Results for Announcement to the Market

James Hardie Industries plc

ARBN 097 829 895

Half Year Ended 30 September 2020

Key Information	Half Year Ended 30 September			
	FY 2021 US$M	FY 2020 US$M	Movement	
Net Sales From Ordinary Activities	1,363.1	1,316.9	Up	4%
Profit From Ordinary Activities After Tax Attributable to Shareholders	96.2	189.6	Down	49%
Net Profit Attributable to Shareholders	96.2	189.6	Down	49%
Net Tangible Assets per Ordinary Share	US$1.79	US$1.52	Up	18%

Dividend Information

- On 5 May 2020, the Company announced the suspension of dividends until further notice.
- On 10 November 2020, the Company announced the expectation to reinstate the ordinary dividend beginning with a full year fiscal year 2021 ordinary dividend to be announced in May 2021.

Movements in Controlled Entities during the half year Ended 30 September 2020

There were no movements in controlled entities during the half year ended 30 September 2020.

Associates and Joint Venture Entities

FELS Recycling GmbH (51%); Aplicaciones Minerales S.A. (28%)

Review

The results and information included within this report have been prepared using US GAAP and have been subject to an independent review by external auditors.

Results for the 2nd Quarter and Half Year Ended 30 September 2020

Contents

James Hardie Industries plc is incorporated under the laws of Ireland with its corporate seat in Dublin, Ireland. The liability of members is limited. The information contained in the above documents should be read in conjunction with the James Hardie 2020 Annual Report which can be found on the company website at www.jameshardie.com.

Media Release
10 November 2020

JamesHardie™

James Hardie Industries Announces Record Second Quarter Fiscal Year 2021 Results

Delivers All-time Group Quarterly Record Results for Net Sales, Adjusted EBIT, Adjusted EBIT Margin, Adjusted NOPAT and Operating Cash Flow

Adjusted NOPAT +22% to US$120.5 Million for the Second Quarter Fiscal Year 2021

Operating Cash Flow Rises +66% to US$416.8 Million for the First Half Fiscal Year 2021

Annual Ordinary Dividend Reinstated for Fiscal Year 2021

Reaffirms Fiscal Year 2021 Adjusted NOPAT Guidance Range of US$380 Million to US$420 Million

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Fiscal Year Second Quarter 2021 Highlights, Compared to Fiscal Year Second Quarter 2020 As Applicable:

- Group Net Sales of US$736.8 million, +12% growth
- Group Adjusted EBIT of US$163.1 million, +22% growth
- Group Adjusted EBIT margin of 22.1%, an improvement of 180 bps
- North America Fiber Cement Segment Net Sales +12% and Adjusted EBIT +19% in US Dollars, with Adjusted EBIT margin up 180 basis points to 28.9%
- North America Fiber Cement Segment exteriors volume +11%
- Europe Building Products Segment Net Sales +8% and Adjusted EBIT +81% in Euros, with Adjusted EBIT margin up 450 basis points to 11.1%
- Asia Pacific Fiber Cement Segment Net Sales +4% and Adjusted EBIT +37% in Australian Dollars, with Adjusted EBIT margin up 770 basis points to 31.7%
- Reduce gross debt by US$400 million by the end of fiscal year 2021
- Reinstate an annual ordinary dividend for fiscal year 2021 supported by strong cash generation

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James Hardie Industries plc (ASX: JHX; NYSE: JHX), the world's #1 producer and marketer of high-performance fiber cement and fiber gypsum building solutions announced its second quarter and first half fiscal year 2021 results, for the periods ending 30 September 2020.

Record quarterly group net sales of US$736.8 million increased 12% year-over-year. Group Adjusted EBIT margin improved 180 basis points to 22.1%, with all three operating regions (North America, Asia Pacific, and Europe) delivering stronger financial results.

James Hardie CEO, Dr. Jack Truong, said, "Delivering these record results is a confirmation that the global strategy we launched in early calendar 2019 to transform James Hardie into a high-performing, world-class organization is on track and is accelerating. This is now the sixth consecutive quarter that our team has delivered growth above market with strong returns."

Strong cash flow generation of US$416.8 million in the first half was driven by continuous improvement in the Company's LEAN manufacturing performance, strong profitable sales growth and the integration of its supply chain with its customers. The Company has achieved global LEAN savings of US$62.0 million over the 18-month period since inception of LEAN. Working capital improved by US$101.5 million during the first half of fiscal year 2021.

Dr. Truong continued, "Our confidence in the global business and its resiliency to various market conditions continues to evolve. We expect to continue to invest strategically to unlock future organic growth, including the development and commercialization of consumer-focused innovations. These increased investments will include capacity expansion to meet growing demand for our products supported by aggressive marketing and brand building efforts as we seek to gain incremental share in all key markets in the coming years."

The Company announced plans to reduce gross debt by US$400 million by the end of fiscal year 2021 and to reinstate an annual ordinary dividend for fiscal year 2021 with more details to be announced in May 2021.

"We continue to successfully navigate through this complex global pandemic, executing effectively on our strategic actions that were implemented at the start of the crisis. Our relentless commitment to servicing our customers resulted in record operating cash flow in the first half of fiscal year 2021. I am pleased to announce today that the step changes that we have made to improve our financial results and cash performance put us in a position to further strengthen our balance sheet and resume returning capital to our shareholders." concluded Dr. Truong.

Outlook and Earnings Guidance

James Hardie continues to assess the impacts and the uncertainties of the COVID-19 pandemic on the geographic locations in which we operate, as well as its impact on the new construction and repair and remodel building markets. The COVID-19 pandemic remains highly volatile and continues to evolve, and the full impact of the pandemic on the Company's business and future financial performance remains uncertain.

The Company is reaffirming its recently provided outlook for fiscal year 2021, ending March 31, 2021. Management expects fiscal year 2021 Adjusted net operating profit to be between US$380 million and US$420 million. The comparable Adjusted net operating profit for fiscal year 2020 was US$352.8 million. James Hardie's guidance is based on current estimates and assumptions and is subject to several known and unknown uncertainties and risks, including those related to the COVID-19 pandemic.

Key Financial Information

	Q2 FY21	Q2 FY20	Change	1H FY21	1H FY20	Change
Group (US$ millions)						
Net Sales	$ 736.8	$ 660.1	12%	$ 1,363.1	$ 1,316.9	4%
Adjusted EBIT	163.1	134.2	22%	288.0	258.6	11%
Adjusted EBIT Margin	22.1%	20.3%	1.8 pts	21.1%	19.6%	1.5 pts
Adjusted net operating profit	120.5	98.6	22%	209.8	188.8	11%
Operating Cash Flow	227.6	111.6	104%	416.8	251.8	66%
North America Fiber Cement (US$ millions)						
Net Sales	$ 515.0	$ 459.6	12%	$ 966.8	$ 911.9	6%
Adjusted EBIT	148.6	124.7	19%	279.5	238.2	17%
Adjusted EBIT Margin	28.9%	27.1%	1.8 pts	28.9%	26.1%	2.8 pts
Asia Pacific Fiber Cement (A$ millions)						
Net Sales	A$ 170.6	A$ 164.2	4%	A$ 309.3	A$ 318.6	(3%)
Adjusted EBIT	54.1	39.5	37%	87.7	74.9	17%
Adjusted EBIT Margin	31.7%	24.0%	7.7 pts	28.6%	23.5%	5.1 pts
Europe Building Products (€ millions)						
Net Sales	€ 85.3	€ 79.0	8%	€ 160.7	€ 164.4	(2%)
Adjusted EBIT	9.4	5.2	81%	11.4	12.3	(7%)
Adjusted EBIT Margin	11.1%	6.6%	4.5 pts	7.4%	7.5%	(0.1 pts)

Further Information

Readers are referred to the Company's Condensed Consolidated Financial Statements and Management's Analysis of Results for the six months ended 30 September 2020 for additional information regarding the Company's results, including information regarding income taxes, the asbestos liability and contingent liabilities.

Management Briefing for Analysts, Investors and Media

James Hardie will conduct a teleconference and audio webcast for analysts, investors and media at 9:00am (AEDT) / 5:00pm (EDT) today. Analysts, investors and media can access the management briefing via the following:

- Live Webcast: https://ir.jameshardie.com.au/jh/results_briefings.jsp
- Live Teleconference Registration: https://s1.c-conf.com/diamondpass/10010586-ueislz.html
  All participants wishing to join the teleconference will need to pre-register by navigating to https://s1.c-conf.com/diamondpass/10010586-ueislz.html Once registered, you will receive a calendar invite with dial-in numbers and a unique PIN which will be required to join the call.
- Webcast Replay: Will be available two hours after the Live Webcast concludes at https://ir.jameshardie.com.au/jh/results_briefings.jsp

Use of Non-GAAP Financial Information; Australian Equivalent Terminology

This Media Release includes financial measures that are not considered a measure of financial performance under generally accepted accounting principles in the United States (GAAP), such as Adjusted net operating profit and Adjusted EBIT. These non-GAAP financial measures should not be considered to be more meaningful than the equivalent GAAP measure. Management has included such measures to provide investors with an alternative method for assessing its operating results in a manner that is focused on the performance of its ongoing operations and excludes the impact of certain legacy items, such as asbestos adjustments. Additionally, management uses such non-GAAP financial measures for the same purposes. However, these non-GAAP financial measures are not prepared in accordance with US GAAP, may not be reported by all of the Company's competitors and may not be directly comparable to similarly titled measures of the Company's competitors due to potential differences in the exact method of calculation. The Company is unable to forecast the comparable US GAAP financial measure for future periods due to, amongst other factors, uncertainty regarding the impact of actuarial estimates on asbestos-related assets and liabilities in future periods. For additional information regarding the non-GAAP financial measures presented in this Media Release, including a reconciliation of each non-GAAP financial measure to the equivalent US GAAP measure, see the section titled "Non-US GAAP Financial Measures" included in the Company's Management's Analysis of Results for the second quarter ended 30 September 2020.

In addition, this Media Release includes financial measures and descriptions that are considered to not be in accordance with US GAAP, but which are consistent with financial measures reported by Australian companies, such as operating profit, EBIT and EBIT margin. Since the Company prepares its Consolidated Financial Statements in accordance with US GAAP, the Company provides investors with a table and definitions presenting cross-references between each US GAAP financial measure used in the Company's Consolidated Financial Statements to the equivalent non-US GAAP financial measure used in this Media Release. See the sections titled "Non-US GAAP Financial Measures" included in the Company's Management's Analysis of Results for the second quarter ended 30 September 2020.

Forward-Looking Statements

This Media Release contains forward-looking statements and information that are necessarily subject to risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of James Hardie to be materially different from those expressed or implied in this release, including, among others, the risks and uncertainties set forth in Section 3 "Risk Factors" in James Hardie's Annual Report on Form 20-F for the year ended 31 March 2020; changes in general economic, political, governmental and business conditions globally and in the countries in which James Hardie does business; changes in interest rates; changes in inflation rates; changes in exchange rates; the level of construction generally; changes in cement demand and prices; changes in raw material and energy prices; changes in business strategy and various other factors. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein. James Hardie assumes no obligation to update or correct the information contained in this Media Release except as required by law.

This media release has been authorized by the James Hardie Board of Directors.

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James Hardie Industries plc is a limited liability company incorporated in Ireland with its registered office at Europa House, 2nd Floor, Harcourt Centre, Harcourt Street, Dublin 2, D02 WR20, Ireland

Management's Analysis of Results

This Management's Analysis of Results forms part of a package of information about James Hardie Industries plc's results. It should be read in conjunction with the other parts of this package, including the Media Release, the Management Presentation and the consolidated financial statements. Except as otherwise indicated in this Management's Analysis of Results, James Hardie Industries plc is referred to as "JHI plc." JHI plc, together with its direct and indirect wholly-owned subsidiaries, are collectively referred to as "James Hardie," the "Company," "we," "our," or "us." Definitions for certain capitalized terms used in this Management's Analysis of Results can be found in the section titled "Non-GAAP Financial Measures."

This Management's Analysis of Results includes financial measures that are not considered a measure of financial performance under generally accepted accounting principles in the United States ("US GAAP"). These non-GAAP financial measures should not be considered to be more meaningful than the equivalent US GAAP measures. Management has included such measures to provide investors with an alternative method for assessing its financial condition and operating results in a manner that is focused on the performance of its ongoing operations. These measures exclude the impact of certain legacy items, such as asbestos adjustments, or significant non-recurring items, such as debt restructuring and acquisition costs, asset impairments, as well as adjustments to tax expense. In addition, management provides an adjusted effective tax rate, which excludes the tax impact of the pre-tax special items (items listed above) and tax special items. Management believes that this non-GAAP tax measure provides an ongoing effective rate which investors may find useful for historical comparisons and for forecasting and is an alternative method of assessing the economic impact of taxes on the Company, as it more closely approximates payments to taxing authorities. Management uses such non-GAAP financial measures for the same purposes. These non-GAAP measures should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with US GAAP. These non-GAAP financial measures are not prepared in accordance with US GAAP, may not be reported by all of the Company's competitors and may not be directly comparable to similarly titled measures of the Company's competitors due to potential differences in the exact method of calculation. For additional information regarding the non-GAAP financial measures presented in this Management's Analysis of Results, including a reconciliation of each non-GAAP financial measure to the equivalent US GAAP measure, see the section titled "Non-US GAAP Financial Measures." In addition, this Management's Analysis of Results includes financial measures and descriptions that are considered to not be in accordance with US GAAP, but which are consistent with financial measures reported by Australian companies. Since James Hardie prepares its consolidated financial statements in accordance with US GAAP, the Company provides investors with a table and definitions presenting cross-references between each US GAAP financial measure used in the Company's consolidated financial statements to the equivalent non-US GAAP financial measure used in this Management's Analysis of Results. See the section titled "Non-US GAAP Financial Measures."

These documents, along with an audio webcast of the Management Presentation on 10 November 2020, are available from the Investor Relations area of our website at http://www.ir.jameshardie.com.au

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James Hardie Industries plc

Results for the 2nd Quarter and Half Year Ended 30 September

US$ Millions	Three Months and Half Year Ended 30 September					
	Q2 FY21	Q2 FY20	Change %	HY FY21	HY FY20	Change %
Volume (mmsf)	1,041.8	960.2	8	1,953.7	1,917.4	2
Net sales	**$ 736.8**	**$ 660.1**	**12**	**$ 1,363.1**	**$ 1,316.9**	**4**
Cost of goods sold	(467.6)	(420.0)	(11)	(874.4)	(843.7)	(4)
Gross profit	**269.2**	**240.1**	**12**	**488.7**	**473.2**	**3**
Selling, general and administrative expenses	(98.0)	(98.1)	—	(185.6)	(199.6)	7
Research and development expenses	(8.4)	(8.2)	(2)	(15.7)	(15.8)	1
Restructuring expenses	—	—		(11.1)	—	
Asbestos adjustments	(16.3)	18.8		(80.0)	27.3	
EBIT	**146.5**	**152.6**	**(4)**	**196.3**	**285.1**	**(31)**
Interest, net	(12.7)	(14.2)	11	(25.3)	(27.9)	9
Other (expense) income	(0.2)	0.1		—	(0.1)	
Operating profit before income taxes	133.6	138.5	(4)	171.0	257.1	(33)
Income tax expense	(46.8)	(35.4)	(32)	(74.8)	(67.5)	(11)
Net operating profit	**$ 86.8**	**$ 103.1**	**(16)**	**$ 96.2**	**$ 189.6**	**(49)**
Earnings per share - basic (US cents)	20	23		22	43	
Earnings per share - diluted (US cents)	20	23		22	43	

Net sales for the quarter of US$736.8 million increased 12% compared to the prior corresponding period, driven by higher net sales in all of our segments. For the half year, net sales increased 4% to US$1,363.1 million, driven by higher net sales in the North America Fiber Cement segment, partially offset by lower USD net sales in the Asia Pacific Fiber Cement segment.

Gross profit of US$269.2 million and US$488.7 million for the quarter and half year increased 12% and 3%, respectively, compared to the prior corresponding periods, primarily driven by higher gross profit in the North America Fiber Cement segment.

Selling, general and administrative ("SG&A") expenses for the quarter and half year were flat and decreased 7%, respectively, compared to the prior corresponding periods. These changes were primarily driven by global cost containment actions, partially offset by higher stock compensation expenses.

Research and development expenses ("R&D") for the quarter and half year were comparable to the prior corresponding periods.

Restructuring expenses for the half year consist solely of severance costs incurred in the first quarter related to a reduction in headcount across all regions in order to strategically realign our resources and better match supply and demand.

Interest, net for the quarter and half year decreased compared to the prior corresponding periods, primarily due to a lower average outstanding balance on our revolving credit facility.

North America Fiber Cement Segment

Operating results for the North America Fiber Cement segment were as follows:

US$ Millions	**Three Months and Half Year Ended 30 September**					
	Q2 FY21	**Q2 FY20**	**Change**	**HY FY21**	**HY FY20**	**Change**
Volume (mmsf)	686.7	620.9	11%	1,296.4	1,233.6	5%
Average net sales price per unit (per msf)	US$742	US$733	1%	US$739	US$732	1%
Fiber cement net sales	515.0	459.6	12%	966.8	911.9	6%
Gross profit			10%			6%
Gross margin (%)			(0.7 pts)			0.1 pts
EBIT	148.6	124.7	19%	277.0	238.2	16%
EBIT margin (%)	28.9	27.1	1.8 pts	28.7	26.1	2.6 pts
Restructuring expenses	—	—		2.5	—	
Adjusted EBIT excluding restructuring expenses	148.6	124.7	19%	279.5	238.2	17%
Adjusted EBIT margin (%) excluding restructuring expenses	28.9	27.1	1.8 pts	28.9	26.1	2.8 pts

Q2 FY21 vs Q2 FY20

Net sales increased 12%, driven by strong exteriors volume growth of 11% and interiors volume growth of 7%. The increase in average net sales price primarily reflects the annual change in our strategic pricing effective April 2020, partially offset by product, market segment and geographic mix.

