



BlueScope Buildings North America Investor Visit Presentation

Dan Kumm, President

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BlueScope Steel Limited. ASX Code: BSL

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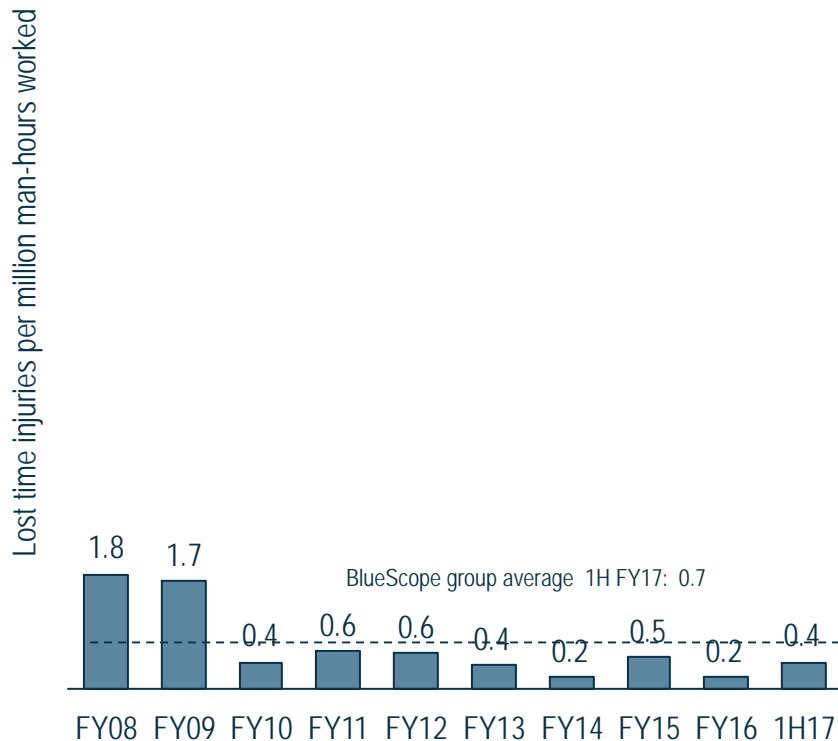
INTRODUCTION

Spirit Airlines Maintenance Hangar, Detroit
BlueScope Construction

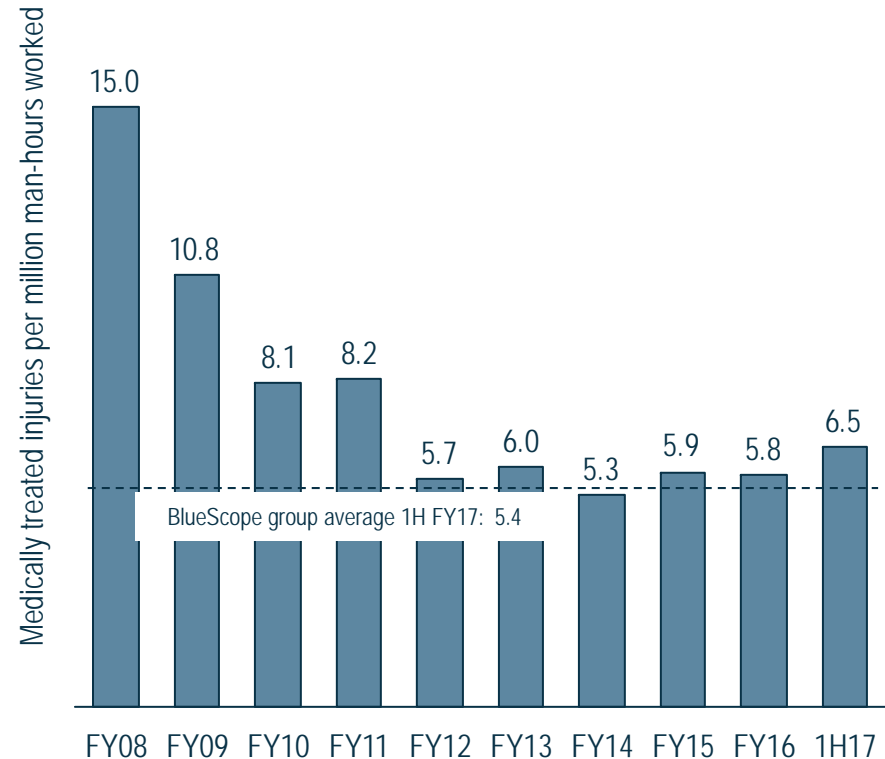
BlueScope Buildings North America

Progress towards our goal of Zero Harm

Lost time injury frequency rate



Medically treated injury frequency rate



BlueScope Buildings strategy with BSL strategic framework



BlueScope Buildings segment has been established to unite BlueScope's Building Solutions businesses and accelerate growth



