



FY2014 Financial Results Presentation

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25 August 2014

BlueScope Steel Limited. ASX Code: BSL

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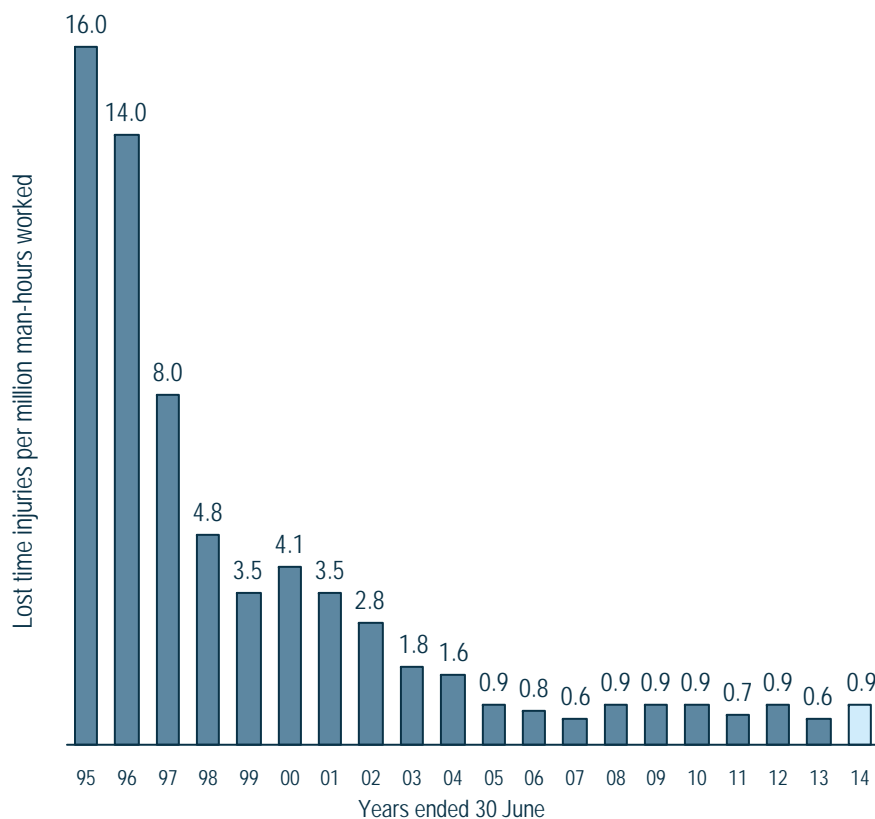
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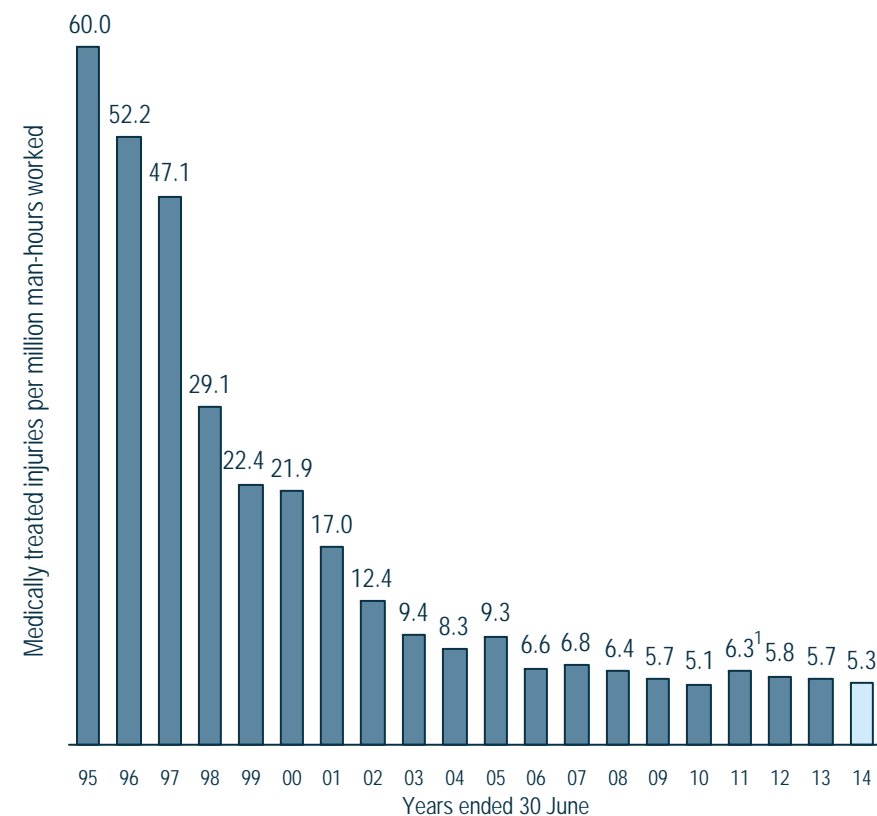
INTRODUCTION

Progress towards our goal of Zero Harm

Lost time injury frequency rate



Medically treated injury frequency rate



Note: 1 – The MTIFR baseline has been reset from 4.4 to 6.3. This change relates to revised principles that raise the bar on BlueScope's MTI definition

Charts include contractors from 1996, Butler from May 2004, 2007/08 acquisitions and Australian operational restructure in 2012

Summary

- FY2014 reported net loss after tax (NLAT) \$82.4M, a \$24.7M improvement on FY2013
- \$112.3M underlying net profit after tax (NPAT), growth of \$105.6M on FY2013
- \$89.6M 2H FY2014 underlying NPAT before period-end inventory net realisable value adjustments
- Net debt of \$261.6M at 30 June 2014. Remains <0.5x underlying EBITDA

Notes: - Underlying results are provided to assist readers better understand the underlying financial performance; refer to page 41 for information on the adjustments from reported financial information.

- Changes to AASB 119 Employee Benefits came into effect for BlueScope on 1 July 2013. The impact of this revised accounting standard is to increase defined benefit plan pension expense. Australian Accounting Standards require that comparative period financial information be adjusted to reflect the revised approach. Accordingly, FY2013 reported NLAT is adjusted down by \$23.0M to \$107.1M, and other FY2013 comparative data in this presentation have been adjusted to reflect this.



Summary

- Coated & Industrial Products Australia underlying EBIT of \$65.4M, up \$95.7M on FY2013, mainly due to higher domestic volumes, lower export volumes and increased spread. First positive EBIT result since FY2010
- Building Components & Distribution Australia underlying EBIT loss of \$22.8M. Slightly improved on last year but conditions remain difficult
- NZ Steel & Pacific underlying EBIT of \$74.7M, a significant lift over FY2013, driven by increased steel spreads, volume and sales mix, and higher export iron sands volumes
- Building Products ASEAN, North America & India underlying EBIT grew to \$88.9M; good improvements in North America and India

Summary

- Global Building Solutions underlying EBIT of \$18.5M. Strong performance in North America Buildings despite difficult winter period; China Buildings weaker
- Hot Rolled NA underlying EBIT of \$104.6M, 57% growth largely due to increased spreads
- Non-current asset carrying value adjustments:
 - Fully reversed \$88.1M (pre-tax) of prior period impairment write-downs at Building Products China
 - Reflecting current and projected market conditions we have taken write-downs predominantly in our Australian distribution and building solutions businesses, totalling \$87.6M (pre-tax)
- Completed three Australasian acquisitions. Incremental and close to our core operations. Integration and targeted financial benefits are on-track
- Taharoa iron sands exports expansions on-track

Financial headlines FY2014 vs. FY2013

\$M (unless marked)	YEAR ENDED		FY2014 vs FY2013
	30 JUNE 2013 ¹	30 JUNE 2014	
Total revenue	7,290.3	8,006.9	✓
External despatches of steel products	5,754.3	5,630.3	✓ Lower exports
EBITDA – Underlying ²	389.7	577.4	✓
EBIT – Reported	23.1	102.3	✓
– Underlying ²	74.1	249.7	✓
NPAT – Reported NLAT	(107.1)	(82.4)	✓
– Underlying ²	6.7	112.3	✓
EPS – Reported	(19.1) cps	(14.8) cps	✓
– Underlying ²	1.2 cps	20.1 cps	✓
Underlying EBIT Return on Invested Capital	1.8%	5.2%	✓
Net Cashflow From Operating Activities	161.0	407.1	✓
– After capex / investments	(148.5)	(30.8)	✓
Dividend	None	None	–
Net debt	148.4	261.6	Acquisitions

(1) Changes to AASB 119 Employee Benefits came into effect for BlueScope on 1 July 2013. The impact of this change has been to increase FY2014 defined benefit plan pension expense. In addition to the impact on FY2014 results, the revised accounting standard requires the FY2013 comparative results to also reflect the new requirements. FY2013 comparative data in this presentation have been adjusted to reflect this

(2) Please refer to page 41 for a detailed reconciliation of reported to underlying results



SEGMENT DISCUSSION

Coated & Industrial Products Australia

Underlying EBIT up \$95.7M to \$65.4M on better volume and spread

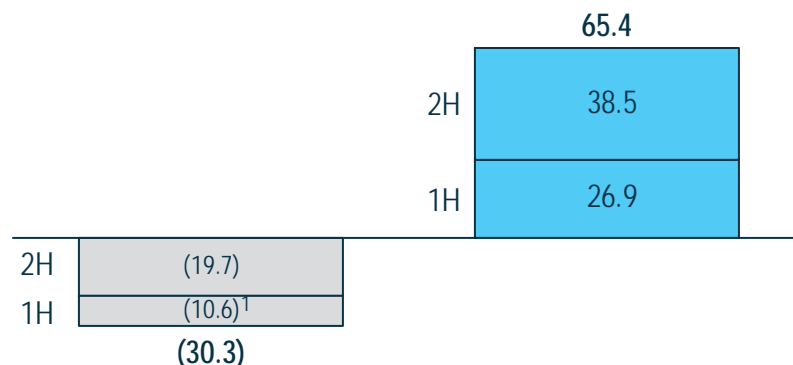
Comments on FY2014

- Lower export volumes combined with stronger domestic volumes (galvanised and painted products)
- Spread increased driven by higher domestic prices and lower raw material costs (mainly coal), partly offset by net adverse FX movement
- Continuing cost improvement initiatives combined with tight control on spend rates, and favourable provision movements
- Very positive response to major COLORBOND® Steel update in October 2013
- Blast furnace maintenance program proceeding well

1H FY2015 direction

- Market conditions within residential and non-residential construction improving; other end-use segments soft
- Raw material prices improved on 1H, but HRC prices lower
- Cost escalation largely offset by cost saving initiatives
- Blast furnace planned maintenance program – two shuts in 1H and one shut in 2H

Underlying EBIT (\$M)

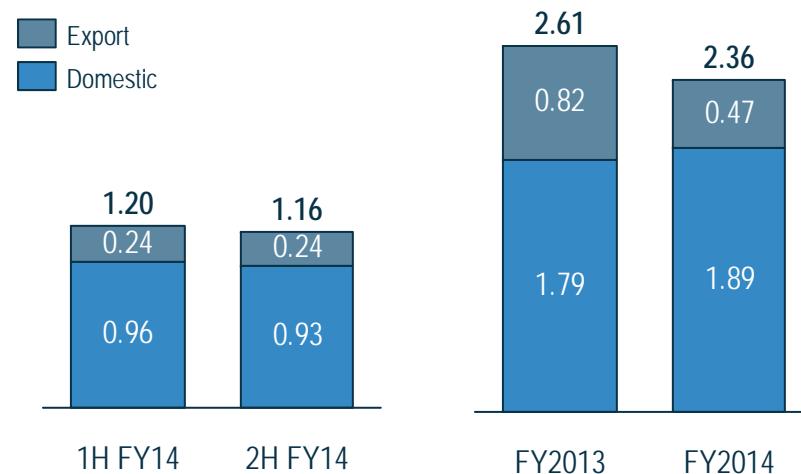


FY2013

FY2014

(1) Included \$36.6M one-off favourable workers compensation settlement

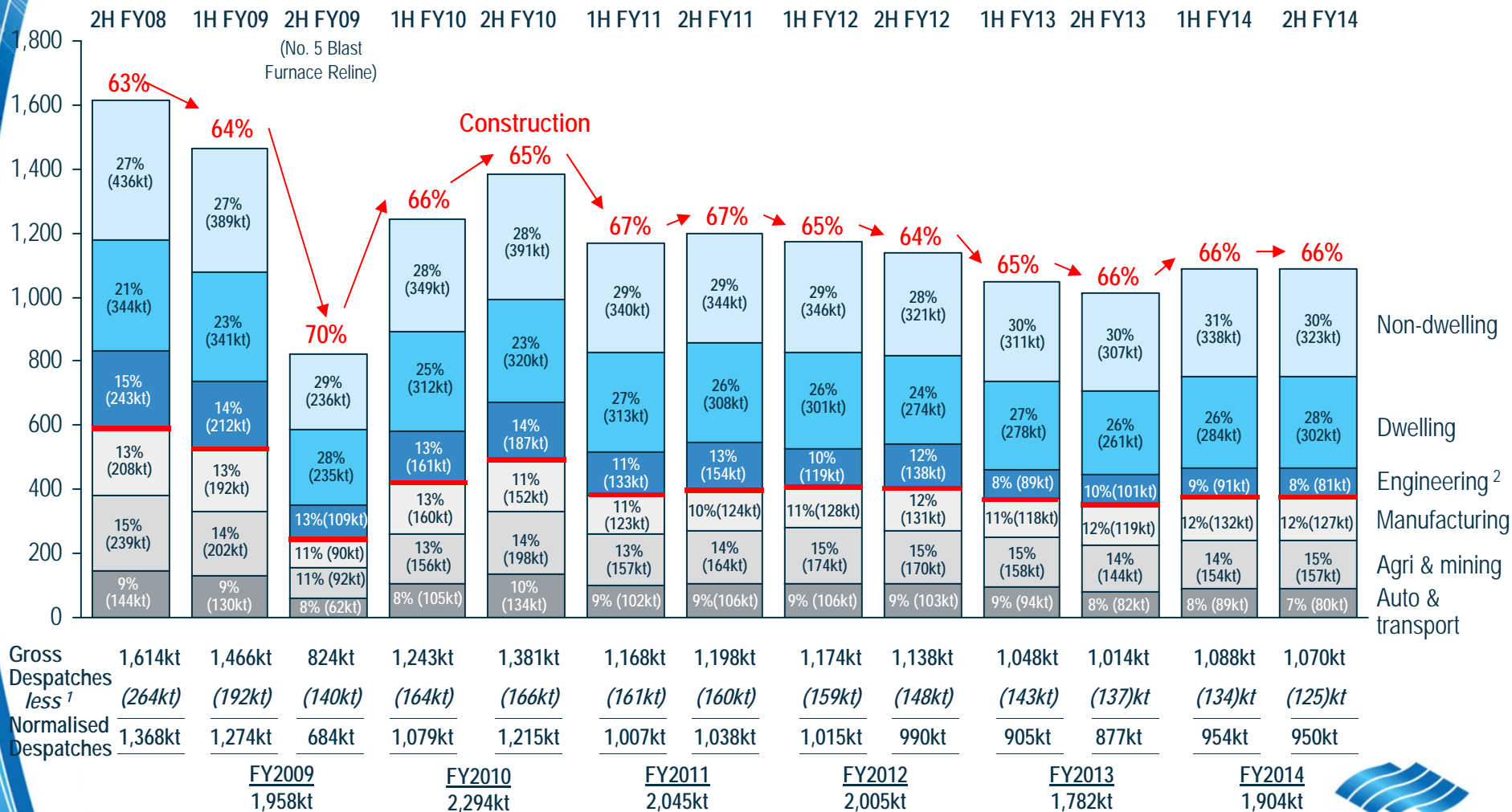
Total despatches (external & to other BSL segments, Mt)



Australian demand

Domestic despatches grew 7% in FY2014

Total Australian external despatch volumes (Kt)



(1) Normalised despatches exclude third party sourced products, in particular, long products

(2) Engineering includes infrastructure such as roads, power, rail, water, pipes, communications and some mining-linked use

Building Components & Distribution Australia

Integration of acquisitions on track; margins remain challenging

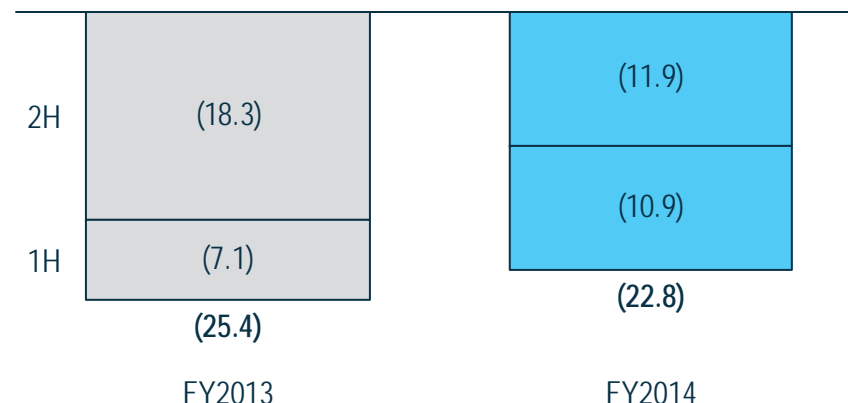
Comments on FY2014

- Higher despatch volumes driven by acquisitions and slightly better market activity
- Cost benefits realised from Lysaght restructuring, tight control of discretionary spending and higher production volumes
- Lower selling prices driven by strong A\$ and import competition

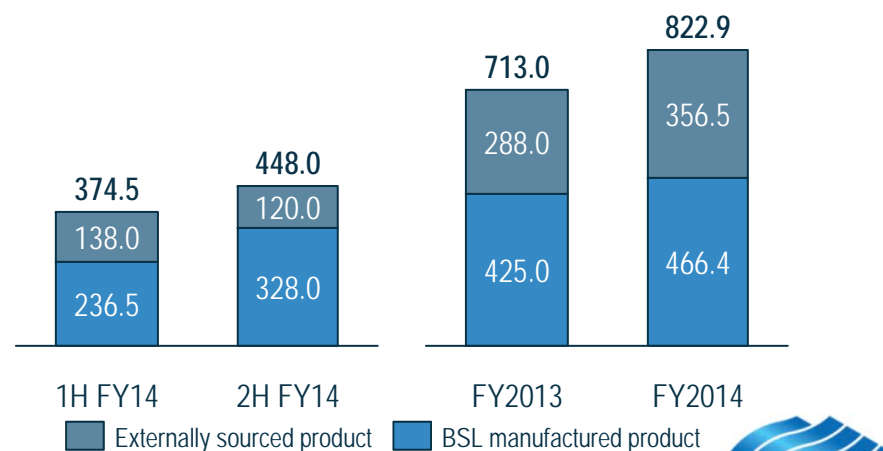
1H FY2015 direction

- Integration of acquisitions on track
- Market conditions within residential and non-residential construction improving; other end-use segments soft
- Distribution margins and volumes soft
- Includes Solutions Australia businesses from 1 July 2014 (formerly under GBS segment)

Underlying EBIT (\$M)



Total despatches (Kt)



New Zealand and Pacific Steel Products

EBIT grew \$40.9M on FY2013 through better steel mix and spread, and higher iron sands volumes

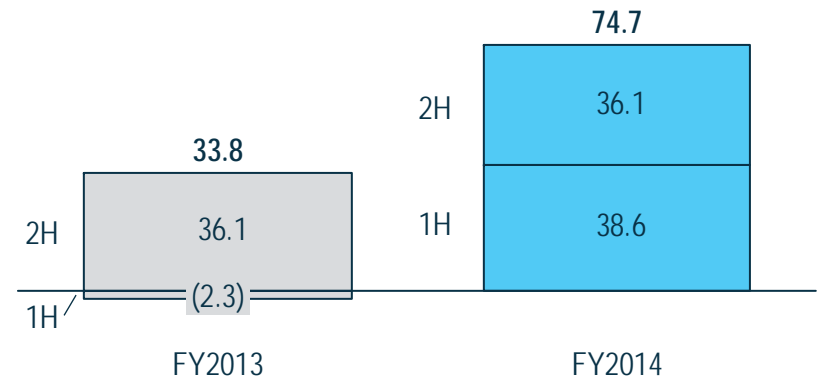
Comments on FY2014

- Better despatch mix with a higher proportion of domestic painted, ZINCALUME® and galvanised steel sales and lower export HRC despatches
- Higher iron sands despatch volumes and lower mining costs, partly offset by lower pricing in-line with global iron ore prices
- Higher steel spread mainly driven by lower coal costs
- Completed Pacific Steel acquisition

