

## Management's Analysis of Results

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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 Condensed 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 ("GAAP"). These non-GAAP financial measures should not be considered to be more meaningful than the equivalent 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 asset impairments, restructuring expenses, as well as adjustments to tax expense. In addition, management provides an adjusted effective tax rate, which excludes the tax impact of the special pre-tax items (items listed above) and special tax 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 GAAP. 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's Analysis of Results, including a reconciliation of each non-GAAP financial measure to the equivalent GAAP measure, see the section titled "Non-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 GAAP, but which are consistent with financial measures reported by Australian companies. Since James Hardie prepares its condensed 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's Analysis of Results to the equivalent GAAP financial measure used in the Company's Condensed Consolidated Financial Statements. See the section titled "Non-GAAP Financial Measures."

These documents, along with an audio webcast of the Management Presentation on 8 November 2023, are available from the Investor Relations area of our website at <https://ir.jameshardie.com.au/financial-information/financial-results>.

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## Overview

James Hardie Industries plc is a world leader in the manufacturing of fiber cement building solutions, and a market leader in fiber gypsum and cement-bonded boards in Europe. Our fiber cement building materials include a wide-range of products for both external and internal use across a broad range of applications. We have four reportable segments: North America Fiber Cement, Asia Pacific Fiber Cement, Europe Building Products and Research and Development.

## 2nd Quarter Financial Highlights

US\$ Millions (except per share data)	Three Months Ended 30 September		
	FY24	FY23	Change
Net sales	\$ 998.8	\$ 997.6	—%
Gross margin (%)	40.4	35.4	5.0 pts
EBIT	223.4	226.6	(1%)
EBIT margin (%)	22.4	22.7	(0.3 pts)
Adjusted EBIT <sup>1</sup>	240.0	218.5	10%
Adjusted EBIT margin (%) <sup>1</sup>	24.0	21.9	2.1 pts
Net income	151.7	167.4	(9%)
Adjusted Net income <sup>1</sup>	178.9	175.8	2%
Diluted earnings per share	\$ 0.34	\$ 0.38	
Adjusted diluted earnings per share <sup>1</sup>	\$ 0.41	\$ 0.39	

<sup>1</sup> See section titled "Non-GAAP Financial Measures" for a reconciliation to the equivalent GAAP measure

For the quarter, the Company delivered record Adjusted EBIT and Adjusted Net Income of US\$240.0 million and US\$178.9 million, respectively.

- **Net sales** remained flat at US\$998.8 million due to an increase in average net sales price for all three operating segments offset by a volume decrease of 7% resulting from weaker global housing markets.
- **Adjusted EBIT margin** increased 2.1 percentage points to 24.0% driven by strong EBIT margin growth in all three operating segments.
- **Net income** of US\$151.7 million includes an asset impairment charge of US\$20.1 million related to the strategic decision to cancel and sell the Truganina greenfield land.
- **Adjusted Net income** of US\$178.9 million is attributable to strong performance in each of our regions, and excludes the US\$20.1 million impairment charge.

While our end markets remain uncertain, our focus remains on partnering with our customers and controlling what we can control to deliver differentiated results. We are homeowner focused, customer and contractor driven, providing the entire value chain with world class products and services.

## North America Fiber Cement Segment

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

US\$ Millions	Three and Six Months Ended 30 September					
	Q2 FY24	Q2 FY23	Change	6 Months FY24	6 Months FY23	Change
Volume (mmsf)	773.2	810.7	(5%)	1,521.0	1,634.4	(7%)
Average net sales price per unit (per msf)	US\$944	US\$921	2%	US\$934	US\$907	3%
Fiber cement net sales	734.4	750.6	(2%)	1,429.2	1,490.7	(4%)
Gross profit			11%			11%
Gross margin (%)			5.1 pts			5.5 pts
EBIT	232.7	212.8	9%	450.3	404.6	11%
EBIT margin (%)	31.7	28.4	3.3 pts	31.5	27.1	4.4 pts

### Q2 FY24 vs Q2 FY23

Net sales decreased 2% due to a 5% decrease in volumes, partially offset by a 2% increase in the average net sales price primarily related to strategic price increases. The volume decline was primarily driven by a decrease in activity in the US housing market.

Gross margin increased as a result of the following components:

Higher average net sales price	1.6 pts
Lower production and distribution costs	3.5 pts
<b>Total percentage point change in gross margin</b>	<b>5.1 pts</b>

Lower production and distribution costs resulted primarily from lower pulp and freight costs.

