ASX RELEASE

10 November 2011

STEEL & TUBE HOLDINGS LIMITED
2011 ANNUAL GENERAL MEETING SPEECHES & PRESENTATION

OneSteel Limited (ASX:OST) has a 50.3% shareholding in Steel & Tube Holdings Limited (NZSX:STU), a public listed company in New Zealand which processes and distributes a comprehensive range of steel and allied products in the construction, manufacturing and rural industries in New Zealand.

Attached is a copy of an announcement Steel & Tube Holdings Limited released to the New Zealand Stock Exchange today with respect to their 2011 Annual General Meeting Speeches and Presentation.

Naomi James
Company Secretary
OneSteel Limited

Further information about OneSteel Limited can be accessed via the website **www.onesteel.com**

CHAIRMAN'S ADDRESS

10 November 2011

Ladies and Gentlemen

In the year to June 2011 the company delivered a very creditable performance, particularly in the challenging economic environment.

There was a significant improvement in underlying profit after tax to $17.3 million on similar revenue to the previous year, balance sheet strength was enhanced, and the final dividend of 9 cents increased the full year dividend to 15 cents per share.

Safety performance measured by Medical Treatment Injury Frequency Rate, improved by 33% over the previous year, which is an excellent achievement.

The executive leadership team has been strengthened and we welcome Janie Elrick Chief Financial Officer, Dennis Boyle General Manager Supply and Brett Douglas General Manager Marketing.

The board is pleased with the way in which Dave Taylor is putting his stamp on the organization. The culture being developed focuses on having clearly defined expectations, improving skill levels, and facing up to measured performance issues, all within a framework of a genuine concern for people.

The One-Company model is being implemented through this process, and the response from our people, our customers and the broader stakeholder community has been very encouraging. The efficiencies introduced, which include those from the rationalisation of our facilities, have improved our bottom line. In conjunction with these activities, the new branding has helped to re-invigorate the company.

The ongoing situation in Christchurch has created an extra-ordinary load on our people there, and indirectly across the company, and the response has been inspiring. The levels of personal commitment and team support have been a tangible demonstration of the values that the company espouses. Looking ahead we have focussed our attention on being in the best position to participate in the very significant rebuilding program.

The board has continued its refreshment process. As previously announced Barry Dineen retires today. Sir John Anderson has been appointed to the board today and is before you later in the meeting for election.

In addition Steve Hamer, who has the role of Chief Executive Distribution for OneSteel, joins the board in place of Robert Bakewell. Steve is before you later for election. Robert has been an excellent board member, and as CFO of OneSteel will no doubt have an ongoing keen interest.

Barry has been a director for 17years, and has seen practically all of the significant changes and developments in the modern history of Steel & Tube. His commitment and contribution to the company in this time has been unstinting. He will be remembered for his ability to provide insightful critique or suggestion, based on wisdom and a deep caring for the company, delivered always with a gentlemanly charm. On behalf of us all Barry we thank you, and wish you and Su well in the years ahead.

The world is certainly a complex place to do business in right now. Global economic uncertainty is having an impact on global growth and these continuing pressures, notably in Europe, may influence the forecast growth for New Zealand. Other important factors are how developments in Asia, particularly China might affect our export performance, and more local issues including the extent and timing of reconstruction in Christchurch, and the likely impact on the ongoing demand to increase savings and reduce debt.

Turning to the current year, as we flagged in our results announcement in August, the year has begun more slowly than we had originally expected, and the economy is struggling to build momentum in the sectors Steel and Tube service. Dave will talk about the factors that are of interest to us particularly, and explain why we are of the view that our first half result will be less than the corresponding period last year. There is potential for recovery in the second half.

In summary, the board is encouraged by the transformation taking place in the company, and believes that this has strengthened our capacity to continue to maximize our position in these tough and uncertain times, and to capitalize on any upturn when it eventuates.

Before handing over to Dave for his presentation, on behalf of the Directors I would like to thank him and all in Steel & Tube for their continued commitment and contribution. It is the source of the great strength of this company.

I will now ask Dave Taylor to present the CEO report

CHIEF EXECUTIVE OFFICER'S ADDRESS

10 November 2011

This has been a year of significant change for the company with good progress across all elements of the new strategy including implementation of the "one company" operating model and the exciting new brand.

Financially the company generated pleasing returns despite the subdued and challenging economic environment which was compounded by the terrible events in Christchurch.

The first half saw marginal improvements across most markets and with the impact of price increases from the prior period, margins improved. The second half saw a slight uplift in volume, and price increases inline with global steel price increases offset to some degree by an appreciating New Zealand Dollar, helped maintain margins despite ongoing stiff competition.

Thus, the six months to 31 December 2010 had sales revenue of $190.5 million and an underlying net profit after tax of $8.4 million. The second half had sales revenue of $195.3 million and an underlying net profit after tax of $8.9 million.

In total for the full year, when compared with the previous year, sales revenue at $386 million was up $6 million, or 1.5% and underlying profit after tax of $17.3 million was up $7.4 million, or 75%.

