



**Q3 FY23 MANAGEMENT PRESENTATION**  
**14 February 2023**



# 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 2022; 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 (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-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 GAAP. 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 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 GAAP measure, see the slide titled “Non-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 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 GAAP, the Company provides investors with definitions and a cross-reference from the non-GAAP financial measure used in this Management Presentation to the equivalent GAAP financial measure used in the Company’s Consolidated Financial Statements. See the section titled “Non-GAAP Financial Measures” included in the Appendix to this Management Presentation.

# AGENDA

- **Q3 FY23 Financial Results**
- **Strategy and Operations Update**
- **Questions and Answers**



Aaron Erter  
CEO



Jason Miele  
CFO



## **Q3 FY23 FINANCIAL RESULTS**

James Hardie Q3 FY23 Results  
**GLOBAL RESULTS**

	Q3 FY23	9 Months FY23
Sales Volume	1,026.4 mmsf -11%	3,403.3 mmsf -2%
Net Sales	US\$860.8 M -4%	US\$2,859.3 M +8%
Adjusted EBIT <sup>1</sup>	US\$165.4 M -19%	US\$592.3 M FLAT
Adjusted Net Income <sup>2</sup>	US\$129.2 M -16%	US\$459.3 M +4%
Operating Cash Flow		US\$432.1 M -22%
Adjusted EBITDA Margin <sup>1</sup>	24.3 % -3.0 pts	25.1 % -1.7 pts

All changes presented are versus prior corresponding period

1 Excludes asbestos related expenses and adjustments

2 Excludes asbestos related expenses and adjustments, and tax adjustments

- All 3 regions are simultaneously executing on the Global Strategy
- 4% decrease in Q3 FY23 Net Sales
- 19% decrease in Q3 FY23 Adjusted EBIT
- 16% decrease in Q3 FY23 Adjusted Net Income
- 8% increase in YTD Net Sales and a 4% increase in YTD Adjusted Net Income
- Restructuring
  - Global head count reduction of approximately 6%
  - Restructuring charges of US\$6.0 million in the third quarter

## NORTH AMERICA SUMMARY

	Q3 FY23	9 Months FY23
Sales Volume	<b>700.5</b> mmsf -10%	<b>2,334.9</b> mmsf +2%
Price/Mix	+10%	+13%
Net Sales	<b>US\$645.4</b> M FLAT	<b>US\$2,136.1</b> M +15%
EBIT	<b>US\$174.1</b> M -5%	<b>US\$578.7</b> M +8%
EBIT Margin	<b>27.0</b> % -1.4 pts	<b>27.1</b> % -1.7 pts
EBITDA Margin	<b>31.9</b> % -1.1 pts	<b>31.5</b> % -1.8 pts

*All changes presented are versus prior corresponding period*

- Flat Q3 FY23 Net Sales
  - 10% decline in volumes offset by 10% Price/Mix growth
  - Continued execution in driving High Value Product penetration with our customers
  - ColorPlus® volumes +18%
- 5% decrease in Q3 FY23 EBIT with an EBIT Margin of 27.0%
  - Lower volumes
  - Execution of LEAN manufacturing
  - Inflationary pressures for key raw materials including pulp, natural gas, labor and cement
  - Lower SG&A through optimization while still significantly investing in growth
- 15% increase in YTD Net Sales and an 8% increase in YTD EBIT

James Hardie Q3 FY23 Results  
**APAC SUMMARY**

	Q3 FY23	9 Months FY23
Sales Volume	<b>125.7</b> mmsf -19%	<b>431.8</b> mmsf -8%
Price/Mix	+6%	+9%
Net Sales	<b>A\$171.2</b> M -13%	<b>A\$582.4</b> M +1%
EBIT	<b>A\$42.3</b> M -21%	<b>A\$149.7</b> M -9%
EBIT Margin	<b>24.7</b> % -2.6 pts	<b>25.7</b> % -2.8 pts
EBITDA Margin	<b>27.4</b> % -2.1 pts	<b>28.0</b> % -2.8 pts

*All changes presented are versus prior corresponding period*

- 13% decline in Q3 FY23 Net Sales
  - 19% decline in volumes due to decelerating housing markets and reduction of customer inventories in Australia and New Zealand
  - Strong Price/Mix growth of +6%
  - Continued execution in driving High Value Product penetration
- 21% decline in Q3 FY23 EBIT at an EBIT Margin of 24.7%
  - Inflationary pressures across almost all categories, with the largest impacts from pulp, energy and freight costs
- 1% increase in YTD Net Sales and a 9% decline in YTD EBIT

## EUROPE SUMMARY

	Q3 FY23	9 Months FY23
Sales Volume	<b>200.2</b> mmsf -10%	<b>636.6</b> mmsf -10%
Price/Mix	+14%	+13%
Net Sales	<b>€101.2</b> M +4%	<b>€314.0</b> M +3%
EBIT	<b>€1.5</b> M -86%	<b>€17.3</b> M -55%
EBIT Margin	<b>1.5</b> % -9.2 pts	<b>5.5</b> % -7.0 pts
EBITDA Margin	<b>8.6</b> % -8.7 pts	<b>11.9</b> % -6.9 pts
Fiber Cement Net Sales	4%	FLAT
Fiber Gypsum Net Sales	4%	3%

