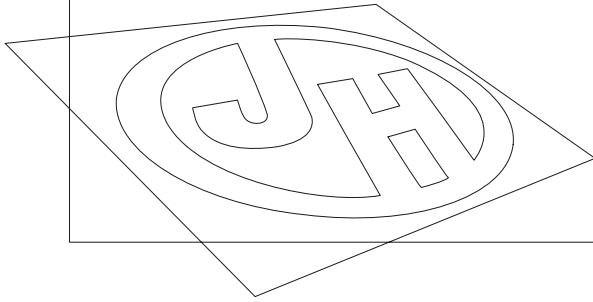




James Hardie



asx report

James Hardie Industries N.V.

ARBN 097 829 895

ASX Report

31 March 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	Half yearly	Preliminary final	Half-year/financial year ended ('current period')
097 829 895		X	March 31, 2002

For announcement to the market

		US\$ million
Revenues from ordinary activities (<i>item 1.1</i>)	Up 12.2% to	606.9
Profit (loss) from continuing, ordinary operations after tax (<i>item 1.7a</i>)	Down 10.1% to	26.6
Profit (loss) from discontinued operations after tax (<i>item 1.7b</i>)	Down 69.7% to	2.7
Profit (loss) from ordinary activities after tax (before amortisation of goodwill) attributable to members (<i>item 1.20</i>)	Down 22.9% to	30.9
Profit (loss) from ordinary activities after tax attributable to members (<i>item 1.23</i>)	Down 23.9% to	29.3
Profit (loss) from extraordinary items after tax attributable to members (<i>item 2.5(d)</i>)	Gain (loss) of	-
Net profit (loss) for the period attributable to members (<i>item 1.11</i>)	Down 23.3% to	29.3
Dividends (distributions)	Amount per security cents	Franked amount per security
Final dividend (<i>Preliminary final report only - item 15.4</i>) Interim dividend (<i>Half yearly report only - item 15.6</i>)	Not Applicable	-
Previous corresponding period Final dividend (<i>Preliminary final report - item 15.5</i>) Interim dividend (<i>Half yearly report only - item 15.7</i>)	A 9.5¢	-
Record date for determining entitlements to the dividend, (in the case of a trust, distribution) (<i>see item 15.2</i>)	Not Applicable	
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.

Consolidated profit and loss account	Current period	Previous corresponding period	Current period	Previous corresponding period
	31 Mar 02 US\$ million	31 Mar 01 US\$ million	31 Mar 02 A\$ million	31 Mar 01 A\$ million
1.1 Revenues from ordinary activities	606.9	540.9	1,182.4	973.0
1.2 Expenses from ordinary activities <i>(see items 1.24 + 12.5 + 12.6)</i>	(560.4)	(498.4)	(1,091.8)	(896.5)
1.3 Borrowing costs	(16.0)	(13.2)	(31.1)	(23.7)
1.4 Share of net profit (loss) of associates and joint venture entities <i>(see item 16.7)</i>	-	-	-	-
1.5 Profit (loss) from continuing, ordinary activities before tax	30.5	29.3	59.5	52.8
1.6 Income tax on ordinary activities	(3.9)	0.3	(7.6)	0.5
1.7a Profit (loss) from continuing, ordinary activities after tax	26.6	29.6	51.9	53.3
1.7b Profit (loss) from ordinary activities of discontinued operations after tax	2.7	8.9	5.2	16.0
1.7c Profit (loss) from ordinary activities after tax	29.3	38.5	57.1	69.3
1.8a Profit (loss) from extraordinary items after tax <i>(see item 2.5)</i>	-	-	-	-
1.8b Cumulative effect of a change in accounting principle after tax	-	(0.3)	-	(0.5)
1.9 Net profit (loss)	29.3	38.2	57.1	68.8
1.10 Net profit (loss) attributable to outside equity interests	-	-	-	-
1.11 Net profit (loss) for the period attributable to members	29.3	38.2	57.1	68.8

Consolidated retained profits

1.12 Retained profits (accumulated losses) at the beginning of financial period	(103.8)	(99.8)
1.13 Net profit (loss) attributable to members <i>(item 1.11)</i>	29.3	38.2
1.14 Net transfers to from reserves	-	0.8
1.15 Net effect in changes in accounting policies	-	-
1.16 Dividends and other equity distributions paid or payable	(20.3)	(43.0)
1.17 Retained profits (accumulated losses) at end of financial period	(94.8)	(103.8)

Profit restated to exclude amortisation of goodwill

1.18 Profit (loss) from ordinary activities after tax before outside equity interests <i>(item 1.7c)</i> and amortisation of goodwill	30.9	40.1
1.19 Less (plus) outside equity interests	-	-
1.20 Profit (loss) from ordinary activities after tax (before amortisation of goodwill) attributable to members	30.9	40.1

JAMES HARDIE INDUSTRIES N.V.

