

BSI Steel Limited  
(Incorporated in the Republic of South Africa)  
(Registration number 2001/023164/06)  
JSE code: BSS  
ISIN: ZAE000125134  
("the Company")

## AMENDMENT TO TRADING STATEMENT

BSI shareholders ("**Shareholders**") are referred to the further trading statement announcement published on the Stock Exchange News Service on 29 November 2017 which was published at the time that the BSI board was reasonably certain of what the expected financial results for the six month period ended 30 September 2017 ("**Interim Results**") would be. The trading statement was released after the Audit committee and our auditors, Deloitte & Touche, agreed on the results. Notwithstanding this, Deloitte & Touche brought it to the board's attention on 30 November 2017 that due to the provisions of IFRS2, a potentially material adjustment may be required with regard to the Company's recently concluded broad-based black economic empowerment transaction ("**B-BBEE Transaction**"), details of which were announced on 19 June 2017 ("**Adjustment**").

The Company is currently determining the magnitude of the Adjustment (which the Company initially expected to amortise over three year years in line with the lock-in period of the B-BBEE Transaction but which is now required to be expensed in full in the Interim Results) which may or may not be material and if material will be accounted for as an IFRS2 expense in the statement of comprehensive income and may therefore negatively impact both earnings per share ("**EPS**") and headline earnings per share ("**HEPS**"). The possible adjustment is technical and non cash in nature and does not affect the summarised statement of financial position. Experts have been employed to perform the valuation of the IFRS2 expense and as soon as this is available the results will be amended based on the outcome thereof.

Shareholders will be advised of the revised expected EPS and HEPS with regard to the Interim Results in due course. As a consequence of the Adjustment, the Interim Results may not be published on or about 6 December 2017 as previously expected, but will be published no later than 31 December 2017.

Johannesburg

6 December 2017

Designated Advisor

Sasfin Capital (a member of the Sasfin Group)