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# **Interim Report 2004**

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Corus Group plc  
Report for the six months to 3 July 2004

# Highlights

<b>£ millions unless stated</b>	<b>6 months to 3 Jul 2004</b>	<b>6 months to 28 Jun 2003</b>
Turnover	<b>4,477</b>	4,023
Group operating profit/(loss)	<b>147</b>	(57)
Operating profit/(loss)*	<b>160</b>	(36)
Pre-tax profit/(loss)	<b>163</b>	(89)
EBITDA*	<b>314</b>	120
Retained profit/(loss)	<b>100</b>	(125)
Earnings/(loss) per share (pence)	<b>2.25p</b>	(3.88)p
Net debt at end of period	<b>(1,203)</b>	(1,506)

\* Before restructuring and impairment costs

## Substantial improvement in financial performance

- Group operating profit improved by £204m to £147m, with the rate of progress accelerating sharply in the second quarter.
- Approximately £100m (c.50%) of the improvement was attributable to the Group's 'Restoring Success' programme, which is progressing well and to plan.
- Competitive EBITDA margin gap estimated to have narrowed from 6% to 4.5%.
- Balance sheet gearing at 43%. Bond launched to extend debt maturity profile.
- Two new board appointments.

## Positive outlook for second half of 2004

- Global steel market supply/demand balance remains tight.
- Further planned benefits from the 'Restoring Success' programme.
- Significant impact from announced selling price increases.
- Progress in operating profit and margins expected to continue.

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## Financial highlights

The Group operating profit for the first half year amounted to £147m, which represented an improvement of £204m against the £57m loss in the same period of 2003. This translated into a profit after tax and minority interests of £100m, and represented a substantial improvement of some £225m compared to the same period of last year (2003: first half loss of £125m). The key drivers behind the improvement in the operating result were better steel market fundamentals which provided the platform for higher steel selling prices that, in turn, more than offset higher raw material costs; together with the benefits of management actions encompassed within our Restoring Success programme. The pace of improvement in the operating result accelerated sharply in the second quarter of 2004.

Net debt amounted to £1,203m at the end of the period and translated into a gearing ratio of 43% (net debt/net tangible assets). Compared to the year end position at 3 January 2004, net debt increased by some £190m, reflecting an increase in working capital requirements, notably debtors, due to volume and price growth and higher capital expenditure. Compared to the equivalent period of 2003, there was a £303m reduction in net debt, due mainly to the £291m net proceeds

from the equity placing and open offer in December 2003.

## Restoring Success

The Restoring Success programme comprises a series of initiatives that were launched in 2003 and designed to deliver exit rate benefits of £680m p.a. by the end of 2006, of which £220m p.a. was secured by the end of June 2004. These initiatives generated benefits of some £100m in the first half of 2004, and accounted for nearly half of the year-on-year improvement in the Group operating result. Savings to date have been secured from both 'existing plans' related to previously announced manpower reductions and the World Class IJmuiden and High Performance Strip UK cost and efficiency programmes; and also 'new initiatives' which aim to improve performance by the sharing and implementation of best practice across the Group. Benefits from the 'UK restructuring' programme, the third leg of Restoring Success, which aims to improve the efficiency and cost position of the Group's UK steelmaking assets, are on track to be delivered in the second half 2005 and 2006. Investments associated with this programme are still in the construction phase and to date around 45% of the related capital expenditure has been spent.

## Commercial focus

The Group continues to sharpen its commercial focus through improvements in the co-ordination of pricing policy, customer service and market mix. Price increases are now being implemented more quickly than in the past as a result of better co-ordination between upstream and downstream businesses. Customer service is seeing benefits from improved delivery performance, better training of commercial staff and several projects to enhance the efficiency of internal supply chains. Market mix has been enhanced by focusing on attractive market segments and the reduction of low margin sales.

## Disposals

The disposal of non-core assets is proceeding to plan. In the first half of 2004, the Group secured a cash inflow of £58m from disposals including the North American service centres, piling commercial operations and surplus land. The proceeds from the sale of the Tuscaloosa mini-mill, which was announced in June, were received in the second half of 2004. Discussions on the Teesside steelmaking facility are progressing with a number of interested parties. With regard to our aluminium activities, whilst we remain committed to the disposal process, the timing

## Highlights continued

has been impacted by the on-going structural changes in the European aluminium industry. This is likely to push the timing of a transaction beyond the current year.

### Financing

Since the period end, the Group has successfully increased its debtor securitisation programme by £60m to £275m and extended the final maturity from 2007 to 2009.

As a first step to extend the maturity of its bonds falling due in the period 2006-2008, Corus has announced the launch of a new bond, concurrent with a tender offer for the 5 $\frac{3}{8}$ % euro bonds due 2006.

No interim dividend will be paid.

### Board appointments and retiral

- Jacques Schraven (62) will join the Board as non-executive Deputy Chairman with effect from 1 December. He is currently the President of the Confederation of Netherlands Industry and Employers (VNO-NCW).
- Rauke Henstra (58) will join the Board as an Executive Director with effect from 1 October. He is a member of the Executive Committee and will retain his executive responsibilities for the Strip Products division.

- Richard Turner, a non-executive member of the Board since the formation of Corus, will be retiring with effect from 31 December.

Further details of these changes are contained in the Chairman's letter.

### Organisation

A new divisional structure was adopted towards the end of 2003 to ensure greater accountability for performance, to make better use of internal supply chains and to facilitate the sharing of resources and best practice across the Group. This interim report is the first to be prepared in accordance with this new structure.

### Commenting on the results, Philippe Varin, Chief Executive said:

"The substantial improvement in our performance in the first half of the year reflects a combination of benefits from our actions under Restoring Success and positive market fundamentals. As a result of this I am pleased to see that the Group is firmly on track to close the competitive gap with our European peers by the end of 2006. This gap as measured by the EBITDA to sales ratio was estimated at 6% in 2003 and was reduced to 4.5% in the first half of 2004.

Our short term priorities are to deliver the full benefits from Restoring Success by the end of 2006, to continue to sharpen our commercial focus, to refinance bonds maturing between 2006 and 2008 and to dispose of our remaining non-core assets."

### Outlook

Based on a combination of further planned benefits from the Restoring Success programme, previously announced price increases and continued tight market conditions, the Board expects that the progress in operating profit and margins will continue in the second half of 2004.

