

Presentation
3Q15

USIMINAS

Classification of the information: Public

Agenda

Usiminas Profile



Market Outlook



Usiminas and its business units



Financial Results



Complete Solution for Products and Services

Business Units

Mining

Mineração Usiminas



Steel

Ipatinga Plant

Cubatão Plant

Unigal Usiminas



Steel Processing

Soluções Usiminas



Capital Goods

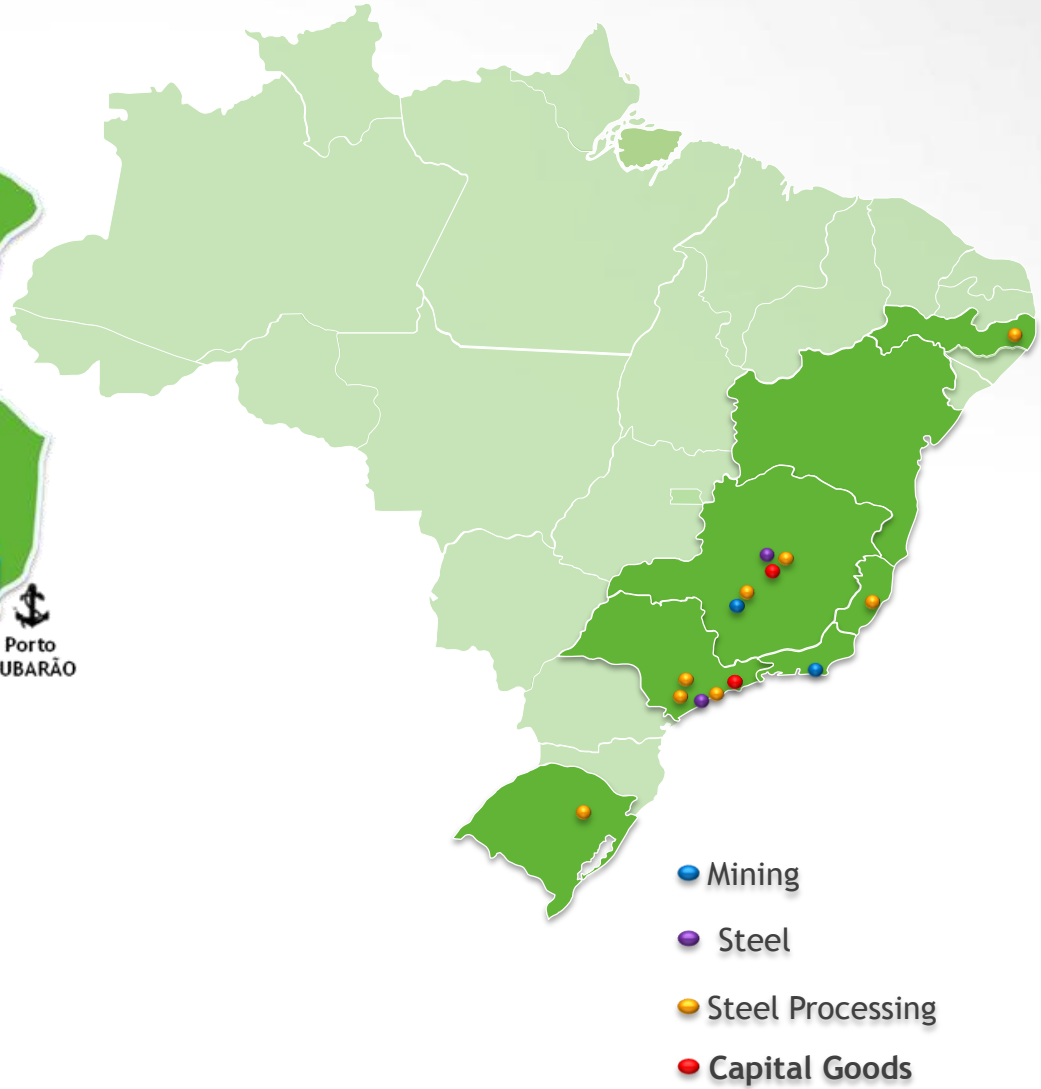
Usiminas Mecânica



UPSTREAM — DOWNSTREAM

Strategically Located





Timeline



1962 — Operation Start Up



1991 — Cosipa privatization



1993 — Listing on LATIBEX stock exchange section



1994 — •Creation of Soluções Usiminas

•One CNPJ: Usiminas incorporates Cosipa



2005 — •Selling of Ternium stake

•Joint Mining Agreements with MBL e Ferrous



2008 — Automotiva Usiminas Divestment

2009 — •Usiminas privatization

•Listing on BOVESPA



2010 — Listing on ADR I on the OTC Market (New York)



2011 — •Acquisition of iron ore mines

•Acquisition of Zamprogna



2012 — •Creation of Mineração Usiminas

•Acquisition of Codeme and Metform stake



2013 — Entrance of Ternium / Tenaris into Usiminas Control Group (New shareholders agreement)



2014 — Friables Project conclusion on Mining (increasing the capacity to 12 million tons/year)

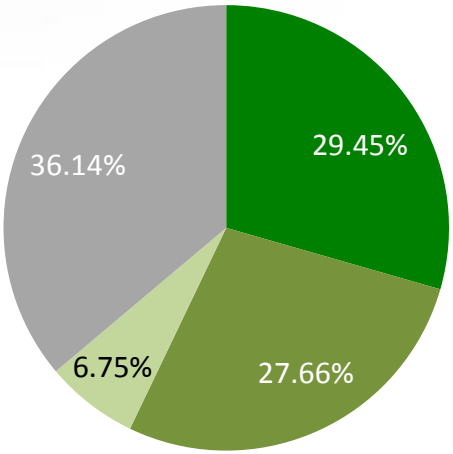


Shareholding Composition

Total Capital
1,013,786,190

Voting Capital

ON 49.84%	505,260,684	PN 50.16%	508,525,506



Usiminas shares are traded on BM&FBovespa (São Paulo), on the OTC Market (New York) and on a LATIBEX exchange section (Madrid).

