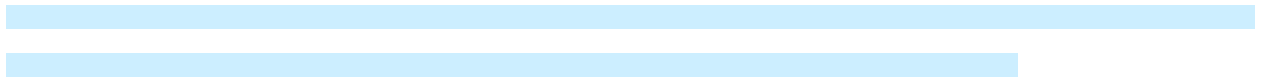




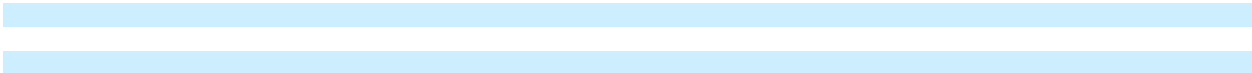

STELCO INC.

Consolidated Statements of Financial Position of Stelco Inc. as of December 31, 2006 and March 31, 2006 and the related Consolidated Statements of Loss, Retained Deficit, and Cash Flows for the nine month period ended December 31, 2006





Basis of Valuation



Note 4. Fresh Start Reporting

<u>(in millions)</u>	<u>At March 31,</u> <u>2006</u>
Liabilities subject to compromise	(Predecessor)
Settlement	
Excess of claims over distribution	
Total adjustment to retained deficit	

Note 5. Restricted Cash

[Redacted text]

[Redacted text]

Note 10. Revolving Term Loans

(in millions)	At December 31, 2006	At March 31, 2006

Asset Based Loan Facility

Note 11. Long-term Debt

(in millions)	At December 31, 2006	At March 31, 2006

Note 12. Employee Future Benefits

Defined contribution plans

Defined benefit plans

Pension Plan Funding Arrangements

Cash payments to benefit plans

	<u>Nine months ended December 31, 2006</u>	<u>At March 31, 2006</u>

Estimated average remaining service life

(in millions)	At December 31, 2006		At March 31, 2006	
	Pension benefit plans	Other benefit plans	Pension benefit plans	Other benefit plans

Pension Plan Assets

Percentage of plan assets	2006

Measurement and valuation

Plan Amendments

Employment Reductions

Significant assumptions

At December 31, 2006

<u>Pension</u>	<u>Other</u>
<u>benefit plans</u>	<u>benefit plans</u>

At March 31, 2006

<u>Pension</u>	<u>Other</u>
<u>benefit plans</u>	<u>benefit plans</u>

Nine months ended
December 31, 2006

Note 16. Earnings (loss) per common share

☞ 2011 D

Note 17. Stock-based compensation

Incentive Stock Option Plan

2011

Note 18. Proportionately Consolidated Joint Ventures

(in millions)	At December 31, 2006	At March 31, 2006

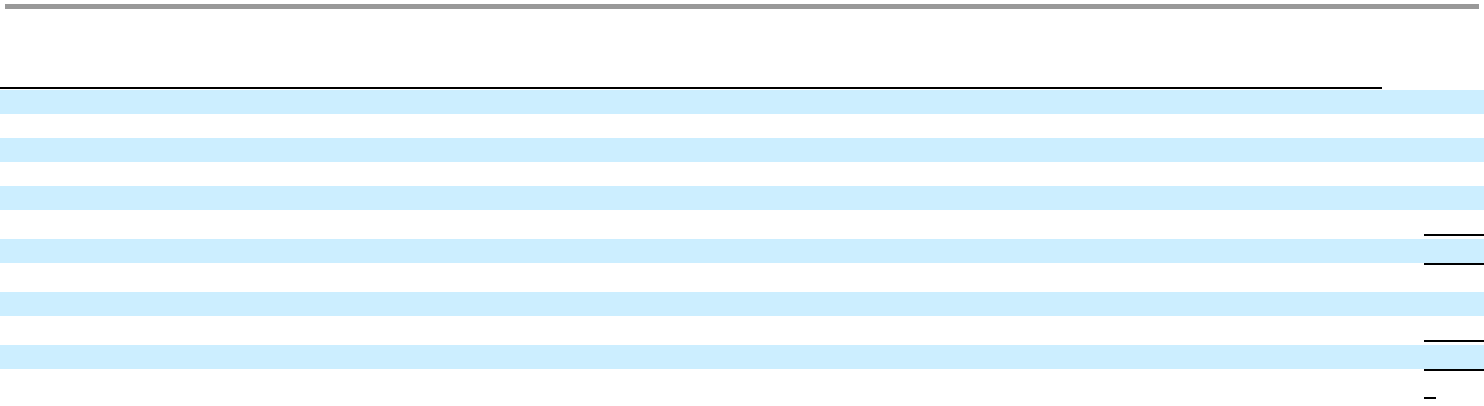
(in millions)	Nine months ended December 31, 2006

(in millions)	Nine months ended December 31, 2006

Note 19. Commitments and Contingencies
Capital Programs and Other Commitments

Operating leas

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Note 24. Canadian GAAP vs. US GAAP Differences