SG&A expenses increased 18% primarily driven by higher marketing expenses and consulting fees to help the Company further its marketing initiatives, as well as higher employee costs. As a percentage of sales, SG&A expenses increased 1.8 percentage points.

EBIT margin increased 3.3 percentage points to 31.7%, driven by higher gross margin, partially offset by higher SG&A expenses.

### Six Months FY24 vs Six Months FY23

Net sales decreased 4% due to a 7% decrease in volumes, partially offset by a 3% increase in the average net sales price primarily due to strategic price increases. The volume decline was driven by a decrease in activity in the US housing market.

Gross margin increased as a result of the following components:

Higher average net sales price	1.9 pts
Lower production and distribution costs	3.6 pts
<b>Total percentage point change in gross margin</b>	<b>5.5 pts</b>

Lower production and distribution costs resulted primarily from lower freight and pulp costs.

SG&A expenses increased 7% primarily driven by higher marketing costs, as well as higher consulting and employee costs. As a percentage of sales, SG&A expenses increased 1.0 percentage points.

EBIT margin increased 4.4 percentage points to a record 31.5%, driven by higher gross margin, partially offset by higher SG&A 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 and Six Months Ended 30 September					
	Q2 FY24	Q2 FY23	Change	6 Months FY24	6 Months FY23	Change
Volume (mmsf)	142.5	155.9	(9%)	280.9	306.1	(8%)
Average net sales price per unit (per msf)	US\$916	US\$833	10%	US\$912	US\$848	8%
Fiber cement net sales	147.4	144.3	2%	287.5	287.1	—%
Gross profit			10%			12%
Gross margin (%)			2.8 pts			4.2 pts
EBIT	44.4	38.3	16%	90.9	74.9	21%
EBIT margin (%)	30.2	26.6	3.6 pts	31.6	26.1	5.5 pts

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

A\$ Millions	Three and Six Months Ended 30 September					
	Q2 FY24	Q2 FY23	Change	6 Months FY24	6 Months FY23	Change
Volume (mmsf)	142.5	155.9	(9%)	280.9	306.1	(8%)
Average net sales price per unit (per msf)	A\$1,401	A\$1,219	15%	A\$1,380	A\$1,215	14%
Fiber cement net sales	225.1	211.1	7%	434.8	411.2	6%
Gross profit			14%			18%
Gross margin (%)			2.8 pts			4.2 pts
EBIT	67.9	56.1	21%	137.4	107.4	28%
EBIT margin (%)	30.2	26.6	3.6 pts	31.6	26.1	5.5 pts

## Q2 FY24 vs Q2 FY23 (A\$)

Net sales increased 7% to A\$225.1 million, driven by a 15% increase in the average net sales price resulting from strategic price increases, partially offset by lower volumes of 9%. The decline in volumes is attributable to weaker market conditions in all countries.

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

Higher average net sales price	7.4 pts
Higher production and distribution costs	(4.6 pts)
<b>Total percentage point change in gross margin</b>	<b>2.8 pts</b>

Higher production and distribution costs resulted primarily from higher value product mix, partially offset by lower input costs and freight costs.

SG&A expenses decreased A\$0.6 million and as a percentage of sales SG&A expenses decreased 1.0 percentage point.

EBIT margin of 30.2% increased 3.6 percentage points, driven by higher gross margin and lower SG&A expenses.

## Six Months FY24 vs Six Months FY23 (A\$)

Net sales increased 6%, driven by a 14% increase in the average net sales price resulting from strategic price increases, partially offset by lower volumes of 8% as we experienced weaker market conditions in all countries.

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

Higher average net sales price	6.9 pts
Higher production and distribution costs	(2.7 pts)
<b>Total percentage point change in gross margin</b>	<b>4.2 pts</b>

Higher production and distribution costs resulted primarily from higher value product mix.

SG&A expenses decreased 7%, primarily driven by lower professional services. As a percentage of sales, SG&A expenses decreased 1.4 percentage points.

