



THE TURNAROUND THE POTENTIAL

BLUESCOPE STEEL LIMITED
ANNUAL REPORT 2009/2010



2007 NOV

LAUNCHED BLUEPRINT, OUR GUIDE TO BUSINESS PERFORMANCE AND GROWTH. ITS FOCUS – STAYING SAFE, PROTECTING OUR BALANCE SHEET, BUILDING BRANDS, **IMPROVING EFFICIENCIES** AND ENHANCING CUSTOMER SERVICE.

2008 DEC

DURING THE GLOBAL FINANCIAL CRISIS, A SERIES OF MAJOR INITIATIVES IMPLEMENTED TO **PROTECT THE BALANCE SHEET**, IMPROVE LIQUIDITY, MANAGE INVENTORY AND REDUCE CAPITAL EXPENDITURE AND COSTS.

2009 DEC

IMPROVED PROFITABILITY IN THE DECEMBER QUARTER – A RESULT OF COST REDUCTIONS, IMPROVED DEMAND AND BETTER MARGINS.

2010 JUN

A **\$192 MILLION PROFIT TURNAROUND** FROM THE PREVIOUS YEAR. CONSERVATIVE GEARING AND STRONG LIQUIDITY POSITIONS BLUESCOPE WELL TO MANAGE THROUGH THE STEEL CYCLE AND SUPPORT GROWTH INITIATIVES.

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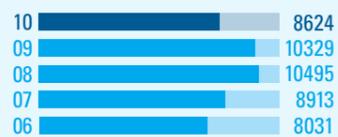
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Curvaceous weathering steel panels, crafted by BlueScope Facade Solutions, reflect the deep red ochre of outback Australia on the award-winning Australian Pavilion at Shanghai Expo. Architects: Wood Marsh.

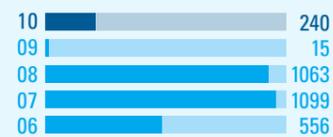
Cover: Rising cloud-like above Melbourne's skyline is the distinctive AAMI Park stadium rooftop. Hot rolled coil from BlueScope was formed into structural hollow sections by Orrcon Steel to support the stadium's cutting-edge bioframe design. Stadium designed by Cox Architects and constructed by Grocon.

FIVE YEAR PERFORMANCE*

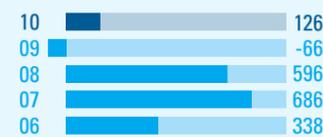
REVENUE (\$M)



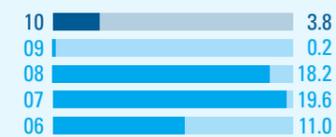
EBIT (\$M)



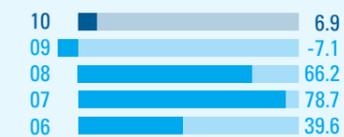
NET PROFIT AFTER TAX (\$M)



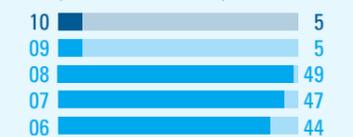
RETURN ON INVESTED CAPITAL (%)



EARNINGS PER SHARE (CENTS PER SHARE)



ORDINARY DIVIDEND (CENTS PER SHARE)



*REPORTED RESULTS

CHAIRMAN'S MESSAGE FROM GRAHAM KRAEHE



BLUESCOPE STEEL EMERGED FROM THE TOUGH TIMES OF THE GLOBAL ECONOMIC CRISIS WITH A STRONG BALANCE SHEET, STRONG LIQUIDITY AND A RETURN TO PROFIT IN 2010.

Our profit for FY2010 represents a significant turnaround on the previous year's net loss. Importantly, the Company is now well positioned to gain from continued strong Asian growth and a global economic recovery.

The strong business performance improvement came from concentrated effort and hard work by our 18,000 employees worldwide.

Everyone across the Company took effective measures to reduce costs and increase sales volumes. The Company has reduced gearing to a conservative level and BlueScope has a strong liquidity position. As a result, BlueScope now has improved its cost base and balance sheet to enable it to manage through business cycles and look at opportunities as the market improves.

Currently, we are seeing a continued, although patchy, worldwide economic recovery and strength in most of the Asian economies in which we operate.

ASIA POSTS STRONG IMPROVEMENT

The most pleasing result was the turnaround in the Company's Asian businesses.

