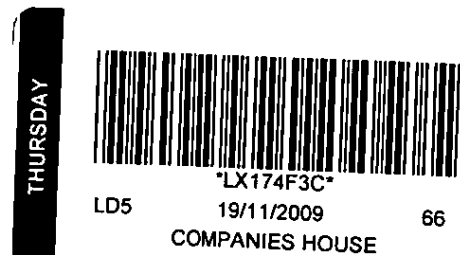




Corus International Trading Limited

Annual report and financial statements
for the 12 months ended 28 March 2009

Registered number: 2755939



Corus International Trading Limited

Annual report and financial statements for the 12 months ended 28 March 2009

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Corus International Trading Limited

Directors and advisers as at 28 March 2009

Directors

Mr A S MacDonald
Mr S Doherty (Chairman)

Secretary

Mrs A L Scandrett

Registered office

30 Millbank
London
SW1P 4WY

Independent auditors

Deloitte LLP
Chartered Accountants and Registered Auditors
London
EC4A 3BZ

Corus International Trading Limited

Directors' report for the 12 months ended 28 March 2009

The directors present their report and the consolidated audited financial statements for the 12 month period ended 28 March 2009.

Principal activities

The principal activity of the group is the performance of worldwide trade in steel and related materials.

Review of business

The profit and loss account for the period is set out on page 7.

The directors do not recommend the payment of a dividend (15 months to 29 March 2008: £Nil). The loss of £3,449,000 (2007 profit: £2,161,000) will be transferred from reserves.

The 12 months to 28 March 2009 began strongly with increased volume and substantially increased prices over those reported in 2008. Continuing the trend established in the 12 months ended 29 March 2008, steel prices continued to rise until the end of the first quarter in all markets, reaching the highest recorded levels. Unfortunately, a collapse in the US economy, centred largely around the housing market, resulted in a worldwide slump in the housing and automobile sectors. This resulted in rapidly falling steel demand as stockists reduced purchasing in order to reduce stock levels and consequently prices fell dramatically. Additionally the global banking crisis, sparked at the same time, restricted available credit and thus contributed to further reducing demand.

As a result of the record high prices in the year, the sales and cost of sales are higher than in the previous year. However, due to the fall in prices and demand in Europe in the second half of the year, an overall loss was recorded.

Key performance indicators

	12 months ended 28 March 2009	12 months ended 29 March 2008
Return on sales (%) *	(0.8)	0.5
Gross margin to sales (%)	3.1	3.3
Sales price per tonne (£)	598	350

* Profit/(loss) for the period over revenue

Future activities

The first quarter of 2009/10 began slowly as production was brought into line with demand and current stocks were depleted. Steel prices appear to have stabilised and are unlikely to fall any further. It is likely that steel prices will rise slowly but will not return to the levels recorded in the previous year.

Business remained slow until the end of the second quarter and is expected to increase in the third quarter when new orders placed earlier in the year are expected to be realised.

The company seeks to maintain its strong steel trading presence during the year, with a view to recovery towards the end of the year and beyond.

It is anticipated that Corus International Trading Limited will continue to trade in steel and related materials in the global market for the foreseeable future.

Corus International Trading Limited

Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Corus International Trading Limited

Directors' report for the 12 months ended 28 March 2009 (continued)

Directors

The directors of the company at 28 March 2009 are listed on page 1.

The respective date of appointment and resignation of each director is shown below.

Director	Date of appointment	Date of resignation
K. Wilkinson	30 June 1995	30 November 2008
S. W. Lindsay	30 June 1995	30 November 2008
A. S. MacDonald	11 November 2008	-
S. Doherty	11 November 2008	-

Financial risk management

The company's operations expose it to a variety of financial risks that include the effects of changes in credit risk, liquidity risk and foreign exchange risk. Most of the company's purchases and sales are denominated in US dollars or Euros. All risks associated with foreign exchange are borne by the parent company, Corus UK Limited. The company also seeks to limit the adverse effects on financial performance by monitoring levels of debt finance and the related finance costs.

The policies set by the board of directors are monitored by the finance committee and implemented by the company's finance department.

Price risk

The company has no exposure to equity securities price risk. Exposure to commodity price risk is managed by matching customer and supplier terms.

