

Management's Analysis of Results

This Management's Analysis of Results forms part of a package of information about James Hardie Industries plc's results. It should be read in conjunction with the other parts of this package, including the Media Release, the Management Presentation and the 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 pre-tax special items (items listed above) and tax special items. Management believes that this non-GAAP tax measure provides an ongoing effective rate which investors may find useful for historical comparisons and for forecasting and is an alternative method of assessing the economic impact of taxes on the Company, as it more closely approximates payments to taxing authorities. Management uses such non-GAAP financial measures for the same purposes. These non-GAAP measures should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with 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 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 Consolidated Financial Statements. See the section titled "Non-GAAP Financial Measures."

These documents, along with an audio webcast of the Management Presentation on 10 August 2021, are available from the Investor Relations area of our website at <http://www.ir.jameshardie.com.au>

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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 includes 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.

1st Quarter Financial Highlights

US\$ Millions (except per share data)	Three Months Ended 30 June		
	FY22	FY21	Change
Net sales	\$ 843.3	\$ 626.3	35%
Gross margin (%)	36.5	35.0	1.5 pts
EBIT	183.0	49.8	267%
EBIT margin (%)	21.7	8.0	13.7 pts
Adjusted EBIT ¹	180.5	124.9	45%
Adjusted EBIT margin (%) ¹	21.4	19.9	1.5 pts
Net income	121.4	9.4	NM
Adjusted Net income ¹	134.2	89.3	50%
Earnings per share - diluted	\$ 0.27	\$ 0.02	
Adjusted earnings per share - diluted ¹	\$ 0.30	\$ 0.20	

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

NM - not meaningful

- **Net sales** increased 35% to US\$843.3 million, driven by global volume growth of 25% and a higher average net sales price in North America, Europe and Australia as we began to execute driving a high value product mix strategy.
- **Gross margin** increased 150 basis points primarily from the execution of our strategy to drive a higher value product mix in North America, Europe and Australia, as well as lower production and distribution costs in the Asia Pacific operating segment.
- **Adjusted EBIT margin** increased 150 basis points due to margin improvement in all three operating segments. The shift to a high value product mix and the continued execution of LEAN enabled us to begin to invest significantly in growth, and absorb higher input and freight costs, while improving our margins. SG&A as a percentage of sales was relatively flat despite the increased marketing costs and investment in growth.

In the first quarter, the Company announced its critical strategic initiatives for the next three fiscal years. These include: (1) marketing directly to homeowners to accelerate demand creation, (2) penetrating and driving profitable growth in existing and new segments and (3) commercializing global innovations. Further, the Company reiterated its focus on continuing to drive a high value product mix in all three operating segments. The first quarter consolidated results illustrate the strong momentum of delivering on these stated strategic goals and the ninth consecutive quarter of delivering consistent global results. Additionally, three new products were commercialized during the quarter, Hardie® Textured Panels in North America, Hardie™ Fine Texture Cladding in Australia and Hardie® VL Plank in Europe, demonstrating an important step in our innovation journey.

North America Fiber Cement Segment

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

US\$ Millions	Three Months Ended 30 June		
	FY22	FY21	Change
Volume (mmsf)	738.9	609.7	21%
Fiber cement net sales	577.1	451.8	28%
Gross profit			29%
Gross margin (%)			0.4 pts
EBIT	169.3	128.4	32%
EBIT margin (%)	29.3	28.4	0.9 pts
Restructuring expenses	—	2.5	(100%)
Adjusted EBIT	169.3	130.9	29%
Adjusted EBIT margin (%)	29.3	29.0	0.3 pts

Q1 FY22 vs Q1 FY21

Net sales increased 28%, primarily driven by strong exteriors volume growth of 23%, as well as interiors volume growth of 13%. Price/mix increased 7% driven by the strategic price increase in January 2021 and the execution of our strategy to drive a higher value product mix.

The increase in gross margin is comprised of the following components:

Higher average net sales price	3.3 pts
Higher production and distribution costs	(2.9 pts)
Total percentage point change in gross margin	0.4 pts

Higher production and distribution costs primarily resulted from higher freight costs and start-up costs related to the Prattville plant. These increases were partially offset by favorable absorption of manufacturing costs on higher production volumes when compared against lower COVID-19 impacted production volumes in the prior year.

SG&A expenses increased 30%, driven by our strategy to market directly to the homeowner and strategic headcount investments in the business. As a percentage of sales, SG&A expenses increased 0.2 percentage points.

Restructuring expenses of US\$2.5 million in the prior year consist solely of severance costs related to a reduction in headcount across the region in order to strategically realign our resources.