A fully imputed dividend of 9.0 cents per share was declared and paid on the 30 September 2011.

Health and Safety

Before commenting further on the business, I would again like to start with Health and Safety and acknowledge the continued effort and commitment of our staff towards the ongoing improvements in this area.

In line with the indications made at the last AM this year's safety statistics include contractors. It is pleasing to report another year of improvement despite there being one contractor lost time incident. The number of medical treatment incidents reduced by 3 to a total of 7.

Christchurch

The company's second largest operation, with 120 staff across 6 facilities, is Christchurch and although our operations came through the earthquakes and aftershocks relatively unscathed, one employee sadly lost his partner. Our thoughts and support continue to be with him and his family.

Our focus throughout the period was and continues to be on our people, their families and how to ease the considerable stresses created by the situation and generally trying to make things more tolerable for them.

Support ranged from providing basic amenities of water, sanitation and hot food for employees and families without power, to accommodation, counselling and legal advice where required. Staff from other parts of our business volunteered to support the Christchurch operations allowing some Christchurch staff to focus on personal and family issues.

The Christchurch leadership team has truly been outstanding and the resilience and commitment to the company by our people quite extraordinary.

Market Commentary

In line with expectations there was very little upside for the company from an economic perspective. Some markets improved marginally but others, notably residential and commercial construction, both deteriorated offsetting slight gains in rural and manufacturing.

Residential construction remained at historical lows with building consents by value declining 14% for the 12 months to June 2011. Similarly non- residential construction consents by value was down 4% with commercial and industrial sectors down by 29% and 12% respectively compared to the prior period.

Manufacturing having commenced the year slowly, gradually improved aided by favourable exchanges rates, particularly to Australia. Rural, buoyed by record commodity prices across virtually every sector also started to improve particularly in the second half. However, repayment of debt continued to weigh heavily across the sector.

Company Performance

With total domestic steel volumes still over 20% down on pre Financial Crisis levels the market remains very competitive. Therefore it is pleasing to report that the company has maintained its leadership position in many core products, with both Distribution and Processing seeing marginal improvements in sales and volume.

Given the challenging environment, the management of costs and working capital continued to receive attention. Overall expenses reduced by almost $1m on top of the $11.8m from the prior year despite additional overheads to help drive the strategic change agenda.

Working capital was also actively managed and although inventory costs and trade receivables increased inline with increasing steel prices, actual inventory on hand reduced by almost 4000 tonnes. Interest rate reductions combined with capital management improvements saw interest costs reduce by almost $0.5m.

We have made significant changes to the way we do business during the last 18 months that leverage key differentiating strengths and put the customer at the centre of our business. The most visible change is to our brand and I hope you will agree that it is modern, vibrant and exciting.

Along with the new logo is a new positioning statement "Stronger in Everyway" reflecting that we are New Zealand's leading steel distributor and will deliver to the customer in every way possible. The new brand is a very clear and visible sign internally and externally that we have changed.

But at the heart of the change is a new "One Company" operating model that aims to service our customers with all of their steel requirements at the local level and in a coordinated manner. Although it is early days we are encouraged by the very positive feedback received both internally and externally.

An element of "One Company" is the ongoing rationalisation of our facilities and we have made further progress. In December 2010 we opened a new facility in New Plymouth substantially improving the Company's ability to service customers in the Taranaki region. The 1800m2 extension at Stondeon Drive, East Tamaki was also completed on time and under budget.

In total we have now consolidated 10 facilities into existing or new facilities improving alignment and effectiveness whilst reducing costs.

We have numerous other initiatives that are progressing and all are aimed at repositioning S&T for the upturn and reinforcing the company as New Zealand's leading steel distributor and stronger in everyway.

Outlook

The new financial year started slowly and has remained subdued and challenging for the first 4 months. Activity levels have reduced across all sectors, notably construction and consequently competitive pressures have intensified further. A softening in global steel prices compounded by an appreciating New Zealand dollar in the early part of the new year led to local manufacturers indicating lower steel purchasing costs for second quarter deliveries. Inventory costs in the first quarter however continued to increase on the back of firmer global steel prices in the last quarter of the prior financial period and with some competitors prepared to discount pricing early, margins have been impacted.

Unsurprisingly with raw material costs remaining relatively high and the New Zealand dollar depreciating in more recent times, local steel costs are now increasing again. The volatility cycles in both global and local steel prices are becoming increasingly shorter in duration and more and more difficult for the industry and customers to manage.

At some stage the Christchurch rebuild will start. We had anticipated that the last quarter of this current financial year would benefit from increasing rebuild efforts, however as extensively reported, the recent 5.5 earthquake on October 9, may now delay commencement into the second half of the 2012 calendar year and therefore the new financial year.

Although the situation there is very dynamic and at times unclear, we continue to ensure that we understand the issues, the challenges and the opportunities the rebuild will bring. The local team, supported by national functions are working collaboratively, together with principle contractors, sub contractors, local authorities etc to help position Steel & Tube in the best possible way.

