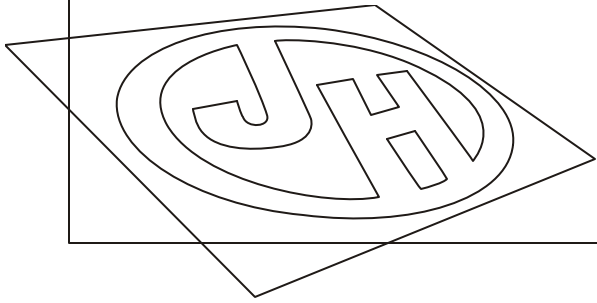




James Hardie



**asx report**

James Hardie Industries N.V.

ARBN 097 829 895

ASX Report

**30 September 2002**

---

# Appendix 4B (Rule 4.13(b))

## Half yearly/preliminary final report

Name of entity

**JAMES HARDIE INDUSTRIES N.V.**  
**Incorporated in the Netherlands**  
**(The liability of the members is limited)**

ARBN

**097 829 895**

Half yearly

**X**

Preliminary final

Half year/financial-year ended  
('current period')

**30-September-02**

### For announcement to the market

**US\$ million**

Sales revenue (item 1.23)	Up 34.1% to	<b>407.8</b>
Revenues from ordinary activities (item 1.1)	Up 34.3% to	<b>410.2</b>
Profit (loss) from continuing, ordinary operations after tax (item 1.7a)	Up 229.8% to	<b>46.5</b>
Profit (loss) from discontinued operations after tax (item 1.7b)	Up \$58.6 million to	<b>54.0</b>
Profit (loss) from ordinary activities after tax attributable to members (item 1.22)	Up 957.9% to	<b>100.5</b>
Profit (loss) from extraordinary items after tax attributable to members (item 2.5)	Gain (loss) of	-
Net profit (loss) for the period attributable to members (item 1.11)	Up 957.9% to	<b>100.5</b>

<b>Dividends (distributions)</b>	Amount per security cents	Franked amount per security
Final dividend (Preliminary final report only - item 15.4)	-	-
Interim dividend (Half yearly report only - item 15.6)		
- Declared September 2002	US 5.0¢	-
- Declared November 2002	<u>US 2.5¢</u>	-
Total	US 7.5¢	-
Previous corresponding period		
Final dividend (Preliminary final report - item 15.5)	-	-
Interim dividend (Half yearly report only - item 15.7)	-	-

Record date for determining entitlements to the dividend, (in the case of a trust, distribution) (see item 15.2)

**14 January 2003**

Brief explanation of omission of directional and percentage changes to profit in accordance with Note 1 and short details of any bonus or cash issue or other item(s) of importance not previously released to the market:

Not applicable

## JAMES HARDIE INDUSTRIES N.V.

### Condensed consolidated statement of financial performance

	Current period 30 Sep 02 US\$ million	Previous corresponding period 30 Sep 01 US\$ million	Current period 30 Sep 02 A\$ million	Previous corresponding period 30 Sep 01 A\$ million
1.0a Sales revenue (see item 1.23)	407.8	304.1	742.0	592.3
1.0b Other revenues from ordinary activities (see items 1.24 - 1.25)	2.4	1.4	4.4	2.7
1.1 Revenues from ordinary activities (see items 1.23 - 1.25)	410.2	305.5	746.4	595.0
1.2 Expenses from ordinary activities (see items 1.26a - 1.26e)	(335.4)	(275.7)	(610.2)	(537.0)
1.3 Borrowing costs (excluding interest revenue - item 1.24)	(7.8)	(10.8)	(14.2)	(21.0)
1.4 Share of net profits (losses) of associates and joint venture entities (see item 16.7)	-	-	-	-
<b>1.5 Profit (loss) from continuing, ordinary activities before tax</b>	<b>67.0</b>	<b>19.0</b>	<b>122.0</b>	<b>37.0</b>
1.6 Income tax on continuing ordinary activities	(20.5)	(4.9)	(37.3)	(9.5)
<b>1.7a Profit (loss) from continuing, ordinary activities after tax</b>	<b>46.5</b>	<b>14.1</b>	<b>84.7</b>	<b>27.5</b>
1.7b Profit (loss) from ordinary activities of discontinued operations after tax	54.0	(4.6)	98.3	(9.0)
<b>1.7c Profit (loss) from ordinary activities after tax</b>	<b>100.5</b>	<b>9.5</b>	<b>183.0</b>	<b>18.5</b>
1.8a Profit (loss) from extraordinary items after tax (see item 2.5)	-	-	-	-
1.8b Cumulative effect of a change in accounting principle after tax	-	-	-	-
<b>1.9 Net profit (loss)</b>	<b>100.5</b>	<b>9.5</b>	<b>183.0</b>	<b>18.5</b>
1.10 Net profit (loss) attributable to outside equity interests	-	-	-	-
<b>1.11 Net profit (loss) for the period attributable to members</b>	<b>100.5</b>	<b>9.5</b>	<b>183.0</b>	<b>18.5</b>

