

May 2006

Company profile

Committed to progress



Value in steel

Corus

Value in steel

Contents

- 1 Overview
- 2 Strategic direction
- 4 Market focused
- 5 Corus operations
- 6 Corporate responsibility
- 7 Corus people
- 8 Organisation and Divisions
- 10 Divisional performance
- 11 Group financial performance
- 12 Share information

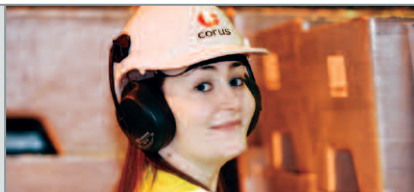
Overview

Corus is an international company, providing steel and aluminium products and services to customers worldwide.

With an annual turnover of over £10bn and major operating facilities in the UK, the Netherlands, Germany, France, Norway and Belgium, Corus employs over 47,000 people in over 40 countries. The Company comprises four divisions, Strip Products, Long Products, Distribution & Building Systems and Aluminium, and has a global network of sales offices and service centres.

Combining global expertise with local customer service, Corus offers value, reliability and innovation. The Corus brand represents a mark of quality, loyalty and strength.

Corus shares are listed on the London, New York and Amsterdam stock exchanges.



Strategic direction

Corus continues to focus on carbon steels, with a growing focus on value-added, differentiated products. We aim to build a sustainable business in Europe, while looking to secure access to steelmaking in lower cost, higher growth regions.

Restoring Success

Our Restoring Success programme, launched in June 2003, is designed to deliver a £680m improvement in earnings before interest, tax and amortisation by the end of 2006.

During 2005 we have continued to make good progress and have achieved approximately 80% of our overall target. As well as savings through cost reduction and improved operational efficiency, action plans are also focused on improving our safety record and achieving best in class customer service.

Safety

During 2005, Corus has seen a further 24% reduction in the frequency of lost time injuries, a good lead indicator of performance. Regrettably, the year also brought two fatal accidents to Corus employees. Health and safety performance will again be a major priority during the current year.

Service

As part of its Restoring Success programme, Corus set out to improve the percentage of deliveries made on time, from 74% in 2003, to 90% by the end of 2006. Significant and sustainable progress has been made in this area, with 85% of deliveries having met this target during 2005.

Savings

By the end of December 2005 Corus had achieved nearly 80% (£555m) of the £680m per annum savings that it had committed to deliver by the end of 2006.



The Corus Way

Corus has previously announced its longer-term perspective – The Corus Way – which will drive the future performance of Corus and deliver value in steel within a safe and sustainable environment.

This approach comprises three key business objectives:

- **Best supplier to best customers:** By differentiating Corus' product and service offering through unique process capabilities, innovation, technical expertise and product branding, Corus will target at least 60% of its deliveries to be value added, differentiated products by the end of 2008. Corus estimates that this represents an increase of approximately one third compared with 2003 when Restoring Success was first launched.
- **World class processes:** By driving further improvement through benchmarking with world class performance levels and identifying, sharing and standardising best practices within the Company.
- **Selective growth:** By pursuing targeted, value-creating growth opportunities, both within and outside Europe.

Supported by Continuous Improvement

A Company programme of Continuous Improvement, based on the principles of lean thinking, is currently being implemented to support The Corus Way.

The Corus Way will also only be achieved through full involvement, motivation and engagement of all employees. It seeks to encourage and motivate employees, such that they are able to contribute effectively to the achievement of the Company's strategic objectives. A significant communication and training effort is underway to achieve this goal and to ensure that Corus has highly motivated and passionate employees, committed to delivering value in steel.

Corus announced two major investments in support of The Corus Way during 2005. Both further enrich the product mix and operational efficiency of the Company's existing asset base in Western Europe.

- An investment of £153m at IJmuiden to expand Corus' product range capabilities for the automotive and construction markets.
- An investment of £130m at Scunthorpe to strengthen the Company's competitive position in structural sections, rail and wire rod markets.



Market focused

Corus is much more than a steel maker. Corus delivers innovative solutions, differentiated products, reliable service and sound technical advice to its customers around the world. The goal is to become the best supplier to the best customers.

Markets

Corus is a leading supplier to many of the most demanding markets around the world such as automotive, packaging, engineering, rail and aerospace.

Building and construction is the largest market sector for Corus. Having secured a very important position in commercial and industrial construction, new opportunities are being explored in areas which show construction growth potential such as residential, health and education.

