IN THE SUPREME COURT OF VICTORIA
AT MELBOURNE
COMMERCIAL COURT
GROUP PROCEEDINGS LIST

No. S ECI 2023 01899

BETWEEN

RAEKEN PTY LTD ATF DOWRICK SUPERANNUATION FUND (ACN 110 057 684)

Plaintiff

and

JAMES HARDIE INDUSTRIES PLC (ARBN 097829895)

Defendant

DEFENCE TO SUBSTITUTED STATEMENT OF CLAIM

(filed pursuant to the Orders of the Honourable Justice Nichols dated 10 July 2026)

Date of document: 18 September 2026	Solicitor's Code: 420
Filed on behalf of: The Defendant	DX: 240 Melbourne
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To the plaintiff's Substituted Statement of Claim dated 10 July 2026, the defendant (**James Hardie**) says as follows:

Note: Unless otherwise stated, or required by context, capitalised and abbreviated terms in this Defence have the same meaning as those in the Substituted Statement of Claim dated 10 July 2026.

CHAPTER I – BACKGROUND

A. PRELIMINARY

1. To paragraph 1:

   (a) save that it refers to and repeats paragraph 2 below, it does not admit the allegations in sub-paragraph 1(a) and says further that the allegations are vague and embarrassing insofar as they fail to identify the trading platforms on which it is alleged group members acquired JHX Shares, JHX ADRs and JHX Equity Swaps;

(b) it denies that the plaintiff and group members have suffered loss or damage, or are entitled to relief, by or resulting from its conduct as alleged in the Substituted Statement of Claim, and it therefore denies sub-paragraph 1(b);

(c) it admits the allegations in sub-paragraph 1(c).

Particulars

As to paragraph 1(a), it refers to letters from Herbert Smith Freehills Kramer (**HSF Kramer**) to Echo Law dated 7 May 2025, 13 June 2025 and 30 July 2025, and letters from Echo Law to HSF Kramer dated 21 May 2025, 7 July 2025 and 18 August 2025.

2. It admits the allegations in paragraph 2.

3. To paragraph 3:

(a) it admits that there were seven or more persons who acquired JHX Shares, or JHX ADRs, in the Relevant Period;

(b) it does not admit that JHX Equity Swaps were acquired in the Relevant Period;

(c) it refers to and repeats sub-paragraph 1(b) above and otherwise denies the allegations in paragraph 3.

4. It admits the allegations in paragraph 4.

5. It admits the allegations in paragraph 5 and says further that its fiscal year commenced on 1 April and ended on 31 March of the following year, such that:

(a) the first quarter of any given fiscal year commenced 1 April and ended on 30 June of that year (**1Q**);

(b) the second quarter of any given fiscal year commenced 1 July and ended on 30 September of that year (**2Q**);

(c) the third quarter of any given fiscal year commenced 1 October and ended on 31 December of that year (**3Q**);

(d) the fourth quarter of any given fiscal year commenced 1 January and ended on 31 March of that year (**4Q**).

6. To paragraph 6:

   (a) it admits the allegations in sub-paragraph 6(a);

   (b) it admits that the relationship between the number of JHX Shares and JHX ADRs was that one JHX Share represented one JHX ADR, and otherwise denies the allegations in sub-paragraph 6(b).

7. It admits the allegations in paragraph 7.

8. It admits the allegations in paragraph 8.

9. It admits the allegations in paragraph 9.

10. It admits the allegations in paragraph 10.

11. It admits the allegations in paragraph 11.

12. To paragraph 12:

   (a) it admits that, during the Relevant Period, the persons named in sub-paragraphs 12(a), (b), and (c) were “officers” of James Hardie within the meaning of s 9 of the Corporations Act and the ASX Listing Rules; and

   (b) it otherwise denies the allegations in paragraph 12.

13. It denies the allegations in paragraph 13.

14. To paragraph 14:

   (a) it admits that an entity relevantly becomes “aware” of information, within the meaning of the ASX Listing Rules, if, and as soon as, an officer of the entity has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity, pursuant to the definition of “aware” in rule 19.12 of the ASX Listing Rules;

   (b) it refers to and repeats paragraphs 7 to 13 above; and

   (c) it otherwise denies the allegations in paragraph 14.

15. To paragraph 15:

   (a) save that Brennan-Chong’s title was Director of Investor Relations and Market Intelligence during the Relevant Period, it admits the allegations in sub-paragraph 15(a);

(b) save that Castillo's title was Senior Financial Analyst during the Relevant Period until 12 October 2022, it admits the allegations in sub-paragraph 15(b);

(c) save that Criddle's title was Vice President, North American Finance, during the Relevant Period, it admits the allegations in sub-paragraph 15(c);

(d) save that Geisen's title was Finance Director, Strategic Commercial Finance, during the Relevant Period, it admits the allegations in sub-paragraph 15(d);

(e) save that McDonald's title was Senior Finance Manager, Integrated S&OP, and she reported to Geisen during the Relevant Period from 7 March 2022, it admits the allegations in sub-paragraph 15(e);

(f) save that Mulhall's title was Commercial Finance Director, it admits the allegations in sub-paragraph 15(f);

(g) save that, during the Relevant Period, Roberts' title was:

(i) Senior Manager Strategic Planning & Business Development up to and including 24 July 2022; and

(ii) Finance Director, Strategic Planning & Business Development on and from 25 July 2022,

it admits the allegations in sub-paragraph 15(g);

(h) save that Fredericksen's title was Vice President, Pro-Channel, during the Relevant Period, it admits the allegations in sub-paragraph 15(h); and

(i) save that Madson held the title of Vice President, North America Sales, and reported to Gadd during the Relevant Period from March 2022, it admits the allegations in sub-paragraph 15(i).

16. To paragraph 16:

(a) it says that:

(i) it will rely at trial on the full terms and effect of Chapter 3 of the ASX Listing Rules and Chapter 6CA of the Corporations Act;

(ii) from 14 August 2021, s 674 of the Corporations Act was not a civil penalty provision under s 1317E of the Corporations Act and consequently the plaintiff and group members are not entitled to a declaration pursuant to s 1317E of the Corporations Act or compensation pursuant to s 1317HA of the Corporations Act in respect of any contravention of s 674 of the Corporations Act (which is denied); and

(iii) the plaintiff does not have standing to seek a declaration that James Hardie contravened s 674(2) of the Corporations Act; and

(b) subject to sub-paragraph (a) above, it admits the allegations in paragraph 16.

17. Save that it will rely at trial on the full terms and effect of the Corporations Act, the ASIC Act, and the Australian Consumer Law, it admits the allegations in paragraph 17.

18. To paragraph 18:

(a) it admits that during the Relevant Period it was subject to the requirements of s 1041H of the Corporations Act, s 12DA of the ASIC Act, and s 18 of the Australian Consumer Law;

(b) it says that the phrase “obliged to correct or qualify information that it had published to the market” is, in the context of misleading or deceptive conduct, vague and embarrassing and therefore it otherwise does not admit the allegations in paragraph 18.

19. It admits the allegations in paragraph 19.

20. To paragraph 20:

(a) it admits that during the Relevant Period it was subject to the requirements of ASX Listing Rules 4.3A (including Appendix 4E), 4.3B, 4.3D and 4.5;

(b) it says that, at trial, it will rely on the full terms and effect of the rules in Chapters 3 and 4 of the ASX Listing Rules (including Appendix 4E);

(c) to sub-paragraph 20(a), it admits that by ASX Listing Rules 4.3A and 4.3B it was obliged to give the ASX the information set out in Appendix 4E by no later than two months after the end of the accounting period;

(d) subject to sub-paragraph 291(b)(iii) below, it admits the allegations in sub-paragraph 20(b);

(e) it admits the allegations in sub-paragraph 20(c); and

(f) it otherwise denies the allegations therein.

B. JAMES HARDIE'S BUSINESS

21. To paragraph 21:

(a) it admits that at all material times from at least FY20 and during the Relevant Period, its principal business activities comprised manufacturing and selling fiber cement building materials, fiber gypsum and cement bonded boards, and it conducted business primarily in:

(i) North America, comprising the United States of America and Canada (**North American Market**);

(ii) the Asia-Pacific, principally comprising Australia, New Zealand and the Philippines (**Asia-Pacific Market**); and

(iii) Europe, principally comprising Belgium, Denmark, France, Germany, Ireland, Luxembourg, the Netherlands, Switzerland and the United Kingdom (**European Market**);

(b) it says further that from at least FY20 and during the Relevant Period, it had the following operating segments:

(i) **North America Fiber Cement**;

(ii) **Asia Pacific Fiber Cement**; and

(iii) **Europe Building Products**, which included the business formerly operated by XI (DL) Holdings GmbH and its subsidiaries acquired by James Hardie on or around 3 April 2018 (**Fermacell Business**);

(c) it says it does not know what is included in the expression "building materials" and it therefore otherwise does not admit the allegations in paragraph 21.

22. Save for the period in which the Summerville plant in South Carolina, United States, was not operational from FY20 until around March 2022, it admits the allegations in paragraph 22.

23. To paragraph 23:

(a) it admits that from at least FY20 and during the Relevant Period, its principal product line was FC Products in the North American Market and the Asia-Pacific Market;

(b) it otherwise denies the allegations in paragraph 23.

24. To paragraph 24:

    (a) it admits that, as at 18 May 2022, it was the number one manufacturer and marketer of FC Products in the world;

    (b) it otherwise does not admit the allegations in paragraph 24.

25. It admits the allegations in paragraph 25 insofar as the alleged "material times" relate to the period FY20 and FY21 (as alleged in the particulars to paragraph 25), and it otherwise does not admit the allegations therein.

26. It admits the allegations in paragraph 26.

27. It admits the allegations in paragraph 27.

28. It admits the allegations in paragraph 28 insofar as the alleged "material times" relate to calendar year 2022, and it otherwise does not admit the allegations therein.

29. It admits the allegations in paragraph 29 during the Relevant Period and it otherwise does not admit the allegations therein.

CHAPTER II – FEBRUARY 2022

C. JAMES HARDIE'S FEBRUARY FY23 GUIDANCE (7 FEBRUARY 2022)

30. To paragraph 30:

    (a) it admits the allegations in paragraph 30 and says that in the results tables:

        (i) "NA" is a reference to North America Fiber Cement;

        (ii) "APAC" is a reference to Asia Pacific Fiber Cement;

        (iii) "EU" is a reference to Europe Building Products;

        (iv) "ANOP" is a reference to adjusted net operating profit (**ANOP**);

        (v) the EBIT for Europe Building Products:

            (A) in 1Q20, 2Q20 and 3Q20 was adjusted to exclude costs associated with James Hardie's acquisition of the Fermacell Business;

            (B) in 4Q20 was adjusted to exclude asset impairment charges and costs associated with the acquisition of the Fermacell Business;

(vi) the EBIT for Asia Pacific Fiber Cement in 4Q20 was adjusted to exclude asset impairment charges;

(b) it says further that, in FY20, James Hardie also published quarterly results in US Dollars for Asia Pacific Fiber Cement (APAC) and Europe Building Products (EU), as set out in Table 1 of Annexure A to this Defence.

31. It admits the allegations in paragraph 31.

32. To paragraph 32:

(a) it admits the allegations in paragraph 32 and refers to and repeats sub-paragraphs 30(a)(i) to (iii) above;

(b) it says further that:

(i) the EBIT for each of North America Fiber Cement, Asia Pacific Fiber Cement and Europe Building Products in FY21 was adjusted to exclude any restructuring expenses;

(ii) in FY21, James Hardie also published quarterly results in US Dollars for Asia Pacific Fiber Cement and Europe Building Products, as set out in Table 2 of Annexure A to this Defence.

33. It admits the allegations in paragraph 33.

34. To paragraph 34:

(a) it admits the allegations in paragraph 34 and refers to and repeats sub-paragraphs 30(a)(i) to (iii) above;

(b) it says further that:

(i) the EBIT for each of North America Fiber Cement, Asia Pacific Fiber Cement and Europe Building Products in FY22 was adjusted to exclude any restructuring expenses;

(ii) in FY22, James Hardie also published quarterly results in US Dollars for Asia Pacific Fiber Cement and Europe Building Products, as set out in Table 3 of Annexure A to this Defence.

35. It admits the allegations in paragraph 35.

36. It admits the allegations in paragraph 36.

37. To paragraph 37:

(a) it admits that the 7 January Announcement contained the statements made in it, including statements substantially to the effect alleged, and says that it will refer at trial to the full terms and effect of the 7 January Announcement;

(b) it says further that:

(i) earnings guidance involves:

(A) an estimate of the future financial performance and results of a company;

(B) the use of historical and current information and data to predict future events and the financial performance and results of a company;

(ii) the preparation of earnings guidance is a forward-looking exercise based on a range of assumptions about, among other things, macro-economic and market-specific conditions, including the interaction of those conditions on consumer demand;

(iii) there is uncertainty and risk regarding whether earnings guidance will be achieved due to, among other things, unexpected events or circumstances arising during the period of the guidance, or anticipated events or circumstances not arising, and upon which reasonable assumptions have been made;

(iv) earnings guidance involves greater risk and uncertainty, and is generally less reliable, the further into the future the period of the guidance relates to;

(v) by reason of the matters in sub-paragraphs (i) to (iv) above, the preparation of earnings guidance involves an exercise of judgement;

(vi) earnings guidance prepared by James Hardie in FY21 and FY22 was attended by additional risk and uncertainty as a result of the COVID-19 pandemic;

(vii) at the time it provided its earnings guidance, James Hardie also warned that:

(A) its forward-looking statements and information were subject to risks, uncertainties and assumptions;

(B) risks and uncertainties arose from changes in, among other things, interest rates, inflation rates, exchange rates and the level of construction generally; and

(C) if one or more of the identified risks or uncertainties materialised, or should underlying assumptions prove incorrect, its actual results may vary materially from those described,

(**Guidance Warning**);

(viii) when providing earnings guidance, James Hardie did not represent or promise that it would achieve the financial performance and results within the parameters of its guidance;

(ix) the plaintiff and group members knew or ought to have known of the matters in sub-paragraphs (i) to (viii) above by reason of:

(A) statements made by James Hardie, such as the Guidance Warning;

(B) the plaintiff and group members, being persons who are alleged to have acquired JHX Shares, JHX ADRs and JHX Equity Swaps, had an awareness and understanding of risks and uncertainties inherent in forward-looking estimates of a company's financial performance and results (as reflected in earnings guidance).

Particulars

As to sub-paragraphs (vii) and (ix), see pages 2 and 3 of the 7 January Announcement.

As to sub-paragraph (vii), see also the particulars to sub-paragraphs 41(c), 108(b)(iii)-(iv), 187(b)(ii)-(iii), and 365(c)(ii)-(iii) below.

38. Save that it will rely on the full terms and effect of the January Special Call at trial, it admits the allegations in paragraph 38.

39. It admits the allegations in paragraph 39.

40. It admits the allegations in paragraph 40.

41. To paragraph 41:

(a) it admits that the 7 February Announcement contained the statements made in it, including statements substantially to the effect alleged, and says that it will refer at trial to the full terms and effect of the 7 February Announcement;

(b) it says further that, in this Defence:

(i) its revised guidance range for the James Hardie Group ANI in FY22 of US$620 million to US$630 million, made as part of the 7 February Announcement, will be referred to as the **Revised FY22 ANI Guidance**;

(ii) its guidance range for the James Hardie Group ANI in FY23 of US$740 million to US$820 million and growth of the James Hardie Group ANI in FY23 of between 18% and 31% will be referred to as the **FY23 ANI Guidance**;

(iii) its guidance range for North America Fiber Cement in FY23 of net sales growth of between 16% and 20% and EBIT Margin of between 30% and 33% will be referred to as the **FY23 North America Guidance**;

(c) it says further that it refers to and repeats sub-paragraph 37(b) above and it provided its Guidance Warning as part of the 7 February Announcement which applied to, among other things, the FY23 ANI Guidance and FY23 North America Guidance.

Particulars

Pages 4 and 6 of the Media Release titled "James Hardie Industries Announces Third Quarter Fiscal Year 2022 Results" dated 7 February 2022 in the 3Q22 Results Pack. [RAE.0001.0001.1662 at _1666 and _1668]

Page 18 of the document titled "Management's Analysis of Results: James Hardie – 3rd Quarter Fiscal Year 2022" in the 3Q22 Results Pack. [RAE.0001.0001.1662 at _1686]

Pages 2, 22 and 23 of the document titled "Q3 FY22 Management Presentation" dated 7 February 2022 in the 3Q22 Results Pack. [RAE.0001.0001.1662 at _1688, _1708 and _1709]

42. To paragraph 42:

(a) save that it will rely on the full terms and effect of the February Earnings Call at trial, it admits:

 (i) that it held the February Earnings Call on 7 February 2022 (AEDT);

 (ii) the allegations in sub-paragraphs 42(a)(i) and (iv), (b) and (d);

(b) it denies the allegations in sub-paragraph 42(a)(ii), and says that, in the February Earnings Call, Gadd stated that James Hardie believed the remodel segment had more resilience to interest rates changes than other segments and, specifically for homeowners taking out a home equity loan of US$50,000, a 100 basis point change in rates would only change their monthly payment by approximately US$25;

(c) it denies the allegations in sub-paragraph 42(a)(iii), and says that, in the February Earnings Call, Gadd stated that James Hardie did not believe that the potential for interest rates changes in the remodel segment would be a deterrent to homeowners deciding to remodel their home, especially considering the record amount of home equity currently held in the United States;

(d) it denies the allegations in sub-paragraph 42(c), and says that, in the February Earnings Call, Gadd stated that James Hardie believed the North American Market was going to be fairly favourable, sort of low single-digits; they suspected that North America Fiber Cement's volume was going to be somewhere between 9% and 13%; and, as a result, they thought they were going to be taking market share;

(e) it says further that its Guidance Warning applied to the statements alleged in sub-paragraph 42(a)(iv) of the Substituted Statement of Claim and in sub-paragraphs 42(b) to (d) above, and it refers to and repeats sub-paragraph 37(b) above.