#### Non-owner transaction changes in equity

1.12 Increase (decrease) in revaluation reserves	-	-
1.13 Net exchange differences recognized in equity	14.7	(4.9)
1.14a Stock compensation	1.1	0.6
1.14b Employee loans	0.1	2.4
1.14c Unrealised transition loss on derivative instruments classified as cash flow hedges	-	(4.9)
1.14d Amortization of unrealised transition loss on derivative instruments	0.6	0.5
1.14e Net unrealised gains on available-for-sale securities	0.1	1.3
1.15 Initial adjustments from UIG transitional provisions	N/A	N/A
1.16 Total transactions and adjustments recognized directly in equity (items 1.12 to 1.15)	16.6	(5.0)
<b>1.17 Total changes in equity not resulting from transactions with owners as owners</b>	<b>117.1</b>	<b>4.5</b>

#### Earnings per security (EPS)

1.18 Basic EPS	0.22	0.02
1.19 Diluted EPS	0.22	0.02

## JAMES HARDIE INDUSTRIES N.V.

### Notes to the condensed consolidated statement of financial performance

#### Profit (loss) from ordinary activities attributable to members

	Current period 30 Sep 02 US\$ million	Previous corresponding period 30 Sep 01 US\$ million
1.20 Profit (loss) from ordinary activities after tax ( <i>item 1.7c</i> )	100.5	9.5
1.21 Less (plus) outside equity interests	-	-
<b>1.22 Profit (loss) from ordinary activities after tax, attributable to members</b>	<b>100.5</b>	<b>9.5</b>

#### Revenue and (expenses) from continuing, ordinary activities

	Current period 30 Sep 02 US\$ million	Previous corresponding period 30 Sep 01 US\$ million
1.23 Revenues from sales or services	407.8	304.1
1.24 Interest revenue	2.4	1.4
1.25 Other relevant revenue	-	-
1.26a Cost of goods sold	(260.3)	(202.5)
1.26b Selling, general and administrative expenses	(67.5)	(54.3)
1.26c Research and development expenses	(7.7)	(7.1)
1.26d Restructuring and other operating expenses	-	(11.1)
1.26e Other income (expense), net	0.1	(0.7)
1.27 Depreciation and amortisation excluding amortization of intangibles (included in items 1.26a & 1.26b)	(13.4)	(11.8)
<b>Capitalized outlays</b>		
1.28 Interest costs capitalized in asset values	0.7	3.4
1.29 Outlays capitalized in intangibles (unless arising from an acquisition of a business)	-	-

#### Consolidated retained profits

	Current period 30 Sep 02 US\$ million	Previous corresponding period 30 Sep 01 US\$ million
1.30 Retained profits (accumulated losses) at the beginning of the financial period	(94.8)	(103.8)
1.31 Net profit (loss) attributable to members (item 1.11)	100.5	9.5
1.32 Net transfers from (to) reserves	-	-
1.33 Net effect of changes in accounting policies	-	-
1.34 Dividends and other equity distributions paid or payable	(22.8)	(20.3)
<b>1.35 Retained profits (accumulated losses) at end of financial period</b>	<b>(17.1)</b>	<b>(114.6)</b>

## JAMES HARDIE INDUSTRIES N.V.

### Intangible and extraordinary items

	CONSOLIDATED			
	Current period to 30 September 2002			
	Before Tax	Related Tax	Related outside +equity interests	Amount (after tax) attributable to members
	US\$ million (a)	US\$ million (b)	US\$ million (c)	US\$ million (d)
2.1 Amortisation of goodwill	-	-	-	-
2.2 Amortisation of other intangibles	0.1	-	-	0.1
<b>2.3 Total amortisation of intangibles</b>	0.1	-	-	0.1
2.4 Extraordinary items	-	-	-	-
<b>2.5 Total extraordinary items</b>	-	-	-	-

### Comparison of half year profits

	Current period	Previous corresponding period
	30 Sep 02 US\$ million	30 Sep 01 US\$ million
<i>(Preliminary final report only)</i>		
3.1 Consolidated profit (loss) from ordinary activities after tax attributable to members reported for the 1st half year (item 1.22 in the half yearly report)	-	-
3.2 Consolidated profit (loss) from ordinary activities after tax attributable to members for the 2nd half year	-	-

