Companhia Siderúrgica Nacional



4Q15 Earnings Presentation

March 29th, 2016

Disclaimer

Certain statements contained herein are forward-looking statements based on Management's current estimates regarding future performance that may result in material differences regarding future results, performance and events. In fact, actual results, performances or events may differ materially from those expressed or implied by the forward-looking statements, as a result of several factors, such as the general and economic conditions in Brazil and other countries, interest rate and exchange rate levels, future rescheduling or prepayment of debt denominated in foreign currencies, protectionist measures in the US, Brazil and other countries, changes in laws and regulations and general competitive factors (on a global, regional or national basis).

Operational and Financial Highlights during 4Q15 & 2015

- **R$3,251 million EBITDA** generated during **2015** with **19.78% EBITDA Margin**
- **R$1,616 million of Net Profit during 2015**
- **Record Iron Ore Production of 28Mt, with Sales and Transfer of 31Mt during 2015**
- Delivered **Iron Ore Costs** of **US$33.3/wmt during 4Q15,** against US$53.3/wmt in 4Q14 (US$20/wmt decrease)
- **Steel Sales** of **4,990kt** during **2015.**
- **During 4Q15, 53%** of the total flat steel **sales** were **Coated**
- **Cement Production of 2,262kt** during **2015, a 3% increase** in comparison with **2014**

CSN is focused on increasing businesses competitiveness and generating shareholder return

OBJECTIVES: Increase Competitiveness and Recover Cash Generation

Operational Efficiency

- Synergies between businesses.
- Focus on cost leadership.
- Export competitiveness
- Production capacities adequacy with the currently scenario

Projects Delivery

- New mining fleet equipment delivered
- Ramp-up of TG20 (Turbo Generator at the UPV´s Thermoeletric Plant)
- Ramp-up of Grinding Mill´s #1 and #2 in Arcos (MG)
- Conclusion of the Arcos Clinker Kiln
- Revamp of coke batteries 4A and 4B

Financial Management

- Financial discipline and liquidity preservation
- Focused on Cash generation recovery
- Implementation of actions focused on deleveraging

Differentiated assets with high integration generate resilient performance even in adverse market conditions

STEEL



- Unique portfolio in Long and Flat Steels
- Cost competitiveness
- Strong Sales network in Brazil and growing international distribution capacity

MINING



- "*World- class*" assets
- Production chain integration
- Competitive portfolio
- Cost competitiveness from mine to client
- Mix of spot and contract sales

CEMENT



- High synergy with other businesses
- Growing production capacity with unique assets
- High Quality products and portfolio expansion

LOGISTICS



- Businesses integration
- Differentiated assets (TECON, MRS) with high performance
- Prime location in RJ-SP-MG

ENERGY



- Hydropower and thermal power mix.
- Low generation cost.
- Over 400MW capacity.
- High integration with businesses

2015 was a year of challenges and achievements. 2016 will be a year with new opportunities to improve CSN's competitiveness

2015 Achievements:

- Conclusion of the Business Combination, with the result of the currently structure of Congonhas Minérios
- Extension of R$4.8Bi of debt maturing in 2016/2017 to 2018/2022
- Relevant cost reduction captured in the steel and mining businesses
- Beginning of disinvestment process (mandated assets and development plan)
- Conclusion of the Grinding Mill project in Arcos (MG)

2016 Goals:

- Targeted Sales growth in major business segments
- New phase of operational and administrative costs reductions
- Strong working capital reduction and CAPEX review
- Leverage reduction and debt extension
- Cement operation *Ramp-up,* after the conclusion of new clinker kiln in Arcos (MG)

Consolidated Results

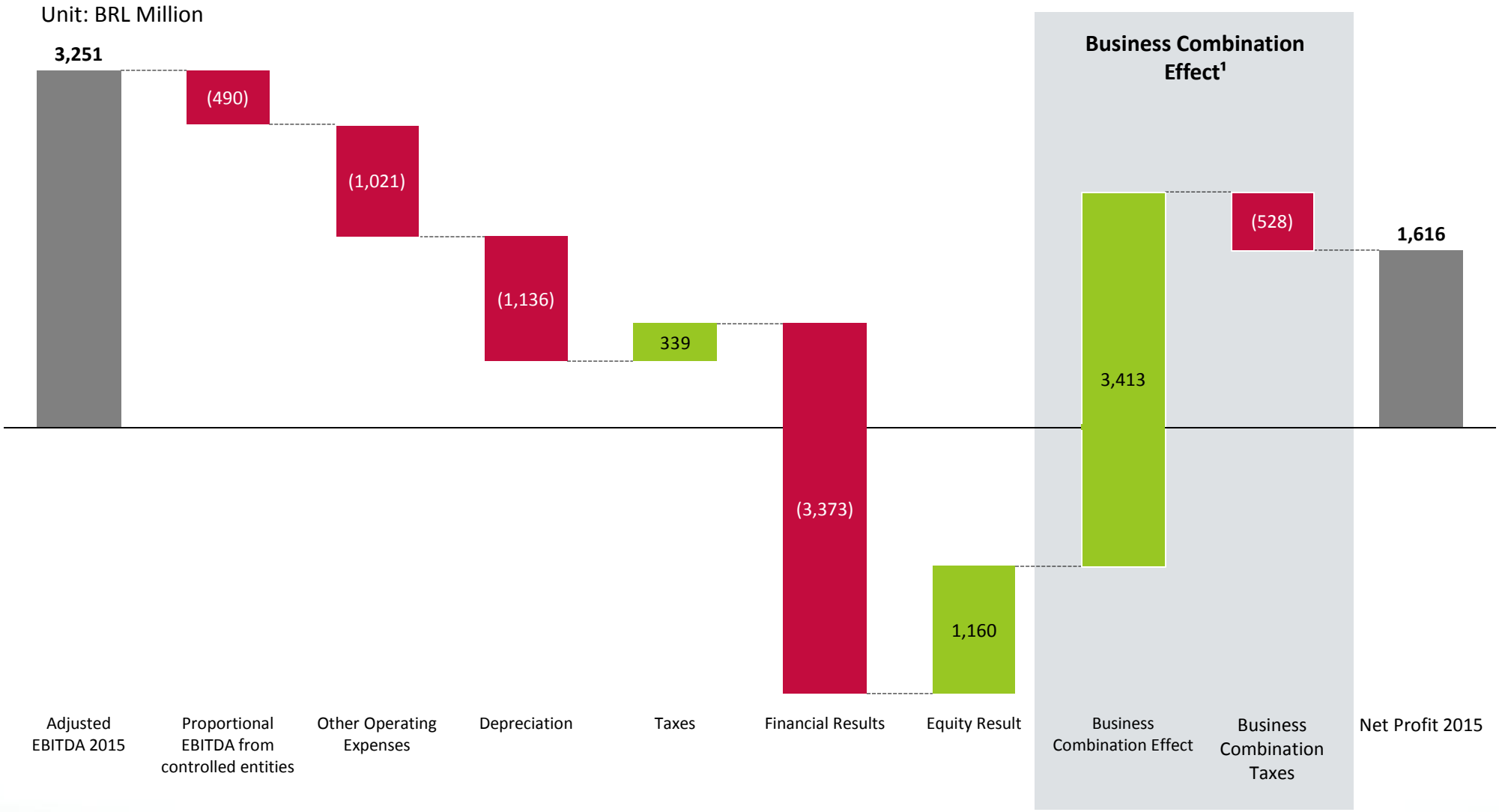
BRL Million	3Q15	4Q15	2014	2015
Net Revenues	3,956	3,678	16,126	15,332
Adjusted Net Revenue[1]	4,208	4,041	17,673	16,436
Gross Profit	941	767	4,534	3,531
Adjusted EBITDA	853	686	4,729	3,251
Adjusted EBITDA Margin[1]	20.27%	16.98%	26.76%	19.78%
Net Profit (Net Loss)	(533)	2,371	(112)	1,616
Adjusted Gross Debt	35,653	35,361	30,990	35,361
Adjusted Net Debt	23,417	26,499	18,908	26,499
Net Debt/Adjusted EBITDA	6.6x	8.2x	4.0x	8.2x
Adjusted Cash	12,236	8,862	12,082	8,862
IFRS Cash	8,227	8,625	8,686	8,625

Comments:

[1] The Adjusted EBITDA Margin is calculated by the division between the Adjusted EBITDA and the Adjusted Revenue, which considers stakes of 60% in Namisa, 33.27% in MRS and 50% in CBSI until November 2015 and stakes of 100% in Congonhas Minérios, 37.27% in MRS and 50% in CBSI, from December 2015 on.

- The adjusted values of EBITDA, Debt and Cash consider stakes of 60% in Namisa, 33.27% in MRS and 50% in CBSI until November 2015 and stakes of 100% in Congonhas Minérios, 37.27% in MRS and 50% in CBSI, from December 2015 on.
- The Adjusted Debt does not include Forfaiting and Drawee Risk operations.

Net Results Build-up for 2015



[1]During 4Q15, with the conclusion of the Business Combination between CSN's mining assets and Namisa in Congonhas Minérios, the Company generated an accounting net profit of R$2.9 billion, registered in the Other Operating Revenues and expenses line, due to the positive impact of the valuation by fair value of CSN's 60% stake in Namisa and the liquidation of pre-existing relations.