43. It denies the allegations in paragraph 43 and refers to and repeats paragraphs 41 and 42 above.

44. It denies the allegations in paragraph 44 and refers to and repeats paragraphs 41 to 43 above.

D. HOW THE FEBRUARY FY23 GUIDANCE WAS PREPARED

45. To paragraph 45:

(a) it says that, in FY22 and FY23, it prepared financial forecasts (which included data on volume, net sales, cash cost, freight, selling general and administrative (**SG&A**) expenses, and adjusted EBIT (together, **Financial Metrics**));

(b) it says further that:

(i) it prepared financial forecasts based on its fiscal year (1 April to 31 March), containing data relating to the Financial Metrics for each month of that fiscal year;

(ii) it prepared monthly financial forecasts in and for the current fiscal year, which were generally updated each month during the fiscal year with, and based on, actual results for the prior month;

(iii) it also prepared financial forecasts for the next fiscal year; and

(iv) financial forecasts were generally prepared for each of its North America Fiber Cement, Asia Pacific Fiber Cement and Europe Building Products operating segments prior to preparing consolidated Group-level financial forecasts;

(c) it refers to and repeats paragraphs 74 to 80, 95(c)(iii), and 226 to 229 below; and

(d) it otherwise denies the allegations in paragraph 45.

46. To paragraph 46:

(a) it admits that, in November 2021, it was preparing financial forecasts for North America Fiber Cement for the next fiscal year (FY23), which included the forecast data alleged in the table; and

(b) it otherwise denies the allegations in paragraph 46 and refers to and repeats paragraph 45 above.

47. To paragraph 47:

(a) it admits that, in December 2021, it was preparing financial forecasts for North America Fiber Cement for the next fiscal year (FY23), which included the forecast data alleged in the table;

(b) it otherwise denies the allegations in paragraph 47 and refers to and repeats paragraph 45 above.

48. To paragraph 48:

(a) it admits that, in January 2022, it was preparing financial forecasts for North America Fiber Cement for the next fiscal year (FY23), which included the forecast data alleged in the table; and

(b) it otherwise denies the allegations in paragraph 48 and refers to and repeats paragraph 45 above.

49. To paragraph 49:

(a) it admits that on 16 January 2022, Miele emailed members of the finance and leadership teams of Asia Pacific Fiber Cement, Europe Building Products and North America Fiber Cement, and that the email foreshadowed a series of forecast review meetings or ‘Forecast Blitzes’;

(b) it otherwise denies the allegations in paragraph 49;

(c) it says further that:

(i) in the email, Miele stated that James Hardie needed a view that was its pure best estimate of what was going to happen, no hedges at the line item or business unit level, and the series of forecast review meetings were to ensure that James Hardie turned a second version of the ‘9+3’ version of the FY23 financial forecast by the end of next week; and

(ii) it will rely on the full terms and effect of the email at trial.

50. To paragraph 50:

(a) it admits that, on or about 31 January 2022, it prepared a further version of its financial forecast for North America Fiber Cement for the next fiscal year (FY23), which included the forecast data alleged in the table (the forecast data in the table at paragraph 50 being the **Further FY23 9+3 NA Forecast**); and

(b) it otherwise denies the allegations in paragraph 50 and refers to and repeats paragraph 45 above.

51. To paragraph 51:

(a) subject to sub-paragraph (c)(i)(A) below, it admits that the Further FY23 9+3 NA Forecast was presented to the Board at its meeting on 3 February 2022;

(b) it otherwise denies the allegations in paragraph 51;

(c) it says further that:

(i) on 3 February 2022, Miele presented a paper to the Board that included:

(A) the Further FY23 9+3 NA Forecast, save that the presentation did not include a separate line item for '*Unallocated'* costs of US$39.5 million;

(B) forecast Group ANI of US$837 million in FY23, with growth of 35%;

(C) forecast net sales growth for North America Fiber Cement in FY23 of 20.9%; and

(D) forecast EBIT Margin for North America Fiber Cement in FY23 of 32.1%;

Particulars

Minutes of the 3 February 2022 Board meeting: [JHX.0011.0001.2053_0001 at _0003 and _0004]. Slide Pack entitled "Financial Summary – Global Strategic Plan": [JHX.0011.0001.2053_0059 at 0106 and 0111].

(ii) on 7 February 2022, it gave the FY23 ANI Guidance and FY23 North America Guidance (as defined in sub-paragraph 41(b) above).

52. It denies the allegations in paragraph 52 and says further that:

(a) on 3 February 2022, the Board was presented with a financial summary which included the forecast data referred to in sub-paragraph 51(c)(i) above;

Particulars

The defendant refers to and repeats the particulars to sub-paragraph 51(c)(i) above.

(b) on 12 May 2022, the Board was presented with a financial plan, which included: a 3-year global earnings outlook; a global FY23-25 financial summary together with financial summaries for each operating segment; and a global financial outlook for FY23 (**FY23-25 Strategic Plan**).

Particulars

Minutes of the 12 May 2022 Board meeting: [JHX.0011.0001.1802_0001 at _0006 and _0007]. Slide Pack entitled "Q4 Quarterly Business Update": [JHX.0011.0001.1802_0120 at 0137]. Slide Pack entitled "Financial Plan: Jason Miele": [JHX.0011.0001.1802_0120 at _0145 to _0166].

53. To paragraph 53:

(a) it admits that, at the 3 February 2022 Board meeting, the James Hardie Board discussed and provided comment on a draft media release; and

Particulars

Board Minutes and Pack, 3 February 2022, '001 Signed Minutes': [JHX.0011.0001.2053_0001 at _0002 to _0003] and '011 Third Quarter FY2022 Accounts and Releases': [JHX.0011.0001.2053_0043].

Cf Audit Committee Minutes and Pack, 3 February 2022, '001 Signed Minutes': [JHX.0011.0001.0537_0001 at _0002] and '008 Third Quarter FY2022 Accounts and Releases': [JHX.0011.0001.0537_0087 from _0107].

(b) it otherwise denies the allegations in paragraph 53.

54. To paragraph 54:

(a) it admits that:

(i) ANI was a metric used by James Hardie which represented its net income after taking account of certain expenses and adjustments;

Particulars

ANI could be calculated by first calculating net income and removing the effect of certain items, including income or expenses related to asbestos and the Asbestos Injuries Compensation Fund, and certain tax adjustments.

(ii) net income represented James Hardie's EBIT after taking account of certain other expenses and adjustments;

Particulars

Net income could be calculated by first calculating James Hardie's EBIT and removing the effect of certain items, including income or expenses related to interest, other expenses, and income tax.

(iii) James Hardie's EBIT represented the total EBIT from each of James Hardie's operating segments and James Hardie's research and development segment, and general corporate costs;

(iv) all else being equal, ANI would decrease if there was a reduction in net sales and EBIT margin derived from North America Fiber Cement;

(v) all else being equal, ANI would increase if there was an increase in net sales and EBIT margin derived from North America Fiber Cement;

(b) it otherwise denies the allegations in paragraph 54.

55. To paragraph 55:

(a) it admits that, at the 3 February 2022 Board meeting, the James Hardie Board discussed and provided comment on a draft media release containing a proposed ANI guidance range of US$740 million to US$820 million; and

(b) it otherwise denies the allegations in paragraph 55.

Particulars

It refers to and repeats the particulars to paragraph 53 above.

E. FEBRUARY 2022 FACTS AND KNOWLEDGE

56. It denies the allegations in paragraph 56 and refers to and repeats paragraphs 57 to 81 below.

57. It denies the allegations in paragraph 57.

58. It denies the allegations in paragraph 58.

59. To paragraph 59:

(a) it denies the allegations therein;

(b) it refers to and repeats paragraphs 60 to 63 and 95(c)(iv) and (v) below;

(c) it says further that the demand for James Hardie's FC Products in the North American Market could be influenced by various factors.

Particulars

Demand for James Hardie's products could be impacted by, among other things, the availability of financing; regulatory changes; mortgage and other interest rates; inflation; household income and wage growth; unemployment levels; the existing supply of homes in the market, including the inventory of unsold homes and any undersupply of homes; the level of foreclosures; home resale rates; housing affordability; demographic trends; gross domestic product growth; consumer confidence in each of the countries and regions in which it operates; household equity and debt levels; the level of house price appreciation; the aging stock of homes; the backlog of homes to be completed, including the number of homes under construction; whether mortgages have fixed or variable rates; real estate prices; design trends and consumer preferences; new capacity; customer integration; James Hardie's arrangements or agreements with builders; marketing directly to homeowners; new innovations; and whether there had been any events or factors suppressing demand in prior periods.

Demand for James Hardie's products also varied depending on whether the products were to be used in the new construction sector or the R&R sector, and whether the products were to be used for single family units or multi-family units.

60. It does not admit the allegations in paragraph 60.

61. To paragraph 61:

(a) it admits that:

(i) the price of lumber in the United States between 1 February 2017 and 1 June 2020 was approximately US$400 per 1,000 board feet;

(ii) between 1 June 2020 and 7 February 2022, the price of lumber in the United States fluctuated; and

(b) it otherwise denies the allegations in paragraph 61;

(c) it says further that, by the time of the 7 February Announcement, the price of lumber had been rising steadily since November 2021.

62. To paragraph 62:

(a) it refers to and repeats paragraphs 60 and 61 above and 206 below; and

(b) it otherwise denies the allegations in paragraph 62.

63. To paragraph 63:

(a) insofar as “new construction” means housing starts in the US new construction sector, it admits that there was broadly an increase in the volume of new construction in the US residential housing construction market (both in total, and for single unit residential construction) between November and December 2021 as compared with the period April to October 2021;

(b) it otherwise denies the allegations in paragraph 63;

(c) it says further that:

(i) the increase in total and single unit housing starts between February and March 2021 exceeded the increase in total and single unit housing starts between October and November 2021;

(ii) the volume of total new starts in March 2021 was higher than in November 2021;

(iii) housing starts is only one metric for measuring the volume of construction in the new construction sector in the United States;

Particulars

The rate of housing permits and housing completions in the new construction sector is also relevant to measuring demand for James Hardie’s FC Products in the United States.

(iv) housing starts in the new construction sector has only limited relevance to the R&R sector;

(v) approximately 65% of the total volume of James Hardie’s sales in the North American Market at the time were in the R&R sector;

(vi) the data on housing starts in the United States for January 2022 was not published until 17 February 2022; and

(vii) there had been a month-on-month increase in total housing starts between September 2021 and December 2021.

64. It denies paragraph 64 and refers to and repeats paragraphs 59 to 63 above and 95(c)(iv) and (v) below.

65. To paragraph 65:

(a) it denies the allegations therein;

(b) it refers to and repeats paragraphs 66 to 71 and 95(c)(iv) below;

(c) it says further that, as at 7 February 2022:

(i) CPI in the United States had been above 2%, and was rising, since April 2021 and during that period James Hardie had announced upgrades to its FY22 earnings guidance; and

Particulars

Announcement date	**ANI Guidance range (USD)**
18 May 2021	\$520m – \$570m
10 August 2021 (revised)	\$550m – \$590m
9 November 2021 (revised)	\$580m – \$600m
7 January 2022 (revised)	\$605m – \$625m
7 February 2022 (revised, i.e. the ‘Revised FY22 ANI Guidance’)	\$620m – \$630m
Actual result (FY22 ANI):	*\$620.7m*

(ii) James Hardie had pricing and other strategies to offset and/or mitigate the effect that an increase in input costs had on the sales growth and EBIT Margin achieved by North America Fiber Cement and the James Hardie Group.

Particulars

James Hardie had the option of imposing out of cycle increases in the price of its products.

James Hardie typically imposed price increases on 1 January each year. Out of cycle price increases are additional increases in price imposed on other dates during the year.

Further, James Hardie:

(i) could enter into long-term contracts with suppliers of raw materials which fixed the price of those input costs;

(ii) was executing a “LEAN” manufacturing strategy (referred to internally as Hardie Manufacturing Operating Systems or “HMOS”), which aimed to reduce variation, increase efficiency and improve quality of its manufacturing pro cesses, and which assisted James Hardie to absorb input cost pressures in 2021 and January 2022;

(iii) could reduce costs, such as corporate costs and expenses that did not impact revenue generation, including by reducing headcount or freezing new hires, reducing spending on travel and events, and temporarily limiting spending in areas such as information technology, marketing, human resources and administration, and SG&A expenses; and

(iv) in relation to North America Fiber Cement, could increase sales and obtain a commitment from James Hardie's supply chain to reduce freight expenses.

66. To paragraph 66:

(a) to sub-paragraph 66(a):

(i) it admits that the Consumer Price Index (**CPI**) in the United States increased between March 2021 and January 2022 (including in the period October 2021 to January 2022);

(ii) it says that, notwithstanding the increase in CPI between March 2021 and January 2022, there was ongoing demand for James Hardie's FC Products in the North American Market over that period;

Particulars

See Annexure B to this Defence.

(iii) it otherwise denies the allegations in sub-paragraph 66(a);

(b) to sub-paragraph 66(b):

(i) it admits that the CPI in the United States was 7.9% in February 2022, which was well above 2%;

(ii) it refers to and repeats paragraph 67 below;

(iii) it says that, as at 7 February 2022, US Federal Reserve Board members and US Federal Reserve Bank presidents projected that the personal consumption expenditure price index (a measure of inflation other than the CPI) would decrease in 2022 in comparison to 2021 and that there would be a further decrease in the personal consumption expenditure price index in 2023 in comparison to 2022;

Particulars

US Federal Reserve, *Summary of Economic Projections* dated 15 December 2021, Table 1, p 2.

(iv) it otherwise does not admit the allegations in sub-paragraph 66(b).

67. To paragraph 67:

(a) it admits that high inflation in the US, all else being equal, is likely to cause the cost of building and construction materials in the US to increase; and

(b) it otherwise does not admit the allegations in paragraph 67.

68. To paragraph 68:

(a) it admits that, as at 7 February 2022, an increase in North America Fiber Cement's cost of building and construction materials was likely to cause it to incur additional input costs;

(b) it refers to and repeats paragraph 67 above;

(c) it otherwise denies the allegations in paragraph 68;

(d) it says further that James Hardie had pricing and other strategies to recoup additional input costs caused by inflation.

Particulars

James Hardie refers to and repeats the particulars subjoined to sub-paragraph 65(c)(ii) above.

69. To paragraph 69:

(a) it denies the allegations therein; and

(b) it says further that it did not follow that from a sustained period of high inflation in the US, consumer spending in the US residential housing market would likely slow and/or demand for James Hardie's products would likely decrease.

Particulars

James Hardie refers to and repeats paragraphs 59, 66, and 68 above and 70 to 71, and 206 below and the particulars subjoined thereto.

Further, as at 7 February 2022:

(i) US homeowners had a record average amount of equity in their home;

(ii) median US existing house prices had been rising, year over year, since March 2012 and were continuing to rise; and

(iii) the backlog of homes under construction in the United States, being the difference between the total number of new privately owned housing units completed and the total number of new privately owned housing unit started, was at the highest level since 1984.

70. It admits the allegations in paragraph 70 and says further that:

(a) as at 7 February 2022, the median projections of US Federal Reserve Board members and US Federal Reserve Bank presidents were that the Federal funds rate would increase to:

(i) 0.9% in 2022, with a projected range of 0.4% to 1.1%;

(ii) 1.6% in 2023, with a projected range of 1.1% to 2.1%; and

(iii) 2.1% in 2024, with a projected range of 1.9% to 3.1%;

Particulars

US Federal Reserve, *Summary of Economic Projections* dated 15 December 2021, Table 1, p 2: [JHX.0017.0001.0001 at _0002].

(b) at its 25 – 26 January 2022 meeting, the Federal Open Market Committee (**Fed Committee**) decided to keep the target range for the Federal funds rate at 0 – 0.25%;

(c) on 26 January 2022, Chair Powell of the US Federal Reserve stated at a press conference that:

(i) the economic outlook remained highly uncertain;

(ii) it was not possible to predict with much confidence exactly what path for the US Federal Reserve's policy rate was going to prove appropriate; and

(iii) it was not possible to say with any confidence what the precise path would be.

Particulars

US Federal Reserve, *Transcript of Chair Powell's Press Conference* dated 26 January 2022: [JHX.0010.0001.0009 at _0011, _0013 and _0030].

James Hardie will further refer at trial to the full terms and effect of the press release published by the US Federal Reserve on 26 January 2022 (EST): [JHX.0010.0001.0001].