Profit (loss) from ordinary activities attributable to members

	Current period 31 Mar 02 US\$ million	Previous corresponding period 31 Mar 01 US\$ million
1.21 Profit (loss) from ordinary activities after tax (<i>item 1.7c</i>)	29.3	38.5
1.22 Less (plus) outside equity interests	-	-
1.23 Profit (loss) from ordinary activities after tax, attributable to members	29.3	38.5

Revenue and expenses from continuing, ordinary activities

	Current period 31 Mar 02 US\$ million	Previous corresponding period 31 Mar 01 US\$ million
1.24 Details of revenues and expenses from continuing, ordinary activities		
Cost of sales	401.6	360.8
Sales, general & admin costs	130.3	123.7
Restructuring and other operating expenses	28.1	15.5
Other (income) / expenses	0.4	(1.6)
	560.4	498.4

JAMES HARDIE INDUSTRIES N.V.

Intangible and extraordinary items

CONSOLIDATED				
Current period to 31 March 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	0.1	-	-	0.1
2.2 Amortisation of other intangibles	0.1	-	-	0.1
2.3 Total amortisation of intangibles	0.2	-	-	0.2
2.4 Extraordinary items	-	-	-	-
2.5 Total extraordinary items	-	-	-	-

Comparison of half year profits

	Current period	Previous corresponding period
	31 Mar 02	31 Mar 01
	US\$ million	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 <i>(item 1.23 in the half yearly report)</i>	9.5	28.3
3.2 Consolidated profit (loss) from ordinary activities after tax attributable to members for the 2nd half year	19.8	10.2

JAMES HARDIE INDUSTRIES N.V.

Consolidated balance sheet

	At end of current period 31 Mar 02 US\$ million	As shown in last annual report 31 Mar 01 US\$ million	As shown in last half-yearly report 30 Sep 01 US\$ million	At end of current period 31 Mar 02 A\$ million	As shown in last annual report 31 Mar 01 A\$ million	Previous corresponding period 30 Sep 01 A\$ million	
Current assets							
4.1	Cash	31.1	75.1	90.9	58.5	153.3	185.6
4.2	Receivables	80.3	47.7	65.9	151.0	97.3	134.5
4.3	Investments	-	-	-	-	-	-
4.4	Inventories	65.4	69.5	67.7	123.0	141.8	138.2
4.5a	Other - prepayments	17.1	19.7	12.8	32.2	40.2	26.1
4.5b	Other - deferred tax assets	22.6	30.0	32.9	42.5	61.2	67.2
4.5c	Other - net current assets of discontinued operations	21.6	15.7	18.9	40.6	32.0	38.6
4.6	Total current assets	238.1	257.7	289.1	447.8	525.8	590.2
Non-current assets							
4.7	Receivables	5.5	12.7	5.5	10.3	25.9	11.2
4.8	Investments (equity accounted)	-	-	-	-	-	-
4.9	Other investments	6.7	10.2	7.6	12.6	20.8	15.5
4.10	Inventories	-	-	-	-	-	-
4.11	Exploration and evaluation expenditure capitalised	-	-	-	-	-	-
4.12	Development properties (mining entities)	-	-	-	-	-	-
4.13	Property, plant, equipment & mineral rights (net)	451.0	391.6	416.6	848.2	799.2	850.5
4.14	Intangibles (net)	2.7	2.3	1.9	5.1	4.7	3.9
4.15a	Other - mineral reserves	0.9	0.9	0.9	1.7	1.8	1.8
4.15b	Other - prepaid pension	8.9	8.8	8.4	16.7	18.0	17.1
4.15c	Other - deferred tax assets	5.5	5.1	5.3	10.3	10.4	10.8
4.15d	Other - net non-current assets of discontinued operations	194.2	213.0	208.4	365.3	434.7	425.5
4.16	Total non-current assets	675.4	644.6	654.6	1,270.2	1,315.5	1,336.3
4.17	Total assets	913.5	902.3	943.7	1,718.0	1,841.3	1,926.5
Current liabilities							
4.18	Payables	59.7	63.5	55.6	112.3	129.6	113.5
4.19	Interest bearing liabilities	4.9	74.8	59.1	9.2	152.7	120.7
4.20	Provisions	58.5	34.5	29.3	110.0	70.5	59.8
4.21	Other - net current liabilities of discontinued operations	-	-	-	-	-	-
4.22	Total current liabilities	123.1	172.8	144.0	231.5	352.8	294.0
Non-current liabilities							
4.23	Payables	-	-	-	-	-	-
4.24	Interest bearing liabilities	325.0	357.3	323.0	611.3	729.2	659.4
4.25a	Provisions	21.8	10.7	20.9	41.0	21.8	42.7
4.25b	Liability to Medical Research & Compensation Foundation	50.2	49.4	49.4	94.4	100.8	100.9
4.26a	Other - tax liabilities	23.0	31.0	39.8	43.3	63.3	81.3
4.26b	Other - net non-current liabilities - discontinued operations	-	-	-	-	-	-
4.27	Total non-current liabilities	420.0	448.4	433.1	790.0	915.1	884.3
4.28	Total liabilities	543.1	621.2	577.1	1,021.5	1,267.9	1,178.3
4.29	Net assets	370.4	281.1	366.6	696.5	573.4	748.2
Equity							
4.30	Capital/contributed equity	531.5	437.0	538.9			
4.31a	Accumulated other comprehensive income (loss)	(61.5)	(44.2)	(52.2)			
4.31b	Employee loans	(4.8)	(7.9)	(5.5)			
4.32	Retained profits (Accumulated losses)	(94.9)	(103.8)	(114.6)			
4.33	Equity attributable to members of the parent entity	370.3	281.1	366.6			
4.34	Outside equity interests in controlled entities	-	-	-			
4.35	Total equity	370.3	281.1	366.6			
4.36	Preference capital included as part of 4.33	-	-	-			

