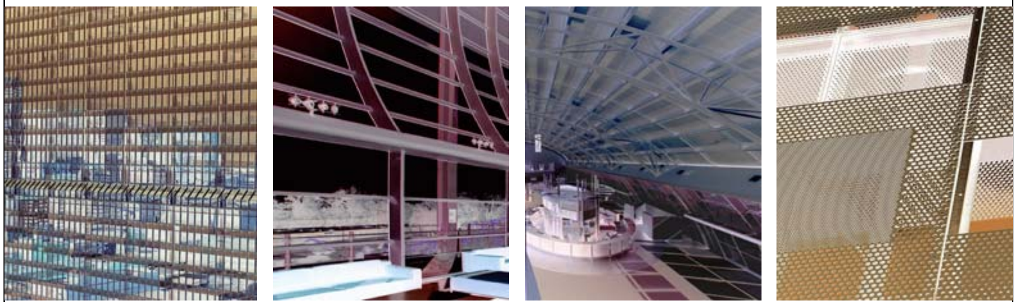

Interim Results
22 February 2005

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- Results Overview
- Major Project Status
- Financials
- Operations Review
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Slide 2

Welcome to our Interim results announcement.

Before outlining the format of today's presentation, I would like to introduce you to Geoff Plummer who will succeed me as CEO & Managing Director of OneSteel when I retire at the end of June. Geoff is currently deputy CEO & Managing Director and we are spending the current six month period working together to ensure a smooth transition. Geoff will make some comments to you when he gives a review of operations later in this presentation.

However today I will start by providing you with a quick overview of what we see as the highlights of the results and a status report on Project Magnet and the blast furnace. I will then pass you over to OneSteel's Chief Financial Officer, Tony Reeves who will run through the financial highlights and then Geoff will review the operational outcomes.

I will conclude with a summary and some comments on the outlook.

Overview - Highlights

- Domestic market activity continues to run at high levels
- Interim profit of $57.9 million, up 27% from first half FY2004
- Revenue boosted by higher volumes, price increases and recovery of market share from imports
- Earnings and tonnes produced impacted by Whyalla disruptions
- Sales margin steady
- Improved return on funds employed and return on equity
- Increased earnings per share to 10.3 cents from 8.3 cents
- Distribution, International Distribution and Market Mills continue to improve operational performance
- Net debt steady
- Bank facilities refinanced cost-effectively - added flexibility and duration
- 6.0 cents fully franked interim dividend, up from 5.0 cents in prior corresponding period

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Slide 3

In the six months to December, OneSteel achieved an interim profit of $57.9 million, up 27% from the previous corresponding period, with performance boosted by continued strong market activity. This resulted in higher steel dispatches, which together with price increases and some recovery of market share from imports, boosted revenue. Partly offsetting this were the production disruptions at Whyalla that impacted earnings and tonnes produced and resulted in a sales margin steady with the previous corresponding period.

These factors, combined with the restructuring and business improvement initiatives we have implemented in the last four years, led to increased return on funds employed, return on equity and earnings per share. Operational performance in Distribution, International Distribution and Market Mills continued to improve, as did safety performance across the company.

Net Debt held steady and in September we successfully refinanced expiring bank facilities, which Tony will talk about in his review of the financial highlights.

For the six-month period, we declared an interim dividend of 6.0 cents fully franked. That is up from the 5.0 cent fully franked dividend in the previous corresponding period.

Highlights – Detail

- Market activity remains robust – up in OneSteel segments by 3.2%
  - Underlying domestic tonnes up 6.6% - recapturing tonnes lost to imports
- Underlying domestic price per tonne (excl. special projects) increased 11.6%
- Business Performance
  - Sales Margin steady at 6.6% despite production disruptions
- Business Improvement
  - Cost reductions of $30 million
  - Revenue enhancements of $114 million
  - Cost increases of $94 million
- Safety performance improved 24%

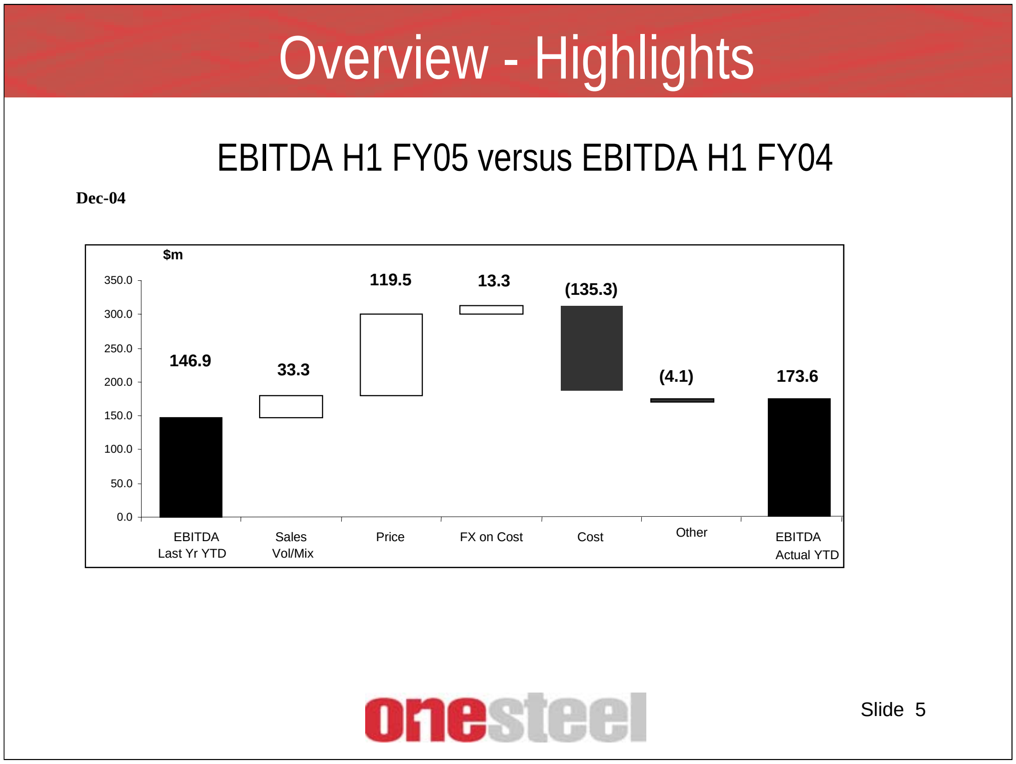
onesteel Slide 4

The market remains robust, with activity across the sectors which drive OneSteel's revenues growing 3.2% from already high levels. After adjusting for special projects, underlying domestic tonnes dispatched rose 6.6% as a result of recapturing market share previously lost to imports and the strong market. The underlying domestic price per tonne increased 11.6%.

There was excellent performance across all businesses with the exception of Whyalla. As a result of the production disruptions there, OneSteel's sales margin was steady with the previous corresponding period at 6.6%.

