



JAMES HARDIE'S USA INVESTOR/ANALYST TOUR

14th & 15th SEPTEMBER 2017
DAY 2 PRESENTATIONS

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

This Management Presentation 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 Asbestos Injuries Compensation Fund (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 conditions, such as changes in the US economic or housing recovery or changes in the market conditions in the Asia Pacific region, 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.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

(continued)

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 2017, 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 and the effect of currency exchange rate movements on the amount recorded in the Company’s financial statements as an asbestos liability; the continuation or termination of the governmental loan facility to AICF; compliance with and changes in tax laws and treatments; competition and product pricing in the markets in which the Company operates; the consequences of product failures or defects; exposure to environmental, asbestos, putative consumer class action or other legal proceedings; general economic and market conditions; the supply and cost of raw materials; possible increases in competition and the potential that competitors could copy the Company’s products; reliance on a small number of customers; a customer’s inability to pay; compliance with and changes in environmental and health and safety laws; risks of conducting business internationally; compliance with and changes in laws and regulations; currency exchange risks; dependence on customer preference and the concentration of the Company’s customer base on large format retail customers, distributors and dealers; dependence on residential and commercial construction markets; the effect of adverse changes in climate or weather patterns; possible inability to renew credit facilities on terms favorable to the Company, or at all; acquisition or sale of businesses and business segments; changes in the Company’s key management personnel; inherent limitations on internal controls; use of accounting estimates; 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.

USE OF NON-GAAP FINANCIAL INFORMATION; AUSTRALIAN EQUIVALENT TERMINOLOGY

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

- Adjusted EBIT;
- Adjusted EBIT margin;
- Adjusted net operating profit;
- Adjusted diluted earnings per share;
- Adjusted operating profit before income taxes;
- Adjusted income tax expense;
- Adjusted effective tax rate;
- Adjusted EBITDA;
- Adjusted EBITDA excluding Asbestos; and
- Adjusted selling, general and administrative expenses (“Adjusted SG&A”)

These financial measures are or may be non-US GAAP financial measures as defined in the rules of the U.S. Securities and Exchange Commission and may exclude or include amounts that are included or excluded, as applicable, in the calculation of the most directly comparable financial measures calculated in accordance with US GAAP. These non-GAAP financial measures should not be considered to be more meaningful than the equivalent US GAAP measure. Management has included such measures to provide investors with an alternative method for assessing its operating results in a manner that is focused on the performance of its ongoing operations and excludes the impact of certain legacy items, such as asbestos adjustments. Additionally, management uses such non-GAAP financial measures for the same purposes. However, these non-GAAP financial measures are not prepared in accordance with US GAAP, may not be reported by all of the Company’s competitors and may not be directly comparable to similarly titled measures of the Company’s competitors due to potential differences in the exact method of calculation. This Management Presentation also includes financial measures and descriptions that are considered to not be in accordance with US GAAP, but which are consistent with financial measures reported by Australian companies, such as operating profit, EBIT and EBIT margin. Since the Company prepares its Consolidated Financial Statements in accordance with US GAAP, the Company provides investors with a table and definitions presenting cross-references between each US GAAP financial measure used in the Company’s Condensed Consolidated Financial Statements to the equivalent non-US GAAP financial measure used in this Management Presentation.

For additional information regarding the non-GAAP financial measures presented in this Management Presentation, including a reconciliation of each non-GAAP financial measure to the equivalent US GAAP measure, see the sections titled “Definition and Other Terms” and “Non-US GAAP Financial Measures” included in James Hardie’s Management’s Analysis of Results for the fourth quarter and twelve months ended 31 March 2017.



People & Culture

Kirk Williams

Chief Human Resources Officer

Agenda

- Overview
- Hiring Our Talent
- Developing Our Talent
- Retaining Our Talent
- Building a World-Class HR Organization
- Road to 2020: Big Bets & Early Wins
- Q&A

People – Increasing Organizational Capability



We will refocus on optimizing our organizational capability by:

- ensuring a safe work environment for everyone
- developing and growing employees at all levels
- attracting top external talent
- creating a culture of engagement
- delivering better employee retention
- being considered an Employer of Choice



HIRING OUR TALENT

New GMT Members



Kirk Williams, Chief Human Resources Officer

- 18 years of global HR leadership experience
- ADM, American Express, Honeywell, Walmart
- BA, International Relations, Kent State University
- JD, Chicago-Kent College of Law
- Licensed attorney

Jack Truong, President International Operations

- More than 25 years of global GM and executive experience
- Husky Injections Electrolux, 3M, Polaroid
- Holds a BS, MS, and PhD in Chemical Engineering from the Rensselaer Polytechnic Institute
- Fluent in English, Vietnamese, and French

Zean Nielsen, EVP Sales & Marketing

- More than 20 years of global sales leadership experience
- Tesla Motors, Bang & Olufsen
- Graduate of the Herning School of Business, HH, Denmark
- Fluent in English and Danish

Top 20 Key Roles – Progress Made

Returning Talent

SVP, Engineering
Director, Operations
Director, Operations
Director, Channel Strategy

New to JH

SVP Corporate Finance
VP, HR – Operations
Sr. Director Talent Acquisition
Director, HR – Operations
Director, HR – Operations
Sr. Director, Finance APAC

Internal Promotions

VP, Talent Management
VP, Finance – Operations
GM – Windows
Product Manager, Prime Core

Additional Recruiting Projects

Recruiting for Remaining Key Roles

Chief Technology Officer (GMT)

EVP, Manufacturing (GMT)

Sales and Strategic Accounts

Total Rewards

Material Flow

Quality

Trim

Affiliations

Transportation

Multi-Family Segment



Tacoma Plant Startup

~ 130 total employees at full production

**33% internal candidates
67% external candidates**



DEVELOPING OUR TALENT

Assessing our Talent – Consistent Approach

High Potential	"New in Role (0-6 mos)"	"Rising Star"	"Top Performer"
	<i>Action – Continue onboarding for new employees</i>	<i>Action – Stretch for varied roles</i>	<i>Action – Accelerate for significant movement</i>
Moderate Potential	"Underachiever"	"Key Performer"	"High Achiever"
	<i>Action - Performance Improvement Plan</i>	<i>Action – Challenge and test</i>	<i>Action – Groom for next role</i>
Low Potential	"Talent Concern"	"Solid Contributor"	"Expert"
	<i>Action - Performance Improvement Plan</i>	<i>Action – Sustain and develop</i>	<i>Action - Leverage expertise</i>
	Low Performer	Solid Performer	High Performer

Developing our Talent – New Programs

Emerging Leaders

Define what future success looks like in order to identify and close gaps.

Development Activities:

- Leadership potential assessment
- 360 assessment
- Debrief to review individual assessment results
- Create targeted individual development plan
- 1:1 coaching lead by certified internal JH Coach

Target Audience:

- Currently managing others
- Potential to move up 1-3 levels within the organization

Experienced Leaders

Develop and enhance core leadership skills.

Development Activities:

- Leadership potential assessment
- 360 assessment
- 3 days of classroom training on being an active leader
- Follow-up sessions via virtual roundtables and accountability teams

Target Audience:

- Managing managers or influencing change in the business
- Potential to become a direct report to GMT member in 3-5 years

Senior Leaders

Provide high touch assessments and executive coaching for maximum impact.

Development Activities:

- 2 day senior executive assessment
- 6 months of individual coaching with check-ins 2-3 times per month
- Alignment check-ins with coach and manager

Target Audience:

- Managing organizations and influencing change in the business
- Potential to join the GMT or become a direct report to GMT member in <3 years

Developing our Talent – New Programs

Individual Executive Development

Individual development programs tailored to specific executives and their specific development needs.

Programs under Consideration:

- Harvard Program for Leadership Development
- Korn Ferry Executive to Leader Institute
- Center for Creative Leadership
- Kellogg Advanced Management Program

Cohort Programs

Partnering with top business schools to consider differentiated learning tailored to JH needs.

Business Schools under Consideration:

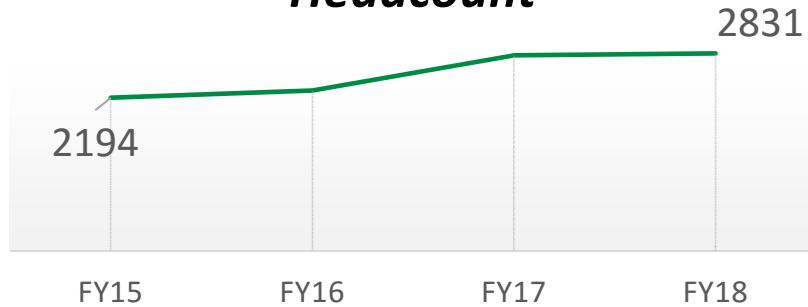
- Harvard Business School
- University of Illinois at Urbana-Champaign
- University of Wisconsin at Madison
- Northwestern University



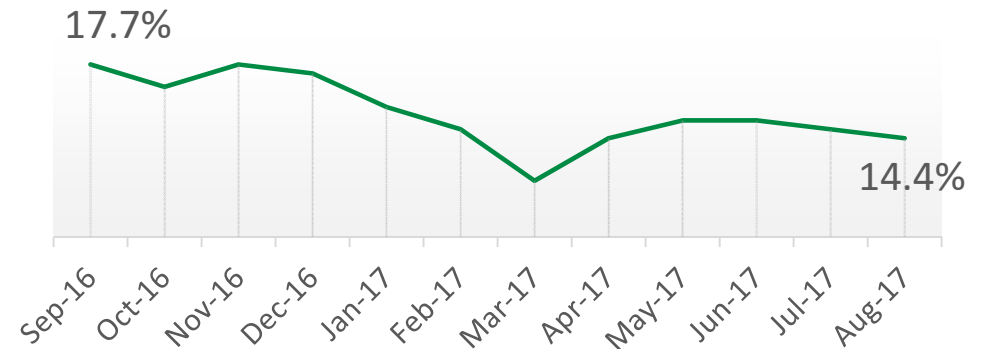
RETAINING OUR TALENT

North America Employee Retention - Summary

Headcount



Sales Turnover



Turnover



Observations:

- Sales turnover on a positive trend
- Voluntary turnover on a positive trend
- High performer turnover on a positive trend



BUILDING A WORLD CLASS HR ORGANIZATION

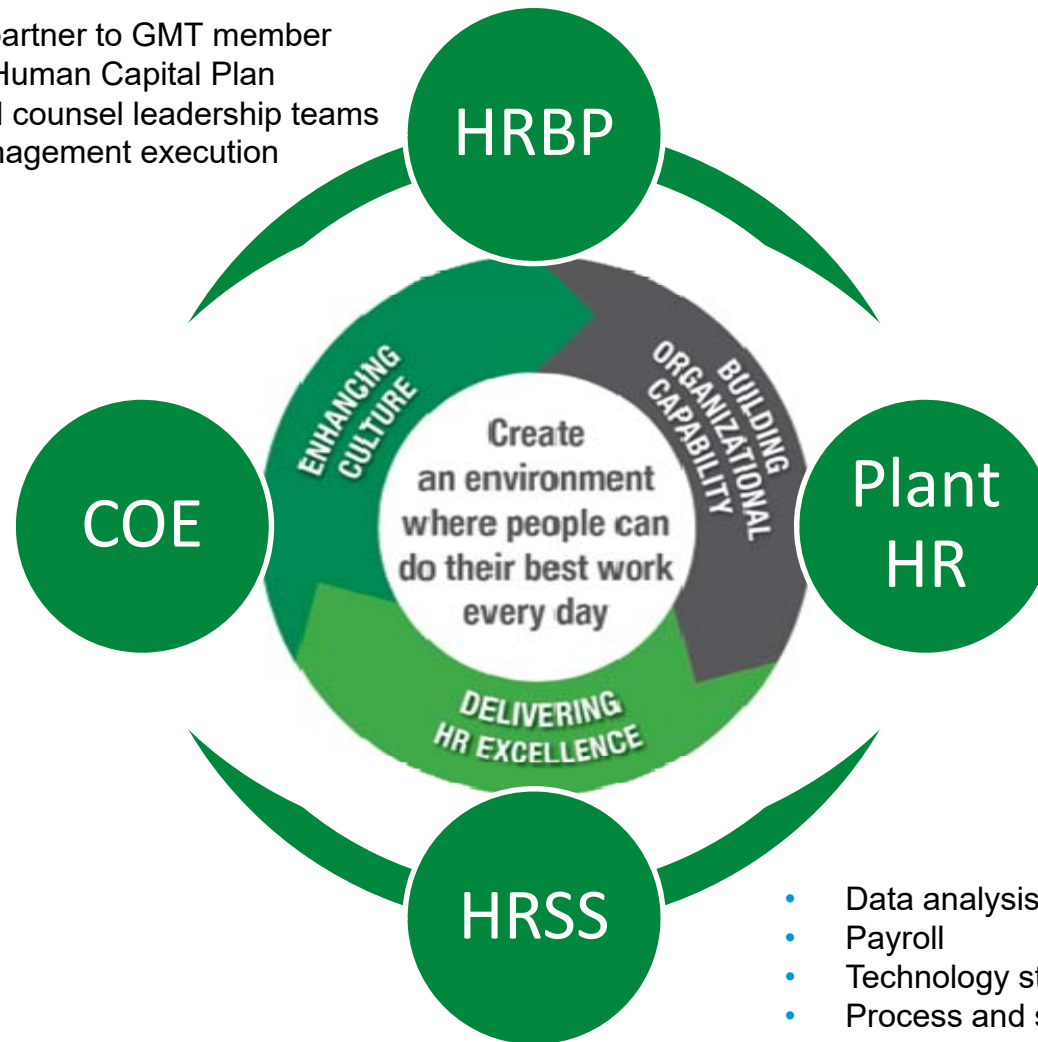
Rethinking HR – Clear Objectives



Organizing for the Future

- Strategic partner to GMT member
- Owner of Human Capital Plan
- Coach and counsel leadership teams
- Talent management execution