# Review of the period

## Group operating performance

The Group operating profit for the half year improved by £204m and amounted to £147m (2003: loss of £57m). The profit included a net charge for restructuring and impairment costs amounting to £13m (2003: £21m), mainly in respect of the announced closure of the heavy section mill at Scunthorpe. Excluding restructuring and impairment costs, the operating profit in the half year amounted to £160m and compared with a loss of £36m in the equivalent period of 2003 and a loss of £30m in the second half of 2003.

The improvement in the result before restructuring and impairment costs between 2003 and 2004 of £196m was in spite of significant increases in the market prices of raw materials. The combination of strong global demand for steel products and raw material shortages which have constrained industry outputs, has resulted in a significant reduction in global surplus capacity. This has provided the backdrop for higher steel prices to fully recover the substantial increase in raw material costs. The improvement in average revenue resulting from this is discussed below. In addition, Corus' operating result has benefited from the Restoring Success initiatives launched in 2003. The rate of profit improvement

accelerated sharply in the second quarter of 2004.

Group turnover amounted to £4,477m (2003: £4,023m) an increase of 11% compared to 2003. The increase was primarily in carbon steel where there was a rise in volume and average revenue of 5% and 8% respectively. The volume growth was particularly evident in Strip Products reflecting improved manufacturing performance. Long Products benefited most from the increase in market selling prices and contributed significantly to the growth in average revenue.

Operating costs at £4,330m (2003: £4,080m) were 6% higher than 2003, both before and after restructuring and impairment costs. Significant increases in market price were experienced on raw materials, particularly iron ore, coal, coke and scrap. In addition to the resulting offsetting increase in steel prices, the impact of the raw material price increases was partially offset by ongoing efficiency programmes across the Group under the Restoring Success initiative.

## Group structure

Corus reorganised towards the end of 2003 into a structure that comprises four main operating divisions – Strip Products, Long Products, Distribution

and Building Systems and Aluminium. The main component parts of these divisions are noted in the appendix on the inside back cover. As a consequence of the reorganisation, the Group's review of the period and segmental results are structured on this new divisional basis, as will be the Group's accounts for 2004 onwards.

Prior to 2004, Corus reported sales volume on the basis of deliveries of Corus sourced material i.e. excluding deliveries from its distribution and further processing operations that were sourced from other steel companies. However, with the new segmental structure, sales volume is now reported on the basis of all deliveries, whether Corus sourced or otherwise. The consequence is that sales volumes for 2003 have been re-presented and this also has an effect on average revenue figures quoted.

The industry factors that are common to the steel segments are discussed below in 'Carbon steel market.'

## Carbon steel market

The world steel market has experienced significant change over the last year, stemming largely from the continuing rapid growth of the Chinese economy. Chinese demand for steel in the first half of 2004

## Review of the period continued

increased by about 15% over the equivalent period of 2003 and represented over 25% of world demand. Chinese steel production was up by over 20% but continued to fall short of demand such that net imports from the rest of the world, although reduced from peak levels, continued to run at an annual rate of approximately 30mt.

The impact of this performance was to affect the supply/demand position of both steelmaking raw materials and the world steel market. Firstly, the demand for steelmaking raw materials to feed the growth in steel production resulted in shortages and consequently major increases in the price of iron ore, coke, coking coal and steel scrap in particular. Secondly the high level of net imports into China absorbed much of the surplus steelmaking capacity in the rest of the world, and especially in Russia, Ukraine and Japan.

Excluding China, world steel demand increased by 5% with growth especially strong in the USA. In the EU and Japan, where domestic economic growth has been weaker, steel demand has nevertheless increased as a result of higher exports of steel-containing goods to the USA and China.

The combination of raw material shortages, growing demand and a much reduced capacity surplus has meant that steel producers have been able to recover the increased costs in the form of higher steel prices.

In Corus' core EU markets economic performance has been mixed. The UK economy continued to grow strongly with GDP growth in the first half at 3.3% compared to the same period last year. There was a strong recovery in UK investment but the benefit of this to manufacturing industries was diluted by continuing weak export performance. As a consequence, manufacturing output grew by less than 1%, impacted by the strength of sterling against the euro. Although some sectors of the construction industry and automotive production grew quite strongly, the output of steel-using industries as a whole increased only by approximately 2%. Demand for steel in the UK grew rather more strongly than this as the stock reductions seen over the past few years came to an end and the steel supply chain began to restock.

In continental EU markets GDP increased by only 1.3%, as a result of weak domestic demand, with most of the growth coming from exports of manufactured goods. Consequently the output of steel-using industries

grew by 3% in this period, with steel demand growing at a slightly higher rate. Construction output, especially in Germany, remained weak, but manufacturing industries performed better than in the UK.

Total UK carbon steel demand in the first half of 2004 at 6.9mt was 5% higher than the first half of 2003. Within this total, overall demand for the products of Corus' main steel businesses rose by 6% from 5.5mt to 5.8mt. Improved material availability together with a sustained improvement in delivery performance resulted in Corus deliveries of core products to the UK market reaching 3.0mt, an increase of approximately 10% on 2003. In contrast, overall steel imports to the UK fell by 4% over the period, although this was partly offset by increased deliveries from other UK steel producers. As a consequence, Corus' UK market share for the first half of 2004 improved to an estimated 52% compared with 50% in the first half of 2003.

### Strip Products

Gross turnover of Strip Products for the half year totalled £2,222m (2003: £1,986m), of which £402m (2003: £355m) was intra-group. The increase of 12% was attributable to a combination of higher sales volume

## Strip Products

£ millions unless stated	6 months to 3 Jul 2004 unaudited	6 months to 28 Jun 2003 unaudited	12 months to 3 Jan 2004 audited
Turnover	2,222	1,986	3,916
Deliveries (kt)	6,164	5,806	11,592
Operating result	111	22	25
Operating result (pre restructuring and impairment costs)	110	30	47
EBITDA (pre restructuring and impairment costs)	201	127	239

up 6% compared with 2003 and market selling price increases that improved average revenue per tonne by 5%. The volume increase reflected in part improved manufacturing performance, with particularly good outputs in IJmuiden. The operating profit of £111m improved from 2003 by £89m. Excluding restructuring and impairment costs, the underlying result improved by £80m. In addition to the turnover growth there were also cost reduction gains from Restoring Success initiatives including the World Class IJmuiden and High Performance Strip UK programmes. Input cost increases and raw material availability issues partially offset the improvements, as did the inclusion in the 2003 result of the final insurance settlement in respect of the Port Talbot blast furnace (credit of £23m).

