

JAMES HARDIE INDUSTRIES SE

Form F-4

March 17, 2010

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As filed with the Securities and Exchange Commission on March 17, 2010

Registration No. 333-

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

Form F-4

**REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

JAMES HARDIE INDUSTRIES SE

(Exact name of registrant as specified in its charter)

The Netherlands

*(State or other jurisdiction of
incorporation or organization)*

3272

*(Primary Standard Industrial
Classification Code Number)*

Not Applicable

*(I.R.S. Employer
Identification No.)*

Atrium, 8th floor

Strawinskyaan 3077

1077 ZX Amsterdam, The Netherlands

+31 20 301 2980 (Telephone) +31 20 404 2544 (Facsimile)

(Address, including zip code and telephone number, including area code of registrant's principal executive offices)

CT Corporation System

111 Eighth Avenue

New York, New York 10011

(212) 894-8940

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Michael E. Gizang

Skadden, Arps, Slate, Meagher & Flom LLP

Four Times Square

New York, New York 10036-6522

(212) 735-3000

Approximate date of commencement of proposed sale to the public: As soon as practicable after this registration statement becomes effective and all other conditions to the consummation of the transactions described in this prospectus have been satisfied or waived.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act of 1933, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering:

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering:

CALCULATION OF REGISTRATION FEE

| Title of Each Class of Securities to be Registered ⁽¹⁾ | Amount to be Registered | Proposed Maximum Offering Price per Unit | Proposed Maximum Aggregate Offering Price ⁽³⁾ | Amount of Registration Fee ⁽⁴⁾ |
|---|----------------------------|--|--|---|
| James Hardie Industries SE Ordinary Shares | 102,000,000 ⁽²⁾ | \$6.89 | \$702,461,760 | \$50,086 |

- (1) American depositary shares issuable on deposit of securities representing James Hardie Industries SE ordinary shares registered hereby have been registered pursuant to a separate Registration Statement on Form F-6.
- (2) Based on (i) the estimated number of James Hardie Industries SE ordinary shares beneficially held by securityholders resident in the United States of America, and (ii) the one-to-one basis on which each ordinary share of James Hardie Industries SE (as a European Company registered in The Netherlands) will be transformed into an ordinary share of James Hardie Industries SE (as a European Company registered in Ireland).
- (3) The proposed maximum aggregate offering price of all of the James Hardie Industries SE shares registered in connection with the Proposal is \$702,461,760. Pursuant to Rules 457(f)(1) and 457(c) under the Securities Act and solely for the purpose of calculating the registration fee, the proposed maximum aggregate offering price is equal to the aggregate market value of the approximate number of James Hardie Industries SE ordinary shares to be transformed in the Proposal (calculated as set forth in note (2) above) based upon a market value of \$6.89 per James Hardie Industries SE ordinary share, the average of the high and low sale prices per James Hardie Industries SE CUFS on the ASX Limited on March 12, 2010 and converted to United States dollars based on the Federal Reserve Bank of New York foreign exchange rate for Australian dollars on March 12, 2010.
- (4) Calculated by multiplying 0.00007130 by the proposed maximum aggregate offering price.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment that specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine

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The information contained in this preliminary prospectus may change. The registrant may not complete the transaction and issue these securities until the registration statement filed with the US Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state or jurisdiction where the offer is not permitted.

PRELIMINARY COPY SUBJECT TO COMPLETION, MARCH 17, 2010

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IMPORTANT NOTICES

Terminology

In this Explanatory Memorandum, references to:

we, us, our, the company, Dutch SE, and JHI SE refer to James Hardie Industries SE. We refer to James Hardie Industries SE when domiciled in Ireland as Irish SE.

James Hardie refers collectively to James Hardie Industries SE and its controlled subsidiaries.

CUFS refers to CHESS Units of Foreign Securities, each of which represents a beneficial ownership interest in an underlying ordinary share (which we refer to as shares).

ADRs refers to American Depositary Receipts, which are the receipts or certificates that evidence ownership of American Depositary Shares (which we refer to as ADSs), each of which represents a beneficial ownership interest in five CUFS.

shareholders refers to holders of CUFS or ADSs.

A\$ refers to Australian dollars and US\$ refers to US dollars.

Certain other capitalised terms used in this Explanatory Memorandum have the meanings ascribed to them in the Glossary in Section 18.

This Explanatory Memorandum, which constitutes a prospectus under US federal securities laws, has been prepared in connection with the registration of 102,000,000 shares of JHI SE, with the number of shares being registered based on (i) the estimated number of JHI SE shares beneficially held by securityholders resident in the US, and (ii) the one-to-one basis on which each JHI SE share will be transformed into a Irish SE share.

This Explanatory Memorandum and the Notice of Meetings included herein have been prepared to assist shareholders in deciding how to vote on Stage 2 of the Proposal. You should read this Explanatory Memorandum and the Notice of Meetings in their entirety before making a decision about how to vote on the resolution to be considered at the extraordinary general meeting.

This Explanatory Memorandum contains important information relating to the Proposal. The Notice of Meetings contains important information relating to voting at the extraordinary general meeting, including the record date, the quorum and vote required for approval and how to vote your CUFS or ADSs and the resolution that shareholders are being asked to approve with respect to Stage 2 of the Proposal.

Information Incorporated by Reference

This Explanatory Memorandum incorporates important business and financial information about us by reference and, as a result, this information is not included in or delivered with this Explanatory Memorandum. For a list of those documents that are incorporated by reference into this Explanatory Memorandum, see Incorporation of Certain Documents by Reference in Section 13.

Documents incorporated by reference are available from us upon oral or written request without charge. As we file annual reports and furnish other information to the US Securities and Exchange Commission, you also may obtain documents incorporated by reference into this Explanatory Memorandum from the website of the US Securities and Exchange Commission at the URL (or uniform resource locator) <http://www.sec.gov> or by requesting them from us by calling the Information Helpline in Australia at 1-800-675-021 (between 8:00 a.m. and 5:00 p.m.).

