



The Global Steel Industry: Innovation, Restructuring and Free Trade

Brian Kruger, Chief Financial Officer

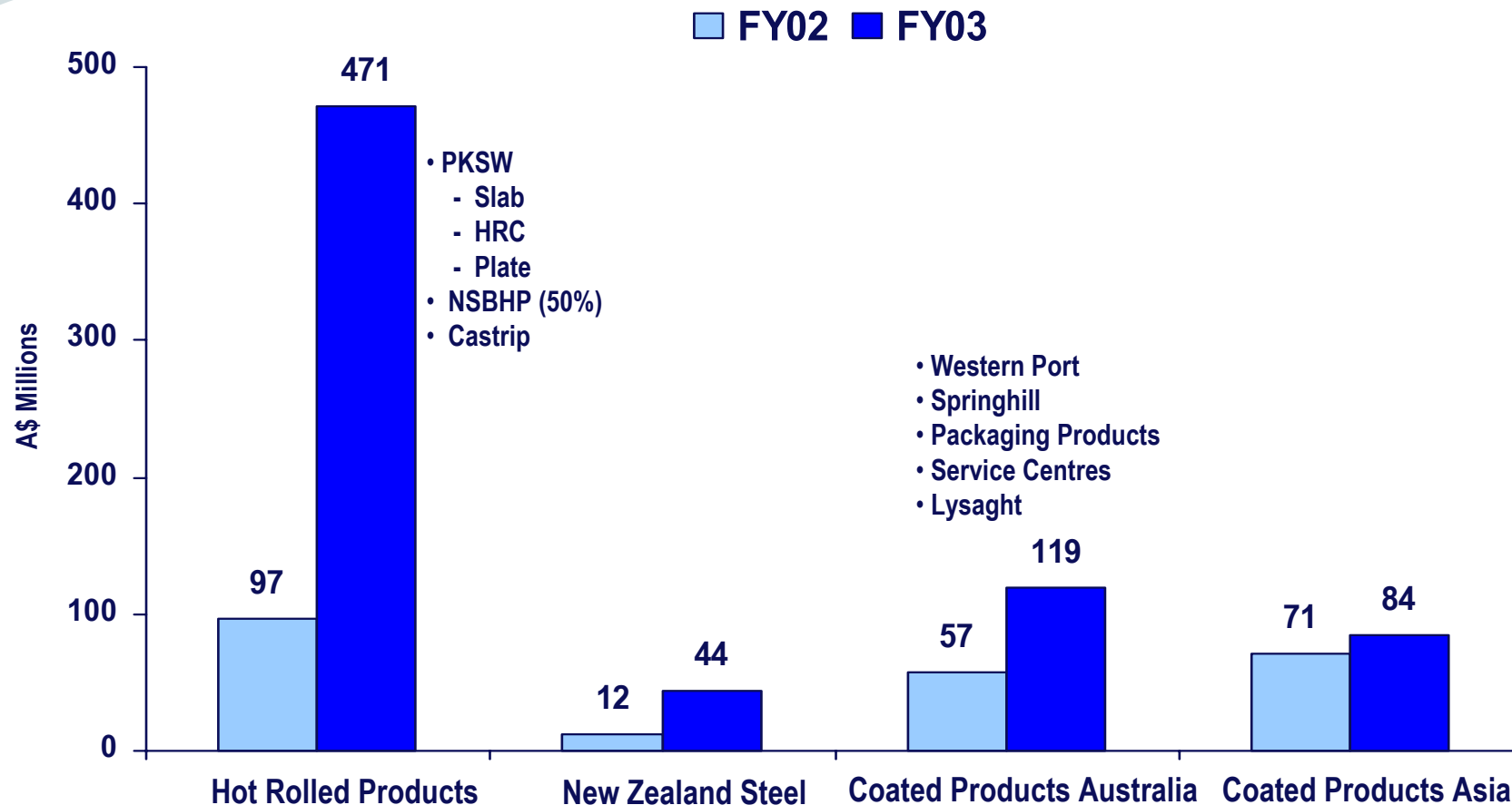
**David Goodwin, Executive Vice President Corporate
Affairs**