## JAMES HARDIE INDUSTRIES N.V.

### Condensed consolidated statement of financial position

	At end of current period 30 Sep 02 US\$ million	As shown in last annual report 31 Mar 02 US\$ million	As in last half yearly report 30 Sep 01 US\$ million	At end of current period 30 Sep 02 A\$ million	As shown in last annual report 31 Mar 02 A\$ million	As in last half yearly report 30 Sep 01 A\$ million
<b>Current assets</b>						
4.1 Cash	321.8	31.1	86.4	591.0	58.5	176.4
4.2 Receivables	86.6	80.3	65.9	159.1	151.0	134.5
4.3 Investments	-	-	-	-	-	-
4.4 Inventories	50.6	65.4	67.7	92.9	123.0	138.2
4.5 Tax assets	22.5	32.5	32.9	41.3	61.1	67.2
4.6a Other - prepayments	7.3	7.2	12.8	13.4	13.5	26.1
4.6b Other - net current assets of discontinued operations	-	21.6	18.9	-	40.6	38.7
<b>4.7 Total current assets</b>	<b>488.8</b>	<b>238.1</b>	<b>284.6</b>	<b>897.7</b>	<b>447.7</b>	<b>581.1</b>
<b>Non-current assets</b>						
4.8 Receivables	5.7	5.5	5.5	10.5	10.3	11.2
4.9 Investments (equity accounted)	-	-	-	-	-	-
4.10 Other investments	6.6	6.7	7.6	12.1	12.6	15.5
4.11 Inventories	-	-	-	-	-	-
4.12 Exploration and evaluation expenditure capitalised	-	-	-	-	-	-
4.13 Development properties (mining entities)	-	-	-	-	-	-
4.14 Other Property, plant, equipment (net)	463.4	451.0	416.6	851.1	848.2	850.5
4.15 Intangibles (net)	3.3	3.6	3.0	6.1	6.8	6.1
4.16 Tax assets	2.1	5.5	5.3	3.9	10.3	10.8
4.17a Other - prepaid pension	9.3	8.9	8.4	17.1	16.7	17.1
4.17b Other - net non-current assets of discontinued operations	-	194.2	208.2	-	365.3	425.2
<b>4.18 Total non-current assets</b>	<b>490.4</b>	<b>675.4</b>	<b>654.6</b>	<b>900.8</b>	<b>1,270.2</b>	<b>1,336.4</b>
<b>4.19 Total assets</b>	<b>979.2</b>	<b>913.5</b>	<b>939.2</b>	<b>1,798.5</b>	<b>1,717.9</b>	<b>1,917.5</b>
<b>Current liabilities</b>						
4.20a Payables	74.3	59.7	50.1	136.5	112.3	102.3
4.20b Book overdraft	-	-	1.1	-	-	2.2
4.20c Dividends payable	22.8	-	-	41.9	-	-
4.21 Interest bearing liabilities	6.1	4.9	59.1	11.2	9.2	120.7
4.22 Tax liabilities	36.0	18.2	2.5	66.1	34.2	5.1
4.23 Provisions exc. tax liabilities	36.4	40.3	26.7	66.9	75.8	54.5
4.24 Other - net current liabilities of discontinued operations	-	-	-	-	-	-
<b>4.25 Total current liabilities</b>	<b>175.6</b>	<b>123.1</b>	<b>139.5</b>	<b>322.6</b>	<b>231.5</b>	<b>284.8</b>
<b>Non-current liabilities</b>						
4.26 Payables	-	-	-	-	-	-
4.27 Interest bearing liabilities	225.0	325.0	323.0	413.2	611.3	659.4
4.28 Tax liabilities	32.7	23.0	39.8	60.1	43.3	81.3
4.29a Provisions exc. tax liabilities	27.6	21.8	20.9	50.7	41.0	42.6
4.29b Liability to Medical Research & Compensation Foundation	51.4	50.2	49.4	94.4	94.4	100.9
4.30 Other - net non-current liabilities - discontinued operations	-	-	-	-	-	-
<b>4.31 Total non-current liabilities</b>	<b>336.7</b>	<b>420.0</b>	<b>433.1</b>	<b>618.4</b>	<b>790.0</b>	<b>884.2</b>
<b>4.32 Total liabilities</b>	<b>512.3</b>	<b>543.1</b>	<b>572.6</b>	<b>941.0</b>	<b>1,021.5</b>	<b>1,169.0</b>
<b>4.33 Net assets</b>	<b>466.9</b>	<b>370.4</b>	<b>366.6</b>	<b>857.5</b>	<b>696.4</b>	<b>748.5</b>
<b>Equity</b>						
4.34 Capital/contributed equity	534.8	531.5	538.9			
4.35a Accumulated other comprehensive income (loss)	(46.1)	(61.5)	(52.2)			
4.35b Employee loans	(4.7)	(4.8)	(5.5)			
4.36 Retained profits (Accumulated losses)	(17.1)	(94.8)	(114.6)			
<b>4.37 Equity attributable to members of the parent entity</b>	<b>466.9</b>	<b>370.4</b>	<b>366.6</b>			
4.38 Outside equity interests in controlled entities	-	-	-			
<b>4.39 Total equity</b>	<b>466.9</b>	<b>370.4</b>	<b>366.6</b>			
4.40 Preference capital included as part of 4.37	-	-	-			

## JAMES HARDIE INDUSTRIES N.V.

### Notes to the condensed consolidated statement of financial performance

#### Exploration and evaluation expenditure capitalised

*To be completed only by entities with mining interests if amounts are material. Include all expenditure incurred regardless of whether written off directly against profit.*