IFRS and Proportional Financial Results

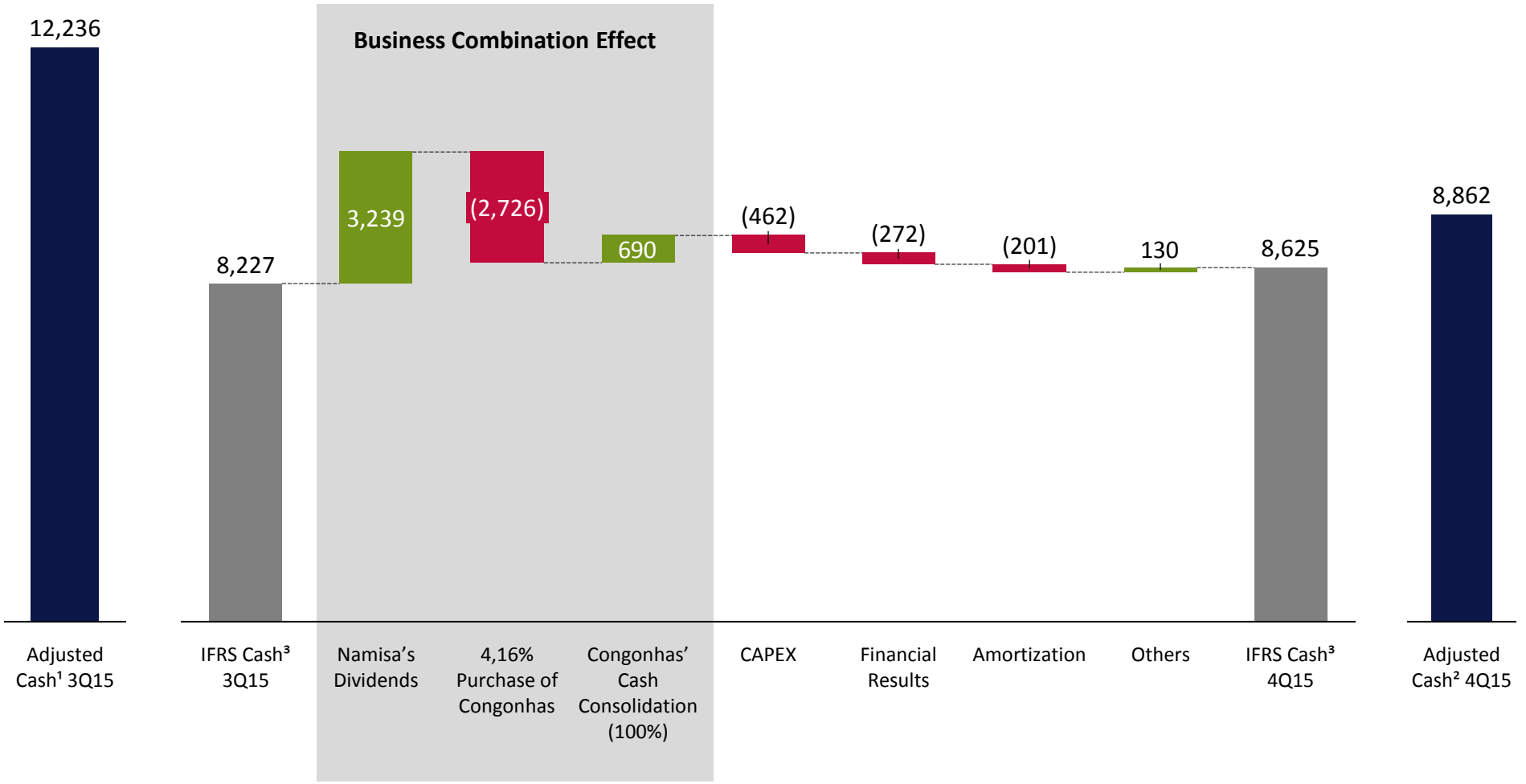
CSN hedges its financial exposure focusing on a proportional consolidation basis

Financial Result Conciliation	3Q15	4Q15	2014	2015
BRL Million				
Financial Result - IFRS	**(1,549)**	**(183)**	**(3,085)**	**(3,373)**
(+) Financial Result of Joint-Venture	**770**	**(48)**	**286**	**1,108**
(+) Namisa	800	(34)	349	1,194
(+) MRS	(29)	(15)	(63)	(86)
(=) Proportional Financial Result[1]	**(779)**	**(231)**	**(2,799)**	**(2,265)**
Financial Revenues	**123**	**286**	**226**	**529**
Financial Expenses	**(901)**	**(528)**	**(2,974)**	**(2,807)**
Financial Expenses (ex-exchange rate variation)	**(1,034)**	**(480)**	**(3,125)**	**(3,223)**
Result with Exchange Rate Variation	**133**	**(48)**	**152**	**416**
Monetary and Exchange Rate Variation	(1,751)	245	(216)	(1,907)
Hedge Accounting	1,214	(140)	121	1,420
Derivatives Results	671	(153)	247	904

[1]The proportional financial result considers stakes of 60% in Namisa, 33.27% in MRS and 50% in CBSI until November 2015 and stakes of 100% in Congonhas Minérios, 37.27% in MRS and 50% in CBSI, from December 2015 on.