Today, BlueScope has the best Asian footprint for mid and downstream products of any steel company. We have been operating in China for more than 20 years and in the Asian region for over 40 years. Our presence there gives us exposure to the most populous and fastest growing markets in the world.

The Board will be in Shanghai in October where we are scheduled to hold a Board meeting and customer function in the Australian Pavilion at the Shanghai World Expo. This Pavilion, that showcases Australian architectural vision and our steel to the world, is one of the most popular of the Expo sites. We are very proud of this unique building.

Expo has hosted more than 53 million visitors to date, including hundreds of BlueScope customers in China where we have found it a successful platform for sales and business development opportunities.

SHAREHOLDER VALUE

The Board committed to resuming dividend payments as a high priority once economic recovery became more apparent. The Board has therefore declared a 5 cent per share fully franked final ordinary dividend for FY2010. The decision to reinstate the dividend payments reflects the Company's improved financial performance following the global financial crisis, our confidence in the medium to long term outlook for BlueScope Steel and the global steel industry, and the growth in the economies where we operate.

COLORBOND® steel roofing creates a striking effect on the new WA Basketball Centre in Perth, one of the finest training facilities in Australia. Designed by Cox Architects.



STRATEGIC DIRECTION

During FY2010, the Company undertook a strategy review which builds on the 2007 Blueprint.

The Board has endorsed the renewed strategy which will see us leverage our existing capabilities and capitalise on our market strengths.

Managing Director and CEO Paul O'Malley discusses the strategy further, in his Report to shareholders.

CORPORATE CITIZENSHIP

BlueScope is committed to continuously improving the environmental footprint of our operations. The Company is working to improve its systems and performance through its network of environmental reviews and audits.

In April 2010, the then Australian Federal Government deferred consideration of its Carbon Pollution Reduction Scheme until 2012. Also, on 1 July 2010, the New Zealand Government introduced an Emissions Trading Scheme (ETS). BlueScope's New Zealand Steel operation will be affected by this ETS, but the New Zealand government policy recognises the global nature of the steel industry and its trade exposure so the net impact to New Zealand Steel should be minimal.

The Company has developed a set of Greenhouse Policy Principles by which it will assess environmental policies in countries where we operate. In essence, we advocate policy that reduces emissions but minimises any loss of international competitiveness. These Principles can be viewed on BlueScope's corporate website.

GOVERNANCE

Since BlueScope's inception, the Company has been committed to the highest standards of Corporate Governance and to complying with the Australian Stock Exchange Corporate Governance Principles and Recommendations.

In some cases, we have been at the forefront in key practices such as remuneration. The Board's prime objective in managing remuneration has been to ensure employee remuneration reflects the Company's performance, both in times of excellent results and in downturn years, so that they are aligned with the experience of shareholders. Directors and executives are required to personally build a holding of BlueScope shares and all employees are encouraged to become shareholders.

The Company welcomes recent changes to diversity disclosures introduced by Australia's Corporate Governance Council. BlueScope is committed to building a diverse workforce and considers that diversity, including gender diversity, is a key business issue.

The complementary skills and experience of our individual Board members is the key to its strength and I thank all of our Board members for their contribution through the past year.

On behalf of the Board, I would like to thank our 18,000 employees for the turnaround performance, and Managing Director and CEO Paul O'Malley and his team for sound leadership and guidance.

GRAHAM KRAEHE AO CHAIRMAN



Geodesic AAMI Park Stadium set against the beauty of the Yarra River that flows through the City of Melbourne. Architects: Cox Architects.



MANAGING DIRECTOR AND CEO'S REPORT FROM PAUL O'MALLEY



LAST YEAR WAS A TURNAROUND YEAR FOR YOUR COMPANY. OUR PERFORMANCE STEADILY IMPROVED EACH QUARTER, DESPITE THE MARKET CHALLENGES REMAINING AFTER THE GLOBAL FINANCIAL CRISIS.

As the year progressed, we saw improved demand, better margins and the benefits of a substantially lower cost base.

The biggest turnaround was the performance of our Asia businesses which posted a record \$116 million Earnings Before Interest and Taxes (EBIT). At a company-wide level, we delivered significant permanent cost savings. Our lower cost base provides us valuable operating leverage when demand and steel prices improve. We successfully maintained our conservative gearing and strong liquidity which positions us well to manage through the steel cycle and support growth initiatives.