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(AEDT)) or elsewhere in the world at +1-949-367-4900 (between 8:00 a.m. and 5:00 p.m. (US Central Time)) or in writing by regular and electronic mail at the following address:

James Hardie Industries SE
Atrium, 8th floor
Strawinskylaan 3077
1077 ZX Amsterdam, The Netherlands
Attention: Company Secretary
E-Mail: infoline@jameshardie.com

In order to receive timely delivery of the documents in advance of the extraordinary general meeting for Stage 2 of the Proposal, you should make your request no later than May 26, 2010.

A number of documents related to the Proposal also may be found at the Investor Relations area of our website (www.jameshardie.com, select James Hardie Investor Relations).

Forward-looking Statements

This Explanatory Memorandum, Notice of Meetings and the documents incorporated herein by reference contain forward-looking statements. We may from time to time make forward-looking statements in our periodic reports filed with or furnished to the US Securities and Exchange Commission on Forms 20-F and 6-K, in our annual reports to shareholders, in offering circulars, invitation memoranda and prospectuses, in media releases and other written materials and in oral statements made by our 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 for US purposes 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 our future performance;

projections of our results of operations or financial condition;

statements regarding our plans, objectives or goals, including those relating to our strategies, initiatives, competition, acquisitions, dispositions and/or our products;

expectations concerning the costs associated with the suspension or closure of operations at any of our plants and future plans with respect to any such plants;

expectations that our credit facilities will be extended or renewed;

expectations concerning dividend payments;

statements concerning our corporate and tax domiciles and potential changes to them, including potential tax charges;

statements regarding tax liabilities and related audits and proceedings;

statements as to the possible consequences of proceedings brought against us and certain of our former directors and officers by the Australian Securities & Investments Commission;

expectations about the timing and amount of contributions to the Asbestos Injuries Compensation Fund, a special purpose fund for the compensation of proven Australian asbestos-related personal injury and death claims;

expectations concerning indemnification obligations; and

statements about product or environmental liabilities.

Words such as believe, anticipate, plan, expect, intend, target, estimate, project, predict, forecast, should, continue and similar expressions are intended to identify

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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 our estimates and assumptions and because forward-looking statements address future results, events and conditions, they, by their very nature, involve inherent risks and uncertainties. Such known and unknown risks, uncertainties and other factors may cause our 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 beginning on page 15 including those incorporated by reference from our Annual Report on Form 20-F filed with the US Securities and Exchange Commission, include but are not limited to: all matters relating to or arising out of the prior manufacture of products that contained asbestos by our current and former subsidiaries; required contributions to the Asbestos Injuries Compensation Fund and the effect of currency exchange rate movements on the amount recorded in our financial statements as an asbestos liability; compliance with and changes in tax laws and treatments; competition and product pricing in the markets in which we operate; the consequences of product failures or defects; exposure to environmental, asbestos or other legal proceedings; general economic and market conditions; the supply and cost of raw materials; the success of research and development efforts; 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; the company's proposal to transfer its corporate domicile from The Netherlands to Ireland to become an Irish SE company compliance with and changes in laws and regulations; currency exchange risks; the concentration of our customer base on large format retail customers, distributors and dealers; the effect of natural disasters; changes in our key management personnel; inherent limitations on internal controls; use of accounting estimates; and all other risks identified in our reports filed with Australian, Dutch and US securities agencies and exchanges (as appropriate). We caution that the foregoing list of factors is not exhaustive and that other risks and uncertainties may cause actual results to differ materially from those in forward-looking statements. Forward-looking statements speak only as of the date they are made and are statements of our current expectations concerning future results, events and conditions.

You should carefully review all of the information included in this Explanatory Memorandum and the Notice of Meetings, before making a decision on how to vote on Stage 2 of the Proposal to be considered at the extraordinary general meeting.

Intellectual Property

James Hardie and any logos are trademarks of James Hardie International Finance Limited, which may be registered in certain jurisdictions. Names of other companies and any other trademarks are owned by their respective owners.

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LETTER FROM THE CHAIRMEN

Dear Shareholder:

March , 2010

On August 21, 2009, shareholders approved Stage 1 of the two-stage proposal to re-domicile the company, with over 99% of votes cast at the extraordinary general meeting being in favour of the resolution.

Following this vote, on February 19, 2010, James Hardie Industries SE completed its transformation from a public limited liability corporation registered in The Netherlands (*Naamloze Vennootschap* (NV)) to a European Company (*Societas Europaea* (SE)) registered in The Netherlands.

We now seek your approval to proceed with Stage 2 of the Proposal, to transform JHI SE to Irish SE by moving our corporate domicile from The Netherlands to Ireland. Your approval of Stage 2 will result in JHI SE becoming subject to Irish law in addition to the SE Regulation.

In connection with the Stage 1 extraordinary general meeting, we received comments on the proposed articles of association for Irish SE. Based on that feedback, we committed to solicit comments on the proposed articles of association for Irish SE prior to presenting them to shareholders for approval in connection with Stage 2.

Since then, we have reviewed the comments we received in connection with Stage 1 and have met with and received comments from investor advisory groups. Following our review of these comments, your directors made a number of changes to the proposed articles of association for Irish SE as described in this Explanatory Memorandum.

We reiterate that implementing the Proposal will not change James Hardie's overall commitment to make contributions to the Asbestos Injuries Compensation Fund under the Amended and Restated Final Funding Agreement. However, if, as seems likely, a contribution is due to the Asbestos Injuries Compensation Fund during the company's financial year ending March 31, 2011, it will be reduced by an amount of up to 35% of the costs associated with the Proposal incurred in the financial year ending March 31, 2010.

Because the capacity of the Asbestos Injuries Compensation Fund to satisfy claims is linked to the long-term financial success of James Hardie, especially the company's ability to generate net operating cash flow, completing the Proposal through implementing Stage 2 is expected to have medium and long-term benefits for the Asbestos Injuries Compensation Fund.

KEY BENEFITS

We need to implement Stage 2 of the Proposal to obtain all of the favourable aspects of the Proposal and avoid the risks and disadvantages of staying in The Netherlands, as described in this Explanatory Memorandum.