For example, changes to the building codes for reinforcing steel in residential builds were largely anticipated and we have a suite of fully compliant new seismic reinforcing meshes for both residential and commercial buildings.

: We had expected the construction sector to remain flat and then to be boosted by the Christchurch rebuild. The reality is that both residential and more importantly to Steel and Tube, the commercial sector have actually deteriorated as I indicated earlier. Although there are modest improvements in consents, vacancy rates for both housing and offices remain relatively high. We therefore believe the prospect of the consents translating into increased activity levels is limited in the short to medium term.

The slow but improving growth in the manufacturing sector has eased in recent months with modest gains in machinery and equipment offset by a deteriorating metal products sector. The recent depreciation of the New Zealand dollar may help, but is being countered by a deteriorating Australian economic outlook.

The rural sector is expected to continue to slowly improve given relatively good commodity prices. Debt repayment continues and recent global uncertainties may tempt farmers to be more conservative with respect to additional investments.

World steel production continues to remain in excess of 120 million tonnes per month, with China producing almost a half of the world's steel.

Raw material prices remain high in relative terms and although they have eased in recent weeks, given the total world production it is difficult to see a substantive reduction in the short to medium term. There are examples of shortening iron ore contract prices from three months to one month, which along with a volatile New Zealand Dollar will further add to the volatility of global and local steel prices.

The low activities levels and the competitive nature of the industry have led to a difficult first 4 months. Given the distractions and uncertainties created by ongoing global economic issues, we believe the current difficult trading environment will persist in the near term.

Based on the earnings so far and factoring in current activity levels we expect profit after tax for first half of this financial year to be between 6 and 7 million dollars.

In the medium term we believe New Zealand's economy will remain impacted by uncertain external global factors and with the Christchurch rebuild delayed to the second half of 2012 trading improvements for the second half of the current financial year will be limited.

As already indicated the new initiatives including the "One Company" operating model have been well received and there are signs that they are starting to yield the benefits expected, which will go someway to offset the ongoing difficult trading environment.

Although difficult to predict we do expect the internal initiatives along with limited volume growth and improved margins on the back of price increases will lead to a better second half.

The last 12 months have again been challenging but we continue to reshape and reinvigorate the business and with strong cash flows, a strong balance sheet we are well positioned for all possible futures.