Agenda

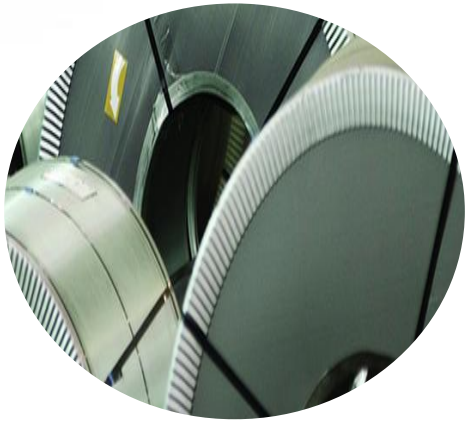
Usiminas Profile

Market Outlook

Usiminas and its business units

Financial Results



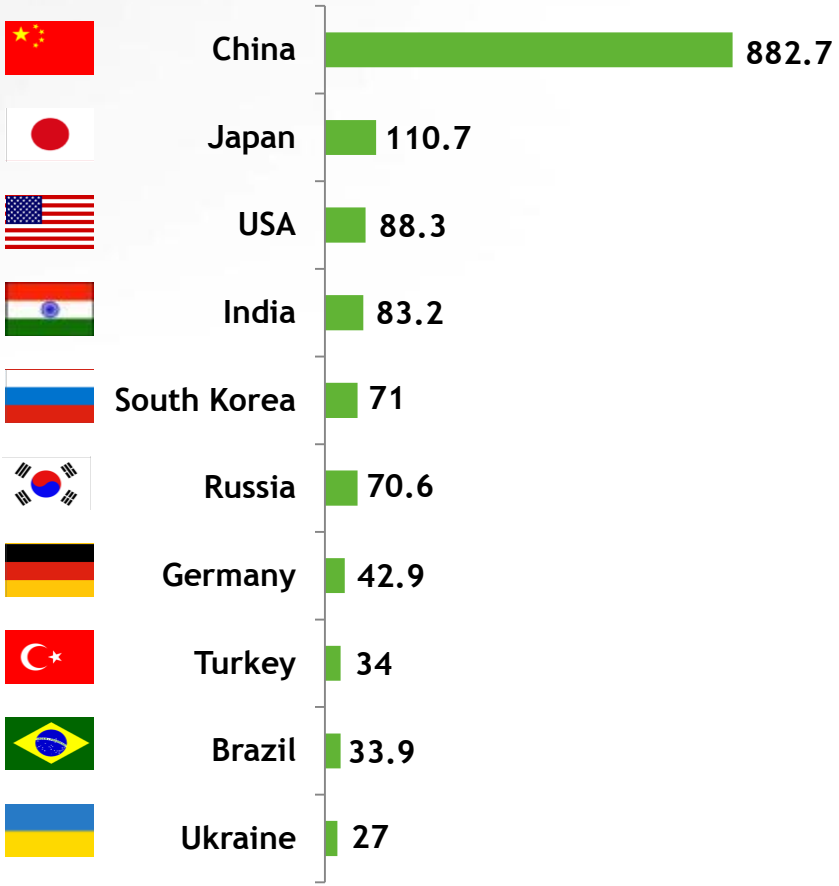


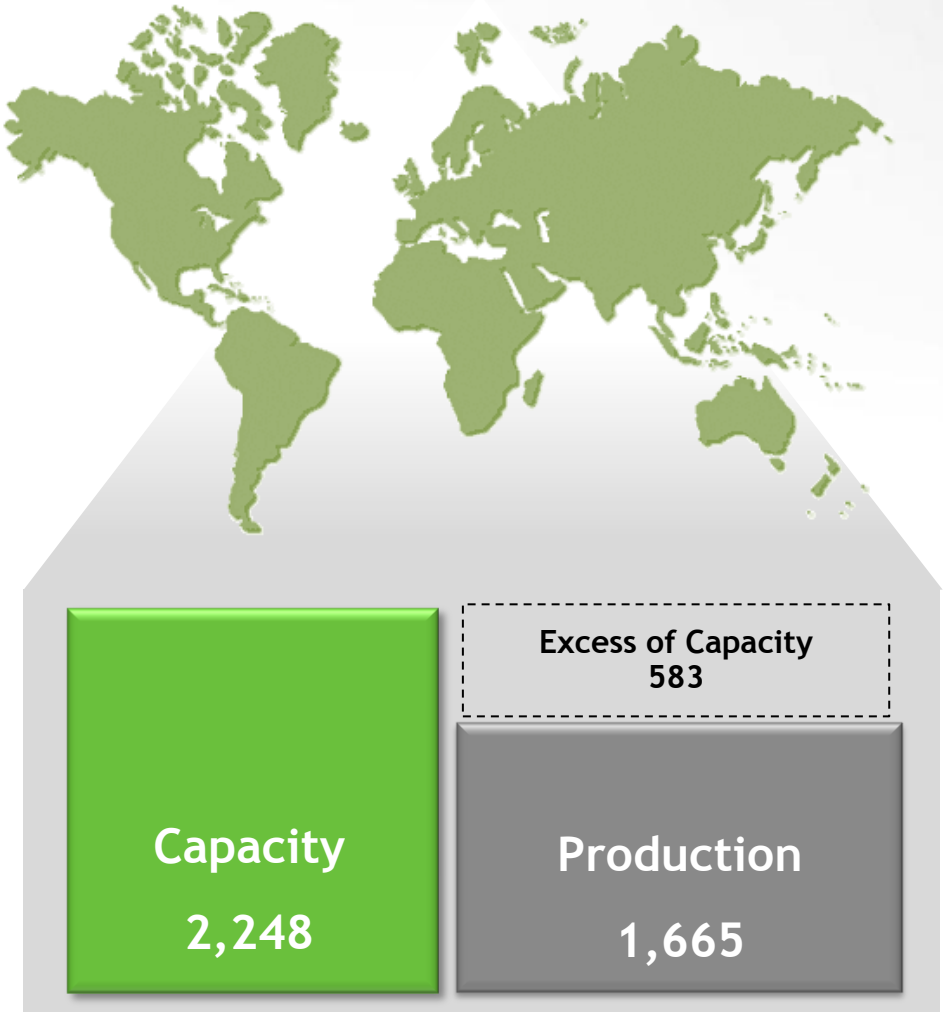




World Crude Steel Market in 2014

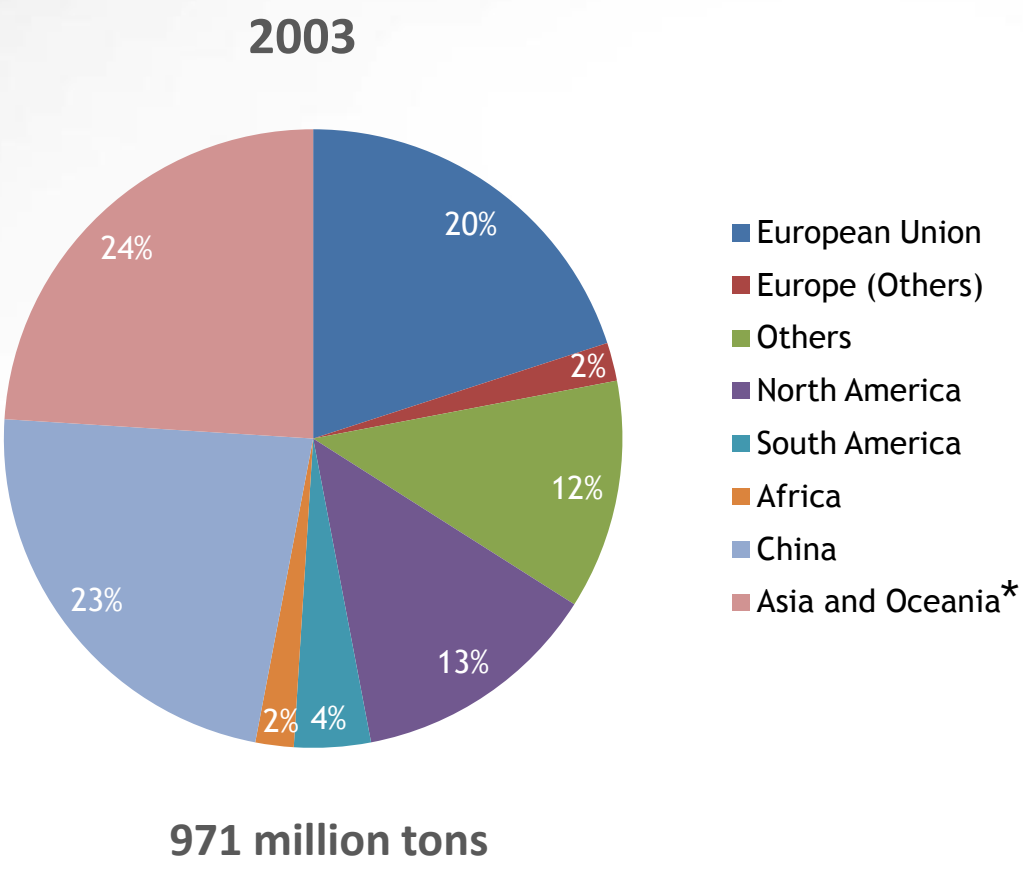
Million Tons





Source: World Steel Association

World Crude Steel Production



971 million tons

1,665 million tons

*Except China

Source: World Steel Association

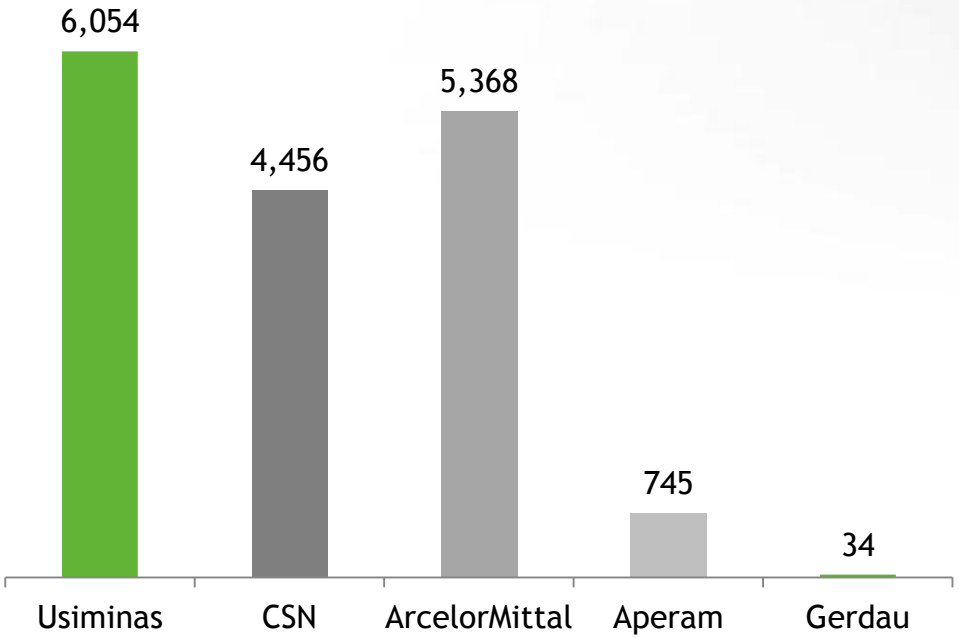
Largest Producers in 2014

Thousand Tons

World Crude Steel Producers

1	ArcelorMittal
2	Nippon Steel & Sumitomo Metal Corporation
3	Hebei Steel Group
4	Baosteel Group
5	Wuhan Steel Group
6	POSCO
7	Shagang Group
8	Ansteel Group
9	Shougang Group
10	JFE
62	Usiminas

Brazilian Flat Steel Producers



Source: World Steel Association/ Instituto Aço Brasil

Flat Steel Consumption Markets

Auto Industry and Autoparts	Household Appliances	Agricultural and Road Machinery	Civil Construction	Oil and Gas	Pipelines
					
Hot Rolled, Cold Rolled and Galvanized	Cold Rolled and Galvanized	Heavy Plates and Hot Rolled	Heavy Plates, Hot Rolled, Cold Rolled and Galvanized	Heavy Plates and Hot Rolled	Heavy Plates and Hot Rolled

Agenda

Usiminas Profile

Market Outlook

Usiminas and its business units

Financial Results





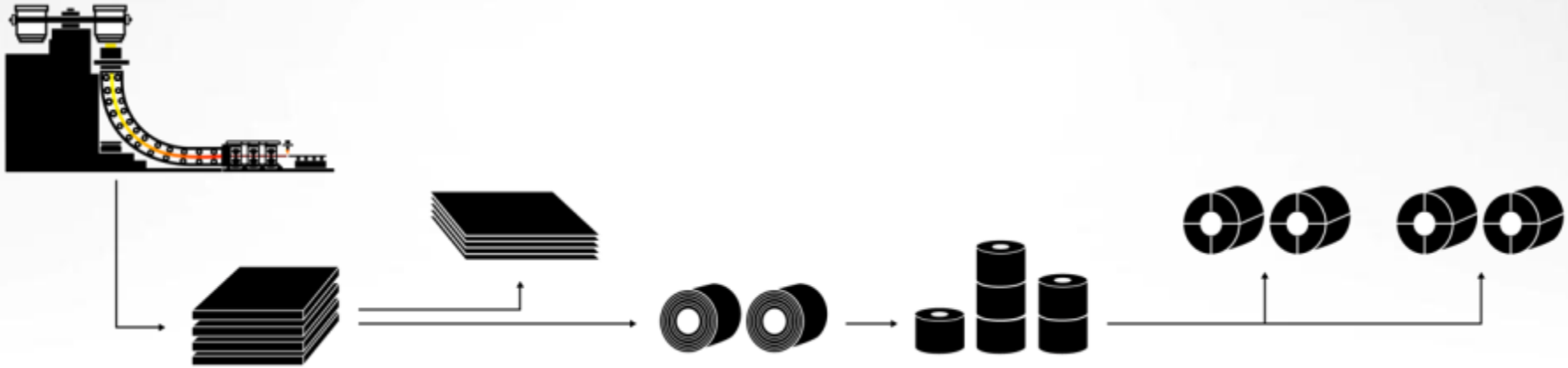




Flat Steel Production

Thousand Tons

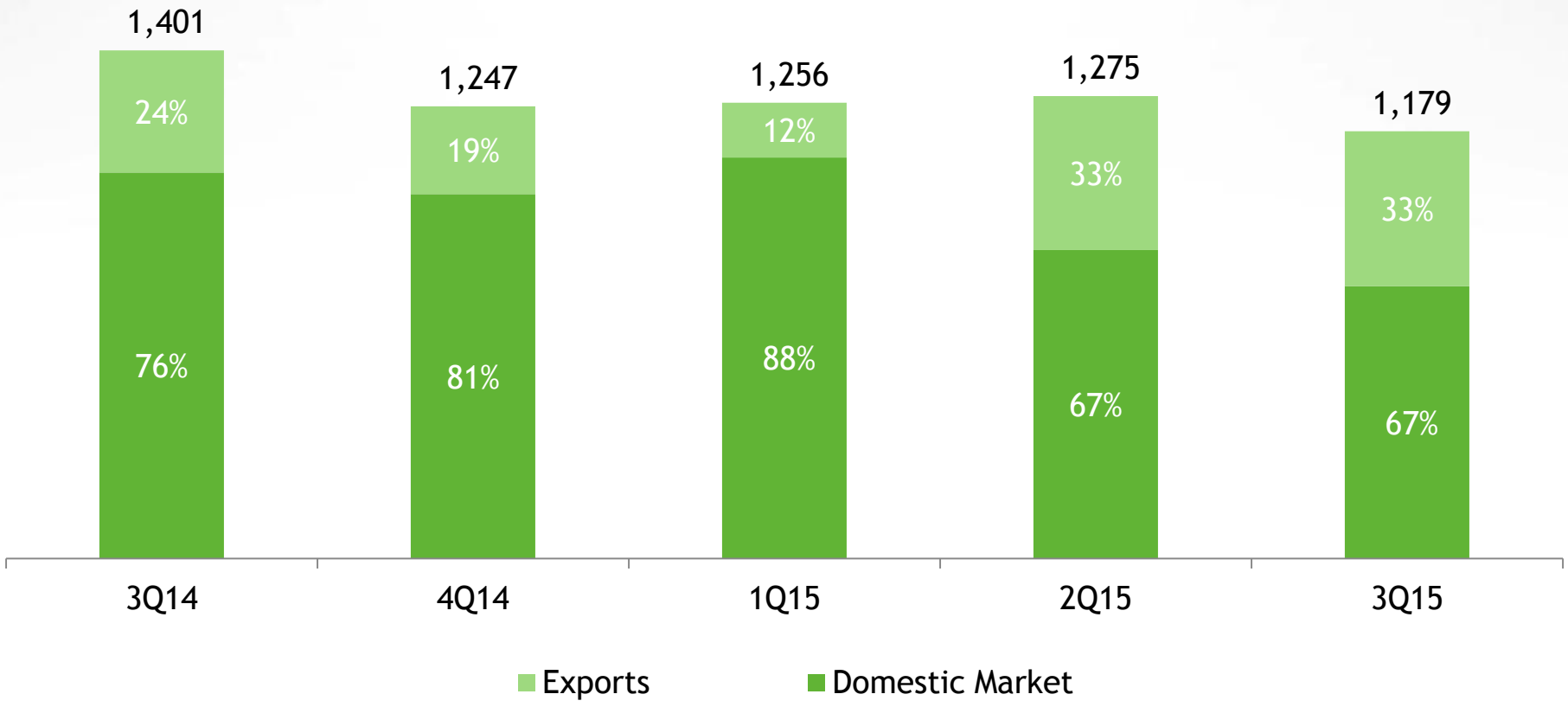
Nominal capacity: 9.5 million tons / year



					Galvanized	
Slab Caster	Slabs	Heavy Plates	Hot Coils	Cold Coils	EG	HDG
Ipatinga Plant	5,000	1,000	3,600	2,500	360	1,050
Cubatão Plant	4,500	1,000	4,400	1,200	-	-
Nominal Capacity	9,500	2,000	8,000	3,700	360	1,050
Optimized Rolling Capacity	-	1,900	4,200	2,200	350	1,020