All changes presented are versus prior corresponding period

- 4% increase in Q3 FY23 Net Sales
  - 10% decline in volumes as housing activity slowed
  - Strong Price/Mix growth of +14%
- €1.5 million of Q3 FY23 EBIT at an EBIT Margin of 1.5%
  - Inflationary pressures on the cost of freight and gypsum
  - €3.6 million of restructuring costs, reducing EBIT Margin by 350 basis points
- 3% increase in YTD Net Sales and a 55% decline in YTD EBIT



## CAPITAL ALLOCATION AND GUIDANCE

### CAPITAL ALLOCATION

#### Framework

- Invest in Organic Growth
- Maintain Flexible Balance Sheet
- Deploy Excess Capital to Shareholders

#### Q3 Actions

- Initiated previously announce SBB
- Purchased 1.6 million shares for total consideration of US\$31.2 million

### FULL YEAR FISCAL YEAR 2023 GUIDANCE

Management adjusts full year FY23 Adjusted Net Income<sup>1</sup> guidance to:

**US\$600 million**  
**And**  
**US\$620 million**

*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."*

<sup>1</sup> Fiscal Year 2023 Adjusted Net Income excludes asbestos related expenses and adjustments



# STRATEGY AND OPERATIONS UPDATE

# FY23 OPERATIONAL UPDATE



Significant inflation impacting operations in all three regions



Rapid, unexpected deceleration of housing markets



Strong execution of our strategy in all three regions

## US Single Family New Construction Calendar 2022 Growth Outlook<sup>1</sup>



Dec '21



Jun '22



Jan '23



## US Repair & Remodel Calendar 2022 Growth Outlook<sup>2</sup>



Dec '21



Jun '22



Jan '23



1. Average of 7 data providers and their growth forecasts for Calendar 2022 made in December of 2021 and June of 2022. January 2023 figure represents actual decrease in SFNC starts per US Census data released on 19 January 2023  
2. Average of 3 data providers and their growth forecasts/estimates for Calendar 2022 made in December of 2021, June of 2022 and January of 2023

# FY23 OPERATIONAL UPDATE



## Global FY23 Full Year Expected Results

- Global Net Sales to be a record
- Global Volume to be 2<sup>nd</sup> best fiscal year result ever
- Adjusted Net Income to be second highest ever achieved

## Regional FY23 Full Year Expected Results

- Highest ever average net sales price in every region
- Record Net Sales result in every region
- In NA and APAC EBIT Margin range of 25% to 30%

**Strong Financial Results  
Despite Market Headwinds**

# MANAGING DECISIVELY TO ACCELERATE OUR COMPETITIVE ADVANTAGES



**Continue Strong Execution of Our Strategy**



**Drive Profitable Volume Share Gain**



**Effectively Balance Our Manufacturing Network**



**Optimize SG&A for Current Market Environment**



**Continue to Invest in Profitable Growth**



## DRIVE PROFITABLE VOLUME SHARE GAIN



- Leverage strong market position in all APAC regions
- Continue to penetrate the ANZ modern look market leveraging the Hardie® Architectural Collection
- Increase penetration in Single Family New Construction and Repair & Remodel segments



- Penetrate underfloor heating market via Therm25 innovation
- Penetrate Plank market with Hardie® VL Plank product
- Penetrate multifamily Panel market with Hardie® Architectural Panels



- Continue to penetrate the Repair & Remodel segment
- Drive continued share gains in Single Family New Construction
- Be opportunistic with our capacity and strategically target underserved segments and regions

**Laser-Focused on Driving Profitable Volume Share Gains**

## DRIVE PROFITABLE VOLUME SHARE GAIN – NORTH AMERICA NEW CONSTRUCTION

**~35%<sup>1</sup> of James Hardie Volume is New Construction vs ~65%<sup>1</sup> R&R**



Deploying largest and most knowledgeable sales team in the category



Leveraging our best-in-class products and solutions to meet our changing customers needs



Leverage tactical pricing as necessary

*1. JH Estimates*

### Key Accomplishments

- ✓ Secured contracts with 24 of the top 25 national builders
- ✓ Continue to convert competitive siding materials and substrates
- ✓ Named vendor of the year by 4 customers/builders

**Aggressively Driving Profitable Volume Share Gain**

## EFFECTIVELY BALANCE OUR MANUFACTURING NETWORK



Effectively Balance Our Manufacturing Organization to  
Better Align Supply With Demand



- ✓ Deliver a lower cost per unit
- ✓ Retain flexibility to adjust production upwards as market conditions warrant
- ✓ Leverage our localized supply chain to minimize costs and ensure timely delivery of products and solutions

**Leveraging Embedded HMOS Discipline Globally**



## OPTIMIZE SG&A WHILE CONTINUING TO INVEST STRATEGICALLY



Optimize SG&A for Current Market Environment



Continue to Strategically Invest in Growth Initiatives



- ✓ Invest in marketing and sales support strategically to effectively reach all members of the value chain: Homeowners, Contractors, Homebuilders and our Customers
- ✓ Optimize marketing and sales investment to target conversions and share gain while increasing brand awareness
- ✓ Invest in talent capability in alignment with market conditions

# HOW WE ARE MANAGING OUR BUSINESS



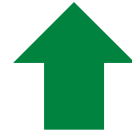
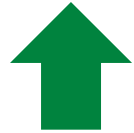
Volume