71. To paragraph 71:

(a) it denies the allegations therein;

(b) it refers to and repeats paragraphs 59(c), and 65 to 70 above;

(c) it says further that it did not follow that increases in the Federal funds rate by the US Federal Reserve in FY23 would likely adversely impact the demand for James Hardie's FC Products in the North American Market in FY23.

Particulars

It did not follow because, among other things:

(i) the majority of mortgage holders in the US have fixed-rate mortgages;

(ii) the majority of fixed-rate mortgages in the US are 30-year fixed rate mortgages;

(iii) in the US, the Federal funds rate does not directly influence the 30-year fixed mortgage rate; and

(iv) the R&R sector was more resilient to increases in mortgage rates than the new construction sector.

With respect to (iv) above, the decision to repair or remodel a house was and remained less affected by increases in mortgage rates than the decision to purchase a property or build a new house.

Further, demand for James Hardie's FC Products in the R&R sector was and remained a function of, among other things:

(v) the amount of equity that a homeowner had in their house;

(vi) the value of the house;

(vii) the age of the house;

(viii) consumer preferences, such as the demand for repairs or remodelling by homeowners working from home; and

(ix) the level of a homeowner's disposable income or funds available for repair and remodelling.

It otherwise refers to and repeats the particulars to paragraph 59 above.

72. It denies the allegations in paragraph 72 and refers to and repeats paragraphs 65 to 71 above and 95(c)(iv) and (v) below.

73. It denies the allegations in paragraph 73 and refers to paragraphs 74 to 80 below.

74. It denies the allegations in paragraph 74 and says further that:

(a) between around September 2021 and 7 February 2022, the process for forecasting volume in the next fiscal year (FY23) as an input into the FY23-25 Strategic Plan included considerations such as: the prior year's volume forecast for each region within North America; the extent of projected growth (or retraction) in FY23 in the new construction sector and the R&R sector (referred to as Blended Market Growth or "BMG") for each region within North America; the targeted annual above-market growth that it could achieve in its market share (referred to as Primary Demand Growth or "PDG") for each region within North America; its manufacturing capacity; and its order backlog; and

(b) it refers to and repeats paragraph 45 above.

75. It denies the allegations in paragraph 75 and refers to and repeats paragraph 74 above.

76. It denies the allegations in paragraph 76 and refers to and repeats paragraphs 59 and 74 above.

77. It denies the allegations in paragraph 77 and refers to and repeats paragraphs 65, 69, 71 and 74 above and 95(c)(iv) below.

78. It denies the allegations in paragraph 78 and refers to and repeats paragraph 74 above.

79. It denies the allegations in paragraph 79 and refers to and repeats paragraph 74 above.

80. To paragraph 80:

(a) it denies the allegations therein;

(b) it refers to and repeats paragraph 74 above; and

(c) it says further that:

(i) James Hardie calculated its backlog of unfilled customer orders in the United States as the number of products that had been ordered by James

Hardie's customers but not shipped by the requested delivery date (**James Hardie Backlog**); and

(ii) the James Hardie Backlog was one factor taken into account in forecasting total sales.

81. It denies the allegations in paragraph 81 and refers to and repeats paragraphs 73 to 80 above.

82. It denies the allegations in paragraph 82.

83. It denies the allegations in paragraph 83 and refers to and repeats paragraphs 59 to 63, 65 to 71, and 73 to 80 above.

84. It denies the allegations in paragraph 84.

85. It denies the allegations in paragraph 85.

86. It denies the allegations in paragraph 86.

87. It denies the allegations in paragraph 87.

88. It denies the allegations in paragraph 88.

89. It denies the allegations in paragraph 89.

90. It denies the allegations in paragraph 90.

91. It denies the allegations in paragraph 91.

92. It denies the allegations in paragraph 92.

93. It denies the allegations in paragraph 93.

F. ALLEGED MISLEADING OR DECEPTIVE CONDUCT CONTRAVENTIONS – FEBRUARY 2022

94. It denies the allegations in paragraph 94 and refers to and repeats paragraphs 43 and 44 above.

95. To paragraph 95:

(a) it denies the allegations therein;

(b) it refers to and repeats paragraphs 43, 59, 64 to 65, 72 to 73, 81 to 82 and 86 above;

(c) it says further that if and to the extent that it made the February FY23 NA Guidance Representations as alleged (which is denied), then it had reasonable grounds for making the said representations at the time they were made because:

(i) of the matters pleaded in paragraphs 45 to 55, 59 to 63, 65 to 71, and 73 to 80 above;

(ii) any such representations were made knowing James Hardie's actual performance over the first nine months of FY22;

Particulars

The results for the first three quarters of FY22 relevantly included:

(i) for North America Fiber Cement, an increase in net sales of 25% as against the first three quarters of FY21;

(ii) for North America Fiber Cement, an adjusted EBIT Margin of 29.3% for the first three quarters of FY22.

(iii) any such representations were made following James Hardie's financial forecast processes, which formed part of James Hardie's usual business planning processes;

Particulars

The preparation of James Hardie's FY23-25 Strategic Plan commenced in around September 2021. The FY23-25 Strategic Plan was prepared simultaneously with the monthly financial forecast process for the current fiscal year (FY22).

The preparation of the annual financial forecast for FY23 commenced in or around September 2021 with each of James Hardie's three operating segments — North America Fiber Cement, Asia Pacific Fiber Cement and Europe Building Products — participating in its preparation and submitting a forecast for that region.

In around November 2021, the regional forecasts were consolidated into an initial James Hardie Group financial forecast for FY23.

Following the preparation of this initial group forecast, Jason Miele, Group CFO, devised and oversaw a review process of the consolidated forecast.

In around late January 2022, a revised consolidated financial forecast for FY23 was prepared.

On 3 February 2022, the Board was presented with the forecast data referred to in sub-paragraph 51(c) above.

From around March 2022, the process of preparing an annual financial forecast for FY23 in the context of the FY23-25 Strategic Plan was replaced with the process of preparing monthly financial forecasts, beginning with the 'FY23 0+12' representing 0 months of actual results and 12 months of forecast in FY23.

It otherwise refers to and repeats paragraphs 45 to 50, 74 and 79 above.

(iv) as part of its financial forecast processes for FY23, James Hardie had regard to publicly available information and information from third-party market intelligence sources as to forecast market conditions for the residential housing construction market in FY23, which incorporated the potential impact of inflation and interest rate rises on those markets;

Particulars

Publicly available information included the following:

(i) competitors' financial performance;

(ii) interest rates, mortgage rates and announcements by the US Federal Reserve;

(iii) CPI (inflation);

(iv) housing indicators, including rates of housing starts, housing permits and housing completions;

(v) supply and demand trends in the housing market (including number of houses on the market);

(vi) statistics relevant to the R&R sector, including statistics on house pricing, construction spending and levels of home owner equity;

(vii) macro indicators such as consumer sentiment and Google search trends;

(viii) changes in input and freight costs;

(ix) measures taken in response to the COVID-19 pandemic, including lockdown measures, in the countries in which James Hardie operated; and

(x) reporting by other companies in the housing market.

Third-party market intelligence sources included John Burns, Dodge Construction Network, Zonda, Zelman & Associates and the National Association of Home Builders.

(v) the information referred to in (iv) did not indicate that demand for James Hardie's FC Products in the North American Market would, or would be likely to, slow in FY23;

(vi) as at 7 February 2022:

(A) the demand for James Hardie's FC Products in the North American Market exceeded its capacity to supply those products; and

(B) North America Fiber Cement sold all, or almost all, the FC Products that it made,

(**"sold out" conditions**);

(vii) in respect of net sales by North America Fiber Cement, the financial forecast for FY23 as at 7 February 2022 assumed, relevantly, that:

(A) demand for James Hardie's products in the North American Market would continue to exceed its capacity to supply those products;

(B) James Hardie would increase its supply capacity in FY23 through new manufacturing lines and efficiency improvements;

(C) James Hardie would continue to transition its product mix towards a higher value product mix; and

(viii) the financial forecast for FY23 as at 7 February 2022 involved an exercise of judgement based on the information available, and was a fair and reasonable estimate of James Hardie's future financial performance for FY23.

96. It denies the allegations in paragraph 96 and refers to and repeats paragraphs 43, 45 to 87, and 94 to 95 above.

97. To paragraph 97:

(a) it denies the allegations therein;

(b) it refers to and repeats paragraphs 43, 59, 64 to 65, 72 to 73, 81 to 82, 86, 88, and 92 above;

(c) it says further that if and to the extent that it made the February FY23 Group Guidance Representation (which is denied), then it had reasonable grounds for making that representation at the time it was made for the reasons set out at paragraph 95 above.

Particulars

With respect to paragraph 95(c)(ii) as it applies to this paragraph 97, an additional result for the first three quarters of FY22 which is relevant to the February FY23 Group Guidance Representation is, for the James Hardie Group, an increase in net sales of 26%, as against the first three quarters of FY21.

98. It denies the allegations in paragraph 98 and refers to and repeats paragraphs 43, 45 to 95, and 97 above.

99. It denies the allegations in paragraph 99 and says further that if and to the extent that it made the February FY23 Implied Representation as alleged (which is denied), then it had reasonable grounds for making that representation at the time it was made for the reasons set out at paragraph 95 above.

100. It denies the allegations in paragraph 100 and refers to and repeats paragraphs 44 to 94, and 99 above.

101. It denies the allegations in paragraph 101 and refers to and repeats paragraphs 94 to 100 above.

102. To paragraph 102:

(a) it denies the allegations therein;

(b) it refers to and repeats paragraphs 43 above and 187(b)(i) below;

(c) it says further that, on 17 May 2022:

(i) James Hardie gave the May Revised FY23 NA Net Sales Growth Guidance (defined at paragraph 187(b)(i) below); and

(ii) in the May Earnings Call, Miele stated that James Hardie's expectation of cost of goods sold (**COGS**) inflation in FY23 had shifted significantly since February; where previously James Hardie was expecting global COGS inflation to be between $40 million to $60 million, James Hardie was now expecting it to be between $90 million to $130 million.

103. It denies the allegations in paragraph 103 and refers to and repeats paragraphs 43, and 101 to 102 above.

104. To paragraph 104:

(a) it says that the allegations regarding the market are vague and embarrassing, and under cover of that objection, it admits that, during the Relevant Period:

(i) the JHX Shares were listed on the ASX and the market for JHX Shares was operated by the ASX and was regulated by, *inter alia*, the ASX Listing Rules and ss 674(2) and 674A(2) of the Corporations Act;

(ii) it had the obligations set out in paragraphs 16 to 20 of the Substituted Statement of Claim, save for the matters pleaded in paragraphs 16 to 20 above;

(b) it says that:

(i) it will refer to the full terms and effect of the rules in Chapters 3 and 4 of the ASX Listing Rules, ASX Listing Rule 19.12 and Chapter 6CA of the Corporations Act;

(ii) the price of JHX Shares would reasonably be expected to have been informed or affected by material information disclosed to the ASX and by other publicly available information, amongst other factors affecting the price at which those shares were traded; and

(iii) it refers to and repeats paragraph 1(a) above;

(c) it otherwise denies the allegations in paragraph 104.

Particulars

As to sub-paragraph (a) above, it refers to letters from HSF Kramer to Echo Law dated 7 May 2025, 13 June 2025 and 30 July 2025, and letters from Echo Law to HSF Kramer dated 21 May 2025, 7 July 2025 and 18 August 2025.

105. It does not admit the allegations in paragraph 105 and refers to and repeats paragraph 104 above.

106. It denies the allegations in paragraph 106 and refers to and repeats paragraph 104 above.

107. It admits the allegations in paragraph 107.

108. To paragraph 108:

(a) it admits that the November Announcements contained the statements made in it, including statements substantially to the effect alleged (save that the expression "Adjusted FY2023 ANI Guidance Range" in sub-paragraph 108(a) is not defined and is therefore understood as the August Revised FY23 ANI Guidance defined above), and that it will refer at trial to the full terms and effect of the November Announcements;

(b) it says further that:

(i) in this Defence, its further revised guidance range for the James Hardie Group ANI in FY23 of US$650 million to US$710 million will be referred to as the **November Revised FY23 ANI Guidance**;

(ii) in this Defence, its further revised guidance range for North America Fiber Cement in FY23 of net sales growth of 13%+ versus FY22 and EBIT Margin of 28 to 30% will be referred to as the **November Revised FY23 NA Guidance**;

(iii) the November Announcements contained Guidance Warnings;

Particulars

Pages 4 and 6 of the Media Release titled "James Hardie Industries Announces Second Quarter Fiscal Year 2023 Results" dated 8 November 2022 in the 2Q23 Results Pack. [RAE.0001.0001.0589 at _0593 and _0595]

Page 16 of the document titled "Management's Analysis of Results: James Hardie – 2nd Quarter Fiscal Year 2023" in the 2Q23 Results Pack [RAE.0001.0001.0589 at _0611].

Pages 2 and 18 of the presentation titled "Q2 FY23 Management Presentation" dated 8 November 2022 in the 2Q23 Results Pack [RAE.0001.0001.0589 at _0613 and _0629].

In the November Earnings Call, Brennan-Chong stated that page 2 of the presentation accompanying the November Earnings Call contained James Hardie's standard cautionary note on forward-looking statements and that the presentation contained forward-looking statements: [JHX.0039.0001.0565 at _0568].

(iv) the Guidance Warnings applied to the November Revised FY23 ANI Guidance and the November Revised FY23 NA Guidance; and

(v) it refers to and repeats sub-paragraph 37(b) above.

109. To paragraph 109:

(a) it admits that the price of JHX Shares fell between the close of trade on 7 November 2022 and the close of trade on 10 November 2022 and that the price of JHX ADRs fell in a manner corresponding to the fall in the price of JHX Shares during that period;

(b) it otherwise does not admit the allegations in paragraph 109.

110. It denies the allegations in paragraph 110, it refers to and repeats paragraph 104 above, and it says further that, for the reasons set out in this Defence, during the Relevant Period the market for JHX Shares had been informed of all information about which James Hardie was obligated to inform the market.

111. It denies the allegations in paragraph 111.

112. It denies the allegations in paragraph 112.

113. It denies the allegations in paragraph 113.

114. It denies the allegations in paragraph 114.

115. It denies the allegations in paragraph 115.

116. It denies the allegations in paragraph 116.

117. It denies the allegations in paragraph 117.

118. It denies the allegations in paragraph 118.

119. It denies the allegations in paragraph 119, it refers to and repeats paragraph 104 above, and it says further that, for the reasons set out in this Defence, during the Relevant Period the market for JHX Shares had been informed of all information about which James Hardie was obligated to inform the market.

120. It denies the allegations in paragraph 120.

121. It denies the allegations in paragraph 121.

122. It denies the allegations in paragraph 122.

123. It denies the allegations in paragraph 123.

124. It denies the allegations in paragraph 124.

125. It denies the allegations in paragraph 125.

126. It denies the allegations in paragraph 126.

127. It denies the allegations in paragraph 127.

G. ALLEGED DISCLOSURE CONTRAVENTIONS FROM FEBRUARY 2022

128. It denies the allegations in paragraph 128 and refers to and repeats paragraphs 64, 72, 81, and 85 to 87 above.

129. It refers to and repeats paragraph 85 above and therefore denies the allegations in paragraph 129.

130. It refers to and repeats paragraph 85 above and therefore denies the allegations in paragraph 130.

131. It denies the allegations in paragraph 131 and refers to and repeats paragraph 128 above.

132. It denies the allegations in paragraph 132 and refers to and repeats paragraphs 85, and 128 to 131 above.

133. To paragraph 133:

(a) it refers to and repeats paragraphs 85 and 128 above;

(b) it says that the information referred to in paragraph 133 did not exist and it was not aware of it;

(c) in those circumstances, it admits that it did not communicate any of the information referred to in paragraph 133 to the ASX before 8 November 2022;

(d) it otherwise denies the allegations in paragraph 133; and

(e) it says further that it did not communicate the information referred to in paragraph 133 to the ASX at all.

134. It denies the allegations in paragraph 134 and refers to and repeats paragraphs 64, 72, 81 to 82, and 86 above.

135. It refers to and repeats paragraph 82 above and therefore denies the allegations in paragraph 135.

136. It denies the allegations in paragraph 136 and says further that:

(a) it refers to and repeats paragraphs 82 and 134 above; and

(b) the alleged information lacked the specificity necessary for a reasonable person to expect it to have a material effect on the price or value of JHX Shares.

137. It denies the allegations in paragraph 137 and refers to and repeats paragraph 134 above.

138. It denies the allegations in paragraph 138 and refers to and repeats paragraphs 82, and 134 to 137 above.

139. To paragraph 139:

(a) it refers to and repeats paragraphs 82 and 134 above;

(b) it says that the information referred to in paragraph 139 did not exist and it was not aware of it;

(c) in those circumstances, it admits that it did not communicate any of the information referred to in paragraph 139 to the ASX before 8 November 2022;

(d) it otherwise denies the allegations in paragraph 139; and

(e) it says further that it did not communicate the information referred to in paragraph 139 to the ASX at all.

