



BLUESCOPE STEEL LIMITED  
ANNUAL REPORT 2007/08 PART 1 OF 2

OPPORTUNITY. DIRECTION. DELIVERY.  
**A BLUEPRINT FOR GROWTH.**

Cover image: The innovative Macquarie Bank Centre in Sydney, New South Wales, features a steel exoskeleton. BlueScope Lysaght Design and Construction provided the entire structural package for the project.

**CRAIG NEALON**  
MANAGER  
**AUSTRALIA'S  
INDUSTRY WORLD  
PORT KEMBLA  
AUSTRALIA**

"REDUCING OUR ENVIRONMENTAL FOOTPRINT IS A HIGH PRIORITY. I'M ESPECIALLY PROUD TO TELL VISITORS ABOUT OUR ACHIEVEMENTS IN WATER CONSERVATION."

**environment**

At Port Kembla Steelworks, our recycled water program has now saved over 10 billion litres of fresh water.

**MARK WATT**  
PAINTLINE SUPERVISOR  
**NEW ZEALAND STEEL  
GLENBROOK  
NEW ZEALAND**

"AS A BLUESCOPE STEEL EMPLOYEE, YOU ARE ENCOURAGED TO CONTRIBUTE IDEAS TO FIND BETTER, SAFER WAYS OF DOING YOUR JOB."

**manufacturing  
excellence**

The best response to high demand is to maximise production. Our strong performance reflects the initiative of our men and women in improving productivity.



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## LYNN BAYS FUECHSEL PRESIDENT

**JACK BAYS INC.**  
**McLEAN, VIRGINIA**  
**USA**

"AS A BUTLER BUILDER®, I CAN ASSURE  
MY CUSTOMERS THAT THE QUALITY OF OUR  
WORK AND OUR MATERIALS IS EXCEPTIONAL."

## customers

The Butler Builder® network  
is a unique group of more than  
1,100 professionals. They  
are both our customers and  
our representatives in the  
pre-engineered building market.

## NARKAM MAINTENANCE LEADER BLUESCOPE LYSAGHT INDONESIA

"AS A FAMILY MAN, IT'S GOOD TO WORK  
FOR A COMPANY THAT IS KNOWN  
THROUGHOUT OUR INDUSTRY FOR ITS  
HIGH SAFETY STANDARDS."

## safety

Our safety journey began  
more than a decade ago.  
Our goal is achieving and  
maintaining Zero Harm  
at every BlueScope Steel  
workplace across the globe.



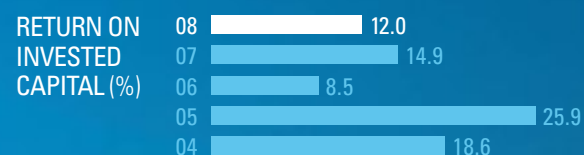
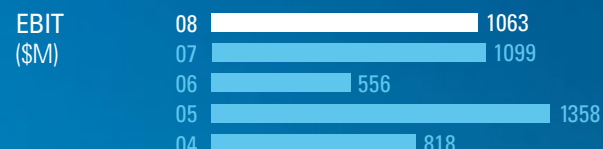
**'DUE TO THE HARD WORK  
AND INITIATIVE OF  
OUR 21,000 EMPLOYEES,  
BLUESCOPE STEEL WAS  
ABLE TO DELIVER AN  
EXCELLENT RESULT FOR  
SHAREHOLDERS, IN A  
CHALLENGING YEAR.'**

**PAUL O'MALLEY** MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER

**OVER 90% OF EMPLOYEES\*  
PARTICIPATE IN BLUESCOPE  
STEEL'S EMPLOYEE SHARE PLAN.**

\*ELIGIBLE

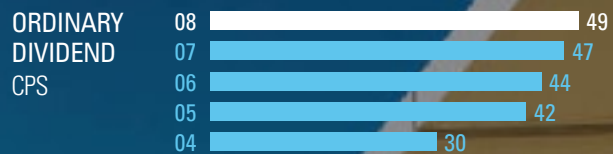
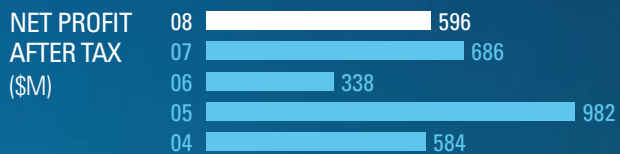
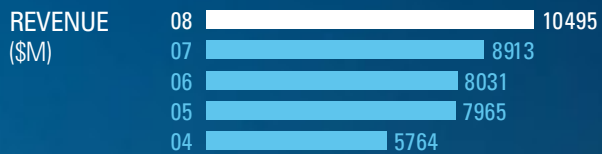
#### FIVE YEAR PERFORMANCE\*



\*REPORTED RESULTS







## CHAIRMAN'S MESSAGE FROM GRAHAM KRAEHE



The 2007/08 financial year was an excellent one for BlueScope Steel. Our businesses in Australia, New Zealand, Asia and North America all performed well, meeting the various challenges that occurred in these markets.

### ONCE AGAIN, BLUESCOPE STEEL HAS EMPHASISED ITS COMMITMENT TO SHAREHOLDERS

World steel demand was strong and prices remained high during the year, which offset rising raw material costs. Our underlying net profit after tax (NPAT) of \$816 million represents a 27 per cent increase over 2006/07, while our strategy and domestic and international acquisitions see us well positioned for future growth.

#### LEADERSHIP

In August 2007, Paul O'Malley was appointed CEO, following a rigorous selection process, which included an international search.

The task of appointing a CEO is one of the most important functions of the Board of Directors and the appointment of Paul O'Malley was managed in a most effective manner. The transition of leadership was seamless and BlueScope Steel continued operating smoothly throughout the process, as evidenced in its strong performance in 2007/08.

#### SHAREHOLDER VALUE

BlueScope Steel again emphasised its strong tradition and commitment to rewarding shareholders. The Company paid a total ordinary dividend of 49 cents per share, fully franked, up 2 cents on the previous year. Underlying earnings per share was \$1.10, up from 89 cents in 2007. Since BlueScope Steel's public listing, nearly \$2.7 billion, or \$3.64 per share, has been returned to shareholders in the form of share buybacks and dividends. We are also pleased to see that today more than 90 per cent of BlueScope Steel employees are shareholders of the Company.

During the year, the Board supported senior management in executing the growth strategy through two significant acquisitions. In August 2007, we announced the purchase of the Smorgon Steel Distribution business at a cost of \$750 million. This move has greatly increased our presence in the Australian market.





Winegrowers of Ara, Marlborough, New Zealand. The winery operations centre, known as 'The Dart' features a ZINCALUME® steel roof that folds down and over to shelter the courtyard from the prevailing winds.



In February, we acquired the North American steel group, IMSA Steel Corp, for US\$730 million.

IMSA Steel Corp comprises four distinct businesses with manufacturing facilities throughout the United States and sales throughout North America. This acquisition reflects our growth strategy and will greatly strengthen our downstream presence in North America, making us the global leader in the pre-engineered building market. Both acquisitions increase the market presence of BlueScope Steel, providing greater scope and reach for its products and solutions. BlueScope is not exposed to the US residential housing market.

#### STRATEGIC DIRECTION

In November, following Paul O'Malley's appointment, the Company launched its new Blueprint strategy. This strategy focuses on reinvigorating our Australian and New Zealand businesses, continuing to improve our Asia and North America businesses, and growing or acquiring new businesses that build on BlueScope Steel's competitive advantage. The Blueprint places strong emphasis on customer relationships, operational excellence, shareholder value, innovation and sustainability while maintaining our focus on safety.

It defines our way forward and will build a Company that is even more streamlined and efficient. The Blueprint is already serving BlueScope Steel well, and represents an excellent guide to building long-term value.

#### CORPORATE CITIZENSHIP

The Board and management of BlueScope Steel are committed to playing our part to address the issue of climate change. We are extremely conscious of our responsibilities as global citizens.

However, we are also aware that around 80 per cent of the greenhouse gas emitted is a direct result of the chemical processes of steelmaking, and this is common to all steelmaking companies around the world. Reducing direct emissions will require a major technology breakthrough and is a long-term project. BlueScope Steel is participating in international research efforts, including with the International Iron and Steel Institute, to find new breakthrough technology.

Throughout the year, we have been actively engaged on policy matters with the Australian and New Zealand Governments, so that steelmaking in these countries is not made uncompetitive against other international steelmakers who all have a similar carbon emissions profile.

In the immediate term, our focus is on reducing the 20 per cent of emissions from processes which we can control, for example in our use of energy. During the year, the feasibility study into the co-generation project at the Port Kembla Steelworks progressed. While the project has the potential to offset approximately 800,000 tonnes of greenhouse gases each year, the Company requires a framework of regulatory support before we can invest the \$1 billion-plus required to develop this project.

The Company has also continued to improve water efficiency, with Port Kembla Steelworks increasing the amount of recycled water it uses. At Western Port, work is commencing on a project that will deliver major reductions in fresh water use and waste water discharge.

#### GOVERNANCE

BlueScope Steel is committed to the highest standards of corporate governance and we comply with the ASX Corporate Governance Principles and Recommendations.

Our current board, with the exception of Daniel Grollo, has been in place for five years. We recently announced the appointment of a new director, Mr Doug Jukes, with effect from 20 October 2008 as part of our ongoing process of regeneration and continued broadening of the Board's expertise. Our Board brings great breadth of experience to the Company and I thank my fellow directors for their hard work.

On behalf of the Board of Directors, I congratulate Paul O'Malley on his first year as CEO of BlueScope Steel. I thank the senior management team and our 21,000 employees for their excellent operational and financial performance and their continued focus on Zero Harm.

GRAHAM KRAEHE AO CHAIRMAN

## OUR BOND THE VALUES THAT DEFINE US

WE AND OUR CUSTOMERS PROUDLY BRING INSPIRATION, STRENGTH AND COLOUR TO COMMUNITIES WITH BLUESCOPE STEEL.

### OUR CUSTOMERS ARE OUR PARTNERS

Our success depends on our customers and suppliers choosing us. Our strength lies in working closely with them to create value and trust, together with superior products, service and ideas.

### OUR PEOPLE ARE OUR STRENGTH

Our success comes from our people. We work in a safe and satisfying environment. We choose to treat each other with trust and respect and maintain a healthy balance between work and family life. Our experience, teamwork and ability to deliver steel inspired solutions are our most valued and rewarded strengths.

### OUR SHAREHOLDERS ARE OUR FOUNDATIONS

Our success is made possible by the shareholders and lenders who choose to invest in us. In return, we commit to continuing profitability and growth in value, which together, make us all stronger.

### OUR COMMUNITIES ARE OUR HOMES

Our success relies on communities supporting our business and products. In turn, we care for the environment, create wealth, respect local values and encourage involvement. Our strength is in choosing to do what is right.





## OUR BOARD OF DIRECTORS

### A BREADTH OF EXPERIENCE

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



From left to right: Ron McNeilly, Paul Rizzo, Daniel Grollo, Graham Kraehe, Diane Grady, Paul O'Malley, Kevin McCann and Tan Yam Pin. For biographies of Directors, please refer to page 46.

## OUR COMPANY

The modern BlueScope Steel combines some of the most well-known and respected steel businesses in Australia, New Zealand and North America. Names such as John Lysaght, Australian Iron and Steel, New Zealand Steel, and Butler Manufacturing embody decades of experience and quality. Recent acquisitions, such as Smorgon Steel Distribution and IMSA Steel Corp, together with our established and growing network in Asia, have further strengthened BlueScope Steel's portfolio.

