

# FY2025 Financial Results Presentation

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**Pictured:**  
Residential house in Esperance, WA,  
featuring roofing and cladding in  
COLORBOND® steel Surfmist® Matt



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This presentation includes certain financial measures that are not prepared in accordance with Australian Accounting Standards (AAS) or International Financial Reporting Standards (IFRS). These non-IFRS measures are used internally by management to assess the performance of our business and make decisions about resource allocation. The non-IFRS measures presented in this presentation include those referenced as ‘underlying’ information. These measures exclude items that management considers not representative of the underlying performance of the business. While BlueScope believes these non-IFRS measures provide useful information for understanding our financial performance, they should not be viewed in isolation or used as substitutes for the equivalent IFRS measures. Non-IFRS measures in this presentation may not be comparable to similarly titled measures used by other companies and should be read in conjunction with our audited financial statements. Reconciliations between non-IFRS measures and their most directly comparable IFRS measures are provided in the relevant sections of this presentation. Investors should consider both IFRS and non-IFRS measures when evaluating our performance. Non-IFRS financial measures have not been subject to audit or review.

## Authorised for release by the Board of BlueScope Steel Limited

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# ACKNOWLEDGEMENT OF COUNTRY

**BlueScope acknowledges the Traditional Custodians of the land on which we work, live and operate.**

We recognise our First Nations Peoples who have inhabited Australia for millennia, their enduring connection to Country, sky, and waterways and their rich and vital cultures.

We acknowledge the many different Nations across this ancient continent; from rural and remote communities, to our cities and suburban streets.

We honour and pay respect to Ancestors, Elders, and their descendants as the Custodians of this Country. It is through the Ancestral knowledge and stories of local Peoples that we can more fully know and understand Country and the unique ways in which Country connects us all.



# FY2025 HIGHLIGHTS

## **Performance in the face of challenging operating conditions demonstrates the resilience of BlueScope's business model**

**Underlying EBIT of \$738M and ROIC of 6.2% despite external environment marked by cyclically soft conditions, volatility and global uncertainty**

- Delivered \$293M in shareholder returns; robust balance sheet with \$28M net debt
- 50% franked, 30 cps final dividend and extension of current buy-back

## **Continued execution of BlueScope's 'Transform, Grow, Deliver' strategy**

- Solid progress on the cost and productivity improvement program
  - Delivered \$130M net improvement in FY2025 (on FY2024 cost base)
- Advanced projects and initiatives to deliver \$500M incremental EBIT by 2030
  - Includes North Star debottlenecking and Australian value-added product growth
- Progressing the realisation of value from our 1,200ha portfolio of strategic land
- Continued progress on global "Refocus on Safety" and decarbonisation initiatives

**Pictured:**  
Bidgee Bidgee Bridge in Parramatta, NSW,  
featuring REDCOR® weathering steel plate

# FY2025 FINANCIAL HEADLINES

BlueScope's profitability, despite depressed spreads, highlights business model resilience

## Underlying EBIT<sup>1</sup>

**\$738M**

↓ Down \$601M on FY2024

## Underlying EBIT Return On Invested Capital<sup>2</sup>

**6.2%**

↓ Down from 11.9% for FY2024

## Reported NPAT

**\$84M**

↓ Down \$722M on FY2024, inclusive of \$439M BCP impairment

## Net Cash Flow

(Operating cash flow less capex)

**\$180M**

↓ Down \$254M on FY2024

## Net Debt

**\$28M**

↓ Down from \$88M net cash at 31 December 2024

## Capital Management

**30 cps**

50% franked final dividend

**Current buy-back program extended<sup>3</sup>**

1. Underlying financial results for FY2025 reflect the Company's assessment of financial performance after excluding (pre-tax): asset impairment (\$438.9M), operating disruptions (\$12.8M), restructuring and redundancy costs (\$0.4M) and a gain on discontinued operations (\$9.6M). Refer to page 5 of the FY2025 Analyst Support Materials pack (available at [bluescope.com/investors](https://bluescope.com/investors) and on the ASX platform) for a full reconciliation of these underlying adjustments.

2. Return on Invested Capital – calculated as last 12 months' underlying EBIT over trailing 13-month average capital employed.

3. Extension of the share buy-back program to allow the remaining amount of up to \$240M to be bought over the next 12 months. The timing and value of stock purchased will be dependent on the prevailing market conditions, share price and other factors.

# FY2025 HEALTH & SAFETY UPDATE

**Unwavering culture of learning and people-centred approach; enabled by engaging our people in designing solutions to deliver effective controls**

## FY2025 Highlights

- Global “Refocus on Safety” program well embedded. Focus areas and initiatives developed include:
  - Ensuring every employee understands and commits to safety foundations
  - Equipping leaders with resources and time to support their teams
  - Progressing tiered audits, enhancing codes of practice and improving injury and incident management procedures
  - Sharing of successful initiatives across the business
- Despite this effort, some of our people suffered life changing injuries, with significant impact on them, their families and our people. We are absolutely committed to addressing this
  - Working to achieve ongoing improvement in how incidents and injuries are managed to prevent re-occurrence
  - Strengthening controls and gaining insight through risk control improvement projects and learning teams

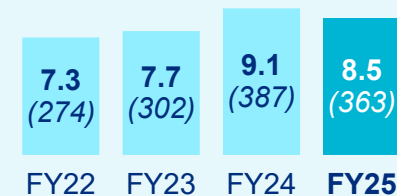
## Lead Indicators

- >1,800** Leaders involved in our industry expert-led HSE training since 2020 (incl Board & ELT)
- plus >1,300** People involved in business-led HSE learning workshops in FY2025
- 192** Team-based HSE risk control improvement projects completed in FY2025
- 45** Projects submitted as entries in the BlueScope Environmental Awards in FY2025

## Lag Indicators

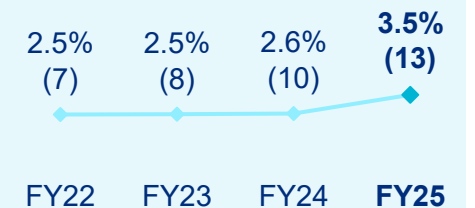
### TRIFR<sup>1</sup>

Reduced from FY2024, however remains above long-term range of 5-7



### Potential severity<sup>2</sup>

Increased in FY2025, however remains at relatively low levels



1. Total recordable injury frequency rate per million hours (number of injuries).  
 2. Percentage (number) of total recordable injuries with potential to be a fatal incident.

# FY2025 CLIMATE ACTION UPDATE

Continuing our pursuit of emissions reduction projects in line with our 2030 steelmaking and non-steelmaking targets and 2050 net zero goal<sup>1</sup>

## FY2025 Highlights

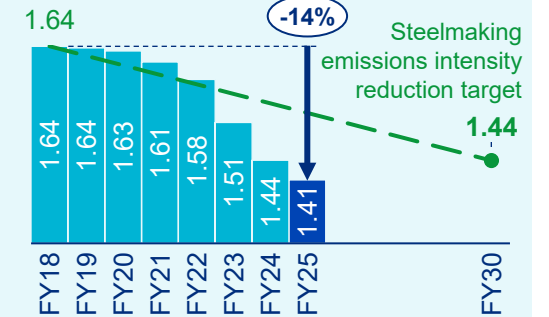
- BlueScope’s second Climate Action Report released in September 2024
- Progressed NeoSmelt – Direct Reduced Iron (DRI) Electric Smelter Furnace (ESF) pilot plant using Pilbara ores
  - Mitsui Iron Ore Development and Woodside Energy joined BHP, BlueScope and Rio Tinto as equal equity partners
  - Selected Kwinana, WA as the pilot plant location
  - Funding announced from ARENA & WA Government
  - Completed pre-feasibility study; feasibility underway
- Installation of EAF at NZ Steel progressing well, expected to approximately halve the site’s Scope 1 & 2 GHG emissions; being co-funded by NZ Government
- Continued the Australian DRI options study, focused on energy enablers in Australia

## Steelmaking target<sup>2</sup>

(92% of Group-wide Scope 1 and 2 emissions)

- Achieved 14% reduction since FY2018
- Driven by North Star expansion ramp-up and operating and process improvements at Port Kembla and Glenbrook Steelworks operations

### GHG emissions intensity (tCO<sub>2</sub>-e per tonne raw steel)

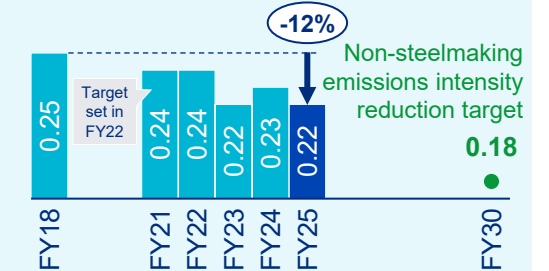


## Non-steelmaking target<sup>2</sup>

(8% of Group-wide Scope 1 and 2 emissions)

- 12% reduction since FY2018
- Range of projects deployed to reduce emissions, however FY2025 again affected by higher value-added production and lower overall volumes

### GHG emissions intensity (tCO<sub>2</sub>-e per tonne despatched steel)



<sup>1</sup> Achieving the 2050 net zero goal is highly dependent on several enablers, including; the development and diffusion of ironmaking technologies to viable, commercial scale; access to internationally cost-competitive, firm large-scale renewable energy; availability of competitively priced green hydrogen with natural gas enabling the transition to green hydrogen; access to appropriate quality and sufficient quantities of economic raw materials; and supportive and consistent policies across all these enablers to underpin decarbonisation.  
<sup>2</sup> Preliminary data. Final emissions intensity figures will be published in BlueScope’s FY2025 Sustainability Reporting Suite, to be released in September 2025. GHG emissions data reported on an equity accounted basis.

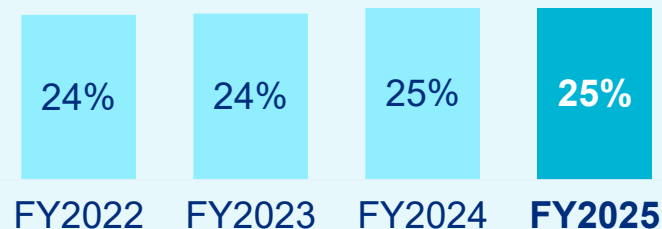
# FY2025 SUSTAINABILITY UPDATE

## Embedding sustainability in all that we do

### Inclusion & Diversity

- Continuing to build on the strong foundation of our inclusive culture
- Focused on health and wellbeing in the workplace
- Employee engagement survey conducted in early 2025
  - 81% participation and 69% engagement score

#### % of females in BSL workforce<sup>1</sup>



### Sustainable Supply Chain

- Continued work to improve responsible sourcing maturity across our business
- Expanded our use of Digital tools for risk monitoring & prioritisation for further assessment

**6100** Suppliers monitored in digital risk platform

**663** Suppliers assessed since FY2019

**336** Suppliers assessed in FY2025

### Regulatory Proceedings

- BlueScope has appealed the Federal Court's August 2023 penalty against BlueScope in relation to the civil proceeding brought by the ACCC
- Pending determination of the appeal, the penalty has been paid to the Commonwealth of Australia

1. Refer to BlueScope's FY2025 Corporate Governance Statement, found at [bluescope.com](https://www.bluescope.com), for more detail.

