

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

FURTHER TRADING STATEMENT

BSI shareholders ("**Shareholders**") are referred to the amendment to the trading statement announcement published on the Stock Exchange News Service on 6 December 2017 ("**Announcement**"). In the Announcement, shareholders were advised that it had come to the board's attention that notwithstanding the further trading statement published on 29 November 2017 with regard to the expected results for the six months ended 30 September 2017 ("**Interim Results**"), a potentially material IFRS2 adjustment may have been 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 has now determined that the magnitude of the Adjustment is R8.7 million. The Company initially expected to amortise the Adjustment over three years in line with the lock-in period of the B-BBEE Transaction but it is now required to be expensed in full in the Interim Results.

Consequently, after taking into account the Adjustment, the Company will report EPS of 1.4 cents and HEPS of 1.6 cents in the Interim Results.

The information in this further trading statement has not been reviewed or reported on by the Company's auditors.

The Interim Results will be published by no later than 15 December 2017.

Johannesburg

13 December 2017

Designated Advisor

Sasfin Capital (a member of the Sasfin Group)