

Consolidated Balance Sheets

James Hardie Industries NV and Subsidiaries

ASSETS	Notes	(Millions of US dollars)		(Millions of Australian dollars)	
		31 March		31 March	
		2006	2005	2006	2005
				(Unaudited)	(Unaudited)
Current assets:					
Cash and cash equivalents	3	\$ 315.1	\$ 113.5	A\$ 440.4	A\$ 146.9
Accounts and notes receivable, net of allowance for doubtful accounts of \$1.3 million (A\$1.8 million) and \$1.5 million (A\$1.9 million) as of 31 March 2006 and 31 March 2005, respectively	4	153.2	127.2	214.1	164.7
Inventories	5	124.0	99.9	173.3	129.3
Prepaid expenses and other current assets		33.8	12.0	47.2	15.5
Deferred income taxes	13	30.7	26.0	42.9	33.7
Total current assets		656.8	378.6	917.9	490.1
Property, plant and equipment, net	6	775.6	685.7	1,083.9	887.7
Deferred income taxes	13	4.8	12.3	6.7	15.9
Other assets		8.2	12.3	11.5	15.9
Total assets		\$ 1,445.4	\$ 1,088.9	A\$ 2,020.0	A\$ 1,409.6
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities:					
Accounts payable and accrued liabilities	8	\$ 117.8	\$ 94.0	A\$ 164.6	A\$ 121.7
Current portion of long-term debt	9	121.7	25.7	170.1	33.3
Short-term debt	9	181.0	11.9	252.9	15.4
Accrued payroll and employee benefits		46.3	35.7	64.7	46.2
Accrued product warranties	11	11.4	8.0	15.9	10.4
Income taxes payable	13	24.5	21.4	34.2	27.7
Other liabilities		3.3	1.7	4.6	2.2
Total current liabilities		506.0	198.4	707.0	256.9
Long-term debt	9	–	121.7	–	157.6
Deferred income taxes	13	79.8	77.5	111.5	100.3
Accrued product warranties	11	4.1	4.9	5.7	6.3
Asbestos provision	12	715.6	–	1,000.0	–
Other liabilities	10	45.0	61.7	62.9	79.9
Total liabilities		1,350.5	464.2	A\$ 1,887.1	A\$ 601.0
Commitments and contingencies	12				
Shareholders' equity:					
Common stock, Euro 0.59 par value, 2.0 billion shares authorised; 463,306,511 shares issued and outstanding at 31 March 2006 and 459,373,176 shares issued and outstanding at 31 March 2005	15	253.2	245.8		
Additional paid-in capital	15	158.8	139.4		
Retained (deficit) earnings		(288.3)	264.3		
Employee loans	15	(0.4)	(0.7)		
Accumulated other comprehensive loss	18	(28.4)	(24.1)		
Total shareholders' equity		94.9	624.7		
Total liabilities and shareholders' equity		\$ 1,445.4	\$ 1,088.9		

The accompanying notes are an integral part of these consolidated financial statements.