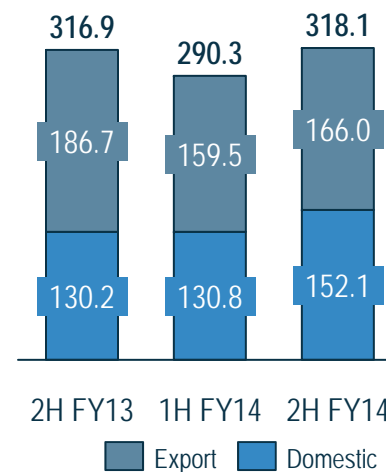
1H FY2015 direction

- Domestic building conditions expected to remain buoyant
- Financial performance influenced by iron sands volumes (expected to be similar to 2H), soft iron ore prices and strong NZD
- Integration of Pacific Steel on track

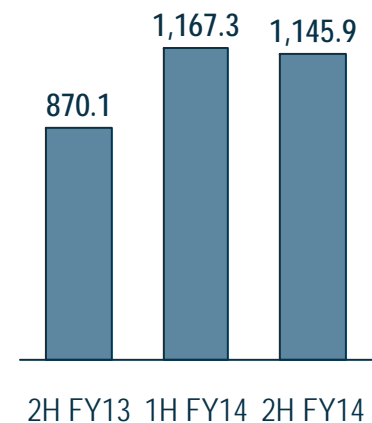
Underlying EBIT (\$M)



Steel despatches (Kt)

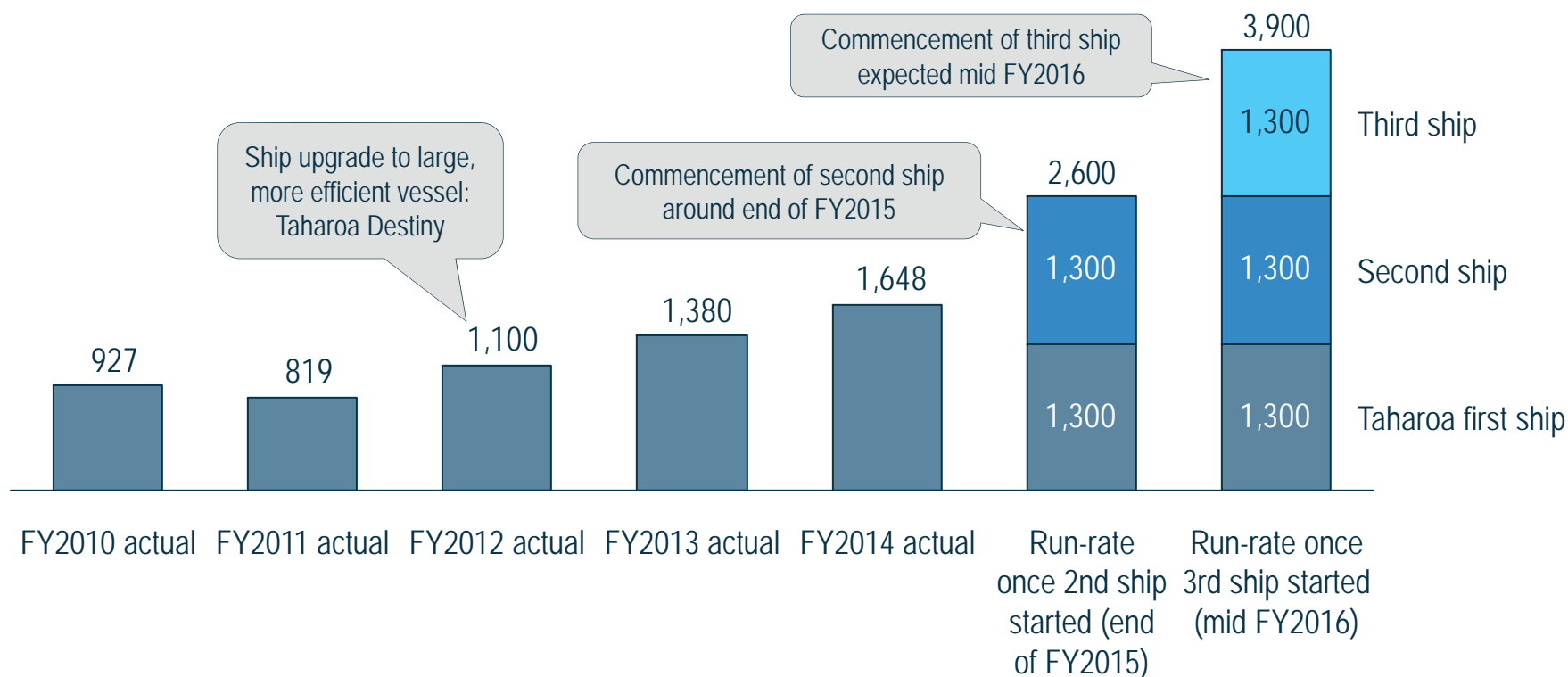


Iron sands despatches (Kt)



Growing iron sands exports

Taharoa iron sands exports – actual and forecast (kt)



- \$44M capital has been spent to upgrade facilities to accommodate Taharoa Destiny and second ship
- \$50M capital to be spent over FY2016 to FY2018 to expand production for third ship
- Additional export despatches from Waikato North Head mine of 666kt in FY2014

Note: annual single ship export capacity of ~1.3Mtpa exceeded in FY2014 through trans-shipments via Port Kembla

Australasian acquisitions complete and integrations on-track

Orrcon & Fielders

- Transaction completed on 28 February 2014
- Integration process:
 - Senior management integration complete
 - Back-office integration progressing well
- Acquisitions to exceed our 15% EBIT ROIC hurdle and be EPS accretive in FY2015

OneSteel sheet & coil assets

- Transaction completed on 1 April 2014
- Integration process:
 - Queensland and SA sites consolidated
 - NSW and WA sites integration near-complete
- Acquisitions to exceed our 15% EBIT ROIC hurdle and be EPS accretive in FY2015

Pacific Steel

- Transaction completed on 3 June 2014
- NZ\$50M project to install billet caster and associated plant at Glenbrook site is on track:
 - Preparatory civil works underway
 - Equipment delivery to commence from late 1H FY2015, with installation through 2H FY2015
 - Target start-up in late 1H FY2016
- Integration process:
 - Senior management integration complete
 - Back office integration commencing
- Expect EBIT pay-back within three years from transfer of billet production to Glenbrook
 - A profit sharing arrangement over the acquired assets has been agreed with Fletcher Building until Glenbrook billet caster commissioning completed

Building Products ASEAN, North America and India

Underlying EBIT growth of 12% on FY2013

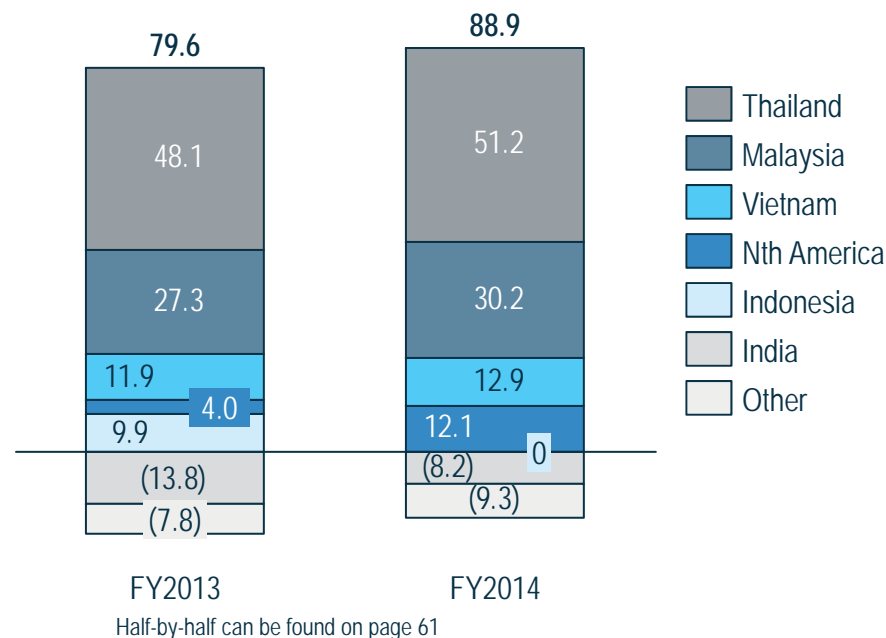
Comments on FY2014

- Overall: better volume/mix, partly offset by Thailand political instability and impact of IDR depreciation in 1H
- Thailand: successful initiatives in sales, marketing and operations. Impact in 2H from political instability
- Indonesia: impact of IDR depreciation in 1H; mitigation implemented. Ongoing focus on improving channels and competitiveness
- Malaysia: higher growth into residential/retail channels, and post-election buoyancy
- Vietnam: successful retail channel development; increased brand marketing, differentiation and relationship management
- North America: margins increased but some impact from weather in 2H; successful initiatives to enhance profitability
- India: stronger despatch volume combined with positive impact on cost per tonne

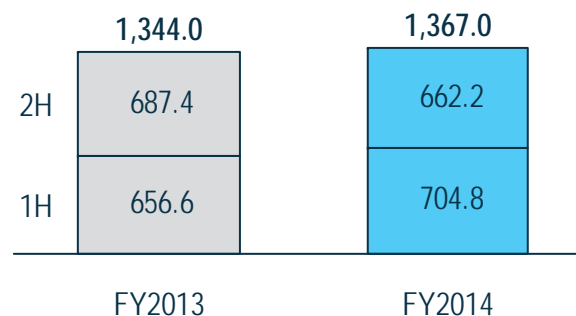
1H FY2015 direction

- Focus on project market leadership, growing retail brand and channel, product innovation, new markets development and Coated Products JV synergies
- 1H typically seasonally better in North America. Expect Indonesia improvement. Political situation expected to continue to impact Thailand performance

Underlying EBIT (\$M)



Total despatch volumes (Kt)



Global Building Solutions

Continuing lift in U.S. performance but softer China building margins

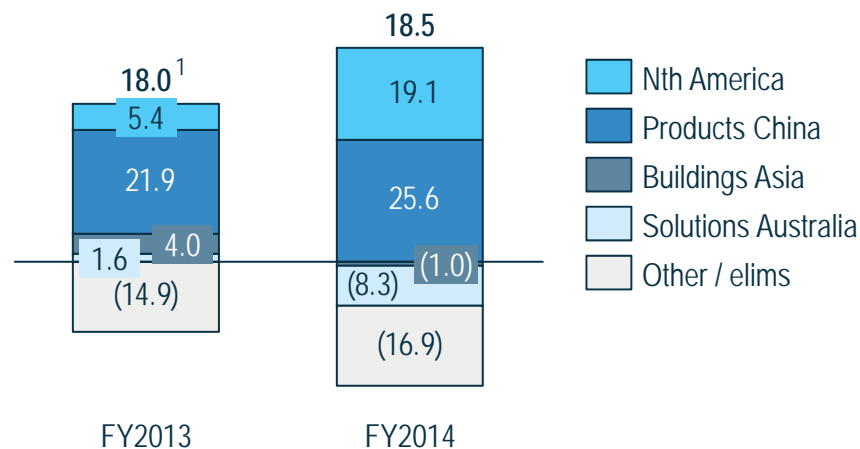
Comments on FY2014

- Overall: higher volumes and resulting cost benefit, partly offset by weaker margins across all regions
- North America:
 - Higher volumes – continued growth in non-residential construction. Activity lifted in all major end-use sectors
 - Resultant benefit of lower per unit conversion costs
 - Unseasonably cold weather in 2H constrained performance, but strong backlog going into FY2015
- Buildings Asia: Margins softened with premium building market having weakened further
- Building Products China: better volumes and lower conversion costs, partly offset by weaker margins
- Solutions Australia: losses due to challenging market conditions

1H FY2015 direction

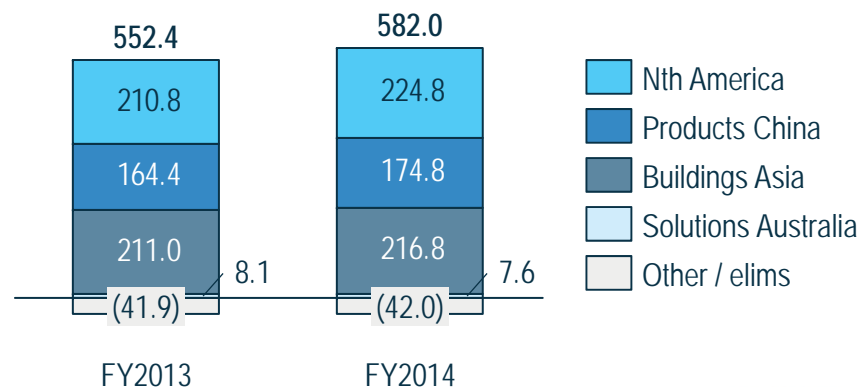
- China buildings demand remains weak. Execution of restructuring
- Expect North America growth to continue, with strong backlog and activity levels at start of FY2015

Underlying EBIT (\$M)



Half-by-half can be found on page 64

Total despatch volumes (Kt)



(1) 1H FY2013 underlying earnings include an unfavourable \$7.7M prior period (FY2005-FY2009) provision adjustment in Buildings Asia. Chart includes this unfavourable item

Hot Rolled Products North America

Underlying EBIT grew 57% on FY2013 mainly from stronger spread

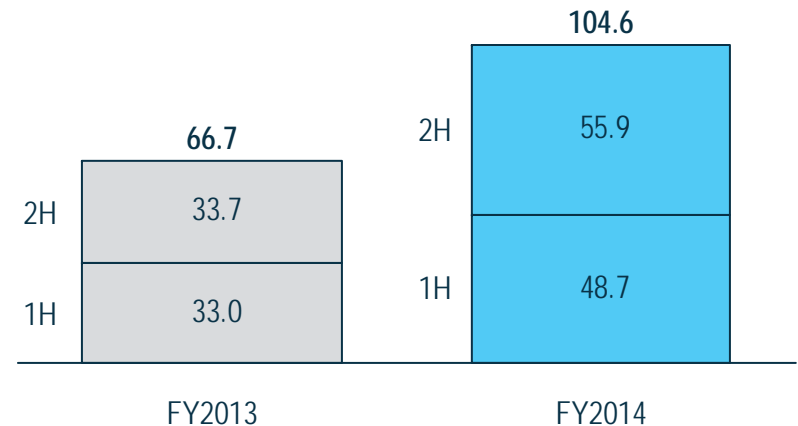
Comments on FY2014

- Spread increased primarily due to higher hot rolled coil prices, partly offset by higher scrap costs
- Favourable FX translation from weaker A\$
- Conversion costs saving initiative more than offset by utility price increases

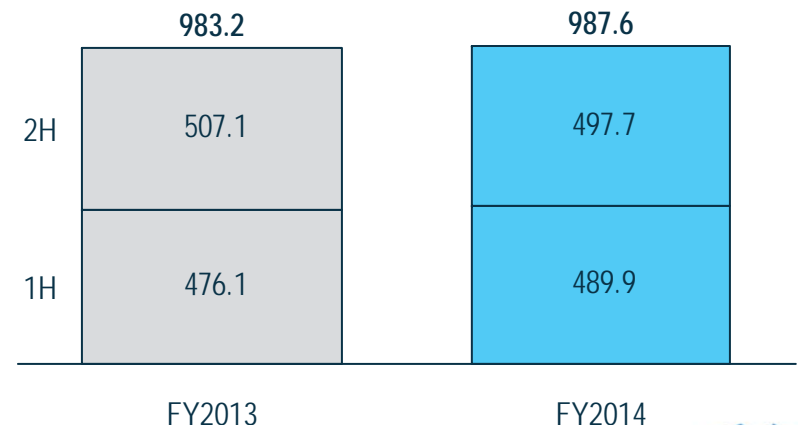
1H FY2015 direction

- Spreads levels continue to be strong into 1H FY2015
- Continue to look at productivity enhancement initiatives

Underlying EBIT¹ (\$M)



Despatch volumes (BSL 50% share, Kt)



(1) Underlying EBIT recognised for Hot Rolled Products North America is mainly comprised of BlueScope's share of net profit for the North Star BlueScope Steel JV



FINANCIALS

Underlying earnings

\$M	FY2013	FY2014	2H FY14
Underlying EBIT	74.1	249.7	113.3
Underlying borrowing costs	(69.8)	(68.2)	(38.1)
Interest revenue	3.6	3.7	1.8
Profit from ordinary activities before tax	7.9	185.2	77.0
Underlying income tax (expense)/benefit	20.3	(28.3)	4.6
Underlying NPAT from ordinary activities	28.2	156.9	81.6
Net (profit)/loss attributable to outside equity interest	(21.5)	(44.6)	(18.4)
Underlying NPAT attributable to equity holders of BSL	6.7	112.3	63.2
Add-back period-end net realisable value adjustment charge	29.0	26.4	26.4
Underlying NPAT before period-end NRV charge	35.7	138.7	89.6

Significant lift in underlying EBIT

FY2014 costs lower on lower average debt levels. 2H includes higher costs of the NZ ASU finance lease and higher average debt balance

Mix of earnings and FY2013 true-up. Expect average underlying rate of 20-25% in FY2015

Note: Changes to AASB 119 Employee Benefits came into effect for BlueScope on 1 July 2013. The impact of this change has been to increase FY2014 defined benefit plan pension expense. In addition to the impact on FY2014 results, the revised accounting standard requires the FY2013 comparative results to also reflect the new requirements. FY2013 comparative data in this presentation have been adjusted to reflect this

Reconciliation between reported NPAT and underlying NPAT¹

	2H FY2014 NPAT / (NLAT) \$M	FY2014 NPAT / (NLAT) \$M
Reported net loss after tax	(86.1)	(82.4)
<i>Underlying adjustments</i>		
Deferred tax impairment	93.3	110.5 *
Restructuring & redundancy costs ²	50.3	55.8
Steel Transformation Plan (STP) release to align with carbon costs	16.1	32.1
Business development and acquisition costs	14.2	18.4
Asset impairments	66.1	66.1
Asset impairment write-back	(88.1)	(88.1)
Asset sales	(7.7)	(5.5)
Discontinued Business (gains) / losses	5.5	5.5
Underlying net profit after tax (incl period-end NRV provision)	63.2	112.3
<i>Add back</i> period-end net realisable value provision	26.4	n/a
Underlying NPAT in terms of market guidance (pre-NRV)	89.6	n/a

Notes: * The company has deferred the recognition of a tax asset totalling \$110.5M in respect to tax losses generated during FY2014, in relation to the Company's Australian operations. The company has deferred the recognition of any further tax asset for the Australian tax group until a return to taxable profits has been demonstrated. Unrecognised Australian tax losses are able to be carried forward indefinitely

1 – Underlying NPAT is 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 full year financial report which has been audited. Detail can be found in Table 2A of the ASX Earnings Report for the year ended 30 June 2014 (document under Listing Rule 4.3a)