EBIT margin of 31.6% increased 5.5 percentage points, driven by higher gross margin and lower SG&A 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 and Six Months Ended 30 September					
	Q2 FY24	Q2 FY23	Change	6 Months FY24	6 Months FY23	Change
Volume (mmsf)	175.0	207.0	(15%)	362.0	436.4	(17%)
Average net sales price per unit (per msf)	US\$529	US\$408	30%	US\$525	US\$413	27%
Fiber cement net sales	20.5	17.0	21%	41.5	35.6	17%
Fiber gypsum net sales <sup>1</sup>	96.5	85.7	13%	194.9	185.1	5%
Net sales	117.0	102.7	14%	236.4	220.7	7%
Gross profit			59%			31%
Gross margin (%)			8.7 pts			5.3 pts
EBIT	12.5	4.5	178%	24.3	16.6	46%
EBIT margin (%)	10.7	4.3	6.4 pts	10.3	7.4	2.9 pts

<sup>1</sup> Also includes cement bonded board net sales

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

€ Millions	Three and Six Months Ended 30 September					
	Q2 FY24	Q2 FY23	Change	6 Months FY24	6 Months FY23	Change
Volume (mmsf)	175.0	207.0	(15%)	362.0	436.4	(17%)
Average net sales price per unit (per msf)	€486	€405	20%	€482	€398	21%
Fiber cement net sales	18.9	16.9	12%	38.2	34.3	11%
Fiber gypsum net sales <sup>1</sup>	88.6	85.1	4%	179.0	178.5	—%
Net sales	107.5	102.0	5%	217.2	212.8	2%
Gross profit			47%			25%
Gross margin (%)			8.7 pts			5.3 pts
EBIT	11.5	4.4	161%	22.3	15.8	41%
EBIT margin (%)	10.7	4.3	6.4 pts	10.3	7.4	2.9 pts

<sup>1</sup> Also includes cement bonded board net sales

## Q2 FY24 vs Q2 FY23 (€)

Net sales increased 5% primarily related to a 20% increase in average net sales price and a €3.3 million favorable true-up related to customer rebate estimates, partially offset by a 15% decrease in volumes. The growth in average net sales price resulted from our strategic price increases and favorable product mix. The volume decrease primarily resulted from lower fiber gypsum volumes as housing market activity decreased.

The increase in gross margin is attributable to the following components:

Higher average net sales price	13.0 pts
Higher production and distribution costs	(4.3 pts)
<b>Total percentage point change in gross margin</b>	<b>8.7 pts</b>

Higher production and distribution costs resulted from increased costs of labor and energy, partially offset by lower freight and paper costs.

SG&A expenses increased 18% primarily due to higher employee and marketing costs. As a percentage of sales, SG&A expenses increased 2.0 percentage points.

EBIT margin of 10.7% increased 6.4 percentage points primarily driven by higher gross margin, partially offset by higher SG&A expenses.

## Six Months FY24 vs Six Months FY23 (€)

Net sales increased 2% primarily related to a 21% increase in average net sales price, partially offset by a 17% decrease in volumes. The growth in average net sales price was driven by our strategic price increases and a higher value product mix. The volume decrease primarily resulted from lower fiber gypsum volumes as housing market activity decreased.

The increase in gross margin is attributable to the following components:

Higher average net sales price	12.9 pts
Higher production and distribution costs	(7.6 pts)
<b>Total percentage point change in gross margin</b>	<b>5.3 pts</b>

Higher production and distribution costs resulted from increased costs of gypsum and energy, partially offset by lower freight and paper costs.

SG&A expenses increased 16% primarily due to higher employee and marketing costs. As a percentage of sales, SG&A expenses increased 2.2 percentage points.

EBIT margin of 10.3% increased 2.9 percentage points primarily driven by higher gross margin, partially offset by higher SG&A expenses.

## General Corporate

Results for General Corporate were as follows:

US\$ Millions	Three and Six Months Ended 30 September					
	Q2 FY24	Q2 FY23	Change %	6 Months FY24	6 Months FY23	Change %
General Corporate SG&A expenses	\$ 40.5	\$ 28.0	45	\$ 73.9	\$ 51.7	43
Asset Impairment - greenfield site	20.1	—	100	20.1	—	100
Asbestos:						
Asbestos adjustments (gain) loss	(3.8)	(8.5)	(55)	(3.9)	(21.7)	(82)
AICF SG&A expenses	0.3	0.4	(25)	0.7	0.7	—
General Corporate costs	<b>\$ 57.1</b>	<b>\$ 19.9</b>	<b>187</b>	<b>\$ 90.8</b>	<b>\$ 30.7</b>	<b>196</b>

General Corporate SG&A expenses for the three and six month periods increased US\$12.5 million and US\$22.2 million, respectively, driven by the recording of a provision for a receivable in Q2 FY24, higher stock compensation expenses and higher employee costs.

The Asset impairment charge of US\$20.1 million is related to the strategic decision to cancel the Truganina greenfield project and sell the land.