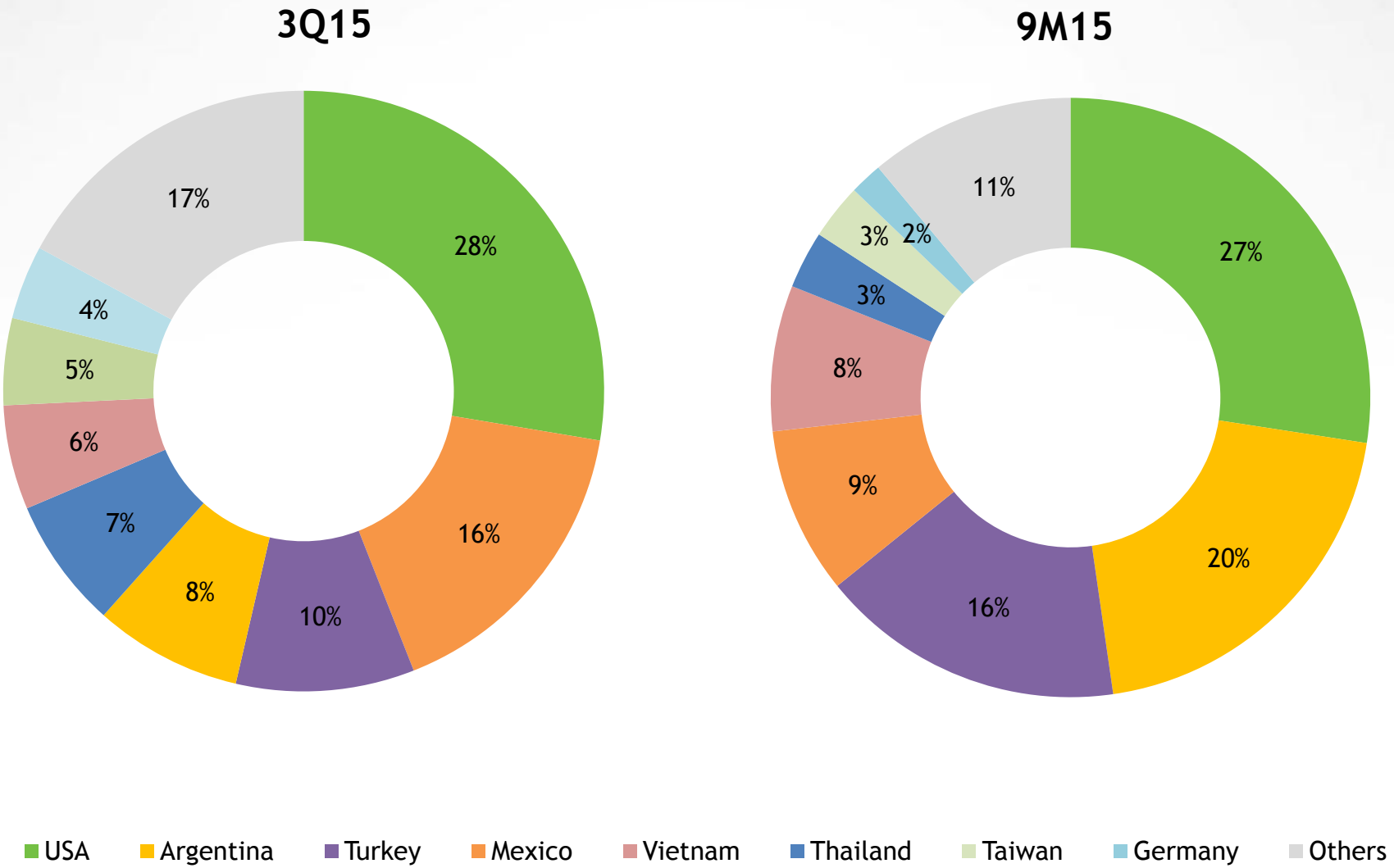
Sales Volume

Steel Business Unit - Thousand Tons



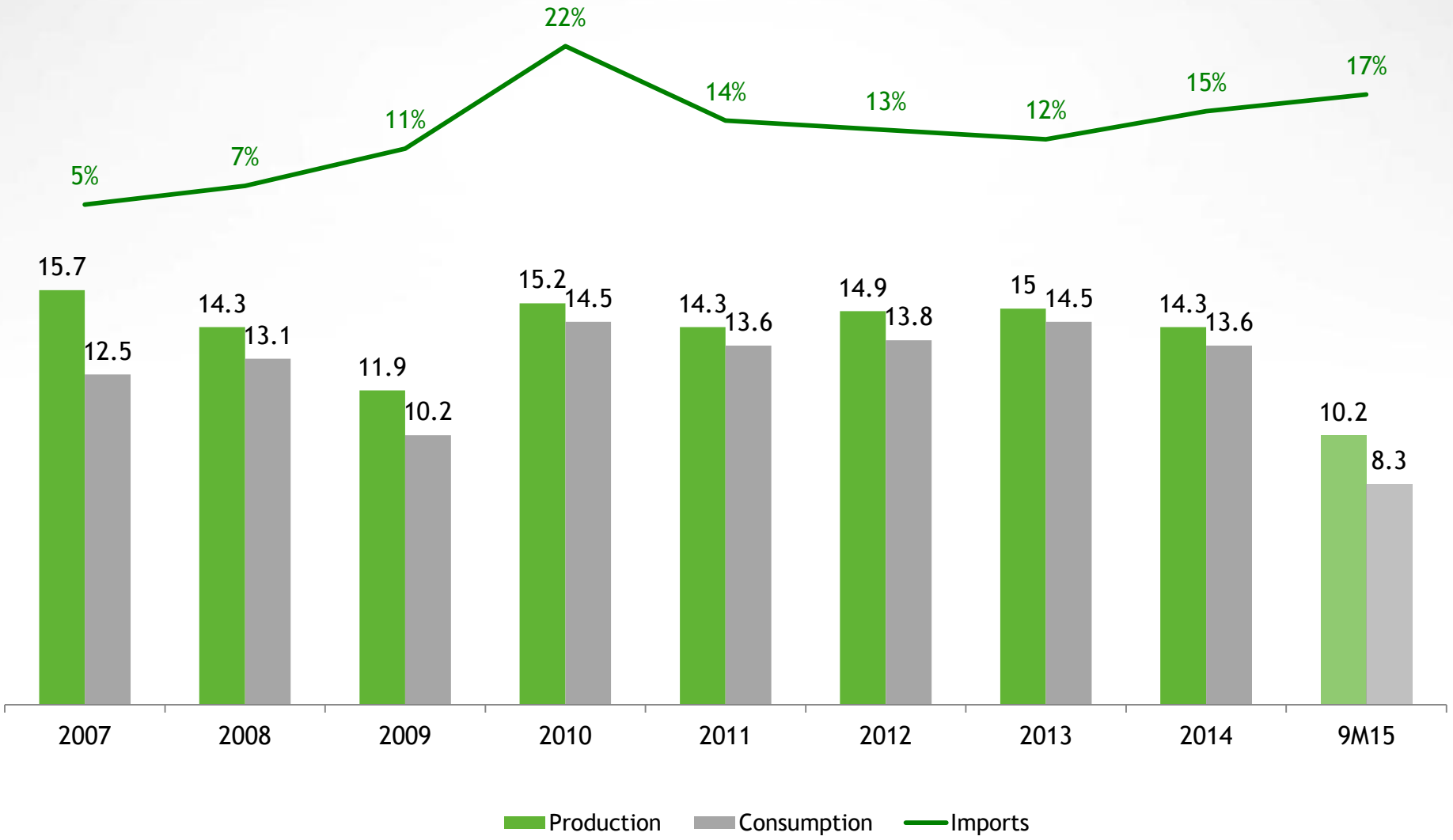
Exports - Main Markets

Steel Business Unit



Brazilian Flat Steel Market

Million Tons



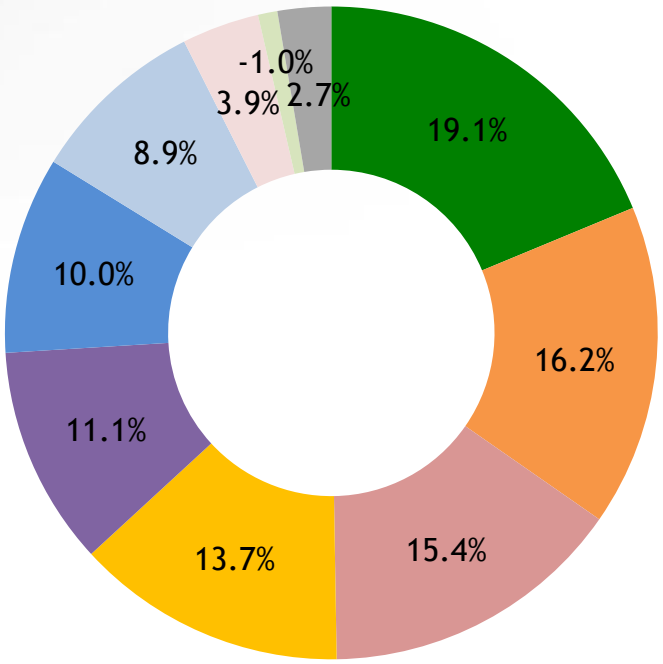
Source: Instituto Aço Brasil / Usiminas – Excludes Slabs