In the UK, despite quite strong automotive output, the stagnation of the industrial and commercial building sectors meant that demand for construction products was relatively

weak. Overall demand for core strip products grew by around 8% to reach an estimated 3.7mt in the first half of 2004, much of the growth stemming from a reversal of the stock draw seen in 2003. Over the period, Corus' sales of these strip products to the UK market increased by around 11% to reach 1.9mt.

In continental EU markets, a 3% increase in automotive output and in domestic electrical appliances output stimulated demand, despite the continuing weakness in construction, especially in Germany.

Total Corus Strip Products deliveries in the half year were 6.2mt, compared with 5.8mt in 2003. Of the total, intra-group sales accounted for 1.3mt (2003: 1.4mt), leaving external market sales at 4.9 mt, 0.4mt higher than 2003.

### Long Products

Gross turnover of Long Products for the half year totalled £1,275m (2003: £1,066m), of which £327m (2003:

£270m) was intra-group. The increase of 20% was attributable to market selling price increases, with total sales volume little changed from the equivalent period in 2003. The operating profit of £24m improved from 2003 by £56m. Excluding restructuring and impairment costs, the underlying result improved by £55m led by the steelmaking businesses and driven by the improving pricing environment, strong demand in the US market and benefits deriving from Restoring Success initiatives.

Long products markets were especially influenced by the general developments in the world steel market. Scrap prices have been extremely volatile and have increased significantly. As a result, Corus' Engineering Steels business, which is electric arc based, has experienced significant variations in cost that it has recovered through price increases and scrap surcharges. Corus' other long products activities, especially sections that are based on processing of iron ore and coal through the blast furnace route, saw their competitive position improve compared with electric arc competitors.

In the UK, the strength of the construction market was focused heavily on the less steel intensive areas

## Review of the period continued

### Long Products

£ millions unless stated	6 months to 3 Jul 2004 unaudited	6 months to 28 Jun 2003 unaudited	12 months to 3 Jan 2004 audited
Turnover	1,275	1,066	2,149
Deliveries (kt)	4,181	4,178	8,194
Operating result	24	(32)	(138)
Operating result (pre restructuring and impairment costs)	31	(24)	(47)
EBITDA (pre restructuring and impairment costs)	65	4	15

of public works and housing, with industrial and commercial building stagnating. Growth in output of commercial vehicles and automotive components helped demand for engineering steels. Elsewhere in Europe construction output remained weak but, with engineering sectors performing quite well, overall long products demand strengthened.

Estimated UK demand for core long products in the first half of 2004 was 2.1mt, 2% up on the same period last year. Over the same period, Corus' sales of these long products to the UK market increased by 7% to reach 1.1mt. In contrast, UK imports of long products fell back sharply, dropping by 11%, but were partly offset by a sharp increase in sales from other UK producers.

Total Corus Long Products deliveries in the half year were 4.2mt, unchanged from 2003. Of the total, intra-group sales accounted for 1.4mt (2003: 1.5mt), leaving external market sales at 2.8 mt, 0.1mt higher than 2003.

### Distribution and Building Systems

Gross turnover of Distribution and Building Systems for the half year totalled £1,225m (2003: £1,101m), of which £41m (2003: £27m) was intra-group. The increase of 11% was attributable to market selling price increases that improved average revenue per tonne by 13%, with a slight offset drop in sales volume of 1%. The increase was in spite of the disposal of North American service centres in early 2004, which accounted for 4% of divisional turnover in 2003 (see 'Acquisitions and disposals'). The operating profit of £7m improved from 2003 by £14m. Excluding restructuring and

impairment costs, the underlying result also improved by £14m through the improved market conditions and benefits from Restoring Success initiatives.

The general market tightness affected distribution activities, with substantial increases seen in both buying and selling prices. Market demand has been reasonably stable overall across Europe, but with significant variability within regional sectors and markets for both construction and automotive industries. Demand for building systems has been relatively weak in Western Europe, especially in the key sectors of factories and warehouses. However, in Central and Eastern Europe demand has been growing strongly, albeit from a low base.

Total Corus Distribution and Building Systems deliveries in the half year were 3.2mt, compared with 3.3mt in 2003, with most sales being external to the Group.

### Distribution and Building Systems

£ millions unless stated	6 months to 3 Jul 2004 unaudited	6 months to 28 Jun 2003 unaudited	12 months to 3 Jan 2004 audited
Turnover	1,225	1,101	2,272
Deliveries (kt)	3,210	3,254	6,942
Operating result	7	(7)	(20)
Operating result (pre restructuring and impairment costs)	11	(3)	(1)
EBITDA (pre restructuring and impairment costs)	22	8	22

## Aluminium

Gross turnover of Aluminium for the half year totalled £537m (2003: £533m), of which £17m (2003: £19m) was intra-group. The increase of 1% was attributable to higher sales volume, including an increase in the proportion of higher value added products such as aircraft and automotive body sheet, partially offset by lower metal prices. The operating profit of £26m improved from 2003 by £13m. Excluding restructuring and impairment costs, the underlying result also improved by £13m mainly due to improved operating performance at Duffel and in the Primary Aluminium business and higher shipments. These factors more than offset lower metal prices, the impact of a stronger Canadian dollar and a weaker automotive market, particularly in the USA.

Global demand for aluminium improved by almost 10% in the first half, mainly driven by strong growth in North America and China, and

improved market conditions in Japan. Although European demand for rolled and extruded products during the period improved substantially compared with the second half of 2003, it was only around 1% above the level of the first half of 2003.

Overall deliveries for the aluminium segment improved by 7% with the increase being mainly in Europe. Deliveries of rolled and extruded products showed an increase of 6%, in particular from the Duffel rolling mill. The production of primary metal also increased by 3%.

Due to improved market conditions and global aluminium stock reductions, the LME metal price continued its upward trend. The underlying LME price for the first half of 2004 averaged US\$1,584 per tonne, an increase of 15%. However, due to weakening of the US dollar, the euro equivalent of the LME dropped by over 2%. Margins over metal in the rolling and extrusion operations were

squeezed, but this impact was partially offset by mix improvements, as indicated above.

Overall, average revenue per tonne at £1,627 reduced by 6% from 2003 as a result of the aforementioned metal price decrease, some margin pressure and the stronger exchange rate against the euro.

## Central and Other

In addition to the divisional results, there are certain other net costs that are not allocated to divisions. These include central costs (stewardship, corporate governance and country holdings); statutory adjustments (including pension adjustments); and certain non-recurring costs. These net costs amounted to £21m (2003: £53m), £32m less than in the equivalent period in 2003, which included a significant number of non-recurring items.

