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Rule 2

OFFICE OF INTERNATIONAL
CORPORATE FINANCE

Appendix 3B



04046730

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

BlueScope Steel Limited

ABN

16 001 011058

SUPPL

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | |
|--|---|
| 1 +Class of +securities issued or to be issued | Ordinary
PROCESSED
DEC 17 2004 |
| 2 Number of +securities issued or to be issued (if known) or maximum number which may be issued | 14,974,755 issued
3 THOMSON FINANCIAL |
| 3 Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 14,974,755 issued:
<ul style="list-style-type: none"> • 5,400 shares issued pursuant to Employee Share Ownership Plan 2003; • 2,605,400 shares issued pursuant to the Long Term Incentive Plan – Public Listing Award 2002 at nil exercise price; and • 12,363,955 shares issues pursuant to the Long Term Incentive Plan – Public Listing Award 2002 at \$2.85 exercise price. |

De 12/17

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes</p>				
<p>5 Issue price or consideration</p>	<ul style="list-style-type: none"> • 5,400 shares issued at \$7.86 per share; • 2,605,400 shares issues at \$nil per share; and • 12,363 955 shares issued at \$2.85 per share. 				
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<ul style="list-style-type: none"> • 5,400 shares were issued pursuant to the ESOP 2002 Award; and • 14,969,355 were issued pursuant to the Long Term Incentive Plan - Public Listing Award 2002. 				
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<ul style="list-style-type: none"> • 1 September 2004 commenced and finalised 6 October 2004 – ESOP shares; and • 5 October 2004 – Long Term Incentive Plan shares. 				
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="703 1514 998 1549">Number</th> <th data-bbox="998 1514 1291 1549">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="703 1549 998 1774">749,310,252</td> <td data-bbox="998 1549 1291 1774">ORD</td> </tr> </tbody> </table>	Number	+Class	749,310,252	ORD
Number	+Class				
749,310,252	ORD				

+ See chapter 19 for defined terms.

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	Nil
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	As for all quoted ordinary securities.

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the +securities will be offered	
14	+Class of +securities to which the offer relates	
15	+Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	

+ See chapter 19 for defined terms.

- | | | |
|----|---|--|
| 20 | Names of any underwriters | |
| 21 | Amount of any underwriting fee or commission | |
| 22 | Names of any brokers to the issue | |
| 23 | Fee or commission payable to the broker to the issue | |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders | |
| 25 | If the issue is contingent on +security holders' approval, the date of the meeting | |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled | |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | |
| 28 | Date rights trading will begin (if applicable) | |
| 29 | Date rights trading will end (if applicable) | |
| 30 | How do +security holders sell their entitlements <i>in full</i> through a broker? | |
| 31 | How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | |

+ See chapter 19 for defined terms.

- 32 How do +security holders dispose of their entitlements (except by sale through a broker)?
- 33 +Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) Securities described in Part 1
- (b) All other securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
 1 - 1,000
 1,001 - 5,000
 5,001 - 10,000
 10,001 - 100,000
 100,001 and over
- 37 A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)	
Number	+Class
<input type="text"/>	<input type="text"/>

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

+ See chapter 19 for defined terms.

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:  Date: 18/10/2004 .
SECRETARY

Print name: LISA NICHOLSON

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**BLUESCOPE
STEEL**

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www.bluescopesteel.com

ASX Release

Release Time: IMMEDIATE
Date: 13 October 2004

BLUESCOPE STEEL'S ANNUAL GENERAL MEETING

As previously announced, the Annual General Meeting of BlueScope Steel Limited will be held on Tuesday, 19 October 2004 at The Westin, 1 Martin Place, Sydney, commencing at 2pm (Sydney time).

At the meeting, shareholders will consider resolutions 4 to 8, being resolutions proposed by shareholders under section 249N of the *Corporations Act 2001*. The Australian Securities and Investments Commission has asked the Company to elaborate on the impact of some of those resolutions.

The directors have provided detailed disclosure in the Notice of Annual General Meeting as to why they believe resolutions 4 to 8 are not in the interests of BlueScope Steel or its shareholders and have encouraged shareholders to vote against the resolutions.

Additionally, at the time of finalising the Notice of Annual General Meeting, the directors received legal advice that resolutions 7 and 8 (and possibly resolution 6) need not be put to shareholders on the basis of the uncertainty and ambiguity of their operation. However, the directors have decided to put those resolutions to shareholders as, notwithstanding the absence of merit, questions on the governance of BlueScope Steel are ones that should be debated by shareholders. The BlueScope Steel directors have, since their appointment, worked hard to implement best corporate governance practice consistent with the distinctive features of the Company's business.

It is important to note that if any of resolutions 4 to 8 were approved by a special majority of shareholders at the Annual General Meeting, the directors would further explore the implications for the Company.

As a matter of principle, the directors do not consider any of resolutions 4 to 8 to be in the interests of BlueScope Steel and its shareholders. If passed, it is always open for the merits of the constitutional amendments made by those resolutions to be examined by the Company and further considered by shareholders at a later date.

In respect of the interpretation of the constitutional changes proposed by resolutions 4 to 8, the Company would not be seeking to clarify the operation of resolutions 4 and 5 as it considers the wording of the changes to be clear.

Resolutions 6, 7 and 8 however, are ambiguous and raise difficulties of interpretation. If any of these are passed by a special majority of shareholders, the Company would at least consider what refinements are needed to the wording of these resolutions to make the provisions workable. This process may include proposing further amendments to the constitution at a subsequent date. If the changes proposed by any of resolutions 6, 7 and 8 are included in BlueScope Steel's constitution, the operation of the new provisions will be uncertain, until such time as shareholders approve any clarifying amendments.

If resolution 6 was approved by a special majority of shareholders at the Annual General Meeting, the Chairman, Mr Kraehe and Mr McCann would automatically vacate their offices as directors of BlueScope Steel. It is possible – based on the wording of resolution 6 – that the Deputy Chairman, Mr McNeilly may also automatically vacate office.

Neither Mr Kraehe, Mr McCann nor Mr McNeilly have indicated what they would do if resolution 6 were approved. It is open for each of them to resign from other positions on listed public companies that they may hold, in order to be eligible to be re-appointed to the BlueScope Steel board. However, as each of the directors considers that it is unlikely that resolution 6 will be passed, they do not consider it necessary to speculate on their future actions or create unnecessary uncertainty for the other boards on which they serve.

As the Board has clearly indicated in the Notice of Annual General Meeting, they do not support any of the proposed resolutions and intend to vote all undirected proxies against them.

About BlueScope Steel Limited (ASX: BSL)

BlueScope Steel (formerly known as BHP Steel) is the leading steel producer in Australia and New Zealand, supplying the majority of the flat steel products sold in these markets. BlueScope Steel's principal customers are in the building and construction, automotive, packaging and general manufacturing industries. The Company's steelworks at Port Kembla is Australia's largest and one of the world's lowest cost producers of hot rolled coil. Steel rolling, coating and painting plants are located in Australia, New Zealand, Thailand, Malaysia and Indonesia, and the Company has a network of rollforming facilities across the Asia Pacific region that is unmatched by any other steel company. BlueScope Steel also has a 50 per cent interest in a steel mini-mill in Delta, Ohio, USA and on 27 April 2004 completed the acquisition of Butler Manufacturing, with operations in North America and China, creating a strong, global steel building components and pre-engineered buildings business.

For further information about BlueScope Steel Limited: www.bluescopesteel.com

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OFFICE OF INTERNATIONAL
CORPORATE FINANCE

**ADDRESS TO IISI WORLD STEEL INDUSTRY CONFERENCE
ISTANBUL
MONDAY, 4 OCTOBER 2004**

**SPEECH BY KIRBY ADAMS
CHAIRMAN**

**BUILDING THE SIX PILLARS OF A WISER,
STRONGER STEEL INDUSTRY**

Introduction

Ladies and Gentlemen,

It is four years since I first addressed our Institute, when IISI 34 was held in Melbourne, Australia. At that time, just after the 2000 Sydney Olympics, steel was heading toward the bottom of the cycle.

I'm sure you can recall the mood that shrouded our industry. I do not think a single analyst had a "buy" on any steel company.

Needless to say, the changes that have occurred since then have been profound. With prices now at new highs, and the world's hunger for steel showing no signs of abating, the turn-around has indeed been remarkable.

Four years ago in Melbourne, who among us would have predicted such optimism, so soon?

So I think it is fair to say that for the moment, our industry is perceived as dynamic. In the short-term, the outlook for our industry is positive.

However, despite the current good times, our long-term outlook will only remain positive if we use our current prosperity to address the challenges that face us.

(slide 2)

What are these challenges?

Firstly, the structure of the global steel industry remains too fragmented.

Second, the investment industry continues to view our business as highly volatile – a view that our current successes only serve to reinforce.

Third, far too much of the rent in the steel supply chain is going to the suppliers of raw materials.

So while China is driving demand at present - accounting for three-quarters of the increase in global steel production since 2001 – we cannot rely on growth from China, alone, if we are to fundamentally change our industry.

And if we are to prosper in the long term, the global steel industry must change.

The growth phase we are witnessing in China will not achieve long-term certainty for all of us. We must build this from within our global steel industry.

(slide 3)

Change must come from us. If not from those of you in this room, then from whom?

We need to learn from the lessons of the past.

We need to improve the effectiveness of our industry.

Now is the time for us to take control of our industry's future.

If we are to prosper in the long term, I believe that as an industry, we must be wiser in our approach and make fundamental changes today in order to be stronger tomorrow.

To be wiser is to become more responsive to the market place. More trusted by investors. More valued by the communities in which we do business.

To be stronger is to be less susceptible to the ebb and flow of the steel and economic cycles.

How do we achieve this?

By directing our energy toward the essential support structures of a renewed and sustainable steel industry.

I believe there are six areas we need to focus on. Six pillars that we must build.

(slide 4)

The first is the reshaping - the restructuring – of our industry

1. Restructure

Consolidation will strengthen our industry.

We have seen other industries become revitalised by consolidation. The oil industry, aluminium in the early 1990s and iron ore in the late 1990s are cases in point.

By contrast, steel is still emerging from the national identity paradigm of the last century, where every country wanted at least one major steel company.

Today, Europe is leading the way in steel industry consolidation. There are also encouraging signs in the USA and North Asia. Yet some hurdles remain.

For example, in the USA, strong barriers continue to block closure of inefficient steelmaking operations.

If we are to become stronger as an industry, the closure of long-term uneconomic capacity must be advanced. Uneconomic capacity must not be further underwritten during times of strong market conditions.

While we can expect growth in demand to stimulate new steel capacity, we must be aware of the long-term effects of increased capacity if it is not confined to growing markets. It is distressing to hear in various conversations so many of us again focused on size, on tonnes – rather than markets and returns.

On the positive side, it is clear that most capacity growth is currently occurring in markets where capacity is required, such as China. And we are seeing net closures in slow growth regions. However, we need more vigour, and greater breadth of initiatives, if the industry is to meet the challenge of sustainably matching supply and demand.

We will also become stronger by forming alliances.

As I've previously said, global partnerships within our industry will assist us in demonstrating the scale required to attract capital. And global partnerships will give our customers the steel solutions and level of specialisation they need.

Finally, steel companies must restructure so there is an increased capability and willingness to flex production in response to market signals.

A restructured steel industry will flex production as demand levels change. It will be market responsive. It will gain strength through this flexibility. It will have the courage to produce less in weaker markets rather than more.

We can restore this ability, this courage. Look to Europe to see how successfully this has been done in 2003 / 2004.

The second pillar requires a shift of mind-set.

(slide 5)

2. Volatility is the Enemy of our Industry

Volatility has been the norm for our industry. To become stronger and wiser, we must question this paradigm.

Volatility discourages investors.

While the current good times are to be enjoyed, we must bear in mind that the bottom of the most recent down turn was less than three years ago.

Prospective investors are viewing our rapid change of fortunes as more evidence of volatility. Perversely, our current success means that our reputation for unpredictability has increased, and will continue to cloud perceptions of our companies' worth.

We must build financial sustainability.

The ongoing requirement to attract significant amounts of capital simply to achieve necessary blast furnace re-lines demonstrates how critical this is.

Volatility also hinders new applications.

We cannot penetrate and entrench steel in new market applications if price and availability are uncertain. Yet we must create and nurture demand in new markets if we are to diminish the cyclicity that impedes us.

The third pillar is to change our raw materials situation.

(slide 6)

2. Change Raw Materials Situation

Some argue that raw material prices are too high.

Others contend that the raw materials suppliers are creating the production discipline that we in the steel industry do not naturally possess. Perhaps they are correct?

Scrap, pig iron, DRI, coking coal, natural gas and fuel oil, as well as transport, have all shown major cost increases.

A recent report from the United States said that since 2002, raw material and energy costs for integrated mills have risen by between 53 and 74 percent, depending on the level of integration.

Mini-mills have experienced raw material and energy cost increases of between 116 and 119 per cent.

Clearly, too much rent in the supply chain is going to raw materials.

How do we address this situation?

By expanding our raw materials base.

Basic economics suggests that those steel companies with the capital and capability should consider investing in raw materials. We can help overcome raw materials consolidation by again growing steel industry-owned operations.

There are better returns available in raw materials, even today, than in any part of the steel industry. And investors consistently value these earnings more highly.

We should also encourage new entrants as raw material suppliers, and provide the opportunity for them to participate in the business of supplying our companies.

However, the current pricing situation cannot be solved by the steel industry alone.

Raw material suppliers must also be responsible in their pricing.

Raw material suppliers must understand that they and the steel industry are competing inter-materially against aluminium, concrete, wood, plastics and so forth. If, because of raw material pricing, people stop choosing steel, we all lose.

Further, high raw material prices threaten the new application potential that is so vital to our industry's future. Again, we all lose.

A win-win is the *only* workable outcome for this situation. Therefore, we *and* our raw materials suppliers must make a collective commitment to steel as a material in the modern economy.

The fourth pillar is to continue our stand against Government and taxpayer funded steel subsidies.

(slide 7)

3. Continue Our Stand Against Steel Subsidies.

Government distortion of global steel markets must end.

We must redress this distortion of global steel economies.

Efficient steel companies without access to subsidies from their own governments continue to be penalised. Any industry that penalises efficiency is undermining its long-term business viability.

So, for the sake of our industry's future, we must stay firmly committed to the success of the Steel Subsidies Agreement negotiations. Your support, echoed in this room yesterday, is critical.

Now is not the time to change our tune.

For the most part, we have succeeded in getting governments out of our industry.

In many countries, governments have ceased being owners or operators of steel mills. Privatisation has accelerated. This trend needs to continue.

Our aim must be a globally privatised steel industry, free of the distortions wrought by government intervention.

We must maintain our resolve. Reviewing our position every six months is not the answer.

As long as we maintain uneconomic excess capacity, and as long as our industry creates life-long inefficiencies by subsidising new capacity, we will continue to be defined by headlines that scream ‘protectionism,’ and ‘trade dispute.’

And investors will hesitate to place their long-term capital with us.

We need to be united on this issue.

This is not a quick fix.

We must not allow today’s high level of demand to cause us to waver.

Hesitating and stalling are not the answer. Together we must make a proclamation that this is a chance to improve things, permanently.

The fifth pillar is to spend wisely to strengthen our future.

(slide 8)

Spend Wisely to Strengthen Our Future

How do we use our profits wisely?

There is no long-term advantage in simply using today’s profits to build more capacity. Or to use capacity to keep making the same products. To do this is to trap ourselves in cyclicity.

We must ensure that we only invest where the economics of this investment make sense at all points in the cycle.

Uneconomic and unsustainable expansions in capacity will only serve to compromise our industry’s long-term health.

Restraint is essential. Exercising restraint will maximise the prospects of investors re-rating steel industry stocks.

At the same time, many established parts of the industry still need restructuring, and we must invest now to achieve this restructuring.

But now, it is important that we spend to take care of our owners.

World-wide, our shareholders have been patient. By and large, they have stuck with us for several decades. In return, we have lost them money over the long-term.

If we are to prosper in the long term, we need to re-build shareholder confidence for the long-term.

The profits we have generated should be focused on our investors.

Now, while times are good, we should express our gratitude to our shareholders.

We must reward their faith with capital returns, and with dividends, now.

If we do this, our shareholders will continue to stick with us and the market will reward us.

My own company's experience bears this out. Right from the start, the Board and management of BlueScope Steel have made shareholders our priority.

Our focus has been to tax effectively return funds to shareholders. We have done this by providing attractive, fully franked dividends, and through a share buy-back program, which has boosted earnings per share.

From the company's public listing in July 2002 to 30 September this year, BlueScope Steel achieved a Total Shareholder Return (dividends plus share price appreciation) of 198 per cent.

BlueScope Steel's experience has been that shareholders recognise and reward companies which are focused on shareholder value, and are prepared to return funds to their shareholders.

As an industry, we must not measure our success by how big we are. Return on investment is far more important than size.

We must also spend to become smarter.

By investing in innovation – by stimulating new thinking through more and better R&D, we will produce new products, and we will drive steel into new applications more efficiently.

Greater intellectual input will result in added value to our industry. And this will give us a far better future than adding capacity.

So, I emphasise. Let's spend on innovation. On new products, new processes and new applications for steel. We must ensure that we place proper value on the imaginations of our people. They are key company assets.

Let's create the new steel products, and find the new steel applications, that will signify a new steel industry.

The sixth pillar is a greater awareness of our licence to operate.

(slide 9)

Re-affirm Our Licence to Operate.

We know that our companies do not exist in social or environmental vacuums.

To be viable, we must reflect the social and environmental values of the communities in which we do business.

And where possible, we should strive to exceed the expectations that are placed upon us.

In particular, we are obliged to care for our people.

We must ensure the safety of every employee and contractor. We must be sure that no one leaves our sites in a worse condition than when they arrived.

That is our duty. So what is the reality?

The reality is that every year, more than one hundred people die in our industry. More than one hundred human lives are lost.

This was the position a year ago when we met in Chicago. It remains the position today as we meet in Istanbul.

This is simply not acceptable. We do not have the right to expose our fellow human beings to grief and suffering.

From our discussions, we know that fatalities and safety incidents are down in some of our companies. But in others, a negative trend continues.

I have said before that as Chairman, my hope is that we can reduce fatalities year-over-year by 20 per cent. I dearly hope that, in five years, no one will die because they work in our industry.

Safety is right, and it is good business. I urge you all to spare no effort in Making it Zero fatalities in our industry, within five years.

Progress towards Zero is possible. Some of you will undoubtedly suffer setbacks, but we must persevere towards our goal of Making it Zero fatalities in our industry, within five years.

We must care for our people, and so must we care for the natural world.

An environmental threat is an industry threat. The Greenhouse Gas issue and its consequent regulations demand ongoing attention. We must continue demonstrating responsibility toward this issue.

Ratification of the Kyoto Protocol is likely to constrain the building of new capacity in many parts of the world. It is also likely to increase costs for many of us.

Governments and communities will demand greater environmental accountability from us.

A Greenhouse Gas Tool for use in accounting for gas emissions is a much needed development.

Also, I urge you all to become involved in the CO2 Breakthrough Programme. It is an opportunity to further improve the global perception of our industry as responsible and pro-active in our efforts to reduce greenhouse gas emissions.

This is a chance to present our industry as forward thinking. Seize it.

(iii) Conclusion

To summarise,

There are six specific areas we need to work on in order to improve our steel industry. Six pillars that will form the basis of a wiser, stronger steel industry.

(slide 10)

We must restructure.

We must focus on reducing volatility.

We must address the raw materials situation.

We must continue our stand against steel subsidies and excessive government interference in our industry.

We must spend on innovation to produce new wealth, and on our owners.

We must ensure the safety of every employee and contractor and re-affirm our licence to operate within our host communities.

Meet these six challenges, build these six pillars, and we – the leadership of the world's steel industry in 2004 - will have made the fundamental changes our industry needs.

Then, the steel industry will be more highly regarded.

Then, our companies will be even more desirable for long-term investment.

More desirable as employers.

And more desirable as neighbours, as members of a community.

And we will indeed, be a wiser, stronger industry.

As leaders of the world's steel companies, we can each make a difference.

(slide 11)

Together, we are the people who can make the steel industry better.

We must re-deploy our current profitability responsibly.

I would also like to express my gratitude for this opportunity to speak. It has been a privilege to lead the IISI during these past twelve months.

Progress must be made.

Ladies and gentlemen, I thank you.

-END-



Building the Six Pillars of a Wiser, Stronger Steel Industry

**Kirby Adams
Chairman**

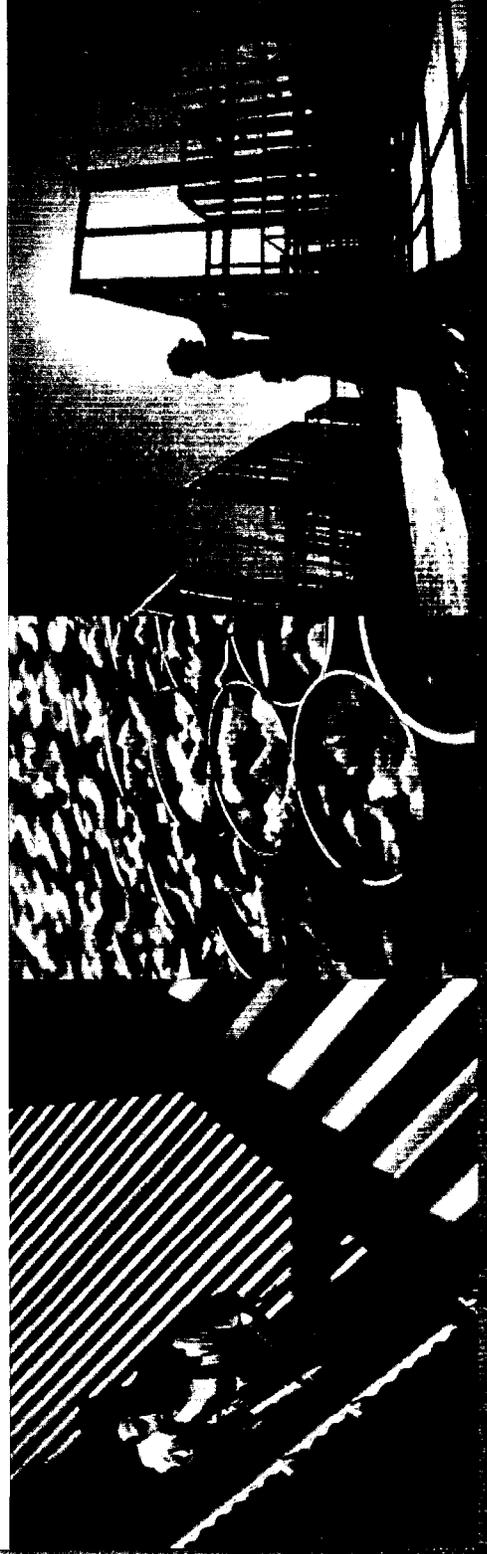
October 2004



Six Pillars of a Wiser, Stronger Steel Industry



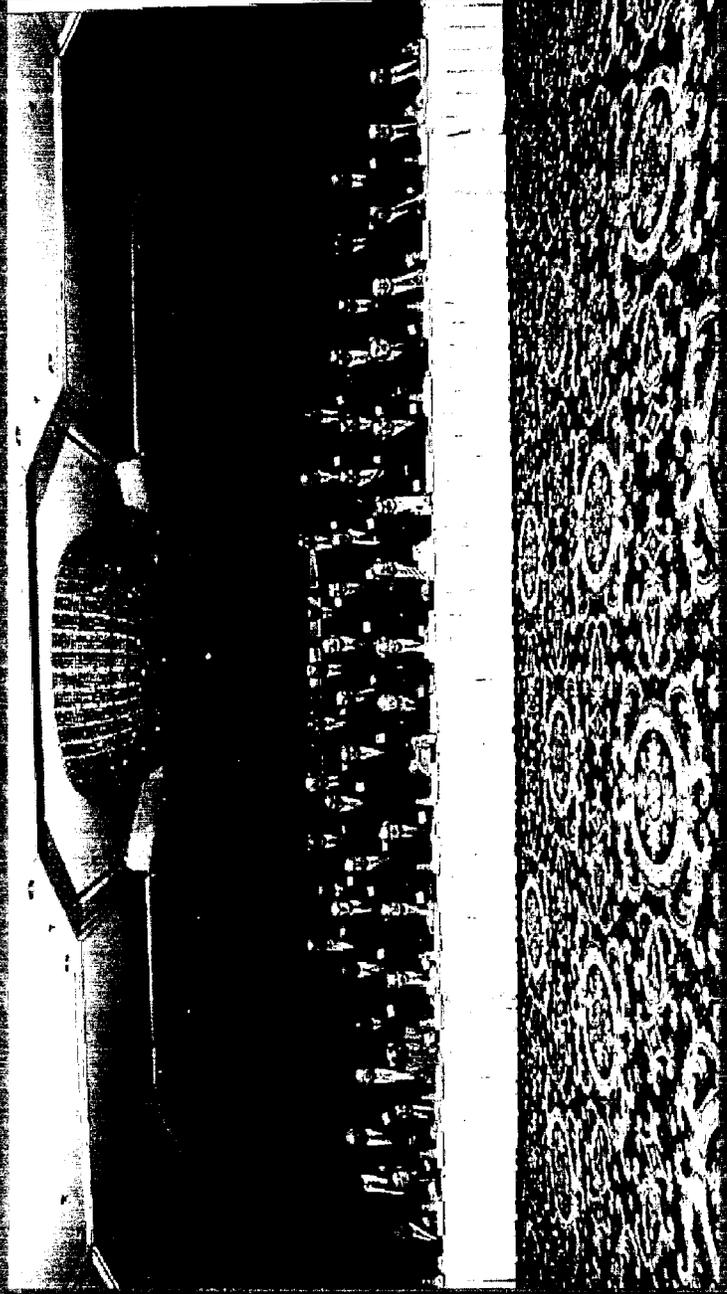
**LONG TERM OUTLOOK POSITIVE IF
CHALLENGES ARE ADDRESSED**





Six Pillars of a Wiser, Stronger Steel Industry

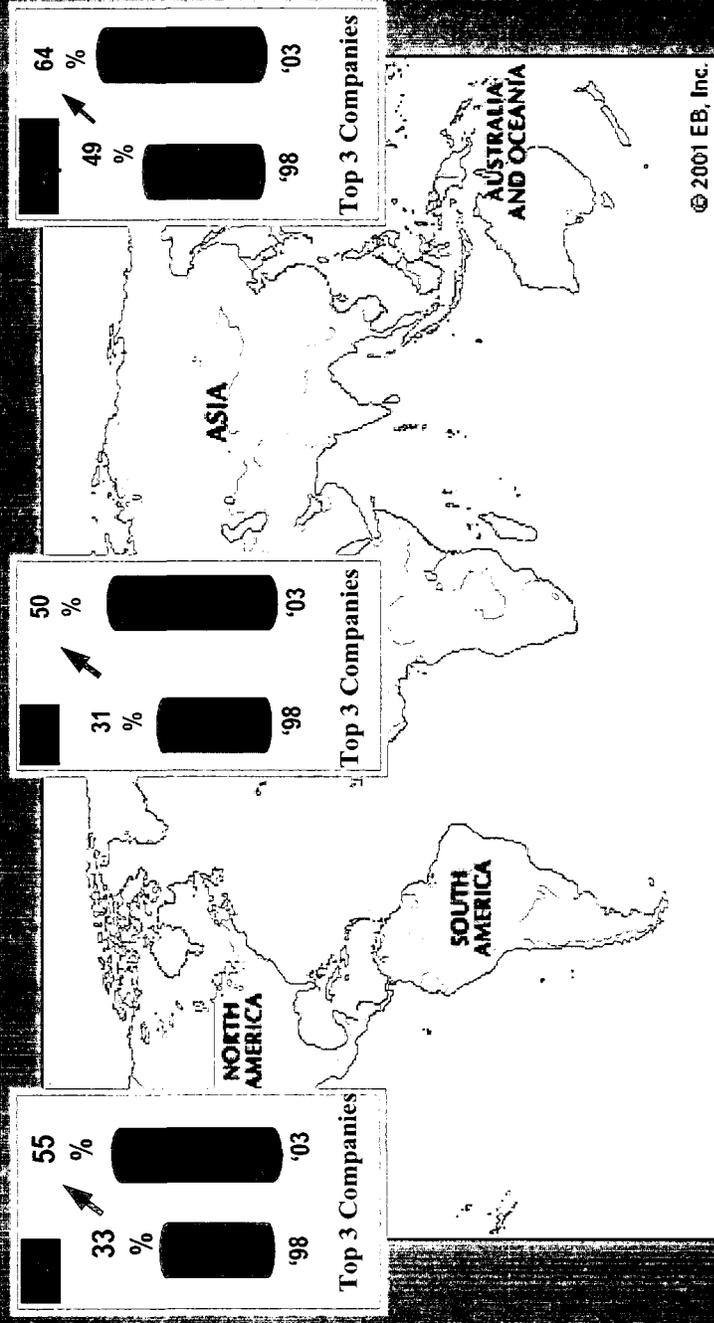
CHANGE MUST COME FROM US





First Pillar of a Wiser, Stronger Steel Industry

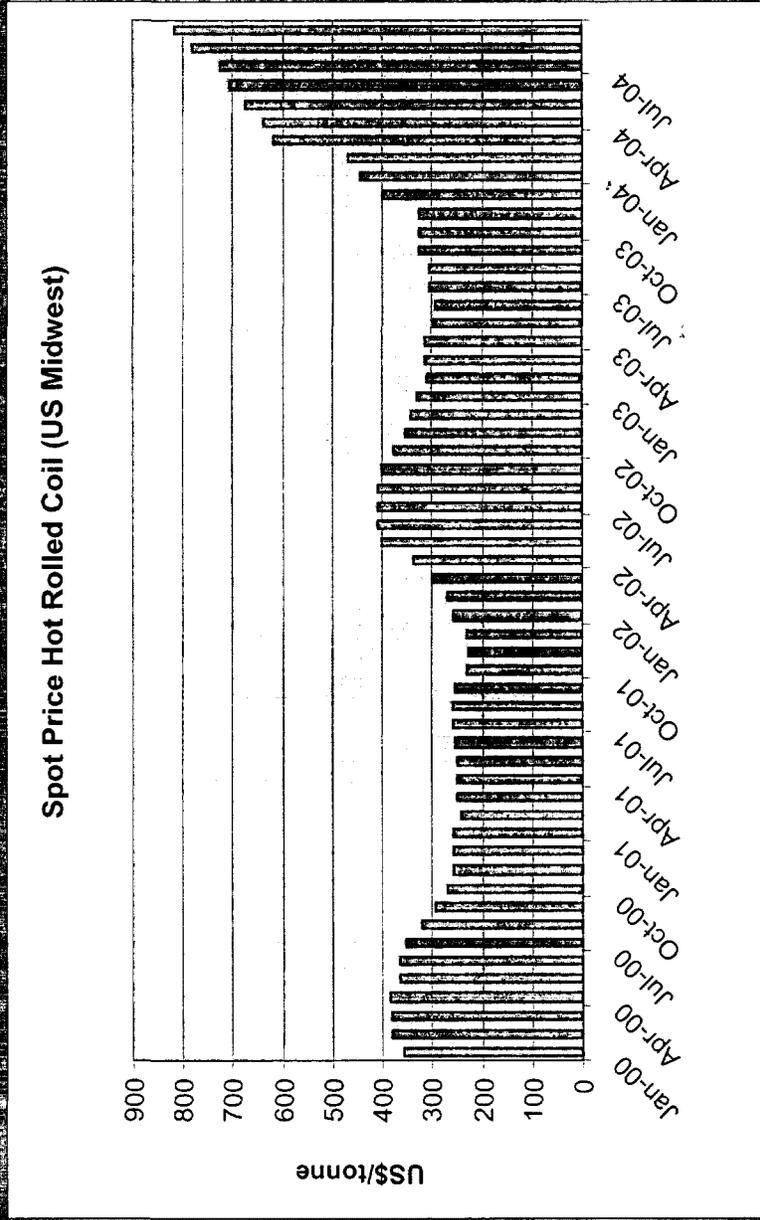
RESTRUCTURE AND CONSOLIDATION





Second Pillar of a Wisser, Stronger Steel Industry

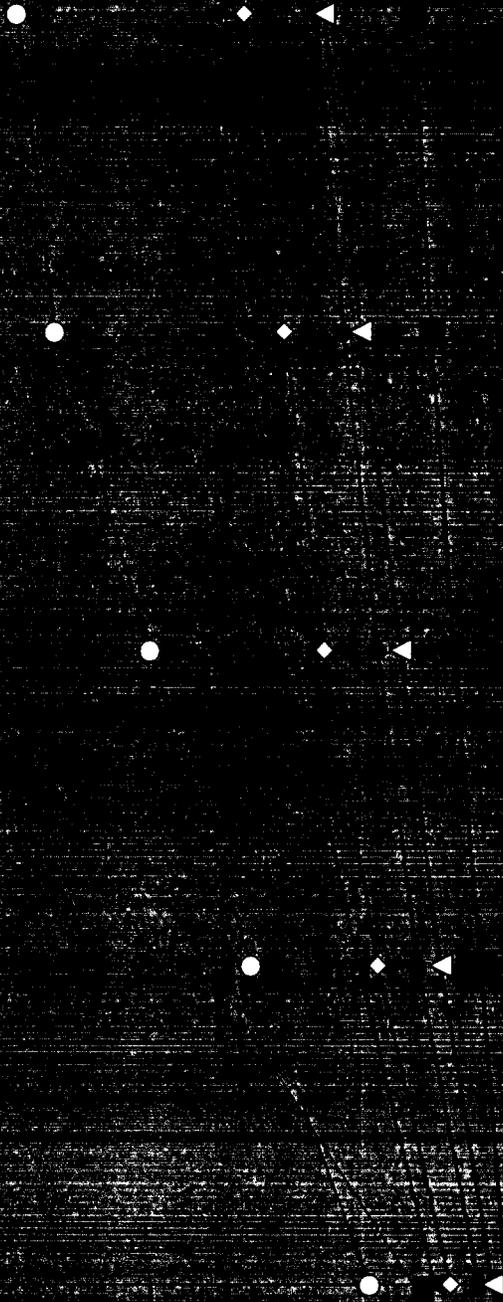
FOCUS ON REDUCING VOLATILITY





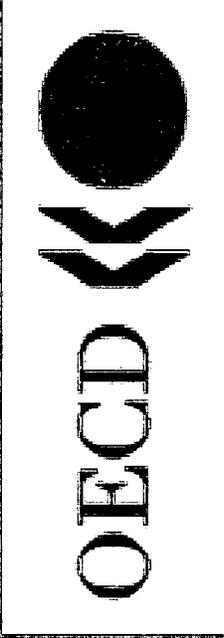
Third Pillar of a Wiser, Stronger Steel Industry

ADDRESS THE RAW MATERIALS SITUATION

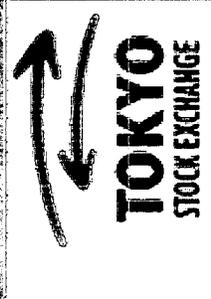




Fourth Pillar of a Wiser, Stronger Steel Industry



STAND AGAINST STEEL SUBSIDIES





Fifth Pillar of a Wiser, Stronger Steel Industry



**SPEND ON
INNOVATION
AND REWARD
OUR
INVESTORS**





Sixth Pillar of a Wiser, Stronger Steel Industry



**BECOME SAFER AND RE-AFFIRM
OUR LICENCE TO OPERATE**





Six Pillars of a Wiser, Stronger Steel Industry

- **Restructure / Consolidate**
- **Focus on Reducing Volatility**
- **Address Raw Materials Situation**
- **Stand Against Steel Subsidies**
- **Spend on Innovation and Reward our Investors**
- **Become Safer and Re-affirm Our Licence to Operate**



Six Pillars of a Wiser, Stronger Steel Industry

**TOGETHER WE CAN MAKE
THE STEEL INDUSTRY
BETTER**



Building the Six Pillars of a Wiser, Stronger Steel Industry

**Kirby Adams
Chairman**

October 2004

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OFFICE OF INTERNATIONAL
CORPORATE FINANCE**Australia China Business Council (ACBC)
China Oration****Wednesday, 24 November 2004****7.00pm****The Australian Club, William Street, Melbourne**

Topic: *"Five Steps to Engaging the Dragon"*
- *The challenges for Australian manufacturing in the Chinese century"*

Introduction

Thank you, Warwick.

Good evening, ladies and gentlemen.

It is my great pleasure to deliver the 2004 China Oration tonight!

China is extremely important to my company, BlueScope Steel, and increasingly important to our nation – Australia.

I believe that China's growth will offer wonderful opportunities for world-competitive Australian manufacturers.

As you may know, China is now contributing some 40 per cent of annual world economic growth.

Like Britain, The United States and Japan in earlier centuries, the world is now seeing China write its own very significant chapter in the economic history books.

There is every reason to believe that the 21st Century may be the 'Chinese Century'.

Our Company, BlueScope Steel, participates in the steel and building products industries, industries which are feeling the benefit of the surging Chinese economy.

To give you an idea of the scale of China's impact on the steel industry...

In the year to October 2004, Chinese steel production grew 22 per cent to a record 263 million tonnes (annualised). This is more than USA, Japan and Germany combined.

To place this growth in perspective, in 1994, steel production in China was 93 million tonnes.

So in just ten years, China's steel production has almost trebled (270 per cent).

And Chinese demand for steel is still growing strongly.

As we would expect, this economic growth is affecting Australia.

In 2003, Australia's exports to China increased by 8.4 per cent to \$9.1 billion, and China is now Australia's third largest export market and trading partner.

Exports to the United States, by comparison, fell 17 per cent to \$9.5 billion.

While Australia largely exports primary products to China, China mainly exports labour intensive manufactured products to Australia.

But there are signs of change.

Between 1999 and 2003, Australia's manufactured exports to China grew from \$658 million to \$1.8 billion – an increase of 165 per cent in just 5 years.

Given China's inexorable rise, I believe it is necessary to stimulate discussion about the implications for Australia.

And in particular, the implications for our manufacturing sector.

So, tonight I would like to put forward some ideas about how our Australian manufacturing sector can successfully engage with China.

I believe there are five steps we must take.

I believe we must:

- 1) Communicate the true worth of Australia's manufacturing sector.
- 2) Raise awareness of the possibilities of engagement with China.
- 3) Ensure a fair, competitive basis for two-way trade between China and Australia.
- 4) Commit to reforms in infrastructure, energy and water.
- 5) Acknowledge that we are all stakeholders in Australian manufacturing's future, and we must behave in a way that secures its future.

To do these things properly, we must be clear that Australian manufacturing is a valuable part of Australian society.

(1.) So the First Step is to communicate the worth of Australia's manufacturing sector.

Let's start by asking, what is the state of Australian manufacturing?

Some of you may be surprised to learn that we are in fairly good shape, although clearly some manufacturers are faring better than others.

There are now plenty of examples of Australian manufacturing companies that have greatly improved their fitness, and in some cases undergone successful surgery, over the past decade.

In 2003, manufactured products comprised 23 per cent of Australia's exports and manufacturing generated about 13 per cent of the country's gross domestic product.

Although manufacturing's share of GDP has fallen in recent years, this is largely because the value of services has grown so much.

As a proportion of GDP, manufacturing still contributes more than double the output of mining, for example.

Manufacturing employs about 12 per cent of the workforce; and provides full-time employment for over 1 million Australians; and it undertakes about 50 per cent of Australia's private sector research and development.

So a competitive Australian manufacturing sector delivers significant broad-based benefits for this country and it's also of great strategic importance.

No high-ranking OECD country is without a significant manufacturing sector.

As many of you know, Australian manufacturing has been under significant pressure to reinvent itself over recent decades.

The manufacturing sector now absolutely accepts that it has no right to demand protection and be assisted to survive – the sector has to earn its way in the global marketplace. And we are held to high standards.

As protection and tariffs have dropped, so manufacturing has become more competitive, and more sophisticated or it has disappeared.

Today, lead times are shorter, order sizes smaller, and delivery performance more critical than ever before.

The old, slow ways of operating would virtually guarantee defeat in the present business climate.

We in the manufacturing sector are competing with the world's best.

To do so, we have had to become more agile and flexible.

Our sales and marketing activities are more clever, and our value propositions are stronger.

For Australian manufacturers to stay in business, and continually improve productivity, we must be internationally cost competitive.

That is the 'ticket to the game'.

At BlueScope Steel, for example, that means remaining at the low end of the international cost curve in all our manufacturing operations.

And ensuring that the product and service packages we provide to our customers deliver real value.

Already, we are seeing many successes in Australian manufacturing.

For instance, since 1998 the value of exports of passenger motor vehicles has more than doubled.

One in three vehicles manufactured in Australia are now exported.

And I am very proud that the overwhelming majority of the steel in these cars is sourced from BlueScope Steel –

That's Australian steel being exported in highly value-added form.

There are many individual companies in Australia – many of them our customers – who are highly competitive in world terms.

Increasingly, we are seeing that successful Australian manufacturing companies are innovative.

To prosper in the new environment, to engage with China, Australian manufacturers must do more than simply keep costs down.

They must go beyond just making commodities.

They need to exploit niches.

Innovation is an area I feel very strongly about.

It's something we are driving hard at BlueScope Steel.

In many cases, innovation means getting out of low value added products into design or technology intensive products, often wrapped with a valued service component.

It means exploiting intellectual capital or proprietary technology.

It means developing specialised capabilities or focusing on niche markets.

And, in local markets, it means exploiting local advantages such as faster delivery times, shorter supply lines and better distribution systems.

A national imperative is that successful manufacturing companies, and the manufacturing sector, are nurtured and encouraged.

By engaging with China, the manufacturing sector can play a key role in boosting the living standards of all Australians, and ensuring our long-term prosperity.

But, in order to engage, manufacturing companies must see that engagement is achievable, and can have great benefits.

Which brings me to the Second Step.

(2.) Raising awareness of the possibilities of engagement with China.

Let me share some insights from our experiences in China.

Last year, less than 5 per cent of BlueScope Steel's global sales were derived from the Chinese market, but we expect this to increase once our current growth projects are complete.

China's economic performance is characterised by rapid urbanisation and industrialisation, with the building and construction industries central to this growth.

In China, BlueScope Steel occupies two niches in the building and construction markets...

These are pre-engineered buildings and premium steel building products.

We have been involved in some significant projects, including the Guangzhou Stadium, the Jin Mao tower in Shanghai, and developments at Beijing airport, amongst the first sights many visitors to China encounter.

Our China businesses are growing.

Soon, they'll extend along the value chain from putting high quality metallic and painted coatings onto steel coil, to designing and erecting complete steel buildings.

From our experience of doing business in China, we are very aware of that market's appetite for leading edge, high quality technology and products, the ease of access to many world-class development zones and very supportive investment conditions – incentives, support and speed of decision-making.

We also know first-hand what a dynamic, youthful, high quality and well-educated workforce pool exists in China.

Just over a year ago, we were evaluating whether to proceed with our new coating and painting line at Suzhou.

I visited Shanghai and met with Mr Xu Da Quan, the then CEO of Baosteel. His company is a potential supplier of steel feedstock to our project.

Bao is one of the world's largest and most impressive steel companies.

I made the comment that, in seeking to build our China business, we at BlueScope Steel were mindful of being a very small fish in a very large pond.

Mr Xu replied, "Ah yes, but you are a very fast little fish".

Subsequently, the project team developing our Suzhou facility adopted the motto "Chao Xiao Yu" and the cartoon logo you can see printed on the small boxes on your tables.

Translated, the words mean "super little fish", and that's how we see ourselves in China.

I think this story helps illustrate the way in which Australian companies can establish effective niches in the Chinese market.

And in the markets in which we compete, we are swimming downstream as fast as we can.

So Australian manufacturers can do business in China, and do it very well.

Of course, if we are to succeed, we must be able to compete fairly.

So, to the Third Step.

(3.) Ensuring a fair, competitive basis for two-way trade between China and Australia.

The United States and China are key players in the new economic order.

We have a well-established alliance with the United States, and we have a timely opportunity to negotiate a free trade agreement with China.

A well-negotiated Australia-China FTA has the potential to operate as a positive force for economic advancement in both countries.

Yet the risks and challenges posed to Australian manufacturing by the inexorable rise of Chinese productive capacity over the years ahead are considerable.

Chinese firms will increasingly strive to compete with Australian enterprises in export and third country markets.

And strive to establish footholds in Australian markets, with ease of entry likely to be further smoothed in the event of an FTA.

Now, the prospect of heightened competition is not a reason for Australia to avoid an FTA with China.

Australian manufacturing has met considerable challenges, and can certainly meet the challenge of China...provided we are able to do business in a fair competitive environment.

If we are to secure the best future for our manufacturing sector, we need a more clear articulation of a national policy position and framework in support of manufacturing.

If Australia is to proceed with an FTA with China, this is critically important.

The threads of effective national policies are already visible.

The Federal Government is contemplating a range of actions in areas of importance: for example, international tax, competition policy, skills-based training and workplace relations.

Much of the public discussion about an Australia-China FTA over recent months has been about China's threshold requirement to be granted 'market economy status' as a pre-condition to FTA negotiations, and about the consequences for Australia's anti-dumping measures.

Australian manufacturers have strongly expressed reservations about the potential for a weakening of existing anti-dumping processes.

The various views on this issue have been well voiced, and I don't intend to wade into them tonight other than to say that these issues are of great importance to our customer base here in this country, and the effectiveness of Australia's anti-dumping regime is a matter of great significance.

A vigorous, fair and transparent Australian anti-dumping system is a key element in achieving the right balance for participants in the challenging global trading environment.

This is not about protection. It's about ensuring products are fairly priced.

The next step concerns the need for better infrastructure for Australian manufacturing.

We must make this a priority.

(4) So, Step Four is a call for government commitment to further reforms in Australia's infrastructure, energy and water.

And the Productivity Commission has also urged action in these areas.

Australia's historical successes in manufacturing were founded on low energy costs, efficient transport infrastructure and ready availability of low cost inputs such as water and raw materials.

But our recent economic success has exposed major capacity constraints in our ports, railways and shipping.

Further government action and greater infrastructure investment is badly needed to alleviate these bottlenecks.

On the interstate rail network, this includes upgrading track to allow greater axle loads, standardising gauges, and relieving rail congestion in the Sydney area.

Here in Victoria, gauge standardisation of the Melbourne-Hastings line would remove the need for BlueScope Steel to gauge transfer some 500,000 tonnes of steel product per year.

On our roads, the introduction of B-Triple trailers on the National Highway System would make a step-change in capacity and efficiency in the transport of non-bulk freight.

Greater integration of road and rail facilities into intermodal hubs, and better connections into seaports are needed.

There's also a need to work towards a competitively neutral freight system, a system which will encourage investment in places where it will generate the greatest economic rewards.

Recent power outages in a number of states have highlighted the need for investment in energy infrastructure.

Further development of the national energy market is needed.

Governments also need to ensure that energy pricing is not discouraging investment.

The recent series of dry years in this country has drawn attention to the way we manage our water resources.

A number of areas stand out as requiring more attention.

For example, Australia currently makes limited use of recycled water.

Systems to re-use household grey water, such as the third pipe system now being installed in some new housing developments, should be encouraged.

And more steps should be taken to encourage re-use of treated effluent for agriculture and industry, as is currently being considered at Werribee, and underway at BlueScope Steel's Port Kembla Steelworks.

In our cities, most stormwater is simply flushed away to the ocean.

There is clearly potential to capture this water and pipe it to irrigate gardens, sports grounds, golf courses and other facilities, and re-use it in manufacturing processes.

Finally, what we need in Australian manufacturing is a greater sense of unity and a greater focus on growing a world-competitive manufacturing base in Australia.

And this leads me to the Fifth and final Step toward successful engagement with China.

(5.) Acknowledging that we are all stakeholders in manufacturing's future.

Which means that everyone involved in Australian manufacturing must behave in a way that secures its future.

Regrettably, Australian manufacturing is handicapped relative to international competition in one key area: the way our manufacturing sector trade union leaders appear to see their roles.

I am not talking about our employees here, who for the most part are terrific.

In part, the industrial issues we face are a function of the regulatory framework for industrial relations that currently operate in this country.

One example: the framework seems to encourage a season of strikes whenever EBAs are up for renewal.

Too often, there seems to be a desire by union leaders and officials in manufacturing to demonstrate their power to 'take the workforce out' and 'take the management on'.

In the "Chinese Century", this is not constructive behaviour.

Over the last three years, BlueScope Steel has been subjected to a range of strike actions.

If they weren't so serious and damaging to our customers, they would be almost comic.

For example...

- A 24-hour strike at Western Port, in Victoria, just prior to Christmas 2002, because Christmas hampers were not offered to all employees at that site.
- At Port Kembla, in March 2002 we suffered a strike that involved the dumping of \$1million worth of molten iron.
- This strike occurred when four employees were two minutes late getting back to the change rooms for their end of shift shower.
- In February last year, a rail operations employee at our Port Kembla plant was dismissed.
- The reason?
- He was observed doing chin-ups on the outside of a moving locomotive.

And the response to this dismissal?

Unions instigated a stop work meeting, in breach of the enterprise agreement.

And the result?

Two and a half thousand tonnes of iron being dumped on the ground at a cost of half a million dollars.

- While at Port Kembla in 2001, unions took persistent industrial action to undermine our Alcohol and Other Drug policy.
- The policy involves alcohol and drug testing only after accidents or near misses.
- It has one aim – to help achieve our goal of a Zero Harm workplace.

And the list goes on, and on, and on.

Throughout this year we have been seeking to negotiate new enterprise bargaining agreements for our downstream Australian operations.

Our EBA offer has been on terms which an objective observer might regard as quite reasonable – including a 13.5% pay increase for a proposed three year agreement, well in excess of the manufacturing industry average.

The benefits we provide to our employees, such as superannuation, lead Australian industry standards.

We share the prosperity and performance of our company with all employees through bonuses and employee share plans.

However, our business has been subjected to repeated strikes and stopworks designed to impede our ability to get product to customers.

At Western Port, here in Victoria, for example, our 'on time' delivery performance at this time last year was a commendable 95 per cent.

Our employees worked diligently to get it to this impressive level.

In the four weeks of October 2004, as a result of industrial action at Western Port, delivery performance fell as low as 73 per cent.

A delivery performance of 73 per cent meant that of the 1,350 orders that the plant had to deliver to customers by the end of a week, approximately 335 orders were late.

In the last four financial years, BlueScope Steel has suffered over 300 strikes and over 460,000 man-hours lost.

This financial year alone, BlueScope Steel has suffered 110 strikes, with over 40,000 man-hours lost.

In all cases, where the terms of an enterprise bargain have been agreed over the past year, this has been either:

1. a result of employees accepting the Company's offer, despite their union's position,
2. or a result of an independent arbitration to settle the dispute on materially the same terms as the Company's initial offers at the beginning of the bargaining period.

Unfortunately, the people who really suffer are our employees.

The pay rises they eventually receive are much delayed, to enable months of union posturing (and they endure days without pay).

The leadership of a trade union brings with it certain rights under the Australian system.

But leadership also carries significant responsibilities:

- recognition that union members' future job security is connected to the success of the enterprise they are working for,
- and, understanding that community welfare depends on an internationally competitive and reliable manufacturing industry.

And in case some of you think I am ‘crying wolf’ with these comments, I say this...

BlueScope Steel operates 75 manufacturing plants in 16 countries across three continents.

In the last four years, we have had strikes in only one country– Australia – and we have had hundreds of them.

It is not surprising that, as Australian domestic demand for manufactured products has continued to grow strongly over the last few years and local manufacturers have moved to meet that demand, the country’s overall exports of manufactures have dropped.

Growth in productive capacity here has not kept pace with local economic growth. Australia’s manufactured exports have suffered as manufacturers have re-directed products to meet local market demand.

As a result, other countries are grabbing a bigger share of the growth in global markets, which is being driven by China.

Industrial action hurts the reputation of Australian manufacturing and its international competitiveness.

It is an unfortunate truth, and not widely stated, that the irresponsible actions of a few union leaders and officials are creating real hesitation about new, large-scale manufacturing investment in this country.

Their behaviour is driving manufacturing investment away from Australia.

Over the course of the past year, BlueScope Steel has made commitments to new capital projects with a planned value of around A\$1 billion.

The majority of our new investments are being made outside Australia, in Asia and in North America.

We have committed to a couple of significant capital projects in Australia, which will amount to well over \$200 million.

But we do so with some apprehension because of our experience of union leaders’ behaviour.

And we observe that there are not many other major new manufacturing investments being made in this country.

As well as driving investment away, this behaviour also risks driving customers away.

Manufacturing industry's customers are increasingly global, with worldwide supply chains.

If Australian manufacturers are not reliable suppliers, then customers will simply shop elsewhere, dual-source from overseas, or relocate their own operations.

Whatever the union leaders' agenda – and it's often difficult to fathom – the end result of their behaviour is to damage Australia's reputation as a reliable supplier and **to** damage Australia's manufacturers.

If unchecked, this behaviour will ultimately lead to a future in which the vast majority of manufacturing activities to meet Australian market demand are located outside Australia – perhaps much of it in China – with products imported back into this country.

I don't think this is a future any of us in this room wish to see.

So to conclude.

I have outlined five areas – Five Steps – that I believe will help Australian manufacturing to prosper in the new Chinese century:

- Communicate the real worth of Australia's manufacturing sector.
- Raise awareness of the possibilities of engagement with China.
- Ensure a fair, competitive basis for two-way trade between Australia and China.
- Commit to domestic reforms in infrastructure, energy and water.
- And acknowledge that we are all stakeholders in Australian manufacturing's future and, together, behave in a way that secures its future.

Australian manufacturing is a far more robust and vibrant sector than many believe.

It is making a broad and valuable contribution to this country.

The sector is entering a critical phase – that will determine its future.

If we can achieve the steps I have outlined, then Australian manufacturing can prosper from (rather than fear) the many opportunities that the rise of China offers.

I believe that China's growth will offer wonderful opportunities for world-competitive Australian manufacturers.

So, as we enter the Chinese Century, we must be aware of the gravity of the decisions that are being taken today.

Let's make sure that when we look back in 5 or 10 years time, we can confidently say we did not shirk the challenges, and we did create a more prosperous future for all Australians.

Thank you.

Statement

Release Time: IMMEDIATE
Date: 23rd November 2004

BLUESCOPE LYSAGHT ACQUIRES ASSETS OF RANBUILD

BlueScope Steel Limited today announced that its BlueScope Lysaght business has entered into a conditional contract to purchase the assets of the Ranbuild business. The transaction will settle on 1 December 2004. Ranbuild is a privately owned Australian company that commenced operations in Newcastle in 1948.

Ranbuild is a successful designer and distributor of pre-fabricated steel garages, barns, farm sheds and shed kits in Australia, with a comprehensive reseller network. BlueScope Steel and Ranbuild have a long-standing commercial relationship.

The acquisition of the Ranbuild assets is consistent with BlueScope Steel's strategy to build its downstream branded products offer and will enhance the capability of BlueScope Lysaght to offer "lite" pre-engineered steel buildings in the Australian marketplace.

About BlueScope Steel Limited (ASX: BSL)

BlueScope Steel is the leading steel producer in Australia and New Zealand, supplying the majority of the flat steel products sold in these markets. BlueScope Steel's principal customers are in the building and construction, automotive, packaging and general manufacturing industries. The Company's steelworks at Port Kembla is Australia's largest and one of the world's lowest cost producers of hot rolled coil. Steel rolling, coating and painting plants are located in Australia, New Zealand, Thailand, Malaysia and Indonesia, and the Company has a network of roll-forming facilities across the Asia Pacific region that is unmatched by any other steel company. Additional metal coating and painting lines are under construction in China, Vietnam and Thailand.

BlueScope Steel also has a 50 per cent interest in a steel mini-mill in Delta, Ohio, USA. In April 2004, the Company completed the acquisition of Butler Manufacturing, with operations in North America and China, creating a strong, global steel building components and pre-engineered buildings business.

For further information about BlueScope Steel Limited: www.bluescopesteel.com

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ASX Release

Release Time: IMMEDIATE
Date: 23 November 2004

BLUESCOPE STEEL ANNOUNCEMENT OF HALF YEAR RESULTS ON 21 FEBRUARY 2005

BlueScope Steel Limited (ASX: *BSL*) confirms that it will be releasing its half year results for the six months ended 31 December 2004 on Monday, 21 February 2005.

About BlueScope Steel Limited (ASX: *BSL*)

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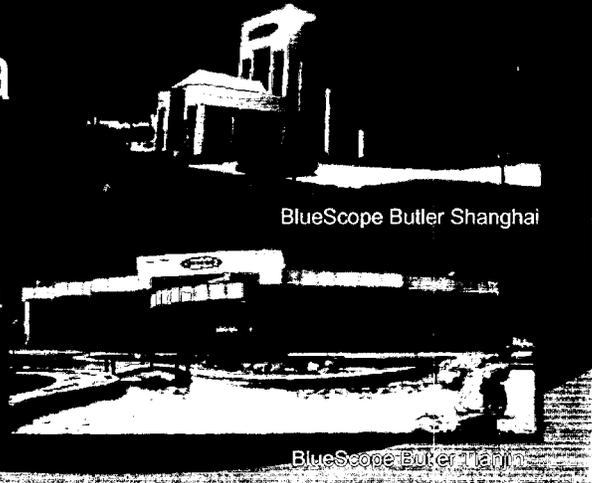


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BlueScope Butler China

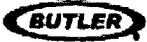
Analyst Briefing - Shanghai – 12th November, 2004

Presented by:
Mike Alossi President BlueScope Steel China



Presentation Outline

1. Overview
2. Facilities and Processes
3. Products and Markets
4. Financials
5. Strategy
6. Reference Projects
7. Summary



Presentation Outline

1. Overview
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7. Summary



3

BlueScope Butler



Development of BlueScope Butler

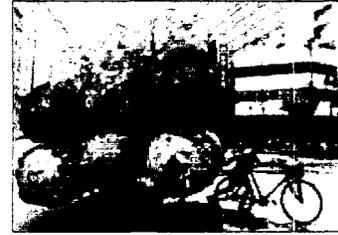
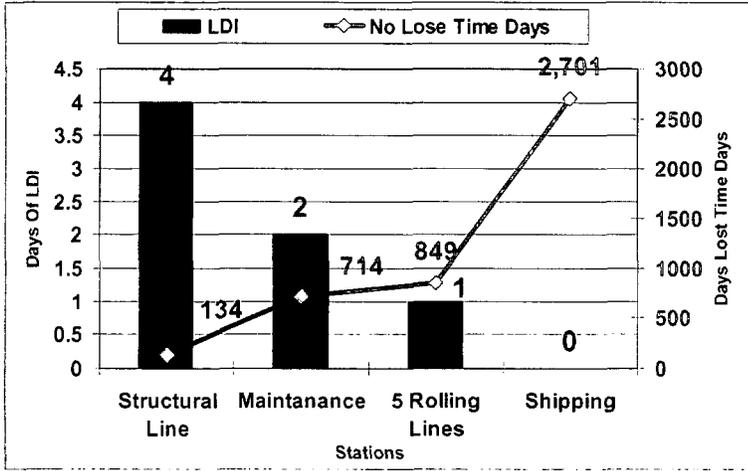
- 1992 – Opened representative office in China
- 1995 - Registered a wholly owned venture
- 1996 - Built our plant in Shanghai
- 2001 – Expanded Shanghai facilities to include beam manufacture
- 2002 – Built our second plant in Tianjin
- 2004 – Commenced construction of beam facility at Tianjin
- Finished over 1,100 projects - 14.6 million square meters



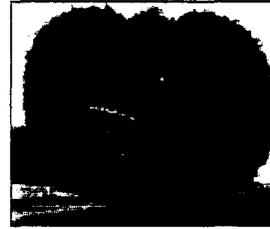
4

BlueScope Butler





Efficient work but where is safety ?



Decrease shipping costs ?



Teamwork

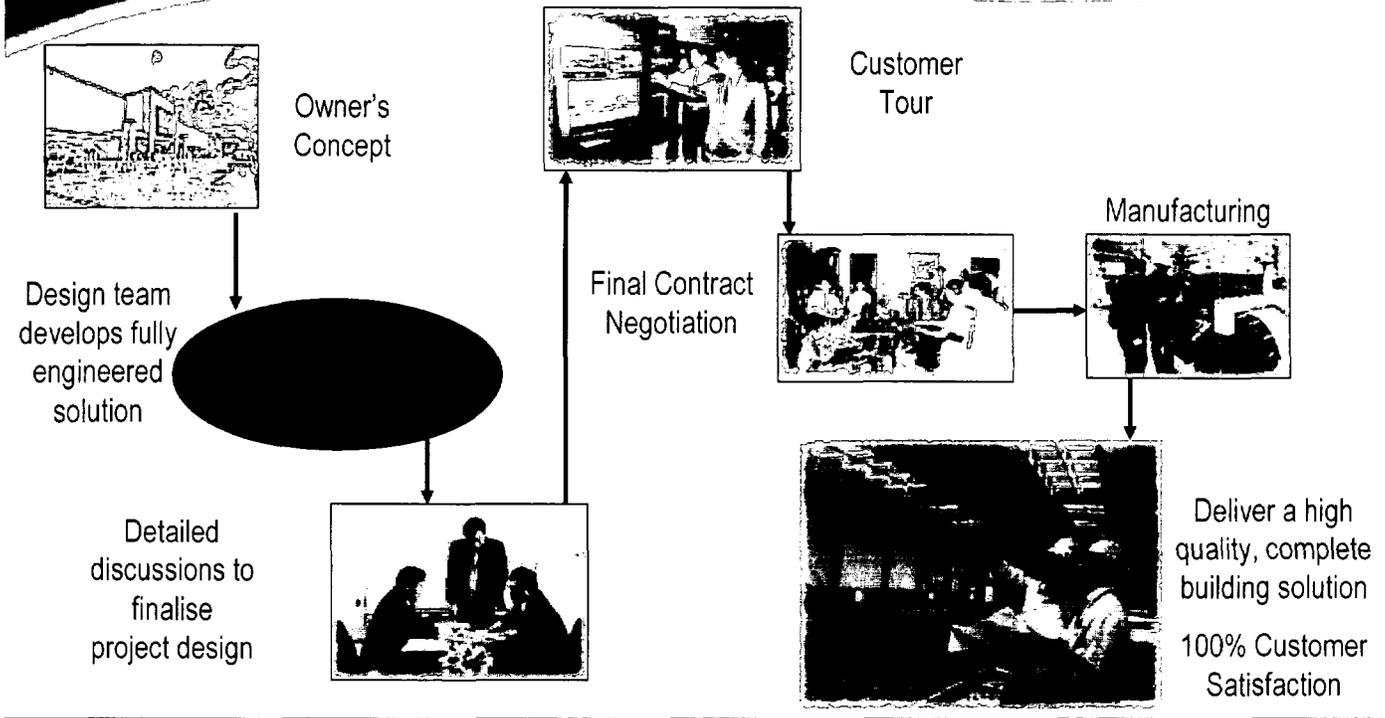


- Regular safety meetings & reviews
- Clear safety regulations
- Implementing BlueScope Steel Safety management System
- Company sponsored annual medical checkup for employees aged 30 years and over

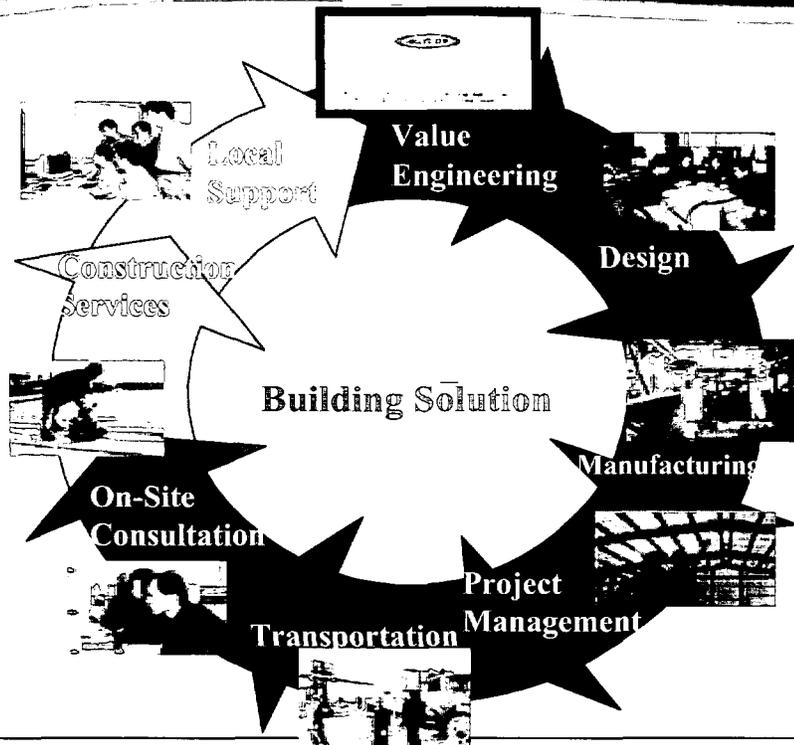


Butler was awarded Safety Model Unit of 2002 and 2003.





Complete Building Solutions



BlueScope
Butler's
Name

Right
Timing

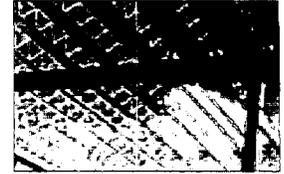
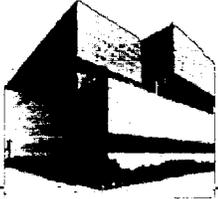
Our Core Strength

Management
Personal
Involvement

Performance

Service

Quality



Factors of Success

Perfect timing to enter the market

- Massive industrial developments
- Foreign Investors rushed into China
- The market's appetite for quick Construction, economical solutions and quality solutions

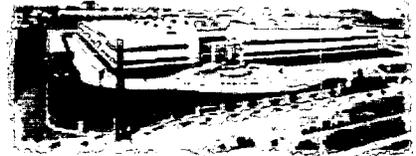
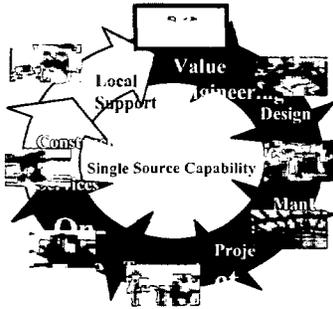
Positioning ourselves in the Market

- Right Setup and solutions for the market need
- Quality solutions, Customer focus, Competitive price.