Our New Zealand business delivered another solid result and despatch volumes for our Australian Coated and Industrial Products business rebounded. In North America, North Star BlueScope Steel, with its strong focus on production quality and customer service, also had a much improved performance. Overall, BlueScope achieved a good result given the unprecedented circumstances of the previous year and the challenging business environment.

GROUP PERFORMANCE OVERVIEW

At the start of FY2010, continued weak global demand for steel meant we operated significantly below our full steel making production capability. During the half, a strong export and domestic sales campaign, on the back of improving demand in Australia and Asia, supported returning the No 5 Blast Furnace at Port Kembla Steelworks to near full production capacity, after a successful reline. Still, we reported a small loss for the first half.

Business performance improved during the second half with the benefits of cost reductions, further demand for our products and better steel margins all contributing to deliver a full year reported Net Profit After Tax (NPAT) of \$126 million, a \$192 million positive turnaround from the previous year. Underlying* NPAT doubled to \$113 million equating to underlying earnings per share of 6.2 cents. A final ordinary dividend, fully franked, of 5 cents per share was declared.

Total revenue was \$8.6 billion, lower by 17 per cent in comparison to FY2009, reflecting lower domestic pricing across all segments of our business, the higher Australian dollar, and lower domestic sales volumes for Coated and Building Products North America.

Net operating cash flow improved significantly and at the end of FY2010, was close to half a billion dollars for the year.

The focus on maintaining the strength of the balance sheet and reducing costs continued into FY2010. We have maintained our conservative approach to gearing, held at around 11 per cent, and our strong liquidity position with \$1.6 billion in undrawn debt and cash.

*refer to page 17 in the Directors' Report regarding underlying earnings.

As an Australian and global manufacturing business, we must remain cost competitive. Anything that challenges our productivity, operating flexibility and cost base will put us at a disadvantage to our global competitors.

During the financial year, \$526 million in total cost savings were delivered. By the end of FY2010, \$340 million of permanent savings had been achieved over our FY2008 cost base. Continuing to lower our cost base is an ongoing priority.

SAFETY

At BlueScope Steel, there's nothing more important than safety. It's our number one priority. Despite this, tragically in March, an operator at our Phu My site in Vietnam was killed while working on the coating and painting lines. Our sincere condolences go to his family, workmates, and friends.

This tragedy reminds us all that we must remain diligent in ensuring our safety and the safety of our workmates. We believe that all work can be done safely.

In our pursuit of Zero Harm, there were a number of positive safety initiatives and results for the year. The Company's injury levels remain at world's best standard with Lost Time Injury Frequency Rate (LTIFR) remaining below one incident for every million hours worked for the sixth consecutive year. The Medically Treated Injury Frequency Rate (MTIFR) ended the year at a record low level of 4.9.

BUSINESS PERFORMANCE HIGHLIGHTS

ASIA

Our Asian business performance was a highlight of FY2010, with record profits in China, Indonesia, Malaysia and Vietnam. Underlying EBIT for the year was \$116 million, \$31 million of that from our China business, compared to a loss of \$21 million in FY2009. A new leadership team with its strong market focus, along with major cost reductions, led to improved domestic sales volumes and margins.

The Indonesian domestic market strengthened during the year, particularly in the residential segment. Construction of the second coating line is on schedule to be operational by the third quarter of this financial year.

In China, the Government's economic stimulus package aided in improving demand for our coated business and we expect it will continue to positively impact the key infrastructure segment in FY2011. Our Butler pre-engineered building (PEB) business saw improved demand.

Historically, in our Buildings business many customer orders are from major international corporations. Pleasingly, half our customers in the Butler China business now come from domestic Chinese companies that see our value proposition as helping them be successful in the market. Lysaght China further grew its market share in the industrial and premium public building segments.

In Thailand, the political environment stabilised in April but customers in that market remain cautious. Our Vietnam coating and building businesses, under a new leadership team, recovered strongly with increased domestic demand, cost reductions and improved business processes.

Asia, including China, is home to the world's most populous and fastest growing economies. As they grow, demand for steel products grows. We are well placed with our business footprint in this area and plan a number of product developments to strengthen our market offer.

Over the next few years the assets we have today, and the new metal coating line which will commence operation in Indonesia next year, provide increased earnings potential in Asia.



Left: Melbourne's new headquarters for US retail giant, Costco, at Docklands displays the design diversity of pre-engineered buildings. Architect: NH Architecture.
Far Left: Ground-hugging house in the Snowy Mountains of NSW, with its curved roof of LYSAGHT CUSTOM ORB® is designed to withstand extreme weather. Architect: James Stockwell Architecture.