Credit risk

The company has implemented policies that require appropriate credit checks on potential customers before sales are made. Deposits of surplus funds are limited to approved institutions.

Liquidity risk

The finance department actively maintains short-term debt finance that is designed to ensure the company has sufficient available funds for operations.

Interest rate cash flow risk

The company has both interest bearing assets and interest bearing liabilities. Interest bearing assets are cash balances that earn interest at a floating rate of interest. Interest bearing liabilities are loans from the parent company that bear interest at a floating rate of interest. The company has a policy of maintaining debt at a floating rate of interest to match the interest charge to income and obtain the most favourable market rate. The directors will revisit this policy should there be a fundamental shift in market conditions.

Payment to creditors

It is the policy of the company to establish terms of payment with suppliers when agreeing the terms of business transactions. The aim is to deliver funds to suppliers when due, either by cheque or other means of payment.

Trade creditors' days as at the period end are 4 days (2007: 14 days). The reason for the decreased creditor days was the declining sales towards the end of the period.

Corus International Trading Limited

Directors' report for the 12 months ended 28 March 2009 (continued)

Statement of Directors' responsibilities in respect of the Annual Report and the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the company and the group for that period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and the group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors and disclosure of information to auditors

As required by Section 234ZA of the Companies Act 1985 (as amended by Section 9 of the Companies (Audit, Investigations and Community Enterprise) Act 2004) each director in office at the date of this Directors' report confirms that:

- a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- b) they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



S Doherty
Director
12 November 2009

Independent auditors' report to the members of Corus International Trading Limited

We have audited the group and parent company financial statements (the "financial statements") of Corus International Trading Limited for the 12 months ended 28 March 2009 which comprise the group profit and loss account, the reconciliation of movement in group shareholders' funds, the group and company balance sheets and notes 1 to 20. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether, in our opinion, the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and company's circumstances, consistently applied and adequately disclosed.

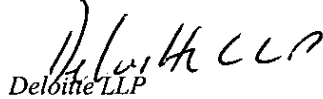
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Independent auditors' report to the members of Corus International Trading Limited (continued)

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group's and the parent company's affairs as at 28 March 2009 and of the group's loss for the 12 months then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



Deloitte LLP
Chartered Accountants and Registered Auditors
London, United Kingdom
12 November 2009

Corus International Trading Limited

Group profit and loss account for the 12 months ended 28 March 2009

	Notes	Group 12 months ended 28 March 2009 £'000	Group 15 months ended 29 March 2008 £'000
Turnover	2	493,634	419,238
Operating costs	3	(497,779)	(415,400)
Operating (loss)/profit		(4,145)	3,838
Interest receivable and similar income	4	-	36
Interest payable and similar charges	5	(638)	(736)
(Loss)/profit on ordinary activities before taxation		(4,783)	3,138
Tax credit/(charge) on loss/profit on ordinary activities	6	1,334	(977)
(Loss)/profit for the period	15	(3,449)	2,161

The above results relate wholly to continuing operations.

The company has no recognised gains or losses other than those included in the profit and loss account above, and therefore no separate statement of recognised gains and losses has been presented.

There is no difference between the (loss)/profit on ordinary activities before taxation and (loss)/profit for the period stated above, and their historical cost equivalents.

Corus International Trading Limited

Reconciliation of movement in group shareholders' funds for the 12 months ended 28 March 2009


		Group 12 months ended 28 March 2009 £'000	Group 15 months ended 29 March 2008 £'000
	Notes		
Opening shareholder funds		16,856	14,695
(Loss)/profit for the period	15	(3,449)	2,161
Closing shareholder funds		13,407	16,856

Corus International Trading Limited

Balance sheet as at 28 March 2009

		Group	Company	Group	Company
	Notes	28 March 2009	28 March 2009	29 March 2008	29 March 2008
		£'000	£'000	£'000	£'000
Fixed assets					
Investments	17	-	-	-	-
Current assets					
Stocks	10	1,468	1,468	10,117	10,096
Debtors: amounts falling due within one year	11	25,264	21,381	36,262	29,433
		26,732	22,849	46,379	39,529
Creditors: amounts falling due within one year	12	(12,975)	(12,766)	(29,163)	(28,618)
Total assets less current liabilities		13,757	10,083	17,216	10,911
Provisions for liabilities and charges	13	(350)	(350)	(360)	(360)
Net assets		13,407	9,733	16,856	10,551
Capital & reserves					
Called up share capital	14	1,657	1,657	1,657	1,657
Profit & loss account	15	11,750	8,076	15,199	8,894
Total shareholder funds		13,407	9,733	16,856	10,551