- Thought leadership & innovation
- Expert analysis and consultation
- Program and process design



- Local talent planning
- Employee development, engagement and advocacy

- Data analysis and reporting
- Payroll
- Technology strategy
- Process and service delivery



ROAD TO 2020 – BIG BETS & EARLY WINS

Big Bets & Early Wins

Talent Acquisition	Talent Management	Total Rewards
Insourced recruiting to reduce cost and improve candidate quality	Simplifying performance management process to focus more on development	Redesigning pay structure to bring consistency, market competitiveness, and simplicity while promoting a pay for performance culture
Developing an Employee Value Proposition that tells the Hardie story in a more effective and powerful way	Launched new leadership development programs	Reassessing sales commissions to align to business strategy
Creating a digital media strategy to include LinkedIn, Glassdoor, Facebook, etc.	Revamping succession and development processes	Developing recognition strategies for all employees
Working on improving diversity representation in candidate pools	Deploying targeted development programs for sales, manufacturing, engineers, and hourly workforce	
Rethinking assessment processes for new hires and internal moves to be more predictive of fit and success in role	Conduct current-state culture assessment and refresh mission, vision, values across the organization	

Key Messages

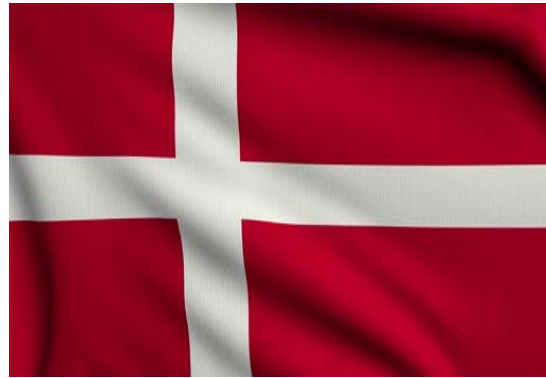
- Addressed GMT leadership gaps with addition of 3 key hires in calendar 2017
- Continued focus on recruiting external talent where necessary
- Developing our people through new development programs
- Retention trends are moving in the right direction
- Building a world-class HR organization focused on helping the company achieve its strategic goals by building capability at all levels and improving our culture



Zean Nielsen

Executive Vice President Sales

ZEAN NIELSEN



Headlines

- Danish, moved to the US in 1999
- 1 suitcase, \$1000
- 39 years old
- Married, 3 kids
- Live in Wilmette, (Chicago)

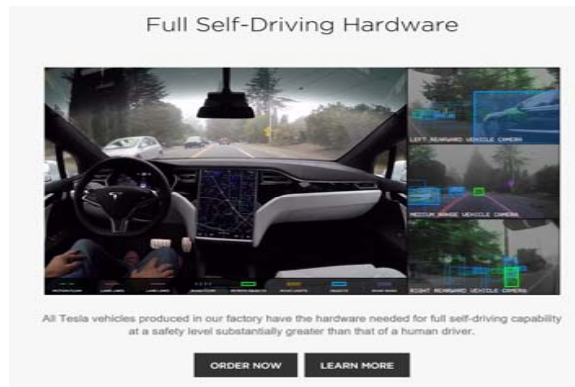
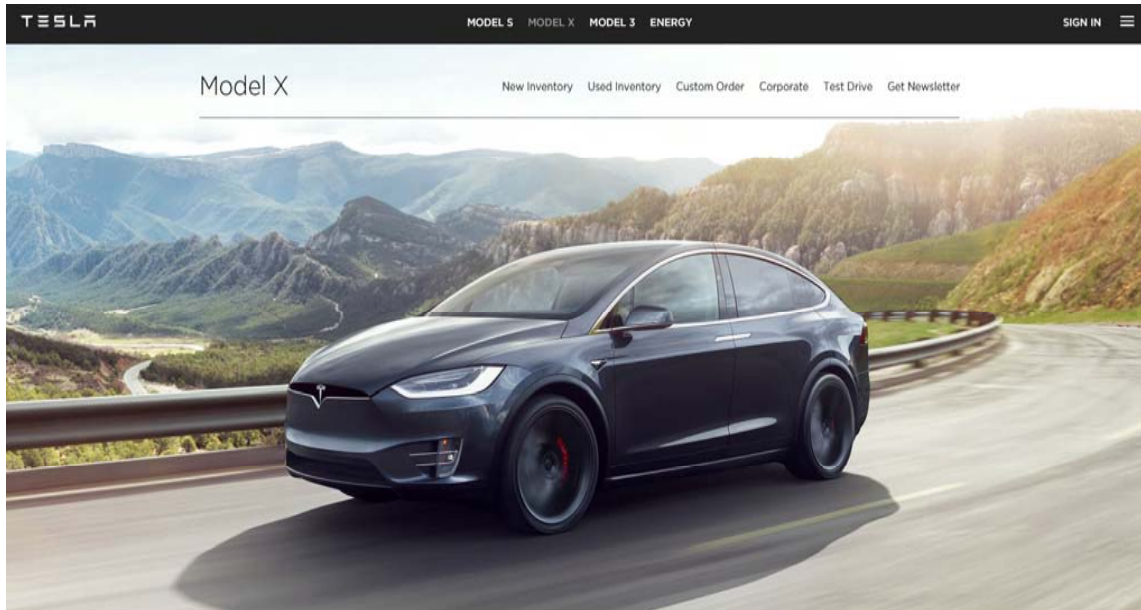
17 YEARS AT BANG & OLUFSEN



Headlines

- International Dist. Development
- VP of Marketing for ROW & Sales for NA
- President of Bang & Olufsen Americas
 - Scaled Retail business
 - Launched B&O PLAY in NA
 - Built Pro Channel: Distributors, Builders, Architects, Designers & Installers
 - Launched Ecommerce for B&O
 - Grew business ~14% p/a during the recession

3 ½ YEARS AT TESLA



Headlines

- Hired to further develop the Sales & Delivery Model for Tesla
- VP of Global Sales Ops & EMEA (EMEA \$2B+ business)
- \$2B to ~\$9B+ and from ~4K to ~25K people
- Opened 9 new countries and 200+ showrooms
- Launched Model X
- Launched Model 3. 350K+ in pre-orders

WHY JOIN JAMES HARDIE

- JH is a great company, and much like B&O and TESLA deeply rooted in product
- Great chemistry with Louis, Mike Hammes and the GMT team
- Excited about the kind of GMT team that JH wants to build. Good fit for skillset
- Solid business with strong EBIT and desire to make a step change
- Able to carry out both geographical expansion as well as M&A
- Untapped opportunities for digital process optimization, as well as revenue growth within existing network of partners
- Open to change/evolve in terms of both product and processes
- Autonomy to lead Sales Org
- Lots of transferable skills
- Chicago based HQ, and able to add value to the team and company

TRANSFERABLE SKILLS & OPPORTUNITIES

Transferable skills

- Built Pro Channel for B&O
- Scaled and managed a large sales force
- Int'l Executive
- Appreciation and understanding for the need to have an aggressive product development roadmap to remain relevant
- Big box retail experience
- Salesforce (SFDC)
- Sales Training / Sales Management tools
- CRM/Digital systems
- Annual Sales & Marketing Planning
- Aggressive infield execution

Opportunities

- Digitalization of platforms
- Integrated Sales & Marketing Programs
- Pace of Play – Execute better and faster
- Defend & Optimize vs just “hunt”
- Advanced & automated Sales Analytics
- PR
- M&A
- Easier to work with; more speed/less friction
- More product via existing channels
- Deeper relationship with big builders & big box partners
- Build out “stickiness” programs

Q & A



OPERATIONS

Ryan Kilcullen & Dave Merkley
September 2017

AGENDA

Our Zero Harm Commitment

Manufacturing Innovation & Operational Excellence

Tacoma Greenfield Update

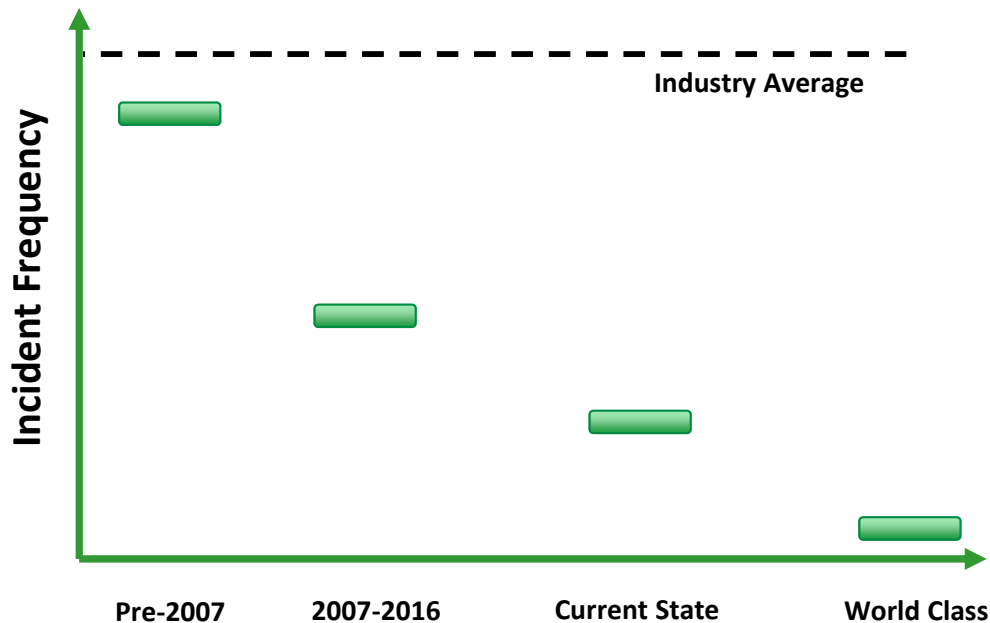
JH Supply Chain Advantage



JOURNEY TO ZERO HARM

WHAT DOES OUR JOURNEY LOOK LIKE

Zero Harm Safety Performance



Driven by a Culture Shift that...

Ensures that safety is our first gate

Thrives on leadership commitment and visibility

Empowers/engages all employees to proactively participate

Results in a predictive approach to safety management in our business

We are committed to a multi-year initiative that results in a World Class Safety Organization

ZERO HARM APPROACH

Vision: World Class Safety Organization focused on Safe People, Safe Plants, and Safe Systems to drive a Zero Harm Culture

Safe People

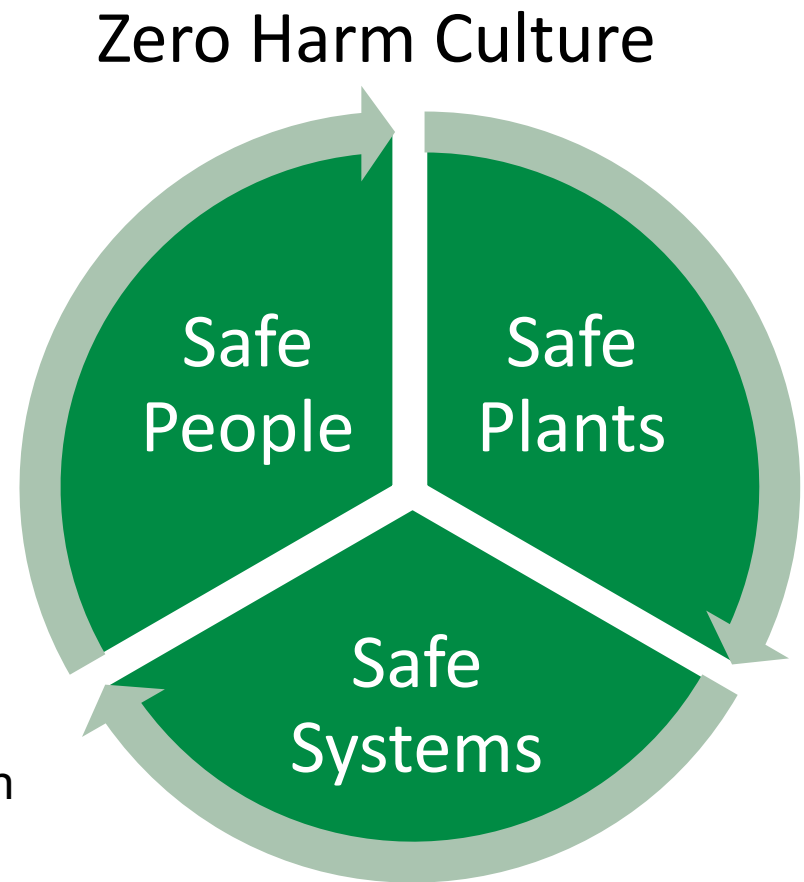
- Engaged, Empowered and Trained
- Visible Leadership
- Committed 24/7/365

