

BRITISH STEEL DIRECTORS (NOMINEES) LIMITED
DIRECTORS' REPORT AND ACCOUNTS
FOR THE FINANCIAL YEAR ENDED
3 JANUARY 2004

Registered No. 3493814



Directors

Mr G E Bevan
Mr G H Craine
Mr D K Grierson
Mr R J Reeves
Mrs A L Scandrett

Secretary

Mrs A L Scandrett

Registered office

30 Millbank
London
SW1P 4WY

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 beneficial interest of the directors in the ordinary shares of Corus Group plc at the end of the year were as follows:

	3 Jan 2004	28 Dec 2002
Mr G E Bevan	6,678	12,436
Mr G H Craine	15,417	3,339
Mr D K Grierson	1,946	1,641
Mr R J Reeves	61,535	35,706
Mrs A L Scandrett	267	267

Options over Corus Group plc shares

	Number Outstanding at 28 Dec 2002	Granted during the year Number	Rebasing Number	Revised Number Outstanding at 3 Jan 2004
Mr G E Bevan	-	-	-	-
Mr G H Craine	248,037	-	7,667	255,704
Mr D K Grierson	301,747	-	9,328	311,075
Mr R J Reeves	485,882	-	15,020	500,902
Mrs A L Scandrett	-	-	-	-

Executive Schemes

Directors' report for the financial year ended 3 January 2004 (cont'd)

Options over Corus Group plc shares

	Number Outstanding at 28 Dec 2002	Granted Number	Lapsed/ Cancelled	Rebasing	Number Outstanding at 3 Jan 2004
<u>Sharesave Schemes</u>					
Mr G E Bevan	19,140	-	9,359	304	10,085
Mr G H Craine	13,016	-	-	404	13,420
Mr D K Grierson	12,797	-	2,339	-	10,783
Mr R J Reeves	13,016	-	-	404	13,420
Mrs A L Scandrett	5,342	-	-	166	5,508

No options have been granted or exercised during the year. Options were adjusted as at 8 December 2003 as a consequence of the placing and open offer carried out by Corus Group plc. The exercisable value of the option was maintained but at a revised exercise price over a revised number of shares.

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

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.


Mr R J Reeves
Director

The Notes on page 5 form part of these accounts.

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	1,000	2
	<hr/>	<hr/>
	1,000	2
	<hr/>	<hr/>

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.