Your directors continue to be of the view that implementing Stage 2 of the Proposal is the best course of action for James Hardie and its shareholders at this time because it:

allows key senior managers with global responsibilities to spend more time with James Hardie's operations and in its markets;

provides greater certainty for James Hardie to obtain benefits under the tax treaty between the US and Ireland than is the case under the US/Netherlands Treaty;

increases our flexibility to undertake certain transactions under Irish company law, which your directors believe expands the company's future strategic options;

simplifies the company's governance structure to a single board of directors; and

permits most shareholders to be eligible to receive dividends not subject to withholding tax.

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SUMMARY

Your directors continue to be of the view that the Proposal is the best course of action at this time for James Hardie and its shareholders.

This Explanatory Memorandum sets out material information relevant to Stage 2. As there are certain risks involved in connection with the implementation of Stage 2, we urge all shareholders to read this document in full. Your vote in favor of the approval of Stage 2 is important for James Hardie and its shareholders.

This Explanatory Memorandum includes a Notice of Meetings for Stage 2 of the Proposal. If shareholders approve Stage 2, your directors anticipate that Stage 2 of the Proposal will be implemented early in the second half of 2010. It is important to implement the Proposal as soon as practicable, as there are risks and costs associated with delay.

Sincerely,

Michael Hammes
Chairman
Supervisory Board

Louis Gries
Chief Executive Officer and
Chairman Managing Board

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The key dates for consideration and implementation of Stage 2 of the Proposal are shown below. All times referred to are Australian Eastern Time (which we refer to as AET) unless otherwise stated

| EVENT | DATE |
|---|--|
| STAGE 2 OF THE PROPOSAL | |
| ADR record date for voting at the extraordinary general meeting | Friday, April 23, 2010 at 5:00 p.m. EDT |
| CUFS record date for voting at the extraordinary general meeting | Thursday, May 27, 2010 at 4:00 p.m. |
| Extraordinary information meeting of JHI SE in Australia | Friday, May 28, 2010 at 9:00 a.m. |
| Deadline for submission of Voting Instruction Forms for extraordinary general meeting | No later than 4:00 p.m. on Friday, May 28, 2010 |
| Extraordinary general meeting of JHI SE in The Netherlands | Wednesday, June 2, 2010 at 11:00 a.m. CET |

The final timetable will depend on a number of factors, some of which will be outside of our control, including various regulatory filings and approvals (see Key Steps in Connection with the Proposal in Section 1.2).

Any material changes to the above timetable will be announced to the Australian Securities Exchange (which we refer to as the ASX), furnished to the US Securities and Exchange Commission on a Form 6-K and made available on the James Hardie Investor Relations website (www.jameshardie.com, select James Hardie Investor Relations).

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QUESTIONS AND ANSWERS ABOUT THE PROPOSAL

The following are some of the questions that you, as a shareholder, may have regarding the Proposal and answers to those questions. This section highlights selected information from this Explanatory Memorandum and the Notice of Meetings, but does not contain all of the information that may be important to you. Section numbers in parentheses following certain of the questions in this part refer to some of the other places in this Explanatory Memorandum or the Notice of Meetings that contain more detailed information regarding the subject matter discussed.

Q1: What is the Proposal? (Section 1)

A: As previously announced, the Proposal is to transform the company from a public limited liability corporation registered in The Netherlands (*Naamloze Vennootschap* (NV)) to a European Public Limited Liability Company (*Societas Europaea* (SE)), which we refer to as a European Company, in a two-stage transaction, which ultimately will result in the relocation of our corporate domicile from The Netherlands to Ireland.

Shareholders approved Stage 1 of the Proposal to transform James Hardie Industries N.V. to a European Company domiciled in The Netherlands with over 99% approval from shareholders voting at the extraordinary general meeting on August 21, 2009. The transformation subsequently was completed on February 19, 2010. Shareholders now are being asked to approve Stage 2 of the Proposal, which involves the relocation of our corporate domicile from The Netherlands to Ireland.

Q2: When and where is the Stage 2 shareholders meeting? (Section 20)

A: The extraordinary general meeting to consider Stage 2 of the Proposal will be held at the company's offices at Atrium, 8th floor, Strawinskylaan 3077, 1077 ZX Amsterdam, The Netherlands at 11:00 a.m. Central Europe Time (which we refer to as CET) on June 2, 2010.

Please refer to the Notice of Meetings included in this Explanatory Memorandum for details.

Q3: Will there be an Information Meeting in connection with the Stage 2 shareholders meeting?

A: An extraordinary information meeting also will be held to enable CUFS holders to attend a meeting in Australia to review Stage 2 of the Proposal and the resolution that is to be considered and voted on at the extraordinary general meeting in The Netherlands. The extraordinary information meeting will be held prior to the extraordinary general meeting at The Auditorium, the Mint, 10 Macquarie Street, Sydney, NSW, Australia at 11:00 a.m. (AET) on May 28, 2010. A number of members of the Boards will participate in the extraordinary information meeting by video or telephone. A live webcast of the extraordinary information meeting will be available on our website.

Please refer to the Notice of Meetings included in this Explanatory Memorandum for details.

Q4: Who can vote at the shareholders meeting? (Section 20)

A: In order to be eligible to vote on Stage 2, you must be the registered owner or holder (as applicable) of CUFS at 4:00 p.m. (AET) on May 27, 2010 or ADSs at 5:00 p.m. (US Eastern Daylight Saving Time) on April 23, 2010. If you become the registered owner or holder of CUFS or ADSs after these dates, you will not be eligible to vote those CUFS or ADSs at the extraordinary general meeting.