Cost of Goods Sold - COGS

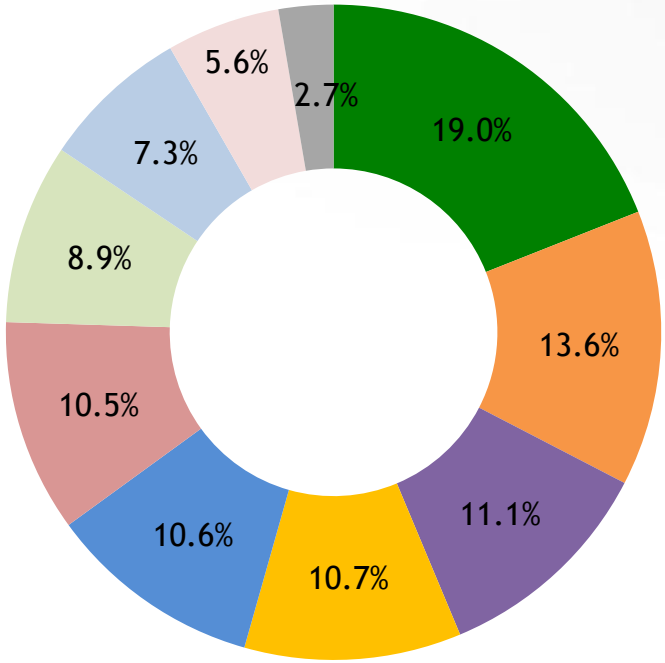
Steel Business Unit

USIMINAS

2Q15



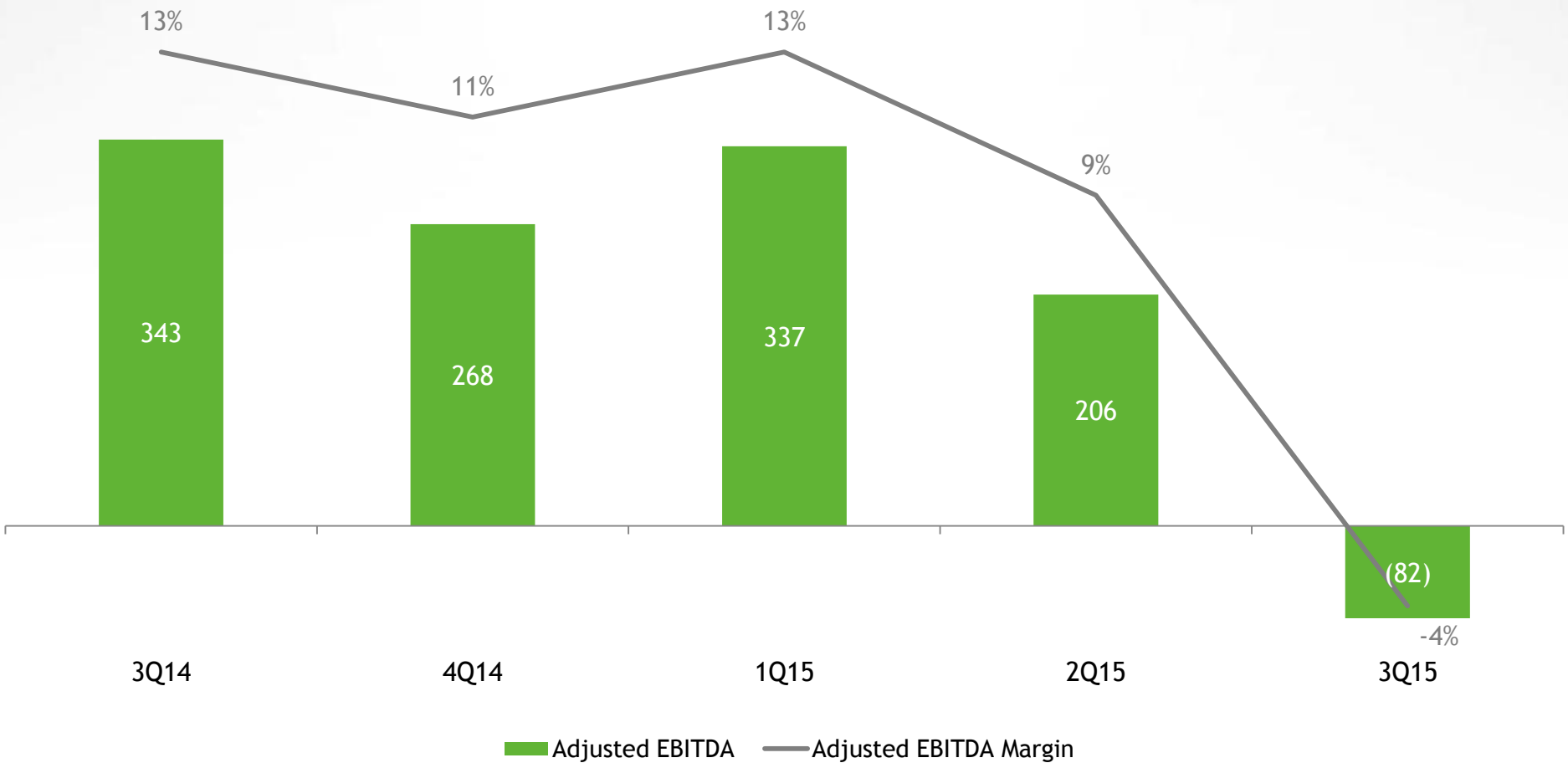
3Q15



- Labor (direct and indirect)
- Coal and Coke
- Energy and Fuels
- Iron Ore and Pellets
- Depreciation
- Other Raw Materials
- Inventories Variation
- Spare Parts
- Structural Expenses
- Others

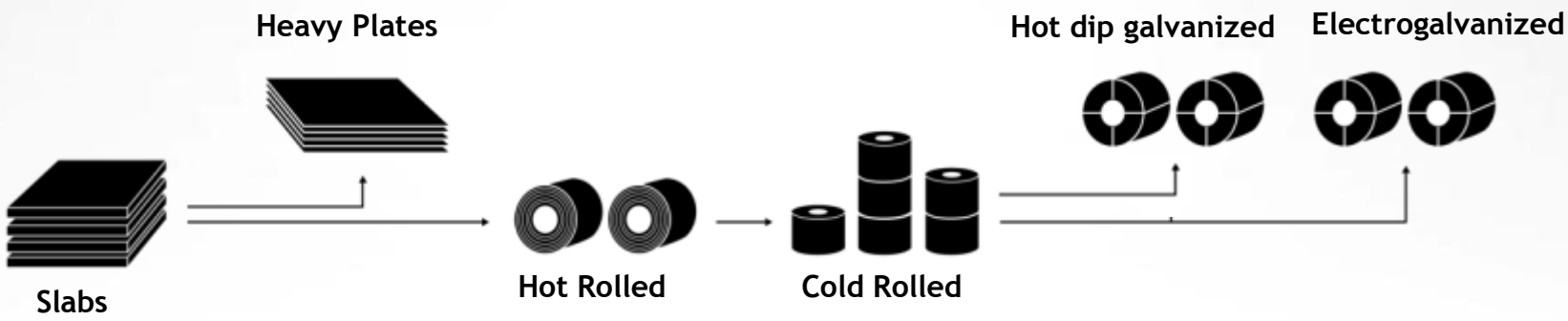
Adjusted EBITDA and EBITDA Margin

Steel Business Unit - R$ Million



Investments

Steel Business Unit



Capacity increase to generate finished products

7.2 million t
(2010)

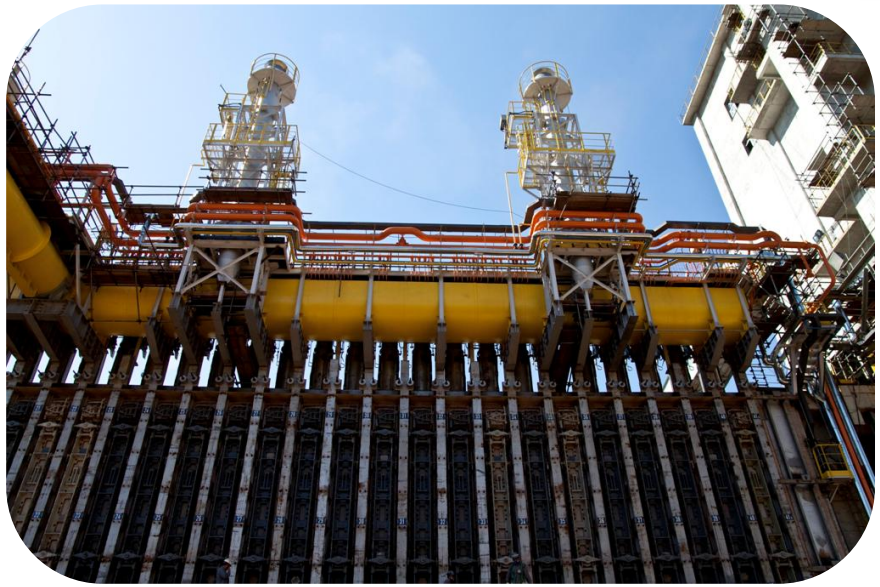
9.7 million t
(2014)

Last Concluded Investments

Steel Business Unit

Coke Plant Revamp - Ipatinga

- Met coke with adequate specifications for pig iron production in the blast furnace process
- Reduction of particle emissions, gases and volatile substances
- Coke gas to be used in the operational facilities of Ipating Mill and electric energy production
- Coke plant total capacity of 1,1 million tons/year
- **Started up on May 2015**



Industrial Reconfiguration

Outlook

- Flat steel consumption in the domestic market: fall of 18% in 9M15 x 9M14, with no expectation of recovery
- Excess of global production capacity: 735 million tons
- Continually decrease of international prices
- High tax burden
- Unfair competition with steel imports
- High energy costs
- FX Rate devaluation, increasing raw materials costs

Low demand and low competitiveness require structural adjustments in scale and productivity

USIMINAS STRATEGY

Temporarily interruption of the primary areas of Cubatão plant (Sinter and Coke plants, Blast Furnaces and Steelworks), remaining in operations its hot and cold rolling lines and port terminal

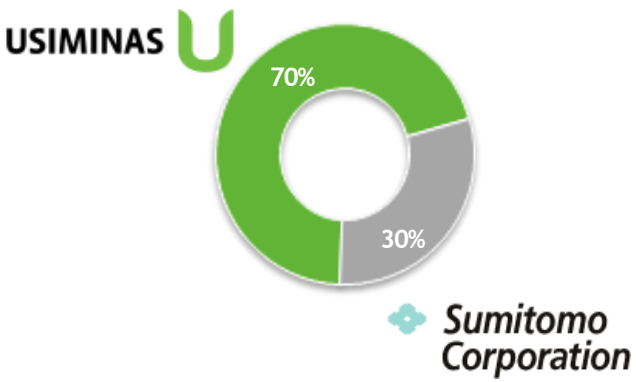
Scale adjustment and increase on competitiveness

Description

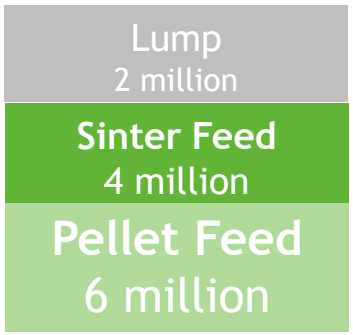
Mining Business Unit

- Located in Serra Azul/Minas Gerais state
- 4 mining sites, acquired from J. Mendes in February, 2008
- Reserves of 2.6 billion tons of iron ore
- It has 20% of voting shares of MRS Logistica, being part of the Control Group
- Retroarea in Itaguaí Port