AUSTRALIA

In Australia, our Coated and Industrial Products Australia business ended the year positively. Underlying EBIT was \$108 million for the year, \$188 million in the second half.

Global steel demand continued to improve in all regions at the beginning of the fourth quarter of the year with hot rolled coil prices increasing by 20 to 25 per cent, improving margins.

Our Australian Distribution and Solutions business, which includes BlueScope Lysaght, BlueScope Buildings Australia, BlueScope Water, our service centres and emerging businesses, struggled in an extremely competitive market segment with volumes and margins flat in the second half.

NEW ZEALAND & PACIFIC ISLANDS

Our New Zealand & Pacific Steel Products business delivered another solid performance with an underlying EBIT result of \$73 million, achieving \$52 million in the second half of the year. Domestic sales for the year rose by 10 per cent with higher demand from the manufacturing sector and increased government infrastructure investment.

NORTH AMERICA

North Star BlueScope Steel, our 50 per cent joint venture mini mill, delivered an impressive result with earnings for our Hot Rolled Products North America segment improving to \$61 million profit for the year compared to a loss of \$58 million in FY2009. For the eighth consecutive year, North Star BlueScope Steel received the highest customer satisfaction rating in the Jacobson & Associates survey of 2,000 North American steel customers.

Steelscape saw increased sales with despatches up by 37 per cent but margins softer. However, even during a challenging year, it was able to increase its market share. With the continued weakness in the US non-residential

construction market, the Buildings business in our Coated and Building Products segment struggled.

A good deal of hard work has been done over the past two years to rationalise the integrated Buildings businesses in the US and lower its cost base. We are confident that when market conditions turn around we will deliver improved results given our very competitive cost structure and market offer.

STRATEGY – SCOPE TO GROW

BlueScope is a leading global provider of steel building products and solutions. We are a diverse company with over 100 manufacturing plants in 17 countries. Of our 18,000 employees around the world, over 90 per cent are shareholders.

Three years ago, we released our Blueprint to guide our business performance and growth. This encompassed:

- reinvigorating our Australian and New Zealand businesses;
- continuing the turnaround and improvement process across our Asian and North American businesses; and
- growing or acquiring new businesses that build on our distinct competitive advantage.

During the global financial crisis, our focus on the Blueprint fundamentals served us well – protecting our balance sheet, building brands, improving efficiencies through significant cost reductions, and enhancing customer service.

During this time, we also reviewed our strategy to ensure we were ready for renewed growth around the world.

As a result of this review, we have broadened our strategy to include three additional core elements:

- expand participation in our existing building and construction markets, better leveraging our current product base including custom engineered buildings, insulated panels, quality coated products and light-weight steel structures

- invest into large, high growth regions leveraging our product capability, especially through our Butler and Varco Pruden brands
- evaluate raw material opportunities that reduce our raw material cost base through the cycle

At the same time, we will continue to focus on the fundamentals of running our production lines at full capacity, reducing structural costs and managing to strict financial targets.

ENVIRONMENT

Our Company has a long standing commitment to improving our environmental footprint across all our operations. This continues today with many environmental improvement initiatives underway.

One key initiative is at our Western Port plant in Victoria where a significant water saving project under construction is expected to deliver a 65 per cent reduction in fresh water use and a 75 per cent reduction in wastewater discharge. The project is similar in design to a major recycled water initiative operating at our Port Kembla Steelworks since 2006 that has saved more than 20 billion litres of fresh water.

PEOPLE

BlueScope is committed to building a diverse, global workforce that reflects the countries, communities and cultures in which we operate. We consider gender diversity, in particular, a key business priority. We are driving initiatives to attract, develop and retain women and to improve the participation of women throughout the organisation and in management positions.

A Gender Diversity Project, commissioned by the Executive Leadership Team, has led to enhancements to our existing gender diversity programs.

Recent initiatives include establishing a Diversity Council to provide visible leadership, sponsoring and monitoring of key programs, introducing diversity educational materials,

and adopting diversity objectives with measures of success and targets against which the businesses will be monitored and assessed. The Board monitors progress against these initiatives.

Our goal is to create a more diverse and inclusive workplace that will attract, encourage and develop a talented and capable workforce. We know significant improvements are needed to reach our goal and we are committed to making this happen.