EBIT margin increased 0.9 percentage points to 29.3%, driven by lower restructuring expenses and higher gross margin, partially offset by higher SG&A expenses as a percentage of sales.

Asia Pacific Fiber Cement Segment

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

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

US\$ Millions	Three Months Ended 30 June		
	FY22	FY21	Change
Volume (mmsf)	154.8	110.0	41%
Fiber cement net sales	141.8	91.3	55%
Gross profit			76%
Gross margin (%)			4.6 pts
EBIT	38.8	18.9	105%
EBIT margin (%)	27.4	20.7	6.7 pts
Restructuring expenses	—	3.4	(100%)
Adjusted EBIT	38.8	22.3	74%
Adjusted EBIT margin (%)	27.4	24.4	3.0 pts

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

A\$ Millions	Three Months Ended 30 June		
	FY22	FY21	Change
Volume (mmsf)	154.8	110.0	41%
Fiber cement net sales	184.1	138.7	33%
Gross profit			51%
Gross margin (%)			4.6 pts
EBIT	50.4	28.7	76%
EBIT margin (%)	27.4	20.7	6.7 pts
Restructuring expenses	—	4.9	(100%)
Adjusted EBIT	50.4	33.6	50%
Adjusted EBIT margin (%)	27.4	24.4	3.0 pts

Q1 FY22 vs Q1 FY21 (A\$)

Net sales increased 33%, as all three regions experienced strong volume growth, compared to lower volumes in the prior year due to the COVID-19 government enforced lockdowns in the Philippines and New Zealand. The 4% decrease in the average net sales price was driven by geographic mix, as a higher proportion of our sales were in the Philippines which have a lower average net sales price. Volumes in the Philippines increased 158%, which more than offset our execution of our high value product mix strategy in Australia/New Zealand, where price/mix increased 6%.

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

Lower production and distribution costs	6.4 pts
Lower average net sales price	(1.8 pts)
Total percentage point change in gross margin	<u>4.6 pts</u>

Lower production and distribution costs were driven by favorable plant performance including LEAN manufacturing savings in Australia, the efficiencies realized from shifting to an import model for the New Zealand region and a higher proportion of sales in the Philippines which have a lower cost.

SG&A expenses increased, primarily driven by higher marketing expenses and our investment in additional headcount to drive growth, compared to cost containment actions taken in the prior year. As a percentage of sales, SG&A expenses increased 1.5 percentage points.

In the prior year, restructuring expenses of A\$4.9 million consist solely of severance costs, primarily associated with our strategic decision to shift our New Zealand regional production to our two Australia based plants, and a reduction in headcount across the region to realign our resources.

EBIT margin of 27.4% represents an increase of 6.7 percentage points, primarily driven by higher gross margin and lower restructuring expenses, partially offset by higher SG&A expenses as a percentage of sales.

Europe Building Products Segment

The Europe Building Products segment is comprised of: (i) Europe Fiber Cement; and (ii) Europe Fiber Gypsum.

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

US\$ Millions	Three Months Ended 30 June		
	FY22	FY21	Change
Volume (mmsf)	246.9	192.2	28%
Fiber cement net sales	20.7	10.1	105%
Fiber gypsum net sales ¹	103.7	73.1	42%
Net sales	124.4	83.2	50%
Gross profit			78%
Gross margin (%)			4.7 pts
EBIT	16.3	(2.7)	704%
EBIT margin (%)	13.1	(3.2)	16.3 pts
Restructuring expenses	—	5.1	(100%)
Adjusted EBIT	16.3	2.4	579%
Adjusted EBIT margin (%)	13.1	2.9	10.2 pts

¹ Also includes cement bonded board net sales

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

€ Millions	Three Months Ended 30 June		
	FY22	FY21	Change
Volume (mmsf)	246.9	192.2	28%
Fiber cement net sales	17.2	9.0	91%
Fiber gypsum net sales ¹	86.1	66.4	30%
Net sales	103.3	75.4	37%
Gross profit			63%
Gross margin (%)			4.7 pts
EBIT	13.5	(2.5)	640%
EBIT margin (%)	13.1	(3.2)	16.3 pts
Restructuring expenses	—	4.5	(100%)
Adjusted EBIT	13.5	2.0	575%
Adjusted EBIT margin (%)	13.1	2.9	10.2 pts

¹ Also includes cement bonded board net sales

Q1 FY22 vs Q1 FY21 (€)

Net sales increased 37%, driven by increases in fiber cement and fiber gypsum net sales of 91% and 30%, respectively. The increase in net sales was partly driven by low volumes in the prior year resulting from the COVID-19 government enforced shutdowns in the UK and France, two of our largest markets in Europe. Additionally, the execution of our push/pull strategy and the introduction of our new Hardie® VL Plank product led to higher current quarter net sales. Price/mix increased 9%, due to our continued execution of a shift to a higher value mix in both our fiber cement and fiber gypsum product lines.

