



WELCOME

Welcome to the Summer edition of XLERPLATE® *Steel In Touch*. Since our last newsletter, we've had major management changes at BlueScope Steel.

Former BlueScope Steel Chief Financial Officer, Paul O'Malley, stepped into the role of Managing Director and CEO on 1 November, succeeding Kirby Adams who has retired after more than seven years with the company.

In this issue, we bring you important news about XLERPLATE® steel delivery times over the Christmas break.

We also feature a special economic report with positive news for the Australian steel industry, and highlights

from the Australian Steel Institute's annual Australian Steel Convention, which was based around the theme of a 'Sustainable Future.'

On behalf of the team, I'd like to thank you for your continued support throughout 2007 and wish you season's greetings and a safe and prosperous New Year.

Matt Hennessy
State Sales Manager - NSW

INGAL INVESTS IN NEW ROAD SAFETY BARRIERS

Australia's leading road safety barrier manufacturer Ingal Civil Products has made a major breakthrough in steel barrier safety systems.

The company is awaiting State authority approval of FX-350; an Australian-first advanced W-beam barrier system. The system is designed to provide safe vehicle containment and redirection on urban and metropolitan highways and motorways.

Ingal Civil Products has licensed and developed FX-350 over several years because of concerns with the current Australian Standard public domain guardrail system.

"We became concerned from our field observation so we commissioned the Texas A&M University's Texas Transportation Institute to carry out expert crash testing of existing steel barrier systems," Ingal Civil Products, Group General Manager, Hayden Wallace said. "Those tests revealed the Australian Standard and State-specified guardrail system collapsed, allowing the vehicle to ride up and over the guardrail system."



FX-350 is an advanced W-beam safety barrier.

FX-350 complies with Australian and American Standards and is made from M180C XLERCOIL® steel.

"We developed a new grade of steel, M180C, for Ingal Civil Products to provide increased strength, performance and safety for FX-350," New South Wales, State Sales Manager, Matt Hennessy said.

FX-350 is capable of withstanding the impact of a 2000-kilogram pickup truck travelling at 100km/h, at a 25 degree angle.

"It's one of the most significant road safety innovations the company has made in the last 70 years," Mr Wallace said.

The W-beam safety barrier uses specially-engineered O-posts also made from XLERCOIL® steel, and 200mm composite offset blocks, instead of traditional C-posts and offset blocks.

"It has many advantages – it's cost-effective, and easier to handle and install," Mr Wallace said.

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STEEL IN TOUCH GOING STRONG

XLERPLATE® *Steel In Touch* 2007 reader survey has proved a big success.

Your responses were positive and similar to last year – the majority of you are enthusiastic about the newsletter, and find the stories relevant to your day-to-day business.

Feature stories, product information and industry news remained the most popular sections of the newsletter.

Around 98 per cent of respondents quite liked these sections or liked them a lot, with comments including: “a very well put together publication” and “a very informative read”.

A quarter of you would also like to have your company or customers featured in *Steel In Touch*, which tells us you’re keen to provide content and support for the newsletter in 2008.

Simply call us or send an email (see contact details on back page). We would be delighted to feature your story in one of our forthcoming editions.

SUCCESS NOT JUST A CHINA SYNDROME

China’s stunning growth and the trend to consolidation in the Australian steel industry were hot topics at the Australian Steel Institute’s annual Australian Steel Convention.

The conference, held in October, was built around a ‘Sustainable Future’ theme.

Former BlueScope Steel MD and CEO Kirby Adams spoke highly of the Australian industry which he described as “punching above its weight” and “significantly safer” than seven years ago.

Mr Adams said the industry faced challenges such as increased costs of natural resources and shipping.

It had entered a “new age of steel” and would need to remain united to prosper.

He said there was also a need to develop new markets, and identified the building and construction industry as a major growth area.

Richard Barrett of Barrett Steel Buildings, one of the UK’s largest independent steel suppliers, also



Kirby Adams



highlighted opportunities in the building and construction industry. “Steel is structurally and resource efficient,” he said. “It enables fast construction, it’s demountable, its long spans provide flexibility and it provides low waste and high recycling.”

He said there had been a dramatic increase in multi-storey steel-built buildings in the UK, with 72 per cent of multi-storey buildings now constructed using steel compared

with only 32 per cent in 1980.

Currently in Australia only 13 per cent of multi-storey buildings are constructed using steel.

In the UK, 95 per cent of single-storey buildings are currently constructed with steel – up from 80 per cent in 1980.

Good design, fixed prices, total packages, and efficient and dynamic supply chains were also key factors, according to Mr Barrett.

China’s powerful presence in the steel industry was also on the agenda. NAB’s chief economist Alan Oster said China was 10 years into a 30-year growth cycle. Its economic growth in 2008 was expected to be 10.3 per cent, compared to 3.8 per cent for Australia and 1.8 per cent for the US.