Growth Above Market

Growth Above Market

Growth Above Market

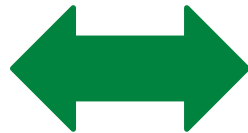
Net Price



Cost Per Unit



SG&A













EBIT Margin

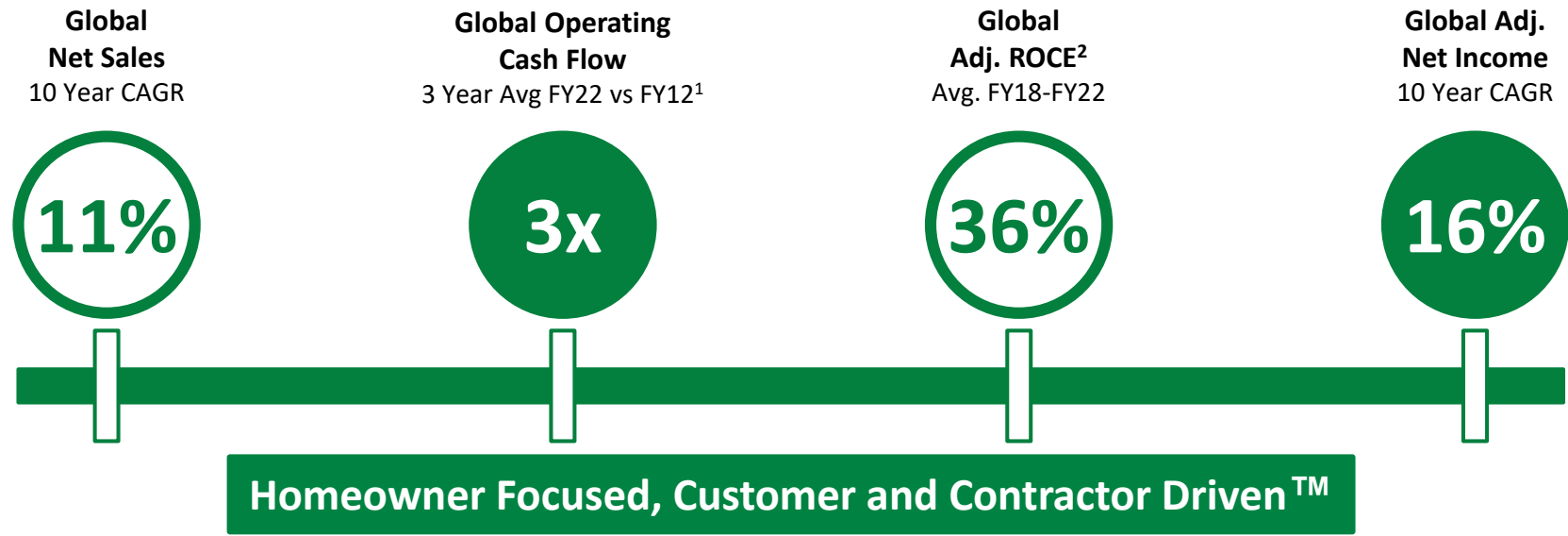
25+%

25+%

Mid Single Digits

# JAMES HARDIE – A GLOBAL GROWTH COMPANY

-  Strong Growth Opportunities
-  Brand of Choice
-  Innovation Pipeline
-  Integrated Localized Supply Chain
-  Multi-Segment Focus
-  Experienced Management Team
-  Strong Balance Sheet & Cash Generation
-  Attractive Returns
-  Premium Products and Services
-  Responsible Corporate Citizen



<sup>1</sup> Comparison of average Global Operating Cash Flow FY20-FY22 and FY10-FY12  
<sup>2</sup> Return on Capital Employed calculated as Adjusted EBIT / Adjusted Gross Capital Employed



**QUESTIONS**





# APPENDIX

# BUILDING SUSTAINABLE COMMUNITIES: ENVIRONMENTAL, SOCIAL AND GOVERNANCE

## Communities

- 75%** of employees hired locally
- 80%** of raw materials sourced within 150 miles of manufacturing facilities
- 65%** of our products are shipped within 500 miles of manufacturing facilities



## Environment

- 21%** Reduction in Scope 1 and Scope 2 greenhouse gas intensity<sup>1</sup> (MT CO2e/\$ revenue) in CY21  
**GOAL: 40% by 2030**
- 47%** Reduction in landfill waste intensity<sup>1</sup> (MT/\$ revenue) in CY21  
**GOAL: 50% by 2030**
- 3.87** Million additional<sup>1</sup> cubic feet of water recycled in CY21  
**GOAL: 20M cubic feet by 2030**