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. In addition, these amounts are partially offset by gains and losses on foreign currency forward contracts related to future AICF payments.

Readers are referred to Note 7 of our 30 September 2023 condensed consolidated financial statements for further information on asbestos.

## Interest, net

US\$ Millions	Three and Six Months Ended 30 September					
	Q2 FY24	Q2 FY23	Change %	6 Months FY24	6 Months FY23	Change %
Gross interest expense	\$ 12.1	\$ 11.0	10	\$ 25.5	\$ 20.9	22
Capitalized interest	(4.2)	(1.6)	163	(8.0)	(2.4)	233
Interest income	(1.2)	(0.4)	200	(2.7)	(0.5)	440
AICF interest income, net	(2.2)	(0.8)	175	(4.5)	(1.0)	350
<b>Interest, net</b>	<b>\$ 4.5</b>	<b>\$ 8.2</b>	<b>(45)</b>	<b>\$ 10.3</b>	<b>\$ 17.0</b>	<b>(39)</b>

Interest, net for the three and six month periods decreased primarily due to higher capitalized interest related to our capital expansion projects, and higher net AICF interest income driven by higher interest rates and AICF investments. These increases were partially offset by higher gross interest expense resulting from higher average outstanding balances and interest rates on our revolving credit facility.



## Income Tax

US\$ Millions	Three and Six Months Ended 30 September					
	Q2 FY24	Q2 FY23	Change	6 Months FY24	6 Months FY23	Change
Income tax expense	\$ 69.1	\$ 63.5	9%	\$ 139.7	\$ 112.7	24%
Effective tax rate (%)	31.3	27.5	3.8 pts	31.1	25.4	5.7 pts
Adjusted income tax expense <sup>1</sup>	\$ 56.3	\$ 46.2	22%	\$ 108.2	\$ 91.1	19%
Adjusted effective tax rate <sup>1</sup> (%)	23.9	20.8	3.1 pts	23.4	21.6	1.8 pts

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

The effective tax rate for the three and six month periods increased 3.8 percentage points and 5.7 percentage points, respectively, primarily due to changes in the geographic mix of earnings and asbestos and other tax adjustments. The Adjusted effective tax rate for the three and six month periods increased 3.1 percentage points and 1.8 percentage points, respectively, primarily due to a change in the geographical mix of earnings.

## Net Income

US\$ Millions	Three and Six Months Ended 30 September					
	Q2 FY24	Q2 FY23	Change %	6 Months FY24	6 Months FY23	Change %
<b>EBIT</b>						
North America Fiber Cement	\$ 232.7	\$ 212.8	9	\$ 450.3	\$ 404.6	11
Asia Pacific Fiber Cement	44.4	38.3	16	90.9	74.9	21
Europe Building Products	12.5	4.5	178	24.3	16.6	46
Research and Development	(9.1)	(9.1)	—	(17.4)	(17.5)	1
General Corporate <sup>1</sup>	(40.5)	(28.0)	(45)	(73.9)	(51.7)	(43)
<b>Adjusted EBIT</b>	<b>240.0</b>	<b>218.5</b>	<b>10</b>	<b>474.2</b>	<b>426.9</b>	<b>11</b>
<b>Net income</b>						
Adjusted interest, net <sup>1</sup>	6.7	9.0	(26)	14.8	18.0	(18)
Other income	(1.9)	(12.5)	(85)	(2.2)	(12.3)	(82)
Adjusted income tax expense <sup>2</sup>	56.3	46.2	22	108.2	91.1	19
<b>Adjusted net income</b>	<b>\$ 178.9</b>	<b>\$ 175.8</b>	<b>2</b>	<b>\$ 353.4</b>	<b>\$ 330.1</b>	<b>7</b>

<sup>1</sup> Excludes the Asset Impairment on the Truganina greenfield site in FY24 and Asbestos-related expenses and adjustments

<sup>2</sup> Includes tax adjustments related to the amortization benefit of certain US intangible assets, asbestos and other tax adjustments

Higher Adjusted net income for the three and six month periods was primarily driven by higher EBIT in our North America, Asia Pacific and Europe segments, partially offset by higher general corporate SG&A expenses and adjusted income tax expense. In addition, prior year included a US\$8.9 million gain, net of tax, related to the sale of land in Europe.