MINING, ENGINEERING CONSTRUCTION SURGE

By BlueScope Steel Economists

The Australian economy remains buoyant, continuing to benefit from China’s surging growth and insatiable appetite for resources. Commodity prices are at record levels, and the outlook over the next year remains strong, underpinning output and investment growth.

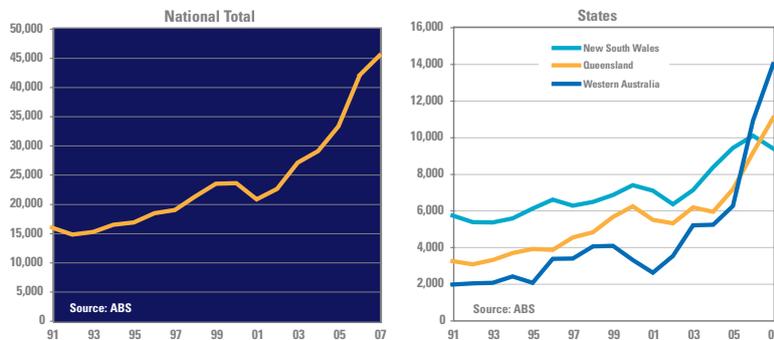
Investment is still growing at a robust pace in the mining, metals, and engineering construction sectors as private businesses and governments attempt to capitalise on

the Chinese boom. However, this surge in activity is being impacted by both labour and capacity constraints.

The resource-rich states of Western Australia and Queensland are leading the way with investment projects. According to Access Economics, these include Western Australian mining projects such as BHP Billiton’s \$2.9 billion Ravensthorpe nickel project, BHP Billiton’s \$2 billion Rapid Growth project, Newmont’s \$2 billion Boddington gold mine development, and Rio Tinto’s \$1.3 billion Hope Downs

Engineering Construction in Australia

Constant \$Million, Financial Years Ending June



iron ore project. There has also been significant investment in rail and port infrastructure to handle Western Australia’s increasing export volumes.

Engineering construction and mining investment is also strong in Queensland. Mining projects include the \$1.1 billion Dawson coal deposit project, Rio Tinto’s \$950 million Clermont coal mine project and BHP Billiton’s \$730 million Yabulu nickel refinery upgrade. The Queensland government is also increasing investment in roads and water to fulfil infrastructure needs, and keep up with the rapidly growing

population. This investment includes a \$1.9 billion desalination plant for the Gold Coast.

These investment gains have allowed Western Australia, Queensland and the Northern Territory to continue to outpace the other states.

In 2005, the highest proportion of national total expenditure was in New South Wales, but this has since been overtaken by Western Australia and Queensland (see graph). Despite a fall in the rate of growth in the year to June 2007,

the level of engineering investment in NSW remains at a high level relative to history. Work in the pipeline is fairly solid, and activity should continue to be supported by the need for improved infrastructure, with various major projects already underway including port and road upgrades, and investment to provide sustainable energy and water supplies.

The outlook for engineering construction in Australia remains positive, with high levels of investment (see graph) expected to be maintained over the next few years as all states attend to critical infrastructure needs.

SAFETY MESSAGE: PARACETAMOL

Is it OK to have paracetamol in First Aid Kits?

Paracetamol and other similar medications have been banned from First Aid Kits because it is unlawful to personally administer medication if you are not qualified to do so.



If the person who receives the medication has an adverse reaction, you may be held liable.

Analgesics such as paracetamol are not considered a first aid item because they come under the category of medication.

'First aid' is defined as the provision of emergency treatment and life support for people suffering injury or sudden illness.

JOBS PILE HIGH FOR MORSON

Morson Engineering will help traffic flow in Newcastle after winning a local contract in September to supply piling for the new Tourle Street Bridge project.

The bridge will be built east of the existing bridge and have two 3.5-metre-wide lanes, two 2-metre-wide shoulders and a 1.8-metre-wide footway.

New South Wales Roads and Traffic Authority tendered for the new project that will replace the existing bridge.

"We were the successful tenderer because of our experience, our quality product, our flexibility and our ability to deliver a quick turnaround," Morson Engineering, General Manager, Rhett Morson said.

"We specialise in supplying pipes and piling and our machinery is set up to support that – if last minute changes are required we can make them easily and quickly."

Each pile is made from Grade 350 XLERPLATE® steel, 40 metres long and 800mm in diameter.

"The piles will be transported in 20-metre lengths and then joined on-site," Mr Morson said. "It will be necessary to obtain permission to transport the long loads."

Based at Wyong on New South Wales' Central Coast, Morson Engineering is just an hour's drive from the construction site.

Piling will be delivered to site in early 2008, ahead of the bridge's completion mid-year.



Morson Engineering will deliver the piling to site in early 2008.



The existing Tourle Street Bridge will be replaced.

The company exclusively uses Grade 250 and 350 XLERPLATE® steel. Mr Morson said the fact that XLERPLATE® was Australian-made and offered good delivery times were key reasons his company used it.