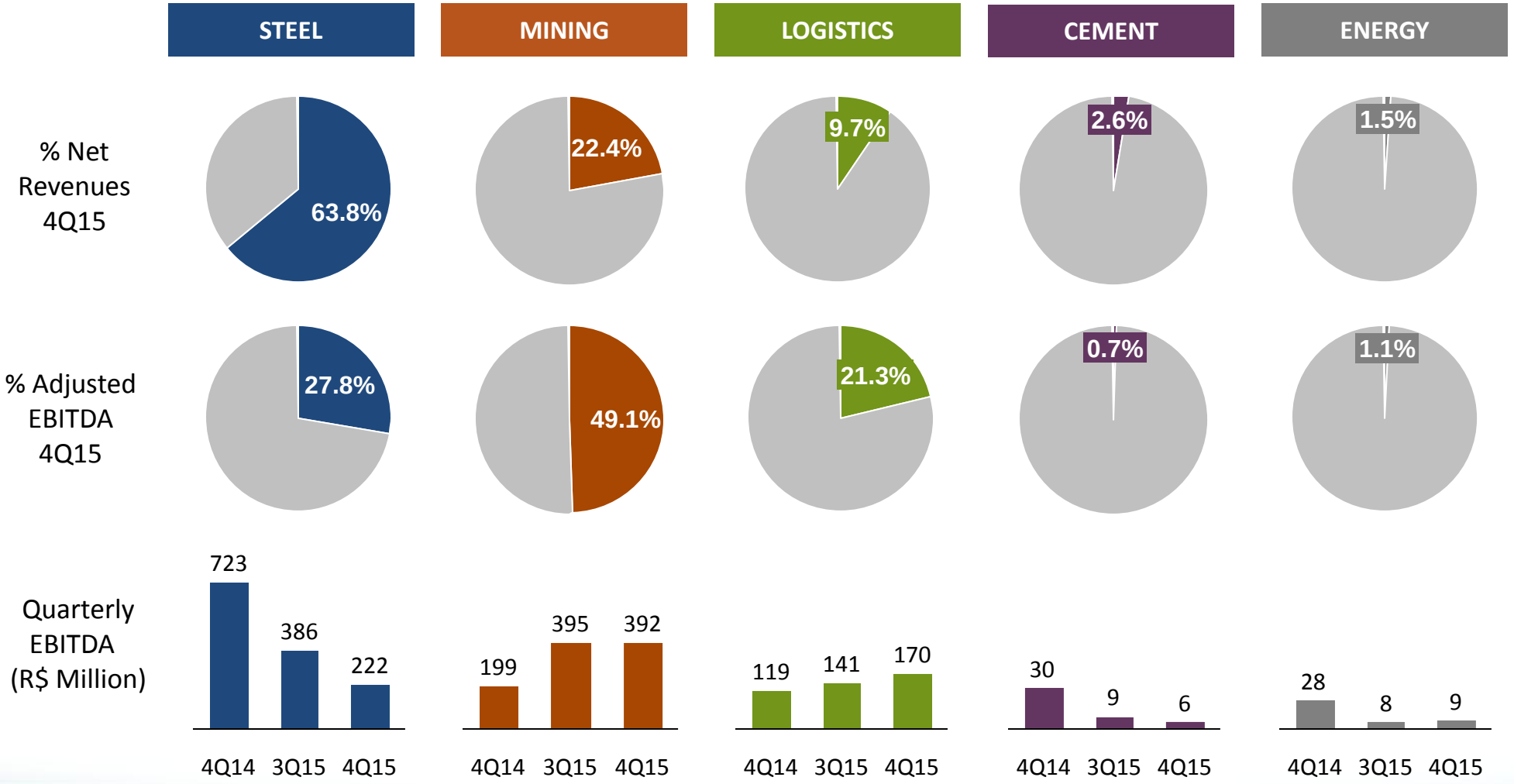
CSN's Cash Evolution

Unit: BRL Million

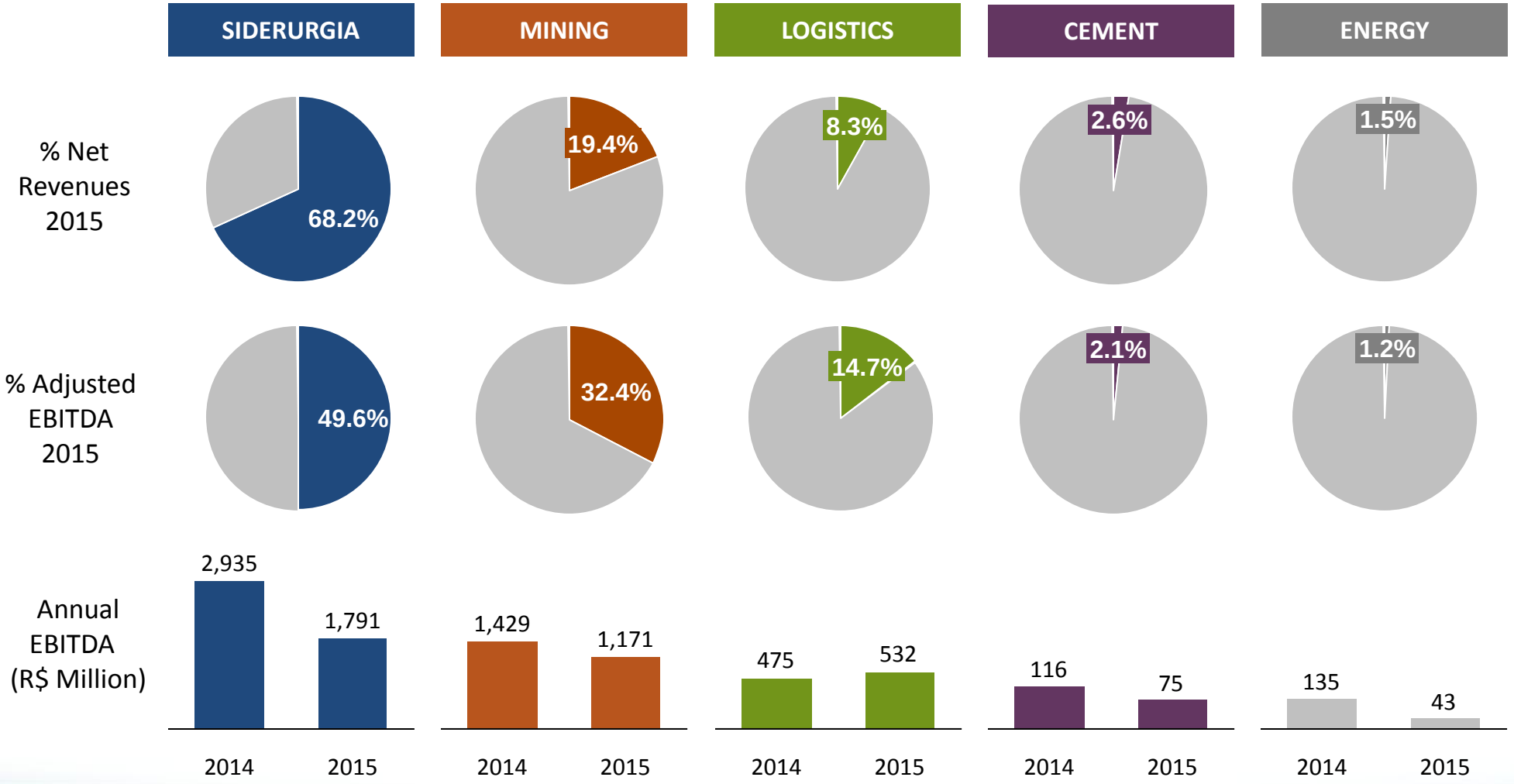


[1]The 3Q15 Adjusted Cash considers the proportional participation of 60% in Namisa's Cash, 33,27% in MRS's cash and 50% in CBSI's cash.
[2]The 4Q15 Adjusted Cash considers the participation of 100% in Congonhas Minérios' cash, 37,27% in MRS's cash and 50% in CBSI's cash.
[3]It considers financial investments in guarantee for exchange operations in BM&F.

Results by Segment during 4Q15



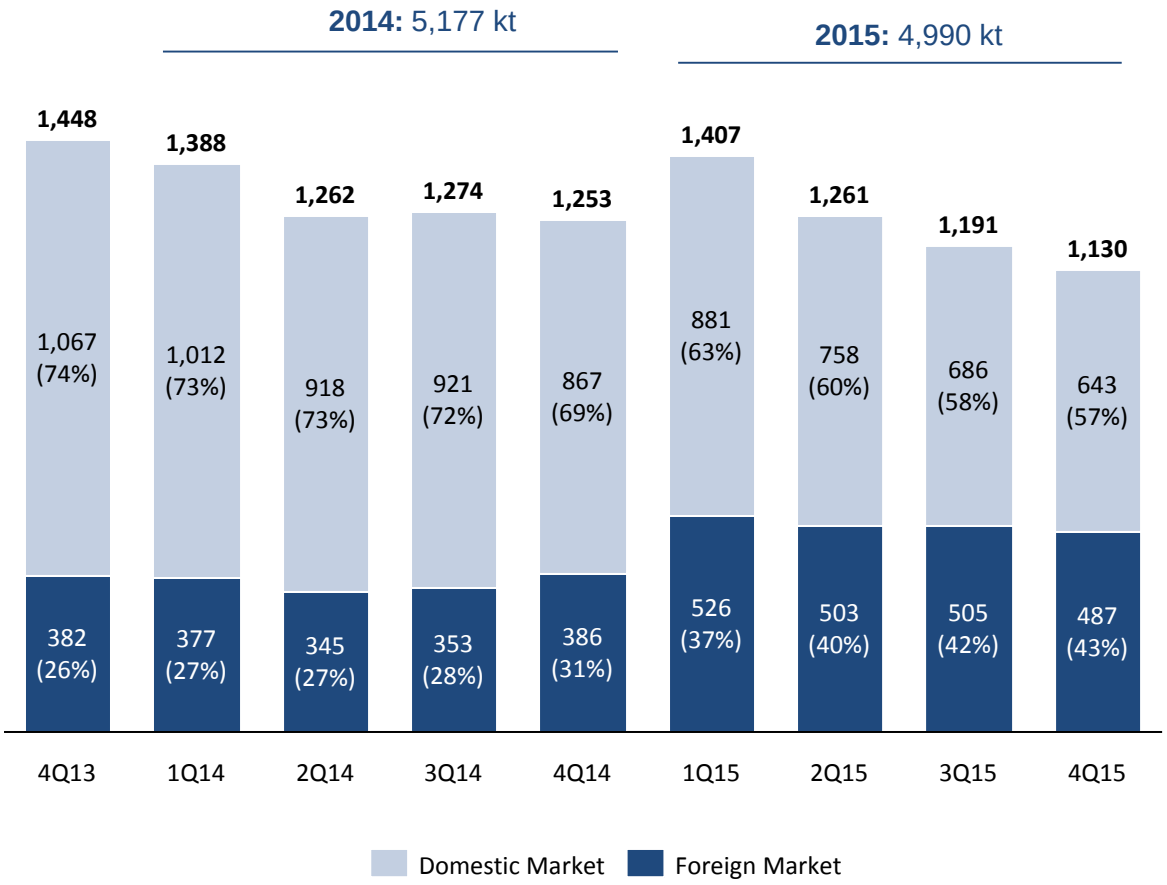
Results by Segment during 2015



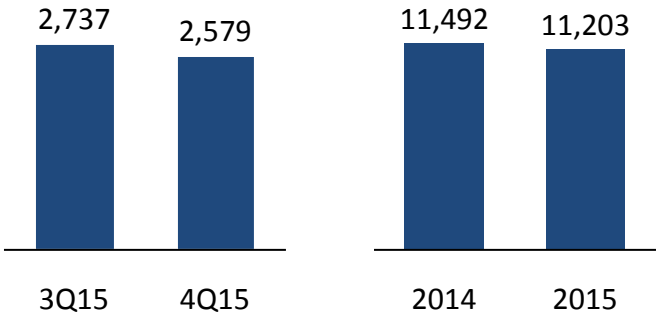
Steel Performance during 4Q15

Steel EBITDA reached R$1,791 million during 2015, generating over R$360/t of sales

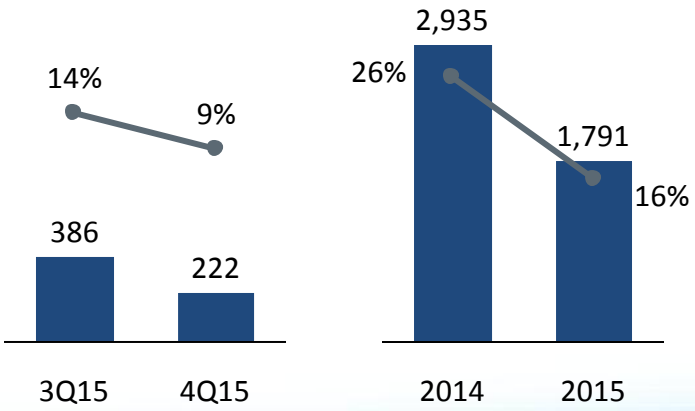
Sales Volumes (thousand tons)



Net Revenues (R$ million)



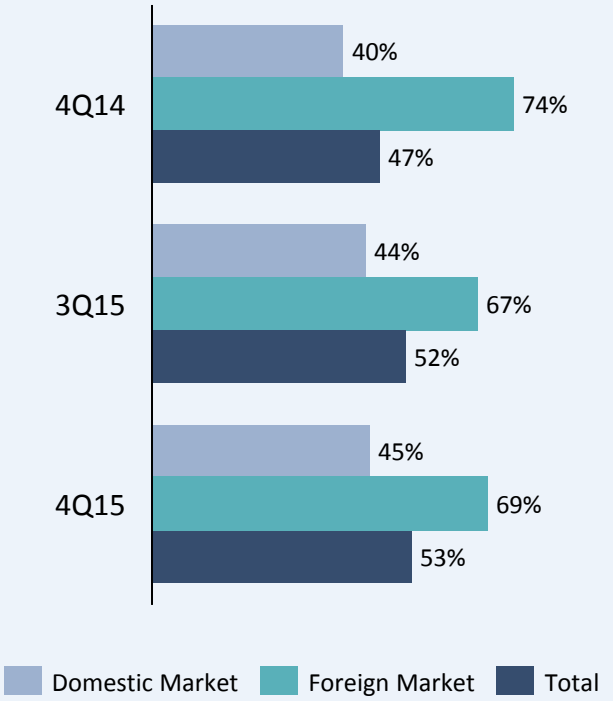
EBITDA (R$ million) and EBITDA Mg. (%)



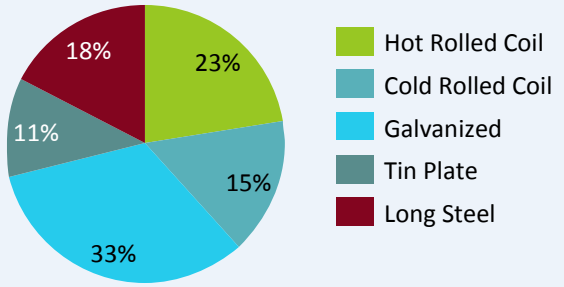
Steel Performance during 4Q15

CSN continues to increase its high value coated steel participation in its sales mix in all markets. Exports and Foreign Sales drove total volumes, with a strong increase during 2015 (+39%yoy)

