

18 August 2005

Corus announces an additional £10 million investment at Scunthorpe Steelworks

- **£10 million investment in Medium Section Mill**
- **First automated sections distribution centre in Europe**
- **Product quality improvements and flexible despatch to enhance customer service**

Corus today announced a further £10 million investment at Scunthorpe, one of its main UK steelmaking sites. This investment is in addition to the £130 million announced in February 2005, taking the total investment at the Scunthorpe steelworks to over £200 million over the past two years. This demonstrates Corus' on-going commitment to strengthening the competitive position of its Long Products Division through further improvements in operational efficiency, higher value added product mix and customer service.

The investment involves the installation of an automated distribution centre for sections produced at the Medium Section Mill. The new facility will enhance Corus Construction & Industrial's end product quality for sections, minimising handling-time and increasing load flexibility, while also improving safety standards.

Commenting on the new, automated distribution centre, Andrew Page, Managing Director of Corus Construction & Industrial said: "This new facility will allow us to offer a first class service to our sections customers. By improving the quality of our delivered sections and the speed of despatch, we will have a stronger capability to deliver loads in excellent condition, directly to our customers."

The investment in the new distribution centre is in addition to the recently announced Medium Section Mill developments aimed at delivering consistently high product quality and introducing rail rolling alongside existing sections production.

The new sections distribution centre is expected to be operational by autumn 2006.

More on Corus:

Corus Group Plc (LSE/AEX: CS; NYSE: CGA) is one of the world's largest metal producers with a turnover of over £9 billion and major operating facilities in the U.K., the Netherlands, Germany, France, Norway, Belgium and Canada. Corus' four divisions comprising Strip Products, Long Products, Aluminium and Distribution & Building Systems provide innovative solutions to the construction, automotive, rail, general engineering and packaging markets worldwide. Corus has over 48,000 employees in over 40 countries and sales offices and service centres worldwide. Combining international expertise with local customer service, the Corus brand represents quality and strength.

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