LOOKING AHEAD

As we move into the first half of FY2011, we have a strong balance sheet, good liquidity and financial flexibility with low gearing. Our significantly reduced cost base positions us well for an upturn in market conditions across our footprint.

We expect to see continued strong performance from our Asian businesses and the ongoing benefit of permanent cost reductions over the course of FY2011.

BlueScope Steel is poised to benefit from a global recovery in the medium to long term. Our aim is to increase the market penetration of our products, to capitalise on improving market conditions, and grow our presence in the building and construction markets.

This financial year has proven our resilience. I would like to thank all our employees and my management team for their strong commitment to Zero Harm and their outstanding contribution to achieving this profitable result in a very challenging time. I would also like to thank you, our shareholders, and also our customers, for your continued support.

PAUL O'MALLEY MANAGING DIRECTOR & CEO



OUR BOARD OF DIRECTORS

BLUESCOPE STEEL IS COMMITTED TO THE HIGHEST STANDARDS OF CORPORATE GOVERNANCE.

Seated, left to right: Tan Yam Pin, Diane Grady, Chairman Graham Kraehe. Back, left to right: Daniel Grollo, Ken Dean, Paul O'Malley, Kevin McCann, Ron McNeilly. For the Directors' biographies, please refer to pages 20 and 21.

SAFETY WORKING HARD EVERY DAY TO ACHIEVE ZERO HARM

AT BLUESCOPE STEEL, SAFETY COMES FIRST. OUR GOAL IS ZERO HARM ACROSS OUR ORGANISATION FROM WORKING IN OUR MANUFACTURING OPERATIONS TO DISTRIBUTING OUR PRODUCTS AND IN OUR OFFICES.

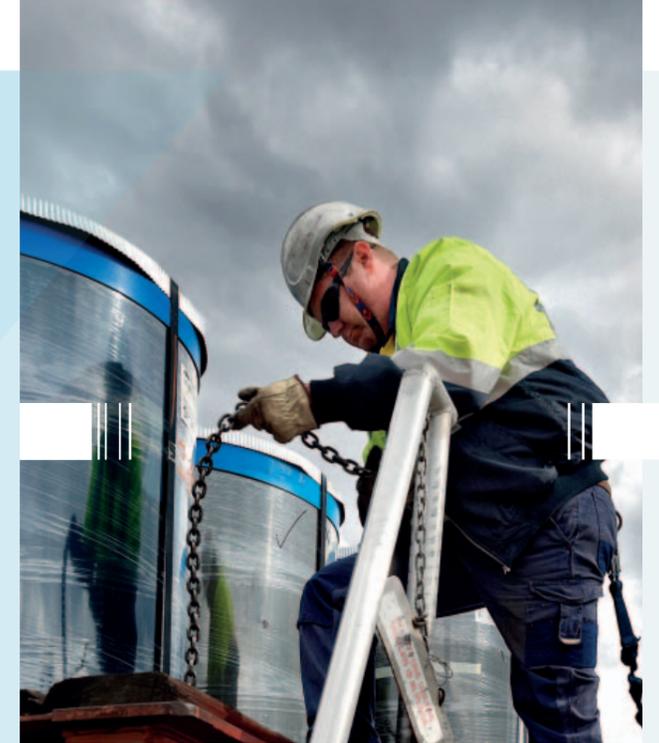
Our belief that all work can be done safely means we work continuously to improve our health and safety performance at every level.

In 2009/2010, the Company's injury levels are at world's best standard with the Lost Time Injury Frequency Rate (LTIFR) remaining below one for the sixth consecutive year. Our actual LTIFR performance of 0.8 compares with the average for the World Steel members' performance of 4.0. BlueScope Steel's Medically Treated Injury Frequency Rate (MTIFR) was below five.

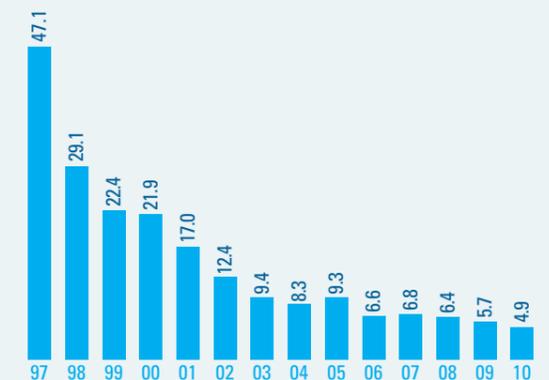
Tragically, in our Vietnam business in March 2010, an operator was fatally injured. This tragedy reminds us that we must remain diligent in ensuring our own safety and the safety of our workmates. We believe that all injuries can be prevented.