Shareholder Composition

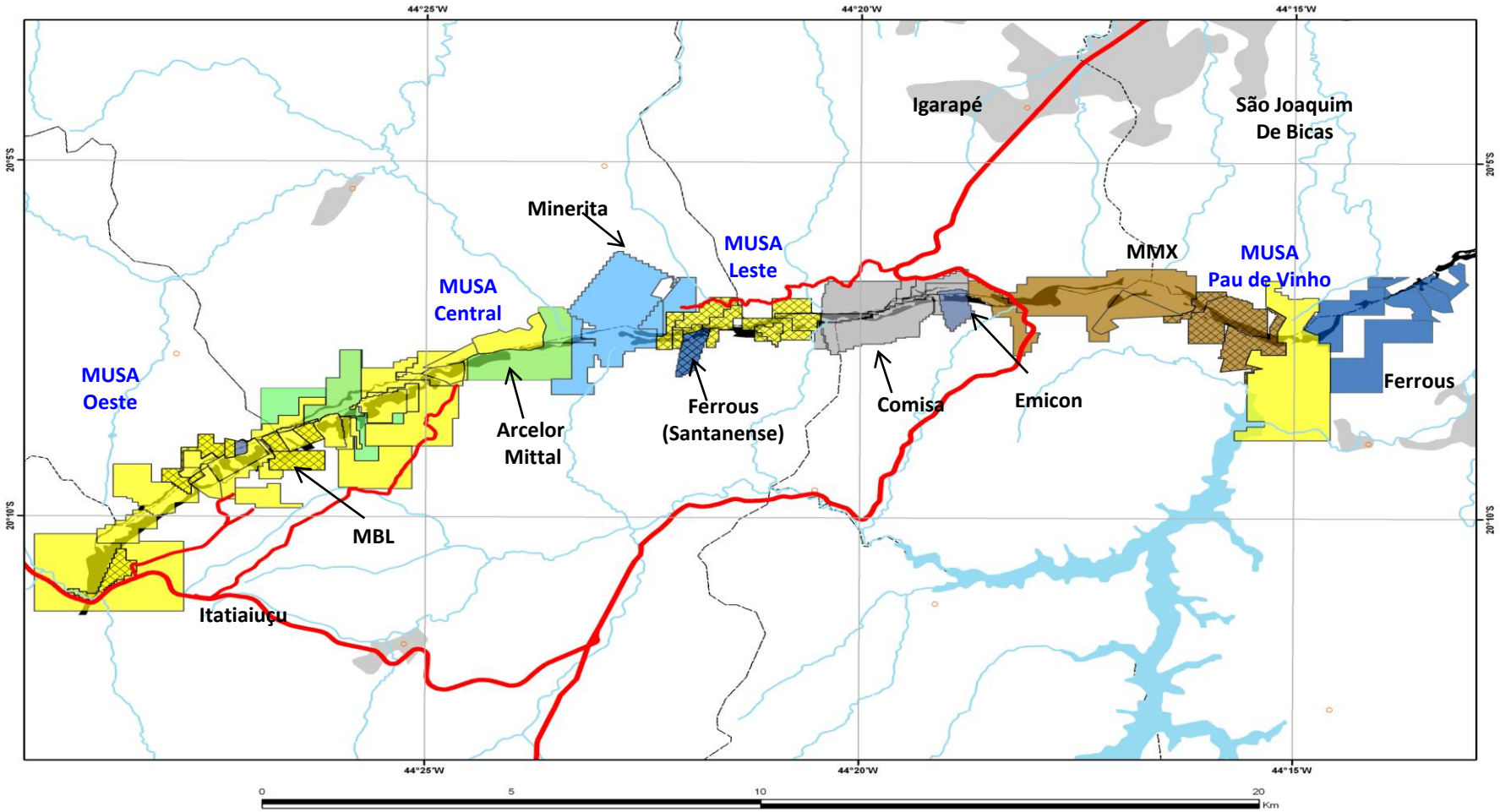


Production Capacity



Location

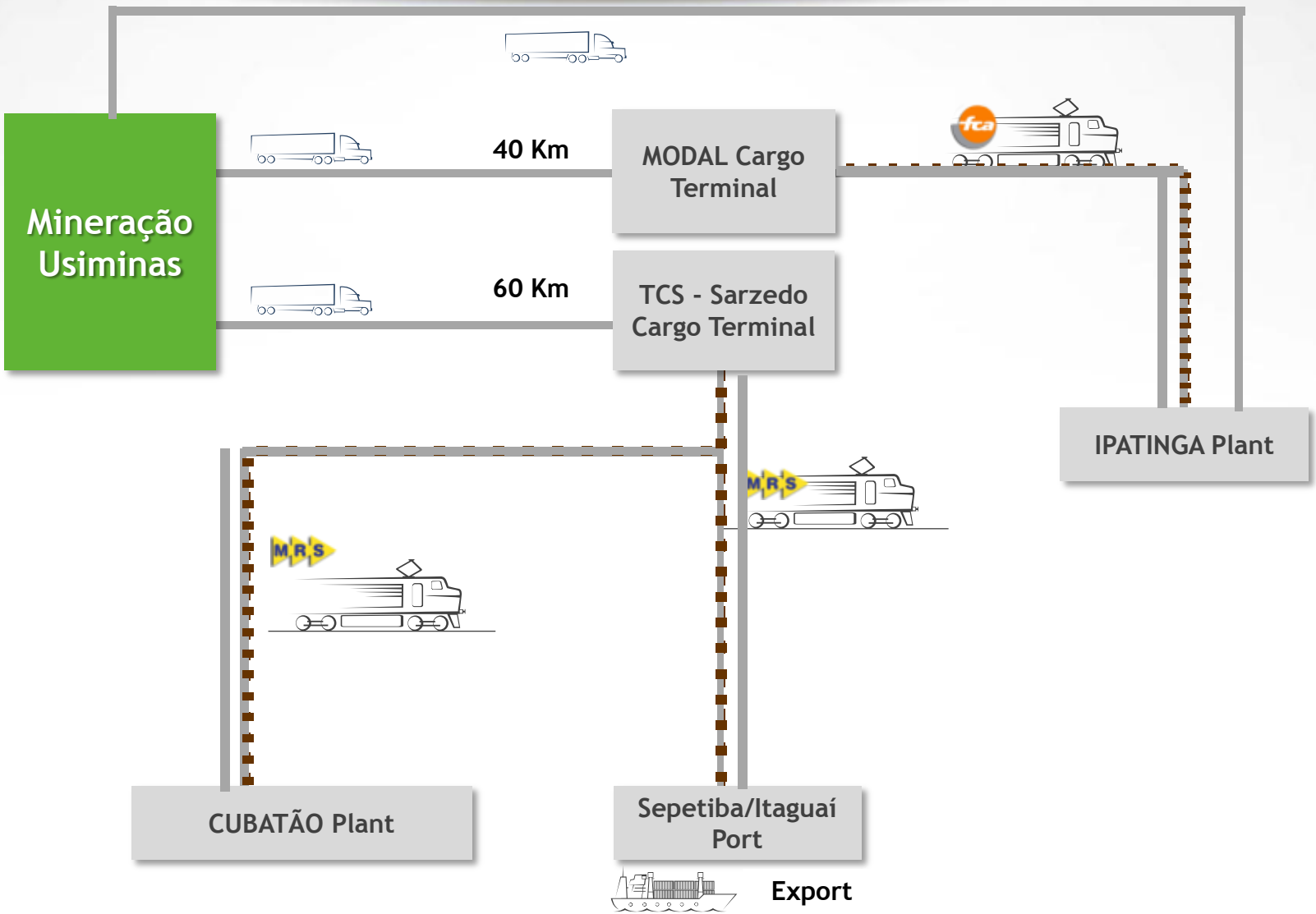
Mining Business Unit



Mineração Usiminas

Logistics

Mining Business Unit



Retroarea in Itaguai Port

Mining Business Unit



Investments

Mining Business Unit

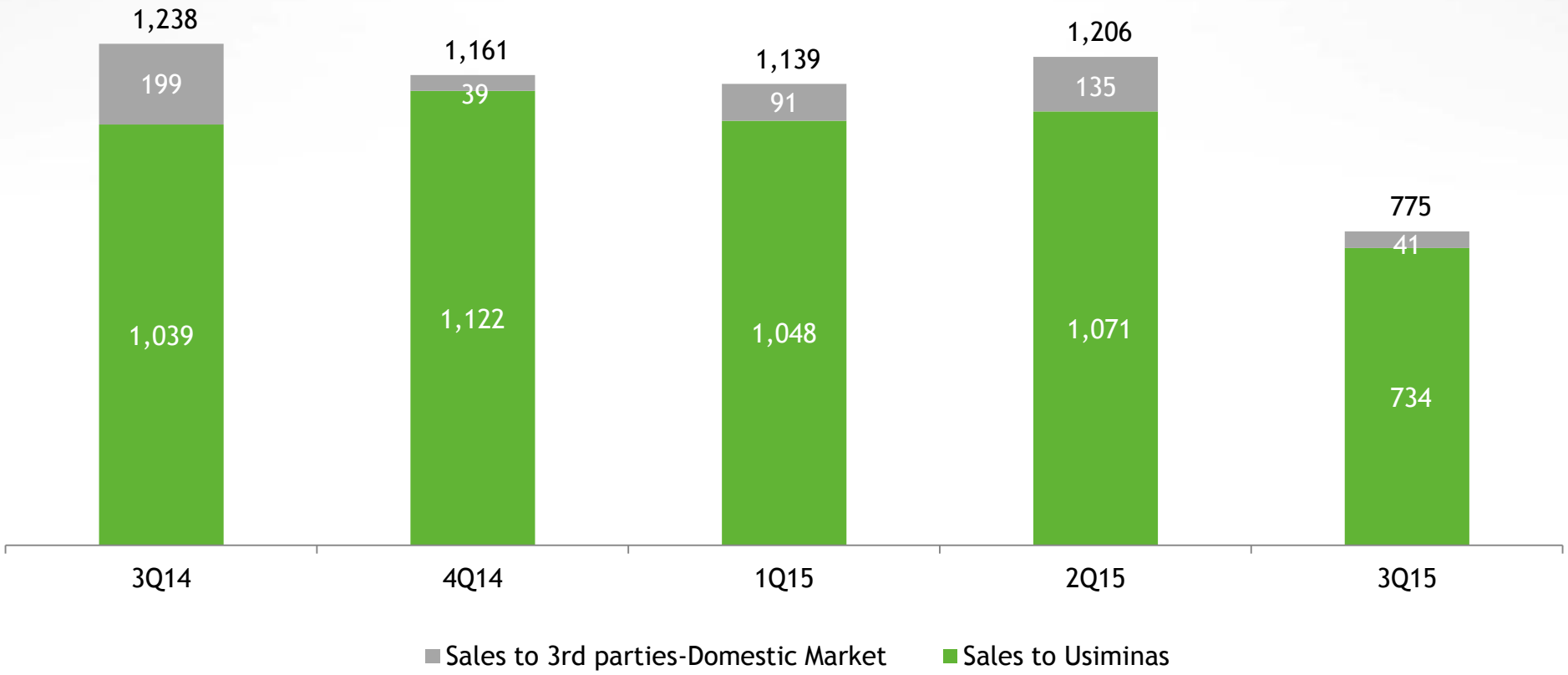
Friables Project

- ✓ Increased capacity from 8 million to 12 million tons / year of iron ore
- ✓ Iron ore with better quality, higher concentration of iron content and lower impurity level
- ✓ Two iron ore processing plants