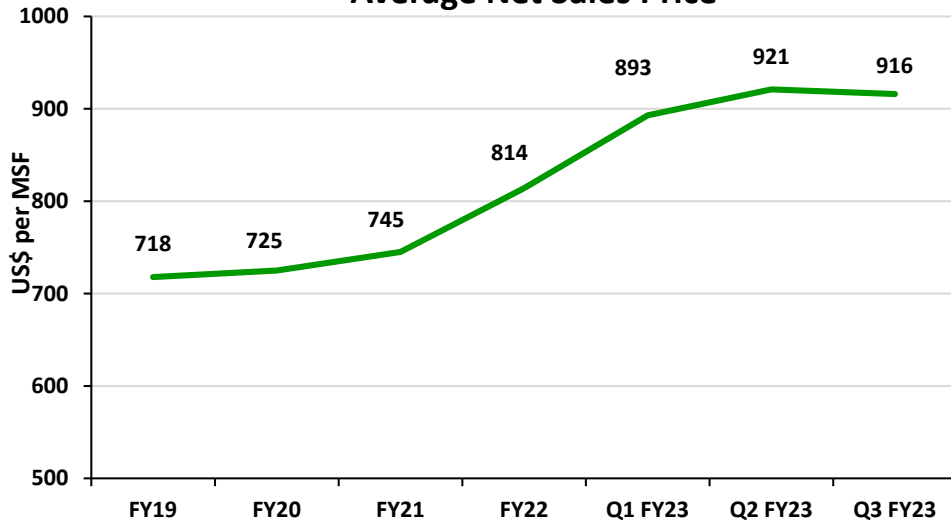
## Zero Harm

Total Recordable Incident Rate below **1.22** vs **3.8** industry average  
(TRIR) *TRIR* *Industry Average*

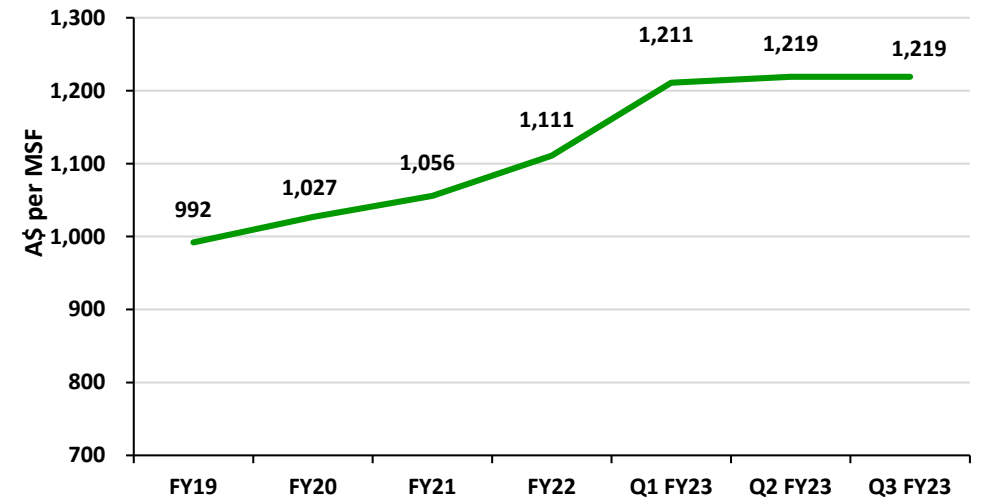
<sup>1</sup> Intensity measured from a 2019 baseline  
Further information can be found in our [FY22 Sustainability Report](#)

# DRIVING A HIGHER VALUE PRODUCT MIX – AVERAGE NET SALES PRICE

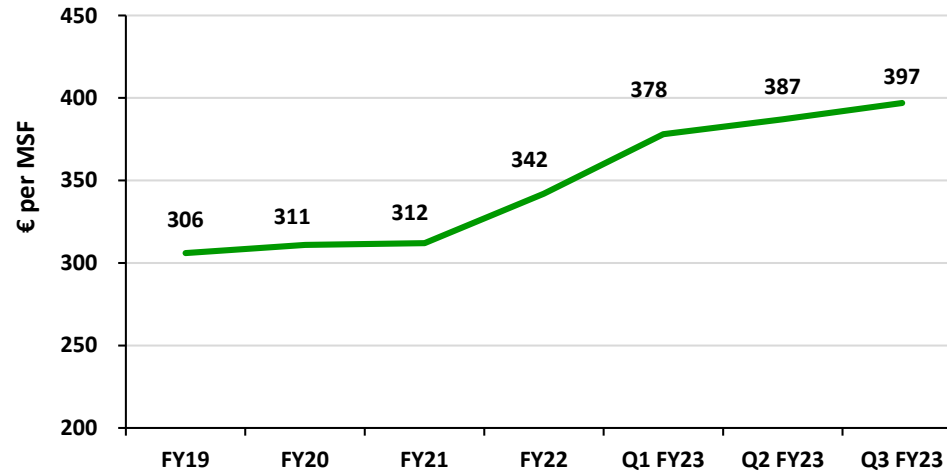
**North America**  
Average Net Sales Price



