James Hardie

media release

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Full year operating profit excluding asbestos provision up 63% to US$208.9 million

Asbestos provision recorded

James Hardie today announced that its 4th quarter and full year results have been substantially affected by the recording of a net provision for estimated future asbestos-related compensation payments (asbestos provision) of US$715.6 million at 31 March 2006.

The asbestos provision contributed to a decrease in operating profit from continuing operations for the three months ended 31 March 2006, down from US$46.3 million in fiscal year 2005 to a loss of US$650.9 million. For the full year, the operating profit from continuing operations fell from US$127.9 million in fiscal year 2005 to a loss of US$506.7 million.

For the 4th quarter, operating profit from continuing operations, excluding the asbestos provision of US$715.6 million, increased 40% compared to the same quarter last year, to US$64.7 million. The strong 4th quarter operating performance lifted the full year operating profit from continuing operations, excluding the asbestos provision, by 63% to US$208.9 million.

The recording of the asbestos provision is in accordance with US accounting standards because it is probable that the company will make payments to fund asbestos-related claims on a long-term basis. The amount of the asbestos provision of US$715.6 million (A$1.0 billion) at 31 March 2006 is the company's best estimate of the probable outcome. This estimate is based on the terms of the Final Funding Agreement (FFA), which includes an actuarial estimate prepared by KPMG Actuaries Pty Ltd (KPMG Actuaries) as of 31 March 2006 of the projected future cash outflows, undiscounted and uninflated, and the anticipated tax deduction arising from Australian legislation which came into force on 6 April 2006. The company's ability to obtain this tax deduction under legislation remains the subject of an ongoing application to the Australian Tax Office (ATO). If the conditions precedent to the FFA, such as the tax deductibility of payments, are not met, the company may seek to enter into an alternative arrangement under which it would make payments for the benefit of asbestos claimants. Under alternative arrangements, the estimate may change.

The 4th quarter and full year results also include Special Commission of Inquiry (SCI) and other related expenses of US$2.7 million and US$17.4 million, respectively (US$2.5 million and US$16.5 million after tax, respectively); a US$20.7 million benefit from the reversal of tax reserves relating to the resolution of certain tax audits; and a US$13.4 million (US$8.0 million after tax) impairment charge associated with the write-off of a pilot roofing plant, as previously announced.

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 8. 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". 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 asbestos provision", "EBIT excluding asbestos provision, impairment charge and SCI and other related expenses", "Operating profit from continuing operations excluding asbestos provision", "Diluted earnings per share from continuing operations excluding asbestos provision, impairment charge, SCI and other related expenses and write-back of tax provisions" and "EBITDA"). Unless otherwise stated, results are for continuing operations only and comparisons are of the 4th quarter and the full year versus the 4th quarter and full year of the prior fiscal year.

Excluding these items, operating profit from continuing operations increased 13% for the quarter to US$54.5 million and 42% for the year to US$212.7 million as shown in the following table:

US$ Million	Q4 FY06	Q4 FY05	% Change	FY06	FY05	% Change
Operating (loss) profit from continuing operations	$ (650.9)	$ 46.3	-	$ (506.7)	$ 127.9	-
Asbestos provision	715.6	-	-	715.6	-	-
Operating profit from continuing operations excluding asbestos provision	64.7	46.3	40	208.9	127.9	63
Impairment of roofing plant (net of tax benefit of US$5.4 million)	8.0	-	-	8.0	-	-
SCI and other related expenses (net of tax benefit)	2.5	2.1	19	16.5	22.3	(26)
Write-back of tax provisions	(20.7)	-	-	(20.7)	-	-
Operating profit from continuing operations excluding asbestos provision, impairment charge, SCI and other related expenses and write-back of tax provisions	$ 54.5	$ 48.4	13	$ 212.7	$ 150.2	42

Operating performance

The 4th quarter highlights include a 23% increase in net sales to US$389.8 million and a 15% increase in gross profit to US$139.5 million. However EBIT was significantly impacted by the asbestos provision of US$715.6 million booked in the quarter. EBIT excluding asbestos provision for the 4th quarter decreased by 18% to US$53.0 million. The lower EBIT for the quarter is largely a consequence of a US$13.4 million asset impairment charge related to the company's roofing business. EBIT excluding asbestos provision, impairment charge and SCI and other related expenses increased 1%.

