



**James Hardie**

**2006 Analyst/Investor Tour**

**Jamie Chilcoff**


**Marketing and Branding**

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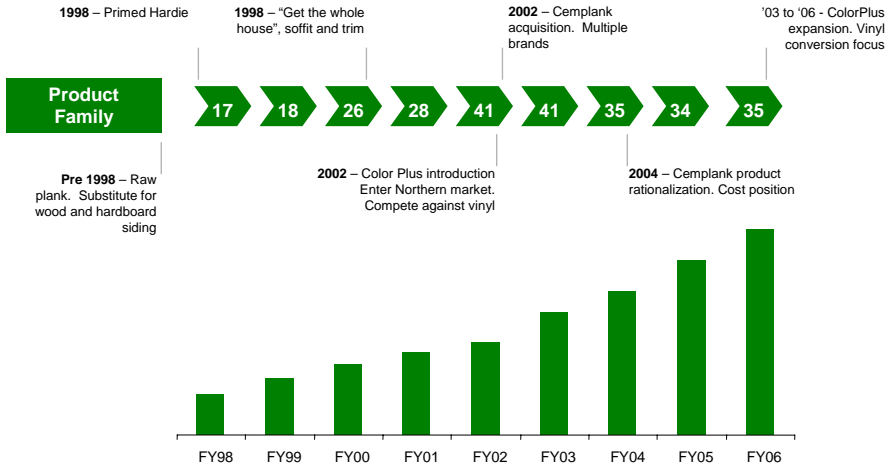


## Introduction

- **James Hardie fiber cement volume has exhibited sustained growth through strong market and product position**
- **Continue to target strong volume growth and revenue yield**
  - How has the product portfolio evolved over time?
  - What will the product portfolio look like in the future?
  - What is the product development strategy?

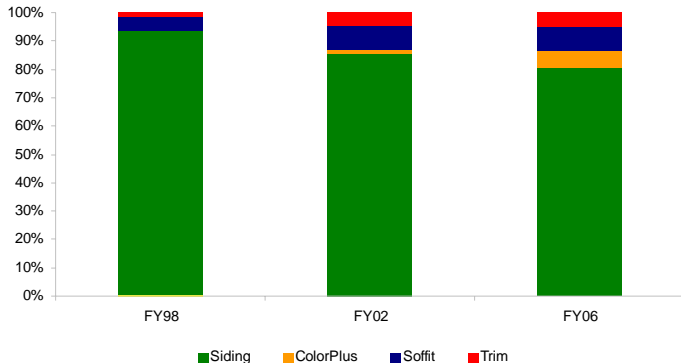
# Volume Growth and Product Development

- Number of products has grown in support of volume growth



# Historical & Product Mix Evolution

- Premium product segment growth has driven ability to increase volume and enhance revenue yield.**



## Future Product Mix - Evolution

- **Continue to grow core volume through product leadership and increase revenue yield through differentiated product position**

### Pursue strategy to grow and defend market position

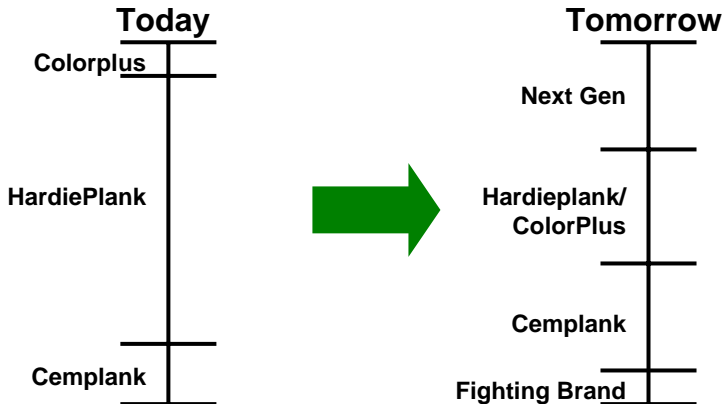
- Continue to gain share in existing markets to secure, strengthen and grow the core business
  - Brand development... "Good, Better, Best" positioning
  - Regional market focus
  - Defend market share

### Enhance revenue yield through differentiated products

- Aggressively grow revenue yield through provision of new products
  - Continued product innovation and differentiation as market position matures
  - Leverage proven product leadership position

## Desired Product Mix

- Product mix will evolve significantly in the medium term to continue to drive revenue and leverage market position.



# Desired Product Mix - Next Steps

## Brand Development

- **Build brand equity over time to support premium position**
- **“A Better Way to Build”...**
- **Good, Better, Best positioning**

## Grow Existing Share

- **Extended ColorPlus rollout – initially target Pacific North West, then aggressively pursue other markets**
- **Market entry strategy will vary from region to region**

## Differentiated Product

- **Pursue differentiated premium position in mature markets**
- **Rollout Next Gen product in identified markets end FY08**

## Defend Market Share

- **Launch price fighter brand to actively compete against non-premium product competition**



# Brand Portfolio Strategy - Good, Better, Best



LINCOLN



RENAISSANCE HOTELS



THE RITZ-CARLTON

Cemboard

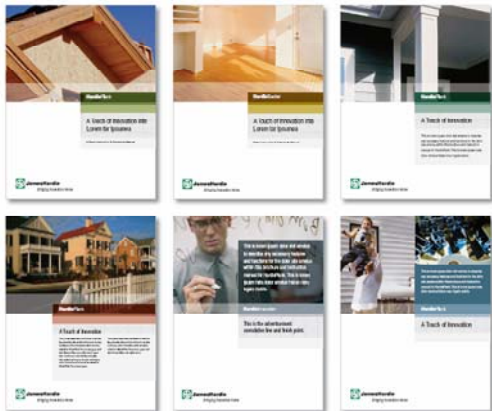
Hardie

Premium Hardie

A three tiered architecture allows you to:

- Target different audiences
- Segment your prospective markets
- Price accordingly
- Penetrate varied markets effectively

# Brand Strategy - New Branding



- Launching a new brand with a consistent look and feel across the product portfolio.
- A brand promise that connects with customers – “A Better Way To Build.”



**Brand Video**



®

**JamesHardie**

# Conclusion

- **Continued strong growth in core product volume and revenue yield**
- **Product portfolio will continue to evolve...**
  - Build brand position and consumer awareness
  - Grow and defend existing markets
  - Leverage product leadership competency to provide pipeline of differentiated products



# Definitions

## Sales Volumes

mmsf – million square feet

msf – thousand square feet

# Disclaimer

*This Management Presentation 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 that the conditions precedent to the Final Funding Agreement will be satisfied;*  
*expectations about payments to a special purpose fund for the compensation of proven asbestos-related personal injury and death claims;*  
*expectations concerning the Australian Tax Office amended assessment;*  
*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; 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.*