# 1H FY2026 GROUP OUTLOOK<sup>1</sup>

- We are entering FY2026 with confidence. While macroeconomic conditions remain mixed, our multi-domestic strategy of prioritising in-market production sets us up strongly to manage the current environment. We are seeing signs of recovery in Australian construction and improving spreads in the US
- Underlying EBIT in 1H FY2026 is expected to be in the range of \$550M to \$620M
- For the purposes of the outlook, the Company has made the following 1H FY2026 average assumptions:
  - Lagged spreads:
    - US mini-mill benchmark spreads of ~US\$480/t, up ~US\$60/t on 2H FY2025
    - Asian benchmark spreads of ~US\$200/t, stable on 2H FY2025<sup>2</sup>
  - Unlagged prices:
    - East Asian HRC price of ~US\$480/t
    - 62% Fe iron ore price of ~US\$95/t CFR China
    - Index hard coking coal price of ~US\$195/t FOB Australia
    - A\$:US\$ at US\$0.66
- Relative to 2H FY2025, expect higher underlying net finance costs, a similar underlying tax rate and lower profit attributable to non-controlling interests
- These expectations are subject to spread, foreign exchange, market conditions

1. Sensitivities can be found on page 18 of the FY2025 Analyst Support Materials pack (available at [bluescope.com/investors](https://bluescope.com/investors) and on the ASX platform). All volumes quoted in metric tonnes.

2. Spread calculation infers an FOB iron ore estimate by deducting the Baltic cape index freight cost from CFR China iron ore price.

# Strategy and growth to 2030

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**Picture:**  
B-Quick Ratchadaphisek Road branch in Bangkok, Thailand, featuring cladding in COLORBOND® steel Valiant Grey



# RECAP: BLUESCOPE'S SIGNIFICANT EARNINGS GROWTH OPPORTUNITY

## Target annual EBIT improvement

**Cost and productivity initiatives**

**\$200M+**

- Initial target \$200M of initiatives commenced for delivery in FY2026
- Program to deliver further improvements

**Growth**

**~\$500M**

- Targeted annual earnings contribution from growth initiatives and investments by 2030; range of projects well underway

**Property portfolio upside**

- Positioning 1,200ha portfolio for strategic value realisation, including near-term opportunity at West Dapto

**Spread and FX**

**~\$400M to ~\$900M**

- An improvement in spread levels would offer meaningful upside, even allowing for unfavourable FX<sup>1</sup>

<sup>1</sup>. EBIT impact of difference between 10 and 5-year average spread and FX relative to FY2025 using sensitivity factors as set out on slide 18 of the FY2025 Financial Results Analysts Support Material (available at [bluescope.com/investors](https://bluescope.com/investors))

# DRIVING COST AND PRODUCTIVITY IMPROVEMENT

**Initiatives well progressed to deliver target \$200M net annual earnings improvement in FY2026<sup>1</sup>; reviewing further improvement opportunities**

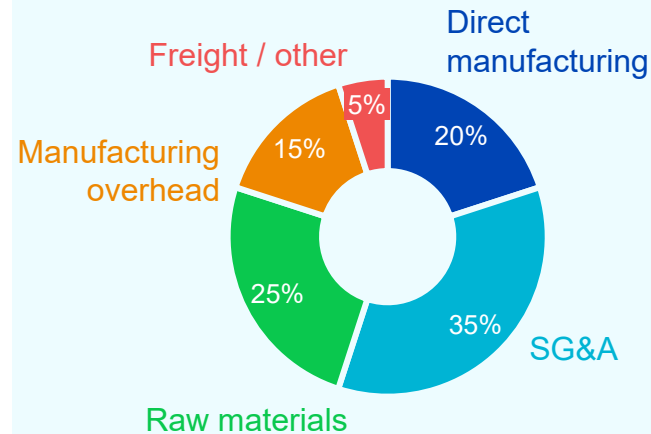
## Net saving

1H FY2025 delivered<sup>2</sup> \$70M

**FY2025 delivered \$130M**

**FY2026 target \$200M+**

## Breakdown of FY2025 gross cost initiatives



- FY2025 net savings achieved mainly in North America and Asia, with Australia seeing particular escalation in energy and labour costs
- Expect Australia contribution phased particularly in 2H FY2026

## Working capital reduction target

- Targeting \$200-300M release by end FY2026<sup>3</sup>
- Includes expected release from the progressive realisation of the current portfolio of projects in BlueScope Properties Group

1. On FY2024 cost base

2. On 2H FY2024 cost base

3. Compared to 30 June 2024, excluding a transitional inventory accumulation associated with No.6 Blast Furnace reline commissioning

# BLUESCOPE'S TARGET GROWTH TO 2030

Growth initiatives underway to drive \$500M EBIT uplift to 2030, supported by macro normalisation

| Region                               | North America   | Australia         | Asia & New Zealand   |       |                   |       |            |      |       |                   |       |             |      |       |                   |       |  |                         |      |       |                   |       |                        |      |       |                   |       |                       |      |       |                   |       |  |
|--------------------------------------|---|-------------------|----------------------|-------|-------------------|-------|------------|------|-------|-------------------|-------|-------------|------|-------|-------------------|-------|--|-------------------------|------|-------|-------------------|-------|------------------------|------|-------|-------------------|-------|-----------------------|------|-------|-------------------|-------|--|
| Target EBIT improvement <sup>1</sup> | >\$200M   | >\$125M           | ~\$150M <sup>2</sup> |       |                   |       |            |      |       |                   |       |             |      |       |                   |       |  |                         |      |       |                   |       |                        |      |       |                   |       |                       |      |       |                   |       |  |
| Update on initiatives                | <ul style="list-style-type: none"> <li>North Star debottlenecking well underway, adding 300kt by FY2028</li> <li>Coated and painted strategy progress:               <ul style="list-style-type: none"> <li>BCP focus on near-term turnaround, longer-term upside compelling</li> <li>Steelscape leading roll out of branded offering in the near-term</li> </ul> </li> <li>BBNA growth in targeted segments</li> </ul> <p><b>Measures</b></p> <table border="1"> <tr> <td>North Star volume</td> <td>FY25</td> <td>2.9mt</td> <td>FY30<sup>1</sup></td> <td>3.3mt</td> </tr> <tr> <td>BCP volume</td> <td>FY25</td> <td>384kt</td> <td>FY30<sup>1</sup></td> <td>600kt</td> </tr> <tr> <td>BBNA volume</td> <td>FY25</td> <td>194kt</td> <td>FY30<sup>1</sup></td> <td>270kt</td> </tr> </table> | North Star volume | FY25                 | 2.9mt | FY30 <sup>1</sup> | 3.3mt | BCP volume | FY25 | 384kt | FY30 <sup>1</sup> | 600kt | BBNA volume | FY25 | 194kt | FY30 <sup>1</sup> | 270kt | <ul style="list-style-type: none"> <li>COLORBOND® and TRUECORE® steel demand growth continues               <ul style="list-style-type: none"> <li>MCL7 project progressing well, will support delivery of target volumes</li> </ul> </li> <li>Focus on replacing low margin export sales with domestic volumes               <ul style="list-style-type: none"> <li>Plate mill upgrade and sales initiatives to support demand</li> </ul> </li> </ul> <p><b>Measures</b></p> <table border="1"> <tr> <td>COLORBOND® steel volume</td> <td>FY25</td> <td>616kt</td> <td>FY30<sup>1</sup></td> <td>730kt</td> </tr> <tr> <td>TRUECORE® steel volume</td> <td>FY25</td> <td>128kt</td> <td>FY30<sup>1</sup></td> <td>215kt</td> </tr> <tr> <td>Total domestic volume</td> <td>FY25</td> <td>2.2mt</td> <td>FY30<sup>1</sup></td> <td>2.7mt</td> </tr> </table> | COLORBOND® steel volume | FY25 | 616kt | FY30 <sup>1</sup> | 730kt | TRUECORE® steel volume | FY25 | 128kt | FY30 <sup>1</sup> | 215kt | Total domestic volume | FY25 | 2.2mt | FY30 <sup>1</sup> | 2.7mt | <p><b>Asia</b></p> <ul style="list-style-type: none"> <li>ASEAN volume recovery in focus, particularly in Malaysia and Vietnam</li> <li>China business adapting to evolving customer demands, incl. projects in Southeast Asia</li> <li>Continued volume growth in India from supply agreement with Tata</li> </ul> <p><b>New Zealand</b></p> <ul style="list-style-type: none"> <li>COLORSTEEL® volume remains solid</li> <li>Domestic volumes expected to recover with market improvement</li> <li>Opportunities from EAF model; mill to be commissioned from late CY2025</li> </ul> |
| North Star volume                    | FY25  | 2.9mt             | FY30 <sup>1</sup>    | 3.3mt |                   |       |            |      |       |                   |       |             |      |       |                   |       |  |                         |      |       |                   |       |                        |      |       |                   |       |                       |      |       |                   |       |  |
| BCP volume                           | FY25  | 384kt             | FY30 <sup>1</sup>    | 600kt |                   |       |            |      |       |                   |       |             |      |       |                   |       |  |                         |      |       |                   |       |                        |      |       |                   |       |                       |      |       |                   |       |  |
| BBNA volume                          | FY25  | 194kt             | FY30 <sup>1</sup>    | 270kt |                   |       |            |      |       |                   |       |             |      |       |                   |       |  |                         |      |       |                   |       |                        |      |       |                   |       |                       |      |       |                   |       |  |
| COLORBOND® steel volume              | FY25  | 616kt             | FY30 <sup>1</sup>    | 730kt |                   |       |            |      |       |                   |       |             |      |       |                   |       |  |                         |      |       |                   |       |                        |      |       |                   |       |                       |      |       |                   |       |  |
| TRUECORE® steel volume               | FY25  | 128kt             | FY30 <sup>1</sup>    | 215kt |                   |       |            |      |       |                   |       |             |      |       |                   |       |  |                         |      |       |                   |       |                        |      |       |                   |       |                       |      |       |                   |       |  |
| Total domestic volume                | FY25  | 2.2mt             | FY30 <sup>1</sup>    | 2.7mt |                   |       |            |      |       |                   |       |             |      |       |                   |       |  |                         |      |       |                   |       |                        |      |       |                   |       |                       |      |       |                   |       |  |

In addition, an improvement in spread levels would offer meaningful upside of ~\$400M to ~\$900M<sup>3</sup> even allowing for unfavourable FX

1. Target incremental annual EBIT performance in 2030; 2. Split ~\$75m from Asia and ~\$75M from New Zealand; 3. Revised from ~\$500M to ~\$1Bn in February due to subsequent increase in Midwest benchmark HRC spread

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# SUBSTANTIAL VALUE IN ADJACENT LAND PORTFOLIO

Over 1,000ha across three adjacent sites with compelling infrastructure access

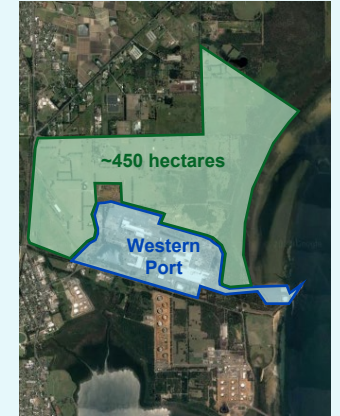
## Port Kembla, NSW, Australia

- ~200ha, 80km from Sydney on a deep-water port
- Reviewing opportunities for commercial and industrial use based on completed Master Plan