Q5: What are the matters that shareholders will be asked to consider and vote on at the extraordinary general meeting in connection with Stage 2 of the Proposal? (Section 20)

A: The shareholders will be asked to consider and vote on the transformation of the company from a Dutch SE company to an Irish SE company, including the following specific approvals that:

the company implement Stage 2 of the Proposal described in the Explanatory Memorandum, as a result of which the company will transfer its corporate domicile from The Netherlands to Ireland;

the company adopt the memorandum and articles of association of Irish SE referred to in the Explanatory Memorandum (and included as an exhibit to the registration statement of which the Explanatory Memorandum

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forms a part) and which are tabled at the meeting and initialed by the Chairman for the purposes of identification, subject to the condition precedent of registration with the Companies Registration Office in Ireland;

any director of the company or any partner of the company's Dutch legal advisors be authorised to apply for the required ministerial declaration of no-objection of the Dutch Ministry of Justice in connection with the amendments made to the articles of association as required under Dutch law;

any director of the company or any partner of the company's Irish legal advisor be authorised to file the Form SE6 with the Irish Companies Registration Office;

the company abolish the merger revaluation reserve established in connection with our 2001 reorganisation and set off the amount at the expense of share premium and retained earnings, which would result in the amounts available to Irish SE for distribution as dividends and to repurchase shares to be substantially the same as for JHI SE;

the execution of any deed, agreement or other document contemplated by Stage 2 of the Proposal as described in this Explanatory Memorandum, or which is necessary or desirable to give effect to Stage 2 of the Proposal (which we refer to as the Stage 2 Proposal Documents), on behalf of the company or any relevant group company is hereby ratified and approved;

any managing director be appointed to represent the company in accordance with the company's articles of association in all matters concerning Stage 2 of the Proposal and the Stage 2 Proposal Documents, including where such matters concern the company or another group company, and notwithstanding that the director may at the same time also be a director of any other group company; and

that the actions of one or more directors relating to Stage 2 of the Proposal up to the date of this meeting are hereby ratified and approved.

Q6: What do I need to do now? (Section 20)

A: After carefully reading and considering the information contained in this Explanatory Memorandum, please follow the instructions for voting the CUFS or ADSs that you hold, which are described in the Notice of Meetings included herein under Information on Voting in Section 20. The manner by which you vote is determined by whether you hold CUFS or ADSs. Although voting is not compulsory, your vote is important and your directors encourage you to vote on Stage 2 of the Proposal.

Q7: Why is James Hardie undertaking Stage 2 of the Proposal now? (Section 3.1)

A: Your directors previously concluded that the Proposal was the best course of action and in the best interests of James Hardie and its shareholders and continue to believe that Stage 2 of the Proposal should be completed, as implementation of Stage 2 will enable us to obtain all the expected benefits of the Proposal, including:

providing key senior management with global responsibilities more opportunities to work directly with our local operations and in our markets. Our business in the US has been adversely affected by the decline in the US housing market and the turmoil within financial and mortgage lending institutions. These challenges make it even more important to have senior management close to our major operations and markets;

providing more certainty regarding our ability to obtain benefits under the tax treaty between the US and Ireland (which we refer to as the US/Ireland Treaty) than is the case under the US/Netherlands Treaty;

increasing our flexibility to undertake certain transactions under Irish company law, which your directors believe expands the company's future strategic options;

simplifying the company's governance structure to a single board of directors; and

permitting most shareholders to be eligible to receive dividends not subject to withholding tax.

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Q8: What is the impact of the Proposal on our asbestos funding arrangements with Asbestos Injuries Compensation Fund? (Section 3.2)

A: The Proposal will not change the overall commitment of James Hardie to make contributions to the Asbestos Injuries Compensation Fund (which we refer to as the AICF) under the Amended and Restated Final Funding Agreement (which we refer to as the AFFA). However, if, as seems likely, a contribution is due to the AICF in our financial year ending March 31, 2011 the costs associated with the Proposal incurred in the financial year ending March 31, 2010 will reduce the amount of the company's contribution. The capacity of the AICF to satisfy claims is linked to the long-term financial success of James Hardie, especially the company's ability to generate net operating cash flow. Completion of the Proposal through the implementation of Stage 2 is expected to have medium and long-term benefits for the AICF, as James Hardie's Irish domicile is anticipated to result in reduced tax payments relative to taxes that would be payable if we remained domiciled in The Netherlands.

On November 7, 2009, the Australian Government announced that it will provide a loan facility of up to A\$160 million to the New South Wales Government that will go towards a standby loan facility of up to A\$320 million to be made available by the New South Wales Government to the AICF to meet any short-term funding shortfalls. The standby loan facility will be entered into by the New South Wales Government, the AICF and certain of our former companies, Amaca Pty Ltd, Amaba Pty Ltd and ABN 60 Pty Limited.

The AFFA will continue to operate in accordance with the terms negotiated by all parties and the obligation to pay claimants remains with the AICF, and its primary source of funding is expected to continue to be contributions from James Hardie.

Q9: What will happen if I abstain from voting? (Section 20)

A: Any CUFS or ADSs for which no votes are cast effectively will be treated as null votes and will not count toward the voting outcome.

Q10: When do you expect the Proposal to be completed?

A: If shareholders approve Stage 2 of the Proposal, your directors anticipate that Stage 2 will be implemented early in the second half of 2010.

Q11: What happens to James Hardie if Stage 2 of the Proposal is not approved? (Section 3.4)

A: If Stage 2 of the Proposal does not proceed, JHI SE will continue as a European Company with its corporate domicile remaining in The Netherlands. In that circumstance, while remaining a Dutch incorporated company, JHI SE will be able to move its corporate domicile to Ireland (or any other EU member state that has implemented the SE Regulation) at a later date if shareholders approve such a move in the future.

If Stage 2 is not implemented, none of the favourable aspects of the proposed transfer of JHI SE's corporate domicile from The Netherlands to Ireland will be obtained and the risks and disadvantages of staying in The Netherlands described in this Explanatory Memorandum will continue to apply. In connection with the implementation of Stage 1 of the Proposal and the transfer of our intellectual property and treasury and finance operations from The Netherlands, we will have incurred substantially all of the currently estimated project costs of US\$63 million, including US\$41 million of Dutch tax as a result of a capital gain on the transfer of our intellectual property and treasury and finance operations and our exit from the Financial Risk

Reserve regime in The Netherlands. See [Financial and Accounting Impact](#) in Section 1.3 for more information about these expenses, including Dutch tax.