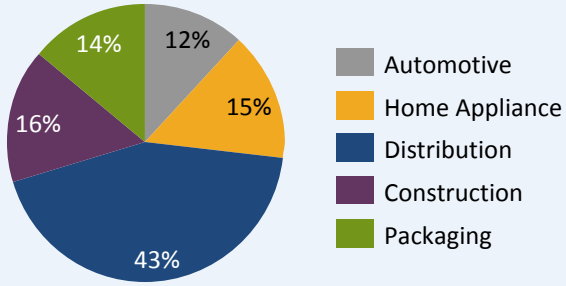
Coated Steel Participation as a % of Flat Steel Sales



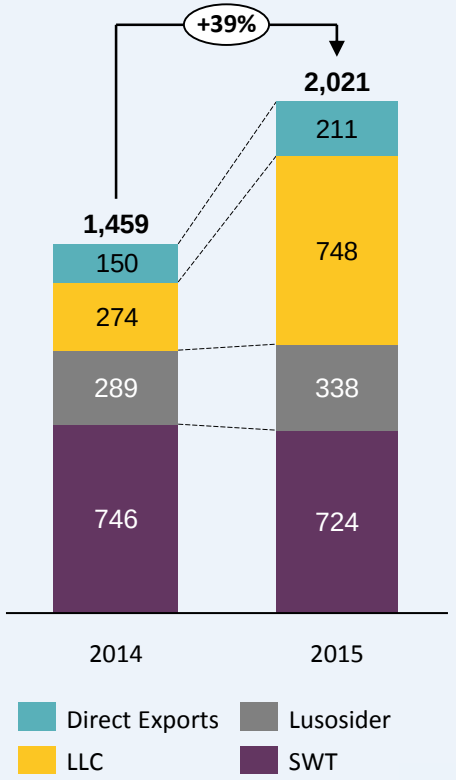
Sales per Product[1] (4Q15)



Sales per Segment[2] (4Q15)



Foreign Market Sales (thousand tons)



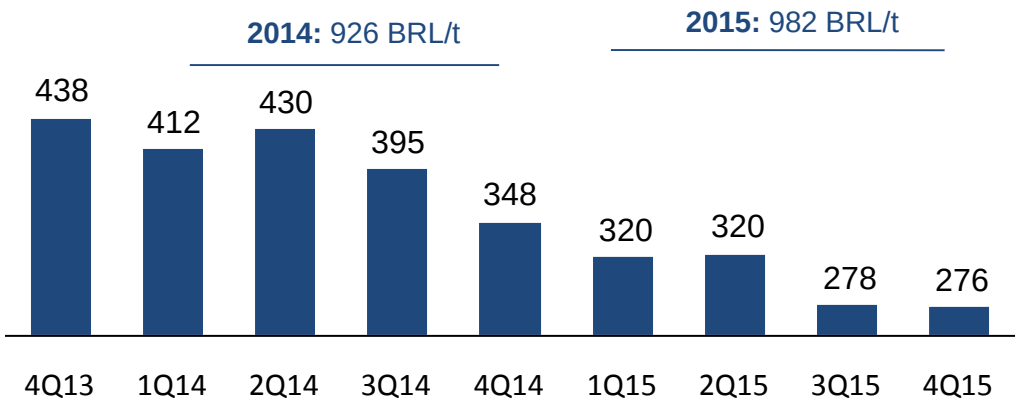
(1) Sales per product at Brazil Steel Business Unit (include UPV, CSN Paraná and Porto Real)
(2) Sales per segment at CSN Parent Company. Doesn't include SWT, CSN LLC or Lusosider

4Q15 Steel Cost Competitiveness

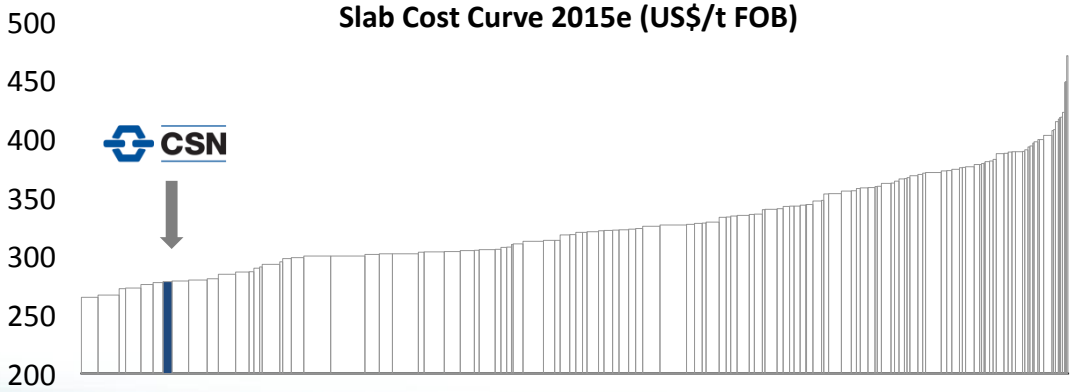
Slab production cost increased below brazilian CPI and FX rates. CSN kept its production cost below 280 USD/tonne, ensuring its presence in the 1st Global Quartile

Slab Production Cost at President Vargas Steelworks (US$/t)

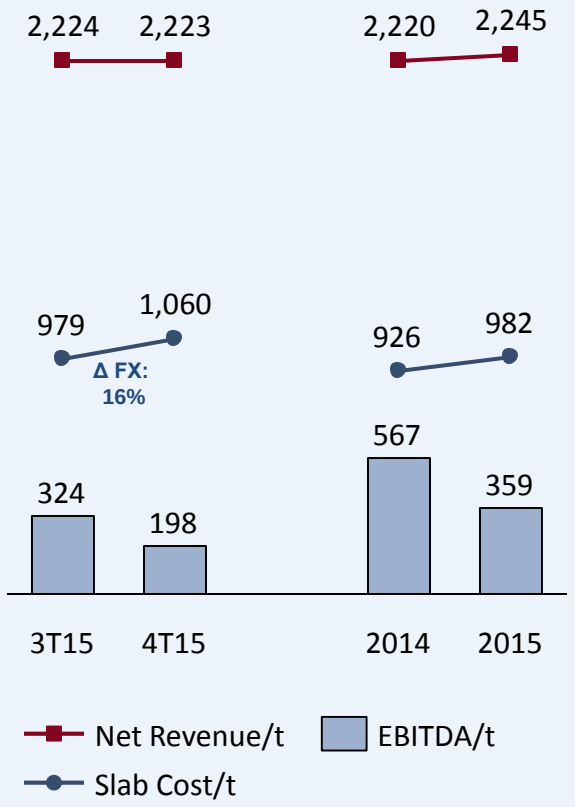
OBS: ~40% of slab cost is dollar denominated



Slab Cost Curve 2015e (US$/t FOB)



Performance Indicators per tonne (R$/t)



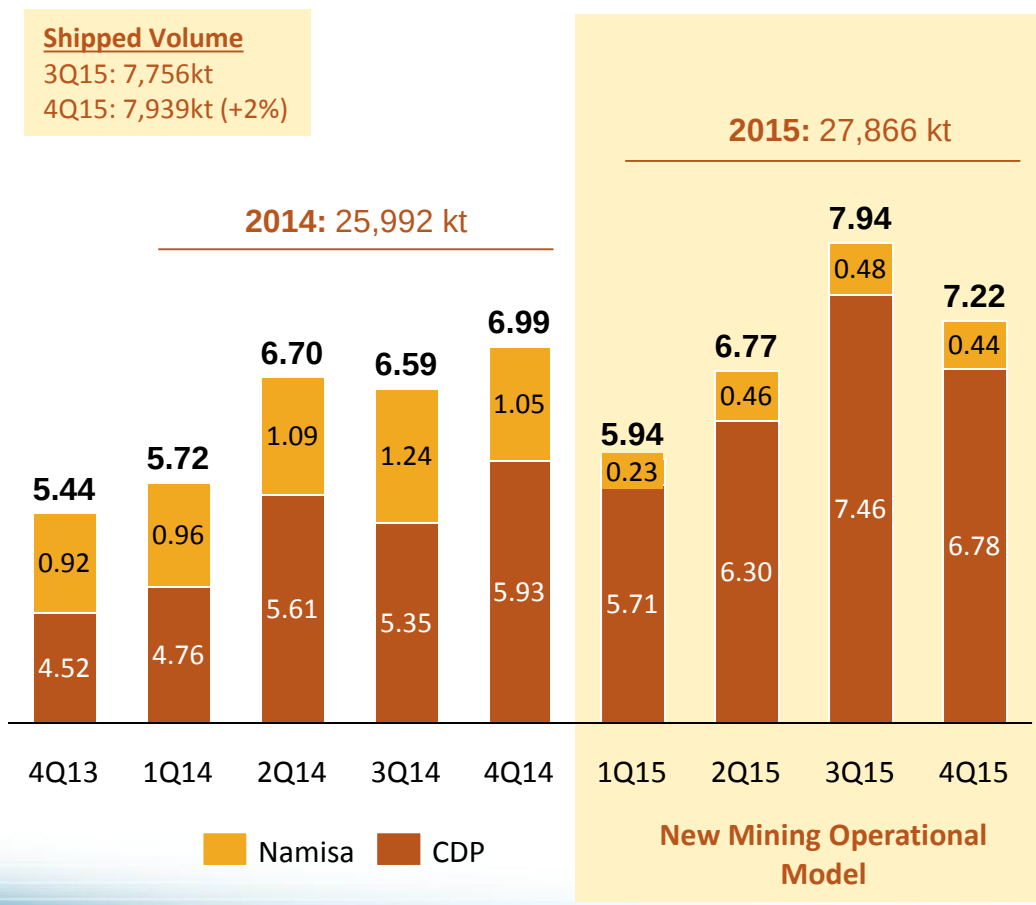
SOURCE: CRU data th CSN macro assumptions

Mining Performance during 4Q15

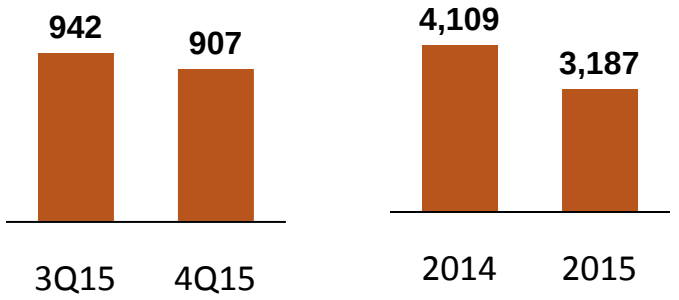
During 2015, CSN achieved a record production of 27,9Mt, 7,3% higher than 2014. CSN preserved its EBITDA and EBITDA margin levels during 4Q15, even with a 15% decrease of the Platts index.