Markets supplied by Corus

Estimate based on share of turnover

1. Construction	30%
2. Engineering	20%
3. Automotive	16%
4. Packaging	15%
5. Metal Goods	13%
6. Other	6%

Turnover by destination ²⁰⁰⁵

1. Europe (excluding UK)	53%
2. UK	27%
3. North America	9%
4. Asia	8%
5. Rest of the World	3%

Research, Development and Technology

Corus places strong emphasis on the continuous improvement of its processes and products as well as on developing high added value products. Corus has a policy of collaborative product development with key customers in its principal markets and works with research institutes around the world in order to develop cutting-edge, innovative technologies.

Innovation

Breaking new ground and collaborating with customers to develop new products and technologies is a field of proven expertise. By combining personal customer service with a creative flair for developing new ideas, Corus is able to build constructive partnerships which are valued by customers.

Impressive projects

Proof of Corus' capability can be seen in some recently awarded supply contracts such as:

- Dubai Mall, Dubai.
- South African Large Telescope (SALT), South Africa.
- Fusionpolis project, Singapore.
- Airbus – a significant five-year contract to supply aluminium.



Corus operations

Corus has manufacturing operations in many countries with major plants located in the UK, the Netherlands, Germany, France, Norway and Belgium. Corus also has sales offices and service centres all over the world. The goal is to achieve world class processes.

Steel operations

Corus produced around 18 million tonnes of crude steel in 2005, which represented approximately 10% of EU production and positioned the Company as the world's ninth largest steel producer.

Corus produces carbon steel by the basic oxygen steelmaking method at three integrated steelworks in the UK at Port Talbot, Scunthorpe and Teesside, and at one in the Netherlands at IJmuiden. Engineering steels are produced in the UK at Rotherham using the electric arc furnace method.

Aluminium operations

Corus produces primary aluminium in two smelters located at Delfzijl in the Netherlands and Voerde in Germany. Aluminium rolling mills are located at Koblenz in Germany, Duffel in Belgium and Cap-de-la-Madeleine in Canada (60% owned). Corus has aluminium extrusion operations at three locations in Germany, one in Belgium and one in China (61% owned).

In rolled and extruded products, Corus ranks behind the main producing companies of Alcoa, Novelis, Hydro Aluminium and Alcan.

On 16 March 2006, Corus announced that it had signed a letter of intent with Aleris International Inc. for the proposed sale of its Aluminium rolled products and extrusions businesses for EUR826m (approximately £570m).

Production and capacity 2005

	Production capacity (mt)	Actual output (mt)
Port Talbot Steelworks, UK	4.1	3.6
Scunthorpe Steelworks, UK	4.5	3.8
Teesside Steelworks, UK	3.9	3.2
Rotherham and Stocksbridge Steelworks, UK*	1.5	0.8
IJmuiden Steelworks, Netherlands	6.8	6.8
Delfzijl Aluminium Smelting Works, Netherlands	0.1	0.1
Voerde Aluminium Smelting Works, Germany	0.1	0.1

*Steelmaking at Stocksbridge ceased during 2005. The production capacity figure for 2005 includes Stocksbridge for half the year.

Crude steel production global ranking 2005

	Million metric tonnes
1. Mittal Steel	50
2. Arcelor	47
3. Nippon Steel	33
4. Posco	31
5. JFE Steel	30
6. Shanghai Baosteel	23
7. US Steel	19
8. Nucor	18
9. Corus	18
10. Riva	18

Source: Metal Bulletin



Corporate responsibility

**We take corporate responsibility seriously.
Our results are improving, but we recognise
that we still have further work to do.
Our objective is world-class performance.**

Health and safety

An important priority for Corus is to ensure the health, safety and well-being of its employees, contractors, visitors and neighbouring communities. A positive health and safety culture is encouraged which does not tolerate unsafe behaviour. Corus aims to continuously improve safety performance and ensure safe operating practices.

Environment

Corus believes that respect for the environment is critical to the success of its business. Corus is committed to minimising the environmental impact of its operations and its products through the adoption of sustainable practices and continuous improvement in environmental performance. To date, over 86% of manufacturing operations have been certified to the independently verified international environmental management standard, ISO 14001. The Company has set a target to achieve 100% certification by the middle of 2006.

Community involvement

Corus aims to contribute positively to the communities around or near to its operations. As well as providing employment for many thousands of people, Corus actively participates in community initiatives and encourages biodiversity and nature conservation. Corus is also active in stimulating regional employment.