The slight decrease in gross margin is attributed to the following components:

Higher average net sales price	0.8 pts
Higher production and distribution costs	(1.5 pts)
Total percentage point change in gross margin	(0.7 pts)

Higher production and distribution costs resulted from unfavorable freight costs, offset by lower pulp costs and lean manufacturing savings.

SG&A expenses decreased, driven by cost containment actions taken in the period, including lower headcount and reduced travel and marketing spend. As a percentage of sales, SG&A expenses decreased 2.4 percentage points.

EBIT margin of 28.9% increased 1.8 percentage points, driven by a decrease in SG&A expenses as a percentage of sales, partially offset by lower gross margin.

HY FY21 vs HY FY20

Net sales increased 6%, driven by exteriors volume growth. Total volumes were unfavorably impacted as the market adjusted to the headwinds created by the COVID-19 pandemic in the first quarter. The increase in average net sales price primarily reflects the annual change in our strategic pricing effective April 2020, partially offset by product, market segment and geographic mix.

The change in gross margin was relatively flat and is comprised of the following components:

Higher average net sales price	0.6 pts
Higher production and distribution costs	(0.5 pts)
Total percentage point change in gross margin	0.1 pts

The benefit of the higher average net sales price was negated by higher production and distribution costs resulting from the unfavorable absorption of manufacturing costs on lower production volumes in the first quarter due to the COVID-19 pandemic, offset by lower pulp costs and lean manufacturing savings.

SG&A expenses decreased, driven by cost containment actions taken in the period, including lower headcount and reduced travel and marketing spend. As a percentage of sales, SG&A expenses decreased 2.6 percentage points.

Restructuring expenses of US$2.5 million consist solely of severance costs related to our decision to close our Summerville, South Carolina manufacturing plant as announced on 5 May 2020, and a reduction in headcount across the region in order to strategically realign our resources.

EBIT margin of 28.7% increased 2.6 percentage points, driven by a decrease in SG&A expenses as a percentage of sales, partially offset by restructuring expenses.

Asia Pacific Fiber Cement Segment

The Asia Pacific Fiber Cement segment is comprised of the following regions: (i) Australia; (ii) New Zealand; and (iii) the Philippines.

Operating results for the Asia Pacific Fiber Cement segment in US dollars were as follows:

US$ Millions	**Three Months and Half Year Ended 30 September**					
	Q2 FY21	**Q2 FY20**	**Change**	**HY FY21**	**HY FY20**	**Change**
Volume (mmsf)	145.2	142.8	2%	255.2	277.2	(8%)
Average net sales price per unit (per msf)	US$757	US$700	8%	US$748	US$706	6%
Fiber cement net sales	122.1	112.6	8%	213.4	220.6	(3%)
Gross profit			20%			2%
Gross margin (%)			3.8 pts			1.8 pts
EBIT	38.7	27.0	43%	57.6	51.8	11%
EBIT margin (%)	31.7	24.0	7.7 pts	27.0	23.5	3.5 pts
Restructuring expenses	—	—		3.4	—	
Adjusted EBIT excluding restructuring expenses	38.7	27.0	43%	61.0	51.8	18%
Adjusted EBIT margin (%) excluding restructuring expenses	31.7	24.0	7.7 pts	28.6	23.5	5.1 pts

Operating results for the Asia Pacific Fiber Cement segment in Australian dollars were as follows:

A$ Millions	**Three Months and Half Year Ended 30 September**					
	Q2 FY21	**Q2 FY20**	**Change**	**HY FY21**	**HY FY20**	**Change**
Volume (mmsf)	145.2	142.8	2%	255.2	277.2	(8%)
Average net sales price per unit (per msf)	A$1,058	A$1,022	4%	A$1,084	A$1,020	6%
Fiber cement net sales	170.6	164.2	4%	309.3	318.6	(3%)
Gross profit			15%			2%
Gross margin (%)			3.8 pts			1.8 pts
EBIT	54.1	39.5	37%	82.8	74.9	11%
EBIT margin (%)	31.7	24.0	7.7 pts	27.0	23.5	3.5 pts
Restructuring expenses	—	—		4.9	—	
Adjusted EBIT excluding restructuring expenses	54.1	39.5	37%	87.7	74.9	17%
Adjusted EBIT margin (%) excluding restructuring expenses	31.7	24.0	7.7 pts	28.6	23.5	5.1 pts

Q2 FY21 vs Q2 FY20 (A$)

Net sales were favorably impacted by a higher average net sales price and higher volumes in the Australia and New Zealand regions. The volume increases reflect strong growth above market. The 4% increase in the average net sales price was primarily driven by geographic mix due to a higher proportion of sales in Australia and New Zealand, which have a higher average net selling price, coupled with our annual strategic price increase in the first quarter.

The increase in gross margin can be attributed to the following components:

Higher average net sales price	2.0 pts
Lower production and distribution costs	1.8 pts
Total percentage point change in gross margin	3.8 pts

Lower production and distribution costs resulted from favorable Australian plant performance and lower pulp costs.

SG&A expenses decreased due to cost containment actions taken, including lower headcount and reduced travel and marketing spend. As a percentage of sales, SG&A expenses decreased 3.7 percentage points.

The EBIT margin increase of 7.7 percentage points to 31.7% is attributable to the increase in the gross margin and lower SG&A expenses as a percentage of sales.

HY FY21 vs HY FY20 (A$)

Net sales decreased 3% while volumes decreased 8%, as the region was unfavorably impacted by the COVID-19 government enforced lockdowns in the Philippines and New Zealand during the first quarter.

The 6% increase in average net sales price was driven by geographic mix due to a higher proportion of sales in Australia, which has a higher average net selling price, coupled with our strategic price increase.

The increase in gross margin can be attributed to the following components:

Higher average net sales price	3.5 pts
Higher production and distribution costs	(1.7 pts)
Total percentage point change in gross margin	1.8 pts

The increase was driven by the improvement in the current quarter as described above, partially offset by the unfavorable absorption of manufacturing costs on lower production volumes due to the idled facilities in the Philippines and New Zealand in the first quarter.

SG&A expenses decreased, primarily driven by cost containment actions taken in the year, including lower headcount and reduced travel and marketing spend. As a percentage of sales, SG&A expenses decreased 3.1 percentage points.

Restructuring expenses of A$4.9 million consist solely of severance costs, primarily associated with our strategic decision to cease manufacturing products in New Zealand and move to an import model to serve the market, and a reduction in headcount across the region in order to strategically realign our resources.

EBIT margin of 27.0%, represents an increase of 3.5 percentage points, primarily driven by higher gross margin and lower SG&A expenses as a percentage of sales, partially offset by restructuring expenses.

Europe Building Products Segment

The Europe Building Products segment is comprised of: (i) Europe Fiber Cement; and (ii) Europe Fiber Gypsum. Operating results for the Europe Building Products segment in US dollars were as follows:

US$ Millions	**Three Months and Half Year Ended 30 September**					
	Q2 FY21	**Q2 FY20**	**Change**	**HY FY21**	**HY FY20**	**Change**
Volume (mmsf)	209.9	196.5	7%	402.1	406.6	(1%)
Average net sales price per unit (per msf)	US$373	US$340	10%	US$353	US$347	2%
Fiber cement net sales	15.0	12.4	21%	25.1	24.9	1%
Fiber gypsum net sales[1]	84.7	75.5	12%	157.8	158.9	(1%)
Net sales	99.7	87.9	13%	182.9	183.8	—%
Gross profit			13%			(13%)
Gross margin (%)			(0.1 pts)			(4.0 pts)
EBIT	11.1	5.8	91%	8.4	13.7	(39%)
EBIT margin (%)	11.1	6.6	4.5 pts	4.6	7.5	(2.9 pts)
Restructuring expenses	—	—		5.1	—	
Adjusted EBIT excluding restructuring expenses	11.1	5.8	91%	13.5	13.7	(1%)
Adjusted EBIT margin (%) excluding restructuring expenses	11.1	6.6	4.5 pts	7.4	7.5	(0.1 pts)

[1] Also includes cement bonded board net sales

Operating results for the Europe Building Products segment in Euros were as follows:

€ Millions	**Three Months and Half Year Ended 30 September**					
	Q2 FY21	**Q2 FY20**	**Change**	**HY FY21**	**HY FY20**	**Change**
Volume (mmsf)	209.9	196.5	7%	402.1	406.6	(1%)
Average net sales price per unit (per msf)	€319	€306	4%	€310	€310	—%
Fiber cement net sales	12.8	11.2	14%	21.8	22.3	(2%)
Fiber gypsum net sales[1]	72.5	67.8	7%	138.9	142.1	(2%)
Net sales	85.3	79.0	8%	160.7	164.4	(2%)
Gross profit			8%			(15%)
Gross margin (%)			(0.1 pts)			(4.0 pts)
EBIT	9.4	5.2	81%	6.9	12.3	(44%)
EBIT margin (%)	11.1	6.6	4.5 pts	4.6	7.5	(2.9 pts)
Restructuring expenses	—	—		4.5	—	
Adjusted EBIT excluding restructuring expenses	9.4	5.2	81%	11.4	12.3	(7%)
Adjusted EBIT margin (%) excluding restructuring expenses	11.1	6.6	4.5 pts	7.4	7.5	(0.1 pts)

[1] Also includes cement bonded board net sales

Q2 FY21 vs Q2 FY20 (€)

Net sales increased 8%, driven by an increase in fiber cement and fiber gypsum net sales of 14% and 7%, respectively. The average net sales price increased 4%, primarily driven by favorable product mix.

The change in gross margin was relatively flat and is comprised of the following components:

Higher average net sales price	2.2 pts
Higher production and distribution costs	(2.3 pts)
Total percentage point change in gross margin	(0.1 pts)

The benefit of the higher average net sales price was negated by higher production and distribution costs resulting from higher input costs.

SG&A expenses decreased due to cost containment actions taken in the period, including lower headcount and reduced travel and marketing spend. As a percentage of sales, SG&A expenses decreased 4.7 percentage points.

EBIT margin of 11.1% increased 4.5 percentage points, driven by lower SG&A expenses as a percentage of sales.

HY FY21 vs HY FY20 (€)

Net sales decreased 2%, resulting from slightly lower volumes and a relatively flat average net sales price.

The decrease in gross margin is attributed to the following components:

Average net sales price	— pts
Higher production and distribution costs	(4.0 pts)
Total percentage point change in gross margin	(4.0 pts)

Higher production and distribution costs resulted from the unfavorable absorption of manufacturing costs on lower production volumes in the first quarter, including the impact of the COVID-19 related closures of our manufacturing plants in Orejo, Spain and Siglingen, Germany.

SG&A expenses decreased due to cost containment actions taken in the period, including lower headcount and reduced travel and marketing spend. As a percentage of sales, SG&A expenses decreased 4.0 percentage points.

Restructuring expenses of €4.5 million consist solely of severance costs, primarily associated with costs related to the reduction of headcount across the region to strategically realign our resources.

EBIT margin of 4.6% decreased 2.9 percentage points, driven by lower gross margin and the impact of restructuring expenses, partially offset by lower SG&A expenses as a percentage of sales.

General Corporate

Results for General Corporate were as follows:

US$ Millions	Three Months and Half Year Ended 30 September					
	Q2 FY21	Q2 FY20	Change %	HY FY21	HY FY20	Change %
General Corporate SG&A expenses	$ (28.9)	$ (15.9)	(82)	$ (53.6)	$ (31.9)	(68)
Asbestos:						
Asbestos adjustments	(16.3)	18.8		(80.0)	27.3	
AICF SG&A expenses[1]	(0.3)	(0.4)	25	(0.6)	(0.8)	25
General Corporate EBIT	$ (45.5)	$ 2.5		$ (134.2)	$ (5.4)	

[1] Relates to non-claims related operating costs incurred by AICF, which we consolidate into our financial results due to our pecuniary and contractual interests in AICF

General Corporate SG&A expenses for the quarter increased US$13.0 million compared to the prior corresponding period, driven by higher stock compensation expenses and legal fees.

General Corporate SG&A expenses for the half year increased US$21.7 million compared to the prior corresponding period, driven by higher stock compensation expenses due to the increase in our stock price, as well as higher legal fees.

Asbestos adjustments primarily reflect the non-cash foreign exchange re-measurement impact on asbestos related balance sheet items, driven by the change in the AUD/USD spot exchange rate from the beginning balance sheet date to the ending balance sheet date, for each respective period.

Readers are referred to Note 6 of our 30 September 2020 condensed consolidated financial statements for further information on asbestos.

Interest, net

US$ Millions	Three Months and Half Year Ended 30 September					
	Q2 FY21	Q2 FY20	Change %	HY FY21	HY FY20	Change %
Gross interest expense	$ (15.4)	$ (17.4)	11	$ (30.5)	$ (33.9)	10
Capitalized interest	2.5	2.4	4	4.9	4.4	11
Interest income	0.1	0.4	(75)	0.1	1.0	(90)
Net AICF interest income	0.1	0.4	(75)	0.2	0.6	(67)
Interest, net	**$ (12.7)**	**$ (14.2)**	**11**	**$ (25.3)**	**$ (27.9)**	**9**

The Company's debt structure remains unchanged, and gross interest expense for the quarter and half year decreased US$2.0 million and US$3.4 million, respectively, compared to the prior corresponding periods, primarily due to a lower average outstanding balance on our revolving credit facility.

Income Tax

	Three Months and Half Year Ended 30 September			
	Q2 FY21	Q2 FY20	HY FY21	HY FY20
Income tax expense (US$ Millions)	(46.8)	(35.4)	(74.8)	(67.5)
Effective tax rate (%)	35.0	25.6	43.7	26.3
Adjusted income tax expense[1] (US$ Millions)	(29.6)	(21.1)	(52.7)	(41.2)
Adjusted effective tax rate[1] (%)	19.7	17.6	20.1	17.9

[1] Includes tax adjustments related to the amortization benefit of certain US intangible assets, asbestos, and other tax adjustments

The effective tax rate for the quarter and half year increased 9.4 and 17.4 percentage points, respectively, compared to the prior corresponding periods, primarily due to a change in geographic mix and Asbestos adjustments.

The Adjusted effective tax rate for the quarter and half year increased 2.1 and 2.2 percentage points, respectively, compared to the prior corresponding periods, primarily due to a change in geographic mix.

Net Operating Profit

US$ Millions	Three Months and Half Year Ended 30 September					
	Q2 FY21	Q2 FY20	Change %	HY FY21	HY FY20	Change %
EBIT						
North America Fiber Cement[1]	$ 148.6	$ 124.7	19	$ 279.5	$ 238.2	17
Asia Pacific Fiber Cement[1]	38.7	27.0	43	61.0	51.8	18
Europe Building Products[1]	11.1	5.8	91	13.5	13.7	(1)
Other Businesses	—	(0.5)		—	(0.1)	
Research and Development[1]	(6.4)	(6.9)	7	(12.4)	(13.1)	5
General Corporate[2]	(28.9)	(15.9)	(82)	(53.6)	(31.9)	(68)
Adjusted EBIT	**163.1**	**134.2**	**22**	**288.0**	**258.6**	**11**
Net operating profit						
Adjusted interest, net[2]	(12.8)	(14.6)	12	(25.5)	(28.5)	11
Other (expense) income	(0.2)	0.1		—	(0.1)	
Adjusted income tax expense[3]	(29.6)	(21.1)	(40)	(52.7)	(41.2)	(28)
Adjusted net operating profit	**$ 120.5**	**$ 98.6**	**22**	**$ 209.8**	**$ 188.8**	**11**

[1] Excludes restructuring expenses

[2] Excludes Asbestos-related expenses and adjustments

[3] Includes tax adjustments related to the amortization benefit of certain US intangible assets, asbestos and other tax adjustments

Adjusted net operating profit for the quarter of US$120.5 million increased 22% compared to the prior corresponding period, driven by strong performance in all operating segments, partially offset by higher adjusted income tax expense and an increase in General Corporate SG&A expenses of US$13.0 million.

Adjusted net operating profit for the half year of US$209.8 million increased 11% compared to the prior corresponding period, driven by strong North America Fiber Cement and Asia Pacific Adjusted EBIT growth of US$41.3 million and US$9.2 million, respectively, partially offset by an increase in General Corporate SG&A expenses of US$21.7 million and higher adjusted income tax expense.

COVID-19

James Hardie continues to assess the impacts and the uncertainties of the COVID-19 pandemic on the geographic locations in which we operate, as well as its impact on the new construction and repair and remodel building markets. The COVID-19 pandemic remains volatile and continues to evolve, and the full impact of the pandemic on James Hardie's business and future financial performance remains uncertain.

