501,556 of the 1,083,021 Scorecard LTI units that were previously granted on 21 June 2009 as part of the FY2010 long-term incentive award became fully vested and the balance lapsed as a result of the Board's exercise of negative discretion. The cash amount paid to award recipients was based on JHI plc's common stock on the vesting date.

Under the terms of the LTIP, the Company granted awards equivalent to 506,627 Scorecard LTI units on 14 September 2012 as part of the FY2013 long-term incentive award, which provide recipients a cash incentive based in JHI plc's common stock price on the vesting date and each executive's scorecard rating. The vesting of awards is measured on individual performance conditions based on certain performance measures. Compensation expense recognised for awards are based on the fair market value of JHI plc's common stock on the date of grant and recorded as a liability. The expense is recognised ratably over the vesting period and the liability is adjusted for subsequent changes in JHI plc's common stock price at each balance sheet date.

12. Capital Management and Dividends

On 21 May 2012, the Company announced a new share buyback program to acquire up to 5% of its issued capital during the following twelve months. No securities were bought back during the nine months ended 31 December 2012.

On 23 July 2012, the Company paid a dividend to shareholders of US38.0 cents per security ("FY2012 second half dividend"). The total amount of the FY2012 second half dividend was US\$166.4 million.

On 25 January 2013, the Company paid an ordinary dividend to shareholders of US5.0 cents per security ("FY2013 first half dividend"). The total amount of the FY2013 first half dividend was US\$22.1 million.

13. Operating Segment Information

The Company has reported its operating segment information in the format that the operating segment information is available to and evaluated by senior management. USA and Europe Fibre Cement manufactures fibre cement interior linings, exterior siding products and related accessories in the United States; these products are sold in the United States, Canada and Europe. Asia Pacific Fibre Cement includes all fibre cement manufactured in Australia, New Zealand and the Philippines and sold in Australia, New Zealand, Asia, the Middle East (Israel, Kuwait, Qatar and United Arab Emirates), and various Pacific Islands. Research and Development represents the cost incurred by the research and development centres.

Operating Segments

The following are the Company's operating segments and geographical information:

(Millions of US dollars)	Net Sales to Customers ¹ Three Months Ended 31 December		Net Sales to Customers ¹ Nine Months Ended 31 December	
	2012	2011	2012	2011
USA & Europe Fibre Cement	\$ 224.5	\$ 192.8	\$ 714.6	\$ 641.3
Asia Pacific Fibre Cement	95.9	90.2	279.9	286.9
Worldwide total	<u>\$ 320.4</u>	<u>\$ 283.0</u>	<u>\$ 994.5</u>	<u>\$ 928.2</u>

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Notes to Consolidated Financial Statements (continued)

(Millions of US dollars)	Income Before Income Taxes Three Months Ended 31 December		Income Before Income Taxes Nine Months Ended 31 December	
	2012	2011	2012	2011
USA & Europe Fibre Cement ^{2, 7}	\$ 24.6	\$ 31.0	\$ 118.9	\$ 126.3
Asia Pacific Fibre Cement ^{2, 8}	11.7	19.4	45.0	66.0
Research and Development ²	(6.8)	(5.0)	(19.1)	(15.2)
Segments total	29.5	45.4	144.8	177.1
General Corporate ³	3.0	(43.6)	(7.0)	(14.2)
Total operating income	32.5	1.8	137.8	162.9
Net interest (expense) income ⁴	2.1	(1.5)	2.3	(3.7)
Other income (expense)	0.5	1.5	1.2	(0.5)
Worldwide total	\$ 35.1	\$ 1.8	\$ 141.3	\$ 158.7

(Millions of US dollars)	Total Identifiable Assets	
	31 December 2012	31 March 2012
USA & Europe Fibre Cement	\$ 709.8	\$ 749.1
Asia Pacific Fibre Cement	232.5	238.4
Research and Development	20.2	15.6
Segments total	962.5	1,003.1
General Corporate ^{5, 6}	1,104.2	1,306.9
Worldwide total	\$ 2,066.7	\$ 2,310.0

(Millions of US dollars)	Net Sales to Customers ¹ Three Months Ended 31 December		Net Sales to Customers ¹ Nine Months Ended 31 December	
	2012	2011	2012	2011
USA	\$ 217.9	\$ 187.2	\$ 693.3	\$ 621.0
Australia	71.0	68.5	207.9	218.6
New Zealand	14.9	13.4	41.9	40.9
Other Countries	16.6	13.9	51.4	47.7
Worldwide total	\$ 320.4	\$ 283.0	\$ 994.5	\$ 928.2

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Notes to Consolidated Financial Statements (continued)

(Millions of US dollars)	Total Identifiable Assets	
	31 December 2012	31 March 2012
USA	\$ 717.1	\$ 748.5
Australia	155.0	160.5
New Zealand	42.7	43.7
Other Countries	47.7	50.4
Segments total	<u>962.5</u>	1,003.1
General Corporate ^{5, 6}	<u>1,104.2</u>	1,306.9
Worldwide total	<u>\$ 2,066.7</u>	<u>\$ 2,310.0</u>

¹ Export sales and inter-segmental sales are not significant.

