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3rd quarter net operating profit down 10% to US$36.8m

Nine Months net operating profit up 16% to US$167.8 million (excluding adjustments to asbestos provision)

James Hardie today announced a US$36.8 million net operating profit, excluding adjustments to the asbestos provision, for the three months ended 31 December 2006, a reduction of 10% compared to the corresponding period in the prior year.

The asbestos provision was adjusted for the effect of foreign exchange leading to a charge of US$44.8 million for the quarter, resulting in a net operating loss of US$8.0 million, down from a net operating profit of US$40.7 million for the same quarter last year, which was not affected by an asbestos provision.

The third quarter performance lifted net operating profit for the nine months, excluding adjustments to the asbestos provision, to US$167.8 million, up 16% compared to the same period last year. Including adjustments to the asbestos provision of US$119.2 million (of which US$77.4 million related to the effect of foreign exchange for the nine months), net operating profit decreased 66% to US$48.6 million.

The asbestos provision is based on an estimate of future Australian asbestos-related liabilities in accordance with the Amended Final Funding Agreement (Amended FFA) that was signed with the New South Wales (NSW) Government on 21 November 2006 and approved by the company's security holders on 7 February 2007.

Operating performance

Despite market conditions being much weaker, third quarter EBIT excluding adjustments to asbestos provision decreased only slightly, and both sales and gross profit remained stable compared to the same period last year. EBIT excluding adjustments to asbestos provision was US$64.1 million. Net sales and gross profit were each down 2% to US$355.1 million and US$126.3 million, respectively. EBIT including adjustments to the asbestos provision was US$19.3 million for the quarter.

For the nine months, sales and gross profit were up by 8% and 7%, respectively. EBIT excluding adjustments to asbestos provision increased by 9% to US$248.4 million compared to US$227.7 million for the same period last year.

USA Fibre Cement net sales and EBIT were each down 4%, as the new housing market continued to deteriorate and affect sales volumes. For the nine months, net sales increased 9% and EBIT was up 7% compared to the same period last year.

In this Media Release, 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 7. 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" and "Net operating profit". The company may also present 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 adjustments to asbestos provision", "EBIT and EBIT margin excluding adjustments to asbestos provision, and SCI and other related expenses", "Net operating profit excluding adjustments to asbestos provision", "Net operating profit excluding adjustments to asbestos provision, SCI and other related expenses and make-whole payment", "Effective tax rate excluding the adjustments to asbestos provision and write-back of tax provision", "Diluted earnings per share excluding adjustments to asbestos provision and tax provision write-back" and "EBITDA"). Unless otherwise stated, results are for the 3rd quarter and 1st nine months of the current fiscal year versus the 3rd quarter and 1st nine months of the prior fiscal year.

Asia Pacific Fibre Cement net sales were up 8% for the quarter despite weak market conditions. EBIT for the third quarter increased 10% to US$8.8 million due to improved EBIT performance in each of the Asia Pacific businesses. For the nine months, net sales increased 2%, but EBIT was 6% lower compared to the same period last year.

Diluted earnings per share for the quarter decreased to a loss per share of US1.7 cents in the third quarter from earnings per share of US8.7 cents in the same period last year. Diluted earnings per share for the nine months decreased 66% to US10.5 cents from US31.0 cents in the same period last year.

Diluted earnings per share excluding adjustments to the asbestos provision and a tax provision write-back of US$7.4 million (nine months only) decreased by 9% from US8.7 cents to US7.9 cents for the quarter and increased by 11% from US31.0 cents to US34.5 cents for the nine months.

3rd Quarter and Nine Months at a Glance

US$ Million	Q3 FY07	Q3 FY06	% Change	9 Mths FY07	9 Mths FY06	% Change
Net sales	$355.1	$362.7	(2)	$1,182.0	$1,098.7	8
Gross profit	126.3	128.7	(2)	439.2	411.3	7
SCI and other related expenses	(2.6)	(4.8)	46	(8.2)	(14.7)	44
EBIT excluding adjustments to asbestos provision	64.1	64.4	-	248.4	227.7	9
Adjustments to asbestos provision	(44.8)	-	-	(119.2)	-	-
EBIT	19.3	64.4	(70)	129.2	227.7	(43)
Net interest (expense) income	(1.3)	0.8	-	(2.3)	(0.9)	-
Income tax expense	(26.0)	(24.5)	(6)	(79.2)	(82.6)	4
Net operating (loss) profit	(8.0)	40.7	-	48.6	144.2	(66)

The results include Special Commission of Inquiry (SCI) and other related expenses of US$2.6 million for the quarter and US$8.2 million for the nine months (US$2.4 million and US$7.6 million after tax, respectively), and for the nine months only, a tax provision write-back of US$7.4 million and a make-whole payment of US$6.0 million (US$5.6 million after tax) resulting from the prepayment of US$-denominated debt in May 2006.