JAMES HARDIE INDUSTRIES N.V.

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 31 Mar 02 US\$ million	Previous corresponding period 31 Mar 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	-	-
5.6 Closing balance as shown in the consolidated balance sheet (item 4.11)	-	-

Development properties

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

	Current period 31 Mar 02 US\$ million	Previous corresponding period 31 Mar 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	-	-
6.7 Closing balance as shown in the consolidated balance sheet (item 4.12)	-	-

JAMES HARDIE INDUSTRIES N.V.

Consolidated statement of cash flows

	Current period 31 Mar 02 US\$ million	Previous corresponding period 31 Mar 01 US\$ million	Current period 31 Mar 02 A\$ million	Previous corresponding period 31 Mar 01 A\$ million
Cash flows related to operating activities				
7.1a Net Income	29.3	38.2	57.1	68.8
7.2a (Gain)/Loss on disposal of subsidiaries and business	(2.0)	(2.3)	(3.9)	(4.1)
7.3a (Gain)/Loss on disposal of investments and negotiable	1.3	(2.4)	2.5	(4.3)
7.4a Property, plant and equipment impairment	-	7.5	-	13.5
7.5a Depreciation and amortization	39.9	37.7	77.7	67.8
7.6a Deferred income taxes	(0.6)	4.0	(1.2)	7.2
7.7a Prepaid Pensions	(0.7)	(0.2)	(1.4)	(0.4)
7.8a Other	3.1	0.9	6.0	1.6
Changes in operating assets/liabilities				
7.8b Accounts receivable, prepaids, and other current assets	(29.1)	8.7	(56.7)	15.7
7.8c Inventories	16.4	(22.1)	32.0	(39.8)
7.8d Accounts payable, accrued liabilities and other liabilities	19.0	24.6	37.0	44.3
7.9 Net operating cash flows	76.6	94.6	149.1	170.3
Cash flows related to investing activities				
7.10 Payment for purchases of property, plant and equipment	(52.4)	(121.9)	(102.1)	(219.3)
7.11 Proceeds from sale of property, plant and equipment	0.3	2.7	0.6	4.9
7.12 Payment for purchases of equity investments and businesses	(40.8)	(9.9)	(79.5)	(17.8)
7.13 Proceeds from sale of equity investments and businesses	11.7	(9.9)	22.8	(17.8)
7.14 Loans to other entities/Sale of Investments	-	-	-	-
7.15 Loans repaid by other entities	4.0	7.3	7.8	13.1
7.16 Other (Cash transferred and costs of Medical Research Foundation)	-	(31.2)	-	(56.1)
7.17 Net investing cash flows	(77.2)	(162.9)	(150.4)	(293.0)
Cash flows related to financing activities				
7.18 Proceeds from issues of securities (shares, options, etc)	113.9	-	221.9	-
7.19 Proceeds from borrowings	230.4	188.0	448.9	338.2
7.20 Repayment of borrowings	(342.3)	(143.7)	(666.9)	(258.5)
7.21 Dividends paid	(20.3)	(43.0)	(39.6)	(77.4)
7.22 Other - Repayments of capital	(22.5)	-	(43.8)	-
7.23 Net financing cash flows	(40.8)	1.3	(79.5)	2.3
7.24 Net increase (decrease) in cash held	(41.4)	(67.0)	(80.8)	(120.4)
7.25 Cash at beginning of period	75.1	154.2	153.3	253.9
7.26 Exchange rate adjustments	(2.6)	(12.1)	(14.0)	19.8
7.27 Cash at end of period	31.1	75.1	58.5	153.3