End

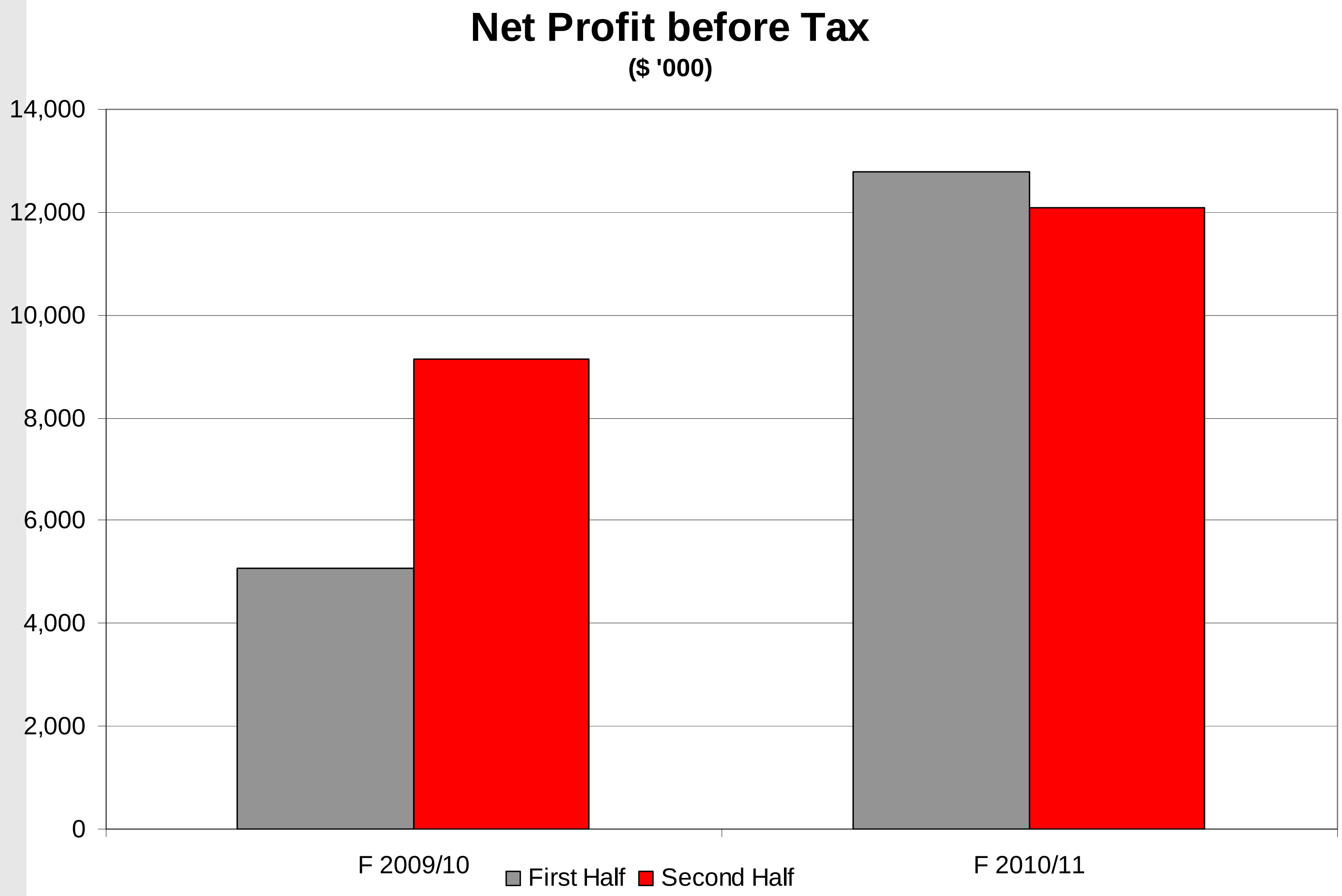
One Company: One Future

Shareholders Annual Meeting November 2011

Chairman
Dean Pritchard

CEO
Dave Taylor

Financial Highlights



Health & Safety

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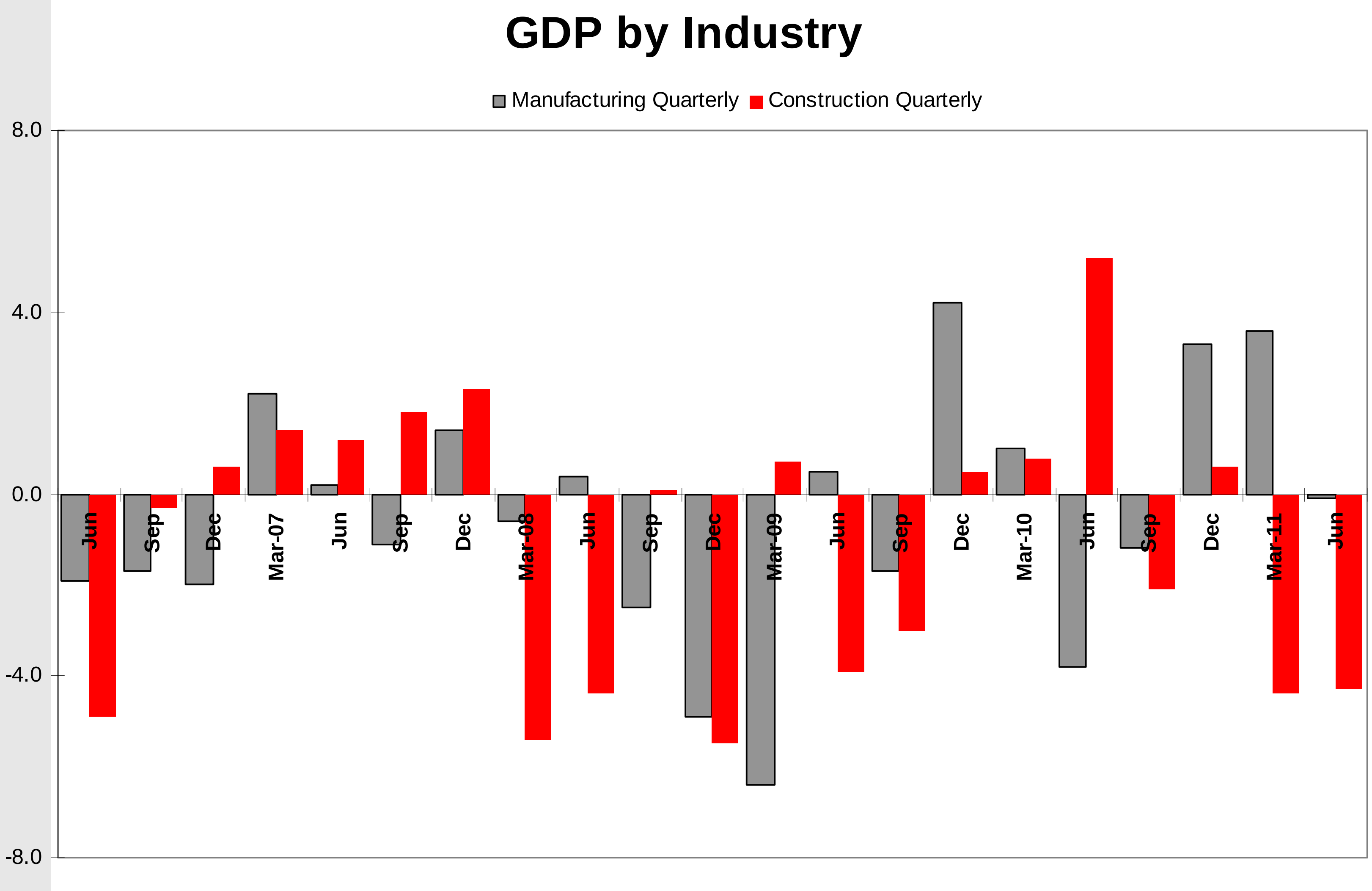
Christchurch