BlueScope Steel 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).

We employ 21,000 people in 17 countries, with over 100 manufacturing facilities worldwide. BlueScope Steel 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.

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



Albury Cultural Centre, New South Wales. The inspiration for this library and museum came from the visual elements that typify the rural centre of Albury-Wodonga - the river, the river bank, the bridge and the garden. BlueScope Steel building products helped the architects bring this award-winning building to life.

BLUEPRINT IS ABOUT REINVIGORATING OUR AUSTRALIA AND NEW ZEALAND BUSINESSES, CONTINUING TO IMPROVE OUR NORTH AMERICA AND ASIA BUSINESSES, AND BUILDING ON OUR DISTINCT COMPETITIVE ADVANTAGE THROUGH GROWTH AND ACQUISITION.

For BlueScope Steel, the 2007/08 financial year was characterised by strong global demand and outstanding production performance. Our Asia and North America businesses also improved their performance, while coated, distribution and solutions businesses in Australia achieved stronger sales in the second half.

Export prices more than offset raw material and other cost increases and led to a margin expansion in our export business. This demonstrates the importance of BlueScope Steel's global portfolio. Once again, across our footprint, our results were underpinned by world-class steelmaking operations.

Due to the hard work and initiative of our people, many production records were set during the year, allowing us to capitalise on the high demand for steel. Consequently, I am proud to announce an excellent overall performance in my first annual report to shareholders.

### PERFORMANCE

BlueScope Steel dealt with the challenges of higher input costs and a strong Australian dollar to deliver very good overall performance.

The two businesses acquired during the year, Smorgon Steel Distribution and IMSA Steel Corp North America, both made better than expected contributions to earnings.

Reported net profit after tax (NPAT) was \$596 million, \$90 million lower than 2006/07. This was mainly due to write-downs of our China and Vietnam metal coating facilities, which totalled \$225 million. The stay in business, or underlying NPAT, rose 27 per cent to \$816 million delivering underlying earnings per share of \$1.10. A final ordinary dividend, fully franked, of 27 cents per share was declared, bringing the total dividend for the year to 49 cents per share, an increase of four per cent on the previous year.

Total revenue increased by nearly \$1.6 billion to a record \$10.5 billion. The key factor here was the improvement in realised export steel prices. In addition we had stronger sales volumes across all regions.





BlueScope Steel again demonstrated the strength of its operating cash flow, generating \$1.65 billion, up 23 per cent on the previous year. This improved as a result of overall business performance but also through active management intervention to reduce working capital.

There continues to be a strong focus on our balance sheet. At the start of the financial year, our Company's gearing was 28 per cent, peaking at 40 per cent in February, the point where we had invested more than \$1.5 billion in the Smorgon Steel Distribution and IMSA acquisitions. By the end of the financial year, we had reduced gearing to a very creditable 30.4 per cent (the lower end of our target range), notwithstanding our investment in these major acquisitions.

I am also pleased to advise that we refinanced a number of our debt facilities during the year to establish a more prudent debt maturity schedule over the next 10 years.

#### SAFETY

The importance of Zero Harm was re-emphasised by a tragedy that occurred at Port Kembla in May, when a contractor was fatally injured while operating high-pressure water jet equipment. Following this event, Stop for Safety sessions were held across the entire organisation.

It is our firm belief that we can create a workplace in which no one is injured in the course of their job. But we can only do this through the continued focus and effort of every person in our Company. Zero Harm must remain our number one priority.

In continuing our drive for Zero Harm, we must acknowledge the safety achievements across our Company during the year. Many of our operations received safety awards and recognition in their local markets or communities. The Company's injury levels remain at world best standards with the Lost Time Injury Frequency Rate (LTIFR) remaining below one incident per million hours worked for the fourth consecutive year. The Medically Treated Injury Frequency Rate (MTIFR) also finished at a record low level.

#### BLUEPRINT

In November we launched the BlueScope Blueprint, a renewed strategy and direction for the Company. The Blueprint, with a particular focus on our customers, provides direction for all our employees to ensure we uniformly focus on the real performance drivers. Blueprint covers a range of business improvement initiatives, largely within our control and deliverable over the next three years. It focuses on reinvigorating our Australia and New Zealand domestic businesses, continuing the improvement process across

our Asia and North America businesses, and growing or acquiring new businesses that build on BlueScope Steel's distinct competitive advantage.

Blueprint capitalises on our outstanding heritage and capabilities. With a stronger customer emphasis, we are concentrating on growing the use of steel in our domestic markets. We are driving manufacturing excellence, optimising procurement strategies, enhancing our supply chain and improving our capital planning. These efforts will increase shareholder value. Innovation and sustainability are being given greater priority. In particular, we are working to reduce our carbon emissions and, through our products and solutions, assisting our customers to do likewise.

During the year, a Program Management Office was established to track, report, and ensure the successful delivery of Blueprint initiatives. More than 200 initiatives were identified and by the close of the financial year, 120 active initiatives aimed at financial performance and working capital improvements were underway. In accordance with Blueprint we have delivered \$100 million in working capital reductions, 12 months in advance of schedule, with another \$100 million to be delivered in 2008/09.

Right: Boroondara Sports and Aquatic Centre, Balwyn, Victoria. The facility, which features COLORBOND® steel was judged the winner of the Victorian Metal Building Product Design Award. The designers specified a steel frame to achieve wide internal spans.

Far right: The Illawarra Fly, New South Wales. Around 40 tonnes of XLERPLATE® steel was used in the construction of this tourist facility, which features a 500 metre treetop walk, and 45 metre high viewing tower.



## ENVIRONMENT

BlueScope Steel is committed to reducing the environmental effect of our businesses. In 2007/08, our Company developed a suite of principles that recognise our environmental responsibilities. Clear expectations sit behind these principles to guide the performance we expect from our sites, managers and employees.

Our Company supports efforts to reduce global greenhouse gas emissions. We also support a carbon pollution trading scheme to the extent it acknowledges and addresses the challenges faced by emissions-intensive, trade exposed industries such as ours. During the year, we continued our analysis of the impact of the proposed emissions trading schemes in Australia and New Zealand. We are working with governments in both countries to ensure a sustainable future for our Company and for local iron and steelmaking industries.

Following the close of the financial year, the Australian Government released a Green Paper on carbon pollution reduction. This is a positive step forward, but also signals a new phase for our industry.

Our philosophy is 'where we can, we do.' Our goal is to ensure the design of a carbon pollution reduction scheme that maintains the long-term competitiveness of steel manufacturing in Australia. We plan to invest in new technologies and equipment ahead of the expected launch of the Carbon Pollution Reduction Scheme in 2010.

We further improved our water efficiency, with a number of projects underway. Port Kembla Steelworks again increased the amount of recycled water used on site, while work continued on a major water saving project at Western Port, to be jointly funded by BlueScope Steel, South East Water and the Victorian Government. This project will deliver a 60 per cent reduction in fresh water use and a 75 per cent reduction in waste water discharge by our Western Port operations

## BUSINESS PERFORMANCE OVERVIEW

A standout result for BlueScope Steel was excellent operational performance at all our facilities across Australia, New Zealand, Asia and North America. This led to a number of new production records being set and is testament to the quality of our people.

Coated and Industrial Products Australia delivered another very strong result. Stronger product demand and higher steel prices were supported by record or near record production levels. A key influence on the second half performance of our mid and down stream businesses was reduced import competition. In New Zealand, reduced margin affected earnings, while the steelmaking business has shown a significant improvement in operational performance.

In Asia, our businesses delivered a much-improved performance. We capitalised on more stable political and market conditions in Thailand, continued our strong performance in Indonesia and Malaysia and improved sales volumes in China and Vietnam. BlueScope Butler China had a better year, while operational and safety performance across the region was excellent. Major midstream projects in Indonesia and India are on schedule for completion in the 2009 and 2010 calendar years, respectively.

In North America, our Butler Buildings business continued to exceed expectations in the non-residential building market, while margin contraction affected earnings from our North Star BlueScope Steel joint venture.





ACROSS OUR FACILITIES  
IN AUSTRALIA, NEW  
ZEALAND, ASIA AND  
NORTH AMERICA,  
OUR OPERATIONAL  
PERFORMANCE WAS  
OUTSTANDING. IT IS  
TESTAMENT TO THE  
QUALITY OF OUR PEOPLE.

The performance of our two new acquisitions exceeded expectations. BlueScope Distribution (formerly Smorgon Steel Distribution) improved its earnings in the second half, with higher sales volumes and more favourable pricing. The IMSA acquisition in North America made a strong earnings contribution, largely due to higher sales volumes and improvement in margins and productivity. The integration of the IMSA group of steel businesses is proceeding as planned.

#### LOOKING AHEAD

As the financial year came to a close, global steel prices remained strong. We expect a good first half in the 2008/09 year. Volumes will be reduced in the second half due to the No 5 blast furnace reline at Port Kembla Steelworks. At a cost of \$370 million, the reline is scheduled to start in March 2009, and is expected to take 105 days to complete. During this period, we will also upgrade our Port Kembla sinter plant at a cost of \$135 million. While both projects will affect earnings in the second half, they will deliver longer term productivity and cost benefits.

The high cost of key raw materials will have a significant impact on our Australian businesses. In the coming year, our Company must deal with year-on-year raw material cost increases of approximately \$1.6 billion. Demand for our products remains solid in our Australian markets but the residential segment, in particular, continues to be soft.

Our Asia businesses are producing consistent results, although unfortunately the economic sentiment in Thailand has again deteriorated with a return to political uncertainty. Our North American Coated and Building Products businesses continue to perform at solid levels, despite the uncertainty within the US economy. The ongoing crisis in the financial markets may affect funding of commercial and industrial projects, dampening demand, although the weaker US dollar has provided some boost to manufacturing exports from the US. We are excited by the opportunities resulting from the IMSA Steel Corp acquisition and we are now the leading global steel pre-engineered buildings manufacturer supplying predominantly to commercial and industrial markets.

#### PEOPLE

During 2007/08, our Company underwent a number of senior management changes.

In April, Kathryn Fagg, President Asia, left BlueScope Steel, and Brian Kruger, President BlueScope North America and Corporate Strategy and Innovation, announced his intention to leave. We thank both these senior executives for their contribution to BlueScope Steel and wish them the very best in their future careers.

Mark Vassella was appointed President BlueScope North America, to replace Brian,

while as a result of a restructure, our Asia business leaders report directly to the CEO.

In November, the appointment of Charlie Elias as Chief Financial Officer was announced and Paul O'Keefe became Chief Executive, Australian Coated and Industrial Markets. Noel Cornish, as Chief Executive, Australian and New Zealand Steel Manufacturing Businesses, has been given responsibility for all major manufacturing assets in Australia. Noel is also accountable for New Zealand Steel. We welcome the depth of experience and talent that all our senior managers bring.

The 2007/08 year was an exciting one. BlueScope Steel consolidated its market presence and demonstrated financial and operational excellence across our geographic footprint. Due to the efforts of our 21,000 employees, our Company was able to deliver an excellent result for shareholders, in a challenging year. I thank our customers for their continuing support and our people for their fine work.

PAUL O'MALLEY,  
MANAGING DIRECTOR & CEO

# SAFETY TOWARDS ZERO HARM



WITH 4,000 NEW EMPLOYEES,  
WE ARE WORKING HARD  
TO ENSURE THAT OUR  
SAFETY STANDARDS ARE  
IMPLEMENTED AT EVERY  
BLUESCOPE STEEL SITE.

