

Espoo, 2 August 2001 at 14:00 hrs

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**Stuart Pettifor leaves AvestaPolarit.
Pekka Erkkilä appointed new President of Coil Products and
John Newborn new Executive Committee member**

AvestaPolarit's Deputy CEO and President of the Group's Coil Products business area Stuart I Pettifor will be leaving AvestaPolarit at the end of August following his appointment to join the Board of Corus Group plc and take charge of its Strip portfolio of businesses.

AvestaPolarit's Board of Directors has appointed Mr Pekka Erkkilä, current Executive Vice President – Business Development & Technology, to succeed Stuart Pettifor as President of Coil Products as of 1 September 2001.

Simultaneously, the Board has appointed Mr John Newborn, current Integration Manager, to join the AvestaPolarit Executive Committee as Executive Vice President responsible for Business Development and Integration.

Ossi Virolainen, AvestaPolarit's CEO, regrets the departure of his colleague Stuart Pettifor as he comments:

"I believe that all people at AvestaPolarit will be sorry to see Stuart Pettifor leave us. As a strong charismatic leader and a highly regarded professional in our industry, he has been a central person in the merger process to establish AvestaPolarit and set the Group solidly off on its course to become the world's leading stainless steel company. I will also miss him as a close colleague that I have learned to honour and trust, but I understand his motive and respect his decision. I wish him all the best in his onward career."

"On the other hand, I welcome Pekka Erkkilä to take charge of our core Coil Products business area and John Newborn to join our Executive Committee. Both are experienced professionals, who have been key managers also in the entire AvestaPolarit merger plan and its business development process."

Brief curricula of Messrs. Erkkilä and Newborn are presented on page 2.

Stuart Pettifor wishes himself to clarify the reasons for his decision to leave the company, reiterating also his strong positive views on AvestaPolarit:

"The decision to leave AvestaPolarit and return to Corus has not been an easy one for me to take. Decisions like this are always based on a balance between the challenge of a new job and unfinished work in the old. In my case I have chosen to move on, with personal family commitments playing a major role in the final decision. I came to Sweden in 1997 to a company that was losing money and needed a change of direction. The reorganisation of Avesta Sheffield over the subsequent years with the full support of the management team and union colleagues, restored profitability and pride in the company. Becoming successful

again was a prior requirement for the future. I have always believed that a merger of Avesta Sheffield and Outokumpu's stainless steel business was in the best interest of all stakeholders in both organisations. I'm also happy to say that the merger is clearly working. The new company is forging a new identity and an enhanced level of profitability. All this is possible because it has an excellent management team, who lead a good committed workforce and both are following a well developed strategic plan. I wish all people at AvestaPolarit all the best for the future, and I will watch with interest the company fulfill its destiny and become the 'Best in Stainless'," Stuart Pettifor concludes."

Brief curricula:

Mr Pekka Erkkilä, b. 1958

MSc (Engineering) at the Helsinki University of Technology 1982

Research Engineer at Outokumpu Oy's Tornio R&D 1983-85, Production Engineer/Chief

Project Engineer at the Tornio cold rolling mill 1985-88/1988-90, Manager of the Tornio hot rolling mill 1990-96, President of Outokumpu Chrome Oy 1996-2001. Current position:

Executive Vice President – Business Development & Technology at AvestaPolarit Oyj Abp.

Mr John Newborn, b. 1944

B.Tech. C.Eng., M.I.E.E., graduated 1967

First joined Corus predecessor in 1961, held numerous positions in research and project management in Sweden and the UK 1967-89, General Manager – Operations at British Steel Stainless 1989-92, Vice President – Cold Rolled Division of Avesta Sheffield 1992-96, Vice President – Coil and Primary Division 1996-98, Vice President – Business Area Manager, Coil Products Sheffield including Coil Service Centres 1998-2001, Member of Avesta Sheffield Executive Committee 1992-2001. Current position: Merger Integration Manager at AvestaPolarit Oyj Abp.

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