(A free translation of the original in Portuguese)

Usinas Siderúrgicas de Minas Gerais S.A. - USIMINAS

Quarterly Information (ITR) at March 31, 2017
and report on review of quarterly information

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Report on review of quarterly information

To the Board of Directors and Stockholders
Usinas Siderúrgicas de Minas Gerais S.A. - USIMINAS

Introduction

We have reviewed the accompanying parent company and consolidated interim accounting information of Usinas Siderúrgicas de Minas Gerais S.A. - USIMINAS ("Company"), included in the Quarterly Information Form (ITR) for the quarter ended March 31, 2017, comprising the balance sheet as at that date and the statements of operations, comprehensive income (loss), changes in equity and cash flows for the quarter then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of the parent company and consolidated interim accounting information in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC), and International Accounting Standard (IAS) 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company and consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

Other matters

Statements of value added

We have also reviewed the parent company and consolidated statements of value added for the quarter ended March 31, 2017. These statements are the responsibility of the Company's management and are required to be presented in accordance with standards issued by the CVM applicable to the preparation of Quarterly Information and are considered supplementary information under IFRS, which do not require the presentation of the statements of value added. These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in a manner consistent with the parent company and consolidated interim accounting information taken as a whole.

Audit and review of prior-year information

The Quarterly Information Form (ITR) mentioned in the first paragraph includes accounting information, presented for comparison purposes, related to the statements of operations, comprehensive income (loss), changes in equity, cash flows, and value added for the quarter ended March 31, 2016, obtained from the Quarterly Information Form (ITR) for that quarter, and also to the balance sheet as at December 31, 2016, obtained from the financial statements at December 31, 2016. The review of the Quarterly Information for the quarter ended March 31, 2016 and the audit of the financial statements for the year ended December 31, 2016 were conducted by other independent auditors, whose unqualified review and audit reports were dated April 25, 2016 and February 16, 2017, respectively.

Emphasis of matter

We draw attention to Note 17, which describes certain conditions that must be complied with by June 30, 2017 if early redemption of certain significant loans is to be avoided. Our conclusion is not qualified in respect of this matter.

Belo Horizonte, April 19, 2017

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5 “F” MG

Fábio Abreu de Paula
Contador CRC 1MG075204/O-0

Company Information / Capital Breakdown

Number of shares (units)	Current quarter 03/31/2017
Common Shares - Paid-in Capital	705,260,684
Preferred Shares - Paid-in Capital	547,818,424
Total - Paid-in Capital	1,253,079,108
Common Treasury Shares	2,526,656
Preferred Treasury Shares	23,705,728
Total Treasury Shares	26,232,384

Individual Financial Statements / Balance sheet - Assets

(In thousands of reais)

Account code	Account description	Current quarter 03/31/2017	Prior year 12/31/2016
1	Total Assets	24,803,373	24,700,533
1.01	Current Assets	4,255,829	3,932,931
1.01.01	Cash and Cash Equivalents	511,052	362,293
1.01.02	Short-term Investments	124,163	176,422
1.01.03	Accounts Receivable	922,222	890,216
1.01.03.01	Trade Accounts Receivable	922,222	890,216
1.01.04	Inventories	2,384,554	2,204,776
1.01.08	Other Current Assets	313,838	299,224
1.01.08.03	Other	313,838	299,224
1.01.08.03.01	Taxes recoverable	59,597	66,087
1.01.08.03.02	Prepaid Income and Social Contribution	69,857	65,770
1.01.08.03.03	Dividends Receivable	55,604	55,327
1.01.08.03.04	Advance to Suppliers	5,486	5,609
1.01.08.03.05	Financial Instruments	-	-
1.01.08.03.06	Other	123,294	106,431
1.02	Noncurrent Assets	20,547,544	20,767,602
1.02.01	Long-term Assets	2,715,911	2,757,757
1.02.01.03	Accounts Receivable	136,006	95,359
1.02.01.03.01	Accounts Receivable	41,089	-
1.02.01.03.02	Other Accounts Receivable	94,917	95,359
1.02.01.06	Deferred Taxes	1,945,296	2,021,565
1.02.01.08	Receivables from Related Parties	58,507	59,780
1.02.01.09	Other Noncurrent Assets	576,102	581,053
1.02.01.09.03	Judicial Deposits	525,723	529,015
1.02.01.09.05	Properties for sale	8,624	8,624
1.02.01.09.06	Financial Instruments	748	-
1.02.01.09.07	Taxes Recoverable	29,648	32,055
1.02.01.09.08	Other	11,359	11,359
1.02.02	Investments	5,964,911	5,939,932
1.02.02.01	Ownership interests	5,964,911	5,939,932
1.02.02.01.01	Interest Held in Affiliates	133,669	133,630
1.02.02.01.02	Interest Held in Subsidiaries	5,226,089	5,224,187
1.02.02.01.03	Interest Held in Jointly-Controlled Subsidiaries	605,153	582,115
1.02.03	Property, Plant and Equipment (PPE)	11,667,694	11,883,058
1.02.03.01	Property, Plant and Equipment in Use	11,062,814	11,154,970
1.02.03.03	Construction in Progress	604,880	728,088
1.02.04	Intangible Assets	199,028	186,855