Continuation of strong growth in the 4th quarter led to net sales for the year increasing 23% compared to last year, to US$1,488.5 million. Gross profit was up 29% for the year and EBIT excluding asbestos provision, impairment charge and SCI and other related expenses, increased 39% to US$311.5 million for the year.

USA Fibre Cement continued its strong growth momentum, with net sales up 32% for the quarter. However, higher costs during the quarter, including a lift in spending on growth initiatives, affected the bottom line with EBIT increasing 7%. For the full year, net sales increased 30% and EBIT was up 42%.

Market conditions during the 4th quarter were weak in the Asia Pacific Fibre Cement businesses. The Australia and New Zealand consolidated business increased sales 6% in Australian dollars, while the Philippines remained EBIT positive.

Diluted earnings per share from continuing operations for the quarter decreased from US 10.0 cents in the prior corresponding quarter to a net loss per share of US$1.41, and from US 27.7 cents to a net loss per share of US$1.10 for the full year.

Diluted earnings per share from continuing operations excluding asbestos provision, impairment charge, SCI and other related expenses and write-back of tax provisions for the quarter, increased from US 10.4 cents to US 11.7 cents, and from US 32.6 cents to US 45.7 cents for the full year.

4th Quarter and Full Year Ended 31 March 2006 at a Glance

US$ Million	Q4 FY06	Q4 FY05	%+\(-)	FY06	FY05	%+\(-)
Net sales	$389.8	$316.4	23	$1,488.5	$1,210.4	23
Gross profit	139.5	121.3	15	550.8	426.4	29
SCI and other related expenses	(2.7)	(3.7)	(27)	(17.4)	(28.1)	(38)
Impairment of roofing plant	(13.4)	-	-	(13.4)	-	-
Asbestos provision	(715.6)	-	-	(715.6)	-	-
EBIT	(662.6)	64.6	-	(434.9)	196.2	-
Net interest income (expense)	0.7	(0.6)	-	(0.2)	(5.1)	(96)
Income tax benefit (expense)	11.0	(17.9)	-	(71.6)	(61.9)	16
Operating (loss) profit from continuing operations	(650.9)	46.3	-	(506.7)	127.9	-
Net operating (loss) profit including discontinued operations	(650.9)	46.3	-	(506.7)	126.9	-

Commentary

James Hardie's Chief Executive Officer, Louis Gries, said: "Operationally, the strong 4th quarter growth performance capped off an outstanding year for the company.

"Our US business exceeded its targets once again and it remains on track to meet its longer-term targets.

"We expect housing activity in North America to slow over the remainder of the calendar year, but still be at very solid levels. We have a track record of penetrating our target markets and are growing much faster than the market itself, and we expect this to continue," said Mr Gries.

Dividend

The company has today announced a final dividend of US 4.0 cents a share, which brings the total dividend for the year to US 8.0 cents, an increase of US 2.0 cents over last year's dividend. The dividend was declared in United States currency and will be paid on 6 July 2006, with a record date of 14 June 2006. The Australian currency equivalent of the dividend to be paid to CUFS holders will be announced to the ASX on 15 June 2006. ADR holders will receive their dividend in United States currency.

The company's ability to make distributions to shareholders from retained earnings is unaffected by the booking of the asbestos provision.

USA Fibre Cement – Growth momentum continues

Net sales increased 32% over the same quarter last year to US$325.6 million, due to a 22% lift in sales volume to 575.1 million square feet, and an 8% increase in the average net sales price to US$566 per thousand square feet.

Despite expectations that the robust new housing construction market would 'cool' to more sustainable levels, unseasonably good weather helped buoy both the new housing and the repair and remodel segments and activity levels remained very strong during the quarter.

The business continued to increase market share and grow primary demand for its products in both its emerging and established geographic regions and in its interior and exterior product categories.

