

Results at a Glance

2nd Quarter and Half Year – 30 September 2004

2nd QTR FY05

HY05

James Hardie

Net Sales	Up	20%	to	US\$300.9	Up	23%	to	US\$607.0
EBIT ¹	Down	16%	to	US\$ 40.0	Up	2%	to	US\$ 98.3
Operating Profit from Continuing Operations ¹	Down	25%	to	US\$ 24.7	Down	6%	to	US\$ 61.8
Net Operating Profit Including Discontinued Operations ¹	Down	24%	to	US\$ 24.8	Down	9%	to	US\$ 61.1
EBIT Margin ¹	Down	5.7pts	to	13.3%	Down	3.3pts	to	16.2%

USA Fibre Cement

Net Sales	Up	21%	to	US\$231.0	Up	25%	to	US\$471.7
EBIT ¹	Down	9%	to	US\$ 49.0	Up	4%	to	US\$112.1
EBIT Margin ¹	Down	6.9pts	to	21.2%	Down	4.7pts	to	23.8%
Volume	Up	18%	to	459.7mmsf ¹	Up	22%	to	950.1mmsf ¹

Asia Pacific Fibre Cement

Net Sales	Up	14%	to	US\$62.5	Up	14%	to	US\$119.8
EBIT ¹	Up	31%	to	US\$12.3	Up	35%	to	US\$ 24.3
EBIT Margin ¹	Up	2.5pts	to	19.7%	Up	3.1pts	to	20.3%
Volume	Up	9%	to	102.6mmsf ¹	Up	9%	to	196.8mmsf ¹

Key Ratios

Earnings Per Share (Diluted)	13.4cents
EBIT Margin ¹	16.2%
Return on Shareholders Funds (Annualised – including discontinued operations)	23.2%
Return on Capital Employed (Annualised)	26.0%
Gearing ¹	10.0%
Net Interest Cover (EBIT ¹ / Net interest expense)	25.5x

All comparisons are against the 2nd quarter or half year of the previous fiscal year. All dollar amounts are in US\$ millions. Results are for continuing businesses only unless otherwise stated. Note: This document should be read in conjunction with other 2nd quarter and half year results materials including a Media Release, a Management's Discussion and Analysis, a Management Presentation and a Financial Report.

¹Definitions

EBIT and EBIT Margin - EBIT is defined as 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.

EBIT and EBIT margin, as used in this document, are equivalent to the US GAAP measures of operating income and operating income margin.

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.

Gearing - Is borrowings less cash (net debt) divided by net debt plus shareholders' equity.

mmsf - million square feet

msf - thousand square feet