## Restructuring and impairment costs

Restructuring and impairment costs of £13m mainly related to the announced closure of the heavy section mill at Scunthorpe. This compared with a charge of £21m in the equivalent period of 2003 due mainly to the closure of the electro-zinc line at Shotton.

## Aluminium

£ millions unless stated

	6 months to 3 Jul 2004 unaudited	6 months to 28 Jun 2003 unaudited	12 months to 3 Jan 2004 audited
Turnover	537	533	1,028
Deliveries (kt)	330	308	598
Operating result	26	13	26
Operating result (pre restructuring and impairment costs)	27	14	31
EBITDA (pre restructuring and impairment costs)	48	36	74

## Review of the period continued

### Profit and loss account

The Group operating profit of £147m for the half year translated into a profit before interest of £212m (2003: loss of £41m) and a profit before tax of £163m (2003: loss of £89m). Retained profit after tax and minority interests amounted to £100m (2003: loss of £125m).

The share of profits of joint ventures and associated undertakings increased to £12m (2003: £5m) reflecting improved performance across the bulk of the Group's joint venture activities.

Profit on disposals rose to £53m (2003: £11m) principally related to the sale of non-core assets and businesses including the sale of surplus land at Llanwern and Bryngwyn, the Group's piling commercial operations and the North American service centres.

Net interest payable of £49m (2003: £48m) was slightly higher than 2003 as lower average debt in the period was offset by higher market interest rates and the higher interest rate payable under the new syndicated bank facility put in place in July 2003.

The Group's net tax charge was £64m (2003: £36m). Within the total, taxation on the Group's overseas profits

amounted to £56m, with the remainder consisting of overseas deferred tax and prior year charge, and the Group's share of tax on joint ventures.

### Cashflow

There was a net cash outflow from operating activities of £35m during the half year. The key feature was an increase in working capital requirements of £328m, principally as a result of higher selling prices and sales volume, offset by the improved operating profit of £147m and depreciation of £145m.

The outflow on investments and servicing of finance of £54m reflected the average level of debt during the period. There was also an outflow of £109m from capital expenditure and financial investment, including an increased level of gross capital expenditure of £139m (2003: £63m), partially offset by the sale of businesses, which generated £30m (see 'Acquisitions and disposals').

Tax payments in the period totalled £51m.

The effect of changes in foreign exchange rates resulted in a decrease in net debt expressed in sterling terms of £29m.

After taking account of these and other movements, net debt amounted to £1,203m at 3 July 2004 as compared with £1,013m at 3 January 2004 and £1,506m at 28 June 2003. Net debt consisted of borrowings of £1,443m less cash balances and deposits of £240m.

### Employees

Numbers employed at 3 July 2004 totalled 48,500, as compared to 50,400 at 28 June 2003. The reduction comprised 1,000 due to the previously announced manning reduction programme, of which a further 300 remains to be completed by end 2004, and 900 related to the restructuring and re-organisation of downstream (i.e. non-steelmaking) businesses and non-core business disposals.

### Acquisitions and disposals

Corus completed the sale of the North American service centres, (comprising Corus Metal Profiles, Corus Coil Products and Corus Metals) during the first quarter of 2004 for CAD\$67m (approximately £27m).

As part of the UK restructuring programme and the Restoring Success initiative, Corus announced the sale of its UK hot rolled sheet piling commercial operations to Arcelor on 27 April 2004.

On 8 June 2004 Corus announced that an agreement had been reached with Nucor Corporation for the sale of the Tuscaloosa mini-mill for a gross consideration of US\$90m (approximately £48m), subject to a working capital adjustment. Completion was conditional on regulatory approval, which was not received until 17 July 2004, after the half year end. As a result this transaction is not reflected in the interim accounts.

Disposals in the first half year also included various parcels of surplus land, the most significant of which were land at Llanwern vacated following the steelmaking closure at that site and the land of the former Bryngwyn coating works.

### Accounting policies

The half year accounts have been prepared in accordance with the accounting policies set out in the Report & Accounts for the period to 3 January 2004, subject to the comments noted below.

FRS 17 'Retirement Benefits' was issued in November 2000 and all the requirements of the standard do not need to be met until accounting periods beginning on or after 1 January 2005. The standard has not yet been adopted, although the

required transitional disclosures were made in the financial year 2002 and 2003. No decision has yet been taken regarding the application of FRS 17 for the financial year 2004 and, therefore, FRS 17 has not been applied in the half year accounts.

On 18 April 2002, Corus launched a securitisation programme in the UK under which it may from time to time offer to assign all of its rights, title and interest in certain eligible trade receivables to a third party financing vehicle, which funds the cash purchase price of any original receivables ultimately in the US commercial paper market. That purchase price takes into account, inter alia, the risks that may be attached to individual debtors and the expected collection period. Under FRS 5 'Reporting the substance of transactions' the proceeds from the securitisation have been offset against the securitised trade receivables in a linked presentation. Thus, included within debtors due within one year are the following amounts:

	£m
Securitised gross trade debtors	465
Less non returnable proceeds	(215)
Net securitised trade debtors	250
Other trade debtors	1,044
<b>Total trade debtors</b>	<b>1,294</b>

The Group is not obliged, and does not intend, to support any losses arising from securitised receivables. Broadly, in the event of default in payment by a debtor of a particular securitised receivable, the providers of the finance under the securitisation will seek repayment, as to both principal and interest, only from receipts in respect of the remainder of the securitised receivables in which they hold an interest. Repayment will not be sought from the Group in any other way.

During 2004 Corus adopted UITF Abstract 38 'Accounting for ESOP trusts' and related amendments to Abstract 17 'Employee share schemes'. In particular, UITF 38 changes the balance sheet presentation of Corus' own shares held in ESOP trusts, from recognising them as assets to deducting them in arriving at shareholders' funds. This change in accounting policy has had no impact on the profit and loss account as previously reported, but reduced net assets by £1m. The comparative balance sheets have been restated for this effect.

