James Hardie

company statement

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FINANCIAL POSITION OF MEDICAL RESEARCH AND COMPENSATION FOUNDATION

James Hardie Industries NV today wrote to the Medical Research and Compensation Foundation reaffirming its preparedness to provide assistance regarding the MRCF's interim liquidity position.

James Hardie also expressed its surprise at the apparent immediacy of the MRCF's claims. The MRCF only last month rejected as no longer necessary James Hardie's offer to provide interim financial assistance, following an approach from the MRCF that it was approaching a liquidity issue in late August.

James Hardie reiterates that it is in no-one's interests to have the MRCF placed in a position where it is unable to pay legitimate claimants

James Hardie has continued to seek additional information from the MRCF in order to assess ways in which James Hardie may assist the Foundation's liquidity position on this occasion.

NEGOTIATIONS WITH ACTU

James Hardie also advised MRCF today that the MRCF's continued delay in providing claims history data has substantially delayed James Hardie's ability to negotiate an agreement with the ACTU and asbestos groups to reach a funding solution for all future claimants of asbestos-related diseases.

This data is critical to James Hardies capacity to develop a financially sustainable funding proposal.

The MRCF first undertook to provide this critical information by 30 September, prior to the first meeting between the ACTU and James Hardie on 1 October this year.

Nearly four weeks have passed and the material has still yet to be produced.

The Company is at a loss to explain why the MRCF is being reticent in providing the necessary information, particularly given it asserted urgency for additional funding.

This delay and the MRCF's public announcements are at odds with resolving both the MRCF's liquidity issues, and developing a long-term sustainable compensation solution for asbestos claimants.

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