	Current period 30 Sep 02 US\$ million	Previous corresponding period 30 Sep 01 US\$ million
5.1 Opening balance	-	-
5.2 Expenditure incurred during current period	-	-
5.3 Expenditure written off during current period	-	-
5.4 Acquisitions, disposals, revaluation increments, etc.	-	-
5.5 Expenditure transferred to Development Properties	-	-
<b>5.6 Closing balance as shown in the consolidated balance sheet (item 4.12)</b>	-	-

#### Development properties

*To be completed only by entities with mining interests if amounts are material.*

	Current period 30 Sep 02 US\$ million	Previous corresponding period 30 Sep 01 US\$ million
6.1 Opening balance	-	-
6.2 Expenditure incurred during current period	-	-
6.3 Expenditure transferred from exploration and evaluation	-	-
6.4 Expenditure written off during current period	-	-
6.5 Acquisitions, disposals, revaluation increments, etc.	-	-
6.6 Expenditure transferred to mine properties	-	-
<b>6.7 Closing balance as shown in the consolidated balance sheet (item 4.13)</b>	-	-

**JAMES HARDIE INDUSTRIES N.V.**

**Condensed consolidated statement of cash flows**

	Current period 30 Sep 02 US\$ million	Previous corresponding period 30 Sep 01 US\$ million	Current period 30 Sep 02 A\$ million	Previous corresponding period 30 Sep 01 A\$ million
<b>Cash flows related to operating activities</b>				
7.1a Net Income	100.5	9.5	183.0	18.5
Adjustments to reconcile net income to net cash provided by operating activities:				
7.2a (Gain)/Loss on disposal of subsidiaries and business	(50.8)	-	(92.4)	-
7.3a Depreciation and amortization	14.5	20.2	26.4	39.3
7.4a Deferred income taxes	(8.0)	1.0	(14.6)	1.9
7.5a Prepaid pension cost	(0.2)	0.4	(0.4)	0.8
7.6a Tax benefit from stock options exercised	0.6	-	1.1	-
7.6b Other	0.5	1.7	0.9	3.3
Changes in operating assets/liabilities:				
7.7a Accounts receivable, prepaids, and other current assets	(12.4)	(18.4)	(22.6)	(35.8)
7.8a Inventories	13.4	4.7	24.4	9.2
7.8b Accounts payable, accrued liabilities and other liabilities	14.5	(2.8)	26.4	(5.5)
<b>7.9 Net operating cash flows</b>	<b>72.6</b>	<b>16.3</b>	<b>132.2</b>	<b>31.7</b>
<b>Cash flows related to investing activities</b>				
7.10 Payment for purchases of property, plant and equipment	(24.0)	(40.1)	(43.7)	(78.1)
7.11 Proceeds from sale of property, plant and equipment	-	0.2	-	0.4
7.12 Payment for purchases of equity investments and businesses	-	-	-	-
7.13 Proceeds from sale of equity investments and businesses	334.5	3.3	608.7	6.4
7.14 Loans to other entities	-	-	-	-
7.15 Loans repaid by other entities	0.1	3.3	0.2	6.4
7.16 Other (Cash transferred and costs of Medical Research Foundation)	-	-	-	-
<b>7.17 Net investing cash flows</b>	<b>310.6</b>	<b>(33.3)</b>	<b>565.2</b>	<b>(64.9)</b>
<b>Cash flows related to financing activities</b>				
7.18 Proceeds from issues of securities (shares, options, etc)	2.2	101.3	4.0	197.3
7.19 Proceeds from borrowings	4.4	27.2	8.0	53.0
7.20 Repayment of borrowings	(100.0)	(79.6)	(182.0)	(155.0)
7.21 Dividends paid	-	(20.2)	-	(39.3)
7.22 Other - Repayments of capital	-	-	-	-
<b>7.23 Net financing cash flows</b>	<b>(93.4)</b>	<b>28.7</b>	<b>(170.0)</b>	<b>56.0</b>
<b>7.24 Net increase (decrease) in cash held</b>	<b>289.8</b>	<b>11.7</b>	<b>527.4</b>	<b>22.8</b>
7.25 Cash at beginning of period (see Reconciliation of cash)	31.1	75.1	58.5	153.3
7.26 Exchange rate adjustments to item 7.25	0.9	(0.4)	5.1	0.3
<b>7.27 Cash at end of period</b> (see Reconciliation of cash)	<b>321.8</b>	<b>86.4</b>	<b>591.0</b>	<b>176.4</b>



## JAMES HARDIE INDUSTRIES N.V.

### Non-cash financing and investing activities

*Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount.*

Not applicable
----------------

### Reconciliation of cash

	Current period 30 Sep 02 US\$ million	Previous corresponding period 30 Sep 01 US\$ million
Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows:		
8.1 Cash on hand and at bank	17.0	5.6
8.2 Deposits at call	304.8	80.8
8.3 Bank overdraft (excluded from reconciliation under US GAAP)	-	-
8.4 Other (provide details)	-	-
<b>8.5 Total cash at end of period</b> <i>(item 7.27)</i>	<b>321.8</b>	<b>86.4</b>