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 31 Mar 02 US\$ million	Previous corresponding period 31 Mar 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	11.1	2.4
8.2 Deposits at call	20.0	72.7
8.3 Bank overdraft (excluded from reconciliation under US GAAP)	-	-
8.4 Other (provide details)	-	-
8.5 Total cash at end of period <i>(item 7.27)</i>	31.1	75.1

Ratios

	Current period 31 Mar 02	Previous corresponding period 31 Mar 01
Profit before tax / revenue		
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>	5.0%	5.4%
Profit after tax / equity interests		
9.2 Consolidated operating profit (loss) from ordinary activities after tax attributable to members <i>(item 1.9)</i> as a percentage of equity (similarly attributable) at the end of the period <i>(item 4.33)</i>	7.9%	13.6%

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	\$0.07	\$0.09
(b) Diluted EPS	\$0.07	\$0.09
(c) Weighted average number of ordinary shares outstanding during the period used in the calculation of the Basic EPS	438,368,414	409,586,684

JAMES HARDIE INDUSTRIES N.V.

NTA backing

	Current period 31 Mar 02 US\$	Previous corresponding period 31 Mar 01 US\$
11.1 Net tangible asset backing per ordinary security	\$0.75	\$0.58

Details of specific receipts/outlays, revenues/expenses

	Current period 31 Mar 02 US\$ million	Previous corresponding period 31 Mar 01 US\$ million
12.1 Interest revenue included in determining item 1.5	2.4	8.2
12.2 Interest revenue included in item 12.1 but not yet received (if material)	-	0.2
12.3 Interest costs excluded from borrowing costs, capitalised in asset values	6.5	4.6
12.4 Outlays (except those arising from the acquisition of an existing business) capitalised in intangibles (if material)	-	-
12.5 Depreciation and amortisation (excluding amortisation of intangibles)	23.5	20.7
12.6 Other specific relevant items not shown in item 1.24	-	-

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 entity (or group of entities) for the whole of the previous corresponding period	Not applicable

JAMES HARDIE INDUSTRIES N.V.

Loss of control of entities having material effect

14.1	Name of entity (or group of entities)	Not Applicable
14.2	Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity (or group of entities) for the current period to the date of loss of control	Not Applicable
14.3	Date to which the profit (loss) in item 14.2 has been calculated	Not Applicable
14.4	Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity (or group of entities) while controlled during the whole of the previous corresponding period	Not Applicable
14.5	Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control	Not Applicable

Dividends

15.1	Date the dividend (distribution) is payable	Not Applicable
15.2	Record date to determine entitlements to dividend (distribution) (i.e., on the basis of registrable transfers received 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)	Not Applicable
15.3	If it is a final dividend, has it been declared ? (Preliminary final report only)	Not Applicable

JAMES HARDIE INDUSTRIES N.V.