OUR SAFETY PERFORMANCE IS ACKNOWLEDGED THROUGHOUT THE STEEL INDUSTRY.  
IT IS THE RESULT OF VERY HIGH LEVELS OF EMPLOYEE PARTICIPATION.

BlueScope Steel has been on a safety journey for over a decade. We have now reached a point where we incur less than one injury resulting in lost time for every million hours worked. This Lost Time Injury Frequency Rate (LTIFR) represents a 40-fold improvement since our drive for safety began, so these efforts have lowered the likelihood of injury for a considerable number of people. In the global steel industry, our safety performance is often cited as a benchmark and we are widely recognised as a leader in this area. However, tragically in May, a contractor was fatally injured while operating high-pressure water jet equipment at Port Kembla Steelworks.

Effective safety performance depends on very high levels of employee participation. Our people worked hard during the year to deliver a fourth consecutive LTIFR result of less than one. Our Medically Treated Injury Frequency Rate (MTIFR) also improved, dropping by 29 per cent to 4.0 incidents per million hours worked.

During the year, we acquired over 100 new sites and more than 4,000 new employees. We are implementing BlueScope Steel safety procedures across all our newly-acquired business sites. Our aim is to reach Zero Harm, a situation where no one is injured in the course of working for our Company.

In 2007/08, many excellent safety performances were achieved, with a number of BlueScope Steel businesses in Australia, New Zealand, Asia and North America receiving external safety awards.

## ASIA

In Asia, our businesses continued to set very high safety standards. During the year BlueScope Steel Thailand passed 20 million hours without a Lost Time Injury (LTI), while our Vietnam business has worked six million hours LTI-free. Our China, Indonesia and Malaysia businesses also performed well. In China, Lysaght Langfang was selected as the best safety model of 2007 by the Local Safety Bureau, while in India, our coated steel project at Jamshedpur recorded one million hours without an LTI or MTI.

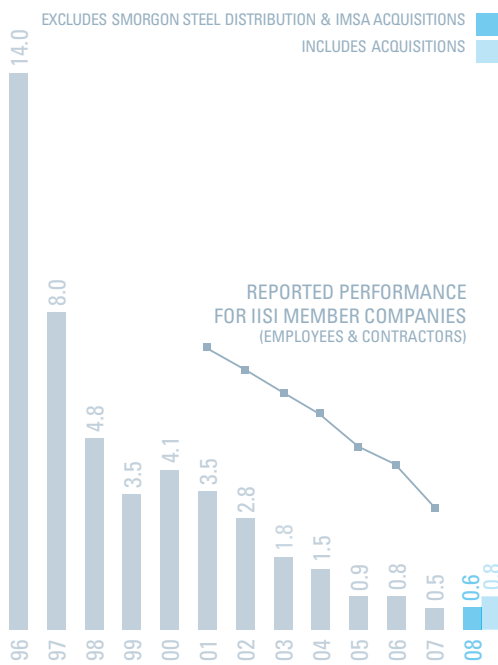
## NORTH AMERICA

In 2007/08, our upstream joint venture, North Star BlueScope Steel, achieved its best ever MTIFR of 5.6. The business was recognised by the Steel Manufacturers Association for Safety Performance and by the National Safety Council for Excellence in Safety. Our downstream Butler Construction business showed a strong improvement of 54 per cent, working two million hours without an LTI, while many other North American sites also achieved significant improvements in safety.

## AUSTRALIA AND NEW ZEALAND

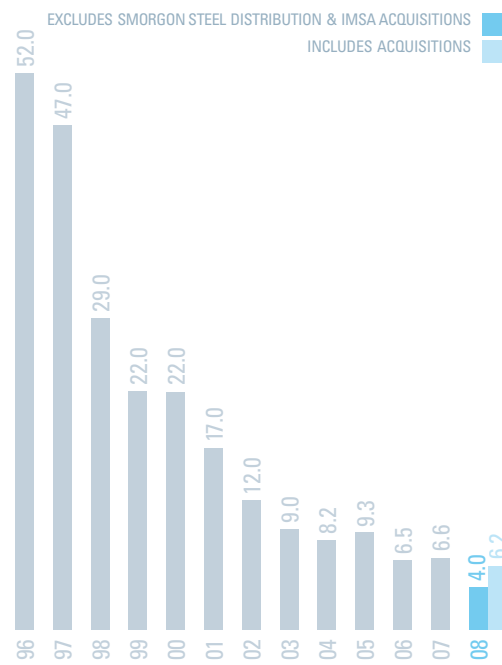
During the year, Port Kembla Steelworks achieved a record 19 million hours without an LTI, our Western Port operation recorded its lowest-ever LTIFR (0.76) and MTIFR (2.28) for a financial year and New Zealand Steel won the business category of the New Zealand Community Safety and Injury Prevention Awards.





LOST TIME INJURY FREQUENCY RATE  
PER MILLION HOURS WORKED

Includes contractors from 1996  
Includes Butler from 2004



MEDICALLY TREATED INJURY FREQUENCY RATE  
PER MILLION HOURS WORKED

Includes contractors from 2004  
Includes Butler from 2004

## ENVIRONMENT MEETING CHALLENGES

STEEL HAS MANY SUSTAINABLE QUALITIES. IT IS LIGHT, STRONG, 100 PER CENT RECYCLABLE AND THE MATERIAL OF CHOICE IN A NUMBER OF KEY ENVIRONMENTAL PROJECTS.



Our award winning Western Sydney Service Centre incorporates a range of water and energy saving features. The facility can capture and store over two million litres of rainwater, which is then used throughout the operation. The plant also reuses gases generated during production.

One of the major challenges facing the steel industry is meeting the changing environmental expectations of our communities. In Australia and New Zealand, climate change has become an issue of greater public concern and the governments of both countries are engaged in the development of emissions trading schemes for greenhouse gases. Subsequent to the close of the financial year, the Australian government released a Green Paper calling for public consultation on the design of a national emissions trading scheme.

By the end of this calendar year, a White Paper outlining policy and draft legislation will have been released. In 2010, a Carbon Pollution Reduction Scheme is scheduled to commence. The proposed scheme involves the Government setting a cap on Australia's carbon emissions. Companies will need to acquire a permit for each tonne of greenhouse gas (CO<sub>2</sub>-equivalent) emitted. These permits can be traded on an open market and BlueScope Steel may be eligible for transitional assistance in the form of free permits. While there are areas where BlueScope Steel can reduce emissions, we are ultimately limited by the chemistry of the iron and steelmaking process, where carbon dioxide is a product of the reduction of iron oxide to molten iron.

This process accounts for nearly all greenhouse gas emissions from blast furnace operations.

Therefore, a technological breakthrough in the fundamental iron and steelmaking process is required if steel producers are to achieve reductions in carbon emissions beyond current limits. BlueScope Steel is involved in the International Iron and Steel Institute's CO<sub>2</sub> Breakthrough Project, which is researching lower emission steelmaking technologies.

Our Company will continue to work closely with the Australian Government to develop a Carbon Pollution Reduction Scheme that supports the long-term competitiveness of Australia's iron and steel industry. Wherever economically and technically practicable, we will be investing in new technologies and equipment to reduce our carbon intensity.

In New Zealand, it is proposed the iron and steel industry will be covered by an Emissions Trading Scheme from 2010, receiving 90 per cent free permits in transitional assistance until 2018. As a trade exposed industry, New Zealand Steel is working closely with the New Zealand Government to secure an appropriate outcome.





BlueScope Steel's Tank a Day Challenge encourages greater awareness among Australian primary school students of the importance of rainwater harvesting.

### MAJOR ENVIRONMENTAL PROJECTS

During the year, we continued a feasibility study into a co-generation plant at Port Kembla Steelworks. The plant would use surplus gas from iron and steelmaking to produce electricity and steam. This project has the potential to offset over 800,000 tonnes of greenhouse gas emissions per annum in New South Wales by reducing the Steelworks' demand for coal generated electricity from the grid. At a cost of around \$1 billion the co-generation plant would be one of Australia's largest greenhouse gas abatement projects, and its viability depends on a supportive regulatory environment.

The drought affecting much of Australia has led to increased water restrictions and far greater focus on water conservation strategies. At our Western Port operation, work is continuing on a joint project with South East Water and the Victorian Government. This project involves the construction of a 13 kilometre pipeline to direct recycled water to our Western Port plant, reducing its annual fresh water consumption by more than 60 per cent, or 660 megalitres per year (equivalent to the annual water consumption of 3,000 households).

At Port Kembla Steelworks, water saving initiatives in recent years have halved fresh water consumption. Ninety-eight per cent of water used at the Steelworks is now either recycled or salt water.

### ENVIRONMENTAL POLICY AND SUSTAINABILITY

During the year, BlueScope Steel developed a set of principles that underline our commitment to the environment. These principles cover five areas of environmental responsibility – reducing greenhouse gas emissions, reducing land, air and water pollution, reducing waste sent to landfill, optimising material reuse and recycling and conserving energy and fresh water. In addition, our policy states the expectations we have of our sites, our managers and our employees in continually improving our environmental footprint.

The BlueScope Blueprint identifies sustainability as one of the eight 'Basics' or objectives. In this context, steel has many positive environmental attributes – it is light, strong and 100 per cent recyclable. Steel also features in important environmental projects and products, such as wind towers and rainwater tanks.

# BLUEPRINT

## A PLAN FOR CONTINUED EXCELLENCE



### WE NOW HAVE 120 BLUEPRINT INITIATIVES UNDERWAY, AIMED AT IMPROVING EBIT AND WORKING CAPITAL.

In 2007/08, we released the BlueScope Blueprint that sets out a three-year plan to sharpen our businesses across the globe. The aim of the Blueprint is to increase the value we derive from our Company. This will be achieved through three major objectives: reinvigorating our Australian and New Zealand domestic businesses, continuing to improve our Asian and North American businesses, and growing or acquiring new businesses that build on BlueScope Steel's distinct competitive advantage.

The Blueprint comprises eight key areas, or 'Basics'. These are: increasing customer and market focus, improving productivity year on year, optimising return on capital, building an integrated BlueScope operating system, further developing organisational capability, continuing our world-class safety performance, improving our environmental footprint and the sustainability of our products, and increasing shareholder value.

Over 200 Blueprint initiatives have been identified. These are specific projects designed to contribute to the achievement of Blueprint objectives. At the close of the 2007/08 financial year, 120 initiatives were underway, aimed at improving EBIT and working capital. Implementing these initiatives is a complex undertaking, so a Project Management Office has been established to monitor the progress of the Blueprint objectives.

The Blueprint is about changing the things we can change.

While factors like global steel prices and foreign exchange rates are beyond our control, we can influence many business fundamentals such as market share, productivity, safety, water use and emissions.

### BLUEPRINT IN ACTION – TWO NEW ACQUISITIONS

A major Blueprint objective is building competitive advantage through acquisitions or growth. This concept is illustrated through two major acquisitions completed during the year. In August 2007, we acquired Smorgon Steel Distribution at a cost of \$750 million. This acquisition and the subsequent integration into our new Australian Distribution and Solutions business gives us a network of 150 sites across Australia, representing an important new channel to market and a major increase in the customer-facing operations of our Company.