The strong sales performance for the quarter was partly offset by higher operating costs. Cost of sales was up 14% compared to the same quarter last year due to higher raw material and energy costs. Freight was up 13% due mainly to increases in oil prices, and SG&A expenses were up significantly due to an adjustment made in the quarter to the accrual for employee bonuses to reflect the improved full year profit performance, together with increased spending on growth initiatives and organisational infrastructure to accommodate the company's continued growth. EBIT for the quarter was 7% higher at $82.7 million and 42% higher for the full year at US$342.6 million. The EBIT margin was 25.4% for the quarter and 28.1% for the full year.

Australia and New Zealand (ANZ) Fibre Cement – Growing demand

Net sales for the quarter were up only slightly to US$51.1 million. In Australian dollars, net sales increased 6% due to a 10% lift in sales volume, partly offset by a 4% decrease in the average sales price. The new housing and renovation markets softened further during the quarter, but the business increased sales volumes through market initiatives designed to grow primary demand for its products and by providing more value-added differentiated products.

The increase in net sales was offset by higher manufacturing, SG&A and freight costs. This resulted in EBIT from the ANZ business being 18% lower for the quarter at US$9.2 million. For the full year, EBIT fell 8% to US$38.9 million. The EBIT margin was 18.0% for the quarter and 17.8% for the full year.

Philippines – EBIT positive

Net sales were lower than in the same quarter last year due to a slow-down in domestic construction activity and increased regional export competition from certain low-priced competitors. Higher average selling prices partly offset the impact of lower sales volume and the business recorded an EBIT positive result for both the quarter and full year.

USA Hardie Pipe – Progress made

Net sales for the quarter fell short against the comparable period of last year, but were the highest of any quarter this year. The business is continuing to focus on growing sales in its core markets and improving profitability. A small EBIT loss was recorded for the quarter.

Europe Fibre Cement – Sales increasing

The business continued to grow sales by building awareness of its backer and siding products among distributors, builders and contractors and through expansion of its distribution network.

Income tax

During the quarter, the company successfully resolved certain of its tax audit issues, resulting in a reversal of reserves set up in prior years of US$20.7 million.

As previously announced on 22 March 2006, RCI Pty Ltd (RCI), a wholly-owned subsidiary of the company, received an amended assessment from the ATO in respect of RCI's income tax return for the year ended 31 March 1999. The amended assessment relates to the amount of net capital gains arising as a result of an internal corporate restructure carried out in 1998 and has been issued pursuant to the discretion granted to the Commissioner of Taxation under Part IVA of the Income Tax Act 1936. The original amended assessment issued to RCI was for a total of A$412.0 million. However, after a subsequent remission of general interest charges by the ATO, the total is now A$378.0 million comprised of A$172.0 million of primary tax after allowable credits, A$43.0 million of penalties (representing 25% of primary tax) and A$163.0 million of general interest charges.

The company believes that the tax position reported in RCI's tax return for the 1999 year will be upheld on appeal. Accordingly, at this time, the company is unable to determine with any certainty whether any amount will ultimately become payable by RCI or, if any amount is ultimately payable, the amount of any such payment. Therefore the company has not recorded any liability at 31 March 2006 for the amended assessment because, at this time, no such liability is probable and estimable in accordance with US accounting standards.

Readers are referred to Note 13 of the company's 31 March 2006 Financial Report for further information on the ATO amended assessment.

Asbestos compensation funding arrangement

Last quarter, the Board of JHI NV approved the FFA, subject to satisfaction of certain conditions, to provide long-term funding for Australian asbestos-related personal injury claims that result from exposure to products made by former James Hardie Australian Subsidiaries. Representatives of JHI NV and the New South Wales Government signed the FFA on 1 December 2005.

The FFA was negotiated in accordance with the terms of a non-binding Heads of Agreement signed on 21 December 2004 by the Australian Council of Trade Unions (ACTU), NSW Government, UnionsNSW, a representative of the asbestos claimants and JHI NV. It is a legally binding agreement and sets out the basis on which James Hardie will provide funding to a Special Purpose Fund (SPF).

The FFA is subject to a number of conditions precedent, including the tax treatment of the proposed funding arrangements and receiving the approval of James Hardie's lenders and shareholders.

