

The Company Overview



- 2nd largest European steel producer and 9th largest in the world
 - Crude steel capacity : 20.8 mtpa, Production : 18.2 mtpa in 2005, represents 10% of EU production
- Integrated steel making facilities in coastal locations
- Over 50% market share in the UK and 11% in EU15
- Strong market positions in Construction, packaging, engineering and automotive
- Leading R&D capability
- Significant improvement through "Restoring Success"
- World class facilities in IJmuiden, lowest cost in Europe
- International board and executive team : 47300 employees
- Listings on LSE / NYSE/ AEX
- Market Capitalisation : GBP 4.7 bn (USD 8.9 bn) as on 21st Nov'06
- Company Credit Rating: Standard & Poor's (BB-/stable), Moodys (Ba2/POS), Fitch (B+/stable)



Production and Capacity in 2005



	Capacity (mtpa)	Production (mtpa)	Product Mix
Port Talbot Steelworks, UK	4.1	3.6	Strip products (HR : 55%, CR : 35%, hot-dip galvanised, aluminised and tin-zinc coated products: 10%)
Scunthorpe Steelworks, UK	4.5	3.8	Long Products (Billets :7.4%, Plates :14.8%, Sections : 22.2%, Wire Rods : 18.5%, Narrow strip : 1.9%, Engineering steel : 18.5%, Special profiles : 7.4% and Rail : 9.3%)
Teesside Steelworks, UK	3.9	3.2	Long Products (Section: 80% and Plates:20%)
Rotherham and Stockbridge Steelworks, UK*	1.5	0.8	Long Products (Engineering steel: 90% and Narrow strip: 10%)
IJmuiden Steelworks, Netherlands	6.8	6.8	Strip products (Slabs: 5%, HR: 46%, CR: 12%, Galvanised: 22%, Direct sheet: 12% and Organic coated : 3%)
Total Steel	20.8	18.2	



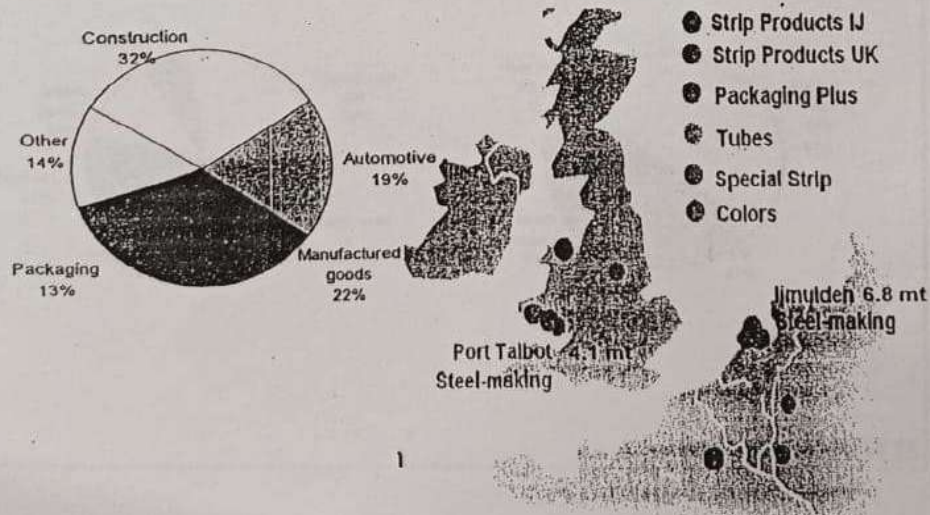
Brief Profile of production facilities in 2005



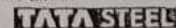
Location	Ijmuiden and Port Talbot	Teesside, Scunthorpe and Rotherham	Central Europe	Cap-de-la-Madelein, Toronto, Tianjin, Duffel etc	U.K., the Netherlands, Germany, France, Norway and Belgium
External Sales Volume (Mn tons)	8.6	4.8	6.5	0.6	20.4
Turnover	7594	3618	5467	1960	18658
EBITDA	1430	313	118	114	1890
EBITDA Margin(%)	15%	6%	2%	6%	10%
Net Operating Profit	1113	164	88	(26)	1251
No. of employees	22,500	11,800	5,700	5,700	47,300

