



1H FY2020 FINANCIAL RESULTS PRESENTATION

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24 February 2020

BlueScope Steel Limited. ASX Code: BSL

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Don Watters, Treasurer & Head of Investor Relations

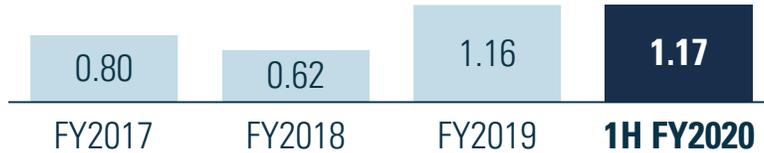
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Safety is a key part of BlueScope's identity; evolving our approach to the next level of effective risk management

LTIFR

Lost time injuries per million hours worked



MTIFR

Medically treated injuries per million hours worked



- Whilst injury metrics for 1H FY2020 are elevated on recent periods, current safety performance remains strong relative to long term history
- Health and wellbeing is a key focus area in our strategy, and we are evolving our approach to the next level of effective risk management
- To achieve meaningful improvement, our HSE Strategy will be driving a stronger focus on implementing higher order controls for our critical risks and measuring their effectiveness



Resilient performance in cyclically weaker conditions. Continuing buy-back and investing for growth

UNDERLYING EBIT¹

\$302M

↓ Down \$547M on 1H FY2019

UNDERLYING EBIT RETURN ON
INVESTED CAPITAL

8.4%

↓ Down from 24.9% in 1H FY2019

REPORTED NPAT

\$186M

↓ Down \$439M on 1H FY2019

FREE CASH FLOW
(Operating cash flow less capex)

\$(40)M

↓ Down \$533M on 1H FY2019

CAPITAL MANAGEMENT

**Interim dividend of
6.0 cps, and buy-back
of up to \$100M² during
2H FY2020**

NET DEBT

\$47M

(includes \$401M operating leases³)

↑ Up from \$693M net cash at 30
Jun 2019 (excl operating leases)



- (1) Underlying EBIT reflects the Group's assessment of performance after excluding (pre-tax): discontinued operations (\$6.8M), business development costs (\$4.8M), Restructure and redundancy costs (\$1.7M), asset sales (-\$10.6M), and India tax asset write-off after tax legislation change (\$6.0M). Refer page 60 for a full reconciliation of these underlying adjustments.
- (2) The Board reserves the right to suspend or terminate the buy-back at any time.
- (3) Under AASB16, a new lease accounting standard which took effect from 1 July 2019, most leasing arrangements formerly classified as operating leases were brought onto the balance sheet as an asset and a form of debt. The impact of this change to net debt at 31 December 2019 is \$401M.

UNDERLYING EBIT BY SEGMENT

Cyclical spreads largely driving ASP and North Star declines

NORTH STAR

\$114.5M

↓ Down 72% on 1H FY2019

AUSTRALIAN STEEL PRODUCTS

\$127.9M

↓ Down 60% on 1H FY2019

BUILDING PRODUCTS
ASIA & NORTH AMERICA

\$80.2M

↑ Up 2% on 1H FY2019

NEW ZEALAND & PACIFIC STEEL

\$12.9M

↓ Down 82% on 1H FY2019

BUILDINGS NORTH AMERICA

\$24.4M

↑ Up 10% on 1H FY2019

CORPORATE & ELIMINATIONS

\$(57.5)M

↓ 7% higher cost on 1H FY2019

TRANSFORM

- **Digital technology:** delivering the next wave of customer, growth and productivity improvements through technology
- **Carbon and climate change:** playing our part in the challenge; producing highly recyclable products, and actively lowering emissions intensity

OPTIMISE AND GROW

- **Australian Steel Products:** integrated and resilient business that delivers returns across the cycle
- **North Star:** expanding the US's leading mini-mill
- **Building Products Asia and North America:** outstanding suite of assets in high-growth regions
- **Buildings North America:** unlocking upside potential
- **New Zealand and Pacific Steel:** history of profitability; reviewing the way forward

DELIVER

- **Safe and sustainable operations**
- **Returns focus: ROIC > WACC on average through the cycles**
- **Strong balance sheet**
- **Disciplined approach to capital allocation**

BlueScope continues to focus on building resilience, embedding sustainability in all that we do

CLIMATE CHANGE & ENERGY

- BlueScope has a demonstrated history of action, with a ~30% reduction in absolute GHG emissions¹ since 2005
- Committed to a further 12% reduction in GHG emissions intensity by 2030²
- Aligned disclosures and approach to the TCFD recommendations
- Committed to refresh scenario analysis and targets by 2021
- Further shift to lower emissions steelmaking in portfolio with capacity expansion at North Star
- Emissions intensity performance to be reported at year end

DIVERSITY & INCLUSION



SUPPLY CHAIN SUSTAINABILITY

- Supplier Code of Conduct published and available in nine languages
- Robust segmentation process driving prioritisation for supplier engagement and assessments
- On track to complete the targeted 120 assessments of Priority 1 and 2 suppliers by the end of FY2020
 - 57 supplier assessments completed to date, 88 assessments currently underway
- Completed pilot program for BlueScope sites. Well advanced for Modern Slavery Act reporting requirements

GOVERNANCE & CONDUCT

- We encourage a culture of speaking up and protecting those who do
- As previously disclosed, the ACCC has commenced civil proceedings against BlueScope and a former employee alleging contraventions of the Australian competition law cartel provisions. These civil proceedings remain ongoing.



(1) Scope 1 and 2 GHG emissions
 (2) Reference year 2018, equivalent to a cumulative 1% year on year reduction

More information can be found in our Sustainability Report, at bluescope.com/sustainability.

Project on track with new plant to be commissioned during FY2022; full ramp up 18 months thereafter

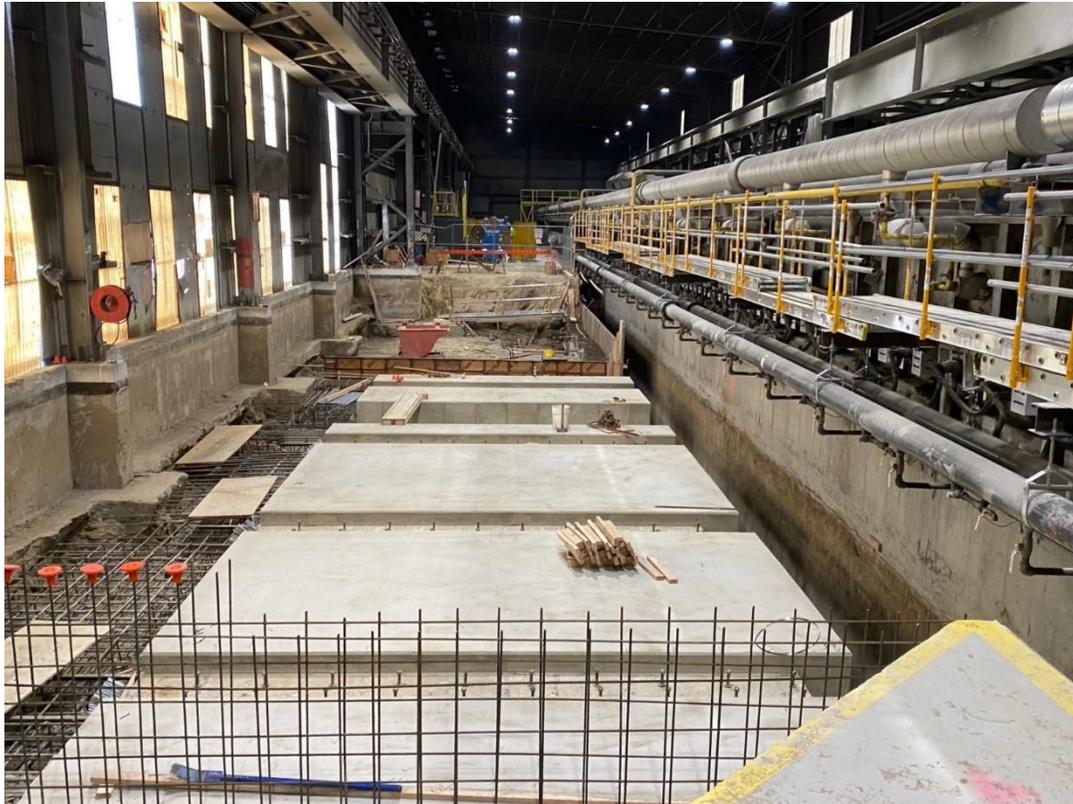
Key milestones to date

- Major OEM contracts executed and orders placed (melt shop, caster, tunnel furnace, cranes and high voltage yard)
 - We are aware of some impacts on our equipment supply chains due to COVID-19, which are being managed. We continue to monitor the situation
- New employee hiring well underway
- Siteworks continue, including:
 - melt shop building foundations progressing well and commenced melt shop building erection
 - tunnel furnace shuttle car foundations commenced
 - construction of new administration building and consumables warehouse nearly completed



UPDATE ON NORTH STAR EXPANSION PROJECT

Project on track with new plant to be commissioned during FY2022; full ramp up 18 months thereafter



Installation of tunnel furnace shuttle car foundations

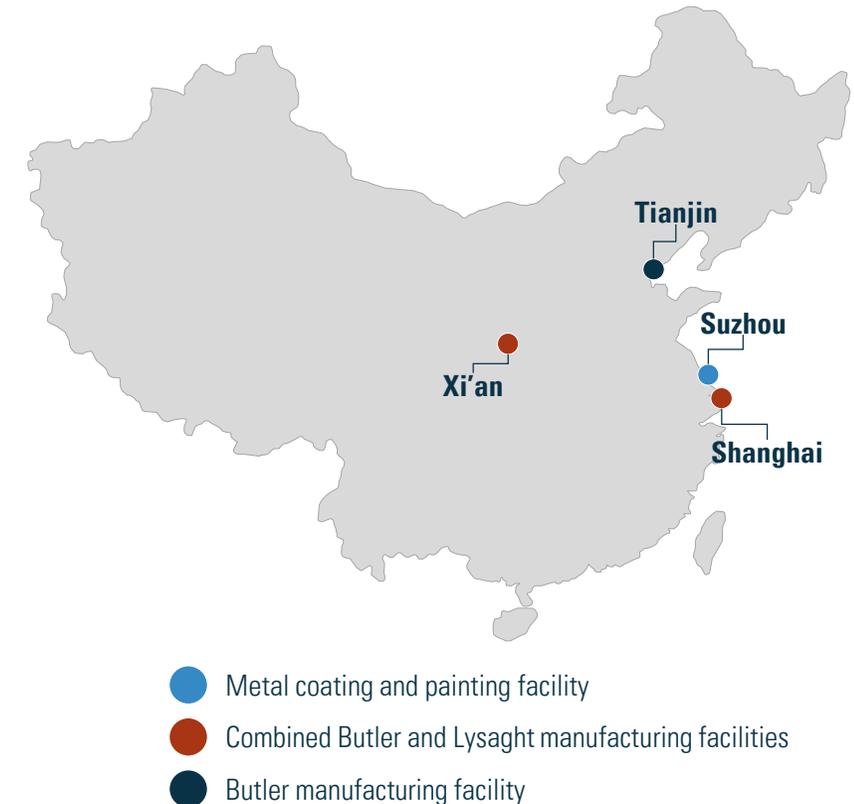


Installation of melt shop foundations and frame erection

Team members safe and operations re-opened, however near term outlook remains unclear

- Reassuringly, no reported cases of COVID-19 amongst BlueScope China team
- Four major operating sites (two across greater Shanghai, one in Tianjin and one in Xi'an), as well as a number of sales offices across China (including one sales office in the Hubei region)
- All sites, with the exception of our Hubei sales office, have re-opened; Hubei office will reopen following local authority direction
- Supporting employees through return to work safety and health guidelines, including checking health status and providing face masks and temperature checks for all employees and contractors accessing facilities
- Supporting Hubei employees, including daily contact to check on status, providing quarantine masks and gloves, and offering access to BlueScope's employee assistance program
- Operational throughput remains limited at this point for a number of reasons:
 - Reduced staffing while a significant number of employees are in self-quarantine following New Year travel
 - Logistics movements in/out of facilities is limited
 - Reduced demand as customers progressively return to operations during February
- February and expected March performance of China businesses heavily impacted. Beyond this, rate of recovery in demand and activity remains unclear at this point

BlueScope's footprint in China

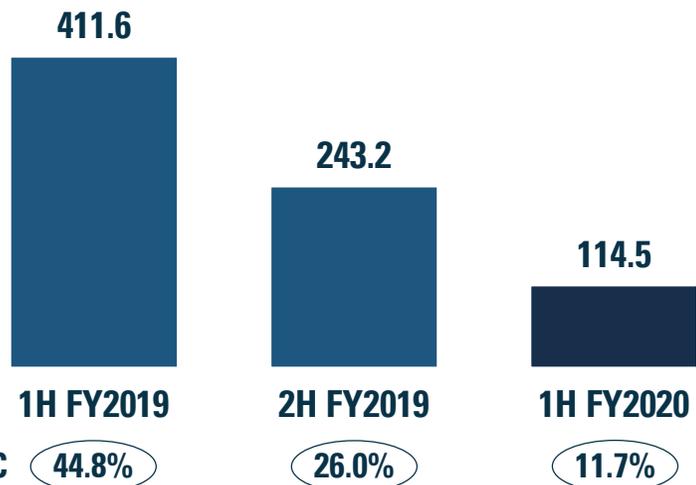




FINANCIAL RESULTS

Lower result on softer prices and spreads; remains at full capacity utilisation

Underlying EBIT (\$M)



Total despatches (kt)



- Demand remained stable across key end-use segments, sales volume lower on seasonality
- Benchmark spreads¹ contracted markedly in 1H FY2020 on significantly lower Midwest HRC prices partly offset by lower raw material costs
- Continued to operate at 100% capacity utilisation
- Expansion project on track

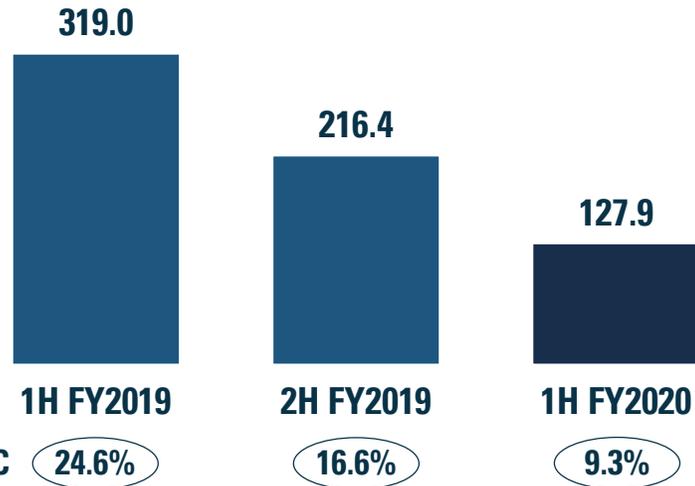
Comparisons are to 2H FY2019, unless otherwise stated



(1) Benchmark prices are illustrative only, and may not be representative of realised mill prices due to a range of factors. Movements in prices across the majority of sales correlate with Midwest regional benchmark pricing, on a short lag; a minority of sales are priced on a longer term basis. Accordingly the degree of correlation between realised and benchmark prices can vary in a given half but is more fully reflected over the medium term

Softer result on lower steel prices and spreads; domestic volumes recovered on stronger end use demand

Underlying EBIT (\$M)



Domestic despatches ex-mill (kt)



- Domestic volumes improved on 2H FY2019 driven by stronger end use demand
 - Painted steel volumes improved 8%
- Lower Asian benchmark spreads mainly due to higher iron ore prices
- Unfavourable impact of realised pricing (export destination pricing and domestic pricing), as per guidance
- Impact of minor blast furnace instability early in the half, as foreshadowed
- Lower contribution from export coke sales – down \$27M on 2H FY2019

Comparisons are to 2H FY2019, unless otherwise stated

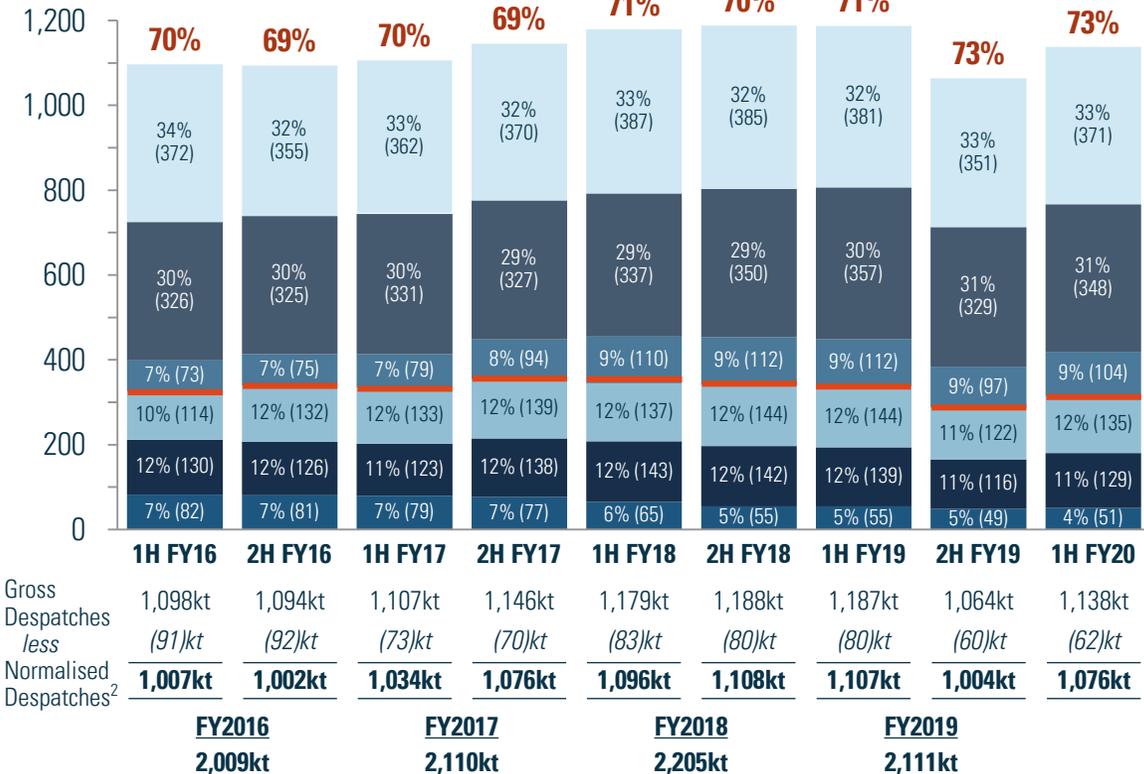


Domestic volumes improved across all market segments, driven by stronger end use demand

Total Australian external domestic despatch volumes (kt)

■ Dwelling
 ■ Non-dwelling
 ■ Engineering¹
■ Manufacturing
 ■ Agri & mining
 ■ Transport

Total construction % shown in red



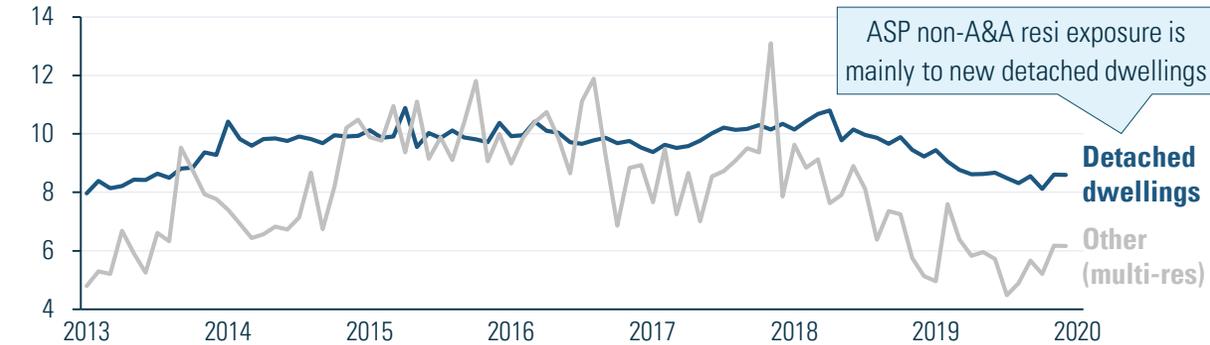
Gross Despatches less Normalised Despatches²



(1) Engineering includes infrastructure such as roads, power, rail, water, pipes and some mining-linked use
 (2) Normalised despatches exclude third party sourced products, in particular, long products

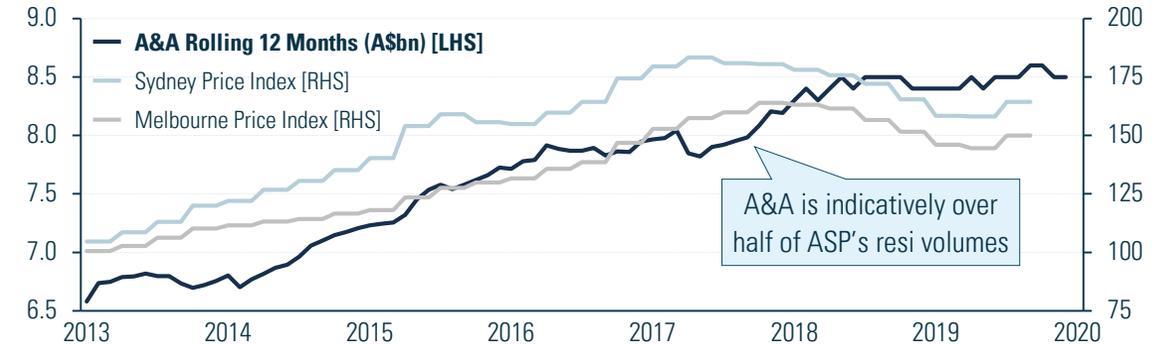
Dwelling Approvals: monthly, seasonally adjusted³ ('000)

Approvals appear to have bottomed out, recent months showing improvement



A&A Building Approvals and House Prices⁴

House price levels and sound labour market still encouraging renovations

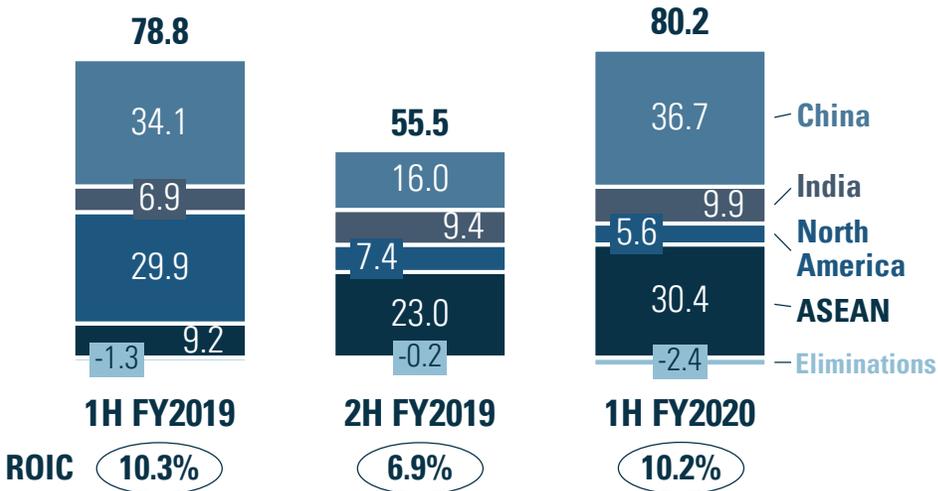


(3) Source: ABS series 8731, table 6; original data; total sectors; data to Dec 19

(4) A&A: Alterations & Additions, Source: ABS series 6416, table 2; original data; 2011-12=100; data to Sep 19 Qtr, ABS series 8731, table 38; seasonally adjusted; current \$; data to Dec 19

Strong results from China, and India, encouraging improvement in ASEAN, weaker performance in North America

Underlying EBIT (\$M)



China:

- Stronger result compared to 2H FY2019 driven by higher volumes on seasonality, effective sales performance and resultant lower costs
- Robust end market demand within the segments in which BlueScope China participates; including electronics, logistics, pharmaceutical and chemical industries

India:

- Delivered another strong result, with higher margins offsetting lower despatch volumes as macroeconomic conditions weakened through the half
- Our joint venture partner in India, Tata Steel, has acquired Bhushan Steel, which includes coating and painting assets. BlueScope continues to work with Tata Steel to consider the implications of this acquisition for the joint venture

South East Asia:

- Performance improved on stronger margins, despite marginally lower volumes
- The new high-speed metal coating and inline painting line in Thailand is operating at full capacity which has improved the cost position of the business
- On track to deliver targeted benefits from Ignite 5G cost and productivity improvement program

North America:

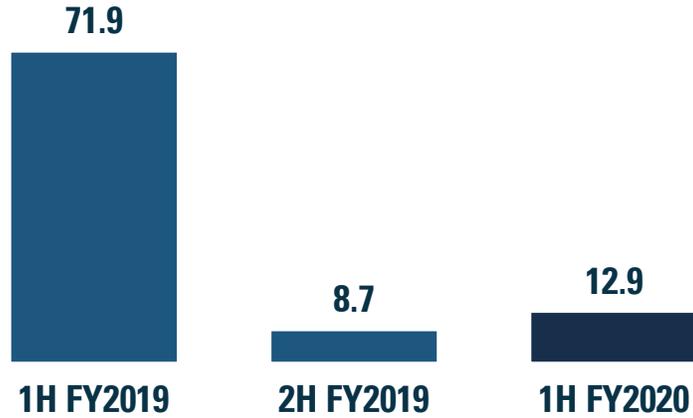
- Result lower, with strong performance in building components offset by weaker manufacturing performance impacting costs (since resolved)
- Underlying demand remained robust with higher despatch volumes compared to 2H FY2019

Total despatches (kt)

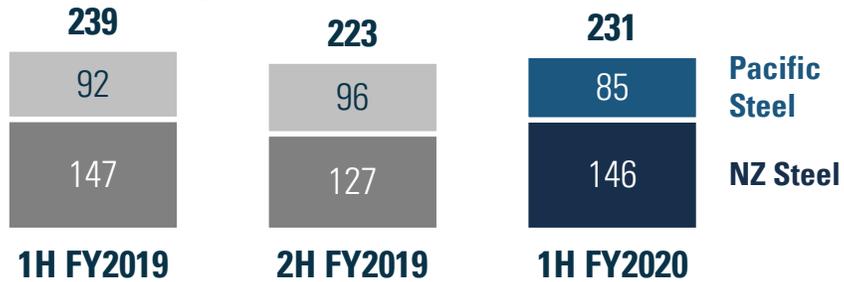


Moderate improvement in prices, continued focus on addressing financial underperformance

Underlying EBIT (\$M)

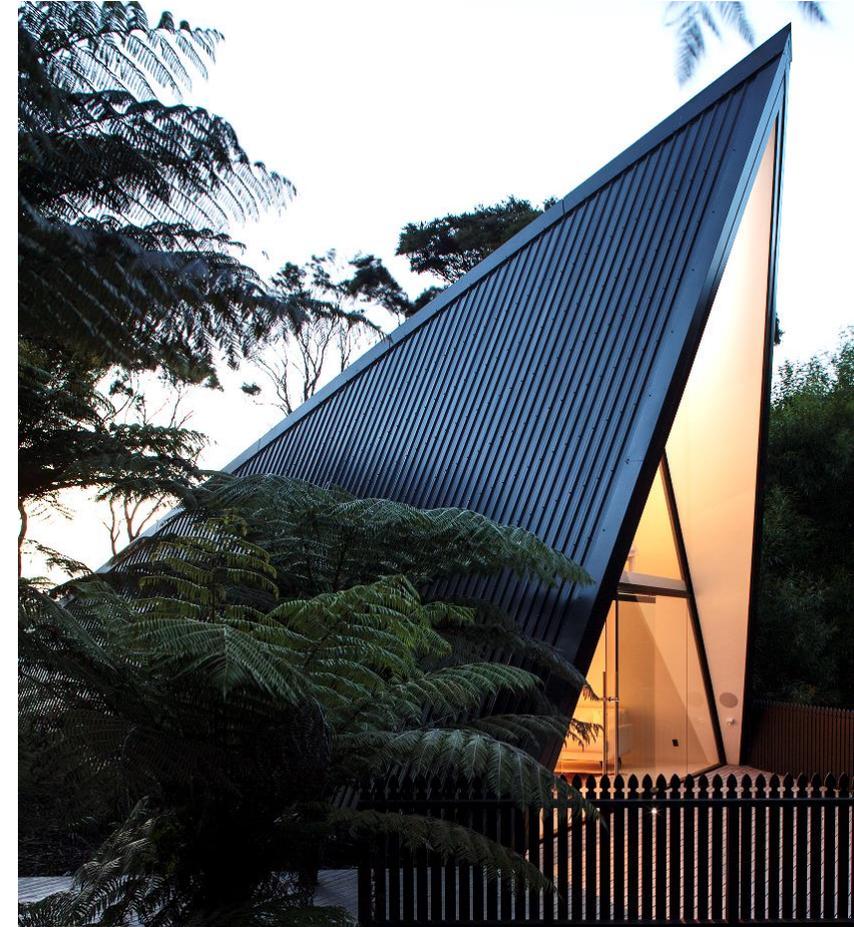


Domestic despatches (kt)



- Demand in residential construction sector remained robust, however infrastructure market demand softened
- Raw material costs decreased, particularly coal, alloys and scrap
- Electricity costs remained elevated
- Reduced vanadium by-product contribution (down \$11M¹ on 2H FY2019)
- Continue to focus on addressing financial underperformance

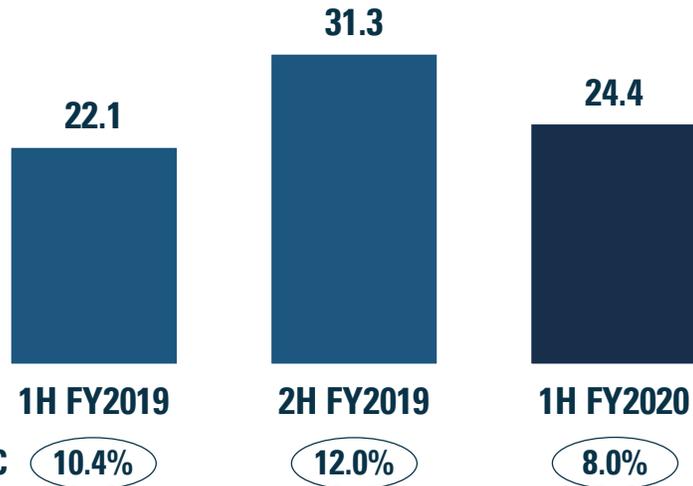
Comparisons are to 2H FY2019, unless otherwise stated



(1) Reflects change in contribution from export vanadium slag sales. The equivalent EBIT movements, net of changes in ferro and nitrated vanadium input costs was \$7M.