The notes on pages 11 to 20 form part of these financial statements. The financial statements were approved by the Board on 12 November 2009 and signed on its behalf by:



S Doherty
Director
12 November 2009

Corus International Trading Limited

Notes to the financial statements for the 12 months ended 28 March 2009

1 Presentation of accounts and principal accounting policies

These financial statements have been prepared on the going concern basis, in accordance with the Companies Act 1985 and applicable accounting standards in the United Kingdom. A summary of the more important accounting policies, which have been consistently applied, is set out below:

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention. The company has adopted the requirements of Financial Reporting Standard 20, Share Based Payments. There is no material effect of the adoption of this standard on these financial statements.

An exemption has been taken with regards to Financial Reporting Standard 29 as over 90% of the voting rights are held within the group.

The accounts have been prepared for the 12 month period to 28 March 2009 with comparative information shown for the 15 month period to 29 March 2008. As set out in the Directors' report, the ability of the Group to continue as a going concern has been assessed and these accounts have been prepared on a going concern basis.

Basis of consolidation

The consolidated profit and loss account and balance sheet include the company and its subsidiary. This has been accounted for under the gross equity method of consolidation. The profits or losses of subsidiaries are included from the date of acquisition or up to the date of their disposal.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is measured as actual cost incurred for purchasing of the goods.

Turnover

Turnover, which excludes value added tax, represents the sales value of all goods despatched during the period. Turnover is recognised when the risk and rewards of the transactions are transferred in accordance with the Incoterm stated in the sales contract.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the accounts. The deferred tax assets and liabilities recognised have been discounted. There is no deferred tax balance as at 28 March 2009.

Foreign currency translation

Transactions in overseas currencies are translated at the exchange rate ruling at the date of the transaction or, where forward cover contracts have been arranged, at the contracted rates. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rates ruling at the balance sheet date or at a contracted rate if applicable and any exchange differences arising are taken to the profit and loss account.

Corus International Trading Limited

Notes to the financial statements for the 12 months ended 28 March 2009 (continued)

1 Principal accounting policies (continued)

Financial instruments

The group's parent company Corus UK Limited uses derivative financial instruments to hedge the group's exposure to fluctuations in foreign exchange rates. Gains and losses on foreign currency hedges are recognised on maturity of the underlying transaction in the financial statements of Corus UK Limited. All costs and risks associated with these are borne by Corus UK Limited.

Pension costs

The expected cost of providing pension benefits is charged to the profit and loss account so as to spread the cost over the expected average remaining service lives of employees. Further details are given in note 16.

Cashflow

The financial statements do not include a cash flow statement because the company, as a wholly owned subsidiary, is exempt from the requirements to prepare such a statement under Financial Reporting Standard Number 1 (revised 1996) "Cash Flow Statements".

Fixed asset investments

Investments are stated at cost less provision for diminution in value where appropriate.

Corus International Trading Limited

Notes to the financial statements for the 12 months ended 28 March 2009 (continued)

2 Turnover

Geographical market analysis of turnover by destination is set out below:

	Group 12 months ended 28 March 2009 £'000	Group 15 months ended 29 March 2009 £'000
United Kingdom	7,218	2,022
European Union (excluding UK)	121,899	201,153
Europe (excluding EU)	59,463	51,383
Central/South America	192	96
Africa	23,497	52,488
Asia	281,365	112,096
	493,634	419,238
Included in the above:		
Sales to group companies	67,129	69,659

Corus International Trading Limited

Notes to the financial statements for the 12 months ended 28 March 2009 (continued)

