



2 July 2014

NON-CONFIDENTIAL

Ms Candy Caballero
Director Operations
Australian Anti-Dumping Commission
Customs House
1010 La Trobe St
Docklands Vic 3008

Dear Ms Caballero,

**HOT ROLLED STRUCTURAL STEEL SECTIONS FROM JAPAN, KOREA,
TAIWAN AND THAILAND**

This submission, made on behalf of Siam Yamoto Steel Co Ltd (“SYS”) and ThyssenKrupp Mannex Pty Ltd (“TKM”), is in response to the submission by OneSteel Manufacturing Pty Ltd (“OneSteel”) of 18 June 2014 to this investigation.

Concerning OneSteel’s claims that SYS’ export prices severely undercut OneSteel’s selling prices and drove the Australian market price to a low level during the investigation period (“IP”), it needs to be understood by the Commission that, as previously explained, it is not SYS’ selling prices which compete with OneSteel’s Australian market selling prices, it is the resale prices of SYS’ sole Australian customer TKM which compete with OneSteel’s selling prices into the Australian market. We trust that in its investigation into OneSteel’s price undercutting claim and its claim of SYS’ export prices being the primary cause of the low level of Australian market prices during the IP, the Commission has/will take this important situation into account.

It is a fact that SYS is a price taker with its export prices, negotiated by TKM, following the Australian market trend. OneSteel cannot provide any evidence of its claim that “the Australian HRS market was driven to one of its lowest points in 6 years due to the aggressive pricing of SYS” as it is a false claim.

We trust that the Commission has investigated the cause of the upward movement in the Australian HRS market since mid-2013 having regard to our submission of 19 March 2014 and found that there were factors other than this investigation which contributed to that movement.

The Federal Court judgment cited in OneSteel’s submission does not prevent the Commission from taking into account export prices and normal values outside the investigation period – it is open to and appropriate for you to do so in this case, for reasons provided in our submission of 11 April 2014.

Concerning the appropriate form of dumping duty to be applied in this case, if there is justification for imposition of any, as submitted in our submission of 11 April 2014 it would

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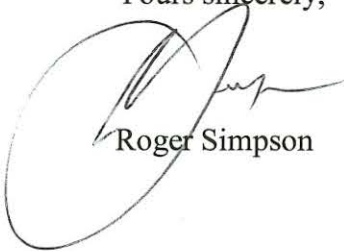
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be inappropriate in the particular circumstances of this case to impose any form other than the floor price method. The Commission has evidence that Australian market prices were at their lowest level for several years during the IP and have increased significantly since. The Commission also has evidence that SYS' domestic prices (normal value base) were stable during and since the IP. It is obvious to the Commission from the evidence at hand that the level of dumping of SYS' exports to Australia has reduced substantially because its normal value (domestic prices) is at essentially the same level as it was during the IP and its export prices have, following the market trend, increased substantially. And it is reasonable to assume that the increased market prices since the IP will be maintained in the foreseeable future. There is certainly no evidence to the contrary.

It will be grossly unfair if a fixed (ad valorem or amount per unit) duty rate is imposed on SYS' exports based on abnormally low export prices during the IP due to the Australian market condition, with export prices having now increased substantially due to the change in market condition and the normal value remaining as it was during the IP, causing the fixed margin of dumping during the IP to have been removed.

Yours sincerely,



Roger Simpson