In February 2008, we acquired IMSA Steel Corp for US\$730 million from Ternium S.A., a NYSE listed public company. IMSA Steel Corp comprises four different businesses that will give us a competitive edge in our North America mid and downstream markets. The IMSA Steel Corp operations also add value to our Company through business synergies. These include a broader portfolio of products and opportunities for synergies in purchasing. New acquisitions also bring new expertise, which can be pooled across our global operations.



## EXECUTIVE LEADERSHIP TEAM



Front: Paul O'Malley, Managing Director and CEO, Paul O'Keefe, Chief Executive Australian Coated and Industrial Markets. Back, L-R: Noel Cornish, Chief Executive Australian and New Zealand Steel Manufacturing Businesses, Michael Barron, Chief Legal Officer and Company Secretary, Ian Cummin, Executive General Manager People and Organisation Performance, Charlie Elias, Chief Financial Officer, Mark Vassella, Chief Executive Australian Distribution and Solutions, Brian Kruger, President North America and Corporate Strategy and Innovation.

# PERFORMANCE OVERVIEW

## BLUESCOPE STEEL BUSINESS SEGMENTS



### COATED AND INDUSTRIAL PRODUCTS AUSTRALIA

Very strong result with record production

- Production records set for hot rolled coil (2.89Mt), plate (0.427Mt), Western Port metal coating (797kt), Acacia Ridge paint line (98kt)
- Improved spreads – higher steel prices and lower coating metal and coal costs
- Earnings partly offset by higher freight and maintenance costs and unfavourable movement in the AUD v USD exchange rate
- No 5 blast furnace reline on schedule to commence March 2009
- Record COLORBOND® steel sales and increased sales of TRUECORE® steel
- Successful startup of Western Sydney Service Centre manufacturing operations

	FY 07/08	FY 06/07
<b>EXTERNAL DESPATCHES</b> (’000s of tonnes)		
Domestic	2,141	2,282
Export	1,851	2,267
<b>REVENUE (\$m)</b>	6,042	5,525
<b>EBIT (\$m)</b>	986	799
<b>NET OPERATING ASSETS (pre-tax) (\$m)</b>	2,841	2,937
<b>RETURN ON NET ASSETS (pre-tax)</b>	35%	27%



### NEW ZEALAND AND PACIFIC STEEL PRODUCTS

Improved operating performance continues

- Slab production up 2% to 605kt due to strong ironmaking and stable slab casting operations
- Record heavy plate (15.7kt) and light plate (62kt) production
- Stronger domestic conditions and strong export demand for hot rolled coil
- Revenue fell \$3 million, affected by unfavourable exchange rates
- Earnings 6% lower, due to increased electricity prices and higher gas and coal prices
- All operations areas actively involved in improvement process, with small teams working on cost reductions and sustainability initiatives

	FY 07/08	FY 06/07
<b>EXTERNAL DESPATCHES</b> (’000s of tonnes)		
Domestic	300	302
Export	277	261
<b>REVENUE (\$m)</b>	725	728
<b>EBIT (\$m)</b>	93	90
<b>NET OPERATING ASSETS (pre-tax) (\$m)</b>	346	431
<b>RETURN ON NET ASSETS (pre-tax)</b>	24%	24%



### AUSTRALIA DISTRIBUTION AND SOLUTIONS

Significant earnings turnaround and increased sales

- Acquisition of Smorgon Steel Distribution in August 2007 contributed to increased revenue and earnings
- Earnings improvement also reflects lower costs in BlueScope Lysaght business
- Strong residential and non-residential markets in Western Australia and Queensland for BlueScope Distribution
- Demand for Lysaght products in commercial and industrial segment strong in Queensland, Western Australia and Tasmania
- Integration of BlueScope Steel Service Centres and Sheet Metals Supplies processing business on target

	FY 07/08	FY 06/07
<b>EXTERNAL DESPATCHES</b> (’000s of tonnes)		
Domestic	960	190
Export	13	–
<b>REVENUE (\$m)</b>	2,202	700
<b>EBIT (\$m)</b>	45	12
<b>NET OPERATING ASSETS (pre-tax) (\$m)</b>	1,038	288
<b>RETURN ON NET ASSETS (pre-tax)</b>	5%	4%





### COATED AND BUILDING PRODUCTS ASIA

Improved results, excellent operating performance

- \_ Sales revenue 14% higher at \$1.6 billion, due to higher sales volumes across all regions
- \_ Increased earnings due to improved margins, as higher prices more than offset higher feed costs
- \_ Earnings adjusted for \$225 million impairment of China and Vietnam coating facilities
- \_ Strong operating performance in Malaysia, Vietnam and Thailand
- \_ Some market improvement in Thailand, but political tensions remain
- \_ Indonesia operating at capacity, buoyed by strong domestic market conditions
- \_ Improved sales of coated products in China, largely due to increased sales force and new products, and strong sales in the PEB market

	FY 07/08	FY 06/07
<b>EXTERNAL DESPATCHES</b> (‘000s of tonnes)		
Domestic	908	777
Export	212	157
<b>REVENUE (\$m)</b>	1,570	1,375
<b>EBIT (\$m)</b>	(148)	34
<b>NET OPERATING ASSETS (pre-tax) (\$m)</b>	932	1,180
<b>RETURN ON NET ASSETS (pre-tax)</b>	-14%	3%



### HOT ROLLED PRODUCTS NORTH AMERICA

Excellent operating performance from North Star BlueScope Steel joint venture

- \_ \$50 million earnings decrease due to higher scrap costs and unfavourable movement in AUD v USD exchange rate
- \_ Record annual raw steel production of 983kt
- \_ Voted number one flat steel supplier to the service centre segment in North America for the sixth consecutive year in the latest Jacobson survey of customers
- \_ Overall weaker demand in US market
- \_ Castrip LLC joint venture facility at Crawfordsville, IN now operating continuously and building strong momentum in productivity and quality
- \_ Construction of second Castrip facility at Blytheville, AR well underway

	FY 07/08	FY 06/07
<b>EXTERNAL DESPATCHES</b> (‘000s of tonnes)		
Domestic	960	942
Export	—	—
<b>REVENUE (\$m)</b>	—	—
<b>EBIT (\$m)</b>	105	155
<b>NET OPERATING ASSETS (pre-tax) (\$m)</b>	183	235
<b>RETURN ON NET ASSETS (pre-tax)</b>	46%	57%



### COATED AND BUILDING PRODUCTS NORTH AMERICA

A very strong year

- \_ IMSA Steel Corp assets acquired 1 February 2008, HCI Steel Building Systems acquired 31 October 2007
- \_ Sales revenue and earnings increase primarily due to IMSA Steel Corp acquisition, higher sales volumes and improved domestic sales prices, partly offset by unfavourable movement in AUD v USD exchange rate
- \_ Increased spreads as sales price increases exceeded raw materials costs
- \_ Butler Buildings market share higher
- \_ Total despatches for Butler Buildings – excluding VP Buildings Inc – up 11%

	FY 07/08	FY 06/07
<b>EXTERNAL DESPATCHES</b> (‘000s of tonnes)		
Domestic	490	182
Export	21	14
<b>REVENUE (\$m)</b>	1,407	788
<b>EBIT (\$m)</b>	90	37
<b>NET OPERATING ASSETS (pre-tax) (\$m)</b>	881	63
<b>RETURN ON NET ASSETS (pre-tax)</b>	28%	50%

# AUSTRALIA AND NEW ZEALAND COATED AND INDUSTRIAL PRODUCTS AUSTRALIA NEW ZEALAND AND PACIFIC STEEL PRODUCTS



**THE AUSTRALIAN AND NEW ZEALAND STEEL MANUFACTURING BUSINESSES GROUP INCLUDES BLUESCOPE STEEL'S MAJOR FACILITIES AT PORT KEMBLA, SPRINGHILL, AND WESTERN PORT, AS WELL AS THE PAINT LINES AT PORT KEMBLA, WESTERN SYDNEY AND ACACIA RIDGE AND THE NEW ZEALAND STEEL BUSINESS.**

Salmon Tales, Rakaia, New Zealand. The architect's vision of a steel fish was brought to life with the use of ZINCALUME® steel at this Restaurant and Visitors' Centre. The aerial aspect demonstrates the expressiveness of steel in architecture.

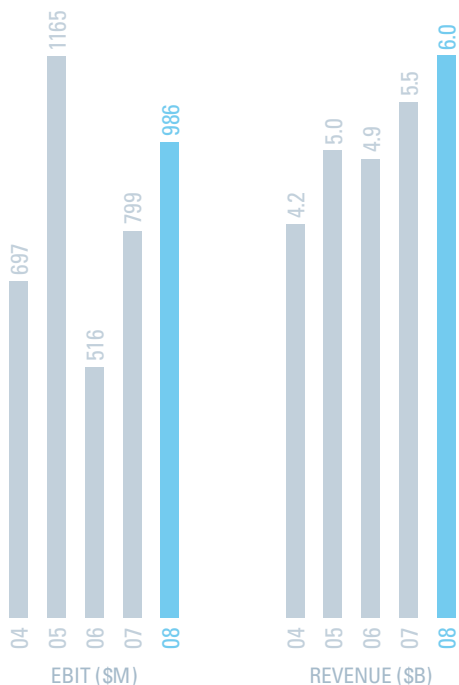
The 2007/08 financial year was a strong one for our steelmaking and steel coating businesses in Australia.

In operations, Port Kembla Steelworks once again demonstrated its world class capabilities with very high production levels. Port Kembla slab production was the second highest ever, and only slightly short of the record set the previous year. This was achieved despite the upcoming reline of blast furnace No 5. This blast furnace, which turns raw material into iron for steelmaking, continued to perform well throughout the year. In a successful 18-year campaign, it has produced 42 million tonnes of iron.

The hot strip mill and the plate mill at Port Kembla both achieved record production levels, due to increased plant up time and increased rolling rates. These high levels of performance and constant improvements are a result of the hard work and initiative of our people. In the current market, when prices and demand are both high, the success of this type of business is measured by its ability to elevate and maintain production levels.

Our metal coating and paint line business recorded very strong performance. Total production from our three metal coating lines at Western Port was at record levels and the paint line at Acacia Ridge also achieved record production. Our new Western Sydney paint line is ramping up, and moved to a three shift operation during the year. It is now operating at around 70 per cent of capacity and continues to grow. This operation achieved an excellent delivery performance of 99.4 per cent during the year.





COATED AND INDUSTRIAL PRODUCTS AUSTRALIA

A highlight of the year was the successful negotiation of five enterprise bargaining agreements in the Illawarra, and one in New Zealand, without lost time. The agreements place these operations on a solid industrial footing for the coming three years.

During the year, there was a fatality at Port Kembla Steelworks. Despite enormous efforts to instill a culture of safety, a cleaning contractor was fatally injured while working on site. This is a tragic reminder of why safety is our number one priority. A tremendous amount of work has been put into safety at Port Kembla Steelworks, and much has been achieved. However, we must continue to strive for our goal of Zero Harm.

COLORBOND® steel is prepared for despatch at our Western Sydney Service Centre. The facility has been recognised with awards for excellence in business practice and sustainability.