Market Commentary



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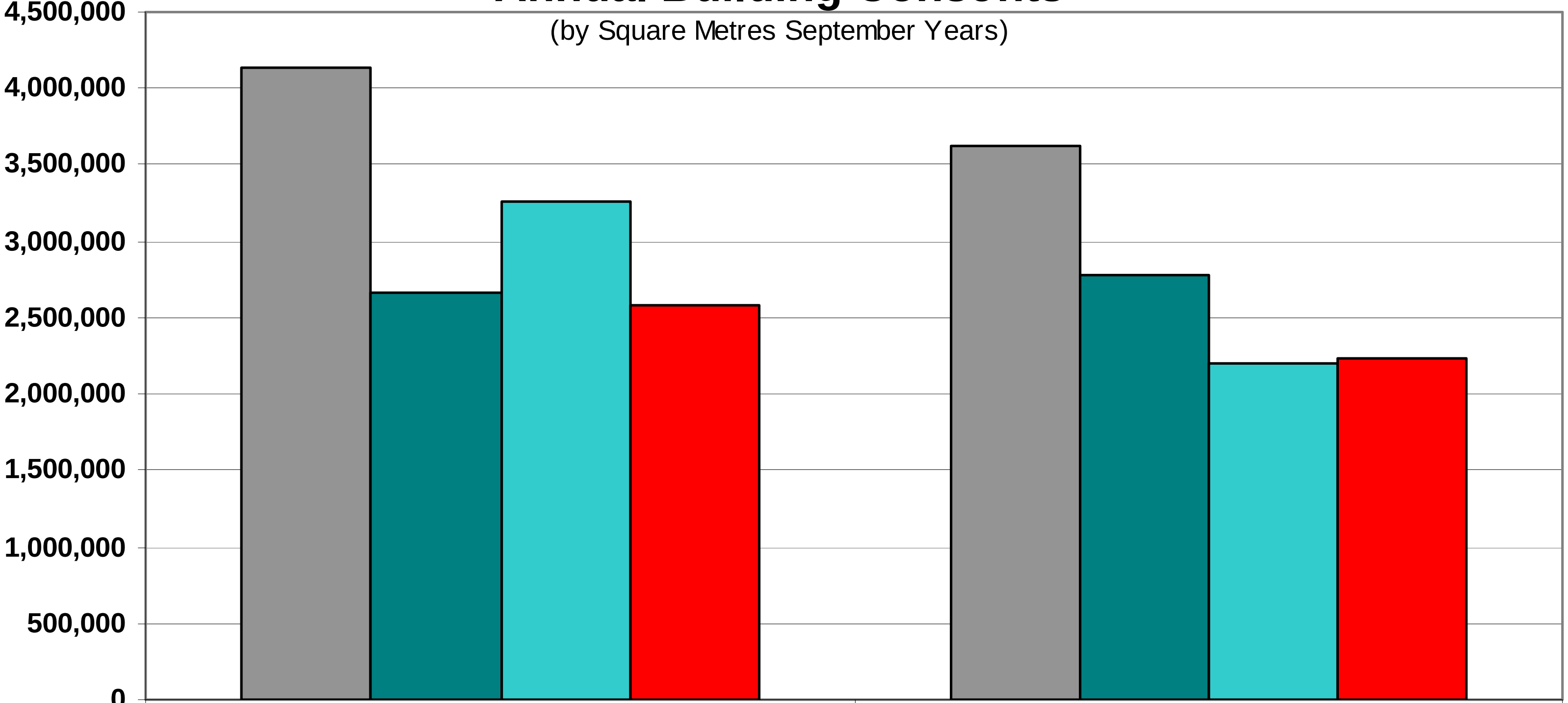
Market Commentary