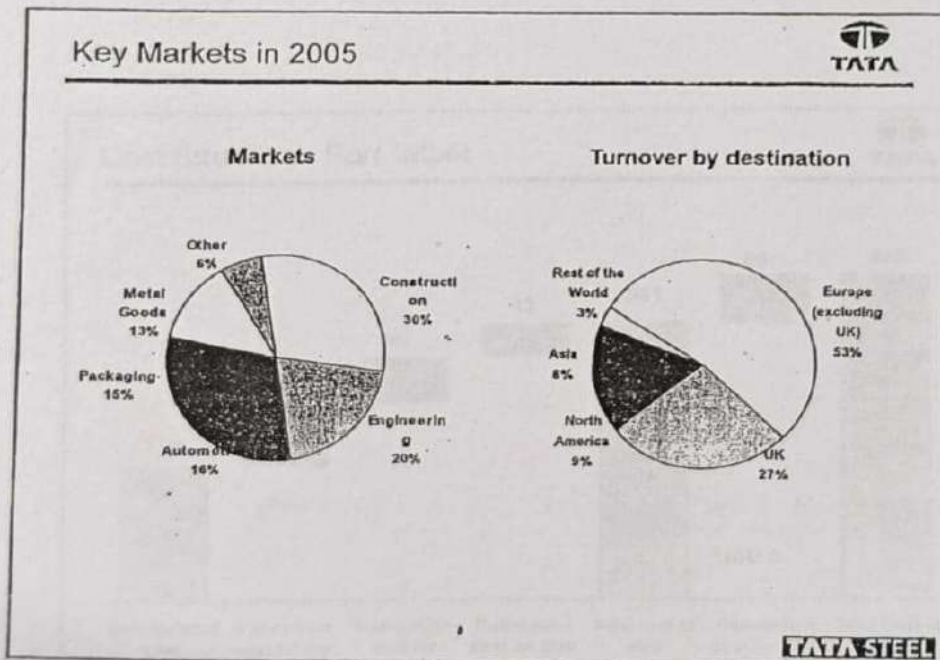
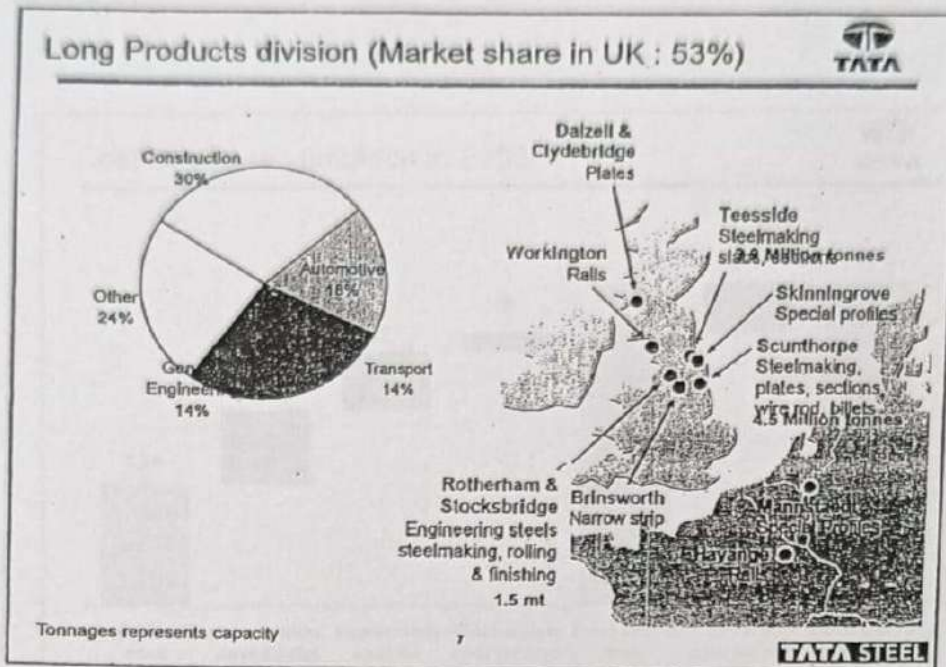


Strip Division (Market share in UK : 50%)



Tonnages represents capacity





Synergies Identified: Corus

	Difficulty factor	Benefits
• Operations:		
- Increase in crude steel production by using DRI/ Scrap at Ijmuiden, PT, Teeside & Scunthorpe ~ 1.5 mtpa		
- Improvement in Coal Injection rate (higher use of PCI) at PT & Scunthorpe from existing level.		
- Optimise coal mix for Injection between PCI and Anthracite i.e. 50: 50 instead of using 100% PCI		
- Improvement in yield (at least 0.5%) due to change from combined blowing process (BAP) in LD shops to TBM process		

Maximum difficulty for execution
 Maximum gains

TATA STEEL



Synergies Identified: Corus

	Difficulty factor	Benefits
• Outsourcing / off- shoring part of these functions to India		
- G&A functions		
• IT		570 employees
• Finance		1190 employees
• HR		830 employees
• Purchasing		470 employees
- R&D functions (central)		920 employees