Production Volume[1] (Million tons)

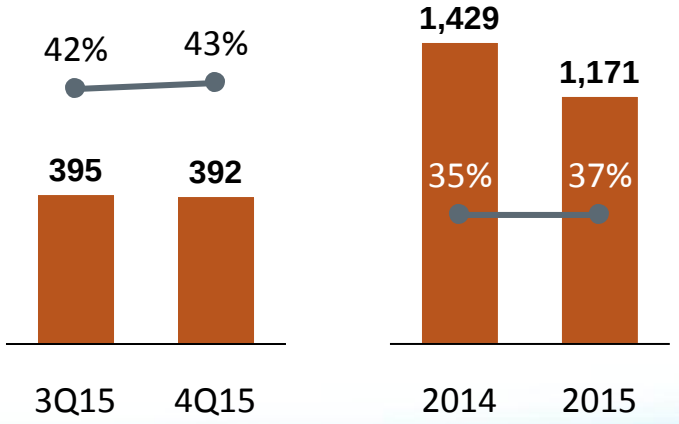
Shipped Volume
3Q15: 7,756kt
4Q15: 7,939kt (+2%)



Net Revenue[2] (R$ million)



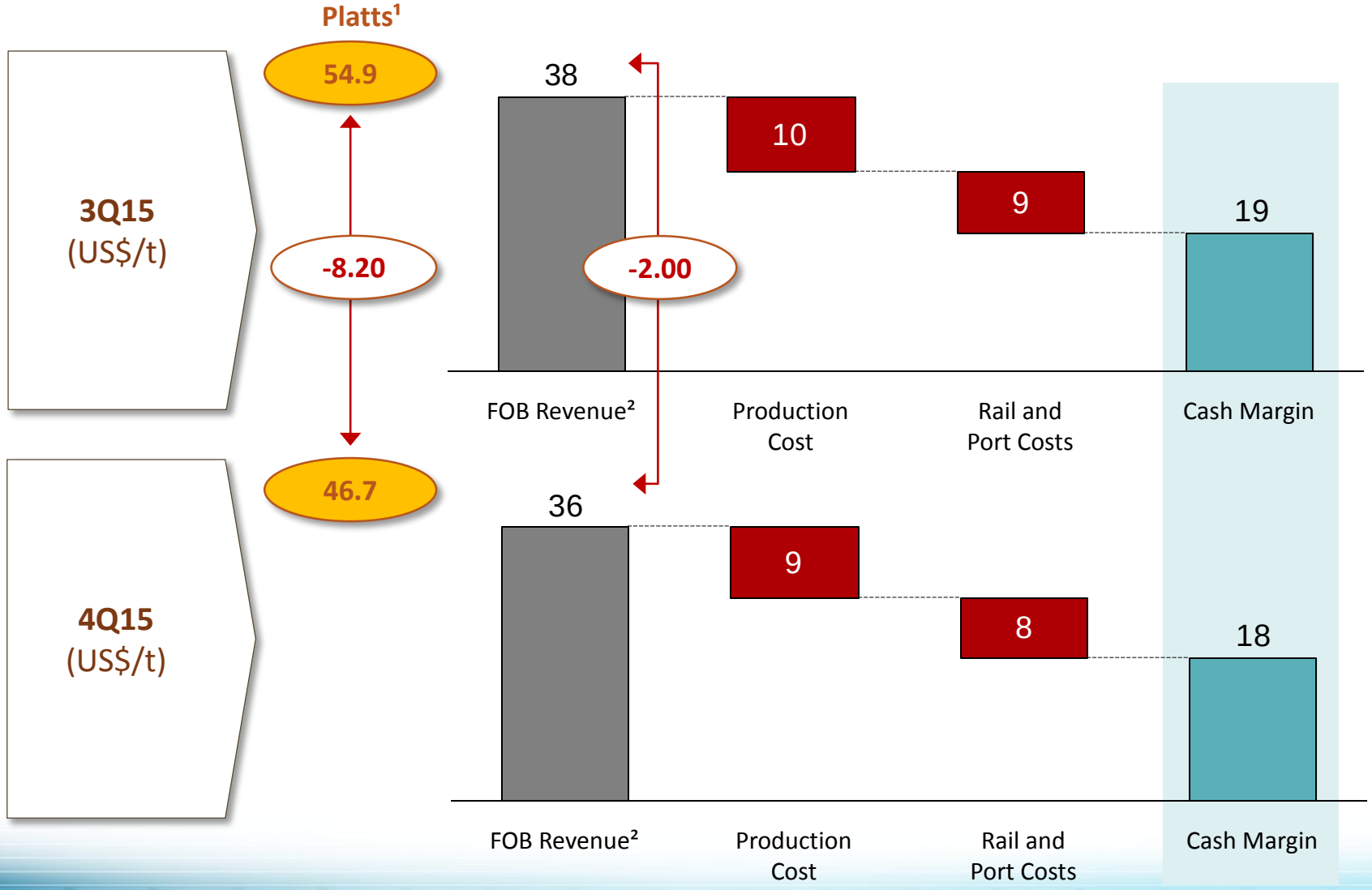
EBITDA[2] (R$ million) and EBITDA Mg. (%)



(1) Includes 100% of NAMISA production until November/2015 and 100% of Congonhas Minérios in December/2015.
(2) Considers 60% of NAMISA's revenue until November/2015 and 100% of Congonhas Minérios in December/2015.

Mining Cost Competitiveness

Even with the decrease of the average Platts during 4Q15, CSN maintained its margin in line with the last quarter due to strategic sales and cost actions

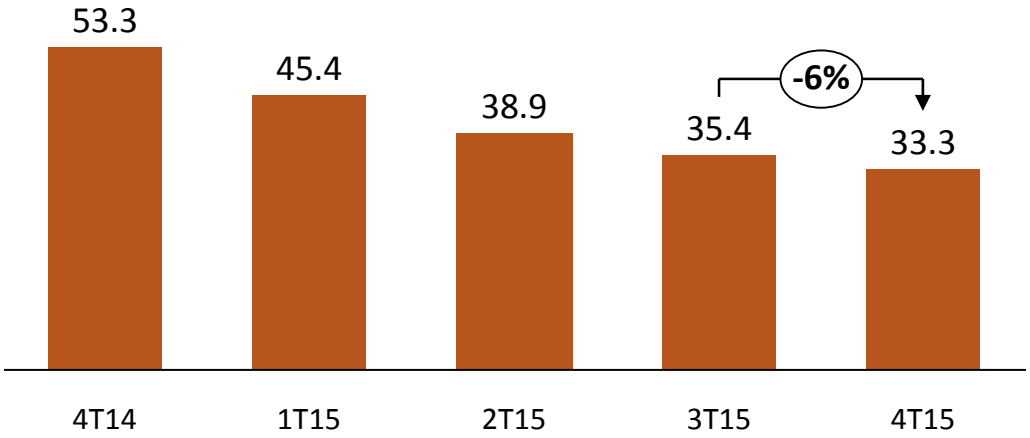


[1]Average Platts US$/dmt CFR China Index.
[2]FOB Revenue do not include revenues from Tecar.

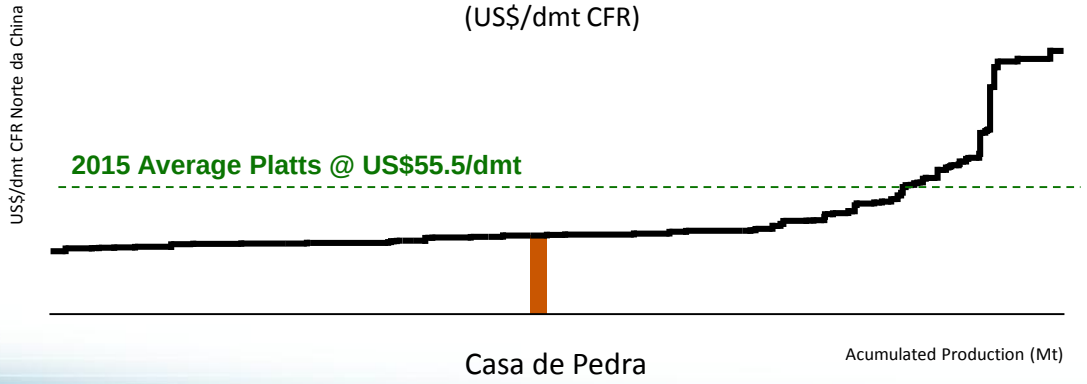
Casa de Pedra Delivered Cost Performance