140. It denies the allegations in paragraph 140 and refers to and repeats paragraphs 64, 72, 81, 86, and 91 to 93 above.

141. It refers to and repeats paragraph 91 above and therefore denies the allegations in paragraph 141.

142. It refers to and repeats paragraph 91 above and therefore denies the allegations in paragraph 142.

143. It denies the allegations in paragraph 143 and refers to and repeats paragraph 140 above.

144. It denies the allegations in paragraph 144 and refers to and repeats paragraphs 91, and 140 to 143 above.

145. To paragraph 145:

(a) it refers to and repeats paragraphs 91 and 140 above;

(b) it says that the information referred to in paragraph 145 did not exist and it was not aware of it;

(c) in those circumstances, it admits that it did not communicate any of the information referred to in paragraph 145 to the ASX before 8 November 2022;

(d) it otherwise denies the allegations in paragraph 145; and

(e) it says further that it did not communicate the information referred to in paragraph 145 to the ASX at all.

146. It denies the allegations in paragraph 146 and refers to and repeats paragraphs 64, 72, 81, 86, 88 and 92 above.

147. It refers to and repeats paragraph 88 above and therefore denies the allegations in paragraph 147.

148. It denies the allegations in paragraph 148 and says further that:

(a) it refers to and repeats paragraphs 88 and 146 above;

(b) the alleged information lacked the specificity necessary for a reasonable person to expect it to have a material effect on the price or value of JHX Shares;

(c) further or alternatively, the alleged information was not in a form appropriate for disclosure.

149. It denies the allegations in paragraph 149 and refers to and repeats paragraph 146 above.

150. It denies the allegations in paragraph 150 and refers to and repeats paragraphs 88, and 146 to 149 above.

151. To paragraph 151:

(a) it refers to and repeats paragraphs 88 and 146 above;

(b) it says that the information referred to in paragraph 151 did not exist and it was not aware of it;

(c) in those circumstances, it admits that it did not communicate any of the information referred to in paragraph 151 to the ASX before 8 November 2022;

(d) it otherwise denies the allegations in paragraph 151; and

(e) it says further that it did not communicate the information referred to in paragraph 151 to the ASX at all.

152. It denies the allegations in paragraph 152 and refers to and repeats paragraphs 16(a), 128 to 151 above.

153. To paragraph 153:

(a) it refers to and repeats paragraphs 82, 85, 88, 91, 128, 133, 134, 139, 140, 145, 146, and 151 above;

(b) it says that the information referred to in paragraph 153 did not exist and it was not aware of it;

(c) in those circumstances, it admits that it did not disclose the information referred to in paragraph 153 to the alleged Affected Market between 7 February 2022 and 17 May 2022;

(d) it otherwise denies the allegations in paragraph 153; and

(e) it says further that it did not disclose the information referred to in paragraph 153 to the alleged Affected Market at all.

154. It denies the allegations in paragraph 154 and refers to and repeats paragraphs 152 to 153 above.

155. It refers to and repeats paragraphs 104 to 106 above and otherwise denies the allegations in paragraph 155.

156. It refers to and repeats paragraphs 107 to 108 above and otherwise admits the allegations in paragraph 156.

157. It refers to and repeats paragraph 109 above and otherwise does not admit the allegations in paragraph 157.

158. It denies the allegations in paragraph 158, it refers to and repeats paragraph 104 above, and it says further that, for the reasons set out in this Defence, during the Relevant Period the market for JHX Shares had been informed of all information about which James Hardie was obligated to inform the market.

159. It denies the allegations in paragraph 159.

160. It denies the allegations in paragraph 160.

161. It denies the allegations in paragraph 161.

162. It denies the allegations in paragraph 162.

163. It denies the allegations in paragraph 163.

164. It denies the allegations in paragraph 164.

165. It denies the allegations in paragraph 165, it refers to and repeats paragraph 104 above, and it says further that, for the reasons set out in this Defence, during the Relevant Period the market for JHX Shares had been informed of all information about which James Hardie was obligated to inform the market.

166. It denies the allegations in paragraph 166.

167. It denies the allegations in paragraph 167.

168. It denies the allegations in paragraph 168.

169. It denies the allegations in paragraph 169.

170. It denies the allegations in paragraph 170.

171. It denies the allegations in paragraph 171.

172. It denies the allegations in paragraph 172, it refers to and repeats paragraph 104 above, and it says further that, for the reasons set out in this Defence, during the Relevant Period the market for JHX Shares had been informed of all information about which James Hardie was obligated to inform the market.

173. It denies the allegations in paragraph 173.

174. It denies the allegations in paragraph 174.

175. It denies the allegations in paragraph 175.

176. It denies the allegations in paragraph 176.

177. It denies the allegations in paragraph 177.

178. It denies the allegations in paragraph 178.

179. It denies the allegations in paragraph 179, it refers to and repeats paragraph 104 above, and it says further that, for the reasons set out in this Defence, during the Relevant Period the market for JHX Shares had been informed of all information about which James Hardie was obligated to inform the market.

180. It denies the allegations in paragraph 180.

181. It denies the allegations in paragraph 181.

182. It denies the allegations in paragraph 182.

183. It denies the allegations in paragraph 183.

184. It denies the allegations in paragraph 184.

185. It denies the allegations in paragraph 185.

CHAPTER III – MAY 2022

H. ALLEGED MAINTENANCE AND REAFFIRMATION OF THE FEBRUARY FY23 GUIDANCE

186. It admits the allegations in paragraph 186.

187. To paragraph 187:

(a) it admits that the 17 May Announcement contained the statements made in it, including statements substantially to the effect alleged, and says that it will refer at trial to the full terms and effect of the 17 May Announcement;

(b) as to the allegations in sub-paragraph 187(c), it says further that:

(i) in this Defence, its revised guidance range for North America Fiber Cement in FY23 of net sales growth of 18% to 22% will be referred to as the **May Revised FY23 NA Net Sales Growth Guidance**;

(ii) the 17 May Announcement contained Guidance Warnings;

Particulars

Pages 4 and 7 of the Media Release titled "James Hardie Industries Announces Fourth Quarter and Fiscal Year 2022 Results" dated 17 May 2022 in the 4Q22 Results Pack [RAE.0001.0001.2218 at _2222 and _2225].

Page 19 of the document titled "Management's Analysis of Results: James Hardie – Full Year Ended 31 March 2022" in the 4Q22 Results Pack [RAE.0001.0001.2218 at _2244].

Pages 2 and 20 of the document titled "Q4 FY22 Management Presentation" dated 17 May 2022 in the 4Q22 Results Pack [RAE.0001.0001.2218 at _2246 and _2264].

(iii) the Guidance Warnings applied to the statements alleged therein; and

(iv) it refers to and repeats sub-paragraph 37(b) above.

188. To paragraph 188:

(a) it admits that, in the 17 May Announcement, it repeated the FY23 ANI Guidance and the FY23 North America Guidance in relation to EBIT Margin, and it made the May Revised FY23 NA Net Sales Growth Guidance (together, the **May FY23 Guidance**);

(b) it otherwise denies the allegations in paragraph 188;

(c) it refers to and repeats sub-paragraphs 37(b) and 187(b)(ii) above and says further that:

(i) the Guidance Warnings referred to in sub-paragraph 187(b)(ii) above applied to the FY23 ANI Guidance and the FY23 North America Guidance in relation to EBIT Margin;

(ii) it will rely on the full terms and effect of the 17 May Announcement at trial.

189. To paragraph 189:

(a) it refers to and repeats paragraph 188 above;

(b) it says that guidance (such as the May FY23 Guidance) was not information required to be given to the ASX pursuant to ASX Listing Rule 4.3A; and

(c) it denies the allegations in paragraph 189.

190. To paragraph 190:

(a) it admits that it held the May Earnings Call on 17 May 2022 (AEST), and that it made the statement alleged in sub-paragraph 190(d);

(b) it denies the allegations in sub-paragraph 190(a), and says that in the May Earnings Call:

(i) Miele stated that North America Fiber Cement was at a point now where 65% of its business was repair and remodel;

(ii) Gadd stated that the R&R sector looked pretty robust for North America Fiber Cement;

(c) it denies the allegations in sub-paragraph 190(b), and says that, in the May Earnings Call, Gadd stated that:

(i) James Hardie had not seen any drop off in the conversion rate and did not plan to; he thought the backlog was relatively large in the R&R sector; when James Hardie had spoken to its contractors and customers, their backlogs were more than double what they traditionally were, which would tell you that they are not getting cancellations; James Hardie did not believe that interest rates for reside were really that big an impact; people seemed to have a fair amount of cash and James Hardie had not seen that drop off; and James Hardie thought they would continue to see growth;

Particulars

Gadd's reference to the "conversion rate" was a reference to the conversion of a contractor or builder from one James Hardie product to another. His reference to "reside" was a reference to full siding replacements.

(ii) in the R&R sector, contractors were talking about a sort of 8- to 12-week backlog with typically 4 to 6 weeks; James Hardie continued to work with its customers, dealers and distributors and had relatively strong visibility of their orders and of their contracts with homeowners which made James Hardie feel fairly confident with its numbers;

(d) it denies the allegations in sub-paragraph 190(c), and refers to and repeats sub-paragraph 190(c)(i) above;

(e) it says further that:

(i) it refers to and repeats sub-paragraph 102(c) above;

(ii) in the May Earnings Call:

(A) Gadd announced a second price increase in 2022 of around 4% for North American FC products that would become effective on or around 20 June 2022;

Particulars

The first price increase in 2022 of 5% was implemented on 1 January 2022.

(B) Gadd stated that the second price increase was to help improve North America Fiber Cement's overall top line result while offsetting cost pressures;

(C) Gadd stated that James Hardie would then implement its standard annual price increase on 1 January 2023;

(iii) it will rely on the full terms and effect of the May Earnings Call at trial.

191. It denies the allegations in paragraph 191 and refers to and repeats paragraphs 186 to 190 above.

192. It denies the allegations in paragraph 192 and refers to and repeats paragraphs 43 and 191 above.

193. It denies the allegations in paragraph 193 and refers to and repeats paragraphs 43 and 186 to 192 above.

I. MAY 2022 FACTS AND KNOWLEDGE

194. It denies the allegations in paragraph 194 and refers to and repeats paragraphs 59 to 63, and 65 to 71 above, and 195 to 238 below.

195. It denies the allegations in paragraph 195.

196. It denies the allegations in paragraph 196.

197. It denies the allegations in paragraph 197 and refers to and repeats paragraphs 59 to 63, and 65 to 71 above, and 198 to 207 and 251(c)(iv)(A) and (vi) below.

198. It does not admit the allegations in paragraph 198 and refers to and repeats paragraph 60 above.

199. It refers to and repeats paragraph 61 above and otherwise denies the allegations in paragraph 199.

200. It refers to and repeats paragraphs 60 to 62, 198 and 199 above and otherwise denies the allegations in paragraph 200.

201. It refers to and repeats paragraph 63 above and otherwise denies the allegations in paragraph 201.

202. To paragraph 202:

(a) it refers to and repeats paragraph 61 above;

(b) it says that:

(i) between 7 February 2022 and early March 2022, the price of lumber in the United States increased;

(ii) between early March 2022 and 17 May 2022, the price of lumber in the United States continued to fluctuate but generally decreased;

(c) it otherwise denies the allegations in paragraph 202.

203. To paragraph 203:

(a) it says that on 3 May 2022, Louisiana Pacific announced:

(i) the first production of LP® SmartSide® siding products (**SmartSide**) at its existing Houlton, Maine facility (**LP Houlton**) on 24 March 2022, and the production of the first APA – The Engineered Wood Association approved SmartSide board on 19 April 2022, following the conversion of LP Houston from the manufacture of oriented strand board and laminated strand lumber to SmartSide;

(ii) that, in the initial phase, LP Houlton would produce soffit and LP® ProStruct® Flooring with SmartFinish®, with SmartSide lap and trim starting production at the end of the second quarter and that the site expected to achieve full operating capacity within a year; and

(b) it otherwise denies the allegations in paragraph 203.

Particulars

Louisiana Pacific Announcement, "LP Building Solutions Announces the First Production of LP® SmartSide® at Houlton, Maine Facility", dated 3 May 2022: [JHX.0087.0001.0001].

204. It does not admit the allegations in paragraph 204.

205. It denies the allegations in paragraph 205 and says further that in or around early May 2022, manufacturers of Competing Products announced price increases.

Particulars

Louisiana Pacific announced a price increase on or about 2 May 2022 [JHX.0005.0033.0101]. Allura announced a price increase on or about 6 May 2022: [JHX.0005.0001.4725].

206. It denies the allegations in paragraph 206 and refers to and repeats paragraphs 61, and 202 to 205 above and says further that the decision of customers to substitute James Hardie's FC Products in place of Competing Products could be influenced by various factors other than the matters alleged at paragraphs 204 to 205 of the Substituted Statement of Claim.

Particulars

The decision to substitute James Hardie's FC Products could be impacted by, among other things, the products' quality, integrity, endurance or durability, maintenance, design aesthetics, safety, and price vis-à-vis Competing Products.

207. To the allegations in paragraph 207:

(a) it admits that the volume of new starts in the North American Market for US residential construction in May 2022 was lower than in February 2022;

(b) it otherwise denies the allegations in paragraph 207;

(c) it refers to and repeats sub-paragraphs 63(c)(iii) to 63(c)(v) above and says further that:

(i) the total volume of housing starts increased between March 2022 and April 2022;

(ii) the total volume of housing starts in May 2022 was commensurate with levels between July and October 2021 (before further increases in November and December 2021);

(iii) the data on housing starts in the United States for May 2022 was not published until 16 June 2022; and

Particulars

U.S. Census Bureau Monthly New Residential Construction, May 2022 (Release Number: CB22-100) dated 16 June 2022 [RAE.0001.0001.3266].

(iv) the US housing construction market is broader than single unit new construction and also includes multi-family new construction and the R&R sector.

208. It denies the allegations in paragraph 208 and refers to and repeats paragraphs 197 to 207 above and 251(c)(iv)(A) and (vi) below.

209. It denies the allegations in paragraph 209 and refers to and repeats paragraphs 210 to 216, and 251(c)(iv)(A) and (vi) below.

210. To paragraph 210:

(a) it refers to and repeats sub-paragraph 66(a) above and otherwise denies the allegations in sub-paragraph 210(a);

(b) it refers to and repeats sub-paragraph 66(b) above and otherwise does not admit the allegations in sub-paragraph 210(b).

211. To paragraph 211:

(a) it admits that, between 7 February 2022 and 17 May 2022, the CPI in the United States continued to remain at elevated levels as compared to a CPI of 2%;

(b) it otherwise does not admit the allegations in paragraph 211.

212. It refers to and repeats paragraph 67 above and otherwise does not admit the allegations in paragraph 212.

213. It denies the allegations in paragraph 213 and refers to and repeats paragraph 69 above.

214. To paragraph 214:

(a) it admits that, as at 17 May 2022, an increase in North America Fiber Cement's cost of building and construction materials was likely to cause it to incur additional input costs;

(b) it refers to and repeats paragraphs 65(c)(ii), 68(d), 102(c) and 212 above; and

Particulars

Further to the particulars subjoined to sub-paragraphs 65(c)(ii) and 68(d) above, by May 2022, James Hardie had decided to introduce the second price increase of around 4% in the North American Market which would become effective on or around 20 June 2022 and which was expected to improve its EBIT Margin over the balance of the financial year.

(c) it otherwise denies the allegations in paragraph 214.

215. It admits the allegations in paragraph 215 and says further that, as at 4 May 2022:

(a) the median projections of US Federal Reserve Board members and US Federal Reserve Bank presidents were that the Federal funds rate would increase to:

(i) 1.9% in 2022, with a projected range of 1.4% to 3.1%;

(ii) 2.8% in 2023, with a projected range of 2.1% to 3.6%; and

(iii) 2.8% in 2024, with a projected range of 2.1% to 3.6%;

Particulars

US Federal Reserve, *Summary of Economic Projections* dated 16 March 2022, Table 1, p 2: [JHX.0010.0001.0064].

(b) the US Federal Reserve stated that:

(i) the implications of the invasion of Ukraine by Russia for the US economy were highly uncertain; and

(ii) with appropriate firming in the stance of monetary policy, the Fed Committee expected inflation to return to its 2 percent objective and the labor market to remain strong.

Particulars

US Federal Reserve, ‘Press release: Federal Reserve issues FOMC statement’, 16 March 2022 [RAE.0001.0001.3219].

US Federal Reserve, ‘Press release: Federal Reserve issues FOMC statement’, 4 May 2022 [RAE.0001.0001.3211].

216. It denies the allegations in paragraph 216 and refers to and repeats paragraphs 59(c), 69, 71 and 210 to 215 above.

Particulars

Further to the particulars subjoined to paragraph 69 above, median US existing house prices had been rising, year over year, since March 2012 and continued to rise compared to the prior year until January 2023.

217. It denies the allegations in paragraph 217 and refers to and repeats paragraphs 59(c), 69(b), 71(c), and 209 to 216 above and 251(c)(iv)(A) and (vi) below.

218. It denies the allegations in paragraph 218.

219. To paragraph 219:

(a) it admits that on or about 10 May 2022, results for North America Fiber Cement for April 2022 were circulated, which included the information set out in the presentation at [JHX.0005.0013.1038];

(b) it otherwise denies the allegations in paragraph 219.