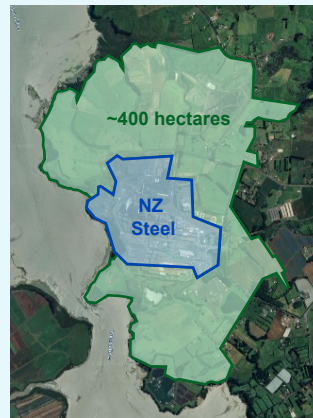
## Western Port, VIC, Australia

- ~450ha, 60km from Melbourne, on a deep-water port
- Master Planning process to be commenced; wide spectrum of potential uses to be considered



## Glenbrook, New Zealand

- ~400ha, 40km from Auckland
- Master Planning process underway
- Determining potential industrial uses that complement operations



## Case study: land lease for grid scale battery



- Staged leasing up to 5ha to Contact Energy for grid scale Battery Energy Storage System (BESS) at Glenbrook
- Avg \$4.5M pa lease & infrastructure value to NZS over 35 year lease
- No capital outlay required

# SUBSTANTIAL VALUE IN ADJACENT LAND PORTFOLIO

**Seeking to unlock value through staged development framework, retaining flexibility and control of strategic land assets that are synergistic with existing operations**

- Sites located with compelling port, rail and electricity interconnector access
- As part of planning process, considering options for data centres, energy storage and automated logistics
- Head of Property Development embedding capability to assist accelerating options

## Potential land uses



### Energy

#### Potential use cases:

Data centres, embedded networks, renewable power generation, Battery Energy Storage Systems (BESS)



### Downstream Businesses / Manufacturing

#### Potential use cases:

Downstream / aligned businesses, other industrials



### Logistics

#### Potential use cases:

Warehousing, rail, hardstand, port



### Research & Development / Social Infrastructure

#### Potential use cases:

Educational precincts, industrial innovation parks

# WEST DAPTO PROPERTY REALISATION

Progressing near-term opportunities to realise value from the surplus West Dapto (NSW) land asset

West Dapto Landholding (200ha)



■ Residential
 ■ General Industrial
 ■ Heavy Industrial
 ■ Other

## Residential land sale

- 33ha of zoned residential land; potential for 350-400 lots in attractive urban land release area<sup>1</sup>
- Targeted for value realisation in FY2026

## Hardstand car storage development

- Advancing terms of agreement with national car import logistics operator to build and lease 14ha hardstand facility for imported vehicles
- Development to be self-funded from residential land sale
- Proposed 10-year lease commencing at ~\$7M p.a. as early as FY2027

## Further industrial land for development

- Targeting value realisation over next five years of further industrial land with access to utilities and logistics infrastructure

1. Wollongong Council housing target of 9,200 homes by 2029. "One of the state's fastest growing residential areas outside Sydney" – NSW Minister for Planning, Dec-24 ([link](#)).

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# CONSORTIUM REVIEW OF WHYALLA

## Working with Nippon Steel, POSCO and JSW

- BlueScope is leading a consortium to review options for Whyalla Steelworks and magnetite mines
- Prospective location for future production of lower emissions iron (eg DRI) for both domestic and export markets
  - Potential to play an important role in the decarbonisation of the global steelmaking industry
- Submitted non-binding, indicative expression of interest
- Any decision to make an offer to acquire and develop expanded operations at Whyalla would be subject to due diligence and the consortium members' return on investment hurdles



# NO GAS, NO 'FUTURE MADE IN AUSTRALIA'

- Australian manufacturing needs secure competitively priced natural gas
  - Gas prices 3-4x US and Middle East, and extremely difficult to contract supply
  - Prioritising massive exports over domestic market, since 2015
- BlueScope is a major gas user
  - Need 10x current 4PJpa to significantly decarbonise
  - 3% of the 1,250PJ Gladstone exports
  - Gas-based low-emissions iron-making will reduce emissions intensity by 60%, 3.6mtpa CO2 emissions reduction and protect regional jobs
- Need immediate action and structural reform to deliver cheaper energy for Aussie businesses and homes
  - East Coast gas reservation policy – Australian gas for Australians
  - Stop uncontracted exports of spot cargoes
  - Domestic supply over LNG imports
  - Sensible, structural market reform

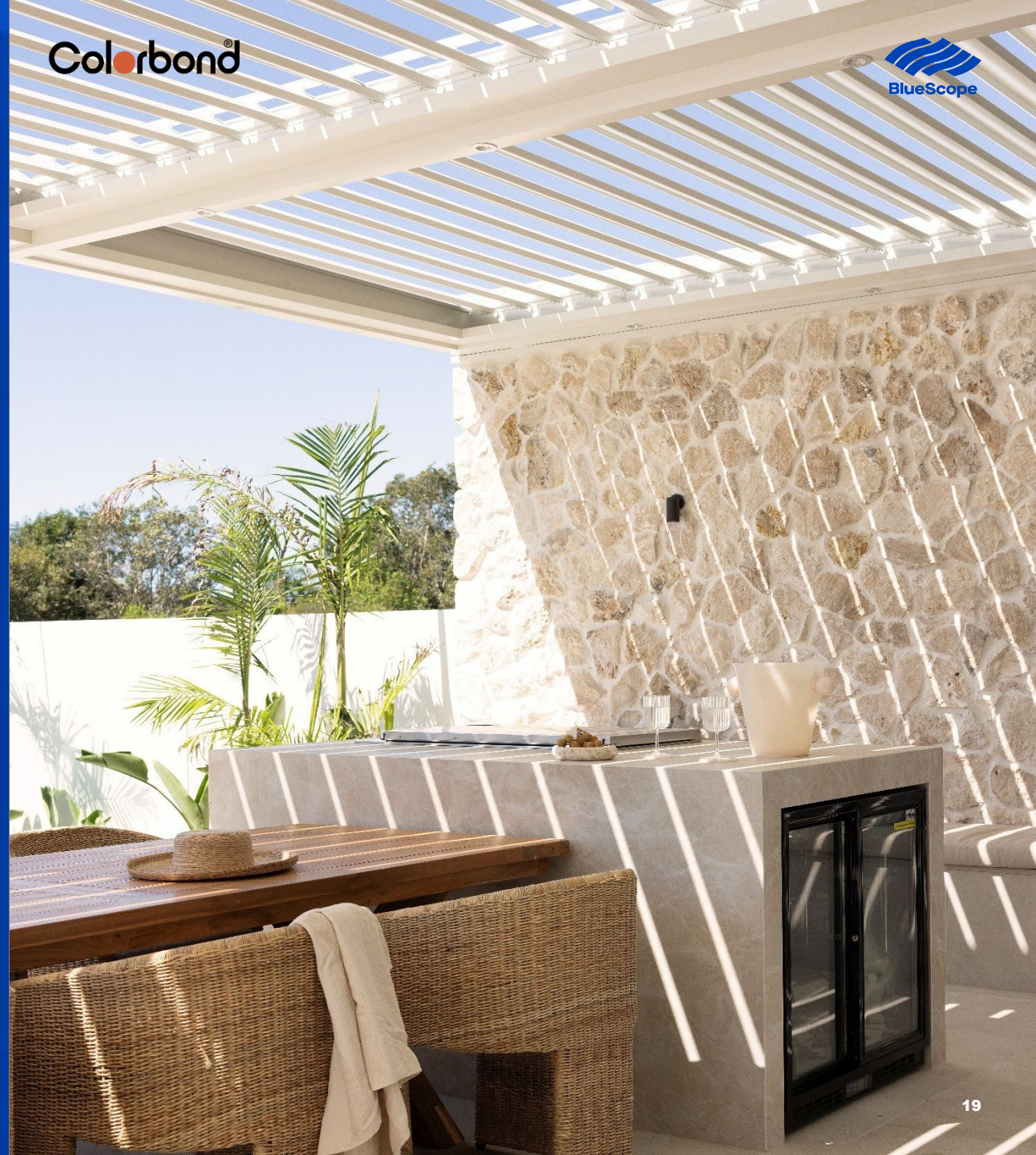
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# Business performance

Colorbond®



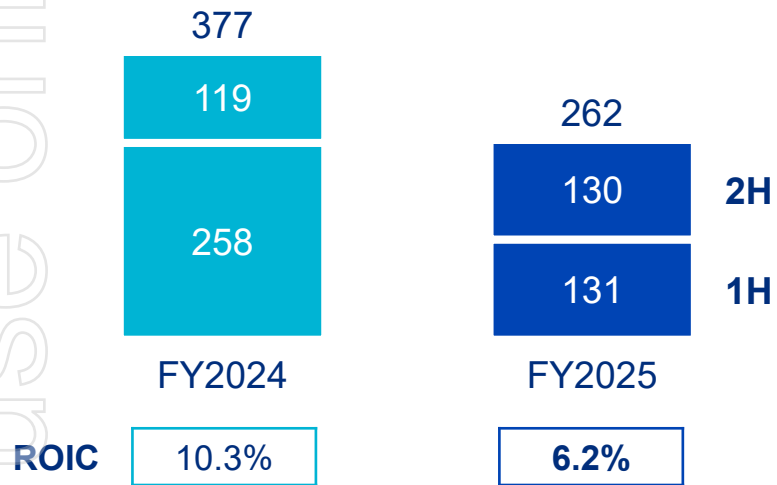
**Pictured:**  
Oak & Orange Dream Home in South  
West Rocks NSW, featuring a pergola  
in COLORBOND® steel Surfmist®



# AUSTRALIA

Similar half year performance on improved domestic despatches, offset by a slightly weaker mix

## Underlying EBIT (\$M)



## Domestic despatches ex-mill (kt)



- Domestic despatches increased across all end-use segments during the half, though mix was slightly weaker
  - COLORBOND® steel sales remained at historical high levels
- Similar realised spread performance as benchmark spreads remained at depressed levels through the half
- Stronger contribution from export coke sales, although market remains challenging
- Cost escalation pressures were offset in the half
- No.6 Blast Furnace reline and upgrade project on track