Cost reductions led to a 6% lower delivered cost during 4Q15

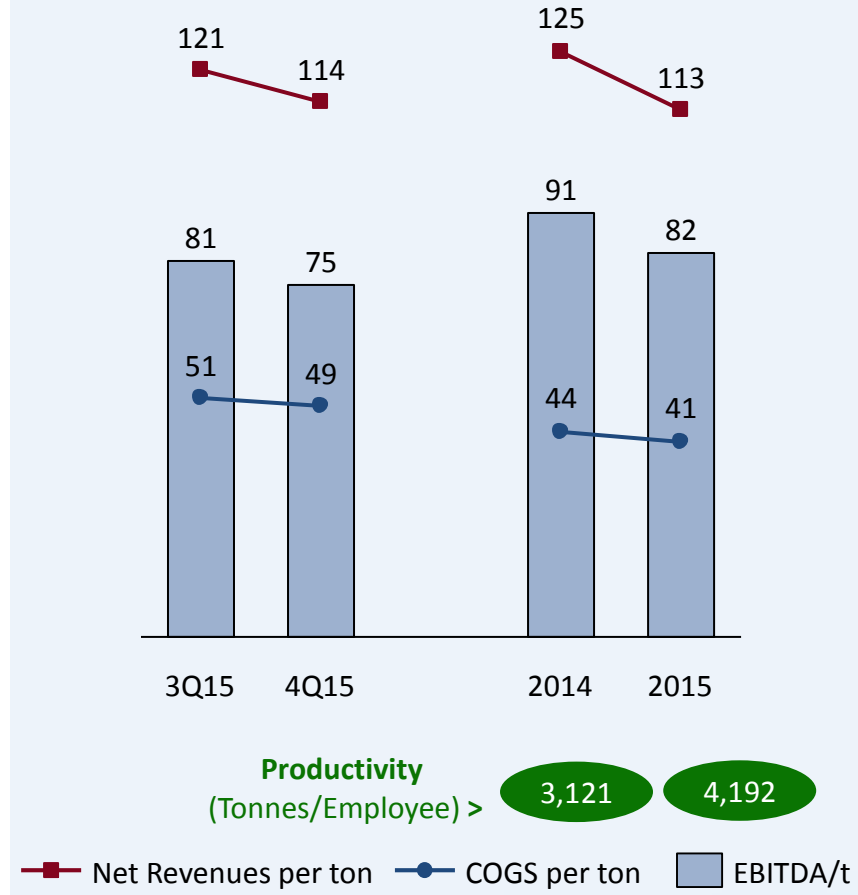
Delivered Iron Ore Cash Cost at China
(USD/wmt)



Iron Ore Cost Curve 62%Fe CFR North China
(US$/dmt CFR)



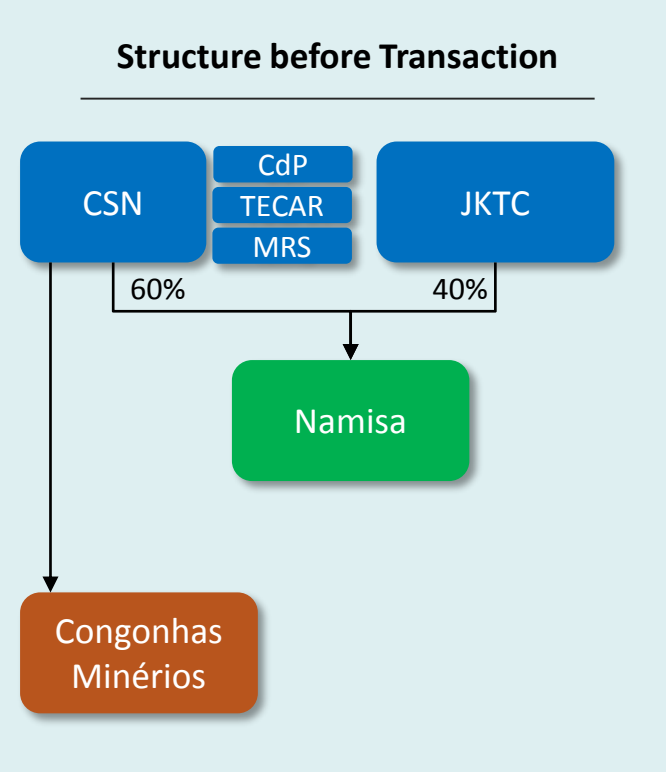
Performance Indicators per tonne
(R$/t)

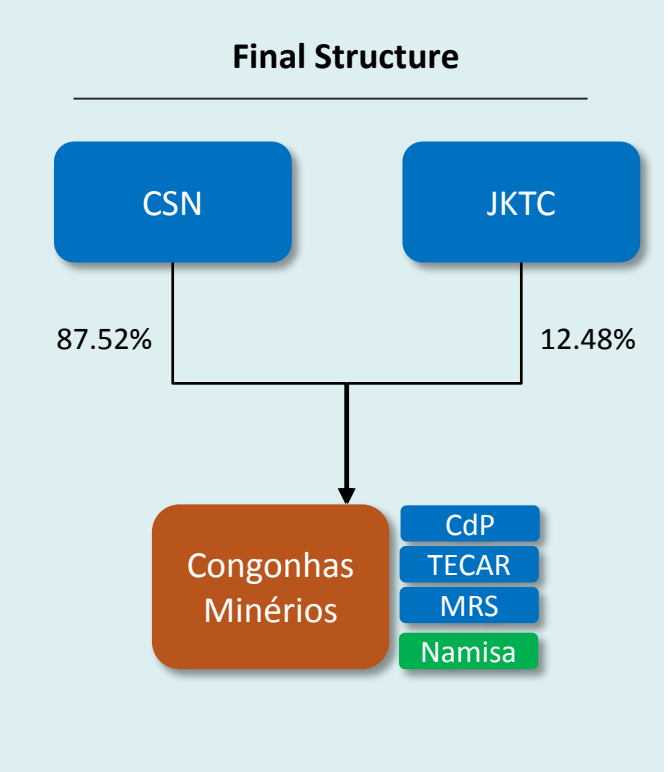


SOURCE: SRK data and CSN macro assumptions

Congonhas Minérios

At the end of 2015, CSN and the Asian Consortium[1] (JKTC) concluded a strategic alliance for the combination of their mining and related logistic assets, resulting in the currently structure of Congonhas Minérios





[1]The Asian Consortium is formed by the following companies: JFE, Posco, ITOCHU, KSL, NISSHIN and China Steel

SOURCE: CSN

Congonhas Minérios

Main events leading to the current Congonhas Minérios structure

1 Namisa's cash payout

Payment of dividends in the amount of US$1.4 billion, of which US$840 million (60%) were distributed to CSN and US$560 million were distributed to JKTC. A balance of US$ 180 million remained to fund Congonhas Minérios' operations.

2 Congonhas Minérios restructuring

Transfer of assets by means of a capital increase and of a merger of Namisa and Congonhas Minérios:

- CSN's mining assets, including Casa de Pedra, rights to operate bulk terminal TECAR, 60% of Namisa, and a 8.63% stake of MRS, in addition to working capital and US$850 million of debt;
- JKTC´s 40% stake in Namisa.

3 Acquisition of an extra stake in Congonhas Minérios by CSN

Purchase by CSN from JKTC of a 4.16% interest in Congonhas Minérios for $707 million (US$680 million for 4%, plus US$27 million for 0,16%).

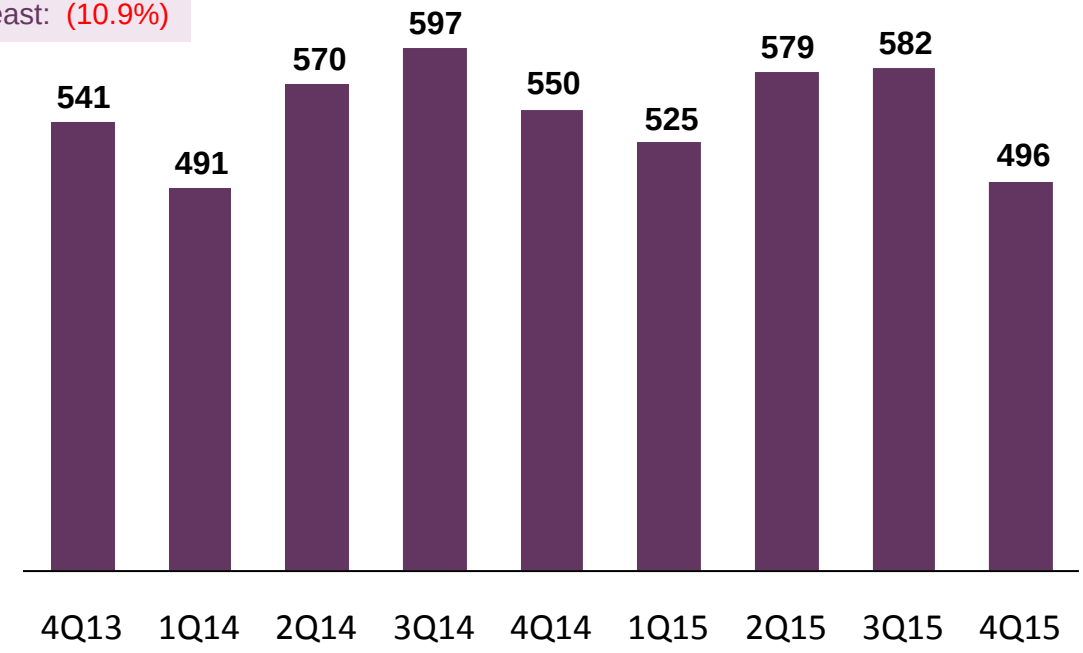
SOURCE: CSN

Cement Performance during 4Q15

The *ramp-up* of Arcos cement operation enabled the maintenance of sales during 2015. The short-term EBITDA decrease was a result of the *ramp-up* process in the Arcos system

2015 SNIC Sales
Brazil: (9.2%)
Southeast: (10.9%)

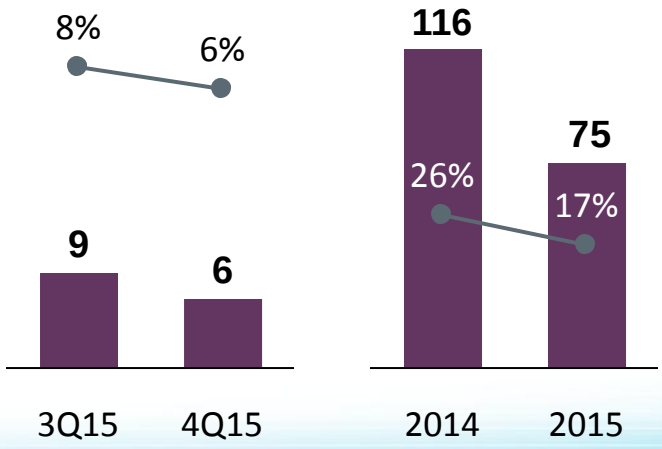
Sales Volume (thousand ton)



Net Revenues (R$MM)