# Consolidated profit and loss account

	6 months to 3 Jul 2004 unaudited £m	6 months to 28 Jun 2003 unaudited £m	12 months to 3 Jan 2004 audited £m
<b>Turnover: group and share of joint ventures</b>	<b>4,626</b>	4,152	8,203
Less: share of joint ventures' turnover	<b>(149)</b>	(129)	(250)
<b>Group turnover</b>	<b>4,477</b>	4,023	7,953
Total operating costs	<b>(4,330)</b>	(4,080)	(8,161)
<b>Group operating profit/(loss)</b>	<b>147</b>	(57)	(208)
Share of operating results of joint ventures and associated undertakings	<b>12</b>	5	9
<b>Total operating profit/(loss)</b>	<b>159</b>	(52)	(199)
Profit on sale of fixed assets	<b>27</b>	11	47
Profit/(loss) on disposal of group undertakings	<b>26</b>	–	(2)
<b>Profit/(loss) on ordinary activities before interest</b>	<b>212</b>	(41)	(154)
Net interest and investment income:			
Group	<b>(48)</b>	(46)	(98)
Joint ventures and associated undertakings	<b>(1)</b>	(2)	(3)
<b>Profit/(loss) on ordinary activities before taxation</b>	<b>163</b>	(89)	(255)
Taxation	<b>(64)</b>	(36)	(53)
<b>Profit/(loss) on ordinary activities after taxation</b>	<b>99</b>	(125)	(308)
Minority interests – equity	<b>1</b>	–	3
<b>Profit/(loss) for the financial period</b>	<b>100</b>	(125)	(305)
Dividends – equity	<b>–</b>	–	–
<b>Profit/(loss) retained for the financial period</b>	<b>100</b>	(125)	(305)
<b>Earnings per share</b>			
Basic earnings/(loss) per ordinary share	<b>2.25p</b>	(3.88)p	(9.25)p
Diluted earnings/(loss) per ordinary share	<b>2.17p</b>	(3.88)p	(9.25)p

# Consolidated balance sheet

	At 3 Jul 2004 unaudited £m	At 28 Jun 2003 unaudited restated £m	At 3 Jan 2004 audited restated £m
<b>Fixed assets</b>			
Intangible assets	92	101	96
Tangible assets	2,641	2,836	2,729
Investments in joint ventures	95	85	91
Investments in associated undertakings	7	5	8
Other investments and loans	71	73	60
	<b>2,906</b>	<b>3,100</b>	<b>2,984</b>
<b>Current assets</b>			
Stocks	1,500	1,393	1,404
Debtors: amounts falling due after more than one year	467	480	479
Debtors: amounts falling due within one year	1,677	1,596	1,347
Less: securitisation of trade debtors	(215)	(215)	(215)
Net debtors falling due within one year	1,462	1,381	1,132
Short term investments	15	44	138
Cash at bank and in hand	225	212	242
	<b>3,669</b>	<b>3,510</b>	<b>3,395</b>
<b>Creditors: amounts falling due within one year</b>	<b>(1,723)</b>	<b>(2,085)</b>	<b>(1,583)</b>
<b>Net current assets</b>	<b>1,946</b>	<b>1,425</b>	<b>1,812</b>
<b>Total assets less current liabilities</b>	<b>4,852</b>	<b>4,525</b>	<b>4,796</b>
Convertible bonds	(316)	(328)	(332)
Other borrowings	(1,026)	(865)	(948)
Other creditors	(27)	(36)	(28)
<b>Creditors: amounts falling due after more than one year</b>	<b>(1,369)</b>	<b>(1,229)</b>	<b>(1,308)</b>
<b>Provisions for liabilities and charges</b>	<b>(566)</b>	<b>(530)</b>	<b>(605)</b>
<b>Accruals and deferred income</b>			
Regional development and other grants	(36)	(43)	(40)
	<b>2,881</b>	<b>2,723</b>	<b>2,843</b>
<b>Capital and reserves</b>			
Called up share capital	1,696	1,565	1,696
Share premium account	167	7	167
Statutory reserve	2,338	2,338	2,338
Other reserves	201	201	201
Profit and loss account	(1,566)	(1,438)	(1,606)
<b>Shareholders' funds – equity interests</b>	<b>2,836</b>	<b>2,673</b>	<b>2,796</b>
<b>Minority interests</b>			
Equity interests in subsidiary undertakings	45	50	47
	<b>2,881</b>	<b>2,723</b>	<b>2,843</b>

# Statement of total recognised gains and losses and Reconciliation of movements in shareholders' funds

## Statement of total recognised gains and losses

	6 months to 3 Jul 2004 unaudited £m	6 months to 28 Jun 2003 unaudited £m	12 months to 3 Jan 2004 audited £m
Profit/(loss) for financial period	<b>100</b>	(125)	(305)
Exchange translation differences on foreign currency net investments	<b>(61)</b>	77	89
Total recognised profit/(losses) relating to the period	<b>39</b>	(48)	(216)

## Reconciliation of movements in shareholders' funds

	At 3 Jul 2004 unaudited £m	At 28 Jun 2003 unaudited restated £m	At 3 Jan 2004 audited restated £m
Shareholders' funds at beginning of period	<b>2,797</b>	2,722	2,722
Accounting policy change *	<b>(1)</b>	-	-
Shareholders' funds at beginning of period restated	<b>2,796</b>	2,722	2,722
Profit/(loss) for the period	<b>100</b>	(125)	(305)
Exchange translation differences on foreign currency net investments	<b>(61)</b>	77	89
Issue of conditional share awards	<b>1</b>	-	-
Investment in own shares	-	(1)	(1)
New shares issued	-	-	291
Shareholders' funds at end of period	<b>2,836</b>	2,673	2,796

\* See accounting policies on page 9.