Canadian GAAP

US GAAP

Joint Venture Investments

Financial Instruments and Hedging Activities

Employee Future Benefits – Funded Status

Employee Future Benefits – Pension Valuation

Inventory

Income Taxes

Canadian GAAP

US GAAP

Capitalization of Interest

Comprehensive Income/Loss

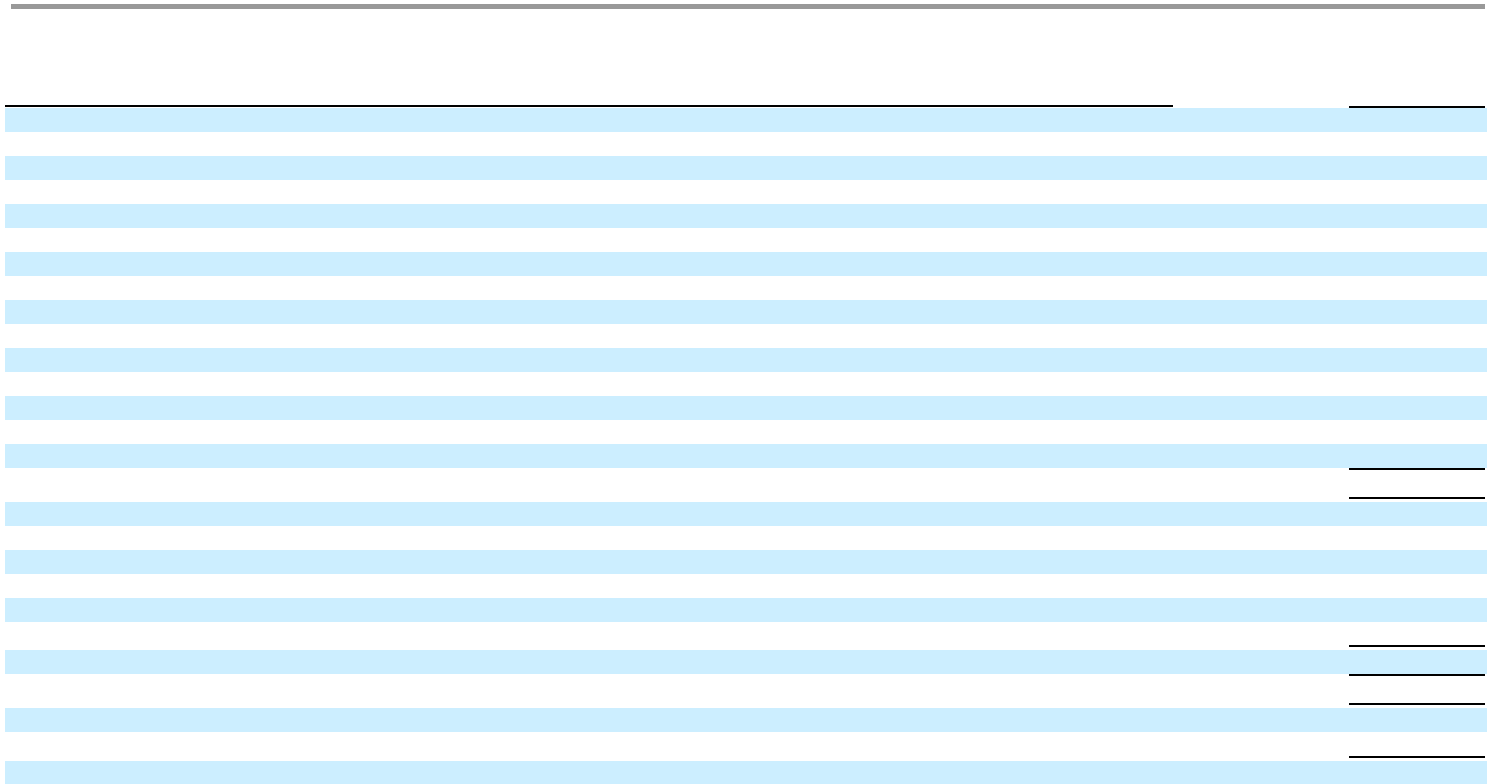
Statement of Cash Flows

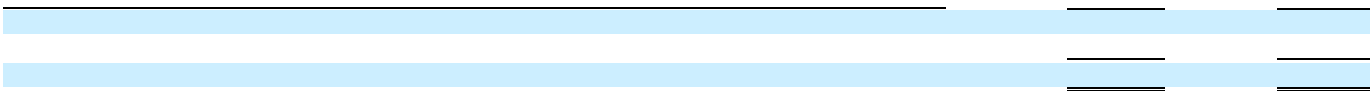


STELCO INC.

Consolidated Statement of Financial Position, Statement of Loss, Statement of Retained Deficit and Statement of Cash Flows as of and for the nine-months ended September 30, 2007

These consolidated financial statements have not been reviewed or audited in accordance with generally accepted auditing or review standards in the United States.







Note 10. Employee Future Benefits

Benefit Plan Cost

(in millions)	Nine months ended September 30 2007

Defined Benefit Plans

Six months ended
June 30, 2007

Pension
benefit plans

Other
benefit plans

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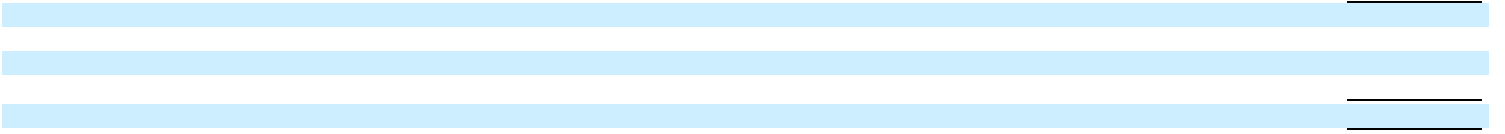
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Capitalization of Interest

Statement of Cash Flows

Y^B E₁ / ((Y₁ P₁ F₁ D₁ P₁)) E₁ ((E₁ D₁ G₁ V₁)) F₁ # (#) #

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