



28 September 2004

ONESTEEL ANNOUNCES BANK DEBT REFINANCING

OneSteel Limited Managing Director and Chief Executive Officer Bob Every today announced that OneSteel has successfully completed refinancing of expiring four- and five-year bank facilities.

Bob Every stated: "It is pleasing that OneSteel has refinanced its bank facilities on very attractive terms. These reflect the improvements we have made to the business since listing."

As at 30 June 2004, strong cash generation, combined with sales of non-core assets, had enabled OneSteel to reduce debt by over \$530 million since it peaked at \$1.2 billion in 2001.

Consistent with the company's objective of extending the maturity of its debt profile while retaining flexibility and minimising interest expense, the new bank facility has three-, five- and seven-year terms. It follows OneSteel's inaugural US private debt placement in April 2003 that consisted of seven- and 12-year tranches totalling US\$128 million. The refinancing of bank debt has extended the duration of OneSteel's debt facilities to five years and two months.

The bank facility was heavily over-subscribed. OneSteel took the opportunity to increase the facility by \$100 million to \$800 million. Bob Every thanked all 11 participating banks for their support, particularly the Joint Lead Arrangers Citigroup and National Australia Bank.

Bob Every added: "OneSteel continues to extend the maturity profile of its debt to better align it with the long life of its assets and to diversify its funding sources."

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