The non-binding Heads of Agreement specified that tax deductibility of payments to the SPF was a condition precedent to proceeding to a binding agreement. This recognised that all parties to the Heads of Agreement agreed that tax deductibility of the payments is a critical factor regarding affordability of the proposed voluntary funding arrangements. James Hardie continues to discuss tax deductibility of the payments as well as the tax-exempt status of the SPF with the ATO and the Federal Treasury.

The booking of the asbestos provision is based on the company's assumption that the conditions to the effectiveness of the FFA will be fulfilled, including the achievement of tax deductibility of asbestos compensation payments. If these conditions are not fulfilled, the company is likely to propose an alternative settlement, in which case the amount of the provision may be adjusted to reflect the funds available for contribution by the company if deductibility is not achieved. Any such alternative settlement may be subject to conditions precedent and would require lender and shareholder approval.

Recording of asbestos provision

The recording of the asbestos provision is in accordance with US accounting standards because it is probable that the company will make payments to fund asbestos-related claims on a long-term basis. The amount of the asbestos provision of US$715.6 million (A$1.0 billion) at 31 March 2006 is the company's best estimate of the probable outcome. This estimate is based on the terms of the FFA, which includes an actuarial estimate prepared by KPMG Actuaries Pty Ltd (KPMG Actuaries) as of 31 March 2006 of the projected future cash outflows, undiscounted and uninflated, and the anticipated tax deduction arising from Australian legislation which came into force on 6 April 2006. The company's ability to obtain this tax deduction under legislation remains the subject of an ongoing application to the ATO. If the conditions precedent to the FFA, such as the tax deductibility of payments, are not met, the company may seek to enter into an alternative arrangement under which it would make payments for the benefit of asbestos claimants. Under alternative arrangements, the estimate may change.

Readers are referred to Note 12 of the company's 31 March 2006 Financial Report for further information on the voluntary funding proposal, and for information on SCI and other related matters.

Cash flow

The increased profit performance of the company resulted in an improvement in operating cash flow, which for the full year increased by 9% from US$219.8 million to US$240.6 million.

Net cash used in investing activities increased from US$149.8 million to US$154.0 million as the company continued to invest in increasing its production capacity.

Outlook

Housing construction in North America is expected to soften to more sustainable levels over the short to medium term as the gradual onset of higher long-term interest rates affects affordability and house price expectations.

National Association of Home Builders' Chief Economist David Seiders said in *The Seider's Report* of 11 April 2006: "A soft landing is still the best bet for the housing market in 2006-2007, despite the rather abrupt shift in the supply-demand balance in recent months, and we expect relative strength in rental housing and remodelling to partially offset moderate declines in sales and production of family homes and condo units."

Despite an expected moderate softening in new housing construction, the business expects to continue growing sales through further penetration of its targeted markets and by increasing the proportion of higher-priced differentiated products in its sales mix.

The business is expecting continued high raw materials, energy and freight costs in the first quarter of fiscal year 2007.

In Australia and New Zealand, a further softening of the new housing and renovations markets is expected over the short to medium-term. However, sales volumes are expected to increase through initiatives to grow primary demand for the company's products. Increased sales volumes and cost savings are expected to improve profitability.

Conditions in the Philippines are expected to remain difficult due to some continuing political and economic uncertainty, high levels of inflation, and the business' market share being aggressively pursued by competitors.

The company continues to incur costs associated with the SCI and other related matters, including: discussions with the Federal Treasury and ATO on the tax-deductibility of payments to the SPF to be established to provide long-term funding of proven asbestos-related claims for Australian personal injury claimants against former James Hardie Australian subsidiary companies; the tax exempt status of the SPF; co-operating with the Australian Securities and Investments Commission's ongoing investigation into the circumstances surrounding the establishment of the Medical Research and Compensation Foundation; providing an updated actuarial assessment of the total asbestos liabilities of the former subsidiary companies; and associated legal and advisory costs. These costs are likely to continue to be material over the short term.

In addition, as discussed in Note 12 of the company's 31 March 2006 Financial Report, the asbestos provision will be updated annually, based on the most recent actuarial determinations and claims experience. Changes to the actuarial reports may have a material impact on James Hardie's consolidated financial statements.