17 October 2003

Seized market opportunities and drove business improvements

- Revenue \$5.3 billion *First time above \$5.0 billion.*
- Despatches 6.8 million metric tonnes *Record shipments.*
- NPAT \$452 million
- EPS 57.1¢
- DPS 22¢ Fully Franked *Scheme Booklet Forecast was 20¢ 0/40% Franking.*
- Special Dividend 7¢ Fully Franked
- Return on Invested Capital 14.5%
- Net Cash Flow \$598 million
- Buyback (30 June 2003) 8.3 million shares *27 August 2003 21.9 million shares.*
- Debt Reduced By \$540 million *To \$168 million.*
- Gearing (net debt) 2.4%

Increased Financial Performance Across All Segments



EBIT Growth +386%

+267%

+109%

+18%

Return on Net Assets (Pre-Tax)

25.7%

10%

9.3%

18.9%

North Star BHP Steel – Delta, Ohio

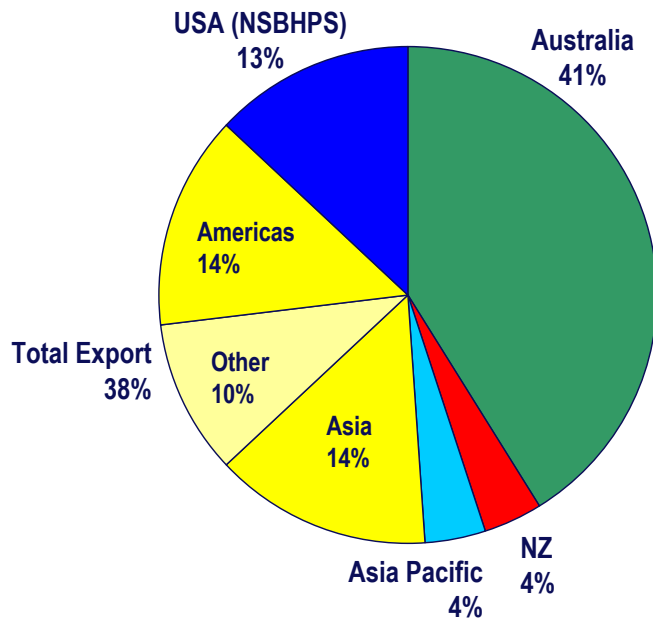


- Ownership
 - 50 – 50 joint venture between BHP Steel and North Star Steel
 - North Star Steel is a wholly owned subsidiary of Cargill Inc.
- The JV was formed in March 1995; production commenced 1996
- Steel mini-mill at Delta, Ohio
- 100% sales are domestic into North America
- 330 employees