Softer performance due to lower contribution from BlueScope Properties Group and higher costs

Underlying EBIT (\$M)

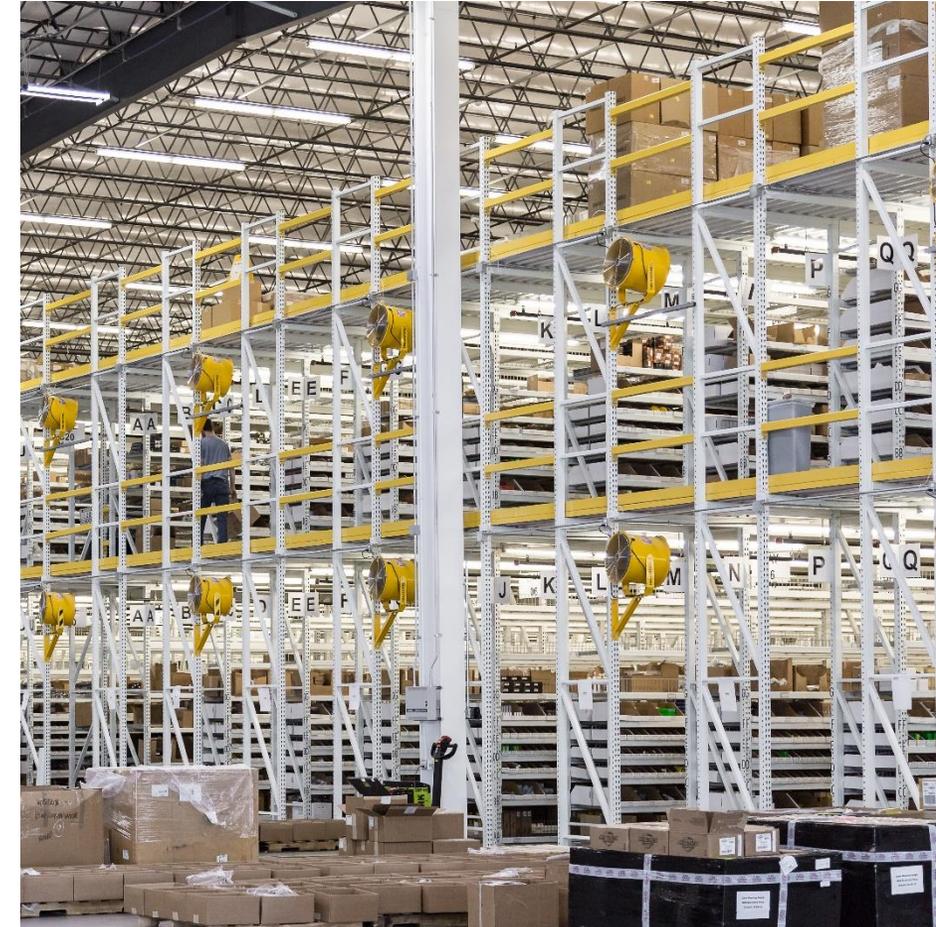


Total despatches (kt)



- Sales volumes up on seasonality and strength of demand in the light manufacturing and warehousing sectors
- Continuing to invest in capacity to improve customer lead times and support future growth potential
- Prompt resolution of manufacturing issue
- Lower contribution from BlueScope Properties Group on timing of projects

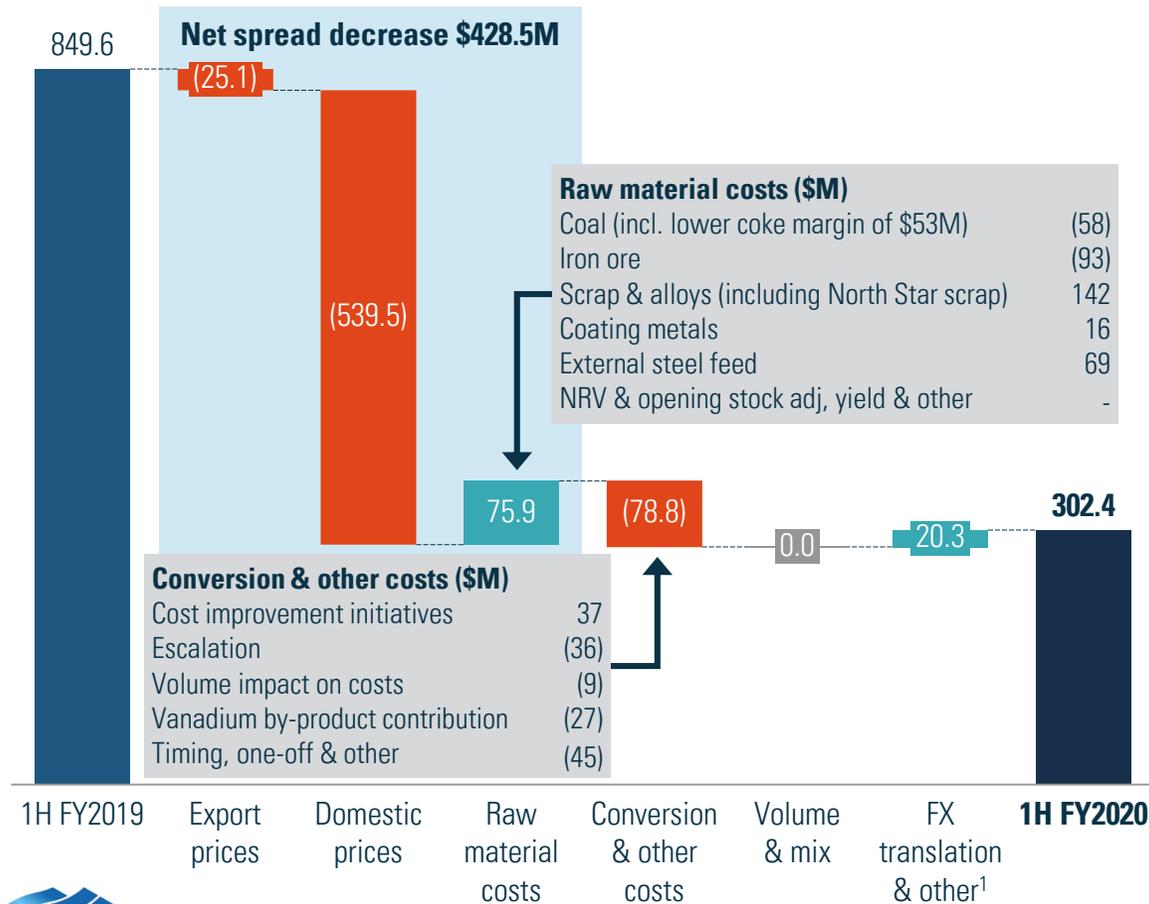
Comparisons are to 2H FY2019, unless otherwise stated



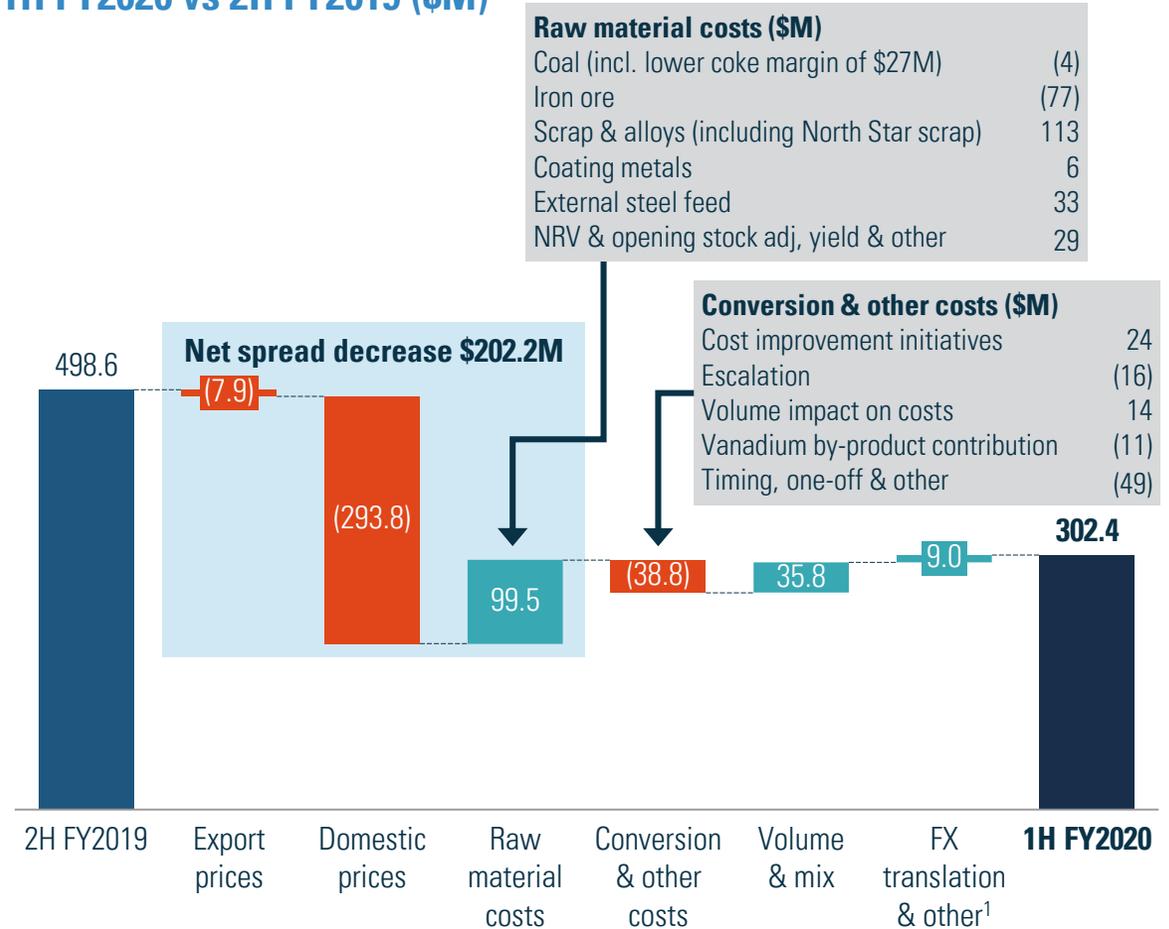
UNDERLYING GROUP EBIT VARIANCE

64% reduction in underlying EBIT over 1H FY2019 largely due to the impact of cyclical spreads

1H FY2020 vs 1H FY2019 (\$M)



1H FY2020 vs 2H FY2019 (\$M)



(1) Includes the impact of AASB16 Leases

Note: FX translation relates to translation of foreign currency earnings to A\$, transactional foreign exchange impacts are reflected in the individual categories

Impact of capitalisation of operating leases under AASB 16

- Effective 1 July 2019 and first reported in December 2019 half year statements
- Brings most operating lease commitments onto balance sheet as an asset and a form of debt, and splits income statement charges between depreciation and amortisation and interest expense
- Impact to net debt at 31 December 2019 of \$401M as lease liabilities are brought onto balance sheet
- Expect no impact on our bank debt facilities and Reg S notes

Impacts of AASB16 on 1H FY2020 segment earnings

\$M	EBITDA	D&A	EBIT	Interest	NPAT
North Star	2.2	1.8	0.4		
Australian Steel Products	37.4	29.5	7.9		
Building Products Asia and North America	8.7	7.5	1.2		
Buildings North America	4.8	3.4	1.4		
New Zealand and Pacific Steel	4.2	3.7	0.5		
Corporate, Intersegment and Other	0.6	0.4	0.2		
BlueScope Group	57.9	46.3	11.6	9.5¹	1.6

Impacts of AASB16 on Balance Sheet

\$M	as at 31 Dec 2019
Asset increase	340
Net debt increase	(401)
Other liability decrease ²	18
Equity / net asset decrease	(43)

Negligible impact on 1H FY2020 ROIC as lease assets are included in net operating asset calculation whilst lease liabilities are excluded; resulting higher NOA offsets EBIT increase



FINANCIAL FRAMEWORK



Clearly stated financial framework to guide our decision making

1 RETURNS FOCUS

- ROIC > WACC on average through the cycles
- ROIC incentives for management and employees
- Maximise free cash flow generation

2 OPTIMAL CAPITAL STRUCTURE

- Strong balance sheet, with a target of around \$400M net debt (including operating leases)¹
- Retain strong credit metrics
- Intent to have financial capacity through the cycle to make opportunistic investments or to fund reinvestment in or a shutdown of steelmaking if not cash positive
- Leverage for M&A if accompanied by active debt reduction program

3 DISCIPLINED CAPITAL ALLOCATION

Invest to maintain safe and reliable operations, and in foundation and new technologies

Returns-focussed process with disciplined competition for capital between:

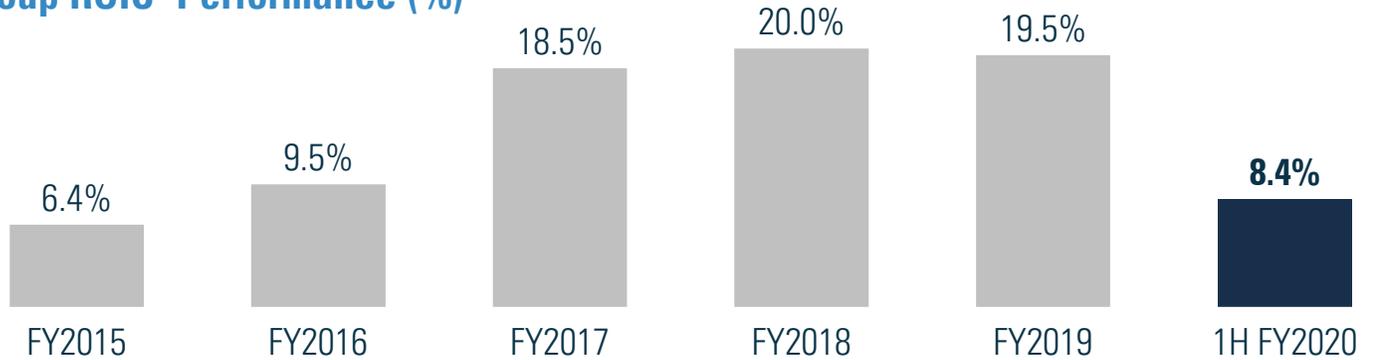
- Growth capital
 - Investments
 - M&A (avoid top of the cycle)
- Shareholder returns
 - Distribute at least 50% of free cash flow to shareholders in the form of consistent dividends and on-market buy-backs²

1 RETURNS FOCUS – DELIVERING ROIC

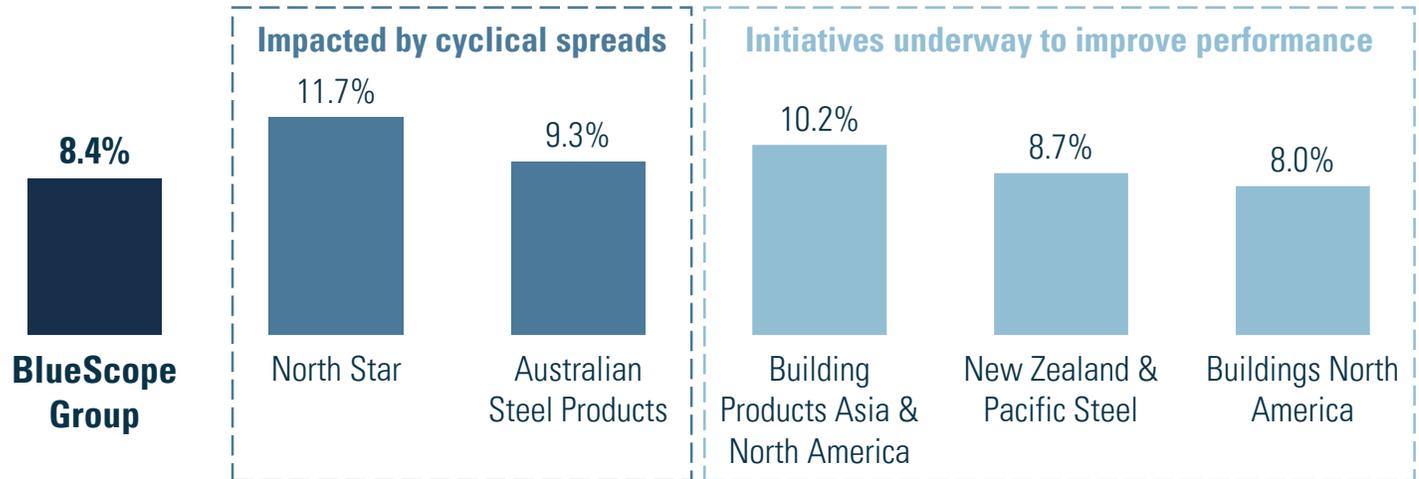
Targeting returns above cost of capital through the cycle

- ROIC¹ is the primary measure of performance across all business units and the Group. ROIC is a key discipline for:
 - performance management
 - project assessment and
 - executive incentives
- Targeting returns above cost of capital through the cycle
- Underpins objective of delivering top quartile shareholder returns

Group ROIC² Performance (%)



1H FY2020 ROIC² by Segment (%)

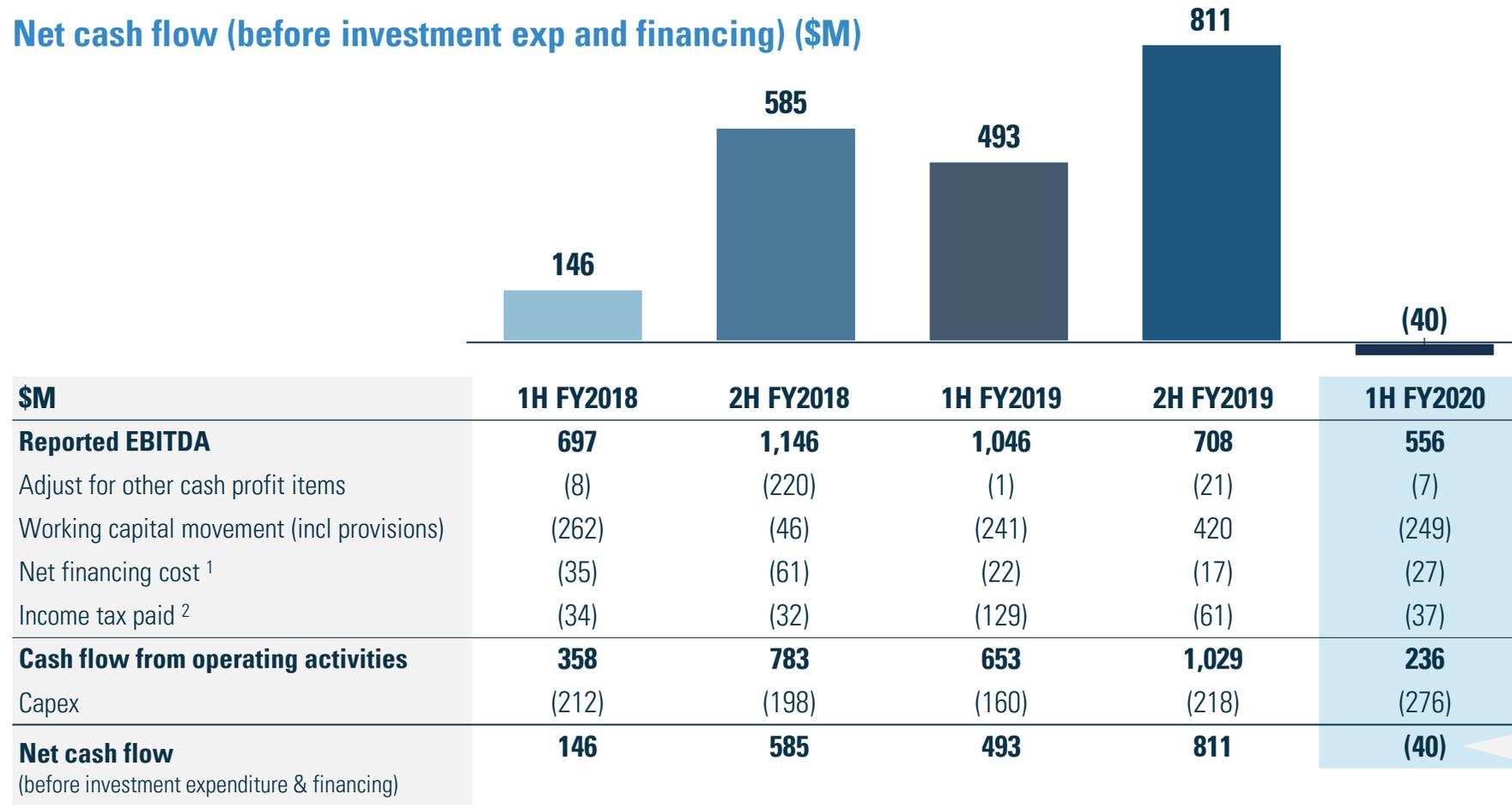


(1) Return on Invested Capital
 (2) ROIC calculated as underlying EBIT (annualised in case of half year comparison) over average monthly capital employed

1 RETURNS FOCUS – MAXIMISING CASH GENERATION

Small net cash outflow due to softer spreads, seasonality of working capital and North Star expansion capex

Net cash flow (before investment exp and financing) (\$M)



Net cash flow lower on seasonality of working capital and \$64.7M CAPEX for North Star expansion project



(1) 1H FY2020 includes existing finance leases and operating leases under AASB 16 Leases

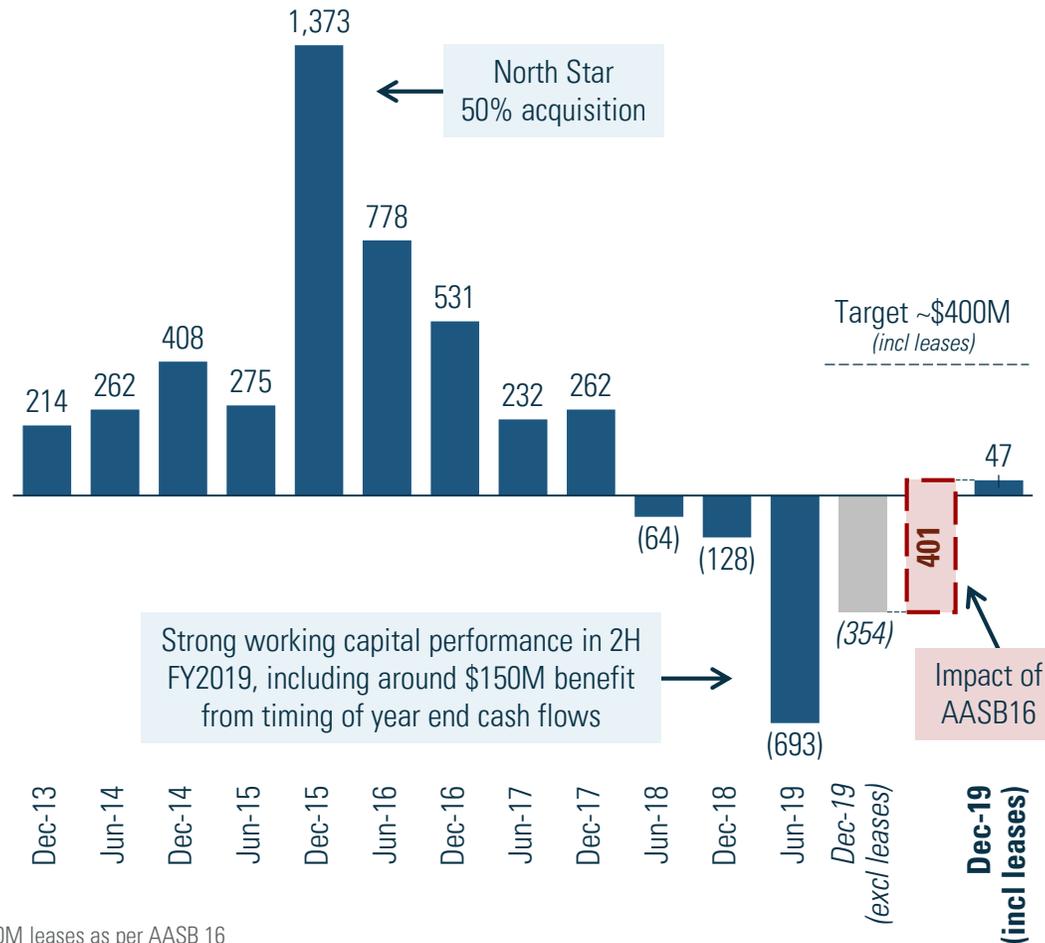
(2) As at 31 December 2019 the BlueScope Steel Australian tax consolidated group is estimated to have carried forward tax losses of approximately \$1.4Bn. There will be no Australian income tax payments until these losses are recovered

2 OPTIMAL CAPITAL STRUCTURE – TARGET AROUND \$400M NET DEBT

Flexible and resilient balance sheet with investment grade rating

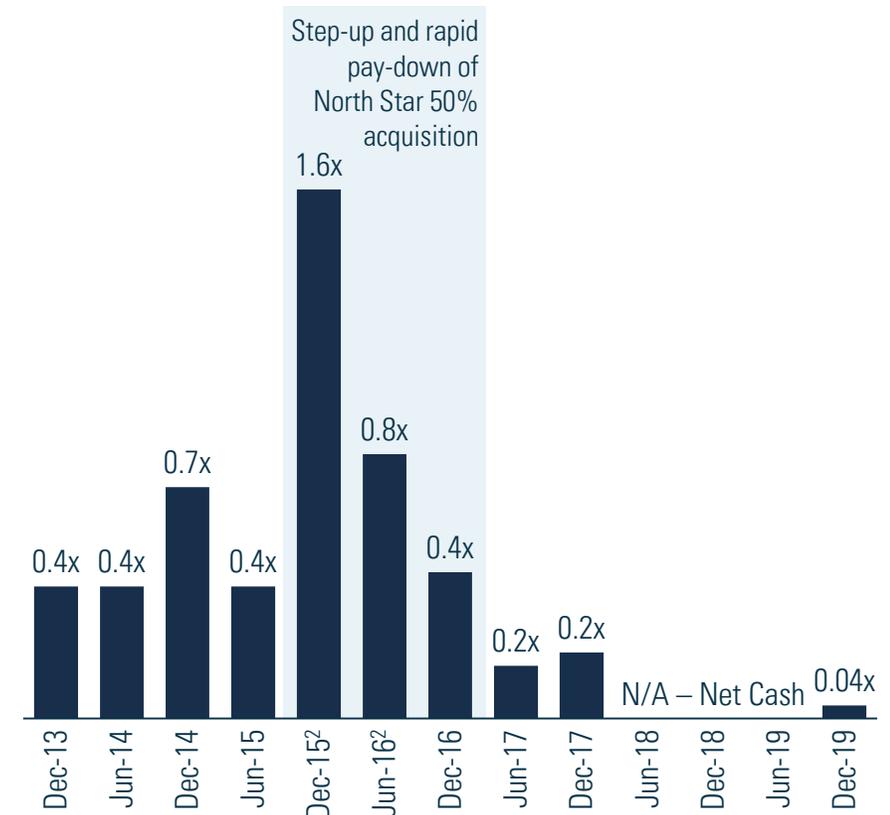
- Target around \$400M net debt including operating leases, equivalent to around zero net debt (excluding leases)¹
- Maintained investment grade credit rating

Net debt / (cash) (\$M)



Leverage

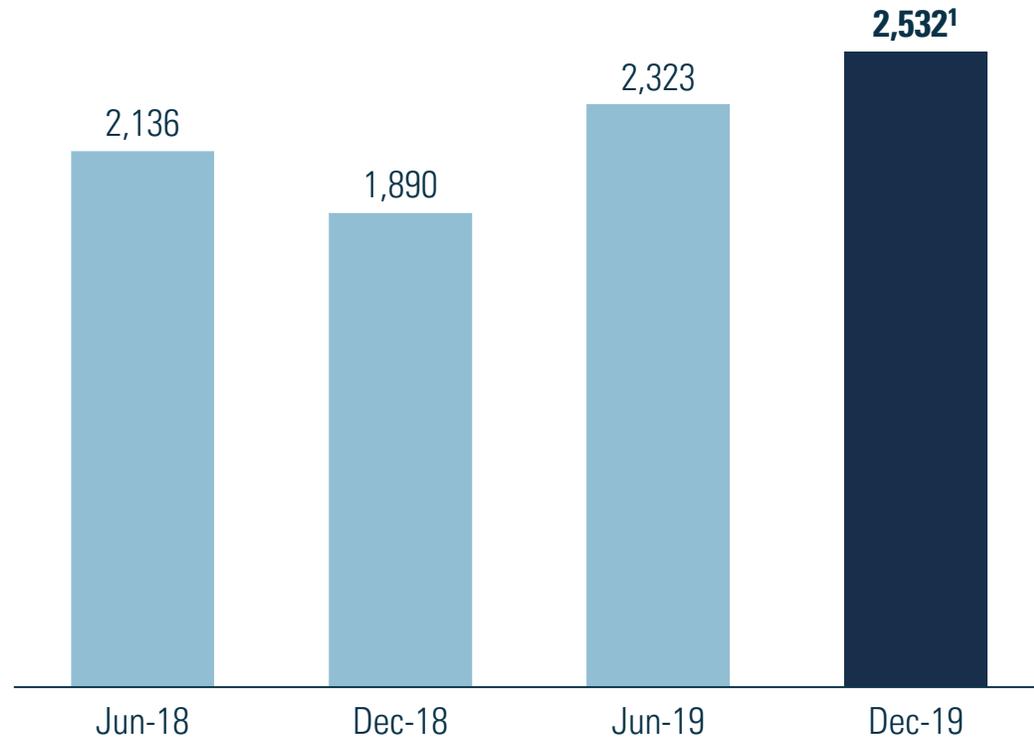
(Net debt to LTM underlying EBITDA¹)



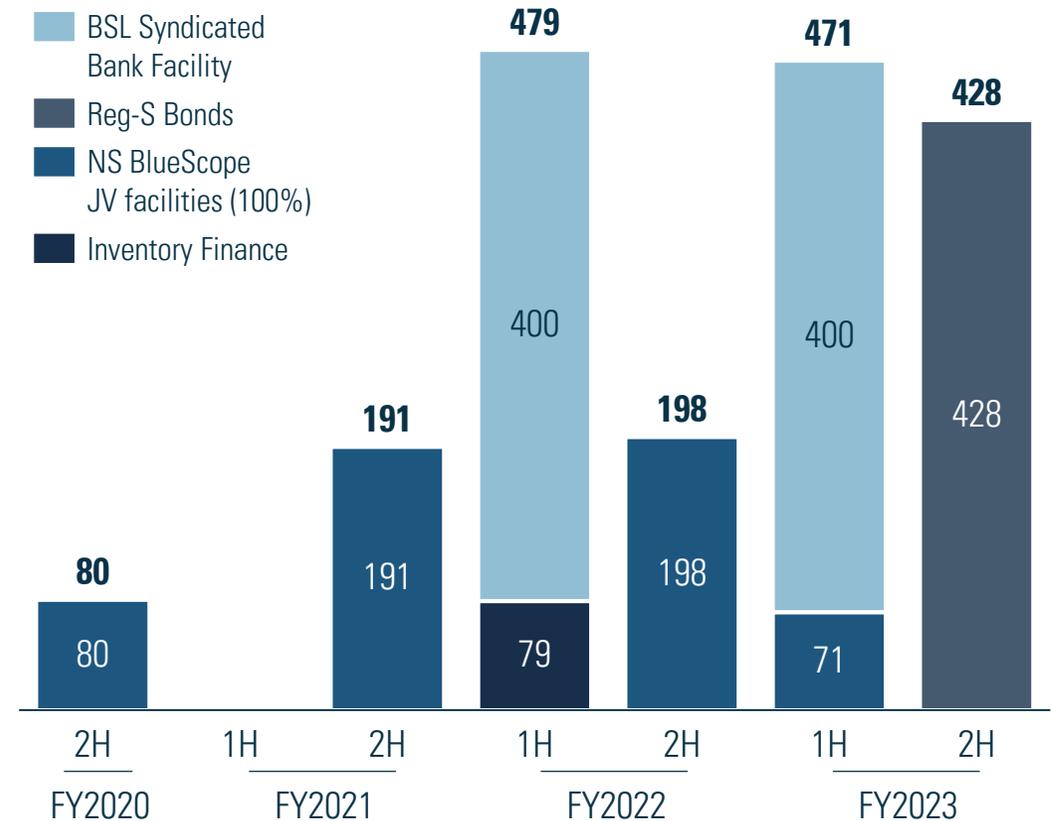
(1) Excluding the impact of ~\$400M leases as per AASB 16