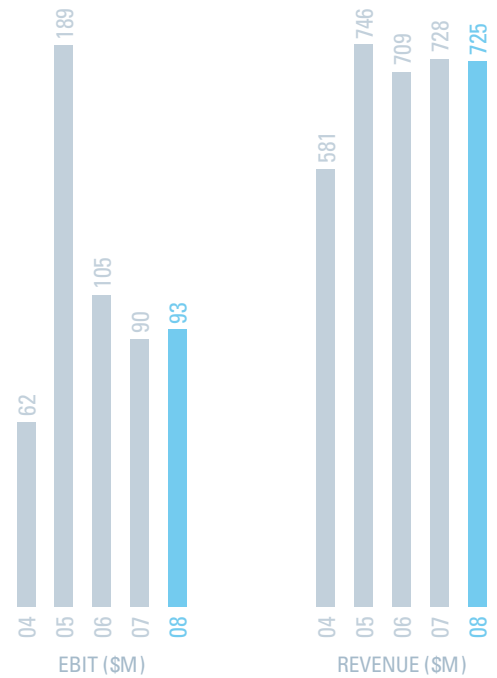


## ENVIRONMENT

In 2007/08, we further improved our environmental performance, reducing our footprint in areas such as emissions and water. Fresh water use at Port Kembla Steelworks continues to decrease. We have passed a milestone in water conservation, with 10 billion litres of fresh water saved by the use of recycled water throughout the plant.

The co-generation project is also progressing well. This project using surplus process gas from iron and steelmaking to produce electricity and steam has the potential to offset greenhouse gas emissions by over 800,000 tonnes per year, equivalent to removing 185,000 cars from the road for a year. At a cost of around \$1 billion the co-generation plant will be one of Australia's largest greenhouse gas reduction projects. We expect to conclude the feasibility study by the end of the 2008 calendar year. However, approval of this project will depend on a supportive regulatory arrangement.

At our Western Sydney plant, new Regenerative Thermal Oxidizing (RTO) technology is reducing energy consumption and greenhouse gas emissions by reusing heat from drying and baking processes to pre-heat ovens and heat water. Neighbouring developers are considering tapping into this source for electricity generation applications in their businesses.



NEW ZEALAND AND PACIFIC STEEL PRODUCTS

TKKM O Te Ara Hou Maori School, Napier, New Zealand. Dedicated to the teaching of Maori language and culture, this circular structure contrasts our steel building products with stone and timber to create a communal, welcoming environment.



### NO 5 BLAST FURNACE RELINE

In the 2009 financial year, we move into an intense capital investment program with the reline of No 5 blast furnace at Port Kembla Steelworks. The \$370 million blast furnace reline is a crucial investment in the future of the Steelworks. We are planning a window of 105 days in which to complete this technically and operationally complex task. Lead-up work progressed well during the year, all equipment is now on site and Port Kembla Steelworks is 'reline ready.'

In conjunction with the reline, we are undertaking a \$135 million dollar upgrade of the sinter plant. The upgraded plant will deliver significant savings in raw material costs through its capability to process additional iron ore fines and displace more costly pellet feed.

### NEW ZEALAND STEEL

New Zealand Steel delivered a good performance. Domestic market conditions were strong, with robust sales into the dairy, non-residential building, manufacturing and distribution sectors. The residential market remained weak. Export demand for our products was high throughout the year.

Overall production was solid, in line with the previous year, with records in heavy and light plate production. Slab production was good, reflecting improved ironmaking and slab casting operations. The kiln accretion issues were overcome through improved beneficiation at the mine site. A raft of process improvement initiatives continued.

We have now completed the feasibility study for the vanadium extraction project, which involves capturing additional value from our ironsands resource. Approval of this project depends on a satisfactory emissions trading scheme.

### CHALLENGES AND OPPORTUNITIES

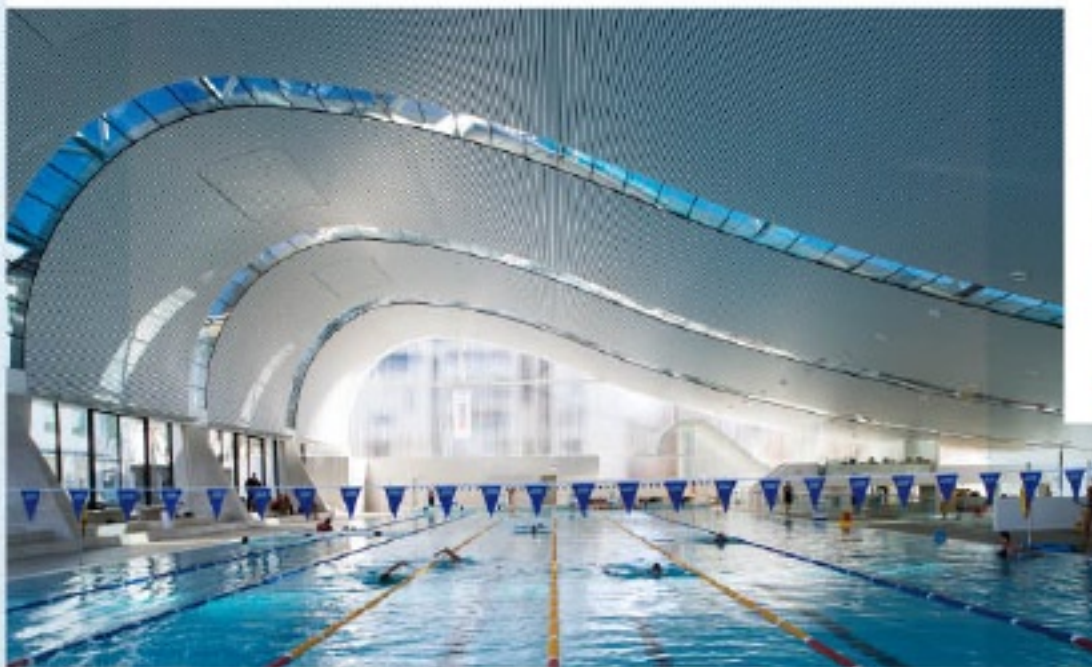
The major challenge for the coming year is the No 5 blast furnace reline. Raw material prices climbed again this year, placing significant cost pressures on the business. Higher steel prices are currently allowing us to absorb higher raw material costs. To ensure ongoing investment, our steelmaking businesses in Australia and New Zealand need certainty regarding carbon emission regulations.

In a time of high steel demand, the best response is maintaining and improving productivity.

The men and women of this business have responded extremely well to this challenge, maximising production and continually setting records. This is a major reason why our Company has performed well in recent years.

**DEMAND FOR OUR STEEL PRODUCTS HAS BEEN STRONG. TO FULLY CAPITALISE ON THIS SITUATION, WE NEEDED TO OPERATE AS EFFICIENTLY AS POSSIBLE. THE MEN AND WOMEN OF THESE BUSINESSES RESPONDED EXTREMELY WELL TO THIS CHALLENGE, MAXIMISING PRODUCTION AND TAKING FULL ADVANTAGE OF MARKET CONDITIONS.**





**THE AUSTRALIAN COATED AND INDUSTRIAL MARKETS BUSINESS IS RESPONSIBLE FOR SALES AND MARKETING AND SUPPLY CHAIN MANAGEMENT OF THE UNCOATED AND COATED PRODUCT RANGE TO CUSTOMERS IN BOTH OUR AUSTRALIAN DOMESTIC AND INTERNATIONAL MARKETS.**

The Australian Coated and Industrial Markets business was established in November 2007 as part of a major restructure aimed at sharpening customer focus within our Australian and international markets.

Following the direction set by the BlueScope Blueprint, we have developed a strategic plan for the business and have identified opportunities that will deliver efficiencies intended to improve the way we do business. We are focusing our efforts on improving our integrated supply chain aimed at fully aligning the demand and supply sides of our business.

The 2007/08 year has seen extremely high global demand for steel driven by strong economic activity in major steel consuming nations around the world. This resulted in a supply/demand imbalance which has impacted the markets in which BlueScope Steel competes.

The Australian domestic market has been particularly buoyant and a key focus throughout the year has been producing at full capacity and maximising supply to our customers in Australia. In the fluctuating business environment, our ability to supply customers was tested with forward buying creating additional demand. These conditions emphasised the need for supply chain and inventory level flexibility.

Strong building activity levels and market share recovery in unpainted products underpinned record sales volume and revenue to our direct building sector customers. Sales volumes grew from the previous year to new levels.

During the year, record sales were achieved for the pre-eminent COLORBOND® steel brand, while new products like TRUECORE® steel framing continued to grow. Sales of GALVSPAN® and ZINCALUME® steels to the building sector also improved, due partly to lower imports, despite the stronger Australian dollar and higher interest rates.

In the domestic industrial sector, our XLERPLATE® steel sales increased, driven by strong demand from the key mining, wind tower construction, port infrastructure and water market segments. Sales to coated distribution customers and the pipe and tube market grew moderately whilst sales to other markets, such as the manufacturing and automotive sectors, were consistent with the previous year.

In 2007/08, our international markets saw record prices for hot rolled coil and steel slab, due to factors such as strong global demand for steel, record raw material price increases and record high freight rates.

There is much to achieve in the coming period. In particular, we are committed to ensuring high levels of service to our customers and markets during the reline of the No 5 blast furnace at Port Kembla Steelworks.

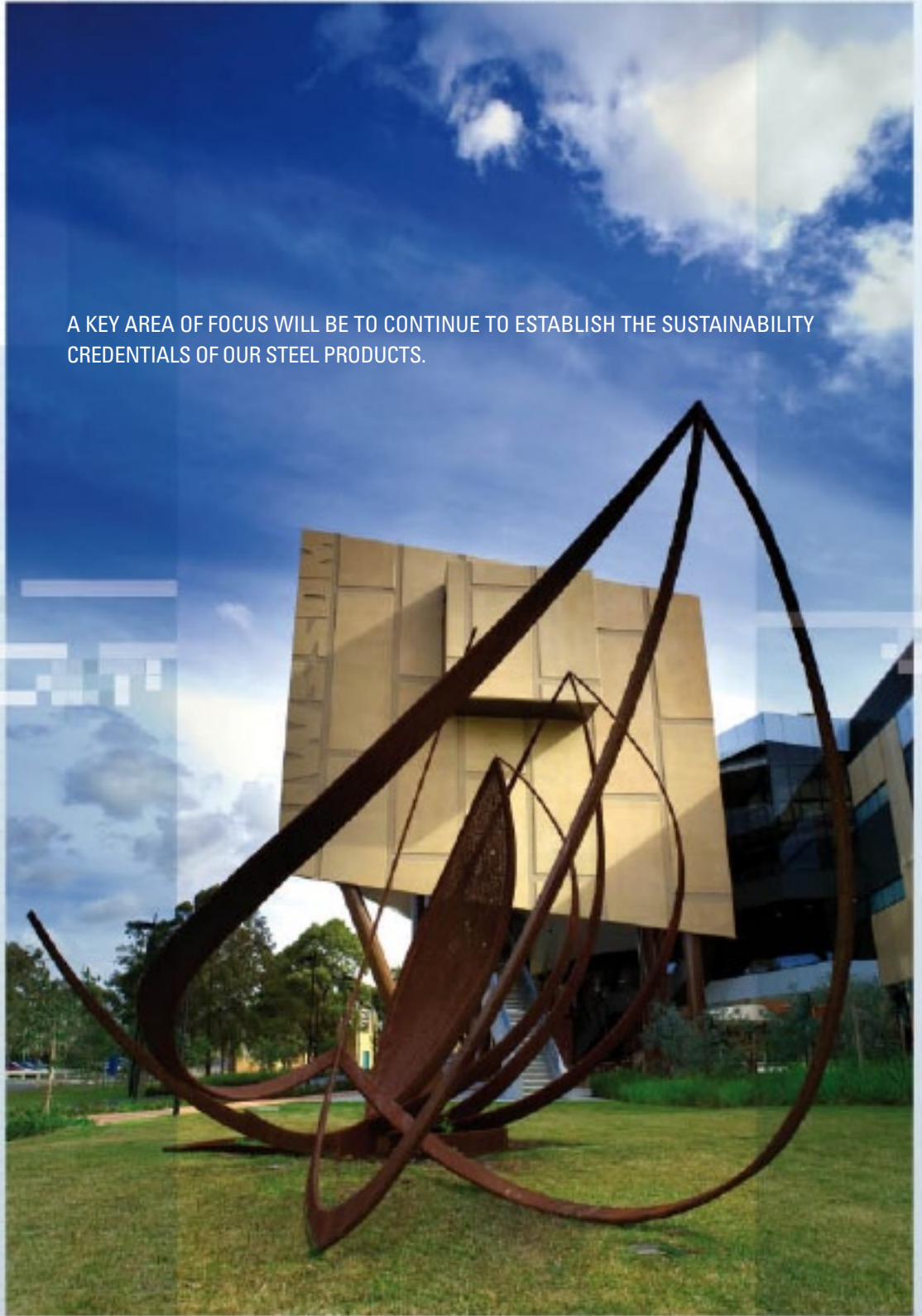
We see opportunities to build on our strong customer relationships and increase market penetration in selected market sectors. In particular, we will focus on significant opportunities to develop innovative products and services for our customers.