# Consolidated cash flow statement

	6 months to 3 Jul 2004 unaudited £m	6 months to 28 Jun 2003 unaudited £m	12 months to 3 Jan 2004 audited £m
<b>Net cash (outflow)/inflow from operating activities</b>	<b>(35)</b>	<b>(101)</b>	<b>224</b>
<b>Dividends from joint ventures and associated undertakings</b>	<b>2</b>	<b>1</b>	<b>4</b>
<b>Returns on investments and servicing of finance</b>			
Interest and other dividends received	4	9	15
Interest paid	(57)	(56)	(116)
Issue costs of new loans	-	-	(16)
Interest element of finance lease rental payments	(1)	(1)	(2)
<b>Net cash outflow from returns on investments and servicing of finance</b>	<b>(54)</b>	<b>(48)</b>	<b>(119)</b>
<b>Taxation</b>			
UK corporation tax received	-	-	-
Overseas tax paid	(51)	(24)	(50)
<b>Tax paid</b>	<b>(51)</b>	<b>(24)</b>	<b>(50)</b>
<b>Capital expenditure and financial investment</b>			
Purchase of tangible fixed assets	(125)	(72)	(163)
Sale of tangible fixed assets	28	37	82
Purchase of other fixed asset investments	(12)	(9)	-
Sale of other fixed asset investments	-	1	3
Loans to joint ventures and associated undertakings	(1)	(4)	(5)
Repayment of loans by joint ventures and associated undertakings	1	1	2
<b>Net cash outflow from capital expenditure and financial investment</b>	<b>(109)</b>	<b>(46)</b>	<b>(81)</b>
<b>Acquisitions and disposals</b>			
Purchase of subsidiary undertakings and businesses	-	(17)	(17)
Investments in joint ventures and associated undertakings	-	(1)	(9)
Sale of businesses and subsidiary undertakings	30	5	5
Sale of joint ventures and associated undertakings	-	-	1
<b>Net cash inflow/(outflow) from acquisitions and disposals</b>	<b>30</b>	<b>(13)</b>	<b>(20)</b>
<b>Equity dividends paid to shareholders</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash outflow before use of liquid resources and financing</b>	<b>(217)</b>	<b>(231)</b>	<b>(42)</b>
<b>Management of liquid resources</b>			
Net sale/(purchase) of short term investments	120	(4)	(96)
<b>Net cash inflow/(outflow) from management of liquid resources</b>	<b>120</b>	<b>(4)</b>	<b>(96)</b>
<b>Financing</b>			
Issue of ordinary shares	-	-	307
Share issue expenses	-	-	(16)
Cash inflow from issue of ordinary shares	-	-	291
New loans	146	261	2
Repayment of borrowings	(53)	(31)	(144)
Capital element of finance lease rental payment	-	-	(1)
Increase/(decrease) in debt	93	230	(143)
<b>Net cash inflow from financing activities</b>	<b>93</b>	<b>230</b>	<b>148</b>
<b>(Decrease)/increase in cash in period</b>	<b>(4)</b>	<b>(5)</b>	<b>10</b>

# Reconciliation of net cash flow to movement in net debt and Analysis of net borrowings

## Reconciliation of net cash flow to movement in net debt

	6 months to 3 Jul 2004 unaudited £m	6 months to 28 Jun 2003 unaudited £m	12 months to 3 Jan 2004 audited £m
(Decrease)/increase in cash	(4)	(5)	10
(Decrease)/increase in liquid resources	(120)	4	96
(Increase)/decrease in debt	(93)	(230)	143
Issue costs of new loans	–	–	16
Change in net debt resulting from cash flows in period	(217)	(231)	265
Effect of foreign exchange rate changes	29	(39)	(41)
Other non cash changes	(2)	–	(1)
Movement in net debt in period	(190)	(270)	223
Net debt at beginning of period	(1,013)	(1,236)	(1,236)
Net debt at end of period	(1,203)	(1,506)	(1,013)

## Analysis of net borrowings

	At 3 Jul 2004 unaudited £m	At 28 Jun 2003 unaudited £m	At 3 Jan 2004 audited £m
Cash at bank and in hand	225	212	242
Bank overdrafts	(27)	(18)	(34)
Short term investments	15	44	138
Long term borrowings	(1,302)	(1,151)	(1,239)
Other loans*	(73)	(550)	(78)
Obligations under finance leases	(41)	(43)	(42)
	(1,203)	(1,506)	(1,013)

\* At 28 June 2003 this includes £534m balance of a banking facility that was due to expire at the end of January 2004 and, as such, was included in 'Creditors: amounts falling due within one year' within the consolidated balance sheet at 28 June 2003. On 31 July 2003 a new banking facility with a final maturity date of 30 June 2006 was signed.

# Supplementary information

## 1. Turnover \*

	6 months to 3 Jul 2004 unaudited £m	6 months to 28 Jun 2003 unaudited £m	12 months to 3 Jan 2004 audited £m
<b>Turnover analysed by division:</b>			
Strip Products	2,222	1,986	3,916
Long Products	1,275	1,066	2,149
Distribution and Building Systems	1,225	1,101	2,272
Aluminium	537	533	1,028
Central and other	32	32	63
Gross turnover	5,291	4,718	9,428
Less: intra-group turnover	(814)	(695)	(1,475)
Group turnover	4,477	4,023	7,953
Group turnover comprises:			
Strip Products	1,820	1,631	3,182
Long Products	948	796	1,536
Distribution and Building Systems	1,184	1,074	2,230
Aluminium	520	514	992
Central and other	5	8	13
Group turnover	4,477	4,023	7,953
<b>Group turnover by destination:</b>			
UK	1,282	1,091	2,148
Europe (excluding UK)	2,373	2,130	4,153
North America	466	398	781
Other areas	356	404	871
Group turnover	4,477	4,023	7,953

## 2. Sales volume \*

	6 months to 3 Jul 2004 unaudited kt	6 months to 28 Jun 2003 unaudited kt	12 months to 3 Jan 2004 audited kt
<b>Sales volume analysed by division:</b>			
Strip Products	6,164	5,806	11,592
Long Products	4,181	4,178	8,194
Distribution and Building Systems	3,210	3,254	6,942
Aluminium	330	308	598
Central and other	–	2	2
Gross sales volume	13,885	13,548	27,328
Less: intra-group sales volume	(2,665)	(2,842)	(5,860)
Group sales volume	11,220	10,706	21,468
Group sales volume comprises:			
Strip Products	4,890	4,469	8,700
Long Products	2,822	2,706	5,279
Distribution and Building Systems	3,183	3,227	6,900
Aluminium	325	302	587
Central and other	–	2	2
Group sales volume	11,220	10,706	21,468
<b>Group sales volume by destination:</b>			
UK	3,391	3,207	6,281
Europe (excluding UK)	5,648	5,225	9,979
North America	1,098	888	1,789
Other areas	1,083	1,386	3,419
Group sales volume	11,220	10,706	21,468

\* Comparative information in the segmental results has been re-presented on the new divisional structure, as described on page 3 of the 'Review of the period.'