BlueScope Buildings

Chief Executive – Pat Finan

Buildings North America

Engineered Building Solutions in North America

Dan Kumm – President

Buildings ASEAN

Engineered Building Solutions in ASEAN

Ku Wei Cheong – President

Products & Buildings China

Engineered buildings, coated steel and building components (Lysaght) in China

Bernie Landy – President

Sales A\$1.7Bn; 14 Manufacturing Sites; Over 4,500 employees



A broad portfolio of leading Building Solution brands / products

Buildings
ASEAN



PROBUILD™

Buildings North
America



Product &
Buildings
China

Colorbond®

Zincalume®

LYSAGHT



Note – Buildings ASEAN is part of NS BlueScope Coated Products JV value chain

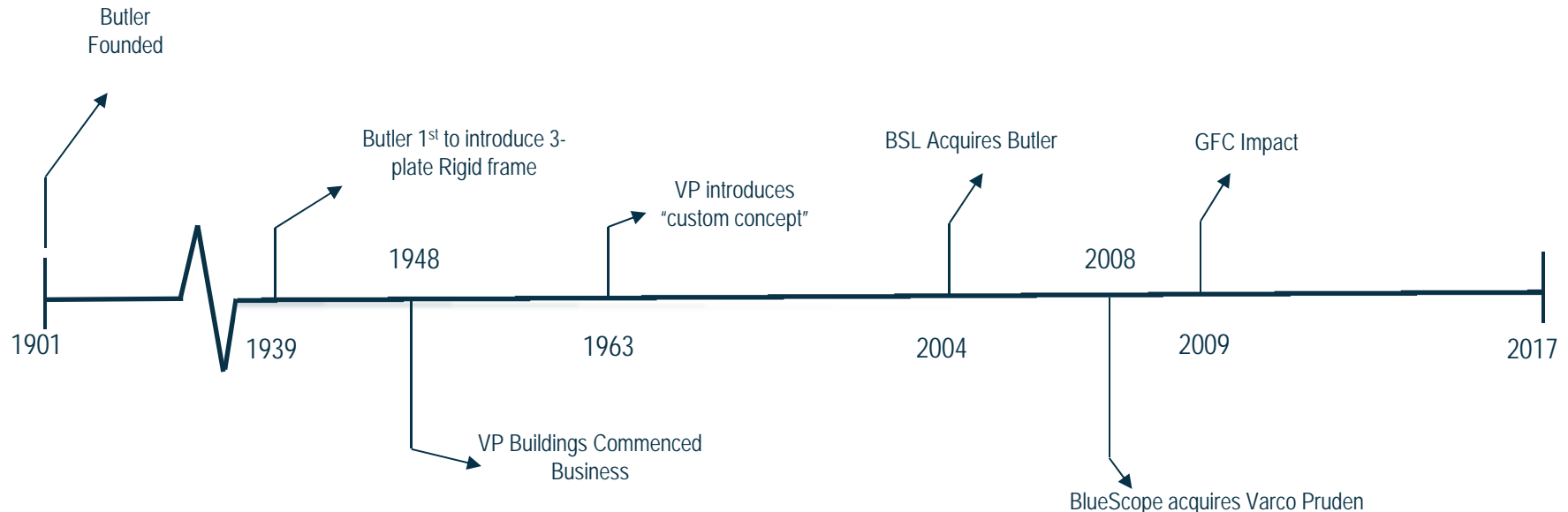


BUSINESS OVERVIEW

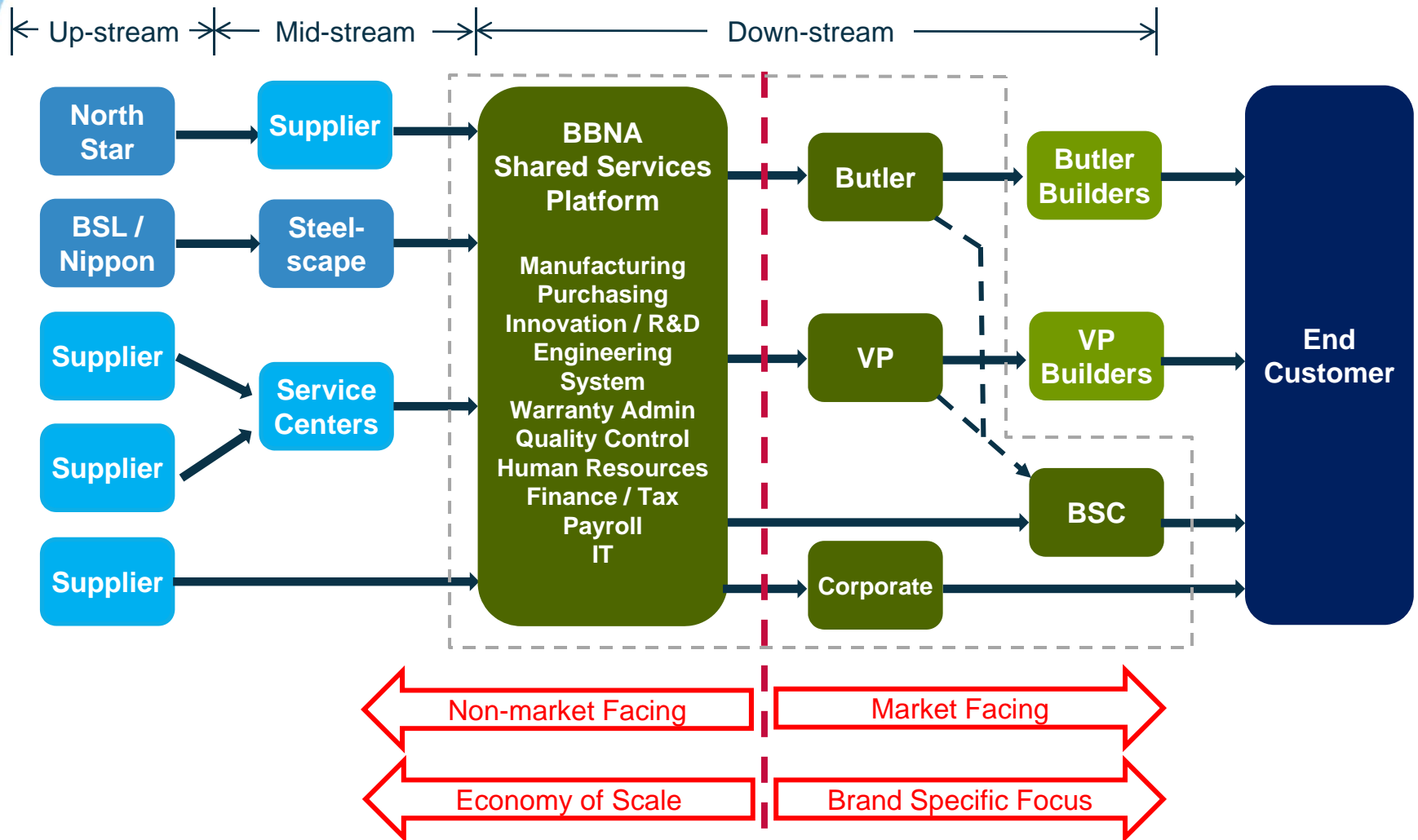
Costco – Melbourne, Australia

BlueScope Buildings North America (BBNA) overview

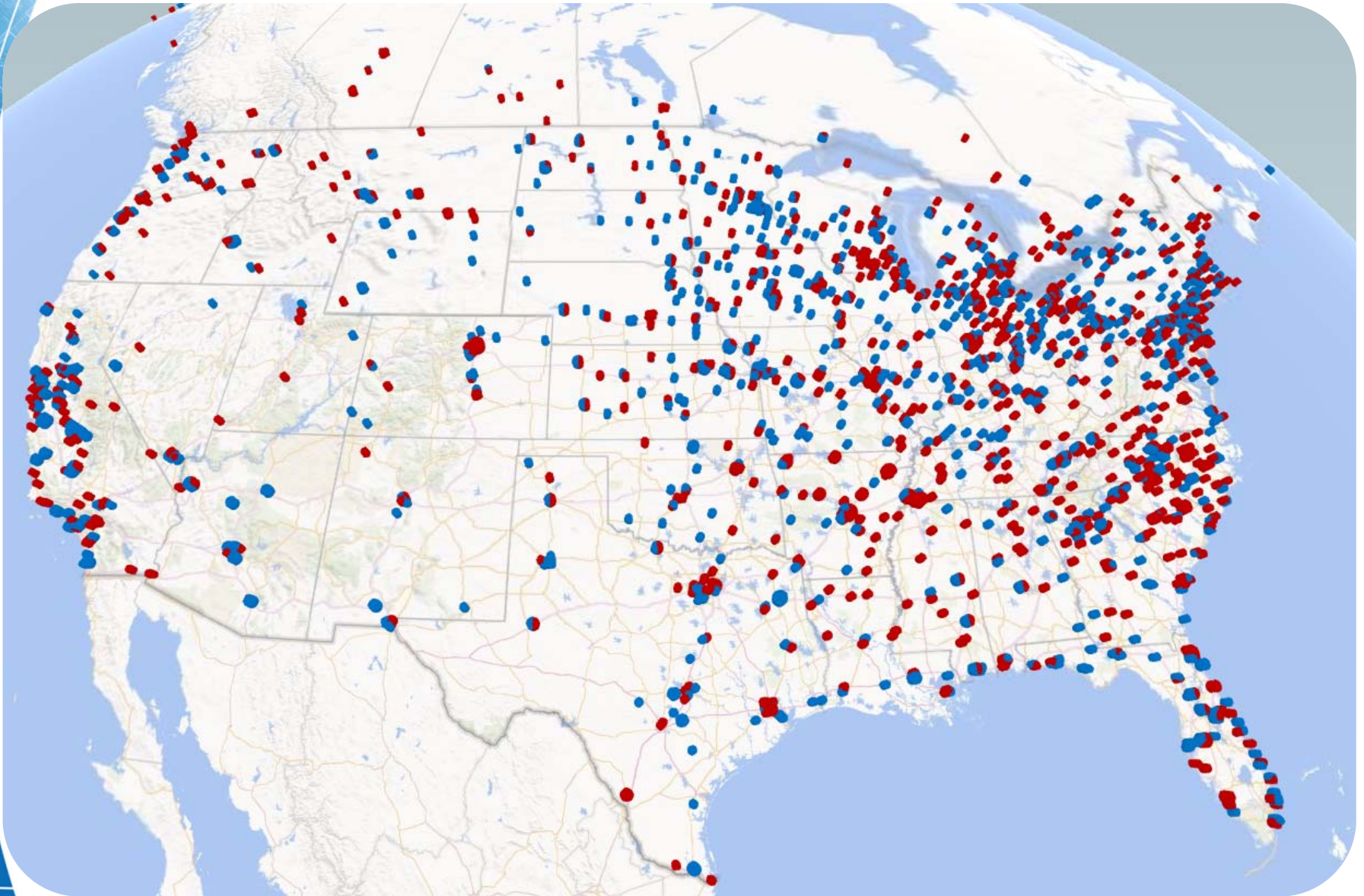
- BBNA designs/manufactures/markets Engineered Building Solutions (EBS) to the low-rise non-residential construction segment
- Comprised of the leading engineered building brands and best known builder distribution networks
- BBNA sold 25% of the EBS designed steel structures in North America
- Brief history:



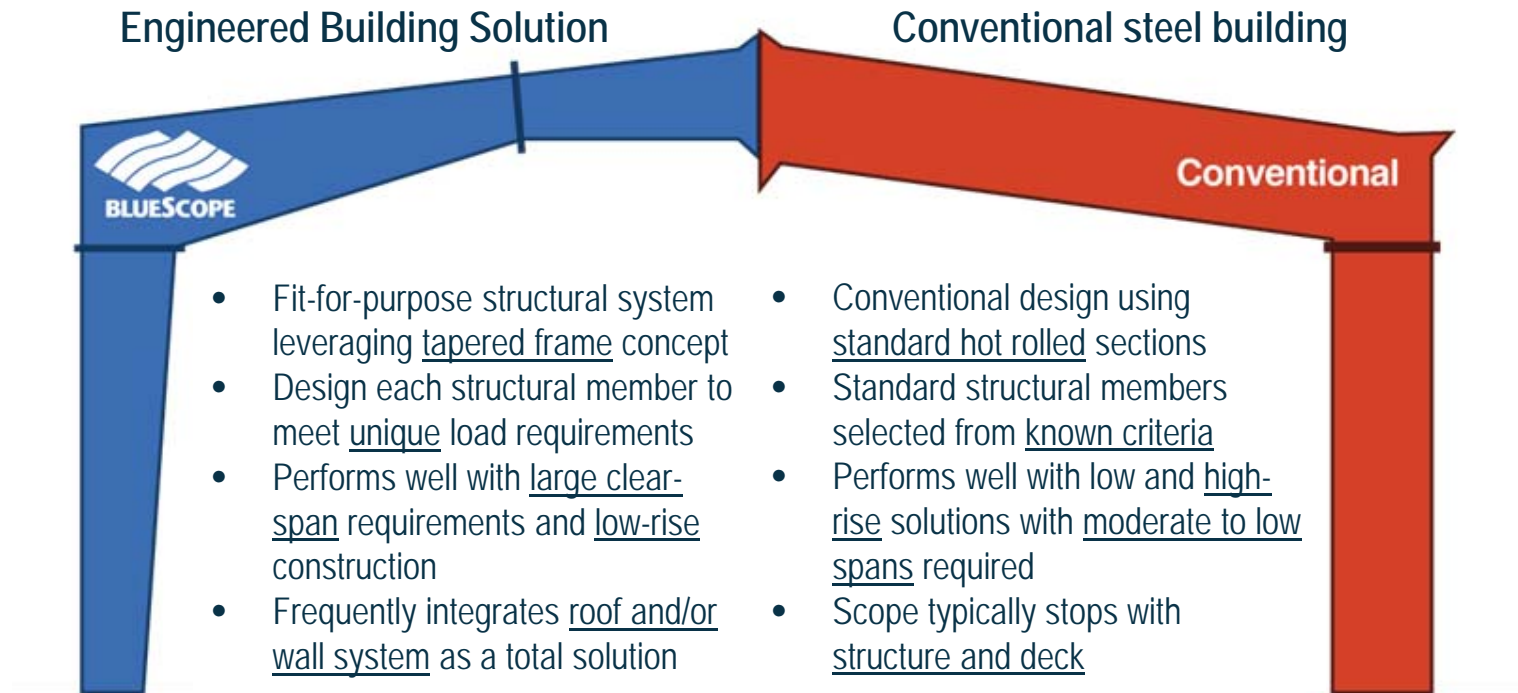
BBNA supply chain / channel to market



Nearly 1,800 Butler and VP builders across North America



So what is an engineered building solution (EBS)?



Key benefits to engineered building solutions are:

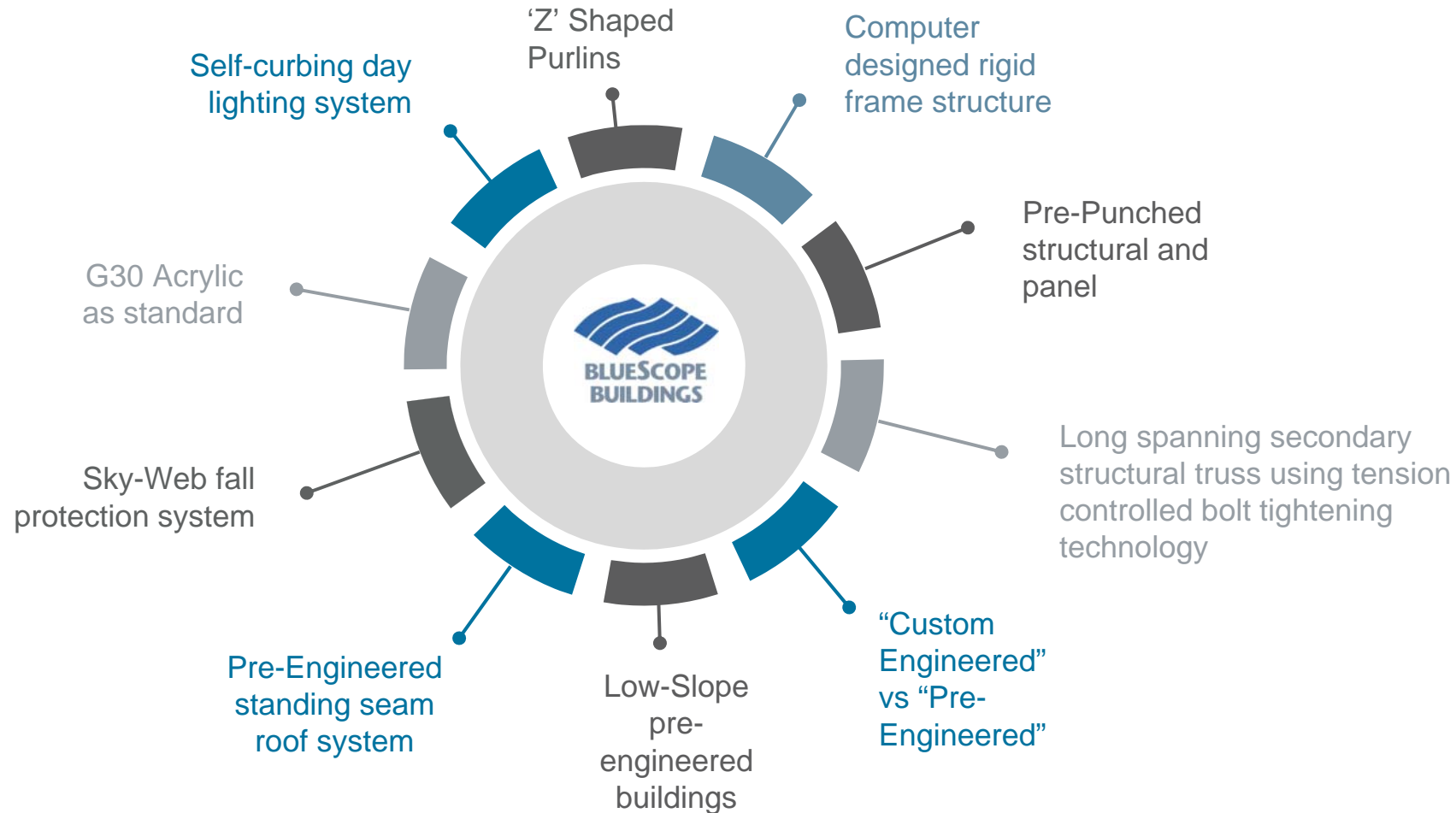
- ✓ Reduced steel usage on targeted end use buildings
- ✓ Integration: One trade performing structure, roof, and walls vs. three
- ✓ Rapid construction time
- ✓ Superior lifecycle costs of metal roof systems
- ✓ Reduced dependency on certified welders in field
- ✓ Well suited for emerging design-build trend in construction industry

Mission / vision of BlueScope Buildings North America

BBNA is a solution provider proficient in both engineered building solutions and conventional steel, providing hybrid solutions that leverage the best of both worlds.

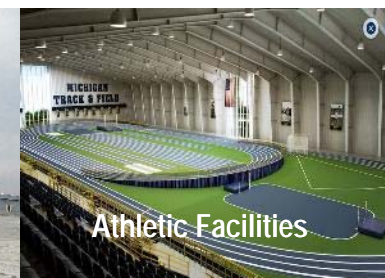
Mission: To grow our industry leading position as a **solution** provider for non-residential low-rise building market. Delivering our products and services primarily through multiple brand, distribution **network of Builders** with focus **on differentiation** and growth initiatives through the rollout of new products, new services, and superior quality.