Right Approach to the Market - Total construction solution

- ❑ Promote our strengths and the Difference - whole system solution that has stood the test of time



Single Source



Factors of Success

Right Approach to the Market - Total construction solution

- ❑ Select the right products / solutions
- ❑ Hire the right people
- ❑ Build state of the art facilities
- ❑ Set up effective processes
- ❑ Transferred the best our culture from Butler USA
- ❑ Adopted the best of the local culture



Sales Ranking for Metal Structure Industry (1999 – 2003)

Value in '000 RMB

PEB Ranking	Company Names	Ranking					Sales				
		2003	2002	2001	2000	1999	2003	2002	2001	2000	1999
1	Jiangnan Heavy Industry Co., Ltd.	1	6	7	5	5	1,040,873	467,736	411,984	348,528	425,894
	Hangzhou Hangxiao Steel Structure Co., Ltd.	2	4	-	-	-	959,280	510,550	-	-	-
	Butler (Shanghai) Inc.	3	1	3	2	4	893,229	819,780	514,634	491,431	496,458
	Zhejiang Dongnan Frame Group	4	2	-	-	-	869,610	805,864	-	-	-
	Jiangsu Changsheng Group Co., Ltd.	5	7	-	-	-	654,390	388,081	-	-	-
	Shanghai ABC Steel Structure Co., Ltd.	6	3	6	-	6	567,413	527,797	431,190	-	320,333
	Baoqing Mancheng Shuangfeng Non-ferrous Metal Products Co., Ltd.	7	-	-	-	-	531,168	-	-	-	-
	Shanghai Sanhang-Yaxin Steel Pine Co., Ltd.	8	-	-	-	-	493,386	-	-	-	-
	Zhejiang Huadong Light Steel Construction Materials Co., Ltd.	9	-	-	-	-	483,678	-	-	-	-
	Caohu Fuhuang Light Construction Material Co., Ltd.	10	-	-	-	-	472,501	-	-	-	-
2	Chian Railway Turnout Bridge Inc.	-	5	-	-	-	-	471,067	-	-	-
	China Jingye Construction Engineering Contractor Company	-	-	9	-	-	-	-	259,684	-	-
	China Shengli Group	-	-	8	-	-	-	-	280,210	-	-
	Gaoyao Jintli United Hardware Factory	-	-	-	9	-	-	-	-	196,110	-
	Hangzhou Dongnan Net Frame Factory	-	-	-	-	7	-	-	-	-	278,146
	Hangzhou Hangxiao Machinery Structures Development Co., Ltd.	-	-	-	7	-	-	-	-	268,591	-
	Hebei Xingtai Longhai Steel Products Co., Ltd.	-	9	-	-	-	-	291,513	-	-	-
	Heilongjiang Shengli Real Estates Development Group Co., Ltd.	-	8	-	-	-	-	300,383	-	-	-
	Hubei Xingxin Group	-	-	-	-	1	-	-	-	-	932,700
	Hubei Zhenshen Group Co., Ltd.	-	-	-	-	2	-	-	-	-	645,426
3	Jiangyin Changjiang Industrial General Corp.	-	-	-	-	3	-	-	-	551,720	
	Lixin County Zhanggou Xingxin Group	-	-	2	1	-	-	536,910	842,623	-	
	Shanghai Dingfeng Metal Products Co., Ltd.	-	-	-	8	-	-	-	227,624	-	
	Shanghai Grand Tower Steel Structure Co., Ltd.	-	-	-	-	9	-	-	-	202,469	
	Shanghai Jialieng Iron & Steel Co., Ltd.	-	-	-	-	10	-	-	-	193,355	
	Sihui Aluminum Alloy Shape Factory	-	-	10	10	-	-	258,966	187,472	-	
	Siping Hongzui Metallurgical Equipment Co., Ltd.	-	-	5	-	-	-	445,755	-	-	
	Tangshan Iron & Steel Group Co., Ltd. Enterprises General Corp.	-	-	4	4	-	-	491,739	356,864	-	
	Zhejiang Dongnan Net Frame Group Company	-	-	1	3	-	-	547,704	390,453	-	
	Zhejiang Huiyun Industrial Co., Ltd.	-	-	-	6	8	-	-	280,400	259,350	
Zhejiang Qianghuang Building Material Co., Ltd.	-	10	-	-	-	-	265,023	-	-	-	

Data Source: Dun & Bradstreet Report, 2004

13

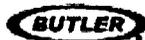
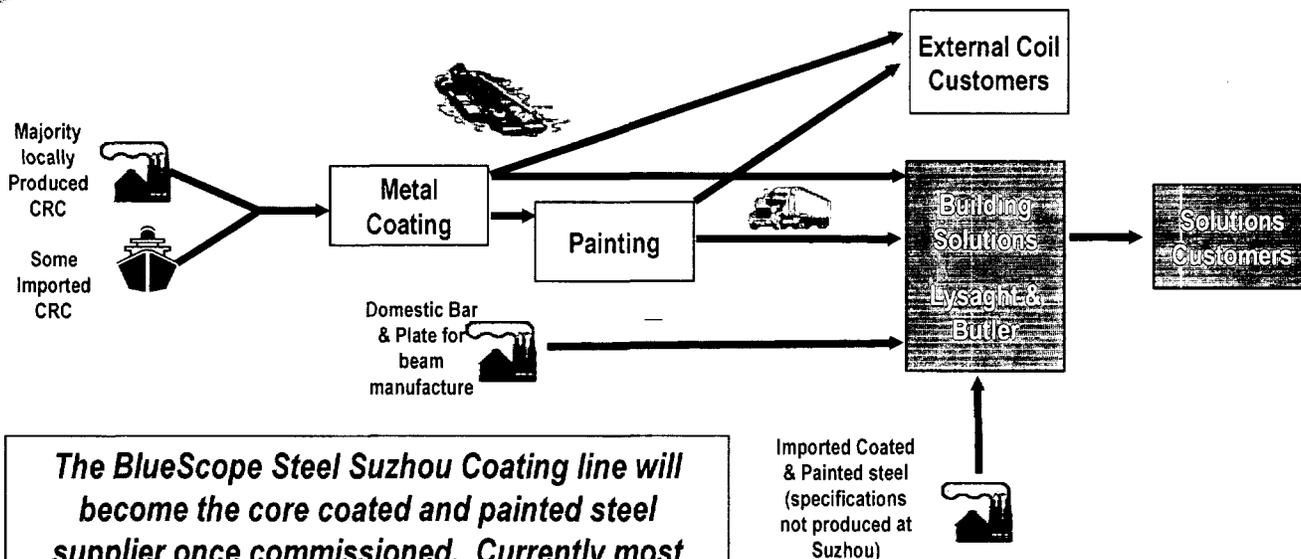
PEB market participants



BlueScope Butler



Supply Sources



14

BlueScope Butler



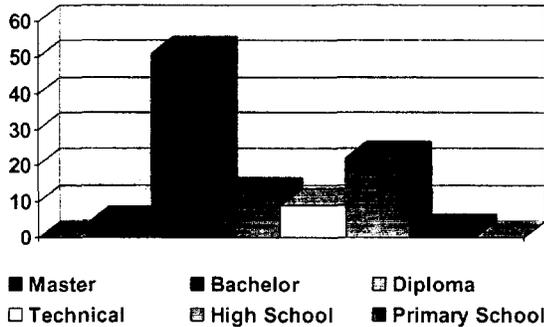
Recruiting the right people

- Education / experience as well as attitude, stability, commitment, and fitness with Butler culture

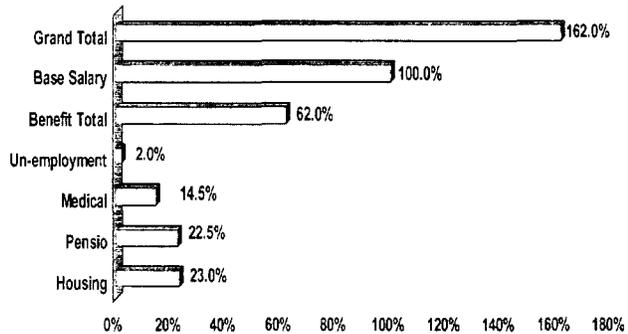
Retaining the right People

- Pay for performance culture
- Share success – Bonuses, Recent BlueScope Steel share award

% of Employees by Qualification



Salary and Benefit Structure



Training, Development & Engagement

- Internal training:
 - Cross-department business training
 - Technical training
 - Cross BSL Training
 - Business Acumen Training
 - Culture training
- External training:
 - Language training
 - Qualification training
 - Managerial Skill training



Senior Managers update all associates on our business



- ❑ Localized Management Staff- many Sr. Managers with over 30 years experience combined with young tigers



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BlueScope Butler



Presentation Outline

1. Overview
2. Facilities and Processes
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5. Strategy
6. Reference Projects
7. Summary

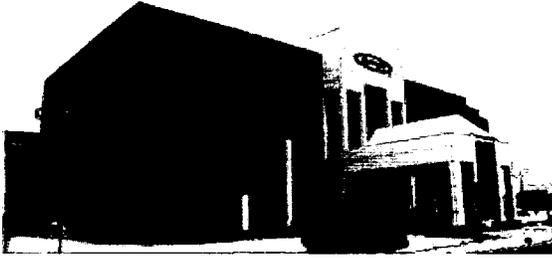


18

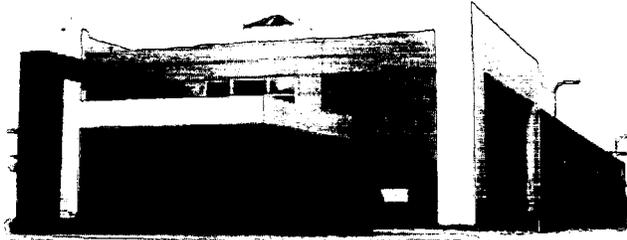
BlueScope Butler



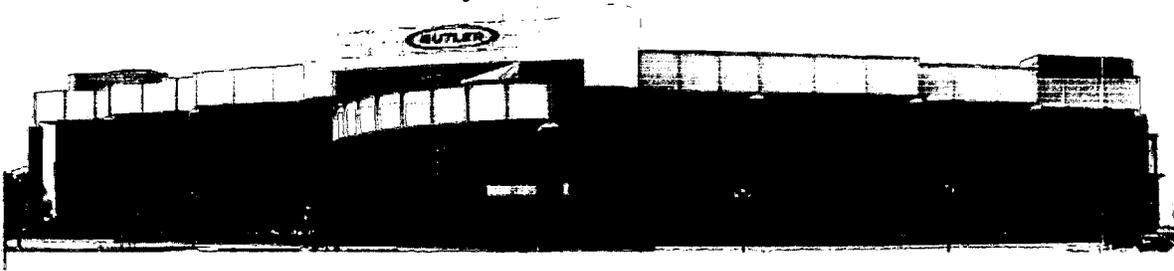
Shanghai Plant



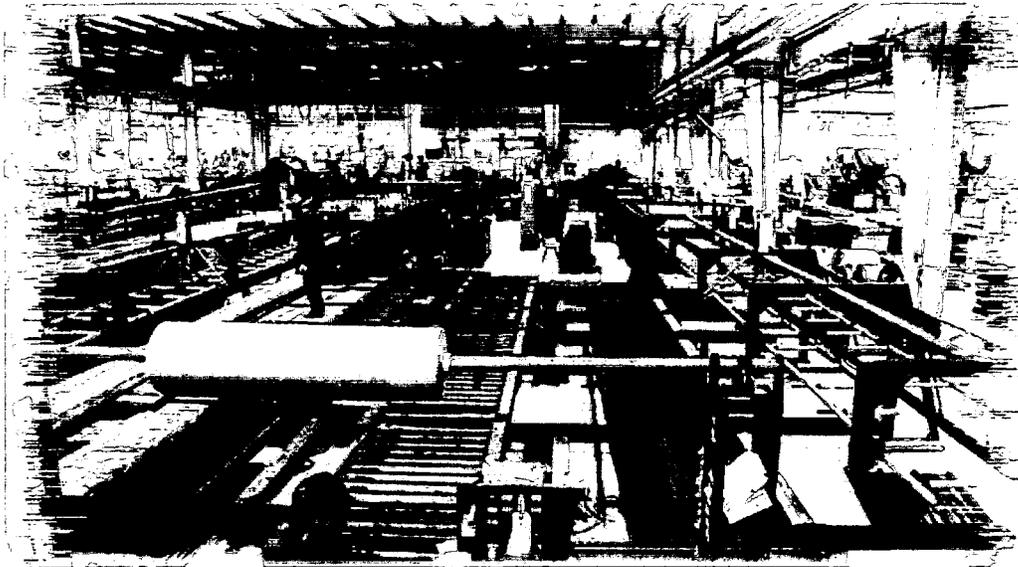
Vistawall Shanghai



Tianjin Plant

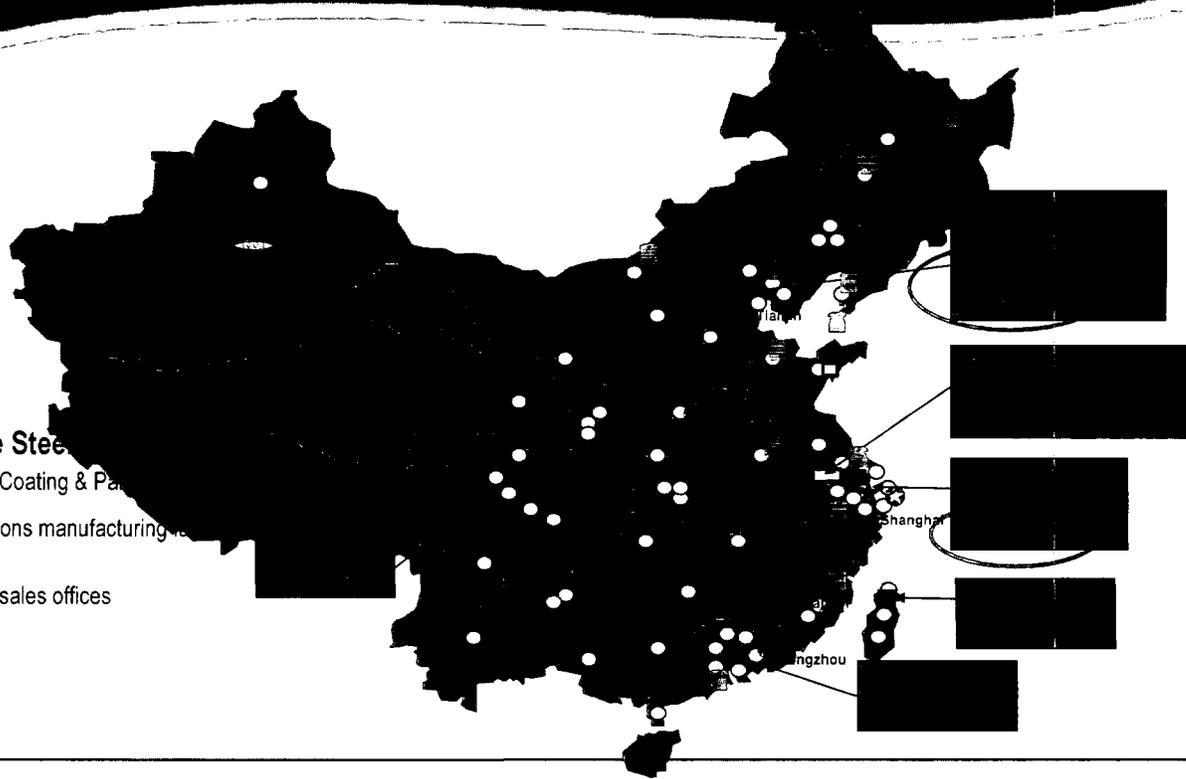


State-of-the-Art Manufacturing Facilities

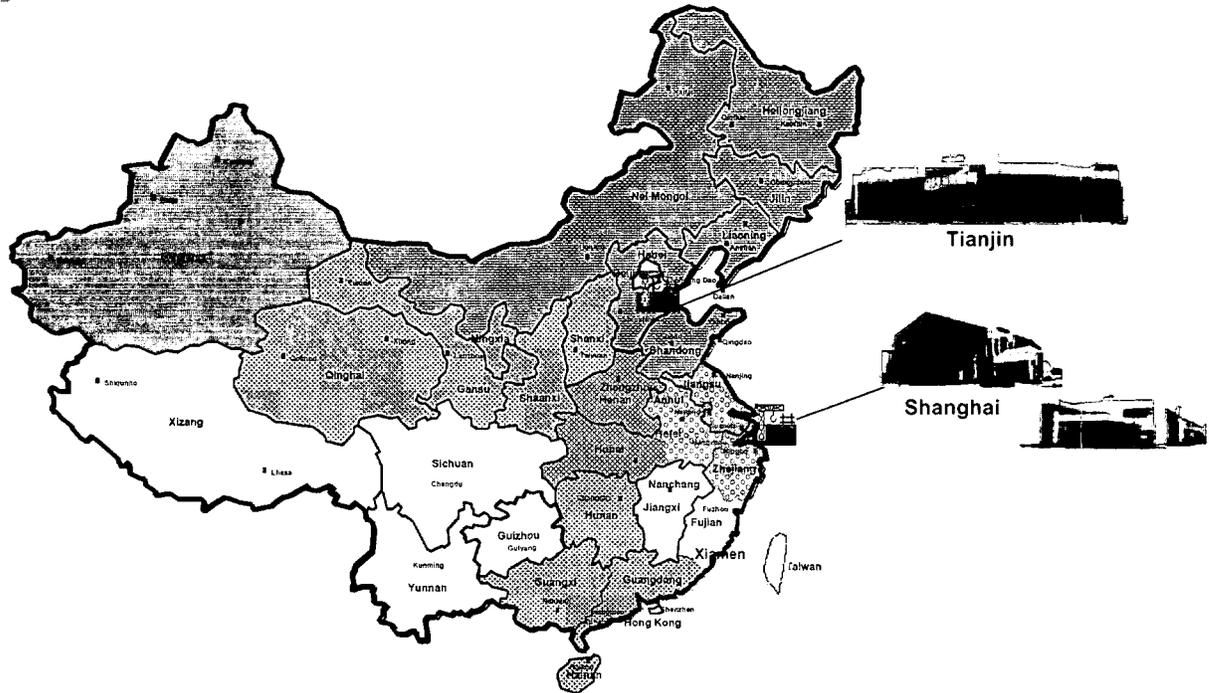


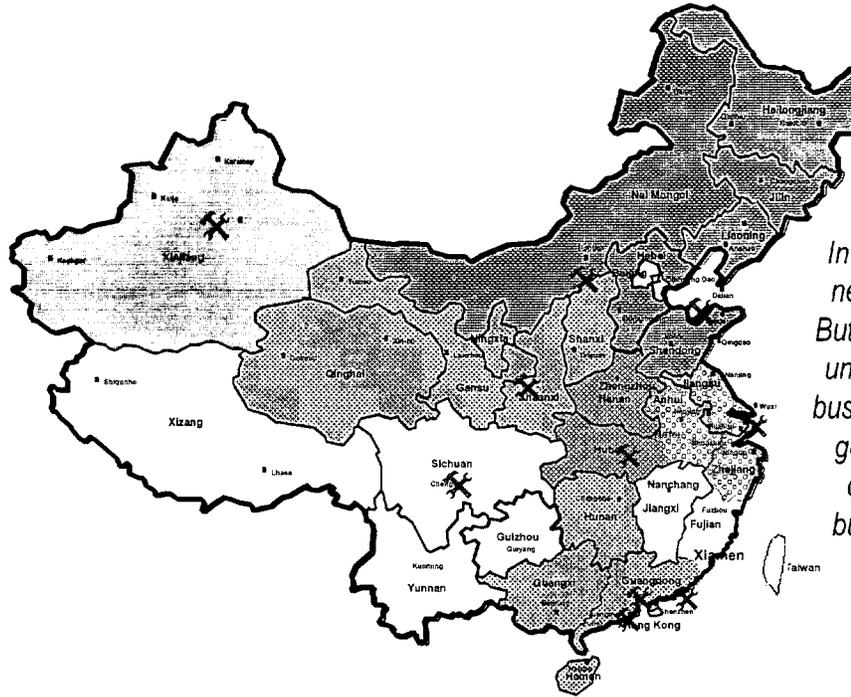
BlueScope Steel

-  1 Metal Coating & Processing Plant
-  7 Solutions manufacturing plants
-  Over 70 sales offices
-  Distribution network



Manufacturing Plants





In addition, we have a network of accredited Butler builders however, unlike in the US, these business partners do not generally sell but are contracted to erect buildings directly with customers



Presentation Outline

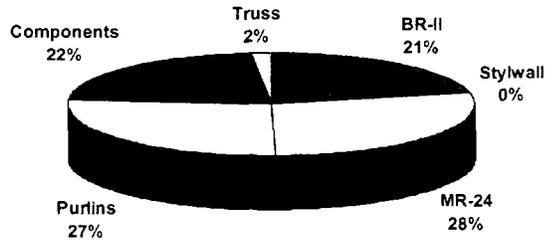
1. Overview
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Typical % Frames & Plant production



% Plant Production



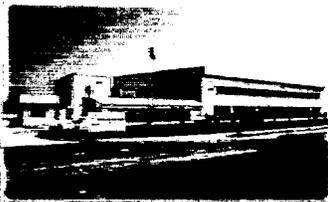
Solutions for Wide Range of Industries

Manufacturing

Dell



Dell Computer 15,433 sqm



GE Engine 5,000 sqm

Infrastructure



D&S Indoor Soccer Stadium 47,830 sqm



Xiamen International Convention Center 18,500 sqm

Pharmaceutical



Dongyue Pharmaceutical 13,000 sqm

Commercial & Retail



Metro Supermarket 25,000 sqm



CIB Supermarket 13,000 sqm



Vistawall





Warmly Greeting Customers



Showing the Capabilities



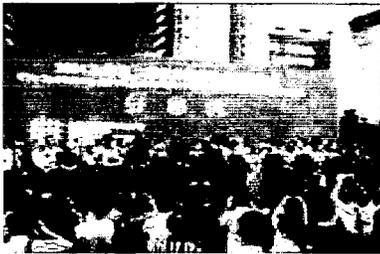
Elaborating the Product Difference



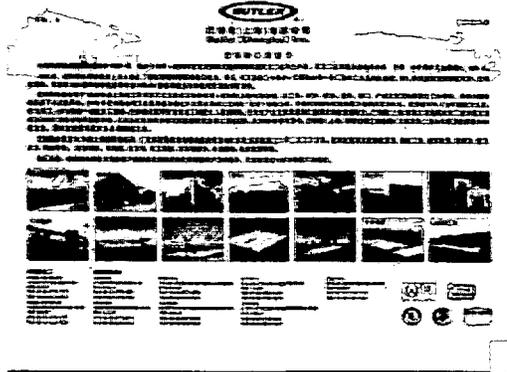
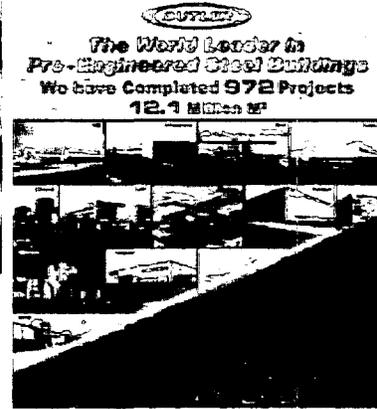
Project Focus Discussion



Trade Shows & Seminars

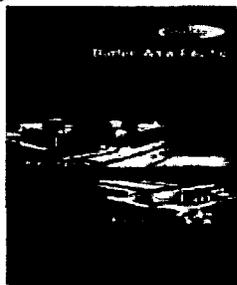


Newspapers & Magazines Ads



BUTLER **VISTAWALL** **Butler - The World Leader in Pre-Engineered Steel Buildings**
巴特勒 - 全球预制轻钢建筑与铝合金幕墙的领先者
 Butler Tel: 86-21-57742931 86-22-25320016 VistaWall Tel: 86-21-57741717
 BlueScope Butler

Brochures & Technical material



Butler Asia Pacific
Blue Cover (En/Ch)



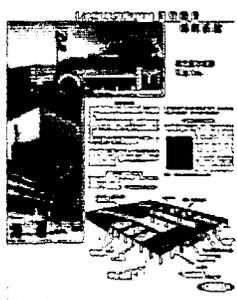
Butler Building Systems
(English/ Chinese)



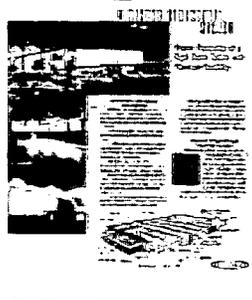
Butler Differences
(English & Chinese)



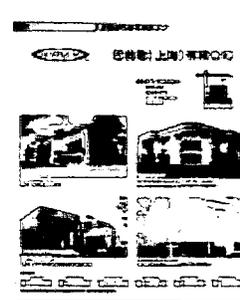
Butler Standard Building
Project Profile (En & Ch)



Landmark 2000 Structural System
(Ch/En)

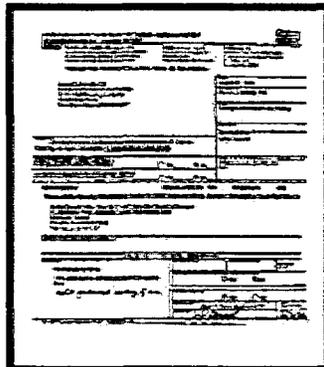
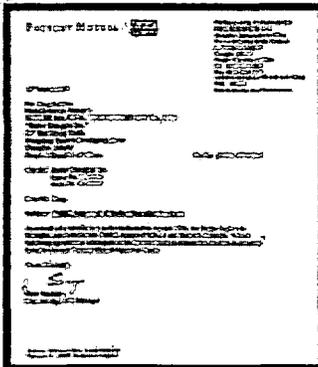


Widespan Structural System
(English/ Chinese)

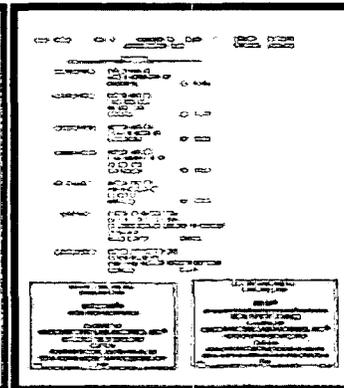
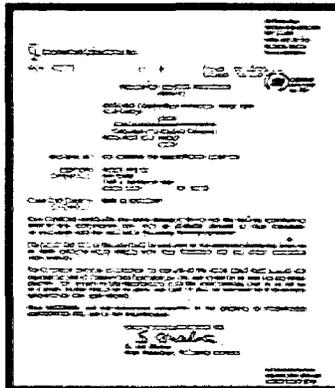


Multi-Story Architectural
Details (Ch/En)





Factory Mutual Certificate



Underwriter Laboratory (UL) Certificate

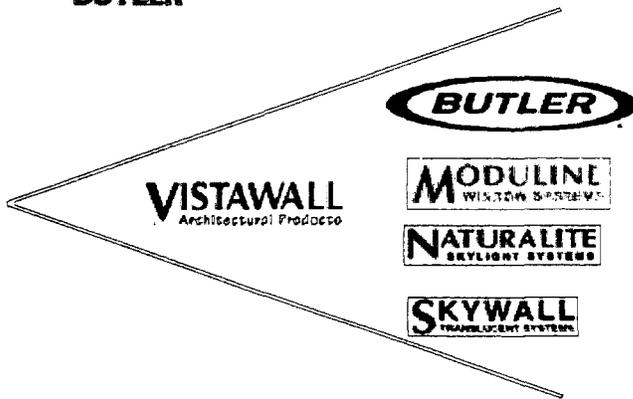


The Way We Treat Our Customers

100% Customer Satisfaction Guaranteed

- Involvement in Sales Support by each department
- Project Management Progress - Customers are our partners, we share their concerns, issues and success.





Consistent with the wider BlueScope Steel, Butler have always promoted and maintained strong brands

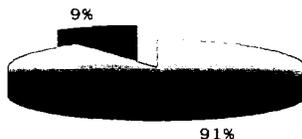


Customers & Competitors

Customers

- Project Owners
- Government
- Key Accounts

Repeat & referral business is a key success factor



■ Concrete ■ Steel Structure

Competitors

- Local PEB producers (some with international affiliations)
- Importers
- Contractors / rollformers
- Concrete

Local & international competitors continue to improve. In response we drive product development, customer satisfaction & cost effectiveness.

BlueScope Steel has unparalleled geographic and capability breadth in China & the right solutions



Major strategic Accounts - Local



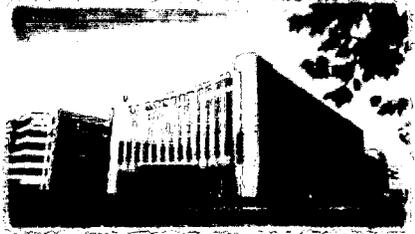
Cris – 25 Projects



Midea – 14 Projects



Dascom – 130 M2



Haier – 43 Projects



Orient Home 28 Stores



GreatWall Computer – 6 Plants

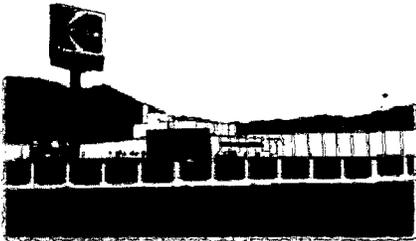


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BlueScope Butler



Major strategic Accounts – Multi-National Customers



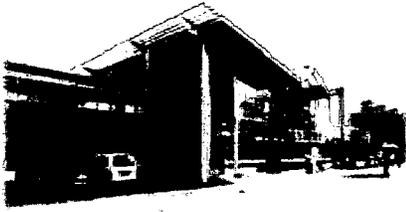
Kodak -Xiamen



GM -Shanghai



Metro – Xi'an



OBI - Shanghai



Weatherford - Shanghai



Dell Computer - Xiamen



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BlueScope Butler





Market Profile in China

Market Profile:

- Average contract size is over US\$ 1 million
- We can stay competitive in the local market
- Our customers will continue to be the end users
- All senior managers spending 50% of the time supporting sales
- Continue to develop our builder organization
- Expand our strategic relationship accounts
- Focus is 100% customer satisfaction after installation



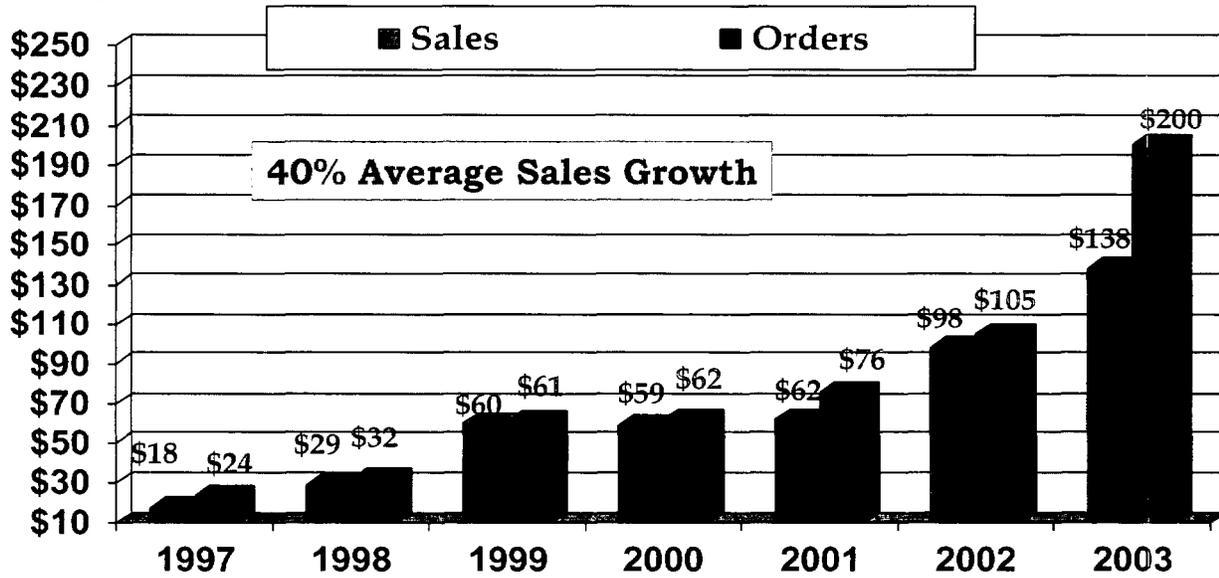


Presentation Outline

1. Overview
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3. Products and Markets
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5. Strategy
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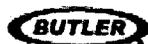
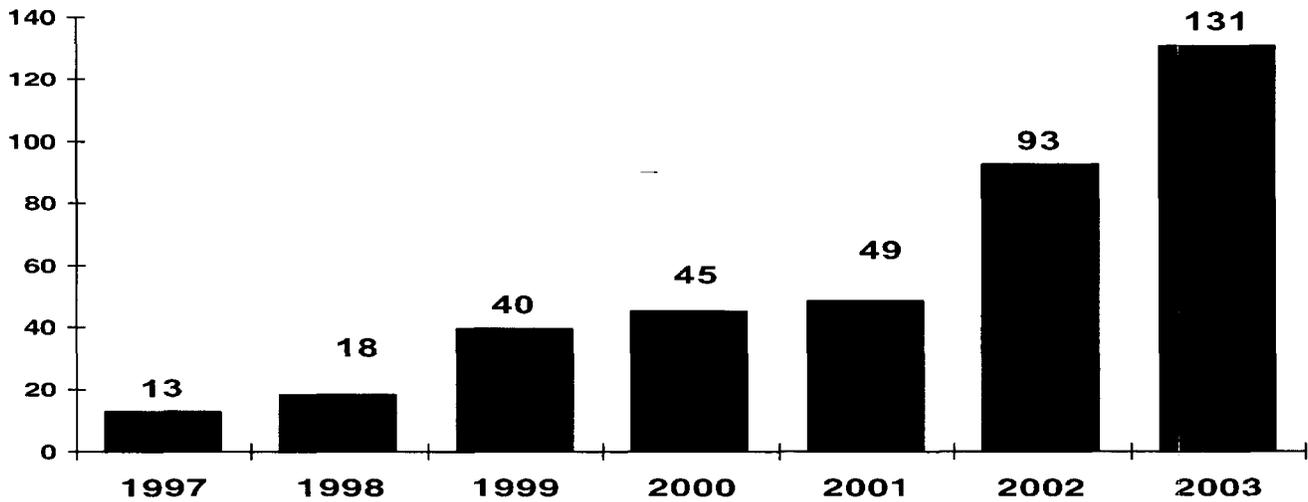


US\$
Millions

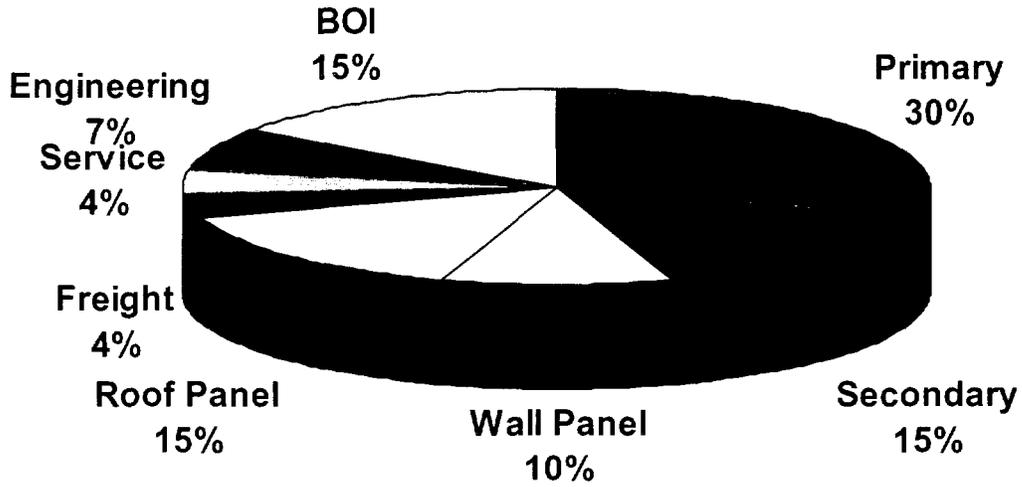


Manufacturing History

Total output in '000 metric tonnes

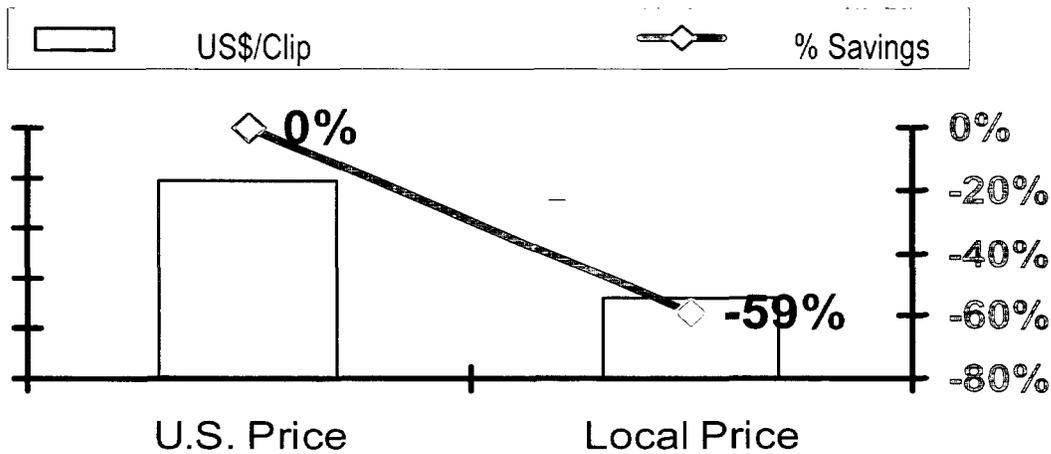


Cost Reduction is a Continuous Process
Main Elements of a Building by Cost

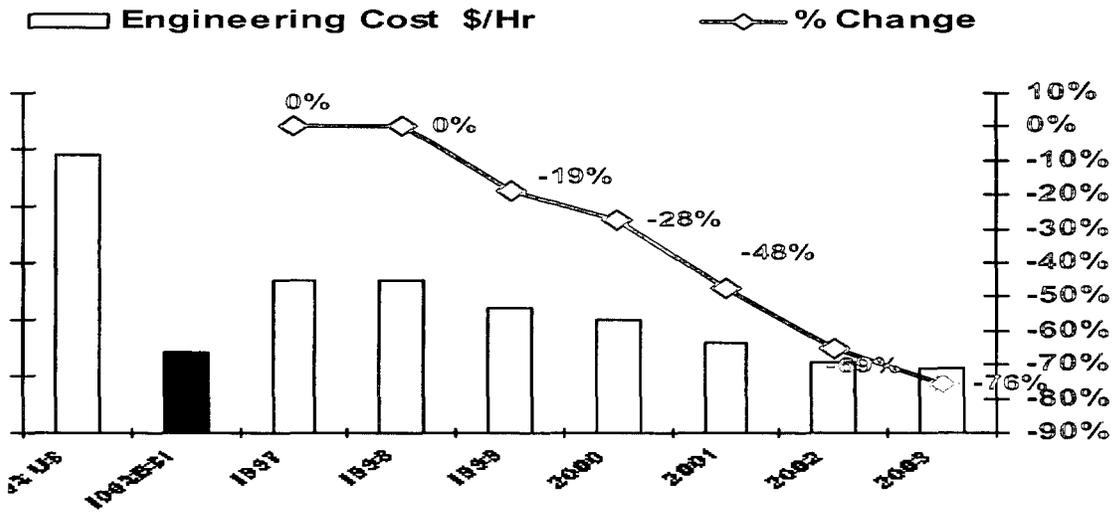


Cost Reduction - Developed regional & local sourcing

Raw Materials Cost - MR24 Reinforcing Clip Example



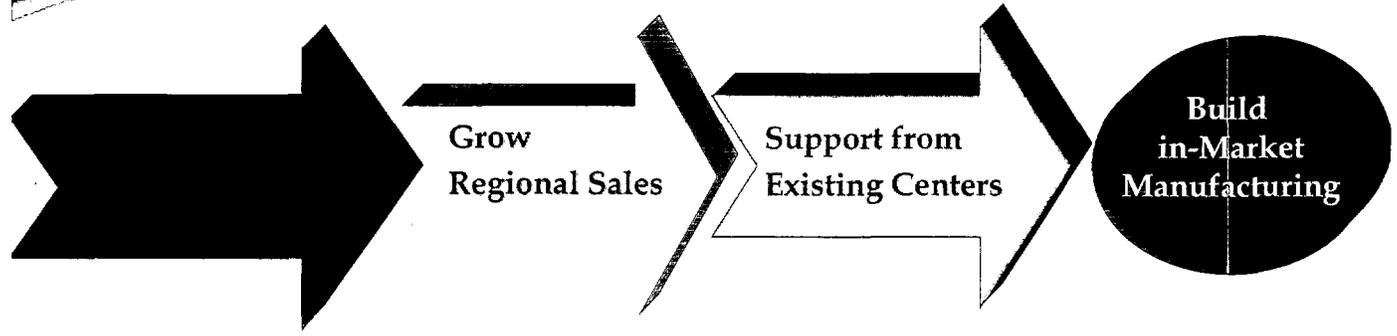
Developed regional & local sourcing



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Pre-acquisition we focussed on growing existing markets and new geographies within China

As part of BlueScope Steel, we are now also expanding our range of solutions and leveraging the wider businesses outside China



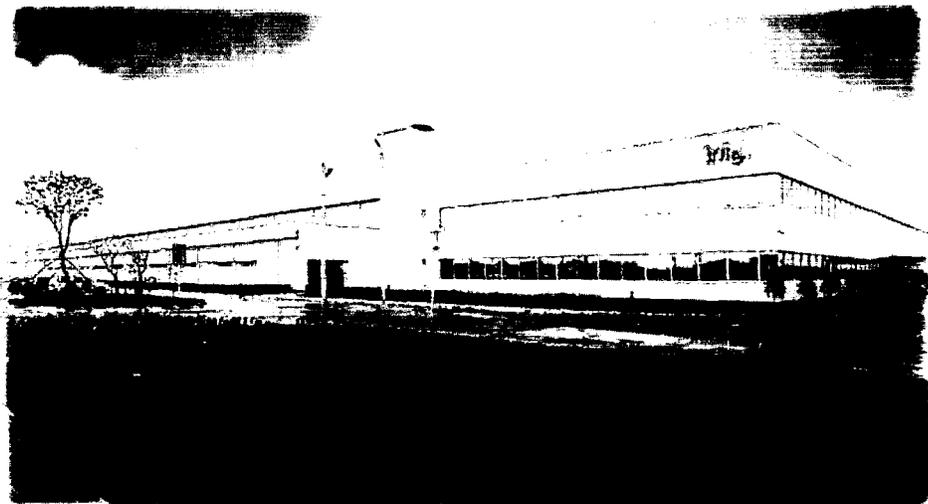
To Continue Our Success in China



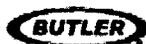
1. Overview
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intel



Intel Shanghai: 27,842 sqm





Kodak Xiamen : 65,000 sqm

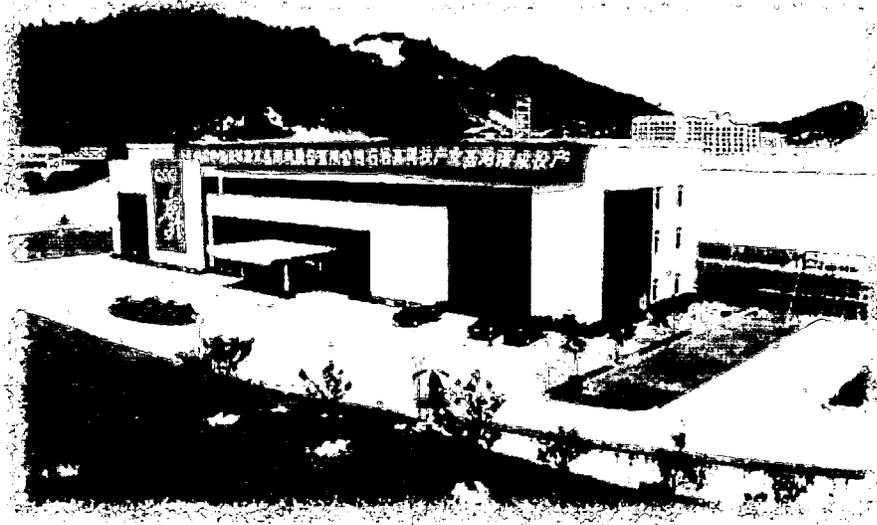


51

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GreatWall 长城 IBM



Greatwall Computer : 65,000 sqm



52

BlueScope Butler



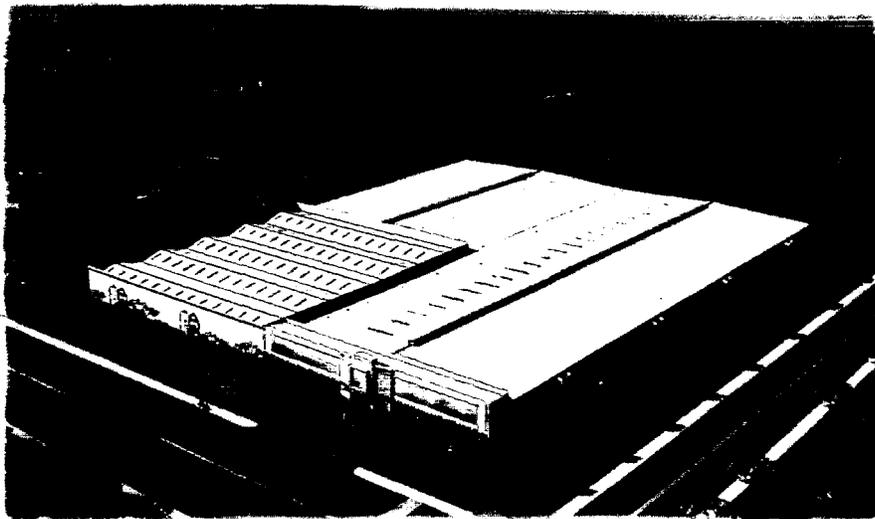


Motorola Tianjin: 75,514sqm



53

BlueScope Butler



Chery Auto: 124,684 sqm



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BlueScope Butler





Dongsheng Pharmaceutical: 13,000 sqm



55

BlueScope Butler



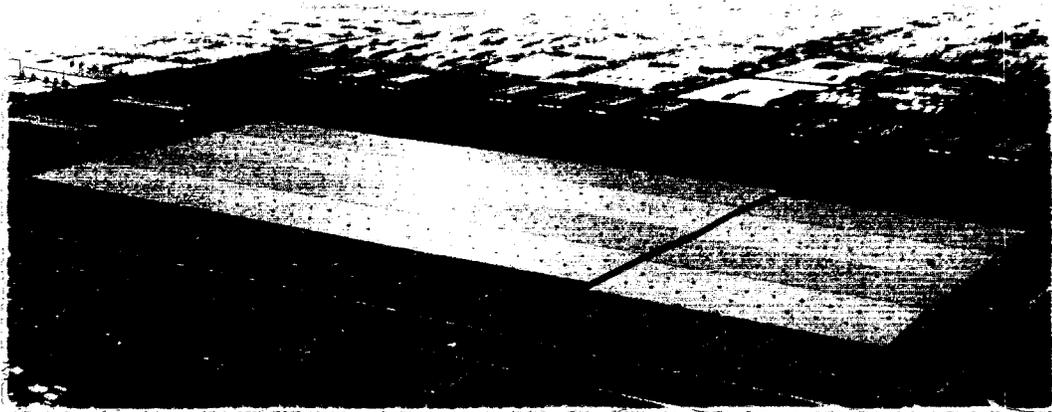
Markor Furniture Showroom : 5,154 sqm



56

BlueScope Butler





Jiangxi Greencool: 128,000 +5,000sqm



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BlueScope Butler



Haier



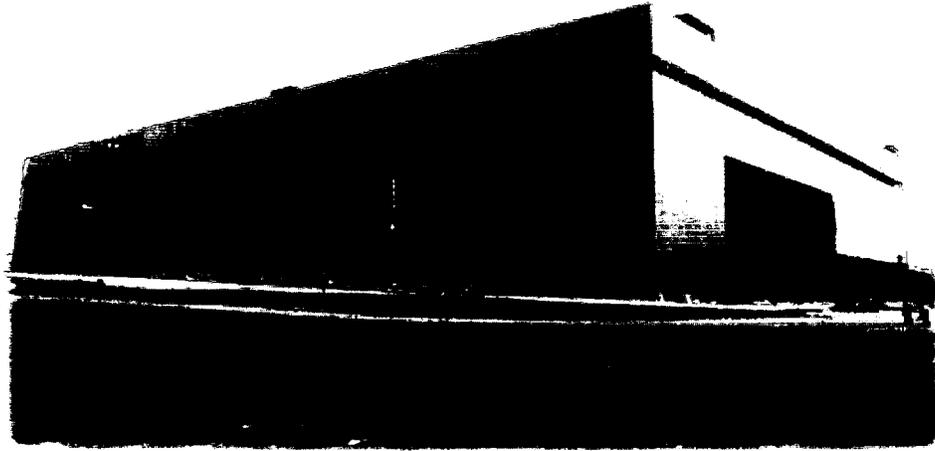
Haier Research Center: ,26,503sqm



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DMS Indoor Soccer Stadium : 47,880 sqm



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BlueScope Butler



SHANGHAI GM



General Motor - 85,000 sqm



60

BlueScope Butler



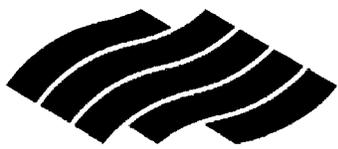
1. Overview
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Summary

- **Very strong, consistent growth achieved to date in China**
- **Significant further growth opportunities remain :**
 - ***Ongoing economic growth;***
 - ***Further geographic expansion within Greater China;***
 - ***Inter-material replacement and new products;***
 - ***Leverage BlueScope Steel solutions and network within Greater China and elsewhere***





**BLUESCOPE
BUTLER**

BlueScope Butler China

Analyst Briefing - Shanghai – 12th November, 2004

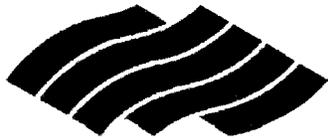
Presented by:

Mike Alossi President BlueScope Steel China



BlueScope Butler Shanghai

BlueScope Butler Tianjin



**BLUESCOPE
STEEL**

RECEIVED

2004 DEC 14 AM 10:13

OFFICE OF INVESTMENT
CORPORATE FINANCE



Coated Steel in China

Asian Building & Manufacturing Markets

Presented by:

Bill Moss

President BlueScope Steel (Suzhou)

Celine Zhang

National Sales Manager

Presentation Overview

- Business Strategy
- Investment Discipline
- Sales Operations
- Product Portfolio
- China Market Size
- Sales & Marketing Development
- Project Implementation

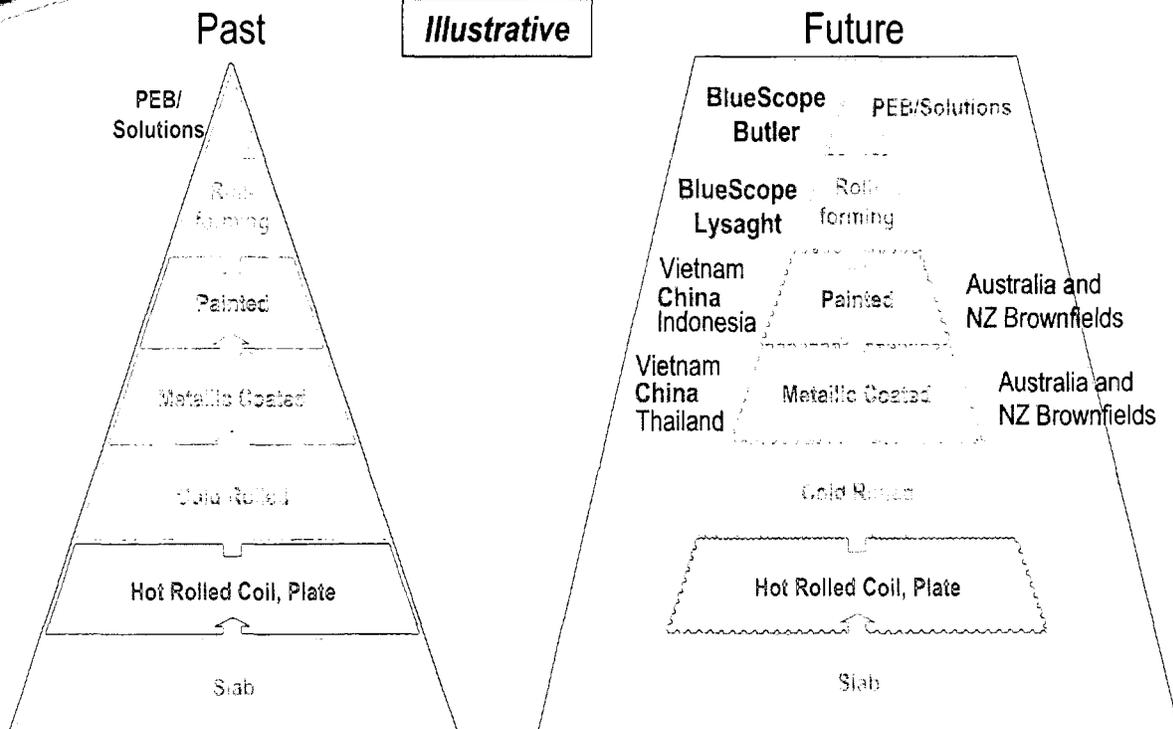


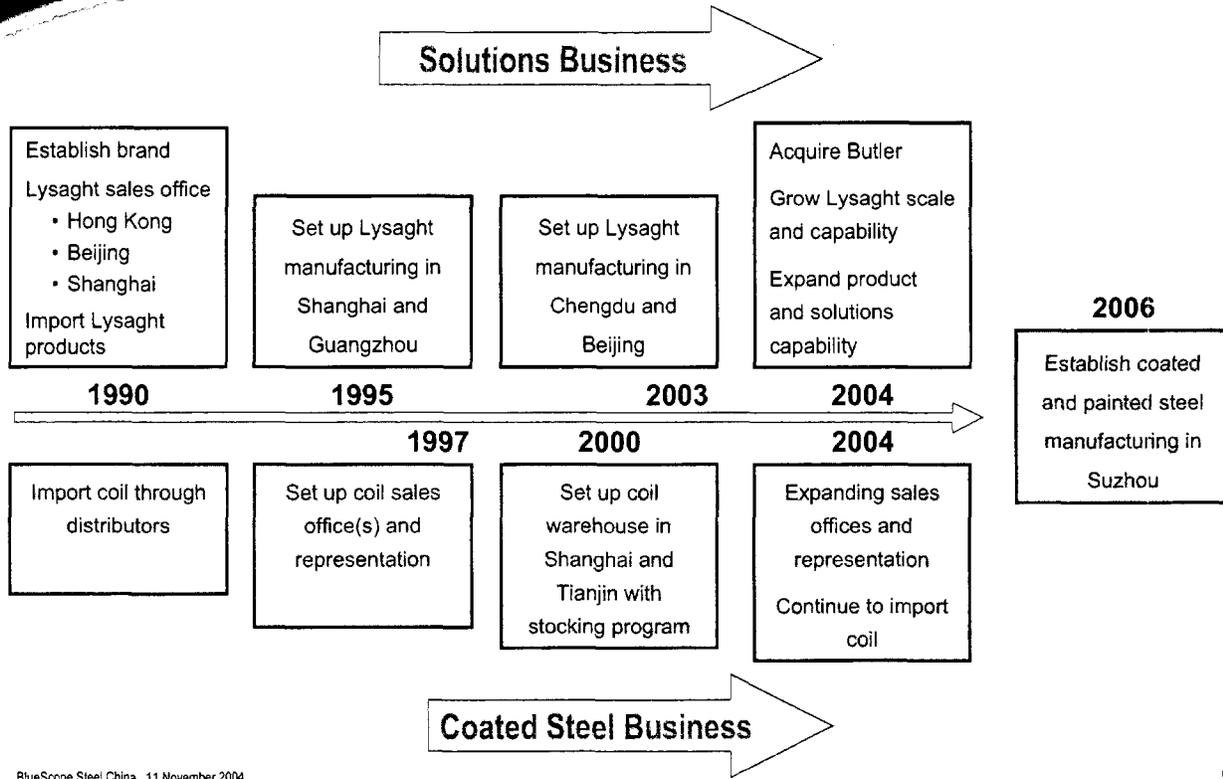
Presentation Overview

- Business Strategy
- Sales Operations
- Product Portfolio
- China Market Size
- Sales & Marketing Development
- Project Implementation



BlueScope Steel Strategy: Downstream, Value-Added, Branded Products

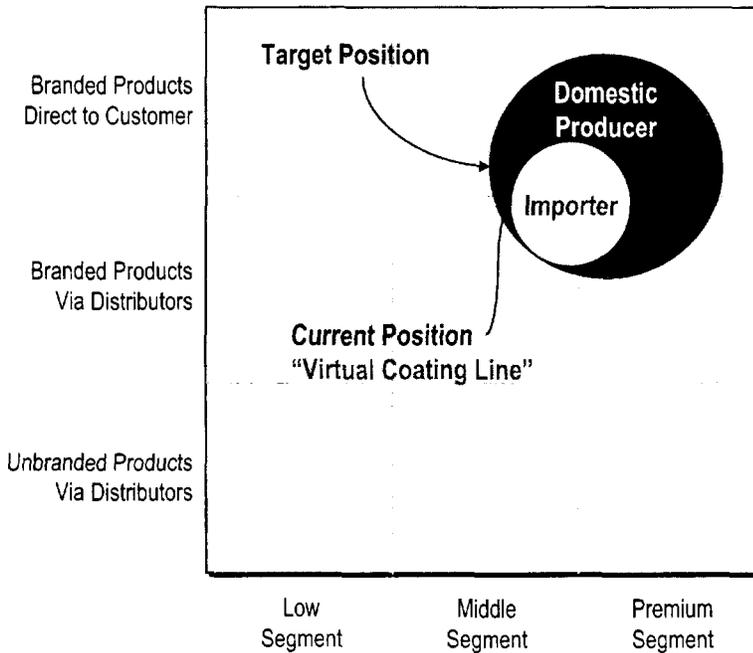




China versus SE Asia



Same
Business development by seeding and backward integration
Target market in Building and Construction
Local feed sources
Different
Niche position in Premium segment
Selected customer base
ZINCALUME® steel and TRUZINC® steel
“Show Case” facilities
100% BSL-owned



The Strategy builds upon an established and successful market position.

Producing in China is a direct response to the "limits on growth" situation (continuing imports not sustainable):

- Retain current business
- Basis for growth
- Security for downstream

China Coating Project

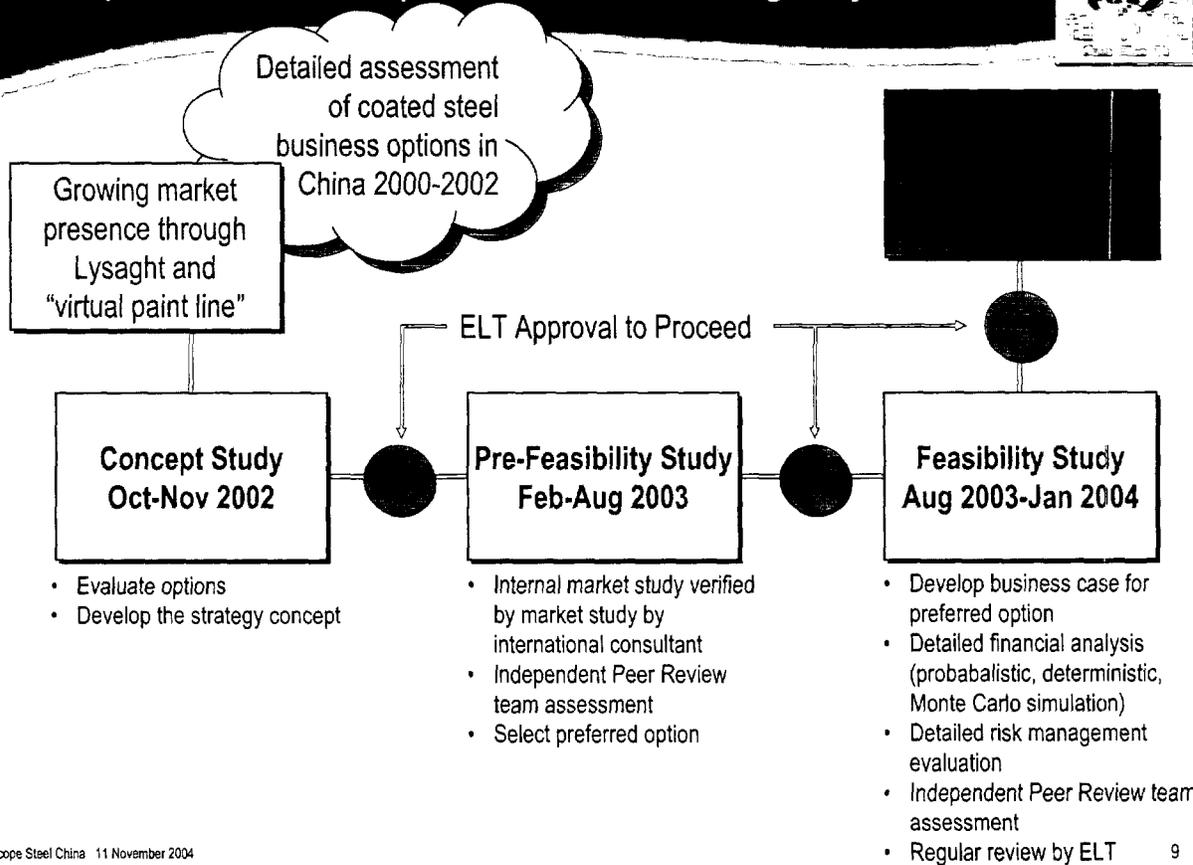


BlueScope Steel (Suzhou) Co Ltd
博思格钢铁（苏州）有限公司

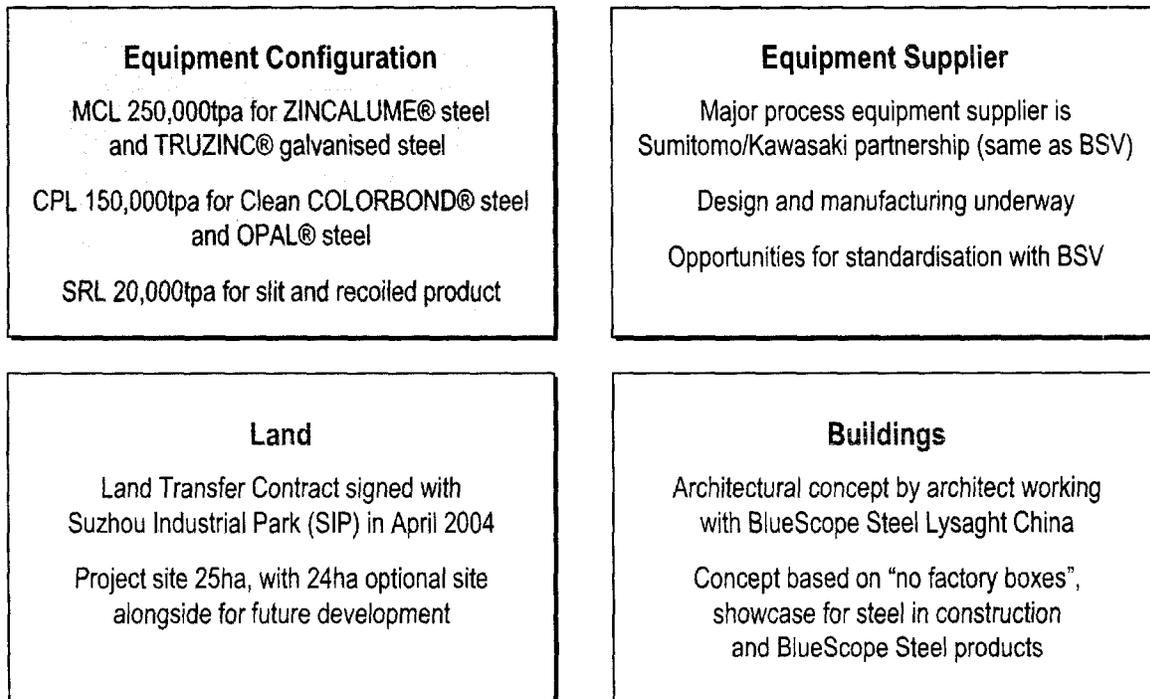
- Metallic coating and painting plant approved by BSL Board 18 February 2004
- Capital cost AUD280 million
- Located in Suzhou, Jiangsu Province (80km west of Shanghai)
- In production mid-2006

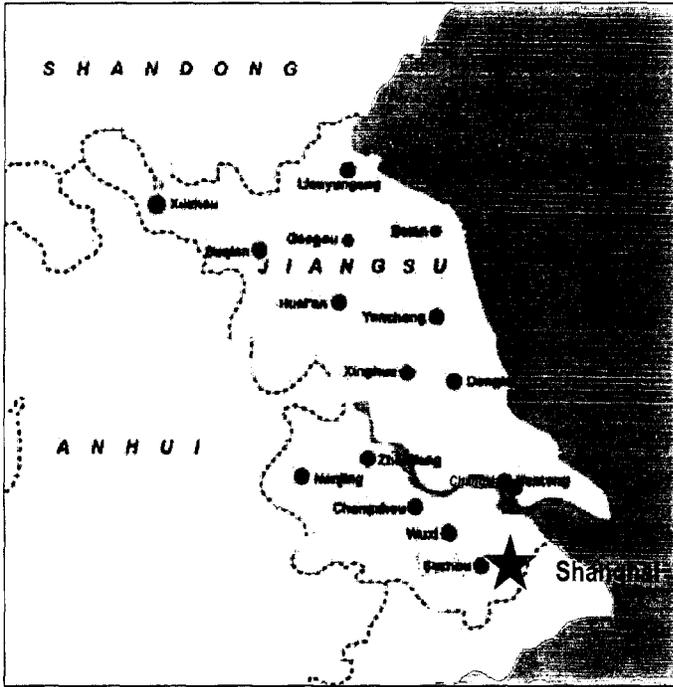


Capital Case Development – China Coating Project

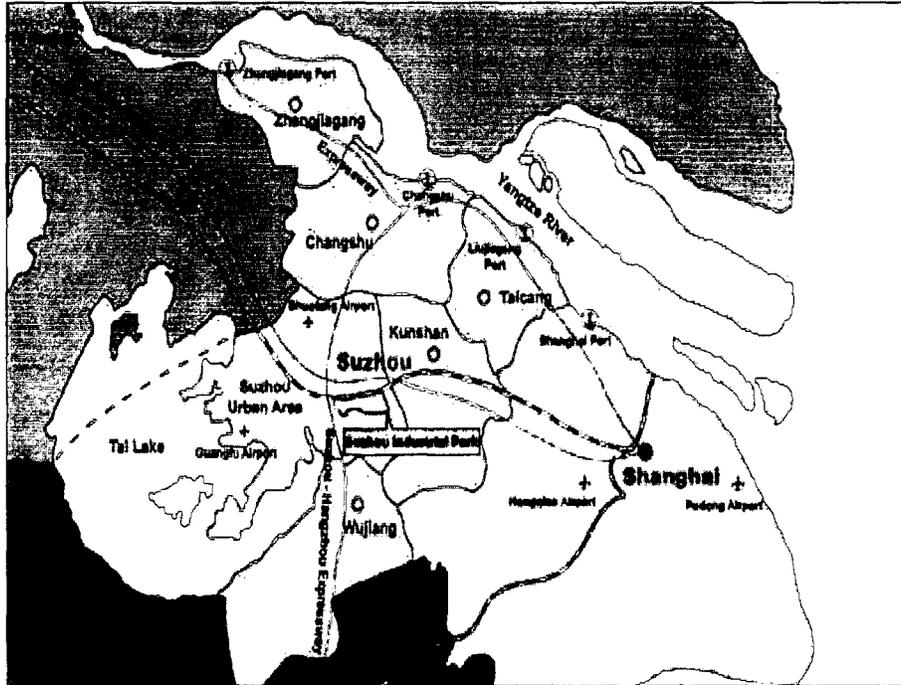


The Investment: Physical assets to match market position



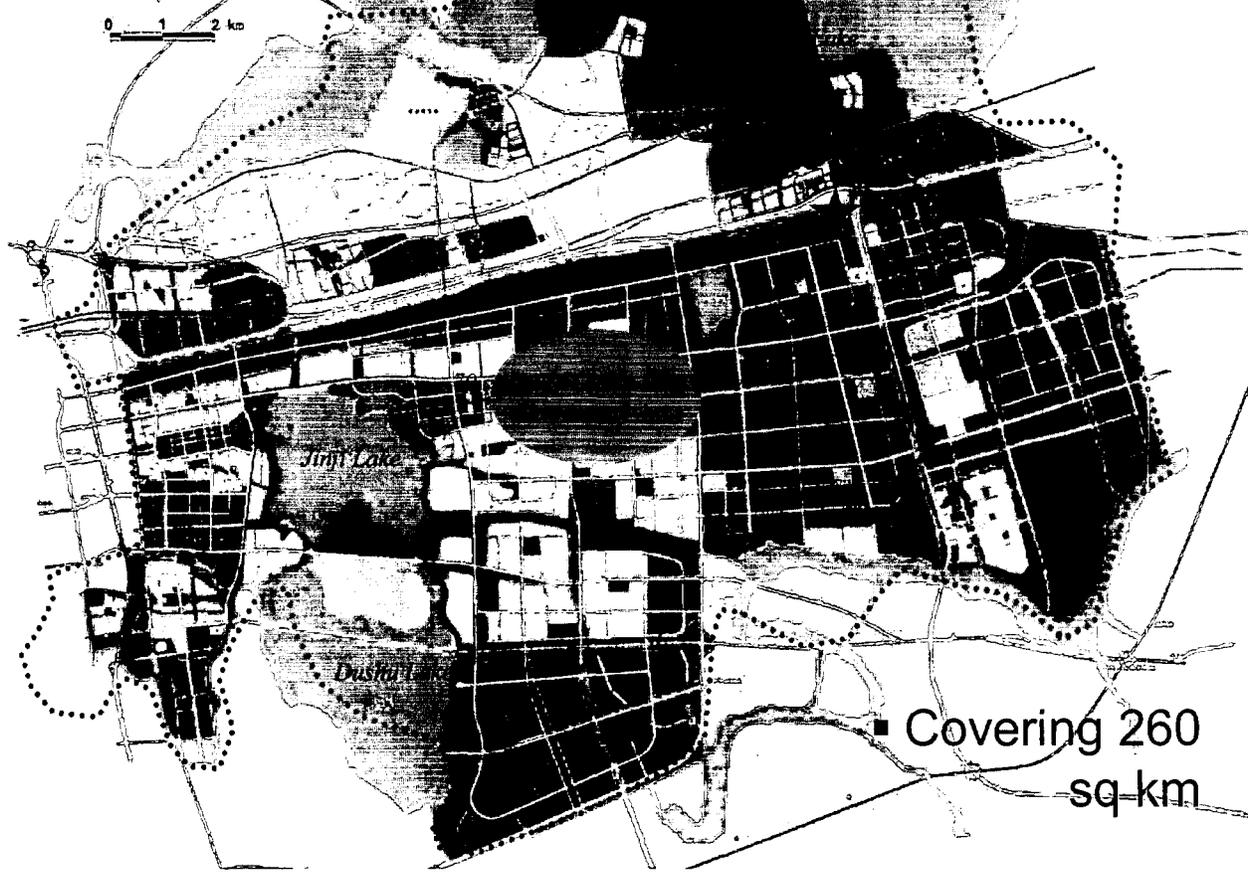


Suzhou Industrial Park



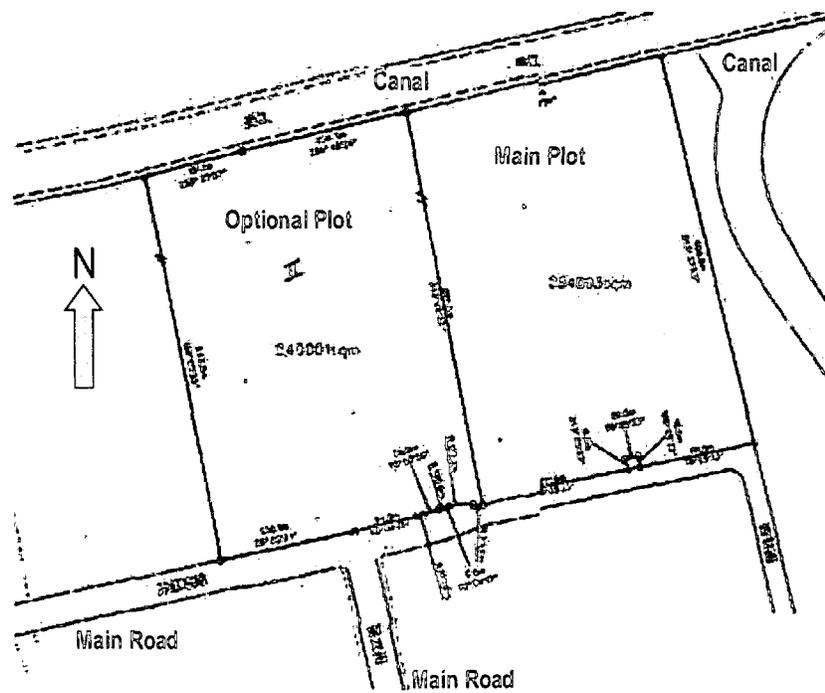
Suzhou Industrial Park Jurisdiction Area

0 1 2 km



■ Covering 260 sq km

The Project Site



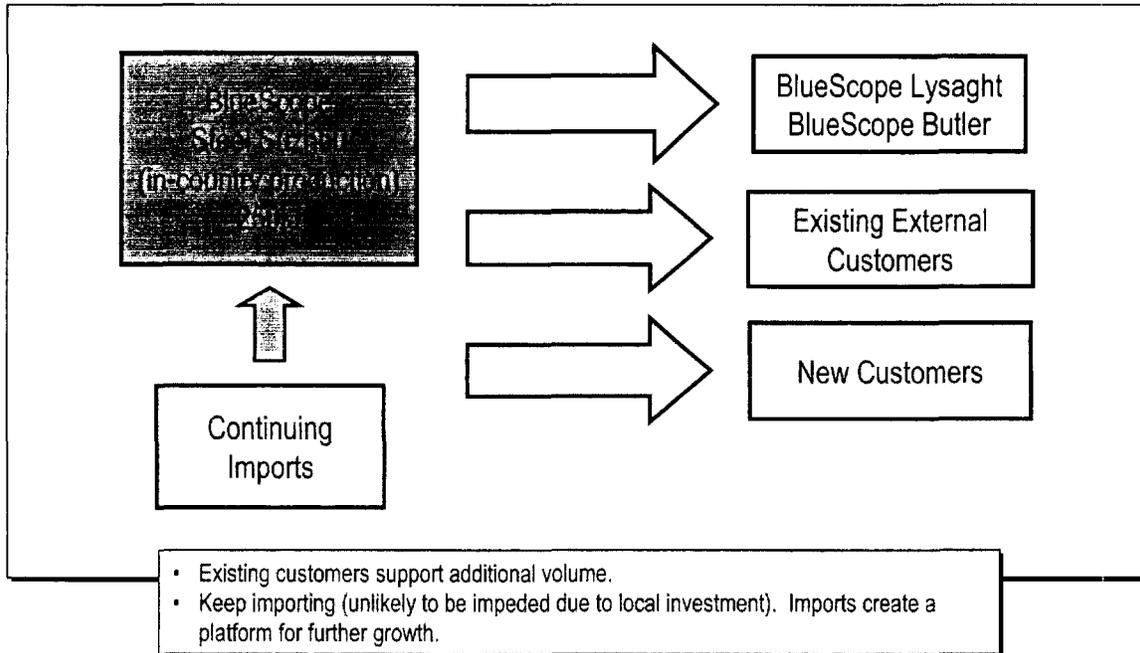
The Finished Plant (1)



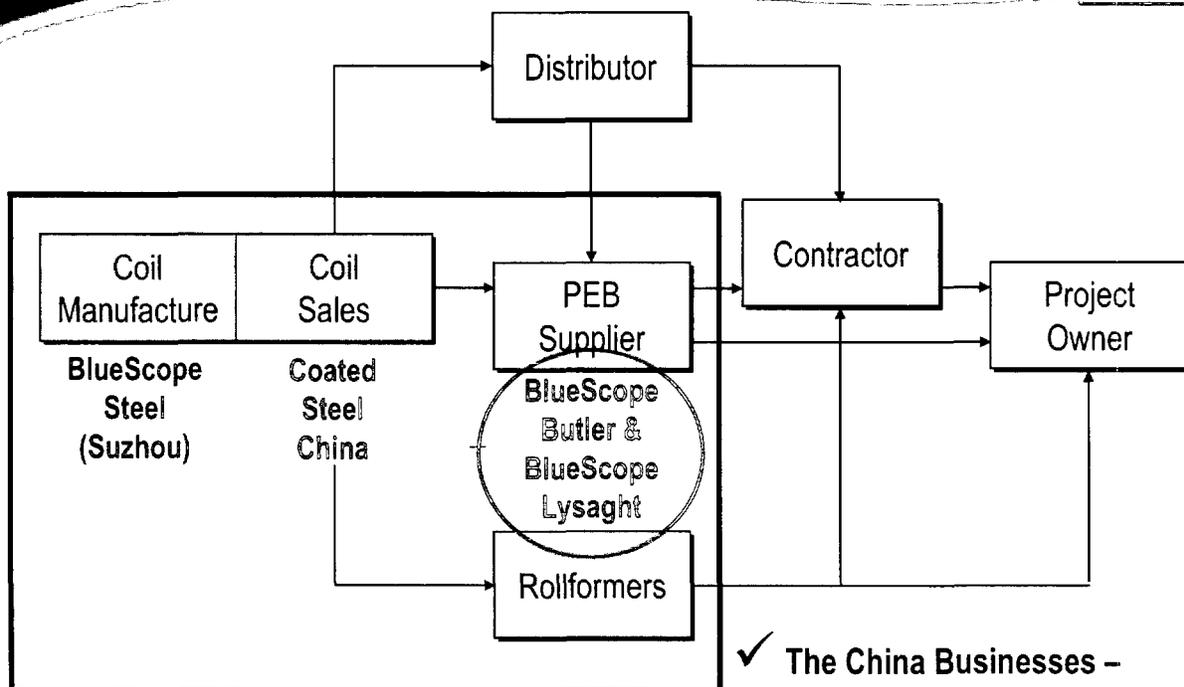
The Finished Plant (2)



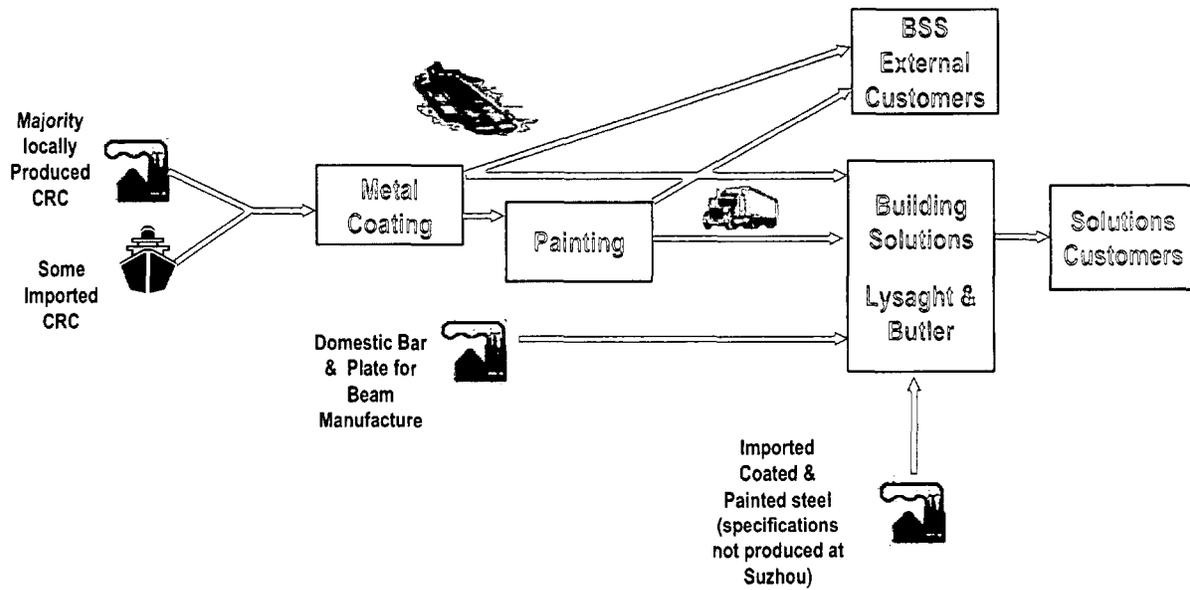
Targeted Customers



BlueScope Steel China



✓ The China Businesses – working together to provide steel solutions to the market !



Presentation Overview

- Business Strategy
- Sales Operations
- Product Portfolio
- China Market Size
- Sales & Marketing Development
- Project Implementation



Coated Steel China Office and Warehouse Locations

In market service offer :

- Ex-stock
- Small coil sizes
- Standard colours and sizes
- Full back-up and support
- Solid base from which to grow once in-country manufacturing commissioned

★ 11 Offices
⬛ 2 Warehouses



Presentation Overview

- Business Strategy
- Sales Operations
- **Product Portfolio**
- China Market Size
- Sales & Marketing Development
- Project Implementation





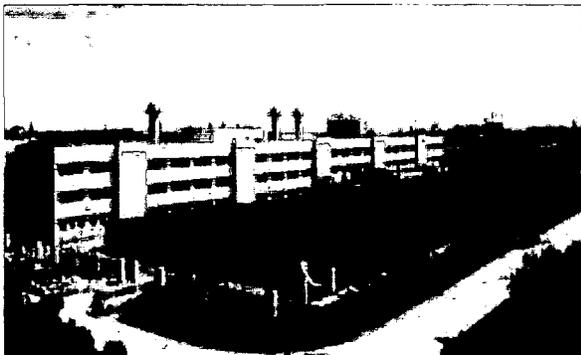
Strong Performance after 20 Years

关于BHP 镀铝锌彩色压型
钢板的使用评价

我桂林甲山饭店从一九七九年开业时使用澳大利亚BHP公司生产的镀铝锌彩色压型钢板。至今已使用十八年。除主体结构部分屋面于八四年因大火重修外，其余两幢屋面及墙身彩板使用完好，表面颜色仍较艳丽，未发现明显生锈现象（除个别螺钉生锈外）。我们认为，BHP公司生产的彩色镀铝锌压型钢板在桂林多雨地区是适用的，质量是可靠的。



一九九七年三月二十七日



Project Over 15 Years Old

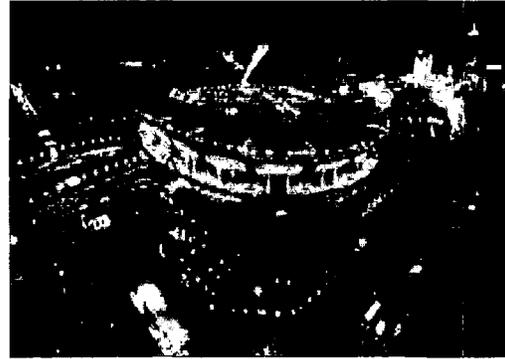
BHP 彩色镀铝锌屋面板使用评价

四川-锦江轻纺染整有限公司厂房屋面，墙面均使用澳大利亚BHP公司彩色镀铝锌压型钢板已有15年时间。在潮湿、酸雨、使用完好无锈，从未发现漏水现象。色泽亮丽，无褪色及脱落。

我们认为，BHP公司的彩色镀铝锌压型钢板结构好，设计独特，防水及防腐性能优异。非常适合用于工业、民用及商业的工业建筑。质量及使用寿命可靠。



- **ZINCALUME® Steel**
- **Clean COLORBOND® Steel**
 - + Clean COLORBOND XRW
 - + Clean COLORBOND XPD
 - + Clean COLORBOND ULTRA
 - + Clean COLORBOND METALLIC
- **COLORGRAIN® Designer Steel**
- **OPAL® Steel**



Flagship Metal Coated Product

Zincalume®

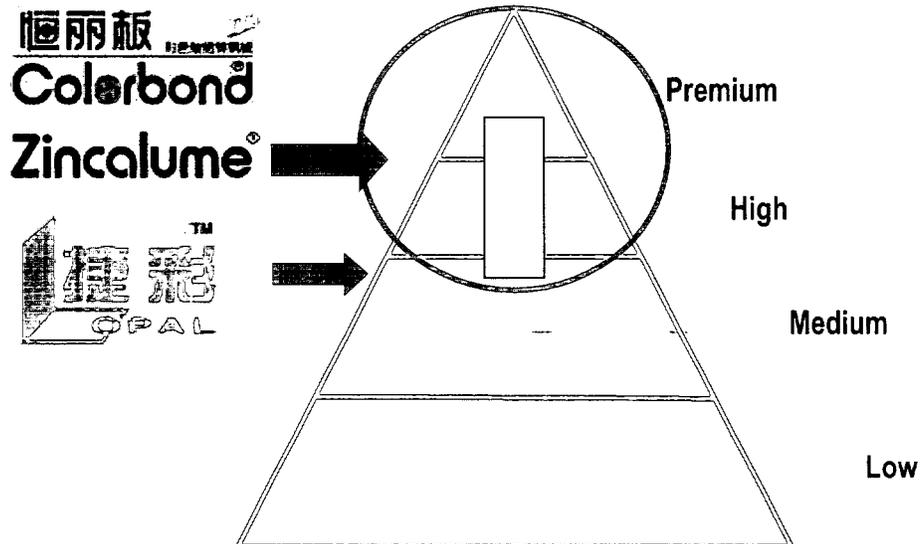
Atmospheric exposure tests confirm in correct application, corrosion resistance is far superior to that of ordinary zinc coating, lasting up to four times longer in an identical environment.