We support cultural, social, educational and sporting activities that contribute to the well-being of residents, both in the immediate vicinity of our plants and elsewhere. Our involvement can take the form of financial support, the provision of materials and the time, skills and enthusiasm of our employees.



Corus people

Corus is proud of its international workforce. The Company is committed to achieving 100% employee involvement in The Corus Way and its Continuous Improvement programme. Passionate people are the key to creating value in steel.

Corus employees are well regarded in the industry and by customers. They are highly valued, highly skilled and well trained.

Corus seeks to develop people excellence through creating a stimulating work environment, which is open and fair, providing competitive remuneration and creating opportunities for employees to develop their skills.

Corus places the highest value on the health, safety and well-being of all employees, on teamwork based on mutual trust and respect, on personal commitment and employee involvement and on conducting business with honesty, integrity and reliability.

Corus is committed to the training and development of all its employees. For example, training initiatives included support for the Company wide programme of Continuous Improvement, and for the development of apprentices.

As well as initiatives with existing employees, the improvement in the Company's performance in recent years and recruitment initiatives under the Restoring Success programme helped Corus to be included in "The Times Top 100" graduate employers for 2005/06, issued in September 2005.

Employees by region 31 December 2005

UK	24,000
The Netherlands	11,400
Germany	4,900
Belgium	1,700
France	1,600
Scandinavia	700
North America	1,500
Other countries	1,500
Total	47,300

Employees by division 31 December 2005

Strip Products	22,500
Long Products	11,800
Distribution & Building Systems	5,700
Aluminium	5,700
Central and other	1,600
Total	47,300



Organisation and Divisions

Organisation

Philippe Varin
Chief Executive Officer

David Lloyd
Executive Director, Finance

Rauke Henstra
Division Director, Strip Products

Paul Lormor
Division Director, Long Products

Scott MacDonald
Division Director, Distribution & Building Systems

Gerhard Buddenbaum
Division Director, Aluminium

Nelson Cunha
Group Director, Technology & Services

Staf Wouters
Director, Human Resources

Richard Shoylekov
Company Secretary & General Counsel

Operations

Strip Products Division

Long Products Division

Distribution & Building Systems Division

Aluminium Division

Functions

Health & Safety
Corporate Communications
Corporate Development & Strategy

Finance
Mergers & Acquisitions
Internal Audit
Investor Relations
Financial Shared Services

Automotive Co-ordination

Construction Co-ordination

Commercial Co-ordination
Supplies & Transport

Research & Development
Information Technology
Continuous Improvement

Human Resources
Compensation & Benefits

Secretariat
Legal Services
Property

Corus is organised into three steel divisions and an aluminium division, each headed by a director who is a member of the Executive Committee.

Divisions

Strip Products Division

Corus Strip Products IJmuiden and Corus Strip Products UK

Hot rolled steel strip and cold rolled and metallic coated steel

Corus Packaging Plus

Light gauge coated steel for packaging and non-packaging applications

Corus Tubes

Steel tubes, hollow sections, line pipe and pipeline project management

Corus Colors

Pre-finished steels

Corus Special Strip

Plated precision strip products with specialist finishes

Cogent Power

Electrical steels, transformer cores, generator and motor laminations

Long Products Division

Corus Construction & Industrial

Plate, sections, wire rod and semi finished steel

Corus Engineering Steels

Engineering billet, rolled and bright bar

Corus Rail

Railway products, design and consultancy, railway infrastructure contracting

Downstream Businesses

Custom designed hot rolled special steel profiles, hot and cold narrow strip

Teesside Cast Products

Slab and bloom

Distribution & Building Systems Division

Corus Distribution & Building Systems

Service centres, further material processing and building systems

Corus International

Tailored product and service solutions for international projects and international trade

Corus Consulting

Consultancy, technology, training and operational assistance to the steel and aluminium industries

Aluminium Division

Corus Primary Aluminium

Extrusion billets, slabs and ingots

Corus Aluminium Rolled Products*

Plate, sheet and coil

Corus Aluminium Extrusions*

Soft and hard extruded profiles, rod and bars

*On 16 March 2006, Corus announced that it had signed a letter of intent with Aleris International Inc. for the proposed sale of its Aluminium rolled products and extrusions business for EUR826m (approximately £570m).