Safe Plants

- Clean & Organized
- Facilities that Represent “The Brand”
- Capable Machines and Processes

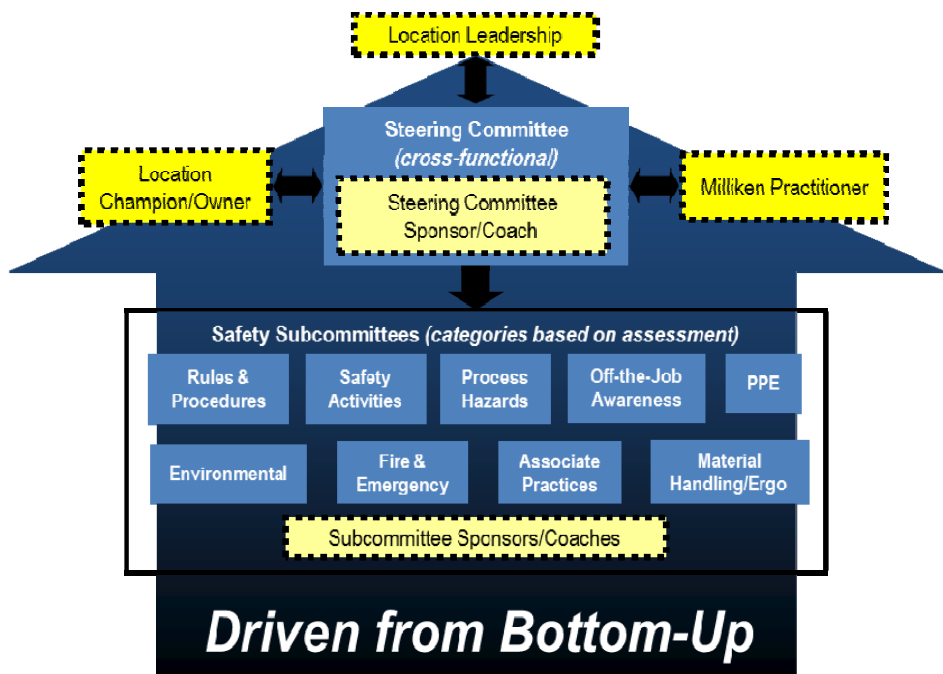
Safe Systems

- Real-Time Feedback
- Data/Tools for Continuous Risk Reduction
- Verification/Audits



SAFE PEOPLE

A key component of our culture shift is to partner with world class safety programs that support plant floor ownership in safety...



Peer-based observations



Self-triggering assessments



3rd Party verification of JH execution

SAFE PLANTS & SAFE SYSTEMS

Our journey to World Class includes a shift in how we engineer, operate and manage our manufacturing facilities...

Safe Plants

- ➔ Safety as a core philosophy in plant & process design
- ➔ Significant reduction in operator-to-machine interface
- ➔ Facility maintenance to a JH brand standard

Safe Systems

- ➔ Predictive measures of employee engagement
- ➔ Safety data management system
- ➔ World Class training systems in LOTO, on-boarding, etc.

ZERO HARM SUMMARY

- We are fully committed to a significant culture shift that results in JH becoming a World Class safety organization
- Core elements of our program are visible leadership commitment, operator empowerment and predictive systems
- One year in, significant progress has been achieved but much work remains



DELIVERING ON THE POTENTIAL OF JH MANUFACTURING

MANUFACTURING ADVANTAGE

JH manufacturing: Major lever in our competitive advantage

Proprietary technology delivers unit cost & ROCE advantage

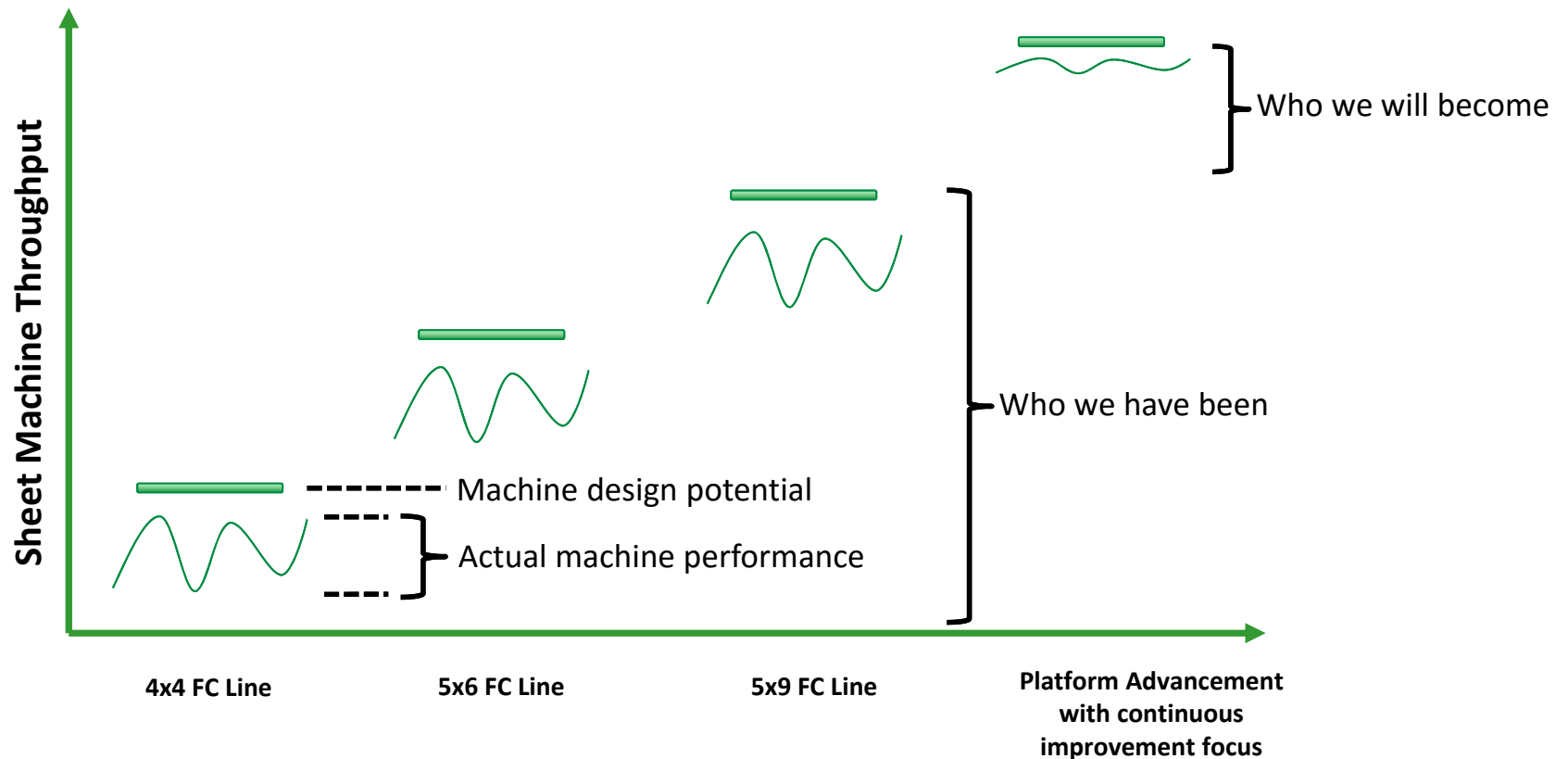
- ➔ Unique throughput advantage in our manufacturing processes
- ➔ Engineered scale creates labor and capital advantage
- ➔ Flexible manufacturing achieves low unit cost through market cycles

Innovation in process capability enables product leadership

- ➔ Process capability delivers innovative product differentiation
- ➔ Innovation approach delivers speed to market advantage
- ➔ Network flexibility creates delivered cost advantage

JH MANUFACTURING EVOLUTION

Historical focus on step change innovation has delivered significant business value

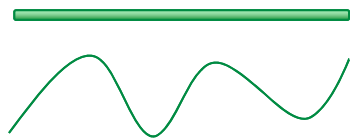


We are becoming a manufacturing organization that can deliver step change & continuous improvement innovation

JH REACHING ITS FULL POTENTIAL

We have created a continuous improvement organization, the sole focus of which is to shift JH manufacturing from...

Reactive Operations



to



Predictive Manufacturing



Enabled by...

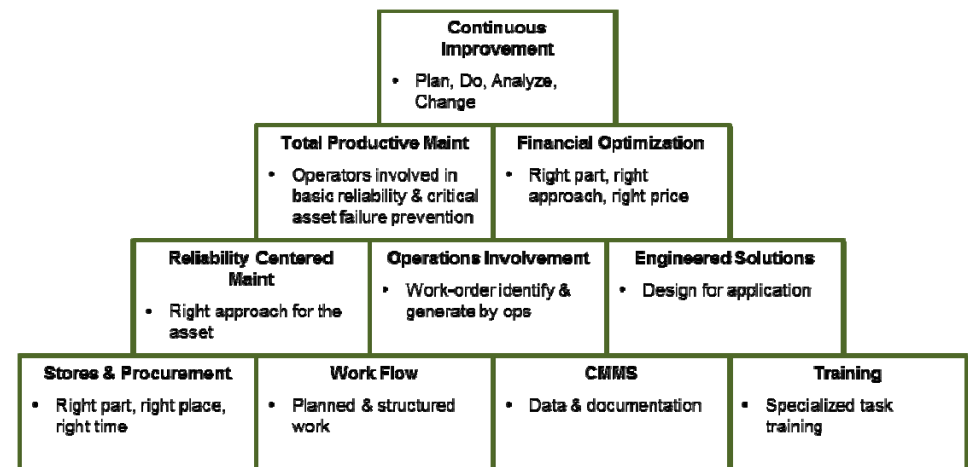
- Dependence on operator intervention → Lean standard work & process control
- Maintenance on equipment failures → Predictive reliability program
- Local decisions on critical assets → Center of excellence on facility investment

SAMPLE OF CONTINUOUS IMPROVEMENT INITIATIVES

Creating a JH Approach to Lean Manufacturing

- ➔ Leader Standard Work
- ➔ Visual Workplace Management
- ➔ Standard Work Initiative

Establishing Foundational Capabilities in Reliability



Greater consistency within plants, and across our network, will significantly reduce variation and capture the majority of our potential performance opportunities

JH MANUFACTURING STEP CHANGE

We have also doubled down on our ability to deliver break through engineering step change in all areas of JH manufacturing

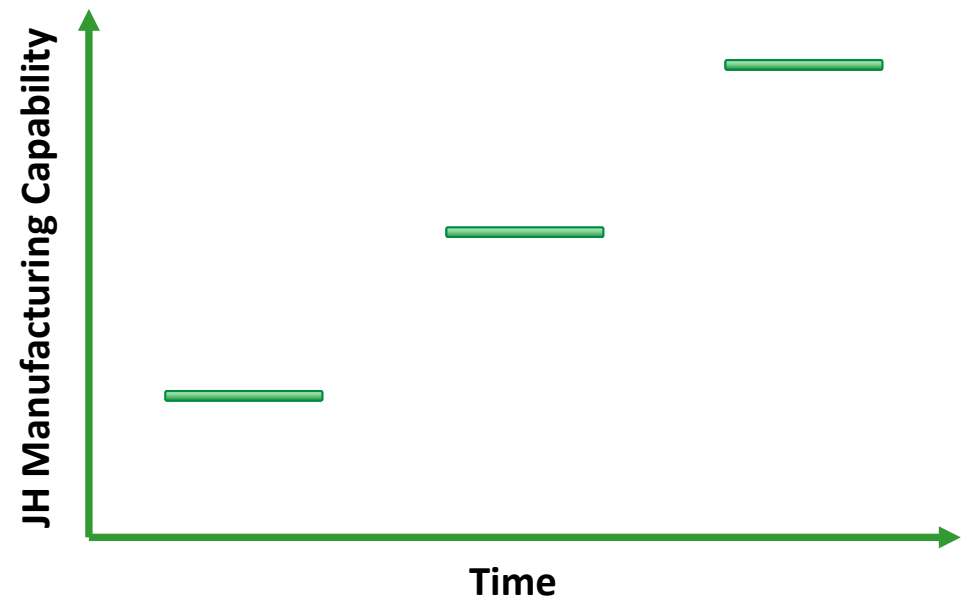
Step innovation in...