BlueScope Buildings North America has been the 1st to offer:



BlueScope Construction history

- Established in 1970
- In-house construction capability
- Account for 19% of BBNA Revenue
- On track for best fiscal year on record
- National footprint – licensed in all 50 states
- Capabilities include: program accounts, government, & large/complex jobs
- Strategic purpose is to capture all work that does not fit existing builders' capability



BlueScope Construction has a long history of conquering challenges of key corporate accounts

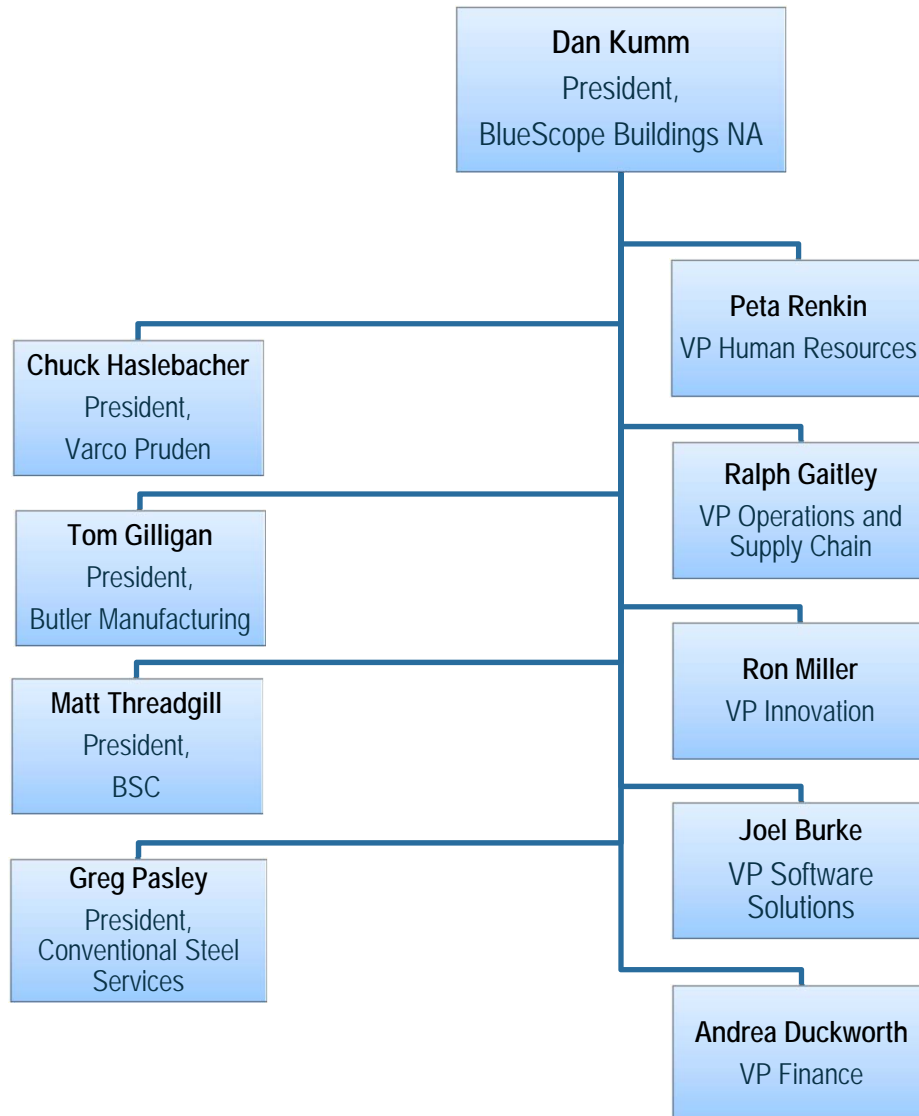
FedEx Ground
Over 100 projects since 1995



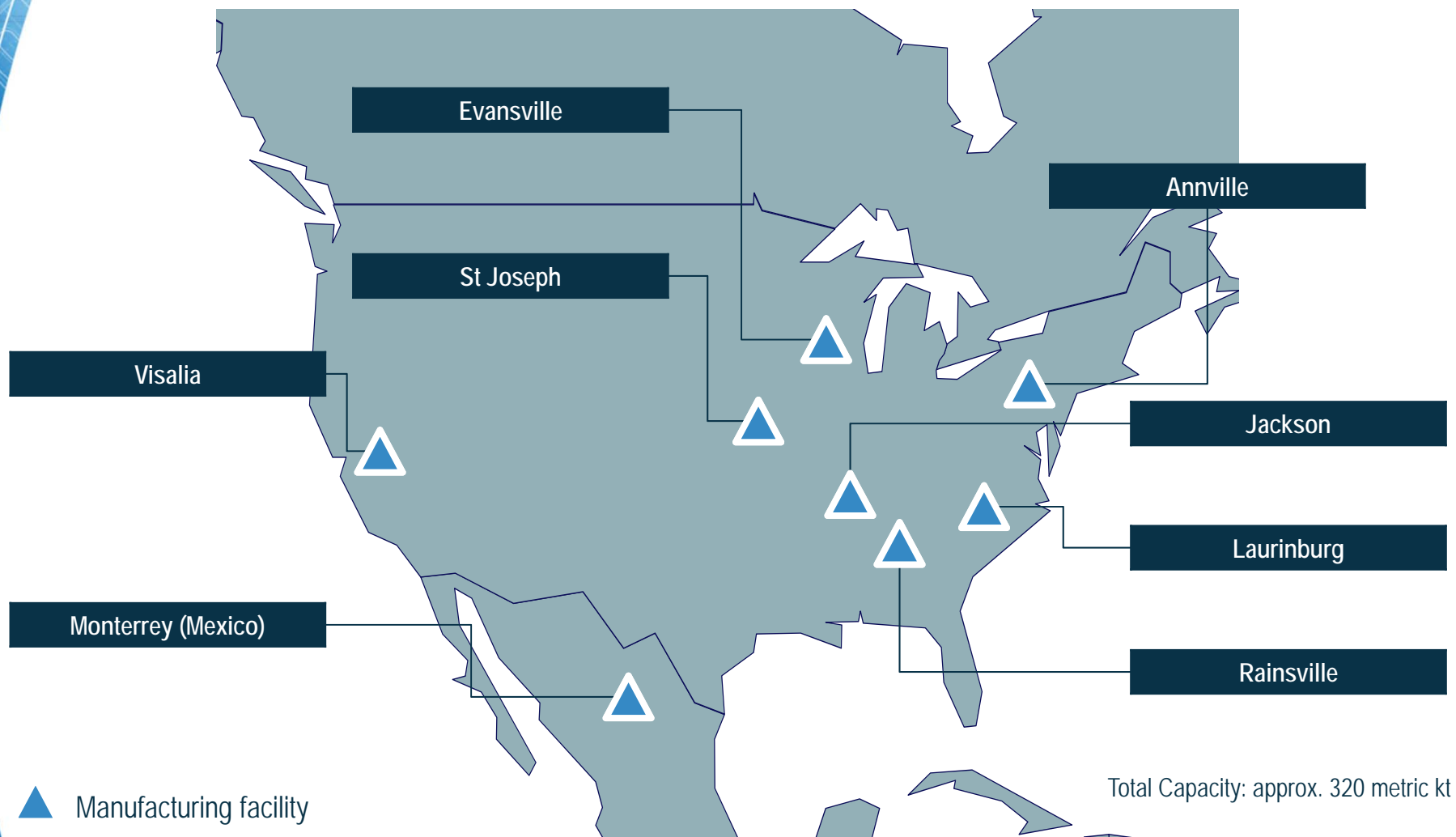
Ace Hardware Retail Support Centers
6.5 million square feet
\$200 million in contracts



BlueScope Buildings North America management team



Integrated manufacturing platform



World-class facilities: Visalia, CA



World-class facilities: St Joseph, Missouri





U.S. ENGINEERED BUILDINGS DEMAND

SVSU Ryder Center –University Center, MI
VP Builder: a.j. Veneklasen, Inc.



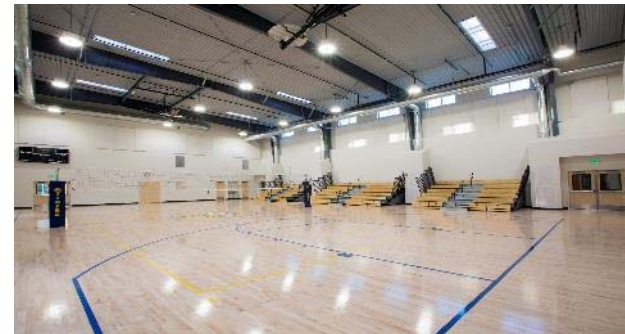
Ascent Construction Corporate Office Building.- Farmington, UT
VP Builder: Ascent Construction