We continue to reap the benefits of the restructuring and business improvement initiatives we have implemented. In the six-month period we achieved cost reductions of $30 million and $114 million of revenue enhancements to recover higher costs. These more than offset cost increases of $94 million. Over the 2004 calendar year the restructuring program has resulted in cost savings of $61 million and revenue initiatives of $133 million, against the $138 million of increased costs such as for scrap, sheet and coil and labour.

The safety performance of our employees and contractors continues to improve. The main measure of medical treatment injury rates improved 24% when comparing the 12-month period to December 2004 with the 12 months to December 2003.



I will let Tony Reeves deal with the detailed numbers however, I would like to highlight the main differences between the comparable result periods as represented on this chart.

The positive impact of continuing strength in the underlying market and recapture of market share from imports can be seen in the $33.3 million impact from sales volume and mix.

As everyone is aware we introduced significant price increases to offset higher input costs and these added $119.5 million. The chart also depicts the favourable affect of currency movements on costs.

On the negative side, our manufacturing and sales & administration costs were $135.3 million higher than the previous corresponding period, reflecting both increased input costs and higher volumes, and including a portion of an estimated $38 million impact from the blast furnace production disruptions at Whyalla.

Market Drivers - OneSteel Key Segments

Segment	% of OST Revenues	% Change Dec 03/Dec 04
Non-Res Construction	26	3.1
Engineering	21	6.7
Residential	15	2.6
Total Construction	62	4.1
Other Manufacturing	12	-0.2
Mining	11	1.8
Agricultural	6	5.9
Automotive	5	0.5
Total Weighted Change		3.2

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Slide 6

As I mentioned earlier, the domestic market is strong with the construction segments in particular remaining buoyant, growing a further 4.1% from already high levels of activity. In fact across the sectors, activity is at its highest in more than 10 years. This can be seen in the detailed slides on the domestic market contained in the attachments to this presentation.

Turning to international steel market trends, scrap prices continued to be volatile in the six-month period and remain well above their historical trends. Similarly, international prices for long products have also been volatile and remain considerably higher than historical levels, driven by scrap prices.

Prices of hot rolled coil, slab and related flat product are expected to continue to rise. As you will see from the updated list of price increases in the attachments, we announced another price increase of 11.3% in pipe and tube effective January to reflect the higher cost of HRC.

Coking coal prices are also set to rise in the next financial year and we will look to cut costs from the business, optimise product mix and look for opportunities to raise prices to reflect these higher input costs, as we have done in the past to offset scrap price increases.

Iron ore price increases represent an opportunity for OneSteel being vertically integrated and a supplier of iron ore.

Imports were higher than usual with OneSteel being a significant factor. Despite higher average exchange rate over the six months to December 2004, we were able to recapture some tonnes against imports.

Major Project Status

Slide 8

I would now like to update you on the status of the blast furnace and on developments regarding Project Magnet.

Blast Furnace - Impact from Disruptions

- Raw steel production at Whyalla was lower, with around 140,000 tonnes not produced due to operational disruptions
- Imported steel and ran Sydney Steel Mill harder to partly offset
- Estimated net impact of disruptions in the six-month period is $38 million EBITDA
- Further estimated $15 million EBITDA net impact in H205

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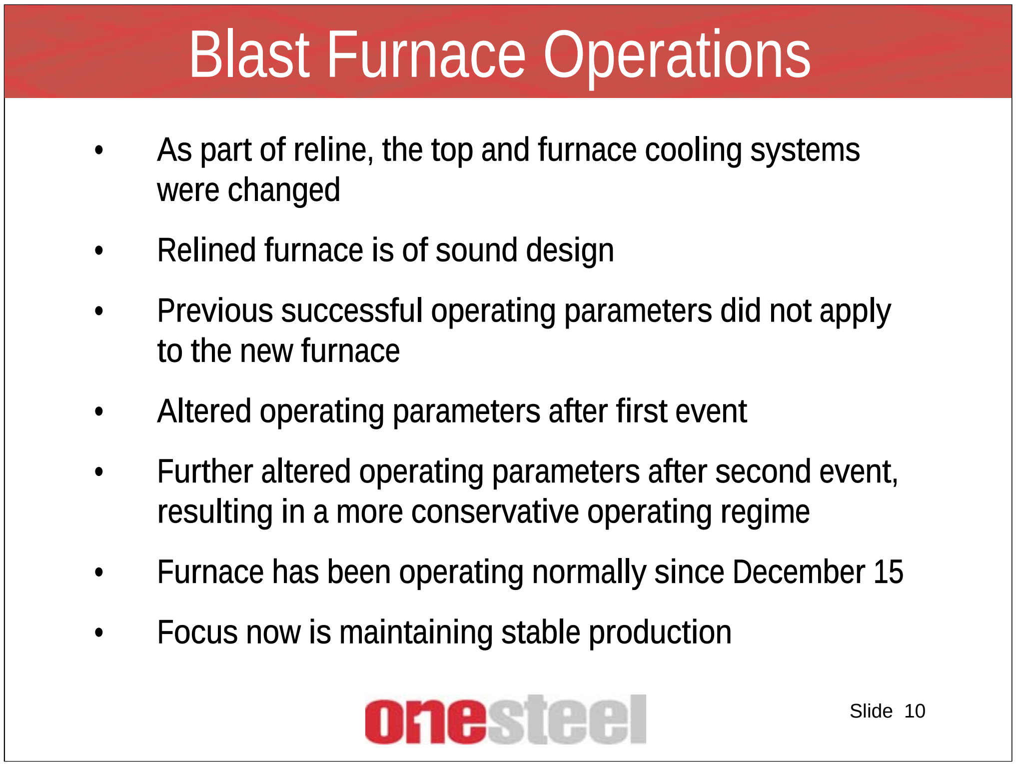
As most of you will be aware, following the successful ramp-up and commissioning of the Whyalla blast furnace in August/September after the reline, there were two disruptions to production when the temperature in the blast furnace fell below the level at which iron can be separated from slag.

This resulted in the loss of approximately 140,000 tonnes of raw steel production. We imported steel and ran Sydney Steel Mill at a higher level to offset the disruptions.

The impact of the disruptions for the six-month period, including altering rolling schedules, increasing production out of Sydney Steel Mill and buying in inventory to meet demand, after netting out non-steel sales, was an estimated $38 million EBITDA. We estimate a further net $15 million EBITDA impact in the second half.

Management will continue to look for ways to reduce the impact of the disruptions over the course of this financial year and we are also pursuing recoveries under our insurance policy.



I would like to explain to you in a bit more detail what was happening at the blast furnace at that time. As part of the reline, changes were made to the way raw materials were fed to the furnace because we replaced the old bell top with a Paul Wurth top. The way the furnace shell cools has also changed as a result of moving from a combination of copper cooling plates and refractory to a system of water-cooled cast iron and copper staves. These changes effectively resulted in a new furnace of sound design.

However, we restarted the furnace with an operating philosophy similar to the one we had successfully used for a long time on the previous furnace. The first cooling event in October was caused by material entering the bottom section of the furnace before it was properly heated and combined with coke. This indicated we needed to alter some operating and plant availability parameters, so we made some adjustments.