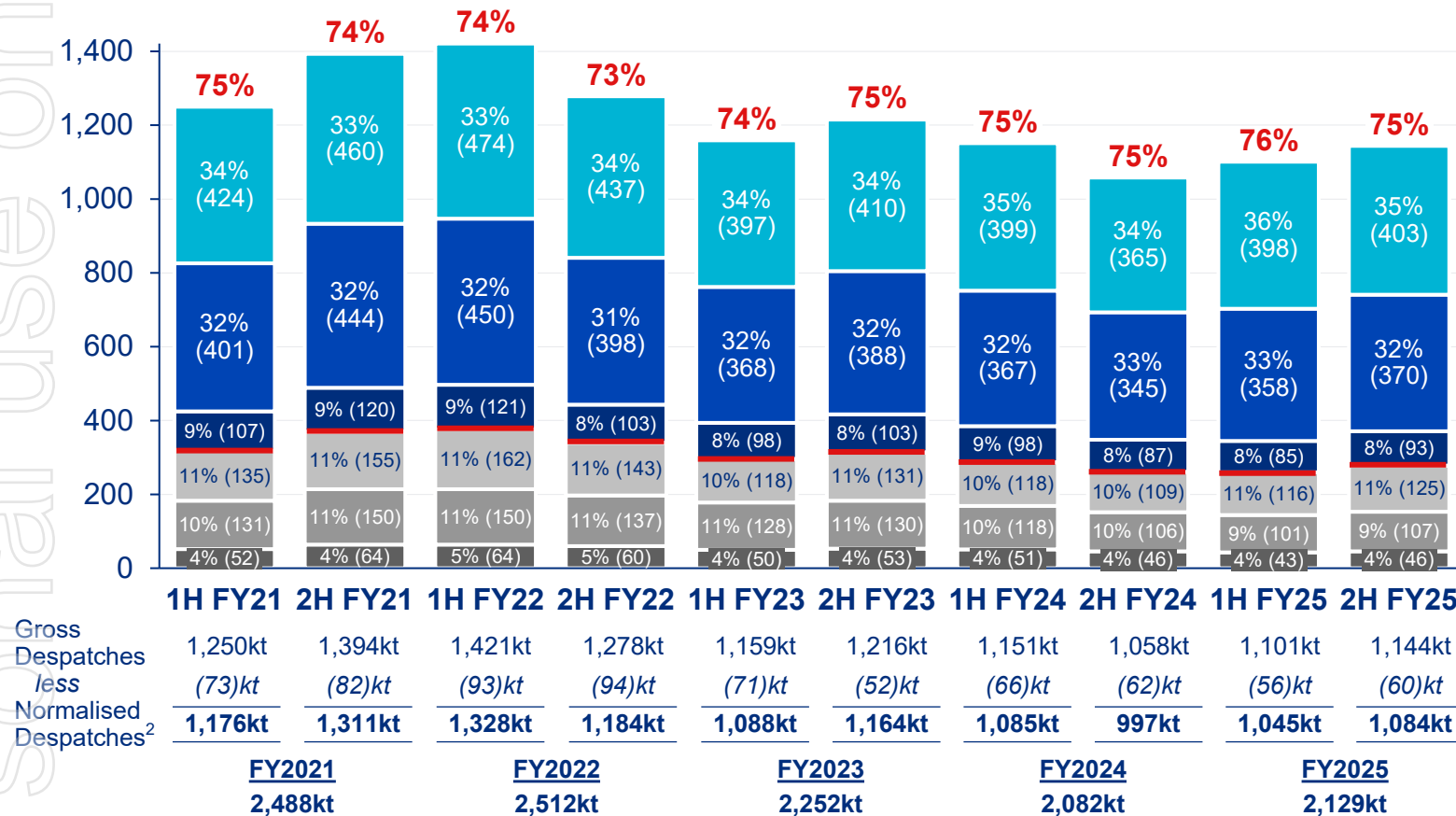


# AUSTRALIA

## Domestic despatches increased again in 2H FY2025, with growth in demand across all subsegments

### Total Australian domestic despatch volumes (kt)

Total construction % shown in dark red



#### Dwelling

- Demand pick-up in detached resi segment with gentle improvement in approvals
- Alterations & Additions (A&A) subsegment, where approximately half of our product goes has continued fundamental strength, supported by increasing house prices

#### Non-dwelling

- Consumes around a third of our COLORBOND® steel
- Segment supported by large pipeline of Commercial & Industrial projects – esp factories and warehouse, buoyed by e-commerce and data centres
- Social & Institutional activity continued to be supported by major government health and education projects

#### Engineering<sup>1</sup>

- Impacted by inflationary cost pressures and skilled labour shortages in FY2025, but improved in 2H

#### Manufacturing

- Increased during the half, supported by stronger residential construction demand and direct customer initiatives

#### Agriculture & Mining

- Agricultural demand slightly weaker
- Mining activity solid but with inflationary cost pressures

#### Transport

- Truck bodies, trains, ships, trailers etc
- Demand for new equipment relatively stable following period of strong demand

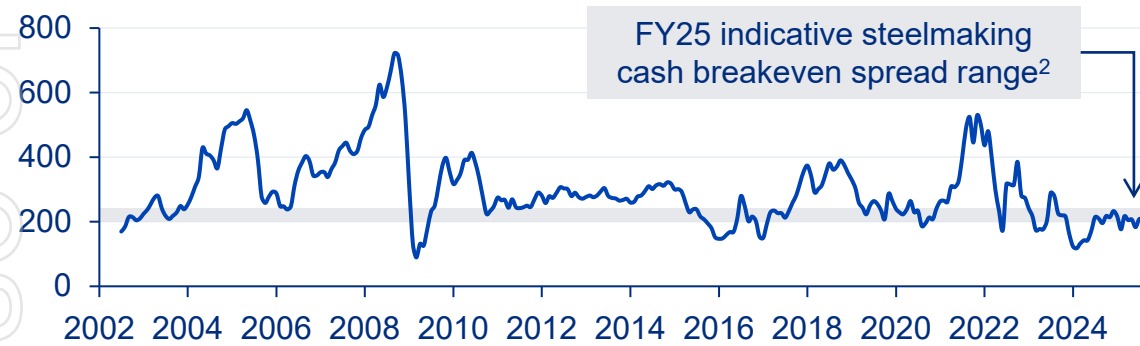
1. Engineering includes infrastructure such as roads, power, rail, water, pipes and some mining-linked use.

2. Normalised despatches exclude third party sourced products, in particular, long products.

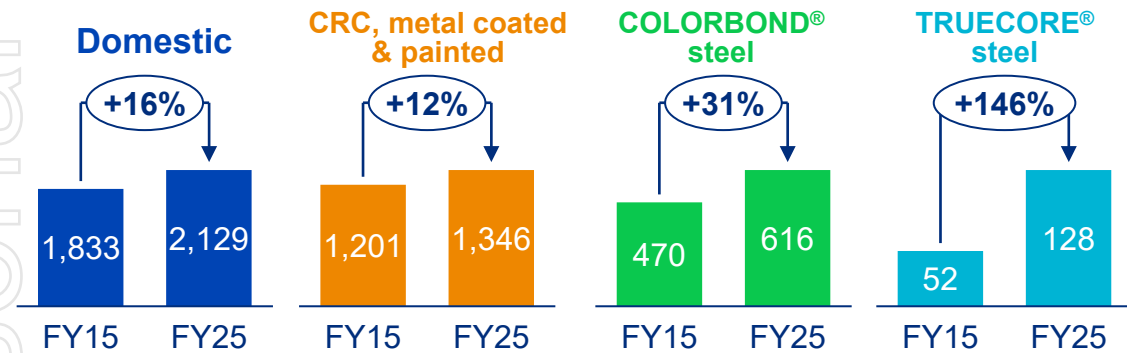
# AUSTRALIA

Ongoing focus on shifting mix towards premium branded products combined with a focus on cost in steelmaking

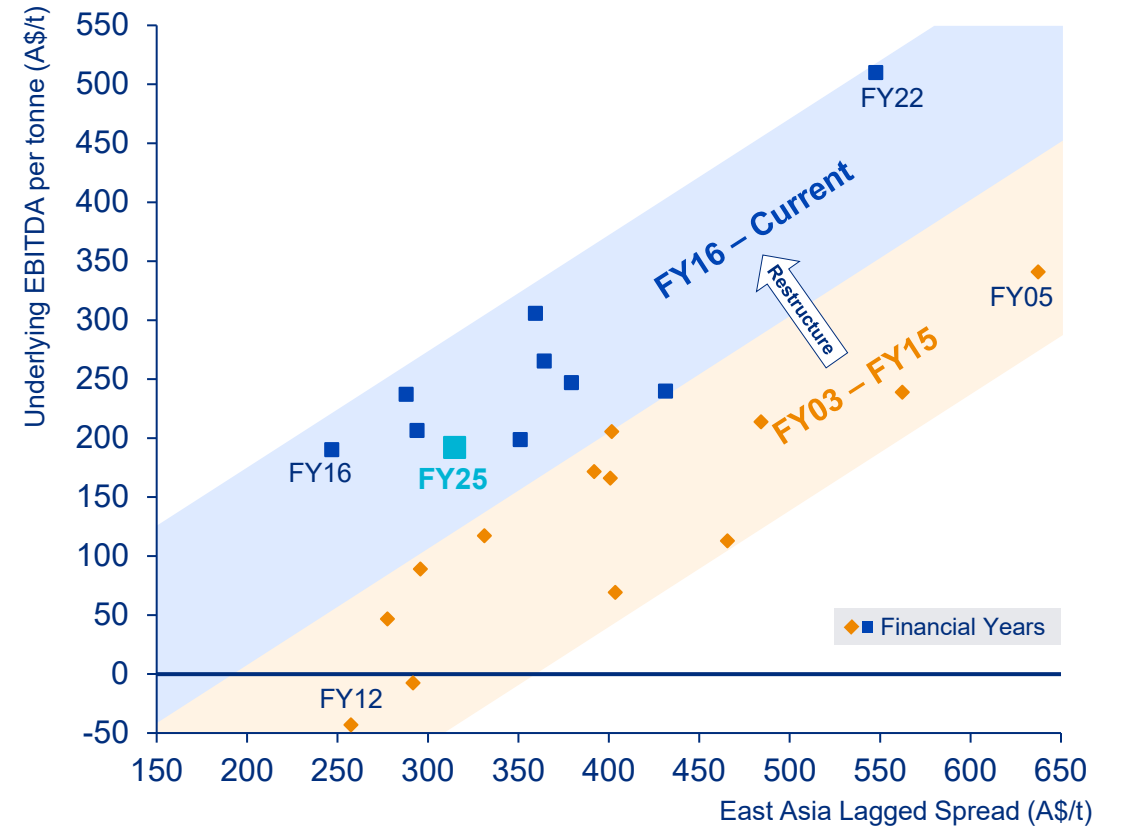
Asian steel spread<sup>1</sup> & indicative steelmaking cash breakeven<sup>2</sup> (US\$/t)



Despatch volumes by category / product (kt)



Asian steel spread<sup>1</sup> & ASP EBITDA per tonne (\$A/t)



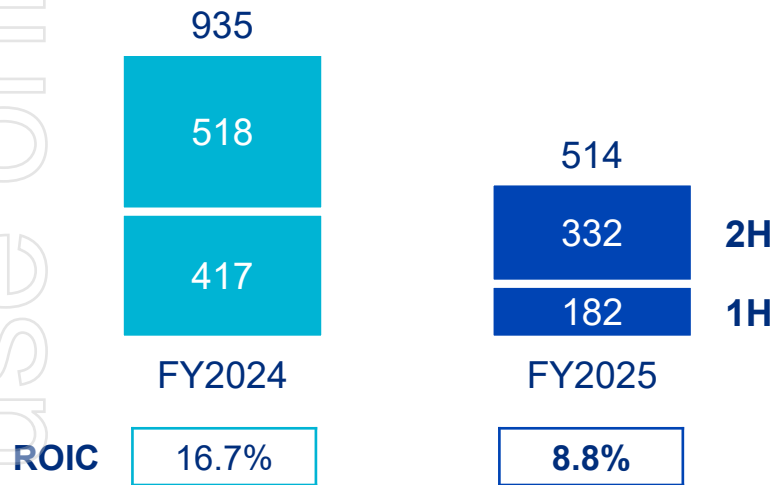
1. 'Indicative steelmaker HRC spread' representation based on simple input blend of 1.5t iron ore fines and 0.71t hard coking coal per output tonne of steel. Chart is not a specific representation of BSL realised HRC spread (eg does not account for iron ore blends, realised steel prices etc), but rather is shown to primarily demonstrate movements from period to period. SBB East Asia HRC price lagged by three months up to Dec 2017, four months thereafter –broad indicator for Australian domestic lag, but can vary. Indicative iron ore pricing: 62% Fe iron ore fines price assumed. Industry annual benchmark prices up to March 2010. Quarterly index average prices lagged by one quarter from April 2010 to March 2011; 50/50 monthly/quarterly index average from April 2011 to December 2012. Monthly thereafter. FOB Port Hedland estimate deducts Baltic cape index freight cost from CFR China price. Lagged by three months. Indicative hard coking coal pricing: low-vol, FOB Australia. Industry annual benchmark prices up to March 2010; quarterly prices from April 2010 to March 2011; 50/50 monthly/quarterly pricing from April 2011 to Dec 2017; monthly thereafter. Lagged by two months up to Dec 2017; three months thereafter.