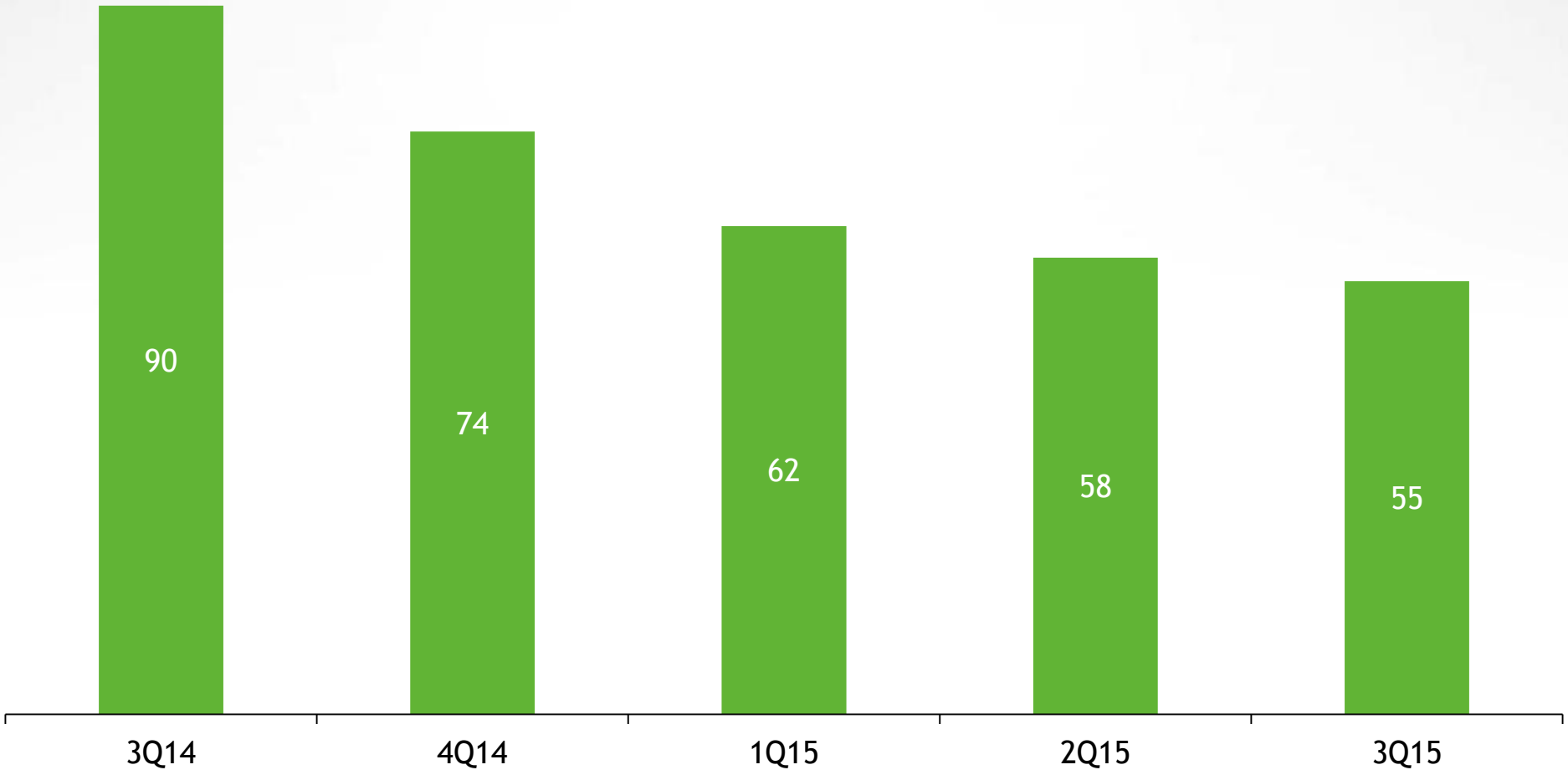
Sales Volume

Mining Business Unit - Thousand Tons



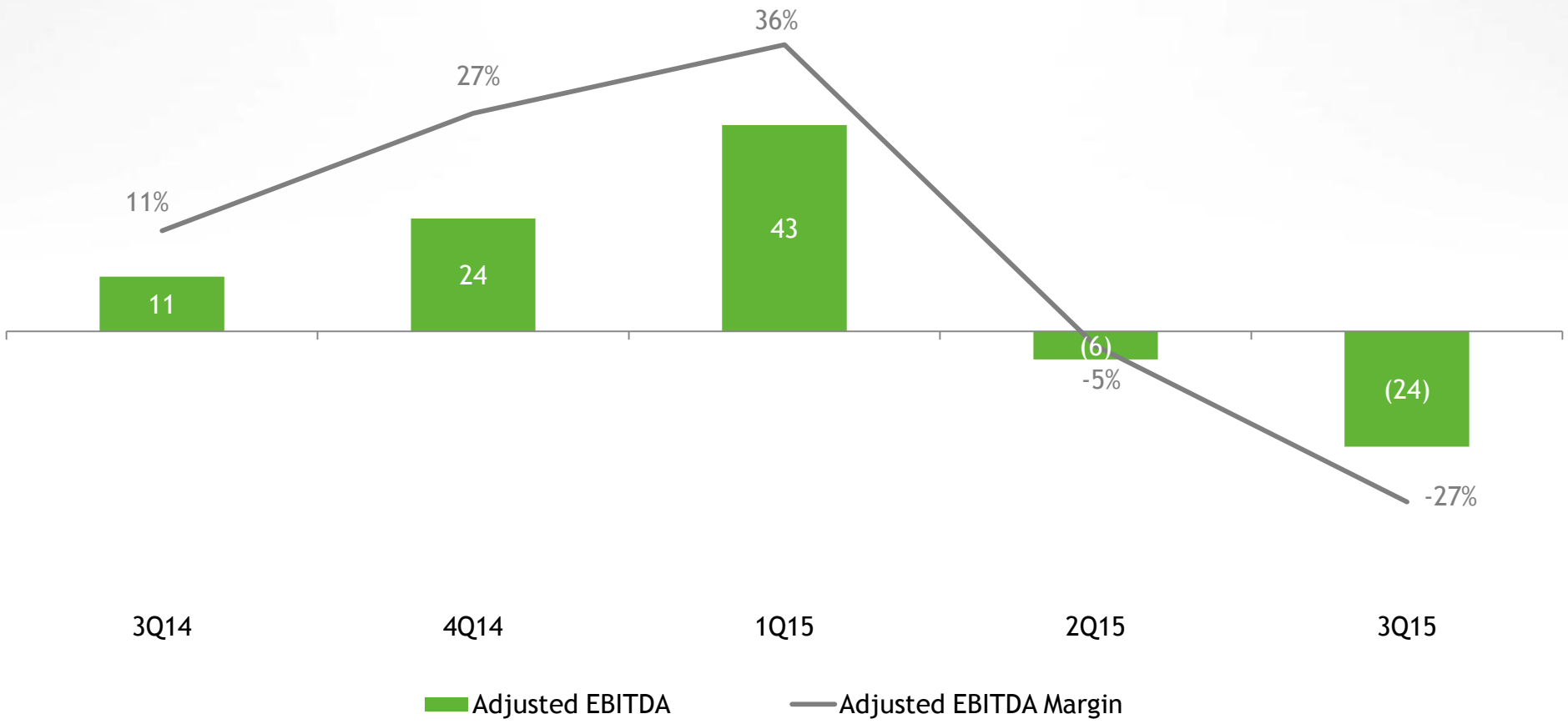
Iron Ore Price - PLATTS (62% Fe CFR China)

US$/ton



Adjusted EBITDA and EBITDA Margin

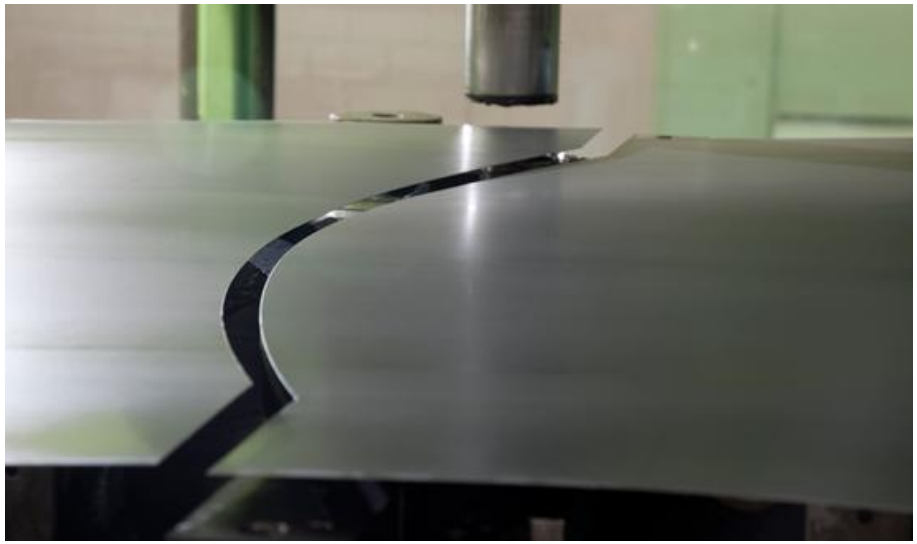
Mining Business Unit - R$ million

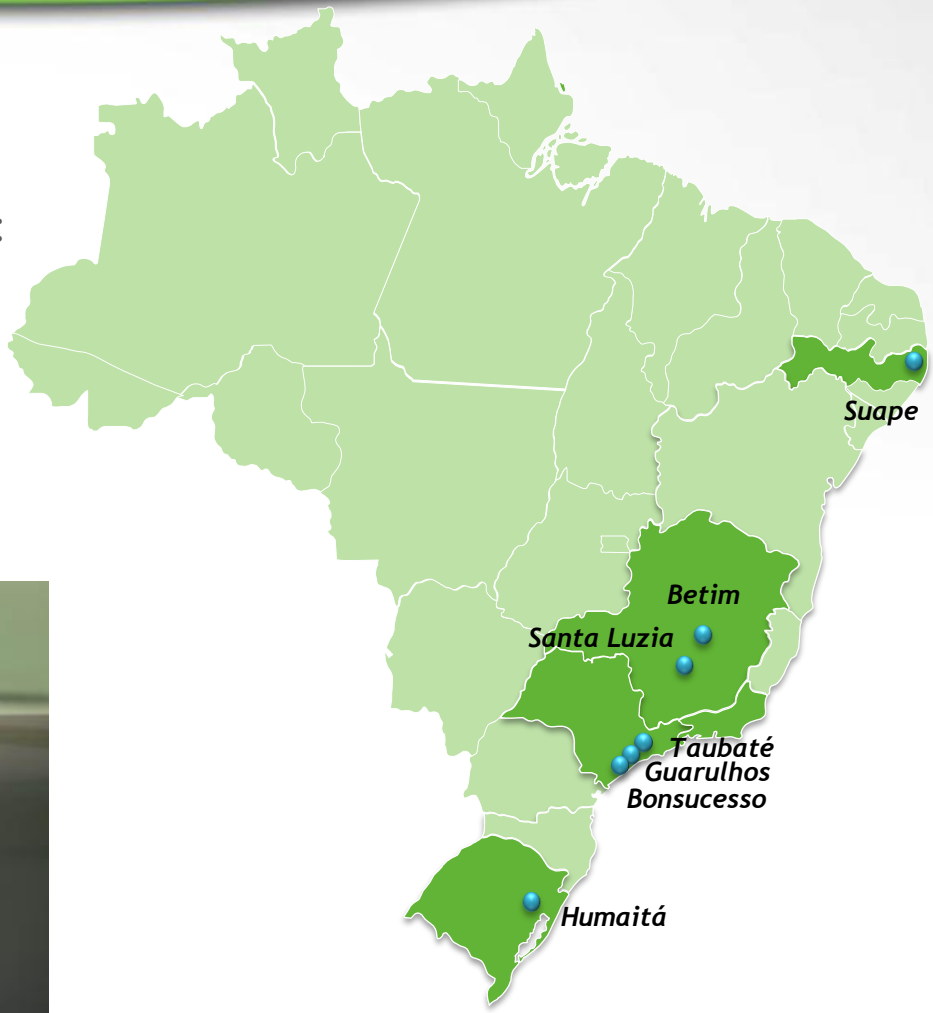


Description

Soluções Usiminas - Steel Processing

- 7 industrial units in different Brazilian states: MG, SP, RS and PE
- Net Revenue of R$2.3 billion in 2014





Description

Usiminas Mecânica - Capital Goods

- Facilities in Ipatinga/Minas Gerais state, Congonhas/Minas Gerais state and in Cubatão/São Paulo state
- Market Segments: Steel Structures, Shipbuilding and Offshore, Oil and Gas, Industrial Assembly and Equipment, Foundry and Railcars
- Net Revenue of R$794 million in 2014