恒丽板 彩色镀铝锌钢板

Colorbond®

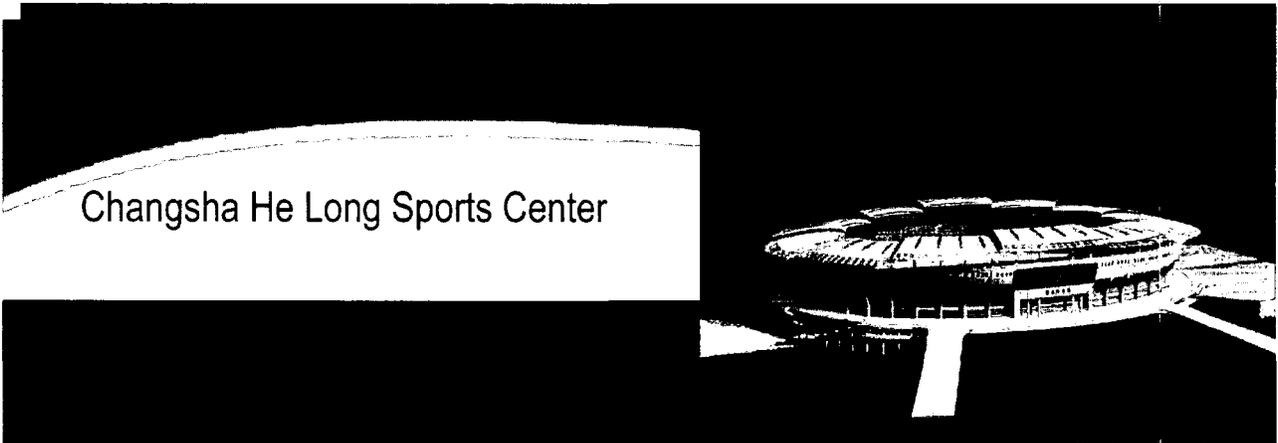
- Superior Corrosion Resistance
- Excellent Color Retention
- Resistance to Dirt Staining

Product Positioning

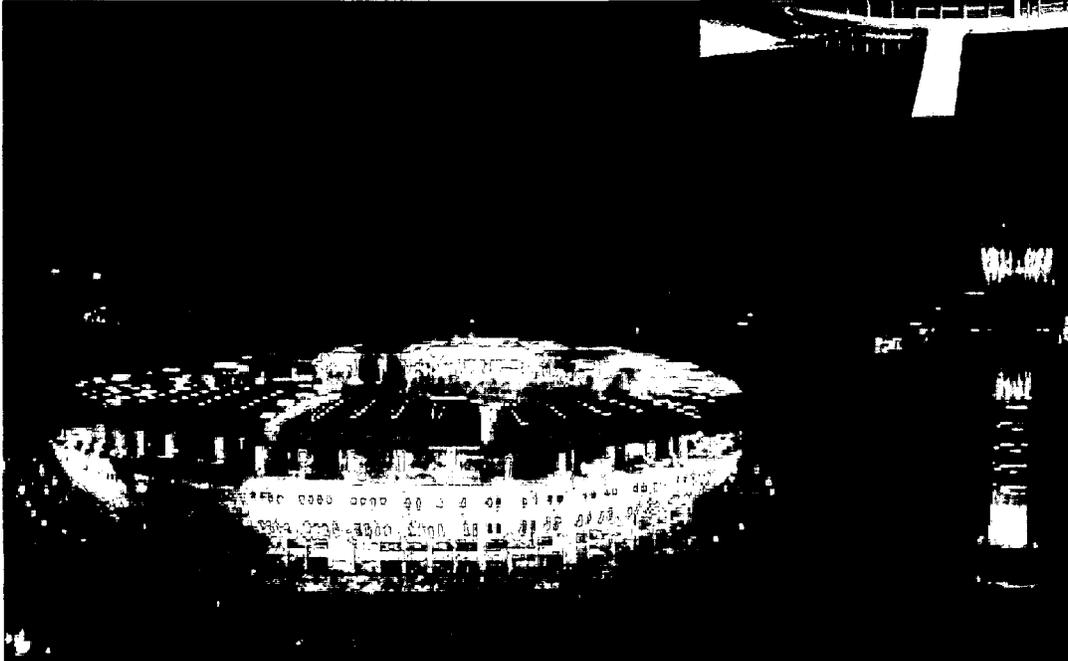


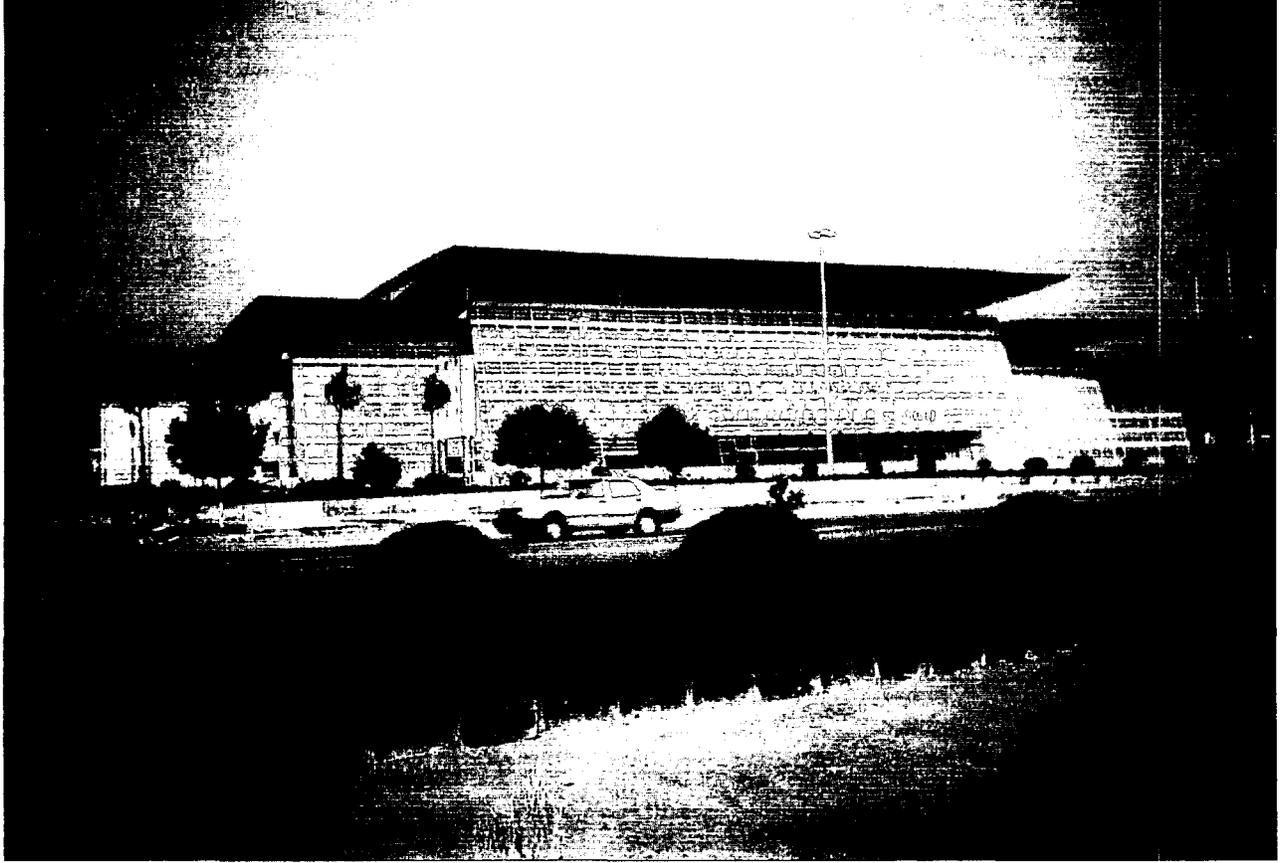


STADIUM AT NIGHT (LOW ANGLE)

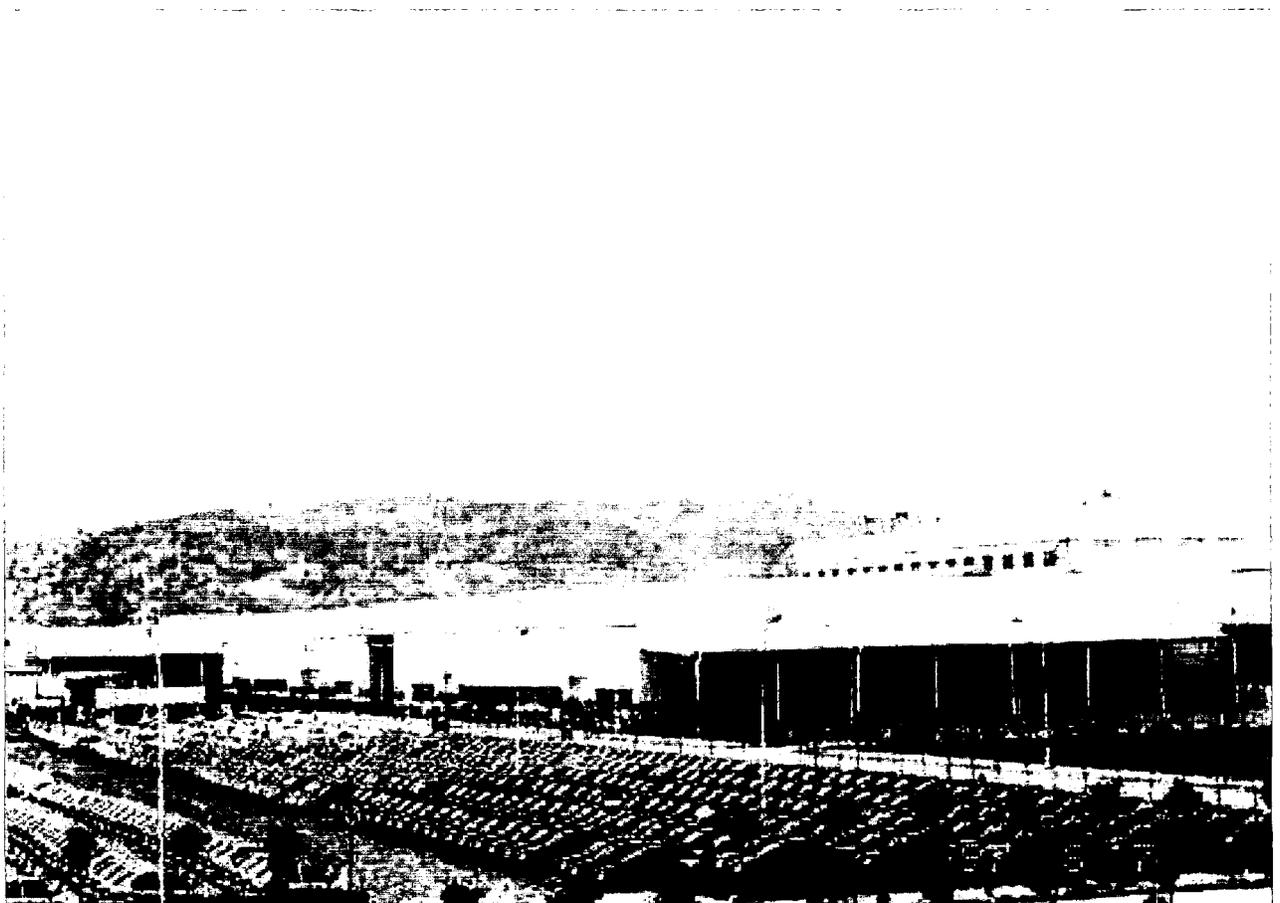


Changsha He Long Sports Center





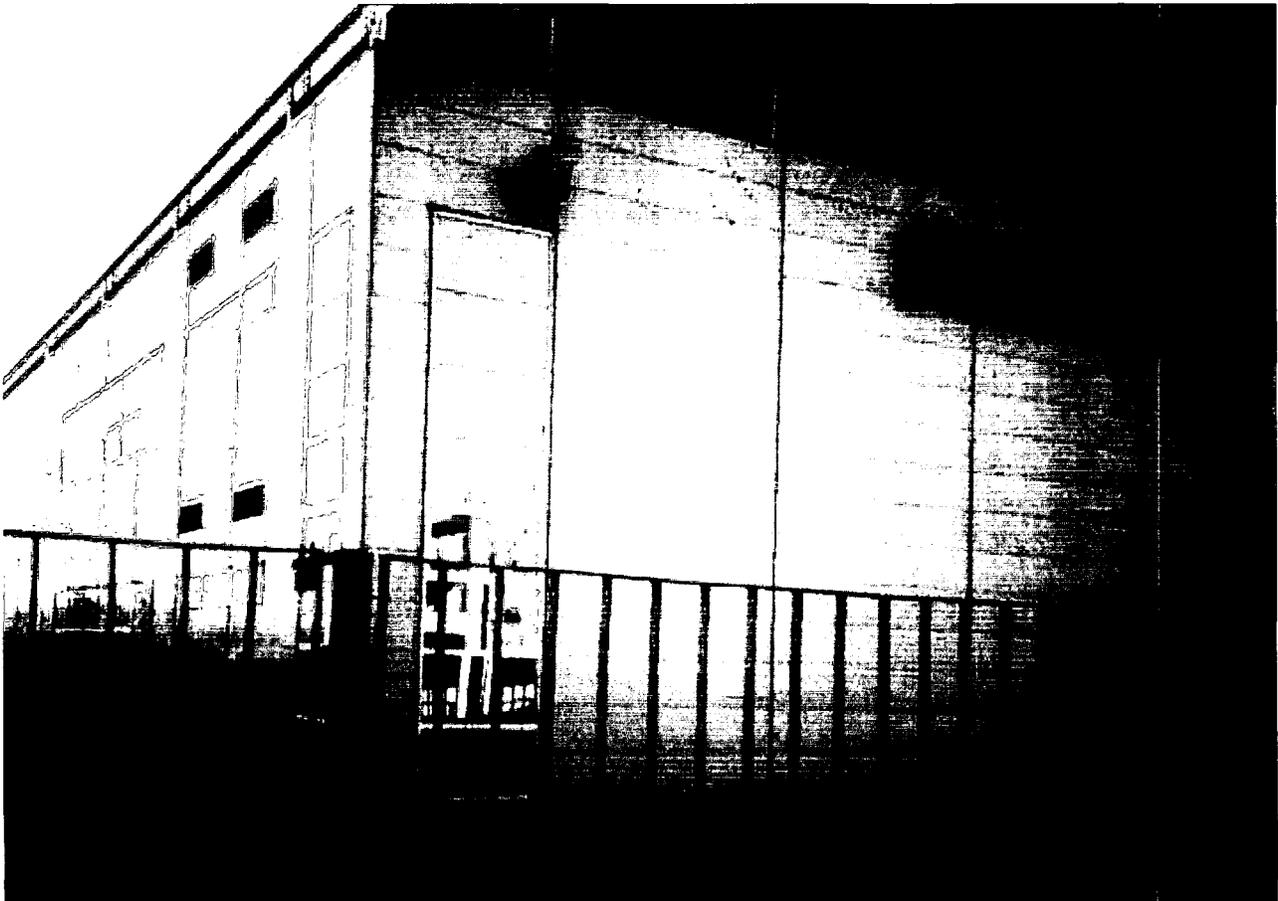
International Convention Center, Dongguan, Guangzhou



Ford, Chongqing



Shanghai BaoSteel Krupp Stainless Steel



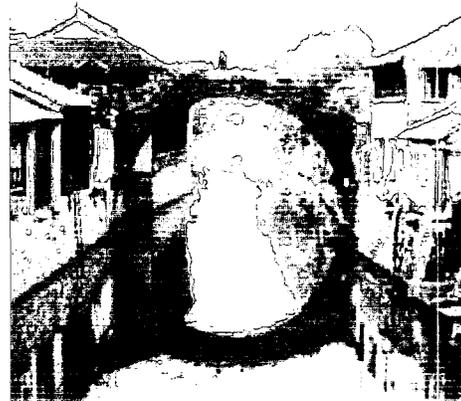
Siemens, Xi'an



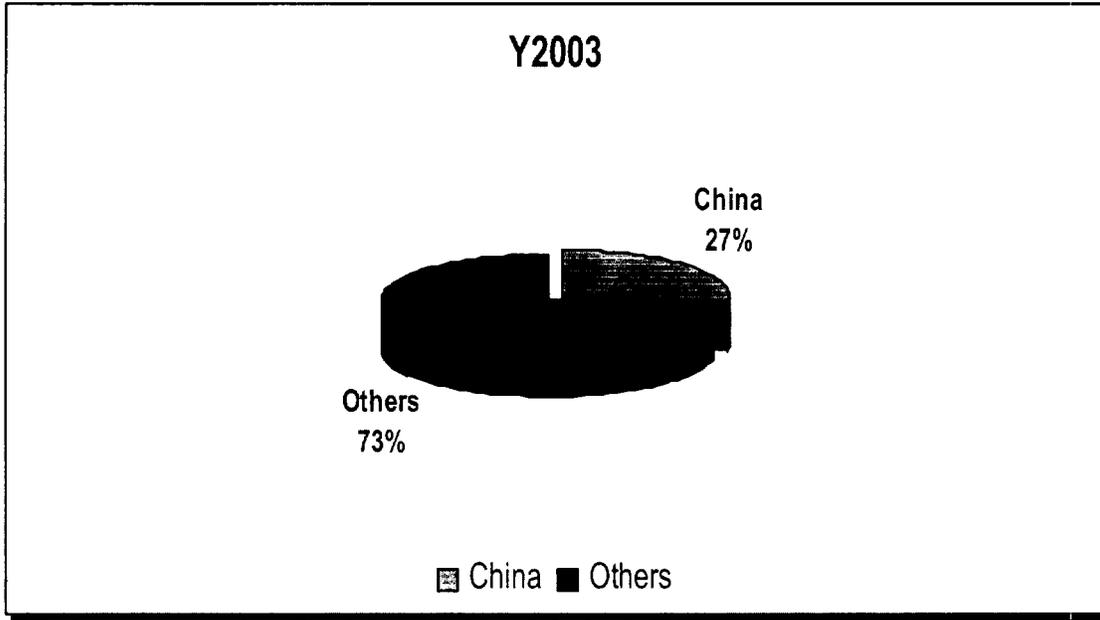
Fu Chun Shan Villa, Hangzhou

Presentation Overview

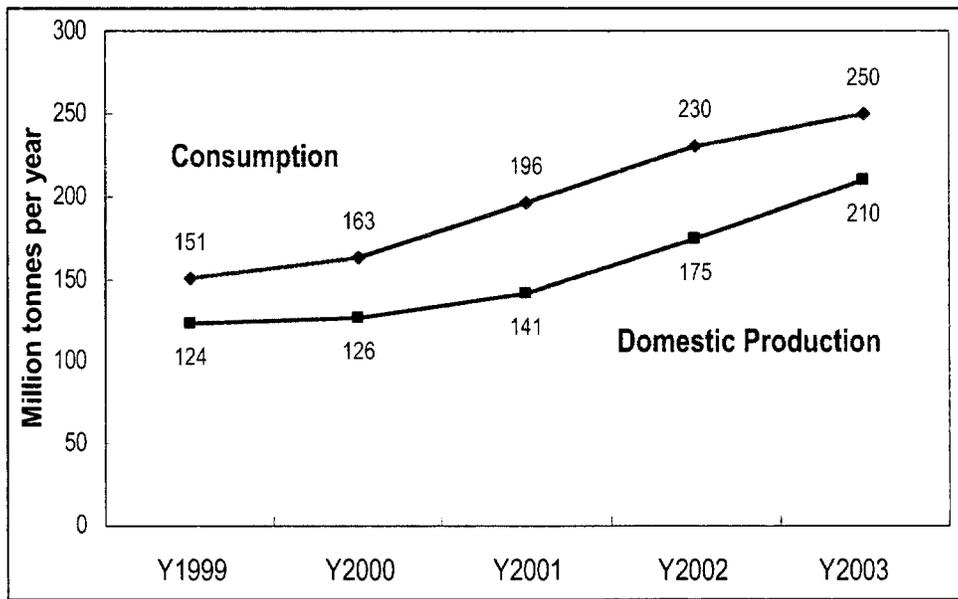
- Business Strategy
- Sales Operations
- Product Portfolio
- China Market Size
- Sales & Marketing Development
- Project Implementation



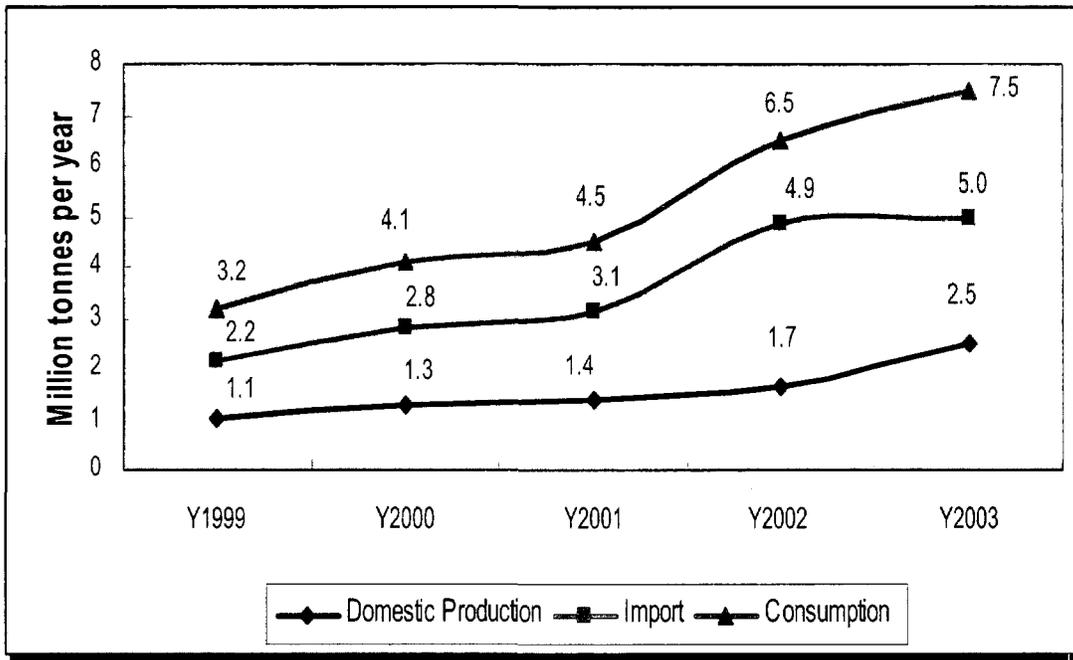
Crude Steel Consumption (China versus World)



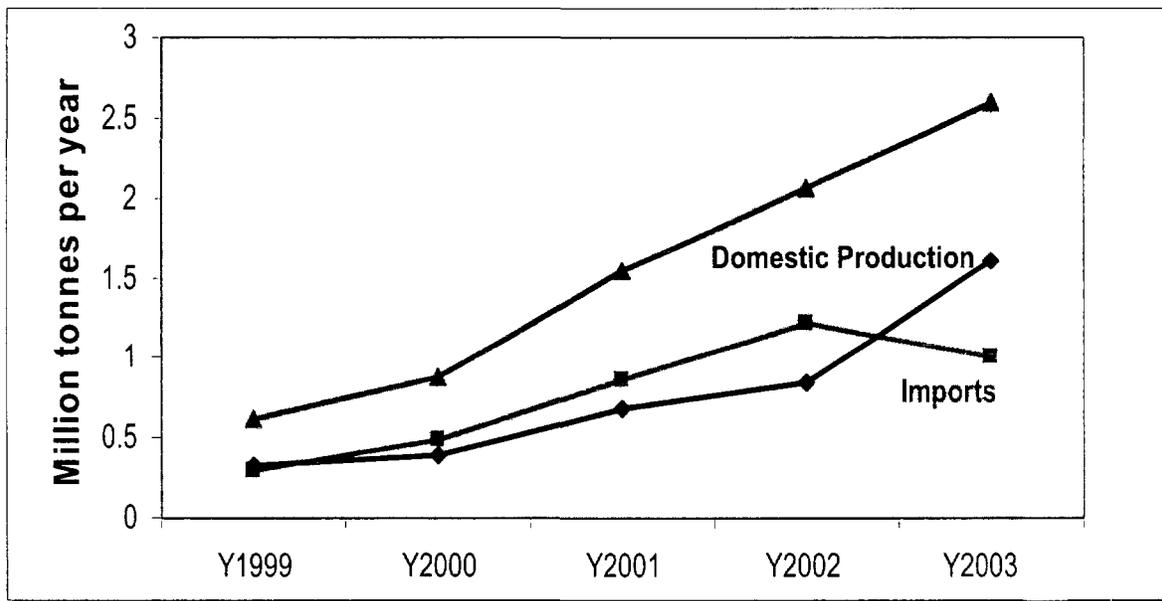
Crude Steel Consumption in China



Domestic GI Steel Consumption (includes EGI)



Domestic Pre-Painted Steel Consumption



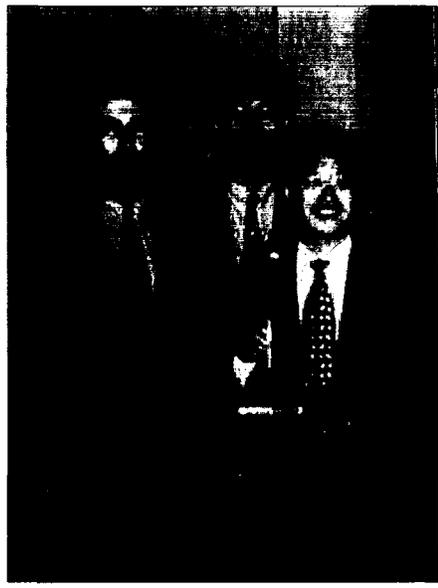
Presentation Overview

- Business Strategy
- Sales Operations
- Product Portfolio
- China Market Size
- Sales & Marketing Development
- Project Implementation



Core Customer Strategy

Presentation of Core Customer Awards

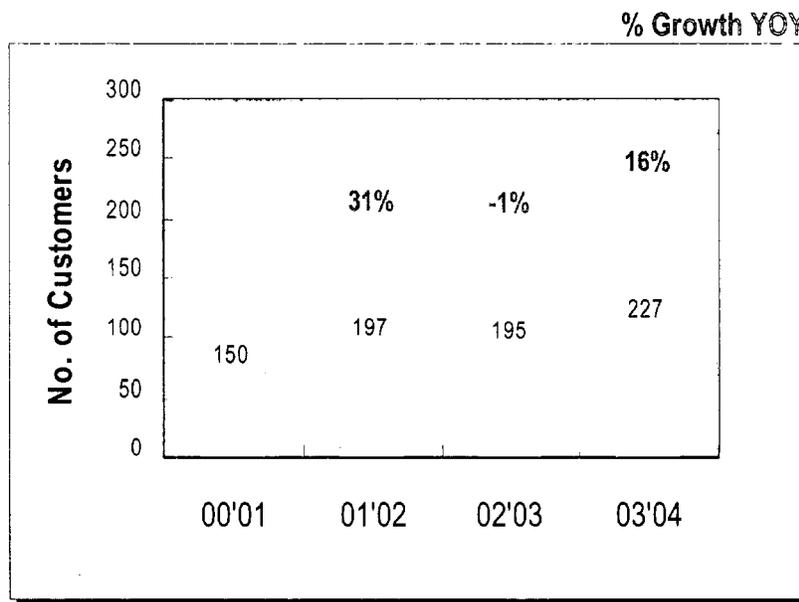


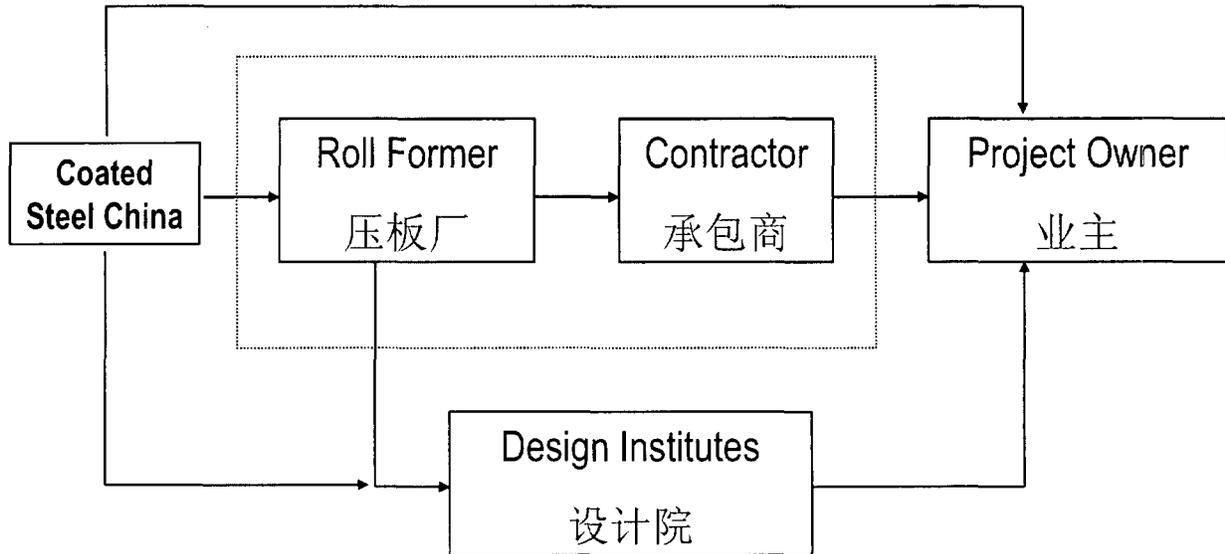


Customer Training

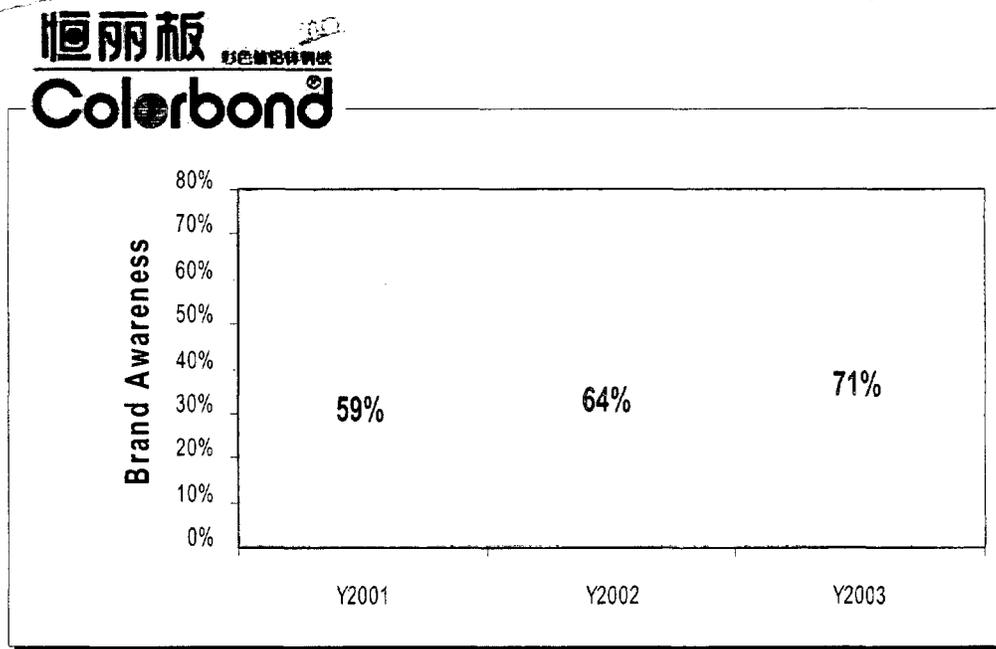


Customer Base Growth





Brand Awareness Growth





Themes

Y2000 Clean COLORBOND® launch

Y2001 Sydney Olympics

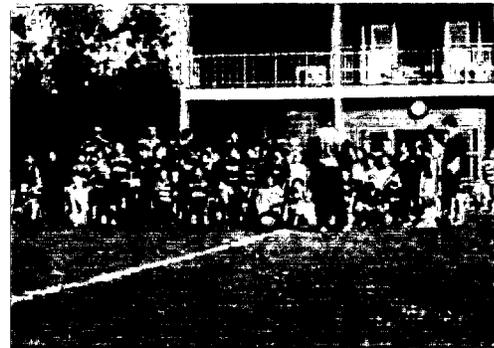
Y2002 Green Steel

Y2003 Steel Building Design Flexibility

Y2004 New Company Image

- 5 rounds of seminars;
- 72 seminars
- Covered 24 cities
- Approximately 6000 people have attended seminars
- Seminar attendees: 40% architects, 35% roll formers, 10% project owners, 5% contractors

Community Involvement



Children's Rugby Day

6th Shanghai Handicap Sports Games



Business Overview

- Business Strategy
- Sales Operations
- Product Portfolio
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- Project Implementation



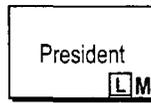


KPI	Target	Current Performance
Safety	Zero fatalities LTIFR < 1.2	Zero fatalities LTIFR = 0
Schedule	On time Accelerated schedule	On time
Cost	Budget	On Budget
Full plant operations	Mid 2006	

Project Team

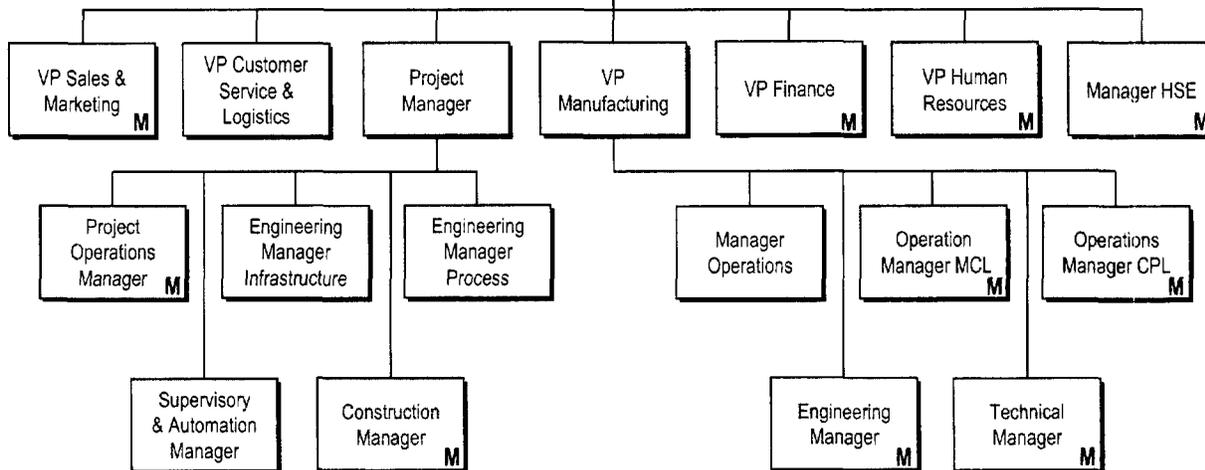


- Chinese
- Recruited externally
- M** Mandarin speaking

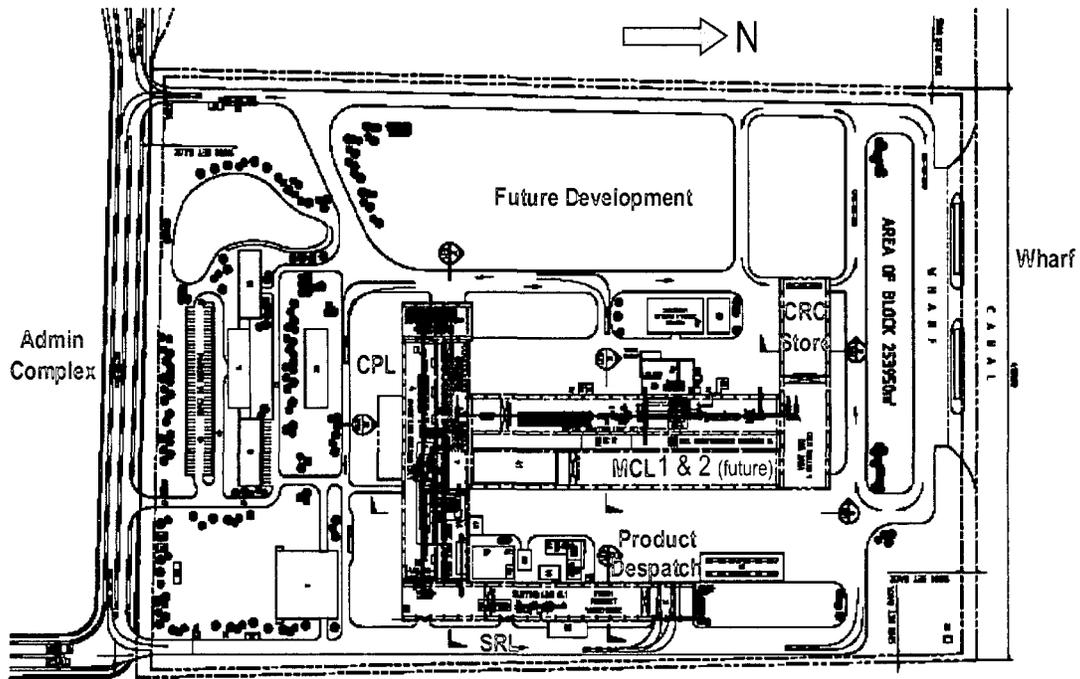


Bill Moss

Regional Support
The China Regional Team provides strong support for this and other growth projects



Site Layout



Groundbreaking 22 April 2004

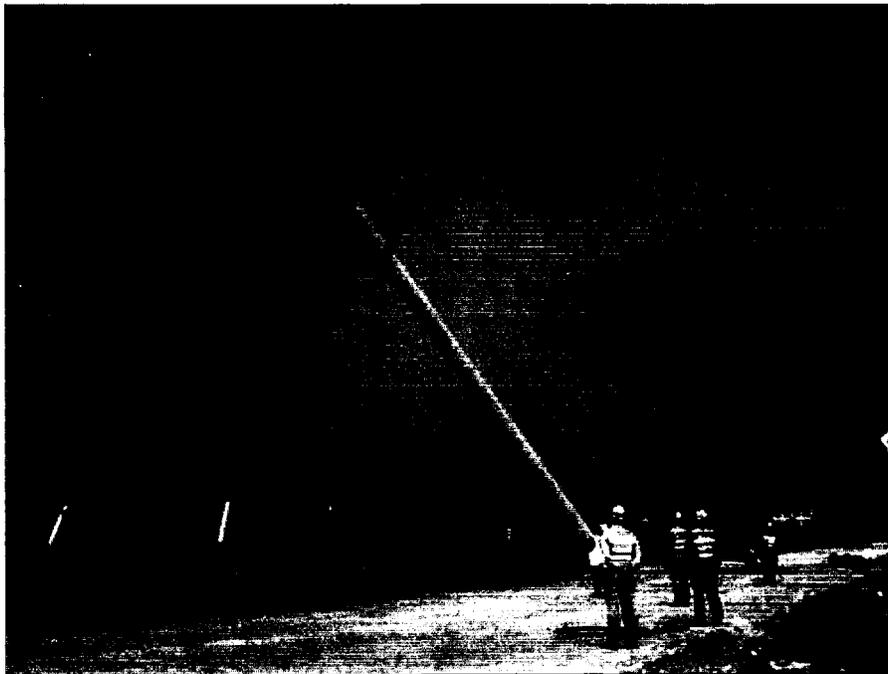


Site Earthworks Commenced May 2004



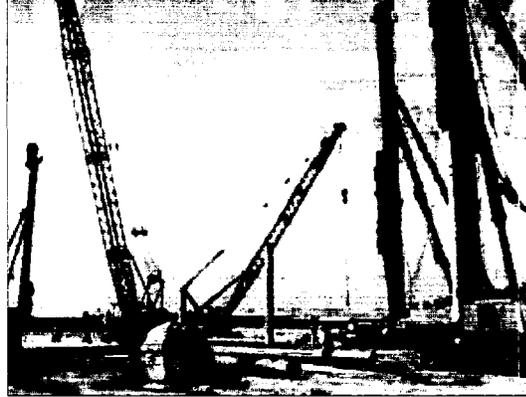
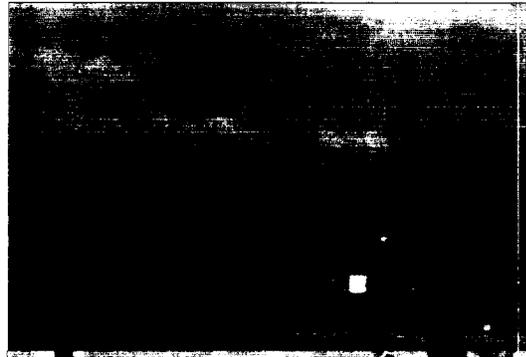
BlueScope Steel China 11 November 2004

Piling Commenced 14 July 2004



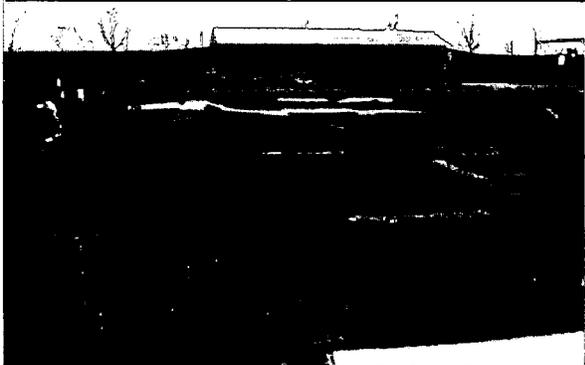
BlueScope Steel China 11 November 2004

Piling to Complete by end-November 2004

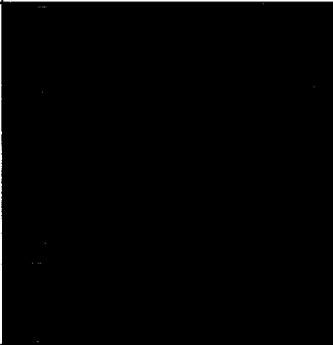


BlueScope Steel China 11 November 2004

Foundations Work Commenced October 2004



BlueScope Steel China 11 November 2004

<p>BlueScope Steel</p> <p>ELT Quarterly Review</p> <p>Monthly Capital Development Report</p>	<p>Asia</p> <p>Quarterly Project Review (following slide)</p> <p>Monthly Project Reports</p>
<p>China</p> <p>Monthly Review</p> <p>Regular Informal Reviews</p>	

Asia Project Review Process

Project Review

A quarterly review of major coating projects (Thailand, Vietnam and China) by BlueScope Steel Asia management

Review Team

- President Asian B&MM
- VP Finance Asian B&MM
- VP Ops& Engineering Asian B&MM
- Corporate Counsel Asian B&MM
- VP Capital Development BSL
- President BlueScope Steel Malaysia
- President BlueScope Steel Thailand
- President BlueScope Steel Vietnam
- President BlueScope Steel Suzhou
- Project Manager Thailand
- Project Manager Vietnam
- Project Manager China



China Project Review

Major, detailed review of progress and risk management



Weekly	Fortnightly	Monthly	Six Weekly	Quarterly
Project Team management meeting <ul style="list-style-type: none"> ▪ HSE ▪ Govt/Community ▪ Construction ▪ Schedule ▪ Costs ▪ Resources ▪ Risks/Issues Engineering Review Procurement Review Weekly project update	BlueScope Steel (Suzhou) team management meeting <ul style="list-style-type: none"> ▪ HSE ▪ Govt/Community ▪ Marketing/Sales ▪ Finance/Funding ▪ Manufacturing ▪ Raw Materials ▪ Utilities/Services ▪ Logistics ▪ Bus. Systems ▪ Resources ▪ Risks/Issues Major equipment supplier review (in Japan)	Monthly Project Report	Detailed review and coordination meeting with major equipment supplier (in Japan)	Detailed schedule review Detailed cost review Key Risks review



谢谢

Xiè Xie

Thank You



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OFFICE OF INTERNATIONAL
CORPORATE FINANCE

BlueScope Steel China

Australia's Largest Investor in China

Analyst Briefing - Shanghai – 10th November, 2004

Presented by:
Chris Fogarty President BlueScope Steel China

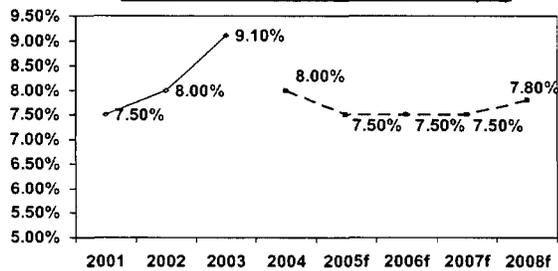
Presentation Outline

1. Business Environment
2. Overview & Strategy
3. Businesses
 - Building Solutions
 - Coating & Painting
4. Geographic Coverage
5. Summary

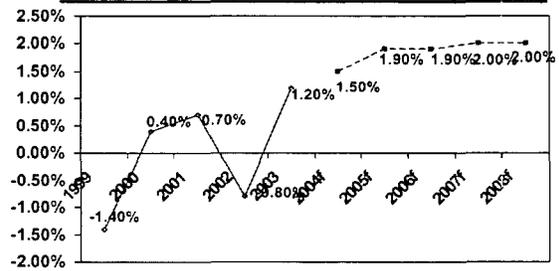
Business Environment

General Economic Trends

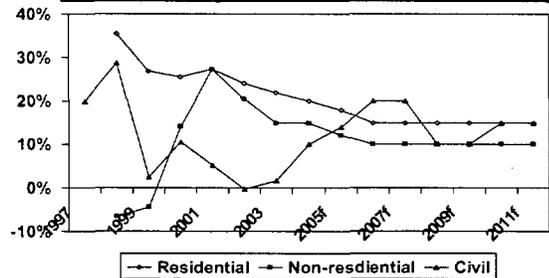
GDP – Actual and Forecast (%)



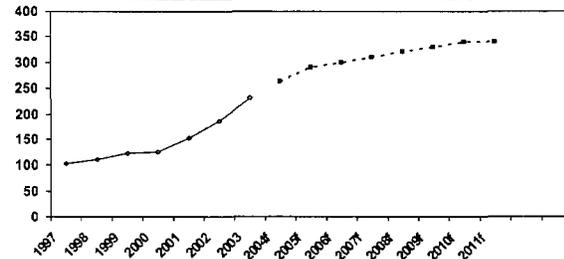
Inflation – Actual and Forecast (CPI, %)



Construction growth – Actual and Forecast (%)



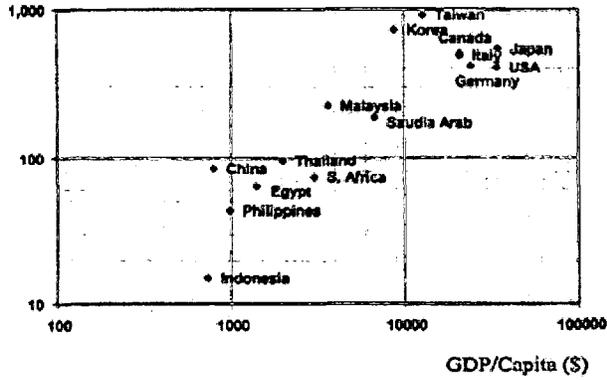
Steel Consumption – Actual and Forecast (MT)



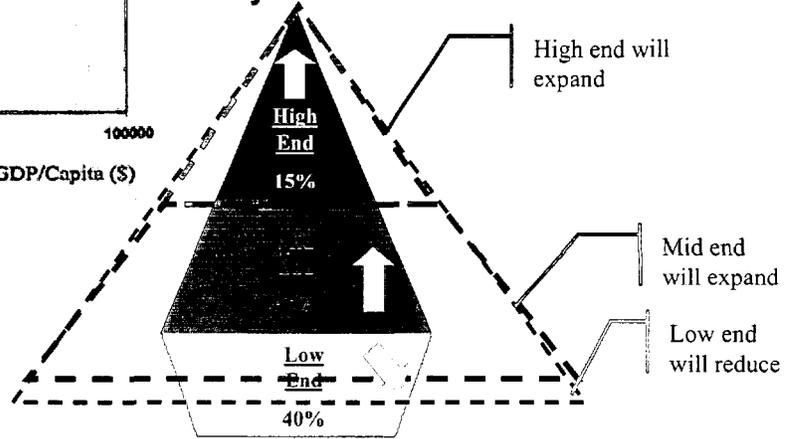
- Central government likely to secure “soft landing”. However, foreign investors remain bullish on China's long term prospects
- GDP growth likely to ease to 7-8% p.a. but still approximately twice Australia's current GDP
- Residential and civil construction is likely to continue to grow strongly (>10% p.a.) with non-residential around 10% p.a.

Industry Analysis

Steel Consumption Capita



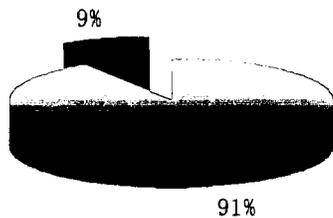
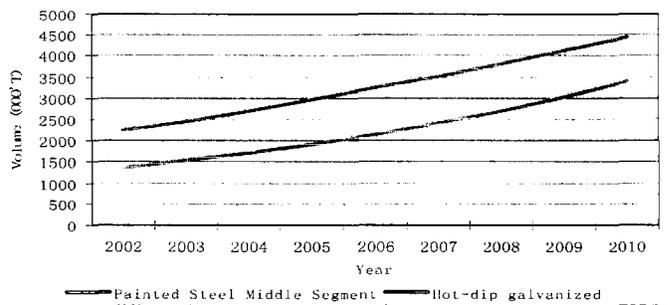
Market Dynamics



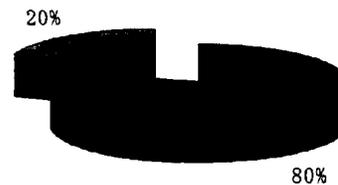
Data Source: Marketing Research and Estimation

Industry Analysis

China Building and Construction Sector Coated Steel Market Size



Concrete Steel Structure



Residential Non-Residential

Data Source: The Boston Consulting Group Report, 2003

Government Policies	BlueScope Steel Strategies
Meet WTO obligations	Position for gradual improvements in regulatory environment while optimising existing activities
Support high quality, high technology investments in China	New facilities target galvanized replacement & introduce technically superior Zinalume technology Maintain strong relationships with Chinese Ministry of Commerce and Industry Standards departments Ongoing and strengthening brand focus to promote our quality solutions and capability
Rationalising local steel manufactures - resistance from local producers supplying local markets Significant reductions achieved but becoming difficult due to steel shortages	Promote differentiation of our capabilities
Credit squeeze on new investments. Not delaying international or government projects but is impacting small local investors	No direct impact on us or other internationally funded businesses Small impact on customers – working with banking partners to facilitate funding alternatives
Discouraging investment in the Steel, Cement and Aluminium industries, as there is a net capacity surplus in both sectors – low end focus	Differentiation Steel's surplus capacity is in the low & medium sectors, not in our target high/premium quality sector
Recent 27 bp interest rate increase to further slow growth	Too early to call – more about sentiment

Overview & Strategy

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.

“我们与我们的客户共同努力通过我们的产品将我们对成功的努力、激情以及我们的实力展现给世人，同时也使BlueScope Steel深入人心”

客户—我们的合作伙伴

我们的成功归功于客户与供应商对我们的选择，通过与他们的紧密合作，以及我们卓越的产品、服务和理念，我们的实力才得以创造出最高的价值与信任。

人才—我们的力量源泉

我们的成功归因于我们的人才队伍。在安全及令人满意的工作环境下，我们的员工互信互重，工作与家庭生活都健康有序。我们丰富的经验、高度的合作精神、以及所提出的出色的钢铁解决方案是我们最宝贵、最有价值的财富。

股东—我们的基石

我们的成功有赖于股东及贷款者给予我们的投资支持，作为回报我们将致力于保持盈利与增值，使大家都更具实力。

社会—我们的家园

我们的成功依赖于社会对我们业务和产品的支持，我们注重环境保护、创造财富、尊重当地的价值观、并鼓励积极参与。我们的优势在于我们正确的选择

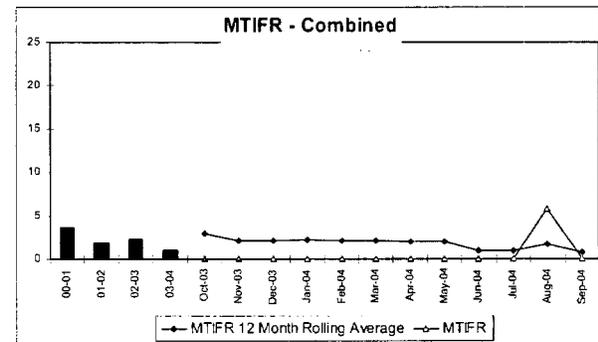
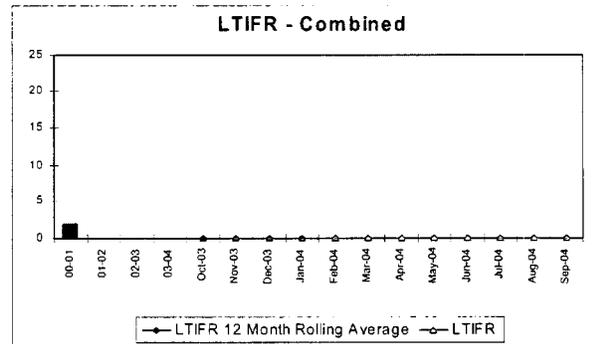
Safety & Environmental Performance

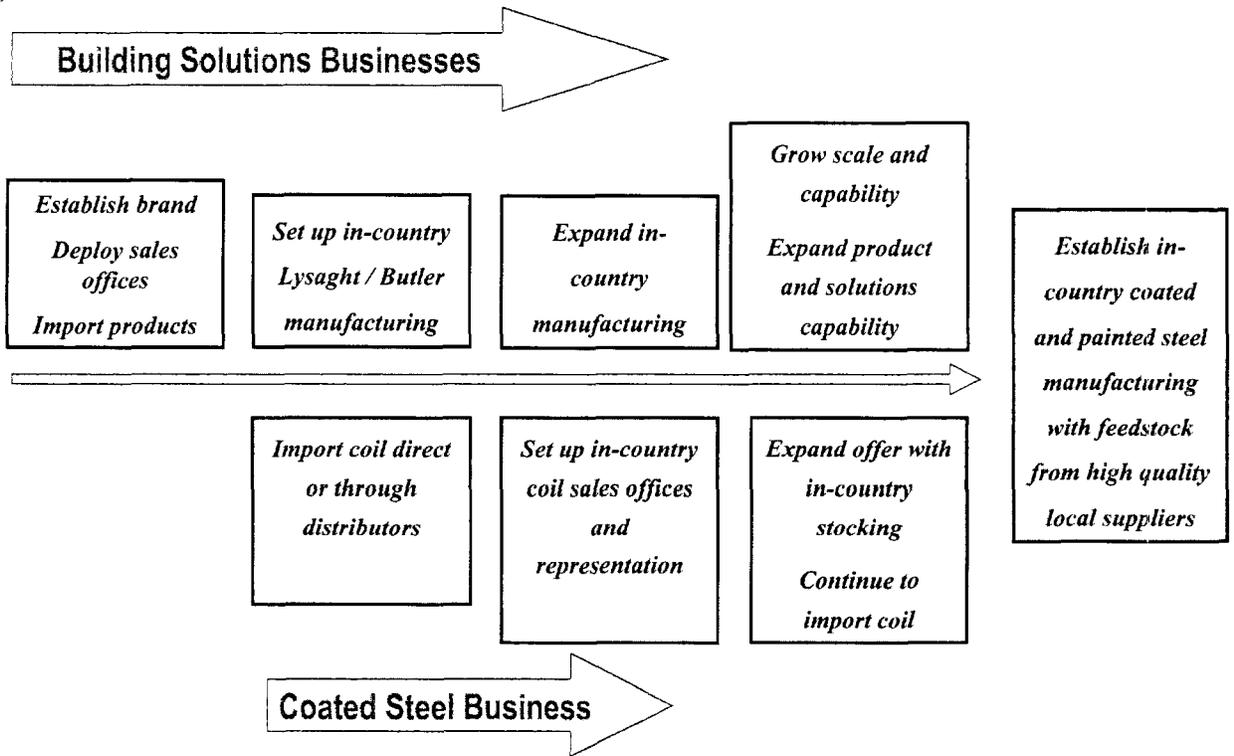
Lost Time Injury Performance :

- Lysaght Shanghai – 6 years LTI Free
- Lysaght Guangzhou – 9 years LTI Free
- Lysaght Taiwan – 3 years LTI Free
- Lysaght Langfang, Chengdu & CSC - No LTI's
- Coating Project – LTI free

Environmental Management :

- Facilities built and operated to the higher of Australian or Chinese standards
- Zero environmental excedences

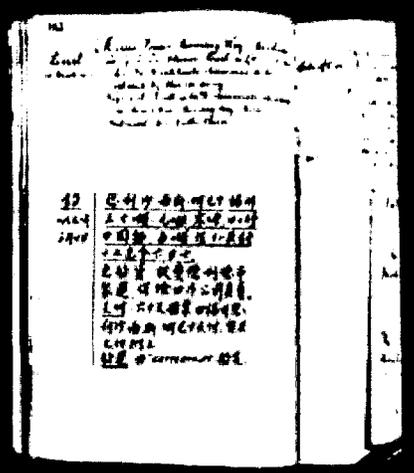




BlueScope Steel Experience in China

Photograph from the Sales Ledger of The Broken Hill Proprietary Company

從布魯普希爾有限公司
總帳簿內拍攝的照片。

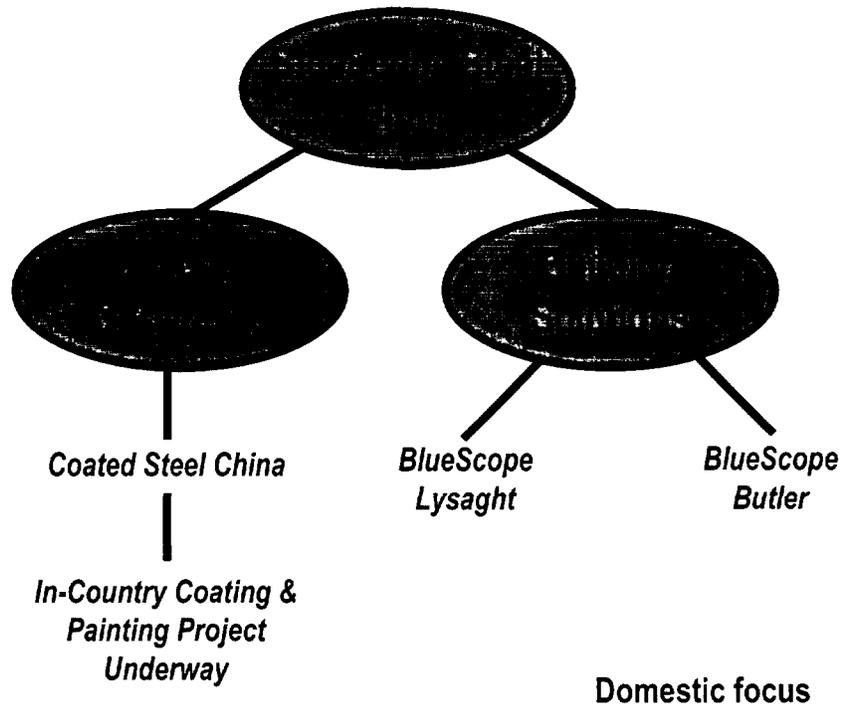


Other sales of lead during 1891

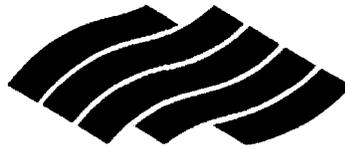
Date	Vessel	Quantity
1891-05-01	St. Michael	500 tons
1891-05-15	St. Michael	500 tons
1891-05-31	St. Michael	500 tons

We have a proud history of successfully doing business in China:

- 1891 1st BHP sale to China
- 1915 1st BHP Steel sale to China
- 1979 Lysaght roofing imports
- 1990 Lysaght manufacturing in Hong Kong
- 1991 Guangzhou Lysaght Sales Office
- 1992 Shanghai Lysaght Sales Office
- 1994 Lysaght Shanghai & Guangzhou factories & Butler Shanghai factory
- 1999 Coated Steel China established
- 2002 Butler Tianjin & Vistawall Shanghai
- 2003 Lysaght Langfang & Chengdu factories and sales office expansions
- 2004 Commenced Suzhou Project, Butler acq'n & new Lysaght solutions



Strong Brands



**BLUESCOPE
STEEL**

LYSAGHT

BUTLER

VISTAWALL
ARCHITECTURAL PRODUCTS

恒丽板
Colorbond

Zincalume

捷彩
OPAL

Customers

Competitors

Coated Steel :

- Rollformers (70%)
 - Distributors (25%)
 - Manufacturers (5%)
- Imports from Korea & Taiwan
 - Korean & Taiwanese new facilities in China
 - Developing local capability

Building Solutions :

LYSAGHT

- Contractors
 - Project Owners
 - Government
- International solutions providers
 - Local rollformers (est >50,000 rollformers in China - <100 quality producers)



- Project Owners
 - Government
- Local PEB producers (some with international affiliations)
 - Importers
 - Contractors / rollformers

Page 15

Market Drivers

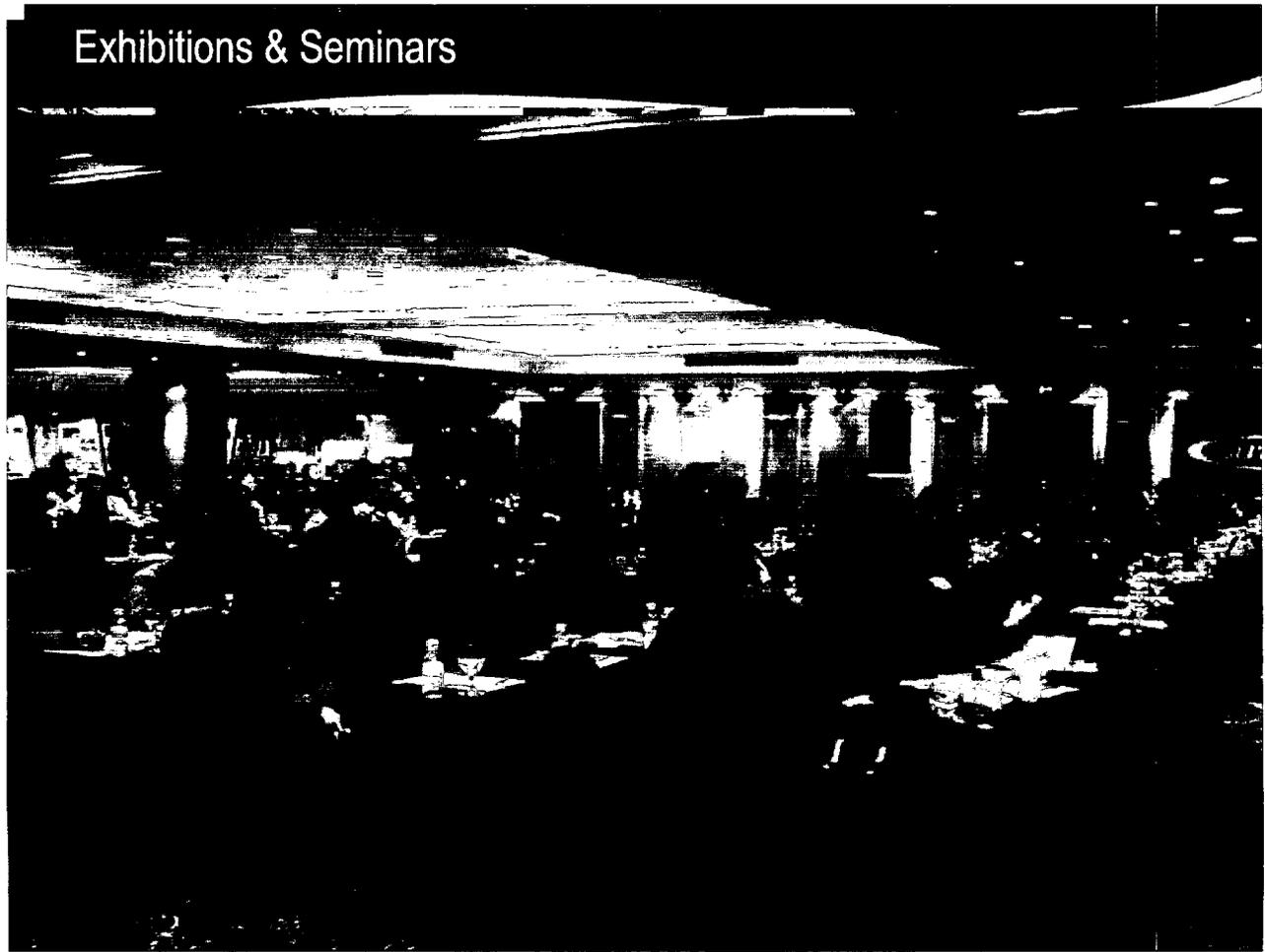
- **Economic Growth**
 - Wealth creation – growing consumer spending
 - Infrastructure – Beijing Olympics, Asian Games 2005, Expo 2010, Urbanisation
 - Global demand – Foreign Direct Investment and local investment
 - Global competitiveness
- **Government Policy**
 - Promoting growth outside Eastern seaboard (eg xi bu kai fa)
 - Environmental policies
 - State Owned Enterprises – Significant influence on major steel industry players
 - Tariffs – Relatively open (World Trade Organisation commitments)
- **Design Institutes – drive industry trends (standards, material choice)**

Page 16



BUTLER
VISTAWALL
Butler-The World Leader in Pre-Engineered Steel Buildings
巴特勒-全球预制轻钢建筑与铝合金幕墙的领先者
Butler Tel: 66-21-57742831 86-22-25320016 VistaWall Tel: 66-21-57741717

Exhibitions & Seminars





Warmly Greeting Customers



Displaying Capabilities



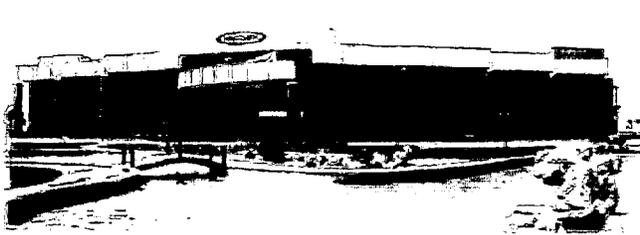
Explaining Product Differences



Project Focus Discussion

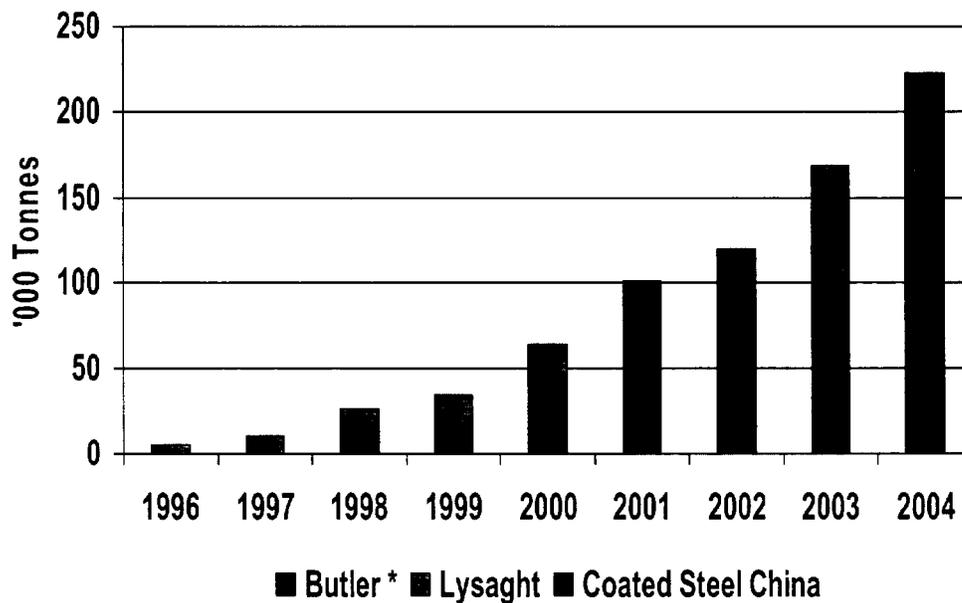
Show & Tell – Team Selling





Sales Volumes – Strong Growth Across All Businesses

Financial Years

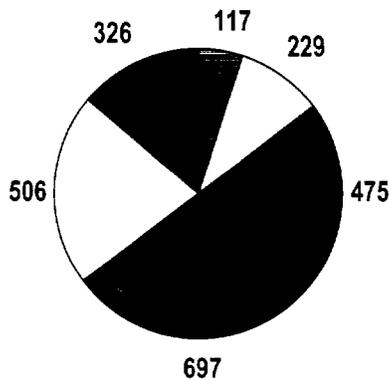


* Butler = calendar years with 1 year lag

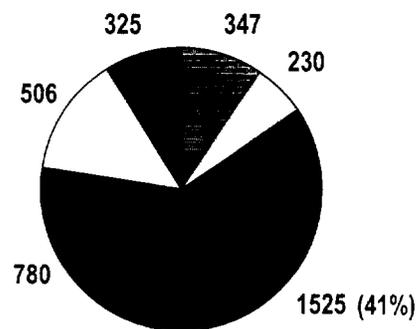
- A New Business System (not just an ERP system)
- Key Benefits :
 - Standardisation of business practices based on best practice
 - Full value chain management coating line through to solutions businesses (reduced inventory, transaction automation, etc)
 - Consistent approach to SEA (standardised process, reduced maintenance & support, transparency across spares and inventory etc)
- Significant investment (approx A\$10 million) for all existing and approved new businesses
- On schedule for a phased roll-out from end 2005 (in-preparation for commissioning the Coating Line) followed by solutions businesses through 2006
- Resources - Top people into the project team
 - Appointed ex-business president as Project Leader
 - Project commenced September - team now assembled
 - Coordinated with Vietnam & Indonesia projects

Profile of BlueScope Steel Asia Employees by Country

Pre Butler China and Expansions- 2,350



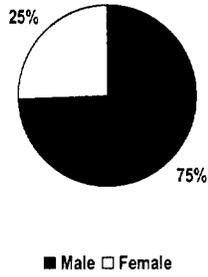
Post Butler China and Expansions - 3,713



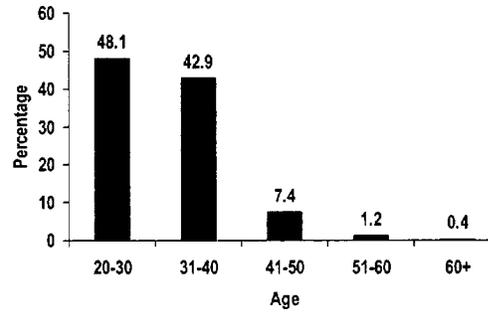
■ Vietnam □ Others ■ China ■ Thailand □ Malaysia ■ Indonesia

a) China includes Taiwan (69)
 b) Malaysia includes Brunei (16), Singapore (63), Sabah (62) & Sarawak (48)
 c) Others includes Sri Lanka (44), Fiji (48), New Caledonia & Vanuatu (56), other export sales offices (31), international secondees (50)
 d) Butler China employees at 30 September 2003 (750)

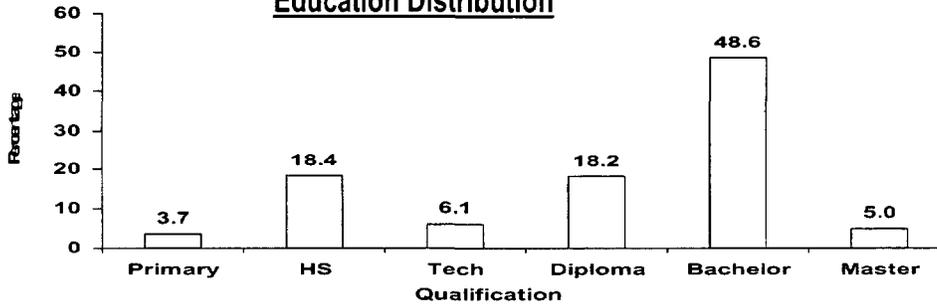
Gender Distribution



Age Distribution



Education Distribution



10 expatriate employees from Australia, NZ and USA – up from 4 two years ago (incl Butler) - Increase funding growth

People Make the Difference – Highly skilled & dynamic workforce

Training & Development :

Extensive internal training:

- **Technical skills, Cross business, Business acumen**

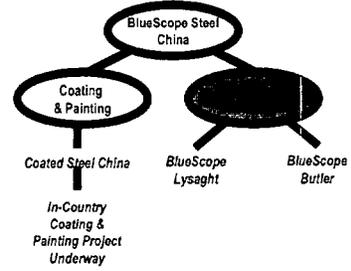
External training:

- **Graduate & technical, Managerial development, Language**

Strong Pay for Performance Culture :

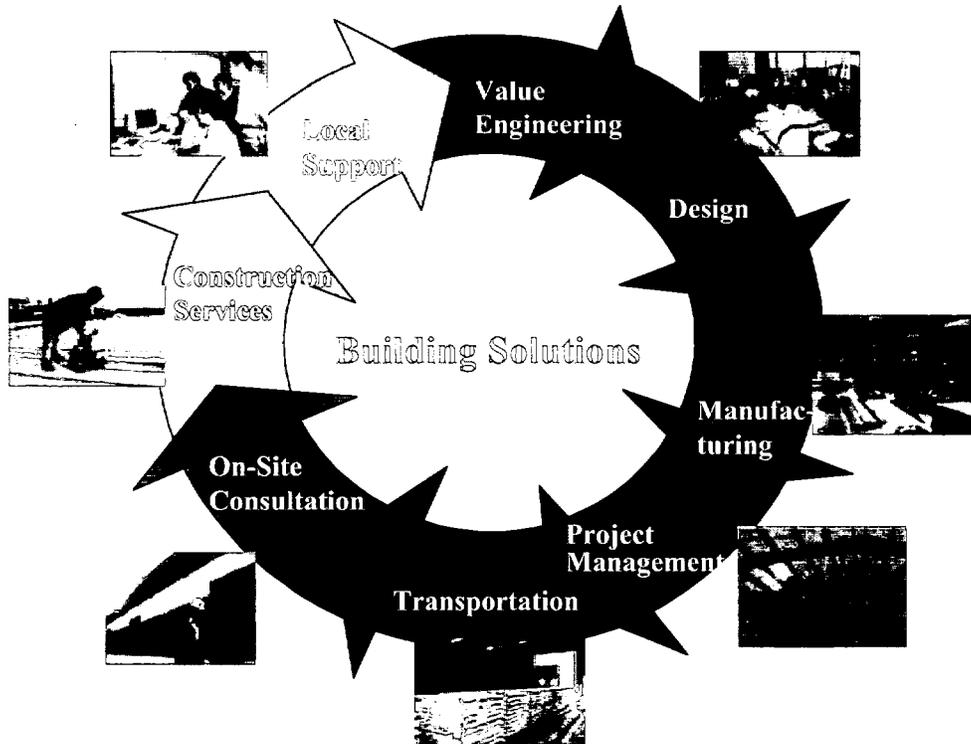
- **Market competitive – Wholly Owned Foreign Entity premium approx 10%**
- **Tailored benefits – recruitment & retention**
- **Consistent bonus scheme across all businesses & tied to performance – individual business & BlueScope Steel China**





Building Solutions

Delivering a Complete Building Solution



High value branded steel solutions for the building and construction industry

PEB – Butler
Industrial
Power Stations
Public Buildings
High Rise
Residential

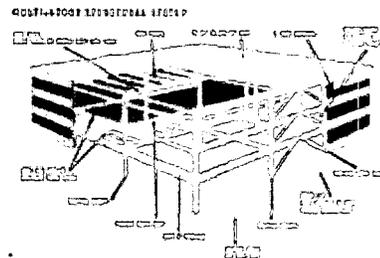
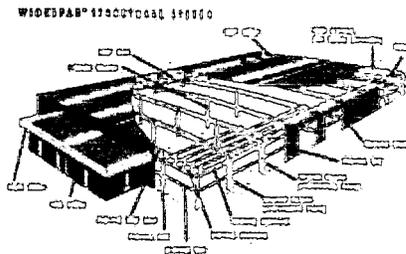
Page 29

Pre-Engineered Buildings – Rapid Construction Giving Businesses a Flying Start

Widespan™ System

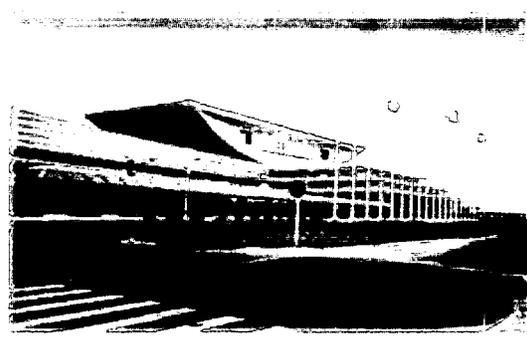
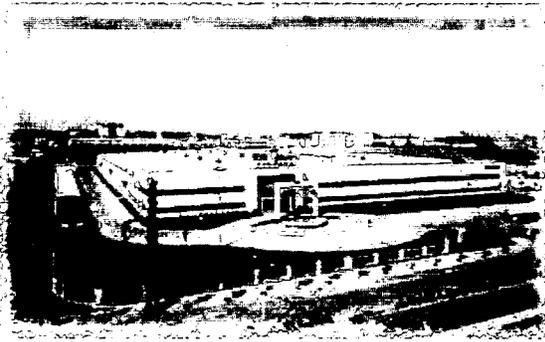
A packaged building solution which includes:

- Design and Drawings,
- A frame made from either back-to-back sections manufactured from Zinc Hi-Ten® Cee sections, or welded hot rolled plate
- Galvanised Zinc Hi-Ten® Cee & Zed purlins
- Premium quality cladding solutions including Clean Colorbond®



Multi-Story System

Page 30



Customer base includes

- Major Multinationals
- Leading Chinese firms

High quality PEBs

- Also incorporating Vistawall systems



Other China customers:

- 3M
- Energizer
- Motorola
- Nike
- Orient Home
- Carrefour

Page 31

Butler Acquisition – A Natural Fit



- BlueScope Butler is the world's market leading designer and supplier of pre-engineered buildings with leading positions in North American and China
- Butler brought :
 - Complimentary strong brand;
 - Excellent suite of products & solutions;
 - Well developed engineering design capability;
 - Technical sales capability;
 - Distribution strength;
 - 800 great people; and
 - Capability to dramatically accelerate exiting strategies

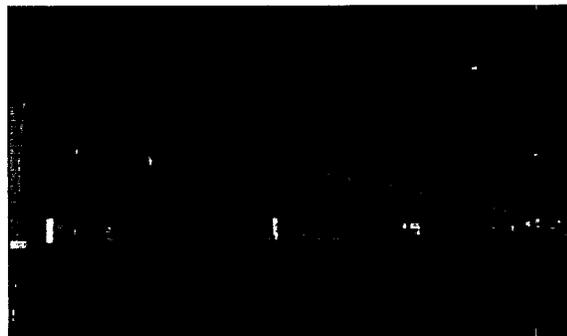
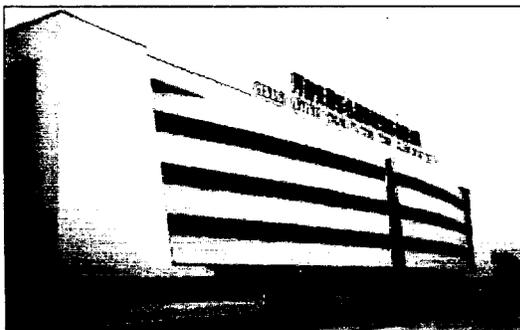
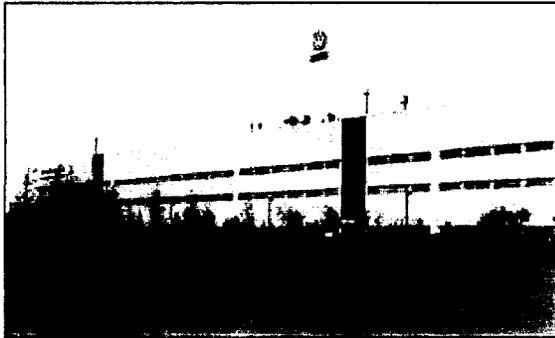
Page 32