Cash Flow

Operating Activities

Cash provided by operating activities increased 66% (US$165.0 million), from US$251.8 million to US$416.8 million, compared to the prior corresponding period. The strong operating cash performance was primarily driven by our increased net sales globally and the continued integration of our supply chain with our customers, including an improved cash conversion cycle. For the half year ended 30 September 2020, we generated US$83.7 million of cash related to a reduction in inventory and US$17.8 million of cash due to improvements in accounts receivable and accounts payable balances. In addition, we received a US$64.8 million CARES Act tax refund in the first half.

Investing Activities

Cash used in investing activities decreased US$152.4 million to US$25.4 million, compared to the prior corresponding period. The change was primarily due to a decrease in purchases in property, plant and equipment of US$78.7 million, and higher net purchases of AICF's short-term investments of US$81.2 million in the prior year.

Financing Activities

Cash used in financing activities increased US$76.3 million to US$130.4 million, compared to the prior corresponding period. The change was driven by higher net proceeds from our credit facilities in the prior year of US$190.0 million, partially offset by dividends paid of US$113.9 million in the prior year, compared to nil in the current year.

Capacity Expansion

We expect our fiscal year 2021 planned capital expenditures to be approximately US$120.0 million. The construction of our expansion projects remain on track, with our Carole Park, Australia brownfield expansion and Prattville, Alabama greenfield site expected to be commissioned in the third and fourth quarter of fiscal year 2021, respectively.

Liquidity and Capital Allocation

Our cash position increased 170% (US$246.2 million), from US$144.4 million at 31 March 2020 to US$390.6 million at 30 September 2020.

At 30 September 2020, we held two forms of debt: an unsecured revolving credit facility and senior unsecured notes. The weighted average term of all debt, including undrawn facilities, was 4.8 years and 5.3 years at 30 September 2020 and 31 March 2020, respectively.

At 30 September 2020, we had no amounts drawn from our US$500.0 million unsecured revolving facility, compared to US$130.0 million at 31 March 2020. The unsecured revolving credit facility's expiration date is December 2022 and the size of the facility may be increased by up to US$250.0 million.

Based on our existing cash balances, together with anticipated operating cash flows arising during the year and unutilized committed credit facilities, we anticipate that we will have sufficient funds to meet our planned working capital and other expected cash requirements for the next twelve months.

We have historically met our working capital needs and capital expenditure requirements from a combination of cash flows from operations and credit facilities.

Capital Management

We periodically review our capital structure and capital allocation objectives and expect the following capital management focus in the short term:

- Maintain flexibility through market volatility;
- Invest in capacity expansion to support organic growth;
- Invest in market led innovation to drive organic growth;
- Reduce gross debt by US$400 million by the end of FY21; and
- Reinstate dividends beginning with a full year FY21 ordinary dividend to be announced in May 2021.

NON-US GAAP FINANCIAL MEASURES

Financial Measures - US GAAP equivalents

This document contains financial statement line item descriptions that are considered to be non-US GAAP, but are consistent with those used by Australian companies. Because we prepare our condensed consolidated financial statements under US GAAP, the following table cross-references each non-US GAAP line item description, as used in Management's Analysis of Results and Media Release, to the equivalent US GAAP financial statement line item description used in our condensed consolidated financial statements:

Management's Analysis of Results and Media Release	**Consolidated Statements of Operations and Other Comprehensive Income (Loss) (US GAAP)**
Net sales	Net sales
Cost of goods sold	Cost of goods sold
Gross profit	Gross profit
Selling, general and administrative expenses	Selling, general and administrative expenses
Research and development expenses	Research and development expenses
Asbestos adjustments	Asbestos adjustments
EBIT*	Operating income (loss)
Net interest income (expense)*	Sum of interest expense and interest income
Other income (expense)	Other income (expense)
Operating profit (loss) before income taxes*	Income (loss) before income taxes
Income tax (expense) benefit	Income tax (expense) benefit
Net operating profit (loss)*	Net income (loss)

*- Represents non-US GAAP descriptions used by Australian companies.

EBIT – Earnings before interest and tax.

EBIT margin – EBIT margin is defined as EBIT as a percentage of net sales.

Sales Volume

mmsf – million square feet, where a square foot is defined as a standard square foot of 5/16” thickness.

msf – thousand square feet, where a square foot is defined as a standard square foot of 5/16” thickness.

NON-US GAAP FINANCIAL TERMS

This Management's Analysis of Results includes certain financial information to supplement the Company's condensed consolidated financial statements which are prepared in accordance with accounting principles generally accepted in the United States ("US GAAP"). These financial measures are designed to provide investors with an alternative method for assessing our performance from on-going operations, capital efficiency and profit generation. Management uses these financial measures for the same purposes. These financial measures include:

- Adjusted EBIT;
- North America Fiber Cement Segment Adjusted EBIT excluding restructuring expenses;
- Asia Pacific Fiber Cement Segment Adjusted EBIT excluding restructuring expenses;
- Europe Building Products Segment Adjusted EBIT excluding restructuring expenses;
- Research and Development Segment Adjusted EBIT excluding restructuring expenses;
- Adjusted EBIT margin;
- North America Fiber Cement Segment Adjusted EBIT margin excluding restructuring expenses;
- Asia Pacific Fiber Cement Segment Adjusted EBIT margin excluding restructuring expenses;
- Europe Building Products Segment Adjusted EBIT margin excluding restructuring expenses;
- Adjusted interest, net;
- Adjusted net operating profit;
- Adjusted operating profit before income taxes;
- Adjusted income tax expense; and
- Adjusted effective tax rate.

These financial measures are or may be non-US GAAP financial measures as defined in the rules of the U.S. Securities and Exchange Commission and may exclude or include amounts that are included or excluded, as applicable, in the calculation of the most directly comparable financial measures calculated in accordance with US GAAP. These financial measures are not meant to be considered in isolation or as a substitute for comparable US GAAP financial measures and should be read only in conjunction with the Company's consolidated financial statements prepared in accordance with US GAAP. In evaluating these financial measures, investors should note that other companies reporting or describing similarly titled financial measures may calculate them differently and investors should exercise caution in comparing the Company's financial measures to similar titled measures by other companies.

Non-financial Terms

AFFA – Amended and Restated Final Funding Agreement

AICF – Asbestos Injuries Compensation Fund Ltd

Legacy New Zealand weathertightness claims ("New Zealand weathertightness") – Expenses arising from defending and resolving claims in New Zealand that allege generic defects in certain fiber cement products and systems, breach of duties including the failure to conduct appropriate testing of these products and systems, failure to warn and misleading and deceptive conduct in relation to the marketing and sale of the products and systems

New South Wales loan facility ("NSW Loan") – AICF has access to a secured loan facility made available by the New South Wales Government, which can be used by AICF to fund the payment of asbestos claims and certain operating and legal costs

NON-US GAAP FINANCIAL MEASURES

Financial Measures - US GAAP equivalents

Adjusted EBIT

US$ Millions	**Three Months and Half Year Ended 30 September**			
	Q2 FY21	**Q2 FY20**	**HY FY21**	**HY FY20**
EBIT	**$ 146.5**	**$ 152.6**	**$ 196.3**	**$ 285.1**
Asbestos:				
Asbestos adjustments	16.3	(18.8)	80.0	(27.3)
AICF SG&A expenses	0.3	0.4	0.6	0.8
Restructuring expenses	—	—	11.1	—
Adjusted EBIT	**$ 163.1**	**$ 134.2**	**$ 288.0**	**$ 258.6**
Net sales	736.8	660.1	1,363.1	1,316.9
Adjusted EBIT margin	**22.1%**	**20.3%**	**21.1%**	**19.6%**

North America Fiber Cement Segment Adjusted EBIT excluding restructuring expenses

US$ Millions	**Three Months and Half Year Ended 30 September**			
	Q2 FY21	**Q2 FY20**	**HY FY21**	**HY FY20**
North America Fiber Cement Segment EBIT	**$ 148.6**	**$ 124.7**	**$ 277.0**	**$ 238.2**
Restructuring expenses	—	—	2.5	—
North America Fiber Cement Segment Adjusted EBIT excluding restructuring expenses	**$ 148.6**	**$ 124.7**	**$ 279.5**	**$ 238.2**
North America Fiber Cement segment net sales	515.0	459.6	966.8	911.9
North America Fiber Cement Segment Adjusted EBIT margin excluding restructuring expenses	**28.9%**	**27.1%**	**28.9%**	**26.1%**

Asia Pacific Fiber Cement Segment Adjusted EBIT excluding restructuring expenses

US$ Millions	**Three Months and Half Year Ended 30 September**			
	Q2 FY21	**Q2 FY20**	**HY FY21**	**HY FY20**
Asia Pacific Fiber Cement Segment EBIT	**$ 38.7**	**$ 27.0**	**$ 57.6**	**$ 51.8**
Restructuring expenses	—	—	3.4	—
Asia Pacific Fiber Cement Segment Adjusted EBIT excluding restructuring expenses	**$ 38.7**	**$ 27.0**	**$ 61.0**	**$ 51.8**
Asia Pacific Fiber Cement segment net sales	122.1	112.6	213.4	220.6
Asia Pacific Fiber Cement Segment Adjusted EBIT margin excluding restructuring expenses	**31.7%**	**24.0%**	**28.6%**	**23.5%**

Europe Building Products Segment Adjusted EBIT excluding restructuring expenses

US$ Millions	Three Months and Half Year Ended 30 September			
	Q2 FY21	Q2 FY20	HY FY21	HY FY20
Europe Building Products Segment EBIT	$ 11.1	$ 5.8	$ 8.4	$ 13.7
Restructuring expenses	—	—	5.1	—
Europe Building Products Segment Adjusted EBIT excluding restructuring expenses	**11.1**	**5.8**	**13.5**	**13.7**
Europe Building Products segment net sales	99.7	87.9	182.9	183.8
Europe Building Products Segment Adjusted EBIT margin excluding restructuring expenses	**11.1%**	**6.6%**	**7.4%**	**7.5%**

Research and Development Segment Adjusted EBIT excluding restructuring expenses

US$ Millions	Three Months and Half Year Ended 30 September			
	Q2 FY21	Q2 FY20	HY FY21	HY FY20
Research and Development Segment EBIT	$ (6.4)	$ (6.9)	$ (12.5)	$ (13.1)
Restructuring expenses	—	—	0.1	—
Research and Development Segment Adjusted EBIT excluding restructuring expenses	$ (6.4)	$ (6.9)	$ (12.4)	(13.1)

Adjusted interest, net

US$ Millions	Three Months and Half Year Ended 30 September			
	Q2 FY21	Q2 FY20	HY FY21	HY FY20
Interest, net	$ (12.7)	$ (14.2)	$ (25.3)	$ (27.9)
AICF interest income, net	0.1	0.4	0.2	0.6
Adjusted interest, net	$ (12.8)	$ (14.6)	$ (25.5)	$ (28.5)

NON-US GAAP FINANCIAL MEASURES

Adjusted net operating profit

US$ Millions	Three Months and Half Year Ended 30 September			
	Q2 FY21	Q2 FY20	HY FY21	HY FY20
Net operating profit	**$ 86.8**	**$ 103.1**	**$ 96.2**	**$ 189.6**
Asbestos:				
Asbestos adjustments	16.3	(18.8)	80.0	(27.3)
AICF SG&A expenses	0.3	0.4	0.6	0.8
AICF interest income, net	(0.1)	(0.4)	(0.2)	(0.6)
Restructuring expenses	—	—	11.1	—
Tax adjustments[1]	17.2	14.3	22.1	26.3
Adjusted net operating profit	**$ 120.5**	**$ 98.6**	**$ 209.8**	**$ 188.8**

[1] Includes tax adjustments related to the amortization benefit of certain US intangible assets, asbestos, and other tax adjustments

Adjusted effective tax rate

US$ Millions	Three Months and Half Year Ended 30 September			
	Q2 FY21	Q2 FY20	HY FY21	HY FY20
Operating profit before income taxes	**$ 133.6**	**$ 138.5**	**$ 171.0**	**$ 257.1**
Asbestos:				
Asbestos adjustments	16.3	(18.8)	80.0	(27.3)
AICF SG&A expenses	0.3	0.4	0.6	0.8
AICF interest income, net	(0.1)	(0.4)	(0.2)	(0.6)
Restructuring expenses	—	—	11.1	—
Adjusted operating profit before income taxes	**$ 150.1**	**$ 119.7**	**$ 262.5**	**$ 230.0**
Income tax expense	(46.8)	(35.4)	(74.8)	(67.5)
Tax adjustments[1]	17.2	14.3	22.1	26.3
Adjusted income tax expense	**$ (29.6)**	**$ (21.1)**	**$ (52.7)**	**$ (41.2)**
Effective tax rate	35.0%	25.6%	43.7%	26.3%
Adjusted effective tax rate	**19.7%**	**17.6%**	**20.1%**	**17.9%**

[1] Includes tax adjustments related to the amortization benefit of certain US intangible assets, asbestos, and other tax adjustments

FORWARD-LOOKING STATEMENTS

This Management's Analysis of Results contains forward-looking statements. James Hardie Industries plc (the "Company") may from time to time make forward-looking statements in its periodic reports filed with or furnished to the Securities and Exchange Commission, on Forms 20-F and 6-K, in its annual reports to shareholders, in offering circulars, invitation memoranda and prospectuses, in media releases and other written materials and in oral statements made by the Company's officers, directors or employees to analysts, institutional investors, existing and potential lenders, representatives of the media and others. Statements that are not historical facts are forward-looking statements and such forward-looking statements are statements made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995.

Examples of forward-looking statements include:

- statements about the Company's future performance;
- projections of the Company's results of operations or financial condition;
- statements regarding the Company's plans, objectives or goals, including those relating to strategies, initiatives, competition, acquisitions, dispositions and/or its products;
- expectations concerning the costs associated with the suspension or closure of operations at any of the Company's plants and future plans with respect to any such plants;
- expectations concerning the costs associated with the significant capital expenditure projects at any of the Company's plants and future plans with respect to any such projects;
- expectations regarding the extension or renewal of the Company's credit facilities including changes to terms, covenants or ratios;
- expectations concerning dividend payments and share buy-backs;
- statements concerning the Company's corporate and tax domiciles and structures and potential changes to them, including potential tax charges;
- uncertainty from the expected discontinuance of LIBOR and transition to any other interest rate benchmark;
- statements regarding the effect and consequences of the novel coronavirus ("COVID-19") public health crisis;
- statements regarding tax liabilities and related audits, reviews and proceedings;
- statements regarding the possible consequences and/or potential outcome of legal proceedings brought against us and the potential liabilities, if any, associated with such proceedings;
- expectations about the timing and amount of contributions to AICF, a special purpose fund for the compensation of proven Australian asbestos-related personal injury and death claims;
- expectations concerning the adequacy of the Company's warranty provisions and estimates for future warranty-related costs;
- statements regarding the Company's ability to manage legal and regulatory matters (including but not limited to product liability, environmental, intellectual property and competition law matters) and to resolve any such pending legal and regulatory matters within current estimates and in anticipation of certain third-party recoveries; and
- statements about economic or housing market conditions in the regions in which we operate, including but not limited to, the levels of new home construction and home renovations, unemployment levels, changes in consumer income, changes or stability in housing values, the availability of mortgages and other financing, mortgage and other interest rates, housing affordability and supply, the levels of foreclosures and home resales, currency exchange rates, and builder and consumer confidence.

Words such as "believe," "anticipate," "plan," "expect," "intend," "target," "estimate," "project," "predict," "forecast," "guideline," "aim," "will," "should," "likely," "continue," "may," "objective," "outlook" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. Readers are cautioned not to place undue reliance on these forward-looking statements and all such forward-looking statements are qualified in their entirety by reference to the following cautionary statements.

Forward-looking statements are based on the Company's current expectations, estimates and assumptions and because forward-looking statements address future results, events and conditions, they, by their very nature, involve inherent risks and uncertainties, many of which are unforeseeable and beyond the Company's control. Such known and unknown risks, uncertainties and other factors may cause actual results, performance or other achievements to differ materially from the anticipated results, performance or achievements expressed, projected or implied by these forward-looking statements. These factors, some of which are discussed under "Risk Factors" in Section 3 of the Form 20-F filed with the Securities and Exchange Commission on 19 May 2020, include, but are not limited to: all matters relating to or arising out of the prior manufacture of products that contained asbestos by current and former Company subsidiaries; required contributions to AICF, any shortfall in AICF funding and the effect of currency exchange rate movements on the amount recorded in the Company's financial statements as an asbestos liability; the continuation or termination of the governmental loan facility to AICF; compliance with and changes in tax laws and treatments; competition and product pricing in the markets in which the Company operates; the consequences of product failures or defects; exposure to environmental, asbestos, putative consumer class action or other legal proceedings; general economic and market conditions; the supply and cost of raw materials; possible increases in competition and the potential that competitors could copy the Company's products; reliance on a small number of customers; a customer's inability to pay; compliance with and changes in environmental and health and safety laws; risks of conducting business internationally; compliance with and changes in laws and regulations; currency exchange risks; dependence on customer preference and the concentration of the Company's customer base on large format retail customers, distributors and dealers; dependence on residential and commercial construction markets; the effect of adverse changes in climate or weather patterns; possible inability to renew credit facilities on terms favorable to the Company, or at all; acquisition or sale of businesses and business segments; changes in the Company's key management personnel; inherent limitations on internal controls; use of accounting estimates; the integration of Fermacell into our business; risk and uncertainties arising out of the COVID-19 public health crisis, including the likely significant negative impact of COVID-19 on our business, sales, results of operations and financial condition and all other risks identified in the Company's reports filed with Australian, Irish and US securities regulatory agencies and exchanges (as appropriate). The Company cautions you that the foregoing list of factors is not exhaustive and that other risks and uncertainties may cause actual results to differ materially from those referenced in the Company's forward-looking statements. Forward-looking statements speak only as of the date they are made and are statements of the Company's current expectations concerning future results, events and conditions. The Company assumes no obligation to update any forward-looking statements or information except as required by law.