2. EBITDA less stay-in-business capital expenditure

# NORTH AMERICA

**Stronger result in 2H FY2025 on stronger spreads and volume at North Star and mixed performance across the Buildings & Coated Products reporting segment**

## Underlying EBIT<sup>1</sup> (\$M)



## North Star

**EBIT \$267M in FY2025; \$202M in 2H FY2025**

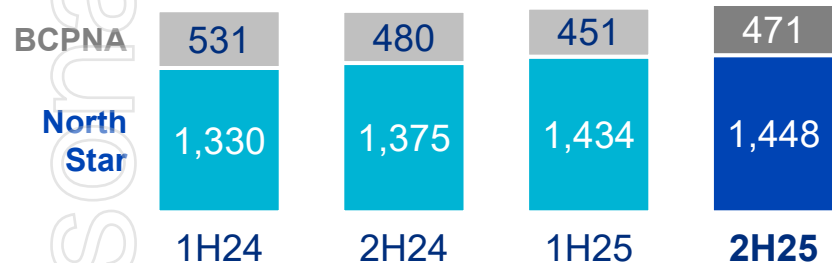
- Significantly stronger realised spreads in 2H FY2025, noting lags in specific sales mix<sup>3</sup> and some customer hesitancy during the half
- Higher volumes and similar cost performance further supported the result

## Buildings & Coated Products North America (BCPNA)

**EBIT \$249M in FY2025; \$131M in 2H FY2025**

- Steelscope improved in 2H FY2025 on lower steel feed and conversion costs
- BlueScope Buildings performance was broadly consistent, but BlueScope Properties Group delivered a small loss
- BCP delivered a loss in 2H FY2025 impacted by lower volumes particularly from foundational customer contracts and operational inefficiencies
  - Recorded a \$438.9M impairment charge on BCP's goodwill and intangibles due to poor performance, and the time being taken to integrate the assets and deliver on our expectations
  - Work continues on delivering improvements in sales and operations
  - BCP remains a key platform for growth in North America, and the strategic rationale and long-term value of its assets remains compelling

## Total despatches<sup>2</sup> (kt)



1. Includes intersegment eliminations (+\$5M in 1H FY2024, +\$5M in 2H FY2024, -\$2M in 1H FY2025 and nil in 2H FY2025).

2. Excludes intercompany eliminations (37kt in 1H FY2024, 14kt in 2H FY2024, 9kt in 1H FY2025 and 14kt in 2H FY2025).

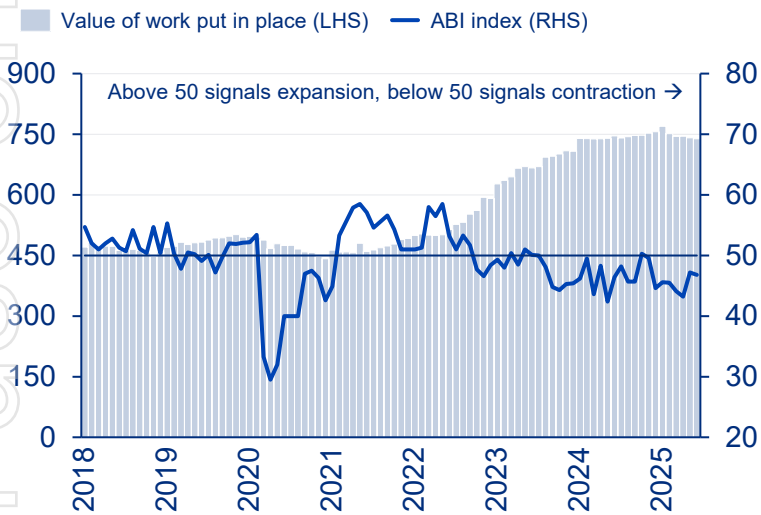
3. Benchmark prices are illustrative only, and may not be representative of realised mill prices due to a range of factors. Movements in prices across the majority of sales correlate with Midwest regional benchmark pricing, on a short lag; a minority of sales are priced on a longer term basis. Accordingly the degree of correlation between realised and benchmark prices can vary in a given half but is more fully reflected over the medium term.

# NORTH AMERICA

**Resilient economy with sound consumption, despite tariff inflation risk. Auto demand solid, while non-residential strength reflects public investment plans**

## Non-residential construction<sup>1</sup>

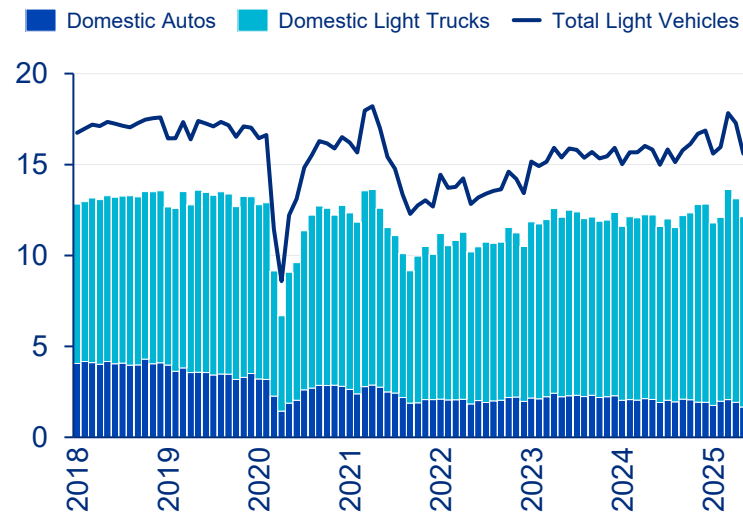
(Value of work put in place, US\$Bn; ABI)



- Non-residential sector leveraging from the Investment and Jobs Act
- ABI leading indicators remain volatile, remaining within contraction territory
- Medium term demand to be supported by gov't stimulus, reshoring, e-commerce, etc.

## Automotive<sup>2</sup>

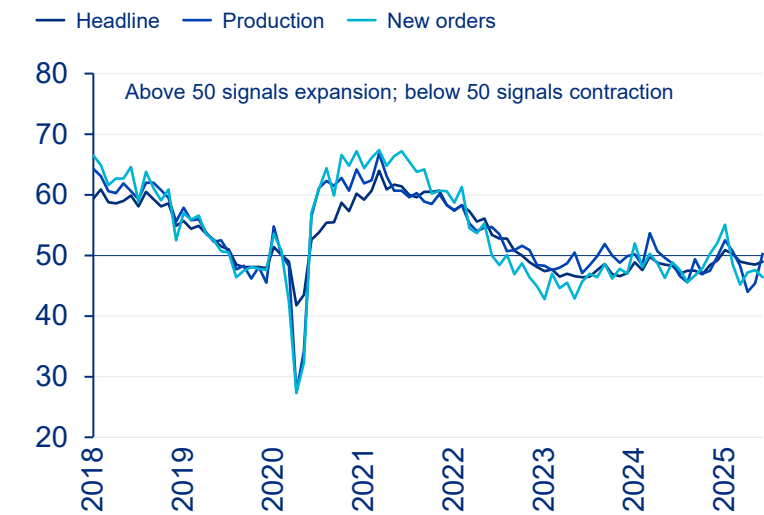
(Light vehicle sales, annualised million units)



- Tariff-induced surge appears to have ended
- Higher prices and weaker real incomes are weighing on confidence
- Interest rate cuts and possible tax breaks have potential to support the outlook

## Manufacturing<sup>3</sup>

(ISM purchasing managers' index)



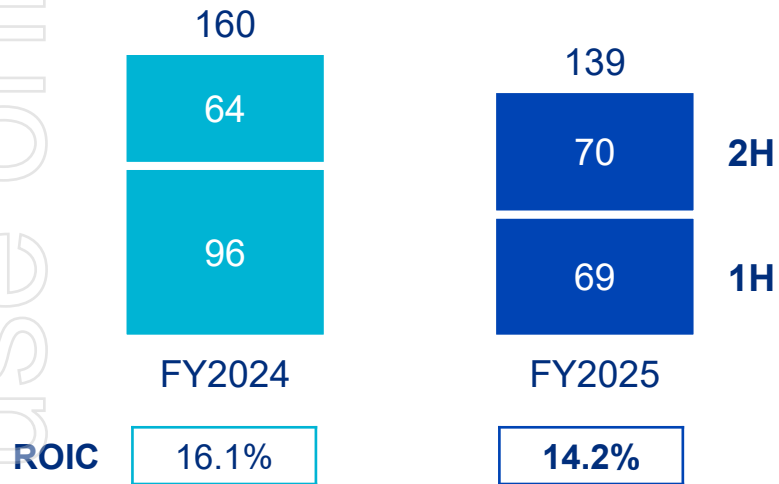
- Increased trade measures yet to show in sentiment index
- Fiscal stimulus remains in place, and rate cuts have provided support
- Weaker USD will improve international competitiveness

Sources: 1. US Census Bureau, Value of Construction Put in Place Survey; current \$; data to Jun-25; ABI - Architectural Billings Index, American Institute of Architects, data to Jun-25. 2. CEIC, seasonally adjusted, data to Jun-25. 3. ISM - Institute for Supply Management, Purchasing Managers Index, data to Jun-25.

# ASIA

**Stronger performance on typical seasonality in China; similar results in India and Southeast Asia, with ongoing strength in Thailand**

## Underlying EBIT (\$M)



## Total despatches (kt)



## South East Asia<sup>1</sup>

**EBIT \$113M in FY2025; \$61M in 2H FY2025**

- Stronger performance in 2H FY2025 led by higher volumes and robust margin performance in Thailand
- Earnings improved in both Vietnam and Malaysia in the half

## China

**EBIT \$27M in FY2025; \$8M in 2H FY2025**

- Softer result in 2H FY2025 on typical seasonality, albeit performance was softer than the prior corresponding period with ongoing weakness in China

## India

**EBIT contribution (50% NPAT basis) \$2M in FY2025; \$2M in 2H FY2025**

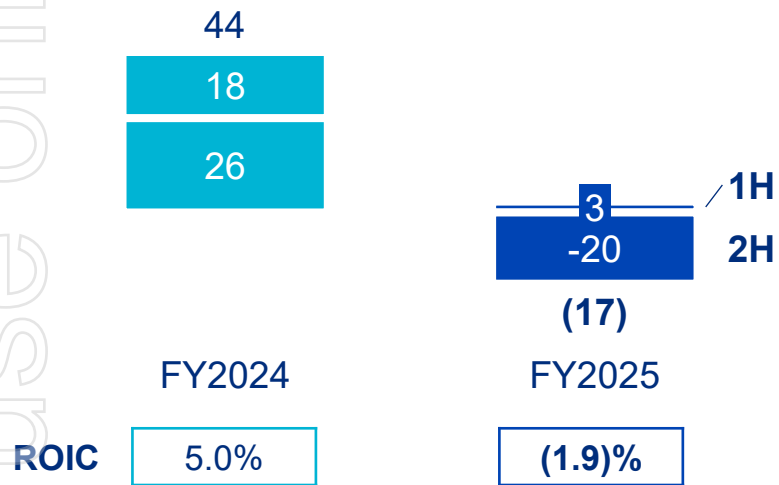
- Slightly improved performance as the business continues to integrate growing volumes of product sourced under a supply agreement with Tata Steel

1. Regional earnings breakdown excludes intra-segment eliminations and head office costs (\$1M in 1H FY2025 and \$(2)M in 2H FY2025).