Amount per security

		Amount per security US cents	Franked amount per security
	<i>(Preliminary final report only)</i>		
15.4	Final dividend: Current Year	Not Applicable	N/A
15.5	Previous Year	A 9.5¢	N/A
	<i>(Half yearly and preliminary final reports)</i>		
15.6	Interim dividend: Current Year	-	N/A
15.7	Previous Year	A 9.5¢	N/A

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

(Preliminary final report only)

	Current year	Previous year
15.8 Ordinary securities	Not Applicable	A 19.0¢
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 31 Mar 02 US\$ million	Previous corresponding period 31 Mar 01 US\$ million
15.10 Ordinary securities	Not Applicable	22.0
15.11 Preference securities	-	-
15.12 Other equity instruments	-	-
15.13 Total	-	22.0

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

Investments in associated entities	Current period 31 Mar 02 US\$ million	Previous corresponding period 31 Mar 01 US\$ million
16.1 Profit from ordinary activities before income tax	-	-
16.2 Income tax on ordinary activities	-	-
16.3 Profit (loss) from ordinary activities after income tax	-	-
16.4 Extraordinary items net of tax	-	-
16.5 Net profit (loss)	-	-
16.6 Outside equity interests	-	-
16.7 Net profit (loss) attributable to members	-	-

Material interests in entities which are not controlled entities

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

Name of entity	Percentage of ownership interest held at end of period or date of disposal		Contribution to net profit (loss) <i>(item 1.9)</i>	
	Current period 31 Mar 02 %	Previous corresponding period 31 Mar 01 %	Current period 31 Mar 02 US\$ million	Previous corresponding period 31 Mar 01 US\$ million
17.1 Equity accounted associated and joint venture entities				
17.2 Total	-	-	-	-
17.3 Other material interests				
17.4 Total	-	-	-	-

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\$
18.1 Preference securities	-	-	-	-
18.2 Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks, redemptions	-	-	-	-
18.3 Ordinary securities				
Ordinary Shares	455,438,519	455,438,519	N/A	N/A
18.4 Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks	39,567,357	39,567,357	A\$5.71	A\$5.71
	-	-	-	-
18.5 Convertible debt securities	-	-	-	-
18.6 Changes during current period (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
18.7 Options			<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	1,711,423	-	A\$3.72	Nov-09
KMEIP November 2000	3,269,998	-	A\$3.68	Nov-10
2001 Equity Incentive Plan	4,164,141	-	A\$5.65	Dec-11
18.8 Issued during current period				
PD Macdonald	624,000	-	A\$5.35	Jul-11
KMEIP November 1999	1,968,544	-	A\$3.72	Nov-09
KMEIP November 2000	3,500,285	-	A\$3.68	Nov-10
2001 Equity Incentive Plan	4,248,417	-	A\$5.65	Dec-11
18.9 Exercised during current period	496,257	-	A\$3.75	N/A
18.10 Expired/forfeited during current period	75,427	-	A\$5.65	N/A
18.11 Debentures	-	-		
18.12 Unsecured notes	-	-		

JAMES HARDIE INDUSTRIES N.V.

SEGMENT INFORMATION US\$ million

	Sales		Profit/(loss) before tax and abnormals		Total Assets	
	12 mths	12 mths	12 mths	12 mths	31.03.02	31.03.01
	31.03.02	31.03.01	31.03.02	31.03.01		
Industry segments						
US Fiber Cement	444.8	373.0	85.8	73.5	420.3	336.8
Asia Pacific Fiber Cement	156.9	166.6	22.4	4.4	147.6	139.9
Research & Development	-	-	(10.0)	(6.5)	-	-
Other	4.2	-	(8.2)	(2.9)	45.5	39.9
Eliminate intercompany transactions	-	-	-	1.7	-	-
Segments total	605.9	539.6	90.0	70.2	613.4	516.6
General Corporate	1.0	1.3	(43.1)	(29.3)	84.3	157.0
Interest	-	-	(16.0)	(13.2)	-	-
Other income (expense)	-	-	(0.4)	1.6	-	-
Worldwide total from continuing operations	606.9	540.9	30.5	29.3	697.7	673.6
Discontinued operations					215.8	228.7
Worldwide total					913.5	902.3

	Sales		Total Assets	
	12 mths	12 mths	31.03.02	31.03.01
	31.03.02	31.03.01		
Geographic segments				
United States	447.3	373.0	456.0	368.2
Australia	100.7	111.0	80.6	72.4
New Zealand	38.0	38.0	24.7	21.0
Other Countries	19.9	17.6	52.1	55.0
Segments total	605.9	539.6	613.4	516.6
General Corporate	1.0	1.3	84.3	157.0
Worldwide total from continuing operations	606.9	540.9	697.7	673.6
Discontinued operations			215.8	228.7
Worldwide total			913.5	902.3

Compilation of segmental information

James Hardie's operations are organised into the following five segments: (1) US Fiber Cement, which manufactures and sells fiber cement flat sheet products in the United States; (2) Asia Pacific Fiber Cement, which manufactures and sells fiber 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, which includes the fiber reinforced cement pipes operations in the United States and the Chile fiber cement operations.