## Supplementary information continued

### 3. Total operating costs

	6 months to 3 Jul 2004 unaudited £m	6 months to 28 Jun 2003 unaudited £m	12 months to 3 Jan 2004 audited £m
Raw materials and consumables	1,964	1,787	3,516
Maintenance costs (excluding own labour)	388	340	696
Other external charges	693	652	1,296
Employment costs	879	851	1,745
Depreciation and amortisation (net of grants released)	145	174	364
Other operating costs	312	287	559
Changes in stock of finished goods and work in progress	(44)	(5)	3
Own work capitalised	(7)	(6)	(18)
	<b>4,330</b>	<b>4,080</b>	<b>8,161</b>

### 4. Restructuring and impairment costs

	6 months to 3 Jul 2004 unaudited £m	6 months to 28 Jun 2003 unaudited £m	12 months to 3 Jan 2004 audited £m
As included in total operating costs:			
Redundancy and related costs	13	7	51
Accelerated depreciation	(9)	18	47
Accelerated amortisation	–	–	1
Other asset write downs	9	1	15
Other rationalisation costs	–	(5)	28
	<b>13</b>	<b>21</b>	<b>142</b>
Restructuring and impairment costs comprises:			
Strip Products	(1)	8	22
Long Products	7	8	91
Distribution and Building Systems	4	4	19
Aluminium	1	1	5
Central and other	2	–	5
	<b>13</b>	<b>21</b>	<b>142</b>

### 5. Group operating result

	6 months to 3 Jul 2004 unaudited £m	6 months to 28 Jun 2003 unaudited £m	12 months to 3 Jan 2004 audited £m
<b>After restructuring and impairment costs:</b>			
Strip Products	111	22	25
Long Products	24	(32)	(138)
Distribution and Building Systems	7	(7)	(20)
Aluminium	26	13	26
Central and other	(21)	(53)	(101)
	<b>147</b>	<b>(57)</b>	<b>(208)</b>
<b>Before restructuring and impairment costs:</b>			
Strip Products	110	30	47
Long Products	31	(24)	(47)
Distribution and Building Systems	11	(3)	(1)
Aluminium	27	14	31
Central and other	(19)	(53)	(96)
	<b>160</b>	<b>(36)</b>	<b>(66)</b>

## 6. Net interest and investment income

	6 months to 3 Jul 2004 unaudited £m	6 months to 28 Jun 2003 unaudited £m	12 months to 3 Jan 2004 audited £m
Interest receivable	4	7	13
Interest payable	(51)	(51)	(109)
Finance leases	(1)	(2)	(2)
Group	(48)	(46)	(98)
Joint ventures and associated undertakings	(1)	(2)	(3)
	(49)	(48)	(101)

## 7. Taxation

	6 months to 3 Jul 2004 unaudited £m	6 months to 28 Jun 2003 unaudited £m	12 months to 3 Jan 2004 audited £m
UK corporation tax	9	3	3
Double tax relief	(9)	(3)	(3)
UK prior year charge/(credit)	–	–	(3)
Overseas prior year charge	1	10	8
Overseas taxes	56	36	38
Current tax	57	46	43
UK deferred tax	–	–	–
Overseas deferred tax	4	(11)	9
Group tax	61	35	52
Joint ventures	3	1	1
	64	36	53

Deferred tax assets amounting to £138m have been recognised at 3 July 2004 (3 Jan 2004: £143m). The deferred tax assets in respect of tax losses are recoverable against future forecast taxable profits within a time horizon that the directors consider to be more likely than not to occur. Deferred tax assets have not been recognised in respect of losses with a value of £1,636m, of which £1,105m are UK losses.

## 8. Reconciliation of Group operating profit/(loss) to net cash flow from operating activities

	6 months to 3 Jul 2004 unaudited £m	6 months to 28 Jun 2003 unaudited £m	12 months to 3 Jan 2004 audited £m
Group operating profit/(loss)	147	(57)	(208)
Depreciation and amortisation (net of grants released)	145	174	364
Restructuring costs (excluding accelerated depreciation)	22	3	94
Utilisation of rationalisation provisions	(25)	(15)	(44)
Increase in stocks	(149)	(18)	(18)
(Increase)/decrease in debtors	(360)	(162)	95
Increase/(decrease) in creditors	181	(39)	(87)
Other movements (net)	4	13	28
	(35)	(101)	224

## Supplementary information continued

### 9. Stocks

	At 3 Jul 2004 unaudited £m	At 28 Jun 2003 unaudited £m	At 3 Jan 2004 audited £m
Raw materials	602	495	511
Work in progress	413	398	410
Finished goods	485	500	483
	<b>1,500</b>	<b>1,393</b>	<b>1,404</b>

### 10. Securitisation of trade debtors

	At 3 Jul 2004 unaudited £m	At 28 Jun 2003 unaudited £m	At 3 Jan 2004 audited £m
Securitised gross trade debtors	465	353	338
Less non returnable proceeds	(215)	(215)	(215)
Net securitised trade debtors	250	138	123
Other trade debtors	1,044	1,088	847
	<b>1,294</b>	<b>1,226</b>	<b>970</b>

After the period end the Group successfully secured an extension of the above programme, increasing proceeds by £60m to a total of £257m from October 2004 and extending the final maturity by a further two years to 2009.

### 11. Capital expenditure

	6 months to 3 Jul 2004 unaudited £m	6 months to 28 Jun 2003 unaudited £m	12 months to 3 Jan 2004 audited £m
Purchase of tangible fixed assets	125	72	163
Movement in capital creditors	14	(9)	–
	<b>139</b>	<b>63</b>	<b>163</b>

### 12. Reconciliation of Group operating profit/(loss) to EBITDA before restructuring and impairment costs

	6 months to 3 Jul 2004 unaudited £m	6 months to 28 Jun 2003 unaudited £m	12 months to 3 Jan 2004 audited £m
Group operating profit/(loss)	147	(57)	(208)
Restructuring costs (excluding accelerated depreciation)	22	3	94
Depreciation and amortisation (net of grants released)	145	174	364
	<b>314</b>	<b>120</b>	<b>250</b>
The above comprises:			
Strip Products	201	127	239
Long Products	65	4	15
Distribution and Building Systems	22	8	22
Aluminium	48	36	74
Central and other	(22)	(55)	(100)
	<b>314</b>	<b>120</b>	<b>250</b>

### 13. Employees

	6 months to 3 Jul 2004 unaudited number	6 months to 28 Jun 2003 unaudited number	12 months to 3 Jan 2004 audited number
Average weekly numbers employed:			
UK	24,500	25,300	25,100
Netherlands	11,400	11,700	11,600
Germany	5,900	6,200	6,200
Other countries	7,100	7,500	7,400
	<b>48,900</b>	50,700	50,300
Numbers employed at end of period:			
UK	24,300	25,100	24,600
Netherlands	11,300	11,600	11,400
Germany	5,800	6,000	6,000
Other countries	7,100	7,700	7,400
	<b>48,500</b>	50,400	49,400
The above comprises:			
Strip Products	22,300	23,600	22,900
Long Products	13,400	13,700	13,600
Distribution and Building Systems	5,900	6,000	5,900
Aluminium	5,700	5,800	5,700
Central and other	1,200	1,300	1,300
	<b>48,500</b>	50,400	49,400

### 14. Summary FRS 17 disclosure (net pension asset)

	At 3 Jul 2004 unaudited £m	At 28 Jun 2003 unaudited £m	At 3 Jan 2004 audited £m
As measured in accordance with the UK requirements of FRS 17:			
Total market value of assets	11,080	10,865	11,321
Present value of schemes' liabilities	(11,032)	(10,845)	(11,203)
Recoverable surplus	48	20	118
Related deferred tax liability	(11)	(1)	(32)
Net pension asset	<b>37</b>	19	86

Of the net pension asset above, £232m (Jun 2003: £265m; Dec 2003: £288m) relates to schemes in surplus and £195m (Jun 2003: £246m; Dec 2003: £202m) relates to schemes in deficit.