3 Operating costs

	Group 12 months ended 28 March 2009 £'000	Group 15 months ended 29 March 2008 £'000
Changes in stocks of finished goods	6,881	408
Raw materials and consumables	470,299	386,573
Other external charges	7,592	16,587
Employment costs	1,310	1,804
Other operating charges	11,697	10,028
	497,779	415,400
The above costs are stated after charging:		
Fees payable for the audit of parent company and consolidated accounts	29	50
Fees payable for the audit of subsidiary accounts	7	10

4 Interest receivable and similar income

	Group 12 months ended 28 March 2009 £'000	Group 15 months ended 29 March 2008 £'000
Other interest receivable	-	36

Corus International Trading Limited

Notes to the financial statements for the 12 months ended 28 March 2009 (continued)

5 Interest payable and similar charges

	Group 12 months ended 28 March 2009 £'000	Group 15 months ended 29 March 2008 £'000
Interest payable to group companies	638	736

6 Tax (credit)/charge on (loss)/profit on ordinary activities

	Group 12 months ended 28 March 2009 £'000	Group 15 months ended 29 March 2008 £'000
United Kingdom corporation tax at 28% (2007: 30%)		
- Current tax	(1,338)	942
- Prior year adjustment	4	35
	(1,334)	977

The tax assessed for the period is lower than (2007: equal to) the standard rate of corporation tax in the UK (28%). The current tax charge reconciles with the standard rate of corporation tax as follows:

Corus International Trading Limited

Notes to the financial statements for the 12 months ended 28 March 2009 (continued)

6 Tax charge on profit on ordinary activities (continued)

	Group 12 months ended 28 March 2009 £'000	Group 15 months ended 29 March 2008 £'000
(Loss)/profit on ordinary activities before taxation	(4,783)	3,138
(Loss)/profit on ordinary activities multiplied by standard rate of UK corporation tax at 28% (2007: 30%)	(1,339)	942
Prior year tax adjustment	4	-
Permanent differences	1	-
	(1,334)	942

From 1 April 2008, there has been a change in the rate of corporation tax from 30% to 28%. There is no material effect on the financial statements.

7 Result of the company

As permitted by section 230 of the Companies Act 1985, the parent company's profit and loss account has not been included in these financial statements. The parent company's loss for the financial year is £823,000 (2007: profit £1,929,000).

8 Employees

	Group 12 months ended 28 March 2009 £'000	Group 15 months ended 29 March 2008 £'000
Total costs of all employees in the company were:		
Wages and salaries	1,106	1,517
Social security costs	82	140
Other pension costs	122	147
	1,310	1,804

Corus International Trading Limited

Notes to the financial statements for the 12 months ended 28 March 2009 (continued)

8 Employees (continued)

The average monthly number of employees of the company during the period was:

	Group 12 months ended 28 March 2009 Number	Group 15 months ended 29 March 2008 Number
Management	3	3
Staff	13	13
	16	16

9 Directors' emoluments

No director received or waived any remuneration during the 12 month period (15 months to 29 Mar 2008: £nil) in respect of their services.

The emoluments of the directors are borne by the parent company, Corus UK Limited, and are deemed to be wholly attributable to services to that company. No recharge is made to this company.

10 Stocks

	Group 28 March 2009 £'000	Company 28 March 2009 £'000	Group 29 March 2008 £'000	Company 29 March 2008 £'000
Finished goods and goods for resale	1,468	1,468	10,117	10,096

Included in the stock value of £1,468,000 (company: £1,468,000; 2007 group: £10,117,000, company: £10,096,000) at 28 March 2009 are goods in transit of nil (company: nil; 2007 group: £6,439,000 company: £6,418,000).

Corus International Trading Limited

Notes to the financial statements for the 12 months ended 28 March 2009 (continued)

11 Debtors: amounts falling due within one year

	Group	Company	Group	Company
	28 March 2009	28 March 2009	29 March 2008	29 March 2008
	£'000	£'000	£'000	£'000
Trade debtors	13,633	12,916	15,064	15,046
Provision for bad debts	(1,260)	(1,260)	(780)	(780)
Group relief tax debtor	1,334	312	-	-
Amounts owed by group companies	11,384	9,240	21,926	15,151
Other debtors	173	173	52	16
Total debtors	25,264	21,381	36,262	29,433