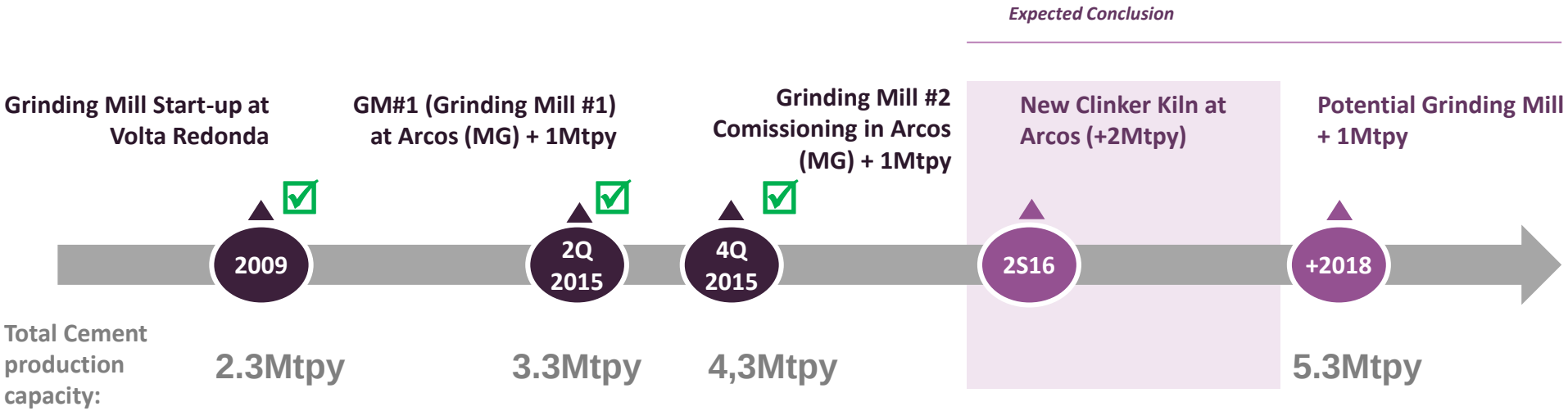


EBITDA (R$MM) and EBITDA Mg. (%)



Conclusion of Grinding Mills #1 and #2 in Arcos (MG)

Grinding Mills #1 and #2 are operating, expanding the total nominal capacity to 4.3Mtpy. The New Clinker Kiln will allow CSN to capture greater competitive margins and scale in the southeast region



Southeast Cement Project:

- Addition of 2 Mtpy of production capacity (Grinding Mill #1 and #2)
- Cement portfolio increase with CP II e 32
- Project delivered on time and on budget

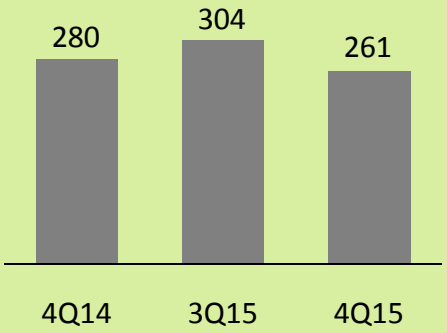




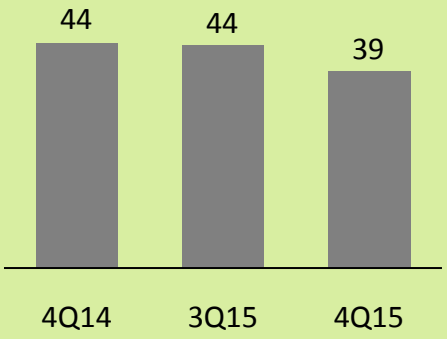
Sepetiba Tecon Performance during 3Q15

With the incorporation of new routes, TECON increased its revenues by 5% during 2015, generating R$63MM in EBITDA. During 2H15, Sepetiba TECON generated over R$41MM in EBITDA

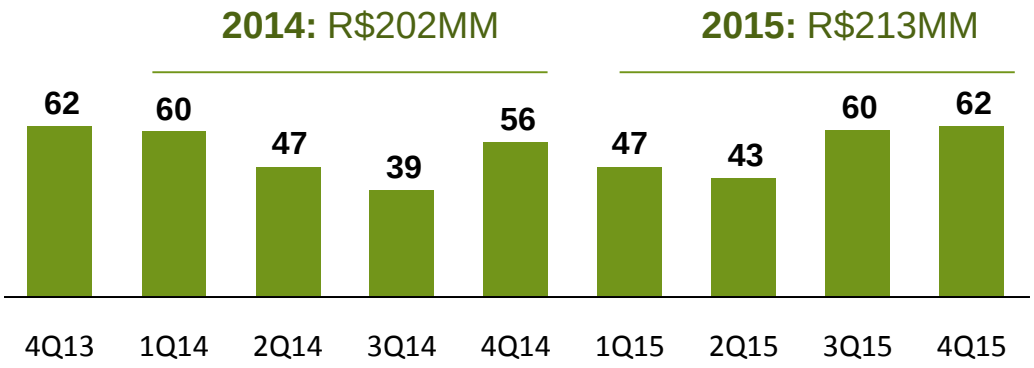
Steel Volume (kt)



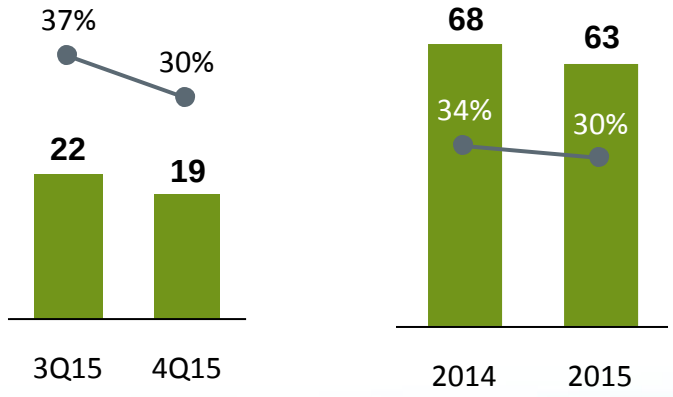
Containers (Thousand Units)



Net Revenues (R$MM)



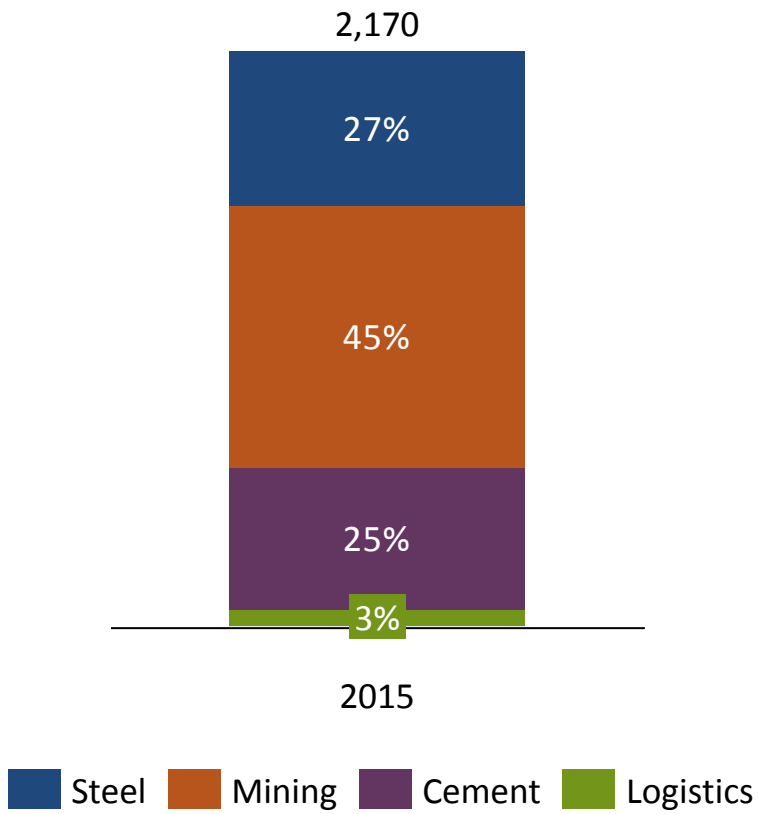
EBITDA (R$MM) and EBITDA Mg. (%)



CAPEX

During 2015, CSN took advantage of opportunities to accelerate projects that enhance competitiveness in the Steel and Mining sector. The overhaul of TG20 and acquisition of new trucks may expand EBITDA during 2016

Total CAPEX for 2015 (R$ million)



Main CAPEX 2015 Highlights

- New mining equipment acquisition (trucks, shovels, etc), accelerating part of the investment scheduled for 2016 due to current advantageous loan terms. These equipment are already contributing to cost reduction in the mining business.
- Accelerated development of Arcos´ Clinker Kiln expansion, enabling higher operational margins in the Southeastern System for 2016.

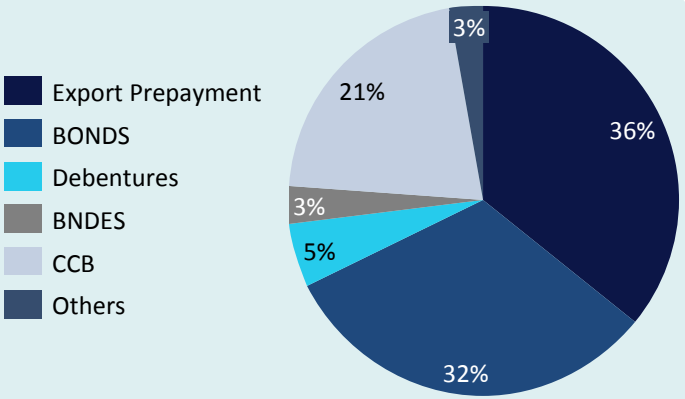


Financial Agenda

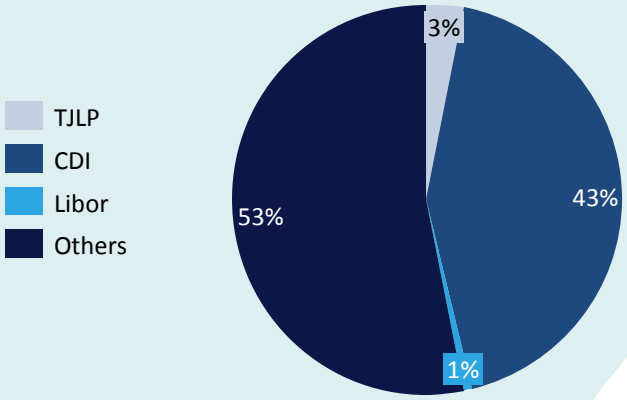
1 **Cash Management**	• Higher Financial Revenues from 4Q15 onwards. ✓ • Hedge Accounting implementation. ✓ • Focus on Liquidity.
2 **Debt Management**	• Debt Extension concluded with BB and CEF (R$4.8Bi). ✓ • Funding Instruments Diversification and Debt Extension.
3 **Cost Reduction & Working Capital**	• Matrix Budgeting Practices Implementation. ✓ • Working Capital Reduction Program.
4 **Partnerships and Divestments**	• Assets mandated and under due diligence. ✓ • Partnerships and divestments alternatives to reduce indebtedness.