Geographic Diversity

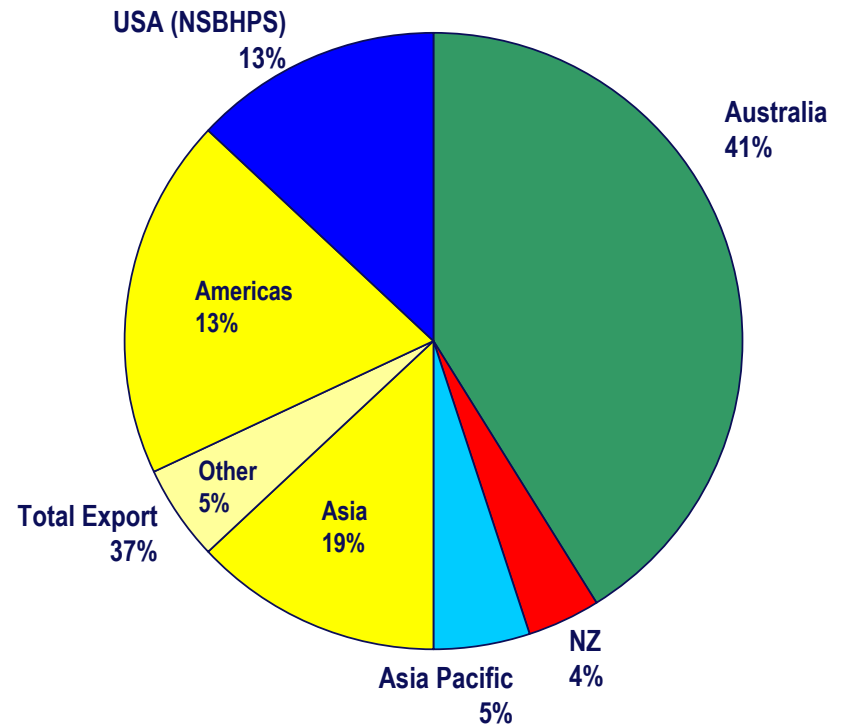
FY02

TOTAL EXTERNAL SALES – 6,028kt



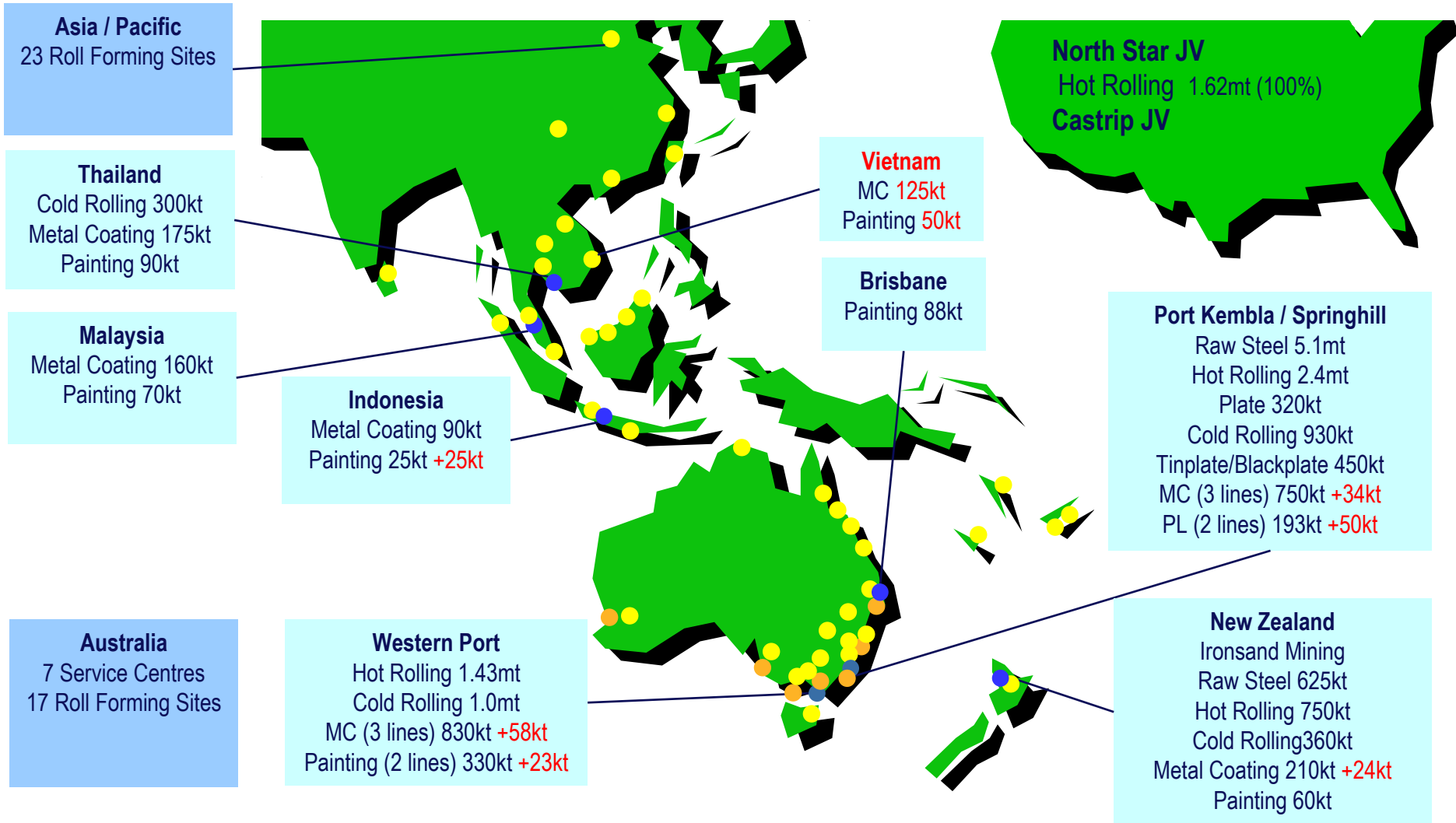
FY03

TOTAL EXTERNAL SALES – 6,754kt



Capacity upgrades across our business