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

Higher average net sales price	4.7 pts
Production and distribution costs	— pts
Total percentage point change in gross margin	4.7 pts

Production and distribution costs were flat as a result of higher input costs, offset by LEAN manufacturing savings and the unfavorable absorption of manufacturing costs on lower production volumes in the prior year, which included the impact of the COVID-19 related closures of our manufacturing plants in Orejo, Spain and Siglingen, Germany.

SG&A expenses increased slightly from prior year. As a percentage of sales, SG&A expenses decreased 5.4 percentage points driven by higher net sales in the current year.

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

EBIT margin of 13.1% increased 16.3 percentage points, driven by lower restructuring expenses, lower SG&A expenses as a percentage of sales and higher gross margin.

General Corporate

Results for General Corporate were as follows:

US\$ Millions	Three Months Ended 30 June		
	FY22	FY21	Change %
General Corporate SG&A expenses	\$ 35.5	\$ 24.7	44
Asbestos:			
Asbestos adjustments (gain) loss	(2.8)	63.7	(104)
AICF SG&A expenses	0.3	0.3	—
General Corporate costs	\$ 33.0	\$ 88.7	(63)

General Corporate SG&A expenses increased US\$10.8 million, driven by an unfavorable movement in foreign exchange gains and losses and investment in growth initiatives including talent and expenses related to building our global brand.

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

Readers are referred to Note 6 of our 30 June 2021 condensed consolidated financial statements for further information on asbestos.

Interest, net

US\$ Millions	Three Months Ended 30 June		
	FY22	FY21	Change %
Gross interest expense	\$ 10.7	\$ 15.1	(29)
Capitalized interest	(0.5)	(2.4)	(79)
Net AICF interest income	(0.1)	(0.1)	—
Interest expense, net	\$ 10.1	\$ 12.6	(20)

Gross interest expense decreased US\$4.4 million, primarily due to the redemption of our 2025 senior unsecured notes in the fourth quarter of fiscal year 2021. The decrease in capitalized interest is primarily due to lower amount of capital expansion project spend in the current period.

Income Tax

	Three Months Ended 30 June		
	FY22	FY21	Change
Income tax expense (US\$ Millions)	51.3	28.0	83%
Effective tax rate (%)	29.7	74.9	(45.2 pts)
Adjusted income tax expense ¹ (US\$ Millions)	35.9	23.1	55%
Adjusted effective tax rate ¹ (%)	21.1	20.6	0.5 pts

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

The effective tax rate decreased 45.2 percentage points, primarily due to Asbestos and other tax adjustments and a change in geographic mix.

The Adjusted effective tax rate increased 0.5 percentage points, primarily due to a change in geographic mix.

Net Income

US\$ Millions	Three Months Ended 30 June		
	FY22	FY21	Change %
EBIT			
North America Fiber Cement ¹	\$ 169.3	\$ 130.9	29
Asia Pacific Fiber Cement ¹	38.8	22.3	74
Europe Building Products ¹	16.3	2.4	579
Research and Development	(8.4)	(6.0)	(40)
General Corporate ²	(35.5)	(24.7)	(44)
Adjusted EBIT	180.5	124.9	45
Net income			
Adjusted interest expense, net ²	10.2	12.7	(20)
Other expense (income)	0.2	(0.2)	(200)
Adjusted income tax expense ³	35.9	23.1	55
Adjusted net income	\$ 134.2	\$ 89.3	50

¹ Excludes restructuring expenses

² Excludes Asbestos-related expenses and adjustments

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

Adjusted net income of US\$134.2 million increased 50%, driven by strong performance in all operating segments, partially offset by higher adjusted income tax expense and an increase in General Corporate SG&A expenses of US\$10.8 million.

COVID-19

James Hardie continues to assess the impacts and the uncertainties of the COVID-19 pandemic on the geographic locations in which we operate, and the continuing impact of the pandemic on James Hardie's business and future financial performance still remains uncertain.