220. To paragraph 220:

(a) it admits that the April 2022 results referred to in paragraph 219 above indicated that the difference between the EBIT forecast in the FY23 0+12 monthly financial forecast for North America Fiber Cement and the actual EBIT for North America Fiber Cement in April 2022 was contributed to by, among others, a variance of US$7.3 million in volume and an increased differential in cash cost of US$3.1 million; and

(b) it otherwise denies the allegations in paragraph 220.

221. To paragraph 221:

(a) it admits that, as at 17 May 2022, it knew the April 2022 results referred to in paragraph 219 above; and

(b) it otherwise denies the allegations in paragraph 221.

222. It denies the allegations in paragraph 222 and refers to and repeats paragraphs 52 above and 223(b) below.

223. To paragraph 223:

(a) it admits that on or about 19 April 2022, it loaded financial plans relating to FY23 and FY23-25 into the HFM system; and

(b) it otherwise denies the allegations in paragraph 223 and it refers to and repeats paragraph 52 above.

224. To paragraph 224:

(a) it admits that:

(i) the Board convened on 12 May 2022; and

(ii) the Board was presented with the FY23-25 Strategic Plan, including the forecasts alleged in the tables at sub-paragraphs 224(a), (b) and (c); and

(b) it otherwise denies the allegations in paragraph 224 and it refers to and repeats paragraph 52 above.

225. It denies the allegations in paragraph 225.

226. To paragraph 226:

(a) as to the allegations in sub-paragraph 226(a):

(i) it admits that it did not prepare a 'FY23 10+2' financial forecast for North America Fiber Cement in February 2022;

(ii) it otherwise denies the allegations in sub-paragraph 226(a);

(b) as to the allegations in sub-paragraph 226(b):

(i) it refers to and repeats paragraph 45 above;

(ii) it says that:

(A) from around March 2022, it prepared monthly financial forecasts for FY23 commencing on 1 April 2022 as described at sub-paragraph 45(b)(ii) above;

(B) in April 2022, it finalised the 'FY23 0+12' monthly financial forecast for the James Hardie Group which included the following Financial Metrics for North America Fiber Cement:

USD (m)	**FY23 0+12**
Volume (mmstf)	3,460.5
Net sales	$3,200.5
Cash cost	$1,388.5
Freight cost	$306.8
Unallocated	-
SG&A	$294.1
EBIT	$1,008.2
EBIT margin	31.5%

(C) in May 2022, it finalised the 'FY23 1+11' monthly financial forecast for the James Hardie Group which included the following Financial Metrics for North America Fiber Cement:

USD (m)	**FY23 1+11**
Volume (mmstf)	3,478.4
Net sales	$3,217.4
Cash cost	$1,428.9
Freight cost	$314.6
Unallocated	-
SG&A	$272.7
EBIT	$995.9
EBIT margin	31.0%

(iii) it otherwise denies the allegations in paragraph 226.

Particulars

(i) The 'FY23 0+12' monthly financial forecast for the James Hardie Group was finalised on or about 21 April 2022 and sets out Financial Metrics for North America Fiber Cement in the worksheet entitled 'NA P&L': [JHX.0050.0002.5799].

(ii) The 'FY23 1+11' monthly financial forecast for the James Hardie Group was finalised on or about 17 May 2022 and sets out Financial Metrics for North America Fiber Cement in the worksheet entitled 'NA P&L': [JHX.0050.0002.5955].

227. To paragraph 227:

(a) it denies the allegations in sub-paragraph 227(a) and says further that the 'FY23 1+11' monthly financial forecast dated 12 May 2022:

(i) forecast an EBIT margin for the first quarter of FY23 of 26.1%;

(ii) forecast an EBIT margin for the total year of FY23 of 30.3%.

Particulars

Excel Spreadsheet, 'FY23 1+11 NA Forecast Draft v2', 12 May 2022: [JHX.0050.0002.4972].

(b) it denies the allegations in sub-paragraph 227(b) and says that it relies on the full terms and effect of the email from Criddle to Gadd and Miele dated 13 May 2022 [JHX.0027.0068.2633];

(c) it denies the allegations in sub-paragraph 227(c); and

(d) it denies the allegations in sub-paragraph 227(d).

Particulars

Email from Sean Gadd to Jason Miele, 12 May 2022: [JHX.0005.0010.2423].

228. It denies the allegations in paragraph 228 and says further that:

(a) it refers to and repeats paragraphs 45 and 74 above and 229 to 234 below;

(b) from around March 2022, James Hardie modified its monthly volume forecast process in North America Fiber Cement in anticipation of James Hardie no longer operating in "sold out" conditions; and

Particulars

The modified monthly volume forecast process in North America Fiber Cement included the preparation of:

(i) an “unconstrained orders” forecast, which was an estimate of the demand for James Hardie’s products in the absence of certain supply side constraints; and

(ii) a “constrained invoices” forecast, which was an estimate of what James Hardie could actually produce and supply over the forecast period. This forecast used the estimate of unconstrained invoices and applied the supply-side constraints.

(c) as at 17 May 2022, James Hardie was still operating in “sold out” conditions.

229. To paragraph 229:

(a) it refers to and repeats paragraph 228 above;

(b) it denies the allegations in paragraph 229;

(c) it says further that in FY23, James Hardie’s modified monthly volume forecasting process included consideration of orders using a 10-month rolling growth trend at the region / finish / product group level, with historical seasonality applied; adjustments based on specific interventions undertaken by James Hardie; and judgement calls in relation to regions that had been on allocation.

230. It denies the allegations in paragraph 230 and refers to and repeats paragraphs 228 and 229 above.

231. It denies the allegations in paragraph 231 and refers to and repeats paragraphs 228 to 230 above.

232. It denies the allegations in paragraph 232 and refers to and repeats paragraphs 197, 209, and 228 to 230 above.

233. It denies the allegations in paragraph 233 and refers to and repeats paragraphs 228 to 230 above.

234. It denies the allegations in paragraph 234 and refers to and repeats paragraphs 80(c) and 228 to 230 above.

235. It denies the allegations in paragraph 235 and refers to and repeats paragraphs 228 to 234 above.

236. It denies the allegations in paragraph 236 and refers to and repeats paragraphs 234 above and 237 below.

237. It denies the allegations in paragraph 237.

238. It denies the allegations in paragraph 238 and refers to and repeats paragraphs 236 and 237 above.

239. It denies the allegations in paragraph 239.

240. It denies the allegations in paragraph 240 and refers to and repeats paragraphs 197 to 207, 209 to 216, and 228 to 234 above.

241. It denies the allegations in paragraph 241.

242. It denies the allegations in paragraph 242.

243. It denies the allegations in paragraph 243.

244. It denies the allegations in paragraph 244.

245. It denies the allegations in paragraph 245.

246. It denies the allegations in paragraph 246.

247. It denies the allegations in paragraph 247.

248. It denies the allegations in paragraph 248.

249. It denies the allegations in paragraph 249.

J. ALLEGED MISLEADING OR DECEPTIVE CONDUCT CONTRAVENTIONS – MAY 2022

250. It denies the allegations in paragraph 250 and refers to and repeats paragraphs 191 and 193 above.

251. To paragraph 251:

   (a) it denies the allegations therein;

   (b) it refers to and repeats paragraphs 191, 197, 208 to 209, 228, 235 to 236, 238 to 239, and 245 above;

   (c) it says further that if and to the extent that it made the May Increased FY23 NA Guidance Representations as alleged (which is denied), then it had reasonable grounds for making the said representations at the time they were made because:

      (i) of the matters pleaded at paragraphs 95, 197 to 207, 209 to 216, 218 to 220, 222 to 234, and 236 to 237 above;

(ii) any such representations were made knowing the full year results for FY22;

Particulars

The full year results for FY22 relevantly included:

(i) for the James Hardie Group, a full year increase in net sales of 24%, with volume growth of 14% and price/mix growth of 10%;

(ii) for North America Fiber Cement, a full year increase in net sales of 25% with volume growth of 15% and price/mix growth of 10%;

(iii) for North America Fiber Cement, a full year adjusted EBIT Margin of 29.1%, delivered through continued LEAN manufacturing improvements combined with high-value product mix helping to offset cost inflation.

The James Hardie Group ANI for FY22 was $620.7 million, which was within the Revised FY22 ANI Guidance (which itself was the fourth upgrade to the original FY22 guidance): see the particulars to sub-paragraph 65(c)(i) above.

(iii) any such representations were made following James Hardie's monthly financial forecast process, which formed part of James Hardie's usual business planning processes;

Particulars

James Hardie's monthly forecasting processes included assessing year-to-date performance against previous financial forecasts and taking into account the most recent information relevant to the forecast for the remainder of the financial year, in accordance with the practice referred to in paragraphs 45, 74, and 95(c)(iii) above.

Each of James Hardie's three operating segments—North America Fiber Cement, Asia Pacific Fiber Cement and Europe Building Products— were also involved in that process, as was Miele.

It further refers to and repeats the particulars to sub-paragraph 95(c)(iii) above.

(iv) as part of its monthly financial forecast process for May 2022, James Hardie had regard to:

(A) publicly available information and information from third-party market intelligence sources and customers as to forecast market conditions for the residential housing construction market in FY23;

Particulars

James Hardie refers to and repeats the particulars to sub-paragraph 95(c)(iv) above.

(B) its rising input and freight costs, driven (at least in part) by inflation caused by Russia's invasion of Ukraine on 24 February 2022;

(v) in the financial plans presented to the Board on 12 May 2022, referred to in sub-paragraph 224(a)(ii) above, for FY23:

(A) its global net sales were forecast to be US$4,240 million;

(B) its global ANI was forecast to be US$779 million (within the FY23 ANI Guidance of $740 million to $820 million);

(C) net sales for North America Fiber Cement were forecast to be US$3,056 million (being 20% growth as compared with FY22) (within the May Revised FY23 NA Net Sales Growth Guidance of 18% to 22%); and

(D) Adjusted EBIT Margin for North America Fiber Cement was forecast to be 30.4% (within the FY23 North America Guidance in relation to EBIT Margin of 30% to 33%);

(vi) the information referred to in sub-paragraphs (iv)(A) and (v) did not, as at 17 May 2022, indicate that demand for James Hardie's FC Products in the North American Market would, or would be likely to, slow in FY23;

(vii) the information referred to in sub-paragraph (iv)(B) did not, as at 17 May 2022, indicate that a revision to the FY23 ANI Guidance and/or the FY23 North America Guidance in relation to EBIT Margin was necessary; and

(viii) James Hardie had taken and was taking measures to maintain its EBIT Margin; and

Particulars

The measures taken by James Hardie included the following:

(i) it had increased prices by 5% effective from 1 January 2022 which had contributed to price/mix growth of 14% in Q422 without a corresponding decrease in demand for James Hardie’s FC Products in the North American Market; and

(ii) it had decided to introduce the second price increase of around 4% in the North American Market on or around 20 June 2022 which was expected to improve its EBIT Margin over the balance of the financial year.

(ix) the financial forecast for FY23 as at 17 May 2022 involved an exercise of judgement based on the information available, and was a fair and reasonable estimate of James Hardie’s future financial performance for FY23.

252. It denies the allegations in paragraph 252 and refers to and repeats paragraphs 191, 194 to 251 above.

253. To paragraph 253:

(a) it denies the allegations therein;

(b) it refers to and repeats paragraphs 191, 197, 208 to 209, 228, 235 to 236, 238 to 239, 245, and 248 above;

(c) it says further that if and to the extent that it made the May Reaffirmed FY23 Group Guidance Representation (which is denied), then it had reasonable grounds for making that representation at the time it was made for the reasons set out at paragraph 251 above.

254. It denies the allegations in paragraph 254 and refers to and repeats paragraphs 191, 194 to 251, and 253 above.

255. It denies the allegations in paragraph 255 and says further that if and to the extent that it made the May FY23 Implied Representation as alleged (which is denied), then it had reasonable grounds for making that representation at the time it was made for the reasons set out at paragraph 251 above.

256. It denies the allegations in paragraph 256 and refers to and repeats paragraphs 193 to 250, and 255 above.

257. It denies the allegations in paragraph 257 and refers to and repeats paragraphs 250 to 256 above.

258. It denies the allegations in paragraph 258 and refers to and repeats paragraph 191 above.

259. It denies the allegations in paragraph 259 and refers to and repeats paragraphs 191, and 257 to 258 above.

260. It refers to and repeats paragraphs 104 to 106 above and otherwise denies the allegations in paragraph 260.

261. It refers to and repeats paragraphs 107 to 108 above and otherwise admits the allegations in paragraph 261.

262. It refers to and repeats paragraph 109 above and otherwise does not admit the allegations in paragraph 262.

263. It denies the allegations in paragraph 263, it refers to and repeats paragraph 104 above, and it says further that, for the reasons set out in this Defence, during the Relevant Period the market for JHX Shares had been informed of all information about which James Hardie was obligated to inform the market.

264. It denies the allegations in paragraph 264.

265. It denies the allegations in paragraph 265.

266. It denies the allegations in paragraph 266.

267. It denies the allegations in paragraph 267.

268. It denies the allegations in paragraph 268.

269. It denies the allegations in paragraph 269.

270. It denies the allegations in paragraph 270.

271. It denies the allegations in paragraph 271.

272. It denies the allegations in paragraph 272, it refers to and repeats paragraph 104 above, and it says further that, for the reasons set out in this Defence, during the Relevant Period the market for JHX Shares had been informed of all information about which James Hardie was obligated to inform the market.

273. It denies the allegations in paragraph 273.

274. It denies the allegations in paragraph 274.

275. It denies the allegations in paragraph 275.

276. It denies the allegations in paragraph 276.

277. It denies the allegations in paragraph 277.

278. It denies the allegations in paragraph 278.

279. It denies the allegations in paragraph 279.

280. It denies the allegations in paragraph 280.

K. ALLEGED DISCLOSURE CONTRAVENTIONS FROM MAY 2022

281. It denies the allegations in paragraph 281 and refers to and repeats paragraphs 208 to 209, 235, 238, and 242 to 244 above.

282. It refers to and repeats paragraph 242 above and therefore denies the allegations in paragraph 282.

283. It refers to and repeats paragraph 242 above and therefore denies the allegations in paragraph 283.

284. It denies the allegations in paragraph 284 and refers to and repeats paragraph 281 above.

285. It denies the allegations in paragraph 285 and refers to and repeats paragraphs 242, and 281 to 284 above.

286. To paragraph 286:

   (a) it refers to and repeats paragraphs 242 and 281 above;

   (b) it says that the information referred to in paragraph 286 did not exist and it was not aware of it;

   (c) in those circumstances, it admits that it did not communicate any of the information referred to in paragraph 286 to the ASX before 8 November 2022;

   (d) it otherwise denies the allegations in paragraph 286; and

   (e) it says further that it did not communicate the information referred to in paragraph 286 to the ASX at all.

287. It denies the allegations in paragraph 287 and refers to and repeats paragraph 242 above.

288. It denies the allegations in paragraph 288 and refers to and repeats paragraphs 242 and 287 above.

289. To paragraph 289:

(a) it admits that its Appendix 4E for FY22 did not contain the May Counterfactual NA Sales Growth Guidance Information and/or the May Counterfactual NA EBIT Margin Guidance Information;

(b) it refers to and repeats paragraphs 242, 287 and 288 above; and

(c) it otherwise denies the allegations in paragraph 289.

290. It denies the allegations in paragraph 290 and refers to and repeats paragraphs 189, 191 and 242 above.

291. To paragraph 291:

(a) it denies the allegations therein;

(b) it says further that:

(i) it refers to and repeats paragraphs 186 to 191, 281 and 290 above;

(ii) in circumstances where guidance (such as the May FY23 Guidance) was not information required to be given by it to ASX pursuant to ASX Listing Rule 4.3A, ASX Listing Rule 4.3D was not capable of being engaged;

(iii) further or alternatively, any obligation arising under ASX Listing Rule 4.3D ceased to apply upon the provision of the annual documents required by ASX Listing Rule 4.5, which, in the case of James Hardie, was the provision of its FY22 Annual Report on 18 May 2022.

292. It denies the allegations in paragraph 292 and refers to and repeats paragraphs 242, and 290 to 291 above.

293. It denies the allegations in paragraph 293 and refers to and repeats paragraphs 208 to 209, 235, 238 to 239, and 243 above.

294. It refers to and repeats paragraph 239 above and therefore denies the allegations in paragraph 294.

295. It denies the allegations in paragraph 295 and says further that:

(a) it refers to and repeats paragraphs 239 and 293 above; and

(b) the alleged information lacked the specificity necessary for a reasonable person to expect it to have a material effect on the price or value of JHX Shares.

296. It denies the allegations in paragraph 296 and refers to and repeats paragraph 293 above.

297. It denies the allegations in paragraph 297 and refers to and repeats paragraphs 239, and 293 to 296 above.

298. To paragraph 298:

(a) it refers to and repeats paragraphs 239 and 293 above;

(b) it says that the information referred to in paragraph 298 did not exist and it was not aware of it;

(c) in those circumstances, it admits that it did not communicate any of the information referred to in paragraph 298 to the ASX before 8 November 2022;

(d) it otherwise denies the allegations in paragraph 298; and

(e) it says further that it did not communicate the information referred to in paragraph 298 to the ASX at all.