Net operating profit excluding adjustment to the asbestos provision, SCI and other related expenses, the make-whole payment and the tax provision write-back, decreased 13% for the quarter to US$39.2 million and increased 10% to US$173.6 million for the nine months as shown in the following table:

US$ Million	Q3 FY07	Q3 FY06	% Change	9 Mths FY07	9 Mths FY06	% Change
Net operating (loss) profit	$ (8.0)	$ 40.7	-	$ 48.6	$144.2	(66)
Adjustments to asbestos provision	44.8	-	-	119.2	-	-
Net operating profit excluding adjustments to asbestos provision	36.8	40.7	(10)	167.8	144.2	16
SCI and other related expenses (net of tax)	2.4	4.4	45	7.6	14.1	46
Debt make-whole payment (net of tax)	-	-	-	5.6	-	-
Tax provision write-back	-	-	-	(7.4)	-	-
Net operating profit excluding adjustments to asbestos provision, SCI and other related expenses, make-whole payment and tax provision write-back	$ 39.2	$ 45.1	(13)	$ 173.6	$ 158.3	10

Commentary

James Hardie's Chief Executive Officer, Louis Gries said: "The US housing market deteriorated further during the quarter, but our USA Fibre Cement business continued to perform well.

"Indicative of the challenging market conditions in the US is our business recording lower sales volumes in Q3 compared to the same quarter last year.

"Despite weaker market conditions we were able to achieve attractive margins and continue taking market share from alternative materials.

"The outlook for North America remains uncertain and the business has undergone a reset to match production with demand.

"We continue to invest in growth and remain well placed to continue performing better than the market overall," said Mr Gries.

USA Fibre Cement

Net sales decreased 4% compared to the same quarter last year to US$284.5 million. Sales volume decreased 8% to 484.0 million square feet, and the average net sales price was 4% higher at US$588 per thousand square feet.

The down-turn in the new housing market has been more severe than had been anticipated by most commentators and despite the impact being buffered by increased market share through the conversion of customers from alternative materials, sales volumes were below the comparable period for the first time in many years.

Sales in the exterior product category are most affected by the housing down-turn, with the Northern, Southern and Western divisions all experiencing lower sales volumes compared to the same period last year. Sales in our interior products category continued to grow strongly during the quarter.

The business has undergone a reset to address the weaker demand, including the scaling back of production to help balance supply with demand, and an increased focus on minimising costs. However, key growth initiatives continue to be funded.

EBIT for the quarter decreased 4% from US$79.7 million to US$76.7 million, primarily due to decreased sales volume.

For the nine months, net sales increased by 9% to US$972.4 million, driven by a 3% increase in sales volumes to 1,663.1 million square feet, and a 5% increase in the average net selling price, to US$585 per thousand square feet. EBIT for the nine months increased by 7% to US$277.8 million and the EBIT margin was 28.6%.

Australia and New Zealand (ANZ) Fibre Cement

Net sales increased 7% to US$56.8 million for the quarter, compared to US$53.1 million in the same period last year. Sales volumes were up by 8% but the average net sales price in Australian dollars was down 4%.

Both the new housing and renovation markets in the Australia and New Zealand business remained weak during the quarter, but sales volume increased 8% through market initiatives designed to grow primary demand, including providing more value-added differentiated products. Selling prices for non-differentiated products continue to be subject to strong competitive pressures, leading to a lower average net sales price for the quarter.

EBIT was 7% higher for the quarter at US$7.8 million due to higher net sales, partially offset by increased manufacturing and SG&A costs. The EBIT margin was 13.7%.

For the nine months, sales remained flat at US$167.0 million. EBIT was down 6% to US$27.8 million. The EBIT margin for the nine months was 16.6%.

Philippines – EBIT positive

Net sales increased for the quarter and nine months compared to the same periods last year, as the business improved its market penetration in the new residential and commercial segments. The business recorded a small positive EBIT for the quarter and nine months.

USA Hardie Pipe – Progress continuing

Net sales for the quarter and nine months increased compared to the same periods last year. The business is continuing to focus on growing sales in its core markets and improving profitability. A small negative EBIT for the quarter and a small positive EBIT for the nine months was recorded.