# Independent review report to Corus Group plc

## Introduction

We have been instructed by the company to review the financial information which comprises the profit and loss account, the balance sheet, the statement of total recognised gains and losses, the reconciliation of movement in shareholders' funds, the cash flow statement, the reconciliation of net cash flow to movement in net debt, the analysis of net borrowings and the related notes. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

## Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the interim report in accordance with the Listing Rules of the Financial Services Authority which require that the accounting policies and presentation applied to the interim figures should be consistent with those applied in preparing the preceding annual accounts except where any changes, and the reasons for them, are disclosed.

## Review work performed

We conducted our review in accordance with guidance contained in Bulletin 1999/4 issued by the Auditing Practices Board for use in the United Kingdom. A review consists principally of making enquiries of group management and applying analytical procedures to the financial information and underlying financial data and, based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with United Kingdom Auditing Standards and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the financial information. This report, including the conclusion, has been prepared for and only for the company for the purpose of the Listing Rules of the Financial Services Authority and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## Review conclusion

On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 3 July 2004.

PricewaterhouseCoopers LLP  
Chartered Accountants  
London  
16 September 2004

## Notes:

- (a) The maintenance and integrity of the Corus Group plc website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the interim report since it was initially presented on the website.
- (b) Legislation in the United Kingdom governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

# Appendix

## Strip Products Division

**Corus Strip Products IJmuiden and Corus Strip Products UK**  
Hot rolled steel strip and cold rolled and metallic coated steel

**Corus Packaging Plus**  
Tinplate and other coated steel for packaging and non-packaging applications

**Corus Tubes**  
Steel tubes, hollow sections, line pipe and pipeline project management

**Corus Colors**  
Organic coated steels

**Corus Special Strip**  
Plated and clad precision strip products

**Cogent Power**  
Electrical steels, transformer cores, generator and motor laminations

## Long Products Division

**Corus Construction and Industrial**  
Plate, sections, wire rod and semi-finished steel

**Corus Engineering Steels**  
Engineering billet, rolled and bright bar

**Corus Rail**  
Railway products and rail design, consultancy and infrastructure contracting

**Maanstaedt**  
Custom designed steel profiles

**Teesside Cast Products**  
Slab and bloom

**Corus Tuscaloosa**  
Plate products in both coil and cut plate form  
(disposal completed July 2004)

**Downstream Businesses**  
Includes special profiles, process engineering and trailers

## Distribution and Building Systems Division

**Corus Distribution and Building Systems**  
Stockholding and service centres, further material processing and building systems

**Corus International**  
Tailored product and service solutions for international projects and trading

**Corus Consulting**  
Consultancy, technology, training and operational assistance to the steel and aluminium industries

## Aluminium Division

**Corus Primary Aluminium**  
Extrusion billets, slabs and ingots

**Corus Aluminium Rolled Products**  
Rolled plate, sheet and coil

**Corus Aluminium Extrusions**  
Extruded profiles, rod and bars

**Corus Metal Trading**

[www.corusgroup.com](http://www.corusgroup.com)

## Shareholder information

### Annual Report and general enquiries

Copies of the Report & Accounts 2003, other general information about the Group's business and copies of the Health, Safety and Environment Report 2003 may be downloaded from the website or obtained free of charge from:

#### UK

The Secretary's Office  
Corus  
30 Millbank  
London SW1P 4WY  
Freephone: 0800 484113  
e-mail: [shareholder@corusgroup.com](mailto:shareholder@corusgroup.com)

#### Netherlands

Communications and Public Affairs  
Corus  
PO Box 10.000  
1970 CA IJmuiden  
The Netherlands  
Telephone: +31 (0)251 49 19 52  
e-mail: [supportdeskcpa@corusgroup.com](mailto:supportdeskcpa@corusgroup.com)

### Financial calendar

**Preliminary announcement**  
12 months to 1 January 2005  
announced March 2005

### Annual General Meeting

June 2005

### Corus Group plc

30 Millbank  
London SW1P 4WY  
United Kingdom  
T +44 (0)20 7717 4444  
F +44 (0)20 7717 4455

Registered in England No. 3811373

### Shareholder enquiries

Administrative enquiries concerning shareholdings should be addressed to:

#### Ordinary shares

Corus Group Section  
Lloyds TSB Registrars  
The Causeway, Worthing  
West Sussex BN99 6DA  
Telephone: 0870 600 3961  
Outside UK: +44 121 415 7038

Shareholders can obtain details of their shareholdings via a web-based enquiry service: [www.shareview.co.uk](http://www.shareview.co.uk)  
You will need your eight digit shareholder reference number.

#### American Depositary Receipts (ADRs)

Corus' ordinary shares are listed on the New York Stock Exchange in the form of American Depositary Shares (ADSs), evidenced by ADRs, and trade under ticker symbol CGA. Each ADS is equivalent to 10 ordinary shares.

Enquiries regarding ADR holders' accounts should be directed to the Depository:

The Bank of New York  
Investor Relations  
PO Box 11258  
Church Street Station  
New York, NY 10286-1258  
Toll Free telephone # for domestic callers:  
1-888-BNY-ADRS (1-888-269-2377)  
International callers can call:  
1-610-382-7836  
e-mail: [shareowners@bankofny.com](mailto:shareowners@bankofny.com)

Website for shareholder inquiries:  
[www.stockbny.com](http://www.stockbny.com)

The Bank of New York's ADR website:  
[www.adrbny.com](http://www.adrbny.com)

#### Dividend

No interim dividend will be paid. A decision on the payment of a final dividend will be taken in March next year when the final results are announced.

#### Share price information

The latest Corus share price is available from the Financial Times Cityline Service.  
Telephone: 0906 8433311