

## Share/CUFS Information *(not forming part of the Consolidated Financial Statements)*

### James Hardie Industries NV voting rights:

As of 23 May 2003 James Hardie Industries NV had on issue 457,561,945 CHESS Units of Foreign Securities (CUFS) issued over 457,561,945 ordinary shares held by CHESS Depository Nominees Pty Ltd (CDN) on behalf of 21,589 CUFS holders. Each ordinary share carries the right to one vote. CUFS holders can direct CDN how to vote the ordinary shares on a one vote per CUFS basis. Options carry no voting rights.

### James Hardie Industries NV distribution schedule as at 23 May 2003:

Size of Holding	CUFS		Options	
	Holders	Holdings	Holders	Holdings
1-1,000	7,517	3,891,295		
1,001-5,000	10,294	25,614,602	13	59,213
5,001-10,000	2,226	15,577,024	5	41,734
10,001 - 100,000	1,397	30,485,434	100	3,281,534
100,001 and over	155	381,993,590	24	9,951,905
Totals	21,589	457,561,945	142	13,334,386

In the 1-1,000 range 220 CUFS holders held less than a marketable parcel.

### James Hardie Industries NV substantial CUFS holders as at 23 May 2003:

Holdings shown below are as disclosed in and at the date of notice lodged with Australian Stock Exchange Ltd.

Name	CUFS	Date of notice
Commonwealth Bank of Australia and its subsidiaries	73,067,576	5 Nov 2002
Merrill Lynch Investment Managers Ltd	24,096,241	10 Oct 2002
AMP Limited and its related bodies corporate	28,155,895	13 Dec 2002

### James Hardie Industries NV 20 largest CUFS holders and their holdings as at 23 May 2003:

Name	Number	% of capital	Position
Citicorp Nominees Pty Ltd	80,960,066	17.69	1
JP Morgan Nominees Australia Ltd	58,812,044	12.85	2
National Nominees Ltd	38,040,766	8.31	3
Westpac Custodian Nominees Ltd	34,420,433	7.52	4
RBC Global Services Australia Nominees Pty Ltd	21,962,385	4.80	5
Commonwealth Custodial Services Ltd	15,048,642	3.29	6
Cogent Nominees Pty Ltd	12,731,286	2.78	7
AMP Life Ltd	11,188,744	2.45	8
MLC Ltd	10,388,236	2.27	9
The National Mutual Life Association of Australasia Ltd	10,036,199	2.19	10
Queensland Investment Corporation	8,936,949	1.95	11
Australian Foundation Investment Company Ltd	5,935,404	1.30	12
ING Life Ltd	5,386,540	1.18	13
Madingley Nominees Pty Ltd	5,121,200	1.12	14
ANZ Nominees Ltd	3,878,753	0.85	15
HSBC Custody Nominees (Australia) Ltd	3,548,470	0.78	16
Millenium Pty Ltd	3,450,500	0.75	17
Sherwood House Nominees Pty Ltd	3,310,250	0.72	18
Raasay Pty Ltd	3,220,268	0.71	19
Invia Custodian Pty Ltd	3,214,725	0.71	20
Totals	339,591,860	74.22	

### James Hardie Industries NV share/CUFS buy-back

James Hardie Industries NV does not have a current on-market buy-back program at the date of this Annual Report.

**James Hardie Industries NV options**

Options changes during the period 1 April 2003 and 23 May 2003

Expiry dates:	17 Dec 2011	3 Dec 2012	Reduction in options	Shares allotted on exercise
Exercise prices:	A\$5.2696	A\$6.66		
Particulars				
Options exercised	47,347	–	47,347	47,347
Options cancelled	9,291	19,000	28,291	–

No options were granted during the period 1 April 2003 to 23 May 2003

**James Hardie Industries NV takeover regime**

The Articles of Association of James Hardie Industries NV (JHI NV) include takeover provisions which seek to reproduce the takeover regime established by the Corporations Act 2001 (the "Australian Takeovers Code") in a more limited form. The purpose of these provisions is to ensure that the Eggleston principles, which underpin the Australian Takeovers Code, are complied with if a substantial interest is acquired in JHI NV.

In addition to a takeover bid made in accordance with JHI NV Articles of Association, a merger (which is similar to a Corporations Act 2001 scheme of arrangement) may also be effected under Dutch law.

**(a) Outline of the JHI NV takeover regime**

The takeover regime contained in the JHI NV Articles of Association prohibits a person from holding JHI NV shares if, because of an acquisition of a relevant interest or any person in that share:

- (i) the number of JHI NV shares in which any person (including the holder) directly or indirectly acquires a relevant interest increases from 20% or below to over 20%, or increases from a starting point that is above 20% and below 90%, of the issued and the outstanding share capital of JHI NV; or
- (ii) the voting rights which any person (including the holder) directly or indirectly is entitled to exercise at a general meeting of shareholders increase from 20% or below to over 20%, or increases from a starting point that is above 20% and below 90%, of the total number of such voting rights which may be exercised by any person at a general meeting of shareholders.

The prohibition is subject to various exceptions set out in the Articles, which include acquisitions that result from acceptance of offers under a takeover bid, various prescribed on-market transactions, acquisitions which result in a person's voting power increasing by not more than 3% in a 6 month period, acquisitions which have received approval by the general meeting of shareholders or by the Supervisory Board in certain circumstances, and acquisitions through operation of law.