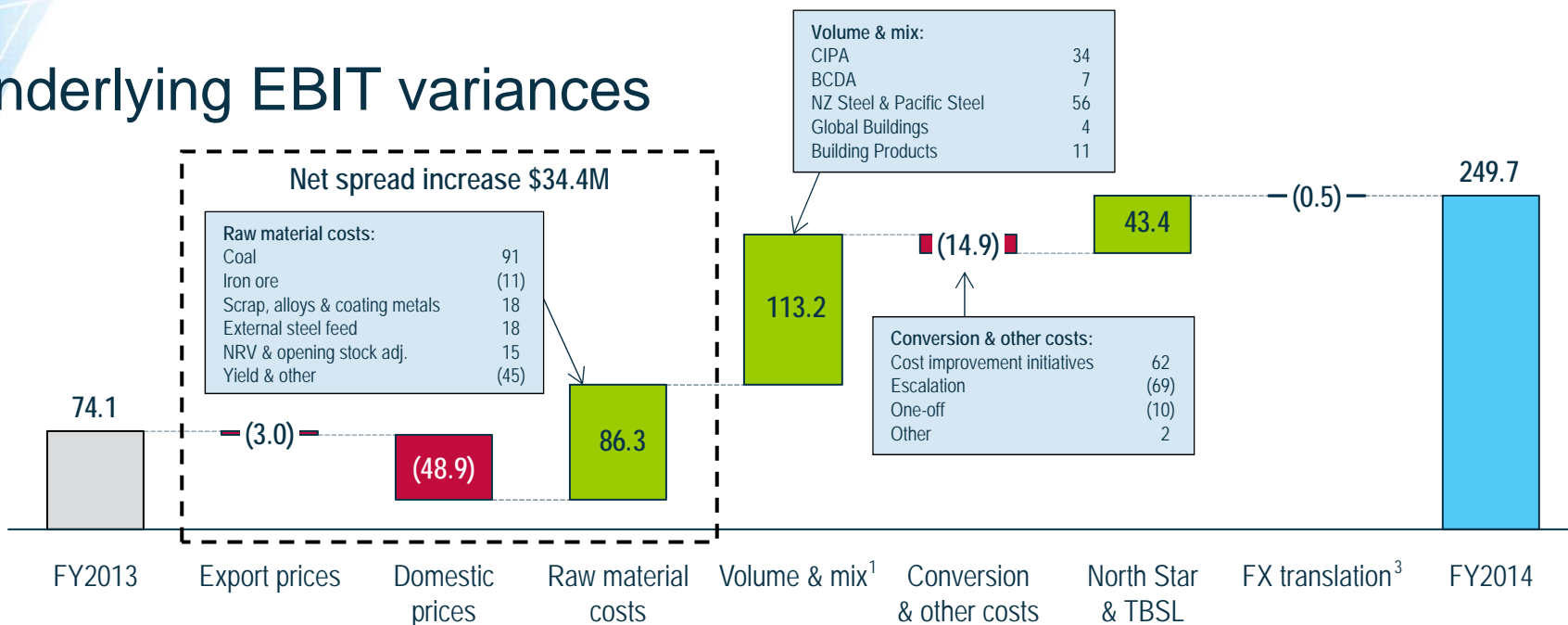
2 – Reflects staff redundancies and restructuring costs at CIPA, Building Products and GBS segments

Non-current asset carrying values

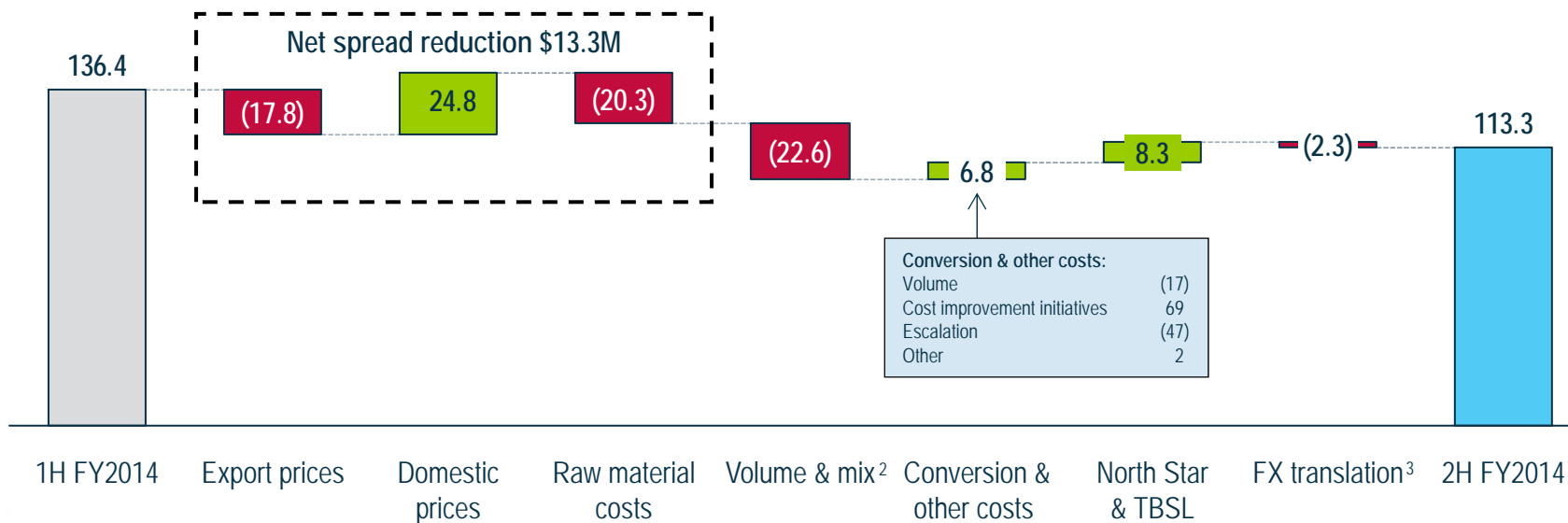
- Write-back of carrying value of China Building Products:
 - Full reversal of previously impaired non-current assets (\$88.1M pre-tax) as a result of strong historical and projected financial performance
- Write-downs in our Australian distribution and building solutions businesses:
 - Distribution – fixed assets and intangibles write off (\$52.1M pre-tax) resulting from lower sales volumes, challenges of a high AUD:USD improving the affordability of imports and strong market competition negatively impacting margins. While financial performance is expected to improve its extent is uncertain
 - Buildings and Water Australia – fixed assets and intangibles write off (\$28.3M pre-tax) resulting from challenging market conditions
- In addition, at CIPA:
 - We took a fixed asset write off (\$7.2M) relating to the Western Port Hot Strip Mill as a result of a review of the likely recoverable value of this not-in-use asset

Underlying EBIT variances

FY2014 vs FY2013 \$M



2H FY2014 vs 1H FY2014 \$M



Notes: 1) Volume / mix based on FY2013 margins

2) Volume / mix based on 1H FY2014 margins

3) FX translation relates to translation of foreign currency earnings to AUD, transactional foreign exchange impacts are reflected in the individual categories

Cash flow – 153% growth in operating cash

\$M	FY2013	FY2014	1H FY14	2H FY14
Reported EBITDA	338.7	429.9	259.1	170.8
Adjust for other cash profit items	23.6	(1.2)	5.6	(4.4)
Cash from operations	315.1	431.1	264.7	166.4
Working capital movement (inc provisions)	(2.3)	68.3	(91.6)	159.9
Gross operating cash flow	312.8	499.4	173.1	326.3
Financing costs	(91.0)	(55.6)	(23.7)	(31.9)
Interest received	3.6	3.7	1.9	1.8
(Payment) / refund of income tax ¹	(64.4)	(40.4)	(23.9)	(16.5)
Net operating cash flow	161.0	407.1	127.4	279.7
Capex: payments for P, P & E and intangibles	(302.8)	(306.1)	(118.0)	(188.1) ²
Other investing cash flow	(6.7)	(131.8)	6.8	(138.6)
Net cash flow before financing	(148.5)	(30.8)	16.2	(47.0)
Equity issues	-	-	-	-
Dividends	(3.4)	(42.9)	(29.9)	(13.0)
Transactions with non-controlling interests	438.9	1.6	1.6	-
Net drawing / (repayment) of borrowings	(6.1)	26.8	34.7	(7.9)
Net increase/(decrease) in cash held	280.9	(45.3)	22.6	(67.9)

Strong working capital performance, including \$103M benefit from timing of year-end cash flows

2H includes higher costs of the NZ ASU finance lease and higher average debt balance

Predominantly investment in Fielders, Orrcon, OneSteel Sheet & Coil and Pacific Steel Group. Net of asset sales

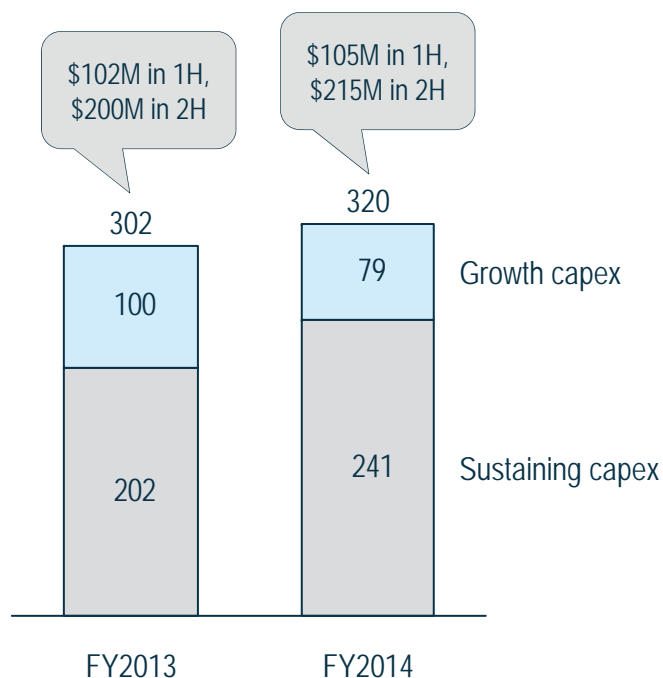
Predominantly dividends paid to holders of outside equity interests on BlueScope controlled entities, eg NSSMC

(1) As at 30 June 2014 the BlueScope Steel Australian tax consolidated group is estimated to have carried forward tax losses in excess of \$2.9Bn. There will be no Australian income tax payments until these losses are recovered

(2) Cash capex of \$188M in 2H FY2014; new capital commitments of \$215M

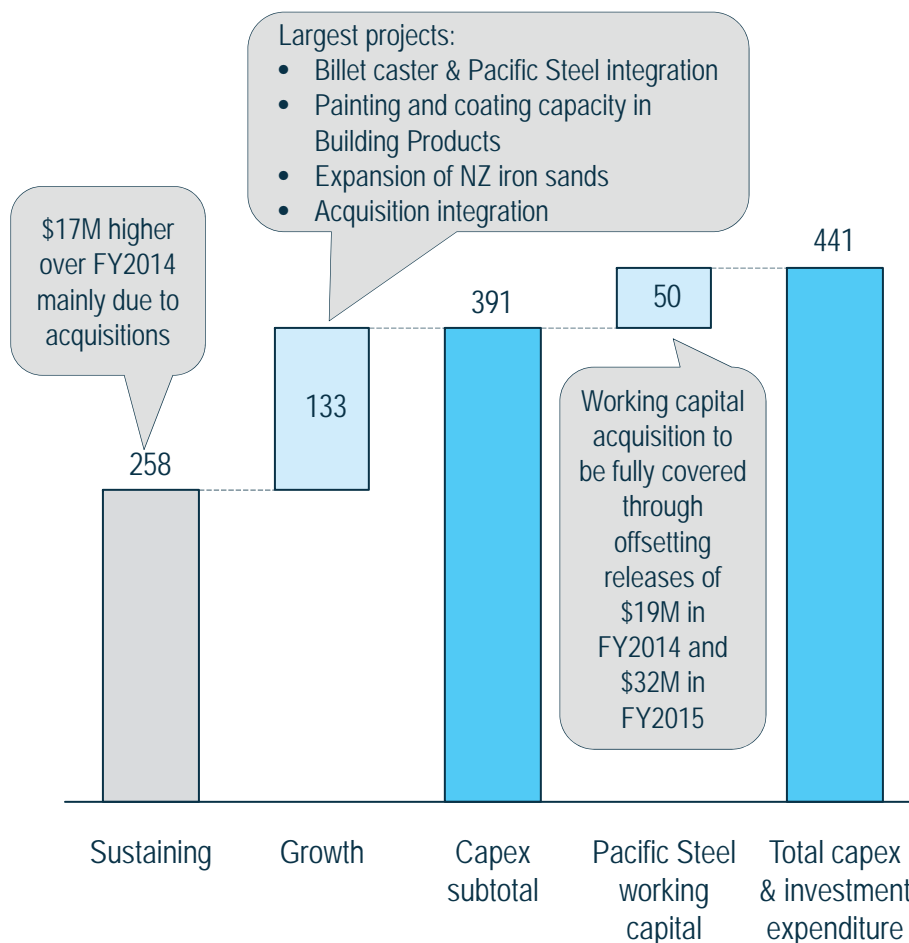
Capital and investment expenditure

FY2014 capital expenditure commitments (\$M)



- Largest individual growth capex items in FY2014:
 - Expansion of iron sands business in New Zealand \$22M
 - Painting and coating capacity in Building Products \$17M

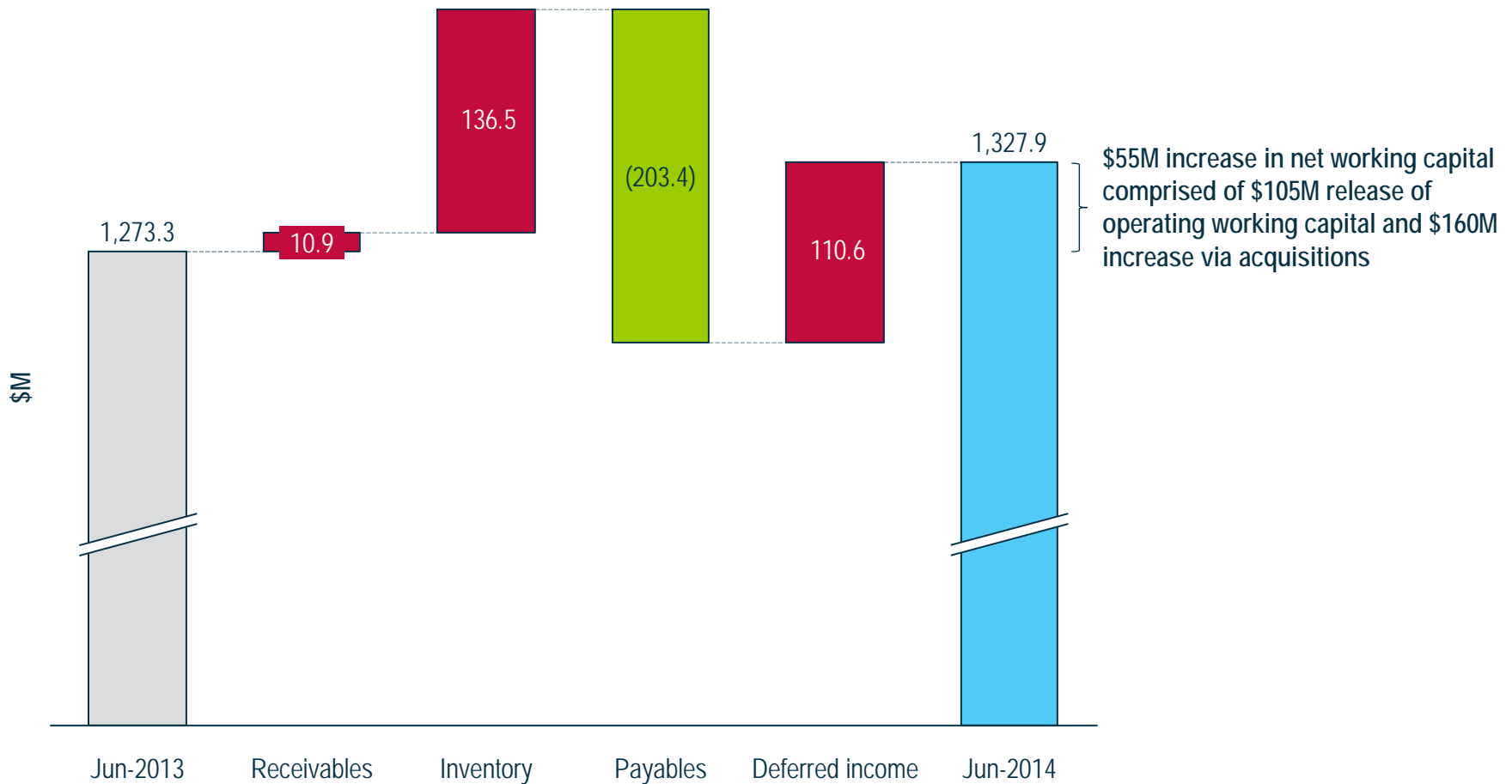
Expected FY2015 capital and investment expenditure (\$M)



Note: sustaining capex in FY2014 and FY2015 includes \$25m relating to the planned blast furnace maintenance stoppages

Net working capital

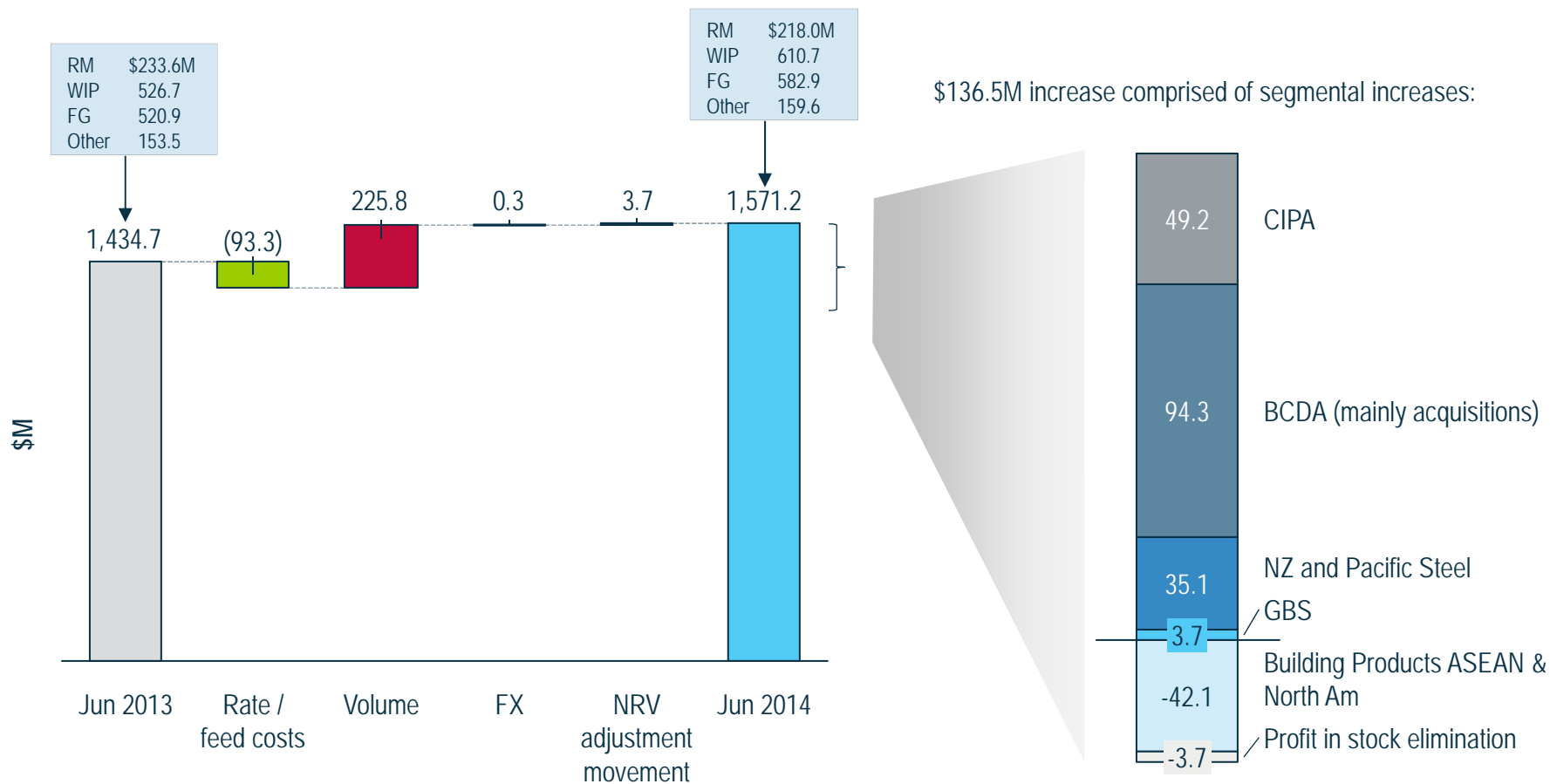
Operational improvement; overall increase due to acquisitions