# NEW ZEALAND AND PACIFIC ISLANDS

Significantly lower result on continued impacts from soft macroeconomic conditions

## Underlying EBIT (\$M)



## Domestic despatches (kt)



- Increased conversion costs in 2H FY2025, led by significantly higher energy prices
- Domestic despatches remained exceptionally weak in 2H FY2025 as macroeconomic conditions and construction activity remained soft in 2H FY2025
  - Performance supported by improved domestic and export product mix in the half
- Realised spread impacted by lower pricing

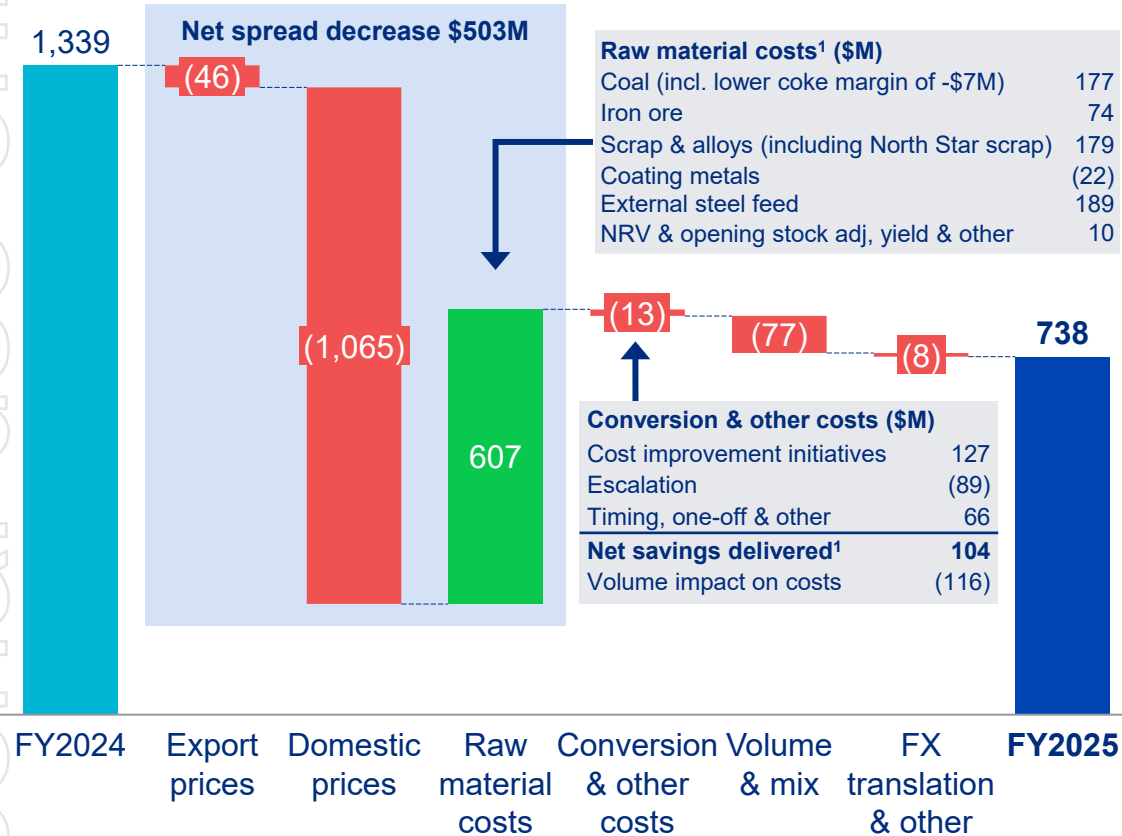
## Indicative FY2025 performance under an EAF operating model

- Future EAF operating model will improve downcycle performance via:
  - Fixed electricity prices, contracted at commercially competitive rates
  - Scrap feed costs more aligned to global steel pricing than current relatively fixed iron production cost
  - Modular production model increases flexibility, and allows reduced exposure to exports during periods of weak domestic demand
- If the EAF model was operational in FY2025, indicatively, EBIT would have been \$65M, \$80M improved.

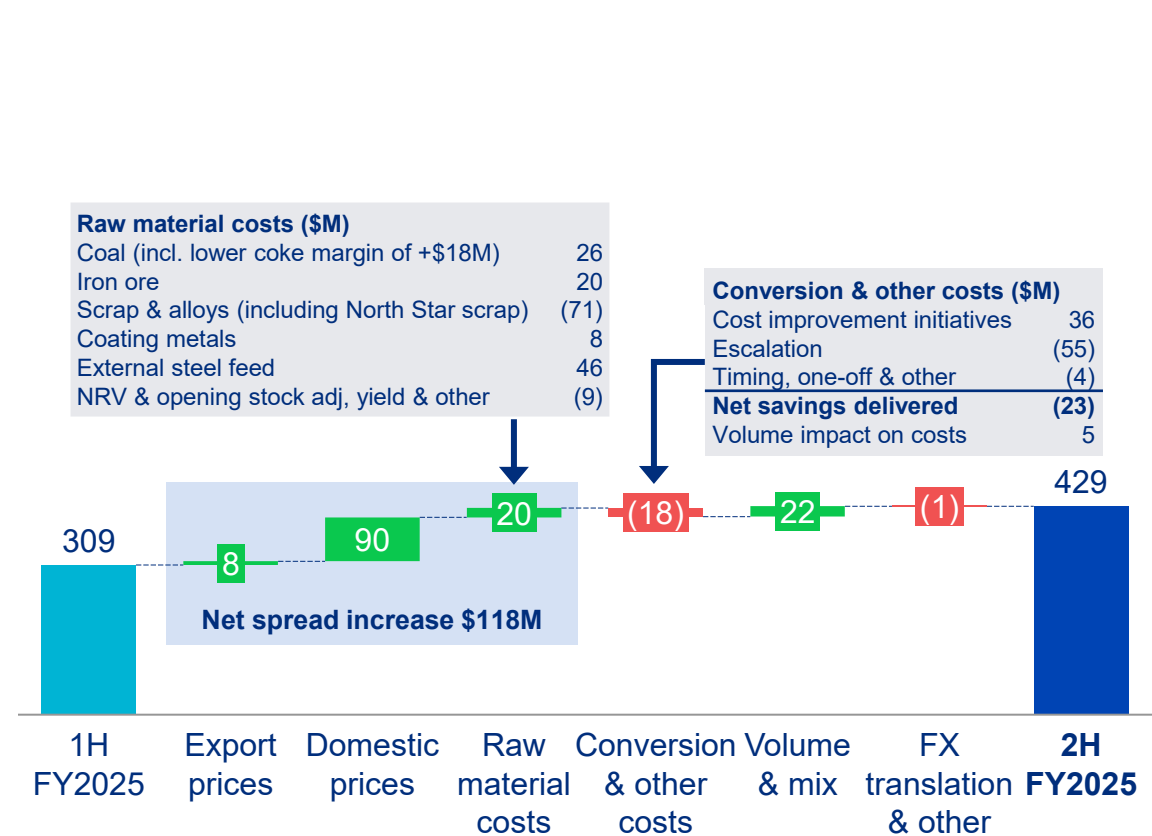
# UNDERLYING GROUP EBIT VARIANCE

Softer result in FY2025, predominantly due to softer spreads

## FY2025 vs FY2024 (\$M)



## 2H FY2025 vs 1H FY2025 (\$M)



1. Net cost savings of \$130M comprised of ~\$104M of net benefits in conversion & other costs and other benefits particular in raw materials.

Note: FX translation relates to translation of foreign currency earnings to A\$ and foreign exchange translation impacts on intercompany loans recognised in the income statement; transactional foreign exchange impacts are reflected in the individual categories.

# 1H FY2026 REGIONAL GUIDANCE

Outlook subject to assumptions and qualifiers referenced on page 9

## North America

- Expect a result approximately one-third higher than 2H FY2025
- North Star – expect a result around 50% higher than 2H FY2025
  - Improved benchmark spread<sup>1</sup>
  - Partially offset by ongoing non-benchmark raw material cost pressure, including tariff impacts
- Buildings & Coated Products – expect a result slightly higher than 2H FY2025
  - Slightly higher volumes at BlueScope Buildings
  - Modest cost and volume improvements at BCP
  - Weaker performance at Steelscape on lagged impact of tariffs on steel feed

## Australia

- Expect a moderately better result than 2H FY2025, with benefit of profit on West Dapto partial land sale
- Moderate improvement in building volumes, offset by ongoing levels of lower activity in distribution
- Moderately weaker realised domestic prices
- Weaker export and coke earnings

## Asia

- Expect a result slightly higher than 2H FY2025
- South East Asia and India – expect a similar result
- China – expect a higher result on typical seasonality

## New Zealand & Pacific Islands

- Expect performance to return to around breakeven level in 1H FY2026
- Performance benefitting from delivery of initiatives under the cost and productivity program

## Corporate & Group

- Expect a similar performance

<sup>1</sup> Benchmark prices may not be representative of realised mill prices due to a range of factors. Movements in prices across the majority of sales correlate with Midwest regional benchmark pricing, on a short lag; a minority of sales are priced on a longer-term basis. Accordingly, the degree of correlation between realised and benchmark prices can vary in a given half but is more fully reflected over the medium term.