## Cash Flow

US\$ Millions	Six Months Ended 30 September			
	FY24	FY23	Change	Change %
Net cash provided by operating activities	\$ 459.1	\$ 264.6	\$ 194.5	74
Net cash used in investing activities	249.3	374.8	(125.5)	(33)
Net cash used in financing activities	212.9	24.2	188.7	780

Significant sources and uses of cash during fiscal year 2024 include:

- Cash provided by operating activities:
  - Net income, adjusted for non-cash items, of US\$507.2 million;
  - Working capital improved by US\$82.7 million, primarily due to lower inventory and higher accounts payable; and
  - Asbestos claims paid of US\$60.3 million.
- Cash used in investing activities:
  - Capital expenditures of US\$232.6 million, including global capacity expansion project spend of US\$125.2 million; and
  - AICF net investments of US\$12.8 million.
- Cash used in financing activities:
  - Repurchase of shares under the share buyback program of US\$121.3 million; and
  - US\$90.0 million in net repayments on our revolving credit facility.

## Capacity Expansion

Our capacity expansion program is guided by our expectation for sustainable long term profitable share gain. We continue to monitor macro-economic conditions and the impacts on the housing markets we do business in to ensure the program is aligned with our global strategy.

In fiscal year 2024, we estimate total Capital Expenditures will be approximately US\$550 million. During FY24 we have:

- Purchased land for our future USA Greenfield site in Crystal City, Missouri. We do not intend to begin construction of this site in FY24
- Purchased land for our future Fiber Cement Greenfield site in Europe. We do not intend to begin construction of this site in FY24
- Announced the cancellation of our plans to build a greenfield site in Truganina

In addition, in fiscal year 2024, we plan to:

- Complete construction and commissioning of ColorPlus® finishing capacity in Westfield, Massachusetts, with production commencing in Q4 of FY24
- Continue construction of Sheet Machines #3 and #4 in Prattville, Alabama, with Sheet Machine #3 expected to be completed in Q4 FY24
- Continue construction of ColorPlus® finishing capacity in Prattville, Alabama
- Continue brownfield expansion of the fiber gypsum facility in Orejo, Spain

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## Liquidity and Capital Allocation

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Our cash position increased US\$41.3 million, from US\$113.0 million at 31 March 2023 to US\$154.3 million at 30 September 2023. We also have US\$453.7 million of available borrowing capacity under our revolving credit facility at 30 September 2023.

In October 2023, we paid down the entire US\$140.0 million balance on our revolving credit facility. We also entered into a new five year US\$300.0 million Term Loan Agreement, maturing October 2028.

During fiscal year 2024, we will contribute A\$137.5 million to AICF, excluding interest, in quarterly installments; the first two payments of A\$34.4 million were made on 3 July 2023 and 3 October 2023.

Based on our existing cash balances, together with anticipated operating cash flows and unutilized credit facilities, we anticipate we will have sufficient funds to invest in our organic growth, including capital expenditures, while meeting our planned working capital, share repurchase and other expected cash requirements for the next twelve months.

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## Capital Management

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Our Capital Allocation framework prioritizes the use of free cash flow as follows:

- Invest in organic growth
- Maintain a flexible balance sheet
- Deploy excess capital to shareholders

For the quarter ended 30 September 2023, we repurchased 2.4 million shares for US\$72.3 million at an average per share price of US\$29.43. This completes our US\$200 million share buyback program announced in November 2022.

In November 2023, our board of directors approved and authorized a new share buyback plan, for an aggregate amount up to US\$250 million through 31 October 2024.

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## Financial Measures - GAAP equivalents

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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 condensed consolidated financial statements under GAAP, the equivalent GAAP financial statement line item description used in our condensed consolidated financial statements is Operating income (loss).

**EBIT** – Earnings before interest and tax.

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

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## Non GAAP Financial Terms

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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 ("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;
- Adjusted EBIT margin;
- Adjusted EBITDA;
- Adjusted EBITDA margin;
- Adjusted interest, net;
- Adjusted net income;
- Adjusted diluted earnings per share;
- Adjusted income before income taxes;
- Adjusted income tax expense; and
- Adjusted effective tax rate

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 financial measures are not meant to be considered in isolation or as a substitute for comparable GAAP financial measures and should be read only in conjunction with the Company's condensed consolidated financial statements prepared in accordance with 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.