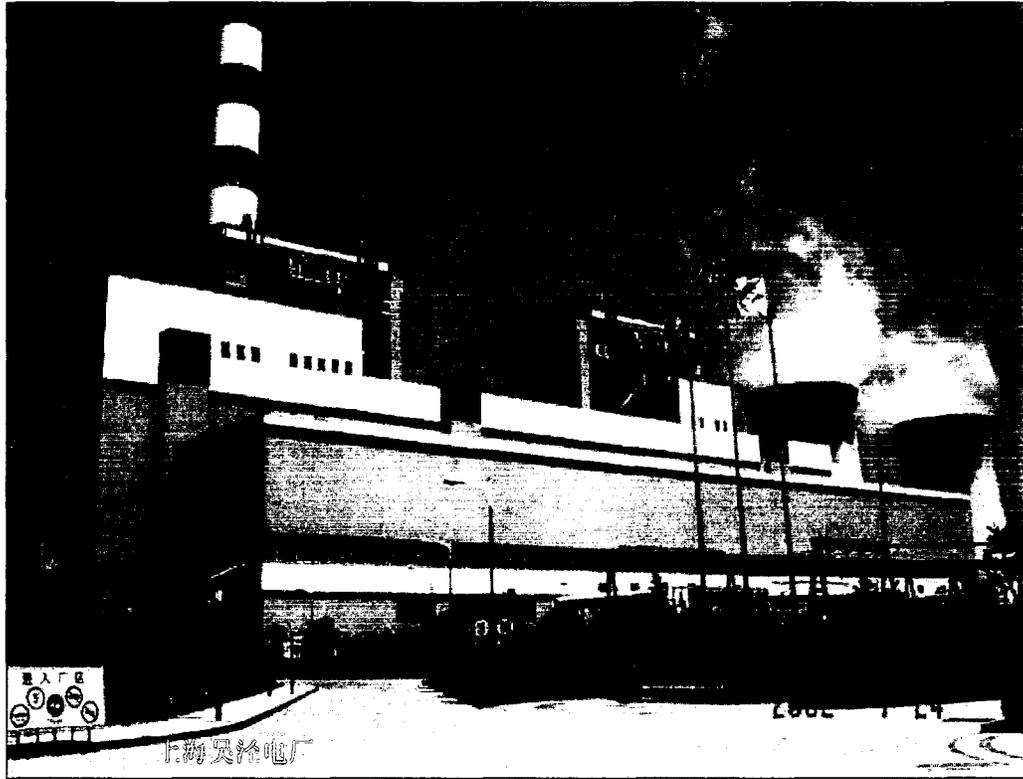


"One face to the market offering a wider range of solutions to meet customer needs"

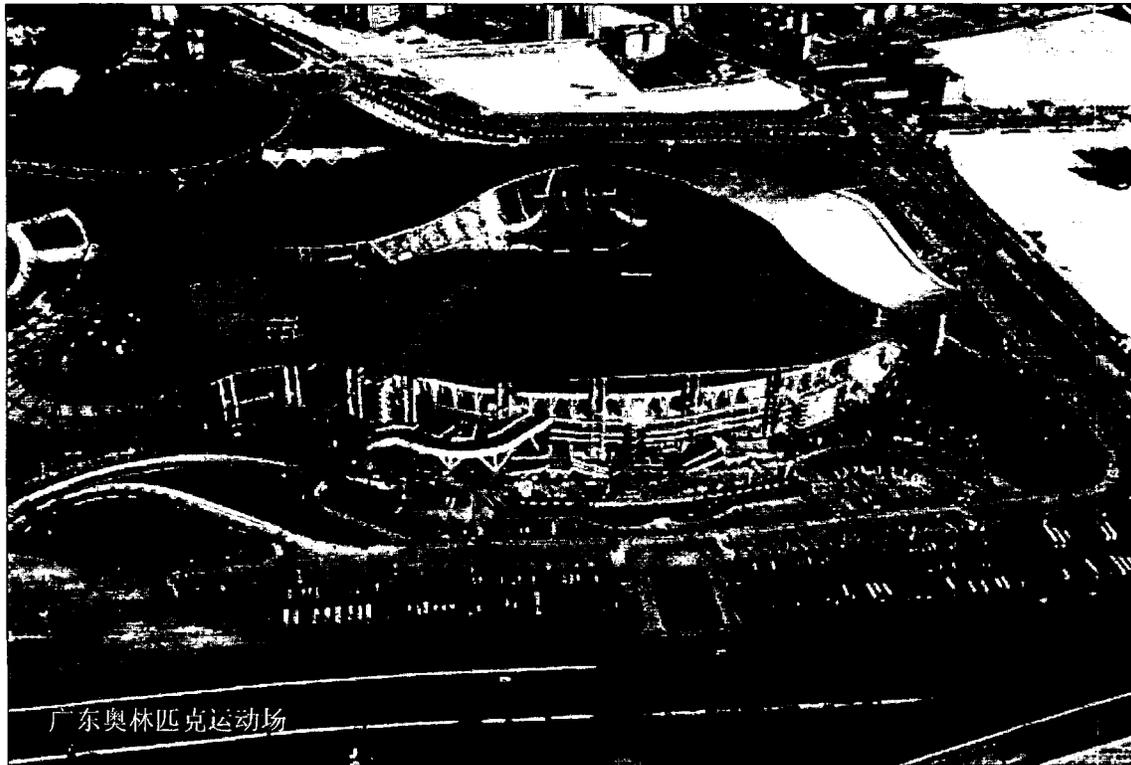
- Milestones achieved :
 - Merger celebration day early May
 - Successfully transferred key staff
 - Integration of sales offices in progress
 - Cross business sales & product training completed for all sales staff in greater China
 - Successes now being achieved in joint sales efforts, i.e. selling combined Lysaght/Butler solutions
 - Established linkages with USA and Australia
- Formal integration activities to be complete end CY'04

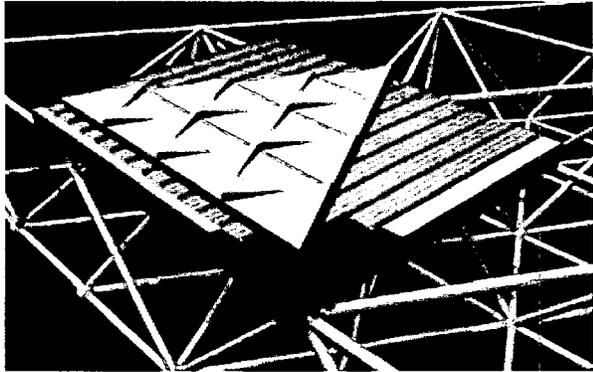
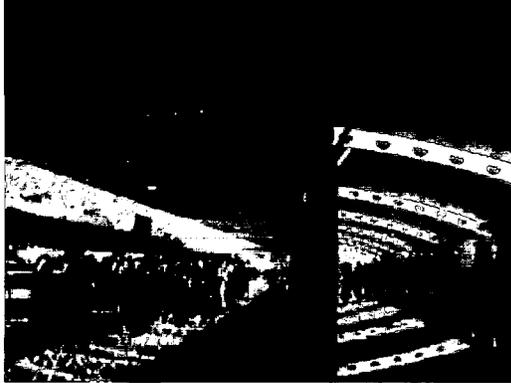
Industrial – Constructing for Tomorrow's Industry, Today





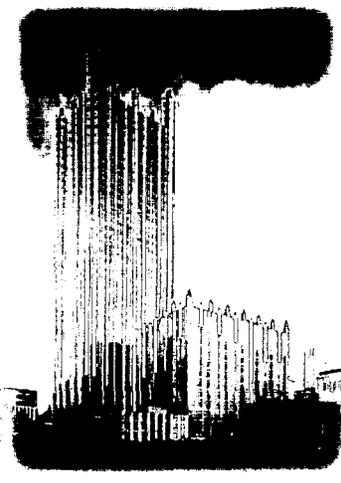
Public Buildings - *Inspired Solutions for a Developing Community*



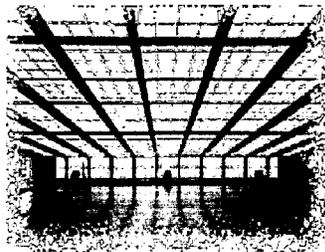


VistaWall - *Architectural Products Systems*

Curtainwall

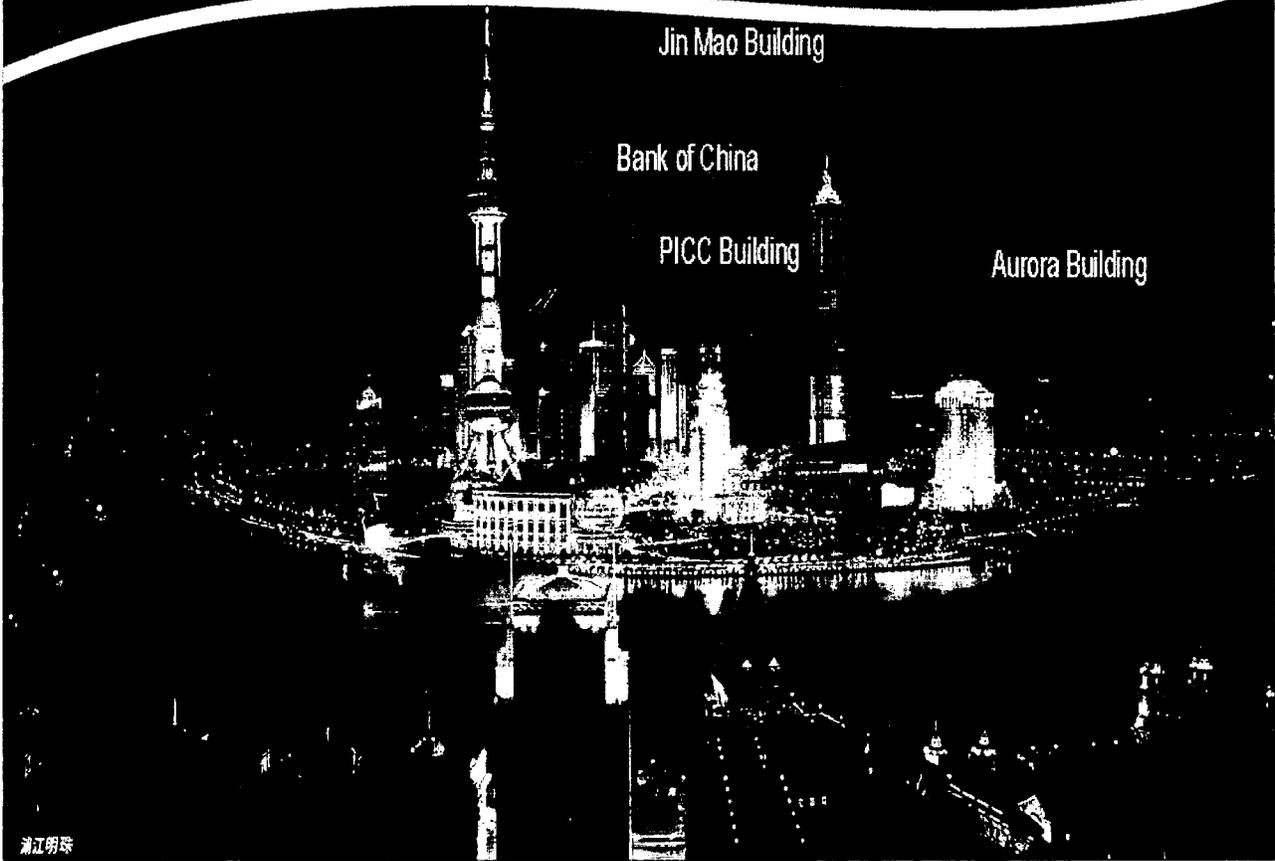


Skywall

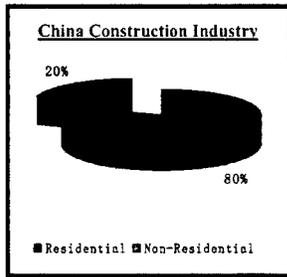


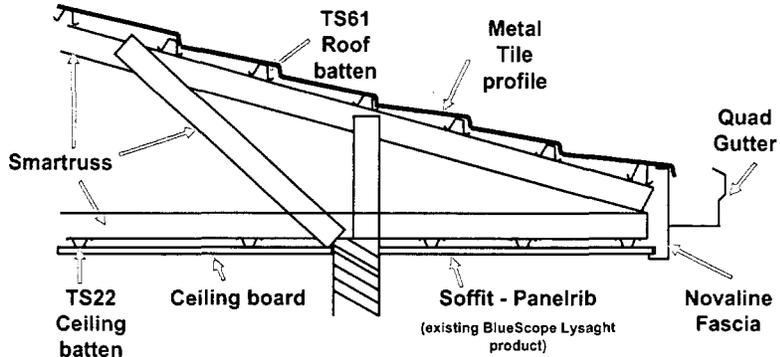
Skylight





Residential – Building Capability





- **Leveraging :**
 - Expertise from Australia and SEA
 - Strong Suite of BlueScope Steel brands in China
 - Existing Facilities

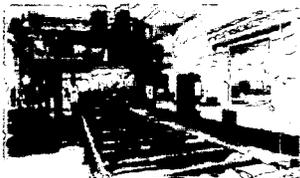
- **Bundled, Engineered Solution**

Utilising existing Songjiang facility

Expansions and New Solutions Roll-Out – Continuing to Grow



Tianjin & Langfang Expansions
Rounding out capability



New Products & Systems - Existing, Proven Solutions



MultiClad®



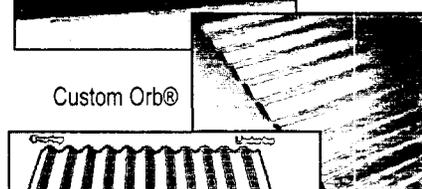
Fencing Solutions



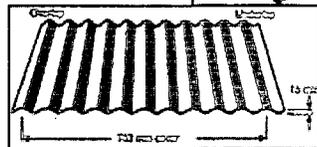
BONDEK II®
POWERDEK®

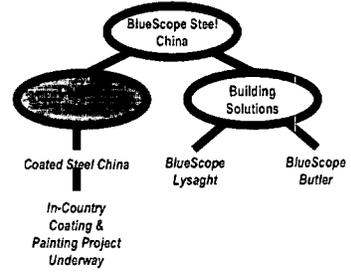


PanelRib®



Custom Orb®





Metallic Coating & Painting

State of the art A\$280m facility

250ktpa Coating line, 150ktpa Paint line

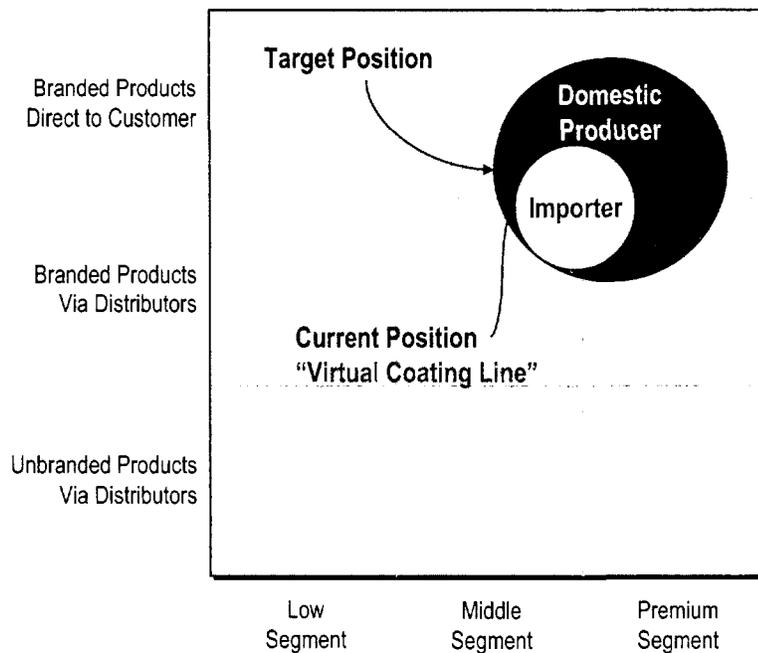
100% owned by BlueScope Steel

BlueScope Steel's largest single investment in Asia and Australia's largest investment in China



Same
Business development by seeding and backward integration
Building and construction core target market
Local feed sources
Different
Niche position in premium segment
Selected customer base
ZINCALUME® steel and TRUZINC® steel
“Show Case” facilities
100% BSL-owned

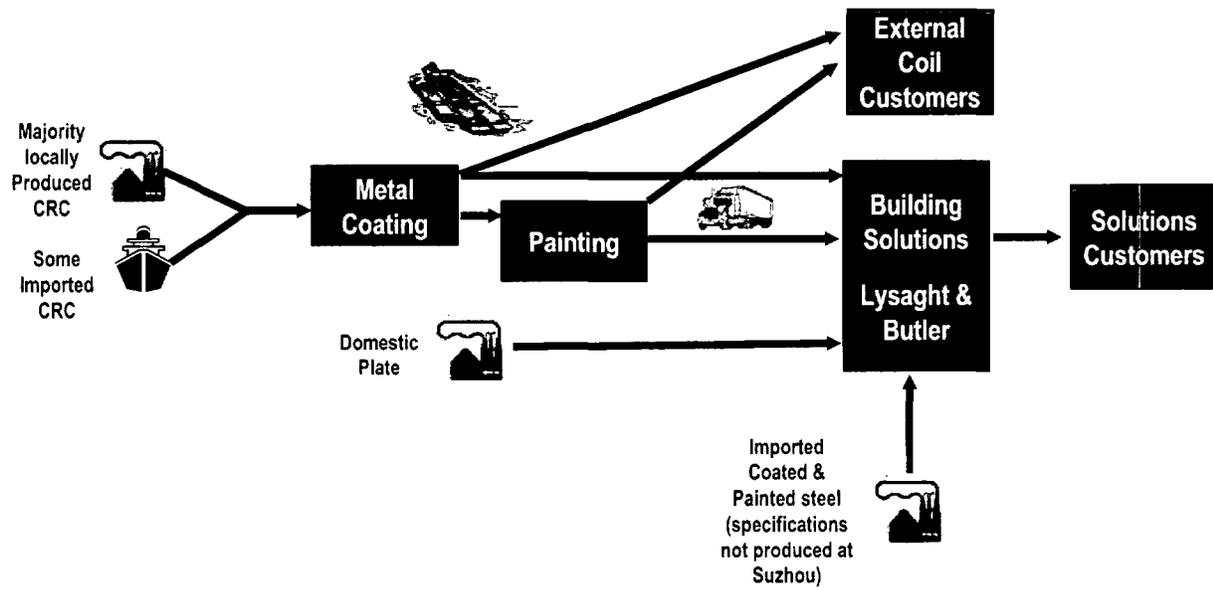
The Strategy: Produce in China and “do more of the same”



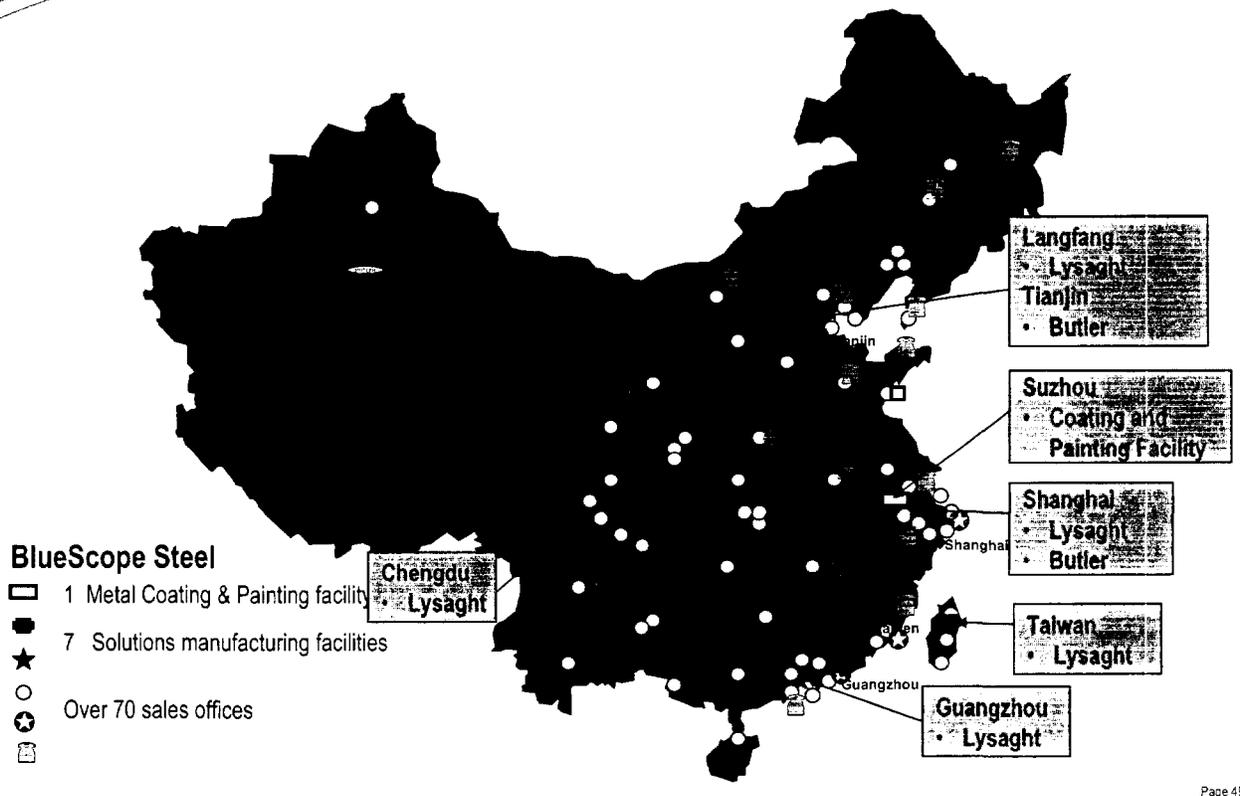
The Strategy builds on a well established and successful market position

Producing in China provides enhanced growth opportunities (improves service offer) and eliminates risks around long term imports not being sustainable):

- Retain current business
- Basis for growth
- Security for solutions businesses



Geographic Coverage



Doing Business in China

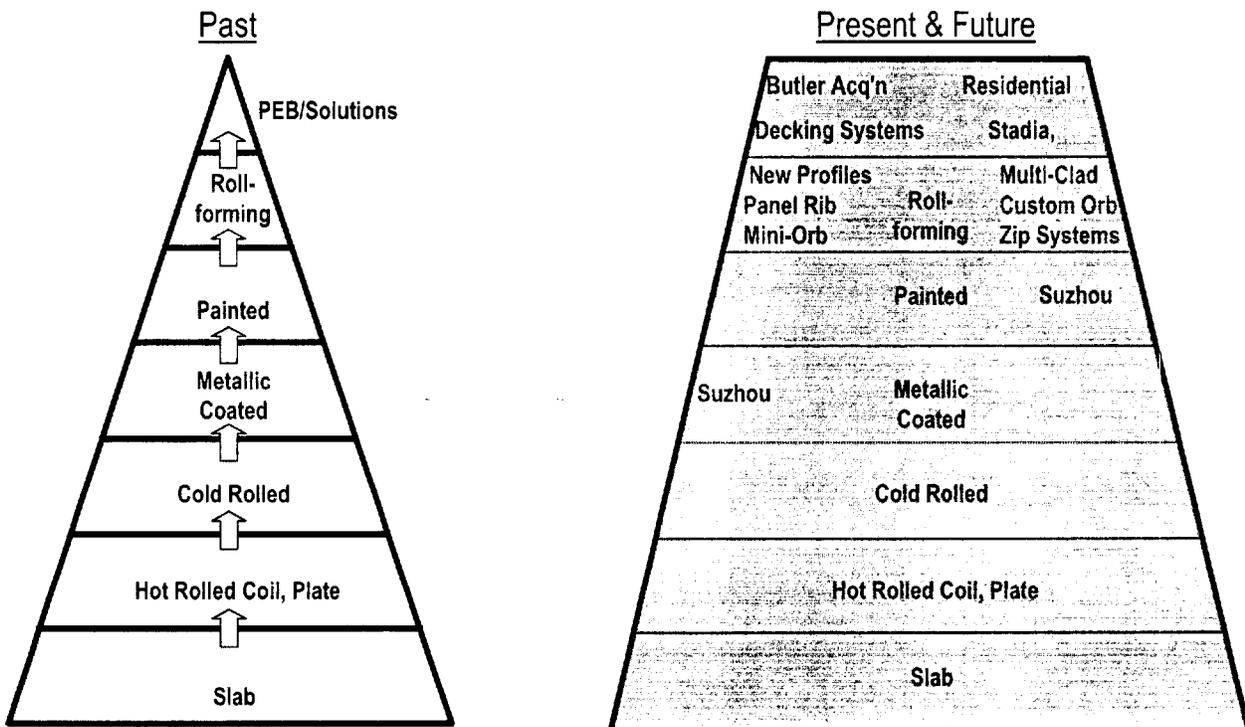
- **Positives :**
 - *World's strongest growth market*
 - *Appetite for leading edge, high quality technology & products*
 - *Good foreign companies are well regarded*
 - *Supportive investment conditions - incentives, support, speed*
 - *Huge, highly skilled labour pool*
 - *Many world class development zones*
 - *Access to key decision makers*

• Issues :

- Strong, growing and developing competition
- Competition for skilled labour – employment, retention, cost
- Some infrastructure issues – eg power
- Dealing with monopoly suppliers
- Variable quality of service providers – pre-qualify & define needs
- Bureaucracy
- Compliance to established or own standards
- Developing legal system – IP, debt recovery etc

BSL Strategy – Downstream, Value Added, Branded Products

“Delivering High Value Steel Inspired Solutions and Creating Shareholder Value”



- *We have established a strong base for future growth*
- *In doing so we are helping to further develop the use of steel in China and are bringing opportunities to employees, communities and the Chinese steel industry*
- *Leveraging our broad international capabilities while proudly emphasising our Australian heritage*
- *Extensive formal and informal networks and alliances*
- *Looking forward to further growth and development in China*



BlueScope Steel China

Australia's Largest Investor in China

Analyst Briefing - Shanghai – 10th November, 2004

Presented by:

Chris Fogarty President BlueScope Steel China



BlueScope Lysaght in China

Analyst Briefing - Shanghai – 10th November, 2004

Presented by:

Jack Hsiang

President BlueScope Lysaght Shanghai



Safety Induction

BlueScope Lysaght

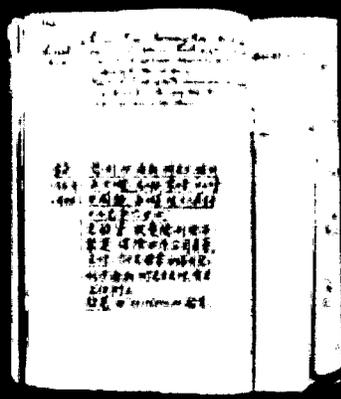
147 Year History in Metal Building Systems



First Trading Record between BHP and China

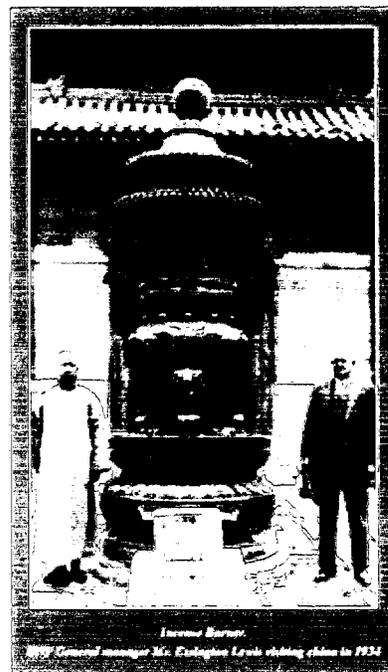
Photograph from the Sales Ledger of
The Broken Hill Proprietary Company

從布魯普希爾有限公司
總帳簿內拍攝的照片



Other sales of lead during 1891

Date	Vessel	Quantity	Price
1891/1/1	St. Paul	1000	1000
1891/1/15	St. Paul	1000	1000
1891/1/30	St. Paul	1000	1000
1891/2/15	St. Paul	1000	1000
1891/3/1	St. Paul	1000	1000
1891/3/15	St. Paul	1000	1000
1891/3/30	St. Paul	1000	1000
1891/4/15	St. Paul	1000	1000
1891/5/1	St. Paul	1000	1000
1891/5/15	St. Paul	1000	1000
1891/5/30	St. Paul	1000	1000
1891/6/15	St. Paul	1000	1000
1891/7/1	St. Paul	1000	1000
1891/7/15	St. Paul	1000	1000
1891/7/30	St. Paul	1000	1000
1891/8/15	St. Paul	1000	1000
1891/9/1	St. Paul	1000	1000
1891/9/15	St. Paul	1000	1000
1891/9/30	St. Paul	1000	1000
1891/10/15	St. Paul	1000	1000
1891/11/1	St. Paul	1000	1000
1891/11/15	St. Paul	1000	1000
1891/11/30	St. Paul	1000	1000
1891/12/15	St. Paul	1000	1000
1891/12/31	St. Paul	1000	1000





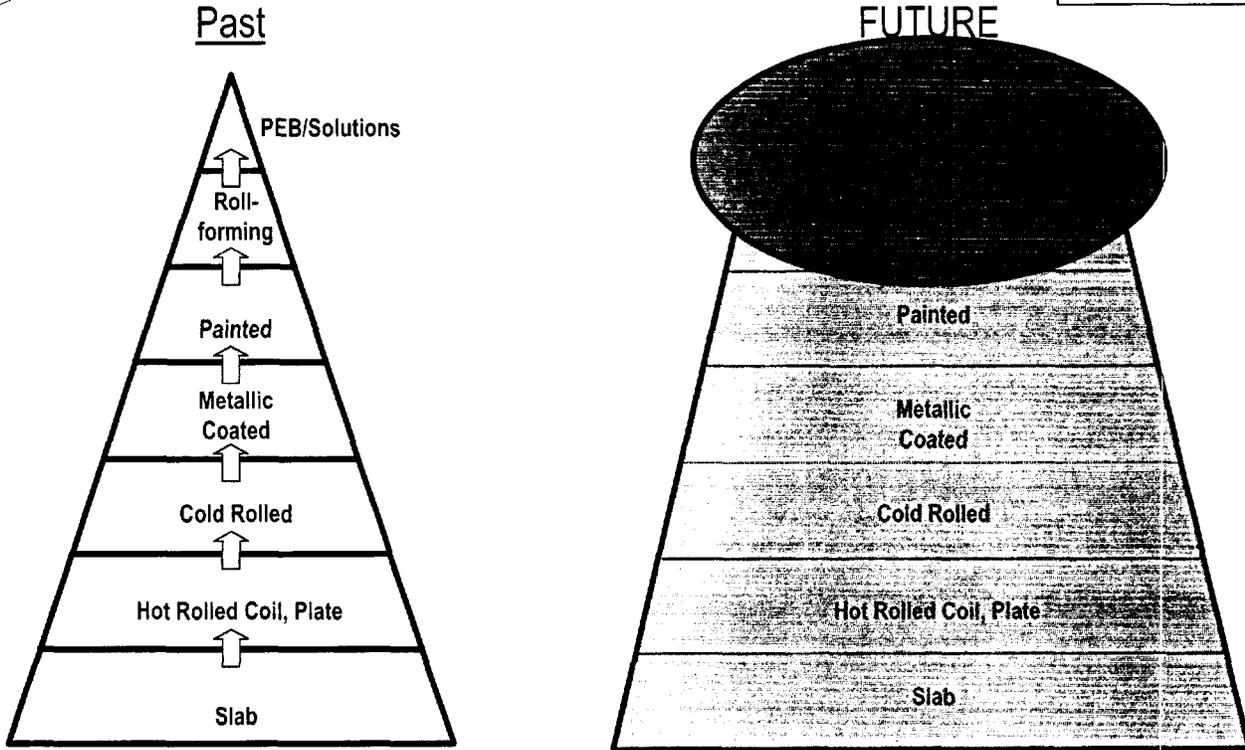
Premier Zhu Rongji met the
Managing director and CEO of
BHP in 1995



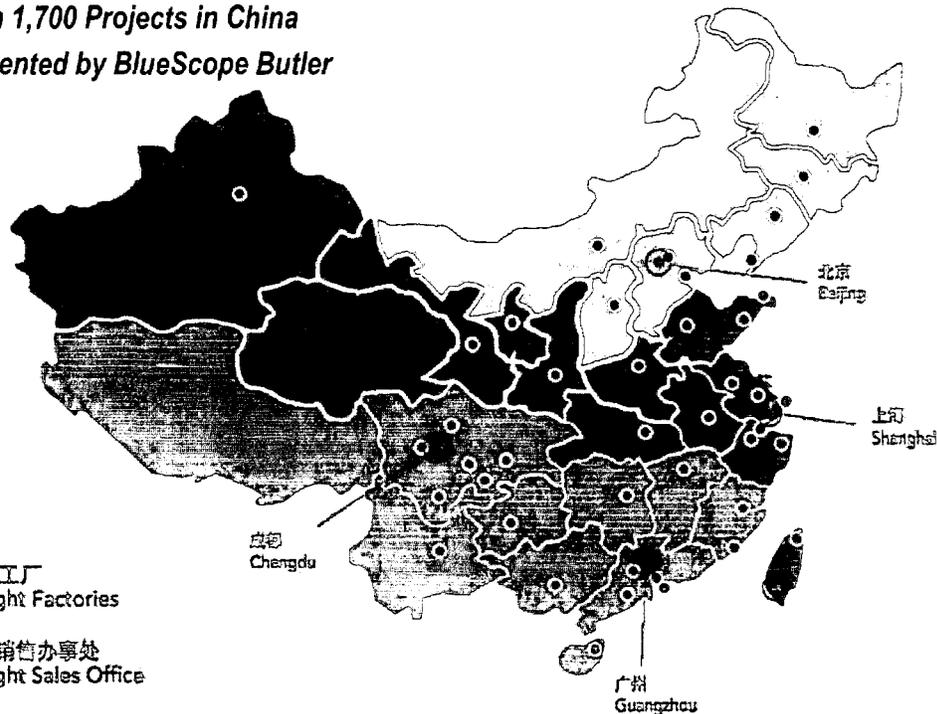
Australian Prime Minister John Howard
visited the Lysaght Shanghai Factory
in 1997

- ◆ 1979 - First Lysaght System provided to projects in China
- ◆ 1990 - BHP Lysaght (H.K.) founded
- ◆ 1995 - Lysaght (Guangzhou)&(Shanghai) came into production
- ◆ 2003 - Lysaght (Langfang) & (Chengdu) came into production
- Entered PEB market
- ◆ 2004 - Extensive roll out of new products & solutions
- Decision to build a coating line in Suzhou
- Complimentary Butler acquisition

Illustrative

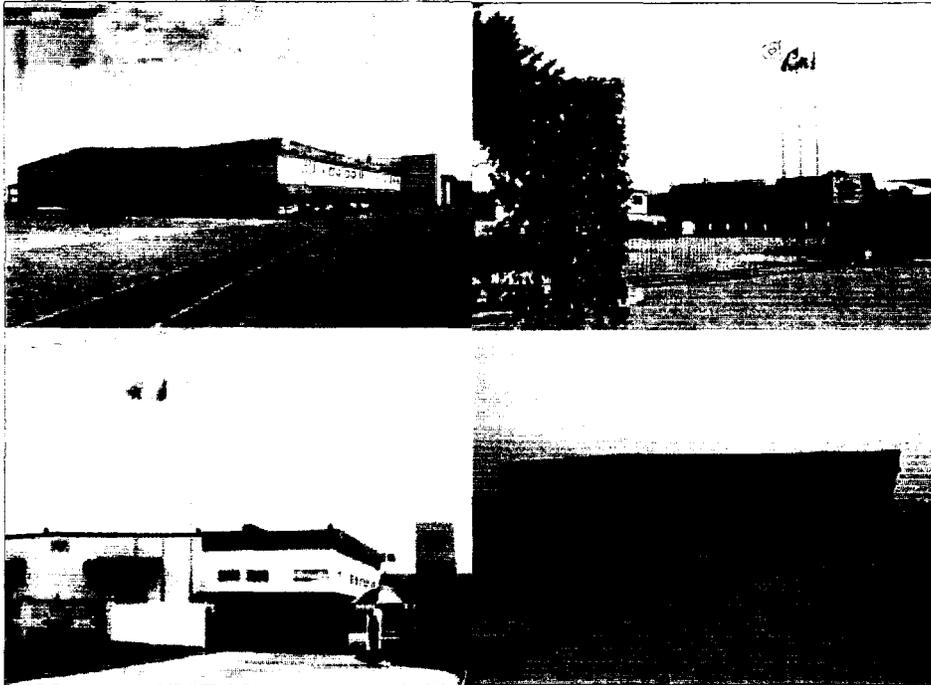


- A nation-wide network of Sales Offices
- 500 employees
- More than 1,700 Projects in China
- Complemented by BlueScope Butler



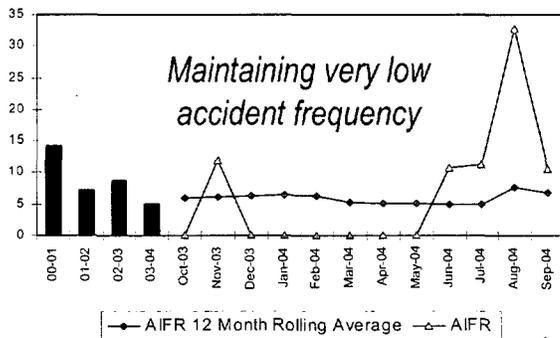
- BlueScope 来实工厂
BlueScope Lysaght Factories
- BlueScope 来实销售办事处
BlueScope Lysaght Sales Office

Lysaght Operations in China



Safety & Environment

AIFR - Combined



*Zero environmental
breaches*

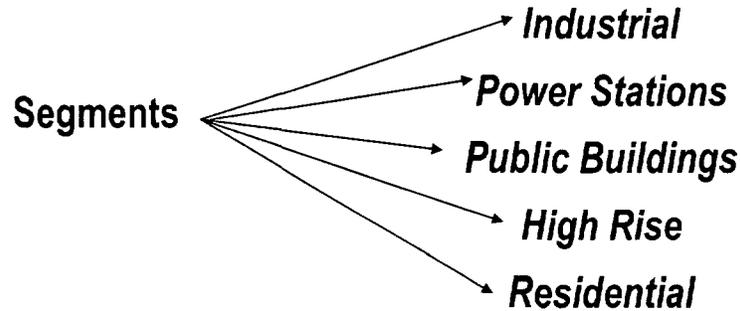
% of Employees conducting Audits - China



*Engagement of all personnel
in safety activities*



High value branded steel solutions for the building and construction industry



Segment teams support our customers through a direct channel to market



Business Environment & BlueScope Lysaght Developments

Business Environment

- Generally solid market conditions but significant variability between segments
- Industrial segment most impacted by recent market hesitancy but still delivering >30% yoy sales growth ytd
- Infrastructure development remains strong
- Cost & price pressure (increasing feed costs)

BlueScope Steel Investments

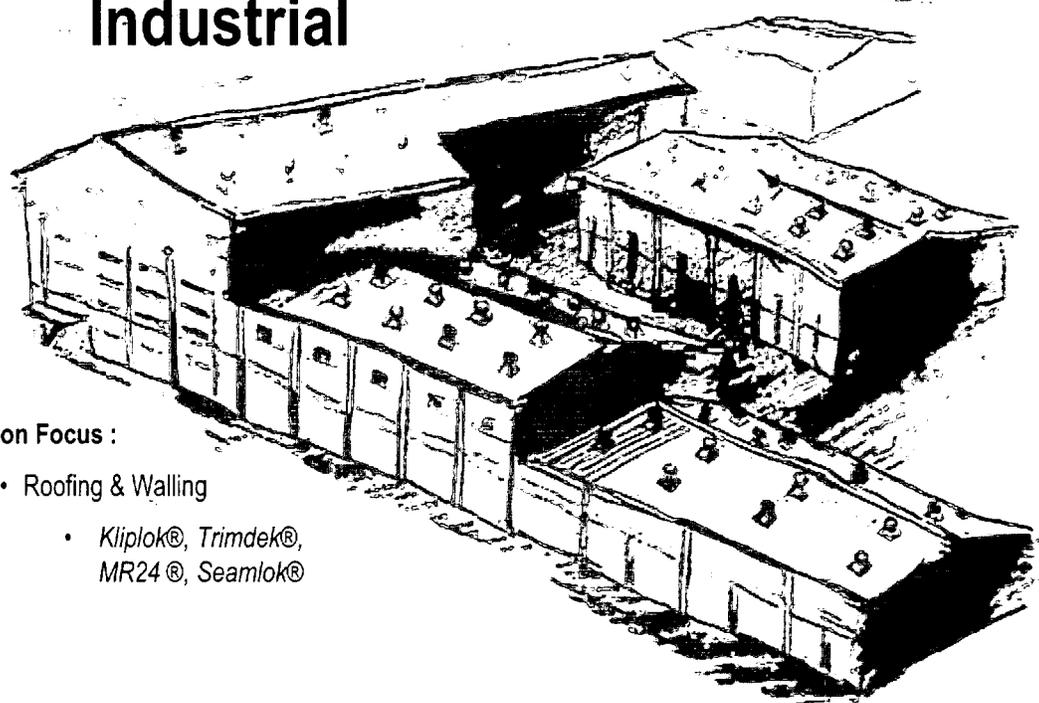
- Overall investments in BlueScope Lysaght China approx. A\$50m
- Approx A\$20m in the past 3 years
- Investments tied to segment strategy

	Shanghai	Guangzhou	Langfang	Chengdu	Kaohsiung	Residential	(B) Songjiang	(B) Tianjin
Klip-Lok								
Trimdek								
Crimp Curved Trimdek								
Prestige Panel								
Prestige Panel with PU								
C / Z Purlins								
Custom Orb								
Mini Orb								
Multiclad								
Panelrib								
Seamlok								
Ziplok								
W Deck								
Bondek								
Fencing								
MR24								
Butlerib								
Stylwall								
Butler liner panels								
Truss purlin								
Accessories								
Beam Welding line								
Smarruss								
Topspan								
Novaline Fascia								
Pierce fixed tile								
Concealed fixed tile								
Roll formed ridge cap								
Gutters & Downpipes								

= Long Term Product
 = Recent Addition
 = Available Soon

- Over 50 dedicated manufacturing lines
- 7 in-market locations
- Unique capability to tailor solutions to meet specific customer needs

Industrial



Solution Focus :

- Roofing & Walling
 - Kliplok®, Trimdek®, MR24®, Seamlok®

Automotive



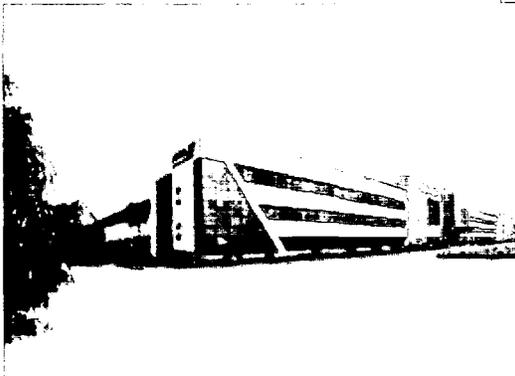
← Shanghai Auto Brake System



Shanghai Volkswagen →

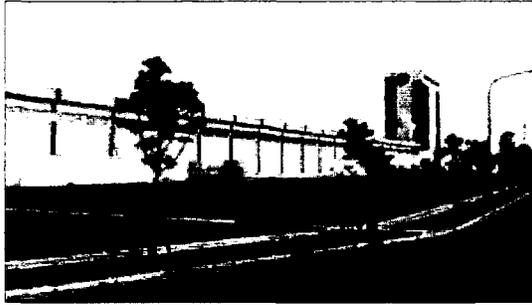
Automotive

Shenyang Jinbei Automobile →



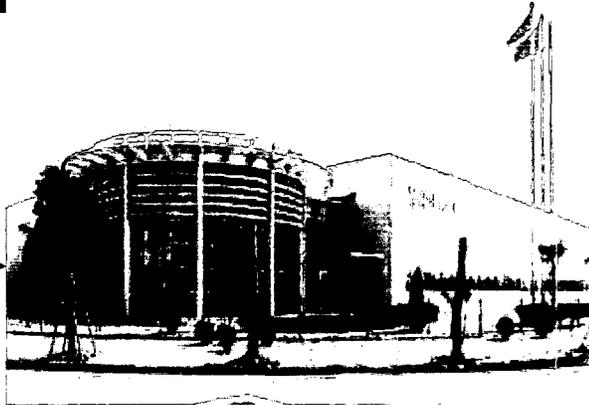
← Shanghai General Motor

Mechanical Manufacturing



Shanghai Krupp Stainless

Shanghai Wieland Metals



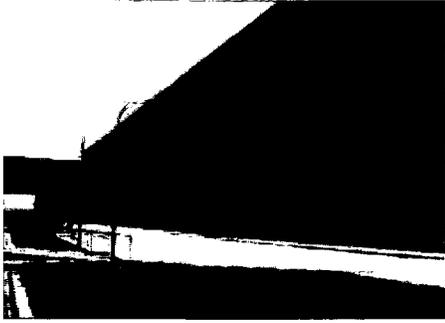
Mechanical Manufacturing

Dayawan Baoxing Steel



Jiangxi Yadong Cement

Electronics



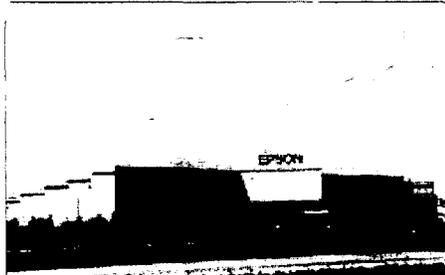
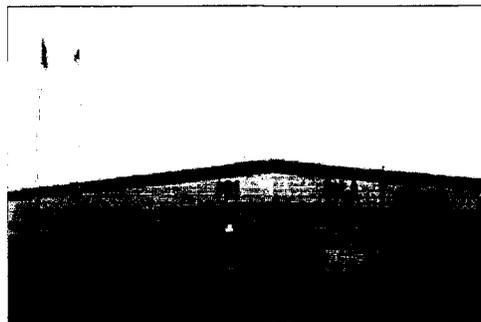
Beijing Nokia

Guangzhou Elin Transformers



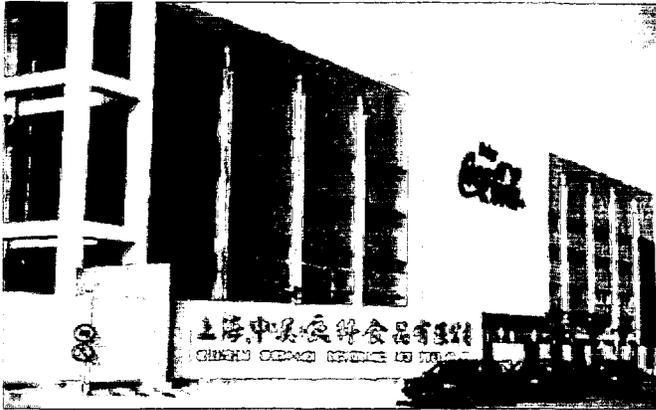
Electronics

Shanghai Intel



Shenzhen Epson

Food & Beverage



Coca-cola Pudong Jinqiao Plant

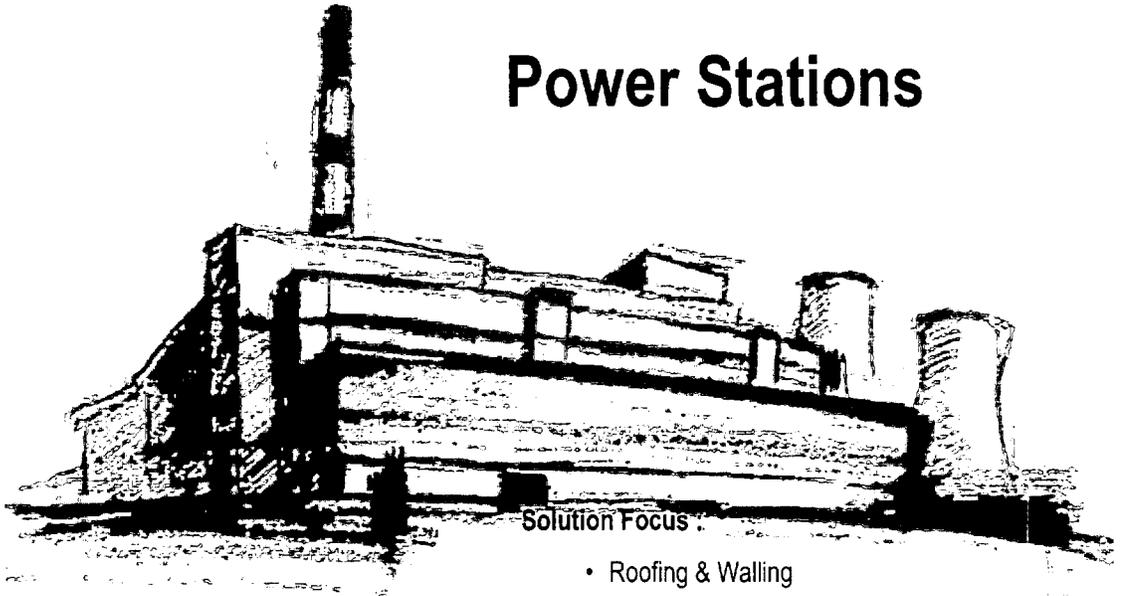


Nestle Cold Storage



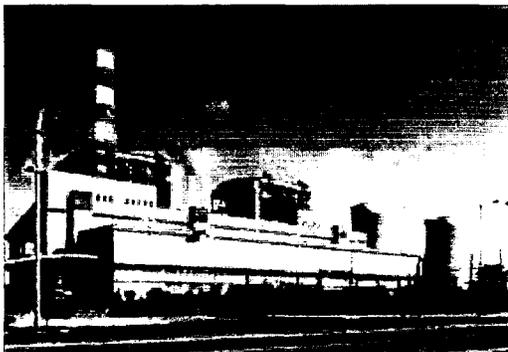
Lion Nathan Beer

Power Stations



Solution Focus :

- Roofing & Walling
 - *Kliplok®*, *Trimdek®*
- Structural Decking
 - *W-Dek*, *Bondek II®*, *PowerDek®*

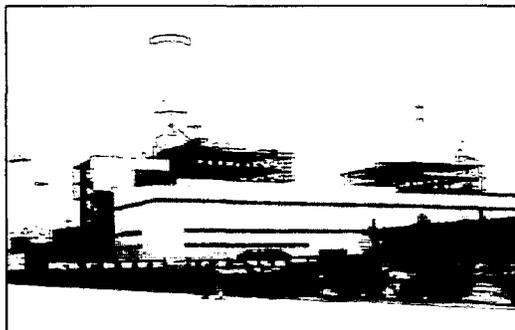
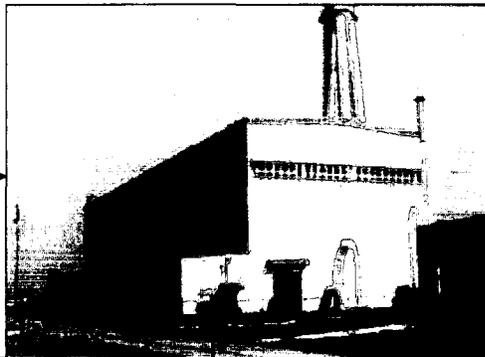


Shanghai Wujing Power Station

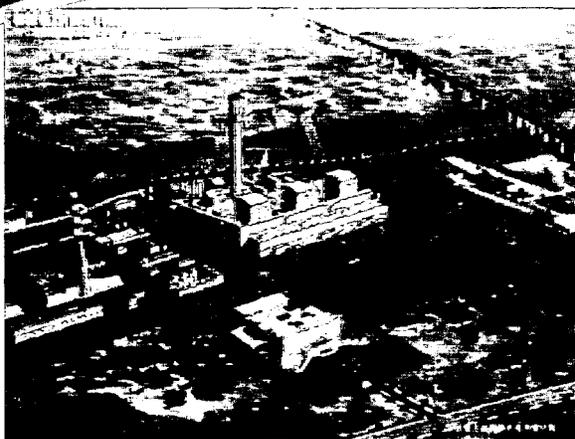
Shenzhen Mawan Power Station



Xiagang Power Station



Shanxi Hejin Power Station



Huarun China Resources Power Station (Chang Shu)

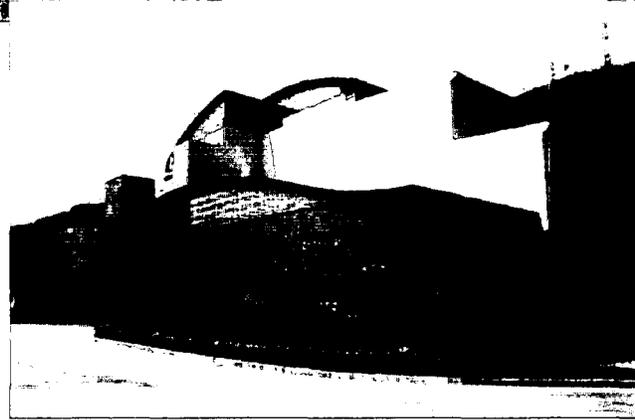


Tai Cang Power Station

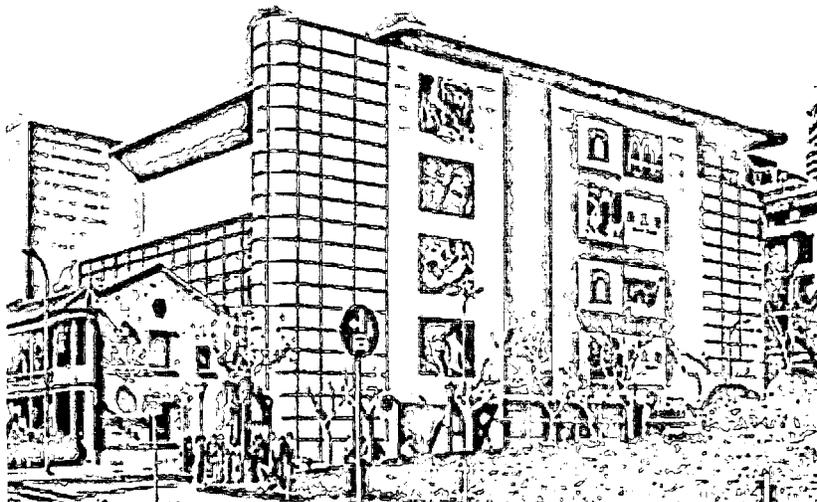


Shanxi Gujiao Power Station

Nanshan Power Station



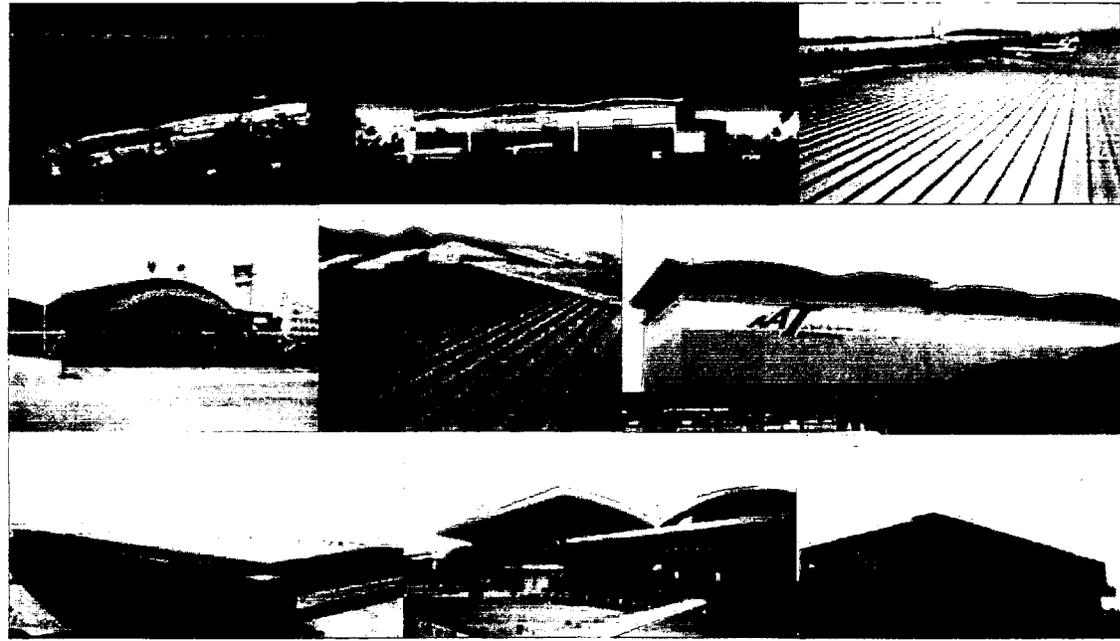
Public Buildings & Exhibition Centers



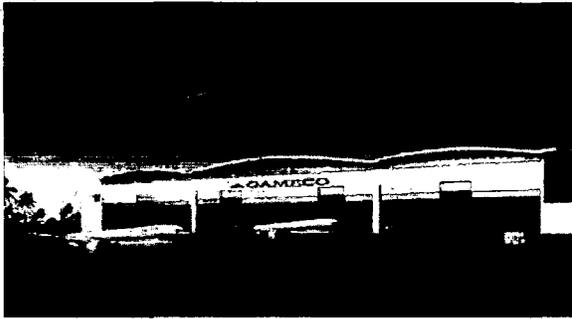
Solution Focus :

- Architectural Panel
- Vistawall
- Roofing & Walling
 - *Kliplok®*, *Trimdek®*,
Seamlok®, *MR24®*

Domestic Airports



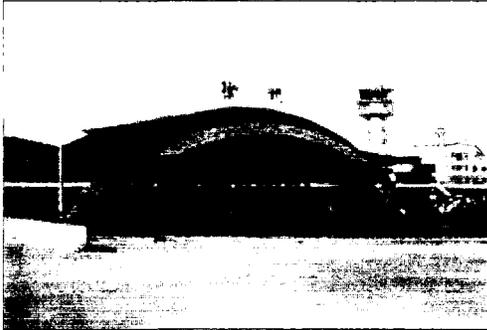
Shanghai Pudong International Airport Cargo Centre



Guangzhou Aircraft Maintenance Hangar



Hong Kong International
Airport Cargo Centre

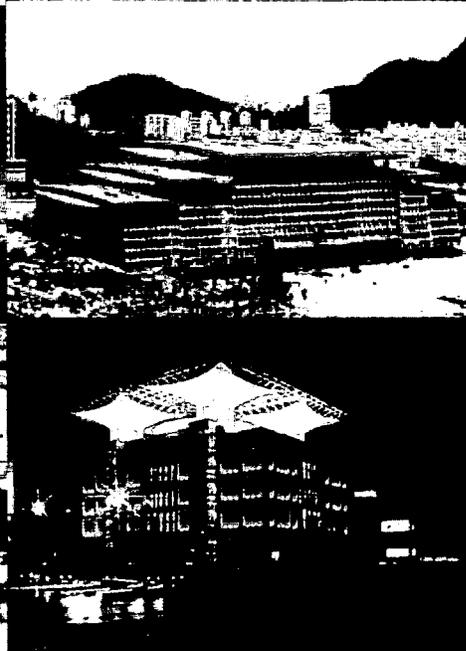


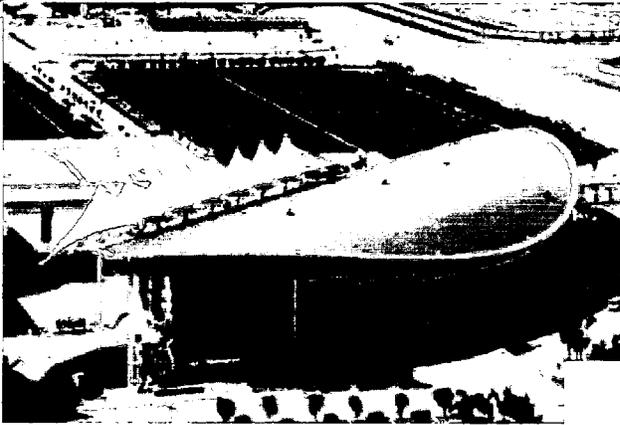
Xuzhou Guanyin Airport Terminal



Xiamen Taigu Airport

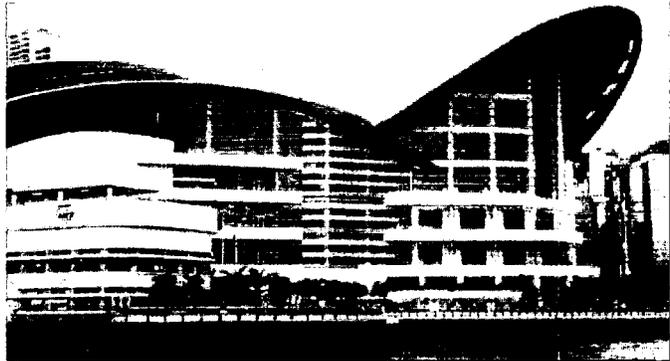
Exhibition Centers





Shenzhen Hi-Tech Trading Hall

Hongkong Conference & Exhibition Hall

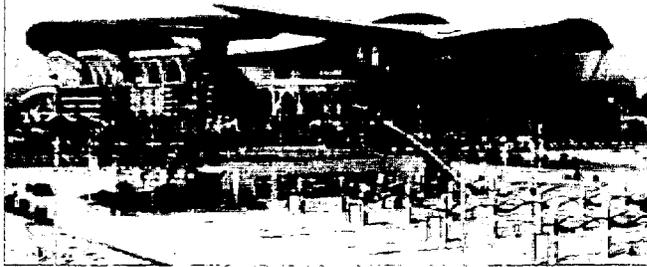


Sports Stadiums

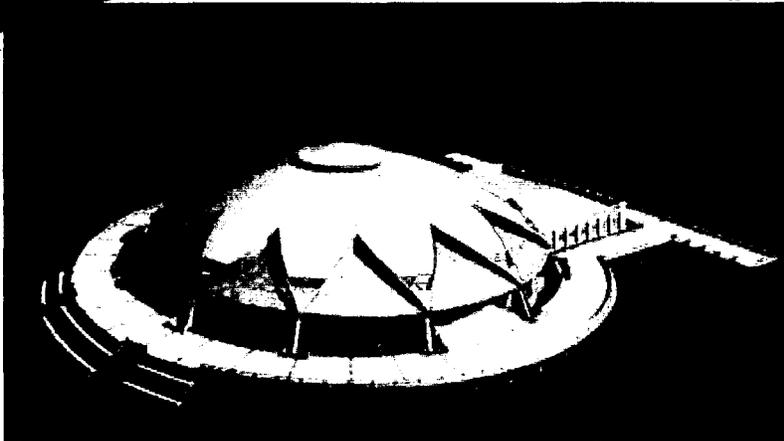
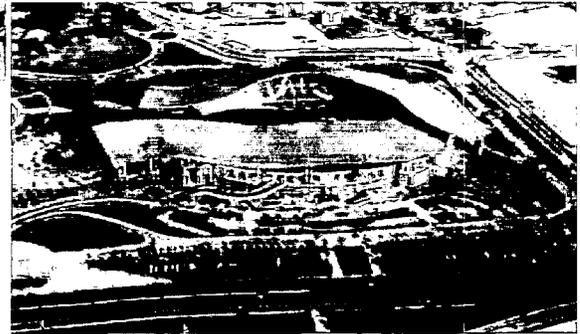


Solution Focus :

- Roofing & Walling
 - *Kliplok®*, *Trimdek®*,
Seamlok®, *MR24®*
- Architectural Panel
- Vistawall



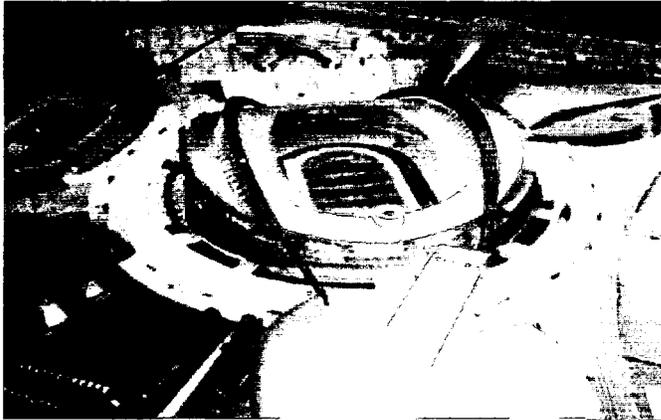
Guangdong Olympic Stadium
(The 9th National Games, GZ)



Urumqi Stadium

Shenzhen Stadium



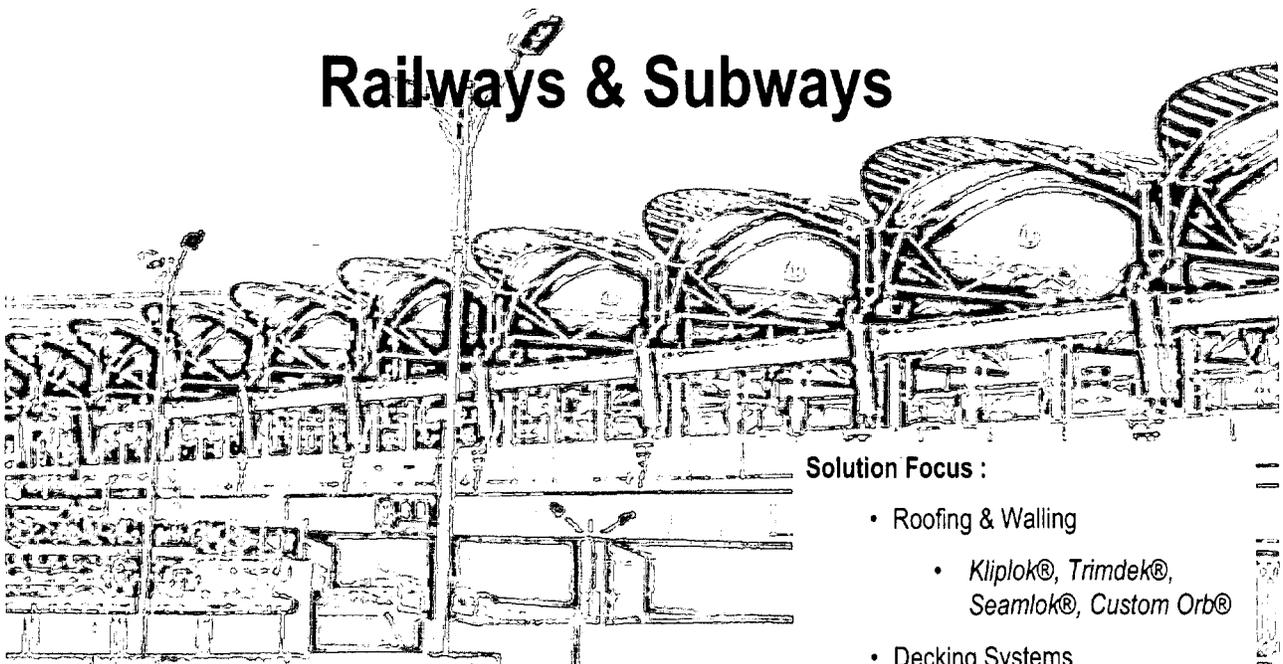


Nanjing Olympic Stadium
(The 10th National Games, NJ)

Guangzhou Shooting Gallery



Railways & Subways

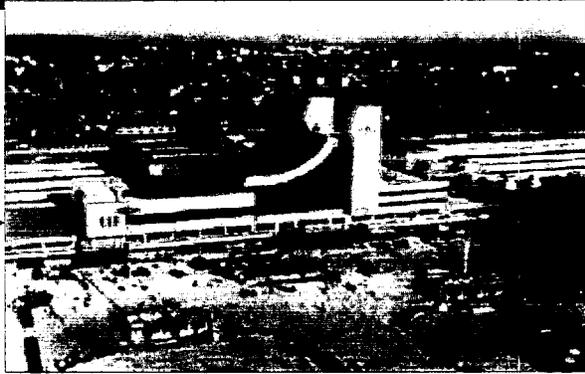


Solution Focus :

- Roofing & Walling
 - *Kliplok®*, *Trimdek®*,
Seamllok®, *Custom Orb®*
- Decking Systems
- Architectural Panel
- Vistawall

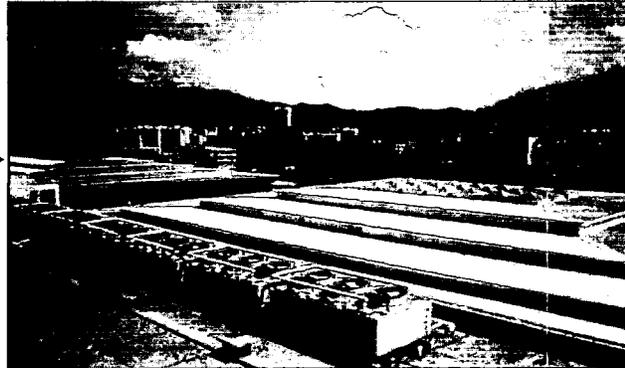


← Guangzhou Subway Locomotive



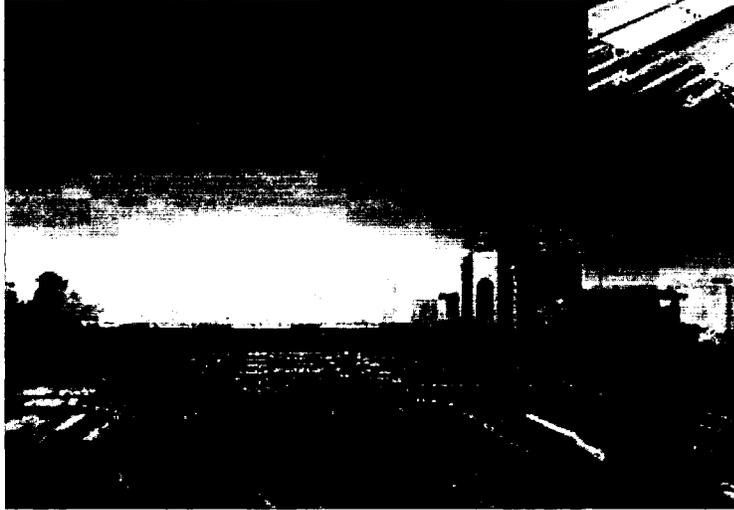
Xuzhou Railway Station →

Guangzhou East Railway Station →



← Beijing Light Rail Station

Beijing Railway Station Phase I & II

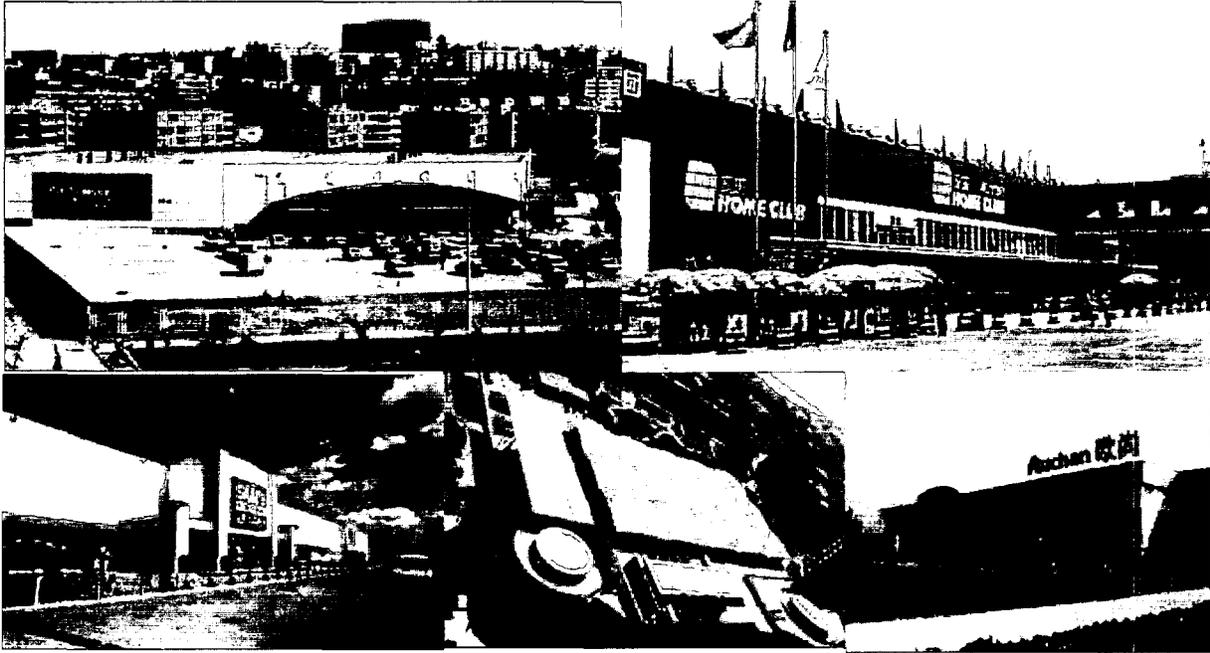


Supermarkets

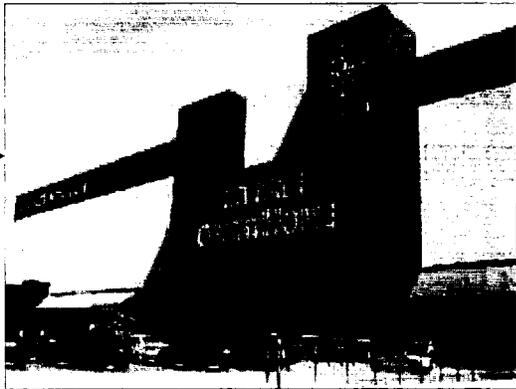
Solution Focus :

- Roofing & Walling
 - *Kliplok®*, *Trimdek®*,
Seamlok®, *MR24®*
- Architectural Panel
- Vistawall





Orient Homestead →

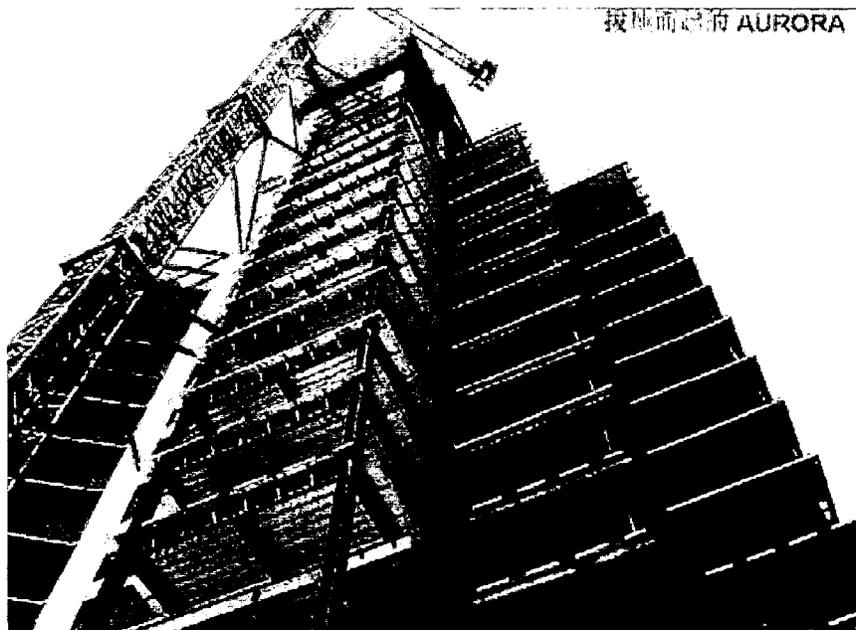
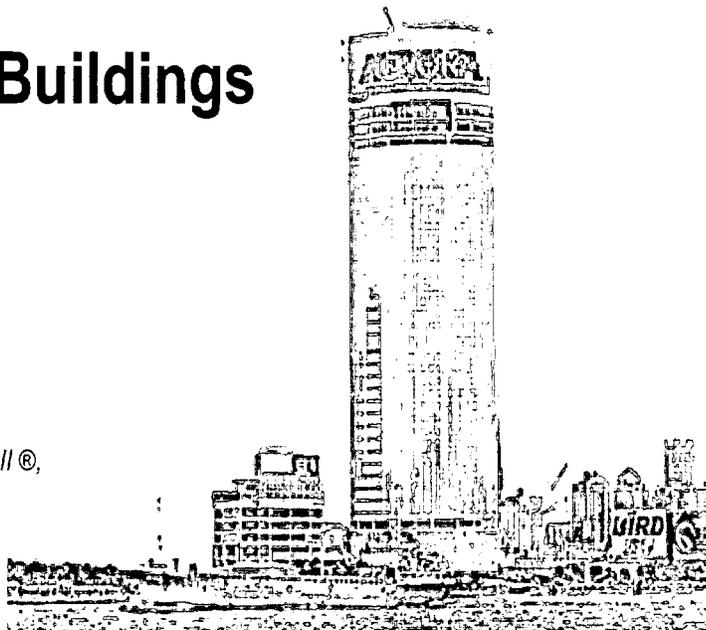