Steel Structures



Brasília 3rd Bridge

Agenda

Usiminas Profile

Market Data

Usiminas and its business units

Financial Results



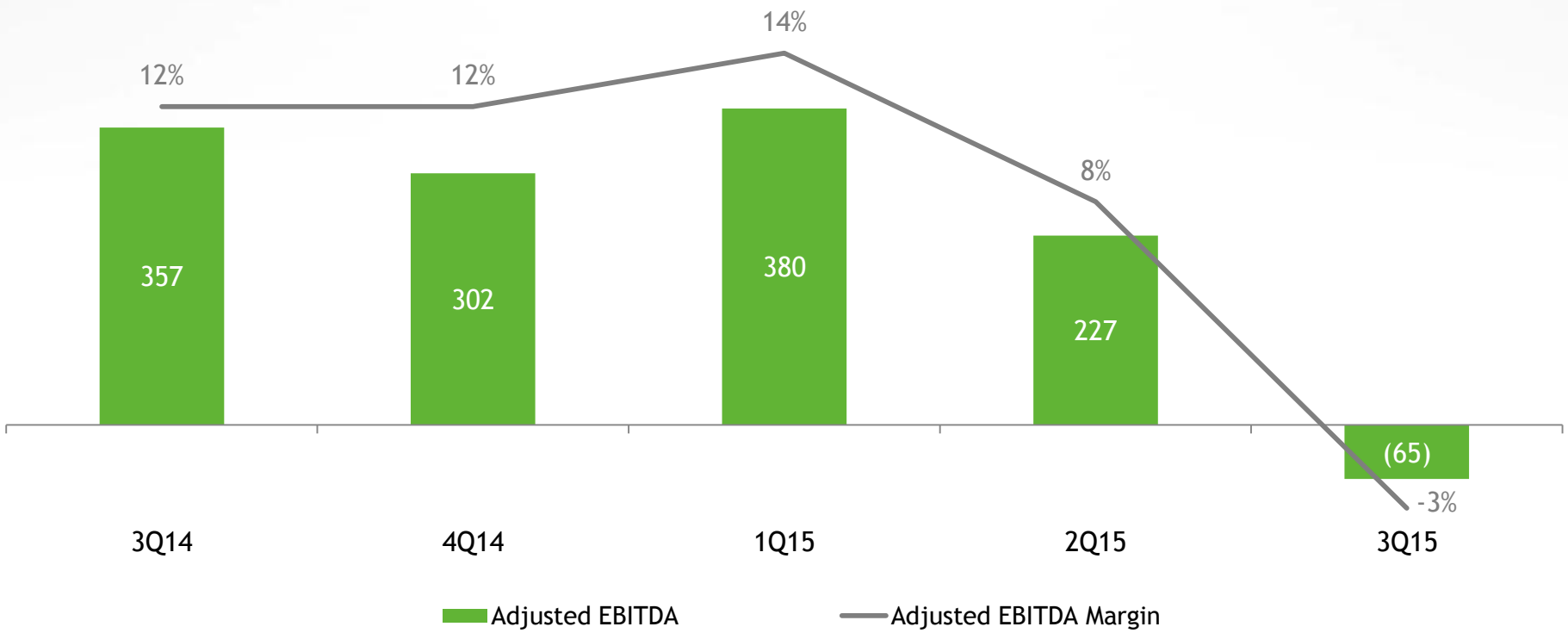






Adjusted EBITDA and EBITDA Margin

Consolidated - R$ million



Comparing Adjusted and CVM 527 EBITDA

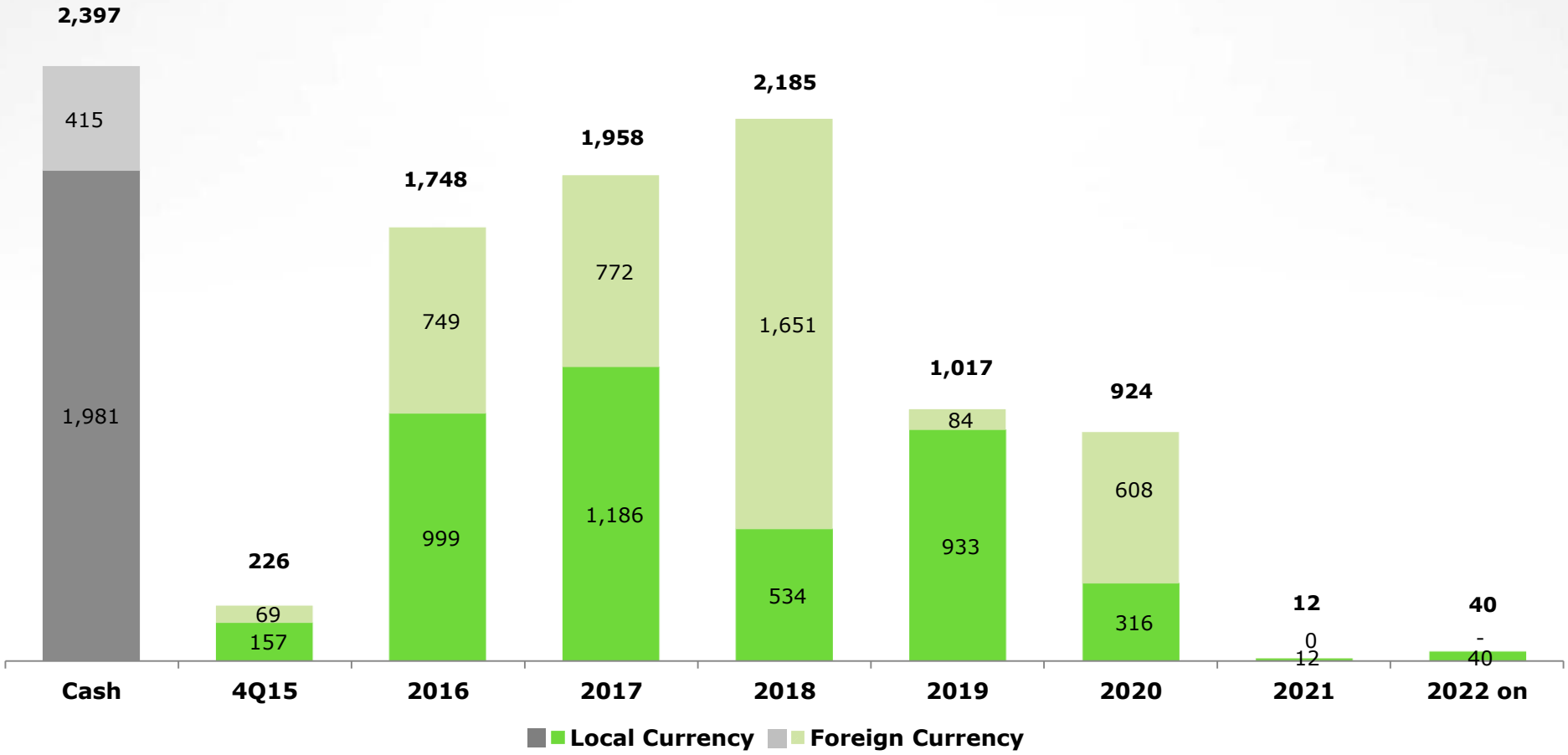
Consolidated - R$ Thousand

Consolidated (R$ thousand)	3Q15	2Q15	9M15	9M14
Net Income (Loss)	(1,042,156)	(780,798)	(2,058,334)	325,809
Income Tax / Social Contribution	(223,219)	(319,383)	(620,673)	70,701
Financial Result	820,075	40,629	1,221,604	309,070
Depreciation, Amortization	348,727	304,342	959,499	824,824
EBITDA -Instruction CVM 527	**(96,573)**	**(755,210)**	**(497,904)**	**1,530,404**
Equity in the Results of Associate and Subsidiary Companies	4,260	(33,991)	(41,702)	(139,633)
Joint Subsidiary Companies proportional EBITDA	28,640	31,361	97,627	170,504
Impairment of Assets	(1,674)	985,046	983,372	-
Adjusted EBITDA	**(65,347)**	**227,206**	**541,393**	**1,561,275**