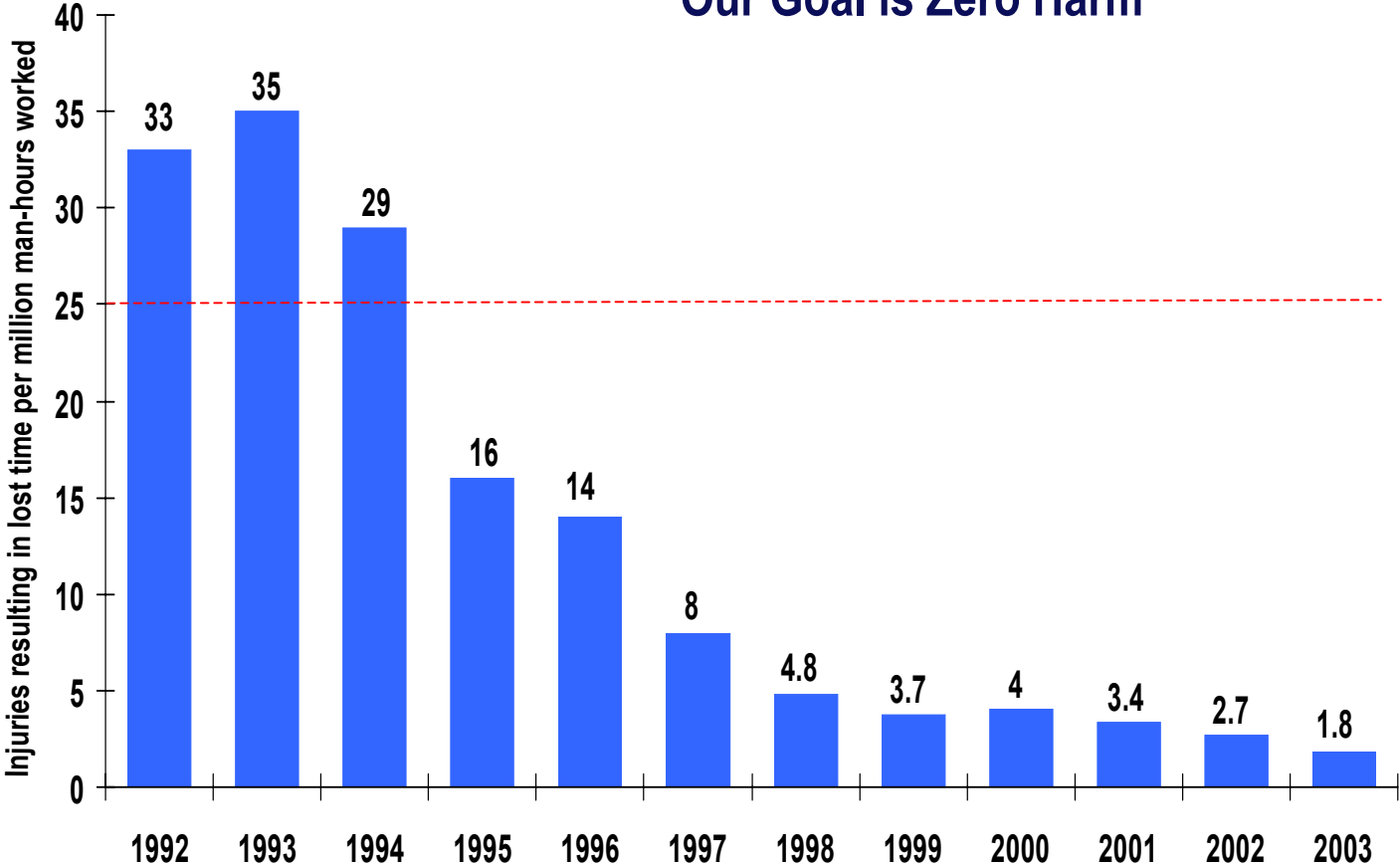
Annualised production capacities and **approved** growth



Safety – World Class Performance

Further 30% improvement in Lost Time Injury Frequency Rate . . .