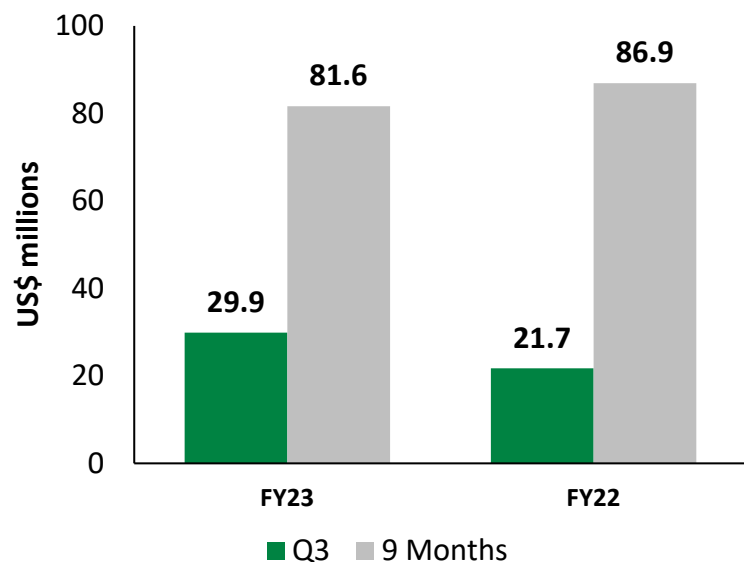
**APAC**  
Average Net Sales Price



**Europe**  
Average Net Sales Price

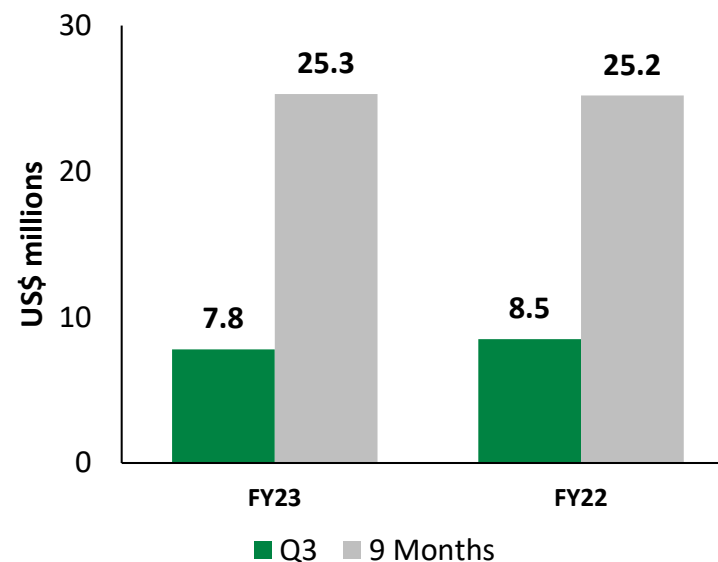


## GENERAL CORPORATE COSTS



- Q3 corporate costs increased 38% vs pcp
- Driven primarily by FX losses, legal costs, employee costs and stock compensation

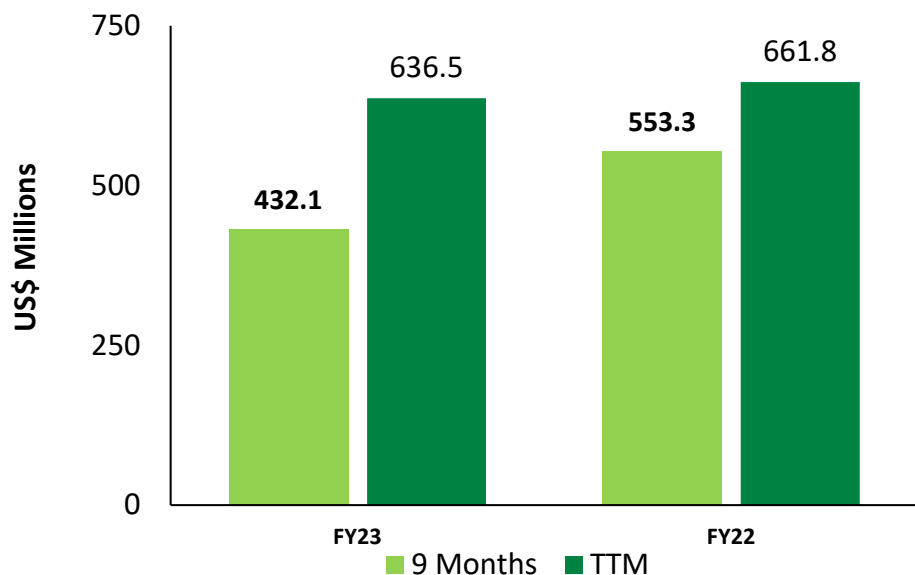
## RESEARCH & DEVELOPMENT



- Q3 R&D decreased 8% vs pcp

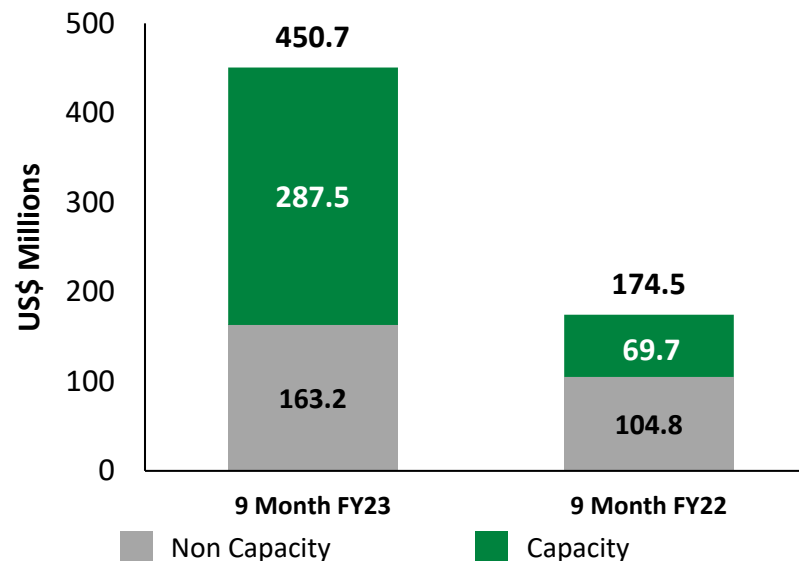


## OPERATING CASH FLOW



- YTD operating cash flows decreased 22% vs last year
- Working capital increased by US\$54.2 million, primarily due to increased inventory levels and lower accounts payable balances, partially offset by lower accounts receivable