Cash Flow

US\$ Millions	Three Months Ended 30 June			
	FY22	FY21	Change	Change %
Net cash provided by operating activities	\$ 184.1	\$ 189.2	\$ (5.1)	(3)
Net cash used in investing activities	43.9	6.3	37.6	597
Net cash used in financing activities	240.0	130.1	109.9	84

Significant sources and uses of cash during the first quarter of fiscal year 2022 included:

- Cash provided by operating activities:
 - Higher net sales and profitability in each of our regions led to net income, adjusted for non-cash items, of US\$200.4 million;
 - Working capital improvements of US\$30.5 million, primarily due to an increase in accounts payable balances;
 - Decrease in accrued payroll and employee benefits related to the payment of annual bonuses;
 - Asbestos claims paid of US\$23.2 million.
- Cash used in investing activities:
 - Capital expenditures of US\$43.4 million, primarily related to maintenance projects, as well as capacity expansion at our Prattville, Alabama plant.
- Cash used in financing activities:
 - Dividend payment of US\$309.9 million;
 - Net Proceeds of US\$70.0 million from our revolving credit facility.

Capacity Expansion

We expect our capital expenditures to be approximately US\$250.0 million to US\$350.0 million annually in fiscal years 2022 through 2024. The second sheet machine at our Prattville, Alabama greenfield site was commissioned in July 2021.

Liquidity and Capital Allocation

Our cash position decreased by US\$77.4 million, from US\$208.5 million at 31 March 2021 to US\$131.1 million at 30 June 2021.

Our gross debt balance increased from US\$868.3 million at 31 March 2021 to US\$946.0 million as of 30 June 2021, primarily due to the net drawdown of US\$70.0 million from our revolving credit facility to partially fund the payment of the fiscal year 2021 special dividend paid in April 2021.

During fiscal year 2022, we will contribute A\$328.2 million to AICF in quarterly installments, the first payment of A\$82.0 million was made 1 July 2021.

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

Capital Management

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

- Preserve and enable strong liquidity position and financial flexibility;
- Invest in capacity expansion and market led innovation to support organic growth;
- Maintain leverage ratio of 1-2x; and
- Return capital to shareholders
 - Returned US\$309.9 million through special dividend in April 2021
 - Reinstating ordinary dividends in FY22, beginning with a half-year dividend to be declared in November 2021

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 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.

Non GAAP Financial Terms

This Management's Analysis of Results includes certain financial information to supplement the Company's 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;
- North America Fiber Cement Segment Adjusted EBIT;
- Asia Pacific Fiber Cement Segment Adjusted EBIT;
- Europe Building Products Segment Adjusted EBIT;
- Adjusted EBIT margin;
- North America Fiber Cement Segment Adjusted EBIT margin;
- Asia Pacific Fiber Cement Segment Adjusted EBIT margin;
- Europe Building Products Segment Adjusted EBIT margin;
- Adjusted interest expense, 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 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.

Definitions

AFFA – Amended and Restated Final Funding Agreement

AICF – Asbestos Injuries Compensation Fund Ltd

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.

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.

Financial Measures - GAAP equivalents

Adjusted EBIT

US\$ Millions	Three Months Ended 30 June	
	FY22	FY21
EBIT	\$ 183.0	\$ 49.8
Asbestos:		
Asbestos adjustments (gain) loss	(2.8)	63.7
AICF SG&A expenses	0.3	0.3
Restructuring expenses	—	11.1
Adjusted EBIT	\$ 180.5	\$ 124.9
Net sales	843.3	626.3
Adjusted EBIT margin	21.4%	19.9%

North America Fiber Cement Segment Adjusted EBIT

US\$ Millions	Three Months Ended 30 June	
	FY22	FY21
North America Fiber Cement Segment EBIT	\$ 169.3	\$ 128.4
Restructuring expenses	—	2.5
North America Fiber Cement Segment Adjusted EBIT	\$ 169.3	\$ 130.9
North America Fiber Cement segment net sales	577.1	451.8
North America Fiber Cement Segment Adjusted EBIT margin	29.3%	29.0%

Asia Pacific Fiber Cement Segment Adjusted EBIT

US\$ Millions	Three Months Ended 30 June	
	FY22	FY21
Asia Pacific Fiber Cement Segment EBIT	\$ 38.8	\$ 18.9
Restructuring expenses	—	3.4
Asia Pacific Fiber Cement Segment Adjusted EBIT	\$ 38.8	\$ 22.3
Asia Pacific Fiber Cement segment net sales	141.8	91.3
Asia Pacific Fiber Cement Segment Adjusted EBIT margin	27.4%	24.4%

