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## General information on Capital Gains Tax (CGT)

This information does not consider the particular circumstances of individual shareholders. Accordingly, shareholders should consult their taxation advisers and not rely solely on the following information.

### Cost Base at Demerger of BlueScope Steel (formerly BHP Steel) from BHP Billiton Limited

Formerly known as BHP Steel Limited, BlueScope Steel Limited was demerged from BHP Billiton Limited in July 2002. Click [here](#) for information relating to the cost base of shares obtained through the demerger process.

### CGT Cost Base - More than One Acceptable Method

The ATO has issued revised guidance on how to allocate CGT cost base over a taxpayer's post-demerger interests. The ATO now accepts that there may be more than one method of allocating the cost base that results in a reasonable apportionment. In all cases, the ATO considers that the apportionment will be reasonable if a taxpayer calculates the new cost base of each post-demerger interest in accordance with the market value of that interest relative to the total market value of all of their post-demerger interests. This method is referred to as the relative market value method. However, it may also be acceptable to use the parcel-by-parcel method.

This information is contained in:

1. [ATO Tax Determination TD 2006/73 - issued by the Australian Taxation Office 22 November 2006](#)
2. [BHP Billiton demerger fact sheet](#)

### Cost Base Information relating to 2009 Entitlement Offer

On 5 May 2009, BlueScope Steel announced a one for one Entitlement Offer. The offer closed on 29 May 2009, and new shares were allotted on 5 June 2009. Details of the offer can be found [here](#). Section 8 of the Prospectus includes detail on taxation implications. Further, for holders of pre-CGT shares, information is provided [here](#) to assist with the determination of the market value of the Entitlement relating to pre-CGT shares.

### Cost Base Information relating to 2011 Entitlement Offer

On 22 November 2011, BlueScope Steel announced a 4 for 5 Entitlement Offer. The retail offer closed on 14 December 2011. Details of the offer can be found [here](#). Section 4.10 of the Retail Offer Booklet includes detail on taxation implications. Further, for holders of pre-CGT shares, information is provided [here](#) to assist with the determination of the market value of the Entitlement relating to pre-CGT shares.

### Cost Base Information relating to 1-for-6 Share Consolidation of December 2012

The Notice of Meeting for the 2012 Annual General Meeting was filed with the ASX on 15 October 2012. It contains information on the share consolidation which became effective in December 2012. Details can be found [here](#).

Shareholders are encouraged to seek and rely only on their own professional advice in relation to their tax position. Neither the Company or any of its officers, employees or advisors assumes any liability or responsibility for advising shareholders about the tax consequences for them from the share consolidation.

The share consolidation occurred through the conversion of every six ordinary shares in the Company into one ordinary share in the Company. No capital gains tax (CGT) event is expected to occur as a result of the share consolidation and therefore there should be no taxation implications arising for the Company's shareholders.

If a shareholder acquired 120,000 shares for a total of \$60,000 at 50 cents each, after the share consolidation, the CGT cost base of the 20,000 shares will become \$3 per share. The total CGT cost base will remain \$60,000.