(2) Dec-15 and Jun-16 includes North Star proforma for previous 12 months

Liquidity (undrawn facilities and cash, \$M)



Maturity profile² (\$M)



Sale of receivables program:

- In addition to debt facilities, BlueScope has \$493M of off-balance sheet sale of receivables programs, of which \$469M was drawn as at 31 December 2019



(1) Includes \$518M liquidity in NS BlueScope Coated Products JV
 (2) Based on A\$:US\$ at US\$0.6997 at 31 December 2019 and excludes \$170M NS BlueScope JV facilities which progressively amortise

3 DISCIPLINED CAPITAL ALLOCATION – CAPITAL AND ACQUISITION EXPENDITURE

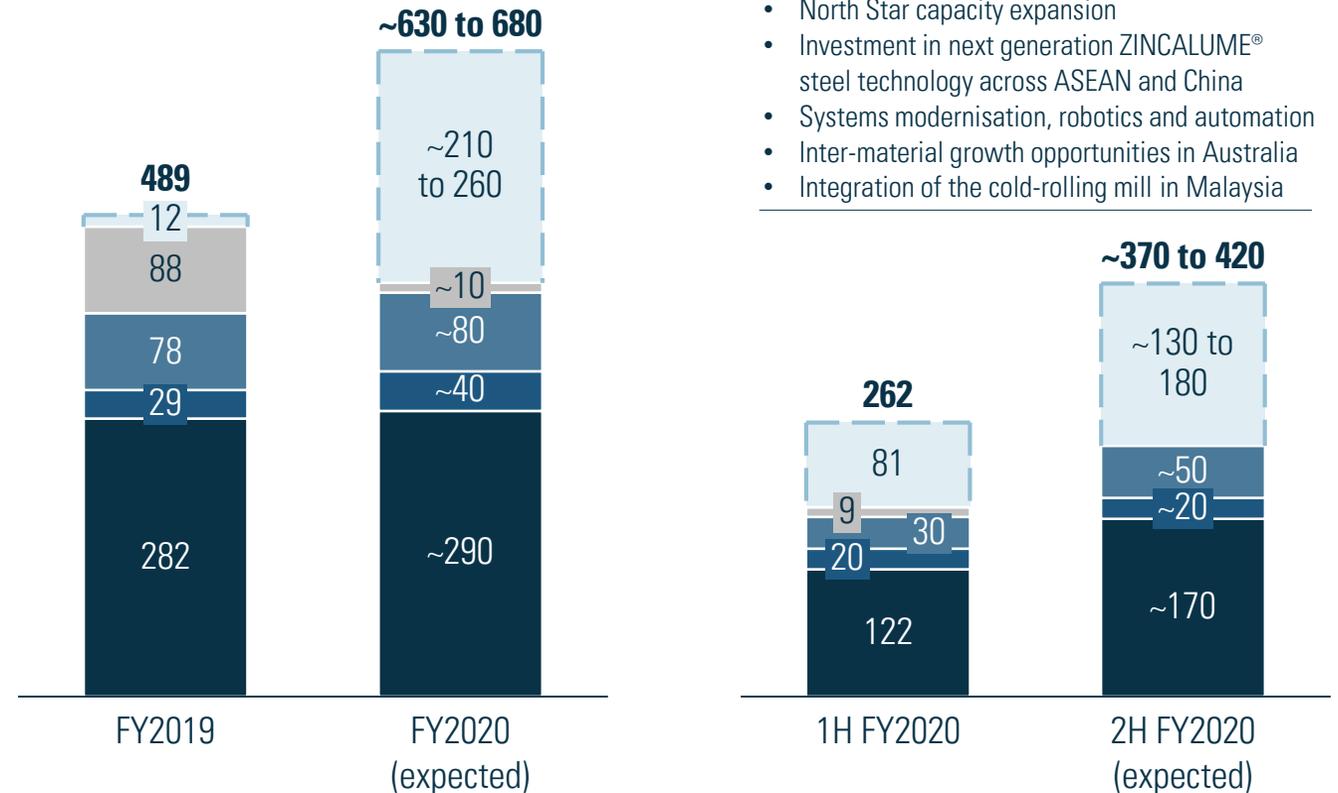
Drive competition for capital with disciplined, returns focused process

Capital management framework



Capital and acquisition expenditure (\$M)

■ Sustaining
 ■ Foundation
 ■ Growth
 ■ Acquisition & investment
 North Star expansion



Key projects across FY2020

- North Star capacity expansion
- Investment in next generation ZINCALUME® steel technology across ASEAN and China
- Systems modernisation, robotics and automation
- Inter-material growth opportunities in Australia
- Integration of the cold-rolling mill in Malaysia



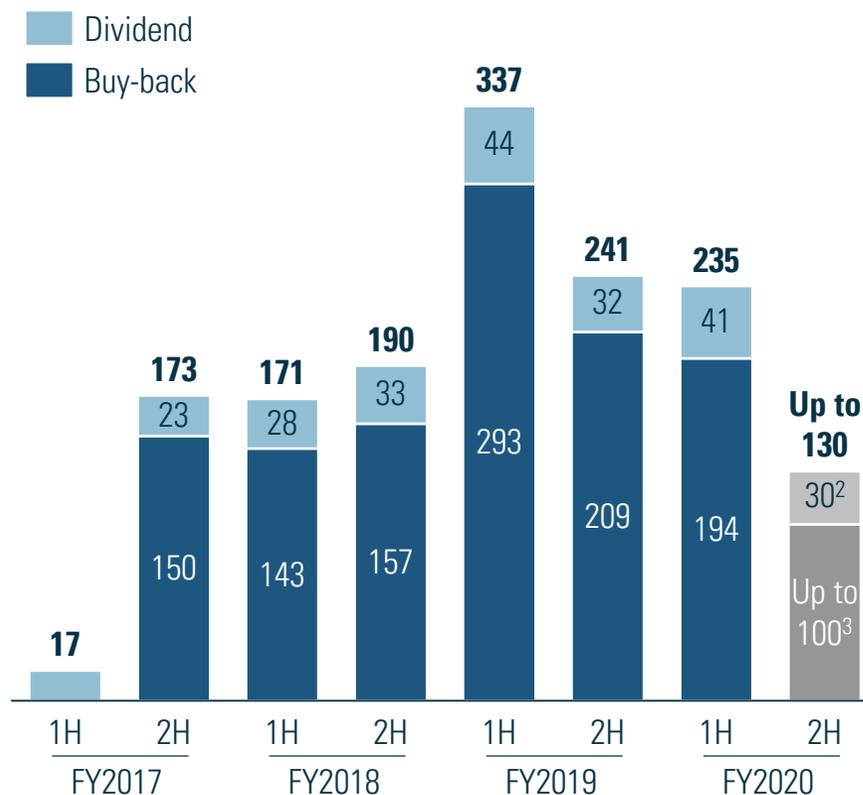
(1) Foundation Capital relates to capital expenditure on foundation and new technologies, including core process and product technologies, along with business and customer facing systems

3 DISCIPLINED CAPITAL ALLOCATION – SHAREHOLDER RETURNS

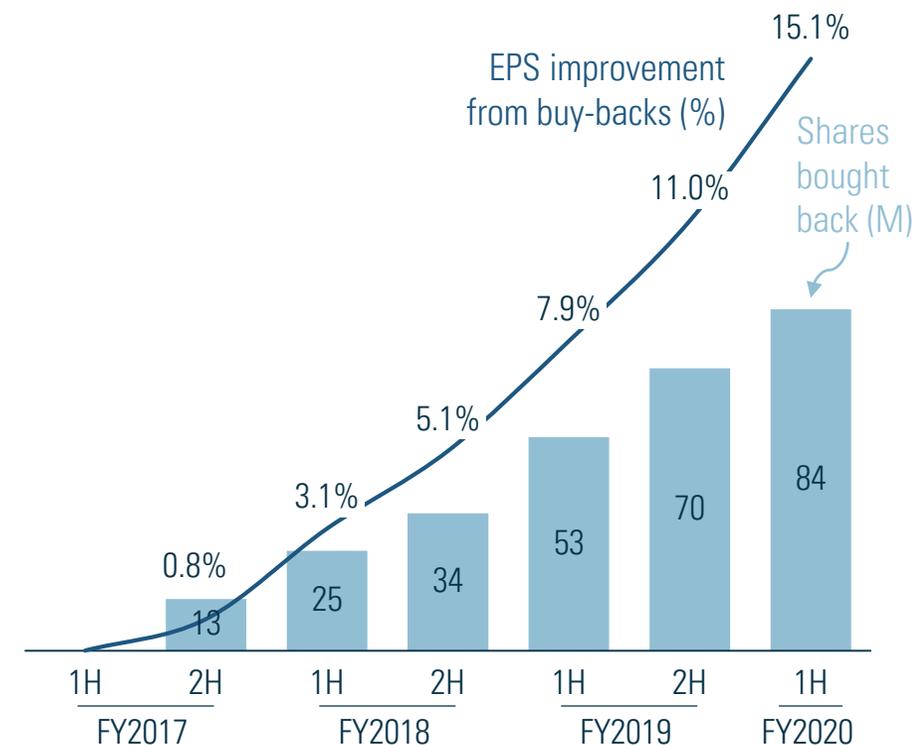
\$1.35Bn of shareholder returns across FY2017 to December 2019; 15% of shares bought back since FY2017

- 14.8% of issued capital bought-back since FY2017 to December 2019
- Interim dividend of 6.0 cents per share
- Up to \$100M buy-back during 2H FY2020, funded from cash

Dividends paid and buy-backs¹ (\$M)



Shares bought back and underlying EPS improvement from buy-backs (million shares, %)



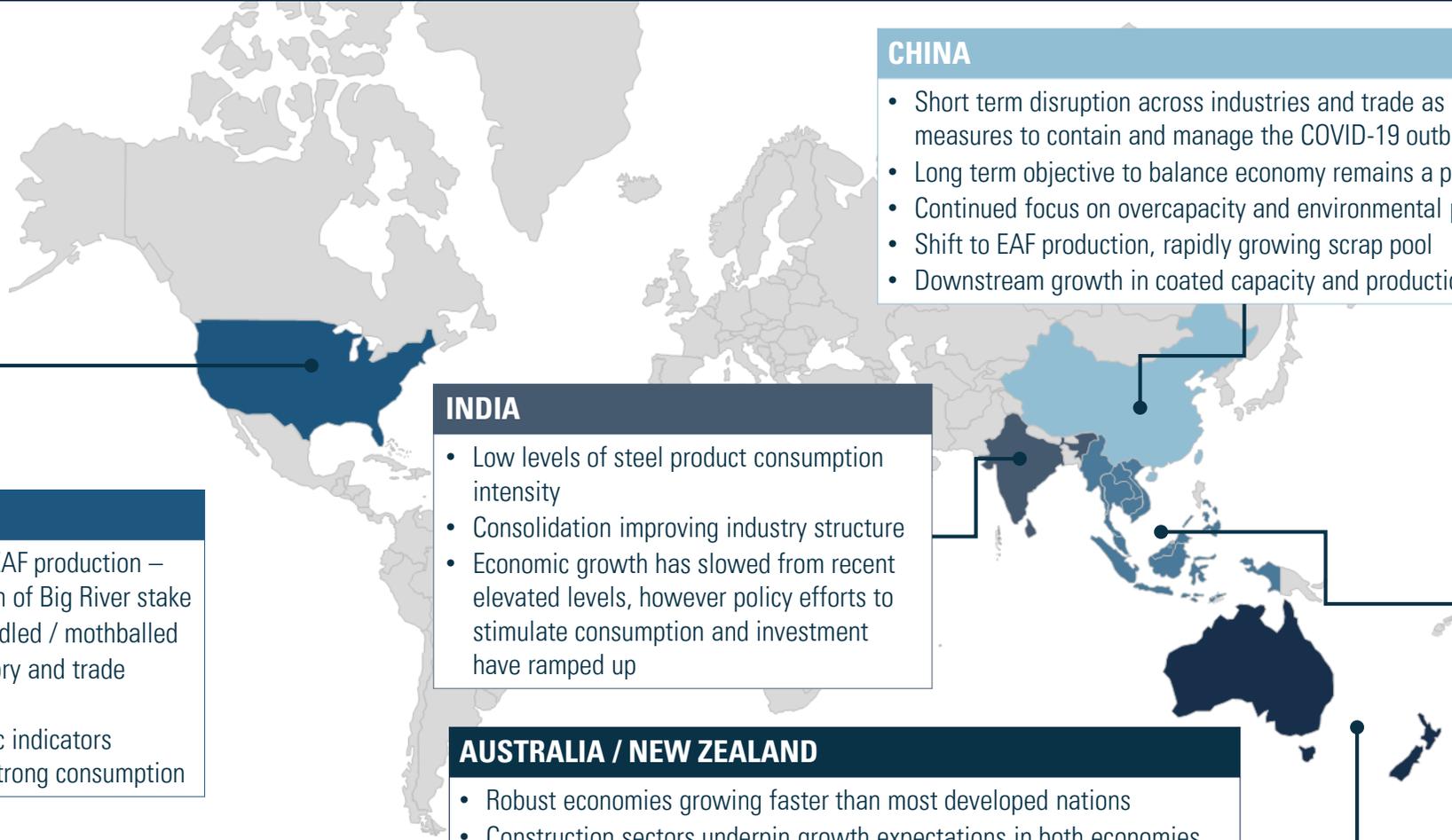
(1) Chart reflects half year cash settlements of shares bought back.
 (2) \$30M indication of 1H FY2020 interim dividend of 6.0 cps announced 24 February 2020, with record date of 2 March 2020.
 (3) Buy-back of up to \$100M to be conducted throughout 2H FY2020. The Board reserves the right to suspend or terminate the buy-back at any time.



SUMMARY AND OUTLOOK



BlueScope is well positioned in robust, developed economies, and in high growth regions across Asia



UNITED STATES

- Continued shift to EAF production – US Steel acquisition of Big River stake
- High cost capacity idled / mothballed
- Favourable regulatory and trade environment
- Long term economic indicators positive driven by strong consumption

INDIA

- Low levels of steel product consumption intensity
- Consolidation improving industry structure
- Economic growth has slowed from recent elevated levels, however policy efforts to stimulate consumption and investment have ramped up

CHINA

- Short term disruption across industries and trade as China takes measures to contain and manage the COVID-19 outbreak
- Long term objective to balance economy remains a policy priority
- Continued focus on overcapacity and environmental performance
- Shift to EAF production, rapidly growing scrap pool
- Downstream growth in coated capacity and production

SOUTH EAST ASIA

- Large and growing population with increasing levels of urbanisation and wealth
- Significant upside, with low levels of steel product consumption intensity
- Increased volumes of Chinese coated imports placing pressure on margins
- Near-term macroeconomic headwinds persist as global trade and growth stagnates
- Impact of COVID-19 uncertain in the near term

AUSTRALIA / NEW ZEALAND

- Robust economies growing faster than most developed nations
- Construction sectors underpin growth expectations in both economies
- In Australia demand for detached housing and alterations and additions remain sound; solid pipeline of infrastructure projects planned to support ongoing population growth



- Underlying demand across our footprint is generally stable, however the economic impact of COVID-19 has created uncertainty for our Asian businesses and Asian steel spreads in the near term. The impact to US Midwest spreads, if any, is unclear. We are aware of some impacts to our supply chains which to date have been mitigated; we continue to monitor the situation
- For the purposes of the outlook, the Company has made the following 2H FY2020 average assumptions:
 - East Asian HRC price of ~US\$465/t²
 - 62% Fe iron ore price of ~US\$85/t CFR China²
 - Index hard coking coal price of ~US\$160/t FOB Australia²
 - US mini-mill benchmark spreads to be similar to 1H FY2020³
 - A\$:US\$ at US\$0.69²
- Based on these assumptions the Company expects underlying EBIT to be similar to 1H FY2020 (which was \$302.4 million)
- Relative to 1H FY2020, expect: similar underlying net finance costs and underlying tax rate; higher profit attributable to non-controlling interests
- Expectations are subject to spread, FX and market conditions – including potential impacts from COVID-19

(1) Sensitivities can be found on page 68.

(2) Quoted on an unlagged basis for the six month period; volumes quoted in metric tonnes.

(3) US mini-mill benchmark spreads quoted on a lagged basis in metric tonnes.

North Star

- Expect a similar result on similar benchmark² spreads

Australian Steel Products

- Expect a stronger result
- Similar benchmark spreads
- Moderate benefit from realised raw material costs and selling prices
- Non-repeat of minor blast furnace instability during 1H FY2020
- Modest increase in contribution from export coke sales
- Expect domestic volumes to remain robust

Building Products Asia & North America

- Overall, expect a lower result
- ASEAN – similar result with ongoing benefit from cost and productivity improvement program
- North America – improvement on normalisation of margins due to unwind of high cost inventory and improved manufacturing performance
- China – no contribution assumed for the half on near term disruption from COVID-19 and seasonality
- India – expect a similar result

New Zealand & Pacific Steel

- Expect a similar result on stable domestic demand, with lower prices offset by better cost performance
- Vanadium by-product contribution is expected to remain at similar levels

Buildings North America

- Expect a slightly softer result mainly due to seasonality, offset in part by improved margins and cost performance
- Similar contribution from BlueScope Properties Group

Intersegment, Corporate & Group

- Higher profit in stock elimination (PISE)
- Continued investment in digital transformation



(1) Comparisons are to 1H FY2020. Outlook subject to assumptions and qualifiers referenced on page 30.

(2) Benchmark prices are illustrative only, and may not be representative of realised mill prices due to a range of factors. Movements in prices across the majority of sales correlate with US Midwest regional benchmark pricing, on a short lag; a minority of sales are priced on a longer term basis. Accordingly the degree of correlation between realised and benchmark prices can vary in a given half but is more fully reflected over the medium term.

Disciplined and advantaged steel building products company focussed on growing long term shareholder value

ASSETS & CAPABILITY



- Integrated and resilient Australian business delivering returns across the cycle
- Iconic industrial brand position of COLORBOND® steel
- Global leader in coating and painting for Building and Construction Markets
- Operate in the world's two largest construction markets of China and US, and high growth markets in ASEAN and India
- Have the lowest cost expansion project in the US at North Star, which is one of the most profitable mini-mills in the US

CAPITAL DISCIPLINE



- Strong balance sheet with target of around \$400M net debt (including operating leases)
- Returns-focussed process with disciplined competition for capital between investment for long-term growth and returns to shareholders

RETURNS FOCUS



- Target ROIC > WACC on average through the cycles
- Target at least 50% of free cash flow to shareholders
- Target EPS growth through the cycles



QUESTIONS?





NORTH STAR EXPANSION PROJECT UPDATE



An attractive opportunity to maximise value from a 'best-in-class' asset

1**The US is an attractive market for BlueScope****2****North Star is an advantaged, 'best-in-class' asset built for expansion**

- Located in a geographically advantaged position
- Sells predominantly to service centres, and holds a modest share of wallet with its customers
- Strong EBITDA and cash generation through the cycle; investment case based on historical long term spreads
- North Star was built with embedded expansion capacity, with a large hot strip mill

3**Expansion is consistent with longer-term transition to highly efficient EAF suppliers**

- The EAF replacement of blast furnaces is a long term trend in the US and is still emerging in the HRC market
- EAF HRC capacity being added in North Star's region, blast furnace HRC capacity recently idled
- Supply and demand in North Star's region is expected to be largely in balance in 2023
- HRC supply-demand dynamics projected to be at or above post-GFC levels, supporting the view on long term spread assumptions
- Favourable metallics market will remain adequately supplied

4**Sustainability considerations are embedded into project evaluation and execution**

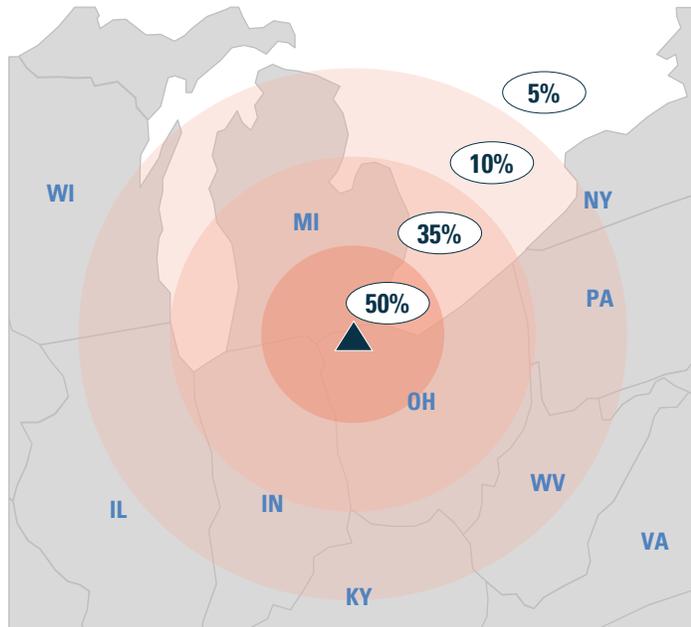
- Strong focus on sustainability impacts and opportunities for the evaluation and execution of the project

5**Project delivers compelling returns on historical spreads, providing further upside through debottlenecking**

- Targeting a minimum 15% IRR and 15% ROIC when fully ramped-up, based on long-term historical spreads

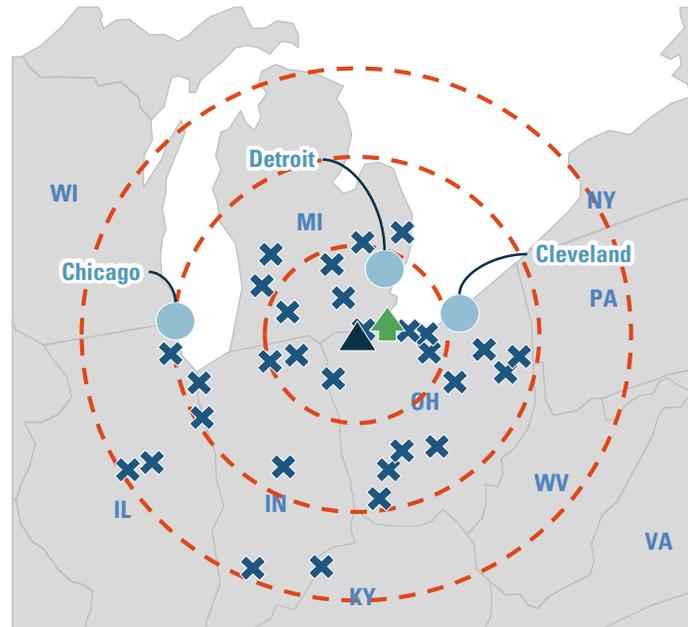
A geographically advantaged asset, providing leading customer service

Located close to customers...



- ▲ North Star
- (x%) % of volume sold within radius
- 100, 200, 300 mile radius

... and close to scrap suppliers



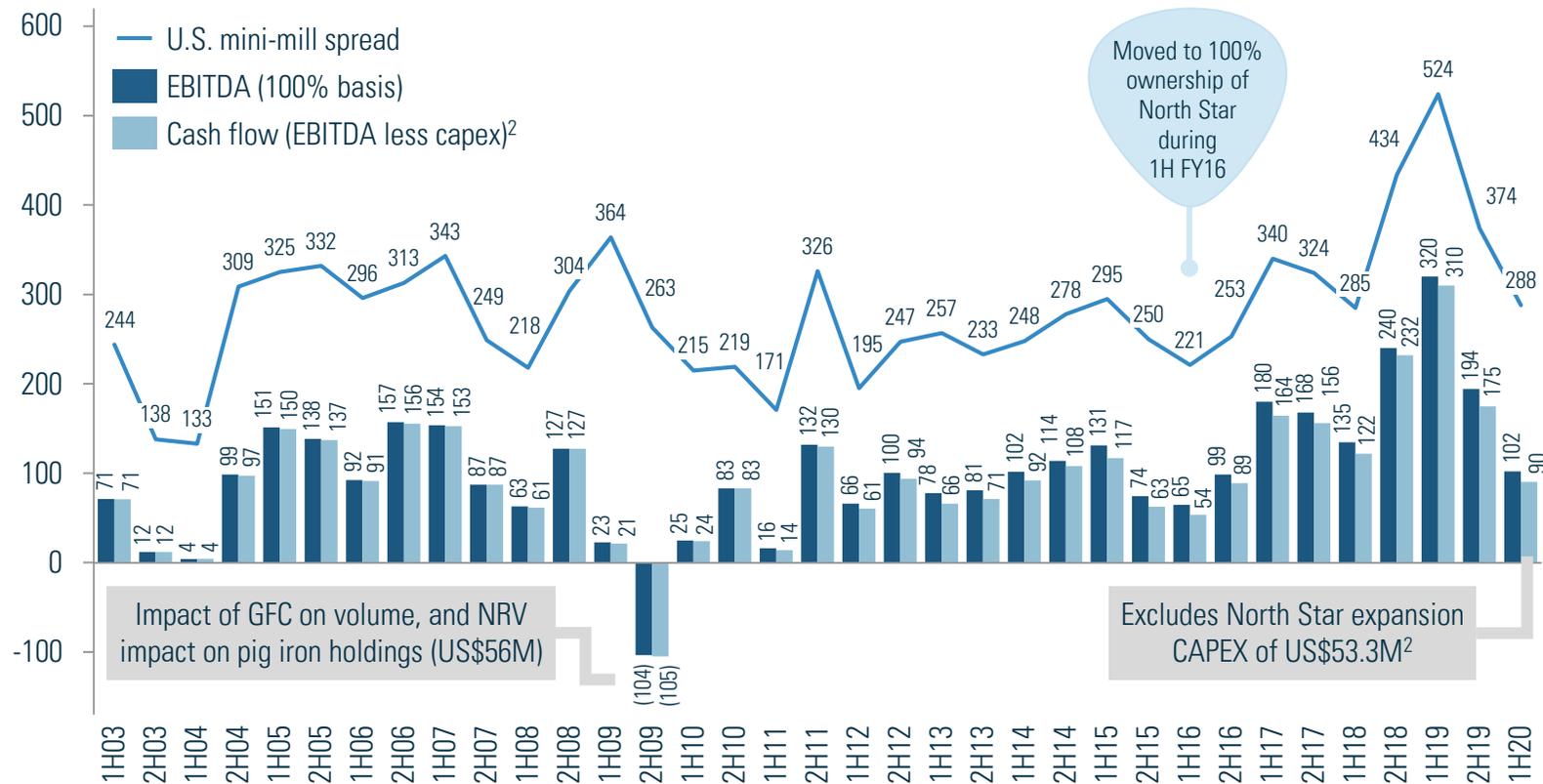
- ▲ North Star
 - ✕ Scrap merchants
 - Major scrap markets
 - ▲ HBI plant (under construction)
 - 100, 200, 300 mile radius
- | Scrap supplier proximity | |
|--------------------------|--------------|
| < 100 miles | 9 suppliers |
| 100 – 200 miles | 15 suppliers |
| 200 – 300 miles | 5 suppliers |
| > 300 miles | 4 suppliers |

Outstanding customer service

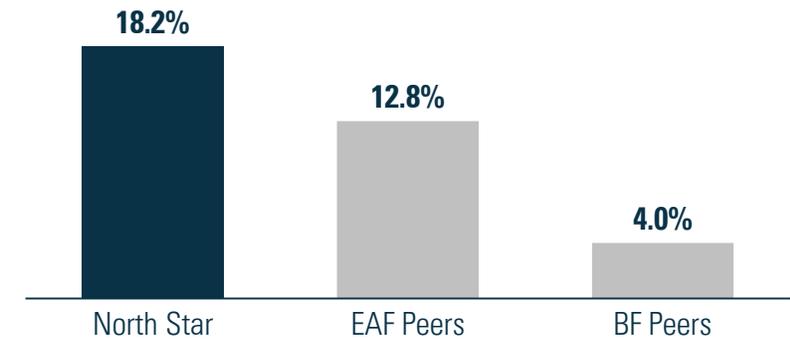
- **North Star ranked number one in overall customer satisfaction** in 16 of the last 18 years Jacobson surveys¹, driven by quality, service and delivery metrics
 - Includes top ranking in the recent survey, completed January 2020
- Well regarded and recognised survey of over 100 steel sheet customers
- Categories of quality, service, price and on-time delivery, calculated into an overall customer satisfaction score
- North Star also ranks consistently high on customer loyalty metrics

Strong EBITDA and cash generation through the cycle; industry leading margins; consistently full utilisation

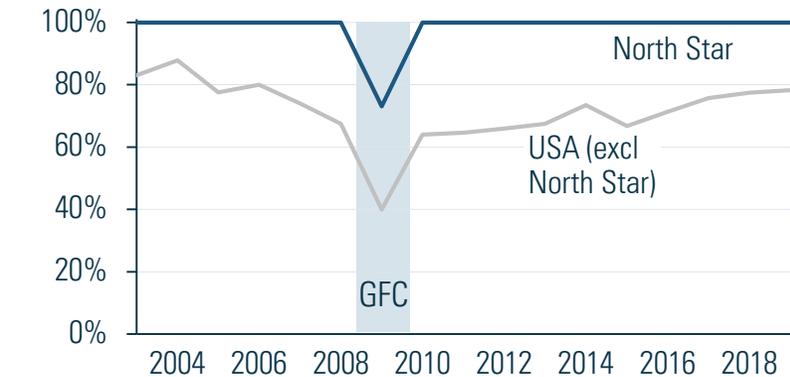
US\$M EBITDA and spread (100% basis)¹



EBIT margins³ (%)



HRC capacity utilisation⁴ (%)



(1) US Midwest mini-mill HRC spread (metric) – based on CRU Midwest HRC price (assuming illustrative one month lag), SBB #1 busheling scrap price (assuming one month lag) and Metal Bulletin NOLA pig iron price (assuming two month lag); assumes raw material indicative usage of 1.1t per output tonne. Note, North Star sales mix has longer lags.

(2) Capex is presented on an accrual basis, and as such excludes movements in capital creditors.