End.

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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 a video and audio webcast of the management presentation on 15 May 2006, are available from the Investor Relations section of James Hardie's website at www.jameshardie.com

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 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 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 asbestos provision – EBIT and EBIT margin excluding 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	Q4 FY06	Q4 FY05	FY06	FY05
EBIT	$ (662.6)	$ 64.6	$ (434.9)	$ 196.2
Asbestos provision	715.6	-	715.6	-
EBIT excluding asbestos provision	53.0	64.6	280.7	196.2
Net Sales	389.8	316.4	1,488.5	1,210.4
EBIT margin excluding asbestos provision	13.6%	20.4%	18.9%	16.2%

EBIT excluding asbestos provision, impairment charge and SCI and other related expenses – EBIT excluding asbestos provision, impairment charge 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	**Q4 FY06**	**Q4 FY05**	**FY06**	**FY05**
EBIT	$ (662.6)	$ 64.6	$ (434.9)	$ 196.2
Asbestos provision	715.6	-	715.6	-
Impairment of roofing plant	13.4	-	13.4	-
SCI and other related expenses	2.7	3.7	17.4	28.1
EBIT excluding asbestos provision, impairment charge and SCI and other related expenses	$ 69.1	$ 68.3	$ 311.5	$ 224.3

Operating profit from continuing operations excluding asbestos provision – Operating profit from continuing operations excluding asbestos provision 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. 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	**Q4 FY06**	**Q4 FY05**	**FY06**	**FY05**
Operating (loss) profit from continuing operations	$ (650.9)	$ 46.3	$ (506.7)	$ 127.9
Asbestos provision	715.6	-	715.6	-
Operating profit from continuing operations excluding asbestos provision	$ 64.7	$ 46.3	$ 208.9	$ 127.9

Diluted earnings per share from continuing operations excluding asbestos provision, impairment charge, SCI and other related expenses and write-back of tax provisions – Diluted earnings per share from continuing operations excluding asbestos provision, impairment charge, SCI and other related expenses and the write-back of tax provision is not a measure of financial performance under US GAAP and should not be considered to be more meaningful than Diluted earnings per share from continuing operations. 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 (except share and per share data)	**Q4 FY06**	**Q4 FY05**	**FY06**	**FY05**
Operating (loss) profit from continuing operations	$ (650.9)	$ 46.3	$ (506.7)	$ 127.9
Asbestos provision	715.6	-	715.6	-
Impairment of roofing plant (net of tax)	8.0	-	8.0	-
SCI and other related expenses (net of tax)	2.5	2.1	16.5	22.3
Write-back of tax provisions	(20.7)	-	(20.7)	-
Operating profit from continuing operations excluding asbestos provision, impairment charge, SCI and other related expenses and write-back of tax provisions	$ 54.5	$ 48.4	$ 212.7	$ 150.2
Weighted average common shares outstanding (Millions) – Diluted	467.0	463.2	465.0	461.0
Diluted earnings per share from continuing operations excluding asbestos provision, impairment charge, SCI and other related expenses and write-back of tax provisions (US cents)	11.7	10.4	45.7	32.6

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. James Hardie may from time to time make forward-looking statements in its periodic reports filed with or furnished to the United States Securities and Exchange Commission on Forms 20-F and 6-K, in the annual reports to shareholders, in offering circulars 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, 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 company's Australian Tax Office amended assessment;*
- *expectations that the company's credit facilities will be extended or renewed;*
- *projections of operating results or financial condition;*
- *statements regarding plans, objectives or goals, including those relating to competition, acquisitions, dispositions and products;*
- *statements about 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. The company cautions 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 include, but are not limited to, the risk factors discussed under "Risk Factors" beginning on page 6 of the Form 20-F filed on 7 July 2005, and: all matters relating to or arising out of the prior manufacture of products that contained asbestos by current and former James Hardie Australian subsidiaries; 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 or other legal proceedings; general economic and market conditions; the supply and cost of raw materials; the success of research and development efforts; 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 . The company cautions that the foregoing list of factors is not exclusive 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.