The second cooling event in November, which had similar symptoms to the first event, told us that the modifications to the operating parameters were not enough to maintain stability of the furnace under a sufficiently broad set of conditions. Since the second event, a more conservative operating regime has been implemented. This regime has been developed by OneSteel personnel in conjunction with external experts from Australia, Europe and Japan.

I am happy to say the furnace has been operating normally since December 15, with the new operating parameters implemented. It is now operating soundly and our focus is maintaining stable production.

Project Magnet - Status

- Stage one - $30 million capital allocation - $7 million spent in H1 FY05:
  - Basic engineering near completion and detailed engineering commenced
  - Iron ore and pellet marketing strategy being progressed
  - Iron ore transhipping being progressed
  - Mine cut back initiated
  - Further drilling undertaken
- Estimated revenue from the project will be higher
- Capital expenditure estimates have increased
- The overall value of the project remains extremely attractive
- Incorporating lessons from the blast furnace reline project
- Some regulatory approvals still being sought
- Full ramp up will not occur until towards the end of FY 2006/07
- More details will be announced on Board approval of all project elements

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Slide 11

Turning to Project Magnet, in August the OneSteel Board approved commencement of the project and committed $30 million for the first stage. Of this $7 million has been spent, with basic engineering nearing completion and detailed engineering commenced, further drilling undertaken and the mining cut back initiated. Approximately one million tonnes of material has been removed. The iron ore and pellet marketing strategy is being progressed as is transhipping of the iron ore.

During the intervening period commodity prices and costs for project capital equipment and skilled labour have increased. Therefore estimated revenue from the project will be higher and estimates for capital expenditure have also increased. The overall value of the project remains extremely attractive and it remains an important growth opportunity for OneSteel. Management is focused on delivering a successful outcome and incorporating lessons from the blast furnace reline project. Because of all these factors, the timeline for the project is now such that full ramp up will not occur until towards the end of the 2006/07 financial year.

As we said last August when we announced the project go-ahead, each element of the project requires Board approval and some regulatory approvals are still being sought. More details will be announced on approval of all project elements by the Board.

I will now hand over to Tony who will run through the financial highlights.

In terms of financial highlights:

• We have improved the return on funds on an EBITA basis

• We have also increased the return on equity

• As Bob mentioned earlier, despite funding larger working capital requirements and higher capital expenditure we held net debt relatively steady

• During the period we cost-effectively refinanced our bank facilities with improved financial flexibility and with longer duration

• We also increased our earnings per share

Financial Highlights - Details

- Interim net operating profit after tax of $57.9 million
- Earnings per share (based on the number of shares at the end of the period) grew from 8.3 cents to 10.3 cents
- Return on funds employed rose from 11.7% to 13.4%
- Return on equity improved from 7.8% to 9.6%
- Net debt up just $12.1 million versus $63.6 million of capital & investment expenditure and higher working capital requirements due to higher value debtors, creditors and inventory
- Gearing improved to 33.5% from 34.9% (inc securitisation)
- Interest cover improved to 4.8 times from 4.5 times
- Cost-effective refinancing of bank facilities with improved flexibility and longer duration
- Interim dividend of 6.0 cents fully-franked

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Slide 14

OneSteel achieved an interim net operating profit after tax of $57.9 million, with an associated earnings per share increase from 8.3 to 10.3 cents per share, based on the number of shares at the end of the period.

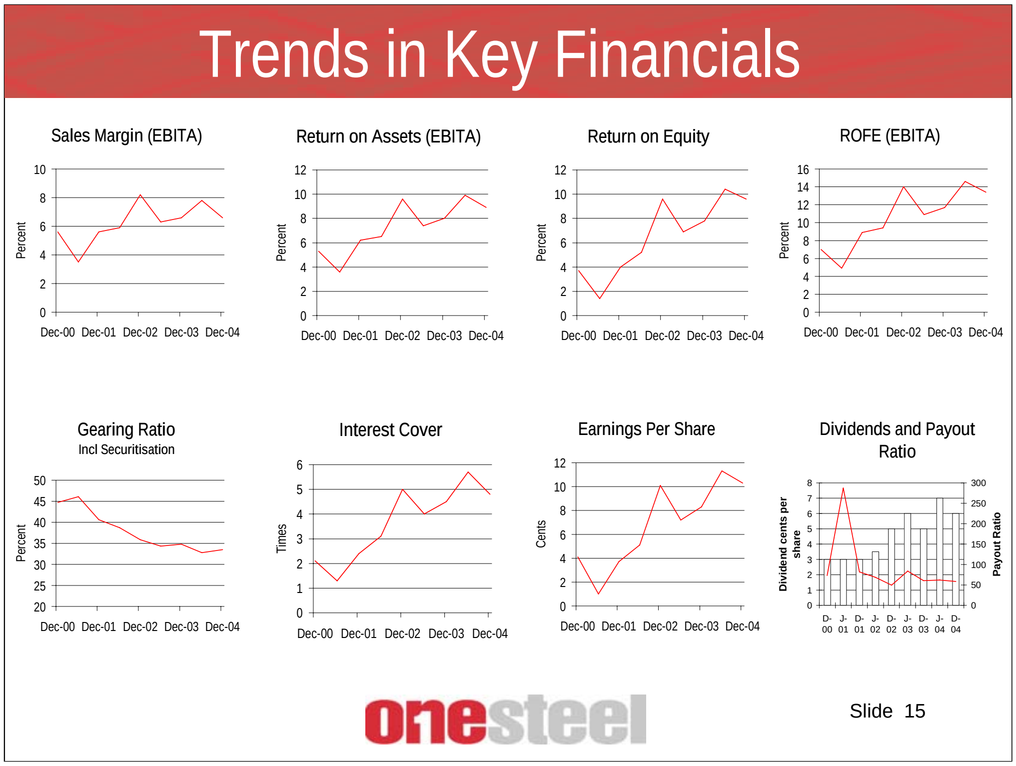
Return on funds employed on an EBITA basis rose from 11.7% to 13.4% and return on equity increased from 7.8% to 9.6%.

Net debt was marginally up $12.1 million on December 2003 to $509 million. This was despite capital and investment expenditure of $63.6 million and higher working capital requirements, mostly associated with price increases.

Including securitisation, gearing improved from 34.9% to 33.5% and interest cover improved from 4.5 times to 4.8 times.

In September we refinanced $700 million of expiring four- and five-year bank facilities. Consistent with our objective of extending our debt maturity profile while retaining flexibility and minimising interest expense, the new bank facility has terms of three, five and seven years. Demand for OneSteel debt was very strong so we took the opportunity to increase the facility to $800 million. The refinancing extended the duration of OneSteel's non-current debt facilities from three years and four months to five years and two months.

The Board declared an interim dividend of 6 cents, fully-franked, compared with an interim dividend of 5 cents in the previous corresponding period.



