

BLASTMEGA LIMITED
REPORT AND ACCOUNTS
FOR THE FINANCIAL YEAR
ENDING 3 JANUARY 2004



Registered No: 2987085

Blastmega Limited

Directors

British Steel Directors (Nominees) Limited

Secretary

Mrs A L Scandrett

Registered office

30 Millbank
London
SW1P 4WY

Blastmega Limited

Directors' Report for the year ended 3 January 2004

The directors present their report and the audited accounts for the financial year ended 3 January 2004.

Principal activity, review of the business and future developments

The principal activity of the company is that of a holding company for part of Corus UK Limited's investment in Corus Engineering Steels (Holdings) Limited.

The company has not traded in the year and therefore has made neither profit nor loss. All expenses of the company are borne by Corus UK Limited.

No change in the Company's activities in the foreseeable future is envisaged.

Directors & directors' interests

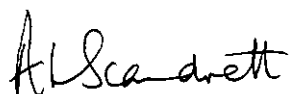
The directors of the company at 3 January 2004 and who held office during the year are listed on page 1.

The directors had no interest in the ordinary shares of Corus Group plc, the company's ultimate holding company, at 3 January 2004.

The directors had no interest, as defined by the Companies Act 1985, in the shares of any other member of the group during the period covered by these financial statements.

For the year ended 3 January 2004 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.

By order of the Board



A L Scandrett
Secretary

20 September 2004

30 Millbank
London
SW1P 4WY

Blastmega Limited

Balance Sheet as at 3 January 2004

	Notes	2003 £	2002 £
Fixed assets			
Investments	5	93,000,000	93,000,000
Current assets			
Debtors	6	11,261	11,261
Cash at bank and in hand		10	10
		<u>11,271</u>	<u>11,271</u>
Creditors: amounts falling due within one year	7	<u>(1,500)</u>	<u>(1,500)</u>
Net current assets		<u>9,771</u>	<u>9,771</u>
Total assets less current liabilities		<u>93,009,771</u>	<u>93,009,771</u>
Capital and reserves			
Called up share capital	8	10	10
Share premium account		93,000,000	93,000,000
Profit and loss account		9,761	9,761
		<u>93,009,771</u>	<u>93,009,771</u>
Shareholders funds			
Equity		<u>93,009,762</u>	<u>93,009,762</u>
Non-equity		9	9
		<u>93,009,771</u>	<u>93,009,771</u>

- (a) For the year ended 3 January 2004 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:
- (i) ensuring the company keeps accounting records which comply with section 221; and
 - (ii) 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.

The accounts on pages 3 to 6 were approved by the Board on 20 September 2004 and were signed on its behalf by:-

Director
On behalf of British Steel Directors (Nominees) Limited

The notes on pages 4 to 6 form part of these accounts.

Blastmega Limited Report and Accounts 2003

Notes to the accounts

1. Principal Accounting Policies

The financial statements have been prepared in accordance with the Companies' Act 1985 and applicable Accounting Standards in the UK. The more important accounting policies, which have been applied consistently, are set out below:

(i) Basis of preparation

The accounts are prepared in accordance with the historical cost convention. Group accounts have not been prepared as the Company is a wholly owned subsidiary of Corus Group plc.

(ii) Fixed Assets Investments

Investments are stated at cost. Provisions are made for any permanent diminution in the value of investments.

Income from fixed asset investments comprises dividends declared up to the balance sheet date and interest receivable, shown, where relevant, before deduction of withholding tax.

(iii) Cash Flow Statement

In accordance with the exemption allowed by paragraph 5(a) of Financial Reporting Standard 1 (Revised 1996), a cash flow statement for the Company has not been provided.

(iv) Related Party Disclosures

In accordance with the exemption allowed by paragraph 3(c) of Financial Reporting Standard 8, no disclosure is made of transactions with other member companies of the Corus Group or investees of the Group qualifying as related parties.

2. Operating costs

All costs associated with the Company, including audit fees, were borne by Corus UK Limited.

3. Directors Emoluments

No directors received any emoluments during the period in respect of their services to the company (2002: £nil).

The Company has no employees other than the directors.

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Notes to the accounts

4. Dividend Payable

The preference shareholders waived their right to a preference dividend for the year of £500 per share.

5. Investments

	2003 shares in subsidiary undertakings £	2002 shares in subsidiary undertakings £
Cost and net book value	<u>93,000,000</u>	<u>93,000,000</u>

The Company holds more than 10% of the ordinary share capital of the following company:

Company	Country of Incorporation	Proportion held (%)
Corus Engineering Steels (Holdings) Limited	England & Wales	50

6. Debtors

	2003 £	2002 £
Amounts falling due after more than one year		
Amounts due from parent	<u>11,261</u>	<u>11,261</u>
	<u>11,261</u>	<u>11,261</u>

The amounts due from parent are free of interest and no date has been fixed for the discharge of the debt.

7. Creditors: amounts falling due within one year

	2003 £	2002 £
Other creditors	<u>1,500</u>	<u>1,500</u>
	<u>1,500</u>	<u>1,500</u>

Blastmega Limited Report and Accounts 2003

Notes to the accounts

8. Called up share capital

	2003 £	2002 £
Authorised		
91 ordinary shares of £1 each	91	91
9 non-cumulative preference shares of £1 each	9	9
	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
1 ordinary share of £1 each	1	1
9 non-cumulative preference shares of £1 each	9	9
	<u>10</u>	<u>10</u>

9. Ultimate holding company

The Company is a subsidiary of Corus UK Limited which is registered in England and Wales. The ultimate parent Company and ultimate controlling party is Corus Group plc. Copies of Corus UK Limited's and Corus Group plc's report and accounts may be obtained from The Secretary, Corus Group plc, 30 Millbank, London, SW1P 4WY.