Note: Following the repeal of the Australia Carbon tax, the Australian Federal Government has also abolished the Steel Transformation Plan (STP). As a result, the \$83M future STP receivable and corresponding deferred income amount have been derecognised from the balance sheet, and these respective movements are reflected in the chart above (noting there is nil impact on net working capital overall)

Inventory increase

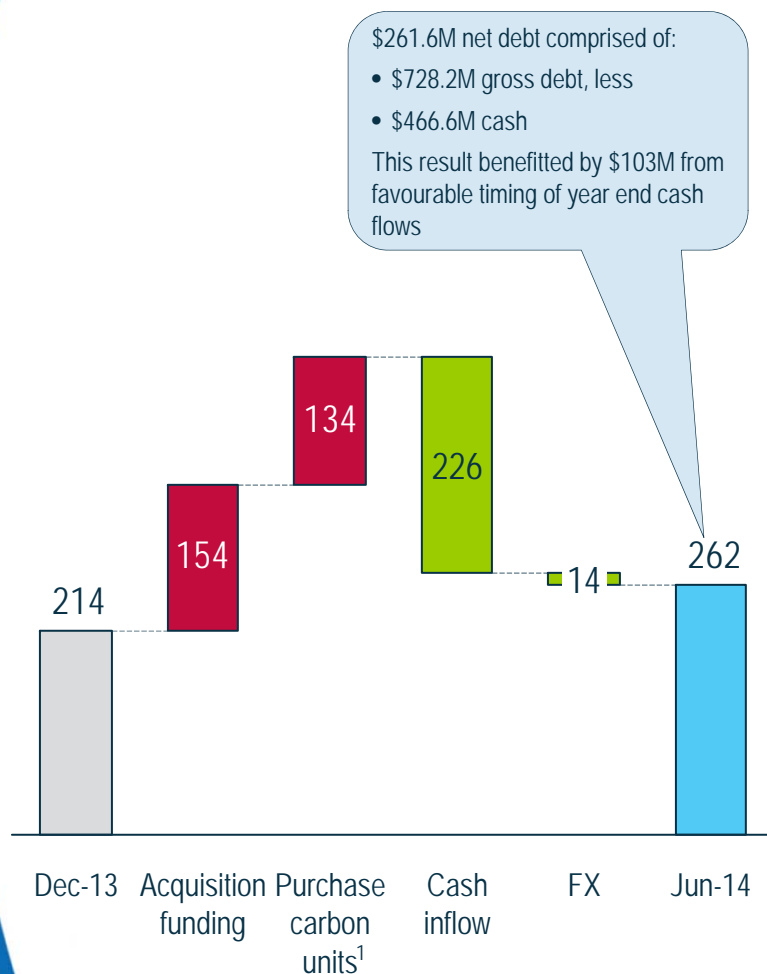
Higher volumes on hand driven by acquisitions, higher demand and planned maintenance



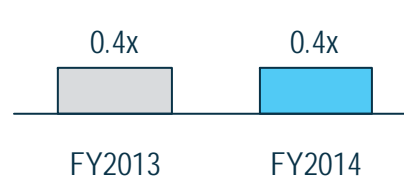
Note: 'RMS' is raw materials (including externally sourced steel feed to BSL businesses)
 'WIP' is work in progress
 'FGS' is finished goods
 'Other' is primarily operational spare parts

Balance sheet – low gearing maintained

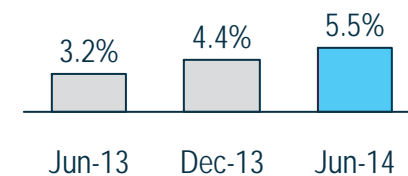
Net debt (\$M)



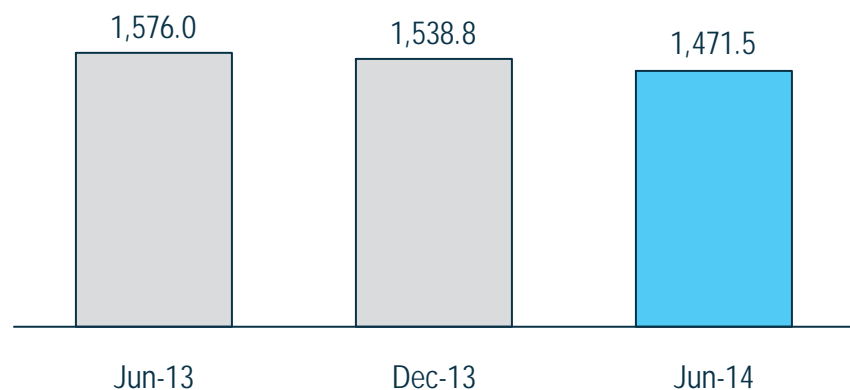
Net debt / EBITDA



Gearing (ND/ND+E)

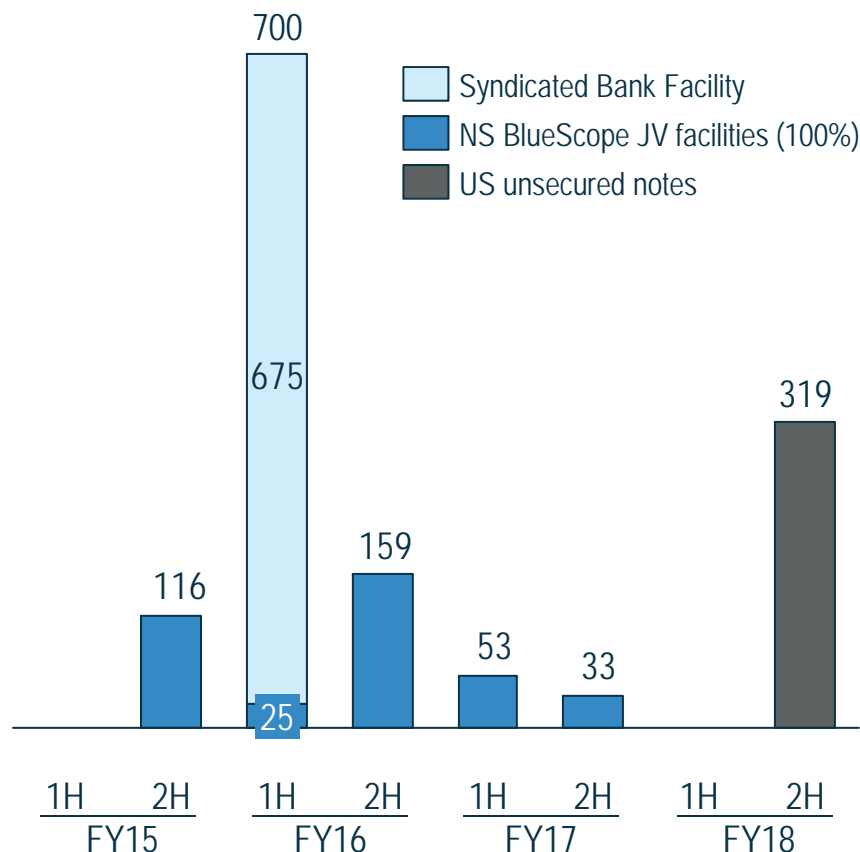


Liquidity (undrawn facilities and cash, \$M)



(1) As foreshadowed in 1H FY2014 results presentation

Debt facilities maturity profile at 30 June 2014



Notes:

- based on AUD/USD at US\$0.9414 at 30 Jun 2014
- Syndicated Bank Facility was largely undrawn at 30 June 2014 – refer to page 39

Receivables securitisation program:

- In addition to debt facilities, BSL has an undrawn receivables securitisation program
- \$150M maturing September 2015

Current estimated cost of facilities:

- Approximately 5-6% interest cost on gross drawn debt; *plus*
- commitment fee on undrawn part of Syndicated Bank Facility of 1.2%; *plus*
- amortisation of facility establishment fees and the discount cost of long-term provisions of \$11M pa (approx 50/50 mix; non-cash);
- *less:* interest on cash.

CIPA planned maintenance

- The program to change out wearing staves on the Port Kembla blast furnace has commenced and is progressing well
- This program is in line with industry best practice, and we are benefitting from technical support being provided by NSSMC
- In 1H FY2014 planned blast furnace maintenance stoppages of cost equivalent to a single stoppage were held; and in 2H stoppages were held in January and May. Approximately four more stoppages are planned across FY2015 and 1H FY2016
- Financial impacts:

	FY2014	FY2015
Blast furnace maintenance stoppages	<ul style="list-style-type: none"> • In 1H FY2014 planned blast furnace maintenance stoppages of cost equivalent to a single stop were held; and in 2H stoppages were held in January and May 	<ul style="list-style-type: none"> • Three expected: two of which in 1H
Production	<ul style="list-style-type: none"> • 120kt lower production (60% in 2H FY2014) against 2.6Mtpa normalised rate 	<ul style="list-style-type: none"> • ~100kt lower production (80% in 1H) against 2.6Mtpa normalised rate
Earnings	<ul style="list-style-type: none"> • Unfavourable impact due to lower fixed cost recoveries and yields, fully offset by cost savings, lower conversion costs and lower losses due to lower export despatches 	<ul style="list-style-type: none"> • Expect similar to FY2014
Cash: capex	<ul style="list-style-type: none"> • Gross capex of \$25M, net of \$15M 	<ul style="list-style-type: none"> • Expect similar to FY2014
Cash: working capital	<ul style="list-style-type: none"> • One off \$35M investment in inventory as at 30 June 2014 	<ul style="list-style-type: none"> • Not expected to be material

Indicative EBIT sensitivities for 1H FY2015

Estimated impact on
1H FY2015 EBIT A\$M¹

Assumption

+/- US\$25 / tonne movement in BlueScope's average realised export HRC price ²	26
+/- 1¢ movement in Australian dollar / US dollar exchange rate ³	2
+/- US\$10 / tonne movement in coal costs ⁴	9
+/- US\$10 / tonne movement in iron ore costs ⁴	20

(1) Assumed 1H FY2015 base exchange rate is US\$0.92

(2) The change in export HRC price assumes proportional effect on export products and flow on to domestic pipe and tube market. This does not include the potential impact on Australian domestic coated product prices, as the flow on effect in the short term is less certain

(3) The movement in the Australian dollar/US dollar exchange rate includes the impact on US dollar denominated export prices and costs, restatement of US dollar denominated receivables and payables and the impact of translating the earnings of offshore operations to A\$. Does not reflect impact on Australian domestic pricing.

(4) Coated & Industrial Products Australia costs



OUTLOOK & SUMMARY

Recent initiatives will boost future earnings

Fielders and Orrcon acquisition	<ul style="list-style-type: none">Expected to exceed our 15% EBIT ROIC hurdle and be EPS accretive in FY2015
OneSteel Sheet & Coil acquisition	<ul style="list-style-type: none">Expected to exceed our 15% EBIT ROIC hurdle and be EPS accretive in FY2015
Pacific Steel Group downstream business	<ul style="list-style-type: none">Expect EBIT pay-back within three years from transfer of billet production to Glenbrook (expected late in 1H FY2016)
Second iron sands export ship for Taharoa (1.3Mtpa)	<ul style="list-style-type: none">Ship under construction; targeted to commence around the end of FY2015
Third iron sands export ship for Taharoa (1.3Mtpa)	<ul style="list-style-type: none">Ship under construction; targeted to commence mid FY2016

Key priorities going into FY2015

Australia & New Zealand	<ul style="list-style-type: none">• Deliver benefits of acquisitions, and progress announced iron sands expansions• Maintain or build on market leading positions in Australian flat steel products to grow domestic volumes<ul style="list-style-type: none">– Capture higher residential construction volumes driven by increased construction activity. BIS Shrapnel and HIA forecasting 7.5% and 1.8% growth in residential construction in FY2015, respectively¹• Minimise impact of cost inflation / pursue cost reductions
Building Products ASEAN, North America & India	<ul style="list-style-type: none">• Capture benefit from non-residential construction markets which are growing 6-9% pa²• Deliver benefits of new products and new customers through NSSMC relationship• Improve performance in Indonesia, and manage Thailand business through political instability
Global Building Solutions	<ul style="list-style-type: none">• Capture benefit of forecast 14% US non-residential construction growth in FY2015³• Management intervention to improve performance of China business• Continue to expand global accounts business
Hot Rolled Products North America	<ul style="list-style-type: none">• Maintain profitability with low cost, highly flexible operations• Maintain strong focus on customer relations• Continue to look at productivity enhancement initiatives
Balance sheet	<ul style="list-style-type: none">• Maintain robust balance sheet

Source

1. BIS Shrapnel, HIA
2. IMA Asia, IHS Global Insight
3. F.W. Dodge forecasts (non-res sq ft)

1H FY2015 outlook

- We expect first half FY2015 underlying NPAT similar to second half FY2014, subject to spread, FX and market conditions
- Conditions in building construction markets of our key global regions are positive. We expect 1H FY2015 will benefit from expanding domestic margins; contributions from recent acquisitions; our restructuring in China; and growth and typical seasonality in North America. Offsetting factors include lower iron ore prices reducing New Zealand iron sands revenue, the unresolved political situation in Thailand and normalisation of the underlying tax rate



QUESTIONS & ANSWERS



ADDITIONAL INFORMATION

Summary of financial items by segment

Sales revenue

\$M	FY13	1H14	2H14	FY14
Coated & Industrial Products Australia	3,349.4	1,781.6	1,820.6	3,602.2
Build Components & Dist Australia	1,375.6	714.3	871.3	1,585.6
NZ and Pacific Steel Products	681.0	419.6	451.3	870.9
Global Building Solutions	1,363.3	807.1	715.7	1,522.8
Building Products ASEAN, NA & India	1,635.5	915.5	827.4	1,742.9
Hot Rolled Products North America	0.0	0.0	0.0	0.0
Intersegment, Corporate & Discontinued	(1,130.6)	(655.7)	(687.6)	(1,343.3)
Total	7,274.2	3,982.4	3,998.7	7,981.1

Underlying EBITDA

\$M	FY13	1H14	2H14	FY14
Coated & Industrial Products Australia	140.4	113.9	121.7	235.6
Build Components & Dist Australia	(8.1)	(2.7)	(4.2)	(6.9)
NZ and Pacific Steel Products	80.8	63.7	63.8	127.5
Global Building Solutions	50.8	34.6	21.3	55.9
Building Products ASEAN, NA & India	127.4	76.9	63.0	139.9
Hot Rolled Products North America	66.7	48.7	55.9	104.6
Intersegment, Corporate & Discontinued	(68.3)	(34.0)	(45.2)	(79.2)
Total	389.7	301.1	276.3	577.4

Total steel despatches

'000 tonnes	FY13	1H14	2H14	FY14
Coated & Industrial Products Australia	2,614.9	1,198.7	1,164.3	2,363.0
Build Components & Dist Australia	712.9	374.5	448.4	822.9
NZ and Pacific Steel Products	578.0	290.3	318.2	608.5
Global Building Solutions	552.4	309.3	272.8	582.1
Building Products ASEAN, NA & India	1,344.0	704.8	662.2	1,367.0
Hot Rolled Products North America	983.2	489.9	497.7	987.6
Intersegment & Discontinued	(1,031.1)	(558.3)	(542.6)	(1,100.8)
Total	5,754.3	2,809.2	2,821.0	5,630.3

Underlying EBIT

\$M	FY13	1H14	2H14	FY14
Coated & Industrial Products Australia	(30.3)	26.9	38.5	65.4
Build Components & Dist Australia	(25.4)	(10.9)	(11.9)	(22.8)
NZ and Pacific Steel Products	33.8	38.6	36.1	74.7
Global Building Solutions	18.0	16.2	2.3	18.5
Building Products ASEAN, NA & India	79.6	50.9	38.0	88.9
Hot Rolled Products North America	66.7	48.7	55.9	104.6
Intersegment, Corporate & Discontinued	(68.3)	(34.0)	(45.6)	(79.6)
Total	74.1	136.4	113.3	249.7

Committed debt facilities as at 30 June 2014

	Maturity	Committed		Drawn
		Local currency	A\$M	A\$M
Syndicated Bank Facility	December 2015	A\$675M	A\$675M	A\$27M
US unsecured notes	May 2018	US\$300M	A\$319M	A\$319M
NS BlueScope JV facilities (100%)				
- Corporate facilities	Mar 2015	US\$100M	A\$106M	A\$14M
- Corporate facilities	Mar – Jul 2016	US\$200M	A\$212M	A\$165M
- Thailand facilities	Aug 2015 – Jan 2017	THB 1,750M	A\$58M	-
- Malaysian facilities	Apr 2015	MYR 30M	A\$10M	-
Finance leases	Various	Various	A\$199M	A\$199M
Total			\$1,579M	A\$724M

Note: assumes AUD/USD at US\$0.9414

- In addition to debt facilities, BSL has a receivables securitisation program of \$150M maturing September 2015 (fully undrawn at 30 June 2014) and other items in total debt of (\$4M)

Balance sheet

\$M	30 Jun 2013	31 Dec 2013	30 Jun 2014
Assets			
Cash	513.7	544.7	466.6
Receivables *	1,097.7	1,057.3	1,108.6
Inventory *	1,434.7	1,542.4	1,571.2
Property, Plant & Equipment	3,419.6	3,446.2	3,515.3
Intangible Assets	496.5	495.4	484.6
Other Assets	368.7	390.3	372.6
Total Assets	7,330.9	7,476.3	7,518.9
Liabilities			
Trade & Sundry Creditors *	995.1	950.2	1,198.5
Capital & Investing Creditors	44.9	29.4	61.9
Borrowings	662.1	758.4	728.2
Deferred Income *	264.0	291.6	153.4
Retirement Benefit Obligations	217.0	145.7	162.6
Provisions & Other Liabilities	687.6	698.8	757.6
Total Liabilities	2,870.7	2,874.1	3,062.2
Net Assets	4,460.2	4,602.2	4,456.7
Note *: Items included in net working capital	1,273.3	1,357.9	1,327.9

Reconciliation of reported to underlying earnings by nature of item

\$M		FY2013	FY2014	1H FY2013	2H FY2013	1H FY2014	2H FY2014
Reconciliation of EBITDA and EBIT							
EBITDA ²	Reported	338.7	430.0	189.7	149.0	255.7	174.3
EBIT ²	Reported	23.1	102.3	32.3	(9.3)	91.0	11.3
	Discontinued business (gains)/losses	8.4	7.1	(0.2)	8.6	0.3	6.8
	Business development and acquisition costs	2.5	26.6	1.6	0.9	6.0	20.6
	Restructure / redundancies	31.8	72.6	5.0	26.9	9.3	63.3
	Asset impairments	-	87.6	-	-	-	87.6
	Asset impairment write-back	-	(88.1)	-	-	-	(88.1)
	Asset sales	-	(4.1)	-	-	6.9	(11.0)
	Sale of prev. unrecognised intangible asset	(37.5)	-	(37.5)	-	-	-
	Steel Transformation Plan advance	45.8	45.8	22.9	22.9	22.9	22.9
EBITDA ³	Underlying ¹	389.7	577.4	181.4	208.3	301.1	276.3
EBIT ³	Underlying ¹	74.1	249.7	24.1	50.0	136.4	113.3
Reconciliation of NPAT / (NLAT)							
NPAT / (NLAT)	Reported	(107.1)	(82.4)	(23.8)	(83.3)	3.7	(86.1)
	Discontinued business (gains)/losses	4.2	5.5	(0.3)	4.5	0.3	5.2
	Business development and acquisition costs	1.8	18.4	0.5	1.3	4.2	14.2
	Restructure / redundancies	20.3	55.8	4.3	16.0	5.5	50.3
	Asset impairments	-	66.1	-	-	-	66.1
	Asset impairment write-back	-	(88.1)	-	-	-	(88.1)
	Asset sales	-	(5.5)	-	-	2.2	(7.7)
	Sale of prev. unrecognised intangible asset	(26.3)	-	(26.3)	-	-	-
	Steel Transformation Plan	32.1	32.1	16.0	16.1	16.0	16.1
	Borrowing amendment fees	9.2	-	-	9.2	-	-
	Deferred tax asset impairments	72.5	110.5	28.0	44.5	17.2	93.3
NPAT / (NLAT)	Underlying ¹	6.7	112.3	(1.6)	8.3	49.1	63.2
EPS (¢) ⁴	Reported	(19.2)	(14.8)	(4.3)		0.7	
EPS (¢) ⁴	Underlying ¹	1.2	20.1	(0.3)		8.8	