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# Financial framework



# FINANCIAL FRAMEWORK UNDERPINNING RESILIENCE

Our principles that drive financial performance and disciplined allocation of capital

## Returns Focus

- ROIC > WACC on average through the cycle
- ROIC incentives for management and employees
- Maximise free cash flow generation

## Robust Capital Structure

- Strong balance sheet, with a target of around \$400-800M net debt
- Retain strong credit metrics
- Intent to have financial capacity through the cycle to make opportunistic investments or to fund reinvestment in or a shutdown of steelmaking if not cash positive
- Leverage for M&A if accompanied by active debt reduction program

## Disciplined Capital Allocation

- Invest to maintain safe and reliable operations, to support achievement of decarbonisation pathways, and in foundation and new technologies
- Returns-focussed process with disciplined competition for capital between:
  - Growth capital – Investments and M&A (but avoid top of the cycle)
  - Shareholder returns (distribute at least 50% of free cash flow to shareholders in the form of consistent dividends and on-market share buy-backs<sup>1</sup>)

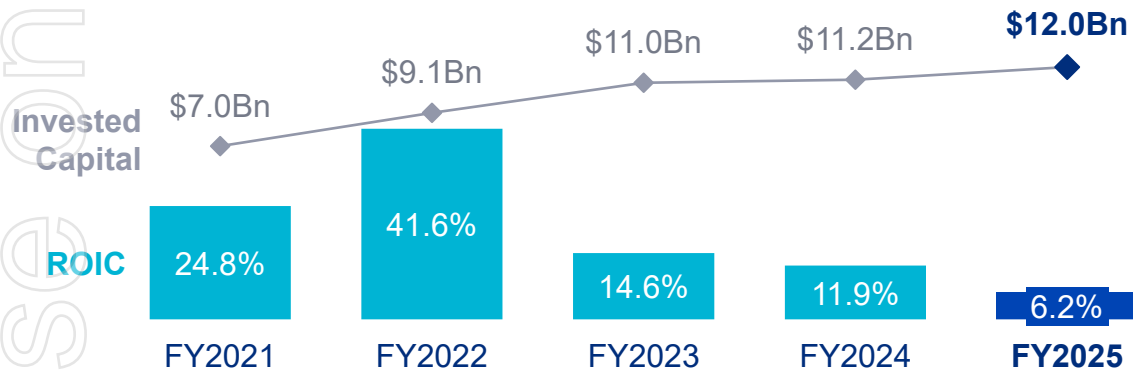
1. On-market share buy-backs are an effective method of returning capital to shareholders given the flexibility they provide in managing BlueScope's capital and for the EPS enhancement they can deliver.

# RETURNS FOCUS

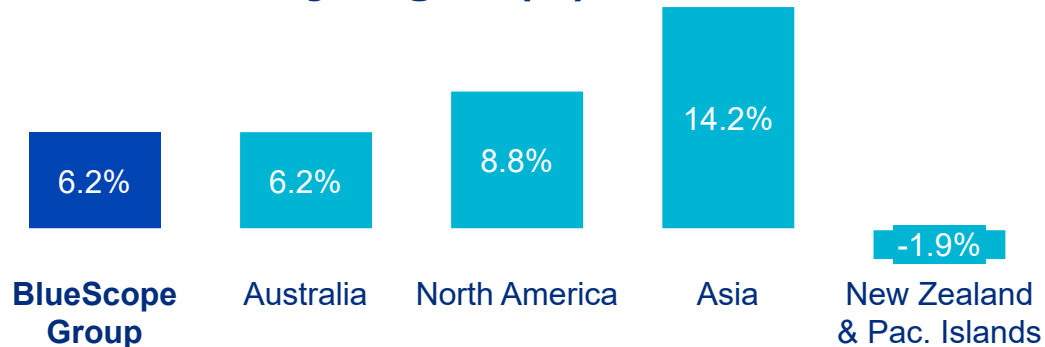
## STRONG FOCUS ON ROIC; MAXIMISING CASH

Targeting returns above cost of capital through the cycle; maximising cash flows to support investment pipeline

### Group ROIC<sup>1</sup> (%) and invested capital<sup>2</sup> (\$Bn)



### FY2025 ROIC<sup>1</sup> by Region (%)



### Net cash flow (\$M)

(before investment exp and financing)

| \$M  | FY2023       | FY2024       | FY2025       | 2H25       |
|--|--------------|--------------|--------------|------------|
| Reported EBITDA  | 2,146        | 1,969        | 1,010        | 348        |
| Adjust for other cash profit items   | 81           | 43           | 491          | 468        |
| Working capital movement <i>(incl provisions)</i>                              | 394          | (245)        | 53           | 77         |
| Net financing cost <sup>3</sup>  | (38)         | (5)          | (35)         | (21)       |
| Income tax paid  | (431)        | (351)        | (106)        | (22)       |
| <b>Cash flow from operating activities</b>                                     | <b>2,151</b> | <b>1,410</b> | <b>1,413</b> | <b>850</b> |
| Capex  | (809)        | (976)        | (1,233)      | (650)      |
| <b>Net cash flow</b><br><i>(before investment expenditure &amp; financing)</i> | <b>1,342</b> | <b>434</b>   | <b>180</b>   | <b>200</b> |

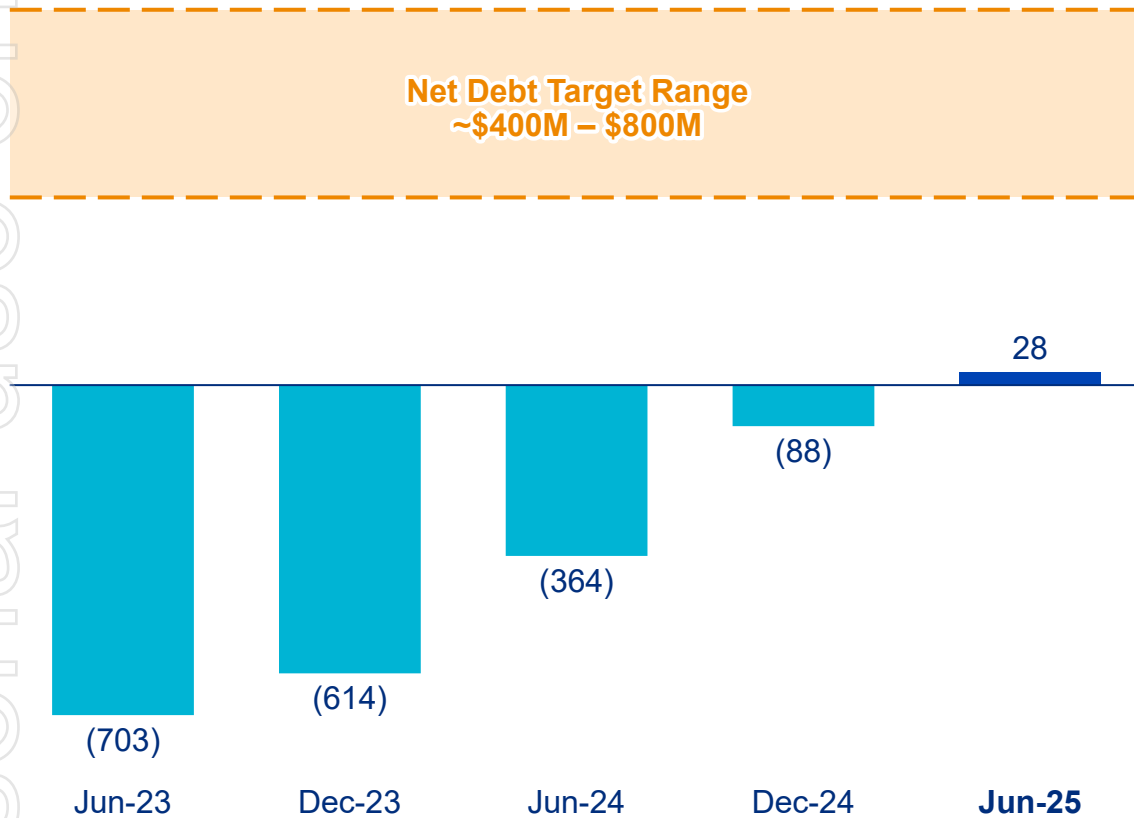
1. Return on Invested Capital – calculated as last 12 months' underlying EBIT over trailing 13-month average capital employed.  
 2. Average net operating assets.  
 3. Includes the impact of lease liabilities under AASB16.

# ROBUST BALANCE SHEET

## NET DEBT BELOW TARGET; AMPLE LIQUIDITY

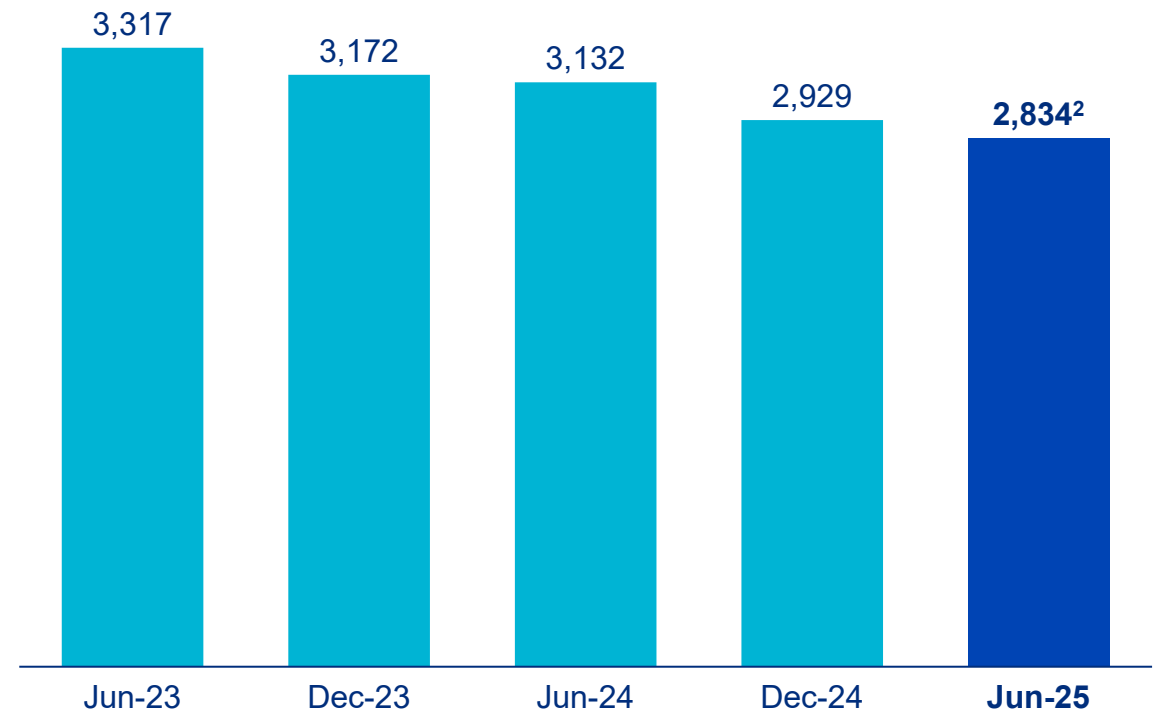
Strong balance sheet providing the foundation to deliver long term sustainable earnings and growth

### Net debt / (cash)<sup>1</sup> (\$M)



### Liquidity (\$M)

(undrawn facilities and cash)



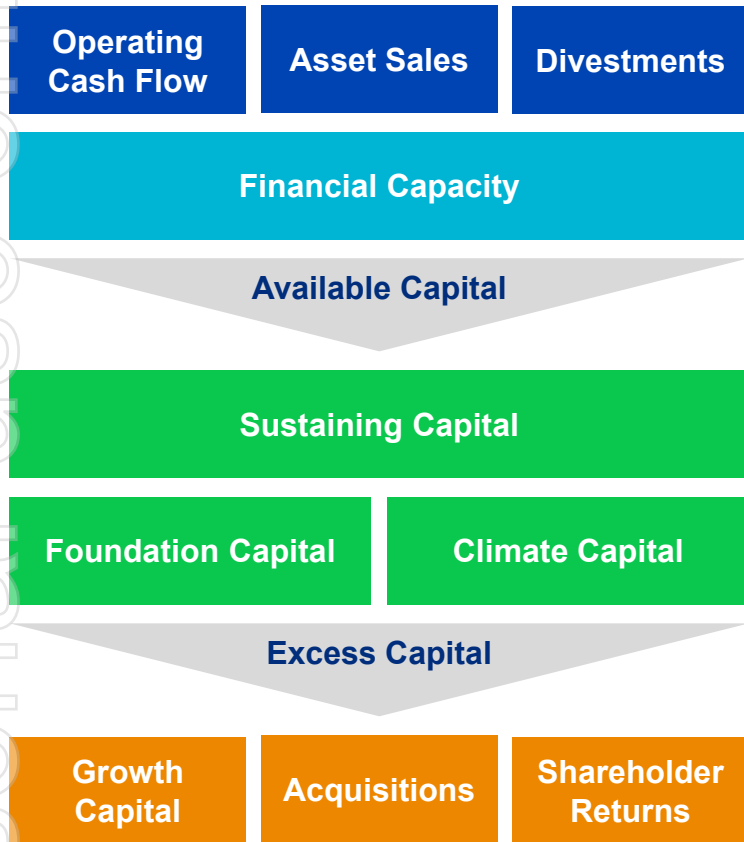
1. Includes the impact of lease liabilities under AASB16.  
2. Includes \$778M liquidity in NS BlueScope Coated Products JV.