## CAPITAL EXPENDITURES

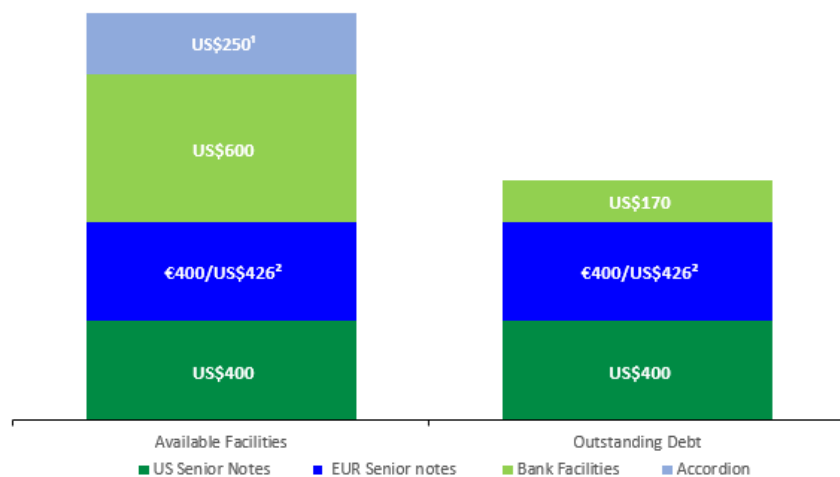


- YTD total capex of US\$450.7 million
  - North America capacity expansion project spend of US\$187.5 million
  - A\$84.2 million for land purchased in Melbourne

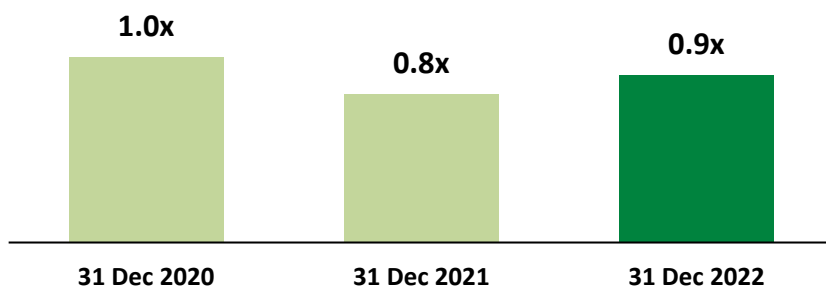
# James Hardie Q3 FY23 Results

## LIQUIDITY PROFILE

Debt Profile  
Millions



Net Leverage Ratio<sup>3</sup>



### Corporate debt structure

- €400 million (US\$425.7 million)<sup>2</sup> 3.625% senior unsecured notes, maturing 2026 (callable since October 2021)
- US\$400 million 5.00% senior unsecured notes maturing 2028 (callable in January 2023)
- US\$600 million unsecured RCF, maturing December 2026

### Net leverage and liquidity

- 0.90x leverage ratio<sup>3</sup> at 31 December 2022
- US\$532.6 million of liquidity at 31 December 2022

<sup>1</sup> 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 RCF agreement, but not credit approved. Do not anticipate accessing accordion feature

