



News release

22 April 2004

AGM Trading Update

"As a result of continued strong demand from China in the first quarter of 2004, the global steel industry has experienced unprecedented increases in input costs and shortages of some key raw materials.

Sales price increases now taking effect will offset these higher costs. Further price rises have been announced for the third quarter.

Notwithstanding the above challenges and against the background of sluggish demand in our core European market, the performance of the Group has continued to improve, and I am pleased to announce a return to operating profit in the first quarter of 2004.

Looking ahead, the planned benefits from our Restoring Success initiatives and announced price increases should result in continued progress in margins and profits as the year develops."

END