Notes

- Management have provided an analysis of unusual items included in the reported IFRS financial information. These items have been considered in relation to their size and nature, and have been adjusted from the reported information to assist readers to better understand the financial performance of the underlying business in each reporting period. These adjustments are assessed on a consistent basis from period to period and include both favourable and unfavourable items. Non-IFRS financial information whilst not subject to audit or review has been extracted from the half and full year financial reports which have been reviewed and audited, respectively, by our external auditors.
- EBIT = EBITDA - Depreciation & Amortisation
- Underlying adjustments are the same for both EBITDA & EBIT
- Earnings per share (EPS) reflects reported and underlying NPAT / (NLAT) divided by average shares on issue for the period
- EBITDA adjustment
- EBIT adjustment

Reconciliation of reported to underlying earnings by segment

\$M	FY2013	FY2014	1H FY2013	2H FY2013	1H FY2014	2H FY2014
Coated & Industrial Products Australia						
Reported EBIT	(54.9)	(26.2)	2.4	(57.3)	(0.9)	(25.3)
Restructure / redundancies	16.3	48.4	1.6	14.7	4.9	43.5
Asset impairments	-	7.2	-	-	-	7.2
Asset sales	-	(11.0)	-	-	-	(11.0)
Business development and acquisition costs	-	1.2	-	-	-	1.2
Sale of previously unrecognised intangible asset	(37.5)	-	(37.5)	-	-	-
Steel Transformation Plan advance	45.8	45.8	22.9	22.9	22.9	22.9
Underlying EBIT ¹	(30.3)	65.4	(10.6)	(19.7)	26.9	38.5
Building Components & Distribution Australia						
Reported EBIT	(31.0)	(88.4)	(10.5)	(20.5)	(10.9)	(77.5)
Restructure / redundancies	5.6	3.5	3.4	2.2	-	3.5
Asset impairments	-	52.1	-	-	-	52.1
Business development and acquisition costs	-	10.0	-	-	-	10.0
Underlying EBIT ¹	(25.4)	(22.8)	(7.1)	(18.3)	(10.9)	(11.9)
New Zealand & Pacific Steel Products						
Reported EBIT	33.8	73.6	(2.3)	36.1	38.6	35.0
Restructure / redundancies	-	1.1	-	-	-	1.1
Underlying EBIT ¹	33.8	74.7	(2.3)	36.1	38.6	36.1
Global Building Solutions						
Reported EBIT	10.0	51.4	13.2	(3.2)	14.0	37.4
Net (gains) / losses from businesses discontinued	-	6.8	-	-	-	6.8
Asset impairment	-	28.3	-	-	-	28.3
Asset impairment write-back	-	(88.1)	-	-	-	(88.1)
Restructure / redundancies	8.0	20.1	-	8.0	2.2	17.9
Underlying EBIT ¹	18.0	18.5	13.2	4.8	16.2	2.3
Building Products ASEAN, North America & India						
Reported EBIT	70.5	81.4	31.4	39.1	41.4	40.0
Restructure / redundancies	9.1	0.6	-	9.1	-	0.6
Asset sales	-	6.9	-	-	9.5	(2.6)
Asset impairments	-	-	-	-	-	-
Underlying EBIT ¹	79.6	88.9	31.4	48.2	50.9	38.0
Hot Rolled Products North America						
Reported EBIT	66.7	101.6	33.1	33.6	48.7	52.9
Asset impairments	-	3.0	-	-	-	3.0
Reported & Underlying EBIT ¹	66.7	104.6	33.1	33.6	48.7	55.9
Corporate & intersegment						
Reported EBIT	(71.6)	(90.8)	(35.2)	(36.4)	(39.7)	(51.0)
Restructure / redundancies	0.9	-	0.9	-	-	-
Business development and acquisition costs	2.5	11.3	0.7	1.8	5.7	5.6
Underlying EBIT ¹	(68.2)	(79.5)	(33.6)	(34.6)	(34.0)	(45.4)
Discontinued Businesses						
Reported EBIT	(0.4)	(0.3)	0.2	(0.6)	(0.3)	(0.1)
Restructure / redundancies	0.4	0.3	(0.2)	0.6	0.3	0.1
Underlying EBIT ¹	-	-	-	-	-	-
Total Group						
Reported EBIT	23.1	102.3	32.3	9.2	91.0	11.3
Underlying EBIT ¹	74.1	249.7	24.1	50.1	136.4	113.3

Note:
1. Management have provided an analysis of unusual items included in the reported IFRS financial information. These items have been considered in relation to their size and nature, and have been adjusted from the reported information to assist readers to better understand the financial performance of the underlying business in each reporting period. These adjustments are assessed on a consistent basis from period to period and include both favourable and unfavourable items. Non-IFRS financial information whilst not subject to audit or review has been extracted from the half and full year financial reports which have been reviewed and audited, respectively, by our external auditors.

Coated & Industrial Products Australia

Financial and despatch summaries

Key segment financial items

\$M	FY13	1H14	2H14	FY14
Revenue	3,349.4	1,781.6	1,820.6	3,602.2
Underlying EBITDA	140.4	113.9	121.7	235.6
Underlying EBIT	(30.3)	26.9	38.5	65.4
Reported EBIT	(54.9)	(0.9)	(25.3)	(26.2)
Capital & investment expenditure	145.4	52.2	118.4	170.6
Net operating assets (pre-tax)	2,067.5	2,057.3	2,200.6	2,200.6
Total steel despatches (kt)	2,614.9	1,198.7	1,164.3	2,363.0

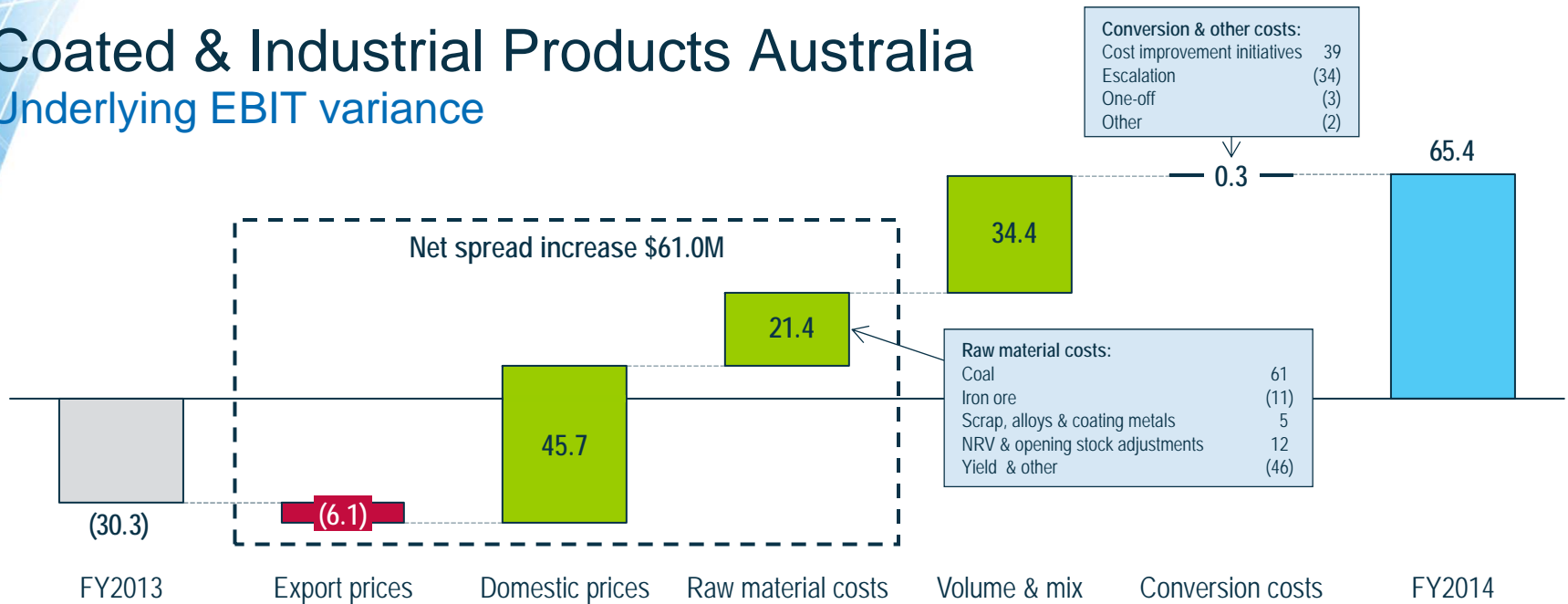
Despatches breakdown

'000 tonnes	FY13	1H14	2H14	FY14
Hot rolled coil	505.6	263.8	214.8	478.6
Plate	250.3	117.6	116.6	234.2
CRC, metal coated, painted	1,035.1	578.8	597.1	1,175.9
Domestic sub-total	1,791.0	960.2	928.5	1,888.7
Slab	1.7	0.0	0.0	0.0
Hot rolled coil	607.8	142.2	149.8	292.0
Plate	16.8	6.2	6.0	12.2
CRC, metal coated, painted	197.6	90.1	80.0	170.1
Export sub-total	823.9	238.5	235.8	474.3
Total steel despatches	2,614.9	1,198.7	1,164.3	2,363.0
Export coke despatches	711.2	246.9	393.2	640.1

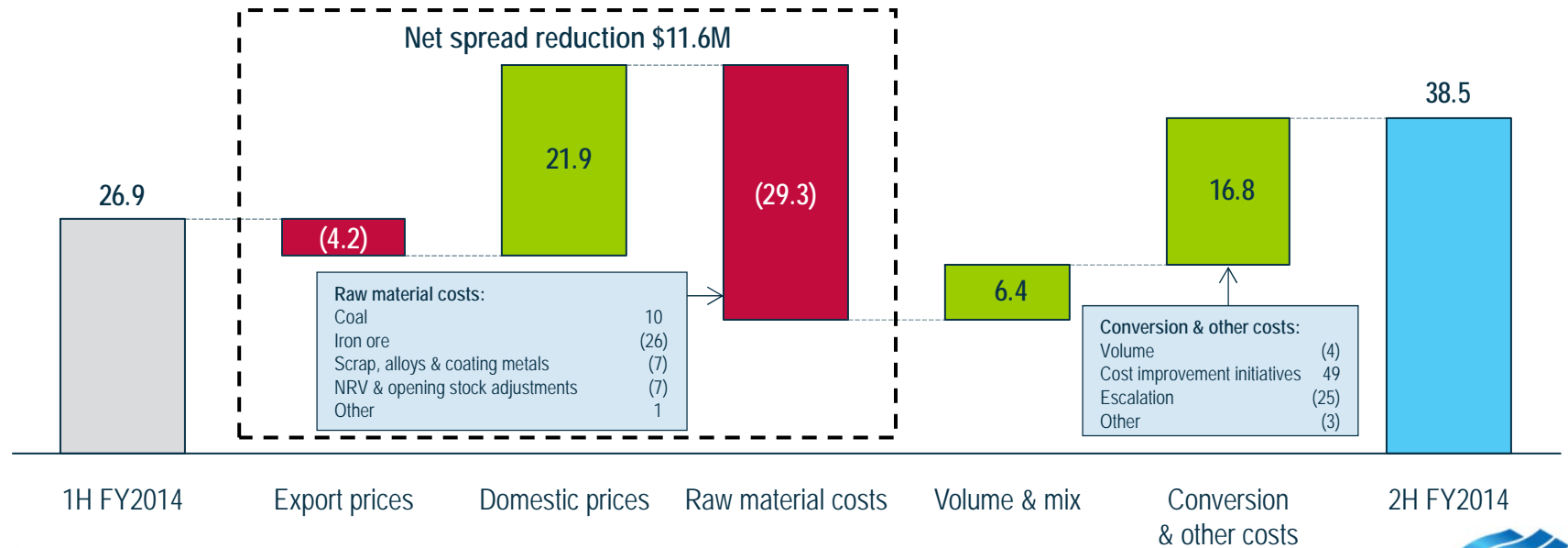
Coated & Industrial Products Australia

Underlying EBIT variance

FY2014 vs FY2013 \$M

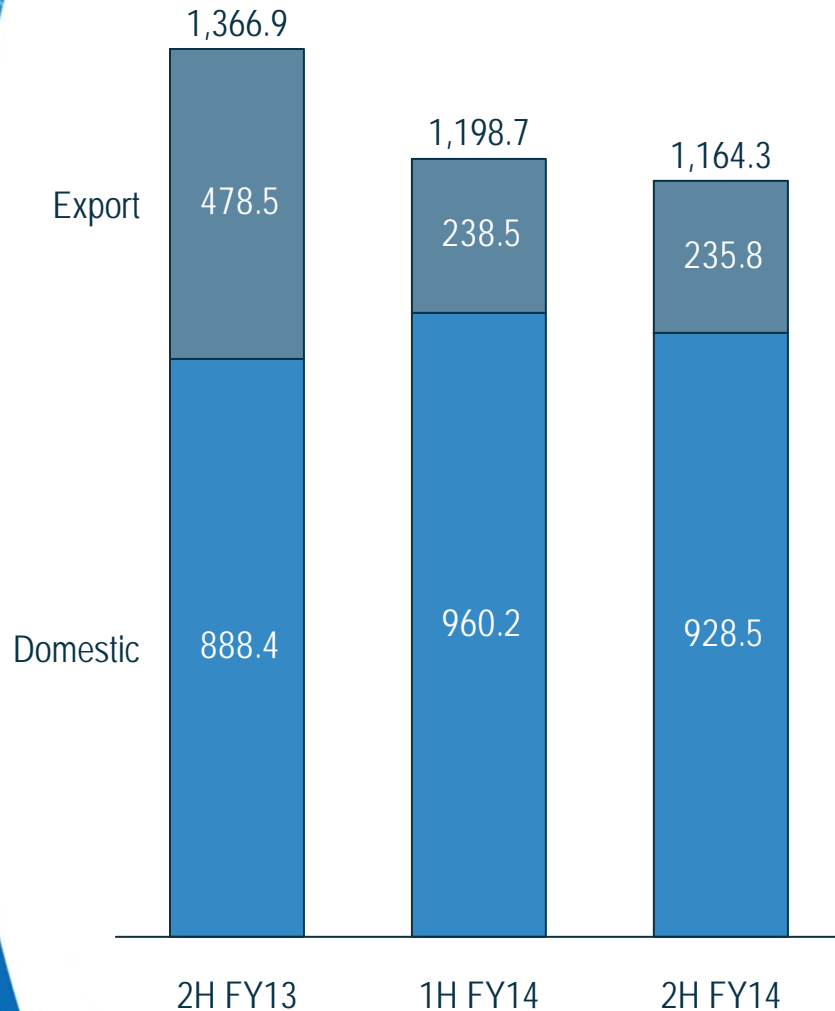


2H FY2014 vs 1H FY2014 \$M

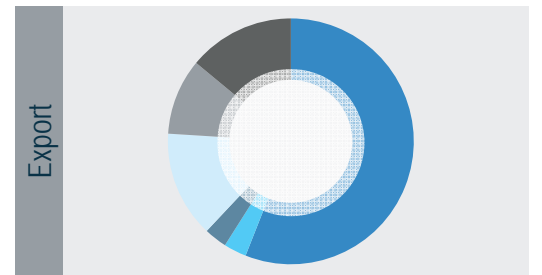


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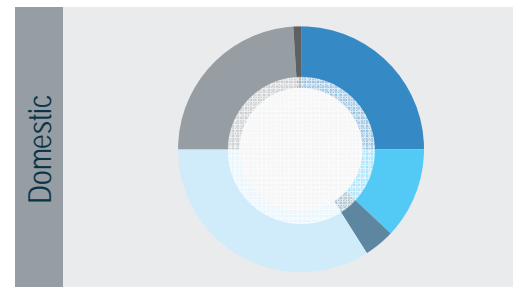
Despatch mix (kt)



FY2014 Product Mix



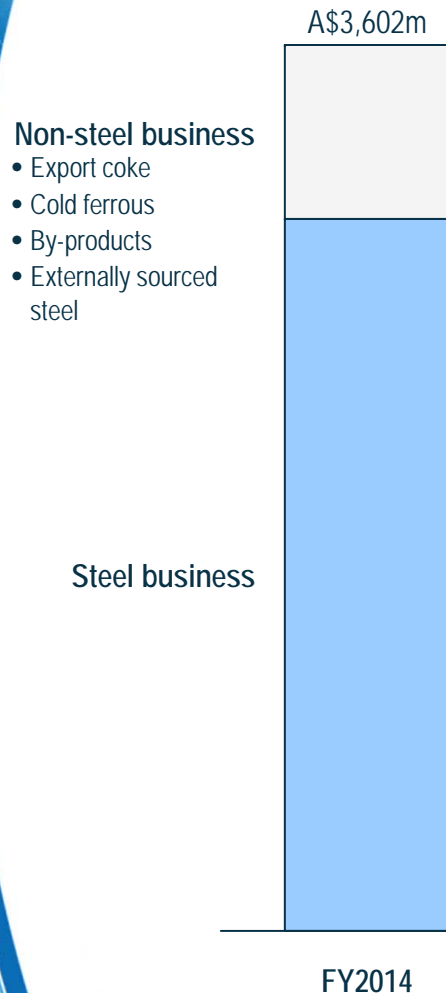
■ HRC
 ■ CRC
 ■ Painted
■ Plate
 ■ Metal Coated
 ■ Other



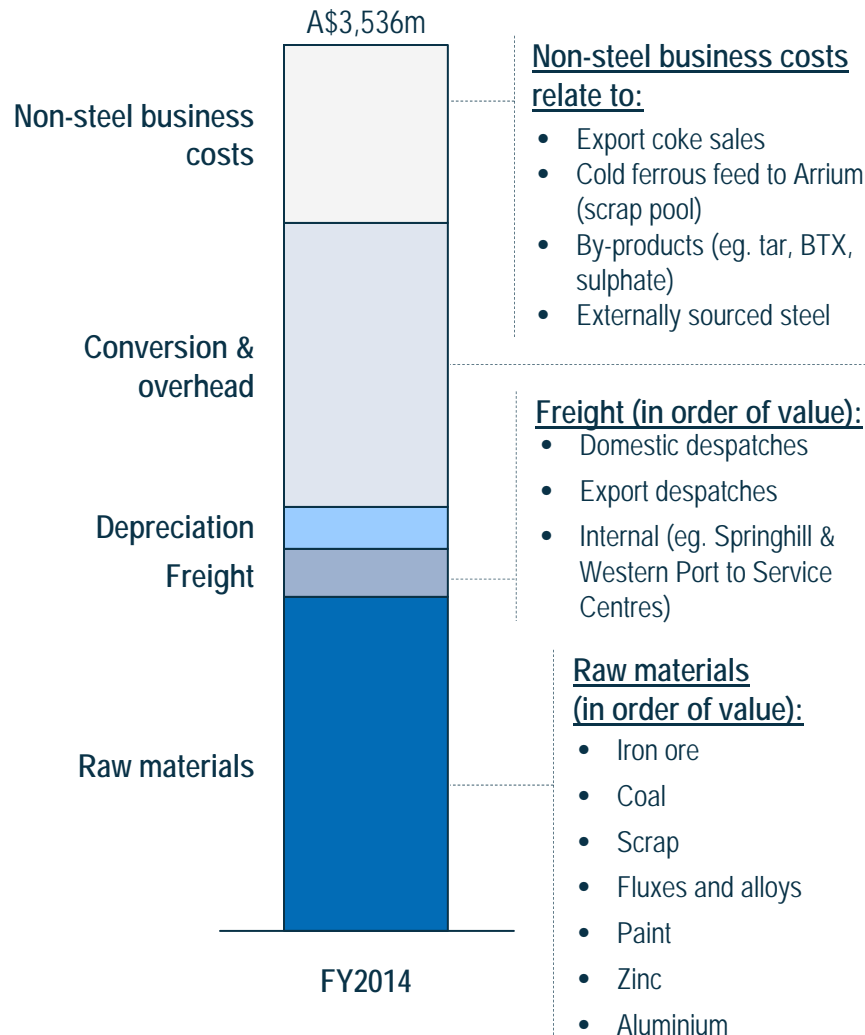
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Revenue and underlying costs FY2014