During the year, there were a number of safety improvements in many of our businesses and some were recognised by external safety awards.

All of us at BlueScope are committed to making our workplace injury free. The result is that fewer people are being injured than ever before and the Company is cited for its best practice in workplace safety. We remain focused on reaching our goal of Zero Harm.



LOST TIME INJURY FREQUENCY RATE
LOST TIME INJURIES PER MILLION HOURS WORKED
Includes Contractors, Butler from 2004 and 2007/8 acquisitions



MEDICALLY TREATED INJURY FREQUENCY RATE
MEDICALLY TREATED INJURIES PER MILLION HOURS WORKED
Includes Contractors, Butler from 2004 and 2007/8 acquisitions

OUR COMPANY

BLUESCOPE STEEL IS AN INTERNATIONAL STEEL SOLUTIONS COMPANY WITH A MANUFACTURING AND MARKETING FOOTPRINT SPANNING AUSTRALIA, NEW ZEALAND, ASIA AND NORTH AMERICA.

Our Company is a leading supplier of premium metallic coated and painted steel building products, and one of the world's largest manufacturers of pre-engineered steel buildings (PEBs).

BlueScope's brand portfolio contains many well-known and iconic names including COLORBOND®, ZINCALUME®, and XLERPLATE® steels and LYSAGHT® building products. Our BlueScope Water business has achieved a leading position as a supplier of premium steel rainwater harvesting solutions. Products such as our WATERPOINT Slimline® and WATERPOINT Classic® steel tanks have been well received by the market.

In North America, the BUTLER® brand has been part of the landscape for a century and is a premium brand in PEB systems. In our Asian markets, we have built an enviable reputation for quality with our purpose-designed Clean COLORBOND® steel which is ideal for tropical conditions. SMARTRUSS® is a well established and popular roof framing brand in Thailand and Indonesia.

BlueScope Steel employs over 18,000 people in 17 countries, with more than 100 manufacturing facilities worldwide. The Company is a recognised global leader in safety, and is engaged in a range of initiatives to improve our environmental performance and the sustainability of our products.

PERFORMANCE OVERVIEW FY2010 BLUESCOPE STEEL BUSINESS SEGMENTS

COATED AND INDUSTRIAL PRODUCTS AUSTRALIA



Lower result from reduced spread and strong Australian dollar

- Impacted by lower margins, but still delivered an underlying EBIT of \$108 million with a 22% increase in domestic sales volume and the benefit of significant cost improvement initiatives
- External export sales volume improved 46% over FY2009 on improved customer demand, and supported by resumed production from No 5 Blast Furnace from August 2009, following its successful reline
- Pricing of COLORBOND® steel remained stable; metal coated products pricing declined compared to FY2009 largely due to the strong Australian dollar
- Western Port and Springhill production volumes increased across all lines as customer demand improved
- Second half result improved over first half particularly due to stronger international steel prices

	FY 2010	FY 2009
EXTERNAL DESPATCHES (’000s of tonnes)		
Domestic	1,870	1,535
Export	1,576	1,082
REVENUE (\$M)	4,745	5,291
EBIT (\$M)	84	206
UNDERLYING EBIT (\$M)	108	141
NET OPERATING ASSETS (pre-tax) (\$M)	3,464	3,322
RETURN ON NET ASSETS (pre-tax)	2%	6%

AUSTRALIA DISTRIBUTION AND SOLUTIONS



Lower margins reduce earnings

- Strong Australian dollar results in pricing pressure in domestic market, leading to lower margins
- Despatch volumes for BlueScope Lysaght marginally higher
- Soft market conditions continue due to lower consumer demand across most regions of Australia in residential housing sector
- Stronger demand in the building market led to higher production for the Sheet and Coil Processing business
- Pioneer Water has stronger sales activity from seasonal rural spending but building delays in West Australia reduce revenues for Highline
- Interest in BlueScope Buildings range, including pre-engineered steel buildings, remote steel framing supply, and steel building facades, is growing