Orion Jet Center – Opa-Locka, FL
VP Builder: Lemartec

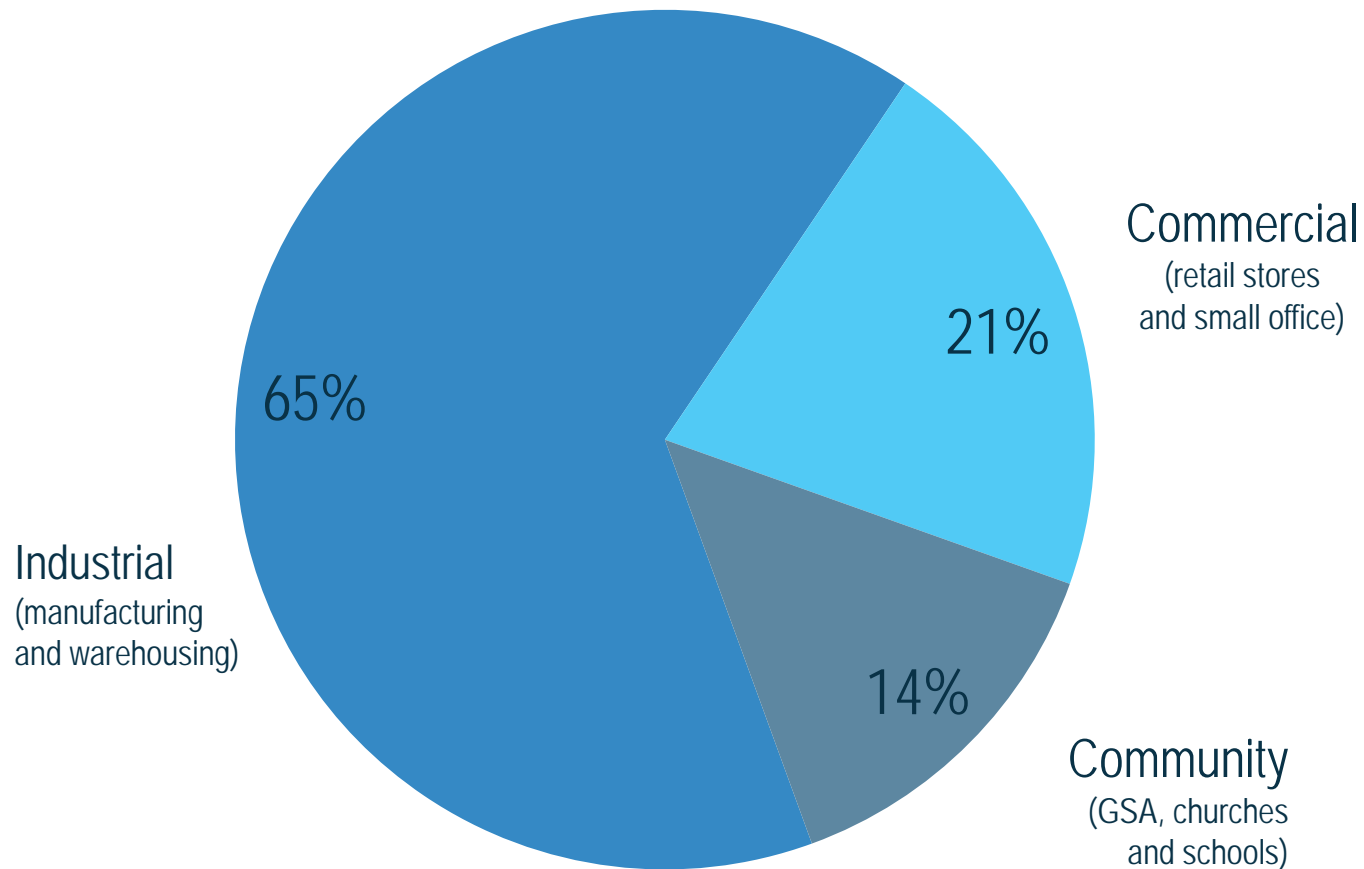


Barley John's Brewery – New Richmond, WI
Butler Builder: Derrick Building Solutions, L.L.C.



Twin Rivers Charter School – Yuba City, CA
Butler Builder: Hilbers, Inc.

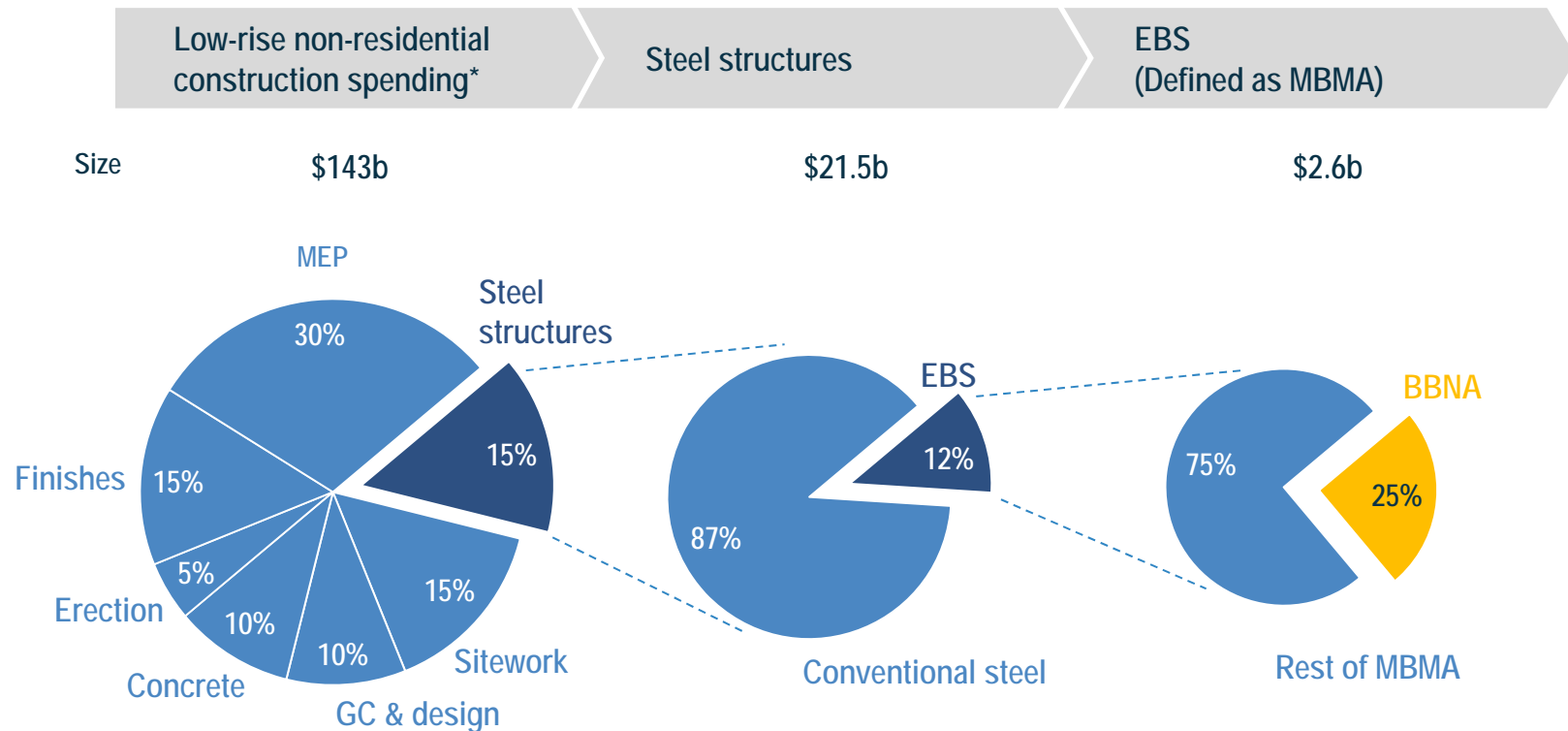
BlueScope Buildings North America customer base industry segmentation



Note: Based on CY2015 shipments

EBS makes up 12% of low-rise non-residential steel structures, which in turn approximates 15% total low-rise non-residential construction spending

DEFINING EBS DEMAND

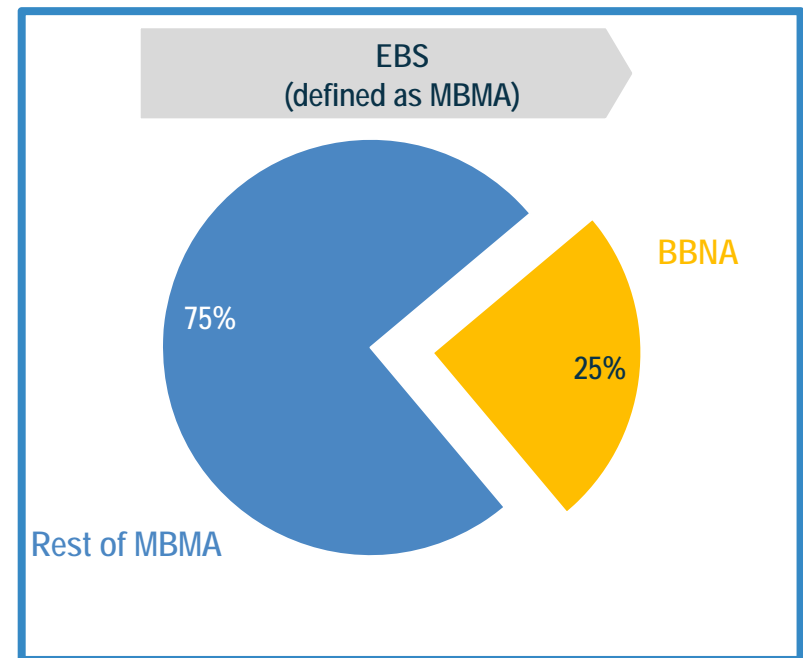


* 15% share of total building cost is industry standard rule of thumb for structural steel components