Revenue



Underlying costs (to EBIT line)



Conversion & Overhead Components (in order of value):

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

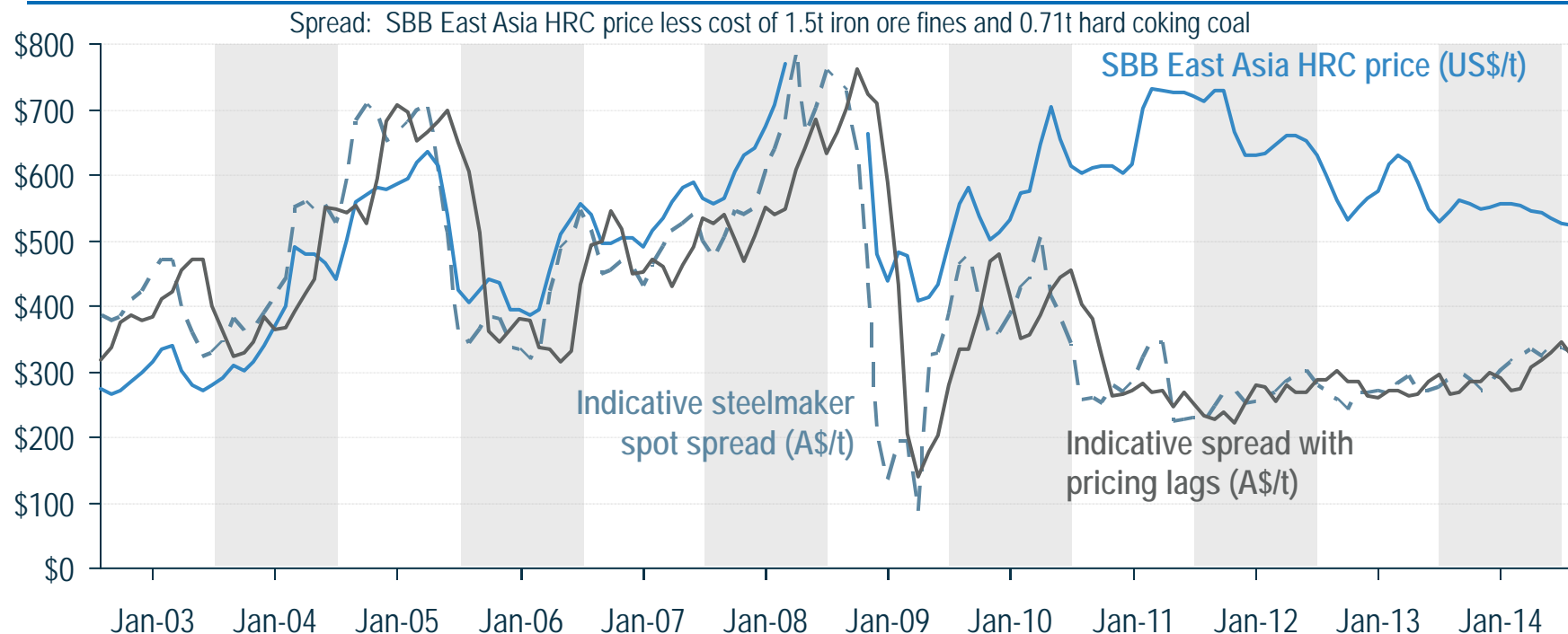
Indicative 'recipe' of raw materials per output steel tonne:

- 1.24t iron ore fines (sintering)
- 0.27t lump ore (into BF)
- 0.57t hard coking coal (into BF)
- 0.15t PCI (into BF)
- 0.18t scrap (into BOS), of which 45% sourced internally

Coated & Industrial Products Australia

Spread continues to be a major determinant of segment profitability

East Asia HRC price (US\$/t) and indicative steelmaker HRC spread (A\$/t)



Source: SBB, CRU, Platts, TSI, Reserve Bank of Australia, BlueScope Steel calculations

	FY2010	FY2011	FY2012	FY2013	FY2014	1H FY14	2H FY14
Indicative steelmaker HRC spread (US\$/t)	365	271	276	277	283	265	300
Indicative steelmaker HRC spread (A\$/t)	414	275	267	270	308	288	328
Indicative spread with pricing lags (A\$/t)	403	292	257	278	295	282	308
A\$ / US\$ FX	0.88	0.99	1.03	1.03	0.92	0.92	0.91

Notes on calculation:

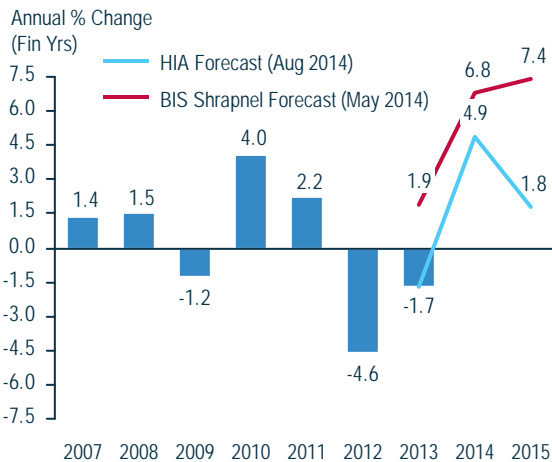
- 'Indicative steelmaker HRC spread' representation based on simple input blend of 1.5t iron ore fines and 0.71t hard coking coal per output tonne of steel. Chart is not a specific representation of BSL realised export HRC spread (eg does not account for iron ore blends, realised steel prices etc), but rather is shown primarily to demonstrate movements from period to period arising from the prices / currency involved. 'Indicative spread with pricing lags' includes three month HRC price lag, three month lag on iron ore price and two month lag on coal price
- 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 estimate deducts Baltic cape index freight cost from CFR China price
- Indicative hard coking coal pricing: low-vol, FOB. Industry annual benchmark prices up to March 2010; quarterly prices from April 2010 to March 2011; 50/50 monthly/quarterly pricing thereafter

Coated & Industrial Products Australia

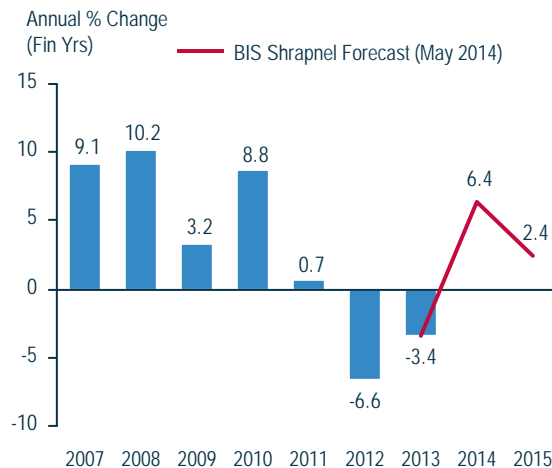
External forecasters' outlook for our key end-use segment exposures

CONSTRUCTION
Change in real value of work done

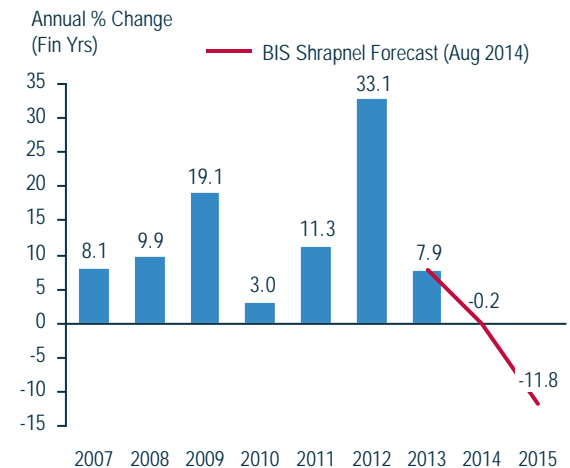
Residential construction



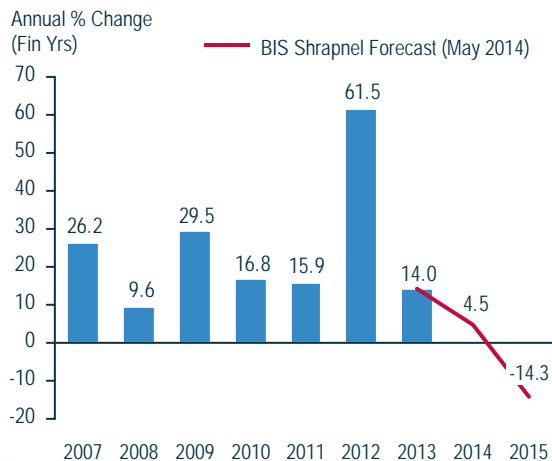
Non-residential construction



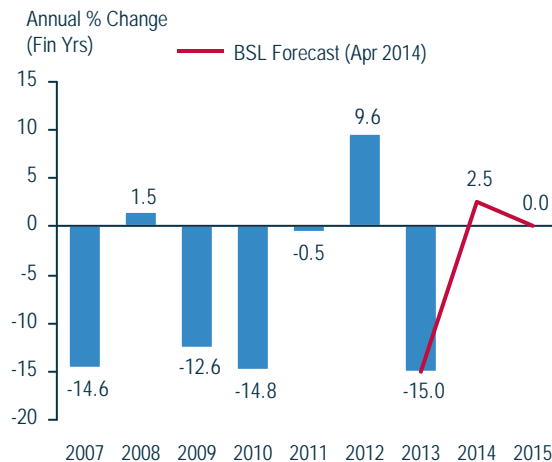
Engineering construction



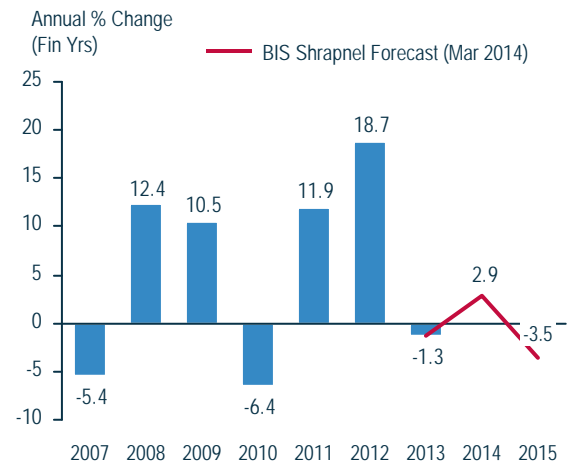
Mining



Manufacturing



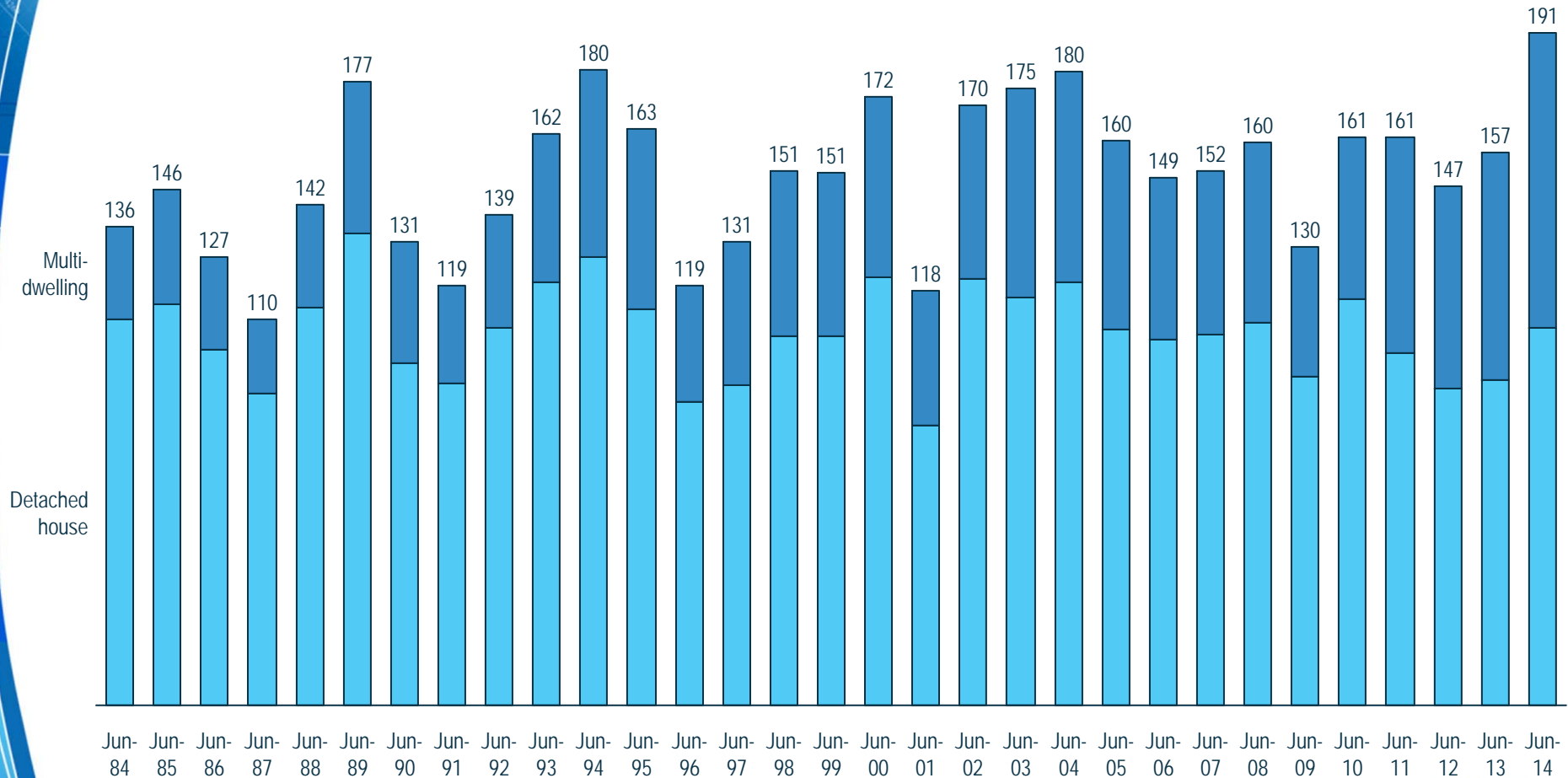
Agriculture



Coated & Industrial Products Australia

Australian residential construction approvals

Annual Australian residential construction approvals (private sector) to June 2014

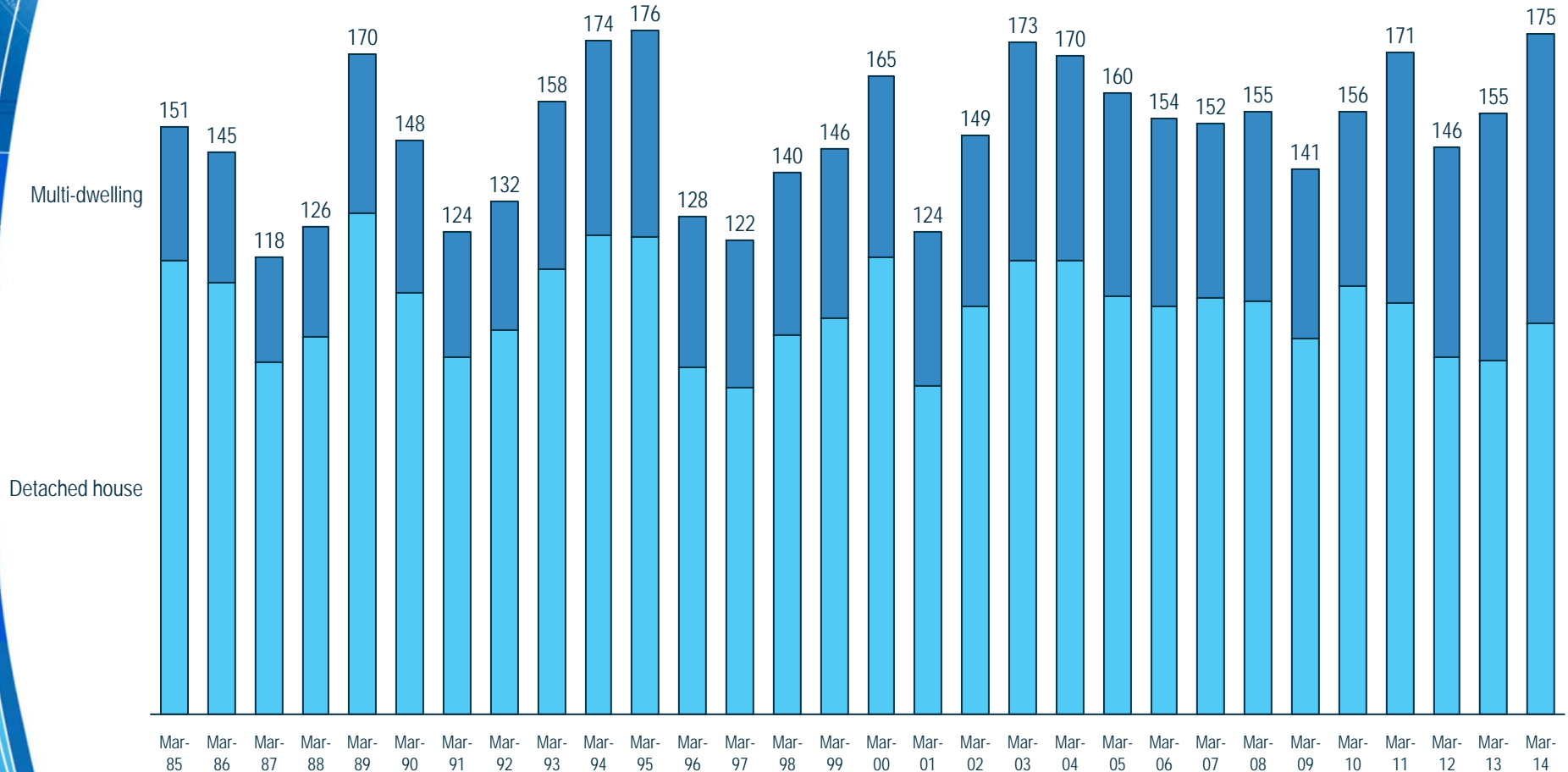


Source: ABS series 8731.0, table 6. Private sector. Seasonally adjusted

Coated & Industrial Products Australia

Australian residential construction commencements

Annual Australian residential construction starts (public & private) to March 2014



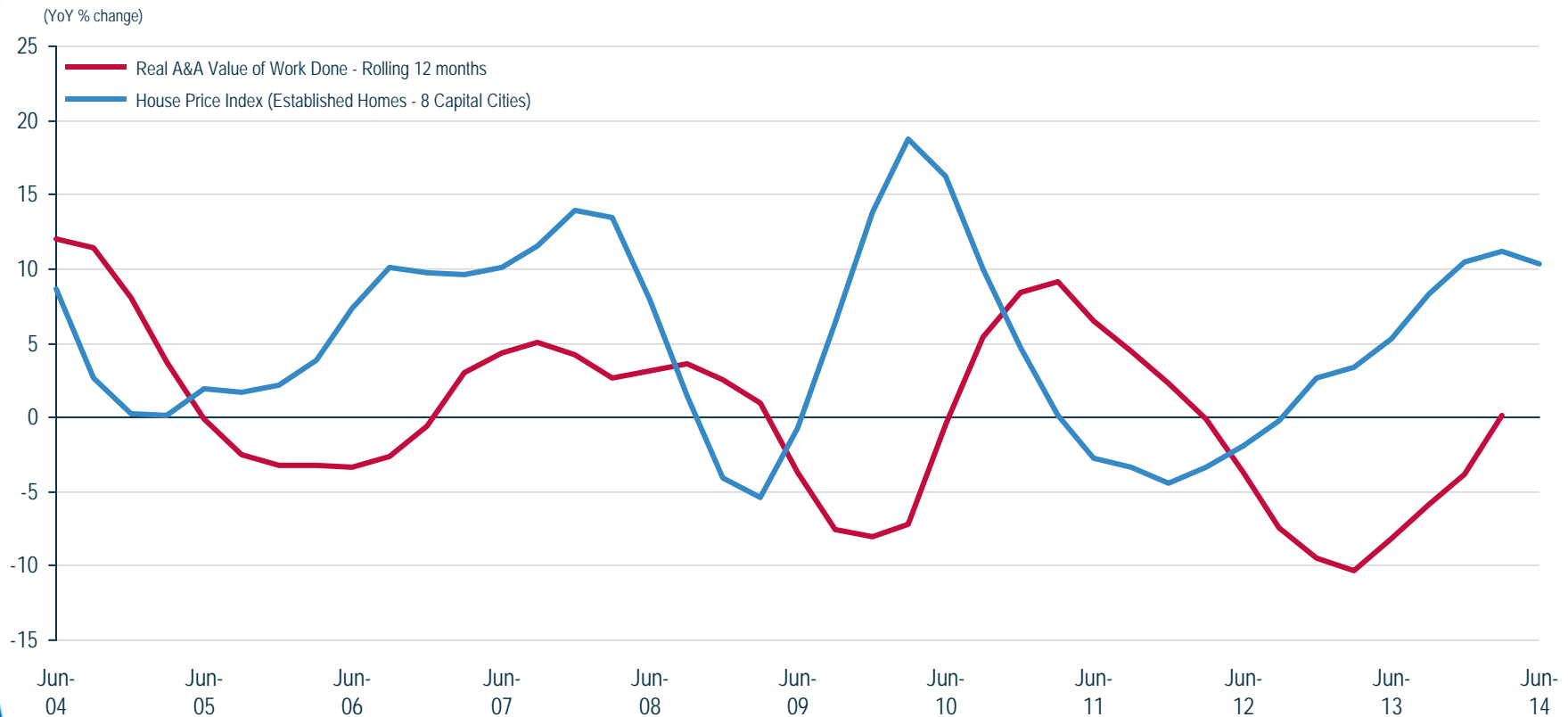
Source: ABS series 8752, table 33. Total sectors (public & private). Last reported data is to March 2014.