Our Goal is Zero Harm



* Includes contractors from 1996



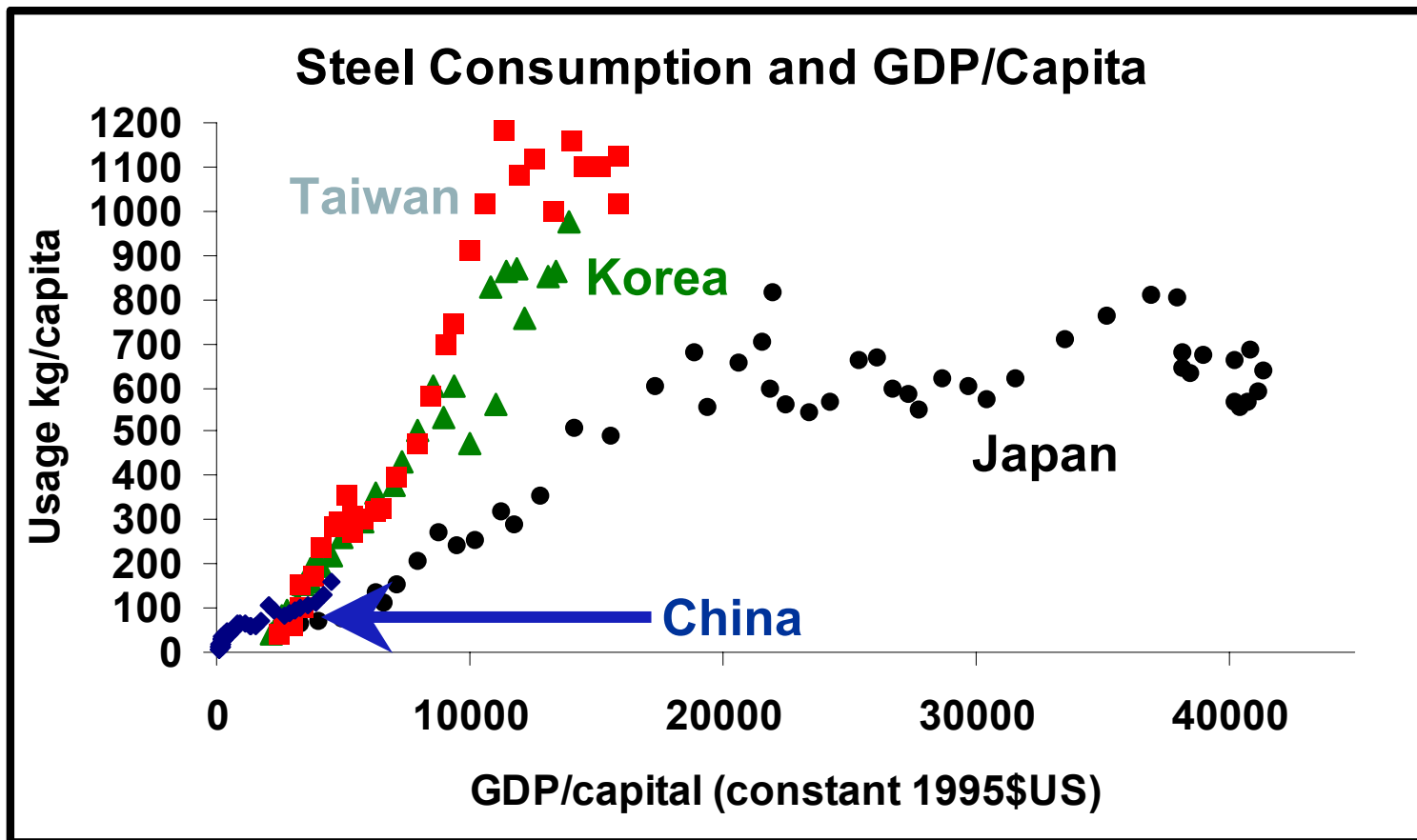
BHPSTEEL



Beijing International Airport



China has enormous potential to further grow steel consumption



Source: IISI, World Bank, uses crude steel basis

BHP Steel's new name will be BlueScope Steel.

It may seem a little unusual. But not when you look into it.





**BLUESCOPE
STEEL**

Opportunities for Australian steel include:

- Improved trade dispute resolution mechanisms
- Investment facilitation

Steelscape One Millionth Tonne





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