Another key area of focus will be to continue to establish the sustainability credentials of our steel products by completing Life Cycle Assessments on our products. In addition, we are reviewing the potential impact of the Carbon Pollution Reduction Scheme on our products as it relates to our customers and markets. We look forward to communicating our position to our key stakeholders.

In what has been a challenging year, the commitment and contribution from our employees has been significant. Working together we will continue to develop and engage our people as a critical element of delivering on our plans.



A KEY AREA OF FOCUS WILL BE TO CONTINUE TO ESTABLISH THE SUSTAINABILITY CREDENTIALS OF OUR STEEL PRODUCTS.



Left: Ian Thorpe Aquatic Centre, Sydney. This striking wave-like building, one of the last projects from renowned architect Harry Seidler, highlights the design flexibility of our steel building products.

Above: University of Western Sydney. 'Amity', by sculptors Bruce, Benita and Lee Tunks, uses XLERPLATE® steel to create the elegant lines of a lotus flower. Artists are increasingly choosing steel for its aesthetic qualities, as well as its structural properties.

## AUSTRALIA DISTRIBUTION AND SOLUTIONS



Above: Cardinia Aquatic and Recreation Centre, Pakenham, Victoria. Exposed architectural steel is a dominant feature in this unique, curved design. The central spine truss allows for large unsupported roof spans, and supports a skylight that runs the length of the building.

Point Leo, Victoria. Corrugated steel has long been part of Australian building. This coastal house shows how our architects continue to acknowledge steel as fundamental to Australia's built environment.

THE AUSTRALIAN DISTRIBUTION AND SOLUTIONS BUSINESS IS COMPRISED OF BLUESCOPE DISTRIBUTION (FORMERLY SMORGON STEEL DISTRIBUTION), WITH 92 SITES ACROSS AUSTRALIA; BLUESCOPE LYSAGHT, WITH 44 SITES; SERVICE CENTRES, WITH 7 SITES; BLUESCOPE WATER, WITH 9 SITES; AND BLUESCOPE BUILDINGS.

The 2007/08 financial year encompassed two distinct periods of business performance for this group. In the first part of the year, market conditions were tough, while in the second half, business performance was much improved. This fluctuation was due to the flood of imports in the first half and reduced global availability of steel in the second.

As a consequence of the global market conditions, as well as our successful management of increased raw materials costs, our Australian Distribution and Solutions business was able to meet its performance targets. We recovered our margins, held volumes and successfully controlled costs. Volumes remained strong through to the end of the financial year.

Sales revenue for the year was \$2.202 billion, an increase of 215 per cent. This sharp rise was primarily due to the acquisition of the Smorgon Steel Distribution business in August 2007.

EBIT was \$45 million, up from \$12 million the previous year, again due to the Smorgon Steel Distribution acquisition as well as higher volumes and cost reductions. EBIT was impacted by integration costs.

There was a heavy reduction in imports due to reduced supply from Asia. In particular, greater domestic demand for our product was driven by regulatory restrictions such as the introduction of export tariffs in China. Prices have increased as a result of higher raw material costs, and we have worked hard to ensure customers understand the reasons for these increases.

The Australian Distribution and Solutions business group services a broad range of markets. In 2007/08, demand was relatively strong in certain sectors such as mining, heavy infrastructure and rural. Residential markets were weaker, particularly in New South Wales.





However, some improvement in severe drought conditions led to increased activity in the rural sector. Industries such as automotive manufacturing have also encountered challenging times.

The BlueScope Buildings business continued to introduce custom-engineered buildings into the Australian market. During the year, it added aircraft hangars, distribution centres and industrial premises to its list of completed projects.

#### **INTEGRATING OUR DISTRIBUTION BUSINESS**

The integration of the former Smorgon Steel Distribution business into BlueScope Steel is progressing well. We have gained many talented people and customers have been receptive to the change. We have retained key staff and the branding position of the new business was well received by our people. Overall, the integration process has been a smooth and positive one.

We are ahead of schedule in taking advantage of the synergies and benefits of integration in areas such as service centres, sheet metal suppliers and safety.

In the area of safety, significant changes have been implemented and the importance of this discipline has been clearly communicated to our people. We are already seeing improvements, with Lost Time Injury Frequency Rate down by 35 per cent and Medically Treated Injury Frequency Rate down by 23 per cent on the previous year. We are also aligning our business management systems.

#### **LOOKING AHEAD**

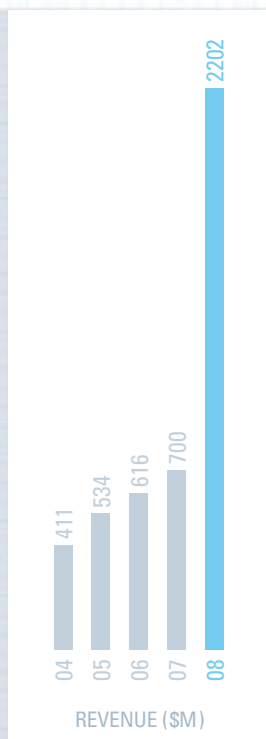
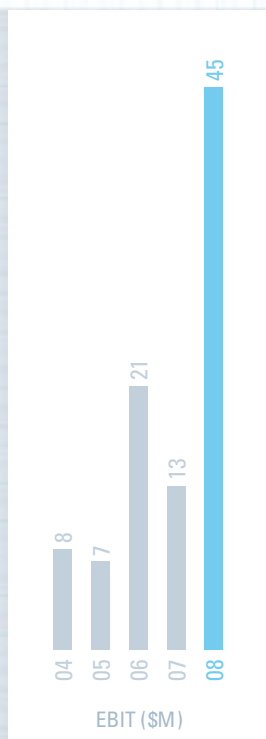
We expect demand to remain strong in the first half of the 2008/09 financial year. Fundamental conditions appear solid. We will consolidate our margins and continue to take advantage of business synergies. However, the question remains as to the return of imports into the domestic market, and a downturn in the pricing cycle. The practice of buying forward may also affect market demand. Great opportunities exist in the operation of a national network of 150 sites, selling all our products across all these businesses and providing the best possible customer offer.

#### **BLUESCOPE WATER**

Within five years, our BlueScope Water business has achieved a leading position as a supplier of premium rainwater harvesting solutions, as well as culvert and irrigation infrastructure products. We are working to make our rainwater tanks a feature of urban housing developments as well as rural locations. Products such as our WATERPOINT® in-ground system, AGRIRIB® irrigation pipes and THINKTANK® water savings systems have been well received by the market.

In 2007/08, our Pioneer Water Tanks business, which specialises in large, industrial rainwater tanks, performed well. We have expanded Pioneer's production facility in Perth to meet strong demand for rural and commercial water storage in Australian and export markets.

The urban rainwater tank market is highly competitive, and our strategy of targeting development areas, seeking larger scale residential customers, is promising. In Australia, we are manufacturing at capacity and are installing new capacity to meet growing demand.



#### AUSTRALIA DISTRIBUTION AND SOLUTIONS



DURING THE YEAR, BLUESCOPE LYSAGHT DESIGN AND CONSTRUCTION WAS CONTRACTED TO PROVIDE THE ENTIRE STRUCTURAL PACKAGE FOR THE NEW MACQUARIE BANK CENTRE IN SYDNEY.

In the USA, we have gained on-ground manufacturing and installation expertise through the acquisition of BH Tank Works Inc. The company, located in California, complements the existing sales and distribution facility in Austin, Texas. A number of other promising domestic and international opportunities exist in the water market. BlueScope Water has successfully exported our tanks and installation expertise to areas such as the Middle East.

During the year, BlueScope Steel research to improve our steel rainwater tanks developed an internal lining, and this product enhancement is expected to increase sales to urban markets. While there was a slight easing of drought conditions towards the end of the 2007/08 financial year, we anticipate continued strong demand for BlueScope Water products.

#### LYSAGHT AUSTRALIA

BlueScope Lysaght is Australia's premium name in residential, commercial, industrial and agricultural steel building markets. The Lysaght business is a leading manufacturer and distributor of wall cladding, fencing, rainwater products and structural products such as roof trusses and decking. Brands such as CUSTOM ORB® and MINI ORB® are well known throughout the Australian building industry, while new products and services are constantly being developed.

In 2007/08, demand remained strong in the commercial and industrial segments in Queensland, Western Australia and Tasmania. Residential building markets in these states were buoyed by labour migration. However, labour scarcity in these states affected costs and staff turnover. Import competition and drought conditions also impacted on earnings.

These factors were partly offset by an increased focus on driving operating efficiencies across the business, including the relocation of several Lysaght sites in the Sydney area, delivering cost savings.

During the year, BlueScope Lysaght Design and Construction was contracted to provide the entire structural package for the new Macquarie Bank Centre in Sydney. This innovative building design uses an external steel frame as an architectural feature that also serves as a structural grid, eliminating internal columns.

The Design and Construction business is providing a total package of design skills, expertise, planning, project management, financial strength and innovation for this high profile project. BlueScope Lysaght Façades also continued to build its reputation as a complete solutions provider, growing its business during the year.



Left: Macquarie Bank Centre, Sydney, New South Wales. This ground breaking building employs an external steel frame as an architectural feature that also serves as a structural grid, eliminating internal columns. BlueScope Lysaght Design and Construction delivered a total structural solution, including design, planning and project management.

THE LYSAGHT BUSINESS IS A LEADING MANUFACTURER AND DISTRIBUTOR OF WALL CLADDING, FENCING, RAINWATER AND STRUCTURAL PRODUCTS SUCH AS ROOF TRUSSES AND DECKING.



RSPCA headquarters, Burwood, Victoria. LYSAGHT® products provide thermal efficiency and colour variation in the canine quarantine facility.

## ASIA COATED AND BUILDING PRODUCTS

OUR COATED AND BUILDING PRODUCTS ASIA GROUP COMPRISES METAL COATING AND PAINTING OPERATIONS IN INDONESIA, THAILAND, MALAYSIA, VIETNAM AND CHINA; BLUESCOPE LYSAGHT BUSINESSES ACROSS ASIA; BLUESCOPE BUTLER PRE-ENGINEERED BUILDING OPERATIONS IN CHINA; AND AN INDIAN JOINT VENTURE WITH TATA STEEL THAT INCLUDES MID AND DOWNSTREAM OPERATIONS.