Cash Position and Debt Profile

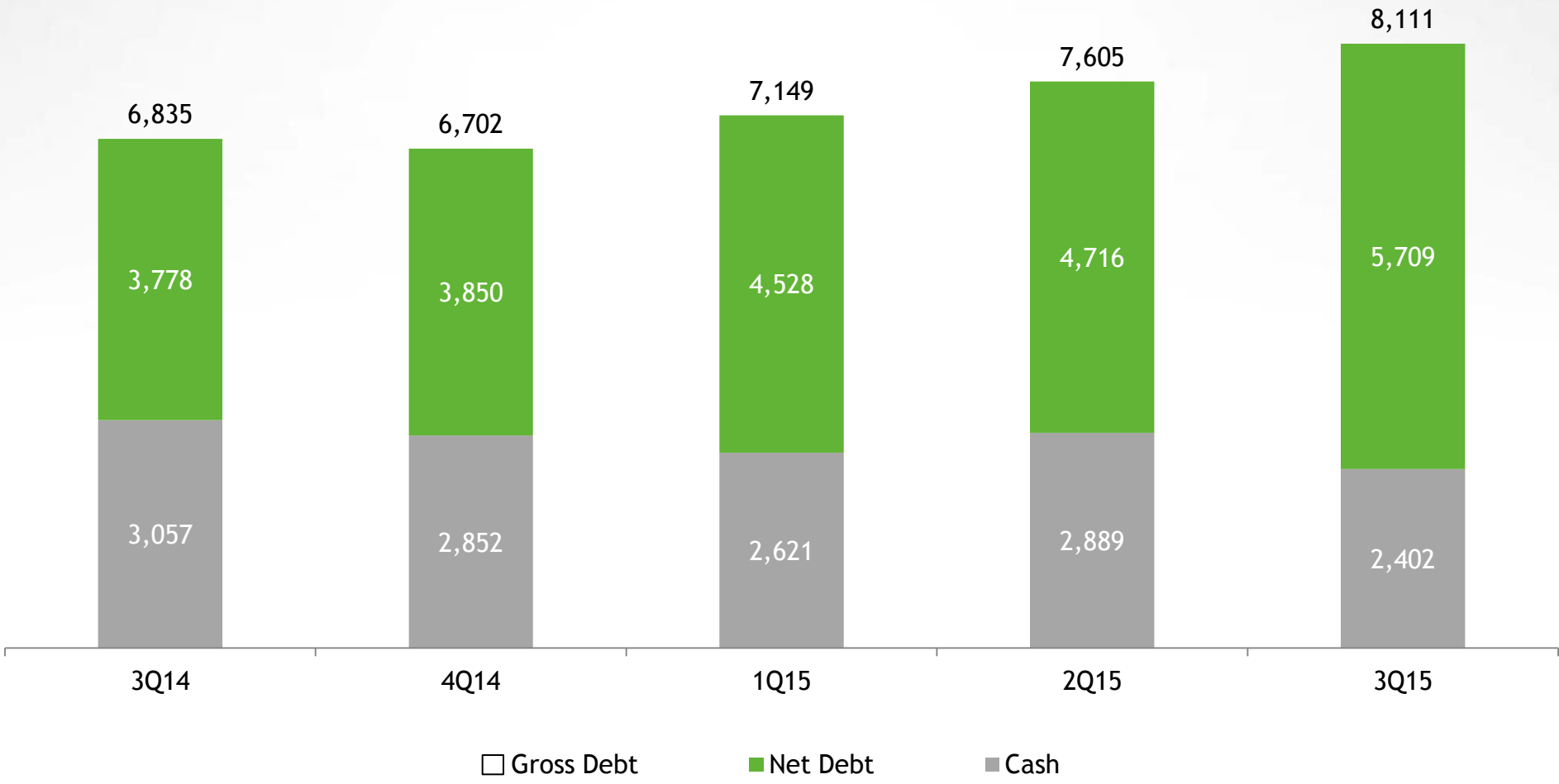
Consolidated - R$ million

Duration: R$: 39 months
US$: 35 months



Cash and Indebtedness

Consolidated - R$ million



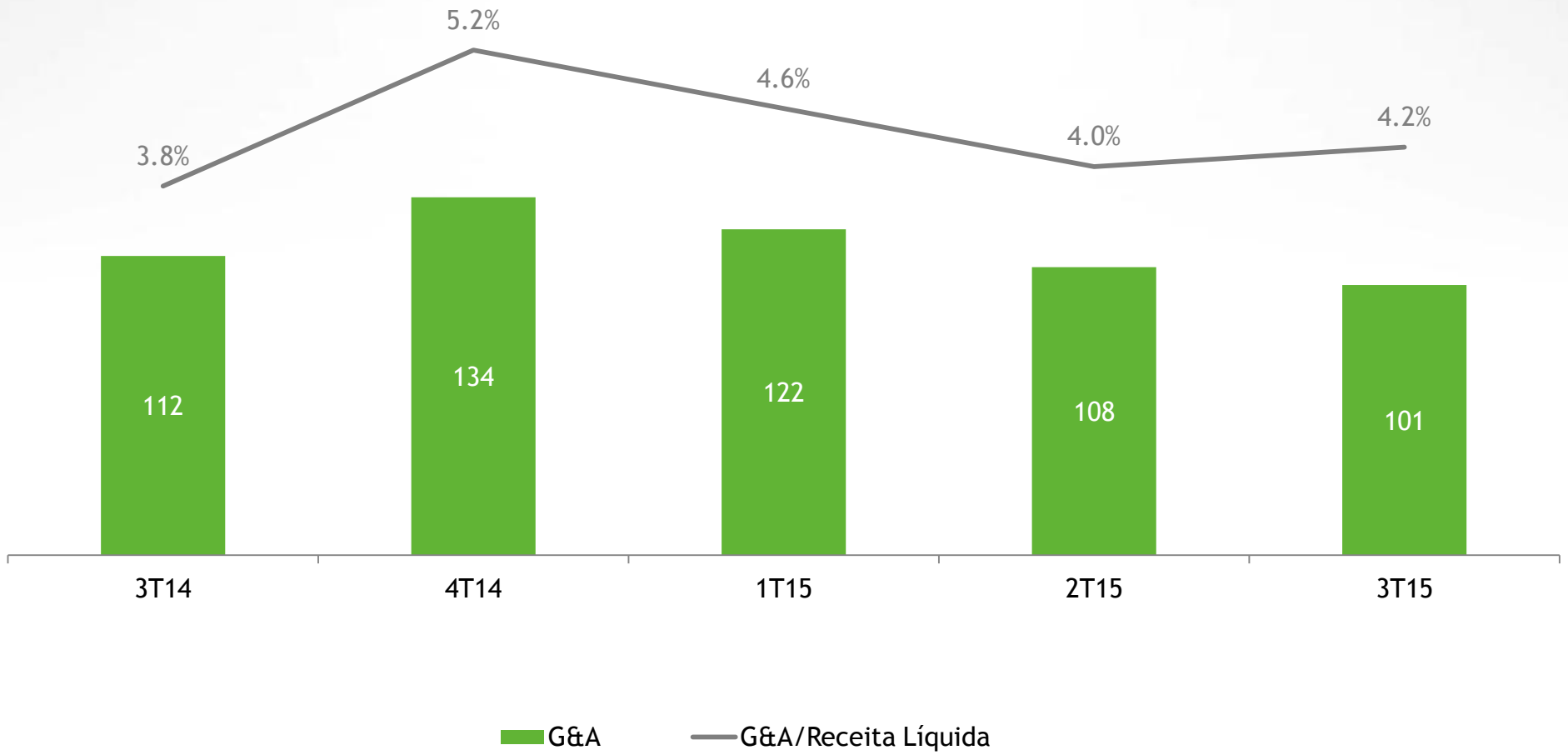
Capex

Consolidated - R$ million



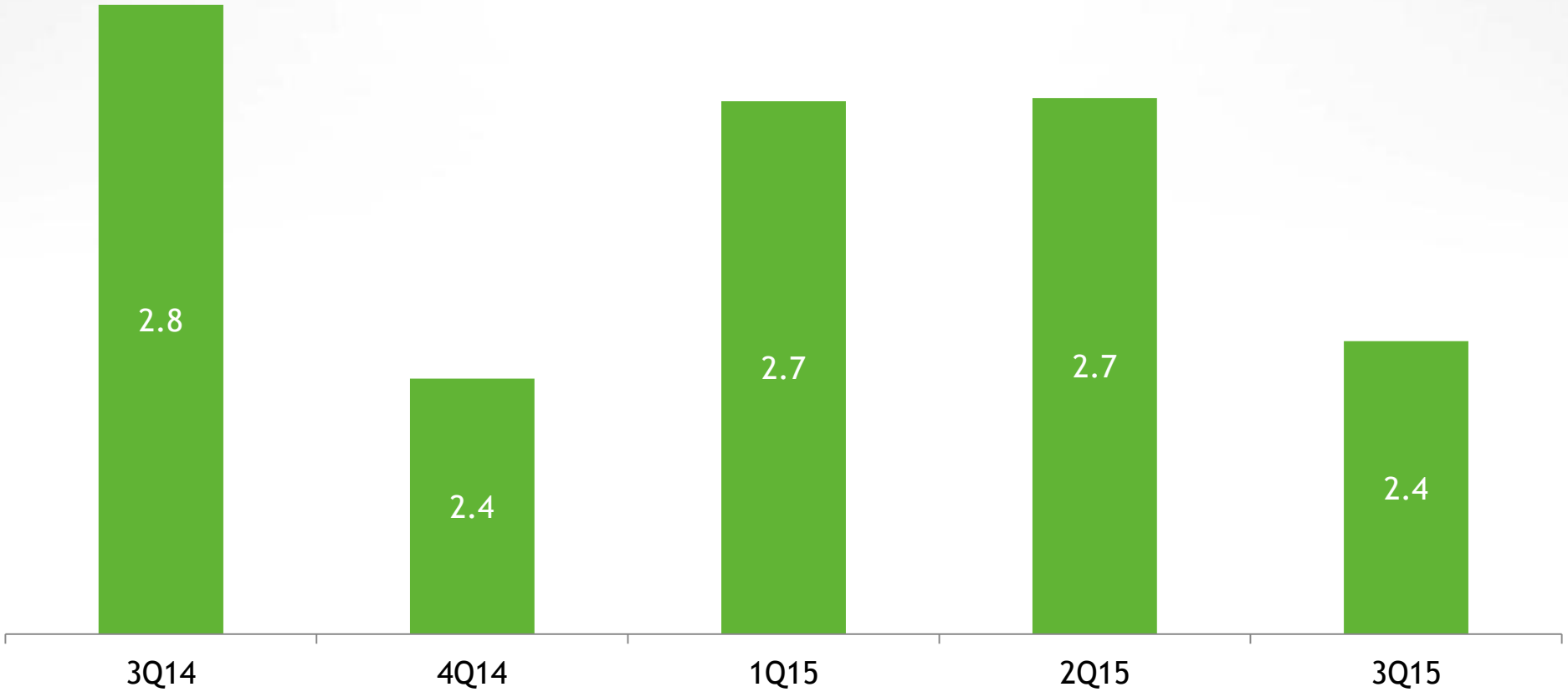
G&A Evolution

Consolidated - R$ million



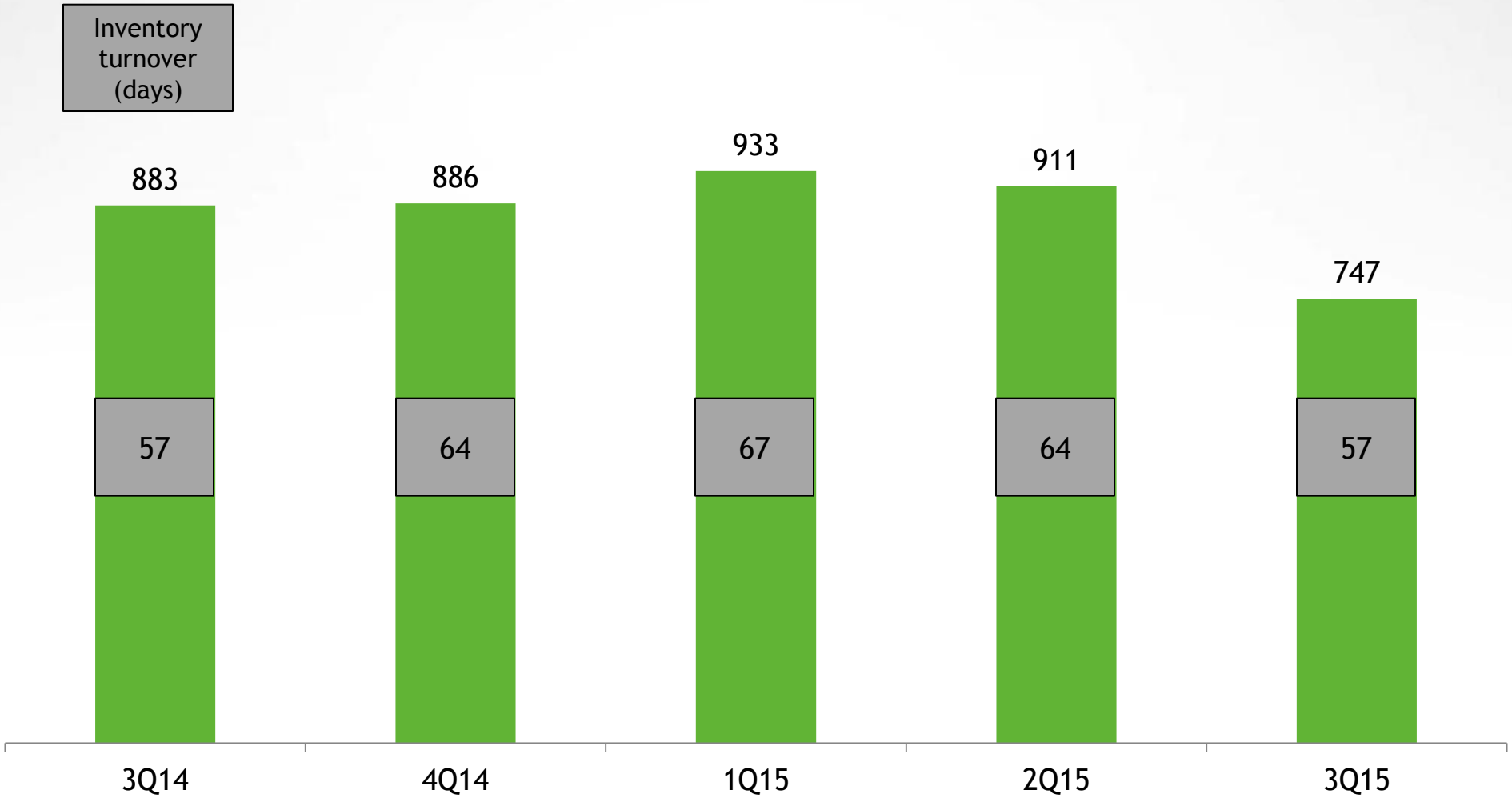
Working Capital

Consolidated - R$ billion



Working Capital – Steel Inventories

Thousand Tons



Income Statement

Per Business Unit - R$ million

Income Statement per Business Units - Non Audited - Quarterly

R$ million	Mining		Steel*		Steel Processing		Capital Goods		Elimination and Adjustment		Consolidated	
	3Q15	2Q15	3Q15	2Q15	3Q15	2Q15	3Q15	2Q15	3Q15	2Q15	3Q15	2Q15
Net Revenue	89	109	2.094	2.401	484	476	217	230	(460)	(538)	2.424	2.677
Domestic Market	89	109	1.463	1.764	483	475	190	230	(460)	(538)	1.765	2.040
Exports	-	-	631	636	1	1	27	0	-	-	660	637
COGS	(65)	(122)	(2.267)	(2.317)	(475)	(464)	(186)	(194)	460	525	(2.534)	(2.571)
Gross Profit	24	(12)	(173)	84	9	12	31	36	(0)	(14)	(110)	105
Operating Income (Expenses)	(90)	(1.022)	(208)	(133)	(20)	(28)	(15)	(16)	1	1	(331)	(1.199)
EBIT	(66)	(1.035)	(381)	(50)	(11)	(16)	16	20	1	(13)	(441)	(1.094)
Adjusted EBITDA	**(24)**	**(6)**	**(82)**	**206**	**(4)**	**(9)**	**23**	**26**	**21**	**11**	**(65)**	**227**
Adj.EBITDA Margin	**-27%**	**-5%**	**-4%**	**9%**	**-1%**	**-2%**	**10%**	**11%**	**-**	**-**	**-3%**	**8%**

*Consolidates 70% of Unigal

Note: All intercompany transactions are made at arm´s length basis

Income Statement

Per Business Unit - R$ million

Income Statement per Business Units - Non Audited - Accumulated

R$ million	Mining		Steel*		Steel Processing		Capital Goods		Elimination and Adjustment		Consolidated	
	9M15	9M14	9M15	9M14	9M15	9M14	9M15	9M14	9M15	9M14	9M15	9M14
Net Revenue	316	656	7.051	8.472	1.500	1.767	658	604	(1.743)	(2.342)	7.781	9.156
Domestic Market	316	530	5.457	7.294	1.494	1.760	630	596	(1.743)	(2.342)	6.154	7.838
Export Market	-	126	1.594	1.177	6	7	28	8	-	-	1.627	1.319
COGS	(298)	(403)	(6.900)	(7.713)	(1.466)	(1.698)	(565)	(540)	1.687	2.176	(7.542)	(8.178)
Gross Profit	18	252	151	759	34	69	92	64	(56)	(166)	239	979
Operating Income (Expenses)	(1.127)	(88)	(494)	(194)	(72)	(96)	(49)	(38)	3	3	(1.738)	(413)
EBIT	(1.110)	164	(343)	565	(38)	(27)	44	27	(53)	(163)	(1.499)	566
Adjusted EBITDA	**14**	**254**	**461**	**1.277**	**(16)**	**2**	**63**	**45**	**20**	**(17)**	**541**	**1.561**
Adj.EBITDA Margin	**4%**	**39%**	**7%**	**15%**	**-1%**	**0%**	**10%**	**8%**	**-**	**-**	**7%**	**17%**

*Consolidates 70% of Unigal

Note: All intercompany transactions are made at arm´s length basis

Cristina Morgan C. Drumond
Head of IR
cristina.drumond@usiminas.com
Phone: 55-31-3499-8772
Fax: 55-31-3499-9357

Leonardo Karam Rosa
IR Manager
leonardo.rosa@usiminas.com
Phone: 55-31-3499.8550

Diogo Dias Gonçalves
IR Manager
diogo.goncalves@usiminas.com
Phone: 55-31-3499-8710

Renata Costa Couto
IR Analyst
r.couto@usiminas.com
Phone: 55-31-3499-8619

www.usiminas.com/ri

NÍVEL 1
BM&FBOVESPA

ADR
Level I

LATIBEX

THE GLOBAL COMPACT
WE SUPPORT

Declarations relative to business and perspectives of the Company, operating and financial results and projections, and references to the growth of the Company constitute mere forecasts and were based on Management´s expectations in relation to future performance, these expectations are highly dependent on market behavior, on Brazil´s economic situation, on the industry and on international markets, and are therefore subject to change.

USIMINAS