(3) Reflects CY2019 North Star underlying EBIT margin. Peer margin data sourced from company information, simple average of three BOF and three EAF North American peers using relevant segment information

(4) Hot Rolled Coil utilisation. Source: CRU, company data

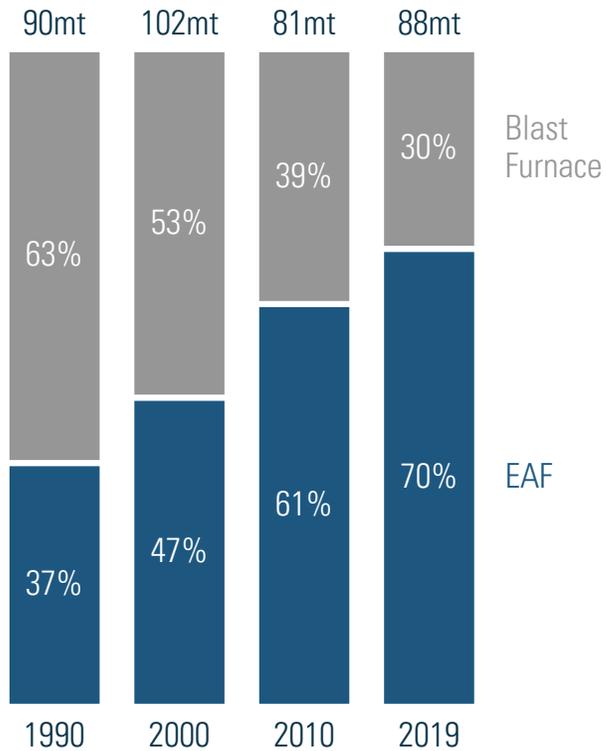


EXPANSION CONSISTENT WITH LONG-TERM TRANSITION TO EAF PRODUCTION

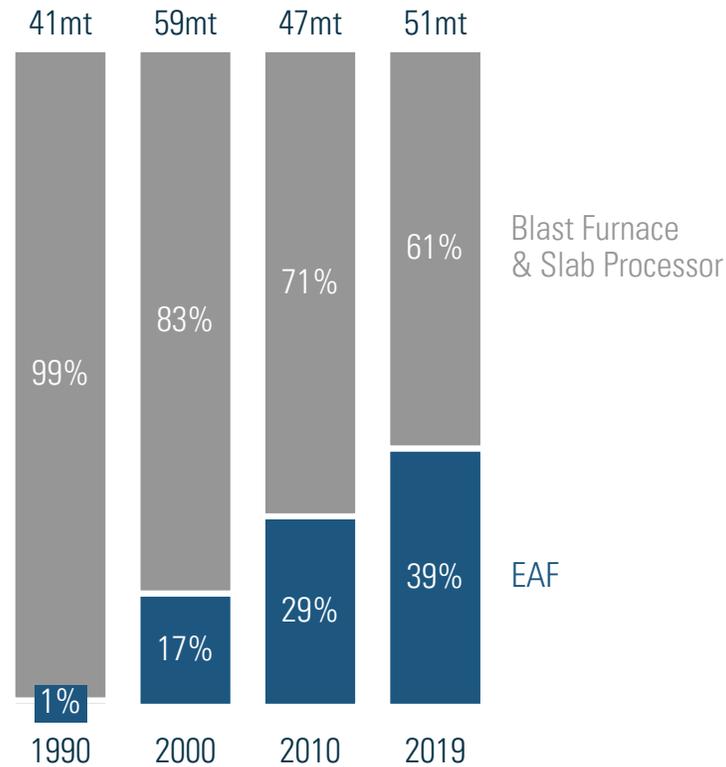
The long term trend to EAF production is still emerging in the HRC market; assisted by industry consolidation

Production methodology mix (% , million metric tonnes)

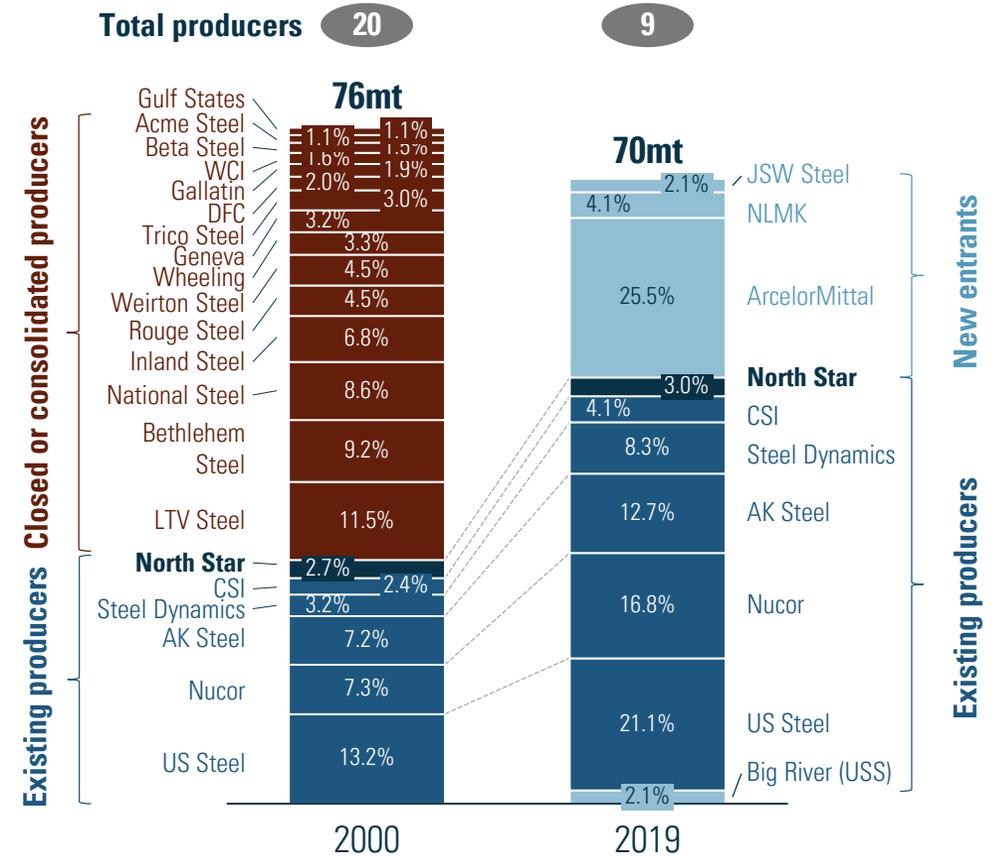
Crude steel production mix



Flat steel production mix

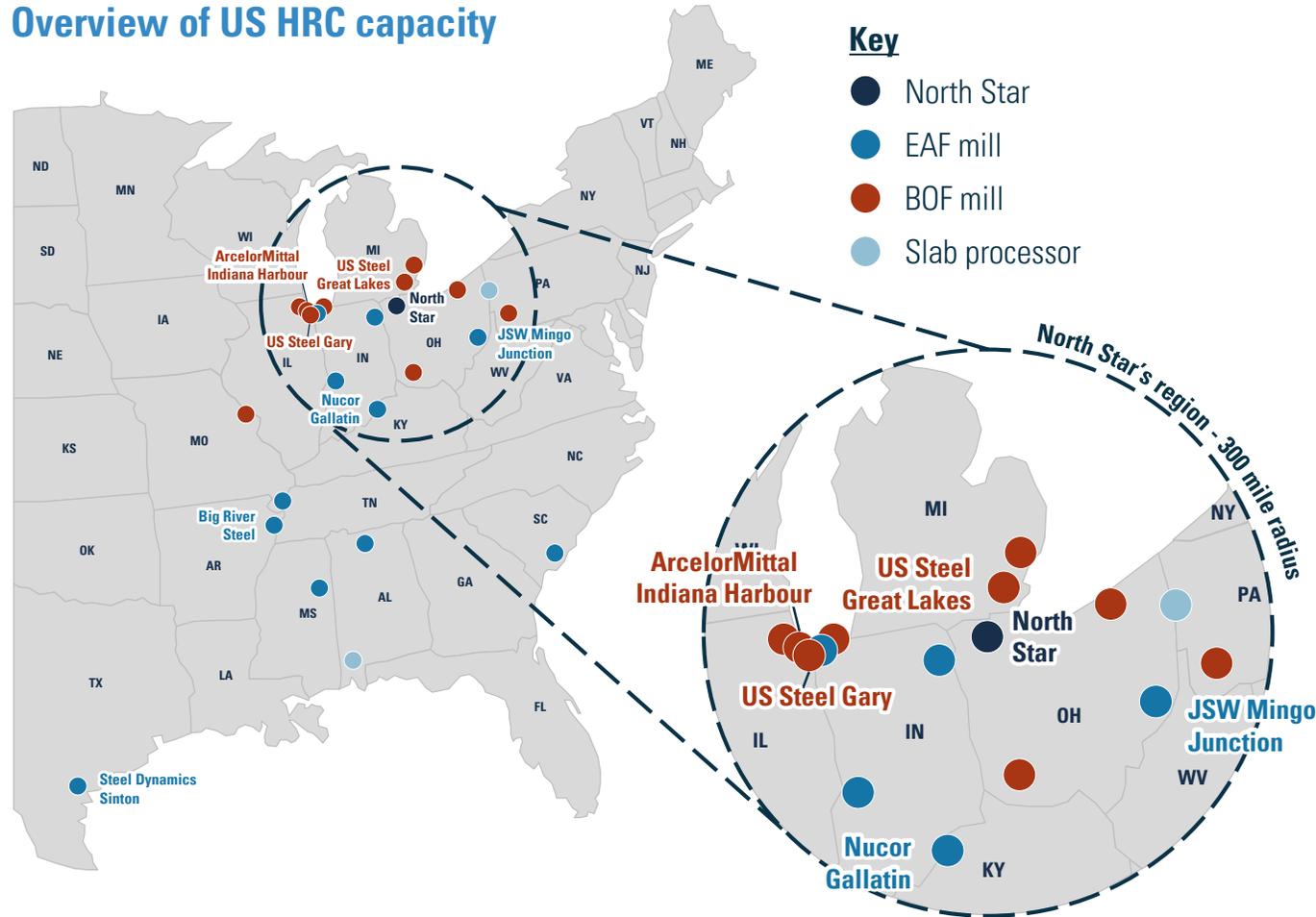


US HSM capacity consolidation (% , million metric tonnes)



EAF HRC capacity being added in North Star's region, blast furnace HRC capacity recently idled

Overview of US HRC capacity



US HRC capacity additions (million metric tonnes)

Nameplate capacity additions, not utilisation adjusted for production¹

	Mill	Location	Distance from North Star	Capacity change
Within region	North Star	Delta, OH	-	~0.85mt
	Nucor Gallatin	Ghent, KY	200 miles	1.3mt
	JSW Steel	Mingo Junction, OH	195 miles	1.5mt (targeted)
	Subtotal			3.65mt
Outside region	Big River Steel	Osceloa, AR	510 miles	1.5mt
	Steel Dynamics	Sinton, TX	1200 miles	2.7mt
	Subtotal			4.2mt
	National total			7.85mt

Regional capacity rationalisation

- ArcelorMittal decommissioned one furnace at Indiana Harbour at the end of its campaign life (in November 2019)
- US Steel acquisition of Big River Steel; aligning footprint around three US flat rolled sites
 - Idling all Great Lakes, MI steelmaking and HRC operations during 2020
 - Idled furnace at Gary, IN (in June 2019)
- Rationalisations further enhances raw material supply
- Stelco to commence pig iron supply from Ontario works



Source: SRA, company filings, BSL analysis

(1) Capacity utilisation recognises that capacity additions are unlikely to operate at nameplate capacity; conservatively assumed that new capacity could operate at a practical utilisation of ~85%



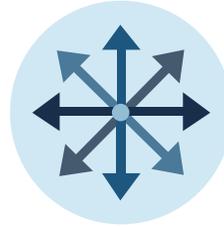
BLUESCOPE: A DIFFERENT KIND OF STEEL BUILDING PRODUCTS COMPANY



What makes us different?



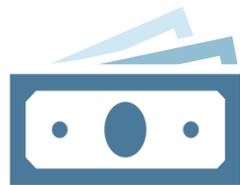
**TECHNOLOGY,
BRANDING & CHANNELS**



**BUSINESS
DIVERSIFICATION**



**COST
COMPETITIVENESS**



**DISCIPLINED CAPITAL
ALLOCATION**



**APPROACH TO
SUSTAINABILITY**



Continued investment in research & development to maintain leadership in steel coating and painting technologies

Product Technology and Development Leadership

Advanced pre-painted and metallic coating development for building, construction and home appliance markets

- Development of the innovative COLORBOND® Matt paint finishes
- Roll out of leading proprietary AM¹ metal coating technology across the globe

Technical product assessment methods providing deep understanding of product performance in both accelerated and real outdoor exposure conditions

- In-house NATA certified product testing capability – building codes, standards, corrosion, durability

Process Innovation and Advanced Testing

Continued focus on developing and improving production and design processes

- Continuous coil painting process technology (e.g. high speed, inline MCL painting)
- Collaborative innovation capabilities (including working with academia and third parties to innovate)
- Comprehensive development and management of intellectual property and know-how
- Product design and innovation processes – including Design Thinking and Stage Gate processes



(1) AM coating: Introduces magnesium into aluminium-zinc alloy (AZ) coating, which improves galvanic protection over AZ coating by activating the aluminium
AZ coating: Steel with a protective alloy coating of zinc and aluminium to protect its steel base against corrosion



Brands – a portfolio of many well-known and respected names to support our premium branded positions

Australia

Colorbond®
Truecore®
Zincalume®
TruSpec®



New Zealand

COLORSTEEL®
NEW ZEALAND'S FAVOURITE ROOF
GALVSTEEL®
Axxis®
STEEL FOR FRAMING
Zincalume®



Asia

clean **Colorbond®**

BLUESCOPE
Zacs®

durashine®
TATA BLUESCOPE STEEL



North America

BUTLER®

VP BUILDINGS
VARCO PRUDEN
 **ASC®**
BUILDING
PRODUCTS
 **steelscape®**





Channels – clear focus on knowing our end customers and maintaining strong channels to market

Australia



New Zealand and Pacific Islands



Asia



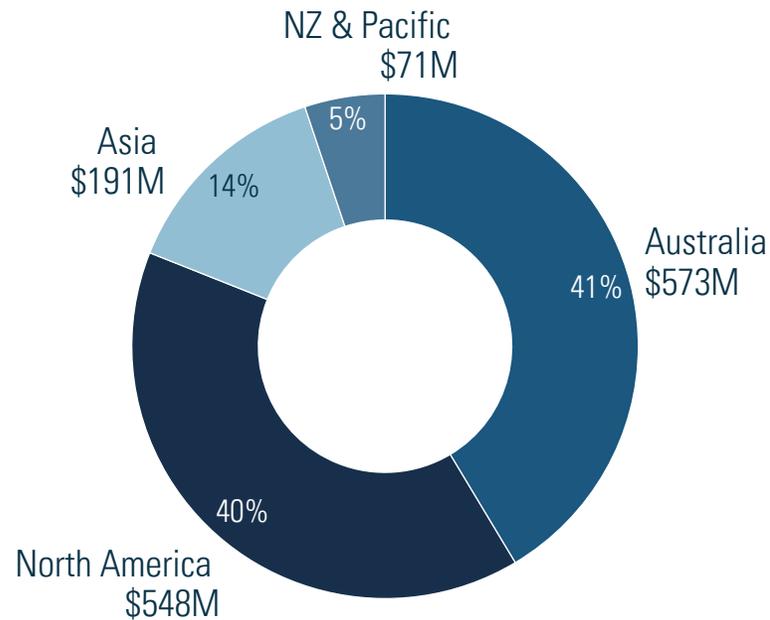
North America





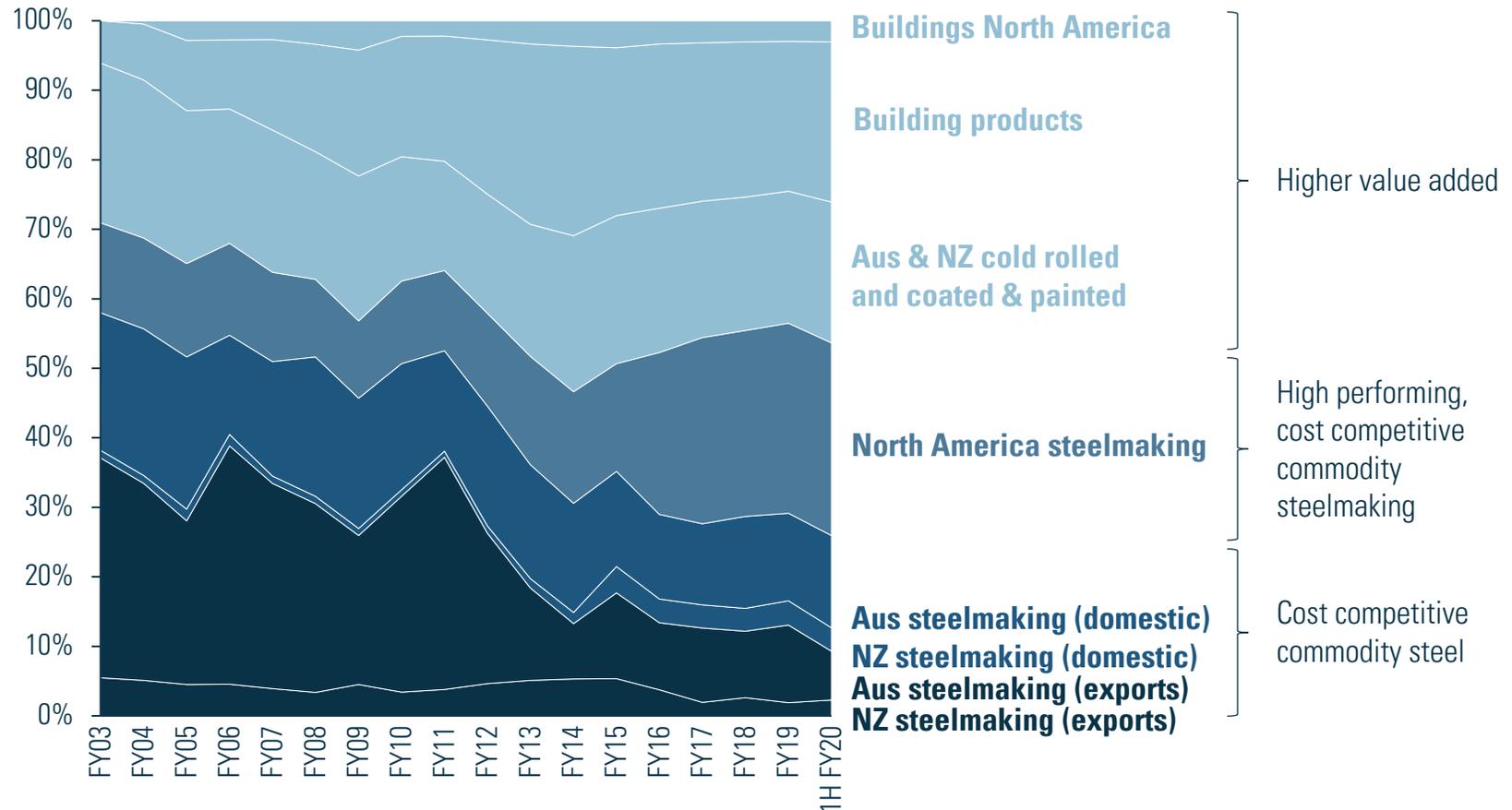
Geographic diversity and increasing contribution from value-added products

Underlying EBITDA by region (\$M)



CY2019 Total¹:
\$1,270.0M

BlueScope despatch volume mix

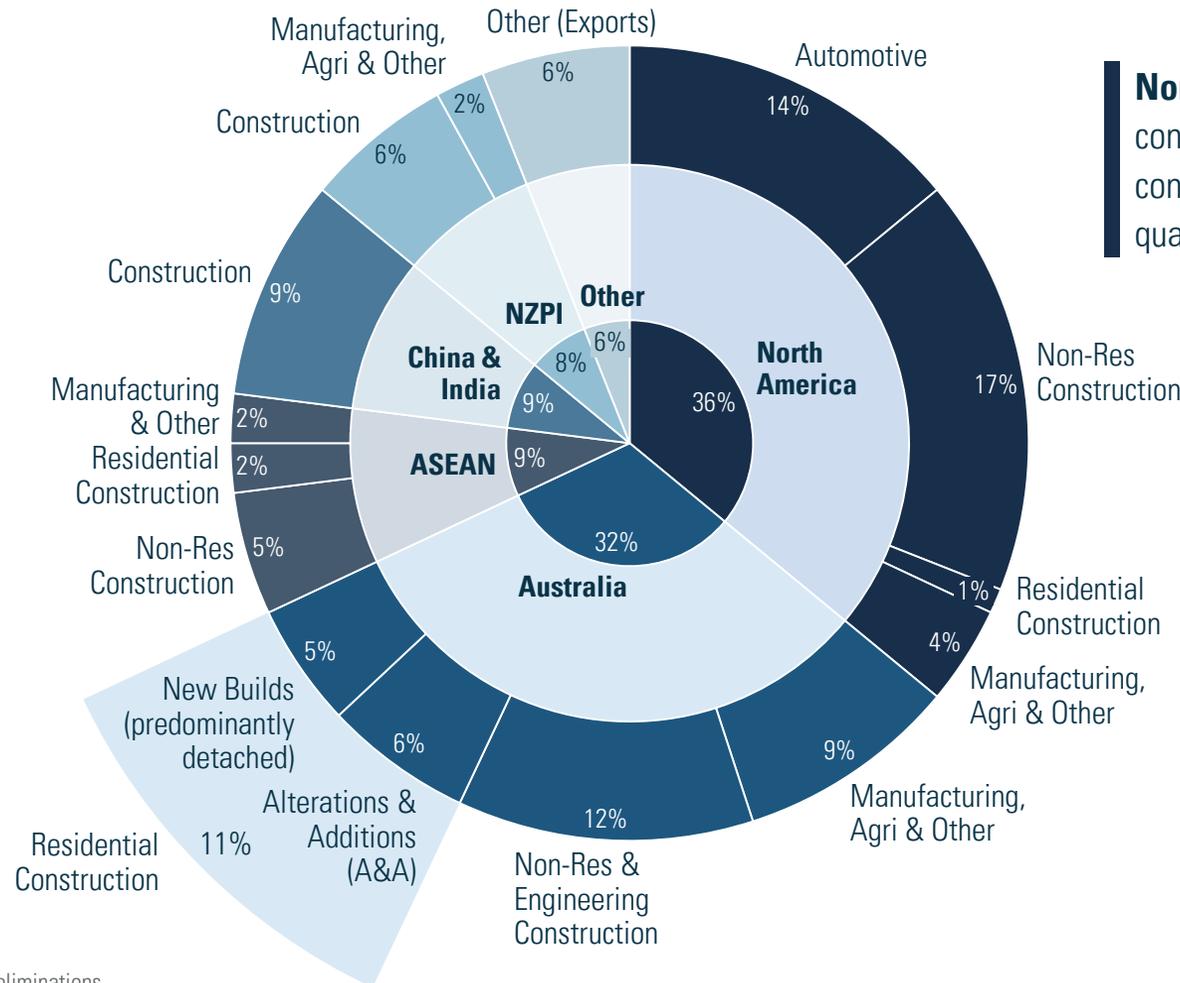


(1) Total includes corporate costs & eliminations of \$113M, excluded from pie chart



Broad exposure across geographies, largely focussed on the building and construction industry

BlueScope indicative despatch volume split by region and end-use segment



North Star: exposed mainly to the automotive, construction and manufacturing end-use segments; consistently sells all of the product it manufactures; high quality products and strong focus on customer service

North American Construction: mixed across commercial, industrial, government and residential sectors, through sales of hot rolled products, metal coated and painted products and engineered buildings

Asia: a diversified portfolio of end-use segments and countries

Australian Residential: predominantly exposed to A&A and new detached dwelling construction, with limited exposure to multis

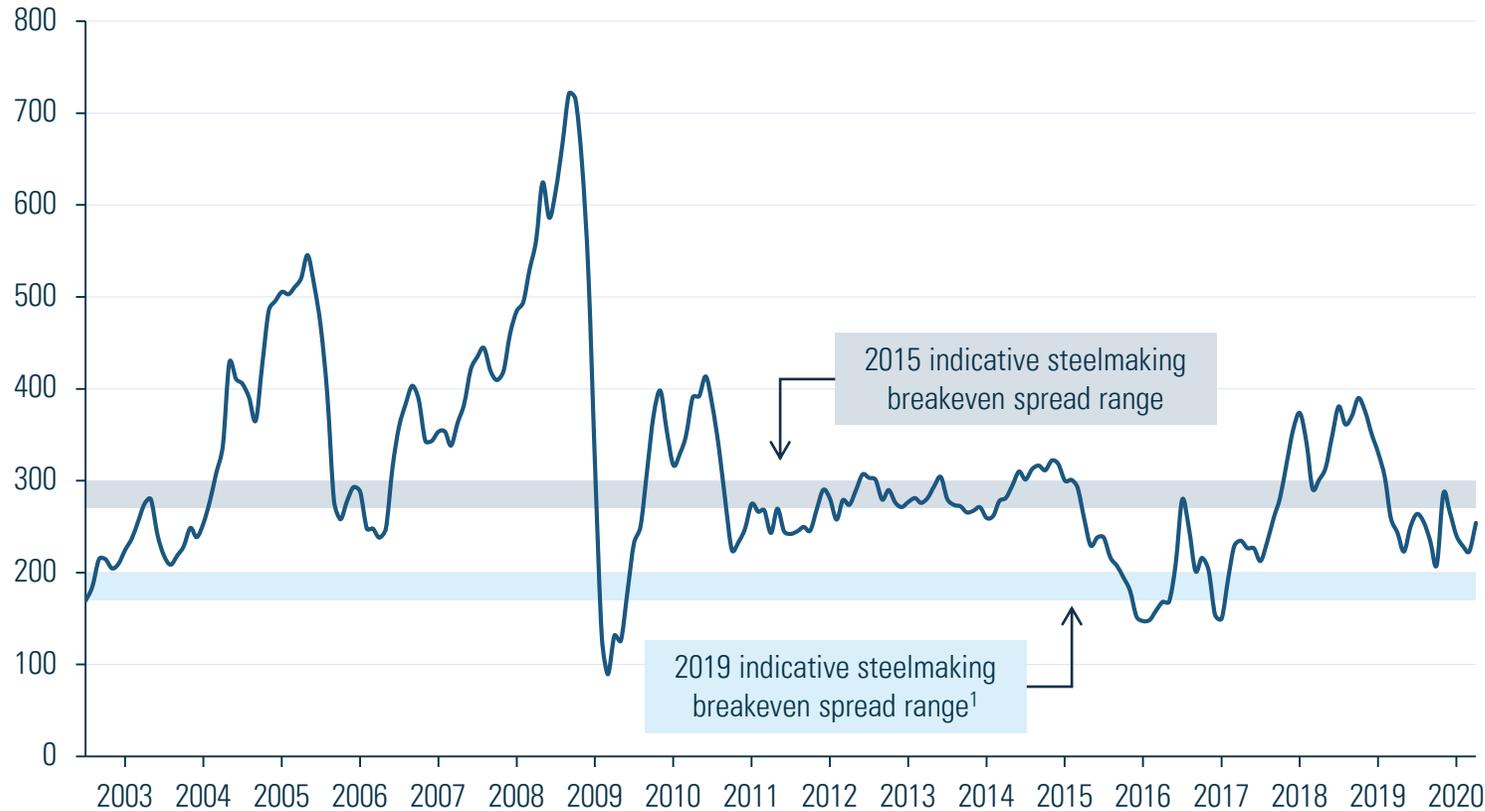


CY2019 data, excludes intercompany eliminations

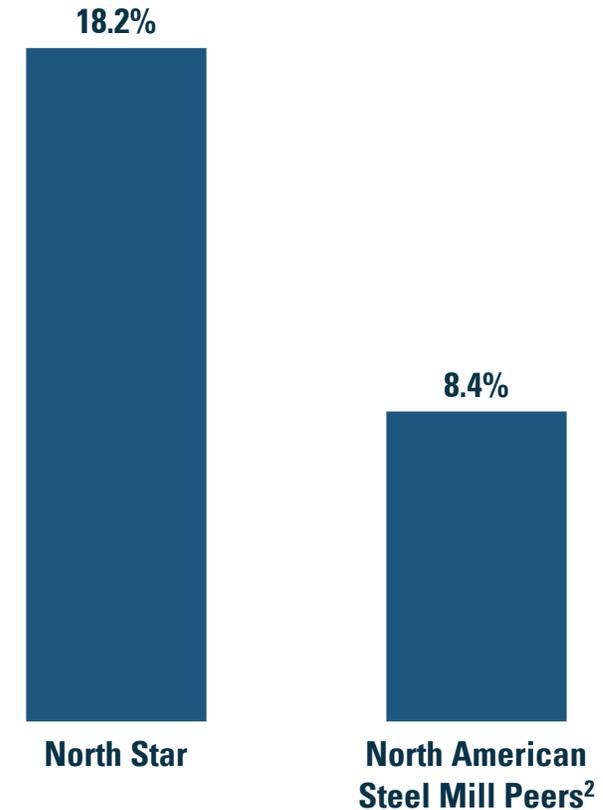


Australian steelmaking breakeven at minimum recent spreads, North Star leads margin in US steelmakers

Asian steel spread & estimated steelmaking cash breakeven (US\$/t)



North Star's and North American peers' EBIT margin



(1) EBITDA less stay-in-business capital expenditure

(2) Reflects CY2019 North Star underlying EBIT margin. CY2019 peer margin data sourced from company information, simple average of six North American peers using relevant segment information

¹Indicative steelmaker HRC spread¹ representation based on simple input blend of 1.5t iron ore fines and 0.71t hard coking coal per output tonne of steel. Chart is not a specific representation of BSL realised HRC spread (eg does not account for iron ore blends, realised steel prices etc), but rather is shown to primarily demonstrate movements from period to period. SBB East Asia HRC price lagged by three months up to Dec 2017, four months thereafter –broad indicator for Australian domestic lag, but can vary. Indicative iron ore pricing: 62% Fe iron ore fines price assumed. Industry annual benchmark prices up to March 2010. Quarterly index average prices lagged by one quarter from April 2010 to March 2011; 50/50 monthly/quarterly index average from April 2011 to December 2012. Monthly thereafter. FOB Port Hedland estimate deducts Baltic cape index freight cost from CFR China price. Lagged by three months. Indicative hard coking coal pricing: low-vol, FOB Australia. Industry annual benchmark prices up to March 2010; quarterly prices from April 2010 to March 2011; 50/50 monthly/quarterly pricing from April 2011 to Dec 2017; monthly thereafter. Lagged by two months up to Dec 2017; three months thereafter.