### ASIA REGIONAL SUMMARY

The 2007/08 financial year was one of improved performance across our Asia business. Revenue for the year increased by 14 per cent to \$1.570 billion, largely due to increased sales volumes and prices across the region. During the year, we undertook a \$225 million impairment of our China and Vietnam coating facilities that affected profitability, resulting in a reported EBIT loss of \$148 million. Without the impairment, underlying EBIT was \$76 million, an increase of 73 per cent, reflecting higher sales, improved margins and lower unit costs.

Stronger sales pricing and lower coating metal costs helped offset higher steel feedstock prices, while reduced business development costs in China and India also had a positive effect on earnings. Our Asia businesses operate in highly diverse economic and political environments. While some factors influence business at a regional level, there is significant variation in their respective domestic situations.

### CHINA

The highlights for our China businesses in 2007/08 were improved financial performance from BlueScope Butler, strong operational performance from our Suzhou metal coating facility and an improved second half from Lysaght. These improvements were the result of a thorough strategic management plan that enabled our China businesses to finish the financial year in a cash-positive position. BlueScope Butler is now well positioned to grow, while we continue to fine tune costs.

Our new Suzhou metal coating and painting operation performed very well in its first full year. It is continuing to ramp up towards capacity and has proved itself comparable to any facility in the BlueScope Steel portfolio. In July 2007, our Lysaght business in China was demerged from BlueScope Buildings, becoming more regionalised and closer to customers, resulting in steady month-on-month performance improvements. In safety, our China businesses remained strong. Additional training of supervisors is ensuring that safety fundamentals are understood and acted upon by all our people.

The advantages of high quality, lightweight steel-framed buildings are becoming more widely appreciated in China and demand is growing for better quality steel structures. During the year, we were involved in the supply of products and expertise to some prestigious Olympic sites, which will further consolidate our reputation in the premium end of the market. Looking ahead, we are aiming to be involved in the Shanghai World Expo in 2010 to further raise our profile.



Aris Widodo, Production Supervisor, at our Lysaght facility in Citibung, Indonesia. Our downstream businesses in this country had a very strong year with despatches up 35 per cent and a solid improvement in safety performance.





THE 2007/08 FINANCIAL YEAR WAS ONE OF IMPROVED PERFORMANCE ACROSS OUR ASIA BUSINESS.

#### THAILAND

The safety performance of our Thailand businesses was a standout achievement for 2007/08, with a Lost Time Injury Frequency Rate of zero. This excellent result was achieved over 21 million working hours. This is an extraordinary effort, even by the very high standards of BlueScope Steel.

Thailand was more politically stable over the last financial year, as the new Thai government brought improved business confidence to domestic markets. A number of projects that were on hold under the previous government became active. In financial terms, our Thailand operations had a strong year, with record earnings representing a significant increase on the previous year.

Our new PEB facility in Thailand performed well during its first full year of operations and the business has started to build a strong customer base for its market offer.

Unfortunately the improvement in the political situation has been questioned, and during mid 2008 the country has experienced another deterioration in economic sentiment.

In the coming year, we will be concentrating on downstream growth in Thailand, in our PEB and residential markets, as well as growing our midstream sales domestically to capitalise on the expansion of the second metal coating line completed during 2005. In addition, we are progressing with an expanded sales strategy into Laos to capitalise on the boom in tourism, mining and transport that is occurring in that country.

Armed Forces Development Command, Bangkok, Thailand. This striking example of contemporary Asian architecture uses ZINCALUME® steel to reinterpret traditional Thai building design. BlueScope Steel products were selected for their aesthetic appeal, design flexibility and durability in tropical conditions.

## VIETNAM

In Vietnam, no Lost Time Injuries were sustained during the construction of our new metal coating and painting facility near Ho Chi Minh City. This facility is now in production and operating close to capacity, with further progress being made in growing domestic markets as well as exports to selected target markets including Indonesia, Cambodia and the Philippines.

The financial impairment undertaken during the year was related to an unstable regulatory environment, with earnings affected by frequent changes to government tariffs on our steel raw materials and on the coated flat products range. Inflation of above 20 per cent in the Vietnamese economy has led to government tightening of liquidity, thereby decreasing investment in many sectors, including building and construction. During the year, our new PEB plant near Ho Chi Minh City commenced operations. We continue to focus on growing both the domestic and foreign direct investment sectors for steel solutions, in particular PEB and SMARTRUSS® framing.

We have two key priorities in Vietnam in the coming year. The first is to increase sales into the premium end of the domestic market.

We aim to achieve this by broadening our channels to market, actively engaging specifiers and winning a higher share of customers' business. Our second priority is supply of product to support market seeding for our new Indonesia facility. We will continue to use product from our Vietnam operation to generate demand in Indonesia.

## INDONESIA

Our Indonesia businesses performed well in 2007/08. Our metal coating and painting facility at Cilegon exceeded its designed capacity, setting production records despite down time for a major equipment replacement. Sales volumes rose 40 per cent on the previous year.

Construction of project Badak, our second metal coating line at Cilegon, is progressing well. The facility is on-time, on-budget and due for commissioning at the end of the 2009 calendar year. It will bring an additional 170,000 tonnes of metal coating and in line painting capacity to our Indonesia operations. Our markets are undergoing robust growth, with additional demand being met by our metal coating plants in Malaysia and Vietnam.

Our downstream Lysaght and PEB businesses had a very strong year. Despatches were up 35 per cent year-on-year, and approval was gained for a wide coil roll-forming process, which will provide for an improved value proposition through greater coverage as well as efficiency and speed of installation.

All our sites in Indonesia retained the Environment Management Systems Standards ISO 14001 certification and we are among the few companies to have been awarded 'Green Company' status by the Indonesian Government. We also showed a solid improvement in safety, maintaining zero LTIFR and reducing MTIFR by 13 per cent, while having additional contractors working on the construction of our second metal coating and painting line. We are emphasising our safety values through a local community campaign aimed at improving road safety, a major problem in this country. Next year, our main challenges are to complete the project Badak on time, grow domestic sales, increase our steel buildings penetration, and involve all employees in value improvement and cost reduction initiatives.

REVENUE FOR THE YEAR INCREASED BY 14 PER CENT TO \$1.570 BILLION, LARGELY DUE TO INCREASED SALES VOLUMES AND PRICES ACROSS THE REGION.

Singapore Expo. One of Asia's largest exhibition venues, this complex has over 100,000 square metres of column free space. BlueScope Lysaght structural and cladding products were used extensively throughout the complex.







## MALAYSIA AND SINGAPORE

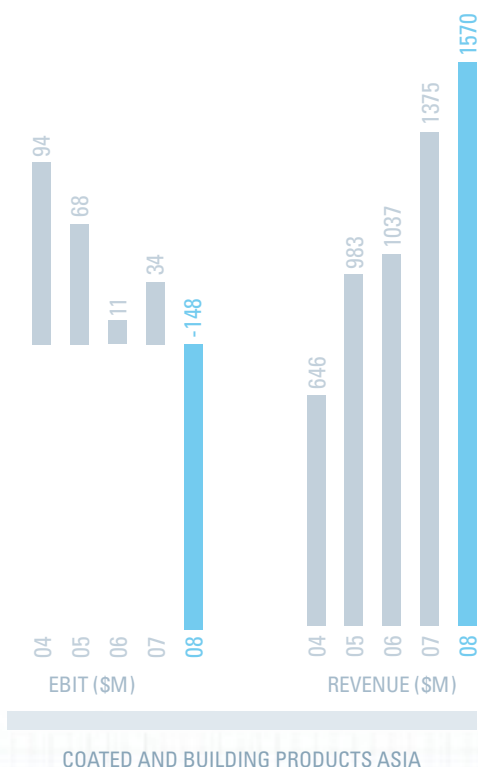
Our Malaysia businesses consolidated their turnaround phase by delivering record results in 2007/08. Manufacturing performance improved to record levels in areas including prime first time, plant up-time and overall efficiency. BlueScope Steel Malaysia made a significant improvement in safety, maintaining a zero LTIFR while reducing MTIFR by 35 per cent. Our Singapore businesses also performed very well with a year on year sales growth of 23 per cent.

Approval was granted for a wide coil forming process in our Lysaght Malaysia and Singapore businesses. This will deliver an improved value proposition through advantages in coverage as well as efficiency and speed of installation. In the year ahead, we will continue to grow domestic sales, focusing on sales of premium products, and ensure reliable supply to our core markets. We expect healthy sales from our PEB business and will seek the involvement of all employees in value creation and cost reduction initiatives.

## INDIA

Opportunities for our businesses increased during the year, as India became the world's second largest destination for foreign direct investment capital. Demand for steel buildings is growing due to shorter construction times and competitive pricing of steel compared to other building materials. In 2007/08, our PEB facilities operated at full capacity, largely due to strong domestic demand and improved marketing strategy. The India PEB industry continues to expand, having increased by a factor of 40 in the last eight years.

Work is progressing well on our new \$270 million joint venture metal coating and paint line project at Jamshedpur. The project is on schedule for completion in the 2010 calendar year. Our safety performance in India has also been very good. The Jamshedpur coated steel project has passed one million hours without LTI or MTI, while our plant at Pune has worked one million hours LTI free.



## NORTH AMERICA COATED AND BUILDING PRODUCTS HOT ROLLED PRODUCTS



Left: Wilkes-Barre, Pennsylvania, USA. Butler Builder® Rob Mericle surveys his workmanship at this recently completed pre-engineered building (PEB). Our Butler and Varco Pruden businesses are the premium PEB brands in North America.

Right: Steelscape facility, Kalama, Washington, USA. As a producer of high quality metal coated and painted steel coils, our newly acquired Steelscape business will provide feedstock for our growing downstream operations in North America.

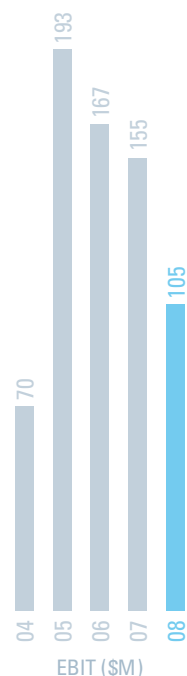
**BLUESCOPE STEEL'S DOWNSTREAM COATED AND BUILDING PRODUCTS NORTH AMERICA GROUP COMPRISES BUTLER BUILDINGS, HCI STEEL BUILDINGS SYSTEMS AND THE ASSETS OF IMSA STEEL CORP. OUR UPSTREAM HOT ROLLED PRODUCTS GROUP INCLUDES OUR JOINT VENTURES – NORTH STAR BLUESCOPE STEEL AND CASTRIP LLC.**

The 2007/08 financial year saw a greatly improved performance from our downstream businesses in North America, with Butler Buildings achieving an 11 per cent increase in sales volumes over the previous year. This outstanding result was particularly pleasing, given the contraction of the North American market during the year. The increased market share was due to high product quality and excellent delivery performance. Butler Buildings profit was at record levels, while major gains were also made in safety, with records set in Lost Time Injury and Medically Treated Injury Frequency Rates.

In February 2008, BlueScope Steel acquired the IMSA Steel Corp group of companies. This group comprises four distinct steel businesses with manufacturing facilities throughout the United States and sales offices across North America.

Sales revenue for our downstream North America Coated and Building Products group increased 79 per cent to \$1.407 billion, while EBIT was up 143 per cent to \$90 million. This improvement reflects the additional revenue resulting from the IMSA acquisition, as well as the increased market share and greater efficiencies of Butler Buildings.