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Q12: Who can answer questions I might have about the Proposal? (Section 12)

A: If you have additional questions about this Explanatory Memorandum, the Notice of Meetings, the meetings or the Proposal, you may submit these in advance of the extraordinary information meeting and the extraordinary general meeting. You also may ask questions relating to the Proposal at these meetings, without submitting those questions in advance. You also may contact us at:

James Hardie Industries SE
Atrium, 8th floor
Strawinskylaan 3077
1077 ZX Amsterdam, The Netherlands
Attention: Company Secretary
E-mail: infoline@jameshardie.com

or by calling the Information Helpline in Australia at 1-800-675-021 (between 8:00 a.m. and 5:00 p.m. (AEDT)) or elsewhere in the world at +1-949-367-4900 (between 8:00 a.m. and 5:00 p.m. (US Central Time)). You also may obtain additional information about us from documents filed or furnished with the Australian Securities Exchange and the US Securities and Exchange Commission by following instructions in the section entitled "Where You Can Find Additional Information" in Section 12.

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SUMMARY

This summary highlights selected information from this Explanatory Memorandum and the Notice of Meetings and does not contain all of the information that may be important to you. You should read carefully the entire Explanatory Memorandum and Notice of Meetings and the additional documents referred to in this Explanatory Memorandum and the Notice of Meetings to fully understand the Proposal and resolutions that shareholders will be asked to consider at the extraordinary general meeting. We have included references to other parts of this Explanatory Memorandum to direct you to a more complete description of the topics presented in this summary.

James Hardie (see Section 2.3.1)

Through our network of subsidiaries, we manufacture building materials in the US, Australia, New Zealand and the Philippines. In our financial year ending March 31, 2009, we generated net sales in excess of US\$1.4 billion. The majority of our building materials manufacturing capacity (86%) was located in the US and the US market also accounted for almost 80% of net sales to customers. As of February 28, 2010, we employed 2,398 people worldwide, the majority of whom (1,580) were located in the US.

Our principal executive offices and telephone number are: Atrium, 8th floor, Strawinskylaan 3077, 1077 ZX Amsterdam, The Netherlands, Telephone: +31 20 301 2980. After implementation of Stage 2, our principal executive offices and telephone number will be Europa House, Second Floor, Harcourt Centre, Harcourt Street, Dublin 2, Republic of Ireland, Telephone: +353 1 411 6924.

The Proposal (see Section 1)

As previously announced, Stage 2 is the second step in the Proposal to effect our transformation from a public limited liability corporation registered in The Netherlands (*Naamloze Vennootschap (NV)*) to a European Company (*Societas Europaea (SE)*) with our corporate domicile in Ireland.

Pursuant to Stage 1, we completed our transformation to a European Company (*Societas Europaea (SE)*) with our corporate domicile in The Netherlands. In connection with Stage 2, our registered office and head office will move from The Netherlands to Ireland.

In connection with the implementation of Stage 1 of the Proposal, in October 2009, following shareholder approval of Stage 1, we transferred our intellectual property to a Bermudan subsidiary with its tax residence in Ireland and transferred our treasury and finance operations to an Irish subsidiary with its tax residence in Ireland. The transfer of our treasury and finance operations from The Netherlands resulted in the early termination of our participation in the Financial Risk Reserve regime in The Netherlands and will require payment of all Dutch tax due on the balance remaining in our Financial Risk Reserve account at that time, including tax due from the transfer of our intellectual property from The Netherlands.

See Financial and Accounting Impact in Section 1.3 for further information regarding costs associated with the Proposal and the costs associated with the transfer of our intellectual property and our treasury and finance operations.

Reasons for the Proposal and Related Matters (see Section 3.1)

Following a multi-year review of various alternatives, your directors concluded that the Proposal was the best course of action and in the best interests of James Hardie and its shareholders and continue to believe that Stage 2 of the

Proposal should be completed, as implementation of Stage 2 will enable us to obtain all the benefits of the Proposal, including:

providing key senior managers with global responsibilities to spend more time with James Hardie's operations and in its markets;

providing more certainty for James Hardie to obtain benefits under the US/Ireland Treaty than is the case under the US/Netherlands Treaty;

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increasing our flexibility to undertake certain transactions under Irish company law, which your directors believe expands our future strategic options;

simplifying our governance structure to a single board of directors; and

permitting most shareholders to be eligible to receive dividends not subject to withholding tax.

Required Shareholder Approvals (see Section 1.5)

At the extraordinary general meeting on June 2, 2010, you will be asked to approve Stage 2 of the Proposal, which is the transformation of JHI SE to Irish SE through the relocation of our corporate domicile from The Netherlands to Ireland. Stage 2 of the Proposal requires the approval of 662/3% of shareholder votes cast at a properly held meeting at which at least 5% of our issued share capital is present or represented.

Recommendation of Your Directors (see Section 20)

Your directors continue to believe that the Proposal is the best course of action at this time and is in the best interests of James Hardie and its shareholders.

Holdings by our Directors and Officers of CUFS and ADSs (see Section 0)

As of February 28, 2010, your directors and executive officers and their affiliates held 391,739 (or about 0.09%) of our then outstanding CUFS and 3,800 of our then outstanding ADSs (or about 0.52%). As of February 28, 2010 all directors, executive officers and their affiliates as a group, held an aggregate of 0.095% of the outstanding shares entitled to vote at the extraordinary general meeting.

Rights of Shareholders (see Sections 4.4, 4.5 and 4.7)

As part of the implementation of Stage 2, Irish SE will adopt a form of memorandum and articles of association consistent with Irish company law and the SE Regulation and the rights of shareholders will undergo more substantial changes than in Stage 1. In addition, the Irish takeover regime will apply to Irish SE.

The most significant of the changes in Stage 2 from those applying to Dutch SE include:

holders of 10% of Irish SE's issued share capital, as compared to 1% (which we believe will likely be raised to 3% the first half of 2010) of JHI SE's issued share capital or holders of JHI SE shares representing at least EUR 50 million in value (which we believe will likely be abolished), having the right, subject to complying with specified time periods and providing specified information, to request that the board place a matter on the agenda of any general meeting;

holders of 10% of Irish SE's issued share capital, as compared to either 5% of JHI SE's issued share capital or at least 100 shareholders of JHI SE, having the right to request the board to call an extraordinary general meeting and, subject to complying with specified time periods and providing specified information, to request the board to place items on the agenda for such meeting;

holders of 10% of Irish SE's issued share capital, as compared to any shareholder of JHI SE, having the right, subject to complying with specified time periods and providing specified information, to nominate candidates for election as directors at any general meeting;

a takeover offer will, in general, be required of a person who acquires 30% or more of the voting rights of Irish SE, as compared to 20% of the voting rights of JHI SE;

a person who acquires 80% or more of Irish SE's issued share capital through acceptances of an offer to all shareholders, as compared to 95% of JHI SE's issued share capital, can compel the acquisition of the remaining outstanding issued share capital; and

a change from a two-tiered board to a single-tiered board.