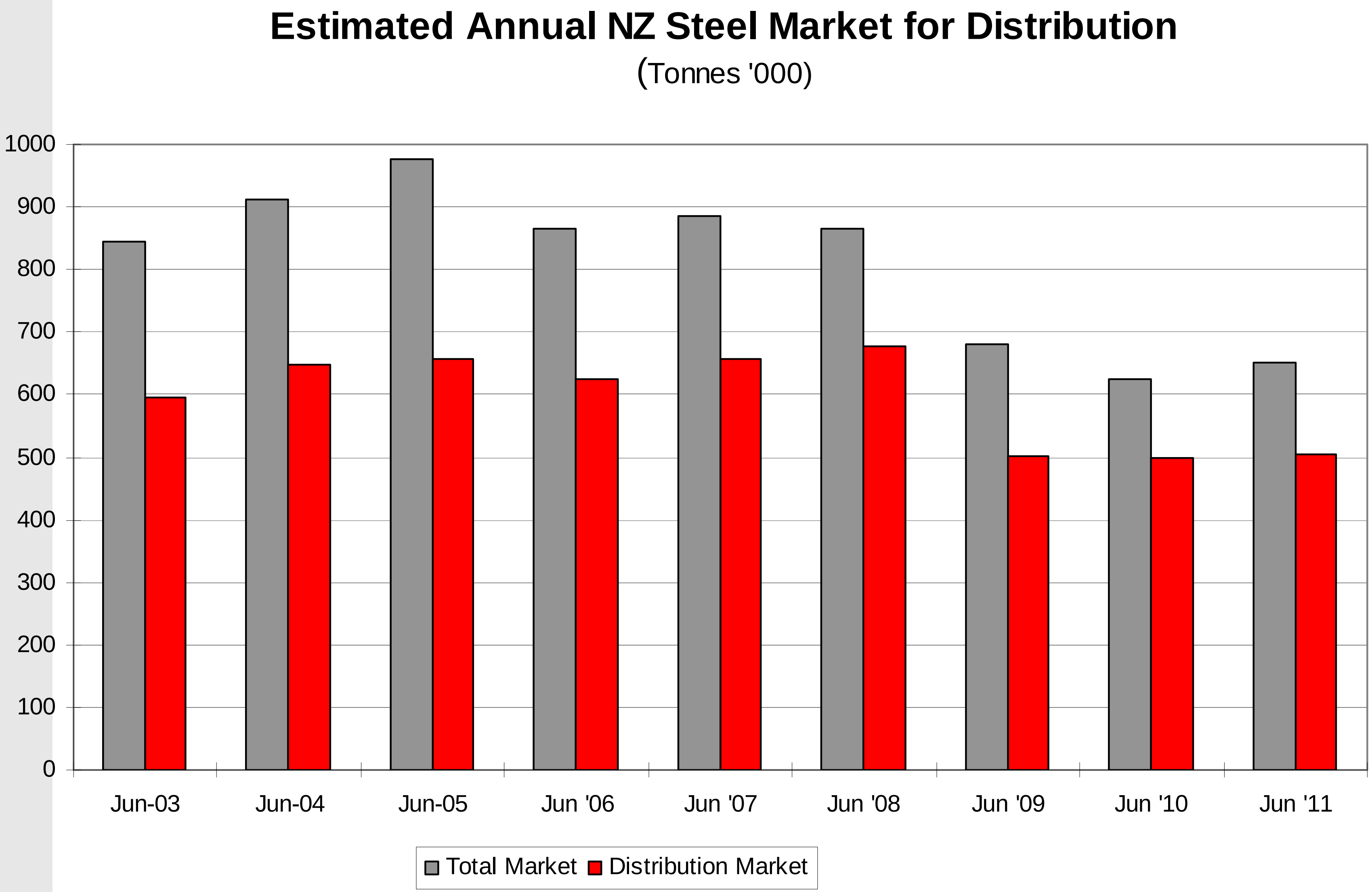
Annual Building Consents

(by Square Metres September Years)



	Residential	Non Residential
2008	4,131,607	3,615,713
2009	2,663,039	2,778,627
2010	3,258,672	2,207,998
2011	2,578,210	2,232,271

Company Performance: Domestic Demand



Company Performance: Costs

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Company Performance: Working Capital

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Company Performance: Facilities Rationalisation

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Outlook: The New Financial Year

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Outlook: Christchurch Rebuild