Individual Financial Statements / Balance Sheet - Liabilities

(In thousands of reais)

Account code	Account description	Current quarter 03/31/2017	Prior year 12/31/2016
2	Total Liabilities	24,803,373	24,700,533
2.01	Current Liabilities	3,004,935	1,603,333
2.01.01	Social and Labor Liabilities	140,289	153,160
2.01.02	Trade Accounts Payable	723,727	860,835
2.01.03	Tax Liabilities	98,590	41,281
2.01.04	Loans and Financing	1,271,704	65,369
2.01.04.01	Loans and Financing	1,266,162	59,818
2.01.04.02	Debentures	5,542	5,551
2.01.05	Other Liabilities	770,625	482,688
2.01.05.02	Other	770,625	482,688
2.01.05.02.01	Dividends and Interest on Equity Payable	142	139
2.01.05.02.04	Accounts Payable	66,905	62,510
2.01.05.02.05	Taxes in installments	7,333	7,205
2.01.05.02.06	Financial Instruments	71,225	48,577
2.01.05.02.07	Advances from Customers	18,268	7,287
2.01.05.02.08	Accounts payable - Forfaiting	606,752	356,970
2.02	Noncurrent Liabilities	8,074,012	9,561,460
2.02.01	Loans and Financing	6,242,125	7,472,653
2.02.01.01	Loans and Financing	5,249,604	6,480,469
2.02.01.02	Debentures	992,521	992,184
2.02.02	Other Liabilities	223,584	327,983
2.02.02.01	Payables to Related Parties	74,606	76,118
2.02.02.02	Other	148,978	251,865
2.02.02.02.04	Financial Instruments	-	102,413
2.02.02.02.05	Other Accounts Payable	148,978	149,452
2.02.04	Provisions	1,608,303	1,760,824
2.02.04.01	Provisions for Tax, Social Security, Labor and Civil Contingencies	1,608,303	1,760,824
2.02.04.01.02	Provisions for Social Security and Labor Contingencies	1,134,995	1,338,419
2.02.04.01.05	Contingent Liabilities	473,308	422,405
2.03	Equity	13,724,426	13,535,740
2.03.01	Paid-in Capital	13,200,295	13,200,295
2.03.02	Capital Reserves	309,740	309,445
2.03.05	Retained Earnings (Accumulated Losses)	93,358	-
2.03.06	Equity Adjustments	121,033	26,000

Individual Financial Statements / Statement of Operations

(In thousands of reais)

Account code	Account description	YTD - current 01/01/2017 to 03/31/2017	YTD 01/01/201 to 03/31/2016
3.01	Revenue from Sales and/or Services	2,216,462	1,737,676
3.02	Cost of Sales and/or Services	-1,831,163	-1,826,753
3.03	Gross Profit	385,299	-89,077
3.04	Operating Income (Expenses)	-189,715	-291,918
3.04.01	Selling expenses	-32,009	-44,464
3.04.02	General and Administrative Expenses	-69,190	-61,988
3.04.04	Other Operating Expenses	113,639	130,855
3.04.05	Other Operating Expenses	-227,636	-209,389
3.04.06	Equity Pickup	25,481	-106,932
3.05	Income Before Financial Income (Expense) And Taxes	195,584	-380,995
3.06	Financial Income (Expenses), Net	-79,459	210,276
3.07	Income Before Income Taxes	116,125	-170,719
3.08	Income and Social Contribution Taxes	-27,224	17,949
3.08.02	Deferred	-27,224	17,949
3.09	Net income (loss) from continuing operations	88,901	-152,770
3.11	Income/Loss for the Period	88,901	-152,770
3.99	Earnings (Loss) per Share (Reais / Shares)	-	-
3.99.01	Basic Earnings per Share	-	-
3.99.01.01	Registered Common Shares (RCS)	0.07000	-0.15000
3.99.01.02	Registered Preferred Shares (RPS)	0.08000	-0.15000
3.99.02	Diluted Earnings per Share	-	-
3.99.02.01	RCS	0.07000	-0.15000
3.99.02.02	RPS	0.08000	-0.15000