299. It denies the allegations in paragraph 299 and refers to and repeats paragraph 239 above.

300. It denies the allegations in paragraph 300 and refers to and repeats paragraphs 239 and 299 above.

301. To paragraph 301:

(a) it admits that its Appendix 4E for FY22 did not contain the May Unlikely NA Guidance Information;

(b) it refers to and repeats paragraphs 239, 299 and 300 above; and

(c) it otherwise denies the allegations in paragraph 301.

302. It denies the allegations in paragraph 302 and refers to and repeats paragraphs 189, 191 and 239 above.

303. It denies the allegations in paragraph 303 and refers to and repeats paragraphs 186 to 191, 291(b)(ii)-(iii), 293 and 302 above.

304. It denies the allegations in paragraph 304 and refers to and repeats paragraphs 239, and 302 to 303 above.

305. It denies the allegations in paragraph 305 and refers to and repeats paragraphs 208 to 209, 235, 238, 243, and 247 to 249 above.

306. It refers to and repeats paragraph 247 above and therefore denies the allegations in paragraph 306.

307. It refers to and repeats paragraph 247 above and therefore denies the allegations in paragraph 307.

308. It denies the allegations in paragraph 308 and refers to and repeats paragraph 305 above.

309. It denies the allegations in paragraph 309 and refers to and repeats paragraphs 247, and 305 to 308 above.

310. To paragraph 310:

   (a) it refers to and repeats paragraphs 247 and 305 above;

   (b) it says that the information referred to in paragraph 310 did not exist and it was not aware of it;

   (c) in those circumstances, it admits that it did not communicate any of the information referred to in paragraph 310 to the ASX before 8 November 2022;

   (d) it otherwise denies the allegations in paragraph 310; and

   (e) it says further that it did not communicate the information referred to in paragraph 310 to the ASX at all.

311. It denies the allegations in paragraph 311 and refers to and repeats paragraph 247 above.

312. It denies the allegations in paragraph 312 and repeats paragraphs 247 and 311 above.

313. To paragraph 313:

   (a) it admits that its Appendix 4E for FY22 did not contain the May A Counterfactual ANI Guidance Information or the May B Counterfactual ANI Guidance Information;

   (b) it refers to and repeats paragraphs 247, 311 and 312 above; and

   (c) it otherwise denies the allegations in paragraph 313.

314. It denies the allegations in paragraph 314 and refers to and repeats paragraphs 189, 191 and 247 above.

315. It denies the allegations in paragraph 315 and refers to and repeats paragraphs 186 to 191, 291(b)(ii)-(iii), 305 and 314 above.

316. It denies the allegations in paragraph 316 and refers to and repeats paragraphs 247, and 314 to 315 above.

317. It denies the allegations in paragraph 317 and refers to and repeats paragraphs 208 to 209, 235, 238, 243, 245 and 248 above.

318. It refers to and repeats paragraph 245 above and therefore denies the allegations in paragraph 318.

319. It denies the allegations in paragraph 319 and says further that:

   (a) it refers to and repeats paragraphs 245 and 317 above;

   (b) the alleged information lacked the specificity necessary for a reasonable person to expect it to have a material effect on the price or value of JHX Shares;

   (c) further or alternatively, the alleged information was not in a form appropriate for disclosure.

320. It denies the allegations in paragraph 320 and refers to and repeats paragraph 317 above.

321. It denies the allegations in paragraph 321 and refers to and repeats paragraphs 245, and 317 to 320 above.

322. To paragraph 322:

   (a) it refers to and repeats paragraphs 245 and 317 above;

   (b) it says that the information referred to in paragraph 322 did not exist and it was not aware of it;

   (c) in those circumstances, it admits that it did not communicate any of the information referred to in paragraph 322 to the ASX before 8 November 2022;

   (d) it otherwise denies the allegations in paragraph 322; and

   (e) it says further that it did not communicate the information referred to in paragraph 322 to the ASX at all.

323. It denies the allegations in paragraph 323 and refers to and repeats paragraph 245 above.

324. It denies the allegations in paragraph 324 and refers to and repeats paragraphs 245 and 323 above.

325. To paragraph 325:

(a) it admits that its Appendix 4E for FY22 did not contain the May Unlikely ANI Guidance Information;

(b) it refers to and repeats paragraphs 245, 323 and 324 above; and

(c) it otherwise denies the allegations in paragraph 325.

326. It denies the allegations in paragraph 326 and refers to and repeats paragraphs 189, 191 and 245 above.

327. It denies the allegations in paragraph 327 and refers to and repeats paragraphs 186 to 191, 291(b)(ii)-(iii), 317 and 326 above.

328. It denies the allegations in paragraph 328 and refers to and repeats paragraphs 245, and 326 to 327 above.

329. It denies the allegations in paragraph 329 and refers to and repeats paragraphs 16(a), 281 to 286, 293 to 298, 305 to 310, and 317 to 322 above.

330. To paragraph 330:

(a) it denies the allegations therein;

(b) it refers to and repeats paragraphs 16(a), 20(b), 287 to 292, 299 to 304, 311 to 316, and 323 to 328 above; and

(c) it says further that s 674A of the Corporations Act does not apply to any obligation arising under ASX Listing Rule 4.3A of the ASX Listing Rules, as ASX Listing Rule 4.3A does not require an entity to notify the ASX of information about specified events or matters as they arise.

331. To paragraph 331:

(a) it refers to and repeats paragraphs 239, 242, 245, 247, 281, 286, 293, 298, 305, 310, 317, and 322 above;

(b) it says that the information referred to in paragraph 331 did not exist and it was not aware of it;

(c) in those circumstances, it admits that it did not disclose the information referred to in paragraph 331 to the alleged Affected Market between 17 May 2022 and 16 August 2022;

(d) it otherwise denies the allegations in paragraph 331; and

(e) it says further that it did not disclose the information referred to in paragraph 331 to the alleged Affected Market at all.

332. It denies the allegations in paragraph 332 and refers to and repeats paragraphs 329 to 331 above.

333. It refers to and repeats paragraphs 104 to 106 above and otherwise denies the allegations in paragraph 333.

334. It refers to and repeats paragraphs 107 to 108 above and otherwise admits the allegations in paragraph 334.

335. It refers to and repeats paragraph 109 above and otherwise denies the allegations in paragraph 335.

336. It denies the allegations in paragraph 336, it refers to and repeats paragraph 104 above, and it says further that, for the reasons set out in this Defence, during the Relevant Period the market for JHX Shares had been informed of all information about which James Hardie was obligated to inform the market.

337. It denies the allegations in paragraph 337.

338. It denies the allegations in paragraph 338.

339. It denies the allegations in paragraph 339.

340. It denies the allegations in paragraph 340.

341. It denies the allegations in paragraph 341.

342. It denies the allegations in paragraph 342.

343. It denies the allegations in paragraph 343, it refers to and repeats paragraph 104 above, and it says further that, for the reasons set out in this Defence, during the Relevant Period the market for JHX Shares had been informed of all information about which James Hardie was obligated to inform the market.

344. It denies the allegations in paragraph 344.

345. It denies the allegations in paragraph 345.

346. It denies the allegations in paragraph 346.

347. It denies the allegations in paragraph 347.

348. It denies the allegations in paragraph 348.

349. It denies the allegations in paragraph 349.

350. It denies the allegations in paragraph 350, it refers to and repeats paragraph 104 above, and it says further that, for the reasons set out in this Defence, during the Relevant Period the market for JHX Shares had been informed of all information about which James Hardie was obligated to inform the market.

351. It denies the allegations in paragraph 351.

352. It denies the allegations in paragraph 352.

353. It denies the allegations in paragraph 353.

354. It denies the allegations in paragraph 354.

355. It denies the allegations in paragraph 355.

356. It denies the allegations in paragraph 356.

357. It denies the allegations in paragraph 357, it refers to and repeats paragraph 104 above, and it says further that, for the reasons set out in this Defence, during the Relevant Period the market for JHX Shares had been informed of all information about which James Hardie was obligated to inform the market.

358. It denies the allegations in paragraph 358.

359. It denies the allegations in paragraph 359.

360. It denies the allegations in paragraph 360.

361. It denies the allegations in paragraph 361.

362. It denies the allegations in paragraph 362.

363. It denies the allegations in paragraph 363.

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364. It admits the allegations in paragraph 364.

365. To paragraph 365:

(a) it admits that the August Announcements contained the statements made in them, including statements substantially to the effect alleged in sub-paragraphs 365(a), (b) and (c), and says that it will refer at trial to the full terms and effect of the August Announcements;

(b) it denies the allegations in sub-paragraph 365(d) and says that, by the August Announcements, James Hardie stated that, after a strong first quarter of 28% growth by North America Fiber Cement, management saw several scenarios where it could deliver net sales growth above the prior top end of 22% so it no longer believed the top end cap was relevant; however, it also acknowledged the uncertainty in the housing market and the potential for underlying demand to decrease at the tail end of the fiscal year so it held the floor at 18%;

(c) it says further that:

(i) in this Defence:

(A) its revised guidance range for the James Hardie Group ANI in FY23 of US$730 million to US$780 million will be referred to as the **August Revised FY23 ANI Guidance**; and

(B) its revised guidance range for North America Fiber Cement in FY23 of Net Sales Growth of 18%+ versus FY22 and EBIT Margin of between 28% and 32% will be referred to as the **August Revised FY23 North America Guidance,**

(together, the **August Revised FY23 Guidance**);

(ii) the August Announcements contained Guidance Warnings;

Particulars

Pages 4 and 6 of the Media Release titled "James Hardie Industries Announces First Quarter Fiscal Year 2023 Results" dated 16 August 2022 in the 1Q23 Results Pack [RAE.0001.0001.0247 at _0251 and _0253].

Page 15 of the document titled "Management's Analysis of Results: James Hardie – 1st Quarter Fiscal Year 2023" in the 1Q23 Results Pack [RAE.0001.0001.0247 at _0268].

Pages 2 and 23 of the document titled "Q1 FY23 Management Presentation" dated 16 August 2022 in the 1Q23 Results Pack [RAE.0001.0001.0247 at _0270 and _0291].

In the August Earnings Call, Miele stated that page 2 of the presentation accompanying the August Earnings Call contained James Hardie's standard cautionary note on forward-looking statements and that the presentation contained forward-looking statements [RAE.0001.0001.2335 at _2335].

(iii) the Guidance Warnings applied to the forward-looking statements in the August Announcements (including the August Revised FY23 Guidance); and

(iv) it refers to and repeats sub-paragraph 37(b) above.

366. To paragraph 366:

(a) it admits that the August Announcements contained the statements made in them, including statements substantially to the effect alleged in sub-paragraphs 366(a), (b), (c) and (g);

(b) to sub-paragraph 366(d):

(i) it admits that in the August Earnings Call, it stated that:

(A) the margin delivered by the North American business in 1Q23 was below the previously communicated expected range for the full year, driven by significant and accelerating cost inflation across raw material inputs and freight;

(B) it effectively executed a second price increase effective 22 June 2022 and it expected margins to improve sequentially throughout the fiscal year;

(ii) it otherwise denies the allegations in sub-paragraph 366(d);

(c) save that the adjustments made by James Hardie were made in 1Q23 and not 1Q22, it admits the allegations in sub-paragraph 366(e);

(d) to sub-paragraph 366(f):

(i) it denies that, by the August Announcements, it stated that James Hardie was starting to see some improvements in freight (in July 2022);

(ii) it otherwise refers to sub-paragraph (h) below and admits the allegations in sub-paragraph 366(f);

(iii) it says further that, by the August Announcements, it stated that North America Fiber Cement was starting to see some improvements in its input costs, most notably in freight which was 10% lower in July compared to Q1;

(e) to sub-paragraph 366(h):

(i) it admits that, by the August Announcements, it stated that it had positioned itself to continue to deliver growth above the market and strong returns; and

(ii) it otherwise denies the allegations in sub-paragraph 366(h);

(f) it denies the allegations in sub-paragraph 366(i) and says that, by the August Announcements, it stated that, based on the conversations it was having with contractors, the backlog that still existed in the R&R sector was still there and management thought it would probably hold the industry through to January FY23 on average, then in February and March FY23 there would probably be a slight dip;

(g) it otherwise denies the allegations in paragraph 366 and says it will rely at trial on the full terms and effect of the August Announcements;

(h) it says further that, in the August Earnings Call, Gadd stated with respect to the EBIT Margin component of the FY23 North America Guidance, James Hardie had lowered its full year FY23 EBIT Margin guidance range from 30% to 33% to a range of 28% to 32%, as continued inflationary pressures had created an environment where James Hardie did not see a path to 33% EBIT Margin for the full year, and the midpoint of 30% was more reflective of a most likely scenario than the prior midpoint of 31.5%.

367. To paragraph 367:

(a) it admits that:

(i) by the August Revised FY23 ANI Guidance, it reduced its guidance range for James Hardie Group ANI; and

(ii) by the August Revised FY23 North America Guidance, it held the floor of its guidance range for net sales growth in North America Fiber Cement, while reducing its guidance range for EBIT Margin in that operating segment, as compared to the guidance given on 12 May 2022;

Particulars

Guidance	**7 Feb 2022**	**12 May 2022**	**16 Aug 2022**
Group ANI	US$740 to $820 million	US$740 to $820 million	US$730 to $780 million
North America Net Sales Growth (vs FY22)	16% to 20%	18% to 22%	18%+
North America EBIT Margin	30% to 33%	30% to 33%	28% to 32%

(b) it otherwise denies the allegations in paragraph 367 and refers to and repeats paragraphs 37(b), 365 and 366 above.

368. To paragraph 368:

(a) it denies the allegations in sub-paragraph 368(a)(i), and it says that, by the August Announcements, James Hardie stated that the full year FY23 ANI guidance had decreased to US$730 million to US$780 million (previously US$740 million to US$820 million), being the August Revised FY23 ANI Guidance;

(b) it denies the allegations in sub-paragraph 368(a)(ii) and refers to and repeats paragraphs 365 to 366 above;

(c) it says further that:

(i) on 16 August 2022, James Hardie represented that the primary reasons for having to make the August Revised FY23 ANI Guidance were:

(A) continued inflationary pressures globally;

(B) lowered expectations regarding Europe segment EBIT;

(C) the impact of a strengthening US dollar on the APAC and Europe earnings; and

(D) housing market uncertainty;

(ii) the Guidance Warnings referred to in sub-paragraph 365(c)(ii) above applied to the August Revised FY23 ANI Guidance and the August Revised FY23 North America Guidance, and it refers to and repeats paragraphs 37(b), and 365 to 367 above.

369. It denies the allegations in paragraph 369 and refers to and repeats paragraphs 365 to 368 above.

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370. It denies the allegations in paragraph 370 and refers to and repeats paragraphs 371 to 418 below.

371. It denies the allegations in paragraph 371.

372. It denies the allegations in paragraph 372.

373. It denies the allegations in paragraph 373 and refers to and repeats paragraphs 59 to 71, and 197 to 207 above, and 374 to 383, and 443(c)(iv)(A) and (vi) below.

374. It does not admit the allegations in paragraph 374 and refers to and repeats paragraphs 60 and 198 above.

375. It refers to and repeats paragraphs 61 and 199 above and otherwise denies the allegations in paragraph 375.

376. It refers to and repeats paragraphs 60 to 62, 198 to 200, and 374 to 375 above and otherwise denies the allegations in paragraph 376.

377. It refers to and repeats paragraphs 63, 201 and 207 above, otherwise denies the allegations in paragraph 377.

378. To paragraph 378:

(a) it refers to and repeats paragraphs 61 and 202 above;

(b) it says that, between 17 May 2022 and 16 August 2022, the price of lumber in the United States continued to fluctuate but generally decreased; and

(c) it otherwise denies the allegations in paragraph 378.

379. To paragraph 379:

(a) it admits that by about August 2022, the supply of Competing Products by Louisiana Pacific had improved as compared to February 2022;

(b) it otherwise does not admit the allegations in paragraph 379 and refers to and repeats paragraphs 204 above and 381 to 382 below.

380. To paragraph 380:

(a) it admits that, in general, supply-chain issues that had impacted the supply of Competing Products had improved by 16 August 2022 as compared with February 2022;

(b) it otherwise does not admit the allegations in paragraph 380 and refers to and repeats paragraphs 205 and 379 above and 381 to 382 below;

(c) it says further that, between May and 16 August 2022, manufacturers of Competing Products announced price increases.

Particulars

LP announced a price increase on or about 2 May 2022, effective 4 July 2022: [JHX.0032.0015.0840]; [JHX.0032.0015.0841]. Allura announced a price increase on or about 6 May 2022, effective 1 August 2022: [JHX.0005.0001.4723]; [JHX.0005.0001.4725]. Nichiha announced a price increase on or about 21 July 2022, effective 1 August 2022: [JHX.0038.0009.0510].

381. It denies the allegations in paragraph 381 and refers to and repeats paragraphs 59(c) and 206 above.

382. It denies the allegations in paragraph 382 and refers to and repeats paragraphs 206, and 378 to 381 above.

383. It denies the allegations in paragraph 383 and says further that:

(a) it refers to and repeats paragraph 207 above;

(b) the total volume of housing starts increased between May 2022 and June 2022; and

(c) the data on housing starts in the United States for July 2022 was not published until 8.30am EDT on 16 August 2022 (being 10.30pm AEST on 16 August 2022 and after the August Earnings Call).