Maximum difficulty for execution
 Maximum gains

TATA STEEL

Synergies Identified: Corus		TATA	
	Difficulty factor	Benefits	
<ul style="list-style-type: none"> Global Sourcing: Supplying from India and China <ul style="list-style-type: none"> Steelmaking and casting refractories Rolls Fe alloys Other Purchases 	Ⓜ	Ⓜ	
<ul style="list-style-type: none"> Logistics saving in procuring raw materials due to in-house shipping JV with NYK assuming \$1/ ton savings 	Ⓜ	Ⓜ	
<ul style="list-style-type: none"> Marketing & Sales <ul style="list-style-type: none"> Selling and servicing existing customers in India by Tata Steel and customers in Europe by Corus 	Ⓜ	Ⓜ	

 Maximum difficulty for execution
  Maximum gains
 TATA STEEL

Synergies Identified: Tata Steel		TATA	
	Difficulty factor	Benefits	
<ul style="list-style-type: none"> Operations: <ul style="list-style-type: none"> Increase in Hot metal production in Blast Furnace F, G & H production of ~ 2.05 mtpa by 2011 by using best practices Ijmudein to increase productivity and fuel rate performance levels at existing cost base Reduction of total metallic charge in BF by 5 kgs. Capex of ~2000 crore for augmentation of sinter plant, installation of pellet plant and slab caster etc. Reduction due to increase in coal injection rate in line with Ijmudein plant 	Ⓜ	Ⓜ	

 Maximum difficulty for execution
  Maximum gains
 TATA STEEL

Synergies- Further upside potential		TATA	
	Difficulty factor	Potential Benefits	
<ul style="list-style-type: none"> • Other Operations benefits <ul style="list-style-type: none"> - Reduce Heavy fuel oil injection at Teeside - Using technical consultancy from Hoogovens in coke-making area. - Use of experience and knowledge of Corus for running new pellet plant at Jsr. - Other production benefits at JSR due to sharing of best practices of Ijmudien - Sharing of best practices between Natsteel, Millennium Steel and Rotherham plants 			
Maximum difficulty for execution		Maximum gains	
TATA STEEL			

Synergies- Further upside potential		TATA	
	Difficulty factor	Potential Benefits	
<ul style="list-style-type: none"> • Supply of low cost semis <ul style="list-style-type: none"> - Slab to PT from India? - Special blooms and billets to Rotherham from India (Chhattisgarh / Jamshedpur) • Market access to service centers <ul style="list-style-type: none"> - Leveraging global customer franchise, immediate access to sales infrastructure and customer access of Corus in NAFTA and EU markets • Synergies in Other businesses <ul style="list-style-type: none"> - Construction solutions business with the JV of Tata Steel - Benefit in Tinplate business with Corus's reach and experience 			
Maximum difficulty for execution		Maximum gains	
TATA STEEL			

Synergies Identified: Tata Steel		TATA	
	Difficulty factor	Benefits	
<ul style="list-style-type: none"> Research & Development. Access to the R&D facilities of Corus <ul style="list-style-type: none"> Revenue- training, testing, consulting, IPR. Use of Auto Center at Netherlands (R& D facilities) for auto grade products i.e. prototypes, consultancy, etc. Global Sourcing <ul style="list-style-type: none"> Bulk discount for Purchasing raw materials like coal, scrap, fe- alloys, stores & spares and consumables, refractories 	<p>☐</p> <p>☐</p> <p>☐</p>	<p>☐</p> <p>☐</p> <p>☐</p>	
<p>☐ Maximum difficulty for execution</p> <p>☐ Maximum gains</p>		TATA STEEL	

Synergies- Further upside potential		TATA	
	Difficulty factor	Potential Benefits	
<ul style="list-style-type: none"> Greenfield and Brownfield projects <ul style="list-style-type: none"> Capital cost savings: Using services of Corus Consulting and Danieli Corus, there would be saving in capex Rationalisation of sourcing of capital equipments and engineering products between Tata Steel and Corus Access to Corus Technology <ul style="list-style-type: none"> Faster ramp up of HR products at JSR, KPO and Jharkhand by four years would Faster Implementation of Greenfield and Brownfield projects 	<p>☐</p> <p>☐</p> <p>☐</p>	<p>☐</p> <p>☐</p> <p>☐</p>	
<p>☐ Maximum difficulty for execution</p> <p>☐ Maximum gains</p>		TATA STEEL	