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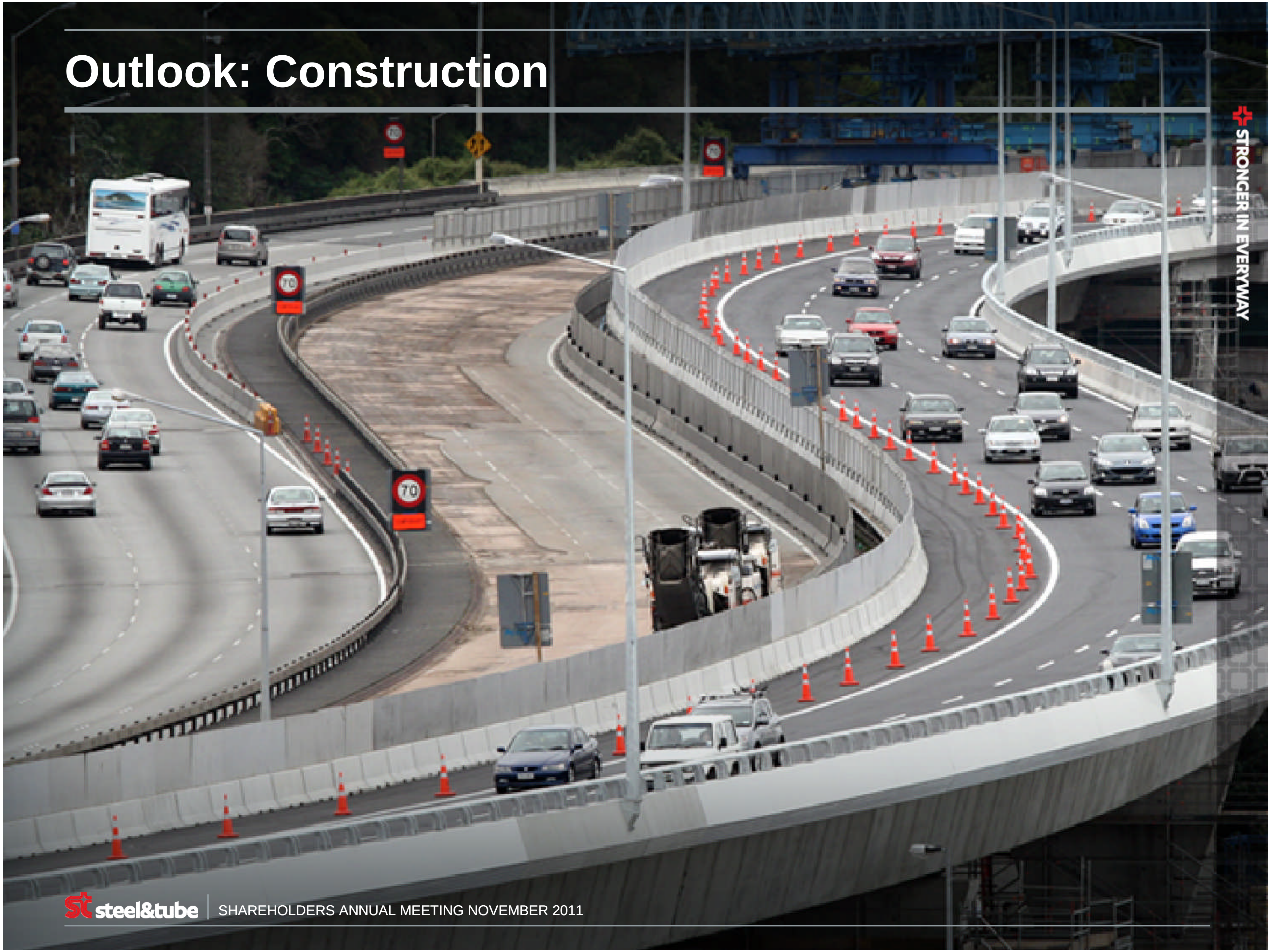
Outlook: Construction



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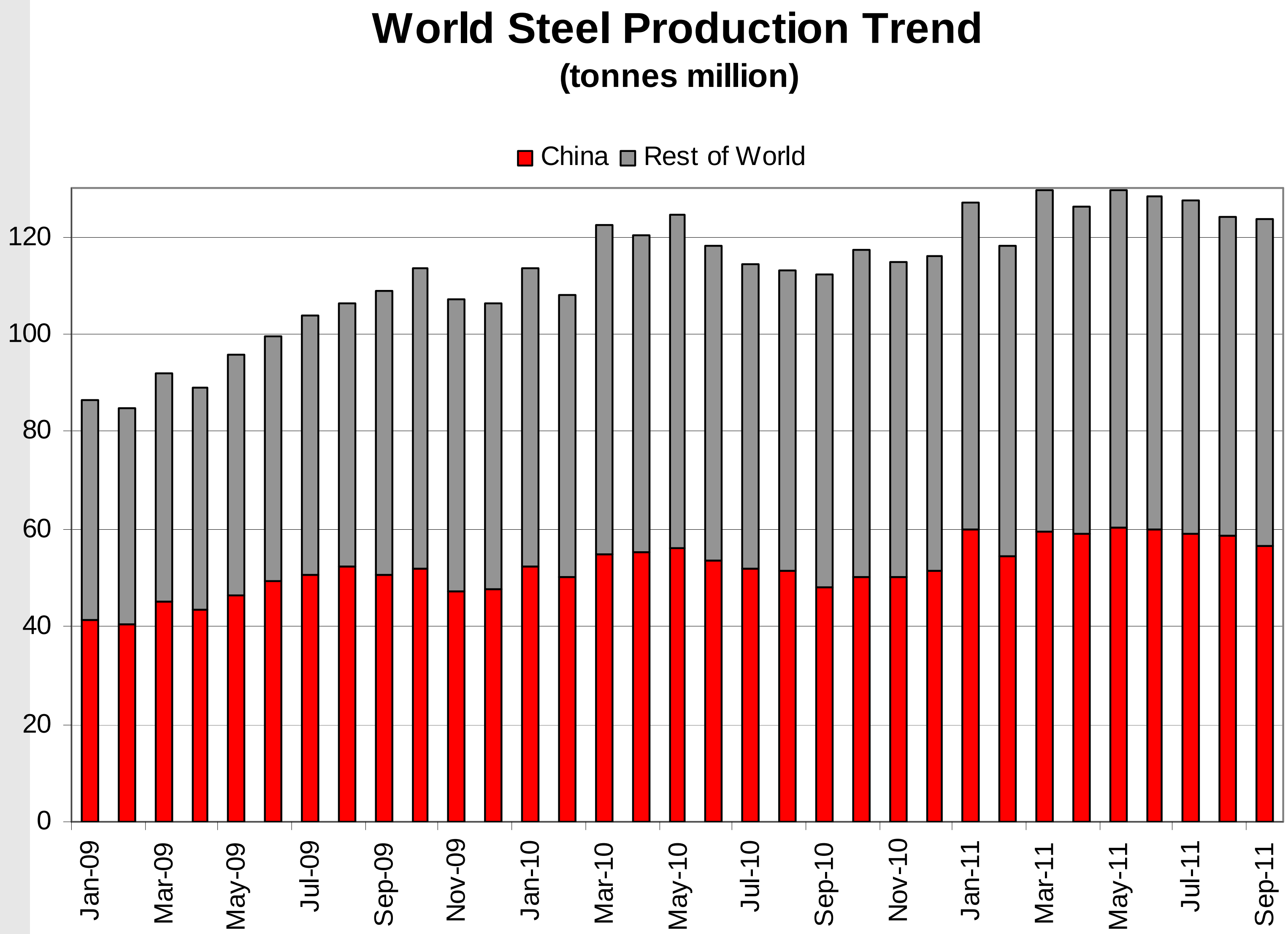
Outlook: Manufacturing & Rural