² Research and development costs of US\$3.1 million and US\$2.5 million for the three months ended 31 December 2012 and 2011, respectively, were expensed in the USA and Europe Fibre Cement segment. Research and development costs of US\$0.5 million and US\$0.4 million for the three months ended 31 December 2012 and 2011 were expensed in the Asia Pacific Fibre Cement segment. Research and development costs of US\$6.3 million and US\$4.4 million for the three months ended 31 December 2012 and 2011, respectively, were expensed in the Research and Development segment. The Research and Development segment also included selling, general and administrative expenses of US\$0.5 million and US\$0.6 million for the three months ended 31 December 2012 and 2011, respectively.

Research and development costs of US\$8.9 million and US\$6.9 million for the nine months ended 31 December 2012 and 2011, respectively, were expensed in the USA and Europe Fibre Cement segment. Research and development costs of US\$1.3 million and US\$1.2 million for the nine months ended 31 December 2012 and 2011, respectively, were expensed in the Asia Pacific Fibre Cement segment. Research and development costs of US\$17.6 million and US\$13.5 million for the nine months ended 31 December 2012 and 2011, respectively, were expensed in the Research and Development segment. The Research and Development segment also included selling, general and administrative expenses of US\$1.5 million and US\$1.7 million for the nine months ended 31 December 2012 and 2011, respectively.

³ The principal components of the General Corporate segment are officer and employee compensation and related benefits, professional and legal fees, administrative costs and rental expense on the Company's corporate offices. Included in the General Corporate segment for the three months ended 31 December 2012 are favourable asbestos adjustments of US\$11.7 million, AICF SG&A expenses of US\$0.5 million and ASIC expenses of US\$0.1 million. Included in the General Corporate segment for the three months ended 31 December 2011 are unfavourable asbestos adjustments of US\$33.5 million, AICF SG&A expenses of US\$0.9 million and US\$0.3 million related to the ASIC proceedings.

Included in the General Corporate segment for the nine months ended 31 December 2012 are favourable asbestos adjustments of US\$14.5 million, AICF SG&A expenses of US\$1.2 million and ASIC expenses of US\$0.5 million. Included in General Corporate for the nine months ended 31 December 2011 are favourable asbestos adjustments of US\$15.2 million, AICF SG&A expenses of US\$2.3 million and ASIC expenses of US\$1.0 million.

⁴ The Company does not report net interest expense for each operating segment as operating segments are not held directly accountable for interest expense. Included in net interest expense is AICF interest income of US\$3.4 million and US\$0.8 million for the three months ended 31 December 2012 and 2011, respectively. Included in net interest expense for the nine months ended 31 December 2012 and 2011 is AICF interest income of US\$5.6 million and US\$2.2 million. See Note 7 for more information.

⁵ The Company does not report deferred tax assets and liabilities for each operating segment as operating segments are not held directly accountable for deferred income taxes. All deferred income taxes are included in General Corporate.

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Notes to Consolidated Financial Statements (continued)

⁶ Asbestos-related assets at 31 December 2012 and 31 March 2012 are US\$867.0 million and US\$825.2 million, respectively, and are included in the General Corporate segment.

⁷ Included in the USA and Europe Fibre Cement segment for the three and nine months ended 31 December 2012 are asset impairment charges of US\$5.8 million. See Note 14 for more information.

⁸ Included in the Asia Pacific Fibre Cement segment for the three and nine months ended 31 December 2012 is an increase to the provision for New Zealand product liability claims of US\$7.5 million and US\$13.2 million, respectively. See Note 9 for more information.

14. Asset Impairments

During the three and nine months ended 31 December 2012, the company recorded asset impairment charges of US\$5.8 million related to redundant machinery and equipment that was no longer able to be utilised to manufacture products at the company's Waxahachie and Fontana plants.

The asset impairment charges were recorded in the USA and Europe Fibre Cement segment. The impaired assets were reduced to a net book value of nil, which was the estimated fair value based on a discounted cash flow analysis that considered, to the extent practicable, a market participant's expectations and assumptions and the impaired assets' highest and best use. The impaired assets are in the process of being replaced by plant and equipment with enhanced capability in order to increase production capacity in anticipation of a further recovery in the US housing market.

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This Financial Report 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 Media Release, Management Presentation and Management's Analysis of Results.

Forward-Looking Statements

This Financial Report 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 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;
- 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 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 economic or housing recovery, 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.

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

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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 "Risks Factors" in Section 3 of the Form 20-F filed with the Securities and Exchange Commission on 2 July 2012, 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 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 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 favourable 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. The Company assumes no obligation to update any forward-looking statements or information except as required by law.