

**“Surprised and sad” at frivolous comments, says
Mr. B. Muthuraman, former Vice Chairman & MD, Tata Steel**

Mumbai, November 23, 2016:

With reference to media reports on the Tata Steel Corus acquisition, Mr. B Muthuraman, former Vice Chairman & Managing Director, Tata Steel has issued the following statement.

“I am surprised and very sad to see the speculative and biased views being fed in the media regarding the acquisition of Corus nearly a decade back in early 2007. The long term strategy of Tata Steel was well thought out after a lot of deliberation to grow the company through capacity expansion in India and internationally through inorganic growth. The overseas growth strategy was also to focus on accessing new markets through acquisitions, enhance the technology capability of the company and develop high end premium products. Following the successful acquisition of NatSteel in Singapore and Millennium Steel in Thailand, Corus Group plc provided a natural fit for the portfolio especially since the Netherlands facilities which is the gold standard in competitive positioning were part of the asset perimeter. The Board of Tata Steel was deeply involved in all the deliberations and had approved the transaction. The value of Corus increased since the initial bid in line with the commodity price boom, its underlying performance and the transaction process. The acquisition was through a transparent auction process managed by the Take over regulator in the UK and the acquisition price was 50 million pounds higher than the next bidder. In the first two years of the acquisition itself, Corus had an average annual EBIDTA of over 1 billion pounds which justified the reasonableness of the acquisition. The sudden and unprecedented scale of the global financial crisis in 2008 had a very significant adverse impact on the industry fundamentals in Europe which also impacted the performance of Corus.

Therefore, such frivolous and unconsidered comments on the acquisition should be avoided”.