**(b) Takeover bids**

A "takeover bid" for the purposes outlined above is a bid for JHI NV shares or JHI NV CUFS that complies with the Eggleston Principles as well as other takeover principles set out in the Articles of Association at all relevant times.

The takeover principles are taken to be satisfied if a bid is made in compliance, so far as practical, at all relevant times with the procedures for conducting off market bids under Part 6.4, 6.5, 6.6 and 6.8 of the Corporations Act 2001. Any requirement under those provisions for a document to be lodged with the Australian Securities and Investments Commission is taken to be satisfied if the document is filed with Australian Stock Exchange Ltd. instead.

In response to receiving a takeover bid, JHI NV must give all holders of the Bid Securities a document which is analogous to a target's statement under the Australian Takeovers Code.

**(c) Enforcement**

If the prohibition outlined above is breached, JHI NV has several powers available to it under the Articles of Association to enforce the breach. These include powers to require the disposal of JHI NV shares, disregard the exercise of votes and suspend dividend rights.

The Supervisory Board may cause JHI NV to exercise these powers only if it has first obtained a ruling from a court of competent jurisdiction that a breach of the prohibition has occurred and is occurring. Alternatively, these powers may be exercised without having recourse to the court if the Company receives advice to the effect from a senior corporate barrister or solicitor where the bidder has the right to make submissions. The Company's right to exercise these powers by complying with these procedures must be renewed by shareholder approval every 5 years or they lapse.

**(d) Tracing of beneficial interests**

The Articles of Association also include a provision analogous to that found in the Corporations Act 2001 that gives JHI NV the power to require the holder of a JHI NV share or JHI NV CUFS to give the Company (or procure any relevant person to give to the Company) within 2 business days after receiving the notice a statement in writing setting out certain prescribed details relating to the relevant interest.

## Major announcements

James Hardie informs the ASX and the Securities Exchange Commission (SEC) of anything that might affect the Company's share price. As soon as possible after we receive acknowledgement from the ASX, we post announcements on our website. Following is a list of the major announcements made since the start of our 2003 financial year. A complete list is available on our website, [www.jameshardie.com](http://www.jameshardie.com) (select Investor Relations, then News).

### 2002

26 April	James Hardie announces the completion of its previously-announced agreement to sell James Hardie Gypsum to BPB PLC for US\$345M.
16 May	Preliminary final report: James Hardie announces strong 4th quarter results. The results lifted underlying EBIT (continuing operations only; before restructuring and other operating expenses) for the full year 33% to US\$75.0 million. Net Operating Profit (for continuing businesses) for the year fell 10% to US\$26.6 million due to higher interest and tax costs and the inclusion of restructuring and other operating expenses in earlier quarters.
16 July	Chairman's Address to Shareholders.
15 August	1st Quarter Results: James Hardie announces a net operating profit for continuing operations for the three months ended 30 June 2002 of US\$23.0 million. The result represents a substantial improvement on the US\$3.6 million profit in the same quarter last year and the US\$12.9 million profit in the previous quarter.
15 August	Further capacity expansion for USA Fibre Cement.
19 September	James Hardie announces a dividend of US 5 cents per share to be paid on 1 November 2002.
16 October	James Hardie announces a capital return of 38.04 Australian cents per CUFS, being the Euro equivalent of US 20 cents per share rounded upwards to the nearest whole Euro cent.
22 October	James Hardie announces that production capacity for its Blandon, Pennsylvania plant in the United States will be expanded by almost 70% to service rapidly growing demand for fibre cement in the north-east region.
14 November	2nd Quarter and Half-Yearly Results: James Hardie announces a US\$23.5 million operating profit from continuing operations for the three months ended 30 September 2002. The result represents a significant improvement on the US\$10.5 million profit in the second quarter last year and builds on the strong performance achieved in the first quarter of this year.
23 December	James Hardie announces the retirement of US\$60 million of long-term debt.

### 2003

13 February	3rd Quarter Results: James Hardie announces an operating profit from continuing operations of US\$15.5 million, for the three months ended 31 December 2002. Overall, third quarter sales revenue increased 36%, gross profit was up 51% and EBIT (before restructuring and other operating expenses) more than doubled to US\$29.9 million.
15 May	4th Quarter and Full Year results: James Hardie announces a 59% increase in operating profit from continuing operations of US\$23.4 million for the three months ended 31 March 2003 and operating profit for the full year up 202% to US\$85.4 million. The strong 4th quarter results included a 26% increase in net sales, a 46% increase in gross profit and a 28% lift in EBIT. The announcement included Board recommendation for a capital return of US 15 cents a share and a final dividend of US 2.5 cents a share. The dividend will be paid in July 2003 and the capital return in November 2003.

## Forward-looking Statements

This Annual Report contains forward-looking statements. 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, which are further discussed in our reports submitted to the Securities and Exchange Commission on Forms 20-F and 6-K and in our other filings, include but are not limited to: competition and product pricing in the markets in which we operate; general economic and market conditions; compliance with, and possible changes in laws; dependence on senior management; the success of our research and development efforts; the supply and cost of raw materials; our reliance on a small number of product distributors; the consequences of product failures or defects; exposure to environmental or other legal proceedings; risks of conducting business internationally; changes in tax laws and treatment; and foreign exchange risk. We caution you that the foregoing list of factors is not exclusive and that other risks and uncertainties may cause actual results to differ materially from those contained in forward-looking statements. Forward-looking statements speak only as of the date they are made.