

27 February 2006

3rd Quarter and Nine Months Ended 31 December 2005

US\$ Millions	3 rd QTR FY06			9 Months FY06		
James Hardie						
Net Sales	Up	26%	to US\$362.7	Up	23%	to US\$1,098.7
EBIT	Up	93%	to US\$ 64.4	Up	73%	to US\$ 227.7
Operating Profit from Continuing Operations	Up	106%	to US\$ 40.7	Up	77%	to US\$ 144.2
Net Operating Profit Including Discontinued Operations	Up	109%	to US\$ 40.7	Up	79%	to US\$ 144.2
EBIT Margin	Up	6.2pts	to 17.8%	Up	6.0pts	to 20.7%
USA Fibre Cement						
Net Sales	Up	35%	to US\$297.9	Up	29%	to US\$ 892.8
EBIT	Up	52%	to US\$ 79.7	Up	58%	to US\$ 259.9
EBIT Margin	Up	3.1pts	to 26.8%	Up	5.3pts	to 29.1%
Volume	Up	22%	to 527.5mmsf	Up	16%	to 1,607.7mmsf
Asia Pacific Fibre Cement						
Net Sales	Up	2%	to US\$59.4	Up	4%	to US\$ 184.6
EBIT	Down	22%	to US\$ 8.0	Down	6%	to US\$ 32.4
EBIT Margin	Down	4.1pts	to 13.5%	Down	1.8pts	to 17.6%
Volume	Up	2%	to 92.3mmsf	Down	3%	to 278.0mmsf
Key Ratios						
Diluted earnings per share from continuing operations	31.0 cents					
EBIT Margin	20.7%					
Return on Shareholders' Funds (Annualised – including discontinued operations)	28.2%					
Return on Capital Employed (Annualised)	32.6%					
Gearing Ratio	(3.8)%					
Net Interest Expense Cover	253.0x					
Net Interest Paid Cover	56.9x					
Net Debt Payback	(0.1) years					

In this Results at a Glance, James Hardie may present the financial measures, sales volume terms, financial ratios, and Non-US GAAP financial measures included in the Definitions section of this document starting on page 2. The company presents financial measures that it believes are customarily used by its Australian investors. Specifically, these financial measures include "EBIT", "EBIT margin", "Operating profit from continuing operations", and "Net operating profit including discontinued operations". James Hardie also presents other terms for measuring its sales volumes ("million square feet (mmsf)" and "thousand square feet (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 and EBIT margin excluding SCI and other related expenses", and "Operating profit from continuing operations excluding SCI and other related expenses"). Unless otherwise stated, results are for continuing operations only and comparisons are of the 3rd quarter and first nine months of the current fiscal year versus the 3rd quarter and first nine months of the prior fiscal year.

DEFINITIONS

Financial Measures – US GAAP equivalents

EBIT and EBIT margin - EBIT is equivalent to the US GAAP measure of operating income. EBIT margin is defined as EBIT as a percentage of our net sales. We believe EBIT and EBIT margin to be relevant and useful information as these are the primary measures used by our management to measure the operating profit or loss of our business. EBIT is one of several metrics used by our management to measure the earnings generated by our operations, excluding interest and income tax expenses. Additionally, EBIT is believed to be a primary measure and terminology used by our Australian investors. EBIT and EBIT margin should be considered in addition to, but not as a substitute for, other measures of financial performance reported in accordance with accounting principles generally accepted in the United States of America. EBIT and EBIT margin, as we have defined them, may not be comparable to similarly titled measures reported by other companies.

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

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

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.

Net interest paid cover – EBIT divided by cash paid during the period for interest.

Net debt payback – Net debt/cash divided by annualized cash flow from operations times 12 months.

Net debt/cash – short-term and long-term debt less cash and cash equivalents.

Non-US GAAP Financial Measures

EBIT and EBIT margin excluding SCI and other related expenses – EBIT and EBIT margin excluding SCI and other related expenses are not measures of financial performance under US GAAP and should not be considered to be more meaningful than EBIT and EBIT margin. We have included these financial measures to provide investors with an alternative method for assessing our operating results in a manner that is focussed on the performance of our ongoing operations and provides useful information regarding our financial condition and results of operations. We use this non-US GAAP measure for the same purposes.

US\$ Million	Q3 FY06	Q3 FY05	9 Mth FY06	9 Mth FY05
EBIT	\$64.4	\$33.3	\$227.7	\$131.6
SCI and other related expenses	4.8	15.9	14.7	24.4
EBIT excluding SCI and other related expenses	69.2	49.2	242.4	156.0
Net Sales	\$362.7	\$287.0	\$1,098.7	\$894.0
EBIT margin excluding SCI and other related expenses	19.1%	17.1%	22.1%	17.4%

Operating profit from continuing operations excluding SCI and other related expenses – Operating profit from continuing operations excluding SCI and other related expenses is not a measure of financial performance under US GAAP and should not be considered to be more meaningful than Operating profit from continuing operations. We have included this financial measure to provide investors with an alternative method for assessing our operating results in a manner that is focussed on the performance of our ongoing operations. We use this non-US GAAP measure for the same purposes.

US\$ Million	Q3 FY06	Q3 FY05	9 Mth FY06	9 Mth FY05
Operating (loss) profit from continuing operations	\$40.7	\$19.8	\$144.2	\$81.6
SCI and other related expenses, net of tax	4.4	11.7	14.1	20.2
Operating profit from continuing operations excluding SCI and other related expenses	45.1	31.5	158.3	101.8

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 our profitability or liquidity. Not all companies calculate EBITDA in the same manner as we have and, accordingly, EBITDA may not be comparable with other companies. We have included information concerning EBITDA because we believe 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.