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In connection with the Stage 1 extraordinary general meeting, we received comments on the proposed articles of association for Irish SE. Based on that feedback, we committed to solicit comments on the proposed articles of association for Irish SE prior to presenting them to shareholders for approval in connection with Stage 2.

Since then, we have reviewed the comments we received in connection with Stage 1 and have met with and received comments from a number of groups. The Due Diligence Committee and Supervisory Board reviewed these comments, including considering advice from external counsel about the ability to implement some of the comments under the ASX Listing Rules and Irish law. Following their review, your directors made a number of changes to the proposed articles of association for Irish SE as described in this Explanatory Memorandum.

The most significant changes to the proposed articles of association for Irish SE from the articles previously proposed in connection with Stage 1 of the Proposal are:

Removing the ability of directors of Irish SE to remove a fellow director; this power is now reserved for shareholders;

Simplifying the specified time periods and information required for shareholders to request the board to put items of business on the agenda of general meetings or nominate directors;

Increasing the minimum notice period for all extraordinary general meetings from 14 to 21 days; and

Setting the threshold for shareholders to request the board to put items of business on the agenda of general meetings or nominate directors at 10% of Irish SE's issued share capital.

We encourage you to read "Shareholder Input and Comments Regarding Irish SE Articles of Association" in Section 4.4, "Summary of Key Corporate Law Differences Between JHI SE and Irish SE" in Section 4.5 and "Principal Differences Between the Takeover Regime under the Articles of Association of JHI SE and the Irish Takeover Rules" in Section 4.7 for further details of the consultation process undertaken by the company and a more detailed discussion of these differences.

You will continue to hold the same number of CUFS or ADSs in Irish SE (if Stage 2 of the Proposal is approved and implemented) as you held beforehand. The current certificates and holding statements evidencing your CUFS or ADSs will continue to evidence the same number and kind of securities following implementation of Stage 2 of the Proposal.

Impact on Asbestos Funding Arrangements with AICF (see Section 3.2)

The Proposal will not change the overall commitment of James Hardie to make contributions to the AICF under the AFFA. However, if, as seems likely, a contribution is due to the AICF in our financial year ending March 31, 2011, it will be reduced by an amount of up to 35% of the costs associated with the Proposal incurred in the financial year ending March 31, 2010.

Whether, and to what extent, the costs associated with the Proposal actually reduce any contribution due to the AICF in our financial year ending March 31, 2011 will ultimately depend on the amount of the contribution otherwise required to be made under the AFFA and the company's net cash provided by operating activities for our financial year ending March 31, 2010 before taking account of these costs.

The capacity of the AICF to satisfy claims is linked to the long-term financial success of James Hardie, especially the company's ability to generate net operating cash flow.

On November 7, 2009, the Australian Government announced that it will provide a loan facility of up to A\$160 million to the New South Wales Government that will go towards a standby loan facility of up to A\$320 million to be made available by the New South Wales Government to the AICF to meet any short-term funding shortfalls. The standby loan facility will be entered into by the New South Wales Government, the AICF and certain of our former companies, Amaca Pty Ltd, Amaba Pty Ltd and ABN 60 Pty Limited.

In order to authorise the AICF to enter into the standby loan facility, the New South Wales Government has passed the James Hardie Former Subsidiaries (Winding-Up and Administration) Amendment Act 2009 (assented

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on December 14, 2009), which authorises and approves the loan facility agreement, associated guarantees and security, and ensures that the AICF has the authority to repay the loan.

The provision of the standby loan facility to the AICF will be available for drawing for a period of ten years and does not reduce James Hardie's obligations under the AFFA. Drawdowns on the facility will be made once per year or more frequently if needed and the former James Hardie companies will provide security over insurance proceeds in favour of the New South Wales Government.

The AFFA will continue to operate in accordance with the terms negotiated by all parties and the obligation to pay claimants remains with the AICF, and its primary source of funding is expected to continue to be contributions from James Hardie.

Financial and Accounting Impact (see Section 1.3)

The significant financial and accounting impacts from the implementation of the Proposal and the transfer of our intellectual property and treasury and finance operations in connection with the Proposal are described below.

Transaction and implementation costs in connection with the Proposal and the transfer of our intellectual property and treasury and finance operations currently are calculated to be approximately US\$63 million. This includes approximately US\$20 million in advisory fees and other expenses incurred in connection with the implementation of Stage 1, and approximately US\$41 million in Dutch taxes as a result of a capital gain on the transfer of our intellectual property and treasury and finance operations out of the Financial Risk Reserve regime in The Netherlands and the termination of that regime. The remaining estimated costs of approximately US\$2 million consist primarily of advisory fees and other expenses expected to be incurred in connection with the implementation of Stage 2, including costs related to the establishment of a new head office in Ireland.

Primarily due to our utilization of Dutch net operating losses incurred during our financial year ending March 31, 2010, we expect the total cash costs of the Proposal to be approximately US\$53 million. Of this approximately US\$53 million cash cost, approximately US\$10 million was paid in our financial year ending March 31, 2009, approximately US\$21 million is expected to be paid in our financial year ending March 31, 2010 and the balance of approximately US\$22 million is expected to be paid in our financial year ending March 31, 2011.

Our calculation of the Dutch tax due is based on our correspondence with the Dutch Tax Authority on the Dutch tax consequences of the transfer of our intellectual property and treasury and finance operations from The Netherlands. Once the Company receives tax assessments from the Dutch Tax Authority for our financial years ending March 31, 2010 and March 31, 2011, we will be in a position to complete the calculation of the transaction and implementation costs. Until then, the total costs of the Proposal may differ from our calculation and the amount of that difference could be material.