Next Generation Hatschek

New Product Enablers

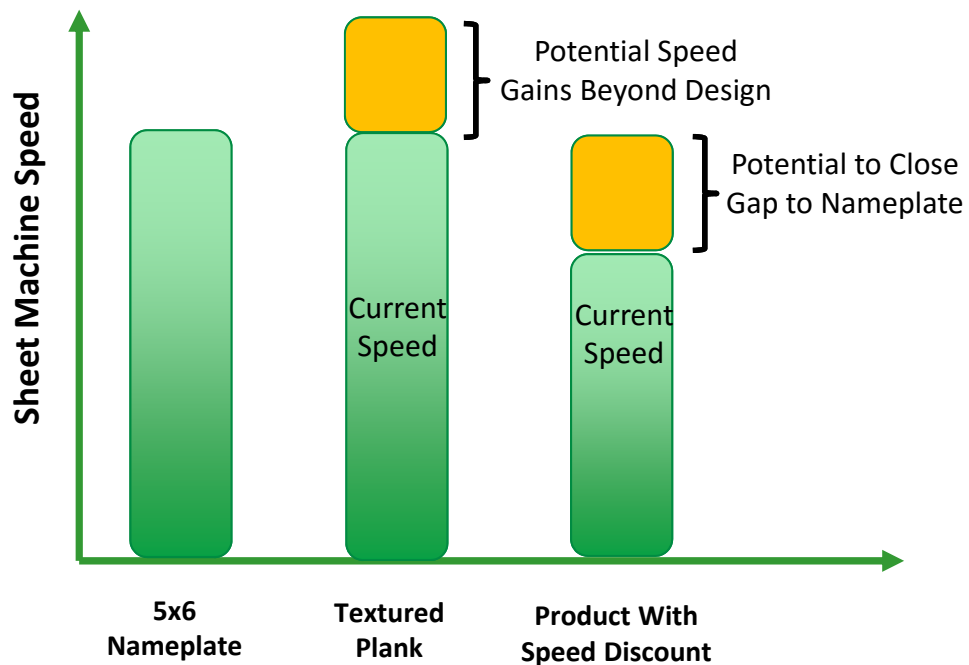
Mfg Platform Development

...enables break through progress



STEP CHANGING THE HATSCHEK PROCESS

Current Speeds vs. Nameplate



Enabled by step change innovation...

- Significant increase in drainage rate
- Raw material formation modifications
- Felt technology innovation
- New approach to sheet forming

MANUFACTURING PLATFORM STEP CHANGE

Manufacturing platform innovation has the potential to unlock significant process, product and cost levers in fiber cement manufacturing.

Enabling Product Attributes

Platform A



Longer



Lighter



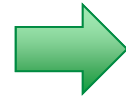
Flatter/Smother

Enabling Total Cost Optimization

Platform B



Lower Capex



Lower Cost RM



Higher Utilization

Enabling New Products

Platform C



Higher Strength



Better Finish



Engineered Properties

MANUFACTURING CAPABILITY SUMMARY

- We have an established history in step change manufacturing innovation
- We are adding to and enhancing the talent and capability of our engineering teams to accelerate the pace of step change in JH
- The value associated with continuous improvement has increased with our scale and we are organizing to deliver
- Step change & continuous improvement efforts are both critical to delivering on our manufacturing strategy



TACOMA GREENFIELD CORE CONCEPTS

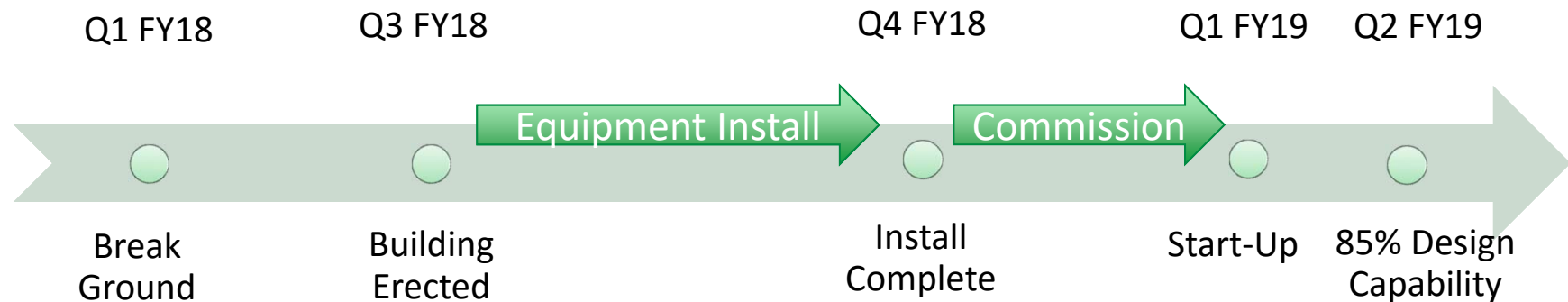
TACOMA EXPANSION – SITE OVERVIEW



- Nameplate Capacity –
300 Mmstdft/year
- Capabilities – Plank, Backer,
Heritage, ColorPlus® Technology
- 130 Employees at full production
- Site benefits
 - Low input cost
 - Proximity to growing markets

TACOMA EXPANSION

Timeline Update



Start-Up Approach

People

- ➔ Zero Harm trained – Day 1
- ➔ Network-wide staffing plan
- ➔ Building on existing Tacoma base

Operational

- ➔ Build on Cleburne SM3 approach
- ➔ Maximize learning per dollar
- ➔ Intense focus on site yield

TACOMA EXPANSION – PRE-AUTOCLAVE CONCEPTS

Safety Integrated into Design

3rd Party Safety Design Consultants

Large Reduction in Human/Fork Lift Interface

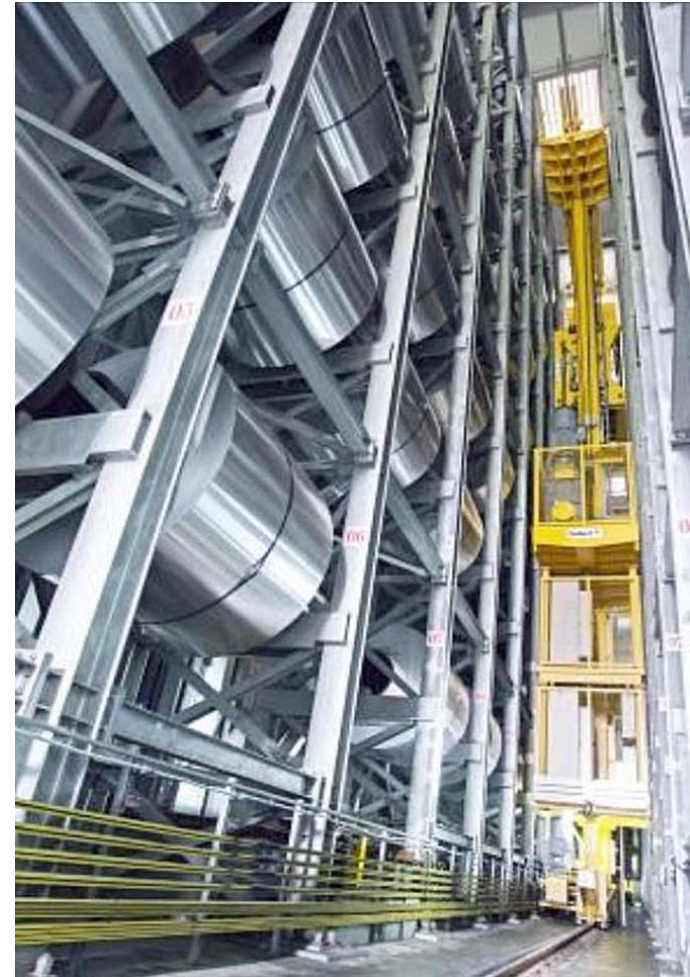
Housekeeping Integrated into Design

Material Handling Step Change

Zero Forklifts from Stacker to Finishing

Enables Building Space Optimization

Reduction in Product Handling Damage



TACOMA EXPANSION – POST-AUTOCLAVE CONCEPTS

Safety Integrated into Design

Focus on Operator Access & Work Floor for Safe Operation

Total Plant Product Flow Designed to Minimize Human Interface

Coating Line Process Step Change

Integrated High Speed Break Out Line

Nested Coating Lines Enabling Operator Efficiency

Single-Line ColorPlus® Technology Coating Applications

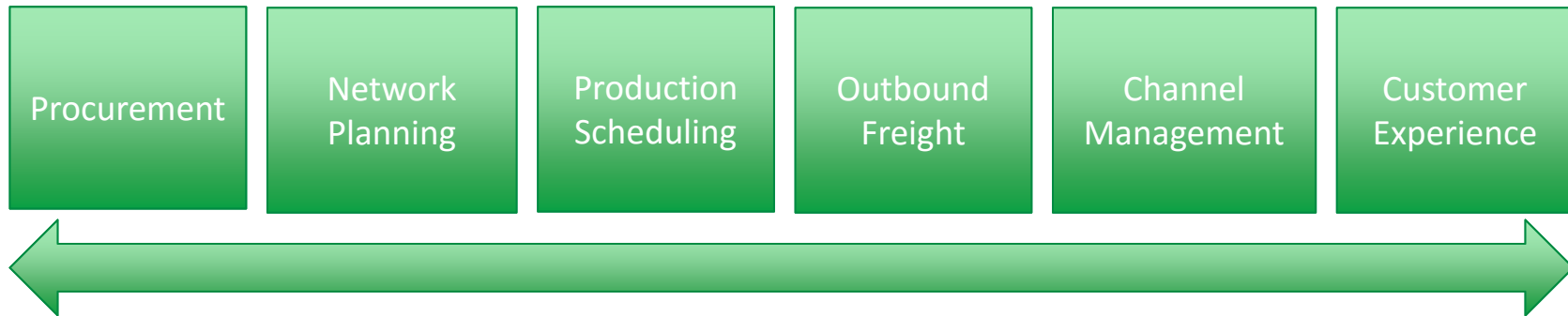
High Efficiency Coatings Applications



JH SUPPLY CHAIN EVOLUTION

JH Supply Chain Overview

A fully integrated value chain that begins with customer value creation...



...and has capabilities that create a substantial competitive advantage:

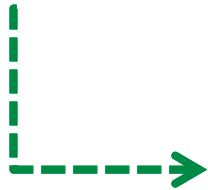
- **Highly integrated customer/channel relationships**
- **To-the-piece order flow, manufacturing, & delivery capability**
- **Automated production scheduling that leverages manufacturing scale**
- **Flexible network model providing redundancy & optimal landed cost**

JH Supply Chain – Capability Advantage

Highly automated, integrated systems...

Enable Customer Integration

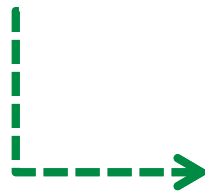
Automated Order Taking Software



Optimization Planning Software builds & aggregates large production runs

Leverage & Exploit Manufacturing Scale

System Generates VMI Replenishments Trucks



TMS Software combines job packs and VMI replenishments to optimize truck weight and multi-stop routing

Optimize Delivered Cost with Freight/Sourcing

Sequential low cost tendering for delivery



CAPABILITY INVESTMENTS TO ENABLE GROWTH

An expanding network enables a variety of optimization levers...

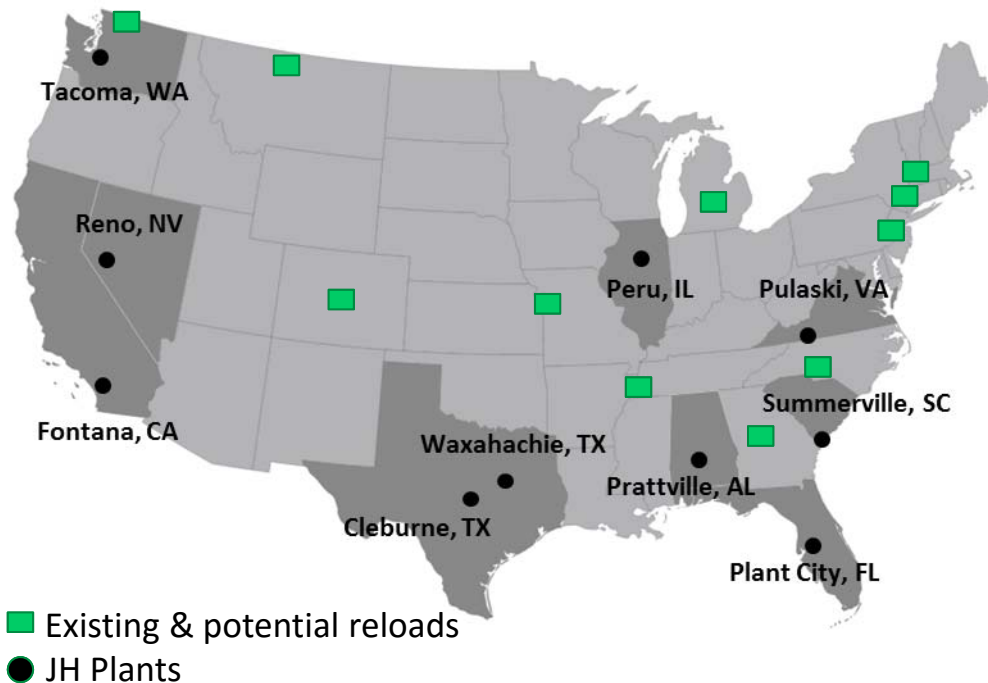
...requiring a new level of network planning capability to...