I would briefly like to highlight our historical performance. As this slide of some key financial measures and ratios for OneSteel in six-month steps shows, trends across a number of key financial ratios are still favourable through a mixture of good market conditions and a broad base of management actions.

Financial Performance

$A Million	2004	2003	2002	2001	2000	% chg 03/04
Sales	1,890.5	1,566.7	1,525.0	1,473.2	1,267.0	20.7
EBITDA	173.6	146.9	168.2	125.6	111.6	18.2
Dep and Amort	58.4	53.4	53.2	52.6	48.6	9.4
EBITA	125.7	103.8	124.9	82.2	70.6	21.1
Interest	23.9	20.8	22.9	30.6	29.6	14.9
PBT	91.3	72.7	92.1	42.4	33.4	25.6
Tax Expense	24.9	22.0	32.5	19.1	12.0	13.2
NPAT	57.9	45.5	54.9	19.7	18.8	27.3
EPS (cents)	10.3	8.3	10.1	3.7	4.1	
ROFE %	13.4	11.7	14.0	8.9	7.0	
Dividend (cents/share)	6.0	5.0	5.0	3.0	3.0	

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Slide 16

In terms of financial performance, I would like to point out the 20.7% increase in sales revenue driven by volume and price increases over the period leading to a record EBITDA of $173.6 million up 18.2%.

The relatively low amount of tax expensed, given the increase in profit before tax, reflects the benefit of a prior period adjustment following higher R&D claims and environmental expenditure in the final 2004 tax return.

The other thing I would like to highlight is that we are covering our cost of funds employed with an EBITA return on ROFE of 13.4%.

Non-Trading Items – NPAT

At the Net Profit after Tax Level

Additions	Millions
• Profit on sale of assets	$ 0.8
• Tax adjustments	$ 5.5
Total	$ 6.3
Subtractions	
• Restructuring costs	$ 2.1
• Blast furnace (reline & incidents) net	$ 24.7
Total	$ 26.8
Net Benefit/(Loss)	($ 20.5)

Slide 17

This slide has been provided to show you the one-off items in the NPAT result.

On the positive side was a $5.5 million tax benefit. This reflects a prior period adjustment after completion of the tax return in December 2004. It relates to higher R&D claims and environmental expenditure.

The major negative impact to this profit result is the blast furnace production disruptions. After netting out the profit from non-steel sales and including the reline, the impact was $24.7 million after tax. The other negative impact was $2.1 million of restructuring costs.

Financial Position

$A Million	Dec 2004	Dec 2003	Dec 2002	Dec 2001	% Chg 03/04
Total Assets	2,861.5	2,609.6	2,602.9	2,625.4	9.7
Liabilities	1,453.6	1,305.5	1,331.8	1,424.7	11.3
Net Assets	1,407.9	1,304.1	1,271.1	1,200.7	8.0
Net Debt	509.0	496.9	512.6	622.2	2.4
Inventory	758.8	646.5	626.0	608.0	17.4
Funds Employed	1,916.9	1,801.0	1,783.7	1,822.9	6.4
Gearing % (net debt/net debt plus equity)	26.6	27.6	28.7	34.1	
Gearing % (including securitisation)	33.5	34.9	35.9	40.6	
Interest Cover - times	4.8	4.5	5.0	2.4	
NTA /Share $	2.0	1.8	1.8	1.7	

Slide 18

The two points I would make here are the rise in inventory and the improvement in gearing.

The rise in inventory partly reflects the following:

• $135 million increase resulting from volume and price

• $20 million increase in stock weeks in Distribution in Australia and New Zealand

•Offset by $43 million run down in blast furnace reline related stock

Gearing, on a net debt to net debt plus equity basis, improved from 27.6% to 26.6%. When the $200 million of securitisation is included the numbers are 34.9% and 33.5%.

We discontinued the securitisation program in January because it was no longer as cost effective as it was in the past. Debt levels in June will therefore reflect this change.

Cash Flow

$A Million	Six months to Dec 2004	Dec 2003	Dec 2002	Dec 2001
Earnings before Tax	89.7	65.1	92.1	41.1
Dep. & Amort.	58.4	53.4	53.2	52.6
Capital and Inv Exp	(63.6)	(45.0)	(26.4)	(22.1)
Working Cap movement	(71.8)	(48.8)	(30.1)	(83.3)
Income Tax Payments	(24.2)	(13.7)	(6.1)	(9.4)
Asset Sales	3.6	5.0	2.6	31.0
Other (SDL Loan)	0.7	6.0	(9.2)	66.6
Operating Cash Flow	(7.2)	22.0	76.1	76.5
Free Cash Flow	(11.5)	11.4	82.7	(21.1)

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Slide 19

As can be seen from the slide above, the small negative free cash flow of $11.5 million is a result of:

• Earnings before tax, whilst high, were negatively impacted by the blast furnace disruption

• Capital expenditure was higher due to Blast Furnace and Project Magnet

• Working capital - the run down of blast furnace inventory which was more than offset by funding growth in sales tonnes and price increases.

I will now hand over to Geoff for a review of the operations.

Operations Review

onesteel Slide 20

Australian Distribution – Results

$A Millions 6 months to	Dec 2004	Dec 2003	Dec 2002	Dec 2001	Dec 2000	% chg 03/04
Revenue	1,055.4	902.6	824.2	769.8	600.8	16.9
EBITDA	73.0	54.0	53.5	48.1	34.4	35.2
EBITA	63.4	45.2	45.2	39.3	26.4	40.3
Assets	1,141.0	1,018.0	988.9	941.3	744.1	12.1
Employees	2,684	2,571	2,448	2,425	2,117	4.4
Sales Margin %	6.0	5.0	5.5	5.1	4.4	
ROFE %	15.5	11.7	11.3	10.2	8.6	32.5

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Slide 21

Revenue from Distribution increased $152.8 million for a 40% lift in EBITA to $63.4 million. Domestic steel tonnes dispatched increased by 8.7%, after adjusting for the acquisition of Midalia Steel, and domestic prices improved 11.4%.

Selling prices were increased to maintain profitability after input costs such as those for hot rolled coil rose to levels not seen in recent history. In this context, and assisted by recapturing market share from imports and by cost reductions, the recovery in sales margin from 5.0% to 6.0% is notable.

Effective working capital management combined with margin improvements resulted in an increase in return on funds employed to 15.5%.

Australian Distribution – Highlights

Factors Influencing Result

- Strong underlying market, particularly construction sectors
  - 8.7% increase in steel tonnes dispatched
  - 11.4% rise in domestic prices
- Recovery of sales margins as market share regained from imports and on price increases to offset higher input costs
- Cost savings of $5.4 million
- Revenue enhancements of $18.3 million (vs $21.7m cost increases)
- Acquisition of Midalia Steel bedded down

Outlook

- Market conditions to remain strong, particularly the construction segments
- SAP is being introduced into the remaining Distribution business of Sheet & Coil
- Mesh rationalisation to lower production costs and improve capacity utilisation

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Slide 22

Underlying market conditions remained strong, driving the increase in revenue. Activity has been particularly robust in the building and construction sectors, notably mining and engineering projects.