Particulars

U.S. Census Bureau Monthly New Residential Construction, July 2022 (Release Number: CB22-133) dated 16 August 2022 [RAE.0001.0001.3280]. Email from Marc Castillo to ELT, *July US housing starts*, 16 August 2022: [JHX.0013.0027.3624]; [JHX.0013.0027.3626].

384. It denies the allegations in paragraph 384 and refers to and repeats paragraphs 373 to 383 above and 443(c)(iv)(A) and (vi) below.

385. To paragraph 385:

(a) it refers to and repeats paragraphs 65(c)(ii) and 71(c) above and 386 to 392, and 443(c)(iv)(A) and (vi) below;

(b) it says that:

(i) on 16 August 2022, it issued the August Revised FY23 ANI Guidance, which revised down the guidance for James Hardie Group ANI to a range of US$730 million to US$780 million (previously US$740 million to US$820 million);

(ii) one of its primary reasons for issuing the August Revised FY23 ANI Guidance was continued global inflationary pressures;

(iii) on 16 August 2022, it also issued the August Revised FY23 North America Guidance, which revised down the expected EBIT margin for North America Fiber Cement to 28% to 32% (previously 30% to 33%);

(iv) one of its primary reasons for issuing the August Revised FY23 North America Guidance was continued inflationary pressures in North America; and

Particulars

James Hardie, Results for Announcement to the Market, 16 August 2022, pages 3, 37 and 45 [RAE.0001.0001.0247].

Transcript: James Hardie Industries plc, Q1 2023 Earnings Call, 16 August 2022, page 6 [RAE.0001.0001.2335].

(c) it otherwise denies the allegations in paragraph 385.

386. To paragraph 386:

(a) it refers to and repeats sub-paragraphs 66(a) and 210(a) above and otherwise denies the allegations in sub-paragraph 386(a);

(b) it refers to and repeats sub-paragraphs 66(b) and 210(b) above and otherwise does not admit the allegations in sub-paragraph 386(b).

387. It refers to and repeats paragraph 211 above and otherwise does not admit the allegations in paragraph 387.

388. To paragraph 388:

(a) it admits that, between 17 May 2022 and 16 August 2022, the CPI in the United States continued to remain at elevated levels as compared to a CPI of 2%;

Particulars

The CPI in the United States as at 16 August 2022 was 8.3%.

(b) it otherwise does not admit the allegations in paragraph 388.

389. To paragraph 389:

(a) it admits that, as at 16 August 2022:

(i) high inflation in the US, all else being equal, was likely to cause the cost of building and construction materials in the US to increase;

(ii) an increase in North America Fiber Cement's cost of building and construction materials was likely to cause it to incur additional input costs;

(b) it refers to and repeats paragraphs 65(c)(ii), 67 to 68, 212 and 214 above; and

(c) it otherwise denies the allegations in paragraph 389.

390. It denies the allegations in paragraph 390 and refers to and repeats paragraphs 69 and 213 above.

391. To paragraph 391:

(a) it admits that:

(i) as at 16 August 2022, the US Federal Reserve had and was likely to continue to increase interest rates through FY23 in order to combat inflation in the US;

(ii) between 16 March 2022 and 16 August 2022, there had been four consecutive rises in the target range for the Federal funds rate;

(b) it otherwise does not admit the allegations in paragraph 391;

(c) it says further that:

(i) between 7 February 2022 and 16 August 2022, the target range for the Federal funds rate increased from a range of 0% to 0.25% to a range of 2.25% to 2.5%;

(ii) as at 16 August 2022, the median projections of US Federal Reserve Board members and US Federal Reserve Bank presidents were that the Federal funds rate would increase to:

(A) 3.4% in 2022 with a projected range of 3.1 to 3.9%;

(B) 3.8% in 2023 with a projected range of 2.9 to 4.4%; and

(C) 3.4% in 2024 with a projected range of 2.1 to 4.1%;

Particulars

US Federal Reserve, *Summary of Economic Projections* dated 15 June 2022, Table 1, p 2.

(i) in a press release on 27 July 2022, the US Federal Reserve stated that:

(1) the Fed Committee sought to achieve maximum employment and inflation at the rate of 2 percent over the longer run;

(2) the Fed Committee was strongly committed to returning inflation to its 2% objective; and

(3) the Fed Committee would be prepared to adjust the stance of monetary policy as appropriate if risks emerge that could impede the attainment of the Committee's goals.

392. It denies the allegations in paragraph 392 and refers to and repeats paragraphs 59(c), 69, 71, 216, and 388 to 391 above.

393. It denies the allegations in paragraph 393 and refers to and repeats paragraphs 59(c), 69(b), 71(c), 385 to 392 above and 443(c)(iv)(A) and (vi) below.

394. To paragraph 394:

(a) it admits that, by no later than mid-June 2022, results for North America Fiber Cement for May 2022, the second month of FY23, were circulated, which included the information set out in the presentation at [JHX.0005.0007.5360]; and

(b) it otherwise denies the allegations in paragraph 394.

395. To paragraph 395:

(a) it admits that the May 2022 results referred to in paragraph 394 above indicated that the difference between the EBIT forecast in the 'FY23 1+11' monthly financial forecast for North America Fiber Cement and the actual EBIT for North America Fiber Cement in May 2022 was contributed to by, among others, a variance of US$7.6 million in volume and an increased differential in cash cost of US$2.7 million; and

(b) it otherwise denies the allegations in paragraph 395.

396. It denies the allegations in paragraph 396.

397. To paragraph 397:

(a) it admits that by mid-July 2022, results for North America Fiber Cement for June 2022, the third month of FY23, were circulated, which included the information set out in the presentation at [JHX.0005.0007.5360];

(b) it otherwise denies the allegations in paragraph 397; and

(c) it says further that the results referred to in sub-paragraph (a) above largely reflected the 'FY23 2+10' monthly financial forecast for North America Fiber Cement referred to in sub-paragraph 403(a) below.

398. It denies the allegations in paragraph 398.

399. To paragraph 399:

(a) it admits that, by mid-August 2022, results for North America Fiber Cement for July 2022, the fourth month of FY23, were circulated, which included the information set out in the presentation at [JHX.0005.0035.2623];

(b) it otherwise denies the allegations in paragraph 399.

400. To paragraph 400:

(a) it admits that the July 2022 results referred to in paragraph 399 above indicated that the difference between the EBIT forecast in the 'FY23 3+9' monthly financial forecast for North America Fiber Cement and the actual EBIT for North America Fiber Cement in July 2022 was contributed to by, among others, variances of US$3.8 million in volume and US$2.2 million with respect to price mix;

(b) it otherwise denies the allegations in paragraph 400.

401. It denies the allegations in paragraph 401 and refers to and repeats paragraphs 394 to 400 above.

402. It denies the allegations in paragraph 402 and refers to and repeats paragraphs 365, and 398 to 400 above.

403. To paragraph 403:

(a) it admits that, on or about 15 June 2022, it prepared a 'FY23 2+10' monthly financial forecast for the James Hardie Group which included the forecast data alleged in the table;

(b) it otherwise denies the allegations in paragraph 403;

(c) it says further that, on or about 15 June 2022, it finalised the 'FY23 2+10' monthly financial forecast for the James Hardie Group, which included the following Financial Metrics for North America Fiber Cement:

USD (m)	**FY23 2+10**
Volume (mmstf)	3,445.2
Net sales	$3,201.6
Cash cost	$1,425.6
Freight cost	$320.7
Unallocated	-
EBIT	$970.9

EBIT margin	30.3%

Particulars

The 'FY23 2+10' monthly financial forecast for the James Hardie Group was finalised on or about 15 June 2022 and sets out Financial Metrics for North America Fiber Cement in the worksheet entitled 'NA P&L': [JHX.0050.0002.6190].

404. To paragraph 404:

(a) it admits that, as at 14 June 2022, it identified the following:

(i) costs pressures on North America were outpacing price increases;

(ii) sales in North America for the first two months of FY23 were up 30% as compared with the first two months of FY22;

(iii) EBIT for North America for the first two months of FY23 was 7% higher as compared with the first two months of FY22; and

(iv) '*significant downside risk remains on cost front*';

Particulars

Slides 4 and 5 of presentation titled "*Business* Adjustments" dated 14 June 2022: [JHX.0002.0001.2989_2992 and _2993].

(b) it otherwise denies the allegations in paragraph 404; and

(c) it says further that, in response to the costs risks identified in sub-paragraph (a) above, from late-June 2022, James Hardie implemented a new initiative called "Operation Business Optimization & Alignment" or "**Operation BOA**", which was intended to reduce SG&A expenses and other forms of spending.

Particulars

Measures implemented under Operation BOA included: optimisation of production schedules; repairs and maintenance; streamlining SG&A spending; delaying hiring and promotions; and limiting travel and events.

405. To paragraph 405:

(a) it admits that in or around mid-June 2022, a spreadsheet was prepared at the request of Miele; and

(b) it otherwise denies the allegations in paragraph 405.

406. To paragraph 406:

(a) it admits that, on or about 18 July 2022, it prepared a 'FY23 3+9' monthly financial forecast for the James Hardie Group, which included the forecast data alleged in the table;

(b) it otherwise denies the allegations in paragraph 406; and

(c) it says further that, on or about 29 July 2022, it finalised the 'FY23 3+9' monthly financial forecast for the James Hardie Group, which included the following Financial Metrics for North America Fiber Cement:

USD (m)	**FY23 3+9**
Volume (mmstf)	3,378.8
Net sales	$3,155.3
Cash cost	$1,440.4
Freight cost	$338.2
Unallocated	-
EBIT	$913.7
EBIT margin	29.0%

Particulars

The 'FY23 3+9' monthly financial forecast for the James Hardie Group was finalised on or about 29 July 2022 and sets out Financial Metrics for North America Fiber Cement in the worksheet entitled 'NA P&L': [JHX.0050.0002.6242].

407. To paragraph 407:

(a) it says that, on or about 21 August 2022, it prepared a 'FY23 4+8' monthly financial forecast 'preview' for the James Hardie Group, which included the forecast data alleged in the table;

(b) it refers to and repeats paragraph 408 below; and

(c) it otherwise denies the allegations in paragraph 407.

408. It denies the allegations in paragraph 408 and says further that, on or about 11 August 2022, it finalised the 'FY23 4+8' monthly financial forecast for the James Hardie Group which:

(a) included the following Financial Metrics for North America Fiber Cement:

USD (m)	**FY23 4+8**
Volume (mmstf)	3,359.4

Net sales	$3,138.6
Cash cost	$1,439.7
Freight cost	$333.9
Unallocated	-
EBIT	$899.2
EBIT margin	28.6%

(b) included a Global FY23 ANI of US$724.5 million.

Particulars

The ‘FY23 4+8’ monthly financial forecast for the James Hardie Group was finalised on or about 11 August 2022 and sets out Financial Metrics for North America Fiber Cement in the worksheet entitled ‘NA P&L’, and Global FY23 ANI in the worksheet entitled ‘Global P&L’: [JHX.0050.0002.6294].

409. It denies the allegations in paragraph 409.

410. It denies the allegations in paragraph 410 and refers to and repeats paragraphs 228 to 230 above.

411. It denies the allegations in paragraph 411 and refers to and repeats paragraph 231 above.

412. It denies the allegations in paragraph 412 and refers to and repeats paragraphs 373, 385, and 410 above.

413. It denies the allegations in paragraph 413 and refers to and repeats paragraphs 80(c), and 410 above.

414. It denies the allegations in paragraph 414 and refers to and repeats paragraphs 410 to 413 above.

415. It denies the allegations in paragraph 415 and refers to and repeats paragraphs 410 to 414 above.

416. It denies the allegations in paragraph 416 and refers to and repeats paragraphs 413 above and 417 below.

417. It denies the allegations in paragraph 417.

418. It denies the allegations in paragraph 418 and refers to and repeats paragraphs 416 and 417 above.

419. It denies the allegations in paragraph 419.

420. It denies the allegations in paragraph 420 and refers to and repeats paragraphs 373 to 383, 385 to 392, and 410 to 414 above.

421. It denies the allegations in paragraph 421.

422. It denies the allegations in paragraph 422.

423. It denies the allegations in paragraph 423.

424. It denies the allegations in paragraph 424.

425. It denies the allegations in paragraph 425.

426. It denies the allegations in paragraph 426.

427. It denies the allegations in paragraph 427.

428. It denies the allegations in paragraph 428.

429. It denies the allegations in paragraph 429.

430. It denies the allegations in paragraph 430.

431. It denies the allegations in paragraph 431.

432. It denies the allegations in paragraph 432 and refers to and repeats paragraphs 373 to 418 above.

433. To paragraph 433:

(a) it admits that, by mid-September 2022, results for North America Fiber Cement for August 2022, the fifth month of FY23, were circulated, which included the information set out in the presentation at [JHX.0005.0035.2647];

(b) it otherwise denies the allegations in paragraph 433.

434. To paragraph 434:

(a) it admits that the August 2022 results referred to in paragraph 433 above indicated that the difference between the EBIT forecast in the 'FY23 4+8' monthly financial forecast for North America Fiber Cement and the actual EBIT for North America Fiber Cement in August 2022 was contributed to by, among others, variances of US$7.5 million in volume and US$4.2 million with respect to price mix;

(b) it otherwise denies the allegations in paragraph 434.

435. To paragraph 435:

(a) it admits that, by mid-October 2022, results for North America Fiber Cement for September 2022, the sixth month of FY23, were circulated, which included the information set out in the presentation at [JHX.0005.0035.2696];

(b) it otherwise denies the allegations in paragraph 435.

436. To paragraph 436:

(a) it admits that the September 2022 results referred to in paragraph 435 above indicated that the difference between the EBIT forecast in the 'FY23 5+7' monthly financial forecast for North America Fiber Cement and the actual EBIT for North America Fiber Cement in September 2022 was contributed to by, among others, variances of US$6.2 million in volume and US$2.7 million with respect to cash cost; and

(b) it otherwise denies the allegations in paragraph 436.

437. It denies the allegations in paragraph 437.

438. It denies the allegations in paragraph 438 and refers to and repeats paragraphs 423, 433 and 434 above.

439. It denies the allegations in paragraph 439.

440. It denies the allegations in paragraph 440 and refers to and repeats paragraphs 424, 435 and 436 above.

441. It denies the allegations in paragraph 441.

N. ALLEGED MISLEADING OR DECEPTIVE CONDUCT CONTRAVENTIONS – AUGUST 2022

442. It denies the allegations in paragraph 442 and refers to and repeats paragraphs 368 and 369 above.

443. To paragraph 443:

(a) it denies the allegations therein;

(b) it refers to and repeats paragraphs 368, 373, 384 to 385, 393, 414 to 416, 418 to 419, 423, and 432 to 437 above;

(c) it says further that if and to the extent that it made the August Revised FY23 NA Guidance Representations as alleged (which is denied), then it had reasonable grounds for making the said representations at the time they were made because:

(i) of the matters pleaded in paragraphs 95, 251, 364 to 369, 373 to 383, 386 to 392, 394 to 400, 402 to 414, and 417 above;

(ii) any such representations were made knowing the actual results for the financial year to date;

(iii) any such representations were made following James Hardie's monthly financial forecast process, which formed part of James Hardie's usual business planning processes, and its preparations for the August Board meeting;

Particulars

With respect to the monthly financial forecast process, James Hardie refers to and repeats the particulars to paragraph 251(c)(iii) above.

With respect to its preparations for the August Board meeting, James Hardie refers to the Enterprise Readiness paper presented to the Board on 10 August 2022: [JHX.0011.0001.1508_0047].

(iv) as part of its monthly financial forecast process for August 2022, and its preparations for the August Board meeting, James Hardie had regard to:

(A) publicly available information and information from third-party market intelligence sources and customers as to forecast market conditions for the residential housing construction market in FY23;

Particulars

James Hardie refers to and repeats the particulars to paragraph 95(c)(iv) and sub-paragraph 443(c)(iii) above.

(B) the continued upward pressure of inflation on its input and freight costs;

(v) as at 16 August 2022:

(A) net sales for the James Hardie Group were forecast (at $4.28 billion in the 'FY23 3+9' monthly financial forecast) to meet the forecast presented to the Board on 3 February 2022 (being $4.2 billion) and the financial plan presented to the Board on 11 May 2022 (being $4.24 billion);

(B) net sales for North America Fiber Cement were forecast (at $3.16 billion in the 'FY23 3+9' monthly financial forecast) to meet the forecast presented to the Board on 3 February 2022 (being $3.09 billion) and the financial plan presented to the Board on 11 May 2022 (being $3.06 billion);

Particulars

(i) Enterprise Readiness paper presented to the Board on 10 August 2022: [JHX.0011.0001.1508_0047 at _0068 and _0069];

(ii) Slide Pack entitled "Financial Summary – Global Strategic Plan": [JHX.0011.0001.2053_0059 at _0107]; and

(iii) Slide Pack entitled "Financial Plan: Jason Miele": [JHX.0011.0001.1802_0120 at _0147, _0149 and _0150].