Source: Dodge; MBMA; BBNA

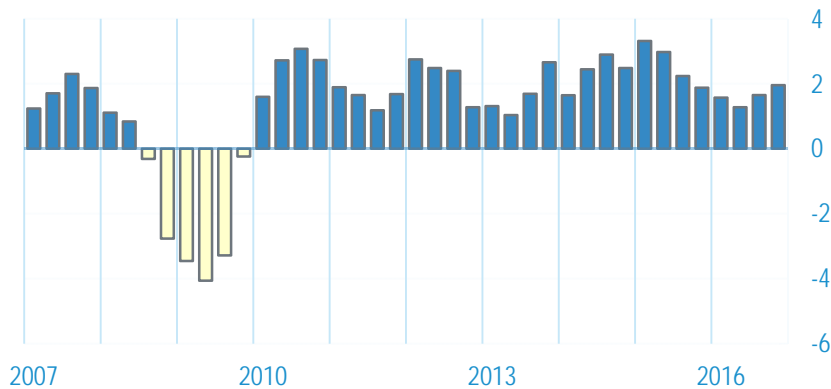
BBNA competes vigorously with Nucor, NCI and numerous small players, but also is expanding into conventional metal building construction

MBMA Company	Brands	# of Plants
BBNA	Butler, VP	8
Nucor	Nucor, American, Gulf States, Kirby, CBC	11
NCI	Robertson, Star, CECO, Garco, Metallic, Mid-West, A&S, Mesco, IPS, SB.com	9