In addition to the strong market conditions and 8.7% rise in steel dispatches, revenue was assisted by $18 million of revenue initiatives and $5 million of cost cuts which more than offset $22 million of cost increases. All major product groups have encountered significant cost increases from suppliers during the year and these have been passed into the market. The acquisition of Midalia Steel boosted performance, with this being the first full six-month period since we acquired the Western Australian business in February 2004.

The rollout of SAP continues with its implementation successfully finalised in the Metaland business. It is being introduced into the remaining business of Sheet & Coil.

The mesh manufacturing facilities in the eastern states are being rationalised and consolidated to lower the cost of production and improve capacity utilisation. The bar shop was relocated from Altona in Victoria to Sydney's Noble Park during December and January.

Market conditions are expected to remain strong, particularly in the construction segment. Our healthy project list that is included in the attachments gives us confidence looking forward.

Manufacturing - Results

$A Million 6 months to Dec	2004	2003	2002	2001	2000	% chg 03/04
Revenue	1,063.3	863.0	872.2	820.2	738.2	23.2
EBITDA	88.3	85.6	114.7	79.5	75.2	3.2
EBITA	54.1	54.5	82.1	47.6	45.7	(0.7)
Assets	1,657.8	1,522.2	1,503.1	1,550.1	1,637.4	8.9
Employees	3,563	3,544	3,659	3,897	3,982	0.5
Sales Margin %	5.1	6.3	9.4	5.8	6.2	
ROFE %	9.8	10.1	15.1	8.3	7.5	(3.0)

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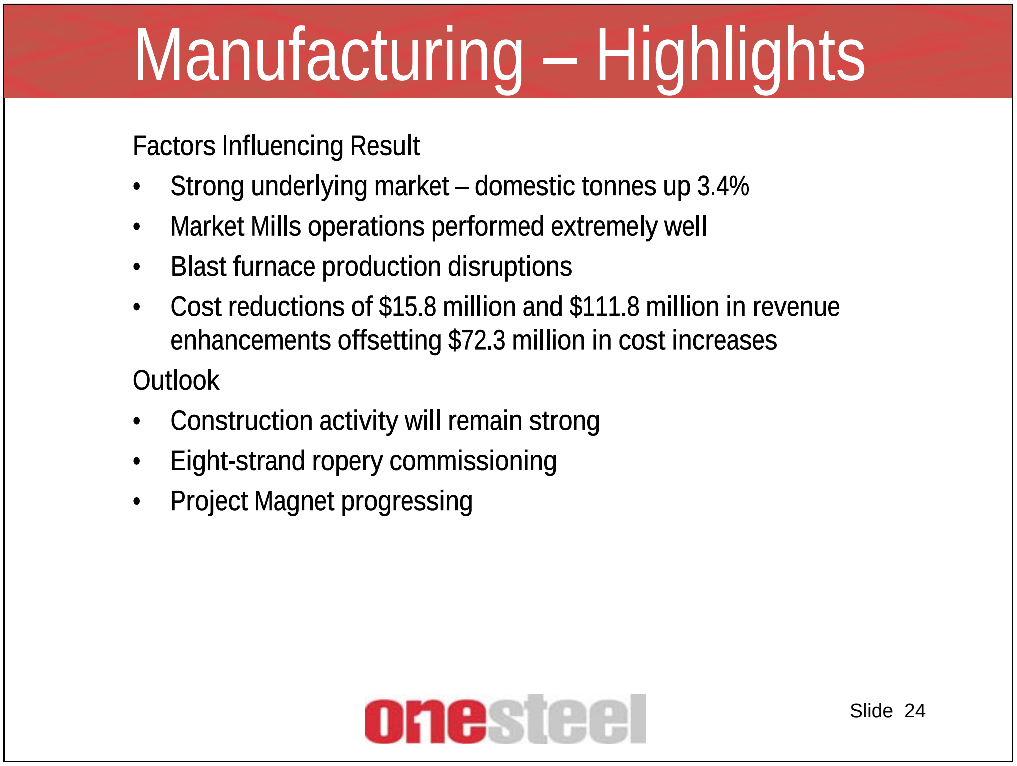
Slide 23

Revenue from Manufacturing was up 23%, however EBITA fell 0.7% and its EBITA sales margin fell from 6.3% to 5.1% because of the production disruptions at the Whyalla blast furnace. Despite the financial impact of the disruptions, there was only a marginal impact on the return on funds employed.



As in Distribution, market conditions for Manufacturing remain robust, underpinned by continued strength in the construction segment and some further recovery in the agricultural segment. Oil & gas-related product volumes were down however because of reduced project activity for line pipe.

Operational performance across Market Mills was excellent but the performance of the overall Manufacturing business was impacted by the production disruptions at Whyalla Steelworks. Therefore despite the 23% rise in revenue and the benefits of OneSteel's restructuring program, Manufacturing's earnings, sales margin and return on funds employed were lower than the previous corresponding period. Over the six months Manufacturing took out $15.8 million of costs and achieved revenue initiatives of $111.8 million, more than offsetting cost increases of $72.3 million.

Higher prices were achieved across all major products at Whyalla Steelworks while billet dispatches were lower as a result of the blast furnace reline and the disruptions to production. During the six-month period, the Sydney Steel Mill operated at record levels. Rod and bar tonnes were up, regaining share from imports and pipe and tube tonnage were also up even though prices were increased to recover increased hot rolled coil costs.

The outlook remains favourable with the general construction market underpinning demand. The new eight-strand ropery is in commissioning stage and as covered earlier by Bob, Project Magnet is progressing.

International Distribution – Results

$A Million 6 months to Dec	2004	2003	2002	2001	2000	% chg 03/04
Sales	198.7	161.8	142.6	160.4	152,4	22.8
EBITDA	30.9	20.6	17.7	13.0	13.9	50.0
EBITA	28.2	18.2	15.6	10.5	11.2	54.9
Assets	181.4	152.5	139.7	123.0	173.7	19.0
Employees	803	772	613	573	714	4.0
Sales Margin %	14.2	11.2	10.9	6.5	7.4	
ROFE %	39.2	28.4	28.2	21.7	15.4	38.0

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Slide 25

Steel & Tube Holdings benefited from strong economic growth that resulted in buoyant market conditions. In New Zealand dollars, sales revenue increased by 17.2% while EBIT increased by 52.3% to NZ$29.7 million. On an EBITA basis, the sales margin improved from 11.2% to 14.2% and the return on funds employed increased from 28.4% to 39.2%.

International Distribution – Highlights

Factors Influencing Result

- Overall market conditions strong driven by continuing strong economy
- Steel Distribution and Processing increased sales and earnings
- Roofing Products business benefits from record demand in some sectors
- Reinforcing businesses achieved higher sales and earnings
- Hurricane Wire Products result similar to last year

Outlook

- Growth in commercial construction and infrastructure spending to offset the expected downturn in residential construction later in the year

Slide 26

International Distribution continues to grow revenue and earnings while improving its sales margin and return on funds employed. It was supported by buoyant trading conditions in most of the group's operations.