Our consolidated annual accounts will continue to be prepared under Generally Accepted Accounting Principles applicable in the US (which we refer to as US GAAP). Commencing with the first financial year end after Stage 2 of the Proposal is completed (i.e., year ended March 31, 2011 if Stage 2 is implemented prior to April 1, 2011) in order to comply with Irish law, we also will prepare consolidated annual accounts under modified US GAAP, which is US GAAP to the extent that it is not inconsistent with Irish company law. The annual entity accounts of Irish SE also will be prepared under Generally Accepted Accounting Principles applicable in Ireland (which we refer to as Irish GAAP).

In connection with the approval of Stage 2, we are asking shareholders to approve the abolishment of the merger revaluation reserve established in connection with our 2001 reorganisation and set off the amount at the

expense of share premium and retained earnings in order to maintain the historical cost bases of our consolidated net assets from directly before the 2001 reorganisation. If this reclassification is approved in connection with Stage 2 of the Proposal, the amounts available to Irish SE for distribution as dividends and to repurchase shares will be substantially the same as for JHI SE.

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After implementation of Stage 2, Irish SE's ability to pay dividends and repurchase shares will be subject to Irish company law and will be determined based on profits accounted for in the individual accounts of Irish SE, calculated under Irish GAAP. However, as a result of the proposed reclassification referred to above, we do not believe these changes will have a material impact on Irish SE's ability to pay dividends or repurchase shares as compared to JHI SE.

A more detailed explanation of the accounting and financial impact of implementing the Proposal is described under the heading "Financial and Accounting Impact" in Section 1.3.

Accounting Treatment of the Proposal (see Section 6)

Under US GAAP, completing Stage 2 of the Proposal will have no impact on our consolidated financial statements.

Stock Exchange Listings (see Section 3.5)

After our transformation to Irish SE, Irish SE's securities will continue to be quoted on the ASX in the form of CUFS (with CHESSE Depository Nominees Pty Limited being the registered holder of the underlying shares and each CUFS representing one underlying share) and the NYSE in the form of ADSs (with The Bank of New York Mellon as the registered owner of CUFS and each ADS representing 5 CUFS/underlying shares). We intend to continue to maintain listings under the symbol "JHX" on both the ASX and the NYSE.

Dissenters' Rights (see Section 20)

Under Dutch company law, shareholders do not have dissenters' or appraisal rights in connection with the Proposal.

Material Tax Consequences for Shareholders (see Section 8)

For a detailed discussion of the material Australian, US federal, Dutch, Irish and UK tax consequences of Stage 2 of the Proposal for our shareholders, see "Material Tax Considerations of the Proposal" in Section 8.

The tax consequences of the Proposal for you will depend upon the facts of your situation. You should consult your own tax advisors for a full understanding of the tax consequences of the Proposal for you.

Notice for CUFS holders and ADS holders entitled to an exemption

Following implementation of Stage 2 of the Proposal, all of Irish SE's shareholders will *prima facie* be subject to Irish dividend withholding tax (See "Irish Tax Consequences of the Proposal - Irish SE Shareholders Taxation" in Section 8.4.2).

Shareholders who reside in an EU member country other than Ireland or in a country with which Ireland has a double tax treaty may be entitled to an exemption from Irish dividend withholding tax subject to the non-resident declaration procedures described below. However, where such shareholders held their shares on June 23, 2009, they will generally be able to receive dividends without any dividend withholding tax for a period of one year from the date on which Stage 2 of the Proposal is implemented. Shareholders who acquire their shares after that date will not be entitled to this one year grace period and will be subject to the non-resident declaration procedures described below.

After this one-year period, shareholders who reside in an EU member country other than Ireland or in a country with which Ireland has a double tax treaty must complete and send to Irish SE a non-resident declaration form in order to

have no Irish dividend withholding tax. If the appropriate declaration is not made, these shareholders will be liable for Irish dividend withholding tax of 20% on dividends paid by Irish SE and may not be entitled to offset this tax. In this case, it would be necessary for shareholders to apply for a refund of the withholding tax directly from the Irish Revenue authorities.

Australian resident shareholders who have not made the appropriate declaration will not be entitled to an offset for the Irish dividend withholding tax against their Australian income tax liability (See Australian Income Tax

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Consequences of the Proposal Dividends and Distributions from us after our transformation to Irish SE in Section 8.1.2.3) and will need to apply for a refund of the withholding tax directly from the Irish Revenue authorities.

The company announced on May 20, 2009 that it would omit the year-end dividend to conserve capital and that, until such time as market and global conditions improve significantly and the level of uncertainty surrounding future industry trends, as well as company-specific contingencies dissipate, it is expected that the company will continue to omit dividends in order to conserve capital.

Notwithstanding this, we recommend that the appropriate declaration is made by all shareholders who do not reside in Ireland. The appropriate declaration forms are available from our website, www.jameshardie.com, select James Hardie Investor Relations.

Notice for ADS holders with a registered address in the U.S.

Following implementation of Stage 2 of the Proposal, ADS holders with a registered address in the US will be entitled to an automatic exemption from Irish dividend withholding tax. This means that they will not be required to complete a non-resident declaration form in order to have no Irish dividend withholding tax (See Irish Tax Consequences of the Proposal Irish SE Shareholders Taxation in Section 8.4.2).

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The following is our summary selected consolidated financial information for each of the years in the five-year period ended March 31, 2009 and the nine-month periods ended December 31, 2008 and December 31, 2009. The data is derived from, and should be read together with our report on Form 20-F filed on June 25, 2009 and our report on Form 6-K furnished on February 12, 2010, which are incorporated by reference into this Explanatory Memorandum. See "Where You Can Find Additional Information" in Section 12.

Historical financial data is not necessarily indicative of our future results and you should not unduly rely on it.

We prepare our consolidated financial statements in accordance with US GAAP as outlined in note 2 to our audited consolidated financial statements included in our report on Form 20-F filed on June 25, 2009.

