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## **MEDIA RELEASE**

### **Bisalloy Steel Group Ltd announces upgraded earnings outlook**

Bisalloy Steel Group Limited (**Bisalloy** or the **Company**, ASX Code: BIS) today announced an upgrade to its earnings outlook as it maintains its improved operating performance in a recovering market.

"Overall market conditions remain positive" said Managing Director Robert Terpening. "Notwithstanding pricing remaining competitive, production volumes continue to increase. Whilst there have been some increases in steel input costs, our margins have recovered from the level experienced through calendar year 2009 and we expect margins to remain at current levels for the balance of this financial year".

"In February 2010 we announced that the Company expected to make an operating profit for the full financial year" said Mr Terpening. "Based on current market conditions, the Board anticipates that Bisalloy will generate an EBITDA before FX of between \$5.3m and \$5.8m for FY10. This compares to the equivalent EBITDA loss of \$0.1m for the half year. Due to our distribution network in New Zealand, Indonesia and Thailand and the continuing strength of the Australian dollar, the Company expects FX losses of around \$0.5m for FY10".

The Company would expect our borrowings to have reduced to around \$20m at June 2010, down from \$36m at 30 June 2009.

Bisalloy is Australia's only manufacturer of high-strength structural, wear-resistant and armour steel plates using quenched and tempered steel. Bisplate is used in the mining, construction, general fabrication and defence sectors. Bisalloy have an extensive distribution network across Australia, New Zealand Indonesia and Thailand. See our website at [www.bisalloy.com.au](http://www.bisalloy.com.au).

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