Coated & Industrial Products Australia

House prices and alterations & additions activity

National renovations activity has shown a strong correlation with movements in real housing prices

Quarterly alterations & additions activity vs house prices ¹



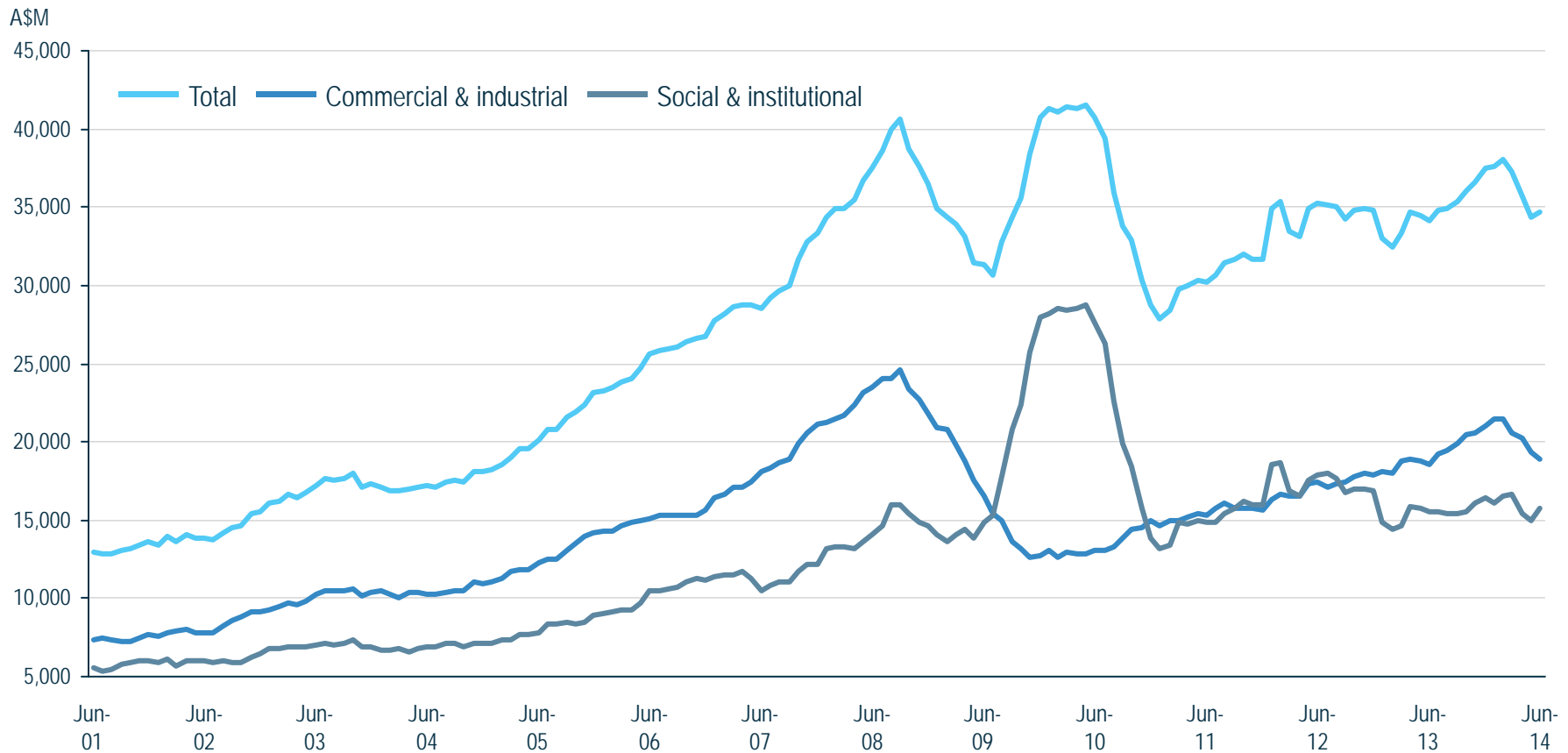
(1) Alterations & additions (A & A) value of work done - seasonally adjusted basis & constant dollars (real) - represents building activity carried out on existing buildings. Includes adding to or diminishing floor area, altering the structural design of a building and affixing rigid components which are integral to the functioning of the building. Houses prices represent estimates of changes in house prices for each of the eight capital cities of Australia for established homes. It is calculated on an index reference period of 2003-04 = 100.

Source: CEIC, BIS Shrapnel, ABS series 8753, tables 3 and series 6416, table 2.

Coated & Industrial Products Australia

Australian non-residential construction approvals

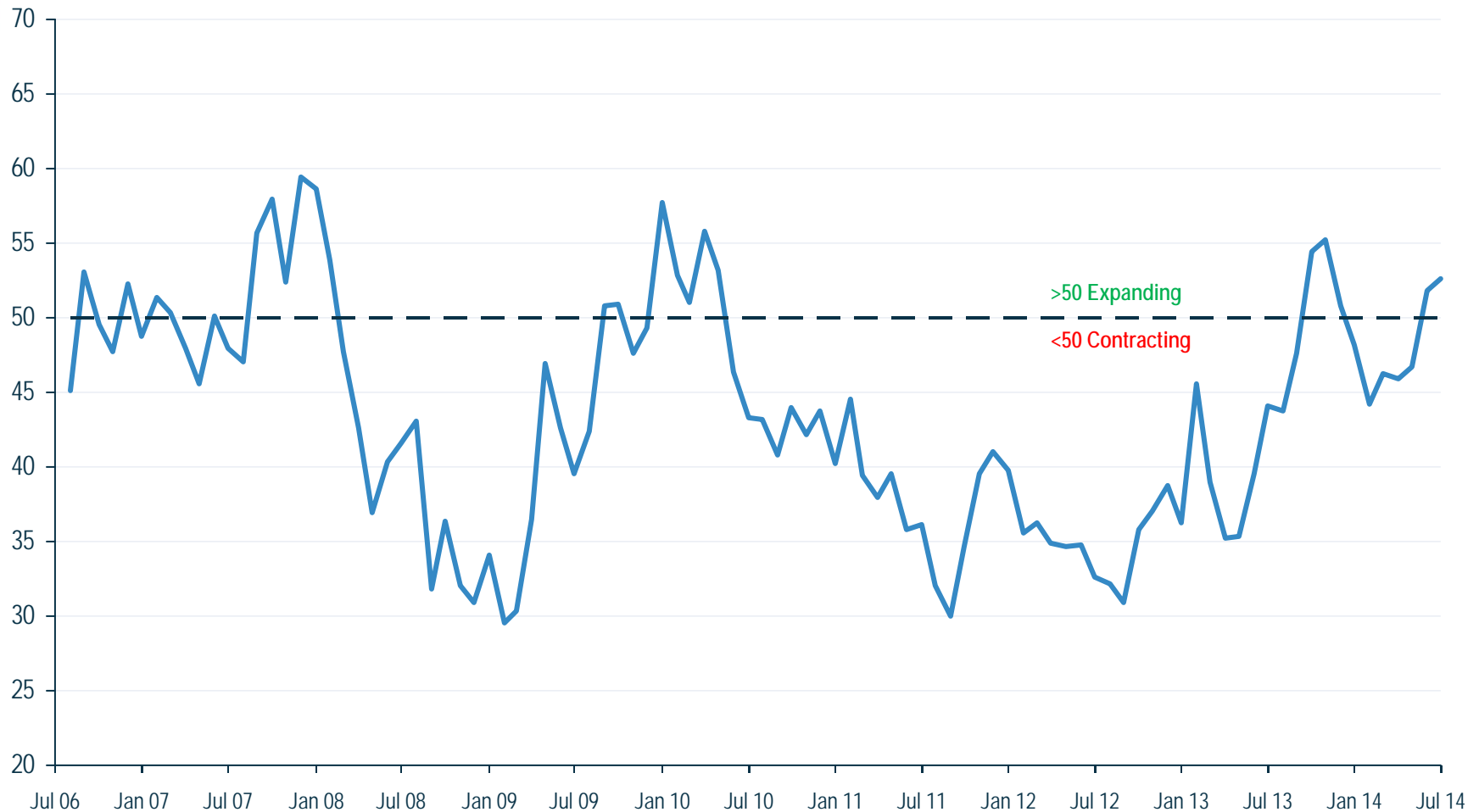
Rolling 12 month value of work approved (public & private) – nominal



Source: ABS series 8731, table 51. Total sectors (public and private).

Coated & Industrial Products Australia

Australian Performance of Construction (PCI®) index



Note: The Australian Industry Group's Performance of Construction Index (Australian PMI®, PCI®) is a composite index based on the indexes for production, new orders, deliveries, inventories and employment, with varying weights. A reading above 50 points indicates that manufacturing is generally expanding; below 50, that it is declining. The distance from 50 is indicative of the strength of the expansion or decline.

Source: AIG

Coated & Industrial Products Australia

Supply and pricing of iron ore and met coal to Steelworks

Iron ore	Supplier	Term	Approximate Volume (p/a)	Pricing Basis
	BHP Billiton	10 years from 1 July 2009	Up to 4.18Mt lump & fines	Linked to average monthly index in the month of shipment
	New Zealand Steel	Short term contracts	0.15Mt iron sands	Linked to average index 15 days prior to shipment

Metallurgical coal	Supplier	Term	Product / Approximate Volume (p/a)	Pricing Basis
	BHP Billiton (Illawarra Coal)	30 years from 1 July 2002	Hard coking coal; minimum volume linked to blast furnace requirements	Market based pricing linked to BHP Billiton sales to contract customers
	Peabody Energy	Until 31 March 2015	PCI Coal; 300-400Kt	Agreed quarterly pricing
	Various suppliers for production of export coke	Short term contracts	Coking coal as required	Agreed short term pricing

Coated & Industrial Products Australia

Progress on challenging unfair trade and dumping

	Process	Current Duties ¹
Hot rolled coil (Anti-dumping)	<ul style="list-style-type: none"> • Preliminary Affirmative Determination (PAD) issued Oct 2012; Minister sign off Dec 2012 • Following a further review, in July 2013 the Anti-Dumping Commission (ADC) announced changes to further the strengthen an element of duty calculation 	<ul style="list-style-type: none"> • Interim Dumping Duties (IDD) rates: <ul style="list-style-type: none"> – Japan 0-7.5% – Korea 2.6-11.8% – Malaysia 15.4% – Taiwan 2.6-8.2%
Galvanised steel (Anti-dumping & China countervailing)	<ul style="list-style-type: none"> • PAD issued Feb 2013 (anti-dumping) & May 2013 (countervailing) • Attorney General sign-off released 5 Aug 2013 • On 11 July 2014 the ADC announced it will investigate alleged dumping of galvanised steel to Australia from India and Vietnam 	<ul style="list-style-type: none"> • IDD rates: <ul style="list-style-type: none"> – China 6.8-69.9% – Korea 0-28.5% – Taiwan 0-8.6%
Aluminium / zinc coated steel (Anti-dumping & China countervailing)	<ul style="list-style-type: none"> • PAD issued Feb 2013 (anti-dumping) & May 2013 (countervailing) • Attorney General sign-off released 5 Aug 2013 	<ul style="list-style-type: none"> • IDD rates: <ul style="list-style-type: none"> – China 5.5-29.5% – Korea 0-7.7%
Plate (Anti-dumping & China countervailing)	<ul style="list-style-type: none"> • PAD issued Jul 2013 • Final determination released by Minister on 19 December 2013 	<ul style="list-style-type: none"> • IDD rates: <ul style="list-style-type: none"> – Japan 14.3% – Korea 0-20.6% – Indonesia 8.6-19.0% – China 0-54.9%

1) Duties applicable to some, but not all exporters

Building Components & Distribution Australia

Financial summary

Key segment financial items

A\$M	FY13	1H14	2H14	FY14
Revenue	1,375.6	714.3	871.3	1,585.6
Underlying EBITDA	(8.1)	(2.7)	(4.2)	(6.9)
Underlying EBIT	(25.4)	(10.9)	(11.9)	(22.8)
Reported EBIT	(31.0)	(10.9)	(77.5)	(88.4)
Capital & investment expenditure	10.9	1.8	6.9	8.7
Net operating assets (pre-tax)	322.5	328.1	334.9	334.9
Total despatches (kt)	712.9	374.5	448.4	822.9

Despatches breakdown

'000 tonnes	FY13	1H14	2H14	FY14
Domestic despatches	696.7	364.2	441.7	805.9
Export despatches	16.2	10.3	6.7	17.0
Total steel despatches	712.9	374.5	448.4	822.9

Building Components & Distribution Australia

Underlying EBIT variance



New Zealand & Pacific Steel Products

Financial summary

Key segment financial items

\$M	FY13	1H14	2H14	FY14
Revenue	681.0	419.6	451.3	870.9
Underlying EBITDA	80.8	63.7	63.8	127.5
Underlying EBIT	33.8	38.6	36.1	74.7
Reported EBIT	33.8	38.6	35.0	73.6
Capital & investment expenditure	55.6	19.2	46.9	66.1
Net operating assets (pre-tax)	466.8	585.5	646.3	646.3
Total steel despatches (kt)	578.0	290.3	318.2	608.5

Despatches breakdown

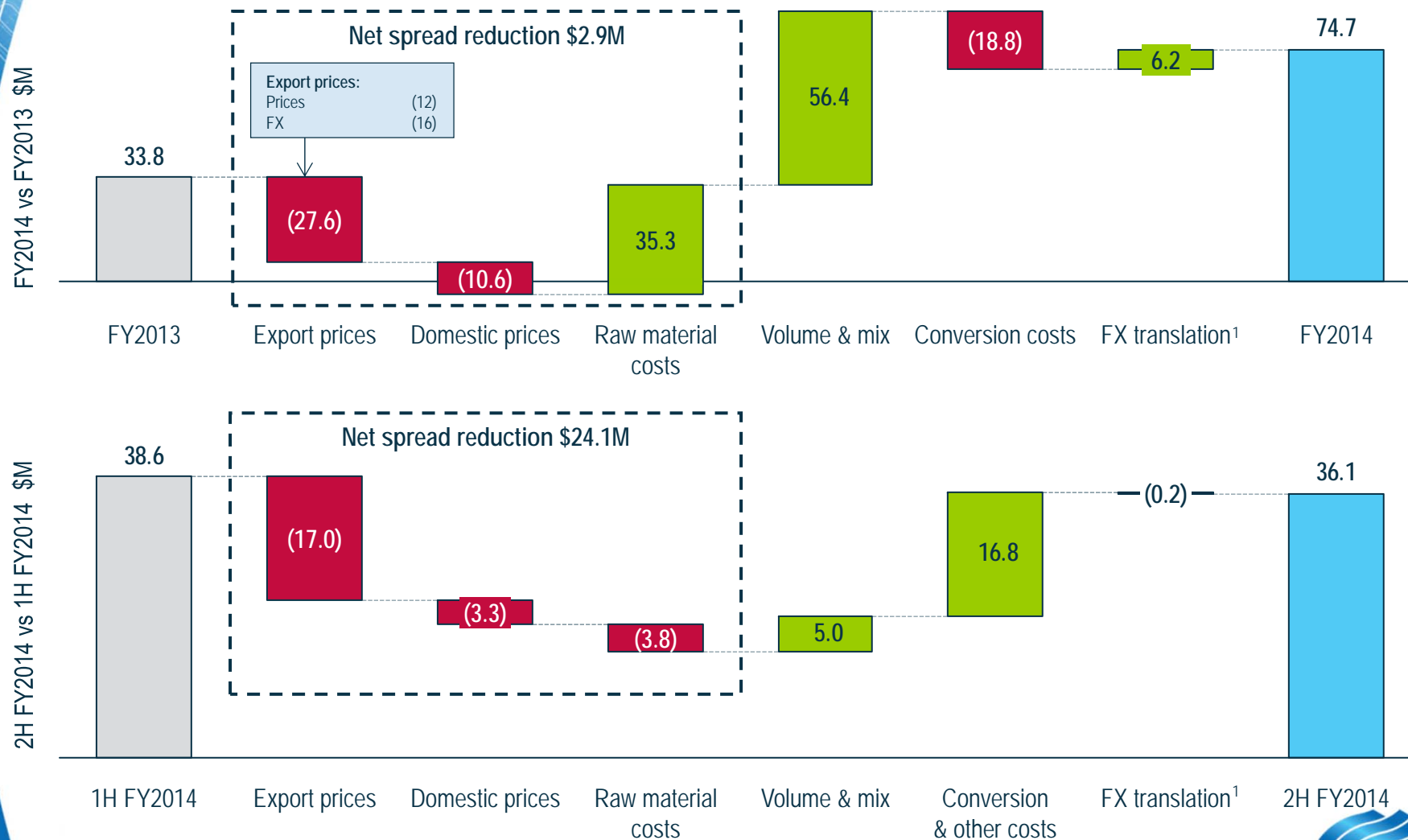
'000 tonnes	FY13	1H14	2H14	FY14
Domestic despatches	254.9	130.8	152.1	282.9
Export despatches	323.1	159.5	166.0	325.5
Total steel despatches	578.0	290.3	318.2	608.5
Export iron sands despatches	1,701.4	1,167.3	1,145.9	2,313.2

Vanadium Slag

- FY2014 sales contained V_2O_5 of 4.50M lbs vs FY2013 4.66M lbs
- Gross revenue of about US\$10M