Achieve the true lowest landed cost network

Fully exploit the scale of our VMI & reload network

Appropriately level load production through our seasonal demand cycles

Make optimized trade-off decisions between relative cost differences

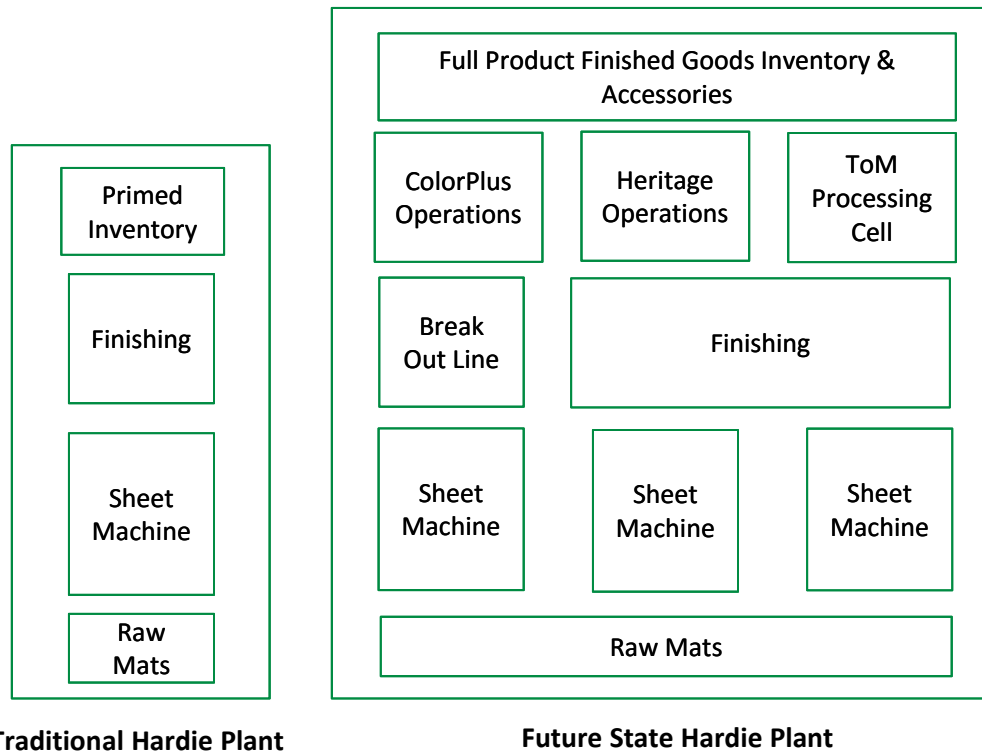


We are investing in our significant network planning & modeling capability to enable full leverage of our increasing scale

ENABLING GROWTH “INSIDE THE WALLS”

Increasing plant scale & value-add processing is changing our plant size & flow...

...requiring new capabilities inside the walls...



- Product flow optimization
- Automated material handling
- Warehouse management system
- Work design & flow analysis

We are investing in new capabilities to capture the full benefit of our plant scale & to enable new processing to enhance customer value

FREIGHT OUTLOOK

Market supply/demand dynamics continue to create upward cost pressure...

Market Pressure



Continued economic recovery



Driver shortage



Decreasing trend in driver efficiency



Congested & under-performing rail

JH Response



Optimize proven freight model



Operate as “shipper of choice”



Leverage network product capability



Intense focus on all controllable levers

JH continues to view freight capability as a core competency and expects to offset market pressure through continued performance gains

SUPPLY CHAIN SUMMARY

- We continue to invest in supply chain capability to enable customer value creation at an optimized unit cost
- Our current efforts are focused on leveraging the full benefit of our network and plant scale
- Freight market headwinds persist, but we are well positioned to offset them with industry leading freight capabilities

KEY MESSAGES

- We are becoming a Zero Harm organization
- Step change innovation in manufacturing will continue to deliver significant business value
- We are increasing our focus on continuous improvement to become a more predictable manufacturer
- Tacoma Greenfield on track and includes step change in plant design
- We are continuing to invest in supply chain capability to enable organic growth



MARKET POSITION

SEAN GADD

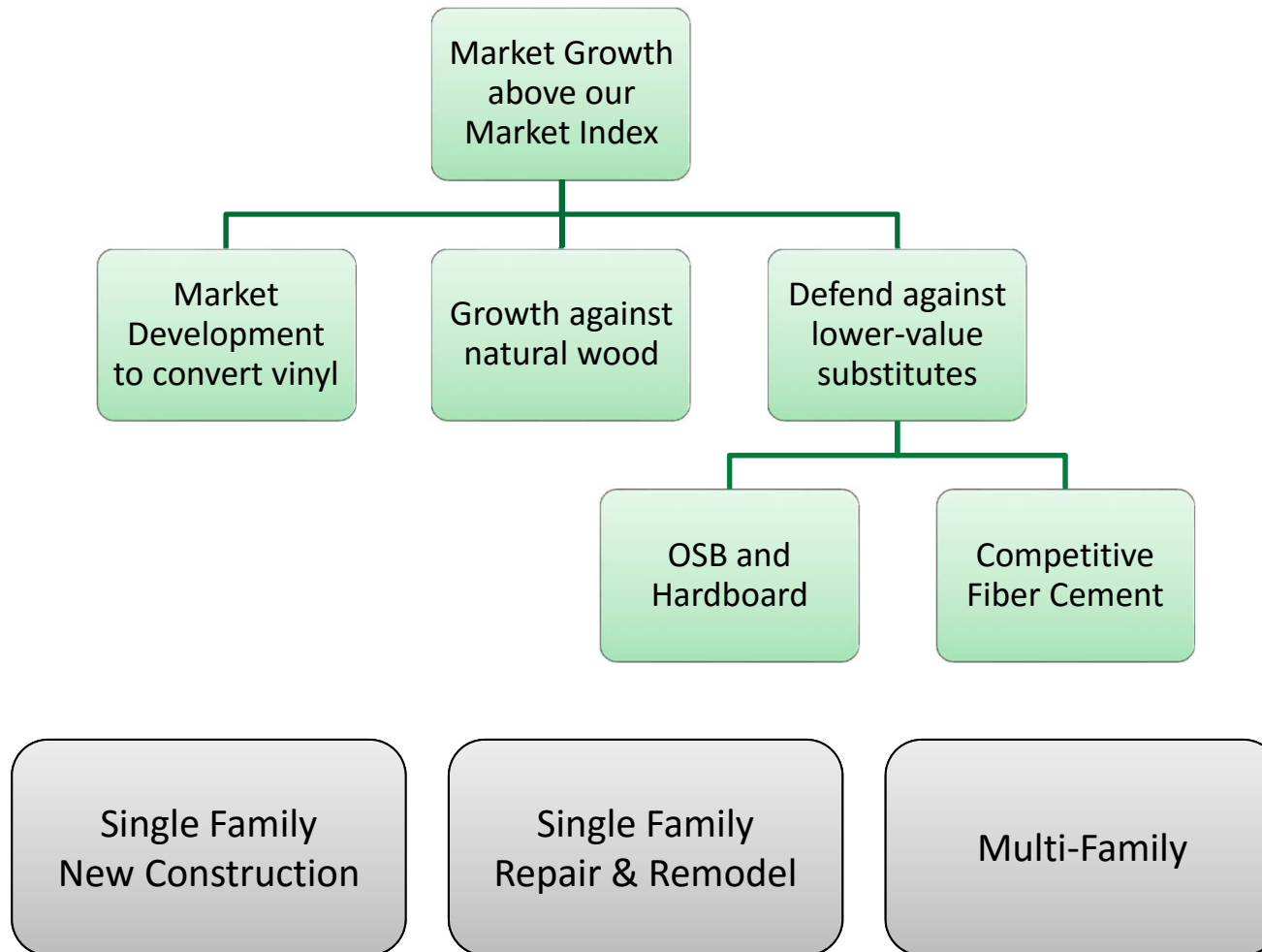
EXECUTIVE VICE PRESIDENT, MARKETS AND SEGMENTS

SEPTEMBER 2017

Agenda

- Growth against the market index
- James Hardie segment approach
- Product thinking

Growth Above the Market Index



Become the Market Standard in the Wood-Look Market

Gain share against Vinyl and Wood while defending against lower value substitutes

Competitive Fiber
Cement, wood
and hardboard



Vinyl

Vinyl & Lower
Value
Substitutes

*Source: NAHB & JH internal analysis

Market Development Against Vinyl

- Value Proposition
 - Curb, front porch and deck appeal
 - Fire and abuse
 - Low maintenance
 - Affordable
- New construction segmentation, targeting and positioning (STP)
 - Geography
 - Category of home
 - Builder profile - Better home, Better builder, Better development
 - Risk profile
- Repair and remodel STP
 - Geography
 - Neighborhood
 - Value proposition directly to the homeowner
- Colorplus[®] enabled by the preferred target customer channel

Sales Approach Against OSB and Hardboard

- Value Proposition
 - James Hardie company support
 - The full exterior
 - Low maintenance
 - Fire, rot, warp, termites
 - Core colors
- Building company partnerships with all key stakeholders along the value chain

Sales Approach Against Competitive Fiber Cement

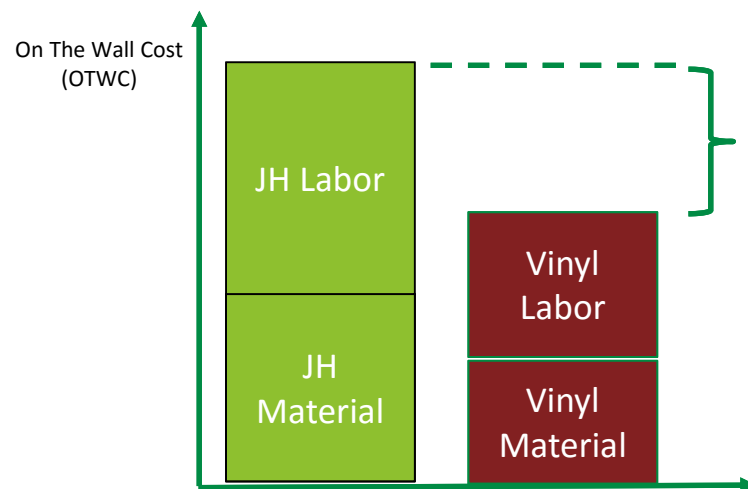
- Value Proposition
 - James Hardie invented fiber cement
 - #1 brand
 - Engineered for Climate[®] positioning
 - Superior technology around durability, density, coatings
 - Manufacturing scale and platform advantage
 - Diversified segment participation
 - Representation and support
- Maintaining our category share by delivering value through the supply chain to the homeowner



Segments

Primary demand growth - PDG

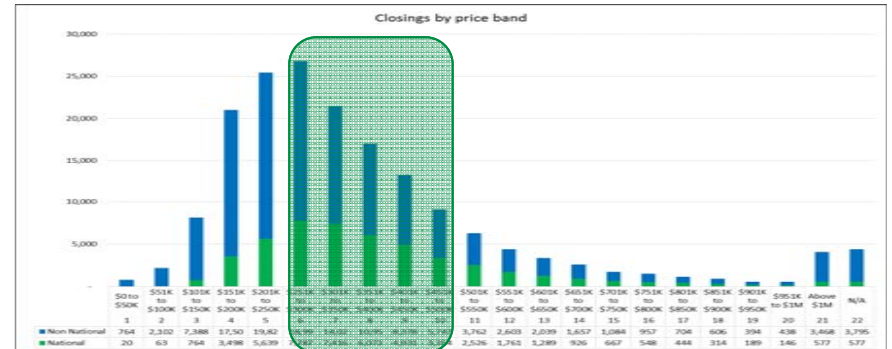
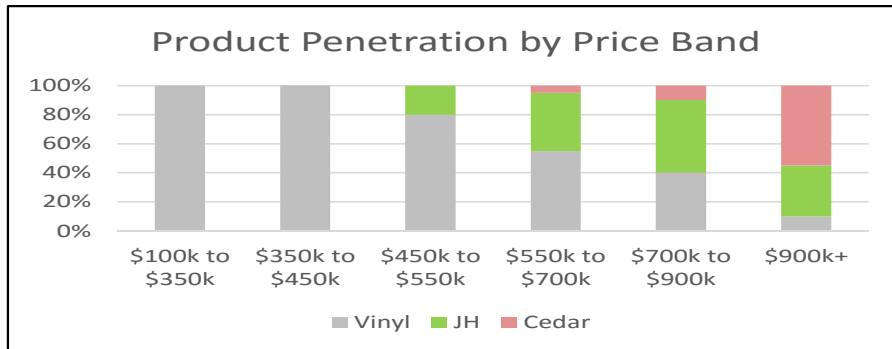
- Taking share against vinyl with ColorPlus® technology
- Market Development
 - Significant cost difference
 - Required to sell value
 - Switching costs / barriers → risks



- New Dealer
- New Installer
- Different takeoffs/elevations
- Different phasing of trades
- New selling tools