Q2 FY21 MANAGEMENT PRESENTATION

10 November 2020

JamesHardie™

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

This Management Presentation contains forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. James Hardie Industries plc (the “Company”) may from time to time make forward-looking statements in its periodic reports filed with or furnished to the Securities and Exchange Commission on Forms 20-F and 6-K, in its annual reports to shareholders, in media releases and other written materials and in oral statements made by the Company’s officers, directors or employees to analysts, institutional investors, representatives of the media and others. Words such as “believe,” “anticipate,” “plan,” “expect,” “intend,” “target,” “estimate,” “project,” “predict,” “forecast,” “guideline,” “aim,” “will,” “should,” “likely,” “continue,” “may,” “objective,” “outlook” and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. These forward-looking statements are based upon management's current expectations, estimates, assumptions and beliefs concerning future events and conditions. Readers are cautioned not to place undue reliance on any forward-looking statements.

Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are unforeseeable and beyond the Company’s control. Many factors could cause actual results, performance or achievements to be materially different from those expressed or implied in this Management Presentation, including, among others, the risks and uncertainties set forth in Section 3 “Risk Factors” in James Hardie’s Annual Report on Form 20-F for the year ended 31 March 2020; changes in general economic, political, governmental and business conditions globally and in the countries in which the Company does business, including the impact of COVID-19; changes in interest rates; changes in inflation rates; changes in exchange rates; the level of construction generally; changes in cement demand and prices; changes in raw material and energy prices; changes in business strategy and various other factors. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein. James Hardie assumes no obligation to update or correct the information contained in this Management Presentation except as required by law.

USE OF NON-GAAP FINANCIAL INFORMATION; AUSTRALIAN EQUIVALENT TERMINOLOGY

This Management Presentation includes financial measures that are not considered a measure of financial performance under generally accepted accounting principles in the United States (US GAAP). These financial measures are designed to provide investors with an alternative method for assessing our performance from on-going operations, capital efficiency and profit generation. Management uses these financial measures for the same purposes.

These financial measures are or may be non-US GAAP financial measures as defined in the rules of the U.S. Securities and Exchange Commission and may exclude or include amounts that are included or excluded, as applicable, in the calculation of the most directly comparable financial measures calculated in accordance with US GAAP. These non-GAAP financial measures should not be considered to be more meaningful than the equivalent US GAAP measure. Management has included such measures to provide investors with an alternative method for assessing its operating results in a manner that is focused on the performance of its ongoing operations and excludes the impact of certain legacy items, such as asbestos adjustments. Additionally, management uses such non-GAAP financial measures for the same purposes. However, these non-GAAP financial measures are not prepared in accordance with US GAAP, may not be reported by all of the Company’s competitors and may not be directly comparable to similarly titled measures of the Company’s competitors due to potential differences in the exact method of calculation. For additional information regarding the non-GAAP financial measures presented in this Management Presentation, including a reconciliation of each non-GAAP financial measure to the equivalent US GAAP measure, see the slide titled “Non-US GAAP Financial Measures” included in the Appendix to this Management Presentation.

In addition, this Management Presentation includes financial measures and descriptions that are considered to not be in accordance with US GAAP, but which are consistent with financial measures reported by Australian companies, such as operating profit, EBIT and EBIT margin. Since the Company prepares its Consolidated Financial Statements in accordance with US GAAP, the Company provides investors with a table and definitions presenting cross-references between each US GAAP financial measure used in the Company’s Consolidated Financial Statements to the equivalent non-US GAAP financial measure used in this Management Presentation. See the section titled “Non-US GAAP Financial Measures” included in the Appendix to this Management Presentation.

AGENDA



- **Strategy Update**
- **Q2 FY21 Financial Results**
- **Questions and Answers**

Dr. Jack Truong
Chief Executive Officer

Jason Miele
Chief Financial Officer

STRATEGY UPDATE

GLOBAL STRATEGY: ON TRACK AND ACCELERATING

Year 1: FY20

Begin the Shift from Big, SMALL, to Small, BIG Company

- Develop World Class Manufacturing capabilities via **LEAN**
- Become more **customer focused** via **Push/Pull** strategy
- Deliver **consistent financial results**, quarter on quarter

FY20 Results:

✓ **7+%** PDG and **26%** Adjusted EBIT Margin in North America

✓ Adjusted NOPAT **+17%** YoY

✓ Operating Cash Flow **+48%** YoY

Year 2: FY21

Build on our Momentum As a Global Company

- Continue to **execute and deliver consistent financial results**, quarter on quarter
- **Engage and integrate supply chain operations** with our customers to **service the market seamlessly** with optimal working capital
- **Global Pandemic** helps us **accelerate**:
  - Market share gain
  - Working Capital Improvements
- **Delivered Record Worldwide Financial Results in Q2 FY21**

✓ Strong growth above market **and returns in all 3 regions (NA, EU, APAC)**

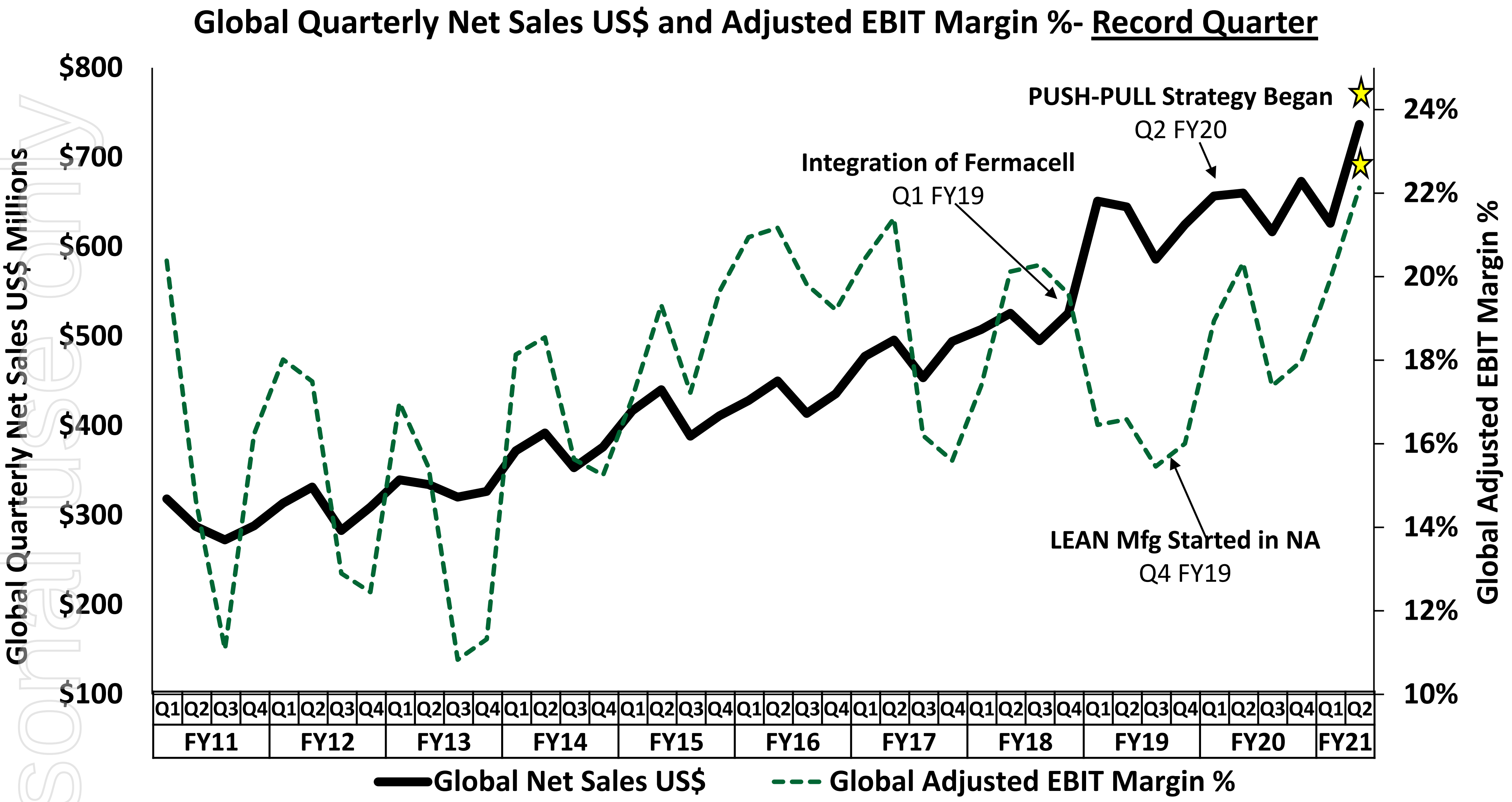
Year 3: FY22

Develop New Global Growth Platforms

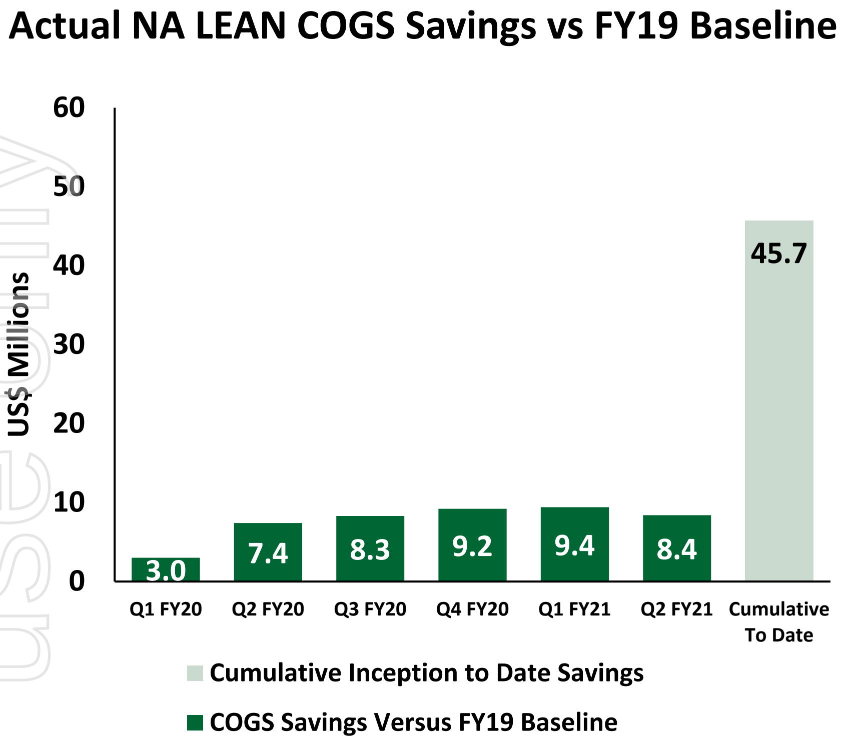
- Continue to execute and deliver **consistent, profitable global growth**
- Launch the **first Innovation Platform in NA, EU, and AUS**

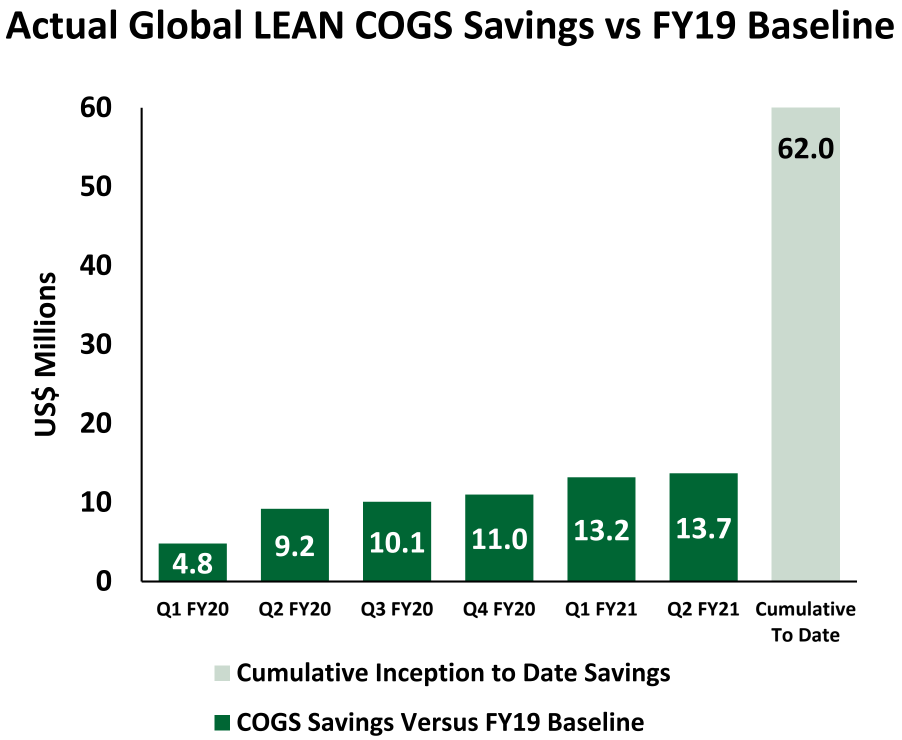
Integrated and Globally Connected Management System

GLOBAL GROWTH AND STRONG RETURNS



UPDATE ON LEAN PROGRESS – Q1 FY20 TO Q2 FY21

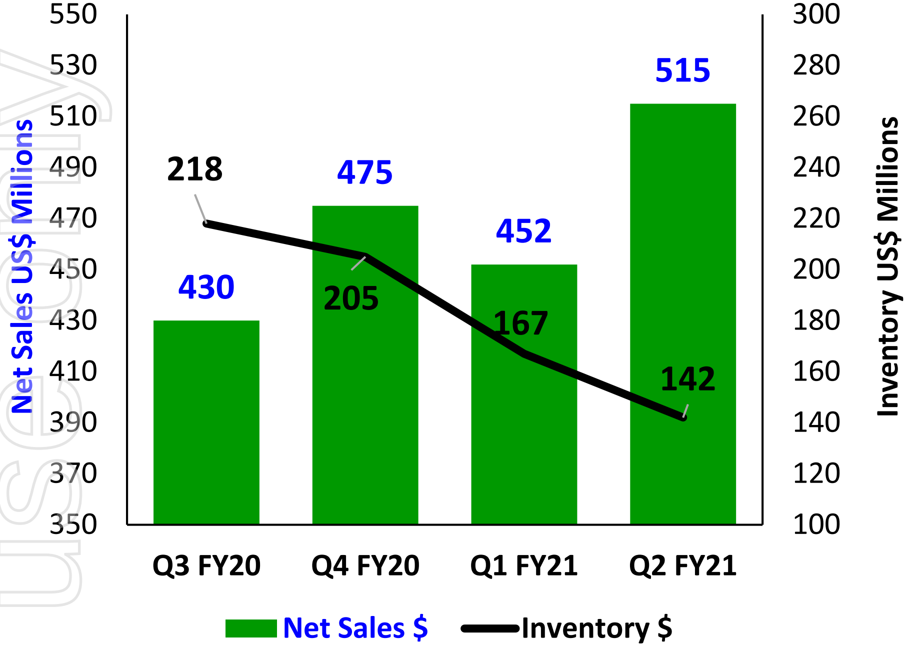




- **In addition to cost savings, LEAN execution unlocked an incremental 12% effective operating capacity across NA network of plants**

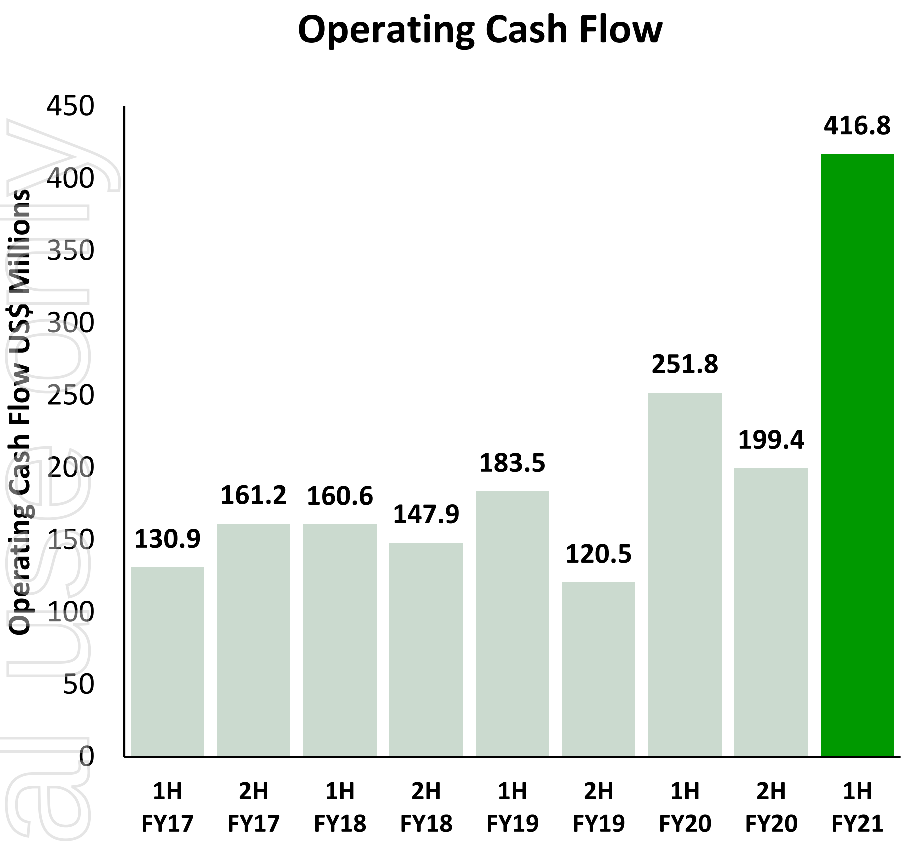
LEAN Execution Continues to
Deliver Cost Savings and Unlock Incremental Capacity