Research and development assets are included in the Asia Pacific Fiber 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.

Income tax expense note for continuing operations

Income tax expense computed at the statutory tax rates

Increase/(decrease) in tax expense/(credit) due to:

US state income taxes net of the Federal benefit

expenses not deductible

non-assessable items

research and development incentive

losses not available for carry forward

other items

Income tax expense(credit)

Current period 31 Mar 02 US\$ million	Previous corresponding period 31 Mar 01 US\$ million
8.8	11.9
(0.9)	(2.5)
2.1	1.2
(9.3)	(12.4)
(0.5)	(0.5)
3.9	1.9
(0.2)	0.1
3.9	(0.3)

JAMES HARDIE INDUSTRIES N.V.

Comments by directors

Basis of accounting preparation

Background

On 2 July 1998, James Hardie Industries Limited ("JHIL") announced a plan of Reorganization and capital restructuring (the "1998 Reorganization"). James Hardie N.V. ("JHNV") was incorporated in August 1998, as an intermediary holding company, with all its common stock owned by indirect subsidiaries of JHIL. On 16 October 1998, JHIL's shareholders approved the 1998 Reorganization. Effective as of 1 November 1998, JHIL contributed its fiber 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 Reorganization, JHIL and its non-transferring subsidiaries retained certain unrelated assets and liabilities.

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

Following the 2001 Reorganization, JHINV controls the same assets and liabilities as JHIL controlled immediately prior to the 2001 Reorganization.

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 Reorganization, 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\$):

	31 March		
	2000	2001	2002
Assets and liabilities	n/a	2.0408	1.8808
Profit and loss account	1.5515	1.7990	1.9483
Statement of cash flows - beginning cash	1.5911	1.6466	2.0408
Statement of cash flows - ending cash	1.6466	2.0408	1.8808
Statement of cash flows - current period movements	1.5515	1.7990	1.9483

JAMES HARDIE INDUSTRIES N.V.

Other matters

On 1 August 2001, the Company raised approximately A\$197 million through the issue of 35 million fully paid ordinary shares by means of an underwritten share placement.

On 14 February 2002, a Washington State Court approved a Class Action Settlement Agreement for all product, warranty and property related liability claims associated with certain roofing products which were previously manufactured and sold by the US Fiber Cement business. Although the Settlement Agreement applies nationally, the overwhelming majority of the roofing claims have related to products sold in the Pacific Northwest region. These products were removed from the marketplace in 1995. The Company has recorded a charge of \$12.6 million in the current period to cover the estimated cost of the settlement, and the estimated cost of any other pending claims or lawsuits remaining which are not covered by the settlement, as well as all related costs that may be paid under the agreement.

On 13 March 2002, the Company announced that it had signed an agreement to sell its US based Gypsum operations to BPB plc for \$345.0 million. The transaction was completed on 25 April 2002.

Since the end of the period the Directors are not aware of any matter or circumstance not otherwise reported that has significantly or may significantly affect the operations of James Hardie, the results of those operations or the state of affairs of James Hardie in subsequent financial periods.

Additional disclosure for trusts

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

Not applicable

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

Not applicable

Annual meeting *(Preliminary final report only)*

The annual meeting will be held as follows:

Place

Amsterdam

Date

20 July, 2002

Time

8.00 am

Approximate date the annual report will be available

14 June, 2002

Compliance statement

- 1 This report has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX.

Identify other standards used

US GAAP

- 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.

The financial statements have been audited.

The financial statements have been subject to review.

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

The financial statements have *not* yet been audited or reviewed.

- 5 The accounts have been audited and the audit report is attached.
- 6 The entity has a formally constituted audit committee.

Sign here:



Date: May 16, 2002

(Company Secretary)

Print name: Peter Shafron