Europe Fibre Cement – Sales increasing

Sales continued to grow steadily, albeit from a low base.

Asbestos Compensation Funding Agreement

As of 31 December 2006, all substantive conditions precedent to the Amended FFA were satisfied except the requirement for the approval of the company's security holders.

In the third quarter of fiscal 2007, the following conditions precedent were satisfied: receipt of an independent expert's report confirming that the funding proposal is in the best interests of the company and its enterprise as a whole; approval of the company's lenders; and confirmation satisfactory to the company's Board of Directors, acting reasonably, that the contributions to be made by JHI NV and the Performing Subsidiary under the Amended FFA will be tax deductible; and confirmation as to the expected tax consequences arising to the SPF and others from implementing the arrangements.

An Explanatory Memorandum was forwarded to security holders for consideration in December 2006. At the company's Extraordinary General Meeting held on 7 February 2007, security holders voted overwhelmingly in favour of approving the proposed funding arrangement, as amended. In accordance with the Amended FFA, James Hardie made an initial contribution of A$184.3 million to the Asbestos Injuries Compensation Fund (AICF) on 9 February 2007. The new asbestos compensation funding arrangement is now operational.

Readers are referred to Note 7 of the company's 31 December 2006 Financial Report for further information on the voluntary funding proposal, and for information on the SCI and other related matters.

Adjustments to Asbestos Provision

At 30 September 2006, the asbestos provision was increased by A$55.9 million (US$41.8 million) to reflect the results of the most recent actuarial estimate prepared by KPMG Actuaries Pty Ltd and for payments made to claimants by the Medical Research and Compensation Foundation during the half year.

In order to continue to meet asbestos-related claims prior to the implementation of the Amended FFA and receipt of the initial funding, an interim funding payment of A$9.0 million (US$7.1 million) was made in December 2006. This amount was repaid out of part of the proceeds of the initial funding paid on 9 February 2007 and has been treated as a reduction in the value of the provision at 31 December 2006.

The asbestos provision is denominated in Australian dollars. The reported value of this liability in the company's condensed consolidated balance sheets in US dollars is therefore subject to adjustment depending on the closing exchange rate between the two currencies at the balance sheet date.

The effect of these adjustments is shown in the following table:

	A$ millions	A$ to US$ rate	US$ millions
At 31 March 2006	A$ 1,000.0	1.3975 to 1	US$ 715.6
Effect of foreign exchange for the nine months	-		77.4
Other adjustments	55.9	1.3365 to 1	41.8
Interim funding payment	(9.0)	1.2648 to 1	(7.1)
At 31 December 2006	A$ 1,046.9	1.2648 to 1	US$ 827.7
At 30 September 2006	A$ 1,055.9	1.3365 to 1	US$ 790.0
Effect of foreign exchange for the third quarter	-		44.8
Interim funding payment	(9.0)	1.2648 to 1	(7.1)
At 31 December 2006	A$ 1,046.9	1.2648 to 1	US$ 827.7

ASIC Proceedings and Investigation

On 14 February 2007, the Australian Securities & Investments Commission (ASIC) advised the company that it had commenced civil proceedings against JHI NV, a former subsidiary and ten present or former officers and directors of the James Hardie group. The civil proceedings concern alleged contraventions of certain provisions of the Corporations Law and/or the Corporations Act connected with the affairs of the company and certain subsidiaries during the period February 2001 to June 2003.

On 20 February 2007, the company announced that the three serving directors named in the ASIC proceedings had resigned from the Board and Board Committees.

The Company has considered the impact of the ASIC proceedings upon its current financial statements and believes that these proceedings will have no material impact. However, there remains considerable uncertainty surrounding the likely outcome of the ASIC proceedings in the longer term and there is a possibility that the related costs to the company could become material. However, at this stage it is not possible to determine the amount of any such liability.

Readers are referred to Note 7 of the company's 31 December 2006 Financial Report for further information on the ASIC Investigation.

Cash flow

Operating cash flow for the nine months fell from US$215.8 million to US$44.7 million primarily due to the A$189.0 million (US$141.4 million) Australian Taxation Office (ATO) deposit payment and an increase in working capital.

Capital expenditures for the purchase of property, plant and equipment decreased from US$123.8 million to US$79.4 million for the nine months.

Net debt peaked after the ATO payment in the second quarter at US$140 million and has since been reduced to US$22.7 million at 31 December 2006.

Outlook

In North America, industry experts expect further softening in residential construction activity is likely but note some encouraging signs suggest the market may be close to entering a period of stability.