ENGAGE AND INTEGRATE WITH OUR CUSTOMERS


NA Net Sales and Inventory

- NA Net Sales increased US$85 million (+20%) while inventory decreased US$76 million (-35%) over the past 9 months
  - Improved integration with our customers to flow products from our network of plants through our customers seamlessly to the job sites
  - Increased share gain while optimizing working capital for our customers

OPERATING CASH FLOW



- Operating Cash Flow was US$416.8 million, an increase of US$165 million (+66%) over First Half FY20
  - Continued momentum of profitable sales growth while managing working capital seamlessly for our customers and our network of plants
- US$885.9 million of liquidity on 30 Sept 2020
  - An increase of US$376.1 million (+74%) since 31 March 2020
- Leverage ratio of 1.32x on 30 September 2020
  - Improved from 1.9x on 31 March 2020

Continued Profitable Growth Momentum with Optimized Working Capital Delivered Step Change in Operating Cash Flow

Q2 FY21 FINANCIAL RESULTS

GROUP RESULTS OVERVIEW

	Q2'21	1H'21
Sales Volume	**1,041.8** mmsf ↑ 8%	**1,953.7** mmsf ↑ 2%
Net Sales	**US$736.8** M ↑ 12%	**US$1,363.1** M ↑ 4%
Adjusted EBIT[1]	**US$163.1** M ↑ 22%	**US$288.0** M ↑ 11%
Adjusted Net Operating Profit[2]	**US$120.5** M ↑ 22%	**US$209.8** M ↑ 11%
Operating Cash Flow		**US$416.8** M ↑ 66%

- Group Net Sales increased 12% in Q2 and 4% in the first half
- Adjusted EBIT increased 22% in Q2, driven by:
    - North America increased US$23.9 million (+19%)
    - Europe increased €4.2 million (+81%)
    - APAC increased A$14.6 million (+37%)
    - Group Corporate Cost expense increased US$13.0 million
- Adjusted EBIT increased 11% in the first half, driven by:
    - North America increased US$41.3 million (+17%)
    - Europe decreased €0.9 million (-7%)
    - APAC increased A$12.8 million (+17%)
    - Group Corporate Cost expense increased US$21.7 million
- Adjusted NOPAT increased 22% in Q2 and 11% in the first half
    - Significant increase in Adjusted EBIT
    - Higher Adjusted income tax expense
- Operating cash flow increased US$165.0 million (+66%) driving improved liquidity and financial flexibility

Record Group Quarterly Results

Net Sales, Adjusted EBIT, Adjusted NOPAT, and Operating Cash Flow

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[1] *Excludes asbestos related expenses and adjustments and restructuring expenses*

[2] *Excludes asbestos related expenses and adjustments, tax adjustments and restructuring expenses*

NORTH AMERICA SUMMARY

	Q2'21	1H'21
Sales Volume	**686.7** mmsf ↑ 11%	**1,296.4** mmsf ↑ 5%
Net Sales	**US$515.0** M ↑ 12%	**US$966.8** M ↑ 6%
Adjusted EBIT[1]	**US$148.6** M ↑ 19%	**US$279.5** M ↑ 17%
Adjusted EBIT Margin[1]	**28.9** % ↑ 1.8 pts	**28.9** % ↑ 2.8 pts

[1] *Excludes restructuring expenses*

- Exteriors volume increased 11% in Q2 and +6% in the first half
    - Continued to gain share through customer engagement and integration
- Interiors volume increased 7% in Q2 and decreased -2% in the first half
- Adjusted EBIT growth of +19% in Q2 and +17% in the first half driven by:
    - Lean manufacturing savings
    - Lower pulp costs
    - Lower SG&A
    - Partially offset by higher freight costs in Q2
- First half Adjusted EBIT margin increased from 26.1% to 28.9%

Continued, Strong Growth Above Market <u>and</u>
Outstanding Adjusted EBIT Margin (29%)

EUROPE SUMMARY

	Q2'21	1H'21
Sales Volume	**209.9** mmsf ▲ 7%	**402.1** mmsf ▼ -1%
Net Sales	**€85.3** M ▲ 8%	**€160.7** M ▼ -2%
Adjusted EBIT[1]	**€9.4** M ▲ 81%	**€11.4** M ▼ -7%
Adjusted EBIT Margin[1]	**11.1** % ▲ 4.5 pts	**7.4** % ▼ -0.1 pts
EBIT Margin excluding[2]	**11.1** % ▲ 1.2 pts	**7.4** % ▼ -2.9 pts

1 Excludes restructuring expenses

2 Excludes restructuring expenses in FY21 and costs associated with the Fermacell acquisition in FY20

- Net Sales increased 8% in Q2:
  - Fiber Cement Net Sales €: +14% in Q2
  - Fiber Gypsum Net Sales €: +7% in Q2
- Net Sales decreased 2% in the first half due to impact of COVID-19 pandemic, specifically UK and France government-imposed shutdowns in the first quarter:
  - Fiber Cement Net Sales €: -2% in the first half
  - Fiber Gypsum Net Sales €: -2% in the first half
- Q2 Adjusted EBIT Margin of 11.1%

Return to Top-Line and Bottom-Line Growth

APAC SUMMARY

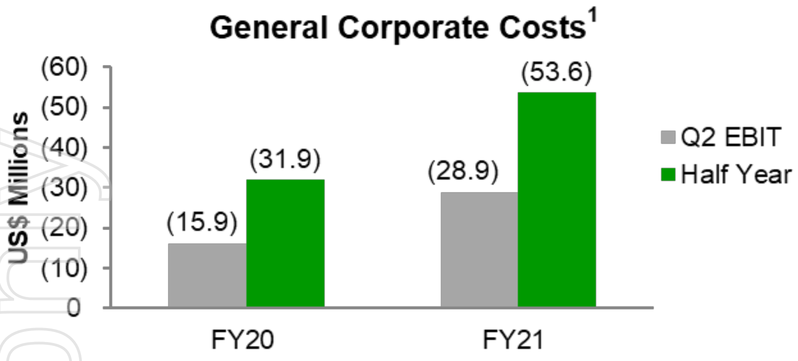
	Q2'21	1H'21
Sales Volume	**145.2** mmsf ⬆ 2%	**255.2** mmsf ⬇ -8%
Net Sales	**A$170.6** M ⬆ 4%	**A$309.3** M ⬇ -3%
Adjusted EBIT[1]	**A$54.1** M ⬆ 37%	**A$87.7** M ⬆ 17%
Adjusted EBIT Margin[1]	**31.7** % ⬆ 7.7 pts	**28.6** % ⬆ 5.1 pts

[1] *Excludes restructuring expenses*

- Continued growth above market in Australia, volume +4% in Q2 and +2% in the first half
- First half volume, gross profit and EBIT unfavorably impacted by government imposed COVID-19 lockdowns in the Philippines and New Zealand during the first quarter
- Exiting non-profitable JH Systems business, beginning to shift New Zealand production to Australia and geographic mix driving EBIT margin of 28.6% in the first half

Strong Adjusted EBIT Growth and EBIT Margin

GENERAL CORPORATE COSTS



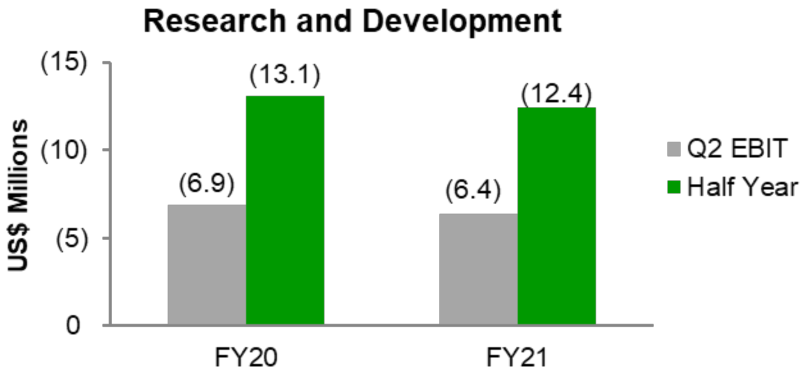
[1] Excludes asbestos related expenses and adjustments

- Stock compensation expense increased US$4.5 million in Q2 and US$11.6 million in the first half

- Increase in stock compensation expense driven by share price accretion

- Legal expenses increased US$4.4 million in Q2 and US$9.4 million in the first half

RESEARCH & DEVELOPMENT



[1] Excludes restructuring expenses

- Customer Driven Innovation remains core strategic pillar

- R&D relatively flat versus pcp

- Product development R&D expenses of US$2.5 million in Q2 and US$4.5 million for first half, included within the NA, APAC and EU segments, increased 14% in Q2 and 5% in the first half

GROUP RESULTS – Q2

US$ Millions	Q2'21	Q2'20	US$ Change	% Change
EBIT				
North America Fiber Cement[1]	$ 148.6	$ 124.7	23.9	19%
Asia Pacific Fiber Cement[1]	38.7	27.0	11.7	43%
Europe Building Products[1]	11.1	5.8	5.3	91%
Other Businesses	-	(0.5)	0.5	
Research & Development[1]	(6.4)	(6.9)	0.5	7%
General Corporate[2]	(28.9)	(15.9)	(13.0)	(82%)
Adjusted EBIT	**163.1**	**134.2**	**28.9**	**22%**
Adjusted interest, net[2]	(12.8)	(14.6)	1.8	12%
Other (expense) income	(0.2)	0.1	(0.3)	
Adjusted operating profit before income tax	150.1	119.7	30.4	25%
Adjusted income tax expense[3]	(29.6)	(21.1)	(8.5)	(40%)
Adjusted net operating profit	**$ 120.5**	**$ 98.6**	**21.9**	**22%**
Adjusted effective tax rate	19.7%	17.6%		

- Adjusted EBIT increased 22%
  - Strong segment performance:
    - North America Adjusted EBIT up US$23.9 million and 19%
    - APAC Adjusted EBIT up A$14.6 million and 37%
    - Europe Adjusted EBIT up €4.2 million and 81%
  - Offset by higher stock compensation expense
- Adjusted net interest expense down 12% due to no outstanding balance on our Revolving Credit Facility (“RCF”), driven by strong cash flow
- Adjusted net operating profit up 22% to US$120.5 million

Adjusted EBIT and Adjusted NOPAT are All Time Quarterly Highs

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1 Excludes restructuring expenses

2 Excludes Asbestos related expenses and adjustments

3 Includes tax adjustments related to the amortization benefit of certain US intangible assets, asbestos and other tax adjustments

GROUP RESULTS – FIRST HALF

US$ Millions	1H'21	1H'20	US$ Change	% Change
EBIT				
North America Fiber Cement[1]	279.5	238.2	41.3	17%
Asia Pacific Fiber Cement[1]	61.0	51.8	9.2	18%
Europe Building Products[1]	13.5	13.7	(0.2)	(1%)
Other Businesses	-	(0.1)	0.1	
Research & Development[1]	(12.4)	(13.1)	0.7	5%
General Corporate[2]	(53.6)	(31.9)	(21.7)	(68%)
Adjusted EBIT	**288.0**	**258.6**	**29.4**	**11%**
Adjusted interest, net[2]	(25.5)	(28.5)	3.0	11%
Other expense	-	(0.1)	0.1	
Adjusted operating profit before income tax	262.5	230.0	32.5	14%
Adjusted income tax expense[3]	(52.7)	(41.2)	(11.5)	(28%)
Adjusted net operating profit	**209.8**	**188.8**	**21.0**	**11%**
Adjusted effective tax rate	20.1%	17.9%		

- Adjusted EBIT increased 11%
  - Strong segment performance:
    - North America Adjusted EBIT up US$41.3 million and 17%
    - APAC Adjusted EBIT up A$12.8 million and 17%
  - Offset by lower Europe Adjusted EBIT and higher stock compensation expense
- Adjusted net interest expense decreased 11% due to lower average RCF balance driven by strong cash flow
- Adjusted ETR of 20.1% in-line with Q1FY21 estimate

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1 Excludes restructuring expenses

2 Excludes Asbestos related expenses and adjustments

3 Includes tax adjustments related to the amortization benefit of certain US intangible assets, asbestos and other tax adjustments

Adjusted NOPAT of US$209.8 Million, up 11% versus pcp

CASH FLOWS

US$ Millions	1H'21	1H'20	Change %
Cash provided by operations	416.8	251.8	66 %
Cash used in investing	(25.4)	(177.8)	(86 %)
Cash used in financing	(130.4)	(54.1)	

Higher operating cash flows, up 66%

- Integrated with our customers to drive sales and share gain, while integrating our supply chain to reduce inventory
- Inventory reductions totaling US$83.7 million since 31 March 2020

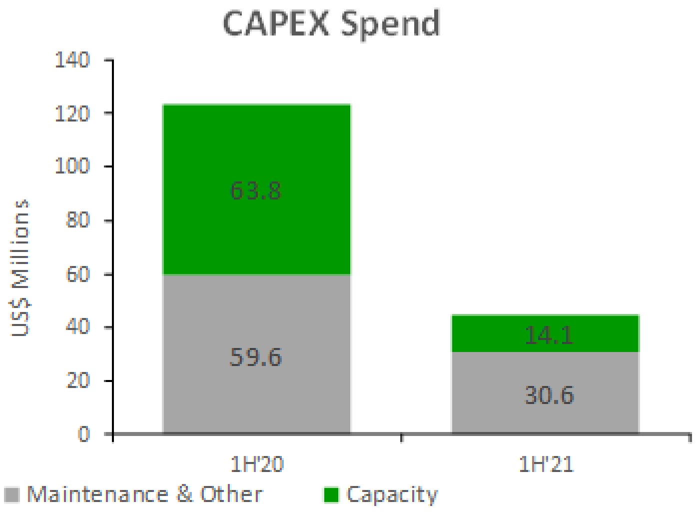
Lower cash used in investing activities

- Lower capital expenditures in FY21

Higher cash used in financing activities

- Higher repayment of debt balances in the current period driven by strong operational cash flows

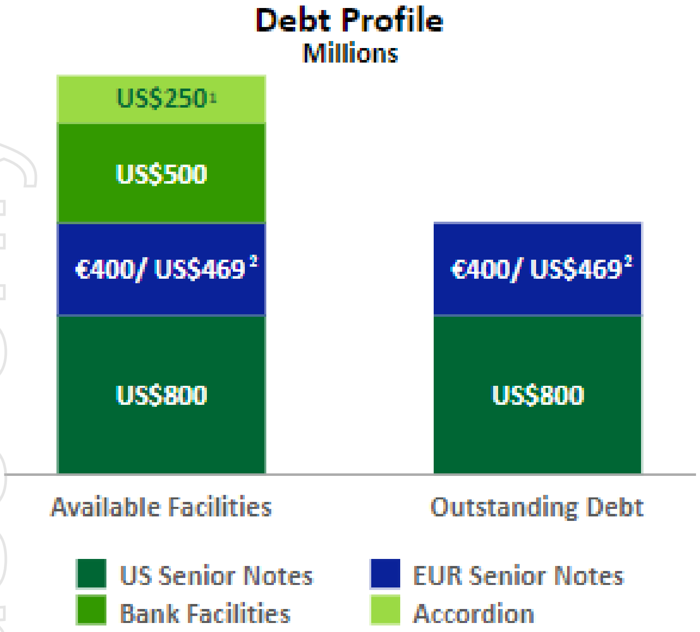
CAPITAL EXPENDITURES



CAPEX spend for the half year of US$44.7 million

- Carole Park, Australia brownfield expansion expected to be commissioned in the third quarter of FY21
- Prattville, AL, USA greenfield expansion:
  - Sheet Machine #1 expected to be commissioned in the fourth quarter of FY21
  - Sheet Machine #2 planned to be commissioned in mid-calendar year 2021
- Capital Expenditures will be approximately US$120 million in FY21

LIQUIDITY PROFILE ON 30 SEPTEMBER 2020



Strong balance sheet

- US$885.9 million of liquidity on 30 September 2020
  - US$390.6 million cash and US$495.3 million available on RCF
- US$864.2 million net debt[3]

Corporate debt structure

- **US$400 million** 4.75% senior unsecured notes **maturing 2025 (callable in January 2021)**
- **€400 million** (US$469.4 million)[2] 3.625 % senior unsecured notes, **maturing 2026 (callable in October 2021)**
- **US$400 million** 5.00% senior unsecured notes **maturing 2028 (callable in January 2023)**
- **US$500 million** unsecured RCF, **maturing 2022**
- Do not anticipate accessing accordion feature of RCF

Leverage

- ~1.32x leverage ratio

Strong Cash and Liquidity Position

[1] *Incremental liquidity of up to US$250 million may be accessed via an accordion feature, which is provided for under the terms of the syndicated revolving credit facility agreement, but not credit approved*

[2] *Based on exchange rate as of 30 September 2020*

[3] *Includes debt issuance costs (US$14.6 million)*

CAPITAL MANAGEMENT

We periodically review our capital structure and capital allocation objectives and expect the following capital management focus in the short term:

- Maintain flexibility through market volatility;
- Invest in capacity expansion to support organic growth;
- Invest in market led innovation to drive organic growth;
- Reduce gross debt by US$400 million by the end of FY21; and
- Reinstate dividends beginning with a full year FY21 ordinary dividend to be announced in May 2021.