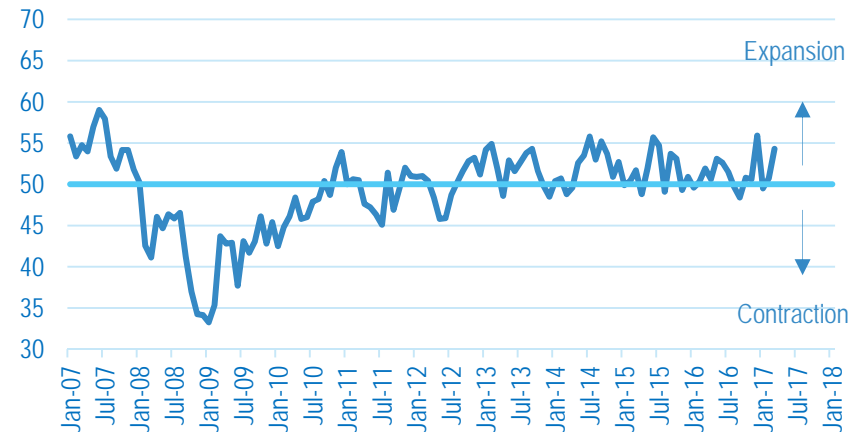


North America EBS indicators

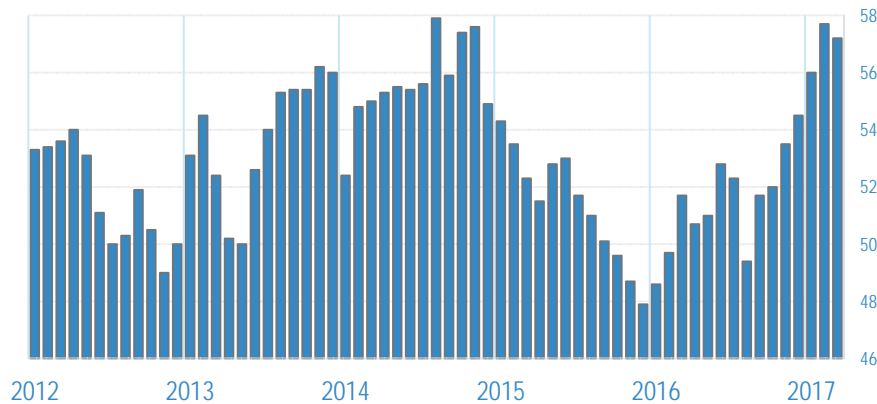
U.S GDP Annual Growth Rate



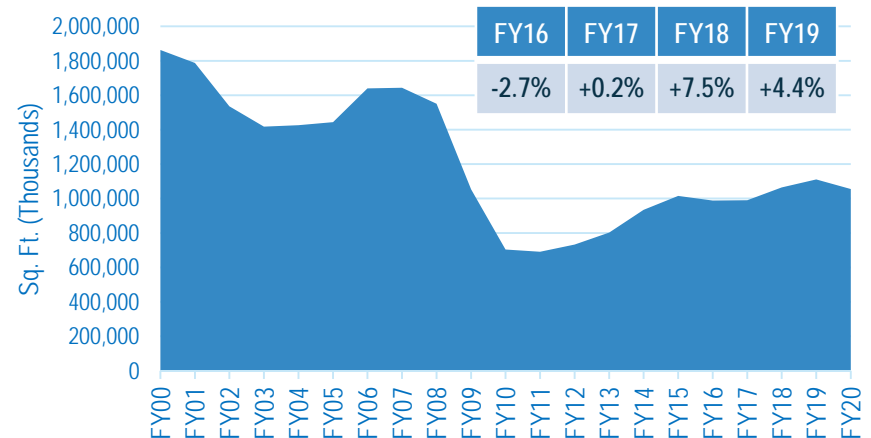
Architectural Billings Index



U.S. Manufacturing PMI 2012-15

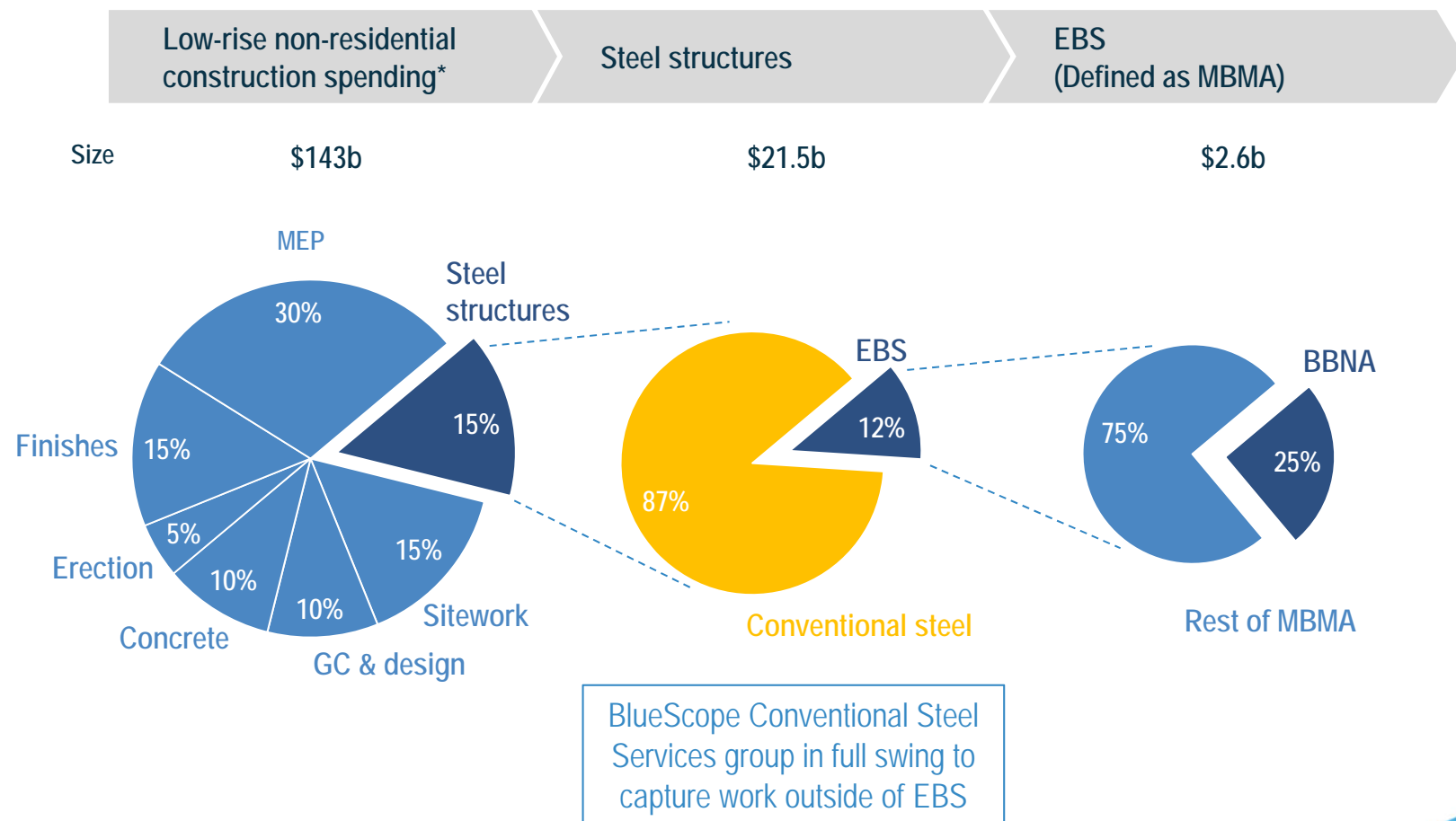


FW Dodge forecast: U.S. non-residential construction



Sources: IHS Global Insight, CEIC, AIA, TradingEconomics.com, US Dept of Commerce, Dodge Data & Analytics, Q1 CY2017

BBNA has opportunity in conventional steel structures not targeted until recently



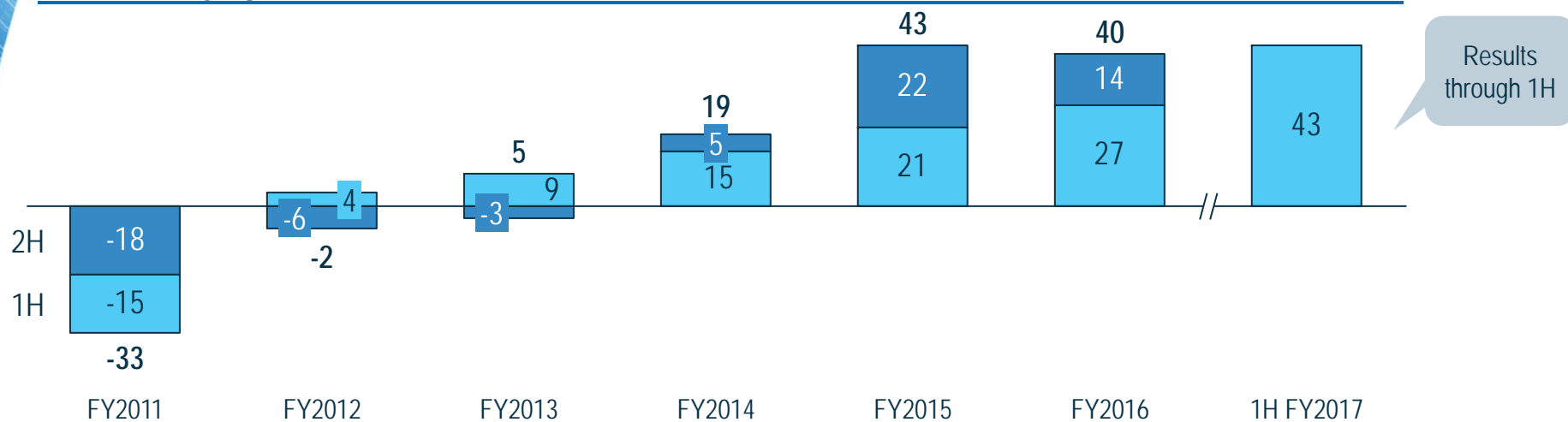
Source: Dodge; MBMA; BBNA

Initiatives to better serve Builder Network and increase addressable market. Focus on innovation and cost control while keeping employees safe

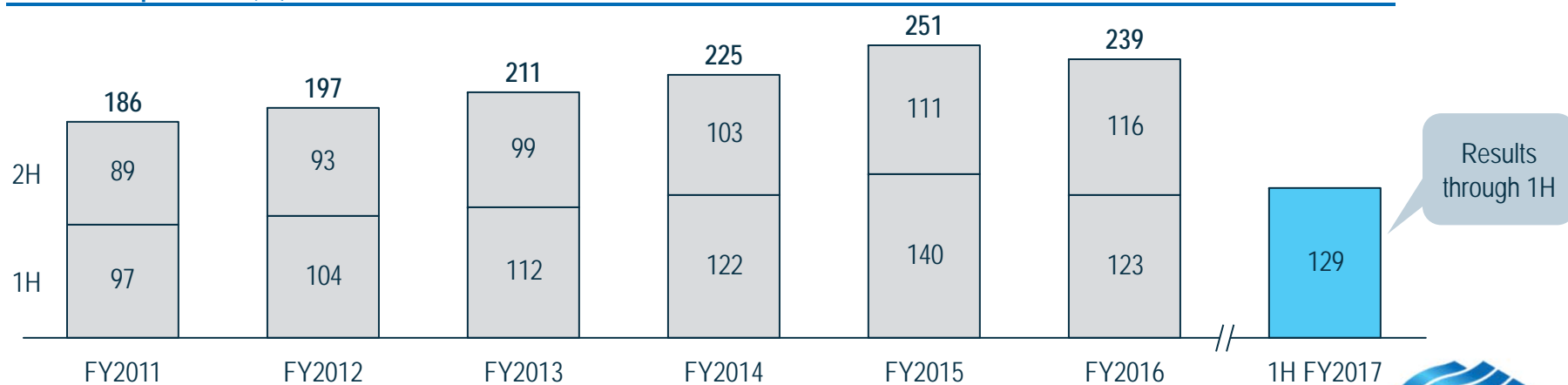


In addition to partial volume recovery post global financial crises, profit growth mainly driven by cost reductions

BBNA underlying EBIT (\$M)



BBNA Despatches (kt)



Productivity and cost savings measures targeting \$30M savings by FY2018 over FY2016

Productivity and cost savings measures are delivering with a savings run-rate of \$22M pa:

- Business restructuring and headcount reductions, including early retirement offering
- Engineering location consolidation
- Centralisation of support functions
- Savings through on-going negotiations with vendors

Further actions are being pursued to deliver the full savings target:

- Current system investment allowing for retirement of legacy systems and reduction in ongoing maintenance costs
- Ongoing focus on technologies to enable productivity improvements in engineering and manufacturing