JAMES HARDIE INDUSTRIES N.V.

| | Nine Months Ended December 31 | | Fiscal Year Ended March 31, | | | | |
|--|--|-------------|------------------------------------|-------------|-------------|-------------|-------------|
| | 2009 | 2008 | 2009 | 2008 | 2007 | 2006 | 2005 |
| | (Unaudited) | | | | | | |

**In million US\$
(except sales price per unit and per share data)**

**Consolidated Statements
of Operations Data:**

| | | | | | | | |
|--|--------|--------|---------|---------|---------|---------|---------|
| Net Sales | | | | | | | |
| USA and Europe Fibre Cement | 631.3 | 740.6 | 929.3 | 1,170.5 | 1,291.2 | 1,246.7 | 974.3 |
| Asia Pacific Fibre Cement | 218.4 | 220.7 | 273.3 | 298.3 | 251.7 | 241.8 | 236.1 |
| Total net sales | 849.7 | 961.3 | 1,202.6 | 1,468.8 | 1,542.9 | 1,488.5 | 1,210.4 |
| Operating (loss) income | (32.8) | 334.0 | 173.6 | (36.6) | (86.6) | (434.9) | 196.2 |
| Interest expense | (4.8) | (7.4) | (11.2) | (11.1) | (12.0) | (7.2) | (7.3) |
| Interest income | 2.9 | 5.5 | 8.2 | 12.2 | 5.5 | 7.0 | 2.2 |
| Other income (expense) | 6.0 | | (14.8) | | | | (1.3) |
| (Loss) income from continuing operations before income taxes | (28.7) | 332.1 | 155.8 | (35.5) | (93.1) | (435.1) | 189.8 |
| Income tax (expense) benefit | (53.9) | (66.2) | (19.5) | (36.1) | 243.9 | (71.6) | (61.9) |
| (Loss) income from continuing operations | (82.6) | 265.9 | 136.3 | (71.6) | 150.8 | (506.7) | 127.9 |

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| | | | | | | | |
|---|---------|--------|--------|---------|---------|---------|---------|
| Net (loss) income | (82.6) | 265.9 | 136.3 | (71.6) | 151.7 | (506.7) | 126.9 |
| (Loss) income from continuing operations per common share basic | (0.19) | 0.62 | 0.32 | (0.16) | 0.32 | (1.10) | 0.28 |
| Net (loss) income per common share basic | (0.19) | 0.62 | 0.32 | (0.16) | 0.33 | (1.10) | 0.28 |
| (Loss) income from continuing operations per common share diluted | (0.19) | 0.61 | 0.31 | (0.16) | 0.32 | (1.10) | 0.28 |
| Net (loss) income per common share diluted | (0.19) | 0.61 | 0.31 | (0.16) | 0.33 | (1.10) | 0.28 |
| Dividends paid per share | | 0.08 | 0.08 | 0.27 | 0.09 | 0.10 | 0.03 |
| Book value per share ⁽¹⁾ | (0.30) | (0.09) | (0.25) | (0.47) | 0.55 | 0.20 | 1.36 |
| Weighted average number of common shares outstanding | | | | | | | |
| Basic | 432.7 | 432.2 | 432.3 | 455.0 | 464.6 | 461.7 | 458.9 |
| Diluted | 432.7 | 433.5 | 434.5 | 455.0 | 466.4 | 461.7 | 461.0 |
| Consolidated Cash Flow Information: | | | | | | | |
| Net cash provided by (used in) operating activities | 198.6 | 25.3 | (45.2) | 319.3 | (67.1) | 238.4 | 219.4 |
| Net cash used in investing activities | (35.2) | (16.8) | (26.1) | (38.5) | (92.6) | (154.0) | (149.8) |
| Net cash (used in) provided by financing activities | (122.8) | (0.8) | 25.0 | (254.4) | (136.4) | 118.7 | (27.2) |

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| | Nine Months Ended | | Fiscal Year Ended March 31, | | | | |
|---|---|-------------|------------------------------------|-------------|-------------|-------------|-------------|
| | 2009 | 2008 | 2009 | 2008 | 2007 | 2006 | 2005 |
| | (Unaudited) | | | | | | |
| | In million US\$ | | | | | | |
| | (except sales price per unit and per share data) | | | | | | |
| Other Data: | | | | | | | |
| Depreciation and amortization | 45.6 | 41.6 | 56.4 | 56.5 | 50.7 | 45.3 | 36.3 |
| Adjusted EBITDA | 12.8 | 375.6 | 230.0 | 19.9 | (35.9) | (389.6) | 232.5 |
| Capital expenditures | 35.2 | 16.8 | 26.1 | 38.5 | 92.1 | 162.8 | 153.0 |
| Volume (million square feet) | | | | | | | |
| USA and Europe Fiber Cement | 989.7 | 1,218.3 | 1,526.6 | 1,951.2 | 2,216.2 | 2,244.4 | 1,952.4 |
| Asia Pacific Fiber Cement | 292.1 | 301.4 | 390.6 | 398.2 | 390.8 | 368.3 | 376.9 |
| Average sales price per unit (per thousand square feet) | | | | | | | |
| USA and Europe Fiber Cement | 638 | 608 | 609 | 600 | 583 | 555 | 499 |
| Asia Pacific Fiber Cement (A\$) | 897 | 877 | 879 | 862 | 842 | 872 | 846 |
| Consolidated Balance Sheet Data: | | | | | | | |
| Net current assets | 64.1 | 60.2 | 149.7 | 183.7 | 259.0 | 150.8 | 180.2 |
| Total assets | 2,130.9 | 1,827.0 | 1,898.7 | 2,179.9 | 2,128.1 | 1,445.4 | 1,088.9 |
| Total debt | 192.0 | 298.2 | 324.0 | 264.5 | 188.0 | 302.7 | 159.3 |
| Common stock | 221.0 | 219.7 | 219.2 | 219.7 | 251.8 | 253.2 | 245.8 |
| Shareholders (deficit) equity | (131.1) | (37.5) | (108.7) | (202.6) | 258.7 | 94.9 | 624.7 |

(1) Book value per share is calculated by dividing total shareholders (deficit)/equity by common stock issued at December 31, 2009 and 2008 and at March 31, 2009, 2008, 2007, 2006 and 2005, respectively.

Adjusted EBITDA represents income from continuing operations before interest income, interest expense, income taxes, other non-operating expenses, net, cumulative effect of change in accounting principle, depreciation and amortization charges. The following table presents a reconciliation of adjusted EBITDA to net cash flows provided by (used in) operating activities, as this is the most directly comparable GAAP financial measure to adjusted EBITDA for each of the periods indicated: