

EUROPEAN ELECTRICAL STEELS LIMITED

DIRECTORS' REPORT AND ACCOUNTS

**FOR THE FINANCIAL YEAR ENDED
3 JANUARY 2004**



Registered No. 3786627

European Electrical Steels Limited

Directors

British Steel Directors (Nominees) Limited

Secretary

Mrs A L Scandrett

Registered office

30 Millbank
London
SW1P 4WY

European Electrical Steels Limited

Directors' report for the financial year ended 3 January 2004

The directors present herewith their report and balance sheet for the financial year ended 3 January 2004.

Review of business and main activities

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

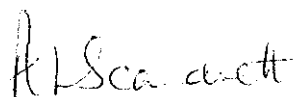
Directors & directors' interests

The directors of the company during the period are listed on page 1.

The directors had no interest, as defined by the Companies Act 1985, in the shares of any other member of the group during the year 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
30 April 2004

European Electrical Steels Limited

Balance sheet as at 3 January 2004

	Notes	3 Jan 2004 £	28 Dec 2002 £
Current Assets			
Debtors: Amounts falling due after more than one year Amount owed by group company	1	2 =====	2 =====
Capital and reserves			
Called up share capital	2	2 =====	2 =====

- (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.

These accounts were approved by the Board on 30 April 2004.



R J Reeves, Director
On behalf of British Steel Directors (Nominees) Limited

The Notes on page 4 form part of these accounts.

European Electrical Steels Limited

Notes to the accounts for the financial year ended 3 January 2004

Amount owed by group company

1. The amount due from the group company is free of interest and no date has been fixed for the discharge of the debt.

Share Capital

2.	28 Dec 2002 and 3 Jan 2004	
	Authorised	Allotted called up and fully paid
	£	£
Ordinary shares of £1	100	2
	<hr/>	<hr/>
	100	2
	=====	=====

Directors' remuneration

3. No director received any remuneration during the period in respect of his services to the company.

Ultimate holding company

4. The ultimate holding company is Corus Group plc, which is registered in England and Wales. Copies of their consolidated report and accounts may be obtained from The Secretary, Corus Group plc, 30 Millbank, London SW1P 4WY.