(vi) the information referred to in sub-paragraphs (iv)(A) and (v) as at 16 August 2022 did not indicate that demand for James Hardie's FC Products in the North American Market would, or would be likely to, slow in FY23;

(vii) the information referred to in sub-paragraph (iv)(B) indicated that James Hardie's costs would increase, which would adversely affect its EBIT Margin;

(viii) in response to the matter pleaded above in sub-paragraph (vii), James Hardie:

(A) identified measures to improve its EBIT Margin;

Particulars

Measures included:

(i) implementing the second price increase of around 4% in the North American Market on or around 20 June 2022;

(ii) reducing its SG&A expenses;

(iii) implementing Operation BOA; and

(iv) in relation to North America Fiber Cement: increasing sales; reducing controllable spend; obtaining a commitment from James Hardie's supply chain to reduce freight expenses; and reducing investment in marketing spend.

(B) revised down the guidance range for James Hardie Group ANI to the August Revised FY23 ANI Guidance; and

(C) revised down the guidance range for North America Fiber Cement's EBIT Margin as part of the August Revised FY23 North America Guidance;

(ix) the financial forecast for FY23 as at 16 August 2022 involved an exercise of judgement based on the information available, and was a fair and reasonable estimate of James Hardie's future financial performance for FY23.

444. It denies the allegations in paragraph 444 and refers to and repeats paragraphs 368, 370 to 424, and 442 to 443 above.

445. To paragraph 445:

(a) it denies the allegations therein;

(b) it refers to and repeats paragraphs 368, 373, 384 to 385, 393, 414 to 416, 418, 425, 428, and 432 to 437 above;

(c) it says further that if and to the extent that it made the August Revised FY23 Group Guidance Representation (which is denied), then it had reasonable grounds for making that representation at the time it was made for the reasons set out at paragraph 443 above.

446. It denies the allegations in paragraph 446 and refers to and repeats paragraphs 368, 370 to 443, and 445 above.

447. It denies the allegations in paragraph 447 and says further that if and to the extent that it made the August FY23 Implied Representation as alleged (which is denied), then it had reasonable grounds for making that representation at the time it was made for the reasons set out at paragraph 443 above.

448. It denies the allegations in paragraph 448 and refers to and repeats paragraphs 369 to 442, and 447 above.

449. It denies the allegations in paragraph 449 and refers to and repeats paragraphs 442 to 448 above.

450. It denies the allegations in paragraph 450 and refers to and repeats paragraphs 365 to 368 above.

451. It admits the allegations in paragraph 451.

452. To paragraph 452:

(a) as to the allegations in sub-paragraph 452(a):

(i) it admits that on Investor Day 1, it reaffirmed the August Revised FY23 ANI Guidance and the August Revised FY23 North America Guidance;

(ii) it refers to and repeats paragraph 365 above and therefore otherwise denies the allegations in sub-paragraph 452(a);

(iii) it says further that:

(A) the presentations released to the market on Investor Day 1 and on 13 September 2022 (**Investor Day 2**) each contained Guidance Warnings;

Particulars

Page 2 of the Investor Day 1 presentation.

Page 2 of the Investor Day 2 presentation.

(B) the Guidance Warnings referred to in the preceding sub-paragraph and in sub-paragraph 365(c)(ii) above applied to the August Revised FY23 ANI Guidance and the August Revised FY23 North America Guidance;

(b) as to the allegations in sub-paragraph 452(b):

(i) it admits the allegations in sub-paragraph 452(b);

(ii) it says further that the Guidance Warnings referred to in sub-paragraph 452(a)(iii)(A) above applied to the statements that it was expected that there would be a 10-year volume CAGR of 9%, 10-year net sales CAGR of 12% and a 10-Year Adjusted EBIT CAGR of 16%;

(c) it admits the allegations in sub-paragraph 452(c);

(d) it refers to and repeats sub-paragraph 37(b) above and otherwise denies the allegations in paragraph 452.

453. It denies the allegations in paragraph 453 and refers to and repeats paragraphs 258, 368, 369 and 449 to 452 above.

454. It refers to and repeats paragraphs 104 to 106 above and otherwise denies the allegations in paragraph 454.

455. It refers to and repeats paragraphs 107 to 108 above and otherwise admits the allegations in paragraph 455.

456. It refers to and repeats paragraph 109 above and otherwise does not admit the allegations in paragraph 456.

457. It denies the allegations in paragraph 457, it refers to and repeats paragraph 104 above, and it says further that, for the reasons set out in this Defence, during the Relevant Period the market for JHX Shares had been informed of all information about which James Hardie was obligated to inform the market.

458. It denies the allegations in paragraph 458.

459. It denies the allegations in paragraph 459.

460. It denies the allegations in paragraph 460.

461. It denies the allegations in paragraph 461.

462. It denies the allegations in paragraph 462.

463. It denies the allegations in paragraph 463.

464. It denies the allegations in paragraph 464.

465. It denies the allegations in paragraph 465.

466. It denies the allegations in paragraph 466.

467. It denies the allegations in paragraph 467.

468. It denies the allegations in paragraph 468.

469. It denies the allegations in paragraph 469, it refers to and repeats paragraph 104 above, and it says further that, for the reasons set out in this Defence, during the Relevant Period the market for JHX Shares had been informed of all information about which James Hardie was obligated to inform the market.

470. It denies the allegations in paragraph 470.

471. It denies the allegations in paragraph 471.

472. It denies the allegations in paragraph 472.

473. It denies the allegations in paragraph 473.

474. It denies the allegations in paragraph 474.

475. It denies the allegations in paragraph 475.

476. It denies the allegations in paragraph 476.

477. It denies the allegations in paragraph 477.

478. It denies the allegations in paragraph 478.

479. It denies the allegations in paragraph 479.

480. It denies the allegations in paragraph 480.

O. ALLEGED DISCLOSURE CONTRAVENTIONS FROM AUGUST 2022

481. It denies the allegations in paragraph 481 and refers to and repeats paragraphs 384, 393, 401, 415, 418, and 422 to 424 above.

482. It refers to and repeats paragraph 422 above and therefore denies the allegations in paragraph 482.

483. It refers to and repeats paragraph 422 above and therefore denies the allegations in paragraph 483.

484. It denies the allegations in paragraph 484 and refers to and repeats paragraph 481 above.

485. It denies the allegations in paragraph 485 and refers to and repeats paragraphs 422, and 481 to 484 above.

486. To paragraph 486:

    (a) it refers to and repeats paragraphs 422 and 481 above;

    (b) it says that the information referred to in paragraph 486 did not exist and it was not aware of it;

    (c) in those circumstances, it admits that it did not communicate any of the information referred to in paragraph 486 to the ASX before 8 November 2022;

(d) it otherwise denies the allegations in paragraph 486; and

(e) it says further that it did not communicate the information referred to in paragraph 486 to the ASX at all.

487. It denies the allegations in paragraph 487 and refers to and repeats paragraphs 384, 393, 401, 415, 418 to 419, and 423 above.

488. It refers to and repeats paragraph 419 above and therefore denies the allegations in paragraph 488.

489. It denies the allegations in paragraph 489 and says further that:

(a) it refers to and repeats paragraphs 419 and 487 above; and

(b) the alleged information lacked the specificity necessary for a reasonable person to expect it to have a material effect on the price or value of JHX Shares.

490. It denies the allegations in paragraph 490 and refers to and repeats paragraph 487 above.

491. It denies the allegations in paragraph 491 and refers to and repeats paragraphs 419, and 487 to 490 above.

492. To paragraph 492:

(a) it refers to and repeats paragraphs 419 and 487 above;

(b) it says that the information referred to in paragraph 492 did not exist and it was not aware of it;

(c) in those circumstances, it admits that it did not communicate any of the information referred to in paragraph 492 to the ASX before 8 November 2022;

(d) it otherwise denies the allegations in paragraph 492; and

(e) it says further that it did not communicate the information referred to in paragraph 492 to the ASX at all.

493. It denies the allegations in paragraph 493 and refers to and repeats paragraphs 384, 393, 415, 418, 423, 424, and 427 to 429 above.

494. It refers to and repeats paragraph 427 above and therefore denies the allegations in paragraph 494.

495. It refers to and repeats paragraph 427 above and therefore denies the allegations in paragraph 495.

496. It denies the allegations in paragraph 496 and refers to and repeats paragraph 493 above.

497. It denies the allegations in paragraph 497 and refers to and repeats paragraphs 427, and 493 to 496 above.

498. To paragraph 498:

(a) it refers to and repeats paragraphs 427 and 493 above;

(b) it says that the information referred to in paragraph 498 did not exist and it was not aware of it;

(c) in those circumstances, it admits that it did not communicate any of the information referred to in paragraph 498 to the ASX before 8 November 2022;

(d) it otherwise denies the allegations in paragraph 498; and

(e) it says further that it did not communicate the information referred to in paragraph 498 to the ASX at all.

499. It denies the allegations in paragraph 499 and refers to and repeats paragraphs 384, 393, 415, 418, 423 to 425, and 428 above.

500. It refers to and repeats paragraph 425 above and therefore denies the allegations in paragraph 500.

501. It denies the allegations in paragraph 501 and says further that:

(a) it refers to and repeats paragraphs 425 and 499 above;

(b) the alleged information lacked the specificity necessary for a reasonable person to expect it to have a material effect on the price or value of JHX Shares; and

(c) further or alternatively, the alleged information was not in a form appropriate for disclosure.

502. It denies the allegations in paragraph 502 and refers to and repeats paragraph 499 above.

503. It denies the allegations in paragraph 503 and refers to and repeats paragraphs 425, and 499 to 502 above.

504. To paragraph 504:

(a) it refers to and repeats paragraphs 425 and 499 above;

(b) it says that the information referred to in paragraph 504 did not exist and it was not aware of it;

(c) in those circumstances, it admits that it did not communicate any of the information referred to in paragraph 504 to the ASX before 8 November 2022;

(d) it otherwise denies the allegations in paragraph 504; and

(e) it says further that it did not communicate the information referred to in paragraph 504 to the ASX at all.

505. It denies the allegations in paragraph 505 and refers to and repeats paragraphs 16(a), and 481 to 504 above.

506. To paragraph 506:

(a) it refers to and repeats paragraphs 419, 422, 425, 427, 481, 486, 487, 492, 493, 498, 499, and 504 above;

(b) it says that the information referred to in paragraph 506 did not exist and it was not aware of it;

(c) in those circumstances, it admits that it did not disclose the information referred to in paragraph 506 to the alleged Affected Market between 16 August 2022 and 8 November 2022;

(d) it otherwise denies the allegations in paragraph 506; and

(e) it says further that it did not disclose the information referred to in paragraph 506 to the alleged Affected Market at all.

507. It denies the allegations in paragraph 507 and refers to and repeats paragraphs 505 to 506 above.

508. It refers to and repeats paragraphs 104 to 106 above and otherwise denies the allegations in paragraph 508.

509. It refers to and repeats paragraphs 107 to 108 above and otherwise admits the allegations in paragraph 509.

510. It refers to and repeats paragraph 109 above and otherwise does not admit the allegations in paragraph 510.

511. It denies the allegations in paragraph 511, it refers to and repeats paragraph 104 above, and it says further that, for the reasons set out in this Defence, during the Relevant Period the market for JHX Shares had been informed of all information about which James Hardie was obligated to inform the market.

512. It denies the allegations in paragraph 512.

513. It denies the allegations in paragraph 513.

514. It denies the allegations in paragraph 514.

515. It denies the allegations in paragraph 515.

516. It denies the allegations in paragraph 516.

517. It denies the allegations in paragraph 517.

518. It denies the allegations in paragraph 518.

519. It denies the allegations in paragraph 519.

520. It denies the allegations in paragraph 520.

521. It denies the allegations in paragraph 521, it refers to and repeats paragraph 104 above, and it says further that, for the reasons set out in this Defence, during the Relevant Period the market for JHX Shares had been informed of all information about which James Hardie was obligated to inform the market.

522. It denies the allegations in paragraph 522.

523. It denies the allegations in paragraph 523.

524. It denies the allegations in paragraph 524.

525. It denies the allegations in paragraph 525.

526. It denies the allegations in paragraph 526.

527. It denies the allegations in paragraph 527.

528. It denies the allegations in paragraph 528.

529. It denies the allegations in paragraph 529.

530. It denies the allegations in paragraph 530.

531. It denies the allegations in paragraph 531, it refers to and repeats paragraph 104 above, and it says further that, for the reasons set out in this Defence, during the Relevant

Period the market for JHX Shares had been informed of all information about which James Hardie was obligated to inform the market.

532. It denies the allegations in paragraph 532.

533. It denies the allegations in paragraph 533.

534. It denies the allegations in paragraph 534.

535. It denies the allegations in paragraph 535.

536. It denies the allegations in paragraph 536.

537. It denies the allegations in paragraph 537.

538. It denies the allegations in paragraph 538.

539. It denies the allegations in paragraph 539.

540. It denies the allegations in paragraph 540.

541. It denies the allegations in paragraph 541, it refers to and repeats paragraph 104 above, and it says further that, for the reasons set out in this Defence, during the Relevant Period the market for JHX Shares had been informed of all information about which James Hardie was obligated to inform the market.

542. It denies the allegations in paragraph 542.

543. It denies the allegations in paragraph 543.

544. It denies the allegations in paragraph 544.

545. It denies the allegations in paragraph 545.

546. It denies the allegations in paragraph 546.

547. It denies the allegations in paragraph 547.

548. It denies the allegations in paragraph 548.

549. It denies the allegations in paragraph 549.

550. It denies the allegations in paragraph 550.

Date: 18 September 2026

KANE A LOXLEY

ANNA G BATROUNEY

STEPHANIE C B BRENKER

JACOB T WALLER

Herbert Smith Freehills Kramer

……………………………………

Herbert Smith Freehills Kramer
Solicitors for the Defendant

ANNEXURE A

TABLE 1 – JAMES HARDIE FY20 QUARTERLY RESULTS IN USD

Net sales (US$ m)	**1Q20**	**2Q20**	**3Q20**	**4Q20**
Group	656.8	660.1	616.7	673.2
North America Fiber Cement	452.3	459.6	430.0	474.5
Asia Pacific Fiber Cement	108.0	112.6	102.0	95.8
Europe Building Products	95.9	87.9	84.7	102.9

EBIT (US$ m)	**1Q20**	**2Q20**	**3Q20**	**4Q20**
Group (adjusted)	124.4	134.2	107.2	121.0
North America Fiber Cement	113.5	124.7	112.3	120.0
Asia Pacific Fiber Cement	24.8	27.0	23.4	19.6 (adj)
Europe Building Products (adjusted)	10.3	8.7	6.7	4.7

ANOP (US$ m)	**1Q20**	**2Q20**	**3Q20**	**4Q20**
Group (adjusted)	90.2	98.6	77.4	86.6

TABLE 2 – JAMES HARDIE FY21 QUARTERLY RESULTS IN USD

Net sales (US$ m)	**1Q21**	**2Q21**	**3Q21**	**4Q21**
Group	626.3	736.8	738.6	807.0
North America Fiber Cement	451.8	515.0	518.1	555.3
Asia Pacific Fiber Cement	91.3	122.1	119.7	125.7
Europe Building Products	83.2	99.7	101.4	126

EBIT (US$ m)	**1Q21**	**2Q21**	**3Q21**	**4Q21**
Group (adjusted)	124.9	163.1	167.9	173.1
North America Fiber Cement (adjusted)	130.9	148.6	155.6	152.9
Asia Pacific Fiber Cement (adjusted)	22.3	38.7	33.5	33.7
Europe Building Products (adjusted)	2.4	11.1	10.3	18.9

ANOP (US$ m)	**1Q21**	**2Q21**	**3Q21**	**4Q21***
Group (adjusted)	89.3	120.5	123.3	124.9

Adjusted Net Income (ANI**), which refers to the same metric as ANOP. Excludes asbestos related expenses and adjustments, tax adjustments and restructuring expenses.*

TABLE 3 – JAMES HARDIE FY22 QUARTERLY RESULTS IN USD

Net sales (US$ m)	**1Q22**	**2Q22**	**3Q22**	**4Q22**
Group	843.3	903.2	900.0	968.2
North America Fiber Cement	577.1	635.3	644.9	694.0
Asia Pacific Fiber Cement	141.8	144.4	143.3	145.4
Europe Building Products	124.4	123.5	111.8	128.8

EBIT (US$ m)	**1Q22**	**2Q22**	**3Q22**	**4Q22**
Group (adjusted)	180.5	205.7	204.1	225.3
North America Fiber Cement (adjusted)	169.3	182.5	183.3	206.1
Asia Pacific Fiber Cement (adjusted)	38.8	44.5	39.1	38.4
Europe Building Products (adjusted)	16.3	16.7	11.9	18.0

ANI (US$ m)	**1Q22**	**2Q22**	**3Q22**	**4Q22**
Group (adjusted)	134.2	154.9	154.1	177.5

ANNEXURE B

Table of North America Fiber Cement Monthly Order Volumes, March 2021 to January 2022. In this table, "mmstf" stands for million standard feet.

Month	**Orders Volume (mmstf)**	**Orders (Daily rate)**
March 2021	317	13.79
April 2021	277	12.61
May 2021	263	13.13
June 2021	271	12.31
July 2021	242	11.55
August 2021	261	11.88
September 2021	257	12.24
October 2021	252	12.02
November 2021	255	12.73
December 2021	285	13.59
January 2022	249	11.85