	FY 2010	FY 2009
EXTERNAL DESPATCHES (’000s of tonnes)		
Domestic	754	755
Export	11	9
REVENUE (\$M)	1,762	2,121
EBIT (\$M)	12	(23)
UNDERLYING EBIT (\$M)	2	9
NET OPERATING ASSETS (pre-tax) (\$M)	881	926
RETURN ON NET ASSETS (pre-tax)	1%	(2%)

NEW ZEALAND AND PACIFIC STEEL PRODUCTS



Year of solid performance

- Domestic despatches 10% higher on improved demand, particularly driven by manufacturing end-use segment
- New steel framing brand, Axxis®, launched with total framing sales up 24%
- Export demand relatively strong but conditions remain challenging
- Markets and project work in Pacific Islands business underpinned strong coated volumes
- Production levels higher across the product range
- Iron sands exports rose by 33% and vanadium volumes up 4%

	FY 2010	FY 2009
EXTERNAL DESPATCHES (’000s of tonnes)		
Domestic	265	241
Export	241	273
REVENUE (\$M)	618	695
EBIT (\$M)	73	65
UNDERLYING EBIT (\$M)	73	87
NET OPERATING ASSETS (pre-tax) (\$M)	398	346
RETURN ON NET ASSETS (pre-tax)	19%	20%

COATED AND BUILDING PRODUCTS ASIA

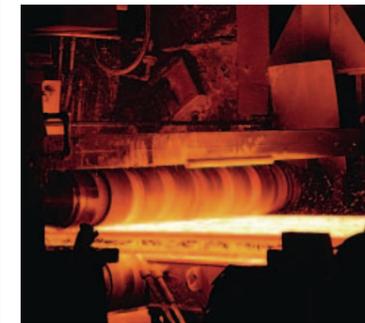


Performance turnaround with record profits

- Asia business led overall results with underlying EBIT \$116 million
- Strong market focus and major cost reductions resulted in improved domestic sales volumes and margins
- Improved domestic market conditions in Indonesia increased demand for residential steel roofing and steel building frames
- Construction of second metallic coating line in Indonesia on track to be operational in third quarter FY2011
- Political environment in Thailand stabilised but markets remain cautious
- Sales volumes rise for China Butler Buildings by 27% and by 29% for Lysaght from improved industrial and public sector demand

	FY 2010	FY 2009
EXTERNAL DESPATCHES (’000s of tonnes)		
Domestic	889	717
Export	89	109
REVENUE (\$M)	1,349	1,543
EBIT (\$M)	116	(94)
UNDERLYING EBIT (\$M)	116	(21)
NET OPERATING ASSETS (pre-tax) (\$M)	899	833
RETURN ON NET ASSETS (pre-tax)	14%	(8%)

HOT ROLLED PRODUCTS NORTH AMERICA



Impressive result from North Star BlueScope Steel, our US steel-making joint venture

- \$119 million increase in underlying EBIT mainly due to a 33% increase in despatch volumes
- High capacity utilisation rates maintained due to reputation for on-time delivery, quality and customer responsiveness
- Recovery in auto sales and production, service centre restocking and an improved agricultural sector lifts sales volumes
- Receives highest customer satisfaction rating in Jacobson & Associates survey for eighth consecutive year

	FY 2010	FY 2009
EXTERNAL DESPATCHES (’000s of tonnes)		
Domestic	924	693
Export	–	–
REVENUE (\$M)	–	–
EBIT (\$M)	61	(58)
UNDERLYING EBIT (\$M)	61	(58)
NET OPERATING ASSETS (pre-tax) (\$M)	172	183
RETURN ON NET ASSETS (pre-tax)	34%	(22%)

COATED AND BUILDING PRODUCTS NORTH AMERICA



Challenging year in a tough market

- Steelscape increased market share with despatches up 37% due to improved demand
- Demand for new non-residential buildings weak with external despatches down 35% for BlueScope Buildings
- Integration program in Buildings business over last 2 years improves its ability to handle current market weakness and materially benefit from future market improvement
- External shipments lower for ASC Profiles and Metl-Span from continued weak economic conditions

	FY 2010	FY 2009
EXTERNAL DESPATCHES (’000s of tonnes)		
Domestic	521	553
Export	14	19
REVENUE (\$M)	1,307	2,189
EBIT (\$M)	(21)	(93)
UNDERLYING EBIT (\$M)	(16)	9
NET OPERATING ASSETS (pre-tax) (\$M)	806	919
RETURN ON NET ASSETS (pre-tax)	(3%)	(8%)



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