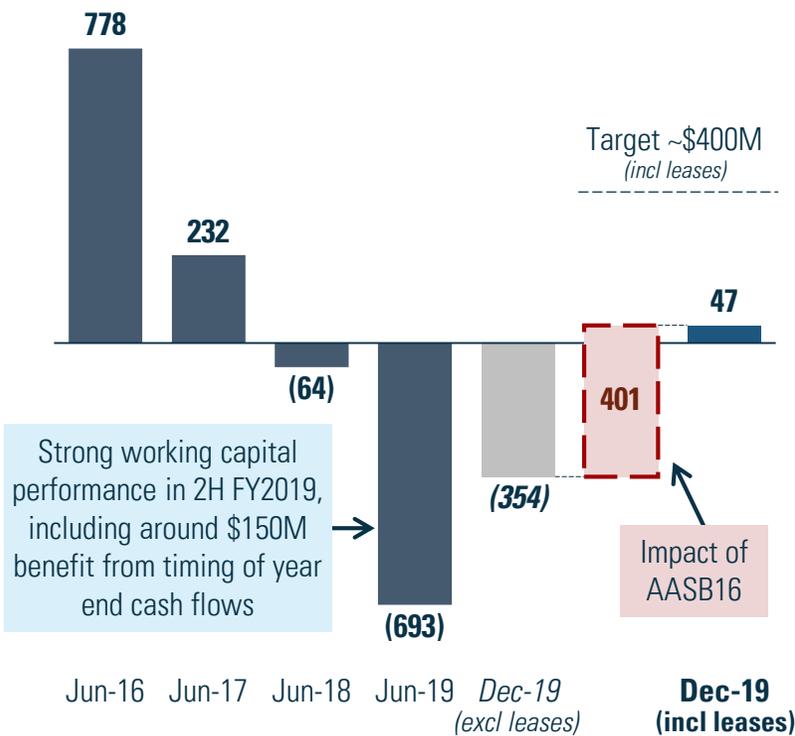




Balance sheet strength, and a disciplined approach to balancing investment for long-term growth and returns to shareholders

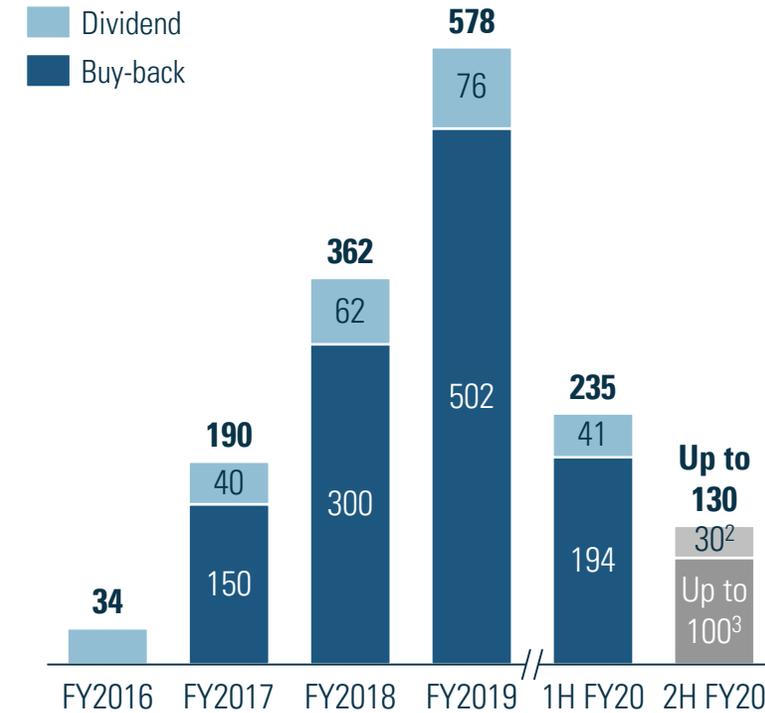
ROBUST BALANCE SHEET

Net debt / (cash) (\$M)



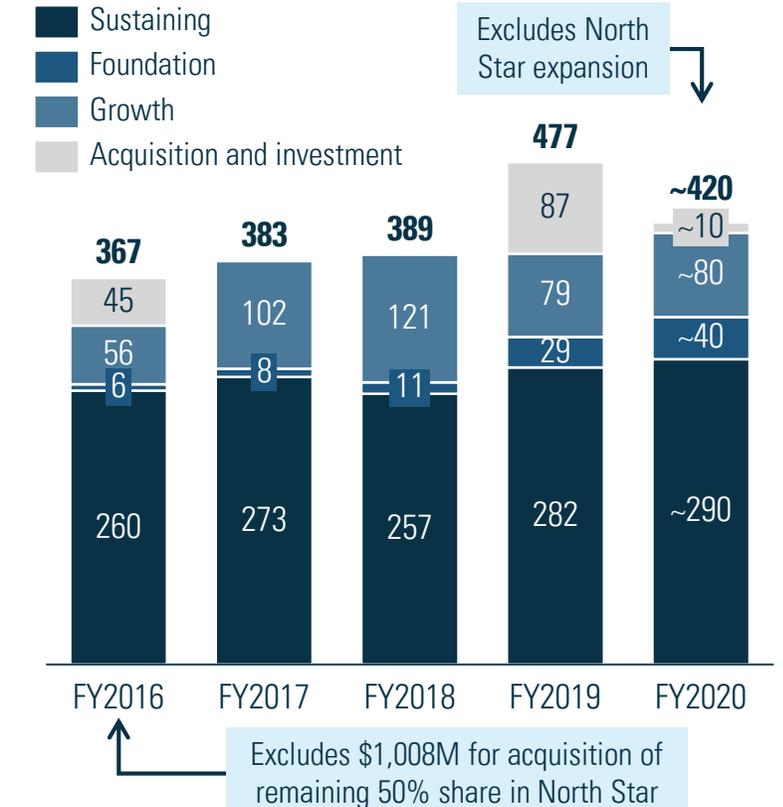
INCREASED RETURNS TO SHAREHOLDERS

Dividends paid and buy-backs¹ (\$M)



INVESTING FOR LONG TERM GROWTH

Capital and acquisition expenditure (\$M)



(1) Chart reflects half year cash settlements of shares bought back.
 (2) \$30M indication of 1H FY2020 interim dividend of 6.0 cps announced 24 February 2020, with payment date of 31 March 2020.
 (3) Buy-back of up to \$100M to be conducted throughout 2H FY2020. The Board reserves the right to suspend or terminate the buy-back at any time.

DISCIPLINED CAPITAL ALLOCATION – GROWTH OPPORTUNITIES



Investing for the future across our portfolio through a returns focussed process driving competition for capital

Capital expenditure focus areas

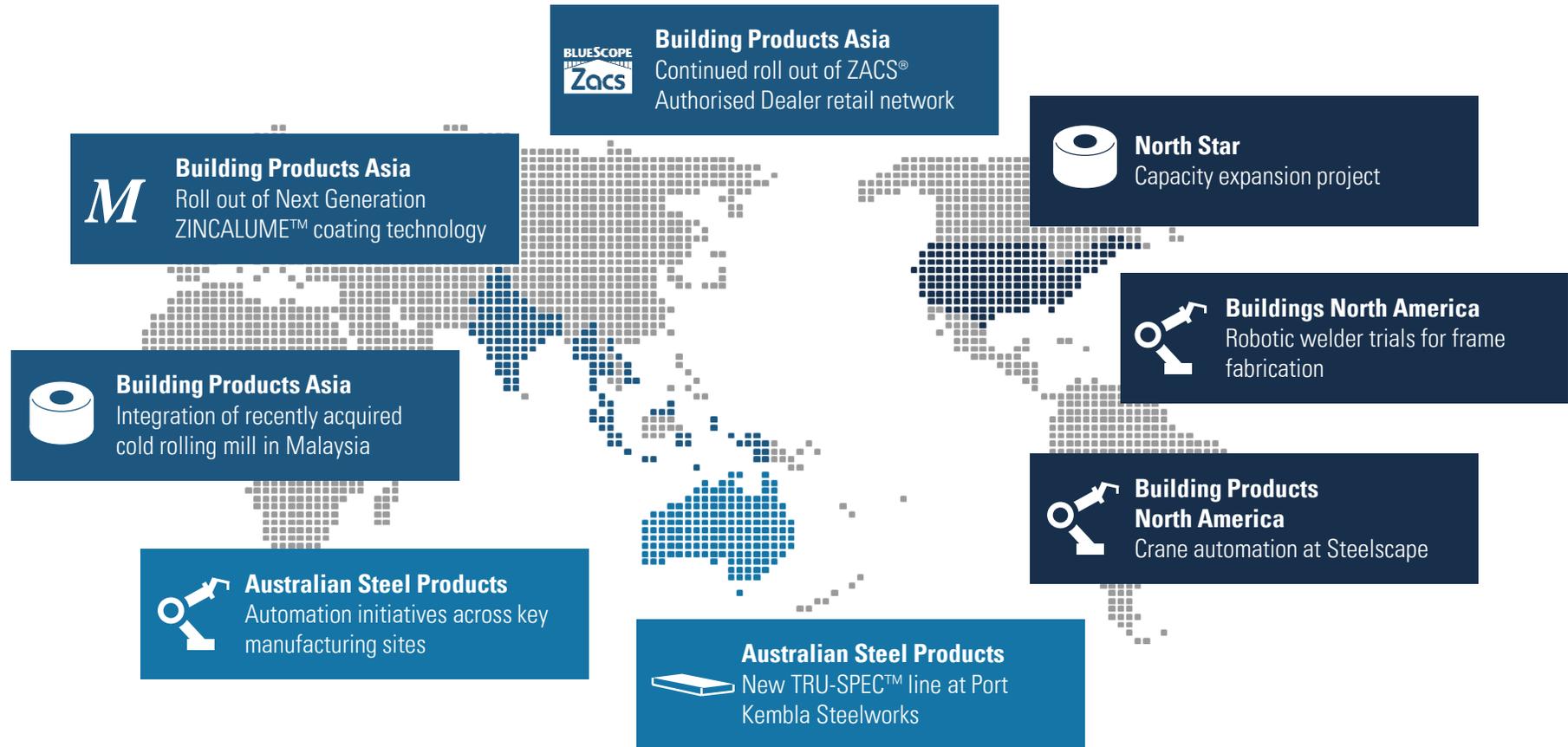
MAINTAIN SAFE AND RELIABLE OPERATIONS

INVEST IN FOUNDATION AND NEW TECHNOLOGIES

INVEST FOR GROWTH IN PREMIUM BRANDED PRODUCTS

INVEST TO MAXIMISE VALUE FROM 'BEST-IN-CLASS' ASSETS

Examples of growth projects and opportunities





Delivering the next wave of customer, growth and productivity improvements through technology

A clear framework for digital transformation

Provide
leadership
and **strategy**



- Providing the overall strategy and direction for digital for BlueScope
- Roll-out and engage organisation

Deliver and support lighthouse
use cases



- Delivering productivity and quality improvements through new technologies
- Demonstrating value and scalability across the business

Strengthen
foundations



- Supporting the business to embed and scale digital solutions
- Investing in new digital capabilities

A range of technology solutions available to deliver value



Data analytics

Machine learning
Simulation



Automation

Autonomous robotics
Robotic process automation



Software solutions

Virtual and augmented reality
Building information modelling



Data and platforms

Sensors and IOT
Connectivity and mobile



Robotics and automation opportunities unlocking the next wave of productivity improvements and cost savings

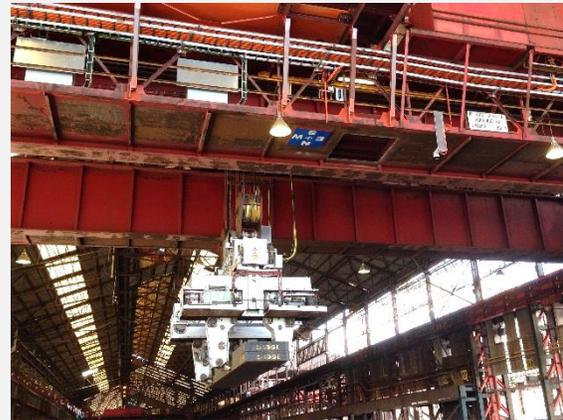
Coil marking robot, North Star

- A new robotic arm replaced a basic marking tool which marks each coil with its identification number as the coils come off the hot strip mill
- Provides improved legibility, speed and optionality with markings, whilst reducing safety risks



Coil core robot, Vietnam

- The robot autonomously inserts cardboard or steel sleeves into the centre of metal coated or painted coils
- This capability was not present prior to installing the robot, which addressed a market need, reducing complaints and claims without manual handling risks



Automated cranes, ASP

- Retrofitting existing slab handling cranes with automation hardware and software at Port Kembla
- This upgrade will drive important productivity and cost efficiency gains, through reduced downtime and increased operational accuracy



Auto welder, Buildings North America

- Upgrading antiquated auto-welders with latest automation technology
- Provides capacity improvements for the production processes that follow, and reduced downtime and consumables from manual welding intervention, whilst also reducing exposure safety risk

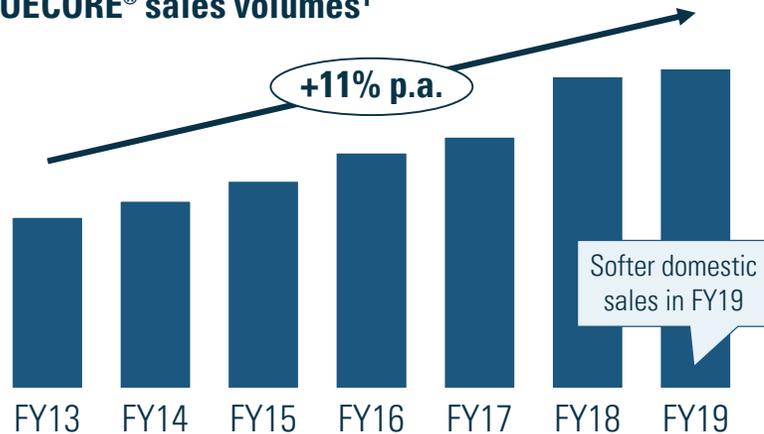


A wide range of low capital growth opportunities in intermaterial applications

TRUECORE® steel

- Sales of TRUECORE® steel continues to increase on the back of robust demand and intermaterial growth
- Continuing investment in consumer branding and promotion, across media and in major programs
- Partnering with builders to promote the benefits through the channel, including co-branding and collateral support

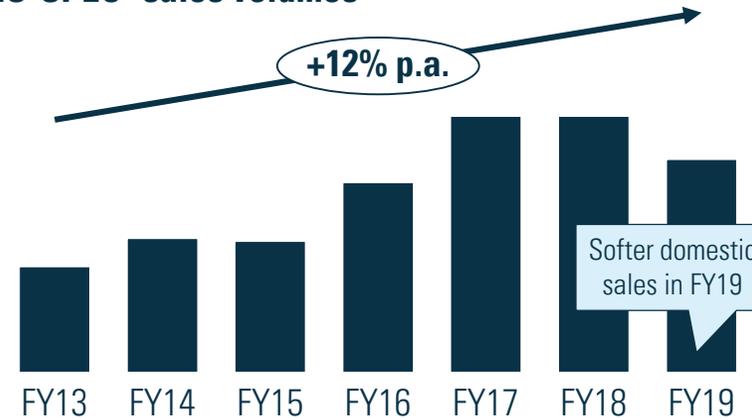
TRUECORE® sales volumes¹



TRU-SPEC® coil plate

- Investing in a new 160kt stretch levelling coil plate line at Port Kembla, in addition to the 113kt line installed in 2014, in order to meet the increased demand levels
- Increased capacity provides the opportunity to further grow TRU-SPEC® steel sales, as well as reducing complexity and cost in the supply chain, improve the service offer and strengthen our delivery performance

TRU-SPEC® sales volumes¹



Cladding and façade applications

- New AZURE® range of façade products provide a new alternative to commercial and multi-residential cladding options
- The aesthetic and durable properties of COLORBOND® steel, along with low combustibility make this an attractive alternative
- Increased use in residential cladding, on the back of the new COLORBOND® Matt steel colours and a range of new profile options from the rollforming channel, including the new LYSAGHT® ZENITH® range of profiles





We and our customers proudly bring inspiration, strength and colour to communities with BlueScope Steel

OUR CUSTOMERS ARE OUR PARTNERS

OUR PEOPLE ARE OUR STRENGTH

OUR SHAREHOLDERS ARE OUR FOUNDATIONS

OUR COMMUNITIES ARE OUR HOMES





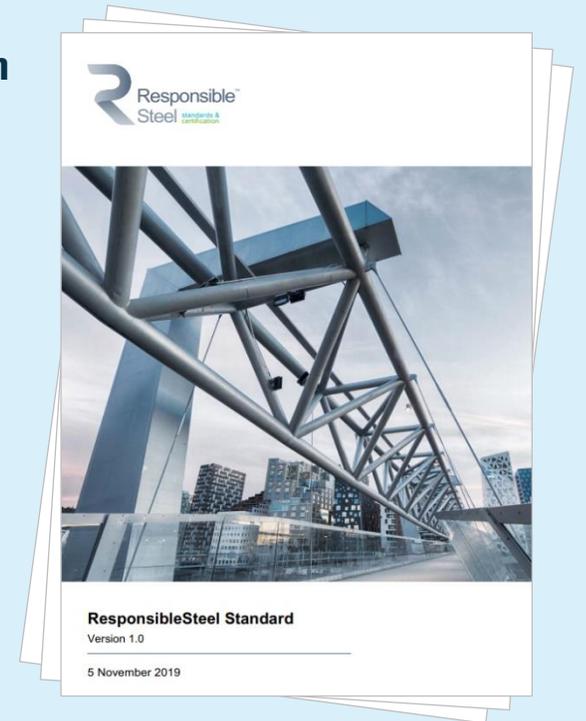
BlueScope is a founding member of the lead industry body on steel sustainability

Background on ResponsibleSteel™

- ResponsibleSteel™ is the industry's first global multi-stakeholder standard and certification initiative, dedicated to defining and promoting responsible business practices.
- The standard is based on 12 principles, with a variety of criteria and underlying requirements, including topics such as:
 - Climate change and greenhouse gas emissions
 - Water stewardship and biodiversity
 - Human rights & labour rights
 - Community relations and business integrity
- BlueScope has played a leading role in the formation of this global initiative, and most recently hosted the launch of the site certification standard at the ResponsibleSteel™ Forum II at the Port Kembla site in December 2019

ResponsibleSteel™ certification

- The ResponsibleSteel™ certification requires each site to undergo a rigorous third-party audit with an independent Certification Committee making the final certification decision
- BlueScope has committed to seek certification for its Port Kembla site before the end of CY2021.





We will work diligently to seek to improve the efficiency of our operations and reduce emissions

THE CHALLENGE

- Continued global growth in steel demand is expected
- Recycling plays a big role but virgin steel will continue to be required to meet demand
 - BlueScope has a portfolio of different iron and steelmaking technologies, with a greater share of electric arc furnace production than the broader industry
- Low emission steel production research is being pursued; commercial solutions remain a long way away, and will require significant transformation across the energy sector

OUR COMMITMENT

- BlueScope strongly advocates a fair and equitable approach to addressing climate change to deliver real reductions in global GHG emissions
- We support the Paris Agreement and the Nationally Determined Contributions of the countries where we operate
- We acknowledge that steelmaking generates GHG emissions and we will work diligently to seek to improve the efficiency of our operations and reduce those emissions
- We will report on our opportunities, risks and progress in a recognised way

ACTION WE ARE TAKING

- BlueScope will play a proactive role in reducing the carbon emissions from the manufacture and use of its products
- Make the case for local, sustainable steel in our communities
 - Innovate and collaborate to create carbon-efficient products and solutions
 - Focus on how to meaningfully reduce our carbon intensity in time frames aligned with key investment decisions
 - Regularly report on our progress, engage effectively with key stakeholders and actively keep abreast of external developments



Supplier engagement and due-diligence processes operational, developing program for own site assessments

Supplier engagement and due diligence

- Supplier Code of Conduct published and available in nine languages.
- Robust segmentation process driving prioritisation for supplier engagement and assessments
- On track to complete assessments for 120 Priority 1 and 2 suppliers by the end of FY2020
 - targeting all 240 Priority 1 and 2 suppliers by the end of FY2021
 - 57 supplier assessments completed to date, 88 assessments currently underway
- Completed pilot program for BlueScope site assessments. Design underway for rollout to wider business
 - Includes leadership engagement on Human Rights and ESG risk awareness as well as BlueScope site assessment program

Process governance

- Ongoing engagement with external experts and forums to understand best practice
- Sponsorship by CFO and regular reporting to Executive Leadership Team and Risk and Sustainability Committee

2H FY2020 focus areas

- Rollout of leadership engagement on ESG risk management and assessment process for BlueScope sites.
- Well advanced for the reporting requirements of the Modern Slavery Act

Supply Chain Sustainability Day – NS BlueScope Vietnam

- NS BlueScope Vietnam hosted our first Supply Chain Sustainability Day in December 2019
- Over 70 participants from 35 supplier organisations, as well as guests and speakers from BlueScope, Government and other industries
- Engagement and education of the supplier base, to understand our focus on ESG risk
- Planning is now underway for a similar event in Thailand

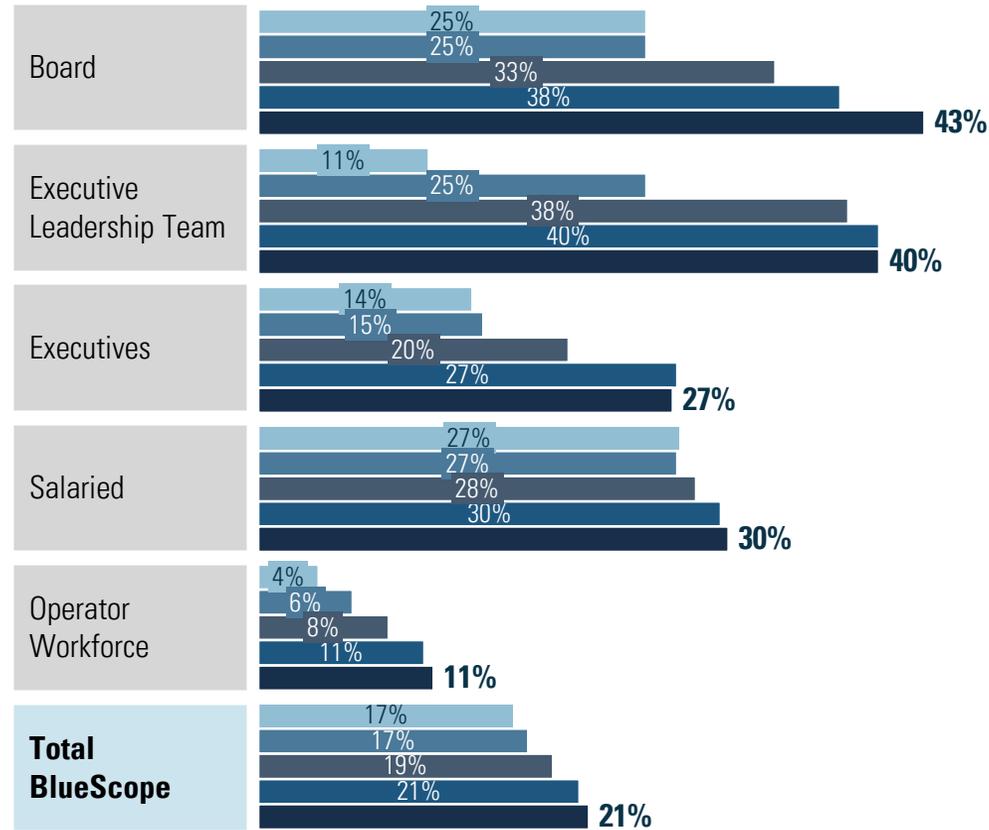




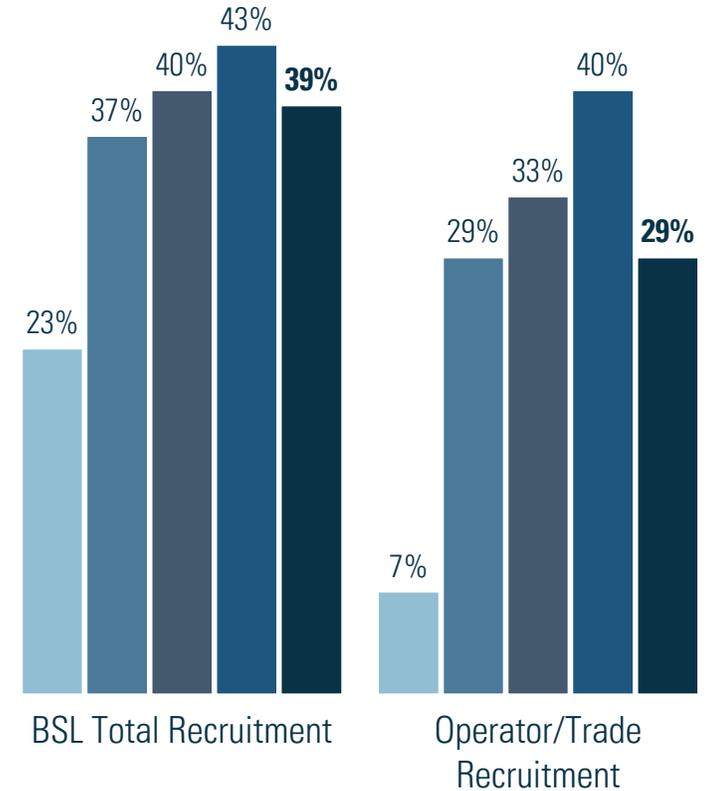
Strong focus and effective strategies creating demonstrable improvement in inclusion and diversity

- BlueScope is committed to creating a safe and inclusive workplace where everyone feels valued, has a sense of belonging, and can make an impact
- In FY2020, we will retain our focus on gender balance, build a more inclusive workplace, and enhance overall diversity across our footprint to drive improved performance
- Recruitment moderated to a more sustainable level in 1H FY2020, due to conclusion of recent recruitment initiatives. Our focus will continue to extend to further promote STEM careers to build our diverse pipeline

Women in BSL workforce (%)



Women in BSL recruitment (%)



FY2016 FY2017 FY2018 FY2019 1H FY2020



ADDITIONAL INFORMATION – GROUP-LEVEL MATERIAL



\$M (unless marked)	SIX MONTHS ENDED		
	31 DEC 2018	31 DEC 2019	1H FY20 vs 1H FY19
Total revenue	6,422.9	5,882.6	↓
External despatches of steel products (kt)	3,654.4	3,615.0	↓
EBITDA – Underlying ¹	1,055.7	564.3	↓
EBIT – Reported	840.0	293.7	↓
– Underlying ¹	849.6	302.4	↓
NPAT – Reported	624.3	185.8	↓
– Underlying ¹	613.5	199.6	↓
EPS – Reported	115.3 cps	36.3 cps	↓
– Underlying ¹	113.3 cps	39.0 cps	↓
Underlying EBIT Return on Invested Capital	24.9%	8.4%	↓
Net Cashflow From Operating Activities	653.2	235.8	↓
– After capex	492.8	(28.3)	↓
Interim dividend	6.0 cps	6.0 cps	—
Net debt / (cash)	(127.5)	46.9	↑

RECONCILIATION BETWEEN REPORTED AND UNDERLYING EBIT AND NPAT¹

\$M	1H FY2019		1H FY2020	
	EBIT \$M	NPAT \$M	EBIT \$M	NPAT \$M
Reported results	840.0	624.3	293.7	185.8
<i>Underlying adjustments</i>				
Net (gains) / losses from business discontinued	4.9	5.3	6.8	7.6
Tax asset impairment / (write-back)	-	(17.8)	-	3.2
Restructuring & redundancy costs	4.7	1.7	1.7	0.6
Asset sales	-	-	(10.6)	(5.8)
India write-off after tax rate change	-	-	6.0	6.0
Business development and acquisition costs	-	-	4.8	2.2
Underlying results	849.6	613.5	302.4	199.6

(1) Underlying EBIT and NPAT are provided to assist readers to better understand the underlying consolidated financial performance. Underlying information, whilst not subject to audit or review, has been extracted from the interim financial report which has been reviewed. Further details can be found in Tables 12 and 13 of the Operating and Financial Review for the half year ended 31 December 2019 (document under Listing Rule 4.2A)

UNDERLYING EARNINGS, NET FINANCE AND TAX COST

\$M	1H FY2019	2H FY2019	1H FY2020
Underlying EBIT	849.6	498.7	302.4
Underlying finance costs	(27.2)	(27.8)	(37.4)
Interest revenue	7.3	11.7	11.2
Profit from ordinary activities before tax	829.7	482.6	276.2
Underlying income tax (expense)/benefit	(200.8)	(117.4)	(66.6)
Underlying NPAT from ordinary activities	628.9	365.2	209.6
Net (profit)/loss attributable to non-controlling interests	(15.4)	(12.4)	(10.0)
Underlying NPAT attributable to equity holders of BSL	613.5	352.9	199.6

**24.1%
effective
underlying
tax rate**

Breakdown of net finance costs

Reg-S Bonds	10.1
Syndicated bank facility charges	1.5
Leases ¹	15.1
Amortisation of borrowing costs and present value charges (non-cash)	1.6
Other finance costs (incl NS BlueScope interest costs)	9.1
Less, interest income	(11.2)
Total net interest	26.2

Current estimated cost of facilities:

- Approximately 5% interest cost on gross drawn debt (which was ~\$1,331M at 31 December 2019) including ~\$15M interest charge (includes operating lease impact under AASB16); plus
- commitment fee on undrawn part of ~\$871M of domestic facilities of 0.52%; plus
- amortisation of facility establishment fees, discount cost of long-term provisions and other of ~\$5M pa;
- less: interest on cash (at approx. 1.5% pa)



(1) Includes charges from existing finance leases (\$6.6M) and operating leases under AASB 16 Leases (\$9.5M)

SUMMARY OF FINANCIAL ITEMS BY SEGMENT

Sales revenue

\$M	1H FY2019	2H FY2019	FY2019	1H FY2020
North Star BlueScope Steel	1,265.0	1,110.8	2,375.7	865.4
Australian Steel Products	2,869.9	2,837.6	5,707.5	2,692.1
Building Products Asia & North America	1,481.2	1,398.2	2,879.4	1,492.1
New Zealand and Pacific Steel	463.5	424.6	888.1	420.3
Buildings North America	587.4	590.6	1,178.0	611.9
Intersegment, Corporate & Discontinued	(259.7)	(223.5)	(483.1)	(220.8)
Total	6,407.3	6,138.3	12,545.6	5,861.0

Underlying EBITDA

\$M	1H FY2019	2H FY2019	FY2019	1H FY2020
North Star BlueScope Steel	441.4	274.2	715.6	148.3
Australian Steel Products	424.1	322.9	747.0	265.6
Building Products Asia & North America	115.2	90.8	206.0	129.3
New Zealand and Pacific Steel	96.6	32.4	129.0	39.5
Buildings North America	32.0	41.4	73.4	38.5
Intersegment, Corporate & Discontinued	(53.6)	(56.0)	(109.6)	(56.9)
Total	1,055.7	705.7	1,761.4	564.3

Total steel despatches

'000 tonnes	1H FY2019	2H FY2019	FY2019	1H FY2020
North Star BlueScope Steel	1,036.4	1,073.9	2,110.4	1,028.8
Australian Steel Products	1,466.9	1,648.8	3,115.7	1,398.7
Building Products Asia & North America	848.2	819.1	1,667.3	855.1
New Zealand and Pacific Steel	307.5	299.8	607.3	314.8
Buildings North America	119.2	107.3	226.5	112.0
Intersegment, Corporate & Discontinued	(123.8)	(152.0)	(276.0)	(93.8)
Total	3,654.4	3,796.9	7,451.2	3,615.6

Underlying EBIT

\$M	1H FY2019	2H FY2019	FY2019	1H FY2020
North Star BlueScope Steel	411.6	243.2	654.7	114.5
Australian Steel Products	319.0	216.4	535.4	127.9
Building Products Asia & North America	78.8	55.5	134.2	80.2
New Zealand and Pacific Steel	71.9	8.7	80.6	12.9
Buildings North America	22.1	31.3	53.4	24.4
Intersegment, Corporate & Discontinued	(53.8)	(56.4)	(110.0)	(57.5)
Total	849.6	498.7	1,348.3	302.4