Outlook: World Steel Market



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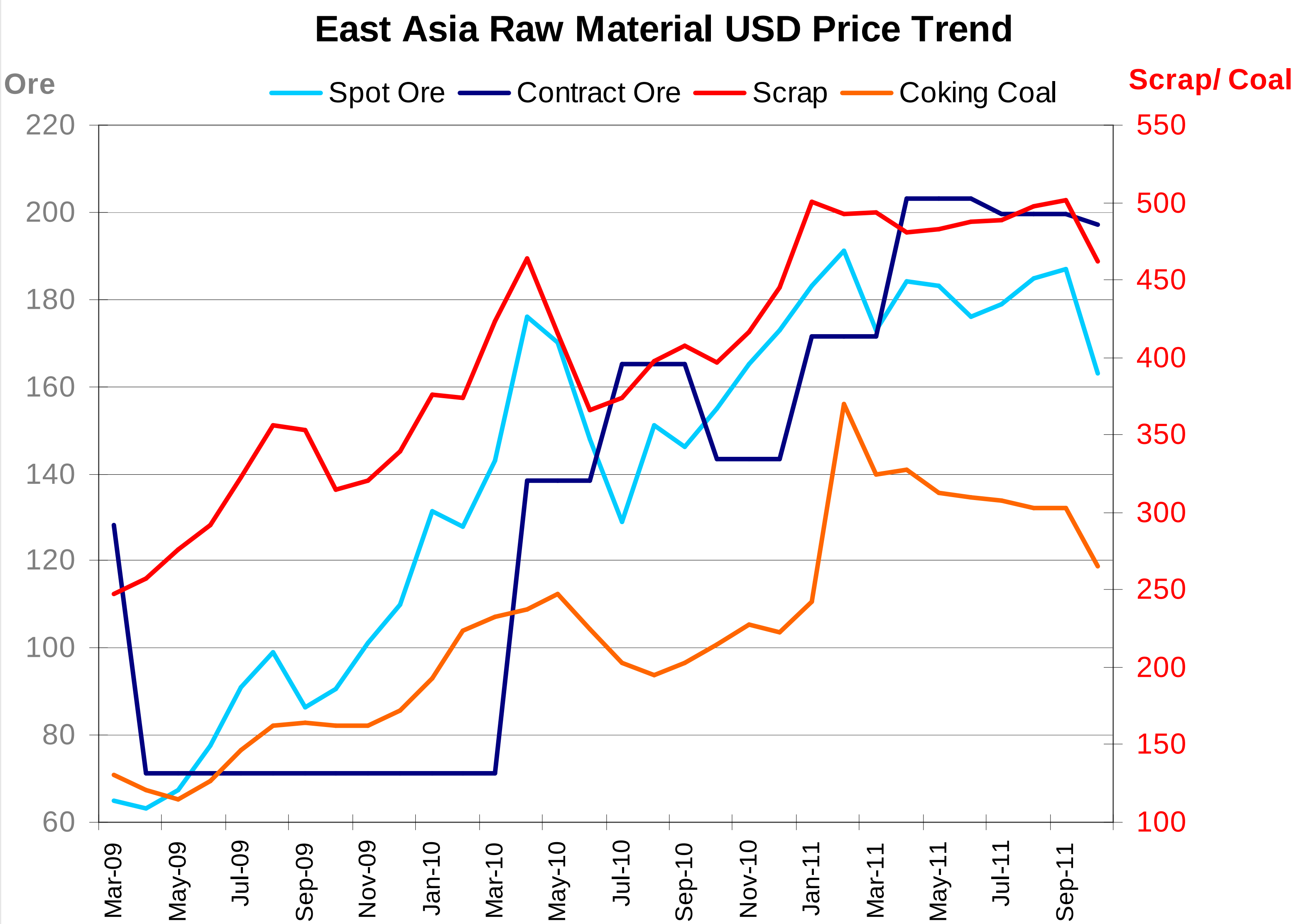
Outlook: World Steel Market



Source: SBB

Conclusion

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One Company: One Future

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