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## Definitions

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**AFFA** – Amended and Restated Final Funding Agreement

**AICF** – Asbestos Injuries Compensation Fund Ltd

**Average net sales price per msf ("ASP")** – Total net sales of fiber cement and fiber gypsum products, excluding accessory sales, divided by the total volume of products sold

**NM** – Not meaningful

### 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

**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

## Financial Measures - GAAP equivalents

### Adjusted EBIT and Adjusted EBITDA

US\$ Millions	Three and Six Months Ended 30 September			
	Q2 FY24	Q2 FY23	6 Months FY24	6 Months FY23
<b>EBIT</b>	\$ 223.4	\$ 226.6	\$ 457.3	\$ 447.9
Asset Impairment - greenfield site	20.1	—	20.1	—
Asbestos:				
Asbestos adjustments (gain) loss	(3.8)	(8.5)	(3.9)	(21.7)
AICF SG&A expenses	0.3	0.4	0.7	0.7
<b>Adjusted EBIT</b>	\$ 240.0	\$ 218.5	\$ 474.2	\$ 426.9
Net sales	998.8	997.6	1,953.1	1,998.5
<b>Adjusted EBIT margin</b>	24.0%	21.9%	24.3%	21.4%
Depreciation and amortization	45.5	42.6	90.4	83.1
<b>Adjusted EBITDA</b>	\$ 285.5	\$ 261.1	\$ 564.6	\$ 510.0
<b>Adjusted EBITDA margin</b>	28.6%	26.2%	28.9%	25.5%

### Adjusted interest, net

US\$ Millions	Three and Six Months Ended 30 September			
	Q2 FY24	Q2 FY23	6 Months FY24	6 Months FY23
<b>Interest, net</b>	\$ 4.5	\$ 8.2	\$ 10.3	\$ 17.0
AICF interest income, net	(2.2)	(0.8)	(4.5)	(1.0)
<b>Adjusted interest, net</b>	\$ 6.7	\$ 9.0	\$ 14.8	\$ 18.0

### Adjusted net income

	Three and Six Months Ended 30 September			
	Q2 FY24	Q2 FY23	6 Months FY24	6 Months FY23
<b>Net income</b>	\$ 151.7	\$ 167.4	\$ 309.5	\$ 330.5
Asbestos:				
Asbestos adjustments (gain) loss	(3.8)	(8.5)	(3.9)	(21.7)
AICF SG&A expenses	0.3	0.4	0.7	0.7
AICF interest income, net	(2.2)	(0.8)	(4.5)	(1.0)
Asset Impairment - greenfield site	20.1	—	20.1	—
Tax adjustments <sup>1</sup>	12.8	17.3	31.5	21.6
<b>Adjusted net income</b>	\$ 178.9	\$ 175.8	\$ 353.4	\$ 330.1

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

## Adjusted diluted earnings per share

	Three and Six Months Ended 30 September			
	Q2 FY24	Q2 FY23	6 Months FY24	6 Months FY23
<b>Adjusted net income (US\$ millions)</b>	\$ 178.9	\$ 175.8	\$ 353.4	\$ 330.1
Weighted average common shares outstanding - Diluted (millions)	440.8	446.1	441.8	446.1
<b>Adjusted diluted earnings per share</b>	\$ 0.41	\$ 0.39	\$ 0.80	\$ 0.74

## Adjusted effective tax rate

US\$ Millions	Three and Six Months Ended 30 September			
	Q2 FY24	Q2 FY23	6 Months FY24	6 Months FY23
<b>Income before income taxes</b>	\$ 220.8	\$ 230.9	\$ 449.2	\$ 443.2
Asbestos:				
Asbestos adjustments (gain) loss	(3.8)	(8.5)	(3.9)	(21.7)
AICF SG&A expenses	0.3	0.4	0.7	0.7
AICF interest income, net	(2.2)	(0.8)	(4.5)	(1.0)
Asset Impairment - greenfield site	20.1	—	20.1	—
<b>Adjusted income before income taxes</b>	\$ 235.2	\$ 222.0	\$ 461.6	\$ 421.2
Income tax expense	69.1	63.5	139.7	112.7
Tax adjustments <sup>1</sup>	(12.8)	(17.3)	(31.5)	(21.6)
<b>Adjusted income tax expense</b>	\$ 56.3	\$ 46.2	\$ 108.2	\$ 91.1
Effective tax rate	31.3%	27.5%	31.1%	25.4%
<b>Adjusted effective tax rate</b>	<b>23.9%</b>	<b>20.8%</b>	<b>23.4%</b>	<b>21.6%</b>

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

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;
- 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 16 May 2023, 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; 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; 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; dependence on residential and commercial construction markets; the effect of adverse changes in climate or weather patterns; use of accounting estimates; 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.