CASH FLOW STATEMENT

\$M	1H FY2019	2H FY2019	1H FY2020
Reported EBITDA	1,046.1	707.7	555.7
Adjust for other cash profit items	(0.7)	(23.1)	(6.7)
Cash from operations	1,045.4	686.4	549.0
Working capital movement (inc provisions)	(241.4)	420.8	(248.7)
Gross operating cash flow	804.0	1,107.2	300.3
Financing costs	(28.8)	(27.7)	(38.4)
Interest received	6.8	10.3	11.2
Income tax paid ¹	(128.8)	(60.7)	(37.3)
Net operating cash flow	653.2	1,029.1	235.8
Capex: payments for P, P & E and intangibles ²	(160.4)	(217.8)	(275.6)
Other investing cash flow	(54.4)	44.4	11.5
Net cash flow before financing	438.4	855.7	(28.3)
Buy-backs of equity	(292.9)	(209.1)	(194.1)
Dividends to BSL shareholders	(43.8)	(31.3)	(41.2)
Dividends to non-controlling interests	(12.1)	(32.0)	(11.5)
Net drawing / (repayment) of borrowings	12.7	6.1	(91.6) ³
Other	0.0	(3.6)	(2.6)
Net increase/(decrease) in cash held	102.3	585.8	(369.3)

Includes unwind of approximately \$150M due to favourable timing of working capital at 30 June 2019, combined with typical seasonality impact

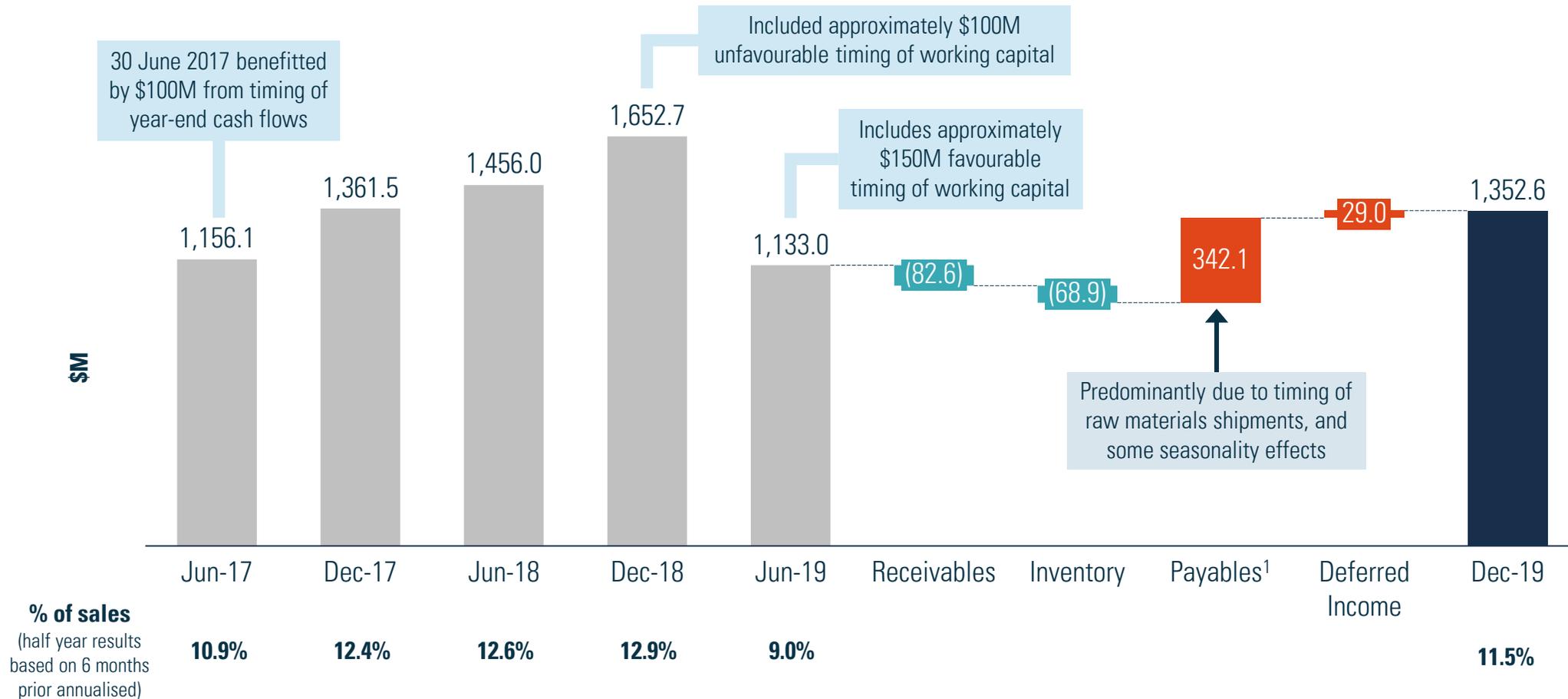
Includes \$10M impact from capitalisation of operating leases under AASB 16, reallocated from cash from operations

Includes \$64.7M investment in North Star expansion

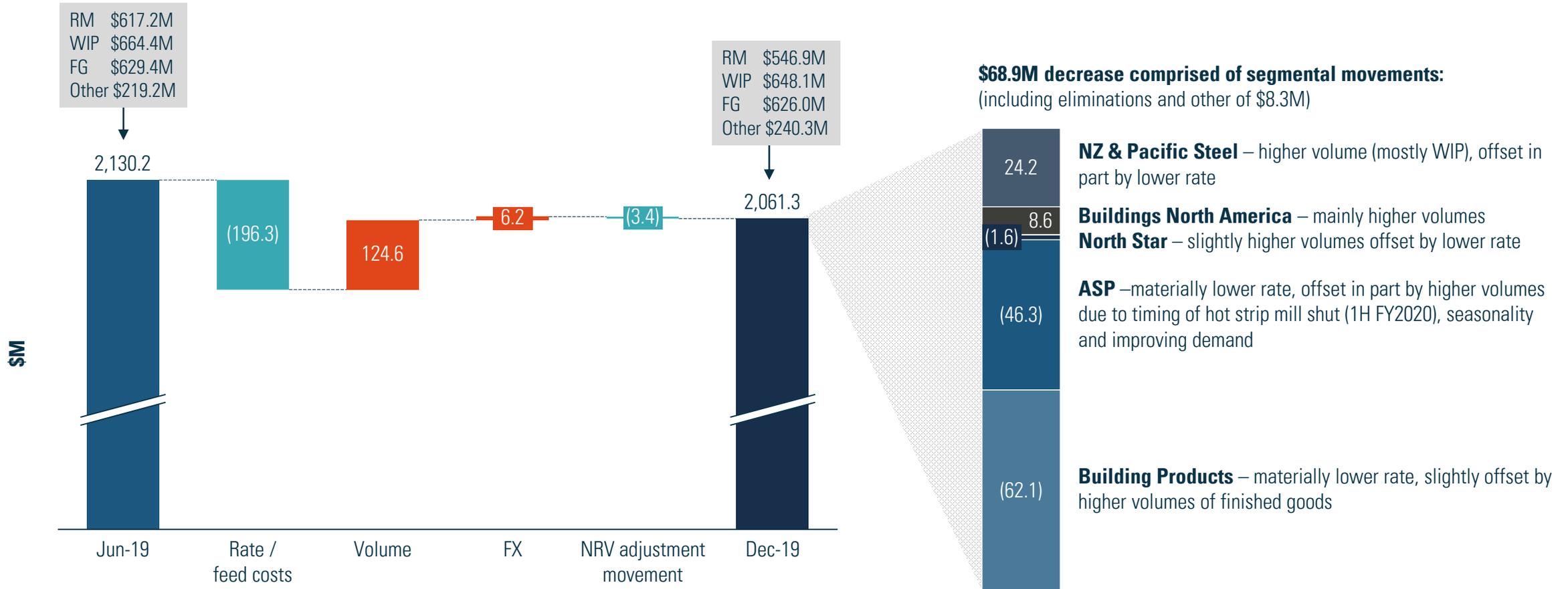


(1) As at 31 December 2019 the BlueScope Steel Australian tax consolidated group is estimated to have carried forward tax losses of approximately \$1.4Bn. There will be no Australian income tax payments until these losses are recovered
 (2) 1H FY2020 Cash capex of \$275.6M; new capital commitments of \$252.9M
 (3) Reflects a range of repayments across the Company, and the impact of AASB16 Leases

Strong working capital performance, albeit higher than June 2019 on typical seasonality



Decrease in inventory due to lower global steel prices, offset in part by higher volumes on seasonality



RM \$617.2M
WIP \$664.4M
FG \$629.4M
Other \$219.2M

RM \$546.9M
WIP \$648.1M
FG \$626.0M
Other \$240.3M

\$68.9M decrease comprised of segmental movements:
(including eliminations and other of \$8.3M)

NZ & Pacific Steel – higher volume (mostly WIP), offset in part by lower rate

Buildings North America – mainly higher volumes
North Star – slightly higher volumes offset by lower rate

ASP –materially lower rate, offset in part by higher volumes due to timing of hot strip mill shut (1H FY2020), seasonality and improving demand

Building Products – materially lower rate, slightly offset by higher volumes of finished goods



'RM' is raw materials (including externally sourced steel feed to BSL businesses)
'WIP' is work in progress
'FG' is finished goods
'Other' is primarily operational spare parts

\$M	31 Dec 2018	30 Jun 2019	31 Dec 2019
Assets			
Cash	1,057.0	1,644.5	1,273.4
Receivables and Contract Assets *	1,276.4	1,259.8	1,177.2
Inventory *	2,283.1	2,130.2	2,061.3
Property, Plant & Equipment	4,085.5	4,147.5	4,154.7
Right Of Use Assets	-	-	387.0
Intangible Assets	1,800.5	1827.0	1,816.1
Other Assets	694.0	687.3	680.2
Total Assets	11,196.5	11,696.3	11,549.9
Liabilities			
Trade & Sundry Creditors *	1,717.8	2,053.4	1,711.3
Capital & Investing Creditors	36.0	76.9	54.5
Borrowings	929.5	951.8	804.7
Lease Liabilities	-	-	515.6
Deferred Income and Contract Liabilities *	189.0	203.6	174.6
Retirement Benefit Obligations	363.5	300.4	266.0
Provisions & Other Liabilities	716.3	768.7	741.5
Total Liabilities	3,952.1	4,354.8	4,268.2
Net Assets	7,244.4	7,341.5	7,281.7
Note *: Items included in net working capital	1,652.7	1,133.0	1,352.6

COMMITTED DEBT FACILITIES AS AT 31 DECEMBER 2019

	Maturity	Committed		Drawn
		Local currency	A\$M	A\$M
Syndicated Bank Facility				
- Tranche 1	Aug 2021	A\$400M	A\$400M	-
- Tranche 2	Aug 2022	A\$400M	A\$400M	-
Reg-S Bonds	May 2023	US\$300M	A\$429M	A\$429M
Inventory Finance	Sep 2021	US\$55M	A\$79M	-
NS BlueScope JV facilities (100%)				
- Corporate facilities	Mar 2021 – Aug 2022	US\$280M	A\$400M	A\$144M
- Thailand facilities	Jan 2020 – Dec 2025	THB 4,300M	A\$205M	A\$119M
- Malaysian facilities	Jun 2020 – Oct 2024	MYR 300M	A\$104M	A\$66M
Leases	Various	A\$526M	A\$526M	A\$526M
Total			A\$2,543M	A\$1,284M

- In addition to debt facilities, BSL has:
 - \$493M of off-balance sheet sale of receivables program of which \$469M was drawn at 31 December 2019, and
 - other items in total debt of \$47M

Sensitivities may vary subject to volatility in prices, currencies and market dynamics – refer to page 75

Australian Steel Products segment

+/- US\$10/t move in average benchmark hot rolled coil price	
- direct sensitivity ²	+/- \$10-11M
- indirect sensitivity ³	+/- \$7-10M
+/- US\$10/t move in iron ore costs	
	-/+ \$33M
+/- US\$10/t move in coal costs ⁴	
	-/+ \$14-15M
+/- 1¢ move in AUD:USD exchange rate	
- direct sensitivity ⁵	+/- \$5M ⁷
- indirect sensitivity ⁶	-/+ \$7-10M ⁸

New Zealand Steel & Pacific Steel segment

+/- US\$10/t move in benchmark steel prices (HRC and rebar)	
- direct sensitivity ⁹	+/- \$1-2M
- indirect sensitivity ¹⁰	+/- \$3M
+/- US\$10/t move in market-priced coal costs ¹¹	
	-/+ \$3M
+/- 1¢ move in AUD:USD exchange rate	
- direct sensitivity ⁵	-/+ \$1-2M ⁸
- indirect sensitivity ¹²	-/+ \$2-3M ⁸

North Star segment

+/- US\$10/t move in realised HRC spread	+/- \$15-16M
(HRC price less cost of scrap and pig iron)	

Group

+/- 1¢ move in AUD:USD exchange rate (direct) ¹³	-/+ \$1-2M ⁸
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(1) Page shows full sensitivities to movement in key external factors, as if that movement had applied for the complete six months. Analysis assumes 2H FY2020 base exchange rate of US\$0.69. There are other factors that impact the Company's financial performance which are not shown. The sensitivities provided are general indications only and actual outcomes can vary due to a range of factors such as volumes, mix, margins, pricing lags, hedging, one-off costs etc.

(2) Includes US\$ priced export products and domestic hot rolled coil sold into the pipe & tube market.

(3) Sensitivity shows the potential impact on Australian domestic product prices (A\$ priced) other than painted steels and hot rolled coil sold into the pipe & tube market. Sensitivity is subject to lags and market factors, and is less certain particularly in the short term.

(4) Coal cost sensitivity does not include coal purchases for export coke sales.

(5) Includes the impact on US dollar denominated export prices and costs and restatement of US dollar denominated receivables and payables.

(6) Also includes potential impact on Australian domestic product prices (A\$ priced) other than painted steels and hot rolled coil sold into the pipe & tube market. Sensitivity is subject to lags and market factors, and is less certain particularly in the short term.

(7) A decrease in the A\$/US\$ suggests an unfavourable impact on earnings.

(8) A decrease in the A\$/US\$ suggests a favourable impact on earnings.

(9) Includes US\$ priced export flat and long steel products (includes Pacific Steel products)

(10) Sensitivity shows the potential impact on NZ domestic flat and long steel product prices (A\$ priced) other than painted steels (includes Pacific Steel products). Sensitivity is subject to lags and market factors, and is less certain particularly in the short term.

(11) Sensitivity encompasses the component of New Zealand Steel's annual thermal coal requirement which is imported and priced at prevailing market prices. Excludes the component coal supply which is domestically sourced on long term contract price.

(12) Also includes potential impact on NZ domestic flat and long steel product prices (A\$ priced) other than painted steels (includes Pacific Steel products). Sensitivity is subject to lags and market factors, and is less certain particularly in the short term.

(13) Includes direct sensitivities for ASP and New Zealand & Pacific Steel segments, together with impact of translating earnings of US\$ linked offshore operations to A\$.



ADDITIONAL INFORMATION – SEGMENT MATERIAL



Financial and despatch summaries

Key segment financial items (A\$M)

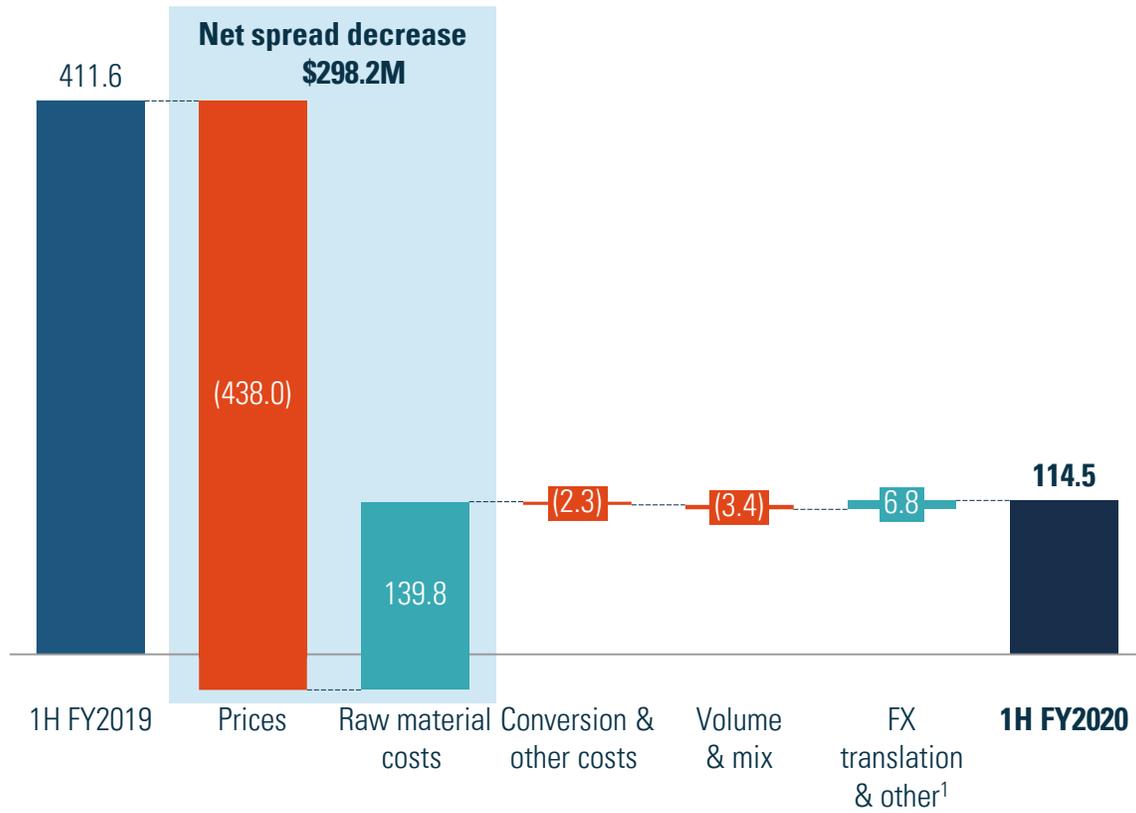
\$M unless marked	1H FY2019	2H FY2019	FY2019	1H FY2020
Revenue	1,265.0	1,110.8	2,375.7	865.4
Underlying EBITDA	441.4	274.2	715.6	148.3
Underlying EBIT	411.6	243.2	654.7	114.5
Reported EBIT	411.6	243.2	654.7	113.5
Capital & investment expenditure	13.8	27.6	41.3	98.4
Net operating assets (pre tax) ¹	1,930.9	1,850.2	1,850.2	1,958.6
Total steel despatches (kt)	1,036.4	1,073.9	2,110.4	1,028.8

Key segment financial items (US\$M)

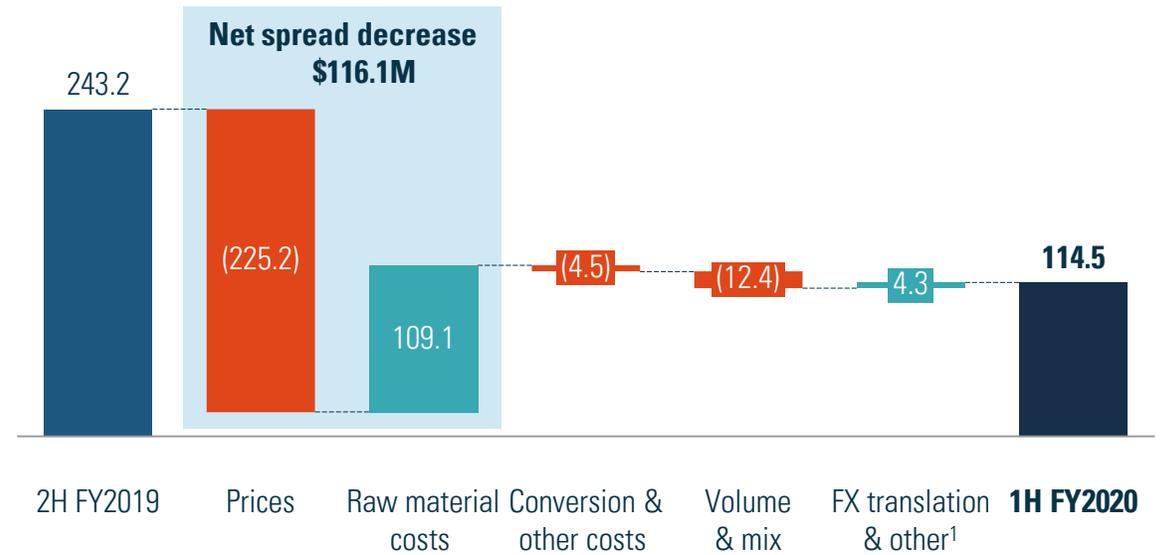
US\$M	1H FY2019	2H FY2019	FY2019	1H FY2020
Revenue	916.3	784.6	1,700.9	592.0
Underlying EBITDA	320.0	194.3	514.3	101.6
Underlying EBIT	298.4	171.9	470.1	78.3
Reported EBIT	298.4	171.9	470.1	77.6
Capital & investment expenditure	10.0	19.3	29.3	67.2
Net operating assets (pre tax)	1399.8	1,296.2	1,296.2	1,370.4

Underlying EBIT variance

1H FY2020 vs 1H FY2019 (\$M)



1H FY2020 vs 2H FY2019 (\$M)



(1) Includes the impact of AASB16 Leases

Note: FX translation relates to translation of foreign currency earnings to A\$, transactional foreign exchange impacts are reflected in the individual categories

Financial and despatch summaries

Key segment financial items

\$M unless marked	1H FY2019	2H FY2019	FY2019	1H FY2020
Revenue	2,869.9	2,837.6	5,707.5	2,692.1
Underlying EBITDA	424.1	322.9	747.0	265.6
Underlying EBIT	319.0	216.4	535.4	127.9
Reported EBIT	319.0	208.5	527.5	127.9
Capital & investment expenditure	76.5	124.6	201.1	99.0
Net operating assets (pre tax) ¹	2,488.4	2,229.9	2,229.9	2,667.4
Total steel despatches (kt)	1,467.0	1,648.8	3,115.7	1,398.7

Despatches breakdown

'000 Tonnes	1H FY2019	2H FY2019	FY2019	1H FY2020
Hot rolled coil	301.9	254.0	555.9	269.3
Plate	145.3	134.8	280.0	160.4
CRC, metal coated, painted & other ¹	659.9	615.5	1,275.5	646.2
Domestic despatches of BSL steel	1,107.1	1,004.3	2,111.4	1,075.9
Channel despatches of ext sourced steel ²	79.8	59.6	139.4	62.1
Domestic despatches total	1,186.9	1,063.9	2,250.8	1,138.0
Hot rolled coil	81.1	312.0	393.2	39.8
Plate	17.3	10.0	27.3	12.4
CRC, metal coated, painted & other ¹	180.5	261.4	441.8	207.6
Export despatches of BSL steel	278.9	583.4	862.3	259.8
Channel despatches of ext sourced steel	1.2	1.4	2.6	0.9
Export despatches total	280.1	584.8	864.9	260.7
Total steel despatches³	1,467.0	1,648.8	3,115.7	1,398.7
Export coke despatches	407.4	268.8	676.1	431.9

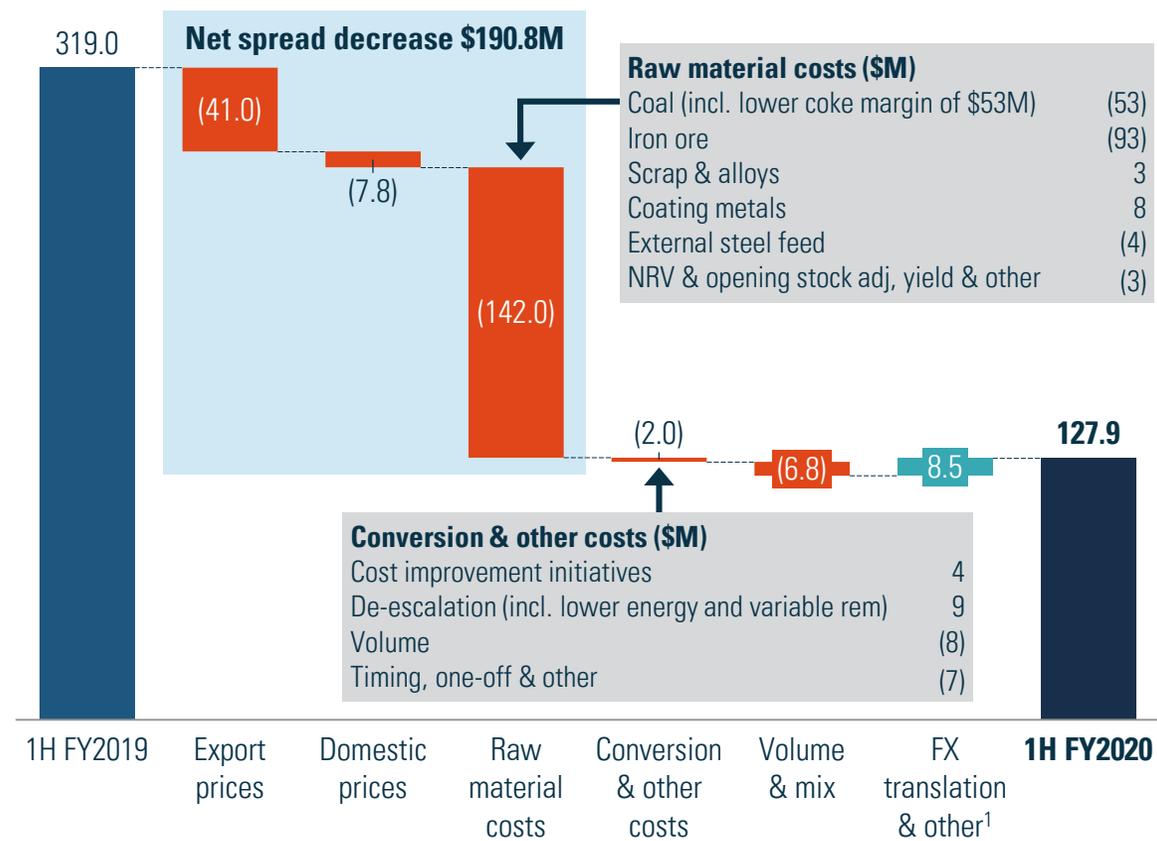
1) Product volumes are ex-mills (formerly CIPA). Other includes inventory movements in downstream channels

2) Primarily long products sold through downstream business

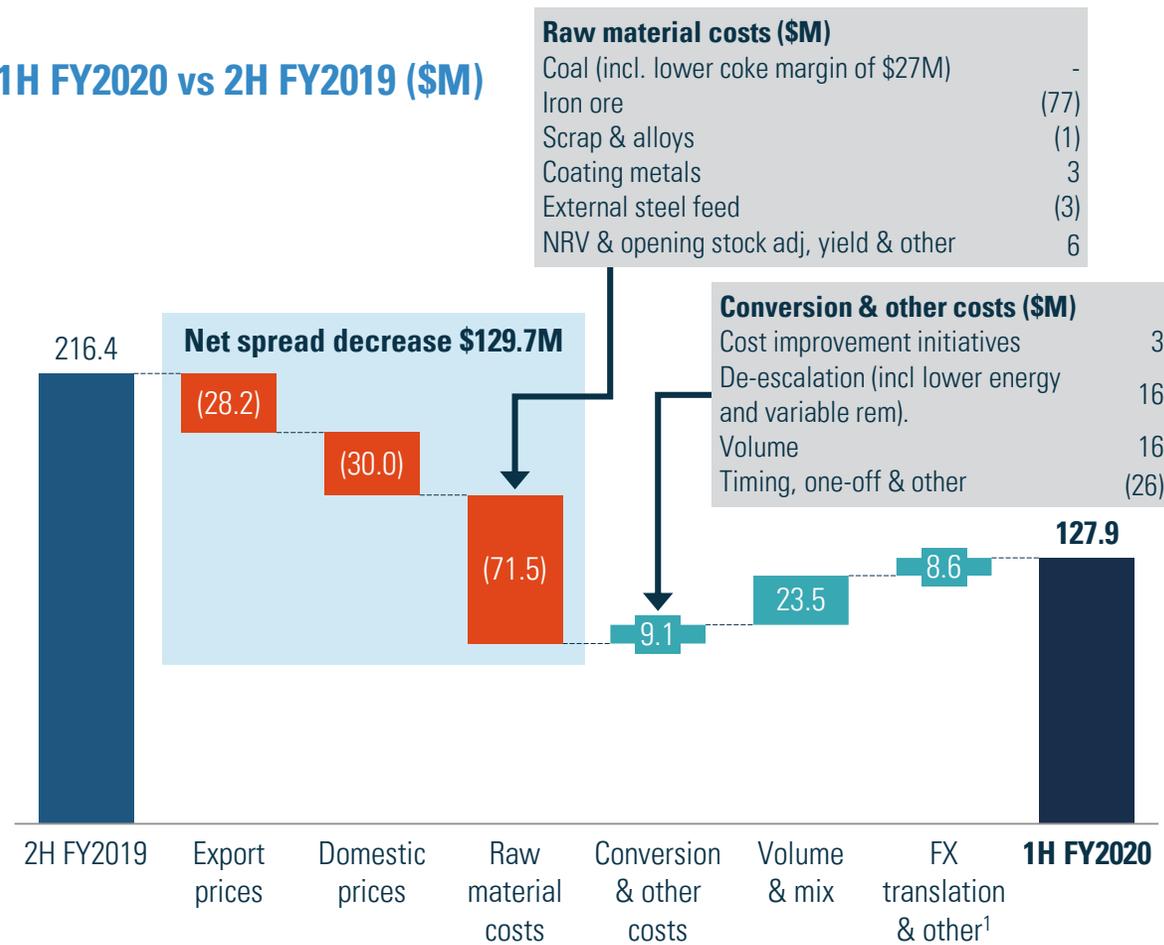
3) Includes the following sales through downstream channels (formerly BCDA segments)

Underlying EBIT variance

1H FY2020 vs 1H FY2019 (\$M)



1H FY2020 vs 2H FY2019 (\$M)

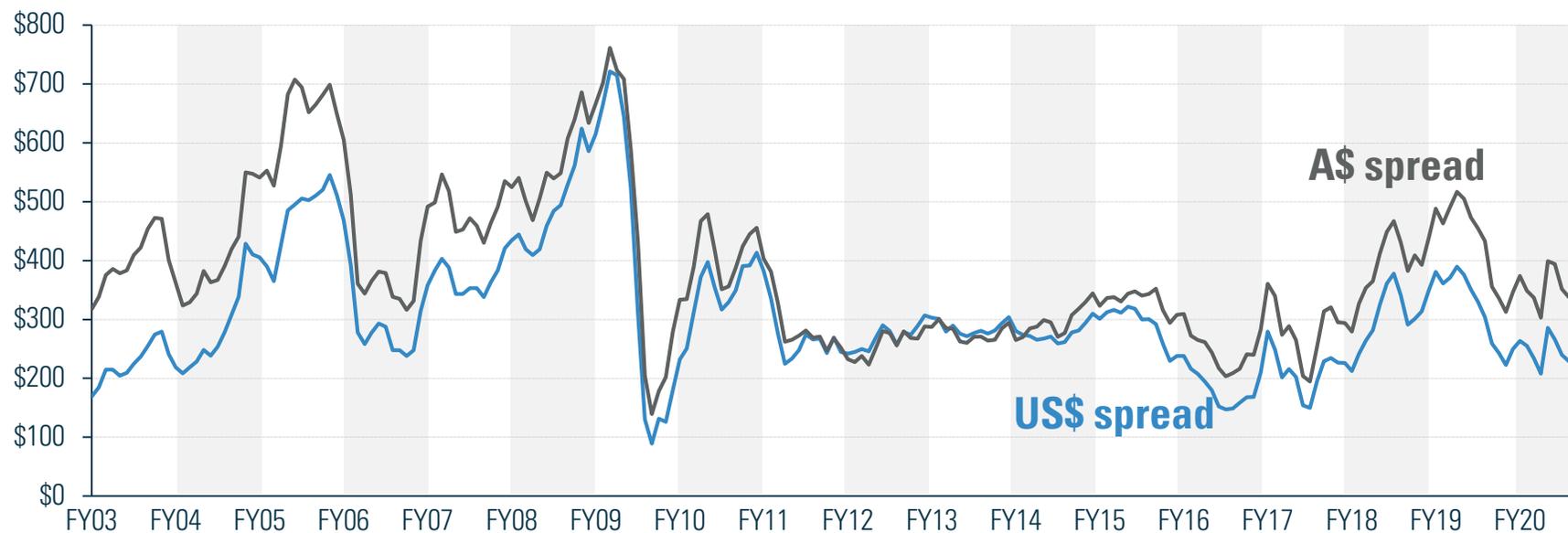


(1) Includes the impact of AASB16 Leases

Note: FX translation relates to translation of foreign currency earnings to A\$, transactional foreign exchange impacts are reflected in the individual categories

Spot spreads have contracted due to softening HRC prices and increasing raw material rates

Indicative steelmaker HRC lagged spread



	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	1H FY2020	Spot ¹
East Asian HRC price, lagged (US\$/t)	603	560	497	317	419	535	559	519	461
Indicative spread with pricing lags (US\$/t)	286	276	292	182	214	303	320	252	258
Indicative spread with pricing lags (A\$/t)	278	295	331	247	284	390	431	359	378
A\$:US\$ (3 month lag)	1.03	0.93	0.87	0.74	0.75	0.77	0.73	0.69	0.68

Notes on calculation:

- ‘Indicative steelmaker HRC spread’ representation based on simple input blend of 1.5t iron ore fines and 0.71t hard coking coal per output tonne of steel. Chart is not a specific representation of BSL realised HRC spread (eg does not account for iron ore blends, realised steel prices etc), but rather is shown to primarily demonstrate movements from period to period.
- SBB East Asia HRC price lagged by three months up to Dec 2017, four months thereafter – broad indicator for Australian domestic lag, but can vary.
- Indicative iron ore pricing: 62% Fe iron ore fines price assumed. Industry annual benchmark prices up to March 2010. Quarterly index average prices lagged by one quarter from April 2010 to March 2011; 50/50 monthly/quarterly index average from April 2011 to December 2012. Monthly thereafter. FOB Port Hedland estimate deducts Baltic cape index freight cost from CFR China price. Lagged by three months.
- Indicative hard coking coal pricing: low-vol, FOB Australia. Industry annual benchmark prices up to March 2010; quarterly prices from April 2010 to March 2011; 50/50 monthly/quarterly pricing from April 2011 to Dec 2017; monthly thereafter. Lagged by two months up to Dec 2017; three months thereafter.