Divisional performance

External turnover by Division	2005 £m	2004 £m
Strip Products	4,127	3,883
Long Products	1,965	1,855
Distribution & Building Systems	2,971	2,534
Aluminium	1,065	1,052
Central & Other	12	8
Group turnover	10,140	9,332

External sales volume by Division	kt	kt
Strip Products	8,588	9,574
Long Products	4,753	5,110
Distribution & Building Systems	6,454	6,195
Aluminium	622	644
Central & Other	–	–
Group sales volume	20,417	21,523

Operating result by Division*	£m	£m
Strip Products	605	417
Long Products	89	248
Distribution & Building Systems	48	66
Aluminium	(14)	11
Central & Other	(48)	(80)
Group operating profit	680	662

* after restructuring, impairment and disposals

Consolidated income statement

	2005 £m	2004 £m
Group turnover	10,140	9,332
Total operating costs	(9,460)	(8,670)
Group operating profit	680	662
Finance costs	(132)	(129)
Finance income	31	13
Share of post-tax profits of joint ventures and associated undertakings	1	21
Profit before taxation	580	567
Taxation	(129)	(126)
Profit after taxation	451	441
Attributable to:		
Equity holders of the parent	452	447
Minority interests	(1)	(6)
	451	441
Earnings per share		
Basic earnings per ordinary share	10.17p	10.07p
Diluted earnings per ordinary share	9.74p	9.43p

Balance sheet

	2005 £m	2004 £m
Non-current assets	3,496	3,577
Current assets	4,446	3,714
Current liabilities	(2,467)	(2,397)
Non-current liabilities	(2,097)	(1,836)
Net assets	3,378	3,058

Share information

Exchanges and symbols

Corus ordinary shares are traded on the London and Amsterdam stock exchanges under ticker symbol CS. In addition, the ordinary shares are listed on the New York stock exchange in the form of American Depositary shares (ADSs), evidenced by ADRs, and trade under ticker symbol CGA.

Shareholding structure

At 30 March 2006, there were some 4.4 billion ordinary shares in issue of which there were around 22 million ADSs outstanding, representing approximately 7% of the ordinary shares.

Proposed consolidation of ordinary shares

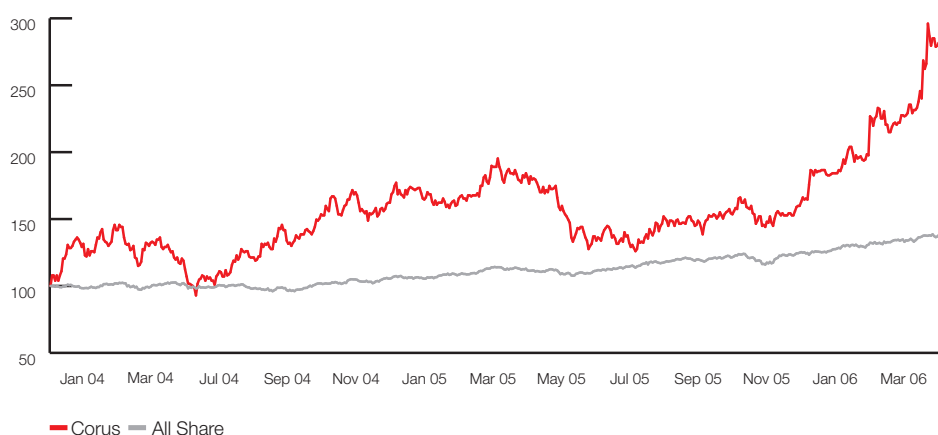
On 5 April 2006 Corus posted its Notice of Annual General Meeting. As part of the business of the meeting it is proposed that Corus Group plc's ordinary shares be consolidated on the basis of 5 existing ordinary shares for 1 new ordinary share. Further information is set out in the Notice of Annual General Meeting.

Dividend

For 2005, the Board announced an interim dividend of 0.5p per share at the time of the interim results and at the Annual General Meeting will recommend a final dividend of 1p per share giving the total for the year of 1.5p per share.

Relative share price performance

Corus vs FTSE All Share: 1 January 2004 to April 2006 Index



Corus has some 160,000 shareholders spread throughout the globe.

Estimated regional split At March 2006

United Kingdom	51%
North America	16%
The Netherlands	10%
Other countries	23%

Major shareholders in the Group At March 2006

Brandes Investments Partners, LP	5.9%
Standard Life	5.0%
Barclays	4.1%
Legal & General Investment Management	3.9%

Financial calendar

9 May 2006

Annual General Meeting

31 May 2006

2006 First quarter results

August 2006

2006 Interim results

November 2006

2006 Third quarter results

www.corusgroup.com

Care has been taken to ensure that this information is accurate, but Corus Group plc, and its subsidiaries, does not accept responsibility or liability for errors or information which is found to be misleading.

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Corus

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