#### HOT ROLLED PRODUCTS NORTH AMERICA

Group result excludes 50 per cent share of  
North Star BlueScope Steel sales revenue



The earnings contribution of the IMSA Steel Corp group was better than expected, with EBIT of \$26 million generated in the five months to 30 June 2008.

IMSA Steel Corp comprises Varco Pruden Buildings Inc. – a manufacturer of pre-engineered buildings (PEBs); Steelscape, Inc. – a producer of metal coated and painted steel coils; Metl-Span LLC – a manufacturer of insulated steel panels for commercial, industrial and cold storage buildings; and ASC Profiles Inc. – a manufacturer of building components including architectural roof and wall systems and structural roof and floor decking.

Since the acquisition we have focused on delivering value from the many opportunities created by the inclusion of these leading companies in the BlueScope Steel portfolio. For example, we have already converted the supply of all Steelscape's hot rolled coil feedstock to Port Kembla Steelworks, and significantly increased sales of both Steelscape and Metl-Span products through the Butler and Varco Pruden builder networks. In addition, we are achieving the purchasing power synergies of a larger group of downstream businesses.

At our upstream, 50 per cent joint venture, North Star BlueScope Steel, records were achieved in safety and production performance. Production was up two per cent on 2007, which was also a record year. This was due to more efficient electric arc furnace operation, and production improvements following completion of the new baghouse. The second half saw improved financial performance as the spread between hot rolled coil selling prices and feedstock costs improved. For the sixth consecutive year, North Star BlueScope Steel was voted number one in the annual Jacobson Survey of steel customers measuring customer satisfaction.

Revenue was in line with the previous year's result, while EBIT was down 32 per cent to \$105 million, due to higher scrap costs, a stronger Australian dollar and higher electricity and alloy costs.

Our Castrip joint venture with Nucor continued its exciting journey in 2007/08. This innovative process involves casting a continuous thin strip of steel, directly from the furnace. During the year, Nucor's Castrip plant at Crawfordsville, Indiana continued to ramp up production and our technical specialists gained a clearer understanding of the unique product attributes of steel produced by continuous strip casting. Construction of Nucor's second Castrip plant at Blytheville, Arkansas is well advanced and due to be commissioned in December 2008.

#### OPPORTUNITIES

In 2007/08, our North America businesses performed very well. The acquisition of the IMSA group of companies will provide many opportunities in the future, not least the combining of best practices from Varco Pruden Buildings and Butler Buildings to create the world's leading PEB business. This will give us a much enhanced capability, offering our customers the best products and services and producing them more cost-effectively than anyone else. These capabilities can then be leveraged into our PEB businesses outside North America. We will also be introducing global BlueScope Steel knowledge into North America. For example, we have a high level of expertise in metal coating and painting that can be applied to our Steelscape operations,

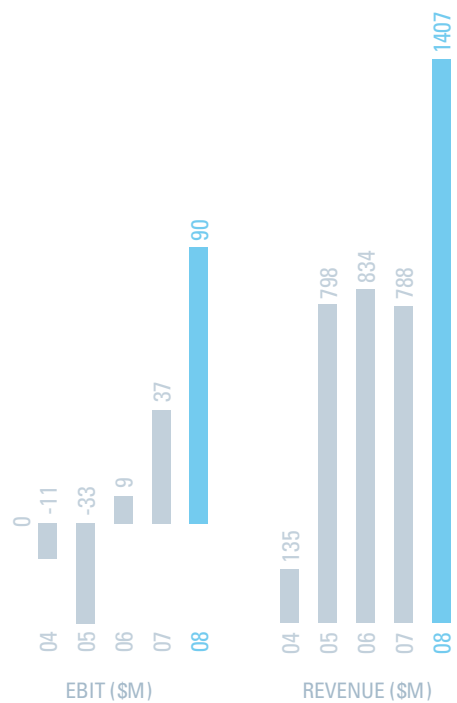
while our considerable knowledge of roll-formed products, gained through our Lysaght business, can be shared with ASC profiles.

In the 2008/09 financial year, we will continue to implement BlueScope Steel's leading safety practices, aiming for a rapid improvement in the safety performance of our recently acquired businesses in North America. Our businesses will also be communicating the sustainable aspects of steel to our customers in the building sector. We will continue our efforts in the green buildings market, in keeping with increased demand for environmentally advanced building products. One example of this trend is the growing use of Metl-Span's insulated panel products in commercial buildings. This application of thermally efficient steel building materials represents yet another opportunity for growth.

El Paso, Texas, USA. Our BUCON business, also known as Butler Construction, specialises in design and construction of large industrial and commercial projects such as this facility under construction.







COATED AND BUILDING PRODUCTS NORTH AMERICA

OUR ACQUISITION OF THE IMSA STEEL CORP GROUP PROVIDES A RANGE OF OPPORTUNITIES TO COMBINE BEST PRACTICES AND DERIVE ADDITIONAL VALUE FROM OUR NORTH AMERICA BUSINESSES. WE ARE INCREASING SALES BETWEEN OUR BUSINESS AND ACHIEVING PURCHASING POWER SYNERGIES.



## OUR COMMUNITY MAKING A DIFFERENCE

RESPECT FOR COMMUNITIES IS A KEY ASPECT OF GOOD CORPORATE CITIZENSHIP, AND IS A KEY VALUE OF OUR BOND. IN 2007/08, BLUESCOPE STEEL ENGAGED IN A NUMBER OF PROGRAMS AIMED AT IMPROVING THE COMMUNITIES IN WHICH WE OPERATE, WITH OUR FOCUS BEING SHELTER, WATER, SAFETY, ARTS AND CULTURE, AND EDUCATION.

Our Tank a Day Challenge, launched in the previous year, was concluded on 30 June 2008. The one million-dollar program involved the donation of a rainwater tank to an Australian primary school for each school day of the year, with the aim of demonstrating the importance of rainwater conservation to young Australians. Participation rates were very high, with around 2,200 schools and 600,000 students involved - almost a third of Australia's primary schools. The program has been approved to continue in the coming financial year. We are also launching an extension of Tank a Day, called 'Tankover', which involves the provision of rainwater harvesting systems to community organisations.

Another important community initiative during 2007/08 was the SmartRoads program, designed to improve road safety. This is a particularly serious problem in some Asian countries such as Indonesia, where increased car use is expected to cause a significant rise in fatalities. During the year, we commenced a SmartRoads pilot program in Jakarta, Indonesia, selecting 16 program ambassadors from our Indonesian operations. Once trained, these ambassadors will address community groups, working to improve road safety.

A formal launch of SmartRoads is due in September, with plans in place to implement the program in other Asian countries.

In May 2008, both Burma and China were struck by natural disaster. The cyclone that struck Burma and the earthquake that occurred in Sichuan, China affected millions of people. BlueScope Steel and our employees supported the work of Red Cross in these areas with donations totalling around a quarter of a million dollars.

During the year, we were involved in a successful regional youth program in the Illawarra area of New South Wales, the home of Port Kembla Steelworks. The Illawarra Mercury BlueScope Youth Band Competition attracted a strong following in the region, meeting our local objectives of supporting youth, art, education and culture. We also launched a pilot maths education program in the Illawarra region, in conjunction with the Australian Mathematical Sciences Institute and the University of Melbourne. This program involves 23 schools, and includes the provision of textbooks, teaching resources and professional development for teachers. In Victoria, we launched a partnership with Arena Theatre, a national theatre for schools program, at Western Port Secondary College.



Kiama, New South Wales. Local surf life saving clubs are an integral part of Australian coastal communities like the Illawarra. Devoted to safety and wellbeing, Surf Life Saving Australia is a worthy recipient of our support.



Arena Theatre produces performances for children and young people. As Principal Partner to Arena, we meet our objectives of supporting the arts and education in our communities.



In North America, through the Butler Manufacturing Company Foundation, a non-profit organisation, we support community, education, youth and the arts. The Foundation works towards creating positive solutions to public concerns such as the education of our youth, the workforce of the future, and the health and prosperity of our communities.

In 2007/08, the Foundation developed a new community based scholarship program at secondary institutions located in our communities. The scholarship is designed to provide educational opportunities for youth and to meet the growing need for skilled trades people.

The Foundation also supported the United Way campaign at all participating locations by matching employee contributions, to bring the combined donation to nearly US\$400,000.

Left: Wattle Park, Victoria. Students at Wattle Park Primary School, one of the 200 schools that received a rainwater tank in the Tank a Day Challenge.



## BLUESCOPE STEEL A GLOBAL NETWORK

### AUSTRALIA

BLUESCOPE STEEL  
Steel production, rolling, coating  
and painting facilities:

Acacia Ridge QLD

Chullora NSW

Hastings VIC

Port Kembla NSW

Western Sydney NSW

BLUESCOPE LYSAGHT – 44 sites

BLUESCOPE DISTRIBUTION – 92 sites

BLUESCOPE WATER – 9 sites

SERVICE CENTRES – 7 sites



**BRUNEI**

BLUESCOPE LYSAGHT

**CHINA**

BLUESCOPE STEEL

Suzhou  
Jiangsu Province

BLUESCOPE LYSAGHT – 4 sites

BLUESCOPE BUTLER – 3 sites

**INDIA**

TATA BLUESCOPE STEEL (JV)

– 3 sites

**INDONESIA**

BLUESCOPE STEEL

Cilegon, Java

BLUESCOPE LYSAGHT – 3 sites

**MALAYSIA**

BLUESCOPE STEEL

Kapar, Selangor

BLUESCOPE LYSAGHT – 4 sites

**SINGAPORE**

BLUESCOPE LYSAGHT

**SRI LANKA**

BLUESCOPE LYSAGHT

**THAILAND**

BLUESCOPE STEEL

Map Ta Phut, Rayong

BLUESCOPE LYSAGHT – 2 sites

**VIETNAM**

BLUESCOPE STEEL

Ba Ria-Vung Tau Province

BLUESCOPE BUILDINGS – 2 sites

**USA**

ASC PROFILES – 10 sites

BLUESCOPE BUILDINGS

Butler Manufacturing – 8 sites

HCI Steel Buildings Systems

Varco Pruden Buildings – 5 sites

METL-SPAN – 5 sites

STEELSCAPE – 3 sites

CASTRIP LLC (JV) – Crawfordsville, IN

NORTH STAR BLUESCOPE STEEL (JV)

– Delta, OH

**CANADA**

BLUESCOPE BUILDINGS – 2 sites

**MEXICO**

BLUESCOPE BUILDINGS

Monterrey, Nuevo Leon

FOR MORE INFORMATION ON THE  
LOCATION OF BLUESCOPE STEEL SITES,  
GO TO [WWW.BLUESCOPESTEEL.COM](http://WWW.BLUESCOPESTEEL.COM)

**NEW ZEALAND**

NEW ZEALAND STEEL

Glenbrook

Ironsands Mines – 2 sites

**FIJI**

BLUESCOPE LYSAGHT – 2 sites

**NEW CALEDONIA**

BLUESCOPE LYSAGHT

**VANUATU**

BLUESCOPE LYSAGHT

BLUESCOPE STEEL LIMITED  
ABN 16 000 011 058  
LEVEL 11, 120 COLLINS STREET  
MELBOURNE, VICTORIA 3000 AUSTRALIA  
[WWW.BLUESCOPESTEEL.COM](http://WWW.BLUESCOPESTEEL.COM)