Europe Building Products Segment Adjusted EBIT

US\$ Millions	Three Months Ended 30 June	
	FY22	FY21
Europe Building Products Segment EBIT	\$ 16.3	\$ (2.7)
Restructuring expenses	—	5.1
Europe Building Products Segment Adjusted EBIT	16.3	2.4
Europe Building Products segment net sales	124.4	83.2
Europe Building Products Segment Adjusted EBIT margin	13.1%	2.9%

Adjusted interest expense, net

US\$ Millions	Three Months Ended 30 June	
	FY22	FY21
Interest expense, net	\$ 10.1	\$ 12.6
AICF interest income, net	(0.1)	(0.1)
Adjusted interest expense, net	\$ 10.2	\$ 12.7

Adjusted net income

US\$ Millions	Three Months Ended 30 June	
	FY22	FY21
Net income	\$ 121.4	\$ 9.4
Asbestos:		
Asbestos adjustments (gain) loss	(2.8)	63.7
AICF SG&A expenses	0.3	0.3
AICF interest income, net	(0.1)	(0.1)
Restructuring expenses	—	11.1
Tax adjustments ¹	15.4	4.9
Adjusted net income	\$ 134.2	\$ 89.3

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

Adjusted diluted earnings per share

	Three Months Ended 30 June	
	FY22	FY21
Adjusted net income (US\$ millions)	\$ 134.2	\$ 89.3
Weighted average common shares outstanding - Diluted (millions)	445.7	445.2
Adjusted diluted earnings per share	\$ 0.30	\$ 0.20

Adjusted effective tax rate

US\$ Millions	Three Months Ended 30 June	
	FY22	FY21
Income before income taxes	\$ 172.7	\$ 37.4
Asbestos:		
Asbestos adjustments (gain) loss	(2.8)	63.7
AICF SG&A expenses	0.3	0.3
AICF interest income, net	(0.1)	(0.1)
Restructuring expenses	—	11.1
Adjusted income before income taxes	\$ 170.1	\$ 112.4
Income tax expense	51.3	28.0
Tax adjustments ¹	(15.4)	(4.9)
Adjusted income tax expense	\$ 35.9	\$ 23.1
Effective tax rate	29.7%	74.9%
Adjusted effective tax rate	21.1%	20.6%

¹ 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;
- uncertainty from the expected discontinuance of LIBOR and transition to any other interest rate benchmark;
- statements regarding the effect and consequences of the COVID-19 public health crisis;
- statements regarding tax liabilities and related audits, reviews and proceedings;
- statements regarding the possible consequences and/or potential outcome of legal proceedings brought against us and the potential liabilities, if any, associated with such proceedings;
- expectations about the timing and amount of contributions to AICF, a special purpose fund for the compensation of proven Australian asbestos-related personal injury and death claims;
- expectations concerning the adequacy of the Company's warranty provisions and estimates for future warranty-related costs;
- statements regarding the Company's ability to manage legal and regulatory matters (including but not limited to product liability, environmental, intellectual property and competition law matters) and to resolve any such pending legal and regulatory matters within current estimates and in anticipation of certain third-party recoveries; and
- statements about economic or housing market conditions in the regions in which we operate, including but not limited to, the levels of new home construction and home renovations, unemployment levels, changes in consumer income, changes or stability in housing values, the availability of mortgages and other financing, mortgage and other interest rates, housing affordability and supply, the levels of foreclosures and home resales, currency exchange rates, and builder and consumer confidence.

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

Forward-looking statements are based on the Company's current expectations, estimates and assumptions and because forward-looking statements address future results, events and conditions, they, by their very nature, involve inherent risks and uncertainties, many of which are unforeseeable and beyond the Company's control. Such known and unknown risks, uncertainties and other factors may cause actual results, performance or other achievements to differ materially from the anticipated results, performance or achievements expressed, projected or implied by these forward-looking statements. These factors, some of which are discussed under "Risk Factors" in Section 3 of the Form 20-F filed with the Securities and Exchange Commission on 18 May 2021, 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; risk and uncertainties arising out of the COVID-19 public health crisis, including the impact of COVID-19 on our business, sales, results of operations and financial condition and all other risks identified in the Company's reports filed with Australian, Irish and US securities regulatory agencies and exchanges (as appropriate). The Company cautions you that the foregoing list of factors is not exhaustive and that other risks and uncertainties may cause actual results to differ materially from those referenced in the Company's forward-looking statements. Forward-looking statements speak only as of the date they are made and are statements of the Company's current expectations concerning future results, events and conditions. The Company assumes no obligation to update any forward-looking statements or information except as required by law.