The Steel Distribution and Processing business increased sales and earnings significantly from the previous corresponding period. Demand for product was particularly strong in the Auckland and surrounding region, buoyed by a strong construction market.

The Roofing Products business continues to benefit from record demand from residential construction and the light commercial construction sector.

The substantial increase in volumes by the Reinforcing operations due to considerable growth from the construction and infrastructure sectors assisted it to record substantially higher sales and earnings than the previous corresponding period.

The result from the Hurricane Wire Products business was similar to last year and is expected to improve in the second half as seasonal demand from the farming sector increases.

Looking forward, the strength of the economy is expected to fuel strong demand for the company's goods and services with the growth in commercial construction and infrastructure spending to offset the expected downturn in residential construction later in the year.

Summary and Outlook

Slide 27

I will now hand back to Bob to give a summary and some comments on the outlook.

Summary and Outlook

- Smooth transition of Managing Director
- Strong domestic and international steel markets
- Continued performance improvement from OneSteel initiatives
- Company in good financial position
- Stable blast furnace production
- Delivering Project Magnet
- Full year guidance - $110 million to $125 million NPAT

Slide 28

To summarise, Geoff and I are currently working together to ensure a smooth transition when I retire at the end of June.

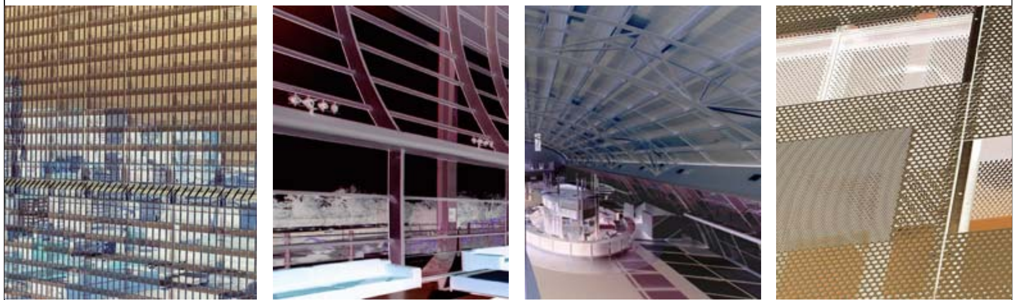
We expect overall market conditions to remain robust for the remainder of the financial year. Assuming international steel market conditions remain strong and if currency markets are relatively stable, OneSteel expects to achieve a net profit after tax result for the full year in the range of $110 million to $125 million.

We have some challenges with increasing costs but as we have demonstrated we will continue to realign the business through cost reductions, price increases and changes to product mix. We have been very firm in this area and we will continue to be disciplined.

The company is in a strong financial position and we will focus on maintaining the revised operating parameters to ensure sustainable production at the Whyalla blast furnace, as well as closely managing working capital and further improving business performance.

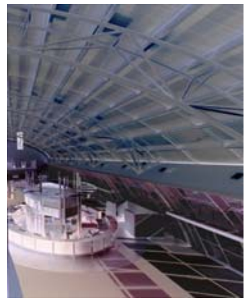
Over the medium term, Management will be focused on implementing Project Magnet and the discipline of tight cash management will be maintained to ensure OneSteel continues to meet its financial objectives.

Ladies and gentlemen, thank you for your time today and for your interest in OneSteel.



Interim Results
22 February 2005






Attachments - Financials

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Cash Flow Reconciliation

Six months to:	Statutory			
$A Million	Dec 2004	Dec 2003	Dec 2002	Dec 2001
EBITDA (Adjusted for Profit on Asset Sales)	172.0	139.7	168.2	125.6
Interest	(23.9)	(20.8)	(22.9)	(30.6)
Tax	(24.2)	(13.7)	(6.1)	(9.4)
Capital Expenditure	(63.6)	(45.0)	(26.4)	(22.1)
Working Capital	(71.8)	(48.8)	(30.1)	(84.6)
Free Cash Flow	(11.5)	11.4	82.7	(21.1)
- Investments	0.8	0	0	0
- Plus Asset Sales	3.6	5.0	2.6	31.0
- Other	(0.1)	5.6	(9.2)	66.6
Operating Cash Flow	(7.2)	22.0	76.1	76.5

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International Financial Reporting Standards

Major impacts are

- Goodwill
  - No Amortisation
  - Subject to annual impairment testing, including revised definitions of “cash generating units” and applicable discount rates
- Financial instruments
  - Hedge accounting may not apply in some areas
  - Increased volatility in earnings via fair valuing of all financial instruments
  - Securitisation is being repaid early in 2005 so no IFRS impact
- Defined benefit superannuation fund
  - Surplus/deficit to be recognised in OneSteel’s balance sheet
  - Corridor approach will lessen impact on OneSteel’s results
- Business Combinations
  - Restricted ability to create restructuring provisions for acquisitions
- Further information refer to Note 7 to the Statutory Accounts

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Attachments - Current Steel Market Trends

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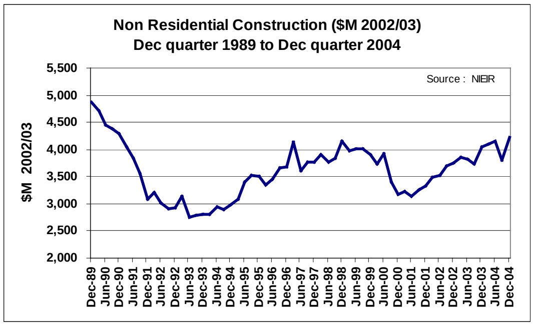
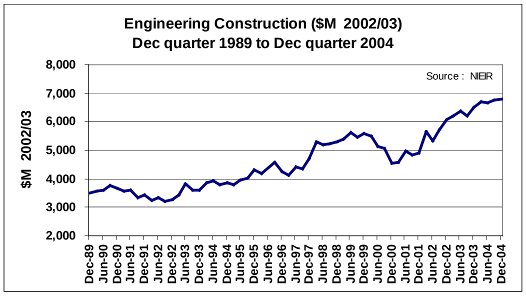
OneSteel Key Segments



Represents 26% of OneSteel Activity

3.1% year on year increase in value of work



Represents 21% of OneSteel Activity

6.7% year on year increase in value of work

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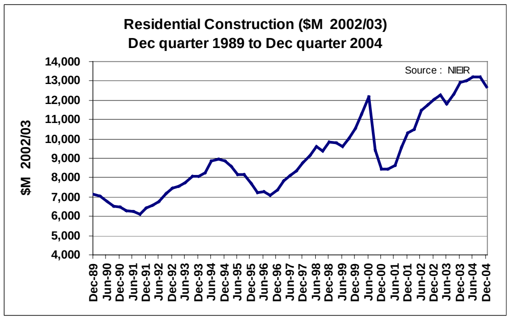
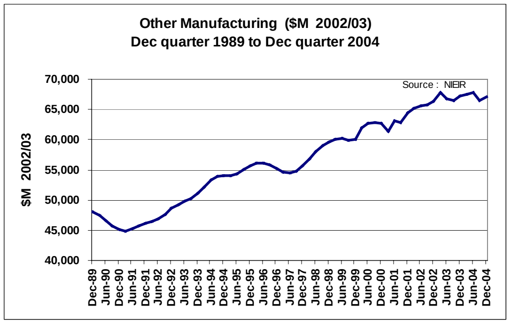
OneSteel Key Segments