Pay Down Debt and Reinstate Dividends

FULL YEAR FY21 GUIDANCE

Management reaffirms full year FY21 Adjusted net operating profit[1] guidance range of

US$380 million and US$420 million

The comparable full year Adjusted net operating profit for FY20 was US$352.8 million

James Hardie continues to assess the impacts and the uncertainties of the COVID-19 pandemic on the geographic locations in which we operate, as well as its impact on the new construction and repair and remodel building markets. The COVID-19 pandemic remains volatile and continues to evolve, and the full impact of the pandemic on James Hardie's business and future financial performance remains uncertain.

James Hardie's guidance is based on current estimates and assumptions and is subject to a number of known and unknown uncertainties and risks, including those related to the COVID-19 pandemic and set forth in our Media Release in "Forward-Looking Statements."

[1] Adjusted Net Operating Profit: In FY21 excludes asbestos related expenses and adjustments, and restructuring expenses

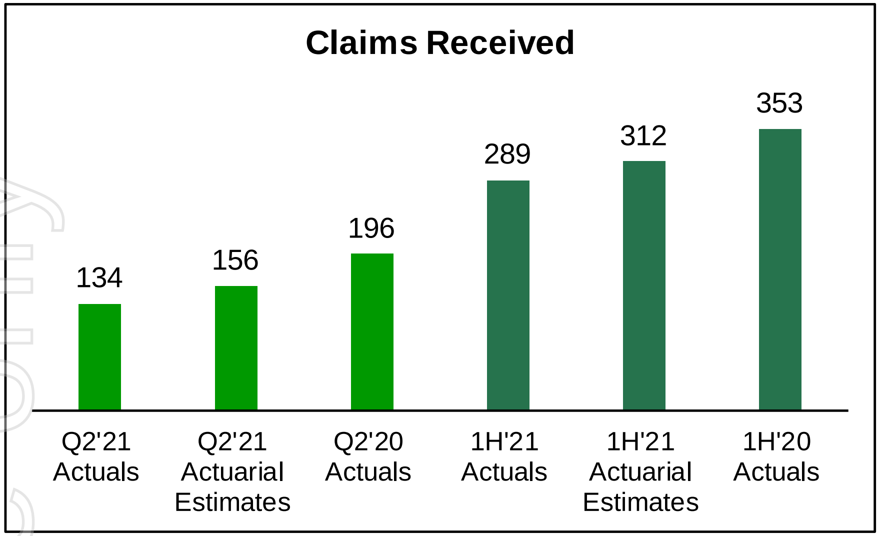
QUESTIONS

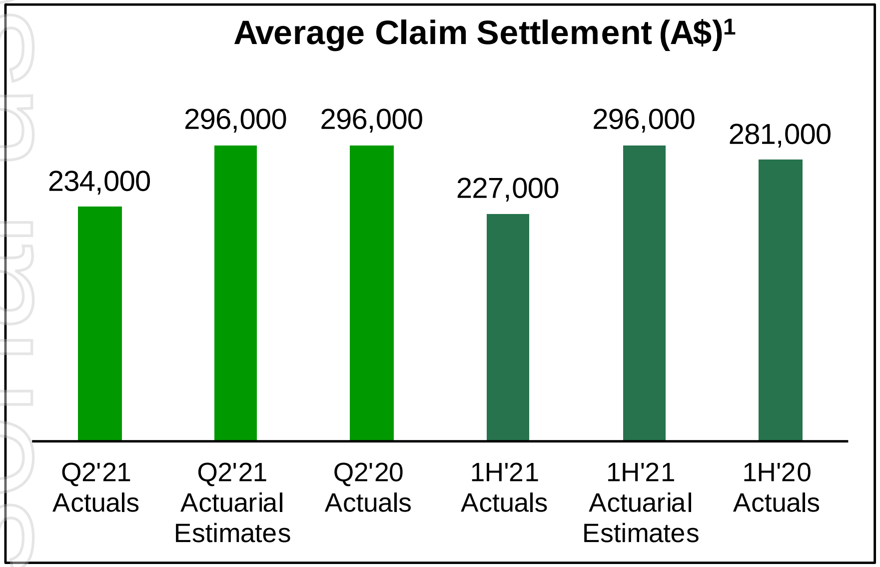
APPENDIX

DEPRECIATION AND AMORTIZATION

US$ Millions	Three Months and Half Year Ended 30 September			
	Q2'21	Q2'20	1H'21	1H'20
Depreciation and amortization				
North America Fiber Cement	$ 21.7	$ 22.0	$ 42.9	$ 44.0
Asia Pacific Fiber Cement	3.0	3.2	5.8	6.2
Europe Building Products	6.2	5.7	12.3	11.1
Other Businesses	-	0.1	-	0.2
Research and Development	0.3	0.3	0.6	0.5
General Corporate	0.7	0.7	1.5	1.6
Total Depreciation and amortization	**$ 31.9**	**$ 32.0**	**$ 63.1**	**$ 63.6**

ASBESTOS CLAIMS DATA


Claims Received


Average Claim Settlement (A$)[1]

First Half ended 30 September 2020:

- Net cash outflow was 13% below actuarial expectations
- Gross cash outflow was 13% below actuarial expectations
- Claims received were 7% below actuarial estimates and 18% below pcp
- Number of claims settled were flat compared to pcp
- Average claim settlement was 23% below actuarial estimates and 19% below pcp

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[1] *Average claim settlement is derived as the total amount paid divided by the number of non-nil claims*

NON-US GAAP FINANCIAL MEASURES AND TERMS

This Management Presentation forms part of a package of information about the company's results. It should be read in conjunction with the other parts of this package, including the Management's Analysis of Results, Media Release and Condensed Consolidated Financial Statements

Definitions

EBIT – Earnings before interest and tax

EBIT margin – EBIT margin is defined as EBIT as a percentage of net sales

Sales Volume

mmsf – million square feet, where a square foot is defined as a standard square foot of 5/16" thickness

msf – thousand square feet, where a square foot is defined as a standard square foot of 5/16" thickness

Non-financial Terms

AFFA – Amended and Restated Final Funding Agreement

AICF – Asbestos Injuries Compensation Fund Ltd

Legacy New Zealand weathertightness claims ("New Zealand weathertightness") – Expenses arising from defending and resolving claims in New Zealand that allege generic defects in certain fiber cement products and systems, breach of duties including the failure to conduct appropriate testing of these products and systems, failure to warn and misleading and deceptive conduct in relation to the marketing and sale of the products and systems

New South Wales loan facility ("NSW Loan") – AICF has access to a secured loan facility made available by the New South Wales Government, which can be used by AICF to fund the payment of asbestos claims and certain operating and legal costs

NON-US GAAP FINANCIAL MEASURES

Financial Measures – US GAAP equivalents

This document contains financial statement line item descriptions that are considered to be non-US GAAP, but are consistent with those used by Australian companies. Because the company prepares its Condensed Consolidated Financial Statements under US GAAP, the following table cross-references each non-US GAAP line item description, as used in Management's Analysis of Results and Media Release, to the equivalent US GAAP financial statement line item description used in the company's Condensed Consolidated Financial Statements:

Management's Analysis of Results and Media Release	**Consolidated Statements of Operations and Other Comprehensive Income (Loss) (US GAAP)**
Net Sales	Net Sales
Cost of goods sold	Cost of goods sold
Gross profit	Gross profit
Selling general and administrative expenses	Selling general and administrative expenses
Research and development expenses	Research and development expenses
Asbestos adjustments	Asbestos adjustments
EBIT*	Operating income (loss)
Net interest income (expense)*	Sum of interest expense and interest income
Other income (expense)	Other income (expense)
Operating profit (loss) before income taxes*	Income (loss) before income taxes
Income tax (expense) benefit	Income tax (expense) benefit
Net operating profit (loss)*	Net income (loss)

*- Represents non-US GAAP descriptions used by Australian companies

NON-US GAAP FINANCIAL MEASURES

Financial Measures – US GAAP equivalents

Adjusted EBIT

US$ Millions	Three Months and Half Year Ended 30 September			
	Q2'21	Q2'20	1H'21	1H'20
EBIT	**$ 146.5**	**$ 152.6**	**$ 196.3**	**$ 285.1**
Asbestos:				
Asbestos adjustments	16.3	(18.8)	80.0	(27.3)
AICF SG&A expenses	0.3	0.4	0.6	0.8
Restructuring expenses	-	-	11.1	-
Adjusted EBIT	**$ 163.1**	**$ 134.2**	**$ 288.0**	**$ 258.6**
Net sales	736.8	660.1	1,363.1	1,316.9
Adjusted EBIT margin	**22.1%**	**20.3%**	**21.1%**	**19.6%**

North America Fiber Cement Segment Adjusted EBIT excluding restructuring expenses

US$ Millions	Three Months and Half Year Ended 30 September			
	Q2'21	Q2'20	1H'21	1H'20
North America Fiber Cement Segment EBIT	**$ 148.6**	**$ 124.7**	**$ 277.0**	**$ 238.2**
Restructuring expenses	-	-	2.5	-
North America Fiber Cement Segment Adjusted EBIT excluding restructuring expenses	**$ 148.6**	**$ 124.7**	**$ 279.5**	**$ 238.2**
North America Fiber Cement Segment net sales	515.0	459.6	966.8	911.9
North America Fiber Cement Segment Adjusted EBIT margin excluding restructuring expenses	**28.9%**	**27.1%**	**28.9%**	**26.1%**

NON-US GAAP FINANCIAL MEASURES

Asia Pacific Fiber Cement Segment Adjusted EBIT excluding restructuring expenses

US$ Millions	Three Months and Half Year Ended 30 September			
	Q2'21	Q2'20	1H'21	1H'20
Asia Pacific Fiber Cement Segment EBIT	**$ 38.7**	**$ 27.0**	**$ 57.6**	**$ 51.8**
Restructuring expenses	-	-	3.4	-
Asia Pacific Fiber Cement Segment Adjusted EBIT excluding restructuring expenses	**$ 38.7**	**$ 27.0**	**$ 61.0**	**$ 51.8**
Asia Pacific Fiber Cement Segment net sales	122.1	112.6	213.4	220.6
Asia Pacific Fiber Cement Segment Adjusted EBIT margin excluding restructuring expenses	**31.7%**	**24.0%**	**28.6%**	**23.5%**

Europe Building Products Segment Adjusted EBIT excluding restructuring expenses and costs associated with the acquisition

US$ Millions	Three Months and Half Year Ended 30 September			
	Q2'21	Q2'20	1H'21	1H'20
Europe Building Products Segment EBIT	**$ 11.1**	**$ 5.8**	**$ 8.4**	**$ 13.7**
Restructuring expenses	-	-	5.1	-
Europe Building Products Segment Adjusted EBIT excluding restructuring expenses	**$ 11.1**	**$ 5.8**	**$ 13.5**	**$ 13.7**
Costs associated with the acquisition	-	2.9	-	5.3
Europe Building Products Segment Adjusted EBIT excluding restructuring expenses and costs associated with the acquisition	**$ 11.1**	**$ 8.7**	**$ 13.5**	**$ 19.0**
Europe Building Products Segment net sales	99.7	87.9	182.9	183.8
Europe Building Products Segment Adjusted EBIT margin excluding restructuring expenses	**11.1%**	**6.6%**	**7.4%**	**7.5%**
Europe Building Products Segment Adjusted EBIT margin excluding restructuring expenses and costs associated with the acquisition	**11.1%**	**9.9%**	**7.4%**	**10.3%**

NON-US GAAP FINANCIAL MEASURES

Research and Development Segment Adjusted EBIT excluding restructuring expenses

US$ Millions	Three Months and Half Year Ended 30 September			
	Q2'21	Q2'20	1H'21	1H'20
Research and Development Segment EBIT	**$ (6.4)**	**$ (6.9)**	**$ (12.5)**	**$ (13.1)**
Restructuring expenses	-	-	0.1	-
Research and Development Segment Adjusted EBIT excluding restructuring expenses	**$ (6.4)**	**$ (6.9)**	**$ (12.4)**	**$ (13.1)**

Adjusted interest, net

US$ Millions	Three Months and Half Year Ended 30 September			
	Q2'21	Q2'20	1H'21	1H'20
Interest, net	**$ (12.7)**	**$ (14.2)**	**$ (25.3)**	**$ (27.9)**
AICF interest income, net	0.1	0.4	0.2	0.6
Adjusted interest, net	**$ (12.8)**	**$ (14.6)**	**$ (25.5)**	**$ (28.5)**

NON-US GAAP FINANCIAL MEASURES

Adjusted net operating profit

US$ Millions	Three Months and Half Year Ended 30 September			
	Q2'21	Q2'20	1H'21	1H'20
Net operating profit	**$ 86.8**	**$ 103.1**	**$ 96.2**	**$ 189.6**
Asbestos:				
Asbestos adjustments	16.3	(18.8)	80.0	(27.3)
AICF SG&A expenses	0.3	0.4	0.6	0.8
AICF interest income, net	(0.1)	(0.4)	(0.2)	(0.6)
Restructuring expenses	-	-	11.1	-
Tax adjustments[1]	17.2	14.3	22.1	26.3
Adjusted net operating profit	**$ 120.5**	**$ 98.6**	**$ 209.8**	**$ 188.8**

Adjusted effective tax rate

US$ Millions	Three Months and Half Year Ended 30 September			
	Q2'21	Q2'20	1H'21	1H'20
Operating profit before income taxes	**$ 133.6**	**$ 138.5**	**$ 171.0**	**$ 257.1**
Asbestos:				
Asbestos adjustments	16.3	(18.8)	80.0	(27.3)
AICF SG&A expenses	0.3	0.4	0.6	0.8
AICF interest income, net	(0.1)	(0.4)	(0.2)	(0.6)
Restructuring expenses	-	-	11.1	-
Adjusted operating profit before income taxes	**$ 150.1**	**$ 119.7**	**$ 262.5**	**$ 230.0**
Income tax expense	(46.8)	(35.4)	(74.8)	(67.5)
Tax adjustments[1]	17.2	14.3	22.1	26.3
Adjusted income tax expense	**$ (29.6)**	**$ (21.1)**	**$ (52.7)**	**$ (41.2)**
Effective tax rate	35.0%	25.6%	43.7%	26.3%
Adjusted effective tax rate	**19.7%**	**17.6%**	**20.1%**	**17.9%**

[1] *Includes tax adjustments related to the amortization benefit of certain US intangible assets, asbestos, and other tax adjustments*

Q2 FY21 MANAGEMENT PRESENTATION

10 November 2020

JamesHardie™

James Hardie Industries plc

Condensed Consolidated Financial Statements
as of and for the Three and Six Months Ended 30 September 2020

James Hardie Industries plc
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Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of James Hardie Industries plc

Results of Review of Interim Financial Statements

We have reviewed the accompanying condensed consolidated balance sheet of James Hardie Industries plc ("the Company") as of 30 September 2020, the related condensed consolidated statements of operations and comprehensive income for the three and six-month periods ended 30 September 2020 and 2019, the condensed consolidated statements of cash flows for the six-month periods ended 30 September 2020 and 2019, the condensed consolidated statements of changes in shareholders' equity for the three and six-month periods ended 30 September 2020 and 2019, and the related notes (collectively referred to as the "condensed consolidated interim financial statements"). Based on our reviews, we are not aware of any material modifications that should be made to the condensed consolidated interim financial statements for them to be in conformity with U.S. generally accepted accounting principles.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheet of the Company as of 31 March 2020, the related consolidated statements of operations and comprehensive income, cash flows and changes in shareholders' equity for the year then ended, and the related notes (not presented herein); and in our report dated 19 May 2020, we expressed an unqualified audit opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of 31 March 2020, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

Basis for Review Results

These financial statements are the responsibility of the Company's management. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the SEC and the PCAOB. We conducted our review in accordance with the standards of the PCAOB. A review of interim financial statements consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