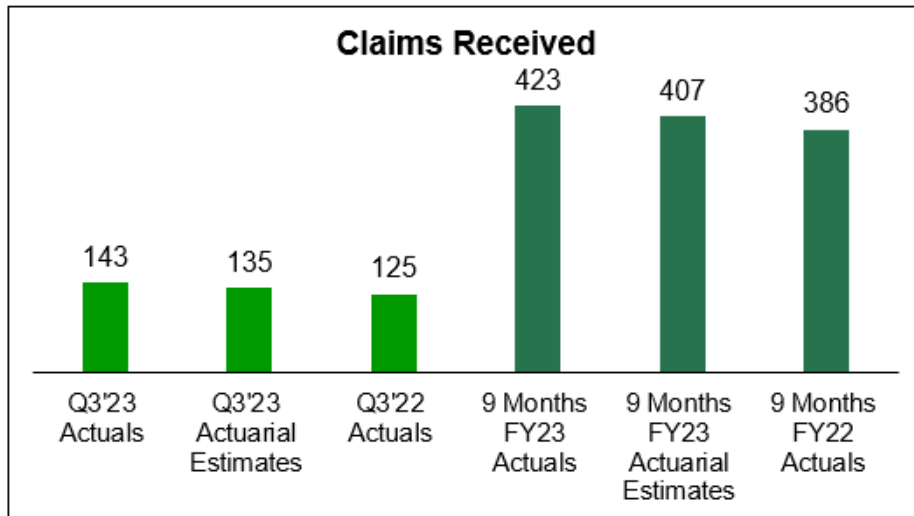
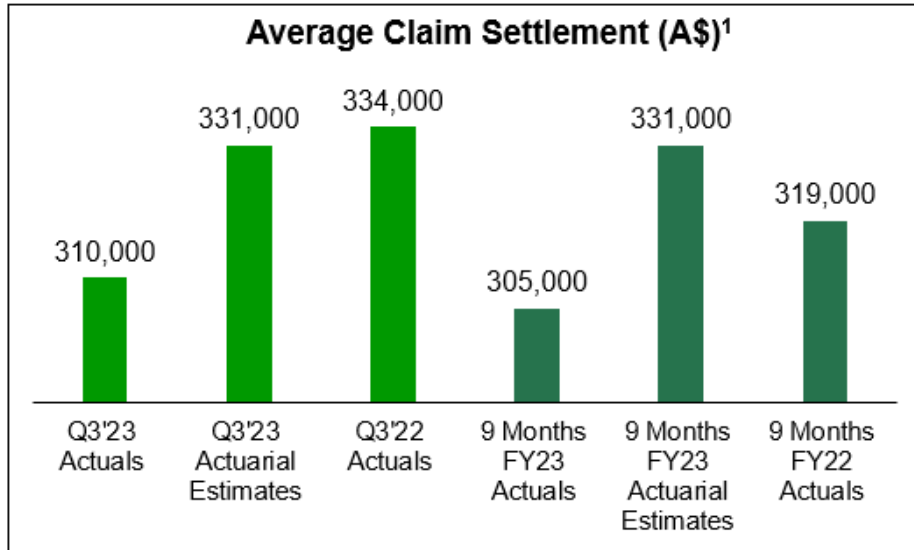
<sup>2</sup> Based on exchange rate as of 31 December 2022

<sup>3</sup> Leverage ratio is based on bank covenant definition

## DEPRECIATION AND AMORTIZATION

US\$ Millions	Three and Nine Months Ended 31 December			
	Q3 FY23	Q3 FY22	9 Months FY23	9 Months FY22
<b>Depreciation and amortization</b>				
North America Fiber Cement	\$ 32.1	\$ 29.3	\$ 94.1	\$ 83.9
Asia Pacific Fiber Cement	3.2	3.1	9.2	9.8
Europe Building Products	7.4	7.4	20.6	22.6
Research and Development	0.3	0.3	1.2	0.9
General Corporate	0.5	1.1	1.5	2.3
<b>Total Depreciation and amortization</b>	<b>\$ 43.5</b>	<b>\$ 41.2</b>	<b>\$ 126.6</b>	<b>\$ 119.5</b>

# ASBESTOS CLAIMS DATA



## Nine months ended 31 December 2022:

- Average claim settlement was 8% below actuarial estimates and 4% below pcp
- Number of claims settled were 11% above actuarial estimates
- Claims received were 4% above actuarial expectations and 10% above pcp
- Net cash outflow was flat against actuarial expectations

<sup>1</sup> Average claim settlement is derived as the total amount paid divided by the number of non-nil claims

## NON-GAAP FINANCIAL MEASURES

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

### Financial Measures – GAAP Equivalents

This document contains the financial statement line item EBIT, which is considered to be non-GAAP, but is consistent with the term used by Australian companies. Because we prepare our consolidated financial statements under GAAP, the equivalent GAAP financial Statement line item description used in our condensed consolidated financial statements is Operating income (loss).

### Definitions

**EBIT** – Earnings before interest and tax

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

**Price/Mix** – The percentage growth in revenue attributable to price increases and shift in mix of products sold. Price/Mix is calculated as the Net Sales growth percentage less the volume growth percentage.

**Working Capital** – The working capital calculation used in our cash provided by operating analysis includes the change in: (1) Accounts and other receivables, net; (2) Inventories; and (3) Accounts payable and accrued liabilities.

### 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

# NON-GAAP FINANCIAL MEASURES

## Adjusted EBIT and Adjusted EBITDA

US\$ Millions	Three and Nine Months Ended 31 December			
	Q3'23	Q3'22	9 Months FY23	9 Months FY22
<b>EBIT</b>	\$ 162.9	\$ 202.2	\$ 610.8	\$ 600.2
Asbestos:				
Asbestos adjustments loss (gain)	2.2	1.6	(19.5)	(10.8)
AICF SG&A expenses	0.3	0.3	1.0	0.9
<b>Adjusted EBIT</b>	\$ 165.4	\$ 204.1	\$ 592.3	\$ 590.3
Net sales	860.8	900.0	2,859.3	2,646.5
<b>Adjusted EBIT margin</b>	19.2%	22.7%	20.7%	22.3%
Depreciation and amortization	43.5	41.2	126.6	119.5
<b>Adjusted EBITDA</b>	\$ 208.9	\$ 245.3	\$ 718.9	\$ 709.8
Adjusted EBITDA Margin	24.3%	27.3%	25.1%	26.8%