← Xi'an Ziwei Shopping Mall

High Rise Buildings

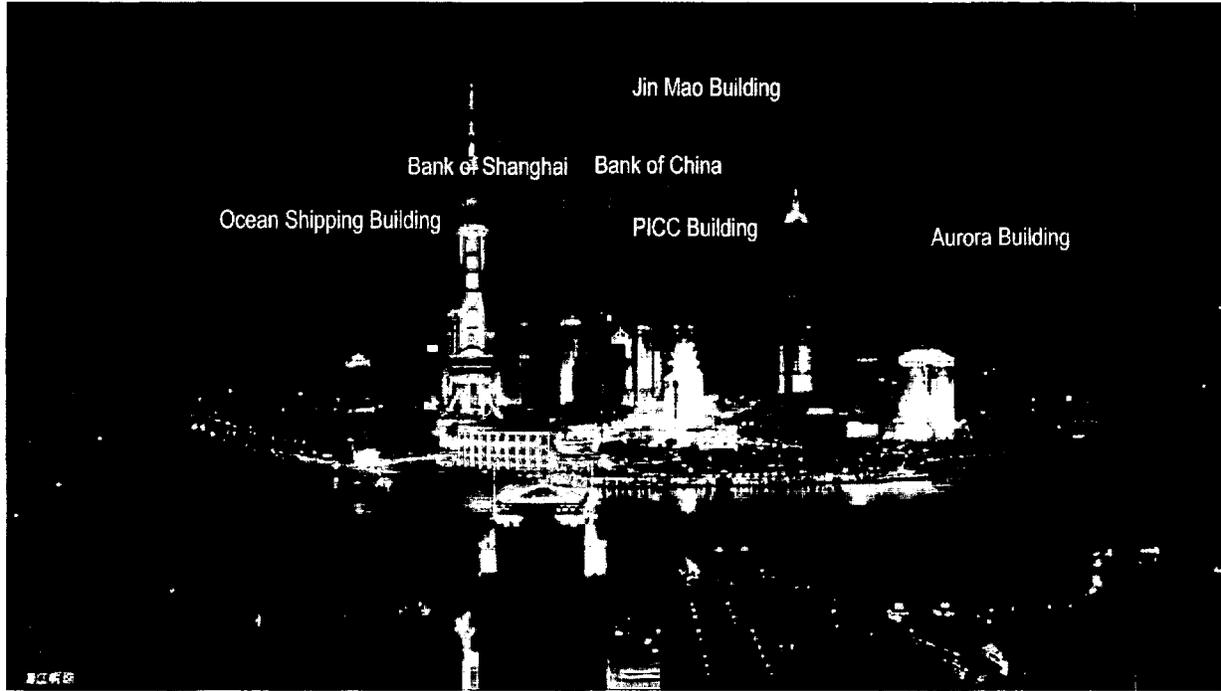
Solution Focus :

- *Structural Decking*
 - *W-Dek, Bondek II ®, PowerDek®*
 - *Vistawall*

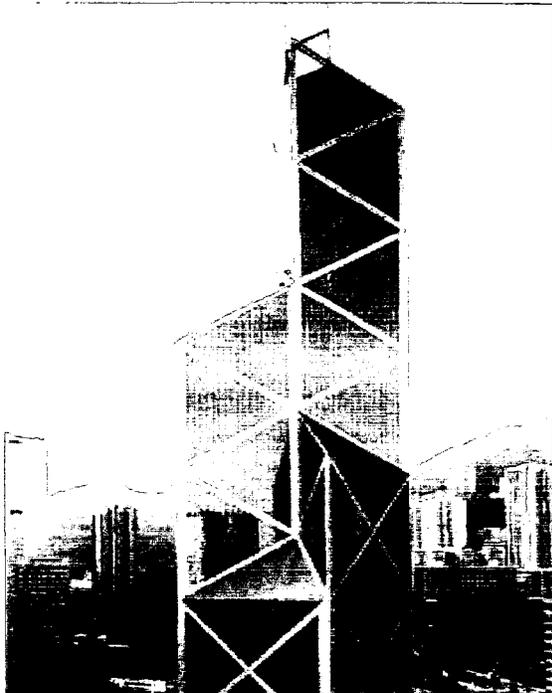


Aurora ,SH





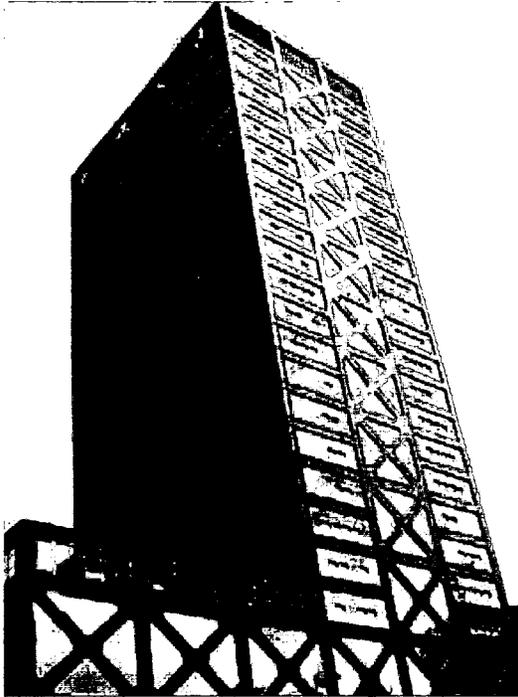
Bank Of China Building, HK



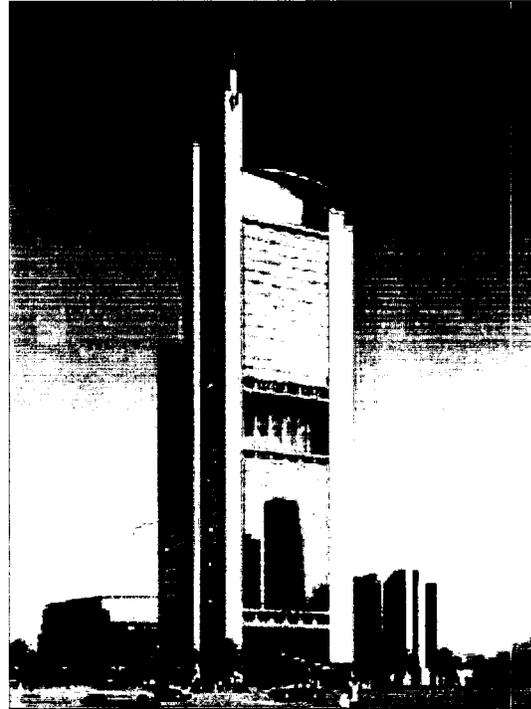
Shipping Building, Guangzhou



Nanjing Subway Command Center



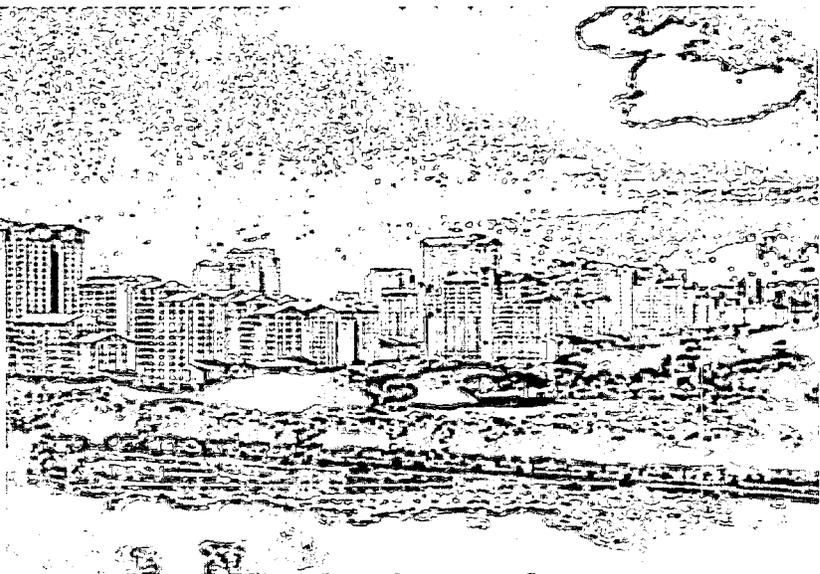
Beijing TV Center



Residential

Solution Focus :

- Roofing & Walling
 - *Smarruss®*, *Tiles*,
Kliplok®, *Trimdek®*,
Custom Orb®
- *Architectural Panels*
- *Structural Decking*





Beijing Longshan Garden



Beijing Tianci Liangyuan Garden



← Dalian Residential Building

Shenzhen Rushimeidi Garden →



Classical Lysaght Systems In China

Lysaght Klip-Lok® System

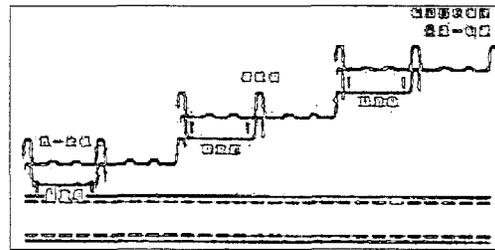
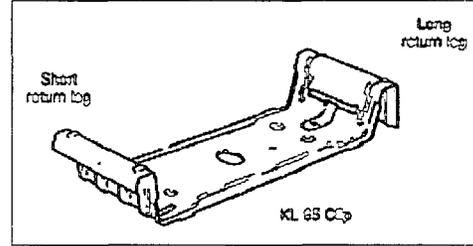
Lysaght Trimdek® System

Lysaght Purlin System

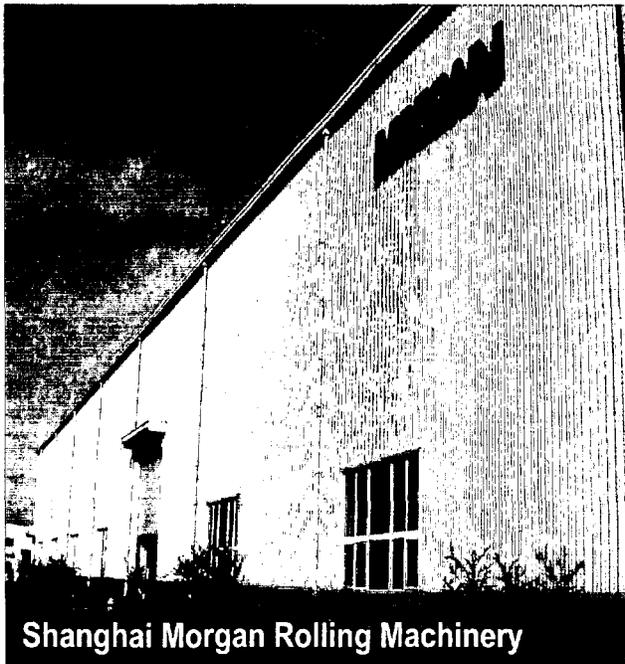
Lysaght Decking System



Lysaght KlipLok® Cladding System

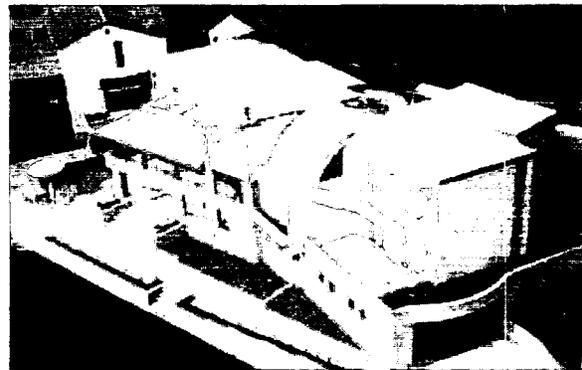


Lysaght Trimdek® Cladding System



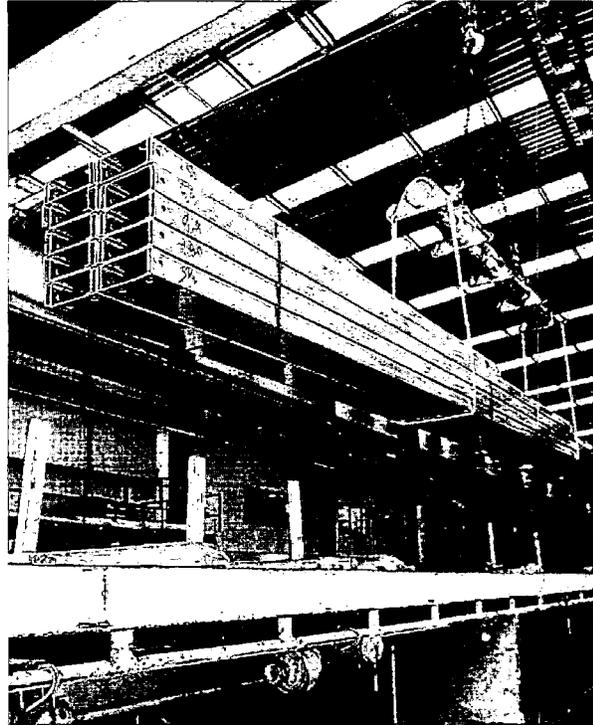
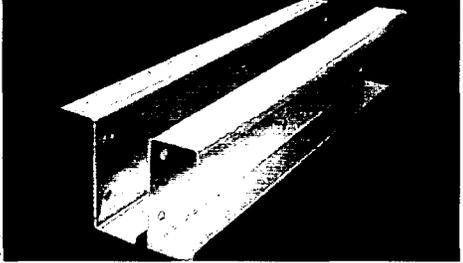
Shanghai Morgan Rolling Machinery

Lysaght Trimdek cladding system

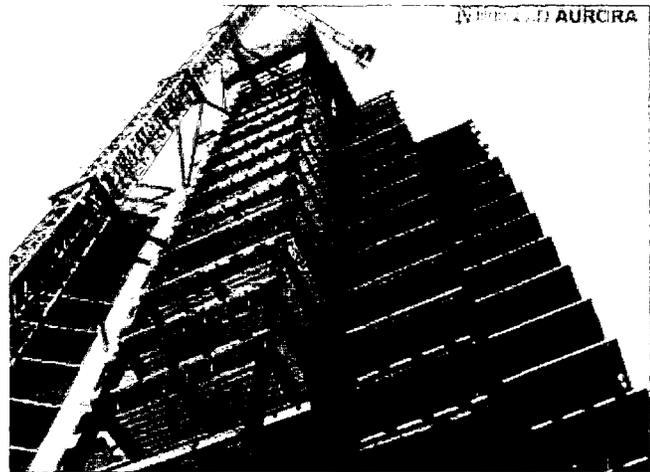
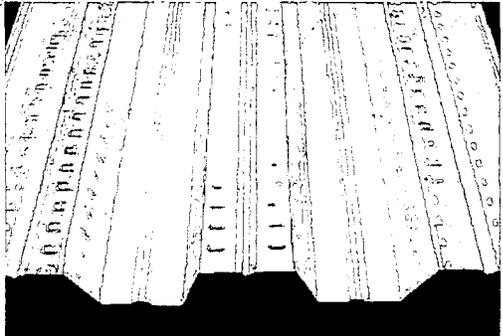




Lysaght Purlin Systems

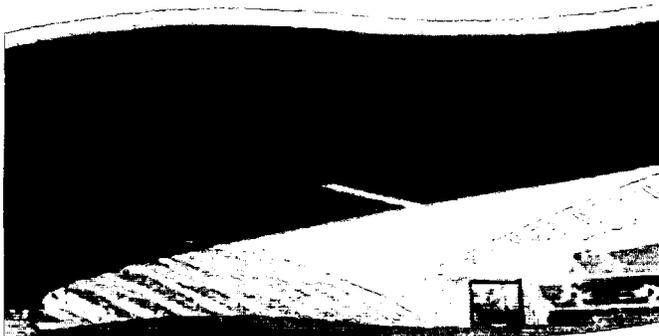


Lysaght Decking System 2W/3W



LYSAGHT

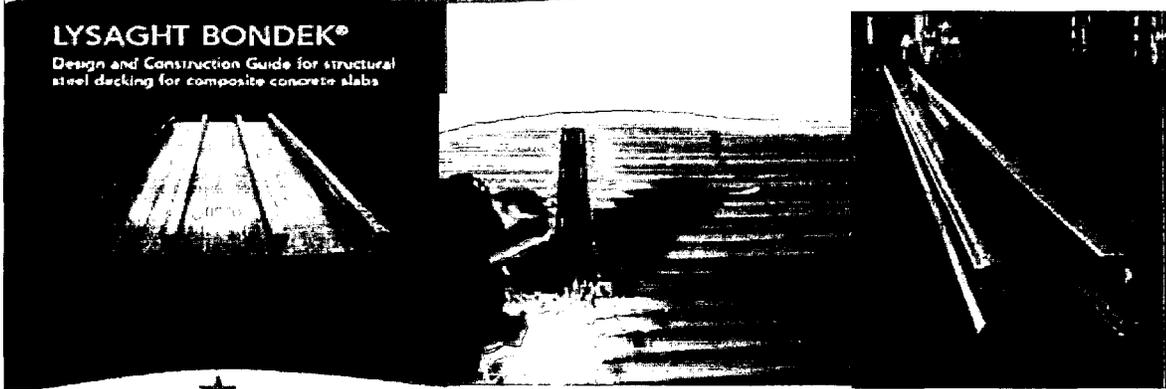
BONDEK



BONDEK II & PowerDek®
- New decking systems to China

LYSAGHT BONDEK®

Design and Construction Guide for structural
steel decking for composite concrete slabs



New Cladding System Launch

Lysaght Custom Orb®

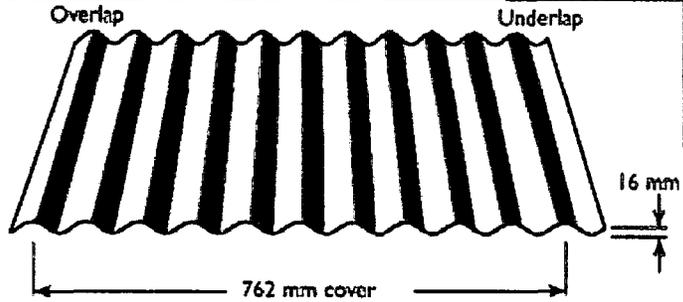
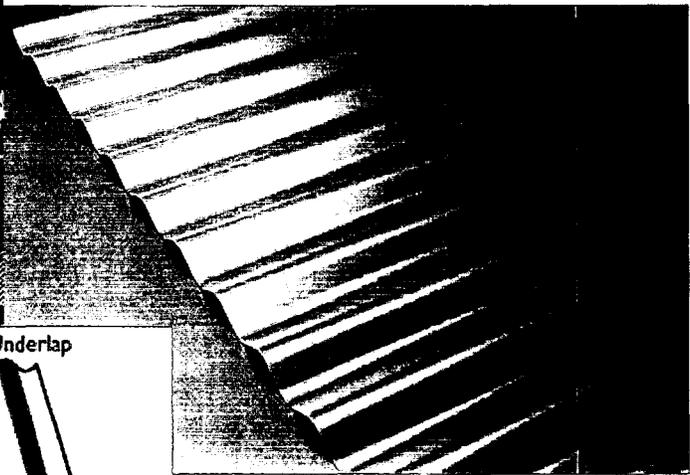
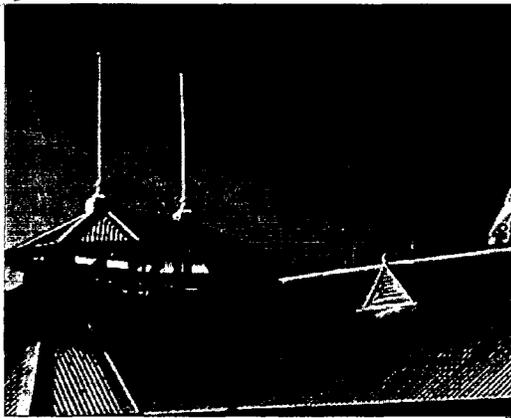
Lysaght Custom Blue Orb®

Lysaght Panelrib®

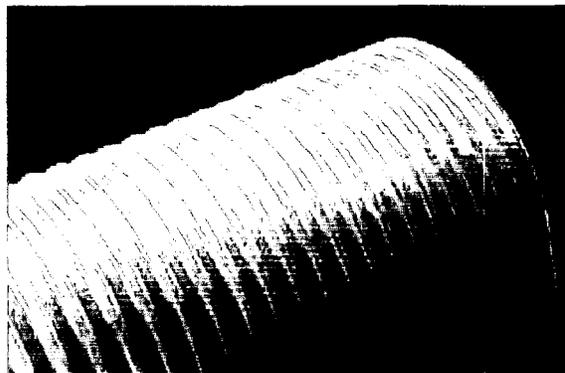
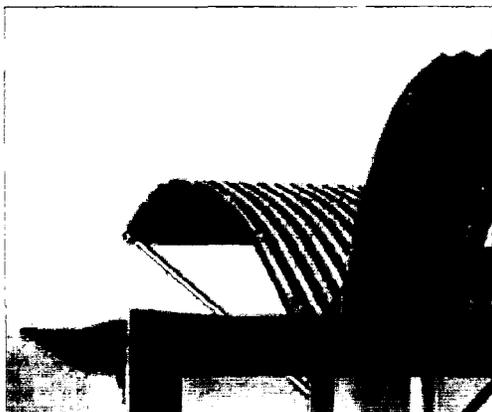
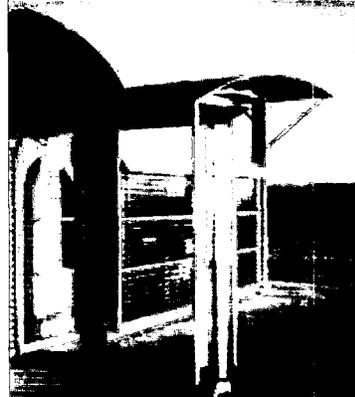
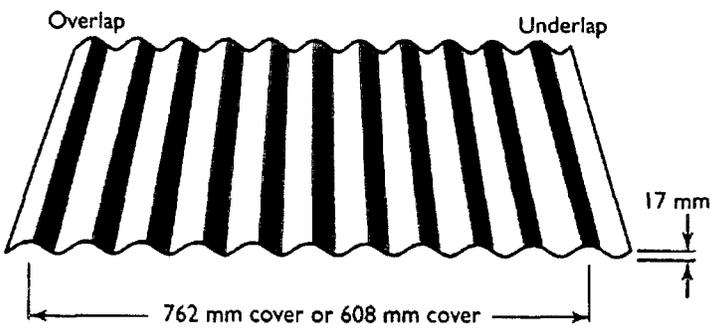
Lysaght MultiClad®

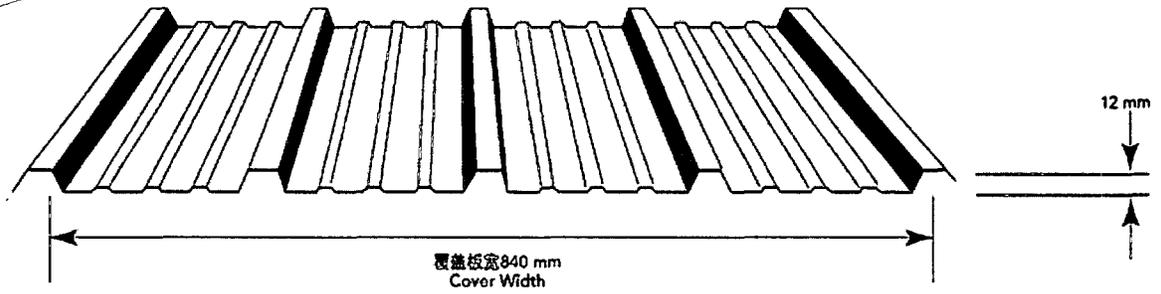
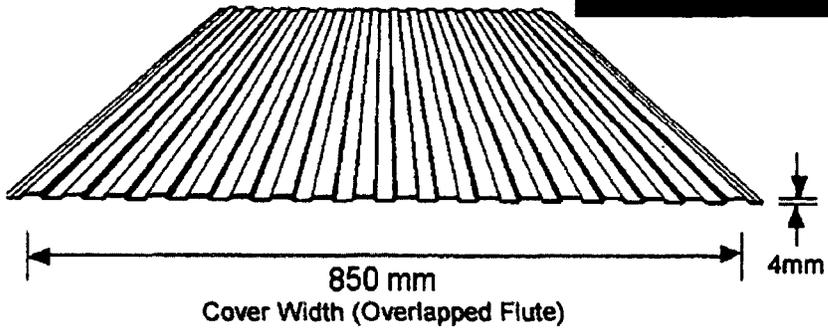
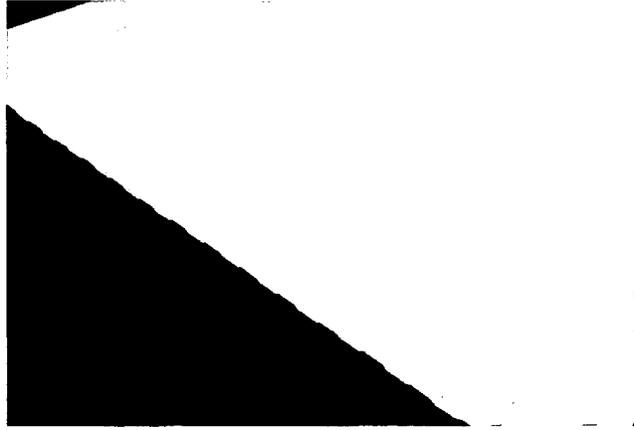


Lysaght Custom Orb®



Lysaght Custom Blue Orb®



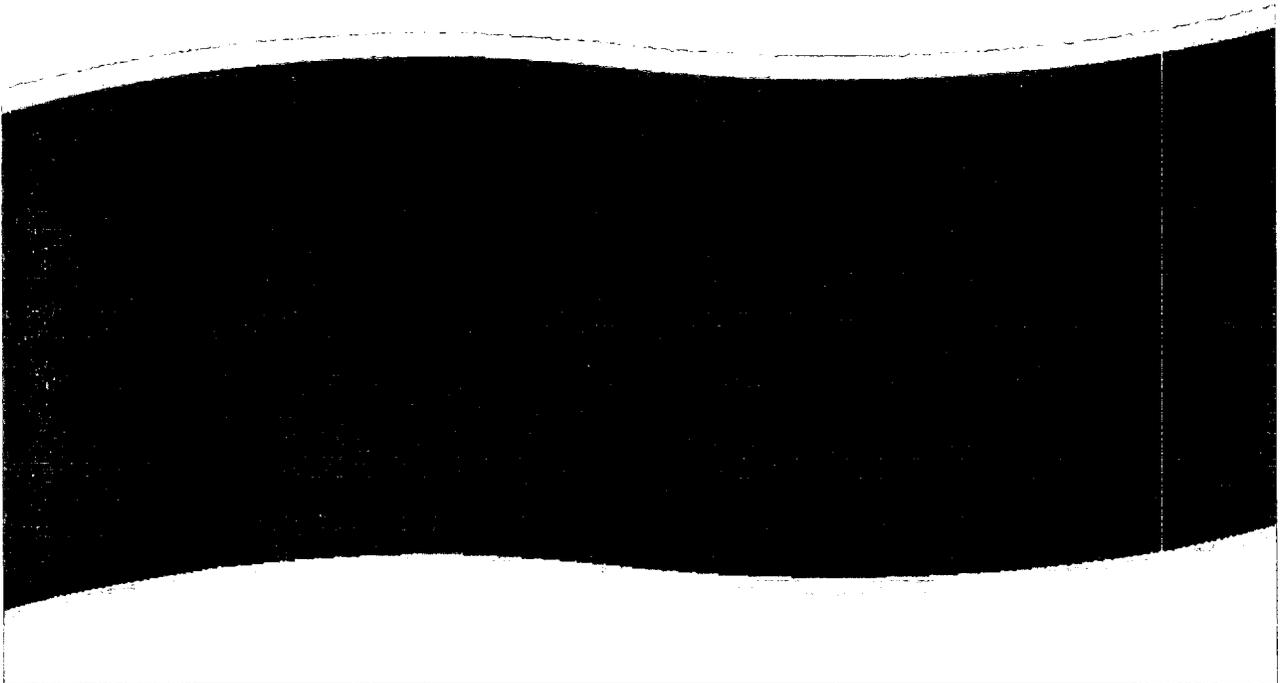


单位重量 Masses

基板厚度 BMT	kg/m	kg/m ²	m ² /t
0.35 ZINCALUME	2.74	3.26	306
0.35 COLORBOND	2.80	3.33	300
0.42 ZINCALUME	3.26	3.88	258
0.42 COLORBOND	3.32	3.95	254



Factory Tour





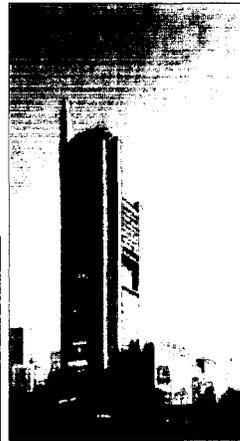
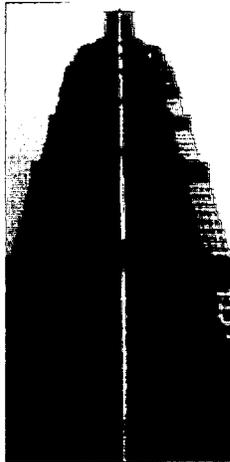
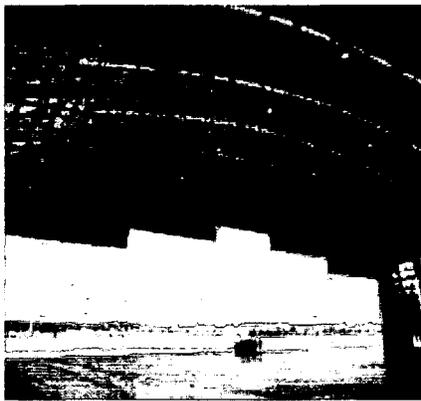
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2004 DEC 14 10 13 AM
OFFICE OF INTERNATIONAL
CORPORATE AFFAIRS

Asian Building & Manufacturing Markets

Mike Courtnall

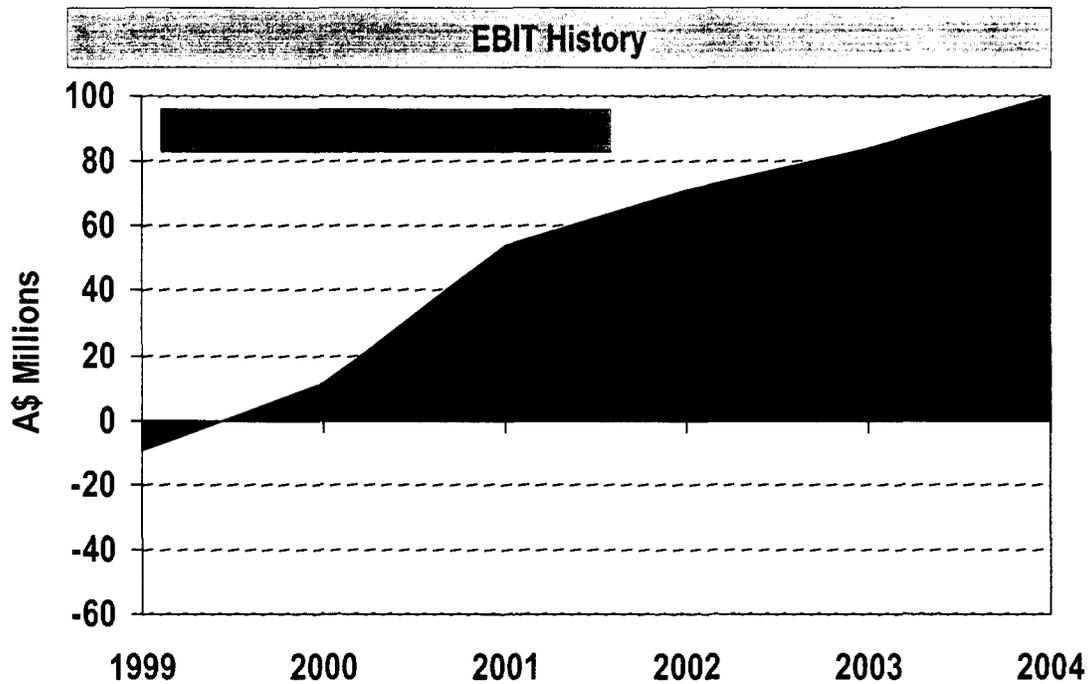
Analyst Presentation - November 2004

Asian Building & Manufacturing Markets



1. Overview & Strategy
2. Facilities and Processes
3. Products and Markets
4. Financials
5. Strategy
6. Summary
7. Core Business Overview

Performance



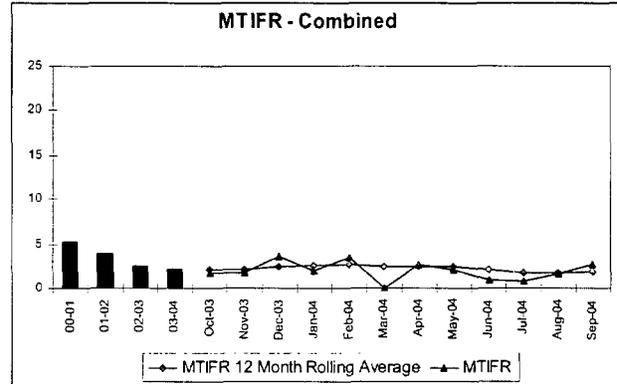
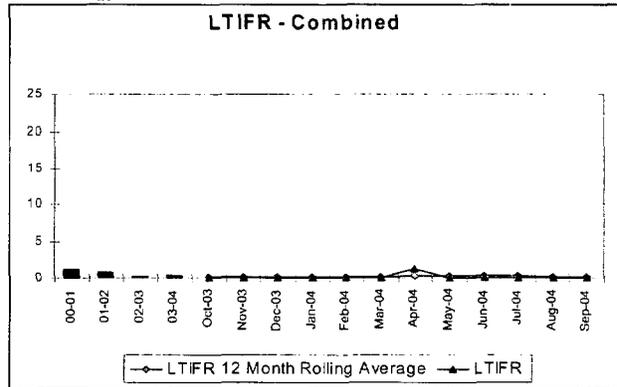
Safety Performance

FY2004 Performance

- LTI's: None (Sep YTD)
- MTI's: Six (Sep YTD)
- Statistics:
 - 6,020,634 hours since the last LTI
 - YTD LTIFR = 0, YTD MTIFR = 1.7
 - Low but improving audit involvement at Butler China
 - Zero non-compliance to environmental licence



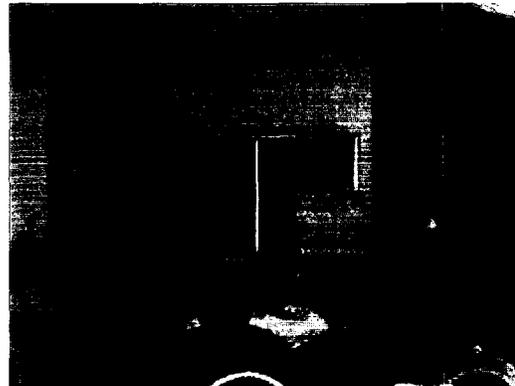
Date of last MTI – 27 September, 2004



Safety Performance

Safety Indicators

- 3 million hours LTI Free – China
- 1.15 million hours MTI Free – Malaysia
- 2 million hours LTI Free – BSI
- 1 million hours LTI Free – Phu My, Vietnam
- 0.5 million hours LTI Free – MCL2 Thailand
- Brainstorming session to identify major hazards at site



A clear focus on and discipline by management and employees that also extends to other activities including manufacturing excellence, prime yield and productivity

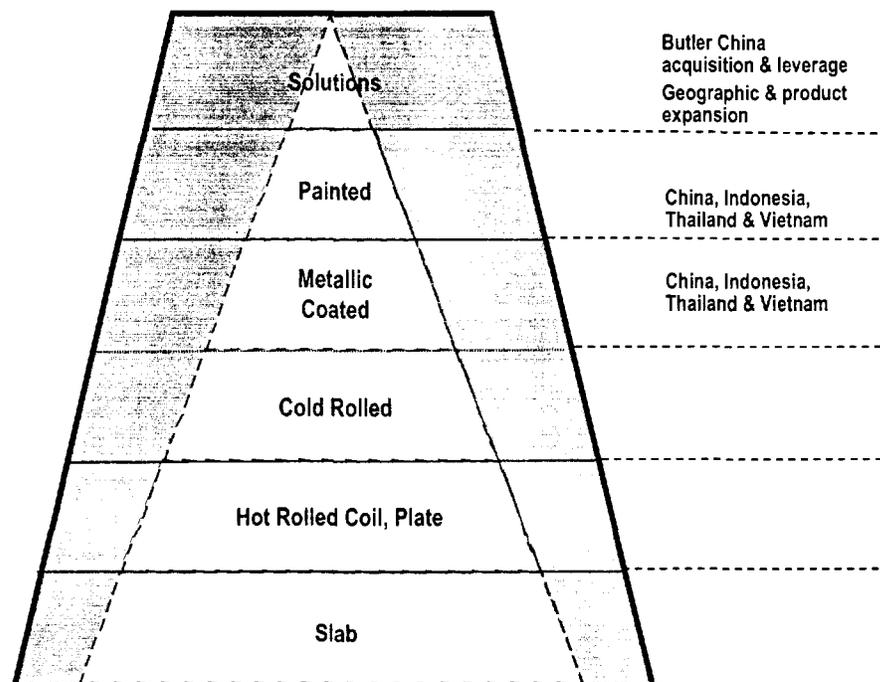
“Delivering High Value Steel Inspired Solutions and Creating Shareholder Value”

- **Ongoing year on year Revenue and EBIT growth despite cyclical steel prices and foreign exchange movements**
- **China metallic and painting facility on budget / on schedule**
- **Thailand metallic coating expansion on budget / on schedule**
- **Vietnam metallic and painting facility on budget / on schedule**
- **Successful acquisition and integration of Butler Manufacturing businesses**
- **New products successfully launched across Asia**
- **Higher value solutions drive continuing**
- **Ongoing review of growth opportunities**

All reviewed later in this presentation

Increasing our Value Add

Asia



- **Asia is the Core Growth Region for BlueScope Steel**

- *Maintain a prioritised portfolio of growth opportunities*

- **Discipline**

- *Optimise existing assets and in-fill capability gaps*

- *Clear focus on brands:*

- *Market opportunity*
- *Targeting superior returns*
- *Capital Management*
- *Managing risk*
- *Robust data gathering and evaluation methodology*

- **Build on the successful track record of backward integration following establishment of strong market positions**

- **Solutions focus also drives us further downstream than traditional rollforming activities**

Asia Building & Manufacturing Markets

- **Market leaders offering**

- Metallic coated
- Pre-painted steel
- Solutions to the building & construction markets

- **Through**

- A network of world class facilities
- Wide geographic footprint
- Over 3,000 great people

- **Leading brands & products**

- Tailored to the local markets and their segments

- **Portfolio of markets**

- Multi-domestic & export

- **Well developed channels to market tailored to specific market needs**

- **Focus on customer service and manufacturing excellence, safety and the environment**

- **Core growth region for BlueScope Steel**



Colorbond

Zincalume



PrimaDesa

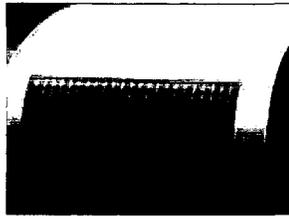
LYSAGHT

Downstream Growth – Value added branded products



clear

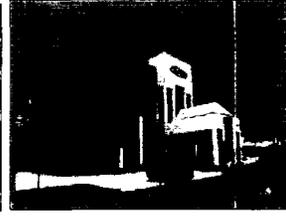
Colorbond®



Zincalume®



LYSAGHT



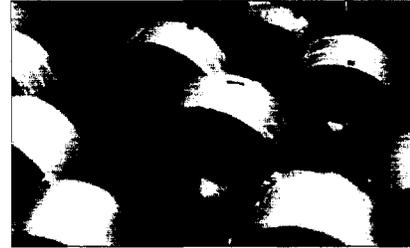
**BlueScope Butler
China**



Zinc Hi-ten® Interior®

Gemilang® Abadi®

PrimaDesa™ PrimaMaju™



Asia Growth Strategy

Building and construction strategy overview



Pre-engineered buildings

Residential

Decking & purlins

Sandwich / architectural panel

Non-steel material replacement

New market segments (e.g. HiRib)

Specific country/cluster initiatives

SOLUTIONS

Building and construction strategy overview

Solutions expansions
New coating/painting lines
New Countries

**Greenfield
Growth**
**M&A – opportunities
limited**

Building and construction strategy overview

Pre-engineered buildings
Capacity increases
Speed up lines
Expand existing facilities
Construct additional facilities
*New products into existing
facilities*

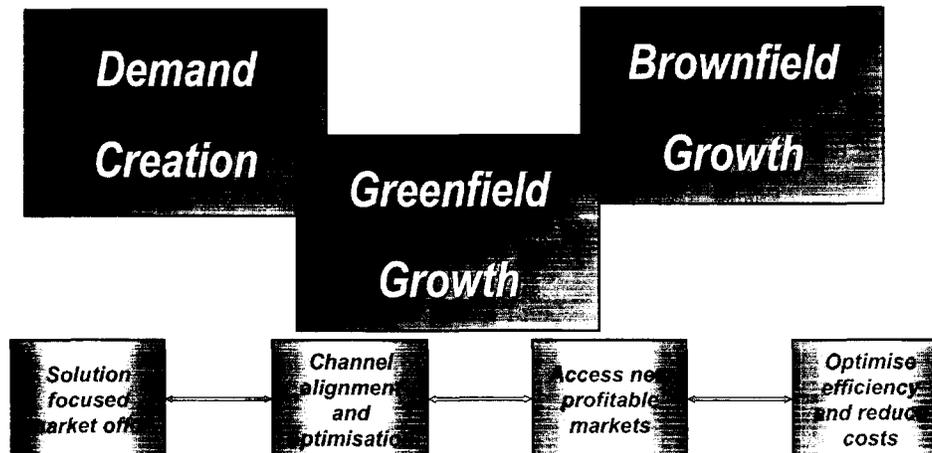
**Brownfield
Growth**

Capacity Increases

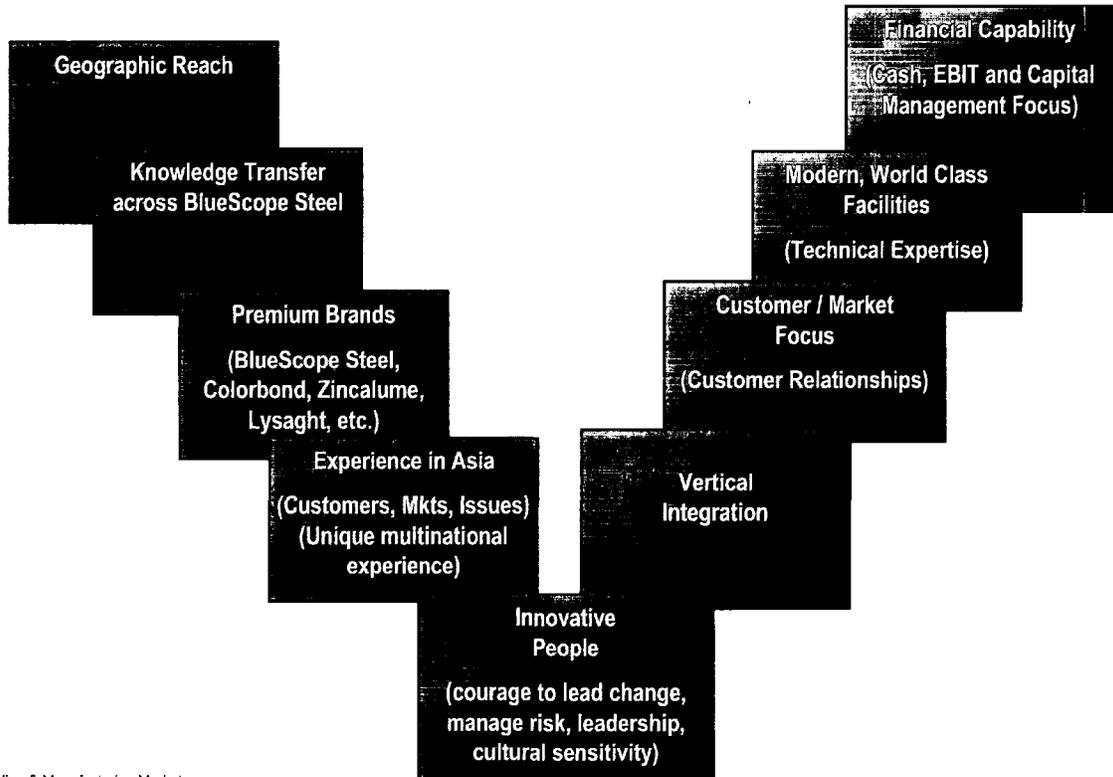
Country	Capacity (MT) Metal Coating Line (Nameplate/Current)	Capacity (MT) Paint Line (Nameplate/Current)
Indonesia (1995)	100,000 / 100,000	25,000 / 50,000
Malaysia (1997)	150,000 / 160,000	60,000 / 70,000
Thailand (1998)	150,000 / 175,000 +200,000	60,000 / 90,000

Our Strategic Objective :

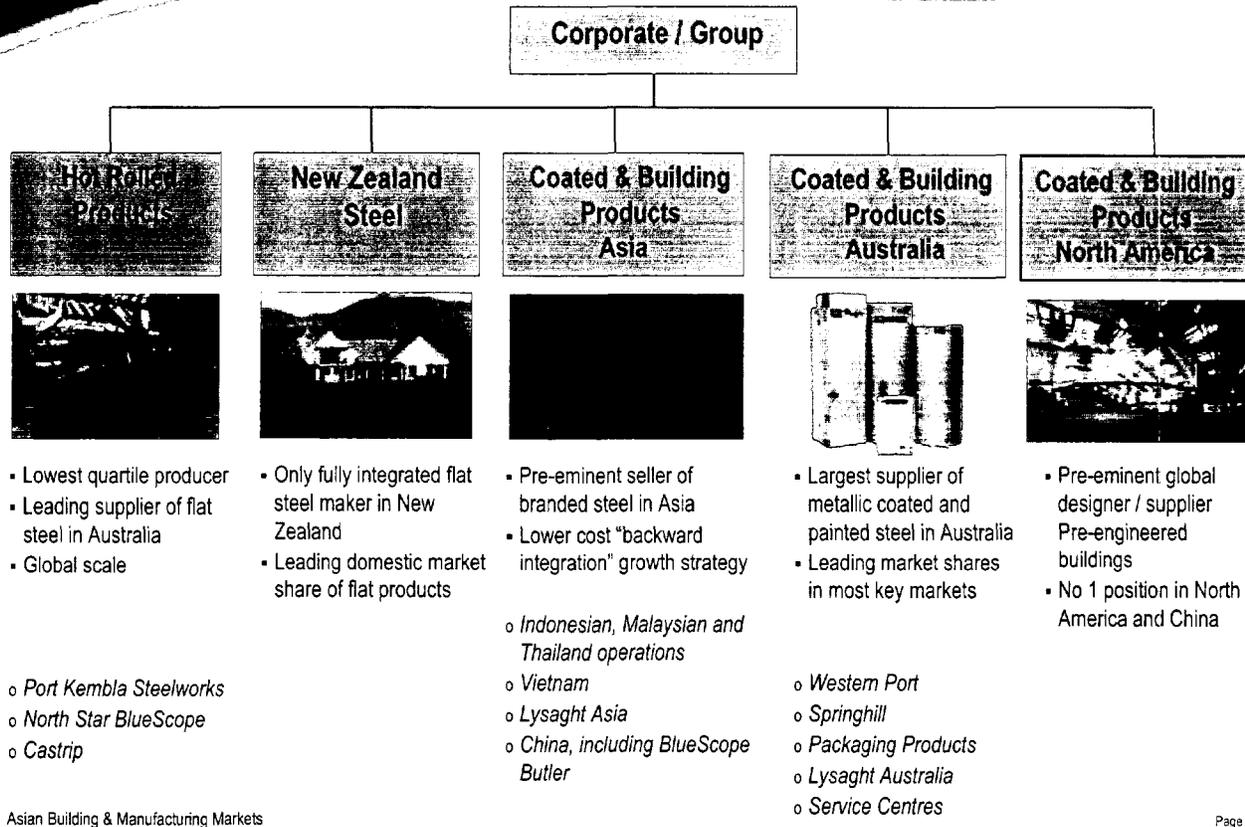
“Profitably Grow our Asian Business Focussing on Branded Products to the Building and Construction Market”



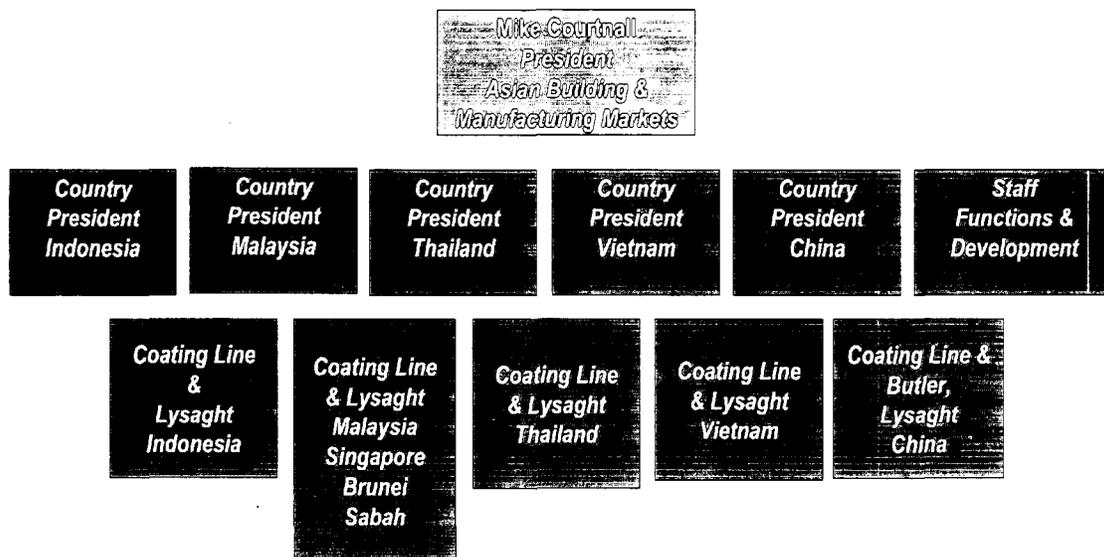
Competitive Advantages



Business Overview



Current Business Model



The Country structure drives alignment of our businesses through the full value chain within each of our markets

Management Team

Mike Courtnall
President
Asian Building & Manufacturing Markets

Mike Alossi
President
Butler China

Rob Crawford
President
Indonesia

Gary Hook
President
Malaysia

Ian Dickson
President
Thailand

Peter Wilson
President
Vietnam

Chris Fogarty
President
China

Rob Elliot
Vice President
Finance

Peter Wallace
Vice President
Human Resources

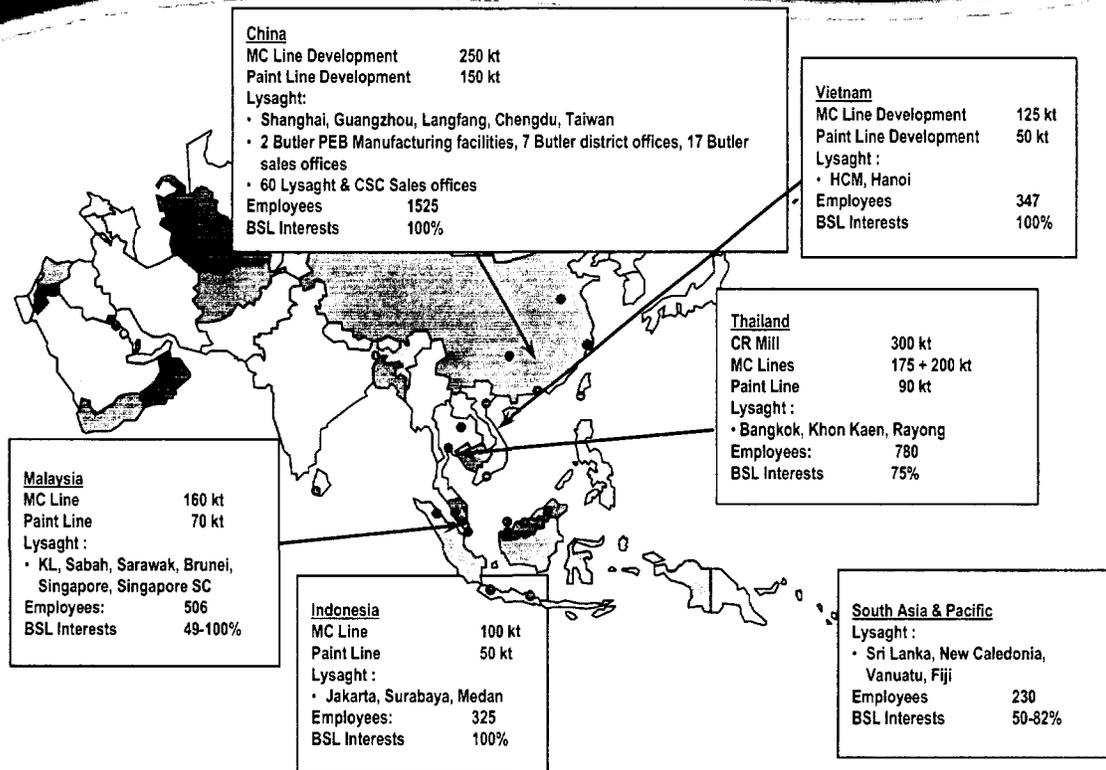
Somkiat Pintatham
Vice President
Transp. & Logistics

Mark Cain
Vice President
Mkg & Bus Devel

Hans Langendam
Vice President
Operations

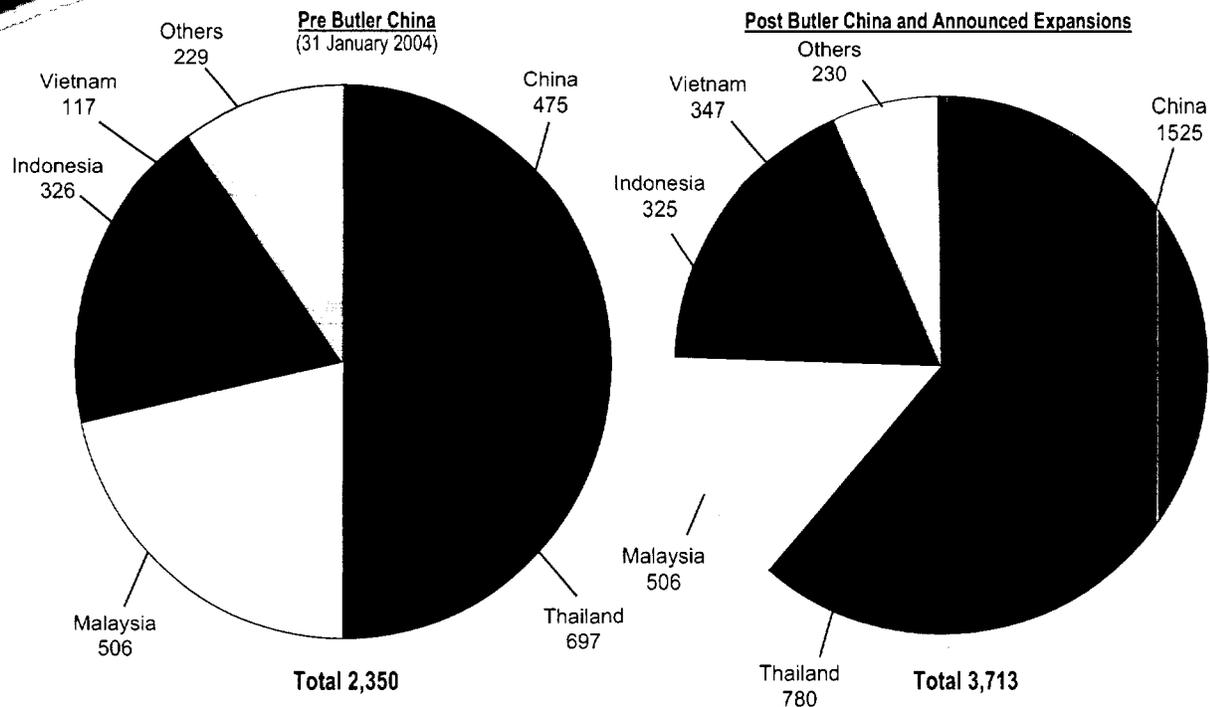
Facilities and Processes

Geographic Unique Footprint



Unparalleled regional coverage through coated products value chain

Profile of BlueScope Steel Employees by Country



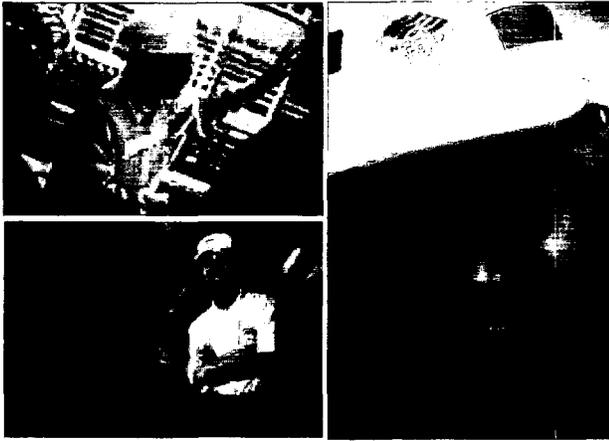
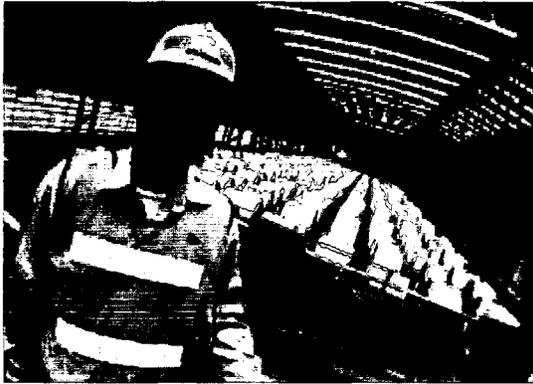
a) China includes Taiwan (69)
 b) Malaysia includes Brunei (16), Singapore (63), Sabah (62) & Sarawak (48)
 c) Others includes Sri Lanka (44), Fiji (48), New Caledonia & Vanuatu (56), other export sales offices (31), international secondees (50)
 d) Butler China employees at 30 September 2003 (750)

Announced expansions – employees growth

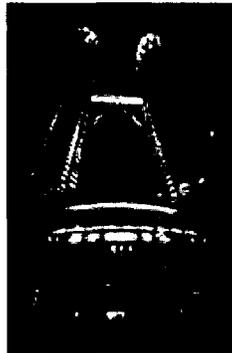
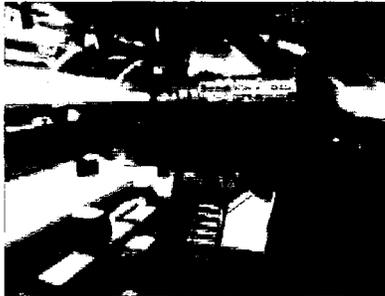
The three upcoming metallic coating facilities will add:

- 300 employees in China
- 80 employees in Thailand
- 230 employees in Vietnam

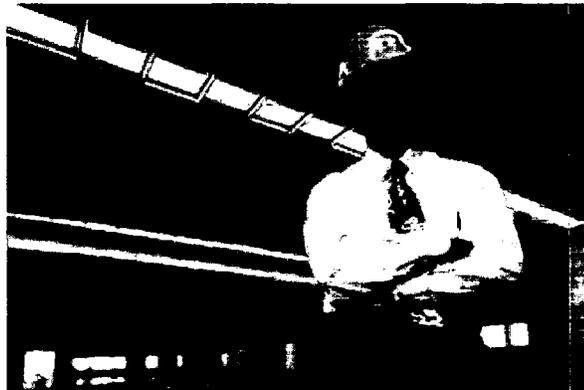
Bringing the total of employees in our Asian operations to 3,713



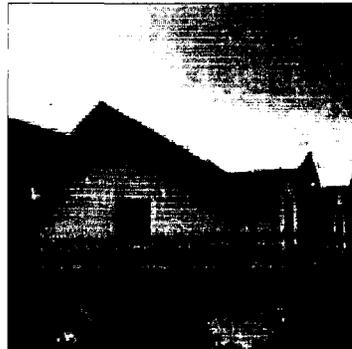
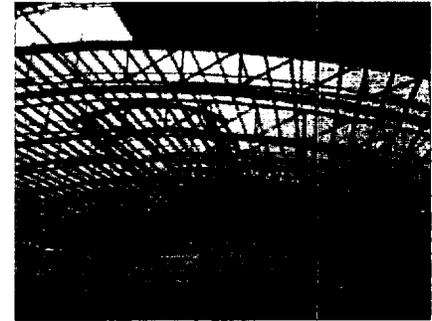
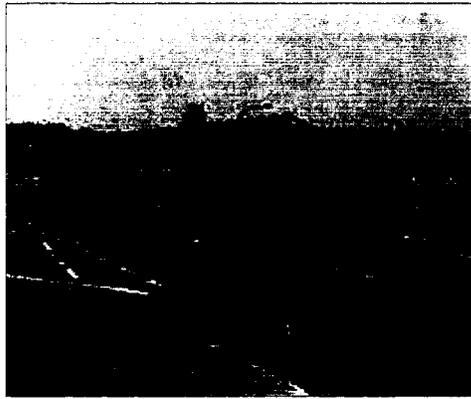
What We Do – Starting With Our Customers



- Deliver innovative building and construction solutions
- Strong customer working partnership to realize forefront innovativeness
- Local expertise, full support, value-add emphasis



Downstream Solutions- Decking, PEBs, Residential



Asian Building & Manufacturing Markets

BlueScope Lysaght Solution Manufacturing

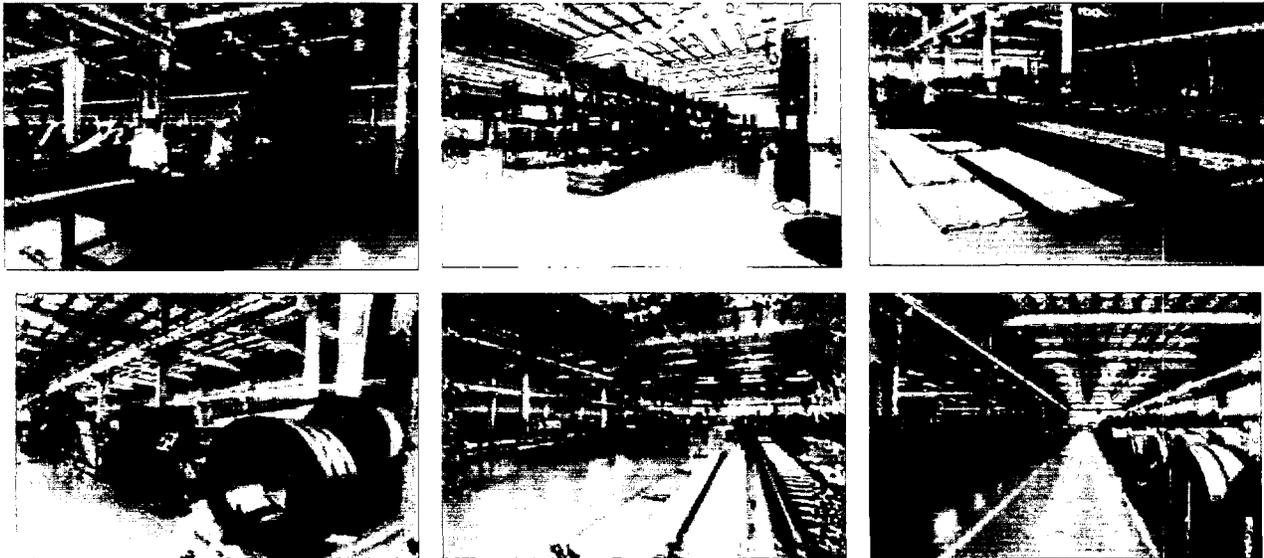


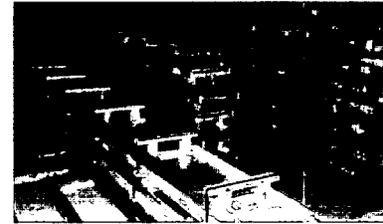
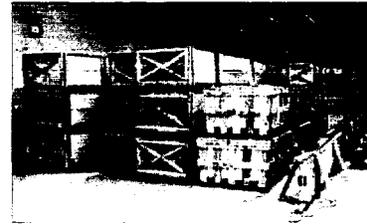
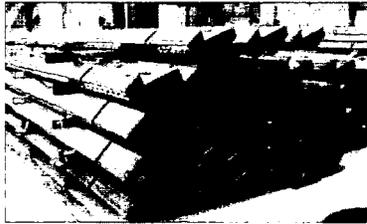
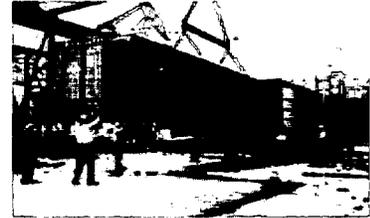
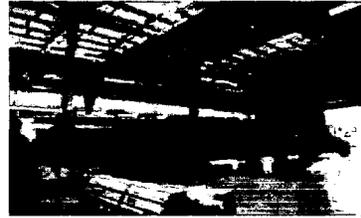
Asian Building & Manufacturing Markets

BlueScope Lysaght Solution Manufacturing

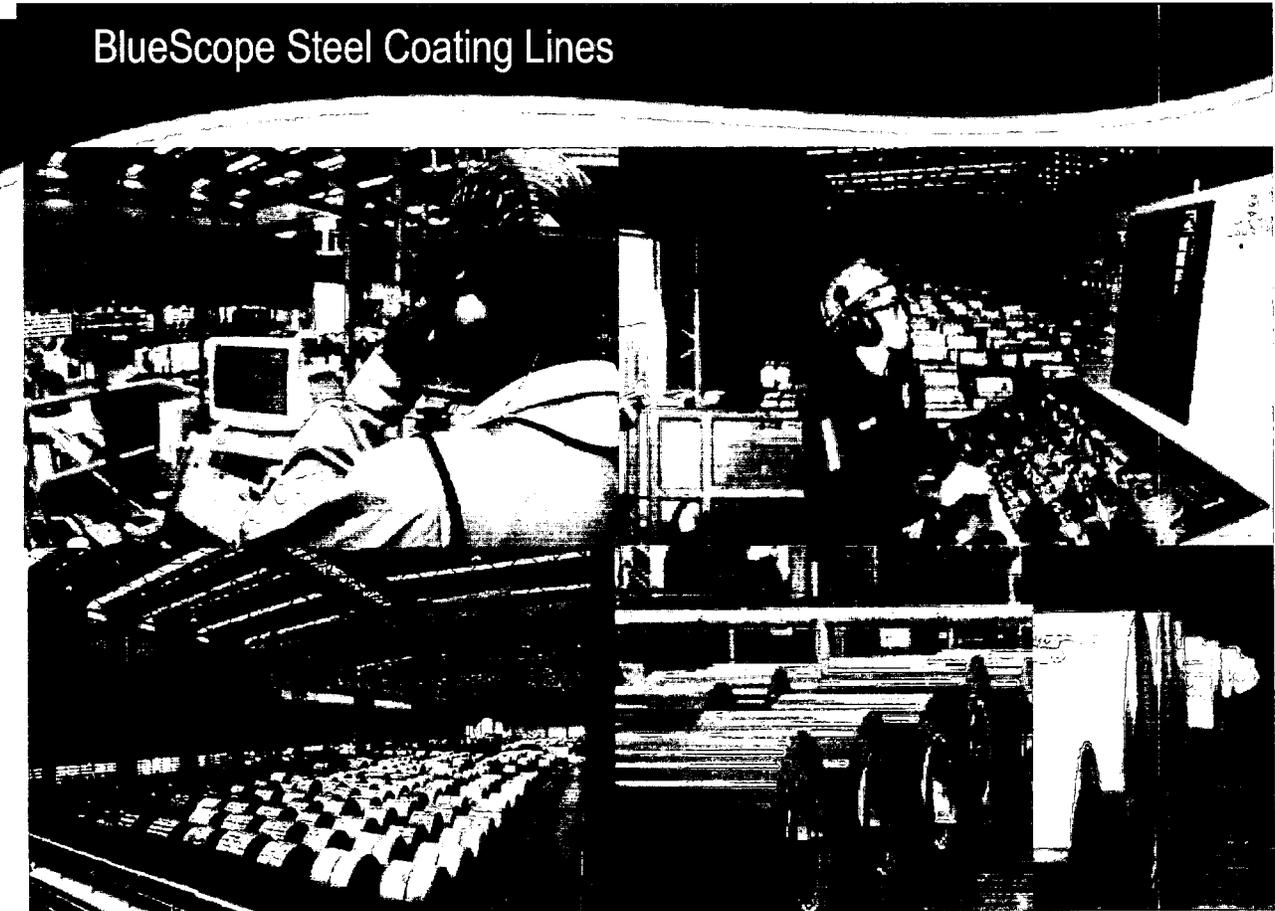


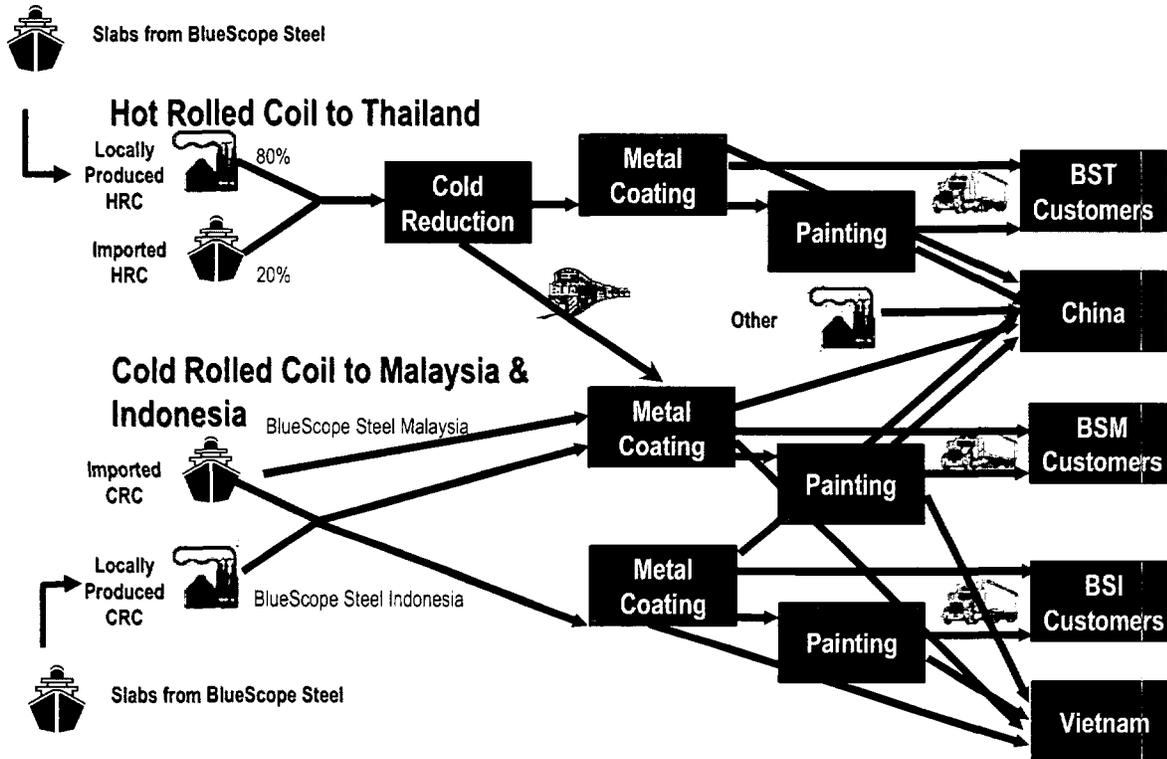
BlueScope Butler Solution Manufacturing





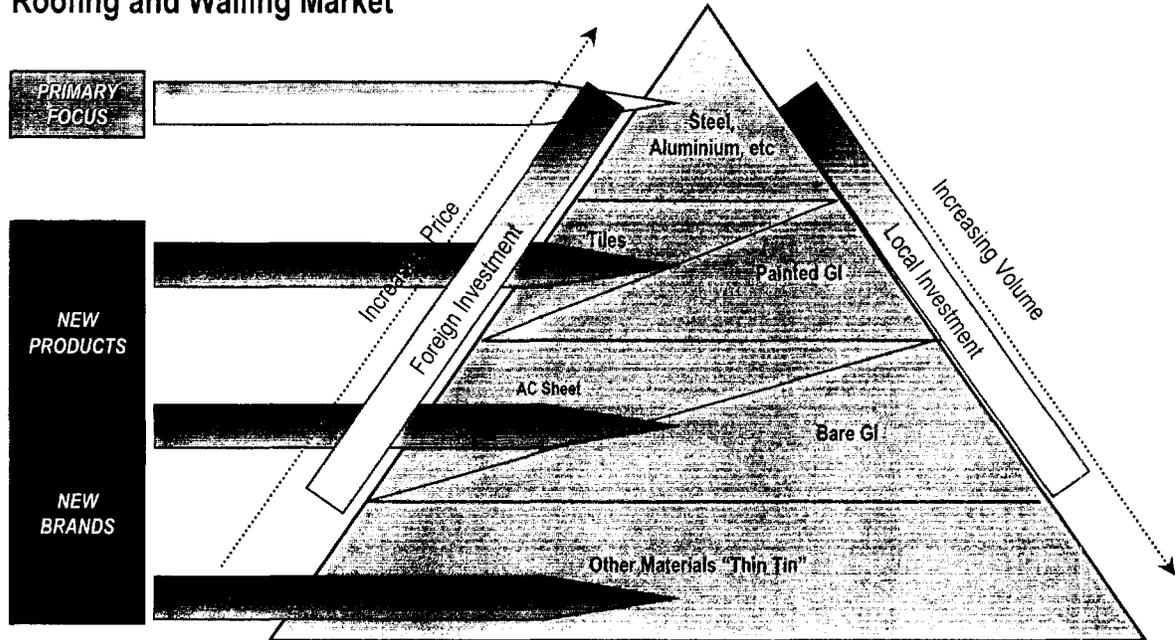
BlueScope Steel Coating Lines





Markets

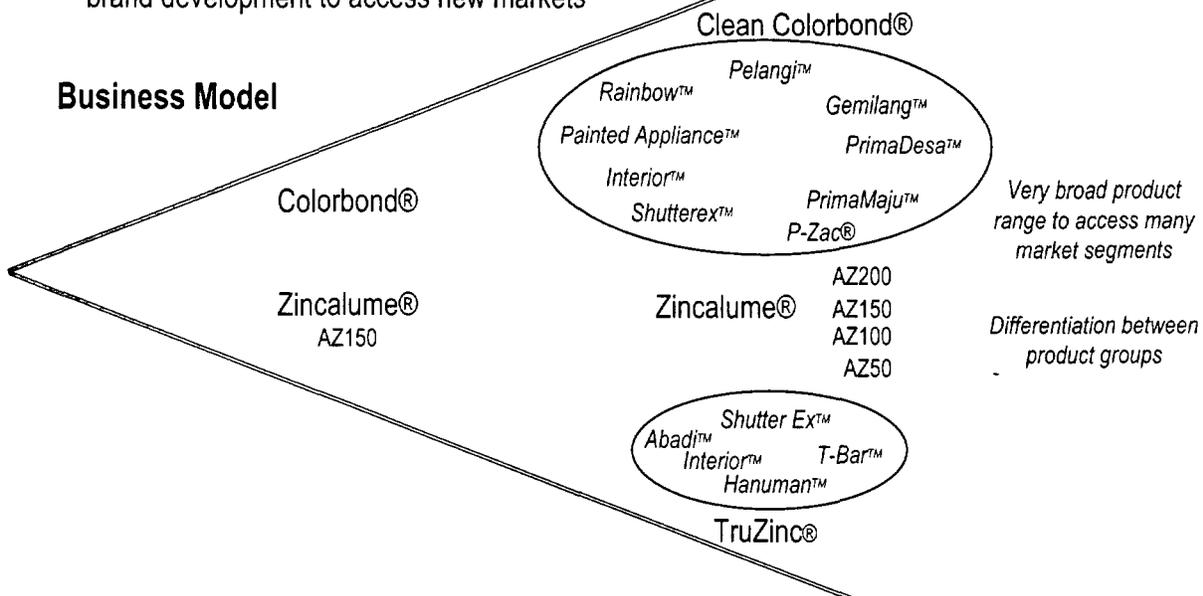
Roofing and Walling Market



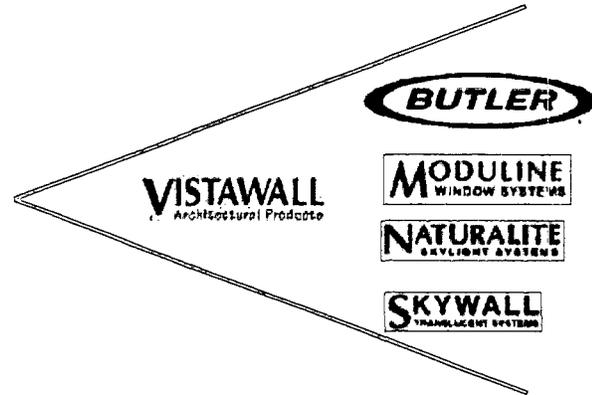
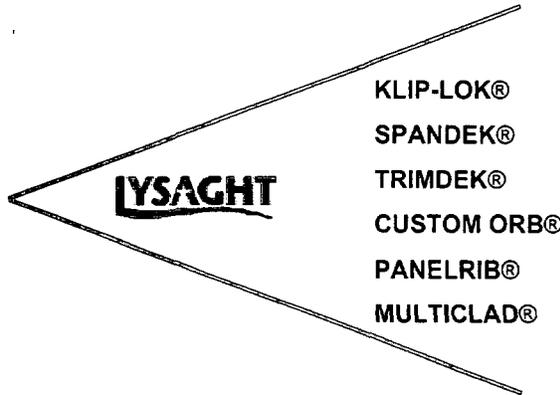
Market Focused

- Aggressive segment marketing based on product and brand development to access new markets

Business Model



Products targeting lower price segments are lower cost



Channels to Market

Coating Line Sales :

- 80% direct sales to roofing and walling manufacturer (rollformers)
- 10% direct sales to general manufacturers e.g. consumer electrical
- 10% via distributors

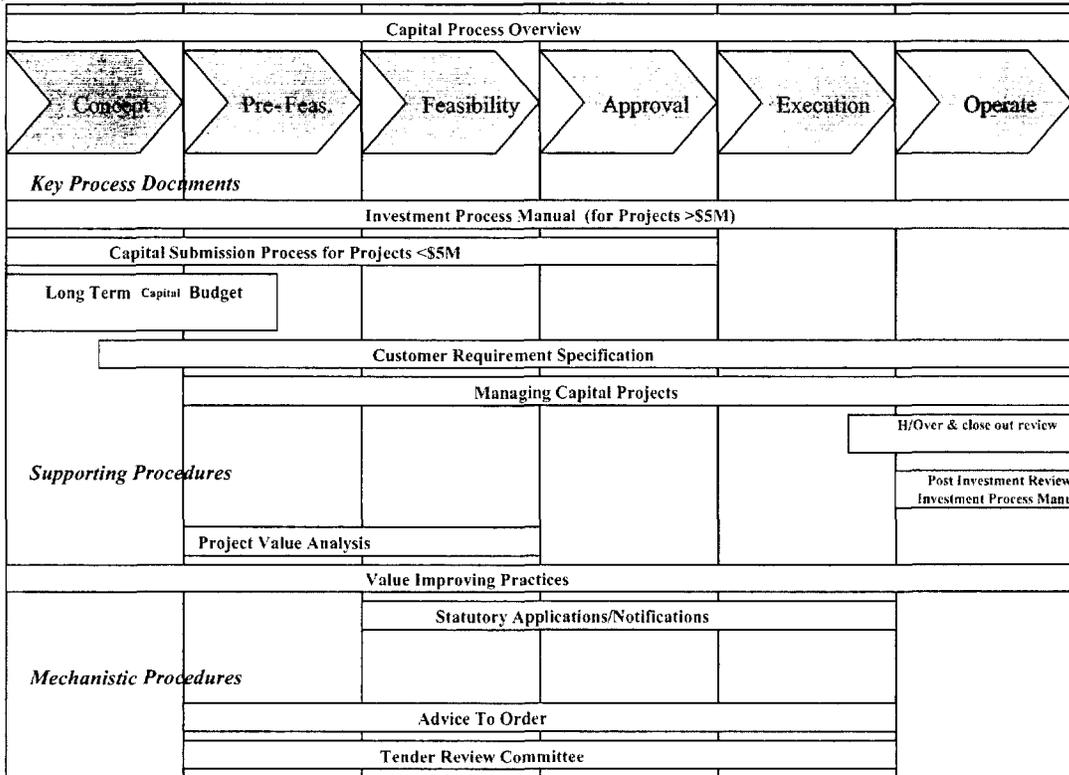
Lysaght Sales :

- Different channels depending upon market characteristic such as:
 - *market business practice*
 - *sophistication of value chain*
 - *financing*
 - *debtor risk*
 - *complete building or components*
 - *assessment of key influencers in the buying decision*
- Channels include
 - *direct to building owner*
 - *building contractor or construction firm*
 - *distributors*
 - *supply and fix*

Financials

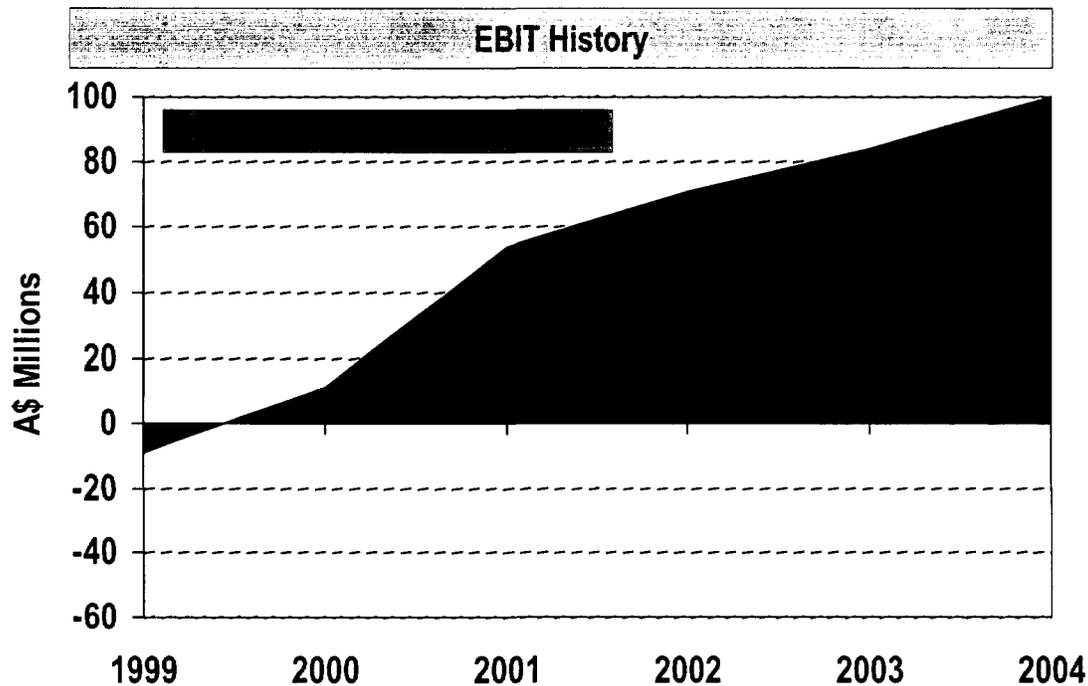
Overview

- BlueScope Steel has been active in manufacturing in Asia for 40 years
- Initial capital on coating in Indonesia, Malaysia & Thailand was A\$376m
- Some A\$57m was written down in respect of the Thailand operations between 1998 and 2002
- Under capacity utilisation for many years. Now at full capacity
- Largely self funded until recent growth initiatives
- Rigorous and disciplined approach to:
 - growth approval process
 - contract / equipment awards
 - managing development phase



Robust Project Review System

- Monthly Reporting
- Quarterly Review System
 - Key Management Team Members
 - Independent Consultant
 - Learnings shared across projects
 - Risk reviews completed
 - Construction reviews completed
- Major Review every 6 Months



Financial Performance

(A\$ Millions)	1999	2000	2001	2002	2003	2004
Revenue	420	450	556	530	569	689
EBITDA	19	37	81	96	109	122
EBIT	(9)	11	54	71	84	100
Capital Expenditure	6	-	6	.22	36	113

Growth from a relatively low market share base, high capacity utilization and increasing investment in future earnings

- Continued focus on manufacturing excellence
 - Improved delivery performance
 - Shortened lead times
- Increased inventory
- Focussed cost reduction plan

BlueScope Steel Thailand





- Locations:
 - Coating Line Map Ta Phut
 - Marketing Office Bangkok
- Shareholders:
 - BlueScope Steel 75%
 - Loxley Public Company 25%
- Capability:
 - Pickle Line 400,000 tpa
 - Cold Mill 300,000 tpa
 - Metallic Coating Line 175,000 tpa
 - Paint Line 90,000 tpa
- First Commissioned: February 1998
- Second Coating Line at Rayong increase capacity to 375,000 tpa
- A\$80m investment
- BlueScope Lysaght operates three roll forming facilities at Bangkok, Khon Kaen, and Rayong
- Employees: 697
- Competitors:
 - Bangkok Steel Industries, Korean & Japanese Imports, Local Galvanising Operators
- Net Operating Assets A\$205m.