/s/ Ernst & Young LLP
Irvine, California
10 November 2020

James Hardie Industries plc
Condensed Consolidated Balance Sheets

(Millions of US dollars)	(Unaudited) 30 September 2020	31 March 2020
Assets		
Current assets:		
Cash and cash equivalents	**$ 390.6**	$ 144.4
Restricted cash and cash equivalents	**5.0**	5.0
Restricted cash and cash equivalents - Asbestos	**55.8**	36.4
Restricted short-term investments - Asbestos	**—**	21.6
Accounts and other receivables, net	**305.5**	363.3
Inventories	**230.2**	305.1
Prepaid expenses and other current assets	**35.3**	26.1
Insurance receivable - Asbestos	**5.7**	5.0
Workers' compensation - Asbestos	**1.7**	1.5
Total current assets	**1,029.8**	908.4
Property, plant and equipment, net	**1,360.1**	1,341.7
Operating lease right-of-use-assets	**39.7**	40.5
Finance lease right-of-use-assets	**2.6**	1.7
Goodwill	**209.8**	196.9
Intangible assets, net	**175.7**	166.7
Insurance receivable - Asbestos	**42.7**	38.5
Workers' compensation - Asbestos	**23.8**	20.7
Deferred income taxes	**961.0**	989.4
Deferred income taxes - Asbestos	**351.3**	319.1
Other assets	**3.1**	4.7
Total assets	**$ 4,199.6**	$ 4,028.3
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	**$ 291.1**	$ 274.7
Accrued payroll and employee benefits	**81.0**	87.1
Operating lease liabilities	**15.1**	14.3
Finance lease liabilities	**1.1**	0.5
Accrued product warranties	**7.2**	7.0
Income taxes payable	**9.1**	8.9
Asbestos liability	**119.7**	103.9
Workers' compensation - Asbestos	**1.7**	1.5
Other liabilities	**19.2**	12.1
Total current liabilities	**545.2**	510.0
Long-term debt	**1,254.8**	1,354.6
Deferred income taxes	**86.6**	81.9
Operating lease liabilities	**39.6**	41.4
Finance lease liabilities	**1.8**	1.5
Accrued product warranties	**35.7**	35.4
Income taxes payable	**21.3**	21.3
Asbestos liability	**965.0**	882.5
Workers' compensation - Asbestos	**23.8**	20.7
Other liabilities	**45.5**	43.7
Total liabilities	**3,019.3**	2,993.0
Commitments and contingencies (Note 8)		
Shareholders' equity:		
Common stock, Euro 0.59 par value, 2.0 billion shares authorized; 443,936,919 shares issued and outstanding at 30 September 2020 and 443,144,740 shares issued and outstanding at 31 March 2020	**231.2**	230.6
Additional paid-in capital	**214.9**	207.3
Retained earnings	**755.7**	659.5
Accumulated other comprehensive loss	**(21.5)**	(62.1)
Total shareholders' equity	**1,180.3**	1,035.3
Total liabilities and shareholders' equity	**$ 4,199.6**	$ 4,028.3

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

James Hardie Industries plc

Condensed Consolidated Statements of Operations and Comprehensive Income (Unaudited)

	Three Months Ended 30 September		Six Months Ended 30 September	
(Millions of US dollars, except per share data)	**2020**	2019	**2020**	2019
Net sales	**$ 736.8**	$ 660.1	**$ 1,363.1**	$ 1,316.9
Cost of goods sold	**(467.6)**	(420.0)	**(874.4)**	(843.7)
Gross profit	**269.2**	240.1	**488.7**	473.2
Selling, general and administrative expenses	**(98.0)**	(98.1)	**(185.6)**	(199.6)
Research and development expenses	**(8.4)**	(8.2)	**(15.7)**	(15.8)
Restructuring expenses	**—**	—	**(11.1)**	—
Asbestos adjustments	**(16.3)**	18.8	**(80.0)**	27.3
Operating income	**146.5**	152.6	**196.3**	285.1
Interest, net	**(12.7)**	(14.2)	**(25.3)**	(27.9)
Other (expense) income	**(0.2)**	0.1	**—**	(0.1)
Income before income taxes	**133.6**	138.5	**171.0**	257.1
Income tax expense	**(46.8)**	(35.4)	**(74.8)**	(67.5)
Net income	**$ 86.8**	$ 103.1	**$ 96.2**	$ 189.6
Income per share:				
Basic	**$ 0.20**	$ 0.23	**$ 0.22**	$ 0.43
Diluted	**$ 0.20**	$ 0.23	**$ 0.22**	$ 0.43
Weighted average common shares outstanding (Millions):				
Basic	**443.4**	442.3	**443.3**	442.3
Diluted	**444.8**	444.5	**444.7**	444.3
Comprehensive income, net of tax:				
Net income	**$ 86.8**	$ 103.1	**$ 96.2**	$ 189.6
Currency translation adjustments	**15.4**	(14.8)	**40.6**	(15.4)
Comprehensive income	**$ 102.2**	$ 88.3	**$ 136.8**	$ 174.2

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

James Hardie Industries plc
Condensed Consolidated Statements of Cash Flows
(Unaudited)

(Millions of US dollars)	Six Months Ended 30 September **2020**	 2019
Cash Flows From Operating Activities		
Net income	**$ 96.2**	$ 189.6
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	**63.1**	63.6
Lease expense	**8.5**	9.1
Deferred income taxes	**37.1**	34.3
Stock-based compensation	**8.2**	5.5
Asbestos adjustments	**80.0**	(27.3)
Excess tax benefits from share-based awards	**(2.2)**	—
Other, net	**10.8**	7.5
Changes in operating assets and liabilities:		
Accounts and other receivables	**70.6**	8.2
Inventories	**83.7**	2.6
Lease assets and liabilities, net	**(9.7)**	(7.4)
Prepaid expenses and other assets	**(10.4)**	(7.7)
Insurance receivable - Asbestos	**1.6**	4.0
Accounts payable and accrued liabilities	**12.0**	30.5
Claims and handling costs paid - Asbestos	**(49.7)**	(53.5)
Income taxes payable	**3.2**	(0.4)
Other accrued liabilities	**13.8**	(6.8)
Net cash provided by operating activities	**$ 416.8**	$ 251.8
Cash Flows From Investing Activities		
Purchases of property, plant and equipment	**$ (44.7)**	$ (123.4)
Proceeds from sale of property, plant and equipment	**1.0**	8.0
Capitalized interest	**(4.9)**	(4.4)
Purchase of restricted short-term investments - Asbestos	**—**	(75.5)
Proceeds from restricted short-term investments - Asbestos	**23.2**	17.5
Net cash used in investing activities	**$ (25.4)**	$ (177.8)
Cash Flows From Financing Activities		
Proceeds from credit facilities	**$ —**	$ 240.0
Repayments of credit facilities	**(130.0)**	(180.0)
Repayment of finance lease obligations and borrowings	**(0.4)**	(0.2)
Dividends paid	**—**	(113.9)
Net cash used in financing activities	**$ (130.4)**	$ (54.1)
Effects of exchange rate changes on cash and cash equivalents, restricted cash and restricted cash - Asbestos	**$ 4.6**	$ (4.6)
Net increase in cash and cash equivalents, restricted cash and restricted cash - Asbestos	**265.6**	15.3
Cash and cash equivalents, restricted cash and restricted cash - Asbestos at beginning of period	**185.8**	123.6
Cash and cash equivalents, restricted cash and restricted cash - Asbestos at end of period	**$ 451.4**	$ 138.9
Non-Cash Investing and Financing Activities		
Capital expenditures incurred but not yet paid	**$ 7.5**	$ 9.6
Supplemental Disclosure of Cash Flows Activities		
Cash paid to AICF	**$ 38.3**	$ 108.9

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

James Hardie Industries plc

Condensed Consolidated Statements of Changes in Shareholders' Equity (Unaudited)

	Three Months Ended 30 September 2020				
(Millions of US dollars)	Common Stock	Additional Paid-in Capital	Accumulated Equity	Accumulated Other Comprehensive Loss	Total
Balances at 30 June 2020	**$ 230.6**	**$ 211.6**	**$ 668.9**	**$ (36.9)**	**$ 1,074.2**
Net income	—	—	86.8	—	86.8
Other comprehensive gain	—	—	—	15.4	15.4
Stock-based compensation	0.6	3.3	—	—	3.9
Balances at 30 September 2020	**$ 231.2**	**$ 214.9**	**$ 755.7**	**$ (21.5)**	**$ 1,180.3**

	Six Months Ended 30 September 2020				
(Millions of US dollars)	Common Stock	Additional Paid-in Capital	Accumulated Equity	Accumulated Other Comprehensive Loss	Total
Balances at 31 March 2020	**$ 230.6**	**$ 207.3**	**$ 659.5**	**$ (62.1)**	**$ 1,035.3**
Net income	—	—	96.2	—	96.2
Other comprehensive gain	—	—	—	40.6	40.6
Stock-based compensation	0.6	7.6	—	—	8.2
Balances at 30 September 2020	**$ 231.2**	**$ 214.9**	**$ 755.7**	**$ (21.5)**	**$ 1,180.3**

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

James Hardie Industries plc
Condensed Consolidated Statements of Changes in Shareholders' Equity (Unaudited)

	Three Months Ended 30 September 2019				
(Millions of US dollars)	Common Stock	Additional Paid-in Capital	Accumulated Equity	Accumulated Other Comprehensive Loss	Total
Balances at 30 June 2019	**$ 230.0**	**$ 200.2**	**$ 548.8**	**$ (30.9)**	**$ 948.1**
Net income	—	—	103.1	—	103.1
Other comprehensive loss	—	—	—	(14.8)	(14.8)
Stock-based compensation	0.3	2.6	—	—	2.9
Balances at 30 September 2019	**$ 230.3**	**$ 202.8**	**$ 651.9**	**$ (45.7)**	**$ 1,039.3**

	Six Months Ended 30 September 2019				
(Millions of US dollars)	Common Stock	Additional Paid-in Capital	Accumulated Equity	Accumulated Other Comprehensive Loss	Total
Balances at 31 March 2019	**$ 230.0**	**$ 197.6**	**$ 577.1**	**$ (30.3)**	**$ 974.4**
Net income	—	—	189.6	—	189.6
Other comprehensive loss	—	—	—	(15.4)	(15.4)
Stock-based compensation	0.3	5.2	—	—	5.5
Adoption of ASU 2016-02	—	—	0.2	—	0.2
Dividends declared	—	—	(115.0)	—	(115.0)
Balances at 30 September 2019	**$ 230.3**	**$ 202.8**	**$ 651.9**	**$ (45.7)**	**$ 1,039.3**

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

1. Organization and Significant Accounting Policies

Nature of Operations

James Hardie Industries plc ("JHI plc") manufactures and sells fiber cement, fiber gypsum and cement-bonded building products for interior and exterior building construction applications, primarily in the United States, Australia, Europe, New Zealand, the Philippines and Canada.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with the U.S. generally accepted accounting principles (GAAP) for interim financial information. Accordingly, they do not include all the information and footnotes required by GAAP for complete financial statements. Interim financial results are not necessarily indicative of results anticipated for the full year. These unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the notes thereto, included in the Company's Annual Report on Form 20-F for the fiscal year ended 31 March 2020 from which the prior year balance sheet information herein was derived. The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expense, and related disclosures. Though the impact of the COVID-19 pandemic to our business and operating results presents additional uncertainty, we continue to use the best information available to assess our critical accounting estimates. Actual results could differ from those estimates.

The condensed consolidated financial statements represent the financial position, results of operations and cash flows of JHI plc and its wholly-owned subsidiaries and variable interest entity ("VIE"). Unless the context indicates otherwise, JHI plc and its direct and indirect wholly-owned subsidiaries and VIE (as of the time relevant to the applicable reference) are collectively referred to as "James Hardie", the "James Hardie Group" or the "Company". All intercompany transactions have been eliminated in consolidation. Certain prior period amounts have been reclassified to conform to the current period presentation. In management's opinion, the accompanying unaudited condensed consolidated financial statements reflect all adjustments, consisting of normal recurring adjustments considered necessary for a fair presentation of the results for the interim periods presented.

The Company has recorded on its balance sheet certain foreign assets and liabilities, including asbestos related assets and liabilities under the terms of the Amended and Restated Final Funding Agreement ("AFFA"), that are denominated in foreign currencies and subject to translation (foreign entities) or remeasurement (Asbestos Injuries Compensation Fund ("AICF") entity and Euro denominated debt) into US dollars at each reporting date. Unless otherwise noted, the Company converts foreign currency denominated assets and liabilities into US dollars at the current spot rate at the end of the reporting period; while revenues and expenses are converted using an average exchange rate for the period. The Company records gains and losses on its Euro denominated debt which are economically offset by foreign exchange gains and losses on loans between subsidiaries, resulting in a net immaterial translation gain or loss which is recorded in the *Selling, general and administrative expenses* in the condensed consolidated statements of operations and comprehensive income.

Significant Accounting Policies

During the six months ended 30 September 2020, there were no changes to our significant accounting policies as described in our Annual Report on Form 20-F for the fiscal year ended 31 March 2020, except as described in recently adopted accounting pronouncements below.

Recent Accounting Pronouncements

Recently Adopted

In June 2016, the Financial Accounting Standards Board ("FASB") issued ASU No. 2016-13, Financial Instruments - Credit Losses: Measurement of Credit Losses on Financial Instruments, which amends the impairment model by requiring entities to use a forward-looking approach based on expected losses to estimate credit losses on certain types of financial instruments, including trade receivables. As required, the Company adopted the standard starting with the fiscal year beginning 1 April 2020 using a modified retrospective approach noting no material differences to the condensed consolidated financial statements for the three and six months ended 30 September 2020. The Company estimates its allowance for credit losses on our trade receivables as described in our Accounts Receivables policy below.

Accounts Receivables

The Company evaluates the collectability of accounts receivables on an ongoing basis based on historical bad debts, customer credit-worthiness, current and forward-looking economic trends and changes in the Company's customer payment activity. An allowance for doubtful accounts is provided for known and estimated bad debts. Although credit losses have historically been within expectations, the Company cannot guarantee that it will continue to experience the same credit loss rates that it has had in the past. Because the Company's accounts receivables are concentrated in a relatively small number of customers, a significant change in the liquidity or financial position of any of these customers could impact their ability to make payments and result in the need for additional allowances.

Recently Issued

In December 2019, the FASB issued ASU No. 2019-12, Income taxes (Topic 740). The amendments in the standard are being issued to simplify the accounting for income taxes and are effective for fiscal years and interim periods within those fiscal years, beginning after 15 December 2020 with early adoption permitted. The Company will adopt ASU No. 2019-12 starting with the fiscal year beginning 1 April 2021 and does not expect the adoption of this standard to have a material impact on its consolidated financial statements.

Earnings Per Share

Basic earnings per share ("EPS") is calculated using net income divided by the weighted average number of common shares outstanding during the period. Diluted EPS is similar to basic EPS except that the weighted average number of common shares outstanding is increased to include the number of additional common shares calculated using the Treasury Method that would have been outstanding if the dilutive potential common shares, such as restricted stock units ("RSUs"), had been issued.

Basic and dilutive common shares outstanding used in determining net income per share are as follows:

	Three Months Ended 30 September		Six Months Ended 30 September	
(Millions of shares)	**2020**	2019	**2020**	2019
Basic common shares outstanding	**443.4**	442.3	**443.3**	442.3
Dilutive effect of stock awards	**1.4**	2.2	**1.4**	2.0
Diluted common shares outstanding	**444.8**	444.5	**444.7**	444.3

There were no potential common shares which would be considered anti-dilutive for the three and six months ended 30 September 2020 and 2019.

Potential common shares of 1.0 million for the three and six months ended 30 September 2020 and 2019, respectively, have been excluded from the calculation of diluted common shares outstanding as they are considered contingent shares which are not expected to vest.

2. Revenues

The following represents the Company's disaggregated revenues:

Three Months Ended 30 September 2020

(Millions of US dollars)	North America Fiber Cement	Asia Pacific Fiber Cement	Europe Building Products	Consolidated
Fiber cement revenues	$ 515.0	$ 122.1	$ 15.0	$ 652.1
Fiber gypsum revenues	—	—	84.7	84.7
Total revenues	$ 515.0	$ 122.1	$ 99.7	$ 736.8

Three Months Ended 30 September 2019

(Millions of US dollars)	North America Fiber Cement	Asia Pacific Fiber Cement	Europe Building Products	Consolidated
Fiber cement revenues	$ 459.6	$ 112.6	$ 12.4	$ 584.6
Fiber gypsum revenues	—	—	75.5	75.5
Total revenues	$ 459.6	$ 112.6	$ 87.9	$ 660.1

	Six Months Ended 30 September 2020			
(Millions of US dollars)	North America Fiber Cement	Asia Pacific Fiber Cement	Europe Building Products	Consolidated
Fiber cement revenues	$ 966.8	$ 213.4	$ 25.1	$ 1,205.3
Fiber gypsum revenues	—	—	157.8	157.8
Total revenues	$ 966.8	$ 213.4	$ 182.9	$ 1,363.1

	Six Months Ended 30 September 2019				
(Millions of US dollars)	North America Fiber Cement	Asia Pacific Fiber Cement	Europe Building Products	Other Businesses [1]	Consolidated
Fiber cement revenues	$ 911.9	$ 220.6	$ 24.9	$ —	$ 1,157.4
Fiber gypsum revenues	—	—	158.9	—	158.9
Other revenues	—	—	—	0.6	0.6
Total revenues	$ 911.9	$ 220.6	$ 183.8	$ 0.6	$ 1,316.9

[1] Effective 31 March 2020, the Other Businesses segment no longer qualifies as a reportable segment.

The process by which the Company recognizes revenues is consistent across each of the Company's reportable segments. Fiber cement and fiber gypsum revenues are primarily generated from the sale of siding and various boards used in internal and external applications, as well as accessories. Fiber gypsum revenues also includes the sale of cement-bonded boards in the Europe Building Products segment. Other revenues in the Other Businesses segment were generated from the sale of fiberglass products and windows in North America.