Individual Financial Statements / Statement of Comprehensive Income (Loss)

(In thousands of reais)

Account code	Account description	YTD - current 01/01/2017 to 03/31/2017	YTD - prior year 01/01/2016 to 03/31/2016
4.01	Net Income for the Period	88,901	-152,770
4.02	Other Comprehensive Income	98,017	-37,679
4.02.01	Actuarial Gain (Loss) on Retirement Benefits	98,017	-37,679
4.03	Comprehensive Income (Loss) for the Period	186,918	-190,449

Individual Financial Statements / Cash Flow Statement - Indirect Method

(In thousands of reais)

Account code	Account description	YTD 01/01/2017 to 03/31/2017	YTD - prior year 01/01/2016 to 03/31/2016
6.01	Net Cash from Operating Activities	138,431	9,532
6.01.01	Cash From Operations	586,420	70,451
6.01.01.01	Net Income (Loss) for the Year	88,901	-152,770
6.01.01.02	Charges and Indexation/Exchange Gains (Losses), Net	-10,041	-206,894
6.01.01.03	Interest Expenses	181,216	72,188
6.01.01.04	Depreciation and Amortization	253,444	264,839
6.01.01.05	Gain/Loss on Sale of Property and Equipment	-1,409	-1,961
6.01.01.06	Equity Pickup	-25,481	106,932
6.01.01.07	Stock Option Plan	295	1,209
6.01.01.08	Deferred Income and Social Contribution Taxes	27,224	-17,949
6.01.01.09	Set up (Reversal) of Provisions	65,146	-2,718
6.01.01.10	Actuarial Gains (Losses)	7,125	-455
6.01.01.11	Impairment of assets	-	8,030
6.01.02	Changes in Assets and Liabilities	-157,672	222,724
6.01.02.01	Trade Accounts Receivable	-74,083	248,887
6.01.02.02	Inventories	-222,030	256,150
6.01.02.03	Taxes Recoverable	4,810	59,376
6.01.02.04	Receivables from Related Parties	1,273	697
6.01.02.05	Judicial Deposits	-6,124	-8,083
6.01.02.06	Other Increase (Decrease) In Assets	-15,695	-55,579
6.01.02.07	Suppliers, contractors and freight	-137,108	65,482
6.01.02.08	Advances from Customers	10,981	-2,686
6.01.02.09	Payables to Related Parties	-1,512	-7,115
6.01.02.10	Taxes Payable	57,309	34,171
6.01.02.11	Accounts payable - Forfaiting	249,782	-247,288
6.01.02.13	Other Increase (Decrease) in Liabilities	-25,275	-121,288
6.01.03	Other	-290,317	-283,643
6.01.03.01	Actuarial Liabilities Paid	-59,582	-51,384
6.01.03.02	Interest Paid	-230,735	-232,259
6.02	Net Cash from Investing Activities	35,955	154,123
6.02.01	Proceeds from the Sale of Property, Plant and Equipment	1,693	2,310
6.02.02	Purchases of Intangible Assets	-17,388	-59,263
6.02.03	Share capital repayments from subsidiaries	-	166,249
6.02.04	Dividends Received	-	49,997
6.02.05	Proceeds from Divestiture / Acquisition of Investments	-	-
6.02.06	Marketable Securities	52,259	-625
6.02.07	Purchase of Software	-609	-4,545
6.03	Net Cash from Financing Activities	-26,690	-146,965
6.03.01	Loans and Financing Taken out and Debentures	0	-
6.03.02	Repayment of Loans and Financing	-2,746	-87,891
6.03.03	Payment of Taxes in Installments	0	-242
6.03.04	Swap Transaction Settlement	-23,944	-58,832
6.03.05	Dividends and Interest on Equity Paid	-	-
6.04	Exchange Gain (Loss) on Cash and Cash Equivalents	1,063	-10,762
6.05	Increase (Decrease) in Cash and Cash Equivalents	148,759	5,928
6.05.01	Cash and Cash Equivalents	362,293	319,027
6.05.02	Cash and cash Equivalents at end of Period	511,052	324,955

Individual Financial Statements / Statement of Changes in Equity / SCE - 01/01/2017 to 03/31/2017

(In thousands of reais)