Morson Engineering's project portfolio includes Sydney's Anzac Bridge, the Karuah Bypass north of Newcastle on the Pacific Highway, and Melbourne's Western Link.

The company was founded in 1945 by Jock Morson and is currently run by Jock's grandsons Rhett and Trent Morson.

END-OF-YEAR XLERPLATE® DELIVERY CHANGES

XLERPLATE® steel delivery times over the Christmas and New Year period will be managed around Plate Mill maintenance work and wide-load delivery restrictions.

Routine maintenance will be carried out at the Port Kembla Steelworks Plate Mill from 28 December 2007 to 13 January 2008, and extended lead times will consequently apply to XLERPLATE® steel deliveries throughout this period.

Road and traffic authorities have also imposed wide-load restrictions that will affect the delivery of XLERPLATE® steel in December 2007 and January 2008.

Widths of 2500mm or more cannot be delivered between 24 December 2007 and 4 January 2008 (DIS Week 52 and Week 1) and from Monday 28 January 2008 to Friday 1 February 2008 inclusive (DIS Week 5).

Orders for widths of 2500mm or more during these restricted periods will be booked for delivery the following week.

Restrictions to XLERPLATE® Coil Plate and Coil Floor Plate will also apply during this time because of the Metpol site closures, and deliveries will be allocated in line with Metpol's planned re-opening.

Please speak to your XLERPLATE® Customer Service representative or state sales branch for further information.



INGAL INVESTS IN NEW ROAD SAFETY BARRIERS

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Ingal Civil Products has set up a dedicated production plant for FX-350 with new specialised roll-forming equipment at Minto, south-west of Sydney.

Other recent innovative XLERCOIL® steel projects include the T-39 Thrie-beam Barrier for highways and motorways, and Spring Steel Buffas for industrial barrier protection applications such as loading docks and car parks.

Established in 1933 as ARMCO (American Rolling Mills Company), Ingal Civil Products has had various owners, including BHP. It was acquired by current owners Industrial Galvanisers Corporation Pty Ltd in 1996.

Ingal Civil Products, which has distribution outlets in Newcastle, Brisbane, Melbourne, Adelaide, and Perth, has been a loyal user of BlueScope Steel



FX-350 has specially-engineered O-posts made from XLERCOIL® steel and 200mm composite offset blocks.

products since it began manufacturing road safety barriers in 1939.

"XLERCOIL® steel is a quality Australian-made product that's ideal for forming and galvanising – the material is manufactured to a consistent high quality standard," Mr Wallace said.

"Technical support is always available, and we can readily source the product to meet our cyclic and project demands."

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Xlerplate®



TEAM CHANGES

Our New South Wales XLERPLATE® steel team has a new Account Manager.

Stepping into the role is Phil Burke, who has spent the last four-and-a-half years as a Customer Service Officer and is widely recognised for his management of Bisalloy and New Zealand XLERPLATE® customers.

Since joining BlueScope Steel in 1997, Phil has gained invaluable metallurgical, customer service and Plate Mill experience. He is a graduate of BlueScope Steel's cadet program, and holds a Materials Engineering degree from Wollongong University.

"My day-to-day duties will include dealing with customers, supply agreements, and new business," said Phil. "I'm really looking forward to meeting customers and getting my teeth into this new role."

Phil is replacing James Cummins, who has accepted the position of Market Solutions Manager SURELINE®.



James Cummins



Phil Burke

During his two years as New South Wales Account Manager, James has built strong customer relationships and gained the respect of those in the industry for his professionalism.

BlueScope Steel congratulates both Phil and James on their new roles.

NEW STEEL AWARD

BlueScope Steel is sponsoring a new award for the Australian manufacturing industry – the Australian Steel Innovation Award.

The Australian Steel Innovation Award is open to Australian manufacturers with innovative products or projects made from Australian steel.



The award is one of nine categories in the 2008 *Manufacturers' Monthly Endeavour Awards* to be held on 28 May 2008. As in previous years, the Manufacturer of the Year is the overall winner. Entry is free, with nomination forms and conditions available online at www.manmonthly.com.au. Nominations close 29 February 2008.

QUICK QUIZ - CAR TRIVIA

1. Name the Goggomobil's sports model.
2. What was a bug-eye?
3. What is the English translation for Volkswagen?
4. What does BMW stand for?
5. What make of vehicle featured in the *Back to the Future* films?
6. Name Fiat's truck company.
7. Mr Toyoda of Toyota fame started a business in which industry?
8. Was there a Mr Chevrolet?
9. Which Italian sports car (right) has a trident as its bonnet emblem?
10. What company makes the London taxis?



Answers: A1 - Datsun A2 - Austin Healey Sprite Mk1 A3 - People's car A4 - Bayerische Motoren Werke A5 - De Lorean A6 - Iveco A7 - Weaving A8 - Yes, Louis Chevrolet A9 - Maserati A10 - LTI