### Ratios

	Current period 30 Sep 02	Previous corresponding period 30 Sep 01
<b>Profit before tax / revenue</b>		
9.1 Consolidated operating profit (loss) from continuing, ordinary activities before tax (item 1.5) as a percentage of revenue <i>(item 1.1)</i>	16.3%	6.2%
<b>Profit after tax / equity interests</b>		
9.2 Consolidated net profit (loss) from ordinary activities after tax attributable to members <i>(item 1.11)</i> as a percentage of equity (similarly attributable) at the end of the period <i>(item 4.37)</i>	21.5%	2.6%

### Earnings per security (EPS)

10.1 Calculation of the following in accordance with SFAS 128: <i>Earnings per Share</i>	US\$	US\$
(a) Basic EPS	\$0.22	\$0.02
(b) Diluted EPS (if materially different from (a))	\$0.22	\$0.02
(c) Weighted average number of ordinary shares outstanding during the period used in the calculation of the Basic EPS	456,152,613	425,716,437
(d) Weighted average number of ordinary shares outstanding during the period used in the calculation of the Diluted EPS	458,583,318	425,983,907

## JAMES HARDIE INDUSTRIES N.V.

<b>NTA backing</b>	Current period	Previous corresponding period
	30 Sep 02 US\$	30 Sep 01 US\$
11.1 Net tangible asset backing per ordinary security	\$0.96	\$0.65

### Discontinuing Operations

12.1 Discontinuing Operations (USGAAP)	Current period	Previous corresponding period
	30 Sep 02 US\$ million	30 Sep 01 US\$ million
Gypsum		
Net sales	-	118.6
Income (loss) before income taxes	-	(7.9)
Income tax benefit (expense)	-	3.3
Net Income (loss)	-	(4.6)
Gain (loss) on disposal, net of income taxes	54.0	-
Income (loss) from discontinued operations	54.0	(4.6)

#### Gypsum

On 13 March 2002, the Company announced that it had signed an agreement to sell its US-based Gypsum operations to a third party. The transaction was completed on 25 April 2002. A pre-tax gain of \$83.0 million represented the excess of net proceeds from the sale of \$334.4 million over the net book value of assets sold of \$253.0 million and income from operations from 1 April through 25 April 2002 of \$1.6 million. The sale resulted in an income tax expense of \$28.4 million. In the second quarter of fiscal year 2003, the initial estimated tax expense of \$30.1 million was reduced by \$1.7 million. The proceeds from the sale were comprised of cash of \$345.0 million less selling costs of \$10.6 million.

#### Windows

On 15 August 2000, the Company approved a plan to dispose of its Windows business. For the year ended 31 March 2001, the Company recorded a loss on disposal of \$17.4 million, net of an income tax benefit of \$0.6 million. This loss on disposal consisted of \$17.2 million for a write down of assets to their expected net realisable value on disposal and transaction costs expected to be incurred on disposal. At 31 March 2001, operating losses from 15 August 2000 to the final disposal date were estimated at \$0.8 million and were included in fiscal year 2001's loss on disposal for the Windows segment. During the second quarter of fiscal year 2002, the total estimated operating losses net of tax from 15 August 2000 to the final disposal date were increased by \$0.3 million.

#### Building Services

In the second quarter of fiscal year 2003, the Company recorded a loss of \$0.6 million, net of an income tax benefit of \$0.4 million relating to its Building Services business which was disposed of in November 1996. The loss consisted of expenses of \$0.5 million and a \$0.5 million write down of an outstanding receivable that was retained as part of the sale.

## JAMES HARDIE INDUSTRIES N.V.

### Control gained over entities having material effect

13.1 Name of entity (or group of entities)	Not applicable
13.2 Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity (or group of entities) since the date in the current period on which control was acquired	Not applicable
13.3 Date from which such profit has been calculated	Not applicable
13.4 Profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the whole of the previous corresponding period	Not applicable

### Loss of control of entities having material effect

14.1 Name of entity (or group of entities)	James Hardie Gypsum, Inc. Western Mining and Minerals, Inc.
14.2 Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the current period to the date of loss of control	Pre-tax US\$1.6 million Tax US\$0.6 million After-tax US\$1.0 million
14.3 Date to which the profit (loss) in item 14.2 has been calculated	25 April 2002
14.4 Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) while controlled during the whole of the previous corresponding period	US\$(4.6) million
14.5 Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control	US\$53.6 million