12 Creditors: amounts falling due within one year

	Group	Company	Group	Company
	28 March 2009	28 March 2009	29 March 2008	29 March 2008
	£'000	£'000	£'000	£'000
Trade creditors	1,678	1,546	6,335	6,249
Amounts owed to group companies	5,573	5,573	20,989	20,721
Corporation tax creditor	-	-	942	842
Other creditors	5,724	5,647	897	806
	12,975	12,766	29,163	28,618

Corus International Trading Limited

Notes to the financial statements for the 12 months ended 28 March 2009 (continued)

13 Provision for liabilities and charges

	Group	Company
	£'000	£'000
Balance at 29 March 2008	360	360
Utilised during the period	(360)	(360)
Provided during the period	350	350
Balance at 28 March 2009	350	350

The company has received claims regarding late delivery and material quality. The company has reviewed these claims and believes full settlement will not exceed £350,000. A provision of £350,000 has therefore been raised to cover the settlement of the claim, which is expected to take place within the next year. No further material adverse effect on equity or income is expected.

14 Called up share capital

	Authorised, allotted, issued and fully paid	
	Number	£'000
Ordinary shares of £1 each		
At 29 March 2008 and at 28 March 2009	1,657,666	1,657

15 Reserves

	Group	Company
	£'000	£'000
At 29 March 2008	15,199	8,894
Loss for the period	(3,449)	(818)
At 28 March 2009	11,750	8,076

Corus International Trading Limited

Notes to the financial statements for the 12 months ended 28 March 2009 (continued)

16 Pension and similar obligations

Corus International Trading Limited participates in the British Steel Pension Scheme sponsored by the parent company, Corus UK Limited. This is a funded, defined benefit scheme providing benefits based on final pay and service at retirement. The fund is valued every three years by a professionally qualified independent actuary. The latest formal valuation was carried out as at 31 March 2008. Particulars of the scheme's valuation are contained within the accounts of Corus UK Limited. The contributions paid by the Company are accounted for as if the scheme were a defined contribution scheme, as the Company is unable to identify its share of the underlying assets and liabilities in the scheme. The pension cost for the 12 months to 28 March 2009 amounted to £147,000 (12 months to 30 December 2006: £57,000). The scheme was fully funded with a very small surplus on an ongoing basis to meet its liabilities at the valuation date and the Directors do not consider that the contribution rates will change significantly until the results of the next actuarial assessment are made available.

17 Principal subsidiary undertakings

Corus International Trading Limited holds 100% of the equity and shares of Industrial Steels Limited (£2), which is incorporated in Great Britain. Industrial Steels Limited principal activity is the performance of worldwide trade in steel.

18 Derivative financial instruments

The group's local currency is pounds sterling but approximately 99.5% of sales and 87.6% of purchases are denominated in different currencies, mainly United States Dollars or Euros. As a result, the group is subject to foreign currency exchange risk due to exchange rate movements between pounds sterling and the other currencies. The group seeks to reduce these risks by entering into forward contracts. Corus UK Limited manages and contracts for all foreign exchange forward contracts on behalf of Corus International Trading Limited. It is not possible to accurately allocate the cost or benefit of such forward contracts to Corus International Trading Limited and, as such, no fair value disclosures have been included in these accounts.

19 Related party transactions

Corus International Trading Limited is an indirect subsidiary of Tata Steel UK Limited, the consolidated accounts of which are publicly available. All inter-company transactions are eliminated on consolidation and therefore an FRS 8 exemption has been taken with regard to related party transactions.

Tata Steel UK Limited provides Corus International Trading Limited with a number of support and administrative services.

20 Ultimate parent undertaking and controlling party

Corus UK Limited is the company's immediate parent company, which is registered in England and Wales. Tata Steel UK Limited is the intermediate holding company, which is registered in England and Wales, and the smallest group to consolidate these financial statements.

Tata Steel Limited, a company incorporated in India, is the ultimate parent company and controlling party.

Copies of reports and accounts for Corus UK Limited and Tata Steel UK Limited may be obtained from the Secretary, 30 Millbank, London, SW1P 4WY.

Copies of the Report & Accounts for TSL may be obtained from its registered office at Bombay House, 24 Homi Mody Street, Mumbai, 400 001.