The National Association of Home Builders' Chief Economist, David Seiders, made the following statement on 26 January 2007: "The stabilisation of home sales and housing demand that we are now seeing is the first step required to put the housing market back on track. The second step is to whittle down the inventory overhang, which builders have been doing since July, and the final step will be to bring housing starts back up to sustainable levels. We anticipate that starts will bottom out in the first quarter of this year and that residential construction activity will be moving up by the second half of 2007".

Our USA Fibre Cement business has adopted a more pessimistic view than this in setting its business plan for the next year, but is well positioned to 'flex up' in response to higher than anticipated demand.

Sales volumes in Q4 are expected to be affected by the weaker new residential housing market. Further market share gains against alternative materials are expected to partly offset the impact of a weaker new residential construction market. The business also will target efficiencies and build organisational capabilities.

Sales growth in our interior products category is expected to continue due to a healthy level of repair and remodel activity and further market share growth.

In the Australia and New Zealand business, challenging market conditions are expected to continue, but further volume growth is expected from market initiatives aimed at driving primary demand. Prices for non-differentiated products are expected to remain under pressure due to price competition in Australia.

In the Philippines, no significant improvement to domestic building and construction activity is expected in the short-term. High inflation and the potential for economic and political uncertainty is expected to keep construction activity levels under pressure.

Changes to the asbestos provision to reflect changes in foreign exchange rates or updates to the actuarial estimate may have a material impact on the company's consolidated financial statements – refer to note 7 of the company's Financial Report as at 31 December 2006 for more information.

The current range of analyst earnings estimates for fiscal year ending 31 March 2007 for net profit from continuing operations excluding all asbestos related expenses is US$201 million to US$231 million. The company's current projection for fiscal year 2007 is for net profit from continuing operations excluding all asbestos related expenses to fall within this range.

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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, a Management Presentation, and a Financial Report.

These documents, along with an audiocast of the management presentation on 6 March 2007, are available from the Investor Relations section of James Hardie's website at: www.jameshardie.com

The company lodged its annual filing with the SEC on 29 September 2006.

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

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 net sales. James Hardie believes EBIT and EBIT margin to be relevant and useful information as these are the primary measures used by management to measure the operating profit or loss of its business. EBIT is one of several metrics used by management to measure the earnings generated by the company's operations, excluding interest and income tax expenses. Additionally, EBIT is believed to be a primary measure and terminology used by its 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 the company has defined them, may not be comparable to similarly titled measures reported by other companies.

Operating profit – is equivalent to the US GAAP measure of income.

Net operating profit – 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 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.

Non-US GAAP Financial Measures

EBIT and EBIT margin excluding adjustments to asbestos provision – EBIT and EBIT margin excluding adjustments to asbestos provision are not measures of financial performance under US GAAP and should not be considered to be more meaningful than EBIT and EBIT margin. James Hardie 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. The company uses these non-US GAAP measures for the same purposes.

US$ Million	Q3 FY07	Q3 FY06	9 Mths FY07	9 Mths FY06
EBIT	$ 19.3	$ 64.4	$ 129.2	$ 227.7
Adjustments to asbestos provision	44.8	-	119.2	-
EBIT excluding adjustments to asbestos provision	64.1	64.4	248.4	227.7
Net Sales	$ 355.1	$ 362.7	$ 1,182.0	$ 1,098.7
EBIT margin excluding adjustments to asbestos provision	18.1%	17.8%	21.0%	20.7%

EBIT excluding adjustments to asbestos provision and SCI and other related expenses – EBIT excluding adjustments to asbestos provision, and 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 EBIT. James Hardie 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 and provides useful information regarding its financial condition and results of operations. The company uses this non-US GAAP measure for the same purposes.

US$ Million	Q3 FY07	Q3 FY06	9 Mths FY07	9 Mths FY06
EBIT	$ 19.3	$ 64.4	$ 129.2	$ 227.7
Adjustments to asbestos provision	44.8	-	119.2	-
SCI and other related expenses	2.6	4.8	8.2	14.7
EBIT excluding adjustments to asbestos provision and SCI and other related expenses	$ 66.7	$ 69.2	$ 256.6	$ 242.4

Net operating profit excluding adjustments to asbestos provision – Net operating profit excluding adjustments to asbestos provision is not a measure of financial performance under US GAAP and should not be considered to be more meaningful than net income. The company 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. The company uses this non-US GAAP measure for the same purposes.