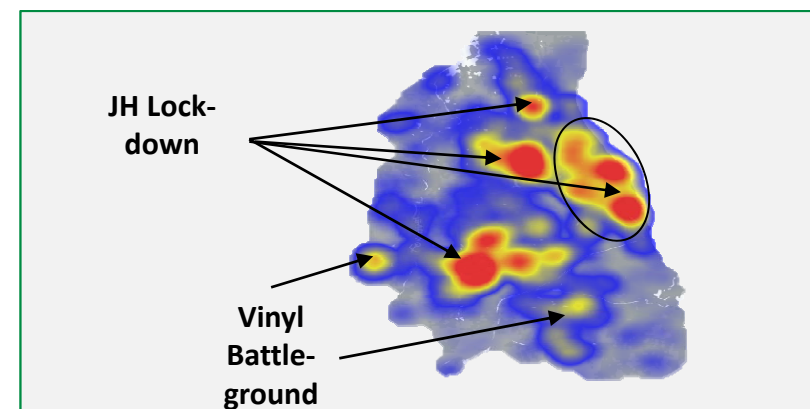
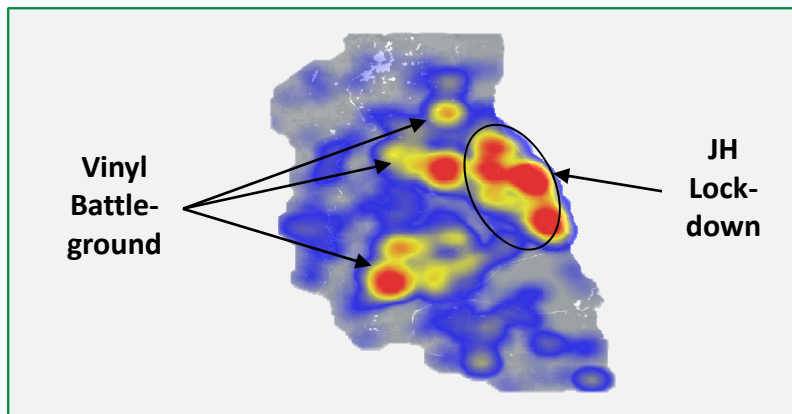
New Construction Market Development

1. Establish position at top of the market → aspirational product
2. Delivered to the right builder
3. “Shift left” to the next highest price band
4. Drive adoption
 - Highly effective sales organization
 - Full stakeholder engagement
 - Comprehensive marketing strategy
5. Drive affordability through an efficient supply chain with ColorPlus® Technology

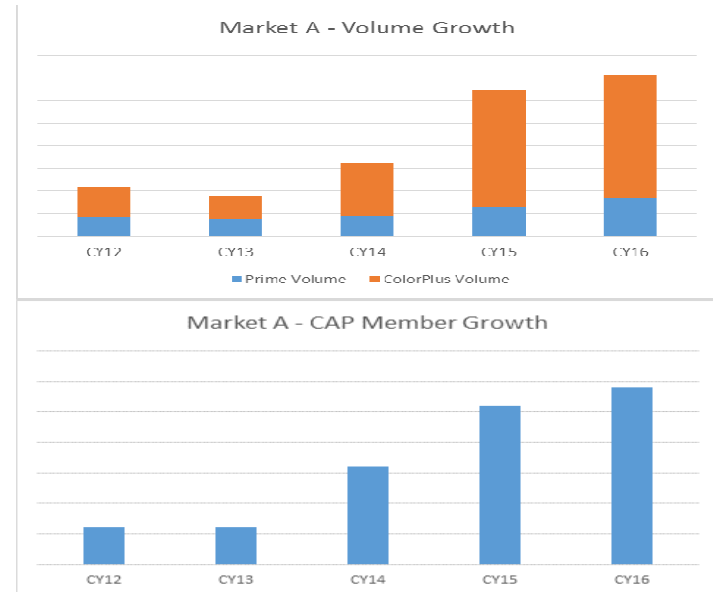
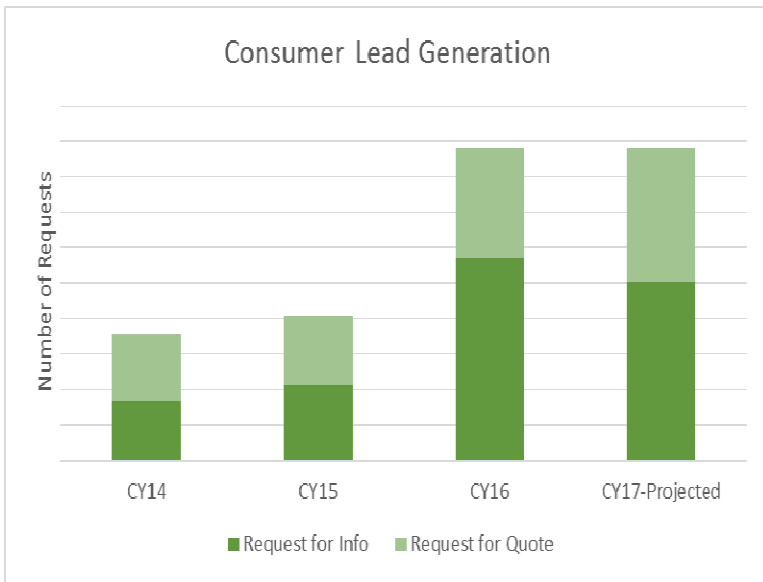
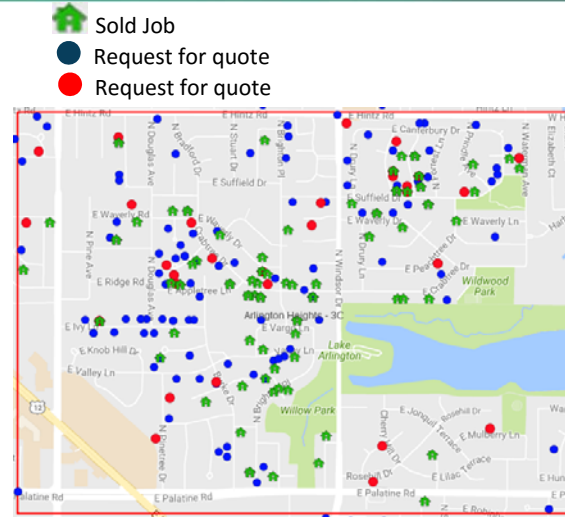


Repair and Remodel - Vinyl Standard Markets

- Drive awareness and preference for James Hardie products with ColorPlus® technology in vinyl “battleground neighborhoods”
- Convert battlegrounds into “lock downs”
- Enable contractor growth in these key neighborhoods
- Reach homeowners through multiple touch points
- “Boat and Wake”

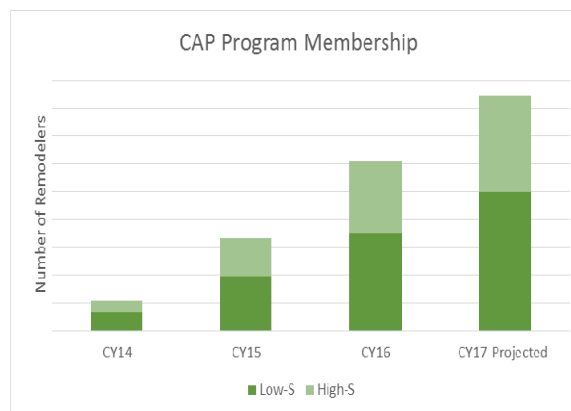
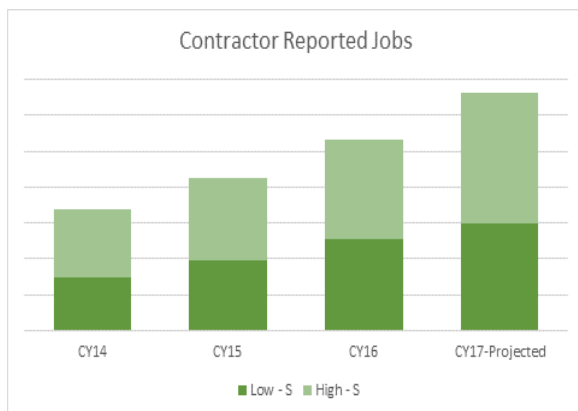


Enhancing the "Wake"



Partnering - Contractor Alliance Program

- First-time user acquisition
- Account development (YoY business growth)
- Enhanced value to promote loyalty



CONTRACTOR ACHIEVEMENTS



100% Hardie Badge

This company installs America's #1 brand of siding and the only trim with the character to stand beside it. For a home that looks beautiful longer, choose a contractor that chooses 100% HARDIE siding and trim.



Commitment to Excellence Badge

This company is committed to excellence, they've completed the annual training program offered by James Hardie pertaining to general installation requirements, critical to quality requirements, and a review of current best practices.



Design Excellence Badge

This company excels at installing a wide range of James Hardie product profiles, providing you differentiated design options when planning your James Hardie reside.



Homeowner Recommended Badge

This company earned the highest level of homeowner recommendations based on customer satisfaction data from GuidQuality, the industry leader in third party surveying.



Superior Finish Badge

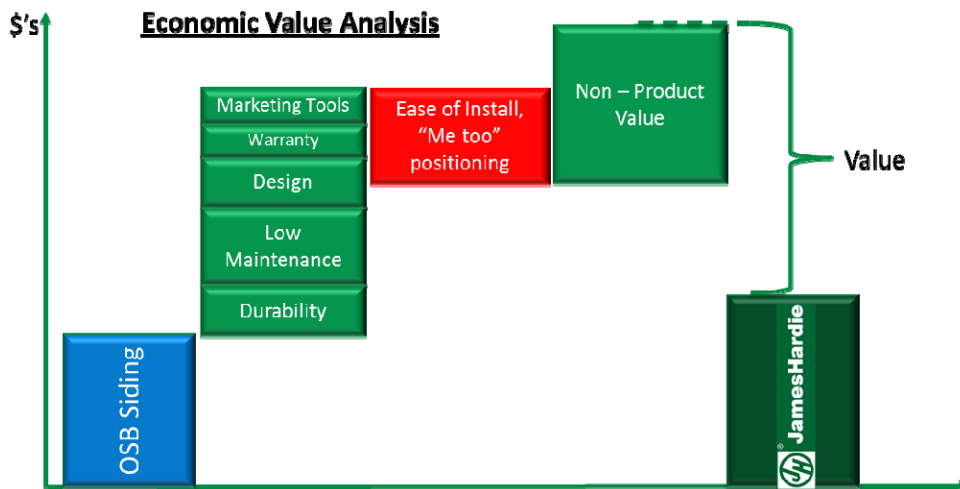
This company excels at installing a wide range of James Hardie color profiles, providing you superior performance over time.



Years in Program Badge

Stability and dependability is important to our customers. This badge signifies the number of years this company has been in partnership with us.

Defend against OSB Siding

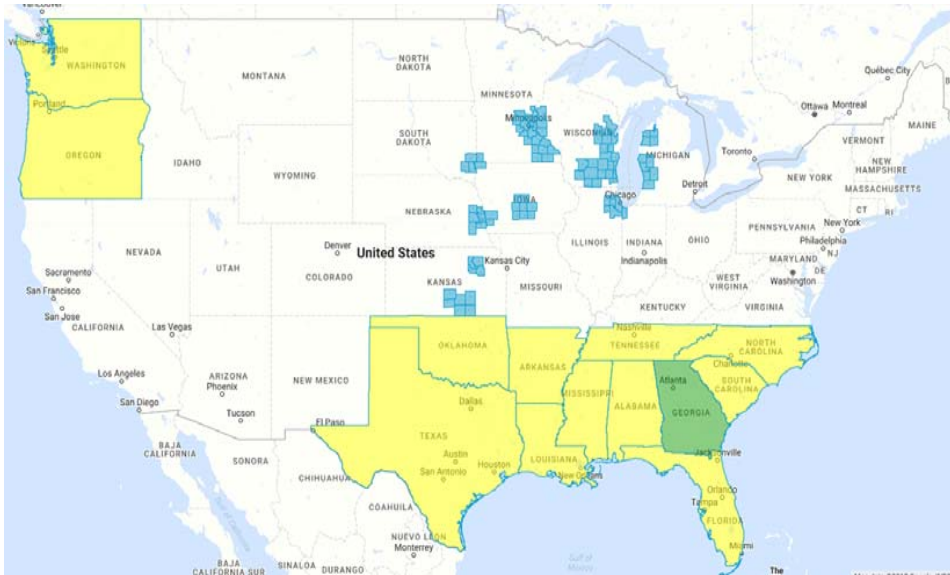


Sales development approach

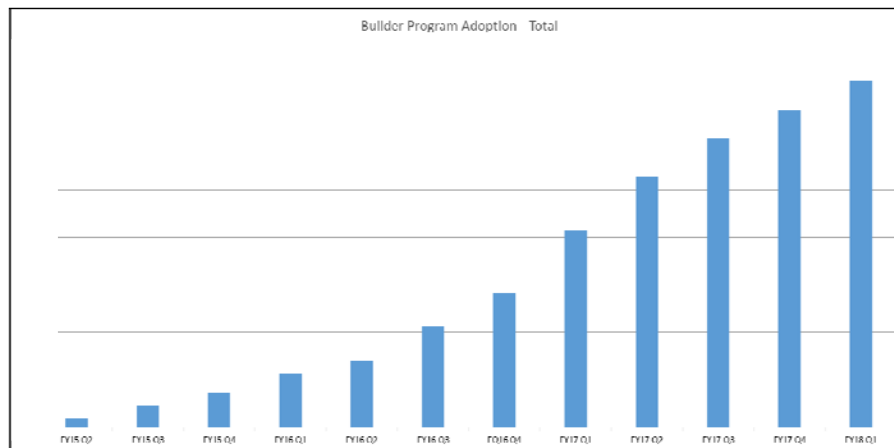
- Win in all segments / all geographies
- Win with core colors
- Add non-product value programs
- Value chain engagement & alignment