Debt Profile and Currency Exposure

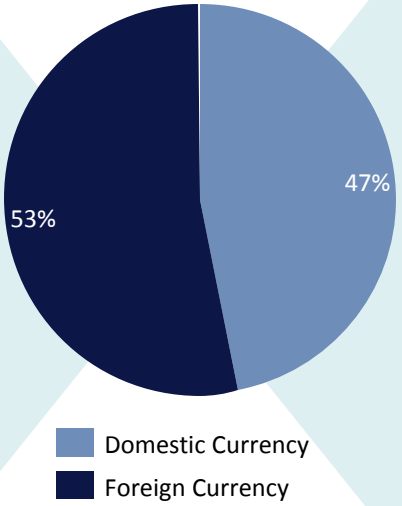
Debt by Instrument



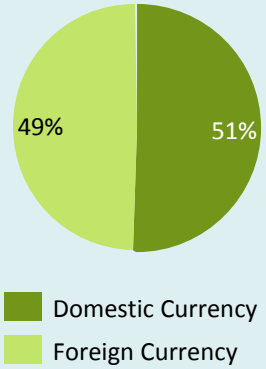
Debt by Index



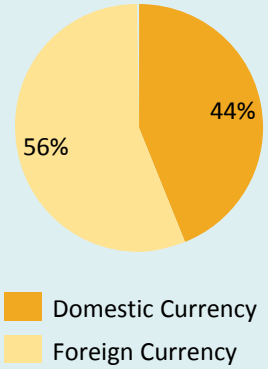
Total Debt by Currency



Revenue by Market



EBITDA by Market



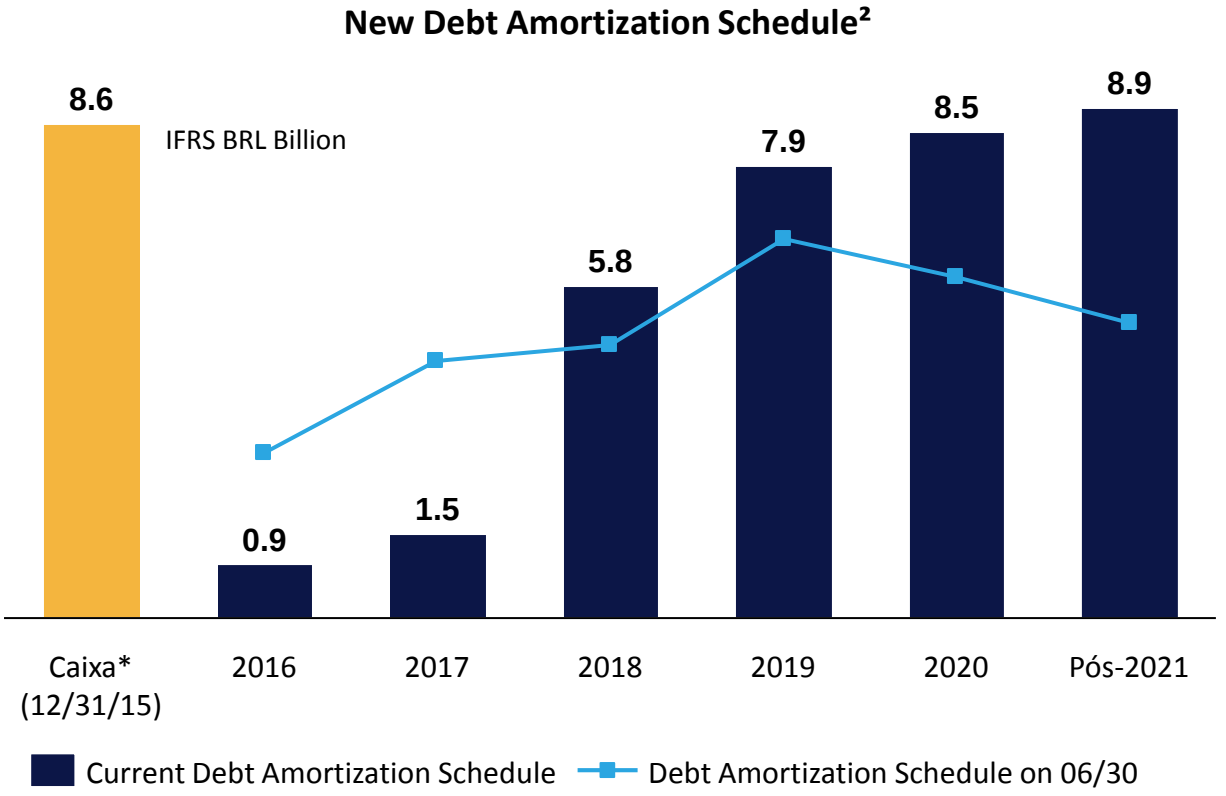
Extension of R$4.8 Billion of debt previously maturing in 2016 and 2017, approximately 70% of the original value for the period

R$4.8 Billion
Extended Debt to 2018-2022

R$9.3 Billion
Reduction of advance obligations with clients after the Business Combination of Congonhas Minérios

R$2.4 Billion
Scheduled amortizations for the next 24 months

R$0.3 Billion
Debts with maturities in 2016/17 in process of extension



Average Debt Maturity: 7.62 years
Average Debt Cost (Domestic Currency): 107.5% CDI
Average Debt Cost (Foreign Currency): 5.79%

[1]Includes financial investments as collateral for foreign exchange transactions on the BM&F.
[2]Debt amortization schedule does not include accrued interest.

3 Cost Reduction & Working Capital

CSN is working on different fronts to increase its cost advantage and return on asset

Activities	Action Scope	Potential
Focus in Working Capital Reduction	• Reduction of intermediate and finished inventories. • Warehouse and spare part items reduction. • Negotiation with suppliers (conditions and deadlines)	★★★
Steel & Cement Actions	• Partnership with innovation institutions to implement automation. and industrial processes. • Energy consumption reduction projects.	★★★
Mining actions	• Productivity increase (tonnes/employee). • Increase in the product quality and Mine Planning optimization. • Reduction of beneficiation cost, expenses and overhead after Business Combination.	★★
Processes & Expenses Control Matrix	• Appointment of managers by type of expenditure. • Reduction target by account group. • Fixed expenses reduction targets for 2016.	★★★

★★★ High Potential
★★ Medium Potential

CSN has mandated banks for divestment and partnership processes of selected assets

CSN Asset & Investment Portfolio

STEEL	MINING	CEMENT	LOGISTICS	ENERGY
Flat Steel Brazil	Congonhas MInérios	Volta Redonda Grinding	**TECON**	**ITASA**
Long Steel Brazil	ERSA Tin	Arcos Project	**MRS (excess shares)**	**UHE IGARAPAVA**
SWT (Germany)	Mineração Nacional		TLSA (Transnordestina)	
Lusosider (Portugal)			FTL	
LLC (USA)				
Metalic				

USIMINAS shares

Operational and Commercial Strategies for 2016

Capex Review	▪ Focus on Sustaining Capex and limited to the execution of investments that have already been hired ▪ Conclusion of the only expansion project under execution (Clinker Kiln).
Focus in sales of high value added products	▪ Expansion of high value added products in foreign markets ▪ Market share capture of imports in Brazil ▪ Reduction of inventories of intermediate and final products
Synergy capture in the mining business	▪ Review of services and suppliers contracts ▪ Mine plan optimization ▪ Expansion of sales to long term clients
Cement sales expansion in the Southeast region	▪ Cement sales expansion in the Southeast region ▪ Expansion of products offer, pursuing margin optimization

Environmental and Community Actions

CSN strengthens its commitments with sustainable practices and integration with local communities







- Active and transparent role with Environmental Authorities
- Environmental actions guided by its Environmental Management System, certificated by ISO14001
- Execution of greenhouse effect gases inventory, following GHG Protocol guideline since 2010
- CSN is within the 75 steel companies which joined the Sustainable Development of Industry Letter of World Steel Association
- Environmental, social and economic impacts mapping, accordingly with GRI guidelines since 2012
- Communication channels available for local communities through LINHA VERDE CSN
- Maintenance of programs focused on Education, Culture and Sports, acting through *Fundação CSN*
- Over 10 thousands people have joined *Fundação CSN's* "Young Apprentice" program

PROJETO GAROTO CIDADÃO

FUNDAÇÃO CSN

LINHA VERDE CSN 0800 2824440

Corporate Information

- Website: www.csn.com.br
- Comunication channel with IR: invrel@csn.com.br

Investor Relations

- Paulo Caffarelli – Corporate Executive Officer and IR
- Investor Relations team: Guilherme Hernandes, Bruno Tetner, Ana Rayes, Rodrigo Bonsaver & Lucas Boareto

Negotiated Securities	Ticker	CUSIP
Share negotiated in Bovespa	CSNA3	-
ADR listed in NYSE	SID	-
6.875% Senior Note due 2019	CSNABZ2019	EH9753391
6.50% Senior Note due 2020	CSNABZ2020	EI3251630
7.00% Perpetual Notes	CSNABZPerp	EI4100208

CSN

Companhia Siderúrgica Nacional

Fazer bem, Fazer mais,
Fazer para sempre.