Represents 15% of OneSteel Activity

2.6% year on year increase in value of work

Overall construction segment (62% of OneSteel revenue) up 4.1%



Represents 12% of OneSteel Activity

0.2% year on year decrease in value of work

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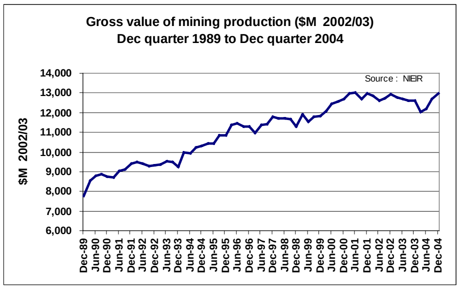
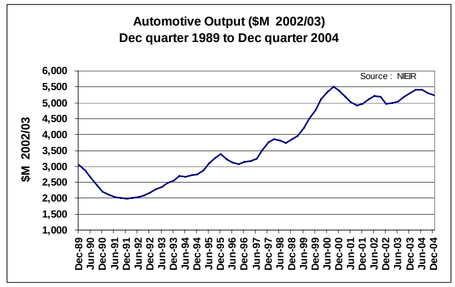
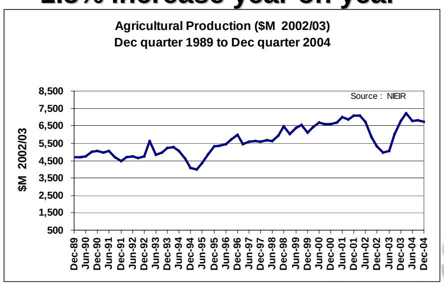
Overall Increase In OneSteel Key Segments 3.2%





11% of OneSteel Activity
1.8% increase year on year

5% of OneSteel Activity
0.5% increase year on year



6% of OneSteel Activity
5.9% increase year on year

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Major Project Flow

Current

- Eureka Building – Melbourne
- Aurora Tower – Brisbane
- Brighton on Broadwater – Gold Coast
- Ephrim Island – Gold Coast
- Conder Docklands Melbourne
- Darling Island (park – Sydney)
- The Village Meriton - George Street
- Dock 5 - Docklands
- Meadowbank (Sydney)
- Macarthur Square redevelopment (Sydney)
- Ravensthorpe Nickel – WA
- Rio Tinto Parker Point upgrade (Dampier wharf)
- Telfer Mine expansion
- Darwin LNG
- Minerva Gas – Victoria
- Burrup Fertiliser – WA
- Woodside "Perseus over Goodwyn" (off WA)
- Clean-fuel upgrade – BP, Caltex, Mogas (BNE)
- Comalco WEIPA Refinery - Queensland
- Alcoa Pinjarra Upgrade – WA
- Rhodes Shopping Centre (Stage 2)
- Melbourne Cricket Ground
- Chatswood to Epping Rail Link
- M7 Western Orbital – Sydney
- Sydney CBD Cross-City Tunnel
- Herald Weekly Times Tower – Melbourne
- Spencer Street Station
- Brisbane Airport car park
- Worsley Alumina Refinery Upgrade
- Inco Goro (Queensland)
- Westfield Parramatta

Upcoming

- Alcan Gove trans-territory pipeline
- BRAMER gas pipeline (south Queensland)
- Falcan Bridge (New Caledonia)
- Yabulu Refinery(Queensland)
- Project Magnet
- BHP Billiton Mine & Port Development JV Project
- Alcoa Wagerup – Train 3
- Woodside Train 5
- Gorgon LNG – Chevron/Texaco
- Cowal Gold Mine (NSW)
- Comalco Refinery SE Queensland – Car 2
- Brisbane Water Treatment Plant
- Scoresby Bypass
- Lane Cove Tunnel
- HRFHO – (mine in Ghana Africa)
- Perth-Mandurah Rail Link
- Convention Centre – Melbourne CBD
- Melbourne Showground – Flemington
- Woolworths Minchinbury (NSW)
- BlueScope Steel Erskine Park Coating line
- Woolworths Distribution centre (Queensland)

NB Red font highlights additions to list

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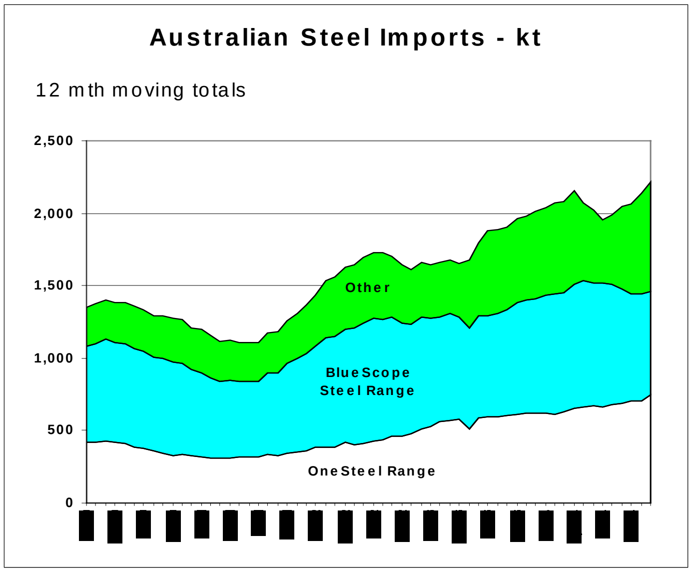
Imports into Australia



Source: Australian Bureau of Statistics and OST data

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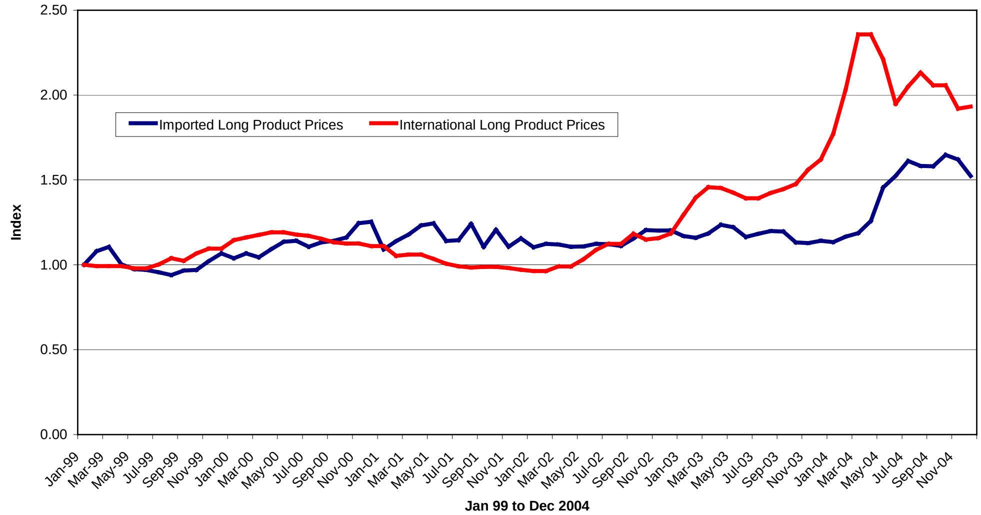
Import versus International Price