## North America Fiber Cement Segment EBIT and EBITDA

US\$ Millions	Three and Nine Months Ended 31 December			
	Q3'23	Q3'22	9 Months FY23	9 Months FY22
<b>North America Fiber Cement Segment EBIT</b>	\$ 174.1	\$ 183.3	\$ 578.7	\$ 535.1
North America Fiber Cement Segment net sales	645.4	644.9	2,136.1	1,857.3
<b>North America Fiber Cement Segment EBIT margin</b>	27.0%	28.4%	27.1%	28.8%
Depreciation and amortization	32.1	29.3	94.1	83.9
<b>North America Fiber Cement Segment EBITDA</b>	\$ 206.2	\$ 212.6	\$ 672.8	\$ 619.0
North America Fiber Cement Segment EBITDA Margin	31.9%	33.0%	31.5%	33.3%

# NON-GAAP FINANCIAL MEASURES

## Asia Pacific Fiber Cement Segment EBIT and EBITDA

US\$ Millions	Three and Nine Months Ended 31 December			
	Q3'23	Q3'22	9 Months FY23	9 Months FY22
<b>Asia Pacific Fiber Cement Segment EBIT</b>	\$ 27.6	\$ 39.1	\$ 102.5	\$ 122.4
Asia Pacific Fiber Cement Segment net sales	112.3	143.3	399.4	429.5
<b>Asia Pacific Fiber Cement Segment EBIT margin</b>	<b>24.7%</b>	<b>27.3%</b>	<b>25.7%</b>	<b>28.5%</b>
Depreciation and amortization	3.2	3.1	9.2	9.8
<b>Asia Pacific Fiber Cement Segment EBITDA</b>	\$ 30.8	\$ 42.2	\$ 111.7	\$ 132.2
Asia Pacific Fiber Cement Segment EBITDA Margin	27.4%	29.5%	28.0%	30.8%

## Europe Building Products Segment EBIT and EBITDA

US\$ Millions	Three and Nine Months Ended 31 December			
	Q3'23	Q3'22	9 Months FY23	9 Months FY22
<b>Europe Building Products Segment EBIT</b>	\$ 1.4	\$ 11.9	\$ 18.0	\$ 44.9
Europe Building Products Segment net sales	103.1	111.8	323.8	359.7
<b>Europe Building Products Segment EBIT margin</b>	<b>1.5%</b>	<b>10.7%</b>	<b>5.5%</b>	<b>12.5%</b>
Depreciation and amortization	7.4	7.4	20.6	22.6
<b>Europe Building Products Segment EBITDA</b>	\$ 8.8	\$ 19.3	\$ 38.6	\$ 67.5
Europe Building Products Segment EBITDA Margin	8.6%	17.3%	11.9%	18.8%

# NON-GAAP FINANCIAL MEASURES

## Adjusted interest, net

US\$ Millions	Three and Nine Months Ended 31 December			
	Q3'23	Q3'22	9 Months FY23	9 Months FY22
Interest, net	\$ 7.0	\$ 10.6	\$ 24.0	\$ 30.8
AICF interest income, net	(1.5)	(0.2)	(2.5)	(0.5)
<b>Adjusted interest, net</b>	<b>\$ 8.5</b>	<b>\$ 10.8</b>	<b>\$ 26.5</b>	<b>\$ 31.3</b>

## Adjusted net income

US\$ Millions	Three and Nine Months Ended 31 December			
	Q3'23	Q3'22	9 Months FY23	9 Months FY22
Net income	\$ 100.1	\$ 135.4	\$ 430.6	\$ 406.9
Asbestos:				
Asbestos adjustments loss (gain)	2.2	1.6	(19.5)	(10.8)
AICF SG&A expenses	0.3	0.3	1.0	0.9
AICF interest income, net	(1.5)	(0.2)	(2.5)	(0.5)
Tax adjustments <sup>1</sup>	28.1	17.0	49.7	46.7
<b>Adjusted net income</b>	<b>\$ 129.2</b>	<b>\$ 154.1</b>	<b>\$ 459.3</b>	<b>\$ 443.2</b>

<sup>1</sup> Includes tax adjustments related to the amortization benefit of certain US intangible assets, asbestos, and other tax adjustments



# NON-GAAP FINANCIAL MEASURES

## Adjusted effective tax rate

US\$ Millions	Three and Nine Months Ended 31 December			
	Q3 FY23	Q3 FY22	9 Months FY23	9 Months FY22
<b>Income before income taxes</b>	\$ 156.0	\$ 191.6	\$ 599.2	\$ 569.3
Asbestos:				
Asbestos adjustments loss (gain)	2.2	1.6	(19.5)	(10.8)
AICF SG&A expenses	0.3	0.3	1.0	0.9
AICF interest income, net	(1.5)	(0.2)	(2.5)	(0.5)
<b>Adjusted income before income taxes</b>	\$ 157.0	\$ 193.3	\$ 578.2	\$ 558.9
Income tax expense	55.9	56.2	168.6	162.4
Tax adjustments <sup>1</sup>	(28.1)	(17.0)	(49.7)	(46.7)
<b>Adjusted income tax expense</b>	\$ 27.8	\$ 39.2	\$ 118.9	\$ 115.7
Effective tax rate	35.8%	29.3%	28.1%	28.5%
<b>Adjusted effective tax rate</b>	<b>17.7%</b>	<b>20.3%</b>	<b>20.6%</b>	<b>20.7%</b>

<sup>1</sup> Includes tax adjustments related to the amortization benefit of certain US intangible assets, asbestos, and other tax adjustments



**Q3 FY23 MANAGEMENT PRESENTATION**  
**14 February 2023**