100% Hardie™

**CHOOSE
100%
HARDIE**

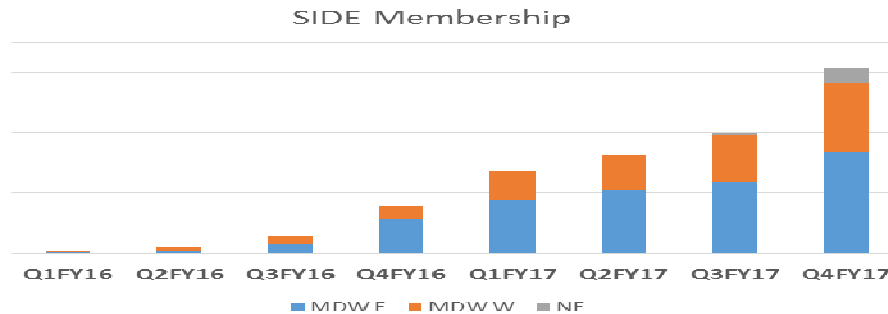
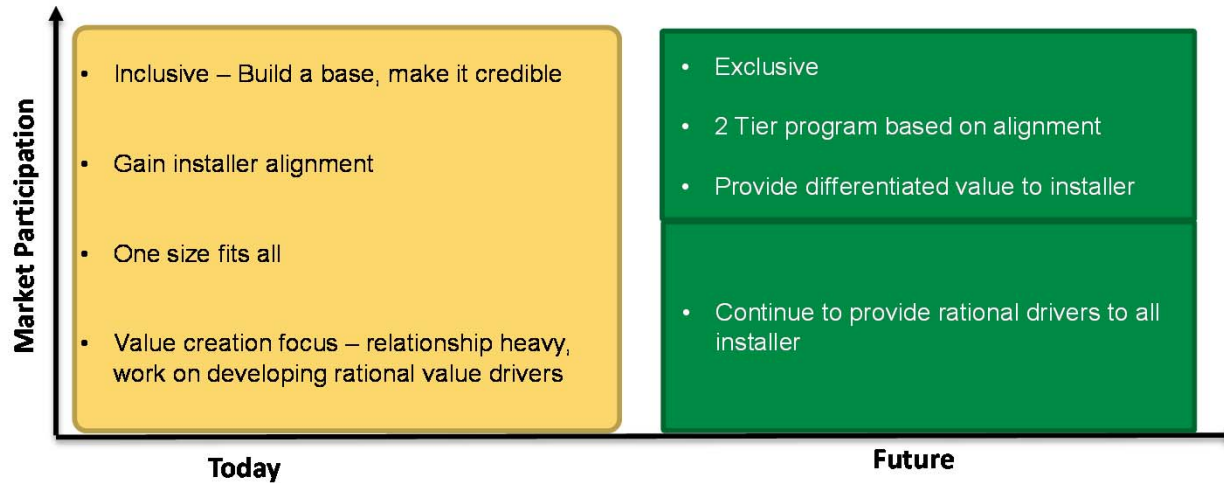


- Position the value of full wrap
- Engineered for Climate® positioning
- Service guarantee



SIDE Master – Installer Affiliation Program

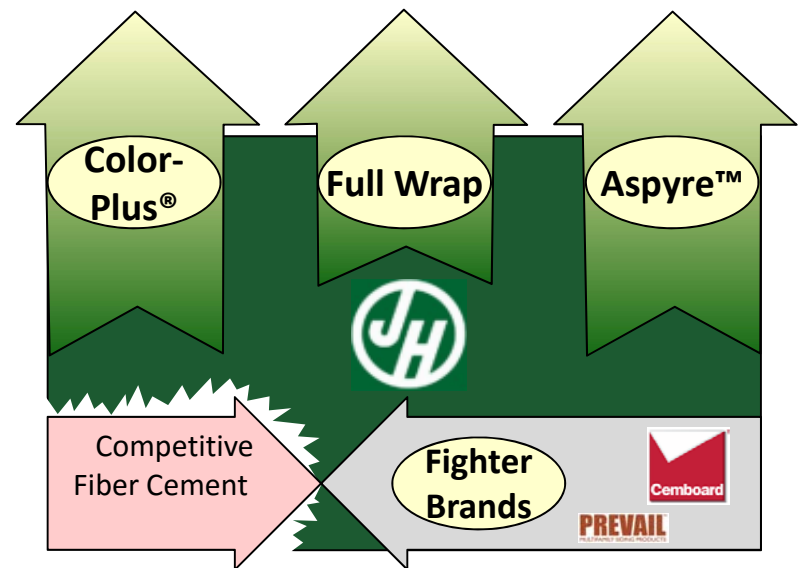
- An affiliation platform launched in the Midwest in 2015 and now expanding
- Target installer → SIDE Event → Engagement → Alignment
- Adjust SIDE based on needs by market



- Networking
- Business Building Bootcamp
 - Key Topic Breakout Sessions
 - Research & Development Tour

Defend against Competitive Fiber Cement

- Competitive fiber cement manufacturers take a 'me-too' approach and compete on lower price against James Hardie products
- Leverage our advantages to prevent commoditization of the category
 - #1 brand
 - Differentiated products
 - Manufacturing scale
 - Diversified segment participation
 - Representation and support
- For cost conscious buyers in targeted segments, fighter brands backed by James Hardie protect our category share

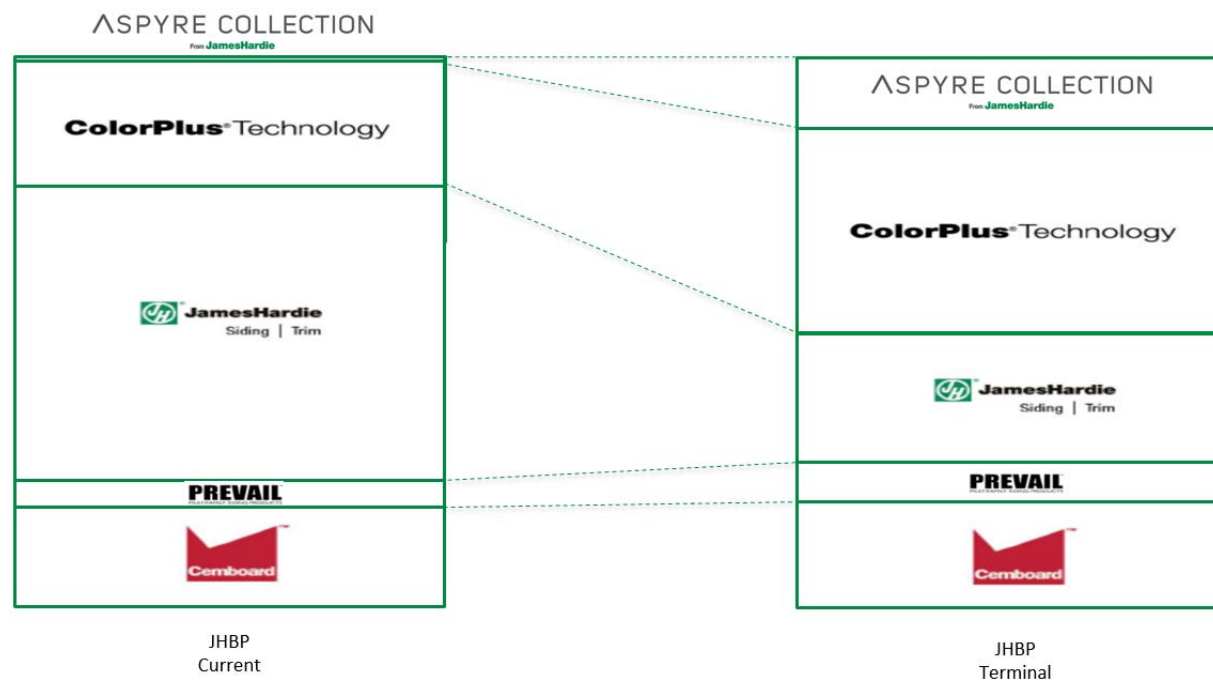




Products

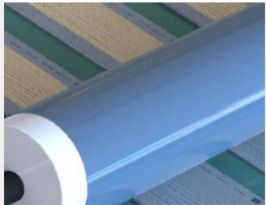
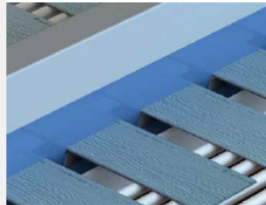
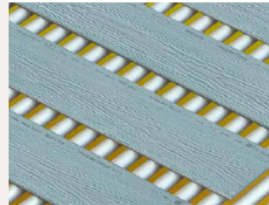
Product Strategy

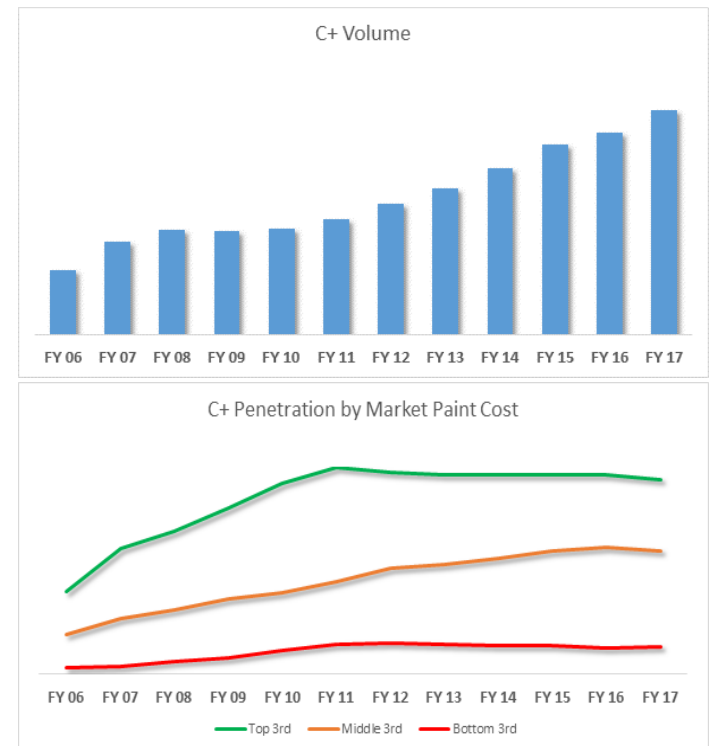
Take a 3C, 4P approach - Deliver the optimal product, price, placement and promotion for each segment in all geographies to deliver the long term market position for James Hardie



ColorPlus® Technology

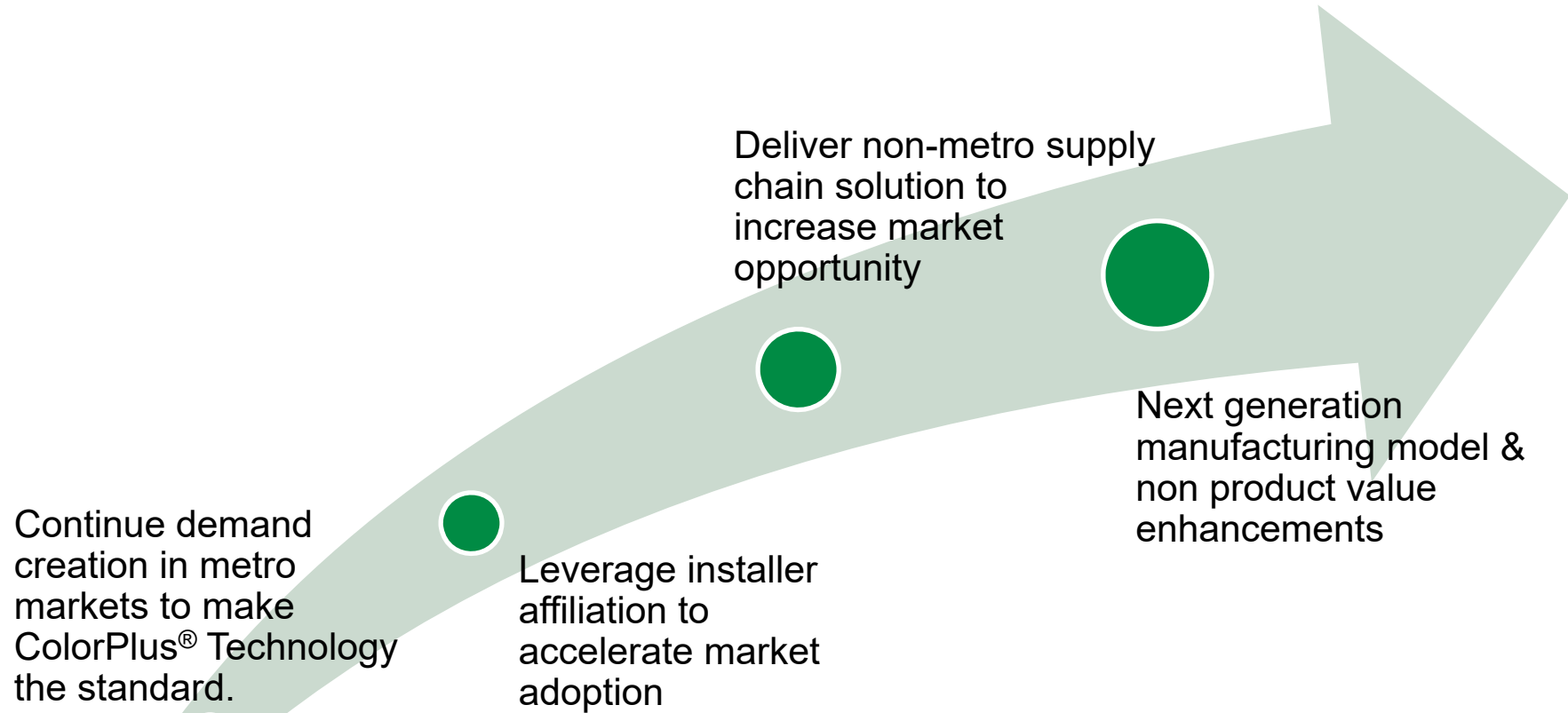
- Delivers a high quality, factory-controlled coating designed for our substrate
- Delivers a single-source, low-maintenance solution at reduced total cost
- Drives growth against vinyl
- Builds fences against close alternatives

