

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

James Hardie Industries NV and Subsidiaries

(Millions of US dollars)	Common Stock	Additional Paid-in Capital	Retained Earnings (Deficit)	Accumulated Other Comprehensive Income (Loss)	Total
Balances as of 31 March 2004	\$ 245.2	\$ 132.7	\$ 151.1	\$ (24.3)	\$ 504.7
Comprehensive income:					
Net income	-	-	126.9	-	126.9
Other comprehensive income (loss):					
Amortisation of unrealised transition loss on derivative instruments	-	-	-	1.1	1.1
Foreign currency translation loss	-	-	-	(0.9)	(0.9)
Other comprehensive income	-	-	-	0.2	0.2
Total comprehensive income					127.1
Dividends paid	-	-	(13.7)	-	(13.7)
Stock-based compensation	-	3.0	-	-	3.0
Tax benefit from stock options exercised	-	0.4	-	-	0.4
Employee loans repaid	-	0.6	-	-	0.6
Stock options exercised	0.6	2.0	-	-	2.6
Balances as of 31 March 2005	\$ 245.8	\$ 138.7	\$ 264.3	\$ (24.1)	\$ 624.7
Comprehensive loss:					
Net loss	-	-	(506.7)	-	(506.7)
Other comprehensive income (loss):					
Amortisation of unrealised transition loss on derivative instruments	-	-	-	0.5	0.5
Foreign currency translation loss	-	-	-	(4.8)	(4.8)
Other comprehensive loss	-	-	-	(4.3)	(4.3)
Total comprehensive loss					(511.0)
Dividends paid	-	-	(45.9)	-	(45.9)
Stock-based compensation	-	5.9	-	-	5.9
Tax benefit from stock options exercised	-	2.2	-	-	2.2
Employee loans repaid	-	0.3	-	-	0.3
Stock options exercised	7.4	11.3	-	-	18.7
Balances as of 31 March 2006	\$ 253.2	\$ 158.4	\$ (288.3)	\$ (28.4)	\$ 94.9
Comprehensive income:					
Net income	-	-	151.7	-	151.7
Unrecognised pension losses	-	-	-	(2.7)	(2.7)
Foreign currency translation gain	-	-	-	36.5	36.5
Other comprehensive income	-	-	-	33.8	33.8
Total comprehensive income					185.5
Dividends paid	-	-	(42.1)	-	(42.1)
Stock-based compensation	-	4.5	-	-	4.5
Tax benefit from stock options exercised	-	1.8	-	-	1.8
Employee loans repaid	-	0.1	-	-	0.1
Stock options exercised	3.1	15.4	-	-	18.5
Other	(4.5)	-	-	-	(4.5)
Balances as of 31 March 2007	\$ 251.8	\$ 180.2	\$ (178.7)	\$ 5.4	\$ 258.7

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