(1) Spot rates as at mid February 2020, unlagged

Spread: SBB East Asia HRC price less cost of 1.5t iron ore fines and 0.71t hard coking coal. Sourced from SBB, CRU, Platts, TSI, Reserve Bank of Australia, BlueScope Steel calculations

Relationships with benchmark pricing

Steel prices

- Selling prices across majority of domestic product correlated with SBB East Asia HRC price; lagged generally three to five months; degree of correlation between realised and benchmark prices can vary within a given half year but is more fully reflected over the medium term
- Export sales generally moving on a two month lag to a mix of SBB East Asia HRC (majority of the influence) and also US HRC pricing

Coal prices

- Hard coking coal: pricing and sourcing remains somewhat fluid. General guide at present is majority monthly pricing with reference to the FOB Australia premium low volatility metallurgical coal price, on a three month lag
- PCI: on a three month lag to low volatility PCI FOB Australia index

Iron ore prices

- Three month lag to index pricing (Platts IODEX 62% Fe CFR China)
- Lump premium based on spot iron ore lump premium 62.5% Fe CFR China
- Pellet premium based on spot blast furnace iron ore pellet premium 65% CFR China

Coating metals and scrap

- Zinc & aluminium: ASP currently uses around 40kt and 14kt of zinc and aluminium respectively, now that MCL5 is fully operational. Prior to MCL5 becoming operational, this was around 37ktpa and 13ktpa respectively. Recommend one month lag to LME contract prices
- Scrap: generally moving on three month lag with reference to Platts HMS 1/2 80:20 CFR East Asia (Dangjin)

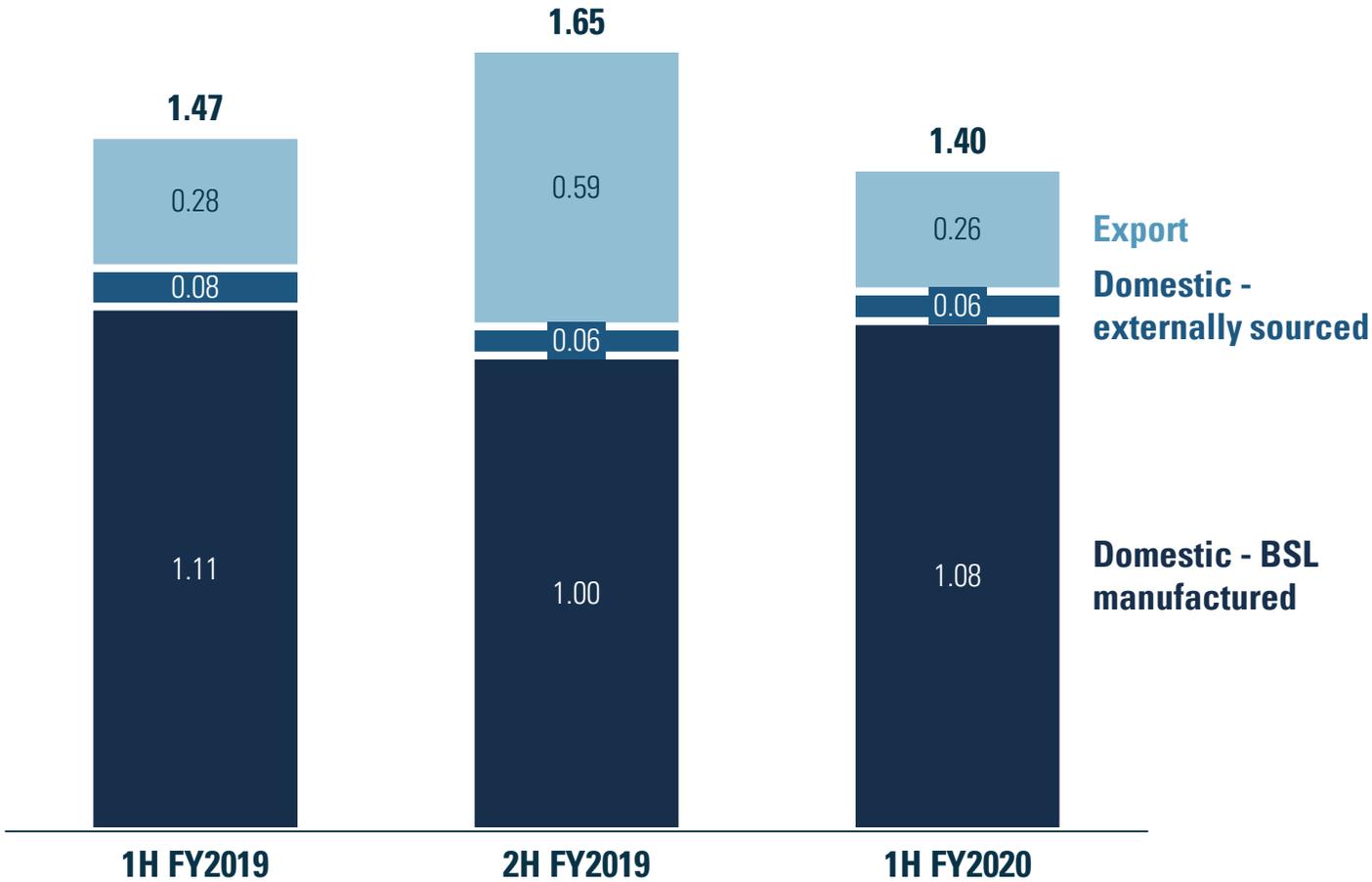
Export metallurgical coke

- Export coke sales approx. ~650,000-700,000 dry metric tonne p.a., sold direct to end users (steelmakers) or via trading partners into regions such as India, Europe and South America. Hard coking coal (Premium low vol HCC FOB Aus) is key input, with approx. ~75% yield factor from HCC to met coke
- Seaborne price for met coke has historically been related to movements in Chinese domestic coke price, which will provide an indication of movement in earnings contribution period to period – so in the absence of a global index, suggested index to monitor is the Platts Met Coke 65/66% FOB North China. Note however that more recently there has been a deviation between seaborne prices and Chinese domestic prices – hence this is not a completely reliable proxy for the global seaborne coke pricing

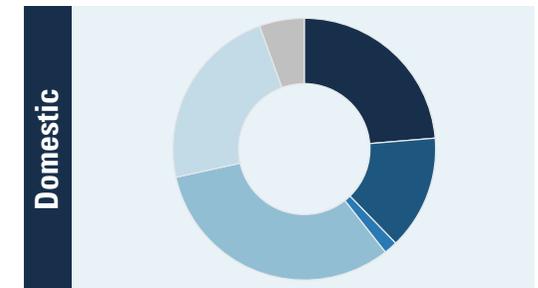
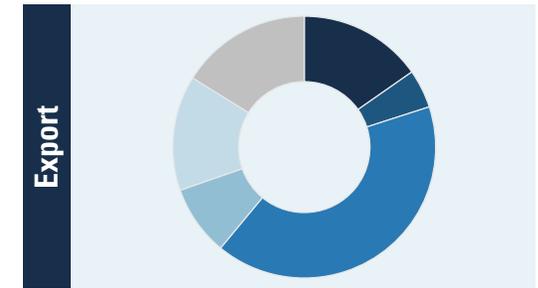
The raw materials 'recipe' to produce a tonne of hot rolled coil at Port Kembla is shown on page 77.

Note that degree of correlation between realised and benchmark prices can vary within a given half year but is more fully reflected over the medium term.

Despatch mix (Mt)



1H FY2020 Product Mix

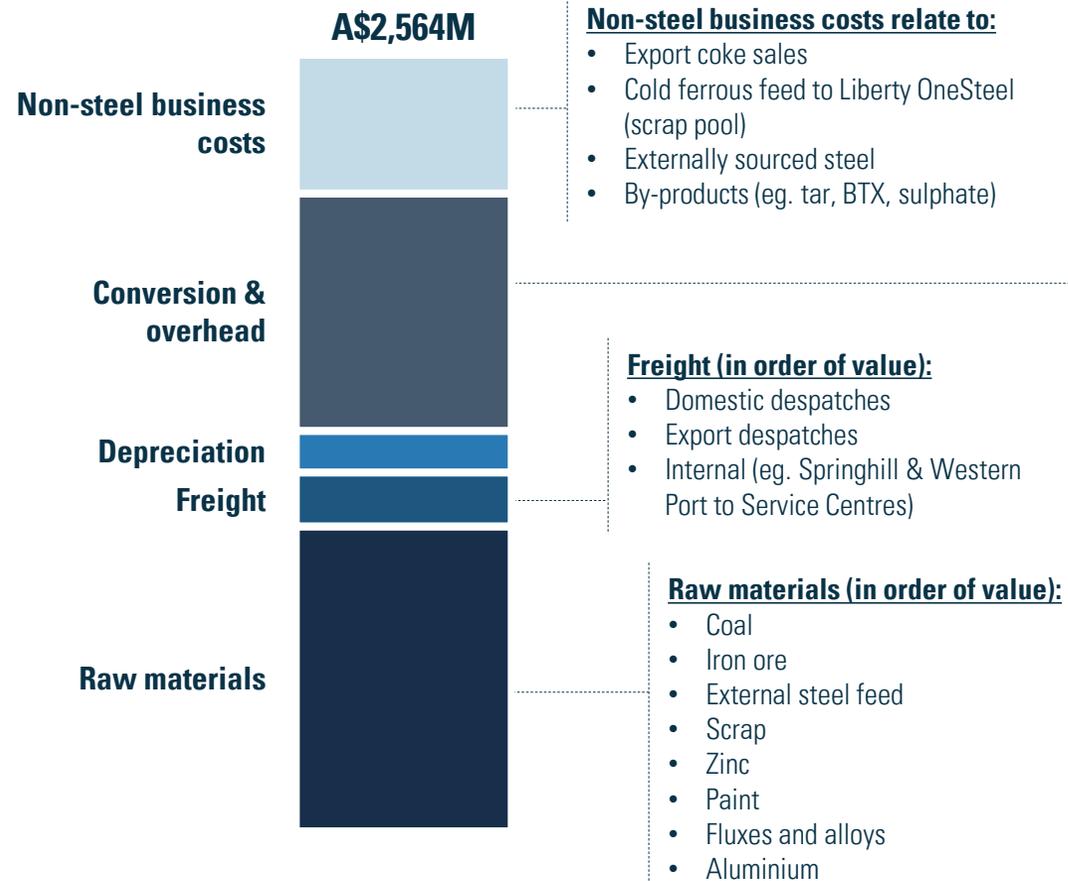


Revenue and underlying costs 1H FY2020

Revenue



Underlying costs (to EBIT line)



Conversion & overhead components (in order of value):

- Direct labour
- Repairs & maintenance
- Utilities
- Services & contractors
- Consumables
- Sales & administration
- Other

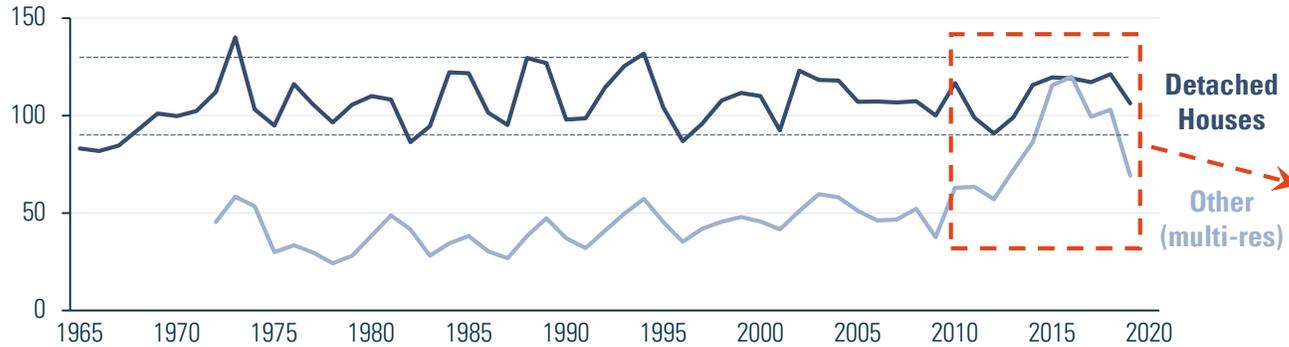
Indicative 'recipe' of raw materials per output tonne of HRC:

- 1.13t iron ore fines (sintering)
- 0.23t lump ore (into BF)
- 0.06t pellets (into BF)
- 0.50t hard coking coal (into BF)
- 0.13t PCI (into BF)
- 0.24t scrap (into BOS), of which 45% sourced internally

Housing market correction dominated by multis, with the orderly pullback in detached segment now evident

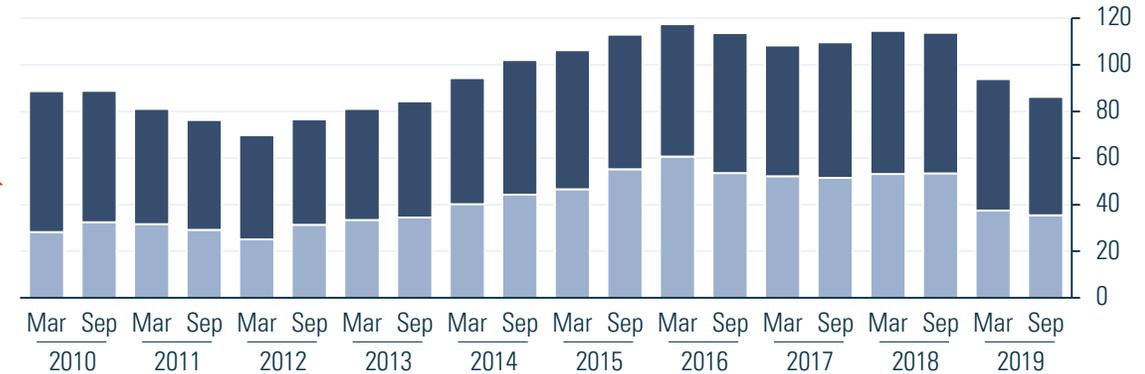
Long-Term Dwelling Approvals: rolling 12 months¹ ('000)

Detached house approvals holding in stable historic range



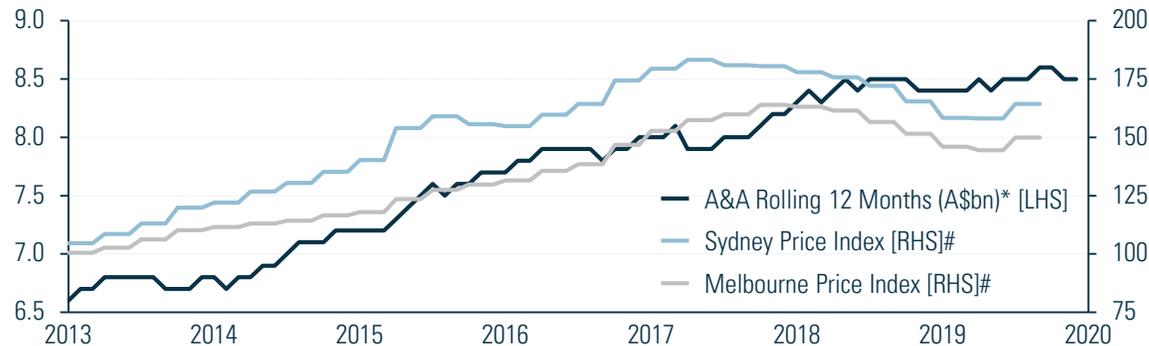
Dwelling Commencements: by halves² ('000)

Cyclical downturn dominated by high rise multis segment



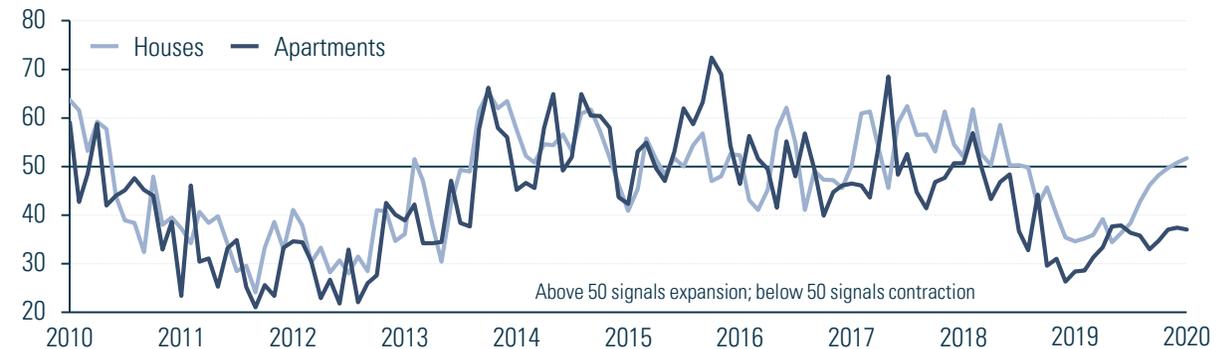
A&A Building Approvals and Established House Prices³

House price levels and sound labour market still encouraging renovations



Performance of Construction Index⁴

Detached dwelling activity pointing to a rebound



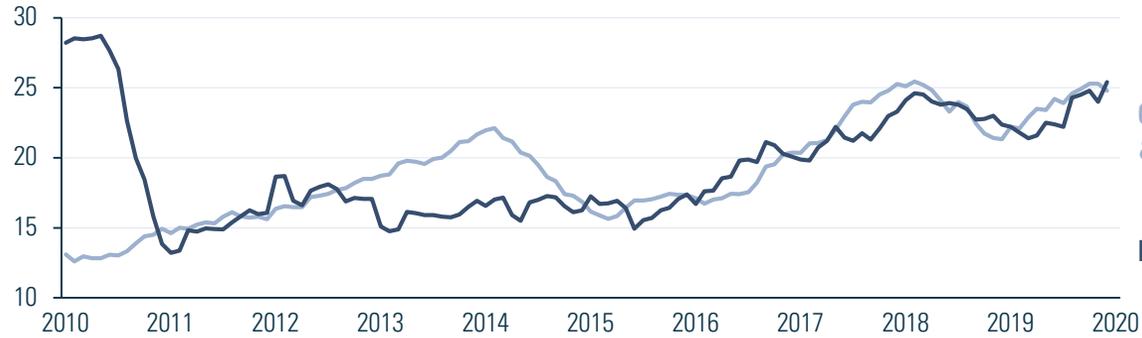
Note: A&A: Alterations & Additions

Sources: (1) ABS series 8731, table 11; original data; total sectors; data to Dec 19 Qtr (2) ABS series 8752, table 33; seasonally adjusted data; total sectors (3) ABS series 6416, table 2; original data; 2011-12=100; data to Sep 19 Qtr, ABS series 8731, table 38; seasonally adjusted; current \$; data to Dec 19 (4) Australian Industry Group; Activity index; trend data; data to Jan 20

Non-residential segment demonstrating a strong rebound

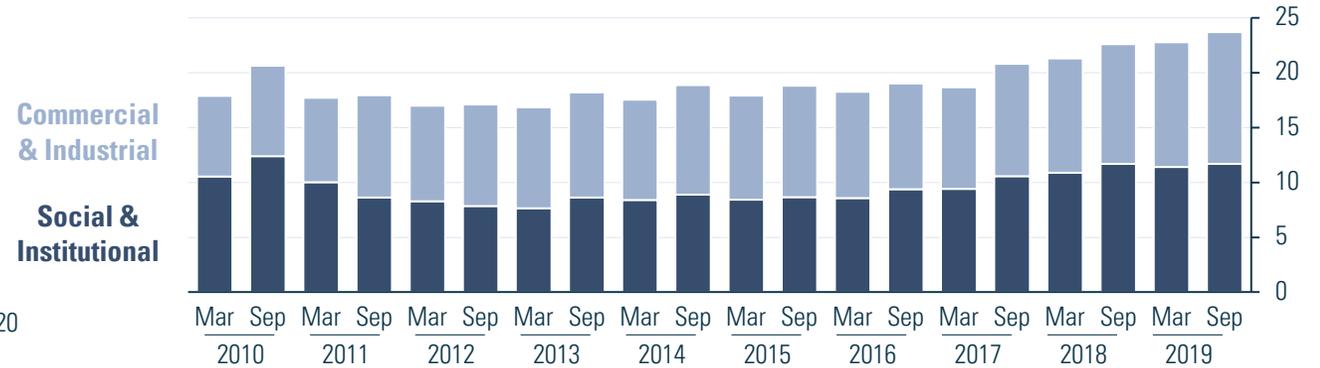
Non-Residential Building Approvals: rolling 12 months¹ (A\$bⁿ)

Approvals momentum is solid and broad-based



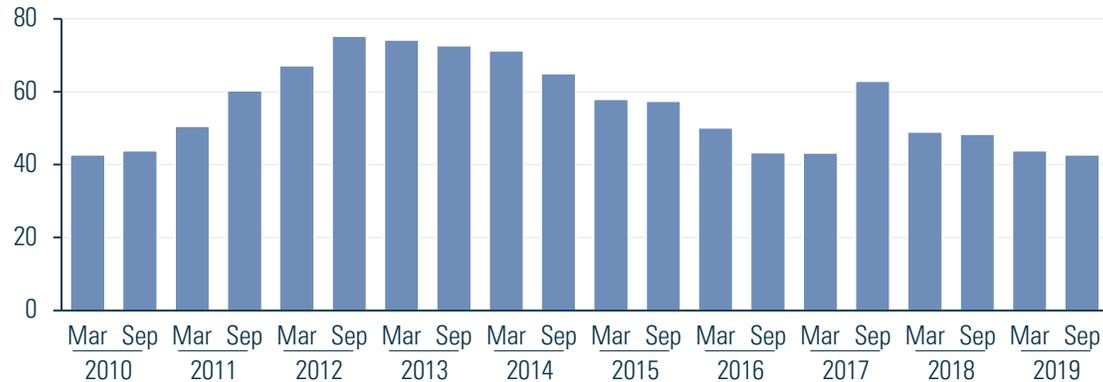
Non-Residential Work Done: by halves² (A\$bⁿ)

Strong approvals translating into robust levels of activity



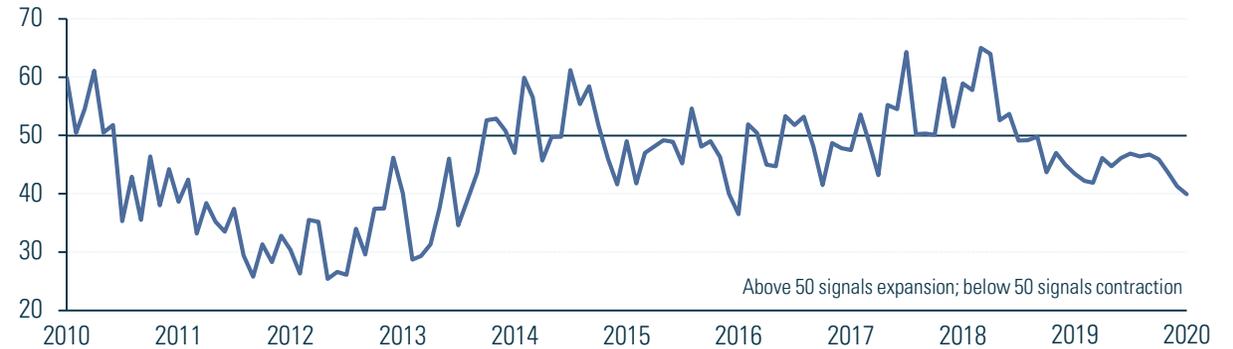
Engineering Construction Work Done: by halves³ (A\$bⁿ)

Pullback driven by LNG, but key investment in infrastructure remains



Performance of Construction Index⁴

Activity index is patchy and influenced by timing and scale of projects



Sources: (1) ABS series 8731, table 51; original data; current \$; total sectors; data to Dec 19 (2) ABS series 8752, table 51; original data; current \$; total sectors (3) ABS series 8762, table 1; seasonally adjusted data; real \$; total sectors (4) Australian Industry Group; Activity index; trend data; data to Jan 20

Financial and despatch summaries

Key segment financial items

\$M unless marked	1H FY2019	2H FY2019	FY2019	1H FY2020
Revenue	1,481.2	1,398.2	2,879.4	1,492.1
Underlying EBITDA	115.2	90.8	206.0	129.3
Underlying EBIT	78.8	55.5	134.2	80.2
Reported EBIT	74.0	(10.1)	63.9	79.4
Capital & investment expenditure	34.8	106.0	140.8	22.7
Net operating assets (pre tax) ¹	1,605.3	1,489.3	1,489.3	1,526.2
Total steel despatches (kt)	848.2	819.1	1,667.3	855.1

Revenue by business

\$M	1H FY2019	2H FY2019	FY2019	1H FY2020
Thailand	249.4	297.3	546.7	236.3
Indonesia	147.9	133.0	280.9	144.4
Malaysia	143.2	123.2	266.4	121.1
Vietnam	114.0	95.0	209.0	106.9
North America	462.4	429.5	892.0	448.1
India ²	0.0	0.0	0.0	0.0
China	379.0	321.3	700.3	435.7
Other / Eliminations	(14.7)	(1.1)	(15.9)	(0.4)
Total	1,481.2	1,398.2	2,879.4	1,492.1

Despatches by business

'000 Tonnes	1H FY2019	2H FY2019	FY2019	1H FY2020
Thailand	158.5	182.9	341.4	132.8
Indonesia	95.3	82.3	177.6	85.9
Malaysia	90.1	76.4	166.4	72.7
Vietnam	67.6	57.9	125.5	62.6
North America	178.4	175.8	354.2	192.3
India	58.4	65.9	124.3	54.7
China	210.2	179.1	389.4	254.3
Other / Eliminations	-10.3	(1.2)	(11.5)	(0.2)
Total	848.2	819.1	1,667.3	855.1

Underlying EBIT by business

\$M	1H FY2019	2H FY2019	FY2019	1H FY2020
Thailand	(3.2)	13.3	10.1	8.2
Indonesia	(0.9)	5.0	4.0	9.7
Malaysia	5.2	(0.7)	4.5	4.0
Vietnam	8.1	5.4	13.5	8.4
North America	29.9	7.4	37.2	5.6
India	6.9	9.4	16.2	9.9
China	34.1	16.0	50.1	36.7
Other / Eliminations	(1.3)	(0.3)	(1.4)	(2.3)
Total	78.8	55.5	134.2	80.2