Trading conditions update

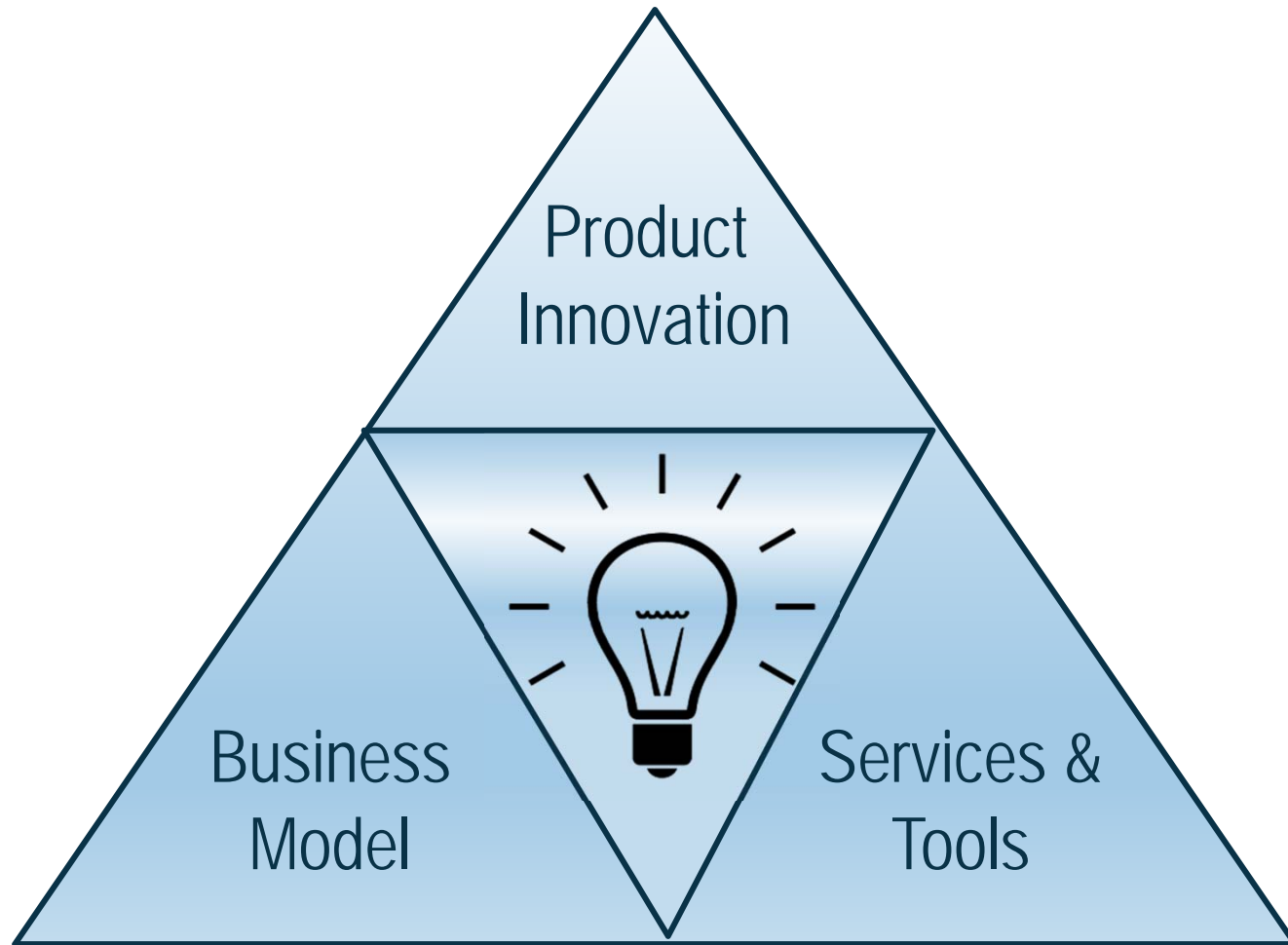
- 2H earnings will be lower than 1H due to typical seasonality
- Cost savings on track delivering earnings growth, on flat volumes



INNOVATION AND GROWTH

TRUSS PURLIN_{XT} Pilot Job
Oklahoma City, Oklahoma

BBNA targets 25% of annual revenue associated with new innovation released in last five years



Grandview Research Center overview

- Regulatory & Compliance Testing
- New product development
- 60 worldwide patents
- Raw material testing & quality assurance
- Led by industry experts



Advanced thermal testing capability creates a competitive advantage for customers:

- More cost effective & energy efficient roof and wall assemblies than code prescribed methods
- Certified by the International Accreditation Service (IAS)
- More than 80 assemblies tested

Our competitive advantages



New TBS™ & Thermalift™ Insulation System

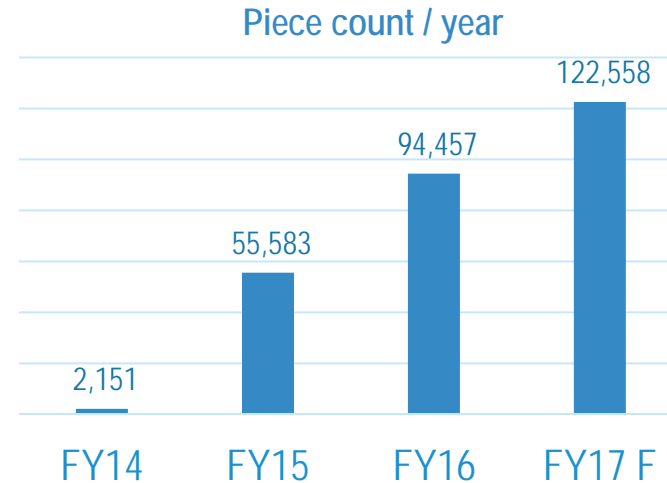
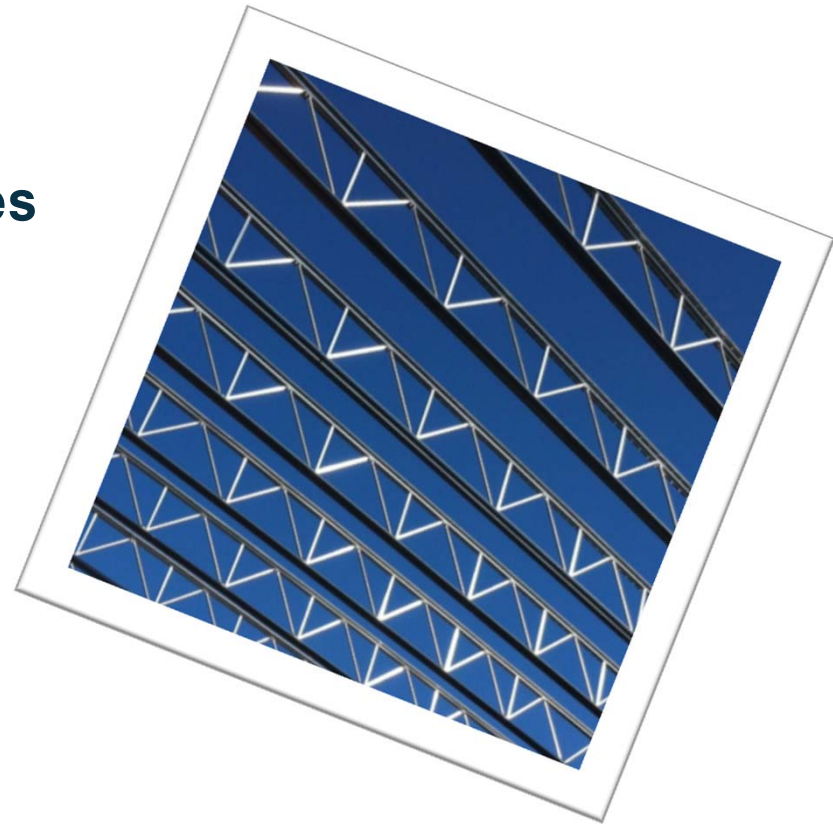
- Achieves highly energy efficient roof insulation system
- U-Factors as low as 0.029 (Effective R-34) using cost efficient fiberglass
- Initial customer acceptance is very strong



Our competitive advantages

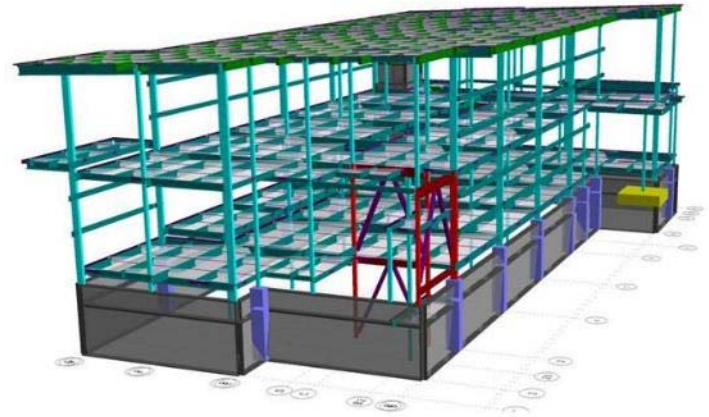
TRUSS PURLIN_{XT} Product Features

- Lighter and more efficient than bar joists
- Significant load/span capability
- Less field labor to install than bar joists
- Superior appearance / finish = no field painting



Technology – the nVision Engineering System is leveraged throughout the product workflow and order cycle

- Sales Tool
 - Fast BIM (Building Information Model) modelling
 - Power in the hands of our Builders
- Quoting Tool
 - Integrated with auto-design engine
- Automated Design Tool
 - Delivers efficient, consistent design
 - Auto application of snow loads, multiple codes, etc.
- Automated Detailing Tool
 - Saves significant engineering hours
- Integration Tool – Supply Chain & Shop Floor
 - Leverages economies of scale for product purchases
 - Aligns design solution with manufacturing capabilities





INTRODUCTION TO ST JOSEPH PLANT

TRUSS PURLIN_{XT} fixture – St. Joseph, MO

St Joseph plant overview

- Opened in 1981
- 194 manufacturing employees
- Over 138k sq. ft. of manufacturing space



St Joseph facility

Ficep Line



Example of expanding our addressable market by entering the conventional steel space

Truss Purlin_{XT} Fixture



Example of expanding our addressable market and market share through industry-leading innovation



QUESTIONS?

Sanford Health Fieldhouse – Sioux Falls, SD
Butler Builder: Fiegen Construction Company



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