BlueScope Steel Thailand

Construction of new second metallic coating line



- Project status
 - On schedule
 - On budget
- Main contractors
 - Bilfinger Berger
 - Voest Alpine
- Monitoring progress
 - > Monthly with senior Asian management.
- Market demand – very strong

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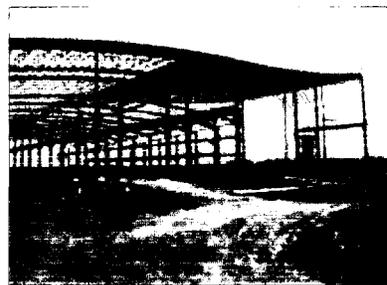
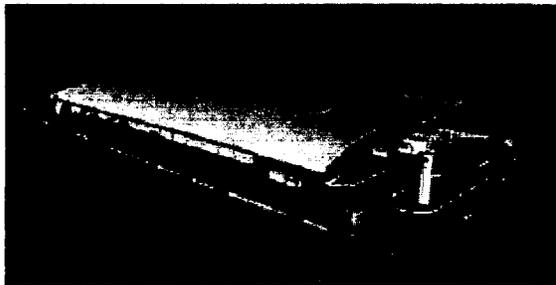
BlueScope Steel Indonesia





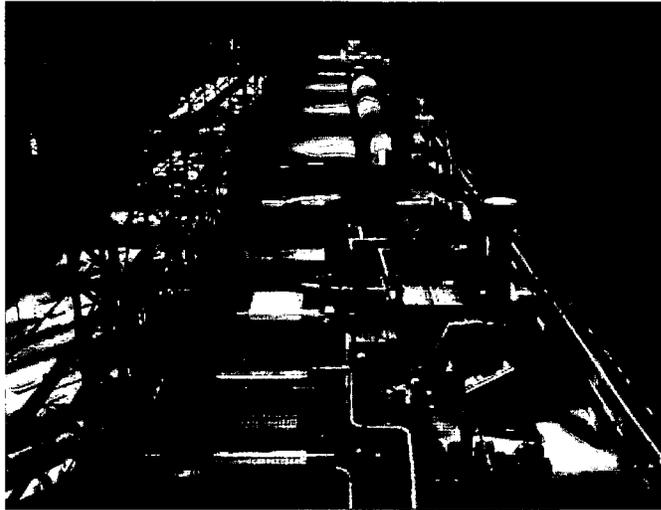
- Locations:
 - Coating Line Cilegon
 - Marketing Offices Jakarta, Surabaya
- Shareholders:
 - BlueScope Steel (since Jan '03) 100%
- Capability:
 - Metallic Coating Line 100,000 tpa
 - Paint Line 50,000 tpa
- First Commissioned: 1995
- BlueScope Lysaght has three locations – Jakarta, Medan, Surabaya
- Employees: 325
- Competitors:
 - 55% Al/Zn from Korea & Taiwan
 - Local Galvanisers
- Net Operating Assets \$74m

BlueScope Lysaght Indonesia – New Site



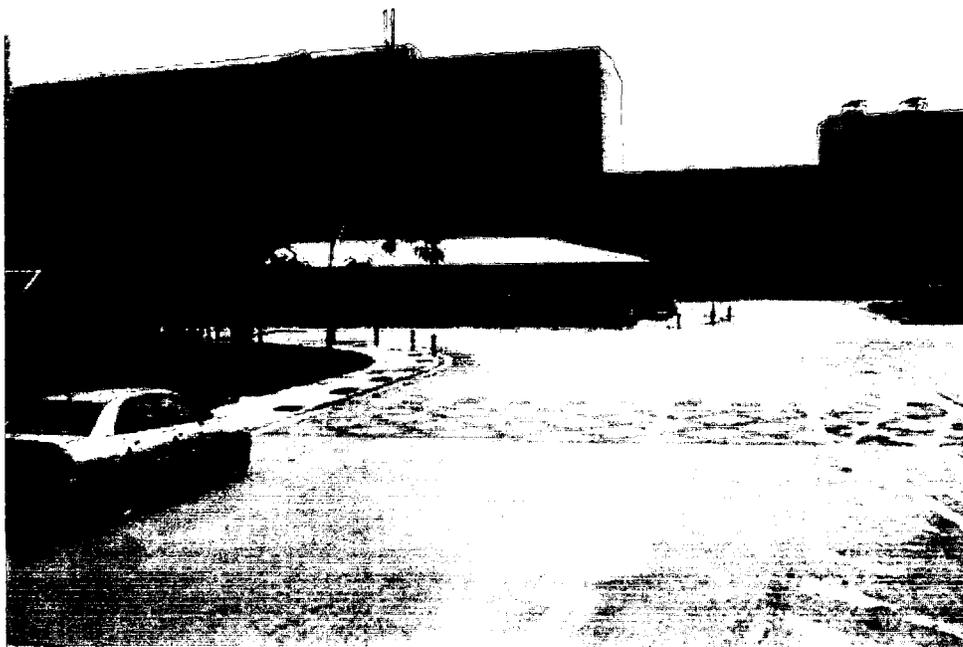
- Replace outgrown 31 year old facility
- Combined warehouse with coating line
- Showcase facility, utilising safety drive through concept, new solutions layout, SMARTRUSS light design system
- Located in MM2100 Industrial Estate, Cibitung, Jakarta
- Cost A\$4.9m
- On schedule for completion February 2005

BlueScope Indonesia Paint Line Expansion



- Increased capacity by another 25ktpa
- Completed January 2004
- Fully loaded within two months of commissioning
- Market demand remains strong

BlueScope Steel Malaysia





- Location: Kapar
- Shareholders:
 - BlueScope Steel 60%
 - PNB Equity Resource Corp. 40%
- Capability:
 - Metallic Coating Line 160,000tpa
 - Paint Line 70,000tpa
- First Commissioned:
 - Paint Line 10/96
 - Metal Coating Line 3/97
- BlueScope Lysaght roll forming facilities in Shah Alam, Sabah, & Sarawak
- Employees: 506
- Competitors:
 - 55% Al/Zn from Korea & Taiwan
 - Galvanised from Yung Kong, Ornasteel, Federal Iron Works & new plants
 - New painted capacity
- Net Operating Assets \$126m.

BlueScope Steel Malaysia Plant Extension



- MEGASPAN building designed in BlueScope Steel Thailand
- Ensure plant is capable of full capacity
- De-bottleneck despatch area
- Wind out off-site storage
- Cost A\$1.8m
- Completed on schedule and under budget



- Locations:
 - Coating Line (approved Aug '03) Ho Chi Minh
 - Lysaght Ho Chi Minh, Hanoi
- Shareholders:
 - BlueScope Steel 100%
- Coating Capability:
 - Metallic Coating Line 125,000 tpa
 - Paint Line 50,000 tpa
 - Zinc-aluminium alloy coating technology utilised at site will be first for the Vietnam market
 - Investment A\$160m
 - 230 additional employees
- First Commissioned:
 - Ho Chi Minh 1995
 - Hanoi 1997
 - Coating Line (planned) Early 2006
- Employees: 117 Current

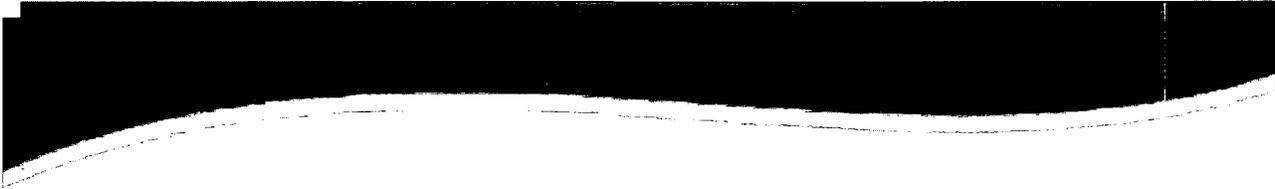
BlueScope Steel Vietnam

Construction of metallic coating & painting facility



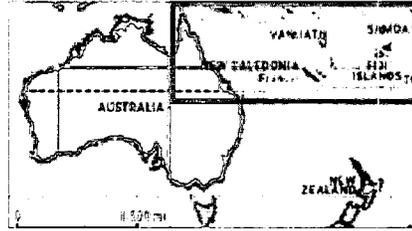
- Project status
 - On schedule
 - On budget
- Main contractors
 - Leighton's
 - Kawasaki Heavy Industries
- Monitoring progress
 - > Ongoing
 - > Monthly with senior Asian management.
- Market demand – very strong

Bien Hoa extra bay expansion



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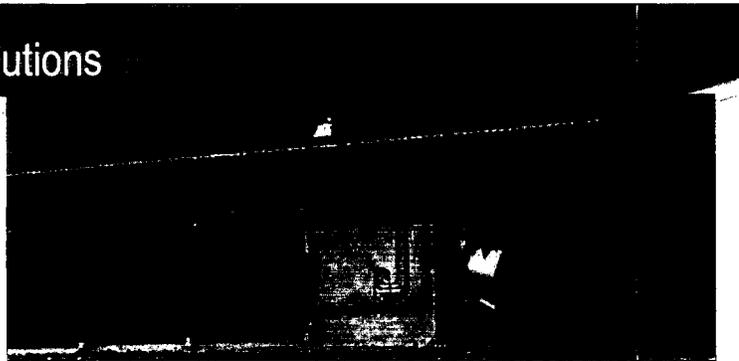
- BlueScope Steel's ownership in Lysaght Asia & Pacific businesses – 30% to 100%
- Footprint covers Fiji, New Caledonia, and Vanuatu
- Strategic channel to market and market influencing role
- Reputation as market leaders with outstanding products and brands
- Traditional markets: Industrial and commercial buildings
 - Roofing and walling
 - Structurals
- Significantly expanded activities to offer complete building solutions



BlueScope Steel Building Solutions



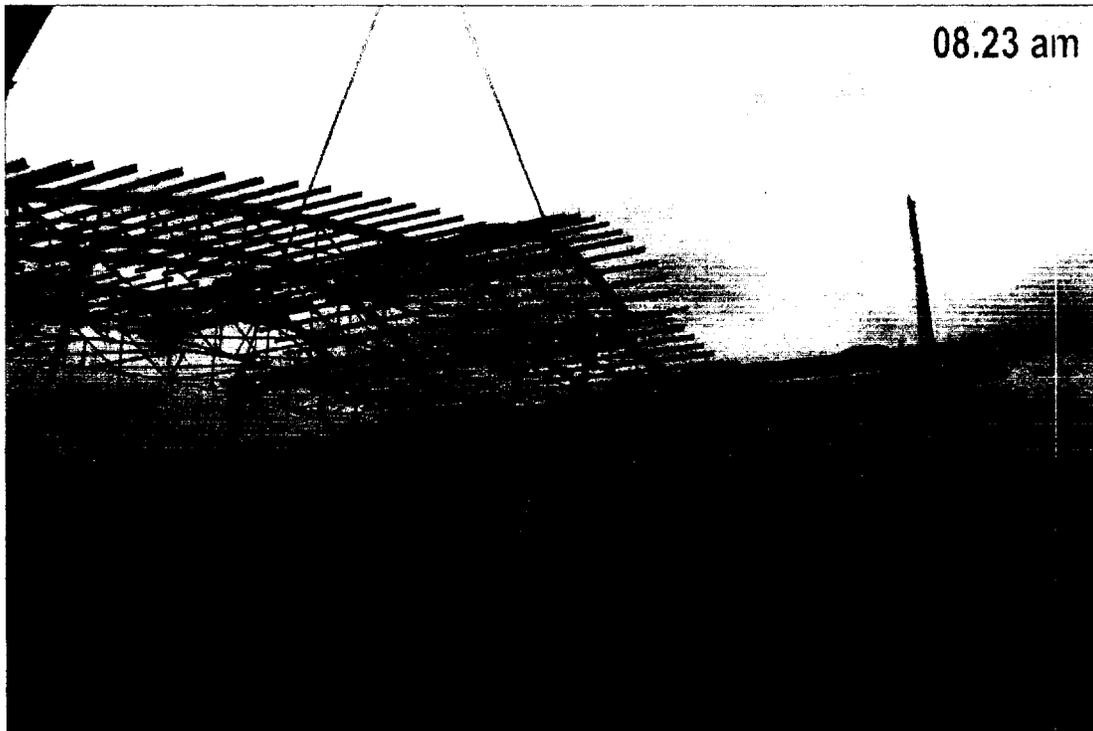
- We have been on the PEB solutions journey for 6 years
- We have developed some very creative solutions
- Large, column free buildings (MEGASPACE)
- New design centre in Thailand
- Moving more sales into solutions
- Our purchase of Butler rapidly enhances our capability and velocity
- Largest PEB manufacturer in Asia



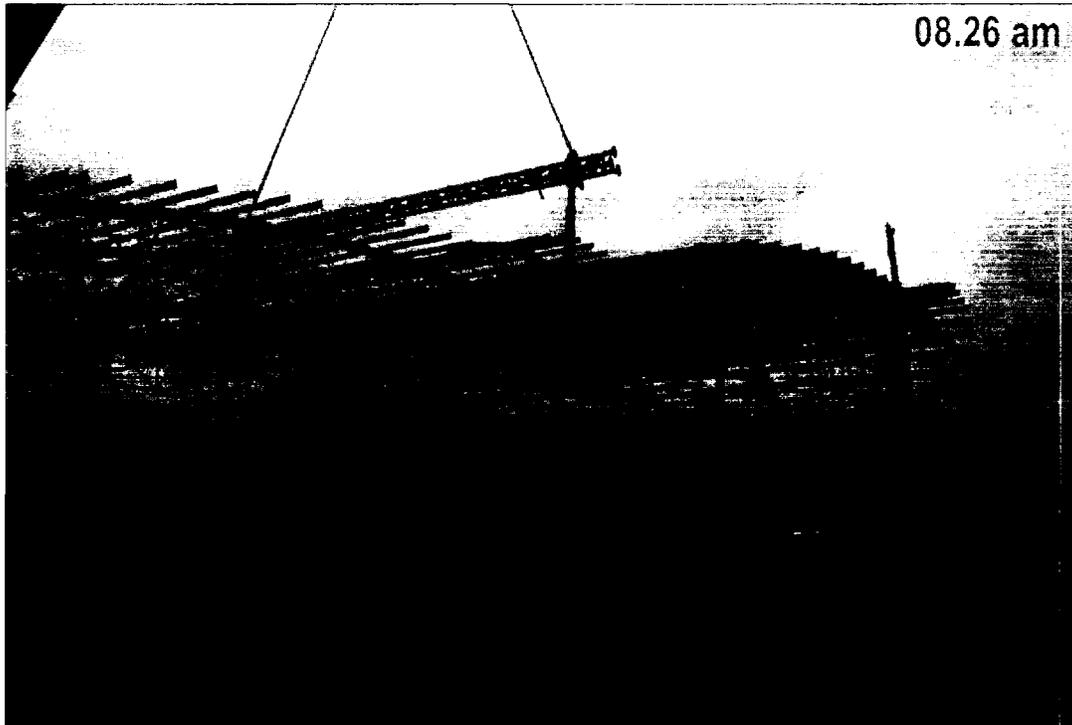
MEGASPACE™ Building Erection



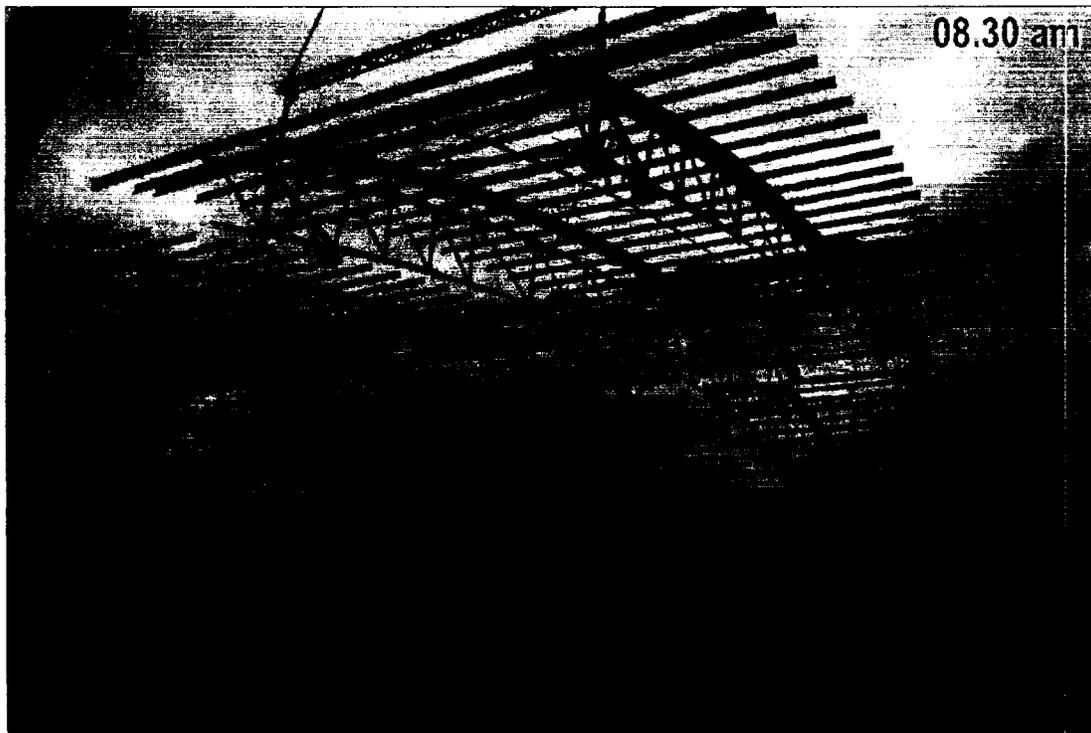
MEGASPACE™ Building Erection



MEGASPACE™ Building Erection



MEGASPACE™ Building Erection



MEGASPACE™ Building Erection



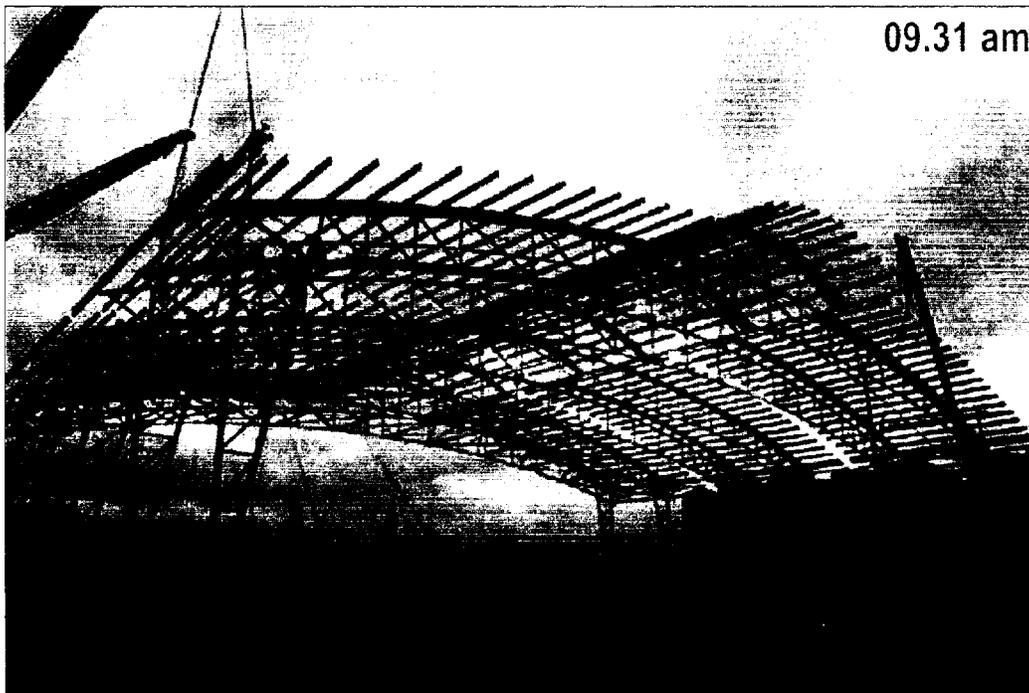
MEGASPACE™ Building Erection



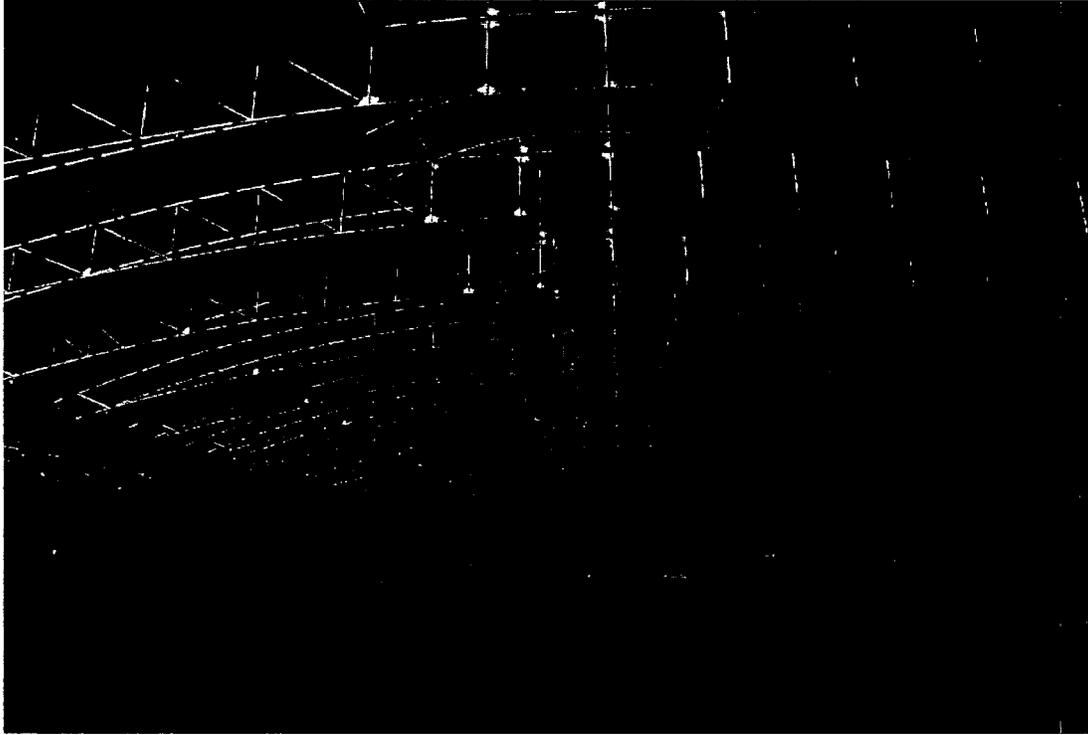
MEGASPACE™ Building Erection



MEGASPACE™ Building Erection



MEGASPACE™ Building Erection



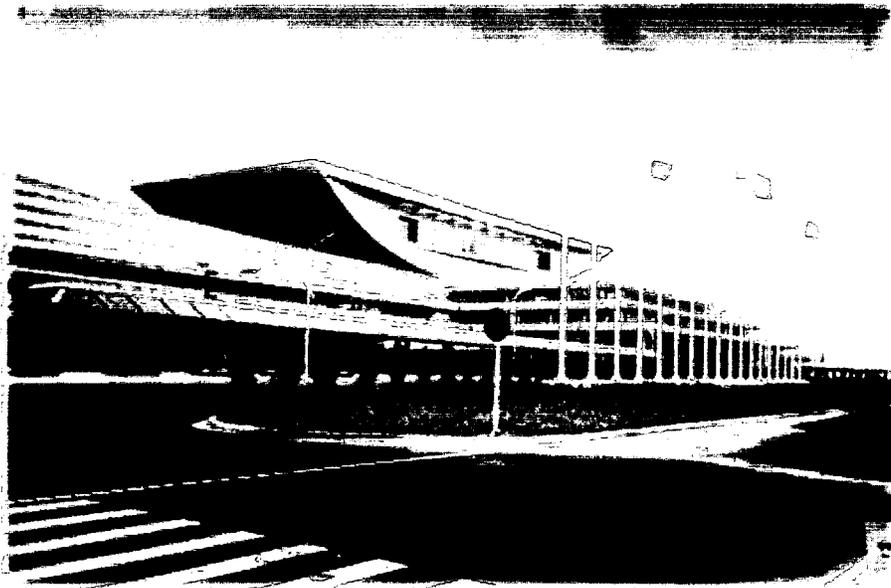
MEGASPACE™ Building Erection



MEGASPACE™ Building Erection



BlueScope Butler Solutions

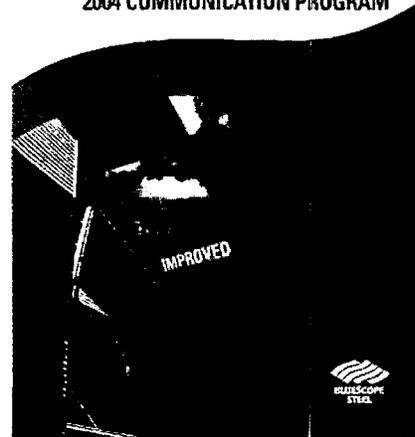
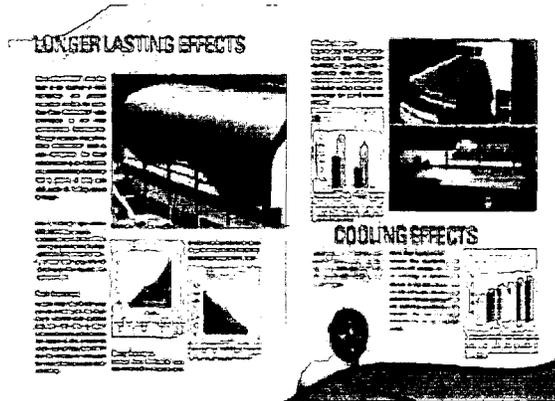


Xiamen International Convention Center: 18,500 sqm

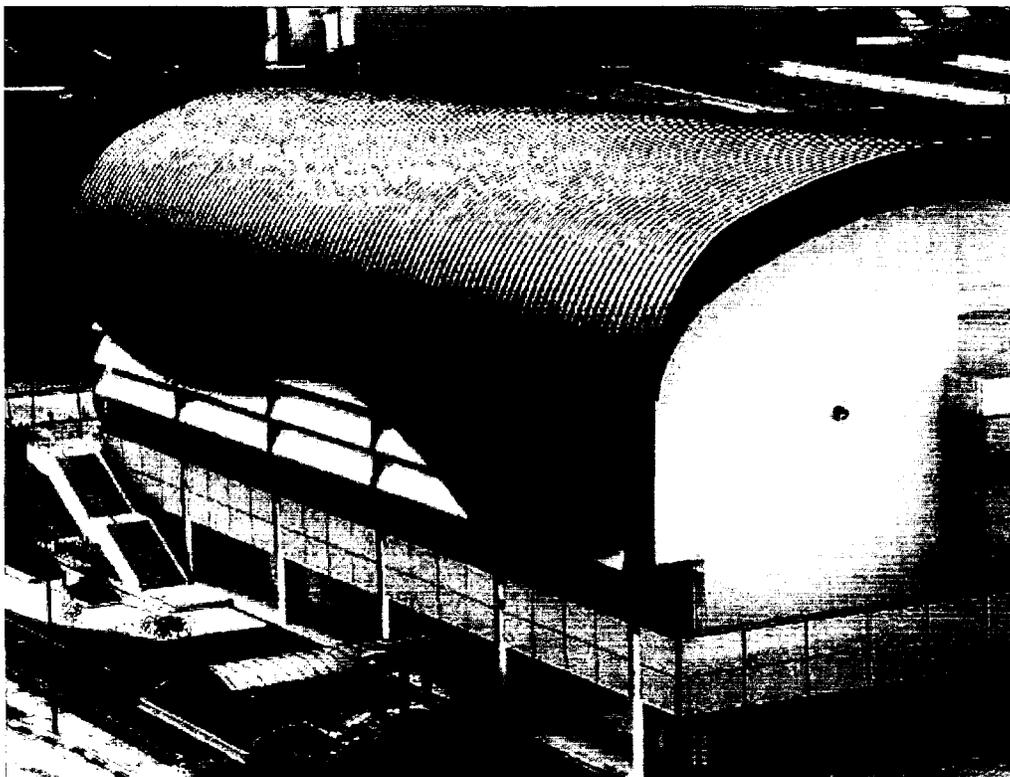
- Improved Clean COLORBOND launched Nov 2004
- Residential marketing project with increased momentum
- Decking project now focusing on concrete frame opportunity

clean Colorbond
Long lasting beauty

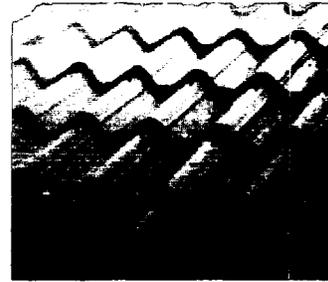
CLEAN COLORBOND® STEEL
2004 COMMUNICATION PROGRAM



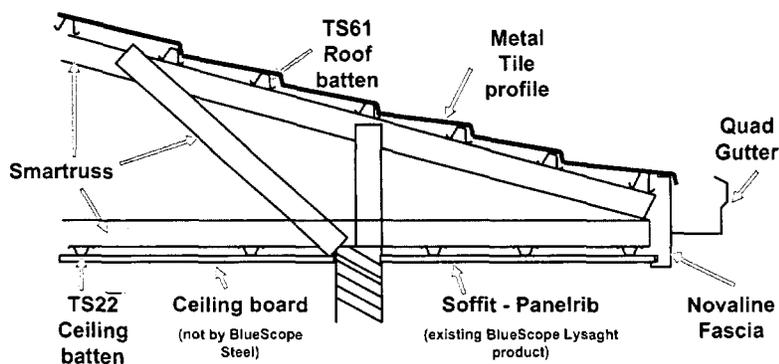
School in New Clean COLORBOND®



- Residential focus on total solution package – steel framing, roof cladding, flooring, accessories
- Housing reform, improving income levels, urbanisation and changing preference of accommodation type opening up market opportunities
- Economic outlook, growing population, need for quality housing and efficient building methods shape residential market growth



Residential Market



Product Development – Decking Asia

- *PowerDek is a new decking product targeting new markets requiring longer spanning lengths (up to 6 meters)*
- *Rounds out our decking product offer*
- *Successful launch in Singapore, Malaysia & Hong Kong*
- *Strong initial sales and interest*
- *Launch in China scheduled for the coming year*



Raffles Junior College – PowerDek 100



Asian Building & Manufacturing Markets

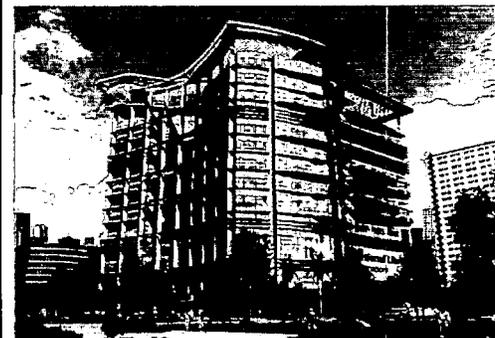
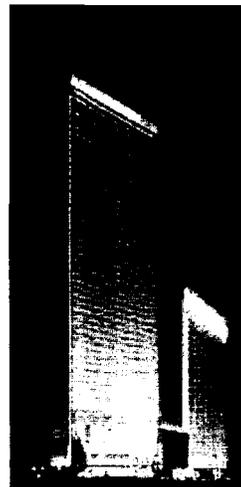
Changi Self Storage



Page 79

Decking Asia

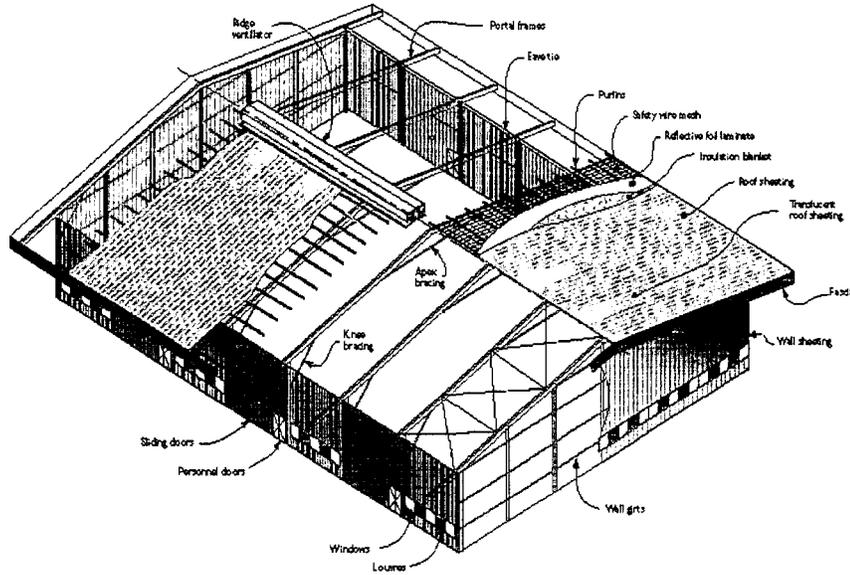
- Decking projects won include the Xinghe Tower, Pratunam Complex, Beijing TV Tower, KL Performance Arts & Theatre Academy, Nanjing Subway Building amongst others
- Featuring application across Bondek, W-DeK, Powerdek
- Marketing campaigns targeting engineers and architects



Asian Building & Manufacturing Markets

Page 80

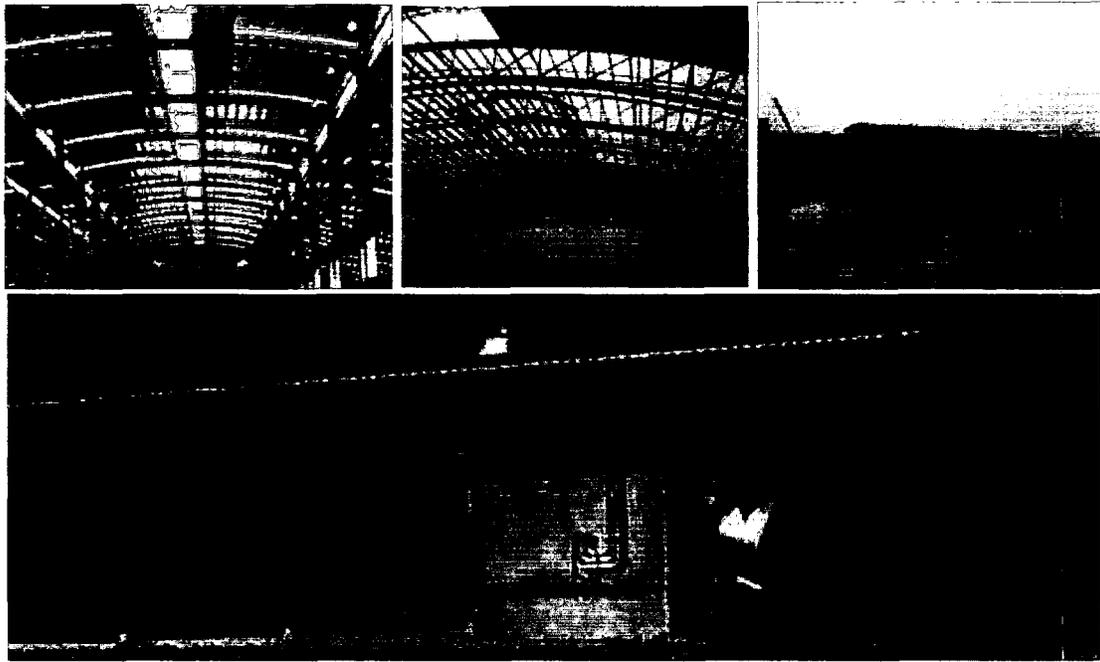
Pre-Engineered Buildings



Pre-Engineered Buildings

- One stop shop
- Speed PEBs are completely pre-fabricated
- Light weight frames reduce foundation size
- Ease of installation





Asian Building & Manufacturing Markets

Other Options & Accessories



Asian Building & Manufacturing Markets



BlueScope Steel collaborated with International Red Cross to provide rebuilding assistance to annual monsoon flood

- This unique design incorporates a “floating floor”
- House structure withstands floods and its floor can be raised and re-secured to original position after flood levels subsided
- Quick assembly with a single unit in two days with minimum tools
- Structure is designed to withstand monsoon winds up to 160 km per hour, are five meters by 10 meters and each steel frame weighs 450kg

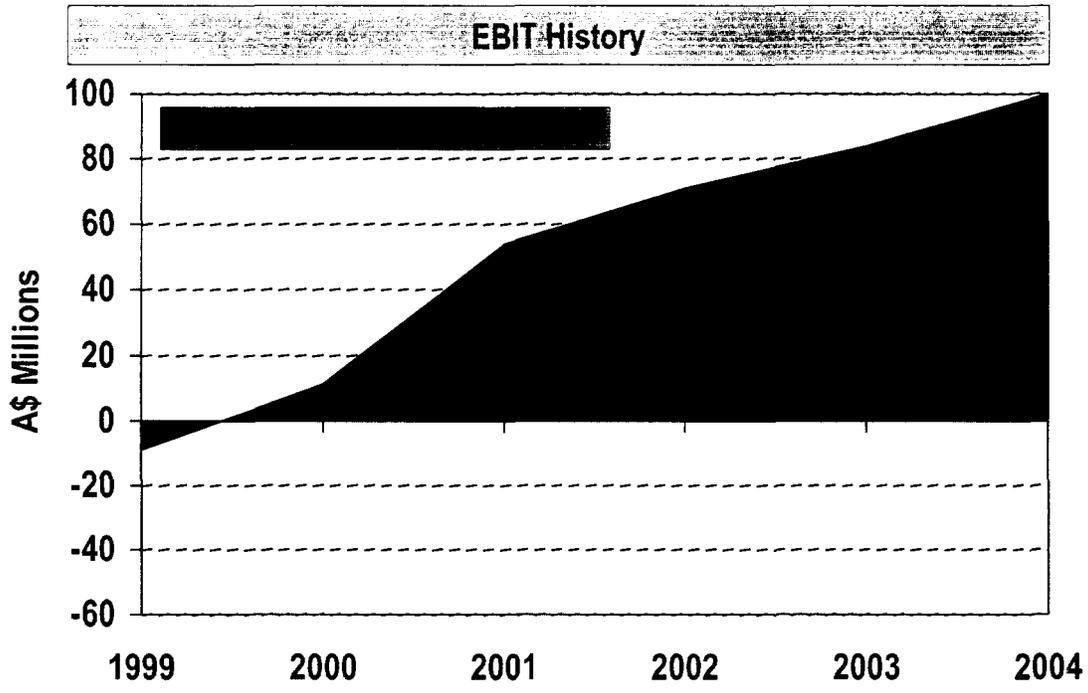
Summary

Achievements to date :

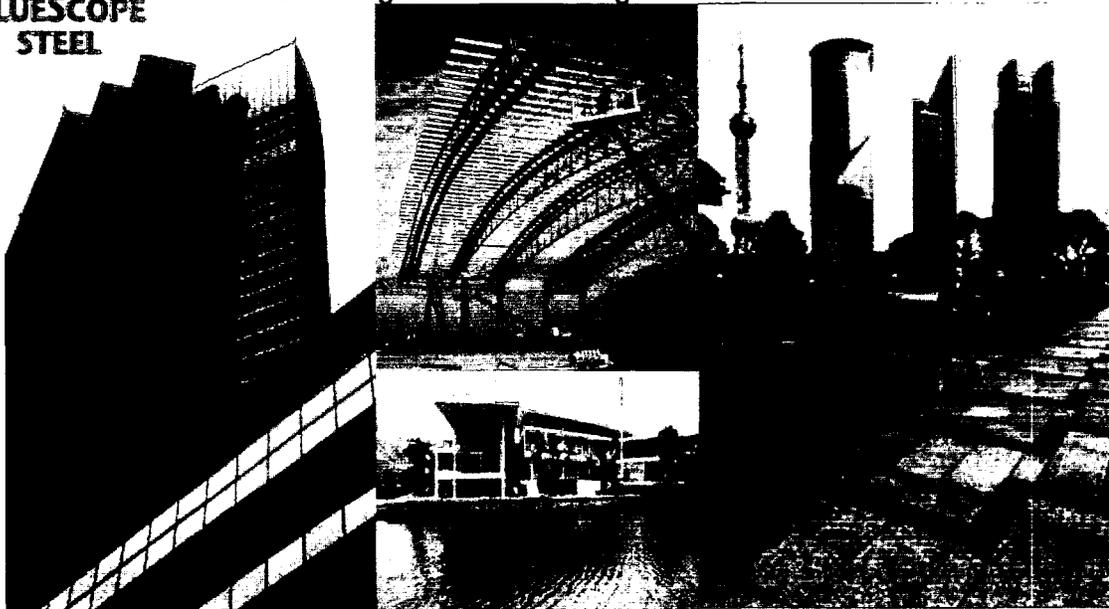
- *Ongoing year on year EBIT growth*
- *Profitable utilisation of existing coating capacity*
- *Expanded capacities*
- *Geographic Expansion*
- *New products launched across Asia*
- *The Drive for Higher value solutions continues*
- *New investment in Indonesia, Vietnam, Thailand, and China*
- *Acquisition and integration of Butler*

Near term focus :

- *Ongoing aggressive segment marketing based on:*
 - *brand & product innovation, customer service excellence, solutions focus, margin management tools*
- *Complete Thailand, China and Vietnam coating projects*
- *Identify and exploit new growth opportunities*
- *Capture opportunities from regional economic improvement or foreign investment*
- *Integration and leverage of Butler*
- *Drive continuous improvement in safety management and outcomes*
- *Preserve and foster flexible, aggressive and innovative culture*



Asian Building & Manufacturing Markets



Statement

Date: 10 November 2004

BLUESCOPE STEEL CONSIDERING WITHDRAWAL FROM EXPORT TINPLATE MARKET

BlueScope Steel Limited is considering options for withdrawing from the export tinplate market from mid 2005.

The international tinplate market continues to experience low growth and margin compression and despite significant improvements in throughput, quality and efficiency, export tinplate remains unprofitable for BlueScope Steel.

President Australian Building and Manufacturing Markets, Noel Cornish said: "the prime benefit of moving out of the Packaging Products export market would be to restore profitability to the balance of this business."

He added: "this proposal would also free up availability of around 250,000 tonnes of hot rolled coil to support other markets BlueScope Steel intends to supply".

A redirection of steel from export tinplate would enable the company to seed hot rolled coil markets ahead of the upgrade of the Port Kembla Steelworks' Hot Strip Mill, due to come on line in the second half of 2006. The Hot Strip Mill upgrade will increase hot rolled coil annual production by 400,000 tonnes. The company is also evaluating its options for using this product to support BlueScope Steel's growing global metal coated and painted markets.

"The company proposes to maintain a significant presence in the Australian tinplate market", Mr Cornish said.

If the proposal under consideration is implemented, it would lead to closure of a number of operating units and a reduction of up to 200 positions in the Packaging Products business. The associated asset write-down and redundancy costs are estimated at \$50 million after tax, which includes a cash outlay of \$15 million.

A project team has been formed to take into account the implications for existing tinplate customers and affected Packaging Products employees. The Company will be consulting with stakeholders regarding the implications of these options. The outcomes of this project are expected to be announced in mid 2005.

BlueScope Steel's Packaging Products business operates at Port Kembla, NSW, converting hot rolled coil to tinplate.

About BlueScope Steel Limited (ASX: BSL)

BlueScope Steel is the leading steel producer in Australia and New Zealand, supplying the majority of the flat steel products sold in these markets. BlueScope Steel's principal customers are in the building and construction, automotive, packaging and general manufacturing industries.

The Company's steelworks at Port Kembla is Australia's largest and one of the world's lowest cost producers of hot rolled coil. Steel rolling, coating and painting plants are located in Australia, New Zealand, Thailand, Malaysia and Indonesia, and the Company has a network of rollforming facilities across the Asia Pacific region that is unmatched by any other steel company. Additional metal coating and painting lines are under construction in China, Vietnam and Thailand.

BlueScope Steel also has a 50 per cent interest in a steel mini-mill in Delta, Ohio, USA and on 27 April 2004 completed the acquisition of Butler Manufacturing, with operations in North America and China, creating a global steel building components and pre-engineered buildings business.

For further information about BlueScope Steel Limited: www.bluescopesteel.com

CONTACTS**Media**

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Mobile: +61 (0)419 893 491
E-mail: John.Knowles@bluescopesteel.com

ASX Release

Release Time: IMMEDIATE
Date: 5 November 2004

MAJOR CONTRACT FOR NORTH STAR BLUESCOPE STEEL

BlueScope Steel today announced that its 50% owned subsidiary in the United States, North Star BlueScope Steel, has entered into a new long term sales contract with its largest existing customer Worthington Steel, a Worthington Industries company. The new contract runs to December 2008.

North Star BlueScope Steel has contracted to supply to Worthington around one third of the hot rolled coil it produces each year. In 2003/04 North Star BlueScope Steel produced a record 1.7 million tonnes of hot rolled coil.

North Star BlueScope Steel and Worthington operate on neighbouring sites at Delta, Ohio.

About North Star BlueScope Steel LLC

North Star BlueScope Steel operates a steel mini-mill in Delta, Ohio, USA. A joint venture business, it is 50% owned by Cargill Inc., one of the world's largest private companies, and 50% owned by BlueScope Steel Limited, which is the leading steel company in Australia and New Zealand and also operates an extensive network of downstream businesses across Asia and North America.

About Worthington Industries

Worthington Industries is a leading diversified metal processing company with annual sales of more than \$2 billion. The Columbus, Ohio, based company is North America's premier value-added steel processor and a leader in manufactured metal products such as metal framing, pressure cylinders, automotive part model service stampings, metal ceiling grid systems and laser welded blanks. Worthington employs more than 8,000 people and operates 63 facilities in 10 countries.

For further information about BlueScope Steel Limited: www.bluescopesteel.com

CONTACTS

Media

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Mobile: +61 (0)419 893 491
E-mail: John.Knowles@bluescopesteel.com

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2004 DEC 14 A 10:13

OFFICE OF INTERNATIONAL
CORPORATE FINANCE

Appendix 3E
Daily share buy-back notice
(except minimum holding buy-back and
selective buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: rule 3.6, Appendix 7C, Amended 30/9/2001.

Name of Entity

BLUESCOPE STEEL LIMITED

ABN

16 000 011 058

We (the entity) give ASX the following information.

Information about buy-back

1 Type of buy-back

On-market

2 Date Appendix 3C was given
to ASX

19 August 2004

**Total of all shares bought back, or in relation to which acceptances have
been received, before, and on, previous day**

	Before previous day	Previous day
3 Number of shares bought back or if buy-back is an equal access scheme, in relation to which acceptances have been received	8,652,772	341,790
4 Total consideration paid or payable for the shares	\$67,848,104	\$2,702,449

Appendix 3E
Daily share buy-back notice

Before previous day	Previous day
----------------------------	---------------------

5 If buy-back is an on-market buy-back

highest price paid: \$8.00 date: 27-Oct-04	highest price paid: \$7.97
lowest price paid: \$7.61 date: 21-Oct-04	lowest price paid: \$7.81
	highest price allowed under rule 7.33: \$8.1543

Participation by directors

6 Deleted 30/9/2001.

--

How many shares may still be bought back?

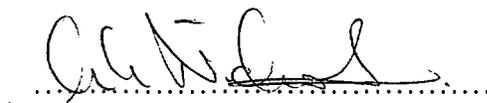
7 If the company has disclosed an intention to buy back a maximum number of shares - the remaining number of shares to be bought back

9,405,438

Compliance statement

1. The company is in compliance with all Corporations Law requirements relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here:


.....
(Director/ Company Secretary)

Date: 4/11/04

Print name: Lisa M Nicholson

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Appendix 3E

OFFICE OF INTERNATIONAL
CORPORATE FINANCE

Daily share buy-back notice (except minimum holding buy-back and selective buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: rule 3.6, Appendix 7C. Amended 30/9/2001.

Name of Entity

BLUESCOPE STEEL LIMITED

ABN

16 000 011 058

We (the entity) give ASX the following information.

Information about buy-back

1 Type of buy-back

On-market

2 Date Appendix 3C was given
to ASX

19 August 2004

Total of all shares bought back, or in relation to which acceptances have been received, before, and on, previous day

	Before previous day	Previous day
3 Number of shares bought back or if buy-back is an equal access scheme, in relation to which acceptances have been received	7,736,954	915,818
4 Total consideration paid or payable for the shares	\$60,758,919	\$7,089,185

+ See chapter 19 for defined terms.

Before previous day	Previous day
---------------------	--------------

5 If buy-back is an on-market buy-back

highest price paid: \$8.00	highest price paid: \$7.77
date: 27-Oct-04	
lowest price paid: \$7.61	lowest price paid: \$7.72
date: 21-Oct-04	
	highest price allowed under rule 7.33: \$8.1837

Participation by directors

6 Deleted 30/9/2001.

--

How many shares may still be bought back?

7 If the company has disclosed an intention to buy back a maximum number of shares - the remaining number of shares to be bought back

9,747,228

Compliance statement

1. The company is in compliance with all Corporations Law requirements relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here:


.....
(Director/ Company Secretary)

Date: 3/11/04

Print name:

Lisa M Nicholson

+ See chapter 19 for defined terms.

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OFFICE OF INVESTIGATION
CORPORATE FINANCE

Rule 3.8A

Appendix 3E

Daily share buy-back notice (except minimum holding buy-back and selective buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: rule 3.6, Appendix 7C. Amended 30/9/2001.

Name of Entity

BLUESCOPE STEEL LIMITED

ABN

16 000 011 058

We (the entity) give ASX the following information.

Information about buy-back

1 Type of buy-back On-market

2 Date Appendix 3C was given to ASX 19 August 2004

Total of all shares bought back, or in relation to which acceptances have been received, before, and on, previous day

	Before previous day	Previous day
3 Number of shares bought back or if buy-back is an equal access scheme, in relation to which acceptances have been received	7,213,912	523,042
4 Total consideration paid or payable for the shares	\$56,718,898	\$4,040,021

+ See chapter 19 for defined terms.

Appendix 3E
Daily share buy-back notice

Before previous day	Previous day
---------------------	--------------

5 If buy-back is an on-market buy-back

highest price paid: \$8.00 date: 27-Oct-04	highest price paid: \$7.75
lowest price paid: \$7.61 date: 21-Oct-04	lowest price paid: \$7.71
	highest price allowed under rule 7.33: \$8.2215

Participation by directors

6 Deleted 30/9/2001.

--

How many shares may still be bought back?

7 If the company has disclosed an intention to buy back a maximum number of shares - the remaining number of shares to be bought back

10,663,046

Compliance statement

1. The company is in compliance with all Corporations Law requirements relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here:



 (Director/ Company Secretary)

Date: 2/11/04

Print name:

Lisa M Nicholson

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Appendix 3E

OFFICE OF INTERNATIONAL
CORPORATE FINANCE

Daily share buy-back notice (except minimum holding buy-back and selective buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: rule 3.6, Appendix 7C. Amended 30/9/2001.

Name of Entity

BLUESCOPE STEEL LIMITED

ABN

16 000 011 058

We (the entity) give ASX the following information.

Information about buy-back

1 Type of buy-back

On-market

2 Date Appendix 3C was given
to ASX

19 August 2004

Total of all shares bought back, or in relation to which acceptances have been received, before, and on, previous day

3 Number of shares bought
back or if buy-back is an
equal access scheme, in
relation to which acceptances
have been received

6,469,882

744,030

4 Total consideration paid or payable
for the shares

\$50,972,455

\$5,746,443

+ See chapter 19 for defined terms.

Before previous day	Previous day
---------------------	--------------

5 If buy-back is an on-market buy-back

highest price paid: \$8.00 date: 27-Oct-04	highest price paid: \$7.81
lowest price paid: \$7.61 date: 21-Oct-04	lowest price paid: \$7.67
	highest price allowed under rule 7.33: \$8.2320

Participation by directors

6 Deleted 30/9/2001.

--

How many shares may still be bought back?

7 If the company has disclosed an intention to buy back a maximum number of shares - the remaining number of shares to be bought back

11,186,088

Compliance statement

- 1. The company is in compliance with all Corporations Law requirements relevant to this buy-back.
- 2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here:



 (Director/ Company Secretary)

Date: 1/11/04

Print name: Lisa M Nicholson

+ See chapter 19 for defined terms.

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OFFICE OF INTERNATIONAL
CORPORATE FINANCE**Appendix 3E****Daily share buy-back notice
(except minimum holding buy-back and
selective buy-back)***Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/9/99. Origin: rule 3.6, Appendix 7C. Amended 30/9/2001.

Name of Entity

BLUESCOPE STEEL LIMITED

ABN

16 000 011 058

We (the entity) give ASX the following information.

Information about buy-back

1 Type of buy-back

On-market

2 Date Appendix 3C was given
to ASX

19 August 2004

**Total of all shares bought back, or in relation to which acceptances have
been received, before, and on, previous day**3 Number of shares bought
back or if buy-back is an
equal access scheme, in
relation to which acceptances
have been received

5,369,882

1,100,000

4 Total consideration paid or payable
for the shares

\$42,438,258

\$8,534,198

Before previous day	Previous day
---------------------	--------------

5 If buy-back is an on-market buy-back

highest price paid: \$8.00	highest price paid: \$7.79
date: 27-Oct-04	
lowest price paid: \$7.61	lowest price paid: \$7.74
date: 21-Oct-04	
	highest price allowed under rule 7.33: \$8.2740

Participation by directors

6 Deleted 30/9/2001.

--

How many shares may still be bought back?

7 If the company has disclosed an intention to buy back a maximum number of shares - the remaining number of shares to be bought back

11,930,118

Compliance statement



1. The company is in compliance with all Corporations Law requirements relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here:

.....
 (Director/ Company Secretary)

Date: 29/10/04

Print name:

Lisa M Nicholson

+ See chapter 19 for defined terms.

Appendix 3E

Daily share buy-back notice (*except* minimum holding buy-back and selective buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: rule 3.6, Appendix 7C. Amended 30/9/2001.

Name of Entity

BLUESCOPE STEEL LIMITED

ABN

16 000 011 058

We (the entity) give ASX the following information.

Information about buy-back

1 Type of buy-back

On-market

2 Date Appendix 3C was given
to ASX

19 August 2004

**Total of all shares bought back, or in relation to which acceptances have
been received, before, and on, previous day**

	Before previous day	Previous day
3 Number of shares bought back or if buy-back is an equal access scheme, in relation to which acceptances have been received	4,699,882	670,000
4 Total consideration paid or payable for the shares	\$37,110,284	\$5,327,974

+ See chapter 19 for defined terms.

Before previous day	Previous day
---------------------	--------------

5 If buy-back is an on-market buy-back

highest price paid: \$8.00	highest price paid: \$7.97
date: 27-Oct-04	
lowest price paid: \$7.61	lowest price paid: \$7.92
date: 21-Oct-04	
	highest price allowed under rule 7.33: \$8.2740

Participation by directors

6 Deleted 30/9/2001.

--

How many shares may still be bought back?

7 If the company has disclosed an intention to buy back a maximum number of shares - the remaining number of shares to be bought back

13,030,118

Compliance statement

1. The company is in compliance with all Corporations Law requirements relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here:


(Director/ Company Secretary)

Date: 28/10/04

Print name:

Lisa M Nicholson

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Appendix 3E

OFFICE OF INFORMATION
CORPORATE FINANCE

Daily share buy-back notice (except minimum holding buy-back and selective buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: rule 3.6. Appendix 7C. Amended 30/9/2001.

Name of Entity

BLUESCOPE STEEL LIMITED

ABN

16 000 011 058

We (the entity) give ASX the following information.

Information about buy-back

1 Type of buy-back

On-market

2 Date Appendix 3C was given
to ASX

19 August 2004

Total of all shares bought back, or in relation to which acceptances have been received, before, and on, previous day

3 Number of shares bought
back or if buy-back is an
equal access scheme, in
relation to which acceptances
have been received

3,704,882

995,000

4 Total consideration paid or payable
for the shares

\$29,201,623

\$7,908,661

+ See chapter 19 for defined terms.

Before previous day	Previous day
---------------------	--------------

5 If buy-back is an on-market buy-back

highest price paid: \$8.00 date: 27-Oct-04	highest price paid: \$8.00
lowest price paid: \$7.61 date: 21-Oct-04	lowest price paid: \$7.86
	highest price allowed under rule 7.33: \$8.2698

Participation by directors

6 Deleted 30/9/2001.

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How many shares may still be bought back?

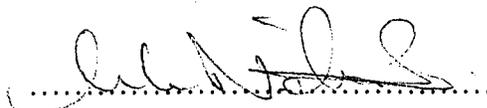
7 If the company has disclosed an intention to buy back a maximum number of shares - the remaining number of shares to be bought back

13,700,118

Compliance statement

1. The company is in compliance with all Corporations Law requirements relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here:


.....
(Director/ Company Secretary)

Date: 27/10/04

Print name:

Lisa M Nicholson

+ See chapter 19 for defined terms.

Appendix 3E

Daily share buy-back notice (*except* minimum holding buy-back and selective buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: rule 3.6, Appendix 7C. Amended 30/9/2001.

Name of Entity	ABN
BLUESCOPE STEEL LIMITED	16 000 011 058

We (the entity) give ASX the following information.

Information about buy-back

1 Type of buy-back	On-market
2 Date Appendix 3C was given to ASX	19 August 2004

Total of all shares bought back, or in relation to which acceptances have been received, before, and on, previous day

	Before previous day	Previous day
3 Number of shares bought back or if buy-back is an equal access scheme, in relation to which acceptances have been received	2,104,882	1,600,000
4 Total consideration paid or payable for the shares	\$16,471,566	\$12,730,057

+ See chapter 19 for defined terms.

Before previous day	Previous day
---------------------	--------------

5 If buy-back is an on-market buy-back

highest price paid: \$8.00	highest price paid: \$7.98
date: 22-Oct-04	
lowest price paid: \$7.61	lowest price paid: \$7.92
date: 21-Oct-04	
	highest price allowed under rule 7.33: \$8.3727

Participation by directors

6 Deleted 30/9/2001.

--

How many shares may still be bought back?

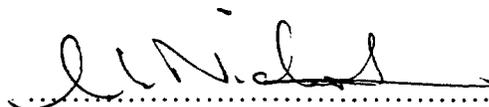
7 If the company has disclosed an intention to buy back a maximum number of shares - the remaining number of shares to be bought back

14,695,118

Compliance statement

1. The company is in compliance with all Corporations Law requirements relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here:



 (Director/ Company Secretary)

Date: 26/10/04

Print name: Lisa M Nicholson

+ See chapter 19 for defined terms.

Appendix 3E

Daily share buy-back notice (*except* minimum holding buy-back and selective buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: rule 3.6, Appendix 7C. Amended 30/9/2001.

Name of Entity

BLUESCOPE STEEL LIMITED

ABN

16 000 011 058

We (the entity) give ASX the following information.

Information about buy-back

1 Type of buy-back

On-market

2 Date Appendix 3C was given
to ASX

19 August 2004

Total of all shares bought back, or in relation to which acceptances have been received, before, and on, previous day

3 Number of shares bought
back or if buy-back is an
equal access scheme, in
relation to which acceptances
have been received

1,216,002

888,880

4 Total consideration paid or payable
for the shares

\$9,575,399

\$6,896,167

+ See chapter 19 for defined terms.

30/09/2001

Appendix 3E Page 1

Before previous day	Previous day
---------------------	--------------

5 If buy-back is an on-market buy-back

highest price paid: \$8.00 date: 22-Oct-04	highest price paid: \$7.85
lowest price paid: \$7.61 date: 21-Oct-04	lowest price paid: \$7.67
	highest price allowed under rule 7.33: \$8.3727

Participation by directors

6 Deleted 30/9/2001.

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How many shares may still be bought back?

7 If the company has disclosed an intention to buy back a maximum number of shares - the remaining number of shares to be bought back

16,295,118

Compliance statement

1. The company is in compliance with all Corporations Law requirements relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here:


.....
(Director/ Company Secretary)

Date: 25/10/04

Print name:

Lisa M Nicholson

+ See chapter 19 for defined terms.

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OFFICE OF INTERNATIONAL
CORPORATE FINANCE

Appendix 3E

Daily share buy-back notice (except minimum holding buy-back and selective buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: rule 3.6, Appendix 7C. Amended 30/9/2001.

Name of Entity

ABN

BLUESCOPE STEEL LIMITED

16 000 011 058

We (the entity) give ASX the following information.

Information about buy-back

1 Type of buy-back

On-market

2 Date Appendix 3C was given
to ASX

19 August 2004

**Total of all shares bought back, or in relation to which acceptances have
been received, before, and on, previous day**

	Before previous day	Previous day
3 Number of shares bought back or if buy-back is an equal access scheme, in relation to which acceptances have been received	406,002	810,000
4 Total consideration paid or payable for the shares	\$3,126,514	\$6,448,885

+ See chapter 19 for defined terms.

30/09/2001

Appendix 3E Page 1

Before previous day	Previous day
---------------------	--------------

5 If buy-back is an on-market buy-back

highest price paid: \$7.78 date: 21-Oct-04	highest price paid: \$8.00
lowest price paid: \$7.61 date: 21-Oct-04	lowest price paid: \$7.92
	highest price allowed under rule 7.33: \$8.6961

Participation by directors

6 Deleted 30/9/2001.

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How many shares may still be bought back?

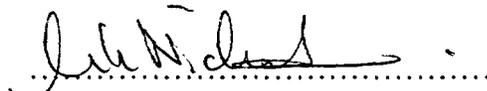
7 If the company has disclosed an intention to buy back a maximum number of shares - the remaining number of shares to be bought back

17,183,998

Compliance statement

1. The company is in compliance with all Corporations Law requirements relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here:


.....
(Director/ Company Secretary)

Date: 22/10/04

Print name: Lisa M Nicholson

Appendix 3E

Daily share buy-back notice (*except* minimum holding buy-back and selective buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: rule 3.6, Appendix 7C. Amended 30/9/2001.

Name of Entity

BLUESCOPE STEEL LIMITED

ABN

16 000 011 058

We (the entity) give ASX the following information.

Information about buy-back

1 Type of buy-back

On-market

2 Date Appendix 3C was given
to ASX

19 August 2004

**Total of all shares bought back, or in relation to which acceptances have
been received, before, and on, previous day**

	Before previous day	Previous day
3 Number of shares bought back or if buy-back is an equal access scheme, in relation to which acceptances have been received	0	406,002
4 Total consideration paid or payable for the shares	\$0	\$3,126,514

	Before previous day		Previous day
--	---------------------	--	--------------

5 If buy-back is an on-market buy-back

highest price paid:	\$0.00	highest price paid:	\$7.78
date:	n/a		
lowest price paid:	\$0.00	lowest price paid:	\$7.61
date:	n/a		
		highest price allowed under rule 7.33:	\$8.6961

Participation by directors

6 Deleted 30/9/2001.

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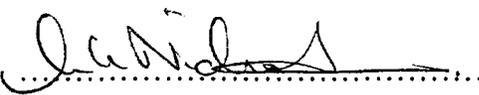
How many shares may still be bought back?

7 If the company has disclosed an intention to buy back a maximum number of shares - the remaining number of shares to be bought back

17,993,998

Compliance statement

1. The company is in compliance with all Corporations Law requirements relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here: 
(Director/ Company Secretary)

Date: 21/10/04

Print name: Lisa M Nicholson

+ See chapter 19 for defined terms.

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OFFICE OF INTERMEDIATE
CORPORATE FINANCE

**BLUESCOPE STEEL LIMITED
ANNUAL GENERAL MEETING**

**19 OCTOBER 2004
WESTIN HOTEL, SYDNEY
CHAIRMAN'S COMMENTS ON AWU RESOLUTIONS (4-8)**

YOU WILL HAVE SEEN FROM YOUR NOTICE OF MEETING THAT ITEMS 4 TO 8 ARE RESOLUTIONS PROPOSED BY APPROXIMATELY 120 SHAREHOLDERS AFFILIATED WITH THE AUSTRALIAN WORKERS UNION.

THEY DEAL WITH CHANGES TO THE COMPANY'S CONSTITUTION.

IN ORDER TO BE ADOPTED, AT LEAST 75 PER CENT OF THE VOTES CAST BY SHAREHOLDERS MUST BE IN FAVOUR.

BEFORE WE MOVE TO CONSIDER EACH RESOLUTION, I WOULD LIKE TO MAKE SOME GENERAL COMMENTS, ON BEHALF OF YOUR BOARD.

THE COMPANY HAS RECEIVED LEGAL ADVICE THAT SOME OF THE RESOLUTIONS ARE UNCLEAR.

WE DID SERIOUSLY CONSIDER, THEREFORE, WHETHER WE SHOULD OMIT SEVERAL OF THE RESOLUTIONS FROM THE NOTICE OF MEETING.

HOWEVER, GIVEN THE IMPORTANCE YOUR BOARD PLACES ON CORPORATE GOVERNANCE, WE DECIDED THAT SHAREHOLDERS SHOULD HAVE THE OPPORTUNITY TO DISCUSS ALL OF THESE RESOLUTIONS.

I WANT TO MAKE CLEAR, HOWEVER, THAT YOUR BOARD UNANIMOUSLY OPPOSES RESOLUTIONS 4-8.

THE BOARD IS SURPRISED THAT BLUESCOPE STEEL HAS BEEN TARGETED BY A UNION-LED CAMPAIGN, OSTENSIBLY ABOUT CORPORATE GOVERNANCE, WHEN OUR GOVERNANCE REPUTATION IS EXCELLENT.

FUNDAMENTALLY, THESE AWU RESOLUTIONS WOULD HAVE THE EFFECT THAT THREE OUT OF YOUR SEVEN DIRECTORS - MYSELF,

MR McCANN AND POSSIBLY MR McNEILLY - WOULD AUTOMATICALLY CEASE TO HOLD OFFICE AT THE END OF THIS MEETING.

MR ADAMS IS A HIGHLY REGARDED INTERNATIONAL EXECUTIVE WHOSE MARKET PLACE VALUE IS ABOVE WHAT THIS COMPANY WOULD BE ABLE TO OFFER IF THE RESTRICTIONS ON REMUNERATION PROPOSED IN RESOLUTIONS SEVEN AND EIGHT WERE PASSED.

MR ADAMS WOULD NEED TO CONSIDER HIS POSITION, GIVEN THAT THE COMPANY WOULD NO LONGER BE ABLE TO HONOUR HIS EMPLOYMENT CONTRACT.

IT IS EXTRAORDINARY THAT ANYONE WOULD SUGGEST THAT FOUR OUT OF SEVEN OF THIS COMPANY'S DIRECTORS MIGHT LOSE THEIR POSITIONS, GIVEN THE OUTSTANDING PERFORMANCE OF YOUR COMPANY, INCLUDING ITS MARKET LEADING SHAREHOLDER RETURN.

INDEPENDENT AGENCIES - SUCH AS CORPORATE GOVERNANCE INTERNATIONAL (CGI), THE AUSTRALIAN COUNCIL OF SUPERANNUATION INVESTORS (ACSI) AND INTERNATIONAL SHAREHOLDER SERVICES (ISS) - HAVE ASSESSED THE COMPANY AND GIVEN STRONG SUPPORT TO THE CORPORATE GOVERNANCE ARRANGEMENTS PUT IN PLACE BY YOUR BOARD.

THESE INDEPENDENT GOVERNANCE BODIES HAVE ALL RECOMMENDED VOTING AGAINST THE UNION RESOLUTIONS.

I THINK IT IS ALSO IMPORTANT FOR SHAREHOLDERS TO BE AWARE THAT THE AWU REPRESENTS ABOUT 4,000 OF BLUESCOPE STEEL'S 16,000 EMPLOYEES, OR ABOUT ONE QUARTER OF OUR WORKFORCE.

THEY HOLD PROXIES FROM ABOUT 600 OF OUR 16,000 EMPLOYEES WHILE OVER 2,500 OF OUR EMPLOYEES HAVE DIRECTED THEIR PROXIES IN LINE WITH THE DIRECTORS' RECOMMENDATION.

IN TOTAL, MORE THAN 70% OF VOTING EMPLOYEE SHAREHOLDERS SUPPORT YOUR DIRECTORS, RATHER THAN THE AWU.

THE AWU HAS ALREADY CONTRIBUTED TO THE NATIONAL CORPORATE GOVERNANCE DEBATE AS PART OF THE CLERP 9 REFORMS.

THEIR VOICE HAS BEEN HEARD IN THE PROPER GOVERNANCE FORUMS AND THEIR VIEWS TAKEN INTO ACCOUNT IN FRAMING THE RECENT CLERP 9 CHANGES.

YOUR BOARD BELIEVES IT IS QUITE INAPPROPRIATE FOR THEM NOW TO SEEK TO ADD FURTHER GOVERNANCE REQUIREMENTS ON ONE COMPANY ONLY.

THE AGM IS NOT A PROPER FORUM FOR CAMPAIGNS LIKE THIS - WHICH ARE NOT IN THE INTERESTS OF ALL SHAREHOLDERS.

IN ORCHESTRATING A CAMPAIGN AROUND THESE RESOLUTIONS, THE LEADERS OF THE AWU ARE ADVANCING UNION INTERESTS, NOT THOSE OF SHAREHOLDERS.