3. Cash and Cash Equivalents, Restricted Cash and Restricted Cash - Asbestos

The following table provides a reconciliation of *Cash and cash equivalents, Restricted cash and Restricted cash - Asbestos* reported within the condensed consolidated balance sheets that sum to the total of the same such amounts shown in the condensed consolidated statements of cash flows:

(Millions of US dollars)	**30 September 2020**	31 March 2020
Cash and cash equivalents	**$ 390.6**	$ 144.4
Restricted cash	**5.0**	5.0
Restricted cash - Asbestos	**55.8**	36.4
Total cash and cash equivalents, restricted cash and restricted cash - Asbestos	**$ 451.4**	$ 185.8

Restricted cash relates to an insurance policy which restricts the cash from general corporate purposes.

Restricted cash - Asbestos is restricted to the settlement of asbestos claims and for the payment of the operating costs of AICF.

4. Inventories

Inventories consist of the following components:

(Millions of US dollars)	**30 September 2020**	31 March 2020
Finished goods	**$ 164.7**	$ 224.4
Work-in-process	**7.6**	8.1
Raw materials and supplies	**67.8**	87.0
Provision for obsolete finished goods and raw materials	**(9.9)**	(14.4)
Total inventories	**$ 230.2**	$ 305.1

5. Long-Term Debt

The following table represents the Company's *Long-Term debt* obligations:

(Millions of US dollars)	**30 September 2020**	31 March 2020
Senior unsecured notes:		
Principal amount 4.750% notes due 2025	**$ 400.0**	$ 400.0
Principal amount 3.625% notes due 2026 (€400 million)	**469.4**	440.7
Principal amount 5.000% notes due 2028	**400.0**	400.0
Total	**1,269.4**	1,240.7
Unsecured revolving credit facility	**—**	130.0
Unamortized debt issuance costs	**(14.6)**	(16.1)
Total Long-term debt	**$ 1,254.8**	$ 1,354.6
Weighted average interest rate	**4.4 %**	4.3 %
Weighted average term	**4.8 years**	5.3 years
Fair value of Senior unsecured notes (Level 1)	**$ 1,301.1**	$ 1,147.7

At 30 September 2020, the Company had a total borrowing base capacity of US$500.0 million under the unsecured revolving credit facility which expires December 2022. Letters of credit and bank guarantees drawn at 30 September 2020 total US$4.7 million leaving the Company with US$495.3 million of available borrowing capacity under the unsecured revolving credit facility.

At 30 September 2020, the Company was in compliance with all covenants contained in the senior unsecured notes and the unsecured revolving credit facility agreement.

6. Asbestos

In February 2007, the Company's shareholders approved the AFFA, an agreement pursuant to which the Company provides long-term funding to the AICF.

Asbestos Adjustments

The following table sets forth the *Asbestos adjustments* included in the condensed consolidated statements of operations and comprehensive income:

	Three Months Ended 30 September		Six Months Ended 30 September	
(Millions of US dollars)	**2020**	2019	**2020**	2019
Effect of foreign exchange on Asbestos net liabilities	**$ (20.2)**	$ 18.9	**$ (82.4)**	$ 26.5
Gain (loss) on foreign currency forward contracts	**3.9**	(0.1)	**2.4**	0.8
Total Asbestos Adjustments	**$ (16.3)**	$ 18.8	**$ (80.0)**	$ 27.3

Claims Data

The following table shows the activity related to the numbers of open claims, new claims and closed claims during each of the past five years and the average settlement per settled claim and case closed:

	Six Months Ended	For the Years Ended 31 March				
	30 September 2020	2020	2019	2018	2017	2016
Number of open claims at beginning of period	**393**	332	336	352	426	494
Number of new claims						
Direct claims	**196**	449	430	422	402	431
Cross claims	**93**	208	138	140	155	146
Number of closed claims	**311**	596	572	578	631	645
Number of open claims at end of period	**371**	393	332	336	352	426
Average settlement amount per settled claim	**A$227,000**	A$277,000	A$262,000	A$253,000	A$224,000	A$248,000
Average settlement amount per case closed	**A$207,000**	A$245,000	A$234,000	A$217,000	A$168,000	A$219,000
Average settlement amount per settled claim	**US$156,000**	US$189,000	US$191,000	US$196,000	US$168,000	US$183,000
Average settlement amount per case closed	**US$142,000**	US$167,000	US$171,000	US$168,000	US$126,000	US$161,000

Under the terms of the AFFA, the Company has rights of access to actuarial information produced for AICF by the actuary appointed by AICF, which is currently KPMG Actuarial. The Company's disclosures with respect to claims statistics are subject to it obtaining such information, however, the AFFA does not provide the Company an express right to audit or otherwise require independent verification of such information or the methodologies to be adopted by the approved actuary. As such, the Company relies on the accuracy and completeness of the information provided by AICF to the approved actuary and the resulting information and analysis of the approved actuary when making disclosures with respect to claims statistics.

Asbestos-Related Assets and Liabilities

The following is a detailed rollforward of the Net Unfunded AFFA liability, net of tax, for the six months ended 30 September 2020:

(Millions of US dollars)	Asbestos Liability	Insurance Receivables	Restricted Cash and Investments	Other Assets and Liabilities	Net Unfunded AFFA Liability	Deferred Tax Assets	Income Tax Payable	Net Unfunded AFFA Liability, net of tax
Balance - 31 March 2020	$ (986.4)	$ 43.5	$ 58.0	$ (2.0)	$ (886.9)	$ 319.1	$ 23.4	$ (544.4)
Asbestos claims paid[1]	49.2	—	(49.2)	—	—	—	—	—
Payment received in accordance with AFFA[2]	—	—	38.3	—	38.3	—	—	38.3
AICF claims-handling costs incurred (paid)	0.5	—	(0.5)	—	—	—	—	—
AICF operating costs paid - non claims-handling	—	—	(0.6)	—	(0.6)	—	—	(0.6)
Insurance recoveries	—	(1.6)	1.6	—	—	—	—	—
Movement in income tax payable	—	—	—	—	—	(16.1)	(10.0)	(26.1)
Other movements	—	—	0.2	(0.3)	(0.1)	0.2	(0.1)	—
Effect of foreign exchange	(148.0)	6.5	8.0	(0.2)	(133.7)	48.1	3.2	(82.4)
Balance - 30 September 2020	**$ (1,084.7)**	**$ 48.4**	**$ 55.8**	**$ (2.5)**	**$ (983.0)**	**$ 351.3**	**$ 16.5**	**$ (615.2)**

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[1] Claims paid of US$49.2 million reflects A$71.7 million converted at the average exchange rate for the period based on the assumption that these transactions occurred evenly throughout the period.

AICF Funding

The AICF payment of A$220.9 million which represents 35% of the Company's free cash flow plus interest, as defined by the AFFA, for fiscal year 2020 will be made by the Company in quarterly installments during fiscal year 2021 as follows:

Payment Date	A$ Millions
1 July 2020	55.2
1 October 2020	55.2
4 January 2021	55.2
23 March 2021	55.3

For the three and six months ended 30 September 2020, the Company did not provide financial or other support to AICF that it was not previously contractually required to provide.

Free cash flow as defined in the AFFA, for the six months ended 30 September 2020 is US$424.5 million, which is equivalent to operating cash flows of US$416.8 million, plus adjustments of US$7.7 million.

AICF – NSW Government Secured Loan Facility

AICF may borrow, subject to certain conditions, up to an aggregate amount of A$320.0 million (US$227.7 million, based on the exchange rate at 30 September 2020). The AICF Loan Facility is available to be drawn for the payment of claims through 1 November 2030, at which point, all outstanding borrowings must be repaid. Borrowings made under the AICF Loan Facility are classified as current, as AICF intends to repay the debt within one year.

At 30 September 2020 and 31 March 2020, AICF had no amounts outstanding under the AICF Loan Facility.

7. Derivatives

The Company uses derivatives for risk management purposes and does not engage in speculative activity. A risk management objective for the Company is to mitigate interest rate risk associated with the Company's external credit facilities and foreign currency risk primarily with respect to forecasted transactions denominated in foreign currencies. The determination of whether the Company enters into a derivative transaction to achieve these risk management objectives depends on a number of factors, including an evaluation of the extent to which derivative instruments will achieve such risk management objectives of the Company.

The Company may from time to time enter into interest rate swap contracts to protect against upward movements in US Dollar LIBOR and the associated interest the Company pays on its external credit facilities. Interest rate swaps are recorded in the financial statements at fair value. Changes in fair value are recorded in the condensed consolidated statements of operations and comprehensive income in *Other (expense) income*.

Interest Rate Swaps

The fair value of interest rate swap contracts is calculated based on the fixed rate, notional principal, settlement date and present value of the future cash inflows and outflows based on the terms of the agreement and the future floating interest rates as determined by a future interest rate yield curve. The model used to value the interest rate swap contracts is based upon well recognized financial principles, and interest rate yield curves can be validated through readily observable data by external sources. Although readily observable data is used in the valuations, different valuation methodologies could impact the estimated fair value. Accordingly, the interest rate swap contracts are categorized as Level 2 within the fair value hierarchy.

The notional amount of interest rate swap contracts was nil and US$25.0 million at 30 September 2020 and 31 March 2020, respectively, and represents the basis upon which payments are calculated and are reported on a net basis when a legal and enforceable right of set-off exists. For the three and six months ended 30 September 2020 and 2019, the unrealized and realized gains and losses recorded on interest rate swap contracts are immaterial and are included in *Other (expense) income*.

Foreign Currency Forward Contracts

The Company's foreign currency forward contracts are valued using models that maximize the use of market observable inputs including interest rate curves and both forward and spot prices for currencies and are categorized as Level 2 within the fair value hierarchy. At 30 September 2020, the Company had foreign currency forward contracts with a notional value of US$191.3 million, which are entirely related to upcoming AICF payments.

For the three and six months ended 30 September 2020 and 2019, the gains and losses recorded on these forward contracts are immaterial. Refer to Note 6 for further details.

8. Commitments and Contingencies

Legal Matters

The Company is involved from time to time in various legal proceedings and administrative actions related to the normal conduct of its business, including general liability claims, putative class action lawsuits and litigation concerning its products.

Although it is impossible to predict the outcome of any pending legal proceeding, management believes that such proceedings and actions should not, individually or in the aggregate, have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows, except as they relate to asbestos as described in these condensed consolidated financial statements.

New Zealand Weathertightness Claims

Since fiscal year 2002, the Company's New Zealand subsidiaries are joined in a number of weathertightness claims in New Zealand that relate to residential buildings (single dwellings and apartment complexes) and a small number of non-residential buildings, primarily constructed from 1998 to 2004.

In 2015 the Company and/or its subsidiaries were named as the sole defendants in four claims on behalf of multiple defendants, three of which are still pending and each of which allege that the New Zealand subsidiaries' products were inherently defective. The Company believes it has substantial factual and legal defenses to these claims and is defending the claims vigorously. For further details, refer to the Form 20-F filed on 19 May 2020.

In August 2020, phase one of the first claim commenced in Wellington, New Zealand to solely determine whether the Company's New Zealand subsidiaries had a duty to the plaintiffs and breached that duty. This phase of the trial is expected to be completed in fiscal year 2021, with a court decision expected to be announced in early fiscal year 2022.

While the outcome of this phase of the first claim cannot be predicted, management does not believe this matter will have a material adverse effect on our business or financial position. As of 30 September 2020, we had no estimated loss accrued related to the legal matter discussed above because we believe the chance of loss from this matter is not probable and the amount of loss, if any, cannot be reasonably estimated.

Environmental

The operations of the Company, like those of other companies engaged in similar businesses, are subject to several laws and regulations on air and water quality, waste handling and disposal. The Company's policy is to accrue for environmental costs when it is determined that it is probable that an obligation exists and the amount can be reasonably estimated.

9. Income Taxes

Income taxes payable represents taxes currently payable which are computed at statutory income tax rates applicable to taxable income derived in each jurisdiction in which the Company conducts business. During the six months ended 30 September 2020, the Company received net tax refunds of US$39.0 million.

Income tax expense differs from the statutory rate primarily due to the Company's mix of pre-tax income by jurisdiction, foreign taxes on domestic income and foreign exchange on asbestos.

Deferred income taxes include net operating loss carry-forwards. At 30 September 2020, the Company had tax loss carry-forwards in Australia, New Zealand, Europe and the US of approximately US$59.9 million that are available to offset future taxable income in the respective jurisdiction. The Company establishes a valuation allowance against a deferred tax asset if it is more likely than not that some portion or all of the deferred tax asset will not be realized.

The Australian tax loss carry-forwards primarily result from current and prior year tax deductions for contributions to AICF. James Hardie 117 Pty Limited, the performing subsidiary under the AFFA, is able to claim a tax deduction for its contributions to AICF over a five-year period commencing in the year the contribution is incurred. At 30 September 2020, the Company recognized a tax deduction of US$52.9 million (A$77.2 million) for the current year relating to total contributions to AICF of US$558.5 million (A$771.7 million) incurred in tax years 2017 through 2021.

10. Stock-Based Compensation

Total stock-based compensation expense consists of the following:

	Three Months Ended 30 September		Six Months Ended 30 September	
(Millions of US dollars)	**2020**	2019	**2020**	2019
Liability Awards Expense	**$ 6.1**	$ 2.6	**$ 12.9**	$ 4.0
Equity Awards Expense	**3.9**	2.9	**8.2**	5.5
Total stock-based compensation expense	**$ 10.0**	$ 5.5	**$ 21.1**	$ 9.5

At 30 September 2020, the unrecorded future stock-based compensation expense related to outstanding equity awards was US$17.7 million and will be recognized over an estimated weighted average amortization period of 2.2 years.

11. Segment Information

The Company has reported its segment information in the format that the information is available to and evaluated by the Chief Operating Decision Maker. The North America Fiber Cement segment manufactures fiber cement interior linings, exterior siding products and related accessories in the United States; these products are sold in the United States and Canada. The Asia Pacific Fiber Cement segment includes all fiber cement products manufactured in Australia, New Zealand and the Philippines, and sold in Australia, New Zealand, Asia, the Middle East and various Pacific Islands. The Europe Building Products segment includes the Fermacell business and fiber cement product manufactured in the United States that is sold in Europe. The Other Businesses segment ceased to be an operating and reportable segment effective 31 March 2020 due to the Company's completion of its exit of its non-fiber cement manufacturing and sales activities in North America, including fiberglass windows. The Research and Development segment represents the cost incurred by the research and development centers. General Corporate costs primarily consist of *Asbestos adjustments*, officer and employee compensation and related benefits, professional and legal fees, administrative costs and rental expense, net of rental income, on the Company’s corporate offices. The Company does not report net interest expense for each segment as the segments are not held directly accountable for interest expense.

	Net Sales Three Months Ended 30 September		Net Sales Six Months Ended 30 September	
(Millions of US dollars)	**2020**	2019	**2020**	2019
North America Fiber Cement	**$ 515.0**	$ 459.6	**$ 966.8**	$ 911.9
Asia Pacific Fiber Cement	**122.1**	112.6	**213.4**	220.6
Europe Building Products	**99.7**	87.9	**182.9**	183.8
Other Businesses	**—**	—	**—**	0.6
Worldwide total	**$ 736.8**	$ 660.1	**$ 1,363.1**	$ 1,316.9

	Operating Income Three Months Ended 30 September		Operating Income Six Months Ended 30 September	
(Millions of US dollars)	**2020**	2019	**2020**	2019
North America Fiber Cement	**$ 148.6**	$ 124.7	**$ 277.0**	$ 238.2
Asia Pacific Fiber Cement	**38.7**	27.0	**57.6**	51.8
Europe Building Products	**11.1**	5.8	**8.4**	13.7
Other Businesses	**—**	(0.5)	**—**	(0.1)
Research and Development [1]	**(6.4)**	(6.9)	**(12.5)**	(13.1)
Segments total	**192.0**	150.1	**330.5**	290.5
General Corporate	**(45.5)**	2.5	**(134.2)**	(5.4)
Total operating income	**$ 146.5**	$ 152.6	**$ 196.3**	$ 285.1

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1. For the three and six months ended 30 September 2020, the Research and Development segment also included *Selling, general and administrative* expenses of US$0.5 million and US$1.3 million, respectively. For the three and six months ended 30 September 2019, the Research and Development segment also included *Selling, general and administrative* expenses of US$0.9 million and US$1.6 million, respectively.

	Research and Development Expenses			
	Three Months Ended 30 September		Six Months Ended 30 September	
(Millions of US dollars)	**2020**	2019	**2020**	2019
North America Fiber Cement	**$ 1.7**	$ 1.4	**$ 2.8**	$ 2.7
Asia Pacific Fiber Cement	**0.3**	0.4	**0.6**	0.9
Europe Building Products	**0.5**	0.4	**1.1**	0.7
Research and Development	**5.9**	6.0	**11.2**	11.5
	$ 8.4	$ 8.2	**$ 15.7**	$ 15.8

12. Accumulated Other Comprehensive Loss

Accumulated other comprehensive loss is comprised of the following at 30 September 2020:

(Millions of US dollars)	Cash Flow Hedges	Pension Actuarial Gain	Foreign Currency Translation Adjustments	Total
Balance at 31 March 2020	$ 0.2	$ 0.8	$ (63.1)	$ (62.1)
Other comprehensive gain	—	—	40.6	40.6
Balance at 30 September 2020	**$ 0.2**	**$ 0.8**	**$ (22.5)**	**$ (21.5)**