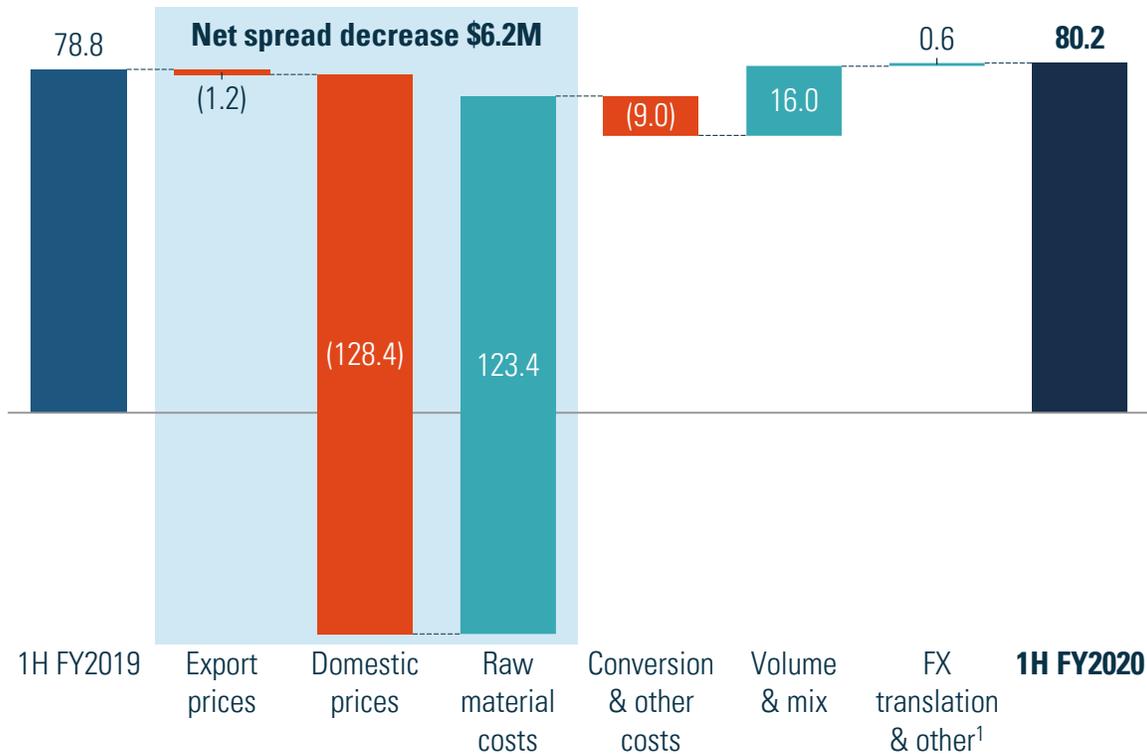


(1) Includes the impact of AASB16 Leases

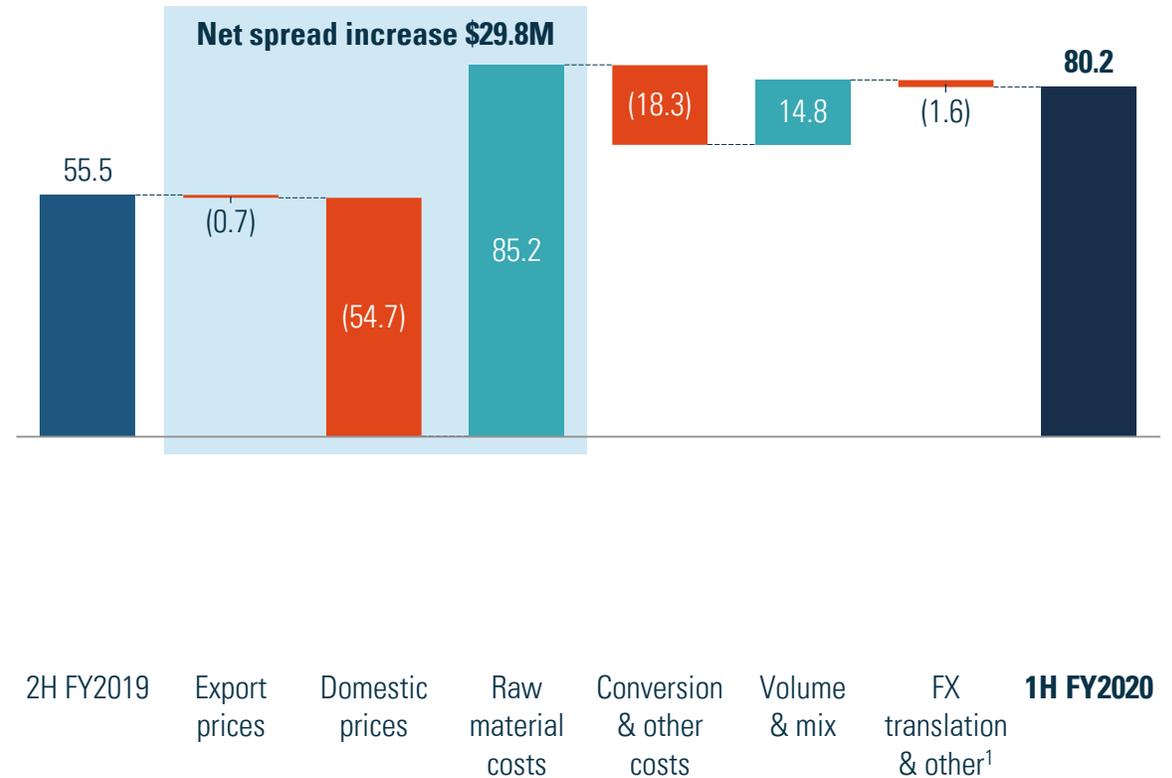
(2) Tata BlueScope JV is equity accounted, as such revenue figures are not reported in BSL financials

Underlying EBIT variance

1H FY2020 vs 1H FY2019 (\$M)



1H FY2020 vs 2H FY2019 (\$M)



(1) Includes the impact of AASB16 Leases

Note: FX translation relates to translation of foreign currency earnings to A\$, transactional foreign exchange impacts are reflected in the individual categories

Financial and despatch summaries

Key segment financial items

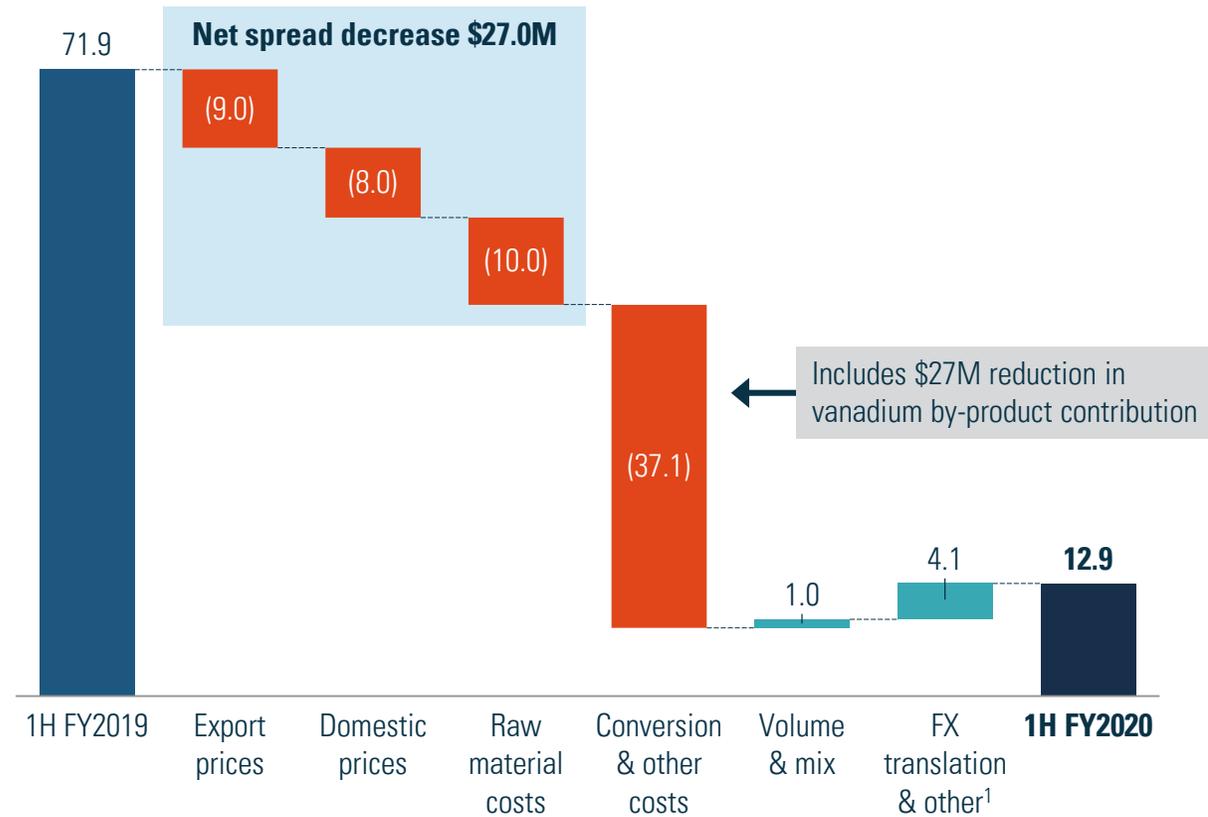
\$M unless marked	1H FY2019	2H FY2019	FY2019	1H FY2020
Revenue	463.5	424.6	888.1	420.3
Underlying EBITDA	96.6	32.4	129.0	39.5
Underlying EBIT	71.9	8.7	80.6	12.9
Reported EBIT	71.9	8.7	80.6	12.9
Capital & investment expenditure	56.4	24.1	80.5	32.3
Net operating assets (pre tax) ¹	294.4	263.7	263.7	320.2
Total steel despatches – flat & long (kt)	307.5	299.8	607.3	314.8

Steel despatches

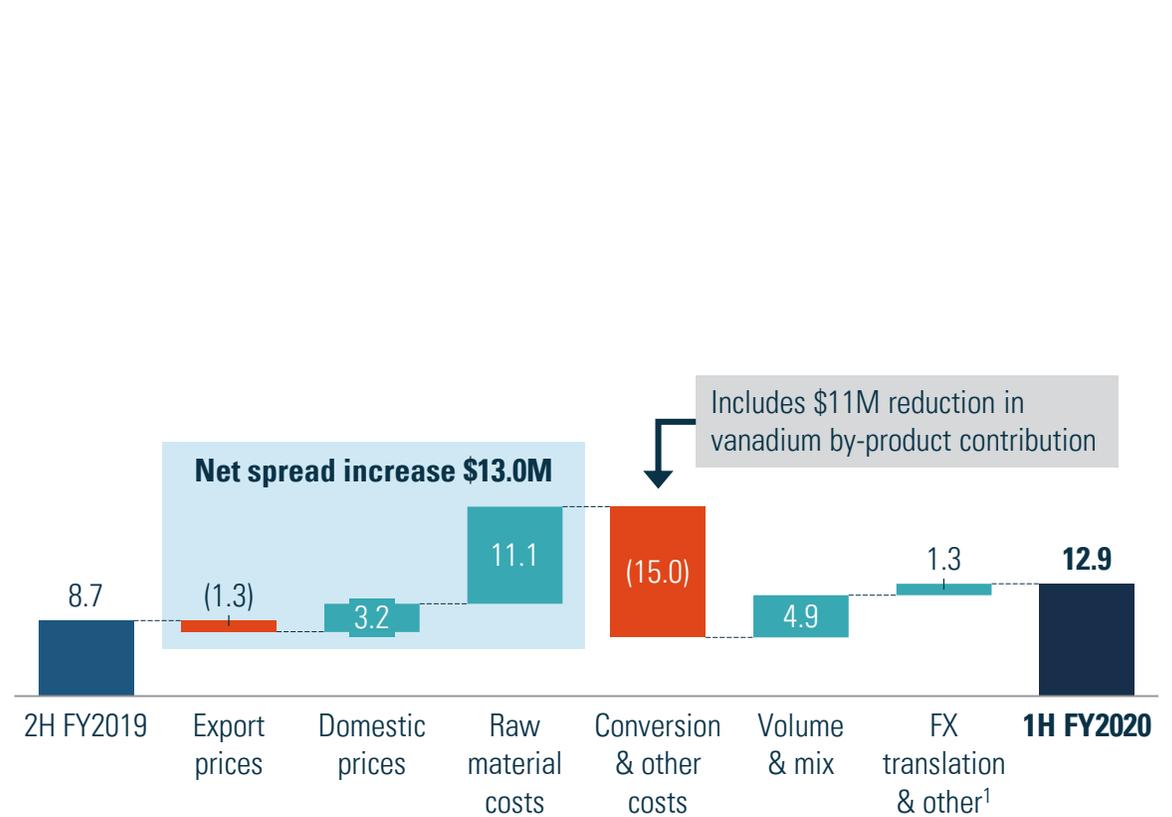
'000 Tonnes	1H FY2019	2H FY2019	FY2019	1H FY2020
Domestic despatches				
- NZ Steel flat products	146.5	127.3	273.8	145.8
- Pacific Steel long products	92.3	95.7	187.9	84.9
Sub-total domestic	238.8	223.0	461.7	230.7
Export despatches				
- NZ Steel flat products	67.9	76.2	144.2	76.0
- Pacific Steel long products	0.8	0.6	1.4	8.1
Sub-total export	68.7	76.8	145.6	84.1
Total steel despatches	307.5	299.8	607.3	314.8

Underlying EBIT variance

1H FY2020 vs 1H FY2019 (\$M)



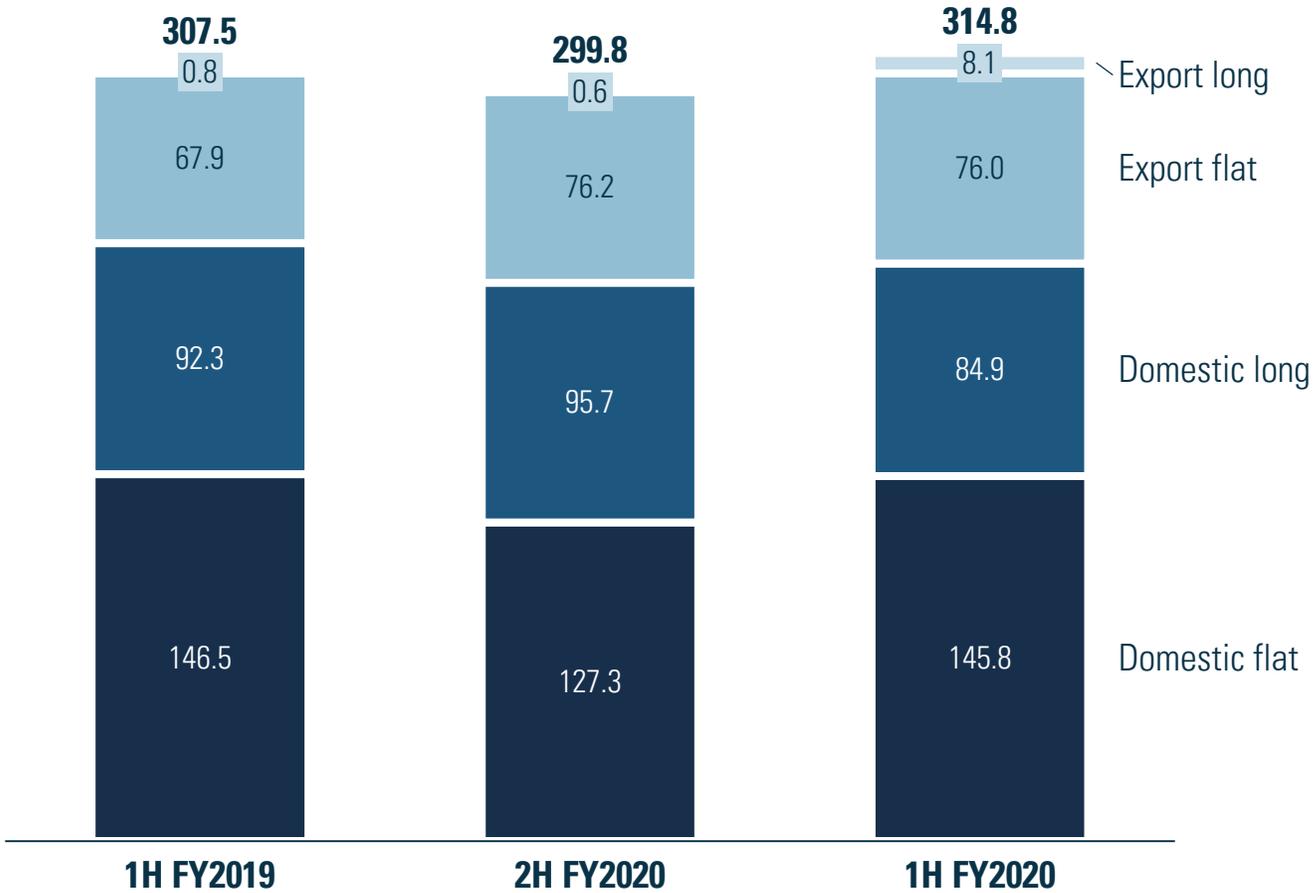
1H FY2020 vs 2H FY2019 (\$M)



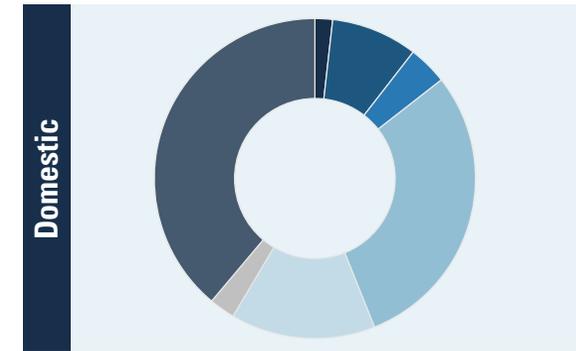
(1) Includes the impact of AASB16 Leases

Note: FX translation relates to translation of foreign currency earnings to A\$, transactional foreign exchange impacts are reflected in the individual categories

Despatch mix (kt)



1H FY2019 Product Mix



- HRC
- Plate
- CRC
- Metal Coated
- Painted
- Other flat products
- Pacific Steel long products

The East Asian rebar price influences domestic and export long product pricing

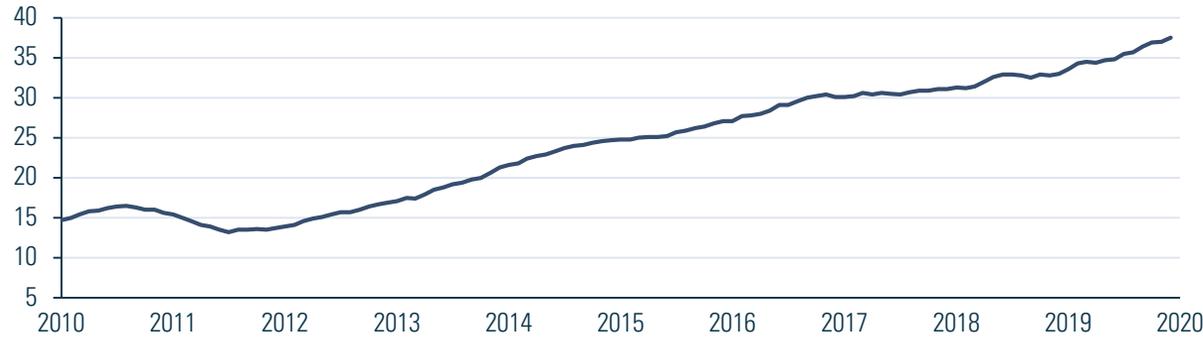
SBB East Asian rebar price, unlagged (US\$/t)



A slower but stable economy underpinned by population growth and sound levels of construction activity

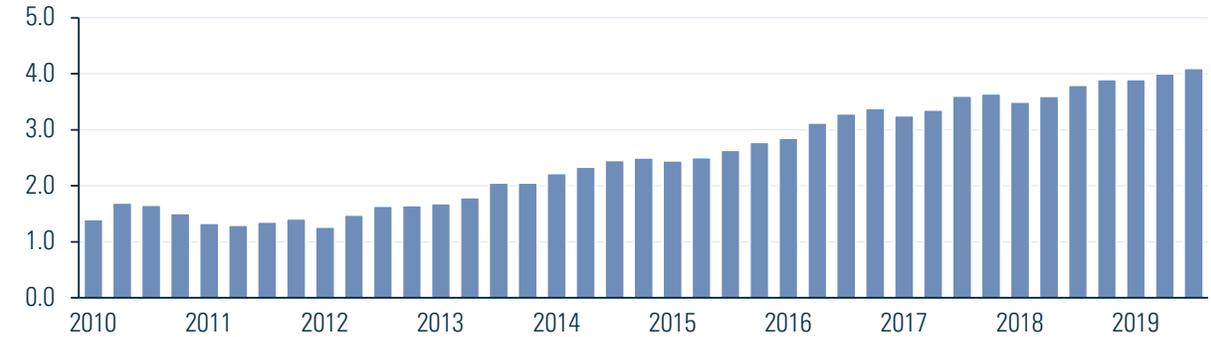
Residential Building Consents: rolling 12 months¹ ('000)

Solid housing demand momentum maintained as population grows



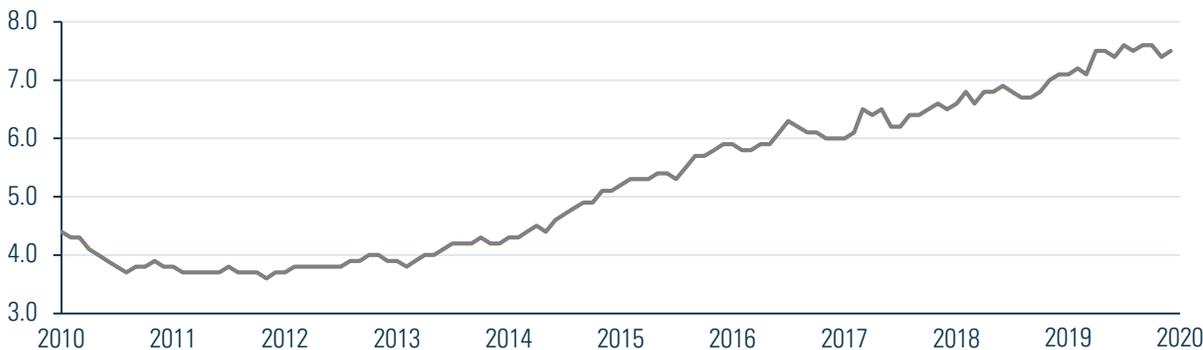
Residential Work Put in Place: by quarters² (NZ\$bn)

Extended period of robust consents translating into solid activity



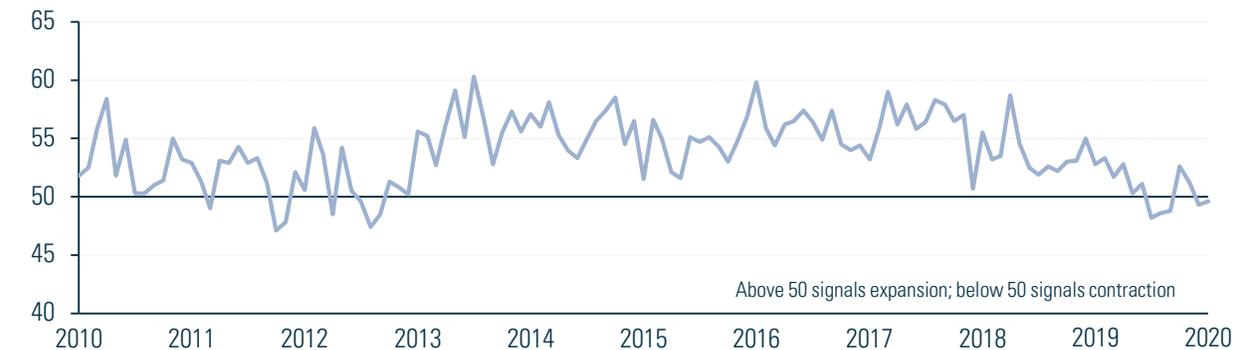
Non-Residential Building Consents: rolling 12 months³ (NZ\$bn)

Elevated investment following strong residential cycle



Performance of Manufacturing Index⁴

Sentiment has stabilised at more neutral levels as economy has cooled



Financial and despatch summaries

Key segment financial items (A\$M)

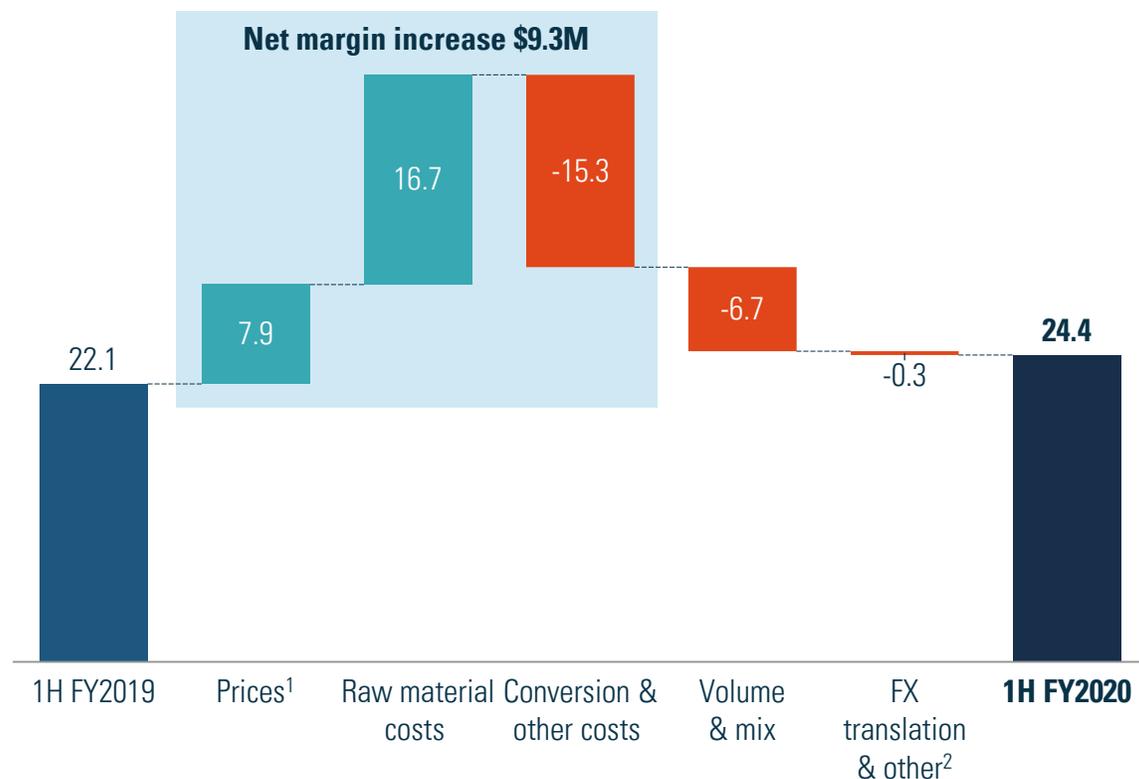
\$M unless marked	1H FY2019	2H FY2019	FY2019	1H FY2020
Revenue	587.4	590.6	1,178.0	611.9
Underlying EBITDA	32.0	41.4	73.4	38.5
Underlying EBIT ¹	22.1	31.3	53.4	24.4
Reported EBIT	22.1	31.3	53.4	24.4
Capital & investment expenditure	6.5	19.5	25.9	6.4
Net operating assets (pre tax) ¹	437.7	548.9	548.9	593.7
Total steel despatches (kt)	119.2	107.3	226.5	112.0

Key segment financial items (US\$M)

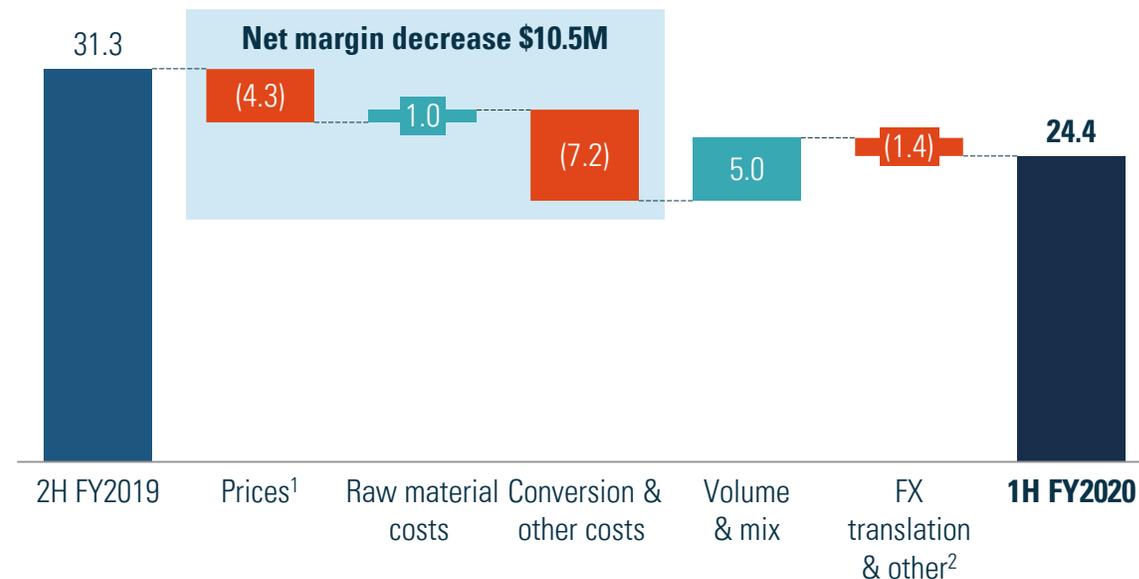
US\$M	1H FY2019	2H FY2019	FY2019	1H FY2020
Revenue	425.6	415.7	841.4	418.3
Underlying EBITDA	23.2	28.9	52.1	26.4
Underlying EBIT	16.1	21.8	37.8	16.7
Reported EBIT	16.1	21.8	37.8	16.7
Capital & investment expenditure	4.7	13.6	18.3	4.4
Net operating assets (pre tax)	308.4	384.6	384.6	415.4

Underlying EBIT variance

1H FY2020 vs 1H FY2019 (\$M)



1H FY2020 vs 2H FY2019 (\$M)



(1) Includes contribution from BlueScope Properties Group

(2) Includes the impact of AASB16 Leases

Note: FX translation relates to translation of foreign currency earnings to A\$, transactional foreign exchange impacts are reflected in the individual categories

1H	Six months ended 31 December in the relevant financial year
1H FY2018	Six months ended 31 December 2017
1H FY2019	Six months ended 31 December 2018
1H FY2020	Six months ended 31 December 2019
2H	Six months ended 30 June in the relevant financial year
2H FY2018	Six months ending 30 June 2018
2H FY2019	Six months ending 30 June 2019
2H FY2020	Six months ending 30 June 2020
AM	Next generation zinc, aluminium and magnesium coating technology
AASB16	New lease accounting standard, applicable from 1 July 2019. Comparative periods have not been restated
ASEAN	Association of South East Asian Nations
ASP	Australian Steel Products segment
A\$, \$	Australian dollar
BNA	Buildings North America segment
BOF	Blast furnace
BP or Building Products	Building Products Asia and North America segment
BPG	BlueScope Properties Group
BlueScope or the Group	BlueScope Steel Limited and its subsidiaries (ie. the consolidated group)
the Company	BlueScope Steel Limited (ie. the parent entity)
DPS	Dividend per share
D&A	Depreciation and amortisation
EAF	Electric Arc Furnace
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
EBS	Engineered building solutions, a key product offering of the Buildings North America and Building Products segments

EPS	Earnings per share
FY2018	12 months ending 30 June 2018
FY2019	12 months ending 30 June 2019
FY2020	12 months ending 30 June 2020
Gearing ratio	Net debt divided by the sum of net debt and equity
HRC	Hot rolled coil steel
IFRS	International Financial Reporting Standards
Leverage, or leverage ratio	Net debt over LTM underlying EBITDA
LTM	Last twelve months
MCL	Metal coating line
mt	Million metric tonnes
Net debt, or ND	Gross debt less cash
n/m	Not meaningful
NOA	Net operating assets pre-tax
North Star	North Star BlueScope Steel
NPAT	Net profit after tax
NSC	Nippon Steel Corporation
NZD	New Zealand dollar
NZPac	New Zealand & Pacific Steel segment
OEM	Original equipment manufacturer
ROIC	Return on invested capital (or ROIC) – underlying EBIT (annualised in case of half year comparison) over average monthly capital employed
TBSL	Tata BlueScope Steel
TCFD	Task Force on Climate-related Financial Disclosure
US	United States of America
US\$	United States dollar



1H FY2020 FINANCIAL RESULTS PRESENTATION

Mark Vassella
Managing Director and Chief Executive Officer

Tania Archibald
Chief Financial Officer

24 February 2020

BlueScope Steel Limited. ASX Code: BSL

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