US$ Million	Q3 FY07	Q3 FY06	9 Mths FY07	9 Mths FY06
Net operating (loss) profit	$ (8.0)	$ 40.7	$ 48.6	$ 144.2
Adjustments to asbestos provision	44.8	-	119.2	-
Net operating profit excluding adjustments to asbestos provision	$ 36.8	$ 40.7	$ 167.8	$ 144.2

Diluted earnings per share excluding adjustments to asbestos provision and tax provision write-back – Diluted earnings per share excluding adjustments to asbestos provision and tax provision write-back is not a measure of financial performance under US GAAP and should not be considered to be more meaningful than diluted earnings per share. The company 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. The company's management uses this non-US GAAP measure for the same purposes.

US$ Million	**Q3 FY07**	**Q3 FY06**	**9 Mths FY07**	**9 Mths FY06**
Net operating (loss) profit	$ (8.0)	$ 40.7	$ 48.6	$ 144.2
Adjustments to asbestos provision	44.8	-	119.2	-
Tax provision write-back	-	-	(7.4)	-
Net operating profit excluding adjustments to asbestos provision and tax provision write-back	$ 36.8	$ 40.7	$ 160.4	$144.2
Weighted average common shares outstanding - Diluted (millions)	464.7	466.8	464.6	465.6
Diluted earnings per share excluding adjustments to asbestos provision and tax provision write-back (US cents)	7.9	8.7	34.5	31.0

Effective tax rate excluding adjustments to asbestos provision and tax provision write-back – Effective tax rate excluding adjustments to asbestos provision and tax provision write-back is not a measure of financial performance under US GAAP and should not be considered to be more meaningful than effective tax rate. The company 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. The company's management uses this non-US GAAP measure for the same purposes.

US$ Million	**Q3 FY07**	**Q3 FY06**	**9 Mths FY07**	**9 Mths FY06**
Operating profit before income taxes	$ 18.0	$ 65.2	$ 126.9	$ 226.8
Adjustments to asbestos provision	44.8	-	119.2	-
Operating profit before income taxes excluding adjustments to asbestos provision before income taxes	$ 62.8	$ 65.2	$ 246.1	$ 226.8
Income tax expense	26.0	24.5	79.2	82.6
Tax provision write-back	-	-	7.4	-
Income tax expense excluding tax provision write-back	$ 26.0	$ 24.5	$ 86.6	$ 82.6
Effective tax rate excluding adjustments to asbestos provision and tax provision write-back	41.4%	37.6%	35.2%	36.4%

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 EBITDA in the same manner as James Hardie has and, accordingly, EBITDA may not be comparable with other companies. The company has included information concerning 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.

Disclaimer

This Media Release contains forward-looking statements. We may from time to time make forward-looking statements in our periodic reports filed with or furnished to the United States Securities and Exchange Commission on Forms 20-F and 6-K, in our annual reports to shareholders, in offering circulars and prospectuses, in media releases and other written materials and in oral statements made by our officers, directors or employees to analysts, institutional investors, representatives of the media and others. Examples of forward-looking statements include:

- *expectations about the timing and amount of payments to the Asbestos Injuries Compensation Fund (AICF), a special purpose fund for the compensation of proven asbestos-related personal injury and death claims;*
- *expectations with respect to the effect on our financial statements of those payments;*
- *statements as to the possible consequences of proceedings brought against us and certain of our former directors and officers by the Australian Securities & Investments Commission;*
- *expectations that our credit facilities will be extended or renewed;*
- *projections of our operating results or financial condition;*
- *statements regarding our plans, objectives or goals, including those relating to competition, acquisitions, dispositions and our products;*
- *statements about our future performance; and*
- *statements about product or environmental liabilities.*

Words such as "believe," "anticipate," "plan," "expect," "intend," "target," "estimate," "project," "predict," "forecast," "guideline," "should," "aim" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.

Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors, some of which are discussed under "Risk Factors" beginning on page 5 of our Form 20-F filed on 29 September 2006 with the Securities and Exchange Commission, 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 the AICF and the effect of foreign exchange on the amount recorded in our financial statements as an asbestos provision; compliance with and changes in tax laws and treatments; competition and product pricing in the markets in which we operate; the consequences of product failures or defects; exposure to environmental, asbestos or other legal proceedings; general economic and market conditions; the supply and cost of raw materials; the success of our research and development efforts; our reliance on a small number of product distributors; compliance with and changes in environmental and health and safety laws; risks of conducting business internationally; compliance with and changes in laws and regulations; foreign exchange risks; the successful implementation of new software systems; and the successful implementation of the internal control over financial reporting requirements of Section 404 of the Sarbanes-Oxley Act of 2002, as codified by Item 308 of regulation S-K. We caution 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.