# DISCIPLINED CAPITAL ALLOCATION

## CAPITAL EXPENDITURE

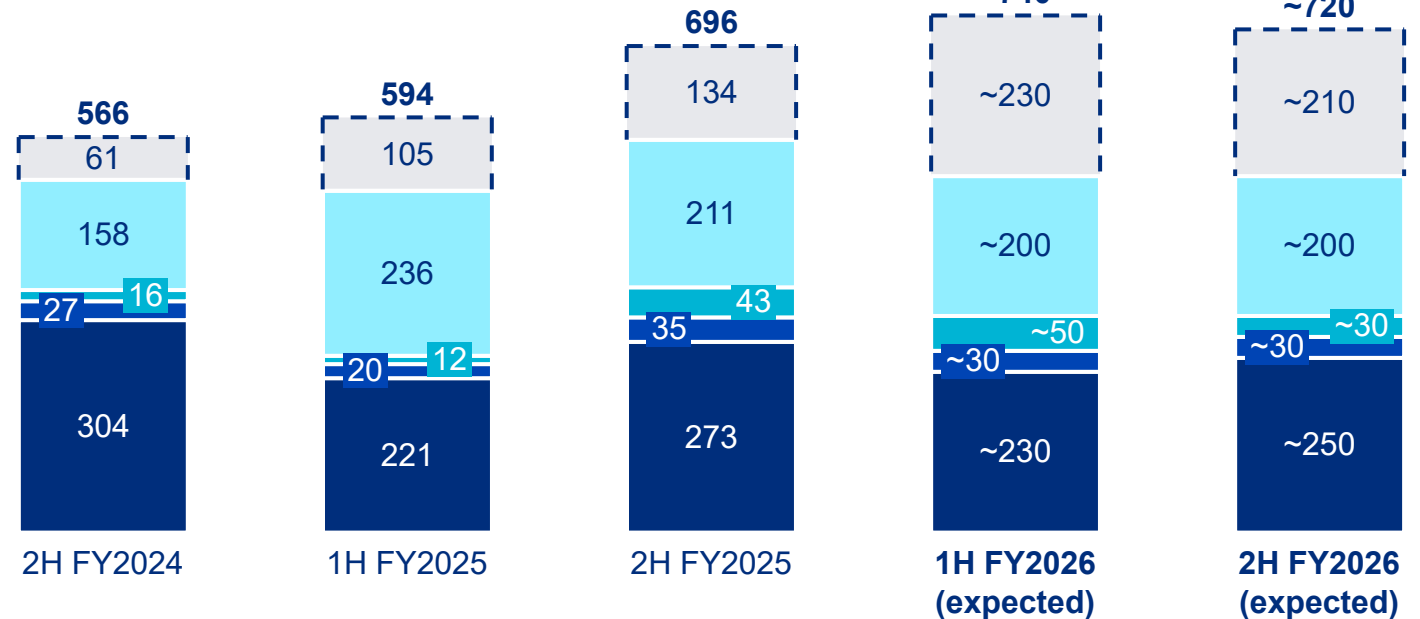
Investing for sustainable earnings and growth

### Capital allocation framework



### CAPEX spending and forecast<sup>1</sup> (\$M)

- 6BF reline & upgrade<sup>2</sup>
- Growth
- Climate<sup>3</sup>
- Foundation
- Sustaining



- Major projects in forecast include:
- MCL7 in Western Sydney (growth)
  - North Star debottlenecking (growth)
  - EAF at NZ Steel (climate)
  - PKSW plate mill upgrades (growth)

1. Reflects accounting capital spend including capital accruals.  
 2. Net of \$136.8M grant from the Australian Government's Powering the Regions Fund. Pre-tax amount to be deducted from capital spend across FY2024-FY2026.  
 3. Net of ~NZ\$140M funding from the NZ Government, to be paid across FY2024-FY2026.

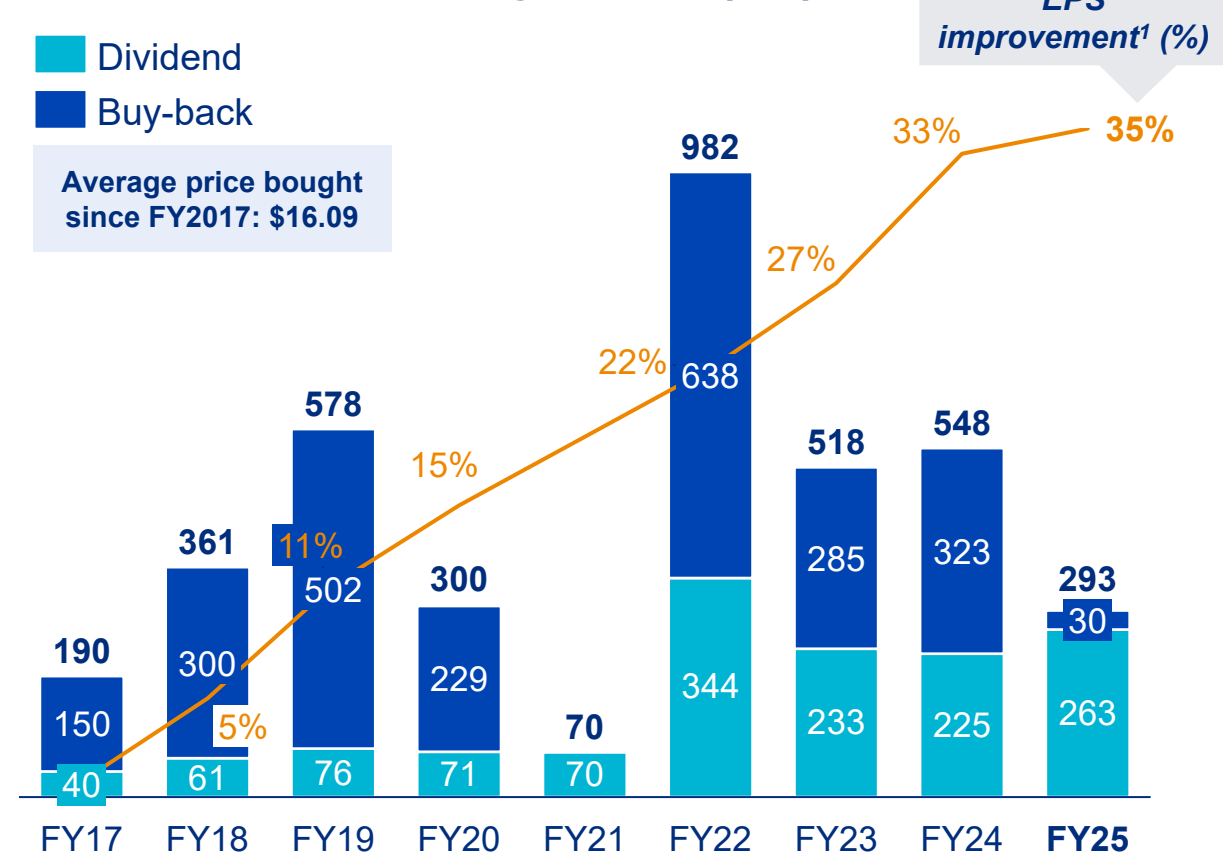
# DISCIPLINED CAPITAL ALLOCATION SHAREHOLDER RETURNS

Over \$3.8Bn returned since FY2017

30 cps 50% franked final dividend and extension of the on market buy-back program

- BlueScope's capital management policy is to distribute at least 50% of free cash flow to shareholders
- Following a review in August 2024, BlueScope has targeted an annual ordinary dividend of 60 cps per annum<sup>2</sup>
  - Aligned to this target, the Board has approved a final ordinary dividend of 30 cps, 50% franked
- BlueScope will continue to use on-market share buy-backs to supplement the payment of consistent dividends
  - The Board has approved an extension of the buy-back program to allow it to be used over the next 12 months<sup>3</sup>
  - Execution will consider capital expenditure priorities, prevailing macroeconomic conditions and other factors

## Dividends paid and buy-backs<sup>4</sup> (\$M)



1. 152.5 million shares bought back and cancelled since FY2017, delivering a 35% improvement in earnings per share (EPS).

2. Announcements of future dividends and franking are subject to the Company's financial performance, business conditions, growth opportunities, capex and working capital requirements, amount and timing of tax payments and the Board's determination at the relevant time.

3. Extension will allow the balance of the buy-back program of up to \$240M to be bought over the next 12 months.

4. Chart reflects half year cash settlements of shares bought back and dividends paid.

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# Summary and Q&A

**Pictured:**  
Coopers Brewery in Adelaide, SA, featuring  
roofing in COLORBOND® steel Surfistm®



# BLUESCOPE: A LEADING PREMIUM STEEL PRODUCER WITH PROVEN RETURNS AND STRONG GROWTH TRAJECTORY

## Strategic Asset Base

- Advantaged platform in US, including best-in-class EAF facility
- Extensive Australasian manufacturing network and integrated value chains

## Premium Brand Portfolio

- A global leader in metal coating and painting for building and construction
- Portfolio of iconic brands and margin enhancing value-added products

## Resilient Business Model

- Multi-domestic strategy focused on serving customers from in-country assets
- Robust balance sheet and disciplined financial framework

## Compelling Growth Pipeline

- Initiatives and investments focused on strengthening and growing our core
- Targeting annual EBIT uplift of ~\$500 million by 2030

## Proven Value Creation

- Track record of returns; >\$3.8Bn in dividends and buy-backs since FY2017
- History of growth through investment, with >\$3Bn invested since FY2017



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# Questions



**Pictured:**  
Ruapehu Hut in Horopito, New Zealand, featuring  
roofing and cladding in COLORSTEEL® Scoria

**FY2025**

# Financial Results Presentation

**Mark Vassella**

Managing Director and Chief Executive Officer

**David Fallu**

Chief Financial Officer

**18 August 2025**

BlueScope Steel Limited. ASX Code: BSL  
ABN: 16 000 011 058  
Level 24, 181 William Street, Melbourne, VIC, 3000

**Pictured:**  
Residential house in Esperance, WA,  
featuring roofing and cladding in  
COLORBOND® steel Surfmist® Matt