New Zealand & Pacific Steel Products

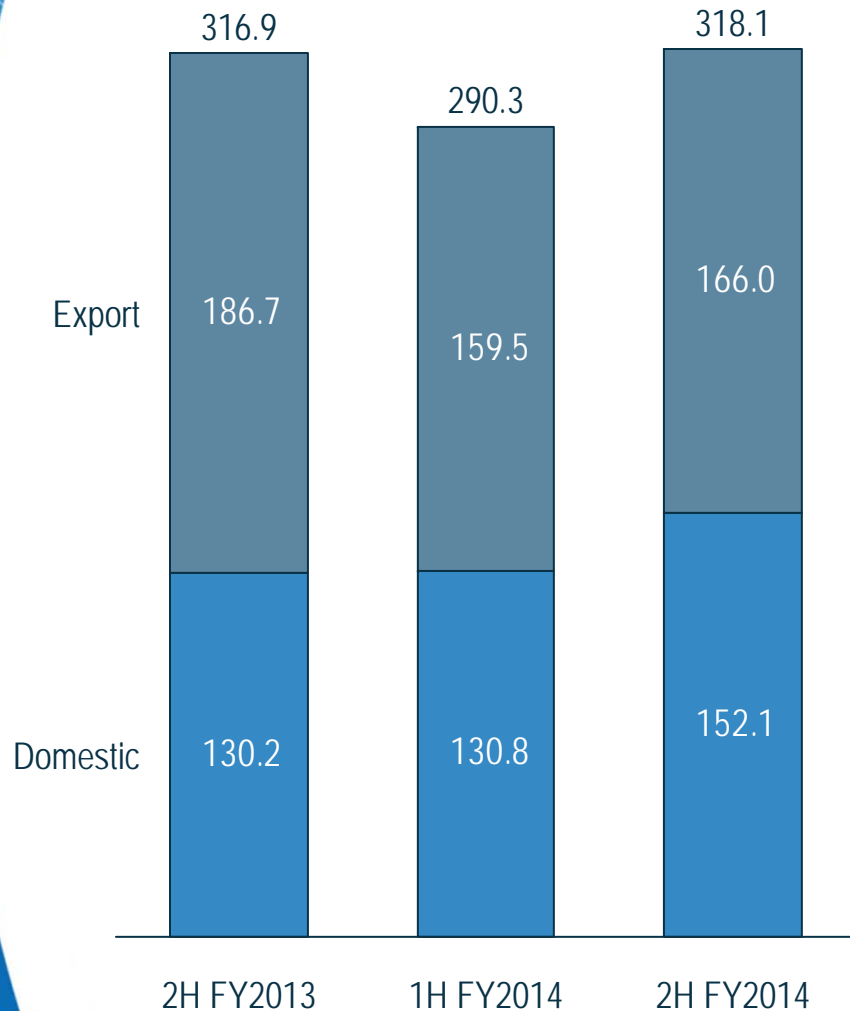
Underlying EBIT variance



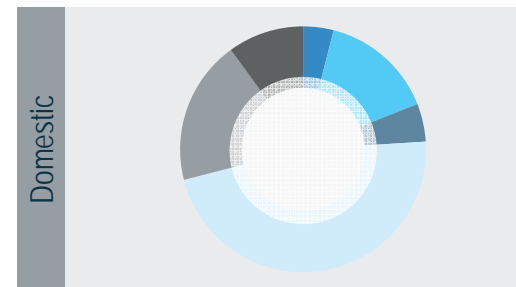
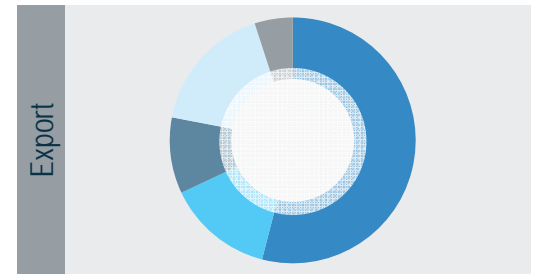
Note: 1) FX translation relates to translation of foreign currency earnings to AUD, transactional foreign exchange impacts are reflected in the individual categories

New Zealand & Pacific Steel Products

Steel despatch mix (kt) – excludes Pacific Steel long products



FY2014 Product Mix



Building Products ASEAN, North America & India

Financial summary

Key segment financial items

\$M	FY13	1H14	2H14	FY14
Revenue	1,635.5	915.5	827.4	1,742.9
Underlying EBITDA	127.4	76.9	63.0	139.9
Underlying EBIT	79.6	50.9	38.0	88.9
Reported EBIT	70.5	41.4	40.0	81.4
Capital & investment expenditure	43.7	13.3	34.8	48.1
Net operating assets (pre-tax)	936.0	943.7	844.9	844.9
Total despatches (kt)	1,344.0	704.8	662.2	1,367.0

Revenue by business

\$M	FY13	1H14	2H14	FY14
Thailand	416.5	232.3	220.4	452.7
Indonesia	277.6	146.2	133.2	279.4
Malaysia	216.0	112.9	123.3	236.2
Vietnam	148.2	90.2	76.3	166.5
North America	607.8	350.1	283.6	633.7
India	0.0	0.0	0.0	0.0
Other / eliminations	(30.6)	(16.2)	(9.4)	(25.6)
Total	1,635.5	915.5	827.4	1,742.9

Despatches by business

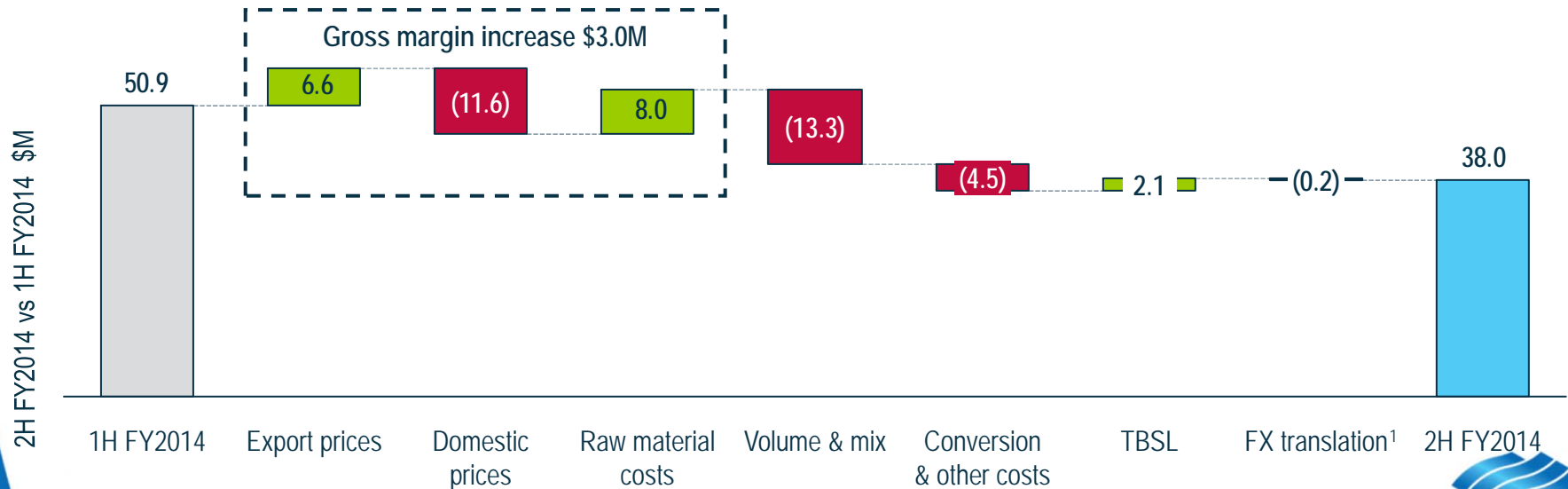
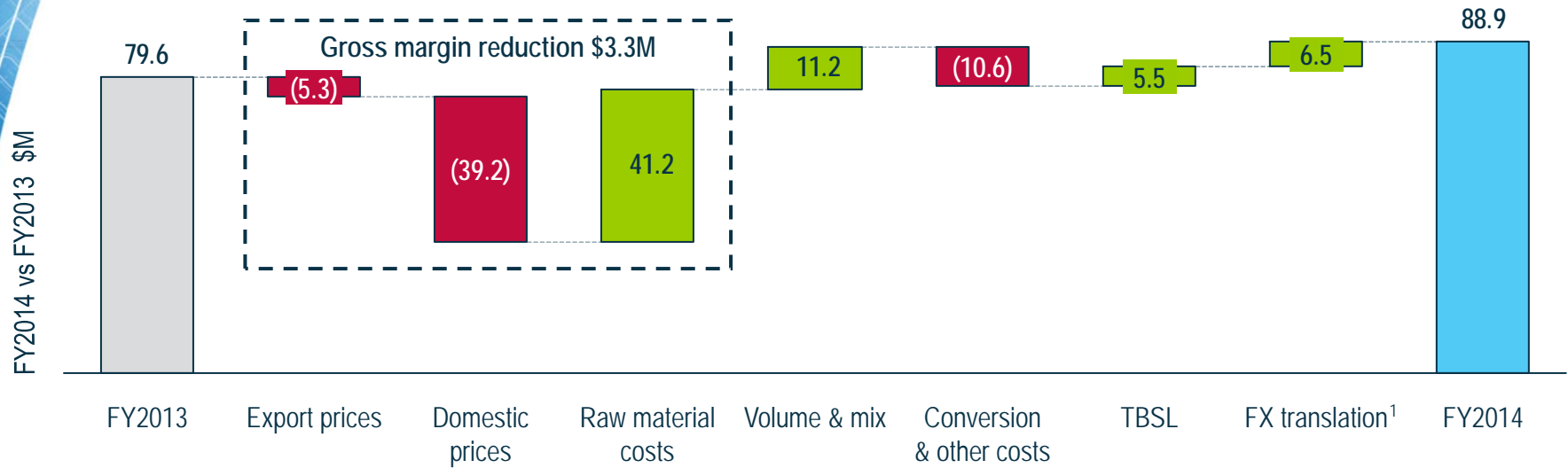
'000 tonnes	FY13	1H14	2H14	FY14
Thailand	352.7	182.9	184.3	367.2
Indonesia	219.0	116.8	104.2	221.0
Malaysia	152.2	74.0	82.6	156.6
Vietnam	123.5	69.4	59.8	129.2
North America	436.3	225.3	183.4	408.7
India	90.0	50.1	56.0	106.1
Other / eliminations	(29.7)	(13.7)	(8.2)	(21.9)
Total	1,344.0	704.8	662.2	1,367.0

Underlying EBIT by business

\$M	FY13	1H14	2H14	FY14
Thailand	48.1	29.4	21.8	51.2
Indonesia	9.9	(2.5)	2.5	0.0
Malaysia	27.3	14.5	15.7	30.2
Vietnam	11.9	7.7	5.2	12.9
North America	4.0	11.9	0.2	12.1
India	(13.8)	(5.2)	(3.0)	(8.2)
Other / eliminations	(7.8)	(4.9)	(4.4)	(9.3)
Total	79.6	50.9	38.0	88.9

Building Products ASEAN, North America & India

Underlying EBIT variance



Note: 1) FX translation relates to translation of foreign currency earnings to AUD, transactional foreign exchange impacts are reflected in the individual categories

Building Products ASEAN, North America and India

Coated Products JV – progress from working together with NSSMC

- New products and solutions for customers utilizing NSSMC's technology
 - Home appliance segment – first sales of painted home appliance product to new Japanese customer
 - SuperDyma® conversion on track; expect to be commissioned in early FY2016
- Existing building and construction products
 - Incremental sales have been made to Japanese customers in Thailand, Vietnam and Indonesia and work continues to demonstrate capabilities to customers in this segment
- NSSMC now supplies HRC to Thailand and Steelscope

Global Building Solutions

Financial and despatches summary

Key segment financial items

\$M	FY13	1H14	2H14	FY14
Revenue	1,363.3	807.1	715.7	1,522.8
Underlying EBITDA	50.8	34.6	21.3	55.9
Underlying EBIT	18.0	16.2	2.3	18.5
Reported EBIT	10.0	14.0	37.4	51.4
Capital & investment expenditure	75.4	10.9	13.9	24.8
Net operating assets (pre-tax)	596.4	677.9	588.6	588.6
Total despatches (kt)	552.4	309.3	272.8	582.1

Revenue by business

\$M	FY13	1H14	2H14	FY14
North America Buildings	677.1	417.2	367.8	785.0
Buildings Asia	368.0	216.2	198.6	414.8
Building Products China	221.8	132.9	115.5	248.4
Solutions Australia	154.8	74.7	63.8	138.5
Other / eliminations	(58.4)	(33.9)	(30.0)	(63.9)
Total	1,363.3	807.1	715.7	1,522.8

Despatches by business

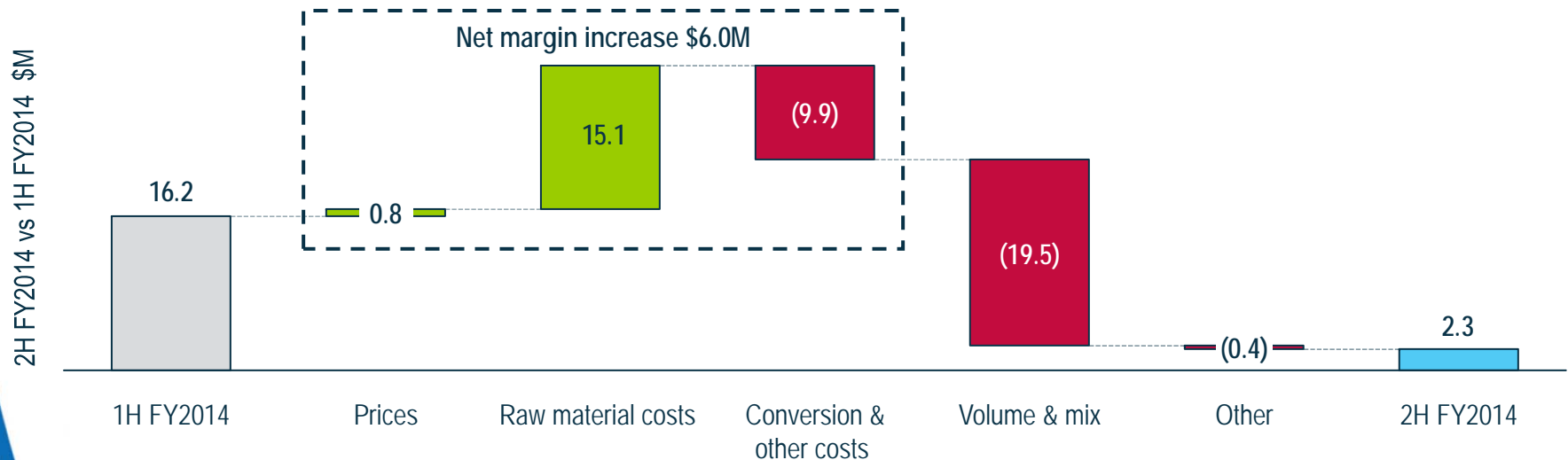
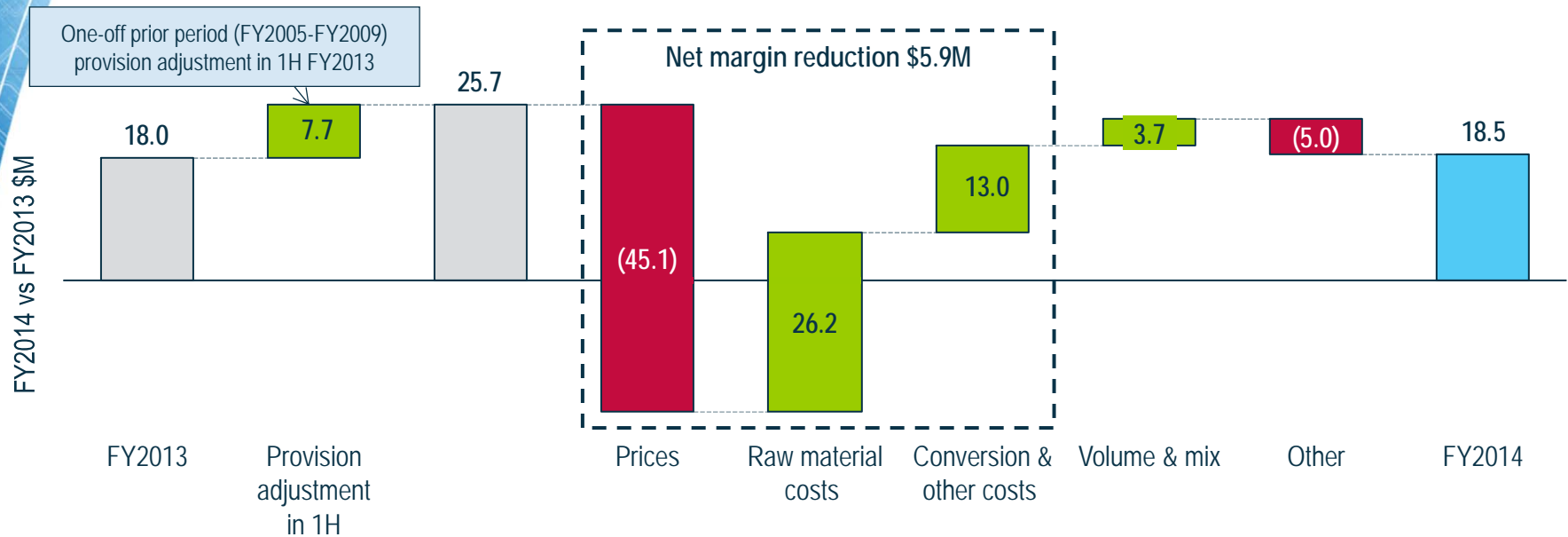
'000 tonnes	FY13	1H14	2H14	FY14
North America Buildings	210.8	121.7	103.0	224.8
Buildings Asia	211.0	116.1	100.7	216.8
Building Products China	164.4	90.2	84.6	174.8
Solutions Australia	8.1	4.1	3.5	7.6
Other / eliminations	(41.9)	(22.9)	(19.1)	(42.0)
Total	552.4	309.3	272.8	582.1

Underlying EBIT by business

\$M	FY13	1H14	2H14	FY14
North America Buildings	5.4	14.6	4.5	19.1
Buildings Asia	4.0	3.1	(4.1)	(1.0)
Building Products China	21.9	11.3	14.3	25.6
Solutions Australia	1.6	(4.2)	(4.1)	(8.3)
Other / eliminations	(14.9)	(8.4)	(8.5)	(16.9)
Total	18.0	16.2	2.3	18.5

Global Building Solutions

Underlying EBIT variance



Impact of changes to AASB 119 on financial statements

- Changes to AASB 119 Employee Benefits came into effect for BlueScope on 1 July 2013
- The revised standard now requires the return on the defined benefit superannuation fund assets to be derived using the same bond yield as that used to discount the defined benefit plan liability (i.e. calculating a net interest charge on the net liability). Previously the projected asset return was used to value the fund assets
- The impact of this revised accounting approach is to increase FY2014 defined benefit plan pension expense as bond yields are significantly lower than the expected return on fund assets.
- In addition to the impact on FY2014 results, the revised accounting standard requires the FY2013 comparative results to also reflect the new requirements. Accordingly, FY2013 comparative data in this report have been adjusted to reflect this. The following table provides a comparison of results reported in August 2013 to the numbers adjusted for the accounting change

	Previously (at August 2013)	Change	Restated
FY2013 underlying EBIT (\$M)			
Coated & Industrial Products Australia	(20.3)	(10.0)	(30.3)
Building Components & Distribution Australia	(24.8)	(0.6)	(25.4)
New Zealand & Pacific	42.5	(8.7)	33.8
Building Products ASEAN, Nth Am & India	79.6	-	79.6
Global Building Solutions	26.4	(8.4)	18.0
Hot Rolled Products North America	66.7	-	66.7
Corporate / eliminations	(67.3)	(1.0)	68.3
Group total underlying EBIT	102.8	(28.7)	74.1
Group FY2013 underlying NPAT	29.7	(23.0)	6.7



FY2014 Financial Results Presentation

Paul O'Malley, Managing Director and Chief Executive Officer

Charlie Elias, Chief Financial Officer

25 August 2014

BlueScope Steel Limited. ASX Code: BSL