### Dividends

15.1 Date the dividend (distribution) is payable	30 January 2003
<p>15.2 Record Date to determine entitlements to the dividend (distribution) (ie, on the basis of proper instruments of transfer received by the Company's registrar by 5:00 pm if securities are not CHES approved, or security holding balances established by 5:00 pm or such later time permitted by SCH Business Rules if securities are CHES approved)</p> <p>The Company registrar is Computershare Investor Services Pty Ltd at Level 3, 60 Carrington Street, Sydney NSW, Australia</p> <p>As the Company is incorporated in The Netherlands it is required to withhold 25% withholding tax from dividends. However, only 15% withholding tax will be withheld for eligible Australian holders who lodge a completed Company Declaration Form A with the Company's registrar by 5:00 pm on Record Date, 14 January 2003. Information on withholding tax can be found on the Company's website, <a href="http://www.jameshardie.com.au">www.jameshardie.com.au</a></p> <p>The Australian equivalent of US 2.5 cents will be announced on 15 January 2003.</p>	14 January 2003
15.3 If it is a final dividend, has it been declared ? <i>(Preliminary final report only)</i>	Not Applicable

## JAMES HARDIE INDUSTRIES N.V.

### Amount per security

		Amount per security cents	Franked amount per security	Amount per security of foreign source dividend
15.4	<i>(Preliminary final report only)</i> <b>Final dividend:</b> Current Year	N/A	N/A	N/A
15.5	Previous Year	N/A	N/A	N/A
15.6	<i>(Half yearly and preliminary final reports)</i> <b>Interim dividend:</b> Current Year: Declared September 2002 Declared November 2002 Total	US 5.0¢ <u>US 2.5¢</u> US 7.5¢	- - -	- - -
15.7	Previous Year	-	-	-

### Total dividend (distribution) per security (interim *plus* final)

*(Preliminary final report only)*

	Current year	Previous year
15.8 Ordinary securities	-	-
15.9 Preference securities	-	-

### Half yearly Report - interim dividend (distribution) on all securities or Preliminary final report - final dividend (distribution) on all securities

	Current period 30 Sep 02 US\$ million	Previous corresponding period 30 Sep 01 US\$ million
15.10 Ordinary securities Declared September 2002 Declared November 2002 Total	22.8 <u>11.4</u> 34.2	- <u>-</u> -
15.11 Preference securities	-	-
15.12 Other equity instruments	-	-
<b>15.13 Total</b>	34.2	-

The dividend or distribution plans shown below are in operation

Not applicable
----------------

The last date(s) for receipt of election notices for the dividend or distribution plans

Not applicable
----------------

Any other disclosures in relation to dividends (distributions)

(i) It is anticipated that future dividends will be unfranked.
--

## JAMES HARDIE INDUSTRIES N.V.

### Details of aggregate share of profits (losses) of associates and joint venture entities

<b>Group's share of associates' and joint venture entities:</b>	Current period 30 Sep 02 US\$ million	Previous corresponding period 30 Sep 01 US\$ million
16.1 Profit (loss) from ordinary activities before income tax	-	-
16.2 Income tax on ordinary activities	-	-
<b>16.3 Profit (loss) from ordinary activities after income tax</b>	-	-
16.4 Extraordinary items net of tax	-	-
<b>16.5 Net profit (loss)</b>	-	-
16.6 Adjustments	-	-
<b>16.7 Share of net profit (loss) of associates and joint venture entities</b>	-	-

### Material interests in entities which are not controlled entities

*The economic entity has an interest (that is material to it) in the following entities:*

<b>Name of entity</b>	Percentage of ownership interest held at end of period or date of disposal		Contribution to net profit (loss) (item 1.9)	
	Current period 30 Sep 02 %	Previous corresponding period 30 Sep 01 %	Current period 30 Sep 02 US\$ million	Previous corresponding period 30 Sep 01 US\$ million
<b>17.1 Equity accounted associated and joint venture entities</b>				
<b>17.2 Total</b>	-	-	-	-
17.3 Other material interests				
<b>17.4 Total</b>	-	-	-	-

**JAMES HARDIE INDUSTRIES N.V.**

**Issued and quoted securities at end of current period**

Category of securities	Total Number	Number quoted	Issue price per security A\$	Amount paid up per security A\$
	<b>18.1 Preference securities</b>	-	-	-
18.2 Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks, redemptions	-	-	-	-
<b>18.3 Ordinary securities</b> Ordinary Shares	456,516,345	456,516,345	N/A	N/A
18.4 Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks	1,077,826 -	1,077,826 -	A\$3.74 -	A\$3.74 -
<b>18.5 Convertible debt securities</b>	-	-	-	-
18.6 Changes during current period (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
<b>18.7 Options</b>			<i>Exercise Price</i>	<i>Expiry Date</i>
Options over Ordinary Shares				
PD Macdonald	1,200,000	-	A\$3.77	Nov-09
PD Macdonald	624,000	-	A\$5.35	Jul-11
KMEIP November 1999	1,313,699	-	A\$3.72	Nov-09
KMEIP November 2000	2,385,717	-	A\$3.68	Nov-10
2001 Equity Incentive Plan	3,361,195	-	A\$5.65	Dec-11
PD Macdonald	1,950,000	-	A\$6.30	Jul-12
18.8 Issued during current period  PD Macdonald	1,950,000	-	A\$6.30	Jul-12
18.9 Exercised during current period	1,061,626	-	A\$3.70	N/A
18.10 Expired during current period	1,023,325	-	A\$5.23	N/A
<b>18.11 Debentures</b>	-	-		
18.12 Changes during current period (a) Increases through issues (b) Decreases through securities matured, converted	-	-		
<b>18.13 Unsecured notes</b>	-	-		
18.14 Changes during current period (a) Increases through issues (b) Decreases through securities matured, converted	-	-		