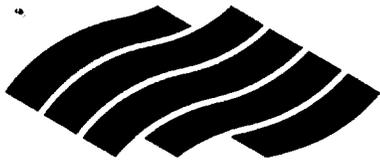
YOUR BOARD BELIEVES THE STRONG FINANCIAL PERFORMANCE OF THE COMPANY IN THE TWO YEARS SINCE PUBLIC LISTING, INCLUDING ITS MARKET-LEADING RETURN TO SHAREHOLDERS, SUPPORTED BY HIGH RATINGS FROM EXTERNAL AGENCIES, IS POWERFUL EVIDENCE THAT YOUR DIRECTORS HAVE IMPLEMENTED THE RIGHT MIX OF GOVERNANCE AND REMUNERATION POLICIES.

IN SUMMARY, YOUR BOARD BELIEVES THAT:

- * IN TARGETING BLUESCOPE STEEL, THE AWU HAS CHOSEN THE WRONG TARGET ON CORPORATE GOVERNANCE;
- * BEST PRACTICE CORPORATE GOVERNANCE ARRANGEMENTS ARE ALREADY IN PLACE AT BLUESCOPE STEEL;
- * THE RESOLUTIONS PROPOSED ARE UNTESTED, UNNECESSARY, UNCLEAR AND WOULD UNDULY LIMIT THE FLEXIBILITY OF THE BOARD;
- * WE HAVE EARNED A REPUTATION AS A HIGH PERFORMANCE COMPANY AND THIS PERFORMANCE IS A DIRECT RESULT OF THE EFFORTS OF OUR MANAGEMENT TEAM AND EMPLOYEES; AND
- * ALL STAKEHOLDERS - INCLUDING SHAREHOLDERS, EMPLOYEES AND OTHERS - ARE BENEFITING FROM THE COMPANY'S SUCCESS.

IN THIS LIGHT, YOUR BOARD STRONGLY RECOMMENDS THAT YOU
VOTE AGAINST RESOLUTIONS 4-8.

END



**BLUESCOPE
STEEL**

SEC File
No. 82-34676

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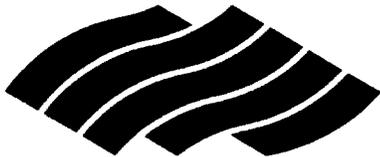
2004 OCT 19 AM 10:13

OFFICE OF INVESTIGATION
CORPORATE FINANCE

Safety Announcement

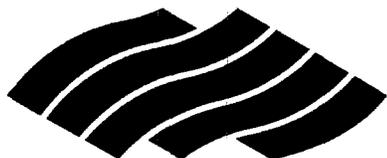
David Goodwin

19 October 2004



**BLUESCOPE
STEEL**

2004 Annual General Meeting



**BLUESCOPE
STEEL**

Annual General Meeting

Graham Kraehe

Chairman

19 October 2004

Board of Directors



GRAHAM KRAEHE
Chairman

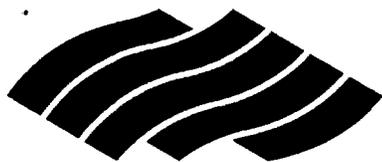


RON MCNEILLY
Deputy Chairman



KIRBY ADAMS
MD & CEO





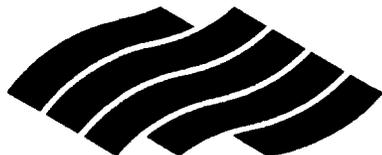
**BLUESCOPE
STEEL**

Annual General Meeting

Graham Kraehe

Chairman

19 October 2004



**BLUESCOPE
STEEL**

Chairman's Address

BlueScope Steel has outperformed its peers

**Relative Share Price Performance:
Jan 04 – Sep 04**



BlueScope Steel has outperformed its peers

**Relative Share Price Performance:
July 02 – Sep 04**



Group Headlines FY2004

Continued to seize market opportunities and drive business improvements

Revenue	\$5.77 billion	<i>Record</i>
Despatches	6.94 million tonnes	<i>Record</i>
NPAT	\$584 million	<i>Up 29% Record</i>
EBITDA	\$1,105 million	<i>First time over \$1.0 billion</i>
EBIT	\$818 million	<i>Up 34%</i>
EPS	77.8¢	<i>Up 36%</i>
Return on Invested Capital	18.5%	<i>Growth continues</i>
Net Cash Flow	\$315 million	<i>Even after Butler & growth expenditure</i>
Debt Increased	Up \$425 million	<i>Reflects Butler acquisition and share buyback</i>
Gearing (net debt)	12.9%	<i>But for buyback and acquisition – would be zero</i>

The benefits of BlueScope Steel's progress are far-reaching

Shareholders

Total dividend increased from 29¢ to 40¢ per share
Total Shareholder Return of 185% since listing and 92% in FY2004

Customers

- Best ever delivery performance
- New product offers
- Successful Company name change

Employees

More than \$1 billion paid in wages and salaries
\$30 million-Bonus employee shares
Cleaner and safer workplaces

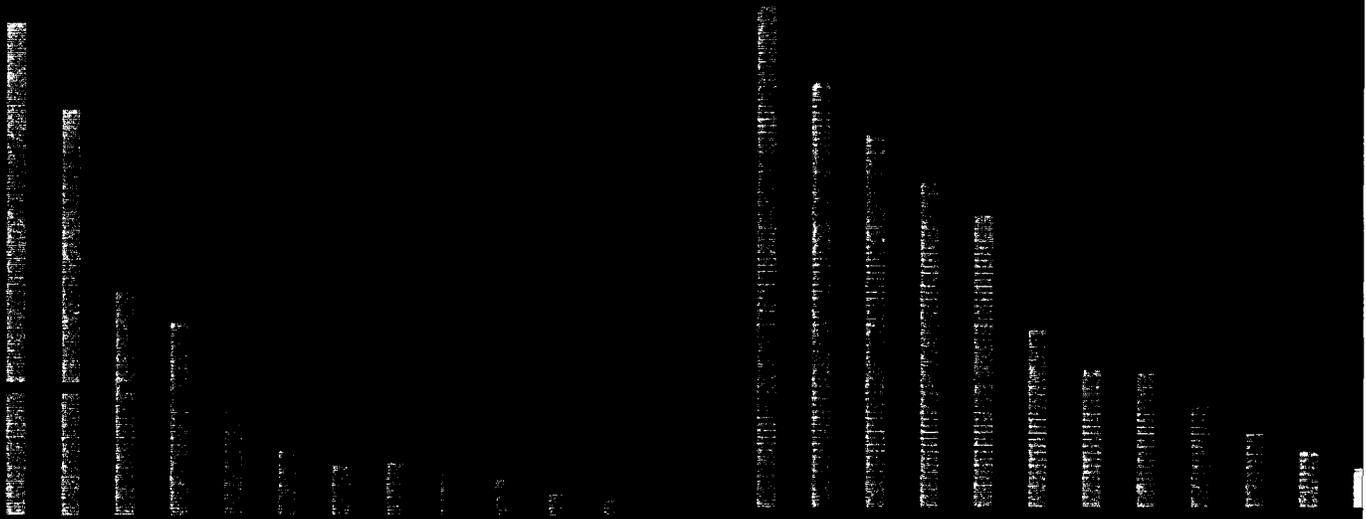
Communities

- \$200 million paid in income tax
- \$2 million directly invested in community programs
- Improving environmental management

Safety — Our goal remains zero harm

Lost Time Injury Frequency Rate

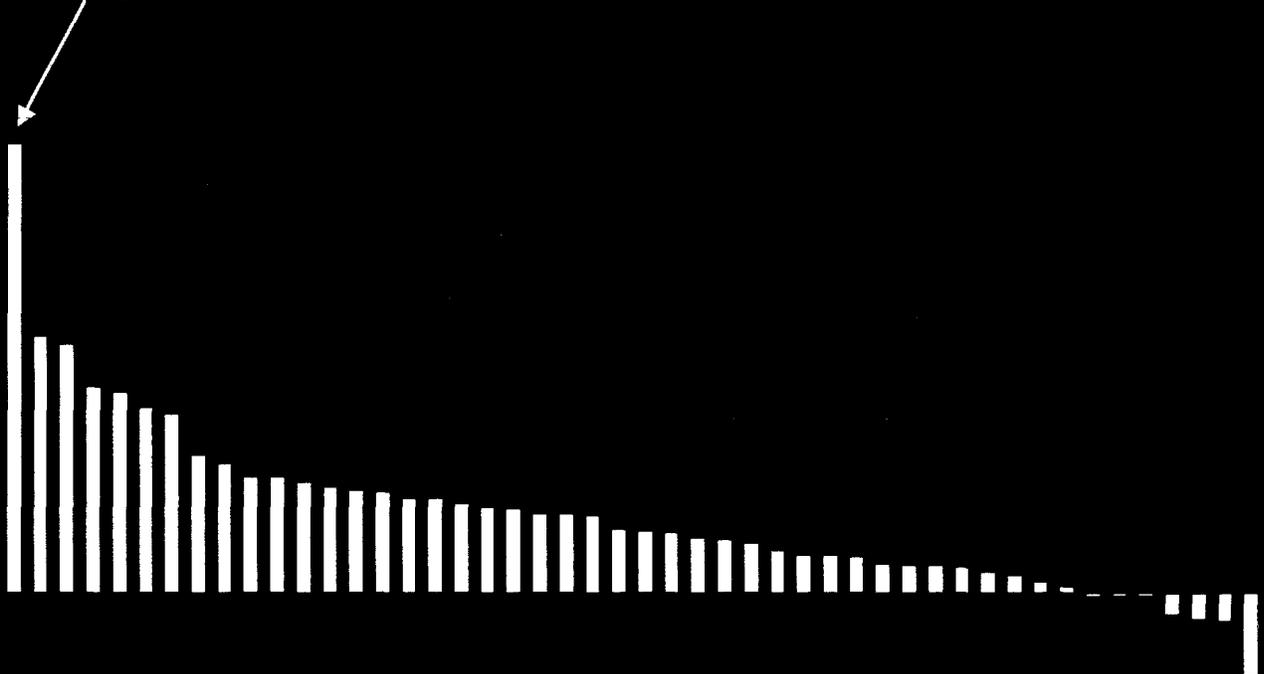
Medically Treated Injury Frequency Rate

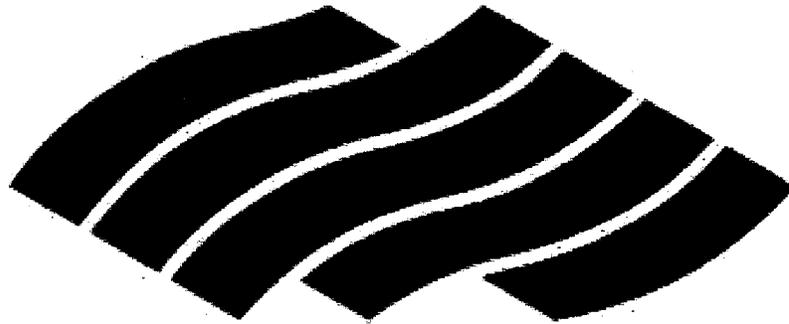


But, we experienced a fatality on 29 June 2004

Best total shareholder return in ASX 100

BlueScope Steel

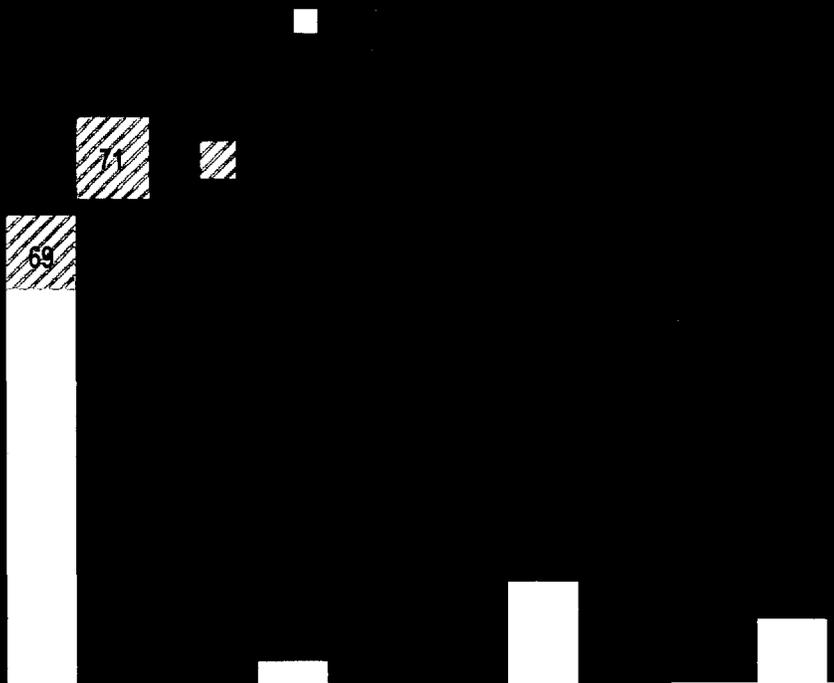




BLUESCOPE STEEL

Strong and improved financial performance across all segments

Group EBIT \$818m



- New business segment as at 1 May 2004
- 2 months results, including integration costs

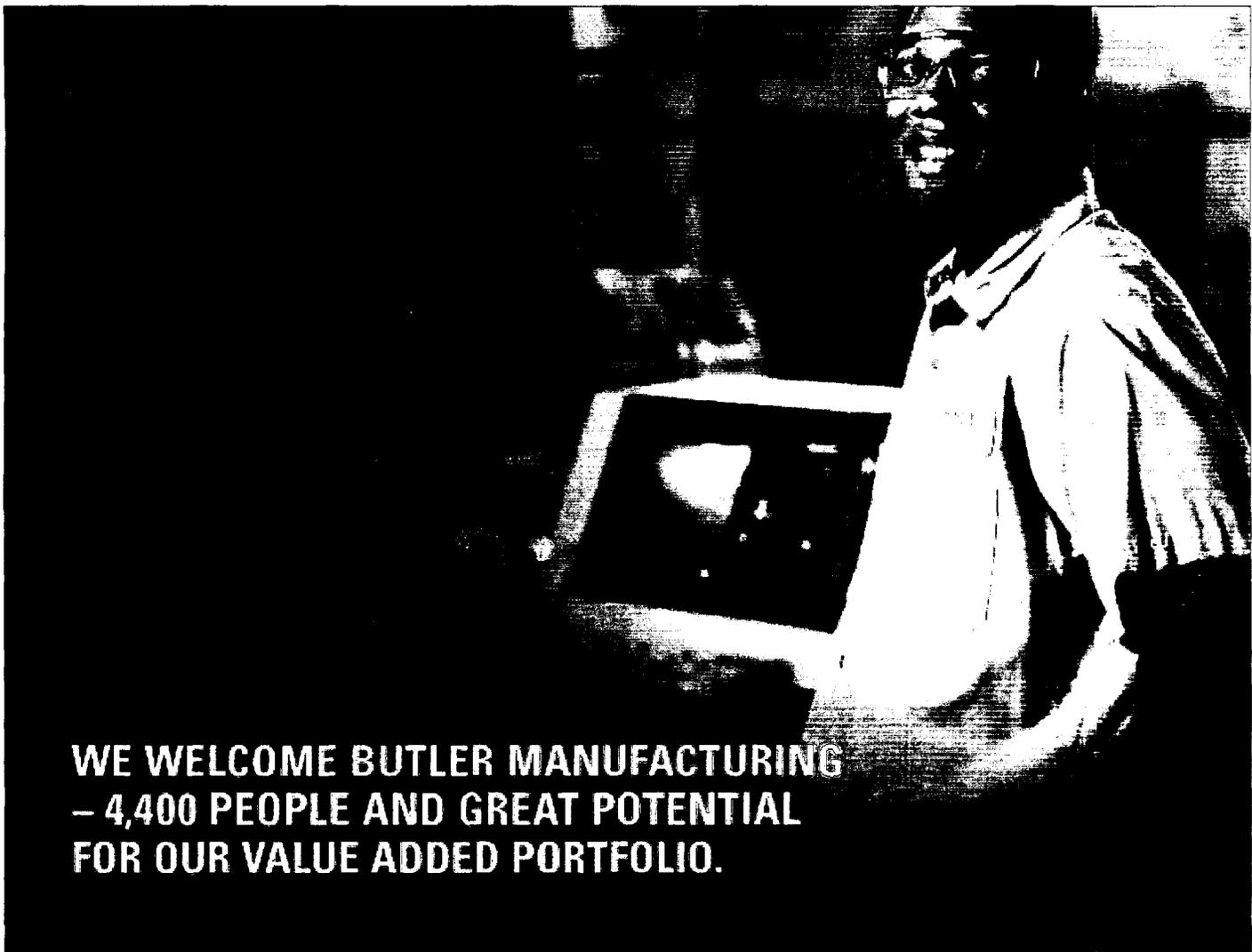




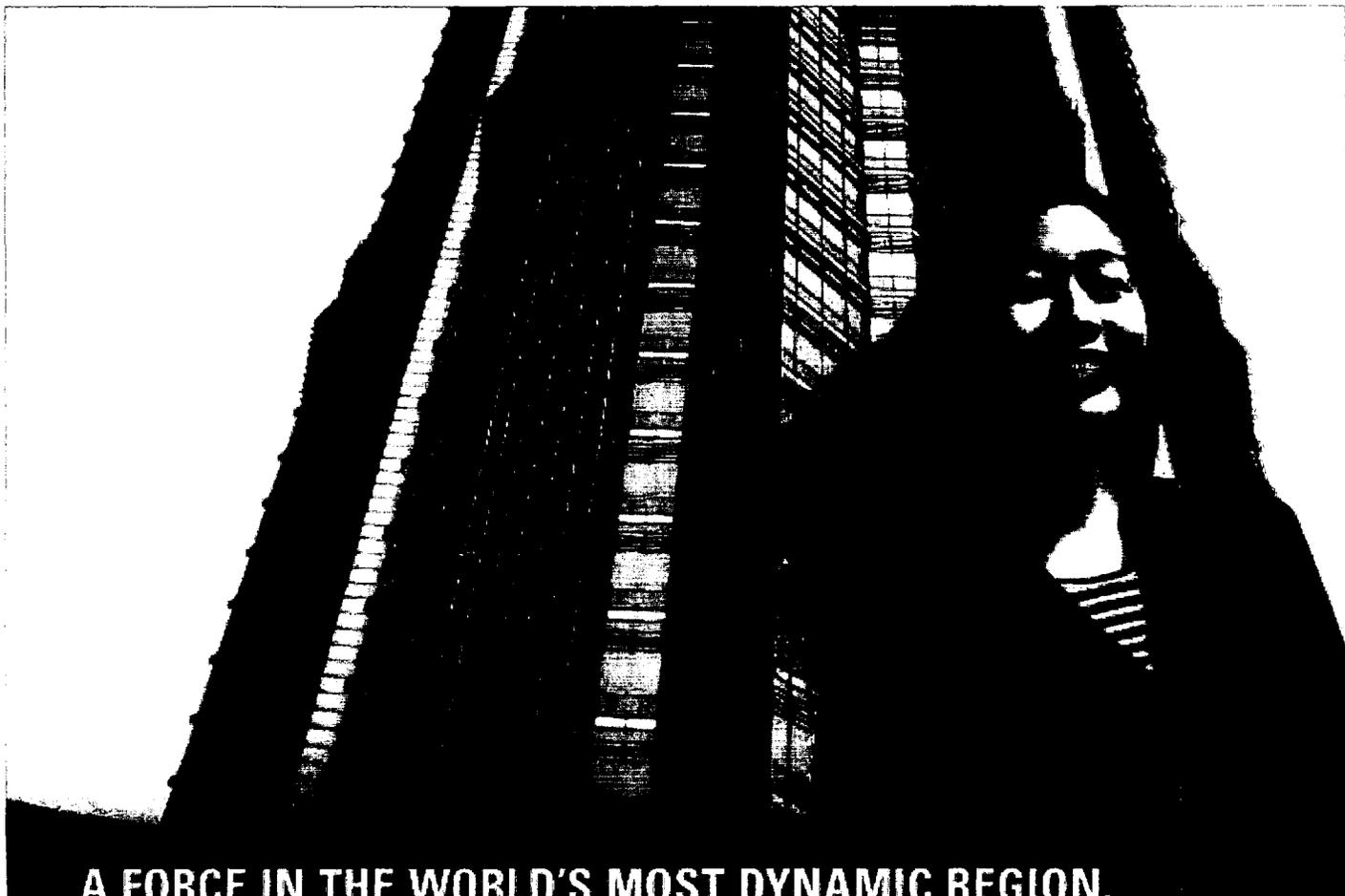
AN INTERNATIONAL STEEL SOLUTIONS COMPANY.



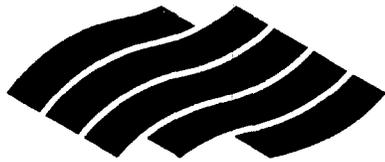
**75 MANUFACTURING PLANTS
IN 16 COUNTRIES ACROSS
THREE CONTINENTS.**



**WE WELCOME BUTLER MANUFACTURING
– 4,400 PEOPLE AND GREAT POTENTIAL
FOR OUR VALUE ADDED PORTFOLIO.**

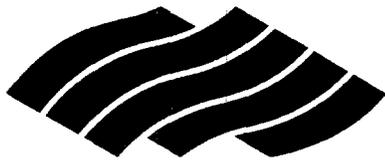


A FORCE IN THE WORLD'S MOST DYNAMIC REGION.



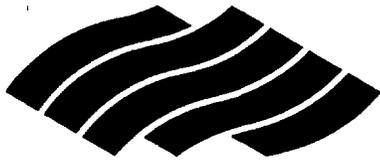
**BLUESCOPE
STEEL**

Corporate Governance



**BLUESCOPE
STEEL**

Current Trading and Outlook



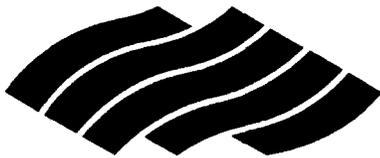
**BLUESCOPE
STEEL**

Annual General Meeting

Graham Kraehe

Chairman

19 October 2004



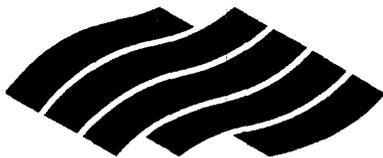
**BLUESCOPE
STEEL**

Annual General Meeting

Kirby Adams

Managing Director & CEO

19 October 2004



**BLUESCOPE
STEEL**

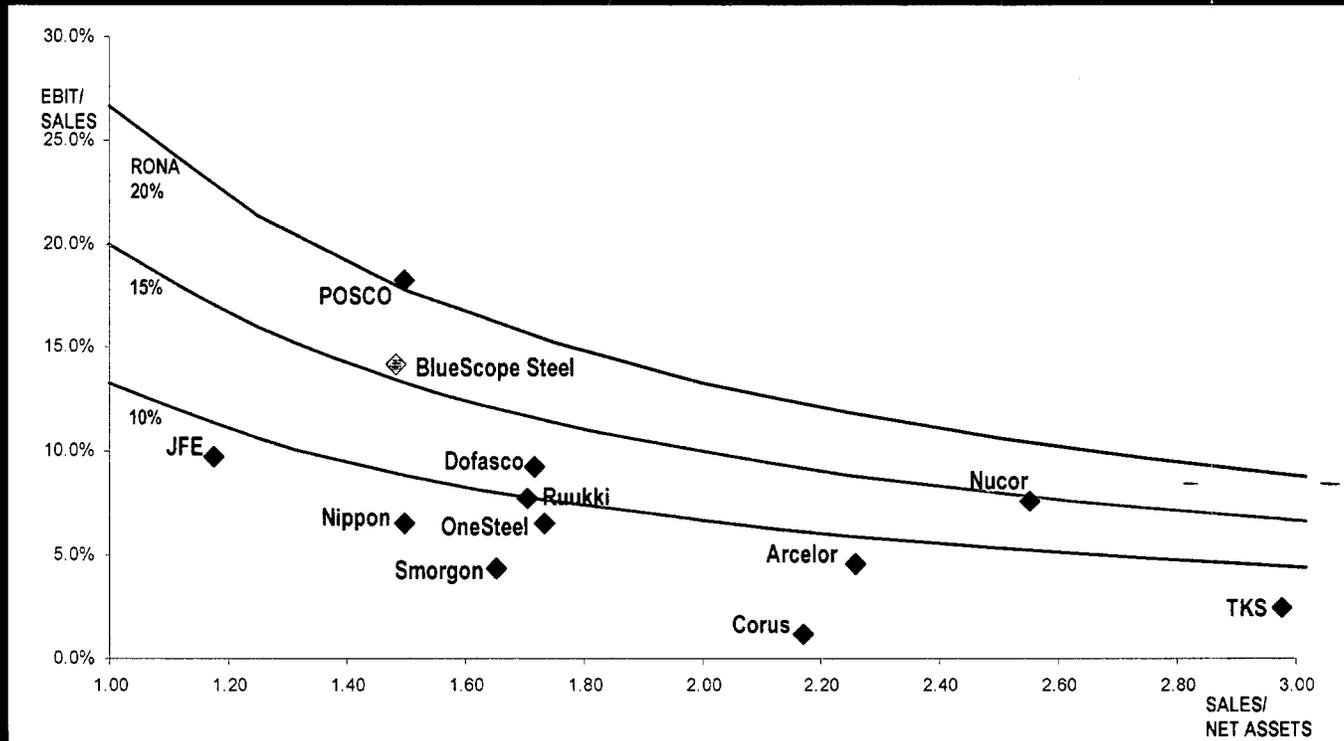
Building an Australian champion

Top 20 World - Class Steelmakers

- | | |
|---------------------------|--------------------------|
| 1. POSCO (South Korea) | 11. Anshan Steel (China) |
| 2. Severstal (Russia) | 12. Nippon Steel (Japan) |
| 3. Baosteel (China) | 13. Sha-gang (China) |
| 4. Tata Steel (India) | 14. SDI (USA) |
| 5. BlueScope Steel | 15. JFE (Japan) |
| 6. CST (Brazil) | 16. Dofasco (Canada) |
| 7. Gerdau (Brazil) | 17. ISG (USA) |
| 8. China Steel (Taiwan) | 18. LNM Group |
| 9. Nucor (USA) | 19. Arcelor (E.U.) |
| 10. CSN (Brazil) | 20. U.S. Steel (USA) |

Source: World Steel Dynamics, 2004

Return on net assets contour



Performance measures are based on companies' most recently available, publicly released, financial information for the 12 months ended June 2004.

The changing expectations of our customers

Order Lead Times Summary

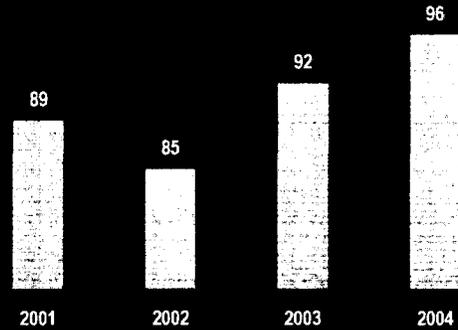
(Percentage of Orders per Days Notice)

There has been a major shift in Lead Times



Delivery Performance

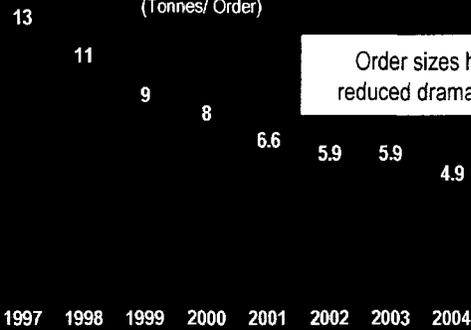
(Percentage "On Time Delivery")



Average Customer Order Size

(Tonnes/ Order)

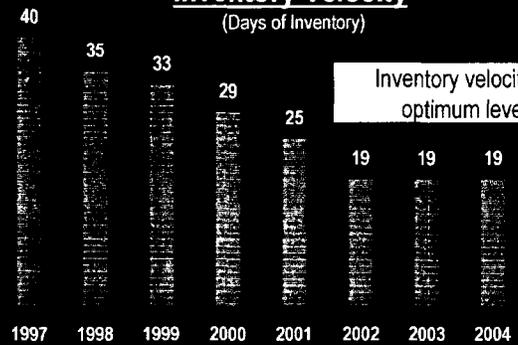
Order sizes have reduced dramatically



Inventory Velocity

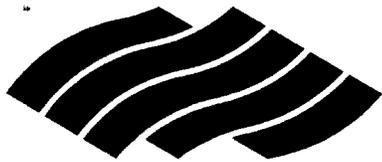
(Days of Inventory)

Inventory velocity at optimum level



*Data from Queensland Service Centre

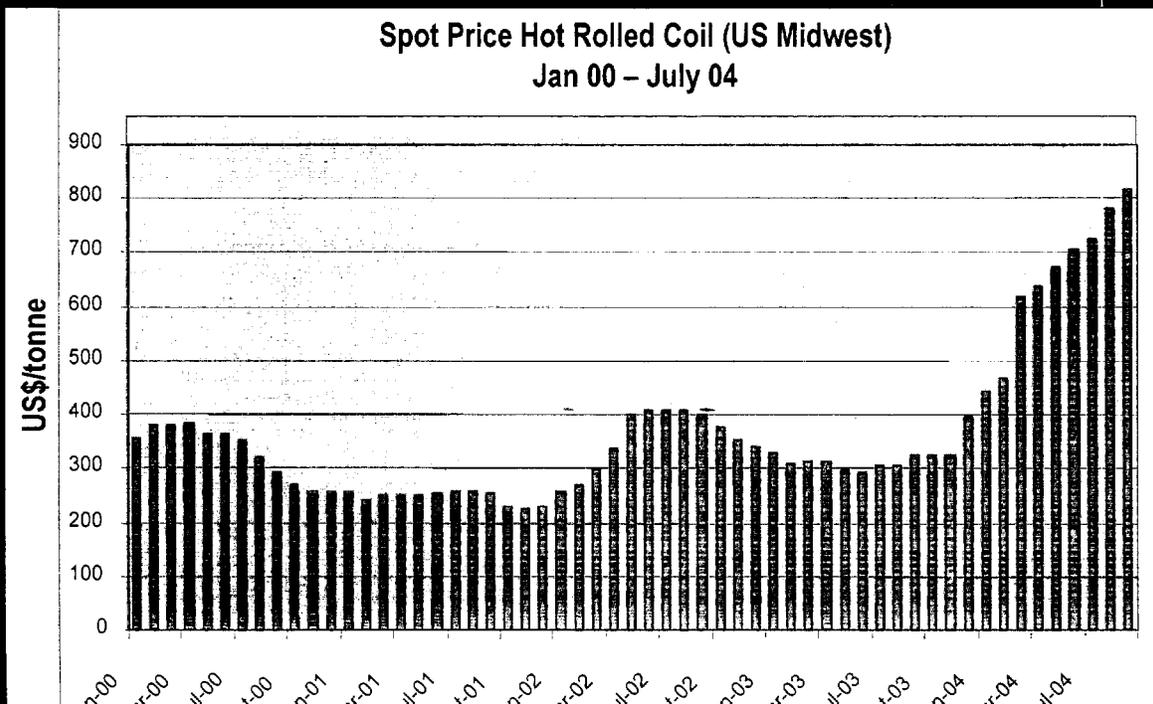




**BLUESCOPE
STEEL**

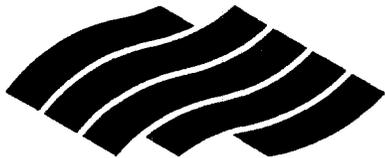
Increasing intensity of international competition

Steel prices high but volatility remains





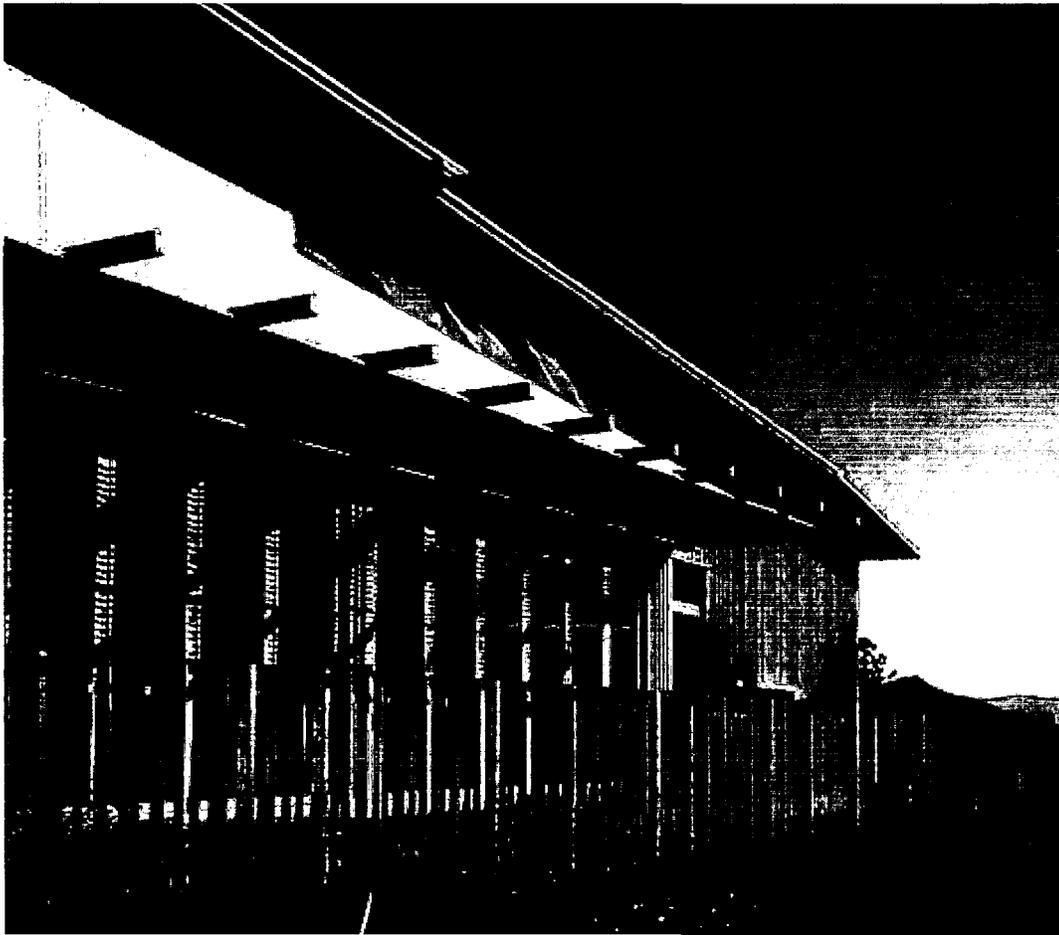
WINNING IN OUR HOME MARKETS



**BLUESCOPE
STEEL**

How we are changing

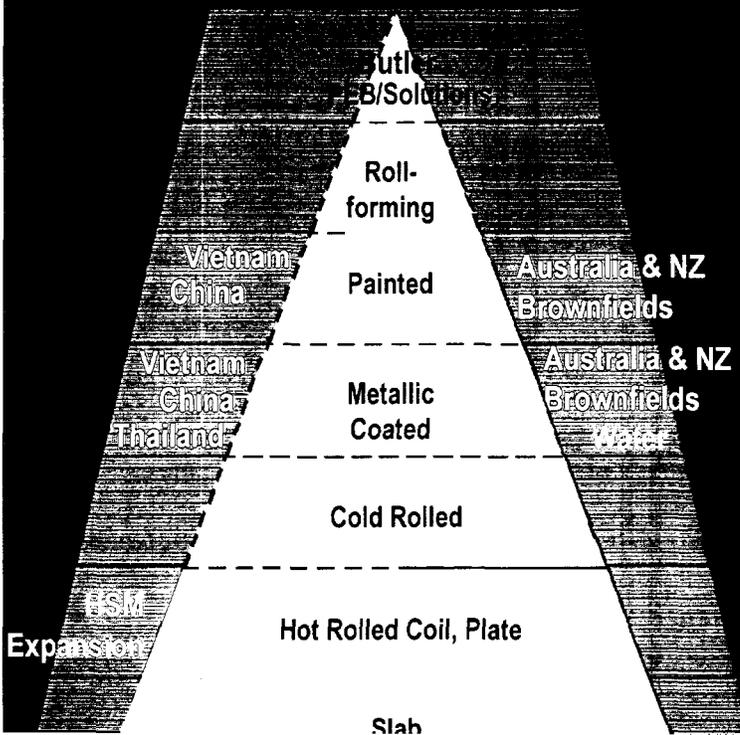
USA early 20th century steel mill



BlueScope Steel

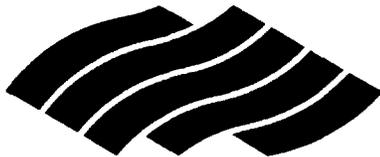
- Product and market driven
- Solutions-oriented
- Multinational
- Technically oriented

Our strategy – A downstream steel solutions company



- Asia and Regional Growth
- Value-added branded products
- Asset productivity
- Disciplined capital management
- World-class low-cost operations
- Manufacturing excellence
- Supply chain velocity
- Cost reductions

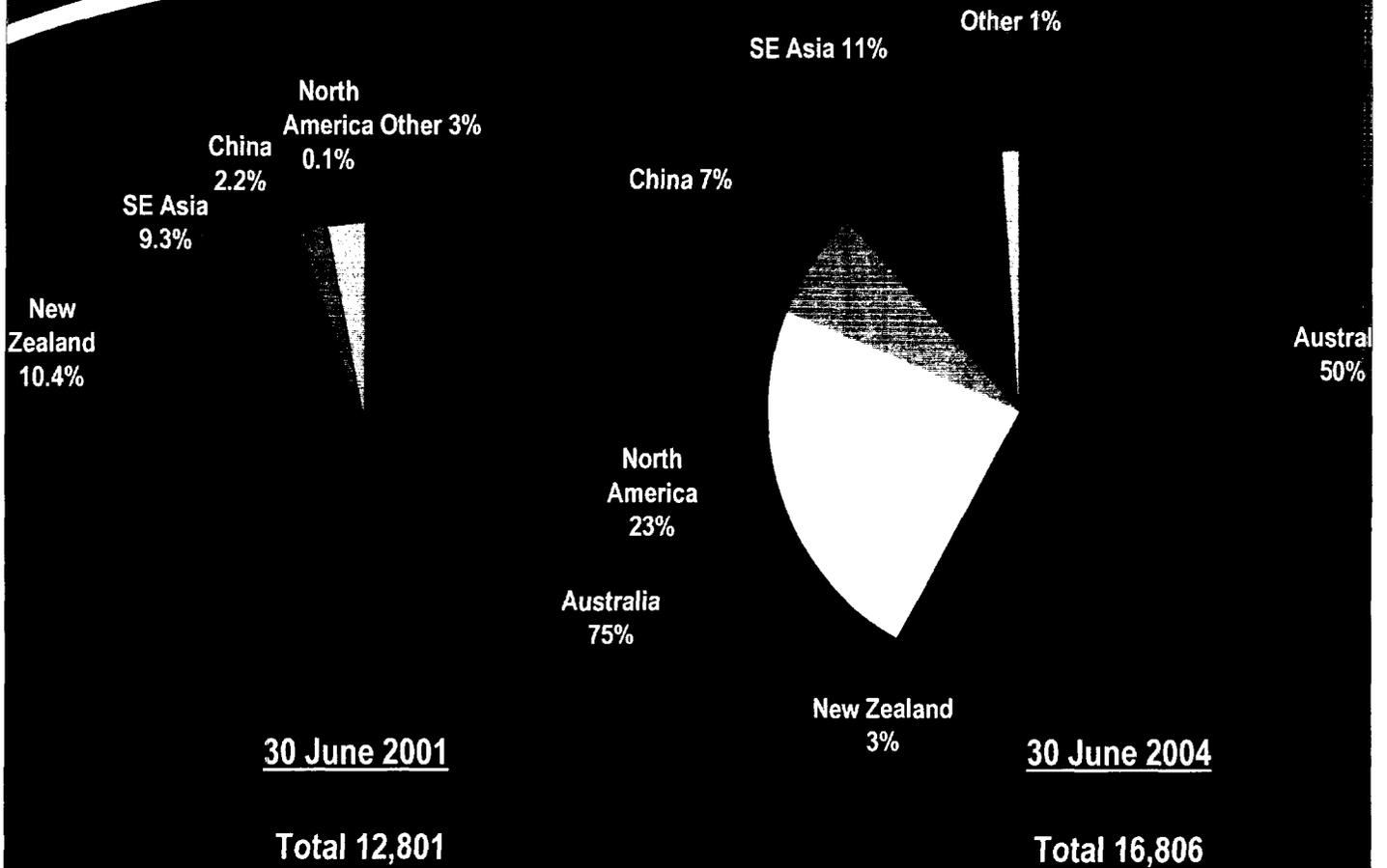
BUTLER® PRE-ENGINEERED BUILDING



**BLUESCOPE
STEEL**

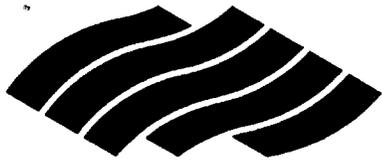
Our people and culture

Employee Profile by country



High performance organisation culture





**BLUESCOPE
STEEL**

Innovations





ILLAWARRA WASTE WATER TREATMENT SCHEME

BlueScope Water

HydroRib

Strong Durable Economical

HydroRib
waterforsure

Rainwater Harvesting Solutions

waterpoint
MicroDam

Why harvest rainwater?

BlueScope Water is proud to be involved in the development of the Illawarra Waste Water Treatment Scheme. The scheme is a major project in the region of Illawarra, NSW.

Water supply

- Reduce water consumption
- Reduce peak water demand
- Reduce water supply infrastructure costs
- Reduce requirements for new regional catchment storage construction
- Increase consumer satisfaction and awareness of water supply issues
- Improve water supply reliability and resilience

Stormwater

- Reduce peak stormwater flows
- Reduce erosion and siltation
- Improve development yields
- Reduce road closure and peak discharge
- Improve stormwater quality
- Improve performance of other WWT or Zoned Urban Design Features

The longer standard length and light weight design of HydroRib™ removed the need for heavy machinery on-site and provided a quicker, less labour intensive installation.

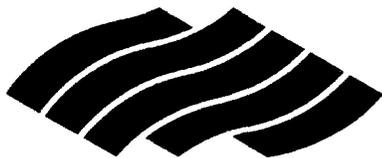
— David Bennett, General Manager, BlueScope Construction

waterpoint
MicroDam

waterpoint
Classic



SINTER MACHINE EMISSION REDUCTION PROJECT



**BLUESCOPE
STEEL**

Butler acquisition – a key growth event

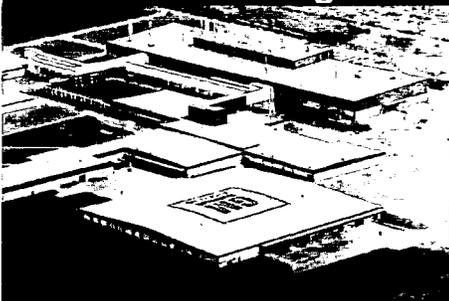
Acquisition of Butler Manufacturing



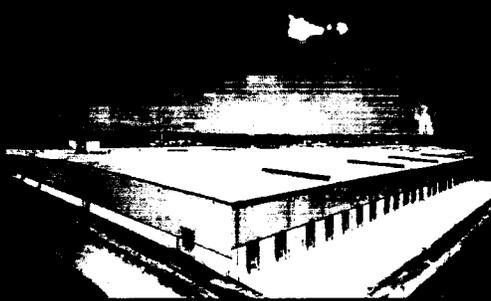
- Pre-eminent global designer/supplier of pre-engineered buildings (PEBs)
- Number one positions in North America and China
- Worldwide brand recognition
- Great people with excellent skills
- An attractive opportunity at the right time

North American Buildings Group

Manufacturing



Warehouse



Retail



Recreation



Showroom



Community

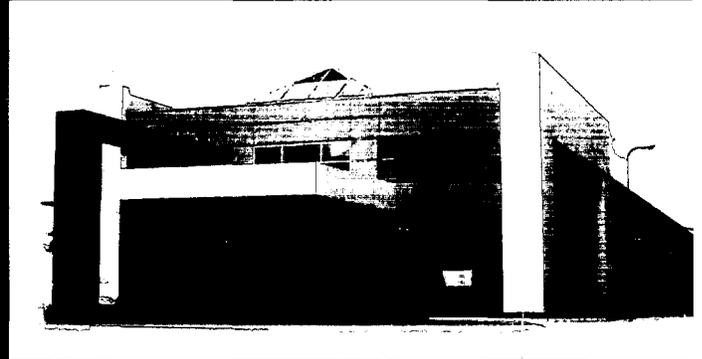


BlueScope Butler China Operation

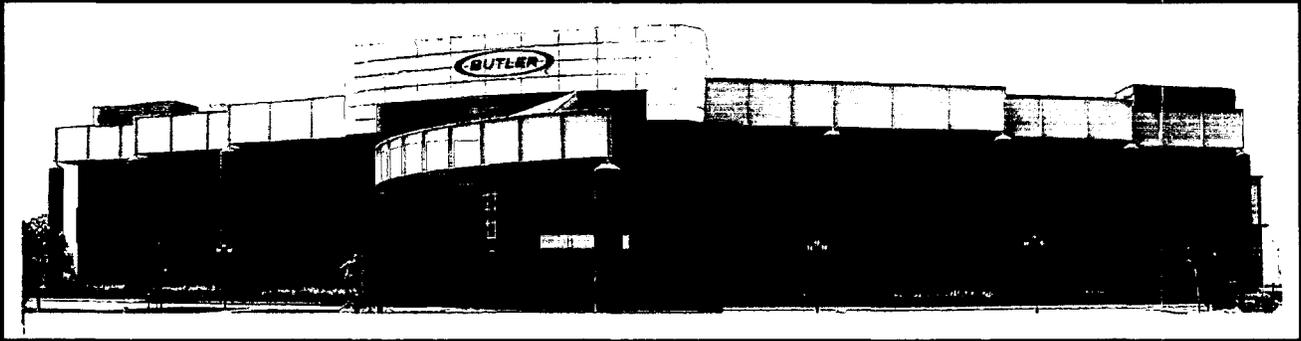
BlueScope Butler Shanghai Plant



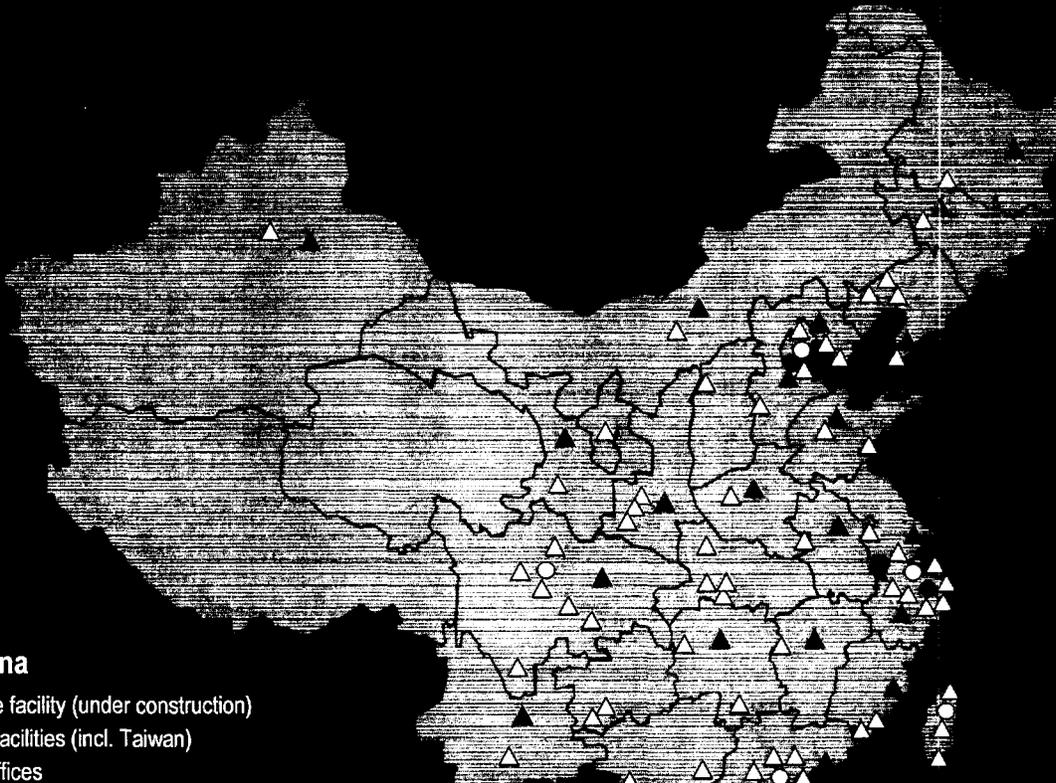
BlueScope Vistawall Fabrication Plant



BlueScope Butler Tianjin Plant



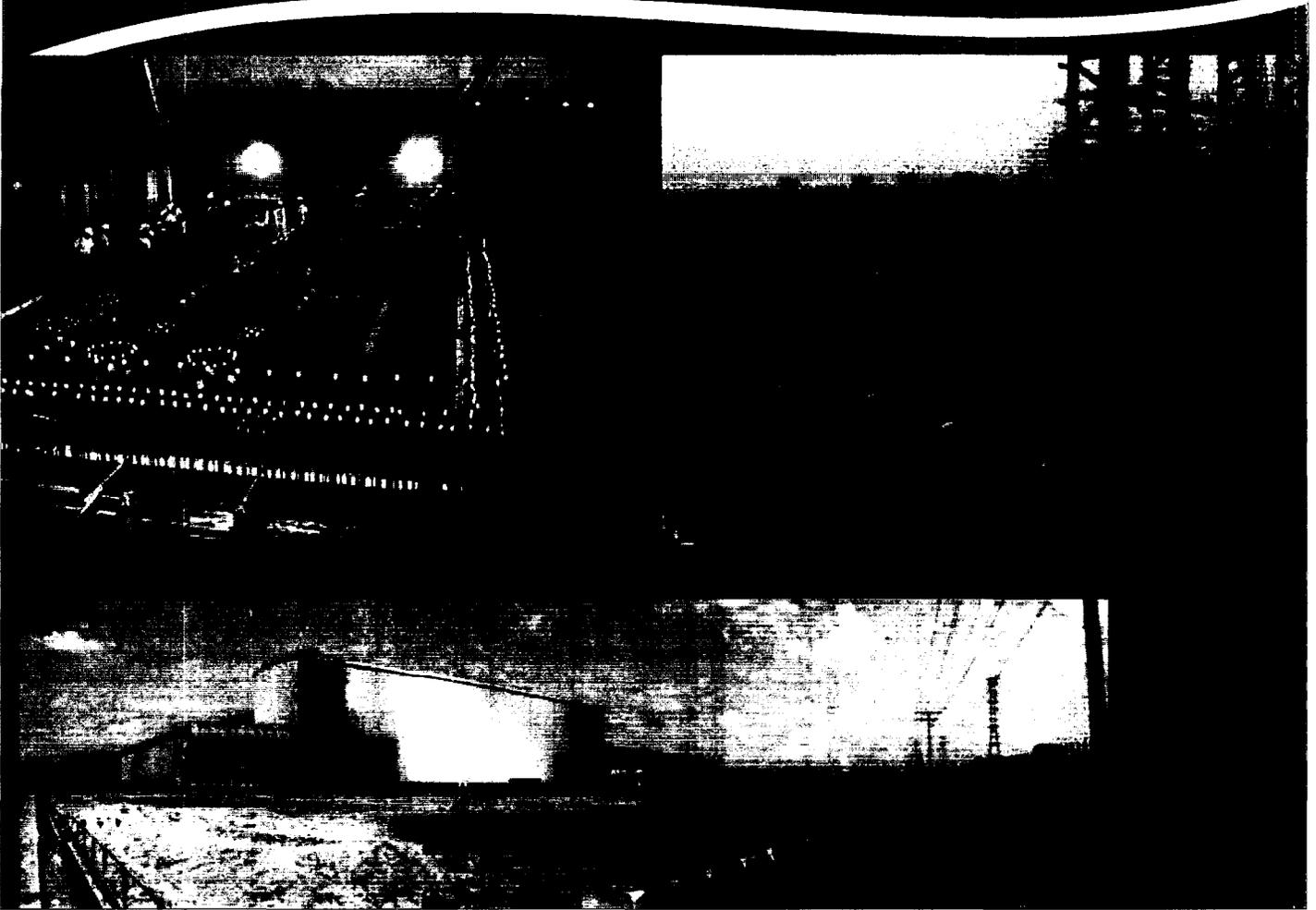
BlueScope Steel Lysaght and Butler China Footprint



BlueScope Steel in China

- 1 Metal Coating/Paint Line facility (under construction)
- 5 Lysaght manufacturing facilities (incl. Taiwan)
- ▲ 60 Lysaght / CSC sales offices

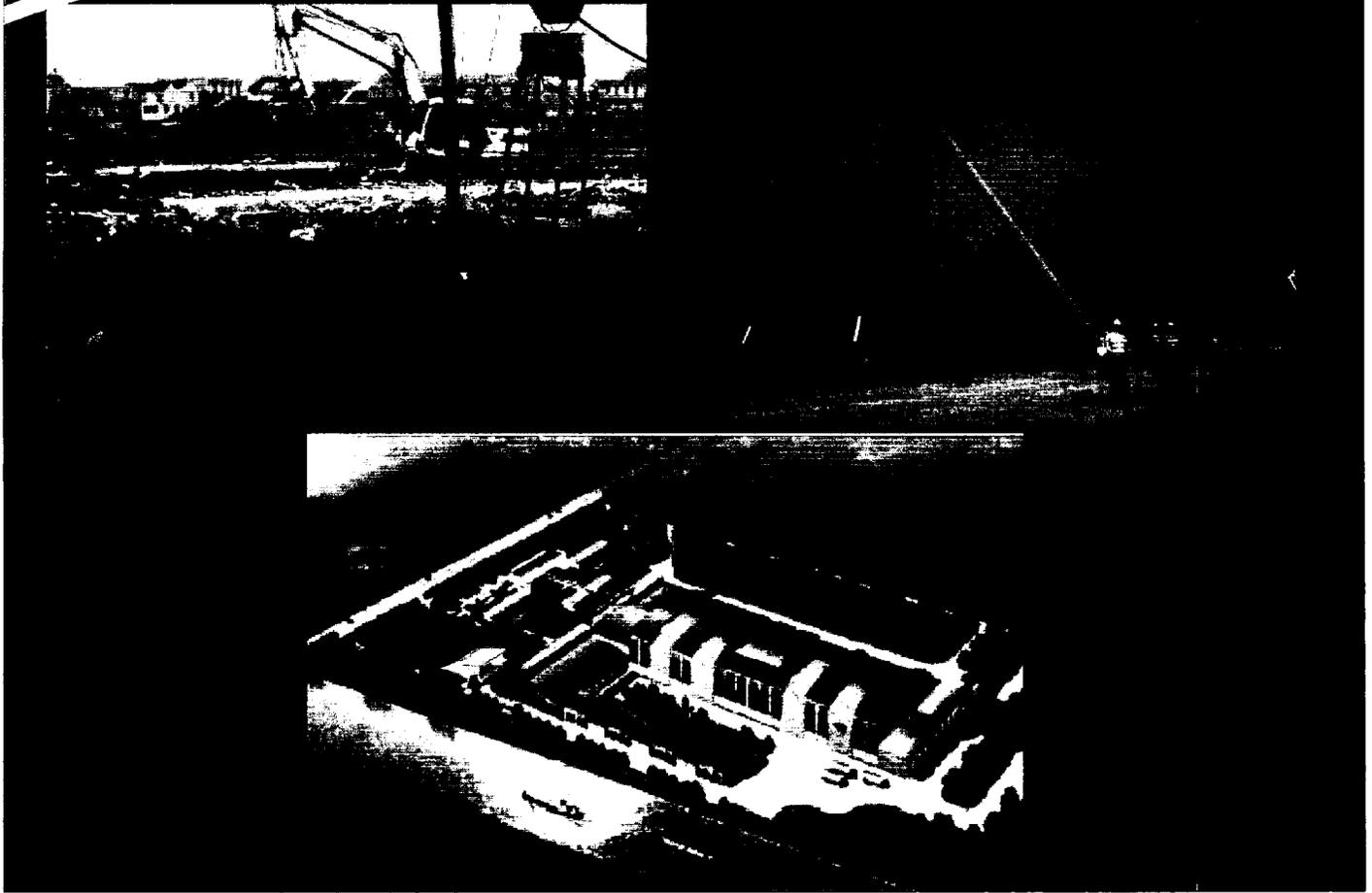
Asian Growth – Vietnam Coating & Painting Plant



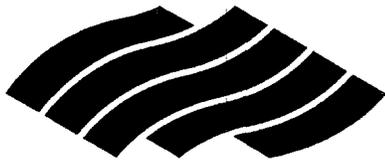
Asian Growth – Thailand 2nd Metal Coating Line



Asian Growth – China Coating & Painting Plant



Conclusion



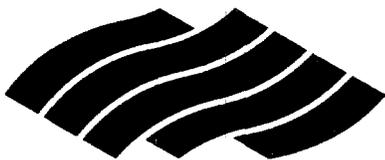
**BLUESCOPE
STEEL**

Annual General Meeting

Kirby Adams

Managing Director & CEO

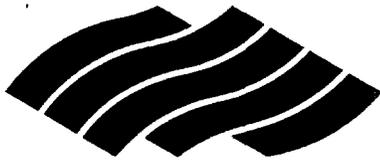
19 October 2004



**BLUESCOPE
STEEL**

Annual General Meeting

Formal Business



**BLUESCOPE
STEEL**

Annual General Meeting

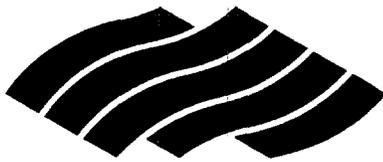
Diane Grady

Chairman, Remuneration Committee

19 October 2004

Resolution 1

Receiving and Considering
Accounts and Reports



**BLUESCOPE
STEEL**

Annual General Meeting

Paul Rizzo

Chairman, Audit & Risk Committee

19 October 2004

Resolution 1

Receiving and Considering
Accounts and Reports

Resolution 2

Election of Directors

Election of Directors

Mr Ron McNeilly retires in accordance with the Company's Constitution, and being eligible, offers himself for re-election.

RON

McNEILLY



Resolution 2 (a)

To re-elect Mr R McNeilly as a Director

	Number of Shares	%
FOR	296,777,757	89.08
AGAINST	8,421,270	2.53
DISCRETIONARY*	27,951,986	8.39
		100%

- The number of the Chairman's discretionary proxy votes are 26,885,150 (96%).

Election of Directors

Ms Diane Grady retires in accordance with the Company's Constitution, and being eligible, offers herself for re-election.

**DIANE
GRADY**



Resolution 2 (b)

To re-elect Ms D Grady as a Director

	Number of Shares	%
FOR	305,233,945	90.92
AGAINST	2,336,884	0.70
DISCRETIONARY*	28,143,948	8.38
		100%

• The number of the Chairman's discretionary proxy votes are 27,073,313 (96%).

Resolution 3

Approval of grant of share rights to the Managing Director & CEO

“That the grant of share rights to the Managing Director and Chief Executive Officer, Mr Kirby Adams, under the Long Term Incentive Plan as described in the Explanatory Notes to this Notice of Meeting be approved for all purposes, including for the purposes of ASX Listing Rule 10.14.”

Resolution 3

Approval of grant of share rights to the Managing Director and CEO

	Number of Shares	%
FOR	289,523,240	88.96
AGAINST	16,771,102	5.15
DISCRETIONARY*	19,164,476	5.89
		100%

• The number of the Chairman's discretionary proxy votes are 18,097,481 (94%).



Resolutions 4-8

Amendments to the Company's Constitution –
Special resolutions proposed by shareholders
affiliated with the Australian Workers' Union

Corporate Governance

- BlueScope Steel is the wrong target
- Our corporate governance is best practice
- Resolutions untested, unclear and would reduce flexibility
- High performance company
- All stakeholders are benefiting from our success

Directors recommend you vote against resolutions 4-8

Resolution 4

To consider and, if thought fit, pass the following resolution as a special resolution:

“That the Company’s Constitution be amended by:

(a) inserting the words *‘if that Director has been a Director of the Company for less than 10 years’* after the word *‘re-election’* in the second line of rule 11.4; and

(b) inserting the sentence:

‘Further, a person who has been a Director of the Company for 10 years or more is not eligible for election as a Director in any circumstances and is not eligible to be appointed as a Director under rule 11.8’

Resolution 4

NB: In order to be adopted, at least 75% of the votes cast by shareholders must be in favour of resolution 4.

	Number of Shares	%
FOR	31,008,663	9.26
AGAINST	285,319,502	85.19
DISCRETIONARY*	18,610,986	5.56
		100%

• The number of the Chairman's discretionary proxy votes are 17,534,297 (94%).

Resolution 5

To consider and, if thought fit, pass the following resolution as a special resolution:

"That the Company's Constitution be amended by inserting the sentence:

'Such retirement benefit or compensation shall not exceed twice the total remuneration paid to that Director in the 12 months prior to retirement, loss of office or death, unless approved by an ordinary resolution of the members of the Company.'

Immediately prior to the sentence commencing 'A retirement benefit' in the ninth line of rule 11.11."

Resolution 5

NB: In order to be adopted, at least 75% of the votes cast by shareholders must be in favour of resolution 5.

	Number of Shares	%
FOR	44,431,098	13.35
AGAINST	270,153,328	81.19
DISCRETIONARY*	18,167,228	5.46
		100%

- The number of the Chairman's discretionary proxy votes are 17,099,711 (94%).

Resolution 6

To consider and, if thought fit, pass the following resolution as a special resolution:

“That the Company's Constitution be amended by:

(a) deleting the word 'or' at the end of rule 11.14(b);

(b) deleting the period at the end of rule 11.14(c) and inserting in its place 'or';

(c) inserting a new paragraph (d) in rule 11.14 as follows:

'(d) is director of more than three other publicly listed companies or, if chairperson of another publicly listed company, if director of more than two, or chairperson of any, additional publicly listed companies. With respect to the Company's chairman, the office of Director becomes vacant if the chairman is chairperson of any other publicly listed company, or director of more than two other publicly listed companies.'

(d) inserting the sentence:

'A Director who is a director of more than two other publicly listed companies, or the

Resolution 6

NB: In order to be adopted, at least 75% of the votes cast by shareholders must be in favour of resolution 6.

	Number of Shares	%
FOR	34,570,497	10.32
AGAINST	282,109,625	84.24
DISCRETIONARY*	18,192,221	5.43
		100%

• The number of the Chairman's discretionary proxy votes are 17,121,753 (94%).

Resolution 7

To consider and, if thought fit, pass the following resolution as a special resolution:

"That the Company's Constitution be amended by adding the sentence 'The total remuneration of a Managing Director or an Executive Director, including any non-statutory termination or retirement payments, must not exceed 20 times the average remuneration of all other employees of the Company, unless approved by an ordinary resolution of the members of the Company.' as a new paragraph after the final sentence of rule 12.11."

Resolution 7

NB: In order to be adopted, at least 75% of the votes cast by shareholders must be in favour of resolution 7.

	Number of Shares	%
FOR	40,682,012	12.39
AGAINST	296,566,207	82.07
DISCRETIONARY*	18,197,632	5.54
		100%

• The number of the Chairman's discretionary proxy votes are 17,127,863 (94%).

Resolution 8

To consider and, if thought fit, pass the following resolution as a special resolution:

"That the Company's Constitution be amended by inserting a new rule 12.14 as follows:

'12.14 Executive Remuneration

The total remuneration, including any non-statutory termination or retirement payments, of any officer or employee of the Company, other than a Director or Managing or Executive Director, must not exceed 20 times the average remuneration of all other employees of the Company unless approved by an ordinary resolution of the members of the Company.

The Company must disclose in its Annual Report to members the total

Resolution 8

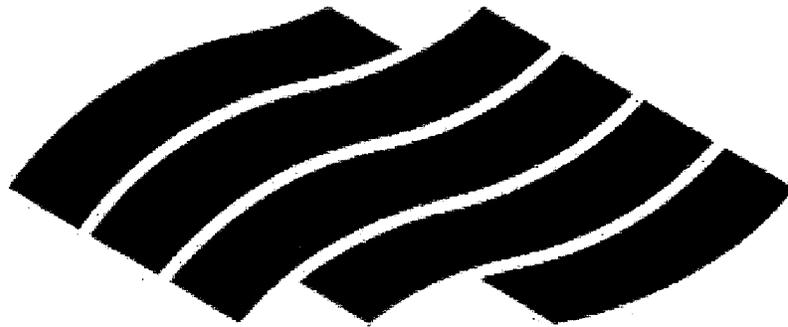
NB: In order to be adopted, at least 75% of the votes cast by shareholders must be in favour of resolution 8.

	Number of Shares	%
FOR	40,668,076	12.35
AGAINST	270,314,919	82.12
DISCRETIONARY*	18,193,014	5.53
		100%

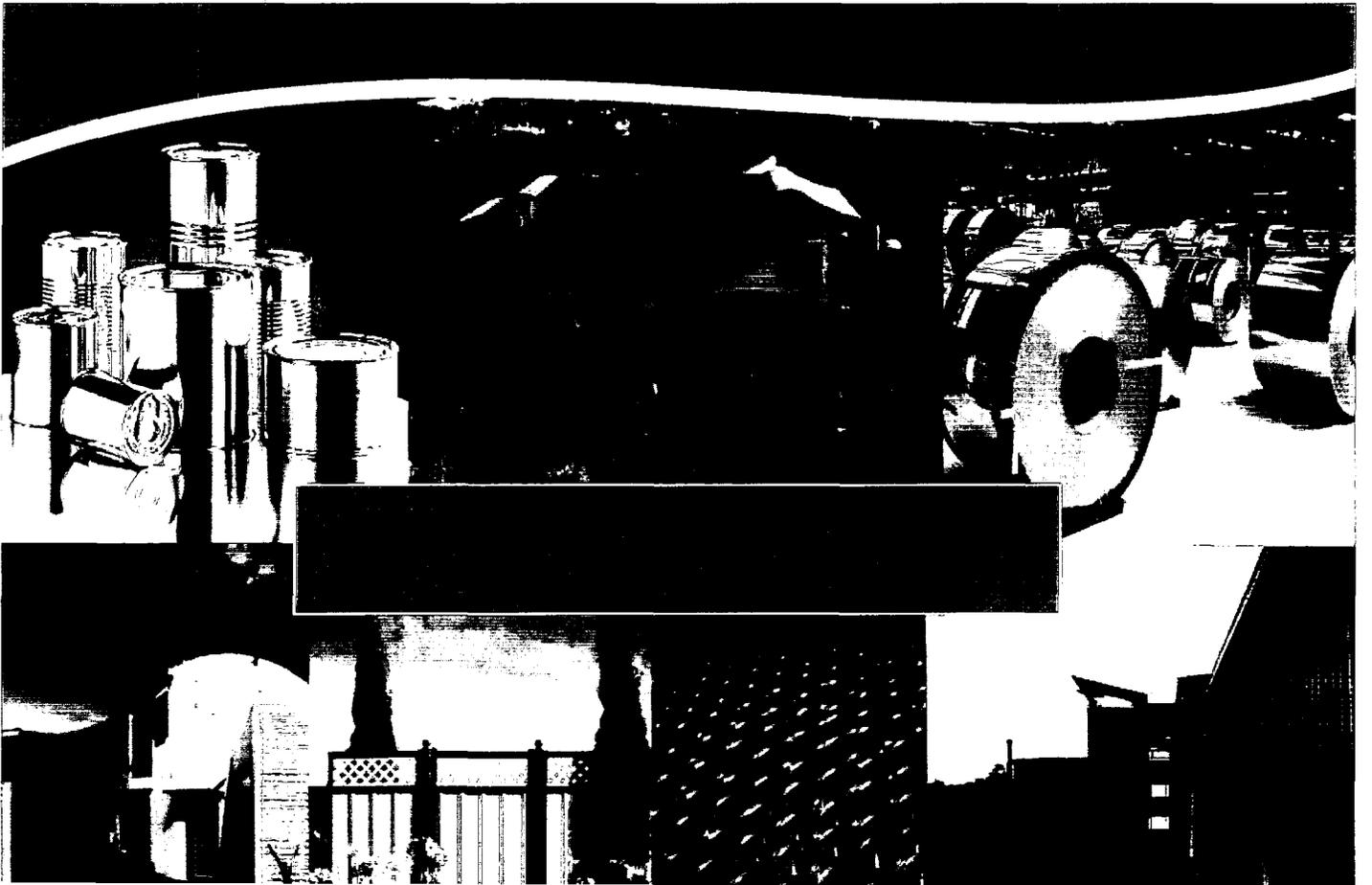
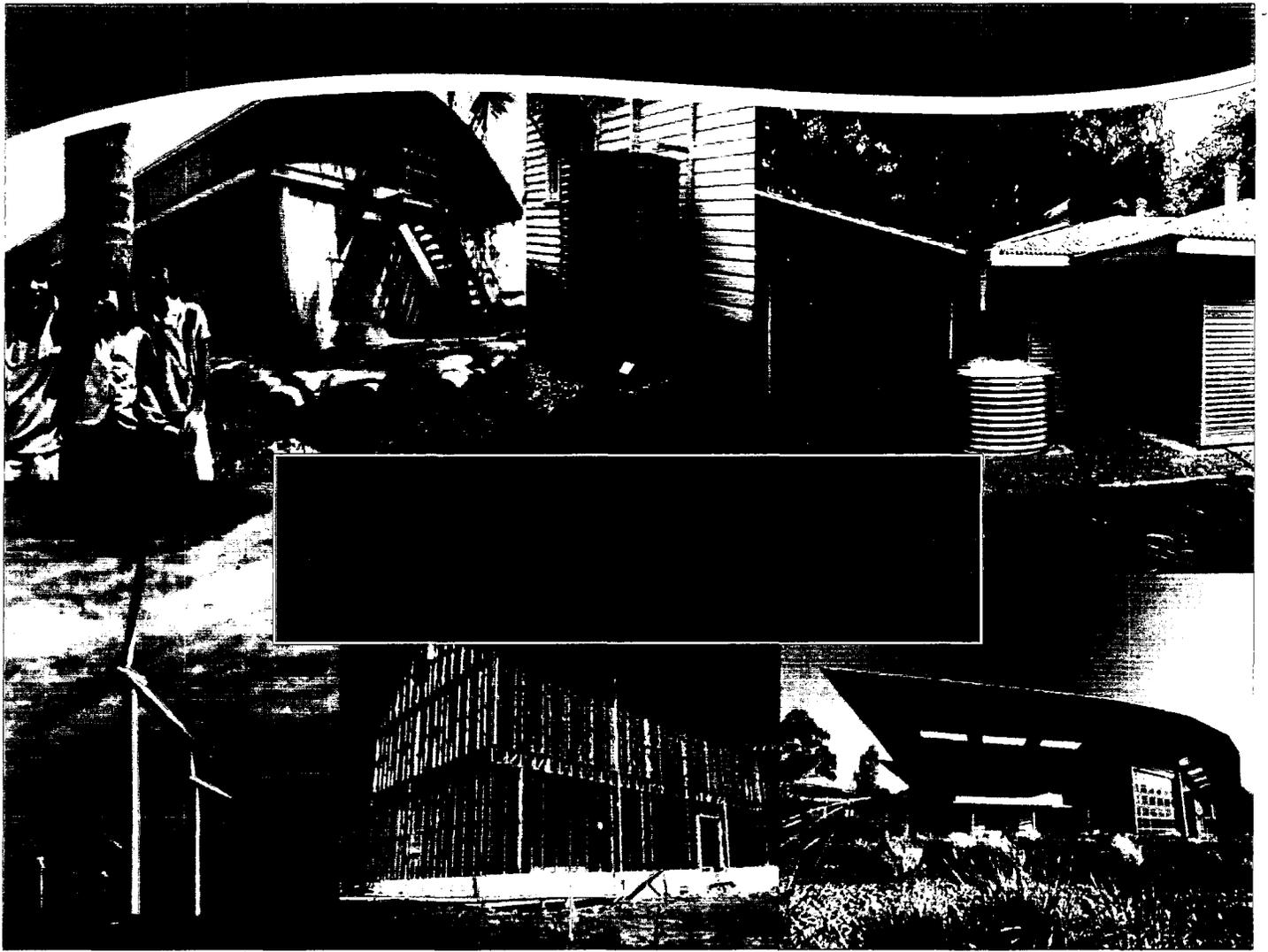
• The number of the Chairman's discretionary proxy votes are 17,123,245 (94%).

