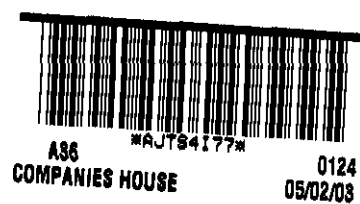


Lee Steel Strip Limited
Annual Report
for the year ended 31 December 2002
Registered No. 453810



**Lee Steel Strip Limited
Annual Report
for the year ended 31 December 2002**

The Directors present their Report and the Financial Statements for the year to 31 December 2002.

Principal Activities:

The Company has remained dormant throughout the year. As the Company has not traded a Profit and Loss Account has not been presented.

Directors:

The Directors during the year were:-

S. Lyons
Director

A. Black
Director

Directors' Interests:

According to the Register required to be kept by Section 325 of the Companies Act 1985, the Directors held no beneficial interests in the shares of the Company or immediate parent Company, AvestaPolarit Holdings Limited, at 31 December 2002, or at any time during the year.



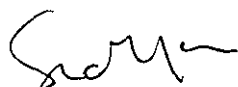
P. G. Crowe
Company Secretary
20 January 2003

Lee Steel Strip Limited
Annual Report
for the year ended 31 December 2002

	<u>Note</u>	<u>31 Dec 02</u> <u>£000</u>	<u>31 Dec 01</u> <u>£000</u>
<u>Current Assets</u>			
Debtors: falling due after more than one year -			
AvestaPolarit Limited		<u>13,304</u>	<u>13,304</u>
<u>Capital and Reserves</u>			
Called up Share Capital	2	9,500	9,500
Revaluation reserve		1,716	1,716
Profit and Loss Account		<u>2,088</u>	<u>2,088</u>
		<u>13,304</u>	<u>13,304</u>

- (a) For the year ended 31 December 2002 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.
- (b) Members have not required the company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985.
- (c) The directors acknowledge their responsibility for:
- ensuring the company keeps accounting records which comply with section 221: and
 - preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

Approved by the Board on 20 January 2003 and signed on their behalf by:



S. Lyons
Director

Lee Steel Strip Limited
Annual Report
for the year ended 31 December 2002

1. **Accounting Policies:**

The Financial Statements have been prepared in accordance with the historical cost convention and applicable accounting standards in the United Kingdom.

2. **Called Up Share Capital:**

	<u>31 Dec 2002</u>	<u>31 Dec 2001</u>
	<u>£</u>	<u>£</u>
Authorised		
9,500,000 ordinary shares of £1 each	<u>9,500,000</u>	<u>9,500,000</u>
Allotted, called up and fully paid		
9,500,000 ordinary shears of £1 each	<u>9,500,000</u>	<u>9,500,000</u>

3. **Ultimate Holding Company:**

The company is a wholly owned subsidiary of AvestaPolarit Holdings Limited, a company incorporated in the United Kingdom. AvestaPolarit Holdings Limited is a wholly owned subsidiary of AvestaPolarit AB, a company incorporated in Sweden, which is a subsidiary of AvestaPolarit OyjAbp. AvestaPolarit OyjAbp is a subsidiary of Outokumpu Oyj, a company listed on the Finnish Stock Exchange and viewed as the ultimate holding company.