Source: Australian Bureau of Statistics and OST data

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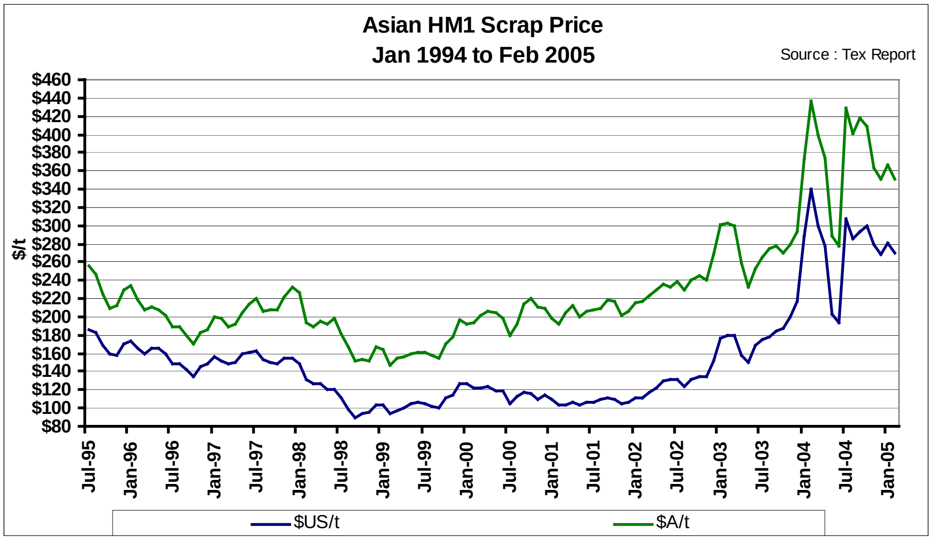
Scrap Prices



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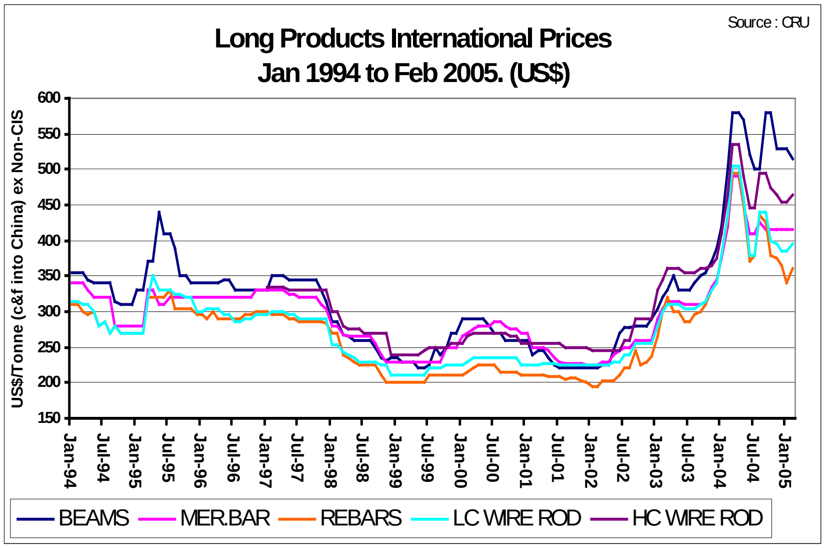
Trends in International Long Product Prices



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OneSteel Price Increases

Price increases since January 2004:

- Steel In Concrete - 4% Feb + 6% Apr + 16% rebar May + 5% Oct
- Whyalla Structurals – 7% Apr 04, 10% Jul 04
- Merchant Bar – 10% Mar 2004
- Manufacturers Wires – 4% Mar 04
- Structural Pipe & RHS – 6.5% Apr 04, 9.3% Jul 04, 11.3% Jan 05
- Rural Wire – 5% May 04
- Fence Posts – 8% Apr 04

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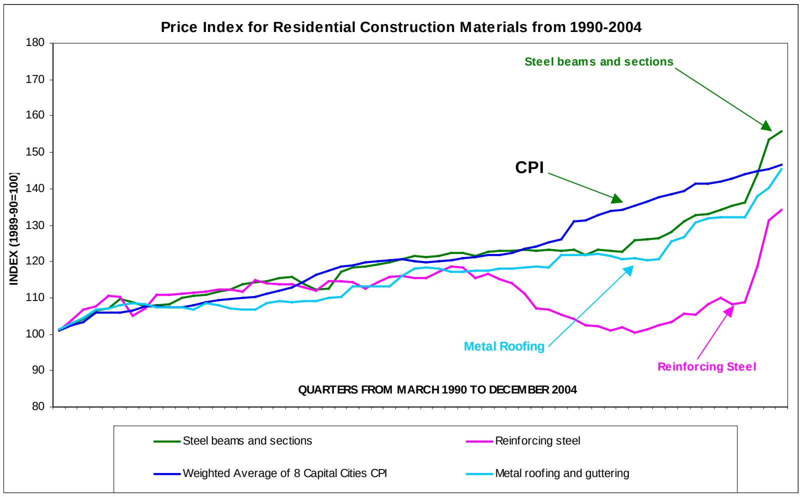
Australian Steel Price Index



Source: Australian Bureau of Statistics

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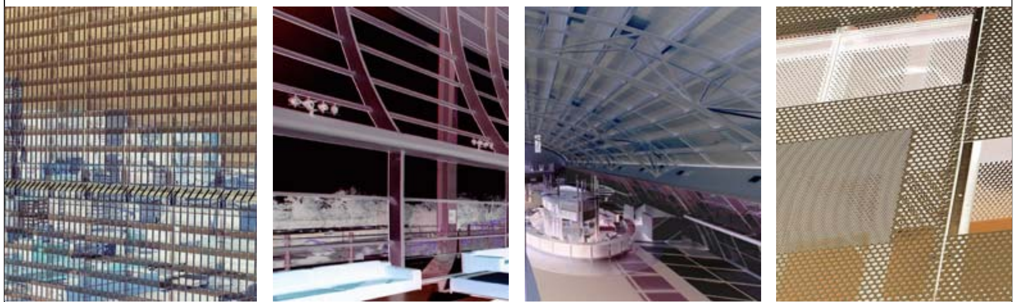

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