<p>1 DURABLE FINISH</p>  <p>We apply multiple coats (50 percent more than your average house painter uses) of our proprietary finish to every surface and edge of our siding and trim, leaving no spot uncovered.</p>	<p>2 BAKED-ON BOND</p>  <p>Between coats, we cure the finish in a controlled environment for an even stronger bond that resists chipping, peeling and cracking.</p>	<p>3 UV-RAY RESISTANCE</p>  <p>Vinyl siding and paint both fade in the sun. ColorPlus® Technology resists fading and looks good for longer.</p>
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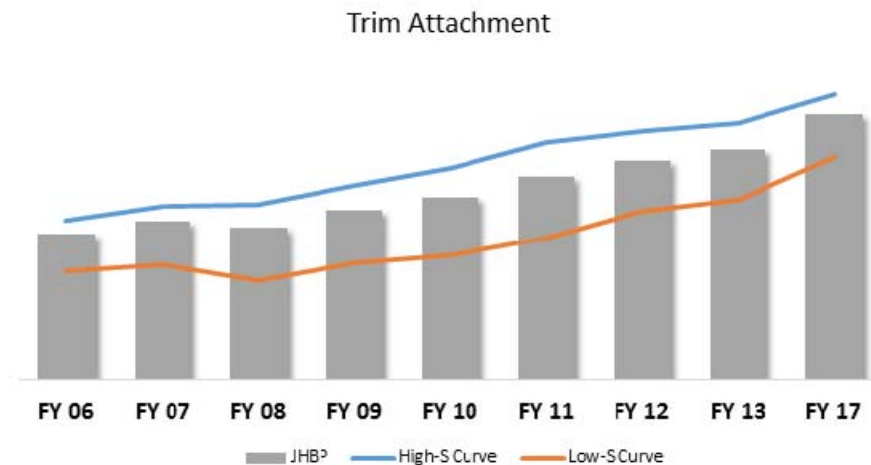
ColorPlus® Technology

Key initiatives to drive growth



HardieTrim®

- Continue to sell and promote a complete exterior solution as the ultimate low maintenance solution
- Continued growth through product line extensions, installer affiliation programs and non-product value-add programs

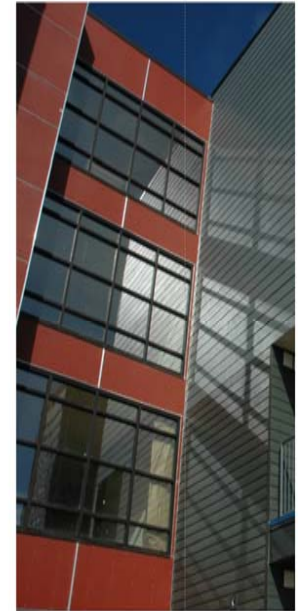
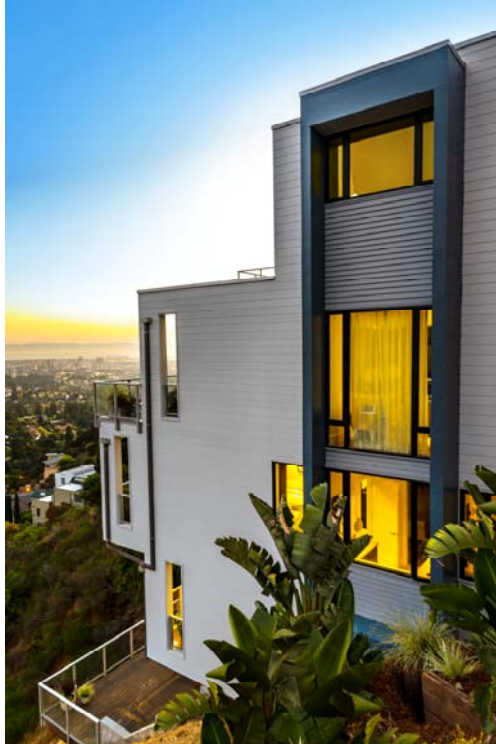


Cemplank®

- Cemplank® serves as a fighter brand offering a low-cost solution to cost-conscious buyers in target segments and aids category share
- Maintain James Hardie brand vs. fighter brand position through marketing mix and differentiation with our channel partners

	Cemplank®	Hardie Brand
Design	Low: <ul style="list-style-type: none"> • Limited core siding SKUs • No accessories 	High: <ul style="list-style-type: none"> • Full range of siding and accessories with differentiated design options • Low-repeat; authentic texture • Continuous product innovation
Low Maintenance	Medium: <ul style="list-style-type: none"> • Basic FC value prop • Better than wood 	High: <ul style="list-style-type: none"> • Superior paint adhesion (primer) • Full wrap exterior on same paint cycle • Full wrap with C+ = Very High
Durability	Medium/high: <ul style="list-style-type: none"> • Not the same formulation as Hardie brand • Not manufactured with fly ash • 25/10 warranty 	High: <ul style="list-style-type: none"> • Over \$200m invested in the development of this fiber cement technology <ul style="list-style-type: none"> – E.g. Engineered for Climate® / FC generations – The category’s first non-prorated warranty

The ASPYRE Collection from James Hardie



LUXURY

IN ALL ITS FORMS

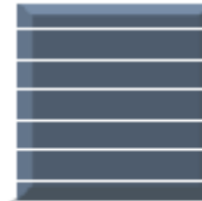
The Aspyre Collection from James Hardie™ brings together the Reveal® Panel System and Artisan® siding. Each product is distinctively thick and brings a new level of creative freedom across the single-family architectural continuum – from ultra-modern to traditional.



Reveal panels create bold, engaging geometry influenced by industrial design.



Reveal panels mixed with Artisan siding effect the dramatic integration of contrasting elements.



Artisan siding elevates the aesthetic of authentic milled cedar profiles.



The Aspyre Collection from James Hardie™

What is the Top of Market segment?

- Top 10% of homes by price band
- 400-500mmsf total opportunity, 250-300mmsf wood-look
- Wood-Look opportunity dominated by cedar

Why enter the Top of the Market segment?

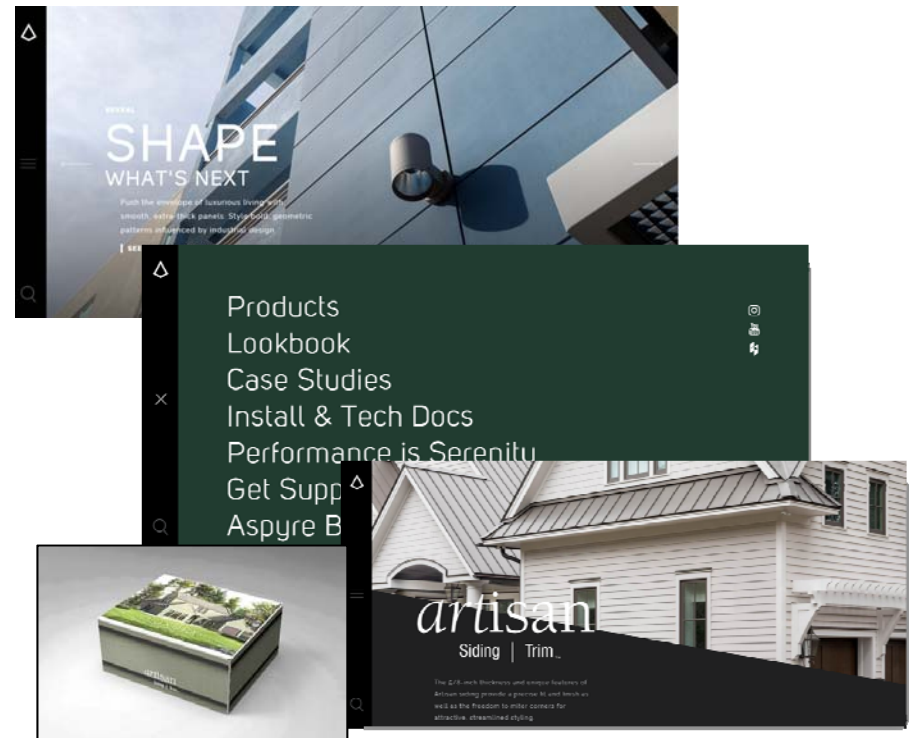
- Extend the fiber cement S-curve – pull up the middle of the market
- Growth opportunity vs. wood
- Accretive price and profitability
- Competitive defense against new entrants
- Commitment to product leadership strategy



The Aspyre™ Collection from James Hardie™

How will we win the Top of the Market?

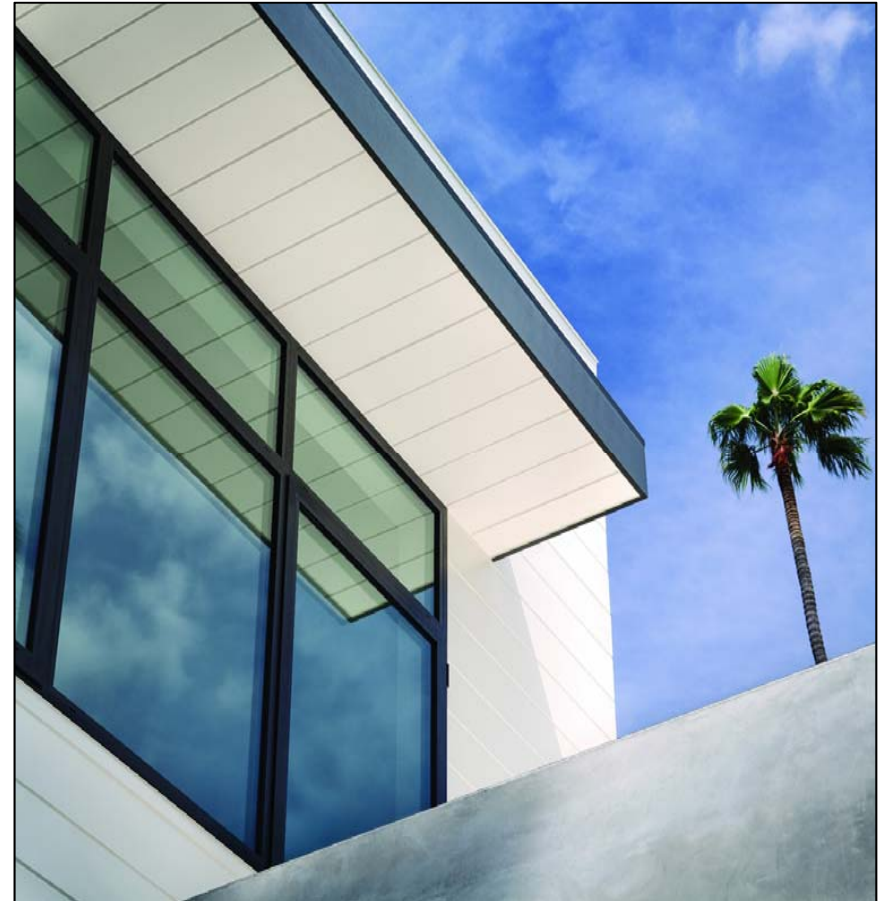
- Commitment to continuous product innovation
- Embracing the architect as key influencer
- Selling tools fit for the customer
- Investing in centralized marketing to combat fragmentation
 - Aspyredesign.com
 - Earned vs. Paid media
 - Focus on digital & social content marketing
 - Centrally run sales model



The Aspyre Collection from James Hardie™

What's next?

- Launched on the West Coast in July 2017
- Capital investment made to support national launch in FY19
- Generation 2 product design efforts underway



Key Messages

- Become the market standard in the wood-look market
- Drive PDG through the right sales approach, right products and right market programs
- Penetrate the Top of Market leveraging The Aspyre Collection from James Hardie™