

Results at a Glance

2nd Quarter and Half Year – 30 September 2003

2nd QTR FY04

HY04

James Hardie

Net Sales	Up	24%	to	US\$251.6	Up	24%	to	US\$493.1
EBIT ²	Up	35%	to	US\$ 47.9	Up	36%	to	US\$ 96.2
Operating Profit ³	Up	43%	to	US\$ 32.8	Up	45%	to	US\$ 65.7
Net Operating Profit ^{1,4}	Up	33%	to	US\$ 32.8	Down	33%	to	US\$ 67.5
EBIT Margin ²	Up	1.4pts	to	19.0%	Up	1.7pts	to	19.5%

USA Fibre Cement

Net Sales	Up	24%	to	US\$191.4	Up	23%	to	US\$378.2
EBIT ²	Up	32%	to	US\$ 53.7	Up	36%	to	US\$107.8
EBIT Margin ²	Up	1.8pts	to	28.1%	Up	2.6pts	to	28.5%
Volume	Up	16%	to	390.5mmsf	Up	15%	to	778.0mmsf

Asia Pacific Fibre Cement

Net Sales	Up	22%	to	US\$54.8	Up	23%	to	US\$104.9
EBIT ²	Up	16%	to	US\$ 9.4	Up	15%	to	US\$ 18.0
EBIT Margin ²	Down	0.8pt	to	17.2%	Down	1.0pt	to	17.2%
Volume	Up	9%	to	104.5mmsf	Up	11%	to	202.7mmsf

Key Ratios

Earnings Per Share (Basic)	14.5cents
EBIT Margin ²	19.5%
Return on Shareholders Funds ^{1,5}	28.3%
Return on Capital Employed ⁵	28.7%
Gearing	13.0%
Net Interest Cover (EBIT ² / Net interest expense)	20.5x

All comparisons are against the 2nd quarter or half year of the previous fiscal year. All dollar amounts are in US\$ millions. Results are for continuing businesses only unless otherwise stated. Note: This document should be read in conjunction with other 2nd quarter and half year results materials including a Media Release, a Management's Discussion and Analysis, a Management Presentation and a Financial Report.

¹ Includes discontinued operations

² EBIT is defined as operating income. EBIT margin is defined as EBIT as a percentage of our net sales. We believe EBIT and EBIT margin to be relevant and useful information as these are the primary measures used by our management to measure the operating profit or loss of our business. EBIT is one of several metrics used by our management to measure the cash generated from our operations, excluding the operating cash requirement of our interest and income taxes. Additionally, EBIT is believed to be a primary measure and terminology used by our Australian investors. EBIT and EBIT margin should be considered in addition to, but not as a substitute for, other measure of financial performance reported in accordance with accounting principles generally accepted in the United States of America. EBIT and EBIT margin, as we have defined them, may not be comparable to similarly titled measures reported by other companies.

³ Operating profit from continuing operations is equivalent to the US GAAP measure of income from continuing operations

⁴ Net operating profit including discontinued operations is equivalent to the US GAAP measure of net income

⁵ Annualised