## JAMES HARDIE INDUSTRIES N.V.

### SEGMENT INFORMATION US\$ million

	Sales		Profit/(loss) before tax and abnormals		Total Assets	
	6 mths	6 mths	6 mths	6 mths	30.09.02	31.03.02
	30.09.02	30.09.01	30.09.02	30.09.01		
<b>Industry segments</b>						
USA Fibre Cement	307.2	225.3	79.5	52.4	419.6	420.3
Asia Pacific Fibre Cement	96.7	76.8	17.2	10.0	151.7	147.6
Research & Development	-	-	(5.4)	(4.6)	-	-
Other Fibre Cement	3.9	1.5	(4.3)	(4.4)	45.4	45.5
Segments total	407.8	303.6	87.0	53.4	616.7	613.4
General Corporate	-	0.5	(14.7)	(24.3)	362.5	84.3
Interest	-	-	(5.4)	(9.4)	-	-
Other income (expense)	-	-	0.1	(0.7)	-	-
Worldwide total from continuing operations	407.8	304.1	67.0	19.0	979.2	697.7
Discontinued operations					-	215.8
Worldwide total					979.2	913.5

	Sales		Total Assets	
	6 mths	6 mths	30.09.02	31.03.02
	30.09.02	30.09.01		
<b>Geographic segments</b>				
United States	309.4	226.3	455.3	456.0
Australia	61.5	48.8	83.5	80.6
New Zealand	26.3	18.7	27.6	24.7
Other Countries	10.6	9.8	50.3	52.1
Segments total	407.8	303.6	616.7	613.4
General Corporate	-	0.5	362.5	84.3
Worldwide total from continuing operations	407.8	304.1	979.2	697.7
Discontinued operations			-	215.8
Worldwide total			979.2	913.5

### Compilation of segmental information

James Hardie's operations are organised into the following four segments: (1) USA Fibre Cement, which manufactures and sells fibre cement flat sheet products in the United States; (2) Asia Pacific Fibre Cement, which manufactures and sells fibre cement products in Australia, New Zealand, the Philippines and Asian export markets; (3) Research and Development, which includes the research and development centre in Sydney, Australia; and (4) Other Fibre Cement, which includes the fibre reinforced cement pipes operations in the United States and the Chile fibre cement operations.

Research and development assets are included in the Asia Pacific Fibre Cement segment.

In the analysis of total assets all deferred taxes are included in General Corporate.

Prior year segmental information has been restated to reflect current industry segments.

# JAMES HARDIE INDUSTRIES N.V.

## Comments by directors

### Basis of accounting preparation

#### Background

On 2 July 1998, ABN 60 000 009 263 Pty Ltd, formerly James Hardie Industries Limited ("JHIL"), a public company organised under the laws of Australia and listed on the Australia Stock Exchange, announced a plan of reorganisation and capital restructuring (the "1998 Reorganisation"). James Hardie N.V. ("JHNV") was incorporated in August 1998, as an intermediary holding company, with all of its common stock owned by indirect subsidiaries of JHIL. On 16 October 1998, JHIL's shareholders approved the 1998 Reorganisation. Effective as of 1 November 1998, JHIL contributed its fibre cement businesses, its US gypsum wallboard business, its Australian and New Zealand building systems businesses and its Australian windows business (collectively, the "Transferred Businesses") to JHNV and its subsidiaries. In connection with the 1998 Reorganisation, JHIL and its non-transferring subsidiaries retained certain unrelated assets and liabilities.

On 24 July 2001, JHIL announced a further plan of reorganisation and capital restructuring (the "2001 Reorganisation"). Completion of the 2001 Reorganisation occurred on 19 October 2001. In connection with the 2001 Reorganisation, James Hardie Industries N.V. ("JHI NV"), formerly RCI Netherlands Holdings B.V., issued common shares represented by CHESSE Units of Foreign Securities ("CUFS") on a one for one basis to existing JHIL shareholders in exchange for their shares in JHIL such that JHI NV became the new ultimate holding company for JHIL and JHNV.

Following the 2001 Reorganisation, JHI NV controls the same assets and liabilities as JHIL controlled immediately prior to the 2001 Reorganisation.

#### Basis of Presentation

The consolidated financial statements represent the financial position and results of operations of JHINV and its wholly owned subsidiaries, collectively referred to as either the "Company" or "James Hardie", unless the context indicates otherwise. For the periods prior to 19 October 2001, the effective date of the 2001 Reorganisation, the consolidated financial statements represent the financial position and results of operations of JHIL and its wholly owned subsidiaries.