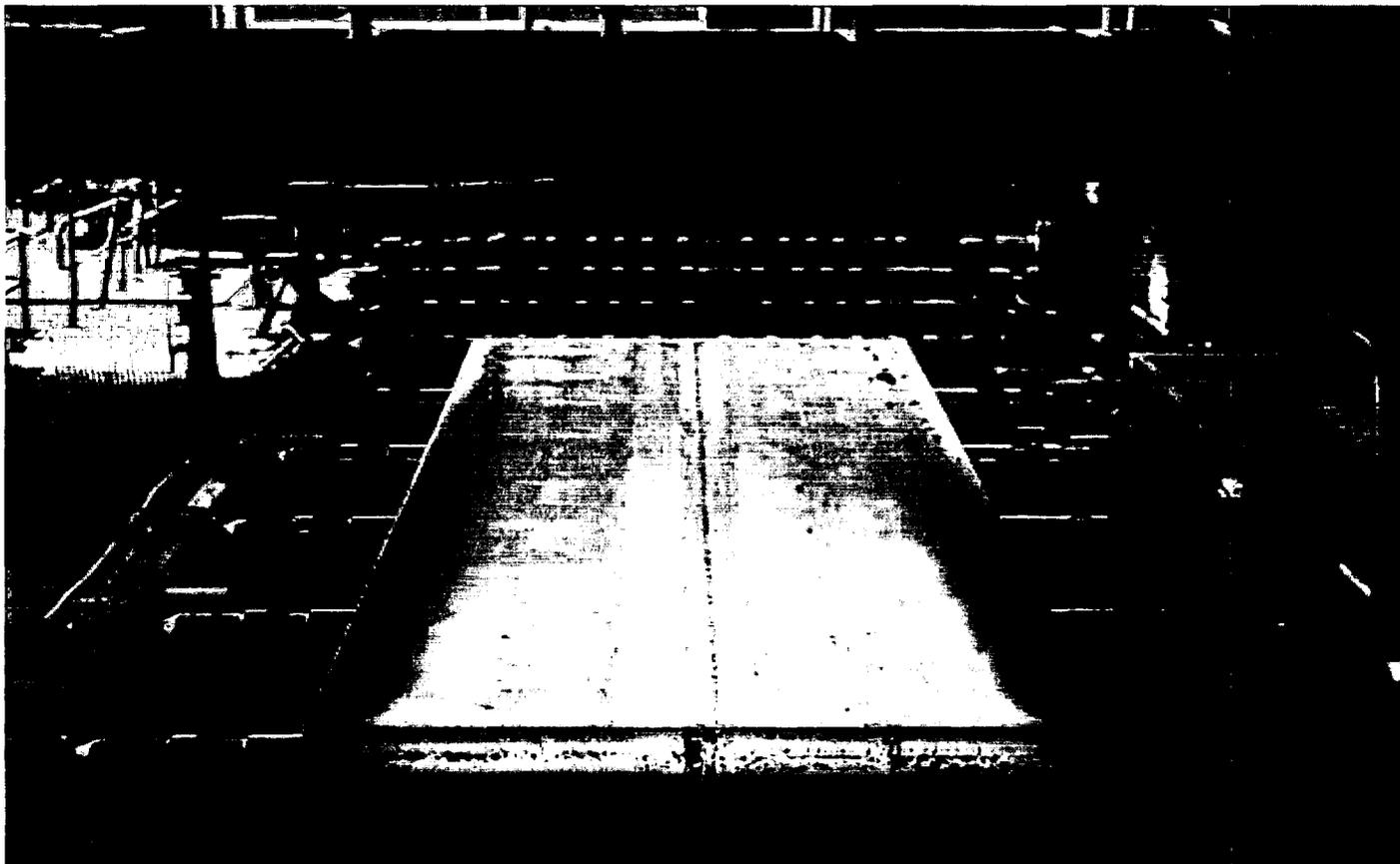


Annual General Meeting



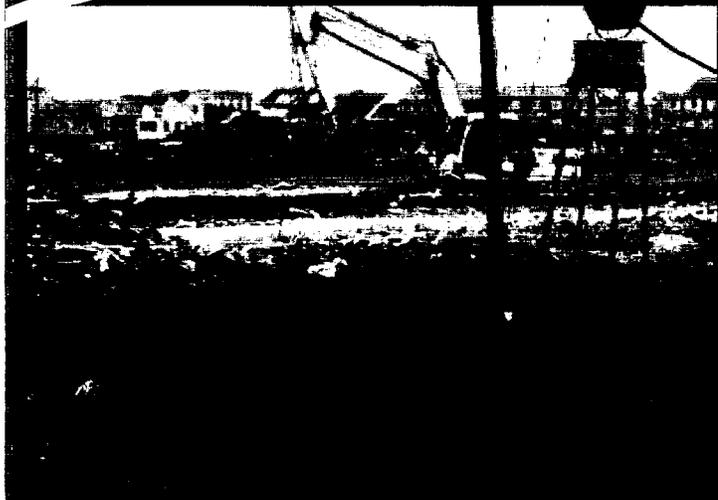
**BLUESCOPE
STEEL**





TEXT

China coating plant



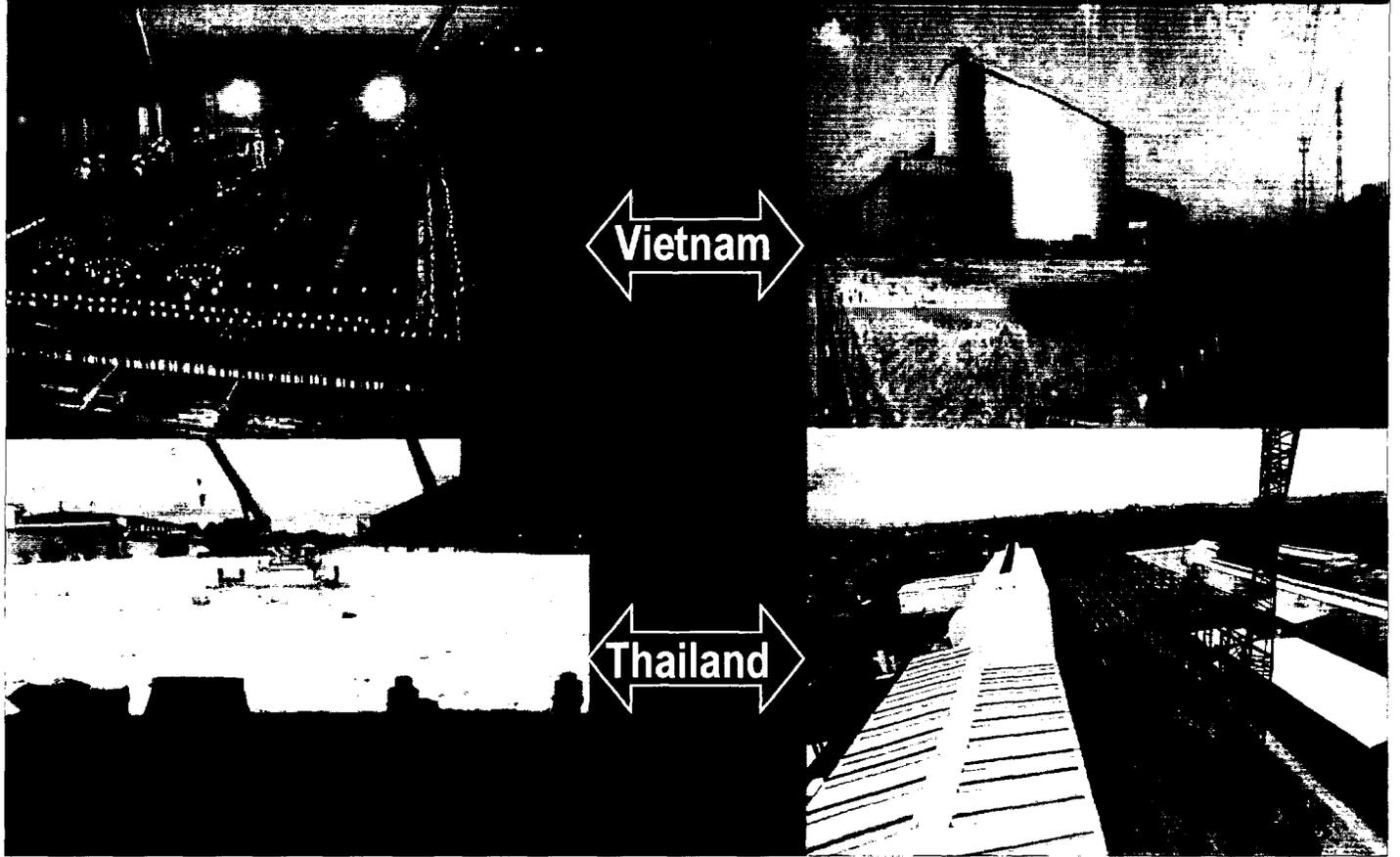
Asian Growth

April 2004

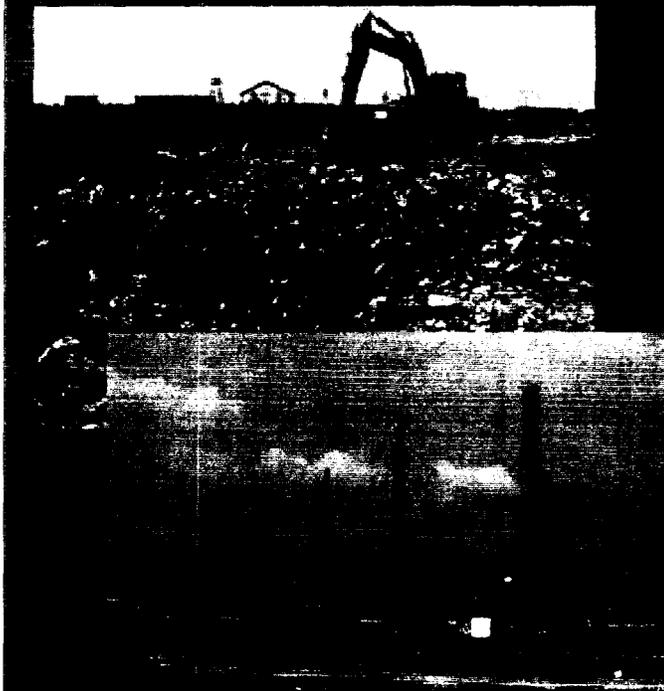
Sept 2004

Vietnam

Thailand



China Coating Project: Current Status



- *LTI = 0, MTI = 0, 2 SSOs*
- *No environmental incidents; environmental baseline study underway*
- *Broadly on schedule*
- *Cost performance to date better than budget*
- *Project and business teams now established in Suzhou*
- *Preliminary site earthworks complete and piling on schedule*
- *Detailed design of equipment and buildings in final stages. BlueScope | vsaht to manage steel*

BlueScope Butler China

Caterpillar



Xuzhou

Yan Feng Automotive Trim Co



Shanghai

Customer base includes

- Major Multinationals
- Leading Chinese firms

High quality PEBs

- Also incorporating Vistawall systems

Allied Signal Automotive



Shanghai

Other China customers:

- 3M
- Energizer
- Motorola
- Nike
- Orient Home
- Carrefour

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OFFICE OF INTERNATIONAL
CORPORATE FINANCE

**BLUESCOPE STEEL LIMITED
ANNUAL GENERAL MEETING**

**19 OCTOBER 2004
WESTIN HOTEL, SYDNEY**

CHAIRMAN - GRAHAM KRAEHE

IT IS A GREAT PLEASURE TO BE ABLE TO STAND BEFORE YOU TODAY, AS CHAIRMAN, AND TO REPORT ON THE OUTSTANDING PERFORMANCE OF THE COMPANY IN ITS SECOND YEAR SINCE OUR PUBLIC LISTING.

IT IS DIFFICULT TO CONCEIVE OF A MORE SUCCESSFUL START FOR A PUBLIC COMPANY THAN THE ONE BLUESCOPE STEEL HAS ENJOYED IN ITS FIRST TWO YEARS.

OF COURSE, WE HAVE BEEN FORTUNATE THAT GLOBAL STEEL PRICING HAS MOVED VERY POSITIVELY IN OUR FAVOUR OVER THE PAST TWO YEARS.

BUT THE COMPANY HAS DONE MUCH MORE THAN SIMPLY "RIDE THE CYCLE".

OUR VERY CAPABLE MANAGEMENT TEAM, LED BY CEO KIRBY ADAMS, HAS POSITIONED THE COMPANY TO CAPITALISE ON THE STRONG DEMAND FOR OUR PRODUCTS.

A COMPARISON OF BLUESCOPE STEEL'S SHARE PRICE WITH THOSE OF STEEL COMPANIES IN ASIA AND THE UNITED STATES BEARS OUT THIS FACT.

SINCE THE START OF CALENDAR 2004, BLUESCOPE STEEL'S SHARE PRICE HAS OUTPERFORMED BOTH ASIAN AND US STEEL INDICES BY FORTY-THREE PER CENT.

THIS IS FURTHER EVIDENCE THAT BLUESCOPE STEEL IS A VERY DIFFERENT KIND OF STEEL COMPANY AND ONE THAT IS OUTPERFORMING MANY OF ITS PEERS IN THE STEEL INDUSTRY - PEERS WHO HAVE ALSO BENEFITED FROM STRONG STEEL PRICES.

IN FACT, AS THIS SLIDE DEMONSTRATES, BLUESCOPE STEEL HAS CONSISTENTLY OUTPERFORMED ITS PEERS SINCE SHORTLY AFTER OUR PUBLIC LISTING IN JULY 2002.

MANY OF THESE ASIAN AND U.S. STEEL COMPANIES ALSO HAD THE BENEFIT OF HIGHER STEEL PRICES, YET BLUESCOPE STEEL HAS SIGNIFICANTLY OUTPERFORMED THEM FOR OVER TWO YEARS NOW.

WHY?

THE MARKET RECOGNISES BLUESCOPE STEEL IS A DIFFERENT KIND OF STEEL COMPANY.

IT HAS CONFIDENCE IN THE COMPANY AND ITS ABILITY TO CONTINUE TO DELIVER VALUE TO SHAREHOLDERS.

THE COMPANY'S MANAGEMENT TEAM HAS PLAYED A KEY ROLE IN GENERATING THIS EXTRA VALUE, WHICH HAS BEEN DELIVERED THROUGH THE COMBINED EFFORTS OF ALL OUR EMPLOYEES AND CUSTOMERS.

IN OUR FIRST YEAR, WE WERE FOCUSED ON THE OBJECTIVES OF BEATING OUR PROSPECTUS FORECAST AND ESTABLISHING OUR CREDIBILITY AS A LISTED COMPANY.

THESE OBJECTIVES WERE ACHIEVED - OUR INAUGURAL NET PROFIT AFTER TAX OF \$452 MILLION, ON TOTAL REVENUE OF \$5.3 BILLION, REPRESENTED A STRONG PERFORMANCE.
[NEARLY DOUBLE THE PROSPECTUS FORECAST]

IN OUR SECOND YEAR, THE COMPANY'S PERFORMANCE ATTAINED NEW HEIGHTS:

* NET PROFIT AFTER TAX INCREASED BY 29% TO \$584 MILLION,

* OUR TOTAL REVENUE WAS \$5.8 BILLION, UP 9%,

* WE ACHIEVED RECORD PRODUCTION OF 6.6 MILLION TONNES OF RAW STEEL, UP 2%,

* EARNINGS PER SHARE INCREASED BY 36% TO 78 CENTS PER SHARE

* OUR RETURN ON INVESTED CAPITAL WAS 18.5%.

* AND WE MADE EXCELLENT PROGRESS IN ADVANCING OUR DOWNSTREAM GROWTH STRATEGY, WHICH I WILL SAY MORE ABOUT LATER.

IN ADDITION, WE CONTINUED TO DELIVER STRONG OUTCOMES ON NON-FINANCIAL MEASURES, AS WE FOCUSED ON ENSURING THAT ALL OUR STAKEHOLDERS ARE BENEFITING FROM THE COMPANY'S SUCCESS.

FOR EXAMPLE:

* NEW BEST-EVER DELIVERY PERFORMANCE FOR OUR CUSTOMERS,

* OUR COMMUNITIES BENEFITED THROUGH THE ECONOMIC FLOW-ONS OF OUR ACTIVITIES, FROM OUR IMPROVING ENVIRONMENTAL MANAGEMENT AND AS WE DIRECTLY INVESTED MORE THAN \$2 MILLION IN A DIVERSE RANGE OF COMMUNITY PROGRAMS.

* WE PAID OVER \$200 MILLION TO GOVERNMENTS IN INCOME TAX,

* MORE THAN \$1.1 BILLION WAS PAID TO EMPLOYEES IN WAGES AND SALARIES, AND

* WE MANAGED A VERY SUCCESSFUL PROGRAM TO CHANGE YOUR COMPANY'S NAME, WITH BLUESCOPE STEEL NOW ESTABLISHED AS A STRONG AUSTRALIAN AND GLOBAL BRAND, AND

ALL KEY STATISTICAL MEASURE OF OUR SAFETY PERFORMANCE IMPROVED, WITH A FURTHER 28% REDUCTION IN OUR LOST TIME INJURY FREQUENCY RATE TO JUST 1.3 INJURIES RESULTING IN LOST TIME PER MILLION HOURS WORKED - A WORLD CLASS LEVEL.

ON THIS KEY TOPIC OF SAFETY, THE BOARD, MANAGEMENT AND INDEED ALL OUR EMPLOYEES ARE COMMITTED TO THE GOAL OF ZERO HARM IN BLUESCOPE STEEL.

TRAGICALLY, OUR OTHERWISE EXCELLENT PROGRESS IN SAFETY WAS MARRED BY A FATALITY WHICH OCCURRED ON 29 JUNE 2004 WHEN A CONTRACTOR WAS STRUCK BY A FORKLIFT AND KILLED AT OUR BRISBANE LOGISTICS TERMINAL.

THE ORGANISATION HAS RESPONDED IN A VERY FOCUSED WAY TO THIS TRAGIC INCIDENT, WITH A STOP FOR SAFETY IMPLEMENTED AT EVERY OPERATING SITE AROUND THE WORLD, AND A PROGRAM AIMED AT REDUCING OR ELIMINATING INTERACTIONS BETWEEN PEOPLE AND FORKLIFTS.

TURNING TO TOTAL SHAREHOLDER RETURN OR TSR - THAT IS, THE GROWTH IN SHARE PRICE PLUS DIVIDENDS - DELIVERED BY BLUESCOPE STEEL DURING THE PERIOD FROM OUR LISTING ON 15 JULY 2002 TO 30 SEPTEMBER 2004 WAS 213%.

THAT RANKS BLUESCOPE STEEL AS THE NO.1 COMPANY FOR TOTAL SHAREHOLDER RETURNS AMONGST ASX 100 COMPANIES OVER THAT PERIOD OF TIME.

OUR SHARE PRICE HAS GROWN FROM \$2.90 AT LISTING TO \$8.65 AT THE CLOSE OF BUSINESS LAST NIGHT.

THIS MEANS THAT THE TOTAL MARKET CAPITALISATION OF THE COMPANY HAS GROWN FROM \$2.4 BILLION AT LISTING TO MORE THAN \$6.3 BILLION LAST NIGHT.

THAT'S AROUND \$4 BILLION OF SHAREHOLDER VALUE CREATION.

IF YOU HAVE BEEN A SHAREHOLDER SINCE LISTING, YOU PROBABLY DON'T NEED ME TO REMIND YOU OF THE DIVIDENDS YOU HAVE RECEIVED - 9 CENTS IN APRIL 2003 , 18 CENTS IN OCTOBER 2003, 12 CENTS IN MARCH 2004 AND 28 CENTS THIS MONTH - ALL FULLY FRANKED.

LET ME ATTEMPT TO PUT THAT TOTAL SHAREHOLDER RETURN STORY INTO SOME CONTEXT.

ABOUT TWO-THIRDS OF OUR 180,000 INDIVIDUAL SHAREHOLDERS HOLD LESS THAN 1000 SHARES, AND MANY OF THEM ACQUIRED THEIR SHAREHOLDING ON THE DAY THE COMPANY WAS LISTED.

LET'S CONSIDER THE VALUE CREATION THAT HAS BEEN

EXPERIENCED BY A SHAREHOLDER WHO HAS HELD 1000 SHARES RIGHT FROM THE TIME OF OUR PUBLIC LISTING.

ON 15 JULY 2002 THOSE 1000 SHARES WERE WORTH \$2,900.

LAST NIGHT THEY WERE WORTH AROUND \$8,500.

THAT SHAREHOLDER HAS ALSO RECEIVED DIVIDEND CHEQUES TOTALING \$670, ALL FULLY FRANKED.

THE DIVIDENDS OF 40 CENTS PER SHARE WE HAVE DECLARED FOR FY 2004 REPRESENT, ON A SHARE PRICE AT THE END OF SEPTEMBER OF \$8.70, A 4.6% YIELD.

ON THE STARTING PRICE OF \$2.90, THEY REPRESENT A YIELD OF JUST UNDER 14% (FULLY FRANKED).

WHEN THIS COMPANY WAS FORMED, YOUR BOARD AND MANAGEMENT STATED THAT OUR FOCUS WOULD BE ON CREATING SHAREHOLDER VALUE, AND THAT WE BELIEVED THE FIRST CALL ON THE FUNDS WE GENERATED WAS WITH OUR SHAREHOLDERS.

WE HAVE RE-STATED THAT CONSISTENTLY EVER SINCE.

WE SAID IT AND WE MEANT IT.

FURTHER EVIDENCE OF THAT FOCUS IS IN THE SHARE BUYBACK PROGRAMS WE HAVE IMPLEMENTED.

IN MARCH 2004 WE COMPLETED A SHARE BUYBACK PROGRAM WHICH RESULTED IN SOME 60 MILLION SHARES BEING RE-PURCHASED AT AN AVERAGE PRICE OF \$4.70 PER SHARE.

THIS HAS HAD THE EFFECT OF FURTHER INCREASING EARNINGS PER SHARE.

THE FURTHER LIMITED BUYBACK OF MORE THAN 16 MILLION SHARES WHICH WE ANNOUNCED ON 19 AUGUST 2004 IS INTENDED TO AVOID ANY DILUTION OF EARNINGS PER SHARE AS A RESULT OF THE ISSUE OF SHARES UNDER THE COMPANY'S EXECUTIVE SHARE RIGHTS PLANS, AS PREVIOUSLY DISCLOSED.

A FEATURE OF THIS COMPANY IS THAT NEARLY ALL OF OUR 16,000 EMPLOYEES AROUND THE WORLD ARE SHAREHOLDERS.

IN 2003, AND AGAIN IN 2004, THE BOARD, AT THE RECOMMENDATION OF MANAGEMENT, OFFERED PARCELS OF SHARES TO EMPLOYEES AS A BONUS, IN RECOGNITION OF THEIR ONGOING CONTRIBUTION TO THE COMPANY'S SUCCESS.

AS A RESULT, OVER 98% OF OUR EMPLOYEES ARE NOW SHAREHOLDERS.

EMPLOYEES WHO ACCEPTED THE BOARD'S OFFER IN BOTH YEARS NOW HOLD 350 SHARES EACH - A PARCEL THAT IS WORTH AROUND \$3,000.

THE TOTAL VALUE OF THE SHARES ISSUED UNDER THESE TWO BONUSES IS TODAY MORE THAN \$30 MILLION.

OUR OBJECTIVE WAS TO FURTHER REWARD OUR EMPLOYEES FOR THEIR CONTRIBUTION TO THE COMPANY'S PERFORMANCE AND TO ALIGN THEIR INTERESTS WITH THOSE OF ALL OTHER SHAREHOLDERS.

THIS ALSO MEANS THAT OUR EMPLOYEES ARE SHARING IN THE BENEFITS OF BEING BLUESCOPE STEEL SHAREHOLDERS.

WE HAVE AN EXCELLENT REPUTATION FOR MANAGING CAPITAL IN THE INTERESTS OF SHAREHOLDERS AND WE INTEND TO MAINTAIN THAT FOCUS.

SEGMENT PERFORMANCE

A PARTICULARLY PLEASING FEATURE OF THE YEAR'S PERFORMANCE WAS THAT EVERY PART OF THE BUSINESS CONTRIBUTED TO OUR RESULTS.

EACH OF OUR ESTABLISHED BUSINESS SEGMENTS DELIVERED STRONGER, AND RECORD, FINANCIAL OUTCOMES.

THE HOT ROLLED PRODUCTS SEGMENT, WHICH COMPRISES PORT KEMBLA STEELWORKS, OUR 50% SHARE IN NORTH STAR BLUESCOPE STEEL IN THE UNITED STATES AND OUR 47.5% INTEREST IN CASTRIP LLC, PRODUCED AN ABSOLUTELY

OUTSTANDING RESULT.

THIS SEGMENT DELIVERED EBIT OF \$565M, AN INCREASE OF 20%.

IT TOOK ADVANTAGE OF HIGHER EXPORT SLAB AND HOT ROLLED COIL PRICES IN INTERNATIONAL MARKETS AND THE RELATED FLOW-ON TO DOMESTIC HOT ROLLED COIL AND PLATE PRICES, AND ACHIEVED A NUMBER OF NEW PRODUCTION RECORDS.

THE RETURN ON NET ASSETS OF OUR HOT ROLLED PRODUCTS BUSINESS WAS JUST OVER 30% (PRE-TAX).

NEW ZEALAND STEEL ACHIEVED RECORD EBIT OF \$59M, AND A RETURN ON NET ASSETS OF 14%.

THE NEW ZEALAND MARKET HAS REMAINED STRONG, AND THE BUSINESS SURPASSED NEARLY EVERY SAFETY AND OPERATIONAL RECORD.

THIS IS A PERFORMANCE OF WHICH WE ARE VERY PROUD.

WE ALSO ACHIEVED RECORD EBIT IN OUR ASIAN BUSINESS SEGMENT.

FOR THE FIRST TIME, IT ATTAINED THE BENCHMARK OF \$100M EBIT, RECORDING A FIFTH CONSECUTIVE YEAR OF INCREASED PROFITABILITY.

ASIA ACHIEVED A RETURN ON NET ASSETS OF 21%.

THE ASIAN ECONOMIC CRISIS OF THE LATE 1990S NOW SEEMS A DISTANT MEMORY, THOUGH IT DRIVES US TO STAY CONSTANTLY FOCUSED ON MANAGING THE BUSINESS WELL AND CONCENTRATING ON COSTS.

OUR DOWNSTREAM AUSTRALIAN COATED AND BUILDING PRODUCTS SEGMENT ACHIEVED EBIT OF \$197M AND A RETURN ON NET ASSETS OF 16%.

THE BUSINESS FACES PARTICULAR CHALLENGES IN THE CURRENT YEAR TO ABSORB AND RECOVER INCREASING BUSINESS COSTS, ESPECIALLY FOR ITS RAW MATERIALS.

IT HAS ALSO BEEN BESET BY SIGNIFICANT INDUSTRIAL RELATIONS DISPUTATION OVER THE PAST FOUR MONTHS, WHICH HAS MADE THE TASK OF LOOKING AFTER CUSTOMERS EXTREMELY DIFFICULT.

BUSINESS CONDITIONS REMAINED DIFFICULT FOR THE PACKAGING OPERATION DURING THE YEAR.

SIGNIFICANT EFFORTS CONTINUE TO BE MADE TO IMPROVE THROUGHPUT, QUALITY AND EFFICIENCY AT OUR PACKAGING PRODUCTS OPERATION AT PORT KEMBLA.

OUR FIFTH AND NEWEST BUSINESS SEGMENT, COATED AND BUILDING PRODUCTS NORTH AMERICA, WAS CREATED FOLLOWING THE ACQUISITION OF BUTLER MANUFACTURING.

FOR THE TWO MONTHS IT WAS PART OF OUR BUSINESS, THE SEGMENT REPORTED AN EBIT LOSS, OF \$9M, IN LINE WITH EXPECTATIONS.

THIS INCLUDED COSTS ASSOCIATED WITH THE INTEGRATION OF BUTLER'S NORTH AMERICAN BUSINESSES INTO BLUESCOPE STEEL.

STRATEGY AND GROWTH

BLUESCOPE STEEL HAS A VERY CLEAR BUSINESS STRATEGY.

WE ARE AIMING TO GROW OUR POSITION AS AN INTERNATIONAL STEEL SOLUTIONS COMPANY.

THIS STRATEGY IS SEEING US FOCUS ON THE DEVELOPMENT OF OUR DOWNSTREAM, VALUE-ADDED BUSINESSES WHERE MUCH OF OUR NEW INVESTMENT HAS BEEN FOCUSED, PARTICULARLY IN THE BUILDING AND CONSTRUCTION SECTOR.

THIS FOCUS ON GROWTH IS APPROPRIATE FOR BLUESCOPE STEEL, BECAUSE OUR EXTENSIVE BUSINESS FOOTPRINT AND WIDE CUSTOMER BASE CREATE TRULY EXCITING GROWTH POSSIBILITIES.

ALREADY, WE OPERATE 75 MANUFACTURING PLANTS IN 16 COUNTRIES ACROSS THREE CONTINENTS.

WE ARE FORTUNATE TO BE IN THE POSITION OF HAVING AN EXCELLENT BUSINESS BASE IN ASIA, THE HIGHEST GROWTH REGION OF THE WORLD.

MANY OF OUR GROWTH INITIATIVES ARE TARGETING OPPORTUNITIES IN ASIA.

BLUESCOPE STEEL HAS ENTERED AN EXCITING NEW GROWTH PHASE.

OUR ABILITY TO DEPLOY OUR OWN CASHFLOWS INTO ENSURING THE GROWTH OF OUR BUSINESS IS ONE OF THE GREAT BENEFITS OF OUR SEPARATION FROM BHP BILLITON.

OVER THE COURSE OF THE PAST YEAR, THE BOARD HAS MADE COMMITMENTS TO NEW CAPITAL PROJECTS (INCLUDING THE ACQUISITION OF BUTLER MANUFACTURING) WITH PLANNED INVESTMENTS OF OVER A \$1 BILLION.

A MAJOR LANDMARK IN OUR YEAR WAS THE ACQUISITION, IN APRIL, OF BUTLER MANUFACTURING COMPANY, WHICH WAS PREVIOUSLY LISTED ON THE NEW YORK STOCK EXCHANGE.

THE PURCHASE PRICE WAS A\$277 MILLION (NET OF CASH ACQUIRED).

ON A FULL YEAR BASIS, THE BUTLER ACQUISITION IS EXPECTED TO INCREASE OUR REVENUE BY OVER A\$1 BILLION.

WE ARE DELIGHTED AT HOW WELL THE INTEGRATION OF THE BUTLER BUILDINGS BUSINESS, AND THE RELATED VISTAWALL GLASS AND ALUMINIUM BUILDING PRODUCTS BUSINESS, INTO BLUESCOPE STEEL HAS BEEN PROCEEDING.

DURING THE COURSE OF THE YEAR, WE ANNOUNCED A SERIES OF MAJOR NEW GROWTH INITIATIVES, INCLUDING:

- A \$160M METALLIC COATING AND PAINTING FACILITY IN VIETNAM.
- A \$280M METALLIC COATING AND PAINTING FACILITY IN CHINA.

- A SECOND METALLIC COATING LINE AT OUR RAYONG SITE IN THAILAND, WHICH WILL MORE THAN DOUBLE OUR METALLIC COATING CAPACITY IN THAILAND AT A COST OF \$80M.

PROPOSED EXPANSION OF OUR PORT KEMBLA STEELWORKS HOT STRIP MILL BY SPENDING \$100M ON A SECOND WALKING BEAM FURNACE, WHICH WILL ALLOW US TO CONVERT A GREATER PROPORTION OF SLAB TO HIGHER VALUE HOT ROLLED COIL.

IN SUMMARY, WE ARE GROWING OUR BUSINESS IN A VERY FOCUSED WAY, CONSISTENT WITH OUR STRATEGY.

YOUR COMPANY IS BEING RE-SHAPED - SOMETHING YOUR MANAGING DIRECTOR AND CEO, KIRBY ADAMS, WILL SPEAK ABOUT IN MORE DETAIL SHORTLY.

CORPORATE GOVERNANCE

LADIES AND GENTLEMEN, YOUR BOARD REGARDS IT AS VERY IMPORTANT THAT YOUR COMPANY OPERATES UNDER THE HIGHEST STANDARDS OF CORPORATE GOVERNANCE.

LAST YEAR I SAID THAT YOUR BOARD IS COMMITTED TO IMPLEMENTING CORPORATE GOVERNANCE POLICIES IN LINE WITH BEST PRACTICE.

THIS COMMITMENT CONTINUES, AND THE COMPANY HAS TAKEN STEPS DURING THE YEAR TO ENSURE IT CONTINUES TO COMPLY WITH ASX CORPORATE GOVERNANCE COUNCIL RECOMMENDATIONS.

THIS YEAR'S ANNUAL REPORT CONTAINS A DETAILED, EIGHT-PAGE CORPORATE GOVERNANCE REPORT, WHICH I WOULD ENCOURAGE SHAREHOLDERS TO READ.

DETAILED INFORMATION IS ALSO AVAILABLE ON THE COMPANY'S WEBSITE AT: WWW.BLUESCOPESTEEL.COM

DURING THE YEAR WE HAVE ALSO TAKEN STEPS TO FURTHER STRENGTHEN YOUR COMPANY'S CORPORATE GOVERNANCE ARRANGEMENTS IN LINE WITH LEGISLATIVE CHANGES.

WE REVIEWED THE CLERP 9 CHANGES AND PUT STEPS IN PLACE TO ENSURE COMPLIANCE IN ACCORDANCE WITH THE GOVERNMENT'S REGULATORY TIMETABLE.

DURING 2003/04, YOUR BOARD HAD ANOTHER BUSY YEAR, MEETING TWELVE TIMES (ONE MORE THAN THE PREVIOUS YEAR).

THE BOARD'S PROGRAM INCLUDED SUCH MATTERS AS REVIEWING THE FINANCIAL PERFORMANCE OF THE GROUP, KEY BUSINESS INITIATIVES, IMPLEMENTATION OF STRATEGY - INCLUDING THE BUTLER ACQUISITION - AND THE GROUP'S BUDGET AND BUSINESS PLANS.

THE BOARD APPROVED A RISK MANAGEMENT FRAMEWORK, WHICH IS BEING PROGRESSIVELY ROLLED OUT TO ALL BUSINESSES IN THE GROUP.

MR PAUL RIZZO, CHAIRMAN OF THE AUDIT AND RISK COMMITTEE, WILL OUTLINE THIS IN MORE DETAIL IN HIS REMARKS LATER.

A SEPARATE MEETING WAS HELD SPECIFICALLY TO CONSIDER THE COMPANY'S STRATEGY.

IN ORDER TO ENSURE A CONTINUED UNDERSTANDING AND AWARENESS OF LOCAL BUSINESS CONDITIONS, AND MEET LOCAL MANAGEMENT AND EMPLOYEES, THE BOARD MET AT VARIOUS COMPANY SITES IN AUSTRALASIA AND ASIA DURING THE YEAR.

MEETINGS WERE HELD IN MELBOURNE, SYDNEY, VARIOUS OPERATIONS IN ASIA, NEW ZEALAND AND PORT KEMBLA.

THE BOARD HAS A PROGRAMME TO CONTINUE TO MEET AT SITES IN AUSTRALASIA, ASIA AND THE UNITED STATES DURING THE REMAINDER OF 2004 AND IN 2005.

SINCE ITS APPOINTMENT, THE BOARD HAS REVIEWED ITS EFFECTIVENESS AND THE PERFORMANCE OF INDIVIDUAL DIRECTORS.

DURING THE YEAR, THE BOARD COMPLETED ITS FIRST EXTERNAL REVIEW, UTILISING AN EXPERT CONSULTANT.

INTERVIEWS WERE CONDUCTED WITH EACH BOARD MEMBER AND

WITH SENIOR MANAGEMENT.

ADDITIONAL INFORMATION WAS GATHERED BY COMPLETION OF A DETAILED CONFIDENTIAL QUESTIONNAIRE.

THE REVIEW CONCLUDED THAT THE BOARD IS FUNCTIONING WELL, WITH AN APPROPRIATE MIX OF SKILLS AND EXPERIENCE, EFFECTIVE RELATIONSHIPS AMONGST BOARD MEMBERS, AND BETWEEN THE BOARD AND MANAGEMENT.

THE OVERALL RATING FROM THE INDEPENDENT REVIEW WAS VERY POSITIVE.

THE NOMINATION COMMITTEE ALSO REVIEWED THE PERFORMANCE OF INDIVIDUAL DIRECTORS SEEKING RE-ELECTION AND SUPPORTS THE RE-ELECTION TODAY OF MS DIANE GRADY AND MR RON MCCNEILLY.

EACH OF THE BOARD'S COMMITTEES OPERATES UNDER TERMS OF REFERENCE (OR 'CHARTERS') WHICH ARE DESCRIBED IN THE ANNUAL REPORT.

BOARD COMMITTEES MET A TOTAL OF 20 TIMES DURING THE YEAR AND THE ATTENDANCE AT THOSE MEETINGS BY MEMBERS IS SET OUT IN THE DIRECTORS REPORT.

MS DIANE GRADY, THE CHAIRMAN OF THE REMUNERATION AND ORGANISATION COMMITTEE AND MR PAUL RIZZO, CHAIRMAN OF THE AUDIT & RISK COMMITTEE, WILL PROVIDE AN OVERVIEW OF THESE COMMITTEES' WORK LATER IN THE MEETING.

CURRENT TRADING AND OUTLOOK

I WOULD NOW LIKE TO MAKE SOME BRIEF COMMENTS ABOUT CURRENT TRADING CONDITIONS AND THE OUTLOOK FOR THE 2004/05 FINANCIAL YEAR.

THE PERFORMANCE OF YOUR COMPANY FOR THE THREE MONTHS TO THE END OF SEPTEMBER HAS BEEN VERY STRONG, CONTINUING THE FAVOURABLE TRADING CONDITIONS WE EXPERIENCED IN THE LAST HALF OF THE 2004 FINANCIAL YEAR.

THE INTEGRATION OF THE BUTLER BUILDINGS AND VISTAWALL

BUSINESSES INTO THE GROUP IS PROCEEDING ACCORDING TO PLAN.

MARKET CONDITIONS AND DESPATCHES FOR BOTH THESE BUSINESSES HAVE IMPROVED COMPARED TO THE SAME PERIOD IN 2003, AND WE LOOK FORWARD TO AN IMPROVED PERFORMANCE FROM OUR COATED AND BUILDING PRODUCTS NORTH AMERICA SEGMENT.

OUR UPSTREAM STEEL MANUFACTURING BUSINESSES - PORT KEMBLA STEELWORKS, NEW ZEALAND STEEL AND NORTH STAR BLUESCOPE STEEL - CONTINUE TO PERFORM STRONGLY, SUPPORTED BY HIGHER PRICES FOR THE SLAB AND HOT ROLLED COIL THEY PRODUCE.

ON THE OTHER HAND, OUR DOWNSTREAM AUSTRALIAN COATED AND BUILDING PRODUCTS BUSINESS IS HAVING TO WORK HARD TO MAINTAIN PROFITABILITY, IN THE FACE OF MUCH HIGHER FEEDSTOCK COSTS.

SO, IN SUMMARY, AS WE SAID IN AUGUST THIS YEAR, WE ARE EXPECTING ANOTHER VERY GOOD YEAR FOR BLUESCOPE STEEL. WE ARE OFF TO A STRONG START.

WITH A FULL ORDER BOOK IN THE CURRENT QUARTER, WE NOW EXPECT A FIRST HALF RESULT SIGNIFICANTLY HIGHER THAN THE JUNE 2004 HALF YEAR. THIS IS LIKELY TO RESULT IN A THIRD RECORD YEAR FOR BLUESCOPE STEEL IN 2005, IF CURRENT MARKET TRENDS CONTINUE AND WE DO NOT SUFFER FROM ANY UNEXPECTED OPERATIONAL DIFFICULTIES.

FINALLY, I WOULD LIKE TO THANK MY BOARD COLLEAGUES FOR THEIR EXCELLENT SERVICE DURING THE YEAR, AND FOR THEIR CONTRIBUTION TO YOUR COMPANY'S STRONG FINANCIAL PERFORMANCE.

IN DOING SO, I WOULD PARTICULARLY LIKE TO THANK MR JOHN CRABB, WHO RESIGNED AS A DIRECTOR IN JULY THIS YEAR.

JOHN'S KNOWLEDGE OF WORLD SCRAP MARKETS, GAINED DURING HIS MANY YEARS WITH SIMSMETAL, CONTRIBUTED TO OUR FIRST TWO YEAR'S SUCCESS.

WE WISH JOHN WELL IN HIS NEW ENDEAVOURS.

I ALSO THANK CEO KIRBY ADAMS FOR HIS LEADERSHIP, AND THE MANAGEMENT TEAM AND EMPLOYEES FOR THEIR CONTRIBUTION TO A GREAT YEAR.

I NOW INVITE MR ADAMS TO SPEAK TO YOU ABOUT THE TRANSFORMATION THAT IS TAKING PLACE IN YOUR COMPANY - A TRANSFORMATION THAT HAS UNDERPINNED THE STRONG PERFORMANCE WE HAVE SEEN SINCE OUR PUBLIC LISTING.

MR ADAMS HAS JUST RETURNED FROM THE ANNUAL MEETING OF THE INTERNATIONAL IRON AND STEEL INSTITUTE, WHICH HE HAS CHAIRED FOR THE PAST YEAR.

KIRBY, WE LOOK FORWARD TO YOUR INSIGHTS.

END

**BLUESCOPE STEEL LIMITED
ANNUAL GENERAL MEETING**

**19 OCTOBER 2004
WESTIN HOTEL, SYDNEY**

MANAGING DIRECTOR & CEO – KIRBY ADAMS

GOOD AFTERNOON LADIES AND GENTLEMEN. I AM DELIGHTED TO HAVE THIS OPPORTUNITY TO TALK DIRECTLY WITH OUR INVESTORS.

THE CHAIRMAN HAS PROVIDED A CONCISE ACCOUNT OF YOUR COMPANY'S PROGRESS - OUR FINANCIAL PERFORMANCE, AND ASPECTS OF OUR GROWTH STRATEGY.

IN THE PAST TWO YEARS WE EXCEEDED EXPECTATIONS. WE DID WHAT WE SAID WE WOULD DO, AND MORE.

THE TWO YEARS SINCE OUR LISTING HAVE BEEN CHALLENGING AND INVIGORATING.

BLUESCOPE STEEL NOW IS A COMPANY IN A DYNAMIC PHASE.

WE ARE GROWING IN GEOGRAPHICAL PRESENCE, CAPABILITY, AND INNOVATION.

OUR SENSE OF IDENTITY, AND SELF-BELIEF, ARE RENEWED.

THIS BOARD AND MANAGEMENT TEAM ARE RUNNING THE COMPANY MORE PROFITABLY, MORE PROFESSIONALLY AND MORE SAFELY THAN EVER BEFORE IN ITS 89 YEAR HISTORY.

SO TODAY, I WOULD LIKE TO TALK ABOUT THE ASPECTS OF GROWTH AND CHANGE IN YOUR COMPANY.

AND PROVIDE YOU WITH NEW PERSPECTIVE ON THE TRANSFORMATION OF BLUESCOPE STEEL.

THIS IS NOT SIMPLY A COMPANY IN A GROWTH PHASE.

WE ARE A BUSINESS WHICH IS ACTIVELY BECOMING SHARPER AND MORE AGILE.

NEARLY FIVE YEARS AGO, THE CURRENT MANAGEMENT TEAM STARTED WORK ON THIS TRANSFORMATION.

OUR SUCCESSFUL PUBLIC LISTING AND CHANGE OF NAME TO BLUESCOPE STEEL SYMBOLISE THESE ACHIEVEMENTS.

THERE HAS BEEN A DRAMATIC RECOVERY IN INTERNATIONAL STEEL PRICING, AND BLUESCOPE STEEL HAS DONE MUCH MORE THAN SIMPLY 'RIDE THE WAVE.'

OUR PROGRESS IN TRANSFORMING YOUR COMPANY HAS BEEN VIEWED VERY POSITIVELY BY INDUSTRY ANALYSTS AND OUR CUSTOMERS, AND THIS IS REFLECTED IN THE SHARE PRICE AND MARKET SHARES WE CURRENTLY ENJOY.

SO, IN THE LONG TERM, WHAT ARE WE AIMING TO ACHIEVE WITH THIS TRANSFORMATION?

WE ARE BUILDING A PERFORMANCE-ORIENTED COMPANY THAT DELIVERS ONGOING SHAREHOLDER VALUE AND EMPLOYEE OPPORTUNITY.

ONE THAT HAS A FOCUS ON DOWNSTREAM, IN-MARKET, BRANDED PRODUCTS AND AN UNRIVALLED PRESENCE IN ONE OF THE WORLD'S MOST VIBRANT ECONOMIC REGIONS – ASIA.

IN SHORT, WE ARE WORKING TO TRANSFORM A ONCE-DISCARDED AUSTRALIAN STEEL DIVISION INTO A CHAMPION.

SIMPLY, WE INTEND BUILDING ONE OF AUSTRALIA'S FINEST COMPANIES. A UNIQUE, STEEL SOLUTIONS BUSINESS. A COMPANY YOU CAN BE PROUD TO OWN.

SO, FIRST, I WOULD LIKE TO TALK ABOUT *WHY* WE ARE CHANGING.

THEN I WILL GIVE AN OVERVIEW OF *HOW* WE ARE CHANGING.

PART ONE – WHY WE ARE CHANGING

WE ARE BECOMING A BUSINESS THAT CAN STAND TOE-TO-TOE WITH THE BEST STEEL COMPANIES IN THE WORLD.

WE ARE A STRONGER GLOBAL COMPETITOR.

THE INDUSTRY ANALYSTS WORLD STEEL DYNAMICS RECENTLY PLACED BLUESCOPE STEEL FIFTH AMONGST ITS LIST OF TOP 20 WORLD-CLASS STEELMAKERS.

THIS SLIDE SHOWS YOUR COMPANY'S RETURN ON NET ASSETS COMPARED TO SOME OF THE WORLD'S LEADING STEELMAKERS. FOUR YEARS AGO WE WERE BELOW THE GREEN CURVE.

OUR TRANSFORMATION IS ABOUT ENSURING THIS SUCCESS WILL CONTINUE.

HERE ARE TWO FACTORS THAT ARE DRIVING OUR TRANSFORMATION.

THESE ARE:

- 1. THE CHANGING EXPECTATIONS OF OUR CUSTOMERS**
- 2. THE INCREASING INTENSITY OF INTERNATIONAL COMPETITION**

BLUESCOPE STEEL IS CHANGING BECAUSE OUR CUSTOMERS' EXPECTATIONS HAVE CHANGED.

THIS HAS DRIVEN FUNDAMENTAL SHIFTS IN THE WAY WE OPERATE.

HERE ARE A FEW GOOD EXAMPLES, TAKEN FROM OUR QUEENSLAND SERVICE CENTRE. THE FIRST ONE IS LEAD TIMES.

THIS CHART SHOWS HOW, BETWEEN 1997 AND 2002, THERE WAS A SHARP DECREASE IN LEAD TIMES.

IN 1997, 60 PER CENT OF OUR ORDERS HAD OVER 70 DAYS NOTICE. BY 2004, 60 PER CENT OF ORDERS WERE ON LESS THAN SEVEN DAYS NOTICE. - A DECREASE BY A FACTOR OF TEN.

HERE IS ANOTHER INDICATOR – ORDER SIZE.

THIS CHART SHOWS THAT THE AVERAGE CUSTOMER ORDER SIZE HAS DECREASED FROM 13 TONNES TO 3 TONNES. THE AVERAGE ORDER SIZE IS NOW, EFFECTIVELY, ONE COIL.

HOW ARE WE MEETING SUCH A SHIFT IN CUSTOMER DEMAND?

WELL, WHEN LEAD TIMES ARE SO SHORT, DELIVERY PERFORMANCE BECOMES CRUCIAL.

OUR QUEENSLAND BUSINESS NOW OPERATES WITH AN ON-TIME DELIVERY PERFORMANCE OF 96 PER CENT, AND WE ARE AIMING FOR 98 PER CENT.

AND SMALL ORDER SIZE MEANS WE MUST MANAGE OUR INVENTORY MORE WISELY.

YOU CAN SEE FROM THIS CHART [BOTTOM RIGHT] THAT BETWEEN 1997 AND 2004, WE HALVED THE NUMBER OF DAYS OF INVENTORY WE CARRY.

A COUPLE OF POINTS.

FIRSLTY, AS YOU MAY HAVE GATHERED, THE OLD, SLOW WAY OF OPERATING – LONG, LEAD TIMES, POOR DELIVERY PERFORMANCE, HIGH INVENTORY LEVELS, WOULD VIRTUALLY GUARANTEE DEFEAT IN THE PRESENT BUSINESS CLIMATE.

BLUESCOPE STEEL HAS BECOME FASTER, MORE FLEXIBLE, AS AN ORGANISATION BECAUSE OUR CUSTOMERS NEED US TO WORK THIS WAY.

IF WE CANNOT, THEY WILL NOT DO BUSINESS WITH US.

TO GROW OUR MARKET SHARE, TO CREATE VALUE FOR SHAREHOLDERS AND TO PROTECT JOBS WE SIMPLY MUST GIVE OUR CUSTOMERS EVERY REASON TO SHOP WITH US.

SECONDLY, OUR CUSTOMERS EXERT THIS PERFORMANCE PRESSURE BECAUSE THEY ARE EXPERIENCING IT THEMSELVES.

IN BUILDING, CONSTRUCTION, AUTOMOTIVE AND MANUFACTURING SECTORS, COMPANIES LIKE TOYOTA, HILLS, RHEEM, ELECTROLUX ARE ALL DRIVEN TO BECOME MORE AGILE. THEY TOO MUST COMPETE WITH FAST MOVING, VERY COMPETITIVE MANUFACTURERS IN ASIA. IF THEY CAN'T, AUSTRALIAN MANUFACTURING IS DOOMED.

SO WE HAVE BEEN SHARPENING OUR REFLEXES.

AND ACCORDING TO RECENT CUSTOMER SATISFACTION SURVEYS, WE HAVE BEEN MEETING CUSTOMER EXPECTATIONS AND ARE WORKING TO CONTINUALLY IMPROVE.

THE SECOND FACTOR THAT IS DRIVING OUR TRANSFORMATION IS THE INTENSITY OF INTERNATIONAL COMPETITION.

AS A SUCCESSFUL PLAYER IN THE INTERNATIONAL STEEL BUSINESS, WE ARE CONSTANTLY MADE AWARE OF THIS PRESSURE.

THE GLOBAL STEEL INDUSTRY WILL CONTINUE TO CONSOLIDATE IN THIS CHANGING INDUSTRY ENVIRONMENT, SO WE MUST USE OUR RELATIVE SIZE TO MOVE MORE ASTUTELY.

WITH STEEL PRICES STRONG, IT IS EASY TO FORGET HOW ONLY 3 YEARS AGO INTERNATIONAL STEEL PRICES REACHED THEIR LOWEST LEVELS IN 20 YEARS – A RESULT OF INHERENT STRUCTURAL PROBLEMS IN THE INTERNATIONAL STEEL INDUSTRY.

THREE YEARS AGO WE WERE BARELY BREAK-EVEN [AND CRIPPLED WITH INDUSTRIAL ACTION AT PORT KEMBLA STEELWORKS.

THOSE PRESSURES HELPED TRIGGER THE CHANGES AT BLUESCOPE STEEL.

WE WILL NOT EASILY FORGET THAT TIME, AND THE THREAT IT REPRESENTED TO OUR BUSINESS AND OUR EMPLOYEES' LIVELIHOODS.

EVEN AS WE ENJOY THE CURRENT GOOD TIMES, THOSE THREATS REMAIN.

OUR PRESENT FINANCIAL PERFORMANCE IS NOT A LICENCE TO RELAX, BUT AN OPPORTUNITY TO FURTHER IMPROVE IN EVERYTHING WE DO. TO MAKE MORE TOUGH DECISIONS AND FINANCE THEM.

IN PARTICULAR WE MUST AND WILL REMAIN AT THE LOW END OF THE INTERNATIONAL COST CURVE IN OUR MANUFACTURING OPERATIONS.

WE WILL STAY FOCUSED ON FIXING INEFFICIENT WORK ARRANGEMENTS WHERE THEY STILL EXIST, AT ALL LEVELS OF OUR BUSINESS.

AND WE WILL IMPROVE COST STRUCTURES, AND MAKE THE RIGHT INVESTMENTS TO BUILD THE BUSINESS [WHETHER HERE IN AUSTRALIA OR OVERSEAS].

HAVING SPENT THE LAST YEAR AS CHAIRMAN OF INTERNATIONAL IRON AND STEEL INSTITUTE, I HAVE TAKEN A CLOSE LOOK AT THE WORLD'S BEST STEEL COMPANIES.

THEY ARE LEAN, SMART AND FOCUSED, BUT WE CAN BE EVERY INCH THEIR EQUAL.

OUR AIM IS TO EXCEED THAT INTERNATIONAL COMPETITION, DEFEND OUR EXISTING MARKETS AND EXPAND AND GROW INTO NEW MARKETS.

IN AN AUSTRALIAN CONTEXT 'COMPETING WITH THE WORLD'S BEST' MEANS COMPETING AND WINNING AGAINST IMPORT COMPETITION.

OTHERWISE, 8,000 BLUESCOPE STEEL JOBS WOULD BE AT RISK AND 30,000 IN THE AUSTRALIAN STEEL INDUSTRY AS A WHOLE.

AT AN INTERNATIONAL LEVEL, IT MEANS STEPPING INTO THE RING IN OTHER MARKETPLACES, IN OTHER COUNTRIES. WE ARE ALREADY DOING THIS VERY EFFECTIVELY.

SO, WE HAVE LOOKED AT SOME 'WHYS' - TWO KEY FACTORS THAT HAVE DRIVEN BLUESCOPE STEEL'S TRANSFORMATION.

- THE CHANGING EXPECTATIONS OF OUR CUSTOMERS, AND
- THE INCREASING INTENSITY OF INTERNATIONAL COMPETITION

THERE ARE OTHERS, OF COURSE.

NOW, I WOULD LIKE TO TALK TO YOU ABOUT HOW WE ARE BUILDING A STEEL SOLUTIONS BUSINESS THAT CAN TAKE ON THE WORLD'S BEST - AND WIN.

PART TWO – HOW WE ARE CHANGING

WE BELIEVE WE HAVE IN PLACE THE RIGHT STRATEGY.

AND WE ARE DEVELOPING A GREAT TEAM OF PEOPLE, AND A COMPANY CULTURE THAT REWARDS EXCELLENCE.

AND WE ARE SEEING THE BENEFITS - IN INNOVATION, GROWTH AND FINANCIAL SUCCESS.

SO FIRST, LET ME GIVE YOU AN OVERVIEW OF OUR STRATEGY.

PAUSE

THINK OF THE IMAGES THAT HAVE BEEN TYPICALLY ASSOCIATED WITH THE STEEL INDUSTRY.

THEY ARE LIKELY TO INCLUDE BROODING INDUSTRIAL LANDSCAPES, SMOKE STACKS - THE TRADITIONAL IMAGERY OF HEAVY MANUFACTURING,

UNFORTUNATELY FOR SHAREHOLDERS, THESE IMAGES HAVE OVER RECENT DECADES BEEN ASSOCIATED WITH AN EQUALLY GLOOMY INVESTMENT SECTOR VIEW OF THE STEEL INDUSTRY.

OUR INDUSTRY WAS SEEN AS VOLATILE, POOR IN TERMS OF SHAREHOLDER RETURNS, AND INHIBITED BY OVER-CAPACITY.

THESE AND OTHER FACTORS HAD CONFINED STEEL TO THE DIM RECESSES OF THE INVESTMENT SECTOR.

AND THEY HAVE PROVIDED US WITH A COMPELLING REASON TO CHANGE OUR BUSINESS.

NOW, IN MY FOUR AND A HALF YEARS AS CEO OF BLUESCOPE STEEL I'VE SEEN OUR DEFINING IMAGES BECOME MORE LIKE THIS.

IMAGES OF THE INSPIRED USE OF STEEL IN ARCHITECTURE.

IMAGES THAT SPEAK OF INNOVATIVE SOLUTIONS, OF MEETING CUSTOMERS' NEEDS.

IMAGES OF BRANDS, DESIGN AND COLOUR AS WELL AS FUNCTION.

THESE DEFINING IMAGES WERE IMPORTANT CONSIDERATIONS IN CHOOSING OUR NEW COMPANY NAME (BLUESCOPE STEEL).

IN A NUTSHELL, BLUESCOPE STEEL IS BECOMING RECOGNISED AS:

- PRODUCT AND MARKET DRIVEN,
- SOLUTIONS-ORIENTED,
- MULTINATIONAL
- AND TECHNICALLY ORIENTED

THIS IS IN ACCORDANCE WITH OUR STRATEGY, WHICH IS ABOUT DEVELOPING DOWNSTREAM CAPABILITY, ESPECIALLY IN CONSTRUCTION AND BUILDING APPLICATIONS.

IN EXPLAINING OUR STRATEGY, WHICH IS WELL UNDER WAY, THIS DIAGRAM HAS BEEN HELPFUL.

IT MAY BE FAMILIAR TO SOME OF YOU - I USED IT AT LAST YEAR'S ANNUAL GENERAL MEETING IN MELBOURNE.

THE TRIANGLE ON THE LEFT REFLECTS THE HISTORICAL PRODUCT PYRAMID FOR OUR COMPANY.

AT THE BASE IS STEEL SLAB, WHICH IS OUR COMPANY'S FIRST SALEABLE STEEL PRODUCT.

WE PRODUCED A RECORD 6.6 MILLION TONNES OF STEEL AT PORT KEMBLA STEELWORKS, NORTH STAR BLUESCOPE STEEL AND NEW ZEALAND STEEL LAST YEAR.

AT EVERY SUBSEQUENT STAGE OF PRODUCTION, A PROPORTION OF PRODUCT WE PRODUCE IS SOLD TO THIRD PARTIES.

THE APEX OF THE TRIANGLE REPRESENTS THE ADVANCED STEEL SOLUTIONS WE PROVIDE TO CUSTOMERS - FOR EXAMPLE, PRE-ENGINEERED STEEL BUILDINGS.

THE PRODUCTS AT THE TOP OF THE PYRAMID SELL FOR THOUSANDS OF DOLLARS PER TONNE, WHILST THOSE AT THE BOTTOM SELL FOR HUNDREDS OF DOLLARS PER TONNE.

OUR OBJECTIVE, AS WE EXPLAINED A YEAR AGO, IS TO TRANSFORM THE SHAPE OF THE PRODUCT PYRAMID FOR OUR BUSINESS TO MORE CLOSELY RESEMBLE THE TRAPEZOID NOW ON THE SCREEN - BY GROWING THE PROPORTION OF HIGHER VALUE ADDED PRODUCT WE SELL.

SO WHY ARE WE PURSUING THIS STRATEGY?

WELL, AS WE MOVE UP THE PYRAMID, THERE IS TYPICALLY MORE VALUE ADDED. THIS MEANS HIGHER CUMULATIVE MARGINS, AND IMPORTANTLY FOR OUR INDUSTRY, LESS VOLATILE SELLING PRICES, THAN PRODUCTS AT THE BASE OF THE TRIANGLE.

AND WITH OUR EXPANSION INTO PRE ENGINEERED BUILDINGS, OUR CHAIN OF VALUE ADDING HAS BECOME EVEN LONGER, SUCH THAT WE NOW SELL A COMPLETE STEEL BUILDING.

SO, IN FUTURE, A BLUESCOPE BUTLER BUILDING LIKE THIS WILL BE MADE FROM BLUESCOPE STEEL BUILDING COMPONENTS.

THESE COMPONENTS ARE FORMED FROM OUR ZINCALUME® COATED AND COLORBOND® PAINTED STEELS, WHICH MAY BE DERIVED FROM HOT ROLLED COIL MADE AT OUR STEEL WORKS IN AUSTRALIA, NEW ZEALAND AND THE USA.

AS WE PRODUCE AND SELL MORE VALUE-ADDED PRODUCTS, WE WILL GROW THE REVENUE OF OUR COMPANY, CAPTURE MORE MARGIN AND REDUCE VOLATILITY.

AND LESS VOLATILITY MEANS GREATER POTENTIAL – FOR EMPLOYEES, SUPPLIERS, COMMUNITIES AND INVESTORS.

NOW, I WOULD LIKE TO TALK ABOUT CHANGES TO OUR PEOPLE AND CULTURE.

BLUESCOPE STEEL COMPRISES OVER 16,000 PEOPLE OF HIGH QUALITY AND CALIBRE. WE HAVE A TRULY WORLD CLASS TEAM IN PLACE.

AND I HAVE MADE IT MY PERSONAL MISSION TO ENSURE THEIR SAFETY.

YET DESPITE OUR BEST EFFORTS, WE HAD A FATALITY IN JUNE.

A CONTRACTOR AT OUR BRISBANE LOGISTICS TERMINAL WAS KILLED IN A FORKLIFT ACCIDENT.

AS A RESULT OF THIS TRAGIC ACCIDENT, WE IMPLEMENTED A "STOP FOR SAFETY" – A FOUR HOUR STOP AT EVERY OPERATION WORLDWIDE - 32 MAN YEARS OF EFFORT IN ONE WEEK.

WE ARE WORKING HARD TO ENSURE THIS FATALITY IS OUR LAST.

IT WAS NOT A GREAT WAY TO END A GREAT YEAR. BUT, NEVERTHELESS, A HUMBLING REMINDER THAT PEOPLE MATTER MORE THAN PROFIT.

AND VALUES ARE THE MOST ENDURING MARKS OF A COMPANY'S WORTH.

ZERO HARM IS NOT SIMPLY A GOAL. IT IS AN IMPERATIVE.

OVER THE PAST FOUR YEARS, AS WE HAVE RE-SHAPED OUR COMPANY, OUR EMPLOYEE PROFILE HAS CHANGED AS WELL.

WE ARE BECOMING MORE TECHNICALLY ORIENTED, WITH A GREATER EMPHASIS ON SALES, MARKETING, ENGINEERING, RESEARCH AND DEVELOPMENT.

TODAY, BLUESCOPE STEEL EMPLOYS EVEN MORE GRADUATES AND PHDS, AND WE AIM TO CONTINUE BUILDING A HIGHLY SKILLED TEAM - STRONG IN SCIENTIFIC AND TECHNICAL COMPETENCIES, WITH A SOUND KNOWLEDGE OF MARKET NEEDS AND OPPORTUNITIES.

WHY THIS SHIFT?

AS WE MOVE FURTHER TOWARD CUSTOMISED, DOWNSTREAM PRODUCTS, WE WILL REQUIRE MORE MARKETING, ENGINEERING AND DESIGN EXPERTISE.

OUR PRODUCTION FACILITIES ARE BECOMING FAR MORE ADVANCED.

AUTOMATION AND COMPUTER CONTROL MEAN FEWER, MORE HIGHLY TRAINED PEOPLE ON THE PLANT FLOOR.

TO BECOME THE WORLD'S MOST INNOVATIVE STEEL COMPANY, WE NEED THINKING POWER AND IMAGINATION, FLEXIBILITY AND COMMITMENT TO CUSTOMERS.

ANOTHER MAJOR CHANGE IS THE NATIONALITY OF OUR EMPLOYEES.

AS YOU CAN SEE FROM THESE PIE CHARTS, THE NATIONALITY OF OUR VARIOUS EMPLOYEES HAS CHANGED DRAMATICALLY OVER THE LAST THREE YEARS WITH ASIA AND NORTH AMERICA NOW REPRESENTING 47% OF OUR EMPLOYEES – UP FROM 15% ONLY THREE YEARS AGO.

THE ACQUISITION OF BUTLER MANUFACTURING BROUGHT INTO OUR PORTFOLIO SOME OUTSTANDING MARKETING, DESIGN AND MANUFACTURING SKILLS, IN BOTH NORTH AMERICA AND CHINA.

WE EXPECT SIGNIFICANT GROWTH IN THE NUMBER OF PEOPLE WORKING IN OUR ASIAN OPERATIONS, WHERE WE NOW HAVE NEARLY 3,000.

THE ENTHUSIASM AND NEW IDEAS WE ARE SEEING COMING FROM OUR PEOPLE IN THE ASIA REGION ARE TRULY EXCITING AND ENERGISING.

SO, AS OUR EMPLOYEE PROFILE SHOWS, BLUESCOPE STEEL HAS BECOME A TRULY MULTINATIONAL AND MULTICULTURAL COMPANY WITH OPERATIONS IN 16 COUNTRIES.

WE MUST ALSO ENSURE THAT WE ARE AN ORGANISATION THAT MOTIVATES, REWARDS AND EMPOWERS OUR PEOPLE.

A SIGNIFICANT PIECE OF WORK UNDERWAY WITHIN THE COMPANY IS TO BUILD (WHAT WE CALL) A “HIGH PERFORMANCE” CULTURE THROUGHOUT THE ORGANISATION.

CREATING A HIGH PERFORMANCE CULTURE IS ABOUT EVERYONE GENERATING AN ENVIRONMENT THAT ENCOURAGES QUALITIES LIKE TEAMWORK, AGILITY, CREATIVITY, AND OPPORTUNITY.

A HIGH PERFORMANCE WORKPLACE ENCOURAGES INITIATIVE, IMAGINATION, ACCOUNTABILITY AND CONFIDENCE. IT REWARDS THOSE WHO TAKE CARE OF OUR CUSTOMERS AND MARKETS.

IMPORTANTLY, A HIGH PERFORMANCE CULTURE ACTIVELY DISCOURAGES THE BEHAVIOUR THAT IS ASSOCIATED WITH OLD-STYLE ‘BIG’ COMPANIES - YOU ARE PROBABLY AWARE OF TRAITS THAT TYPIFIED SUCH ORGANISATIONS.

SO, WHY ARE WE MOVING IN THIS DIRECTION?

BECAUSE AGILITY, CREATIVITY, COURAGE AND THE CONFIDENCE TO BE IMAGINATIVE - THE VERY ELEMENTS OF INNOVATION – CANNOT BE DELIVERED TO THE MARKETPLACE UNLESS THEY ARE NURTURED AND PRACTICED WITHIN THE ORGANISATION.

WE HAVE A SMART, MULTINATIONAL WORKFORCE. AND WE ARE IMPLEMENTING A CULTURE THAT WILL ALLOW THEM TO THRIVE.

ONE RESULT IS THAT WE ARE BECOMING A FAR MORE INNOVATIVE COMPANY.

SO LET ME DESCRIBE SOME EXAMPLES OF BLUESCOPE STEEL INNOVATION.

IMAGINE PAINTED STEEL PANELS WITH AN IN-BUILT ANTI-BACTERIAL CAPABILITY. PURPOSE BUILT FOR HYGIENE-CRITICAL AREAS LIKE STERILE COOL-ROOMS.

IMAGINE COLORBOND STEEL FENCING PRODUCTS THAT CANNOT BE PERMANENTLY DE-FACED WITH GRAFFITI.

OR COLORBOND STEEL ROOFING AND WALLING WITH A PHOTO-VOLTAIC COATING, MEANING THE ENTIRE EXTERIOR OF A BUILDING CAN CAPTURE SOLAR ENERGY.

THIS IS THE FUTURE OF COATED STEELS, AND THESE ARE SOME AREAS OF INNOVATION IN WHICH BLUESCOPE STEEL IS ADVANCING . . .

OUR CORE BRANDS, SUCH AS COLORBOND® AND ZINCALUME® STEELS ARE ALSO CONSTANTLY BEING EXTENDED AND IMPROVED.

IN ASIA, CLEAN COLORBOND® STEEL, FOR INSTANCE, WAS DESIGNED TO RESIST THE DISCOLOURATION KNOWN AS 'TROPICAL STAINING'.

ON THE SCREEN YOU CAN SEE "BLUE ZINCALUME" - A BLUE RESIN-COATED HOUSE FRAMING PRODUCT WE ARE CURRENTLY TRIALING.

THIS IS A GREAT EXAMPLE OF BRAND EXTENSION AND DEVELOPMENT (PRODUCED AT OUR WESTERN PORT PLANT, VICTORIA).

IN PRE-ENGINEERED BUILDINGS, COMPUTER MODELLING WILL MAKE OUR PEBS EVEN MORE PRECISELY TAILORED TO THE CUSTOMER'S NEEDS. AND THE LIST GOES ON.

HOWEVER, INNOVATION IS NOT RESTRICTED TO PRODUCT DEVELOPMENT.

THERE IS ALSO ENVIRONMENTAL INNOVATION - HERE ARE TWO EXAMPLES THAT MAKE US VERY PROUD.

THE ILLAWARRA WASTE WATER TREATMENT SCHEME WILL REDUCE BY 50 PER CENT THE REQUIREMENT OF FRESHWATER AT PORT KEMBLA STEELWORKS AND SPRINGHILL, BY TAKING RECYCLED WATER FROM A NEW HIGH-END WATER TREATMENT PLANT BUILT BY SYDNEY WATER.

THIS IS A LANDMARK ENVIRONMENTAL INITIATIVE.

THE TREATMENT PLANT IS THE LARGEST OF ITS KIND IN AUSTRALIA, AND THE PROJECT WILL SAVE AROUND 20 MILLION LITRES OF WATER A DAY - EQUIVALENT TO 40,000 HOUSEHOLDS.

AND WE ARE DEVELOPING PRODUCTS TO HELP OUR CUSTOMERS CONSERVE WATER AS WELL.

DURING THE YEAR WE LAUNCHED A NEW BUSINESS CALLED BLUESCOPE WATER.

THE FOUNDATION FOR THIS BUSINESS IS THE COMPANY'S MANY YEARS OF EXPERIENCE SUPPLYING STEEL-BASED PRODUCTS TO OUR CUSTOMERS FOR THE MANUFACTURE OF RAINWATER TANKS. [NB: YOU MAY NOW SEE AN EXAMPLE TANK ON DISPLAY IN THE FOYER]

ANOTHER TECHNICAL INNOVATION IS OUR SINTER MACHINE EMISSION REDUCTION PROJECT.

IT CAPTURES WASTE GAS AND DUST FROM THE IRON-ORE SINTER PLANT AT PORT KEMBLA STEELWORKS [AND REPRESENTS AN INVESTMENT BY YOUR COMPANY OF \$95 MILLION].

WITH SIX YEARS OF HARD WORK, RESEARCH AND TECHNICAL INNOVATIONS, OUR TEAM HAS EFFECTIVELY REMOVED THE SINGLE BIGGEST POINT SOURCE OF EMISSIONS AT PORT KEMBLA STEELWORKS, AND MADE A HIGHLY VISIBLE CONTRIBUTION TO LOCAL AIR QUALITY.

SO, OVERALL, WE ARE DRIVING FOR MORE INNOVATION, WHICH IS WHY WE WILL INCREASE OUR R&D SPEND BY A FURTHER 10 MILLION DOLLARS THIS FINANCIAL YEAR.

FINALLY, I WOULD LIKE TO LOOK AT A KEY GROWTH EVENT THAT IS A DEMONSTRATION OF OUR STRATEGY IN ACTION – THE ACQUISITION OF THE BUTLER MANUFACTURING COMPANY.

THE ACQUISITION OF BUTLER MANUFACTURING ON 27 APRIL THIS YEAR WAS SIGNIFICANT.

THE BUTLER BRAND IS NUMBER ONE IN PRE ENGINEERED BUILDINGS IN NORTH AMERICA AND CHINA, AND HAS STRONG BRAND RECOGNITION WORLD-WIDE.

THROUGH THE OWNERSHIP OF THIS BUSINESS, BLUESCOPE STEEL IS NOW THE NUMBER ONE GLOBAL DESIGNER AND SUPPLIER OF PRE-ENGINEERED STEEL BUILDINGS.

IN TERMS OF STRATEGIC FIT, THE BUTLER BUSINESS MANUFACTURES AND SELLS ENTIRE BUILDINGS, WHILE BLUESCOPE LYSAGHT SELL THE ROLL FORMED COMPONENTS THAT GO INTO THE BUILDINGS.

SO WHAT IMPACT IS THIS ACQUISITION HAVING ON BLUESCOPE STEEL?

HERE'S AN OVERVIEW.

REVENUE THIS YEAR IS EXPECTED TO INCREASE BY OVER \$1 BILLION.

OUR OVERALL PROPORTION OF REVENUE GENERATED DOWNSTREAM OF HOT ROLLED COIL WILL INCREASE BY 7%.

OUR EMPLOYEE NUMBERS HAVE INCREASED BY NEARLY 4,000.

AND WHILST OUR GEARING INCREASED BY ABOUT 8% WHEN WE COMPLETED THE DEAL, WE MAINTAINED AN INVESTMENT-GRADE BALANCE SHEET, AND SUCCESSFULLY PLACED US\$300 MILLION IN THE US PRIVATE PLACEMENT MARKET ONLY TWO MONTHS LATER.

THE PEOPLE OF THE BUTLER BUILDINGS AND VISTAWALL BUSINESSES IN NORTH AMERICA, AND THE BUSINESS WE NOW CALL BLUESCOPE BUTLER IN CHINA, HAVE RAPIDLY BECOME AN INTEGRAL PART OF OUR COMPANY AND WE WELCOME THEM.

IN LINE WITH OUR CHANGING CULTURE, THEY ARE DEMONSTRATING PERSONAL ACCOUNTABILITY IN IMPROVING THOSE BUSINESSES.

THE BUTLER ACQUISITION MAKES BLUESCOPE BUTLER THE LEADING PREMIUM PEB AND COMPONENTS COMPANY IN CHINA.

AND WHEN YOU FACTOR IN OUR LYSAGHT ASIA ROLLFORMING NETWORK, WHICH IS THE MOST EXTENSIVE IN THAT REGION, YOU REALISE THAT OUR PRESENCE IN ASIA IS NOW CONSIDERABLE.

SINCE WE MET LAST YEAR, NOT ONLY HAVE WE ACQUIRED BUTLER, BUT WE HAVE COMMENCED CONSTRUCTION OF A NEW COATING AND PAINTING PLANT IN VIETNAM, SEEN HERE ON THE SCREEN.

COMMENCED CONSTRUCTION OF A NEW, SECOND METALLIC COATING LINE IN THAILAND.

AND COMMENCED CONSTRUCTION OF A NEW PAINTING AND COATING PLANT IN CHINA.

WITH BLUESCOPE BUTLER ASIA, OUR DOWNSTREAM CAPABILITIES EXTEND ALL THE WAY TO THE FINISHED BUILDING, AND WE HAVE A FIRM Foothold IN THE WORLD'S MOST ECONOMICALLY DYNAMIC REGION.

MOST ENCOURAGING IS THE FACT THAT WE ARE ABLE TO REWARD SHAREHOLDERS AND GROW YOUR COMPANY – AS THE CHAIRMAN OUTLINED EARLIER.

TO CONCLUDE.

1) WE HAVE LOOKED AT *WHY* WE ARE CHANGING - SHIFTS IN CUSTOMER EXPECTATIONS, AND THE INTENSITY OF INTERNATIONAL COMPETITION ARE KEY FACTORS.

2) AND WE HAVE EXAMINED *HOW* WE ARE CHANGING – THROUGH OUR STRATEGY, AND TRANSFORMING OUR ORGANISATION AND CULTURE.

3) I HAVE TALKED ABOUT THE GREAT INNOVATIONS THAT ARE FLOWING.

4) AND LOOKED AT THE BUTLER ACQUISITION AND NEW ASIAN PROJECTS – EXCELLENT EXAMPLES OF OUR GLOBAL VALUE-ADDED GROWTH STRATEGY IN ACTION.

SO, TO CLOSE.

WE ARE NOW AMONG THE 30 LARGEST AUSTRALIAN-OWNED COMPANIES, AND OUR BUSINESS MODEL IS PROVING SUCCESSFUL OFFSHORE.

WE ARE AN EXPORTER OF AUSTRALIAN EXPERTISE – AND LEARNING FROM THE WORLD.

NOW, I DO KNOW THAT AUSTRALIANS FEEL A GREAT DEAL OF PRIDE WHEN THE HOME TEAM DOES WELL ABROAD.

BUT I DON'T THINK THE EXTENT OF OUR OFFSHORE SUCCESS IS FULLY UNDERSTOOD.

WE HAVE A REAL OPPORTUNITY TO TAKE YOUR COMPANY, BLUESCOPE STEEL, SOMEWHERE VERY EXCITING.

TO BECOME THE SORT OF STEEL SOLUTIONS BUSINESS THE WORLD HAS NOT SEEN BEFORE – WITH AN UNRIVALLED PRESENCE IN THE WORLD'S MAJOR GROWTH REGION OF ASIA.

OURS IS A VERY FINE COMPANY.

I HOPE YOU FEEL PROUD TO BE SHAREHOLDERS.

BECAUSE I CERTAINLY FEEL PROUD AND PRIVILEGED TO LEAD IT.

LADIES AND GENTLEMEN, I THANK YOU FOR LISTENING.

AND I VERY MUCH APPRECIATE YOUR SUPPORT.

END

ASX Release

Release Time: IMMEDIATE
Date: 19 October 2004

BLUESCOPE STEEL EXPECTS ANOTHER VERY GOOD YEAR

BlueScope Steel Chairman, Mr Graham Kraehe, advised shareholders at the Company's Annual General Meeting in Sydney today that the Company is expecting another very good year in FY 2005.

Mr Kraehe said: "The performance of the Company for the three months to the end of September has been very strong, continuing the favourable trading conditions we experienced in the last half of the 2004 financial year.

"The integration of the Butler Buildings and Vistawall businesses into the group is proceeding according to plan. Market conditions and despatches for both these businesses have improved compared to the same period in 2003, and we look forward to an improved performance from our Coated and Building Products North America segment.

"Our upstream steel manufacturing businesses – Port Kembla Steelworks, New Zealand Steel and North Star BlueScope Steel – continue to perform strongly, supported by higher prices for the slab and hot rolled coil they produce.

"On the other hand, our downstream Australian Coated and Building Products business is having to work hard to maintain profitability, in the face of much higher feedstock costs."

Mr Kraehe continued: "As we said in August this year, we are expecting another very good year for BlueScope Steel. We are off to a strong start.

"With a full order book in the current quarter, we now expect a first half result significantly higher than the June 2004 half year. This is likely to result in a third record year for BlueScope Steel in 2005, if current market trends continue and we do not suffer from any unexpected operational difficulties."

The full text of speeches made at the BlueScope Steel Annual General Meeting by Chairman Graham Kraehe and Managing Director and CEO Kirby Adams can be viewed at the Company's website.

For further information about BlueScope Steel Limited: www.bluescopesteel.com

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SEC File
No. 82-34676

Facsimile

To	Company Announcements Office	Facsimile Number	1800 999 279 1800 999 279
Company	Australian Stock Exchange Limited		
From	Lisa Nicholson	Date	19 October 2004
Subject	Disclosure of Proxy Votes	Total pages including header	3

FOR IMMEDIATE RELEASE TO THE MARKET

Please find to follow the results of voting at today's Annual General Meeting of BlueScope Steel Limited.

Yours faithfully,

LISA NICHOLSON
Assistant Company Secretary

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RESULTS OF MEETING

BLUESCOPE STEEL LIMITED

ANNUAL GENERAL MEETING

Tuesday, October 19 2004



ASX PERPETUAL
REGISTRARS

As required by section 251AA(2) of the Corporations Act 2001 (Cwth) the following statistics are provided in respect of the/each resolution on the agenda.

Resolution	Manner in Which the securityholder directed the proxy vote:				Manner in which votes were cast in person as by proxy on a Poll (Where Applicable)			
	TOTAL	votes "for"	votes "against"	votes "abstain**"	votes "discretionary"	"for"	"against"	"abstain***"
5 - AMENDMENT TO COMPANY'S CONSTITUTION (RESTRICTION ON RETIREMENT BENEFITS FOR DIRECTORS)	332,751,654	44,431,098	270,153,328	3,413,410	18,167,228	40,366,555	293,802,748	3,413,410
6 - AMENDMENT TO COMPANY'S CONSTITUTION (RESTRICTION ON THE NUMBER OF DIRECTORSHIPS OF OTHER LISTED COMPANIES HELD BY DIRECTORS)	334,872,343	34,570,497	282,108,625	1,292,721	18,192,224	30,251,017	306,036,195	1,212,721
7 - AMENDMENT TO COMPANY'S CONSTITUTION (CAP ON REMUNERATION OF MANAGING DIRECTOR OR AN EXECUTIVE DIRECTOR)	328,445,851	40,682,012	289,588,207	7,719,213	18,197,632	36,612,265	293,250,844	7,719,213
8 - AMENDMENT TO COMPANY'S CONSTITUTION (CAP ON EXECUTIVE AND EMPLOYEE REMUNERATION)	329,175,009	40,688,076	270,314,919	6,989,055	18,193,014	36,599,084	293,984,183	6,989,055

** - Note that votes relating to a person who abstains on an item are not counted in determining whether or not the required majority of votes were cast for or against that item

RESULTS OF MEETING

BLUESCOPE STEEL LIMITED

ANNUAL GENERAL MEETING

Tuesday, October 19 2004



As required by section 251AA(2) of the Corporations Act 2001 (Cw/ith) the following statistics are provided in respect of the/each resolution on the agenda.

Resolution	Manner in Which the securityholder directed the proxy vote:				Manner in which votes were cast in person as by proxy on a Poll (Where Applicable)			
	TOTAL	votes "for"	votes "against"	votes "abstain**"	votes "discretionary"	"for"	"against"	"abstain**"
1 - TO RE-ELECT RON MCNEILLY AS A DIRECTOR	333,151,013	296,777,757	8,421,270	3,014,041	27,961,986	N/A	N/A	N/A
2 - TO RE-ELECT DIANE GRADY AS A DIRECTOR	335,714,777	305,233,945	2,336,884	450,287	28,143,948	N/A	N/A	N/A
3 - APPROVE THE GRANT OF SHARE RIGHTS TO THE MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER	325,456,818	289,523,240	16,771,102	1,787,712	19,164,476	N/A	N/A	N/A
4 - AMENDMENT TO COMPANY'S CONSTITUTION (MAXIMUM TERM OF 10 YEARS) FOR NON-EXECUTIVE DIRECTORS	334,856,151	31,008,683	285,319,502	1,225,813	18,810,986	26,688,498	309,861,250	1,226,263

** - Note that votes relating to a person who abstains on an item are not counted in determining whether or not the required majority of votes were cast for or against that item