

NOTES TO THE INTERIM UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2015 and 2014

19 SEGMENTED INFORMATION

19.1 MARKET SEGMENTS

Revenues for each group for the three and six months ended June 30, 2015 and 2014 were as follows:

(\$'000 unless otherwise stated)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Industrial	19,940	18,489	40,407	35,886
Residential	19,280	13,379	37,188	26,120
Commercial	7,034	7,006	15,222	13,894
Agricultural	5,545	4,701	13,002	9,878
Specialty	4,742	4,207	9,765	7,926
Total revenue	<u>56,541</u>	<u>47,782</u>	<u>115,584</u>	<u>93,704</u>

Tree Island operates primarily within one industry, the steel wire products industry, with no separately reportable operating segments. Tree Island groups its products into the following: industrial, residential construction, commercial construction, agricultural and specialty. No one customer is more than 10% of total revenue.

19.2 GEOGRAPHIC SEGMENTS

The products are sold primarily to customers in the United States and Canada and are attributed to geographic areas based on the location of customers:

(\$'000 unless otherwise stated)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
United States	39,930	31,479	78,961	59,664
Canada	15,751	15,139	34,275	31,696
International	860	1,164	2,348	2,344
Total revenue	<u>56,541</u>	<u>47,782</u>	<u>115,584</u>	<u>93,704</u>

Non-current assets for this purpose consist of property, plant and equipment and other non-current assets. These assets are attributed to geographic areas based on the locations of the subsidiary company owning the assets.

(\$'000 unless otherwise stated)

	As at June 30,	
	2015	2014
United States	8,433	7,045
Canada	22,542	22,401
China	2	2
Total non-current assets	<u>30,977</u>	<u>29,448</u>

20 EVENTS SUBSEQUENT TO Q2 2015

20.1 LABOUR RELATIONS

On July 20, 2015, Tree Island Steel announced that the Company and the International Brotherhood of Teamster Local 213 successfully concluded a new five-year collective agreement. The agreement covers hourly employees at the Company's Richmond, BC manufacturing facility. The new collective agreement is retroactive to July 1, 2015 and sets an important foundation for continued sales growth, increased stability for customers and further investments into the Richmond operations.

20.2 DIVIDEND POLICY

On July 28, 2015, the Company's board of directors (the "Board") has approved a dividend policy of \$0.01 per common share per quarter commencing in the third quarter of 2015. The Company's dividend policy will be reviewed quarterly and is based on a number of factors including current operations, operating costs, financial tests and other covenants under the Company's credit facilities, available investment opportunities, the supply and cost of raw materials, foreign exchange rates, the Company's hedging program and the satisfaction of applicable corporate liquidity and solvency tests for the declaration and payment of dividends.

The Company has declared its first quarterly dividend of \$0.01 per common share to be paid on October 15, 2015 to shareholders of record on September 30, 2015 with an *ex-dividend* date of September 28, 2015.

SHAREHOLDER INFORMATION

TREE ISLAND STEEL
LTD.

Board of Directors:

Amar S. Doman –
Chairman of the Board

Dale R. MacLean

Peter Bull

Harry Rosenfeld

Michael Fitch

Sam Fleiser

Theodore A. Leja

Leadership Team:

Dale R. MacLean
*President and Chief
Executive Officer*

Nancy Davies
*Chief Financial Officer and
Vice President, Finance*

Stephen Ogden
Vice President, Operations

Remy Stachowiak
*Vice President, Sales and
Marketing*

James Miller
*Vice President, Corporate
Development and
Procurement*

Shares:

Market Information

Tree Island Steel Ltd., is
listed on the Toronto Stock
Exchange trading symbol:
TSL.

Registrar and Transfer Agent

Computershare Investor
Services Inc.

Corporate Head Office:

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Canada, V6V 1T8

Website:

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Investor Relations:

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Investor Relations
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Auditors:

Ernst & Young LLP
Vancouver, B.C.