In accordance with accounting principles generally accepted in the United States of America, the transfers to JHINV have been accounted for on a historical cost basis using the "as-if" pooling method on the basis that the transfers are between companies under common control.

The profit and loss account, assets, liabilities and statement of cash flows of the Company have been presented with accompanying Australian dollar (A\$) convenience translations. These A\$ convenience translations are not prepared in accordance with accounting principles generally accepted in the United States of America. The exchange rates used to calculate the convenience translations are as follows (US\$1=A\$):

	30 September		31 March
	2002	2001	2002
Assets and liabilities	1.8359	2.0416	1.8808
Profit and loss account	1.8196	1.9476	n/a
Statement of cash flows - beginning cash	1.8808	2.0408	n/a
Statement of cash flows - ending cash	1.8359	2.0416	n/a
Statement of cash flows - current period movements	1.8196	1.9476	n/a

19.1 If this report is a half yearly report, it is a general purpose financial report prepared in accordance with USGAAP. It should be read in conjunction with the last annual report and any announcements to the market made by the entity during the period. This report does not include all the notes of the type normally included in an annual financial report. [Delete if preliminary final report]

19.2 Material factors affecting the revenues and expenses of the economic entity for the current period. In a half yearly report, provide explanatory comments about any seasonal or irregular factors affecting operations.

Refer to attached Results Announcement and Managements Discussion and Analysis.



## JAMES HARDIE INDUSTRIES N.V.

19.3 A description of each event since the end of the current period which has had a material effect and which is not already reported elsewhere in this Appendix or in attachments, with financial effect quantified (if possible).

On 28 June 2001, the Company entered into an agreement to sell its gypsum mine property in Las Vegas, Nevada to a developer for approximately \$50.0 million. The carrying value of the mine at 30 September 2002 is \$0.7 million. In September 2002, the Company agreed to consent to the developer's assignment of its interest in the agreement to another third party developer. Concurrent with the transfer, the 28 June 2001 agreement was amended by all parties to, among other things, provide for liquidated damages in the amount of \$7.5 million should the sale of the gypsum mine property not close on 14 March 2003. The liquidated damages consist of a non-refundable deposit in the amount of \$4.5 million that was received by the Company on 2 October 2002 and \$3.0 million that would be paid to the Company on 14 March 2003 should the sale not close.

As a result of the completion of the sale of its Gypsum business on 25 April 2002, the Company is not technically in compliance as of that date with certain pre-approval covenants of its US\$ non-collateralised note agreements. The Company is currently in discussions with the note holders with respect to either the waiver or the renegotiation of such covenants.

In July 2002, a capital return of the Euro equivalent of US 20 cents per share, rounded upwards to the nearest whole Euro cent, was approved by the Board of Directors and shareholders. The capital return is contingent upon the Company receiving the necessary Dutch regulatory approval. On 7 October 2002, the Company received Dutch regulatory approval.

19.4 Franking credits available and prospects for paying fully or partly franked dividends for at least the next year.

There are no franking credits available. It is anticipated that future dividends will be unfranked.

19.5 Unless disclosed below, the accounting policies, estimation methods and measurement bases used in this report are the same as those used in the last annual report. Any changes in accounting policies, estimation methods and measurement bases since the last annual report are disclosed as follows.

None material.

19.6 Revisions in estimates of amounts reported in previous interim periods. For half yearly reports the nature and amount of revisions in estimates of amounts reported in previous annual reports if those revisions have a material effect in this half year.

None material.

19.7 Changes in contingent liabilities or assets. For half yearly reports, changes in contingent liabilities and contingent assets since the last annual report.

None material.

**Additional Disclosures For Trusts**

20.1 Number of units held by the management company or responsible entity or their related parties.

Not applicable.

20.2 A statement of the fees and commissions payable to the management company or responsible entity.

Not applicable.

Identify:

- initial service charges
- management fees
- other fees

**Annual Meeting**

*(Preliminary final report only)*

The annual meeting will be held as follows:

Place

Date

Time

Approximate date the annual report will be available

## Compliance statement

- 1 This report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Urgent issues Group Consensus Views or other standards acceptable to ASX

Identify other standards used

USGAAP

- 2 This report, and the accounts upon which the report is based (if separate), use the same accounting policies.
- 3 This report does give a true and fair view of the matters disclosed.
- 4 This report is based on accounts to which one of the following applies.  
(Tick one)

The accounts have been audited.

The accounts have been subject to review

The accounts are in the process of being audited or subject to review

The accounts have not yet been audited or reviewed

- 5 If the audit report or review by the auditor is not attached, details of any qualifications are attached. There were no qualifications.
- 6 The entity has a formally constituted audit committee.



Sign here: .....  
(Company Secretary)

Date: 14 November 2002

Print name: PETER SHAFRON  
.....