Account code	Account description	Paid-in capital	Capital reserves, options granted and treasury shares	Income reserves	Retained earnings (accumulated losses)	Other Comprehensive Income (loss)	Equity
5.01	Opening balances	13,200,295	309,445	-	-	26,000	13,535,740
5.03	Adjusted Opening Balances	13,200,295	309,445	-	-	26,000	13,535,740
5.04	Capital Transactions with Shareholders	-	295	-	4,333	-2,860	1,768
5.04.03	Recognized Options Granted	-	295	-	-	-	295
5.04.08	Adjustment from IAS 29 on Property, Plant and Equipment	-	-	-	4,333	-2,860	1,473
5.05	Total Comprehensive Income	-	-	-	89,025	97,893	186,918
5.05.01	Net Income for the Period	-	-	-	88,901	-	88,901
5.05.02	Other Comprehensive Income (Loss)	-	-	-	124	97,893	98,017
5.05.02.06	Actuarial loss on retirement benefits	-	-	-	124	97,893	98,017
5.07	Closing Balances	13,200,295	309,740	-	93,358	121,033	13,724,426

Individual Financial Statements / Statement of Changes in Equity / SCE - 01/01/2016 to 03/31/2016

(In thousands of reais)

Account code	Account description	Paid-in capital	Capital reserves, options granted and treasury shares	Income reserves	Retained earnings (accumulated losses)	Other Comprehensive Income (loss)	Equity
5.01	Opening Balances	12,150,000	327,191	620,039	-	311,748	13,408,978
5.03	Adjusted Opening Balances	12,150,000	327,191	620,039	-	311,748	13,408,978
5.04	Capital Transactions with Shareholders	-	1,209	-	5,368	-119	6,458
5.04.03	Recognized Options Granted	-	1,209	-	-	-	1,209
5.04.08	Adjustment from IAS 29 on Property, Plant and Equipment	-	-	-	5,368	-3,543	1,825
5.04.09	Changes in ownership interests in subsidiaries that do not result in a loss or acquisition of control	-	-	-	-	3,424	3,424
5.05	Total Comprehensive Income	-	-	-	-152,770	-37,679	-190,449
5.05.01	Net Income for the Period	-	-	-	-152,770	-	-152,770
5.05.02	Other Comprehensive Income (Loss)	-	-	-	-	-37,679	-37,679
5.05.02.06	Actuarial loss on retirement benefits	-	-	-	-	-37,679	-37,679
5.07	Closing Balances	12,150,000	328,400	620,039	-147,402	273,950	13,224,987

Individual Financial Statements / Statement of Value Added

(In thousands of reais)

Account code	Account description	YTD 01/01/2017 to 03/31/2017	YTD - prior year 01/01/2016 to 03/31/2016
7.01	Revenue	2,860,332	2,182,650
7.01.01	Sales of Goods, Products and Services	2,803,909	2,182,837
7.01.02	Other Revenues	55,435	13,645
7.01.04	(Reversal of) Allowance for Doubtful Accounts	988	-13,832
7.02	Inputs Acquired from Third Parties	-1,944,006	-1,785,033
7.02.01	Costs of Products Goods and Services Sold	-1,787,468	-1,653,764
7.02.02	Materials, Energy, Third-Party Services and Other Expenses	-156,538	-131,269
7.03	Gross Value Added	916,326	397,617
7.04	Retentions	-253,444	-264,839
7.04.01	Depreciation, Amortization and Depletion	-253,444	-264,839
7.05	Net Value Added Produced	662,882	132,778
7.06	Value Added Received in Transfer	136,157	281,150
7.06.01	Equity Interest in Investees	25,481	-106,932
7.06.02	Financial Revenues	103,147	53,770
7.06.03	Other	7,529	334,312
7.06.03.01	Actuarial Gains (Losses)	-7,125	455
7.06.03.02	Foreign currency gains/losses, net	14,654	333,857
7.07	Total Value Added to be Distributed	799,039	413,928
7.08	Distribution of Value Added	799,039	413,928
7.08.01	Personnel	139,940	191,504
7.08.01.01	Direct Compensation	121,830	166,612
7.08.01.02	Benefits	3,134	6,668
7.08.01.03	Unemployment Compensation Fund (FGTS)	14,976	18,224
7.08.02	Taxes, Rates and Contributions	372,938	197,843
7.08.02.01	Federal	134,123	92,190
7.08.02.02	State	222,193	90,291
7.08.02.03	Municipal	16,622	15,362
7.08.03	Debt Remuneration	197,260	177,351
7.08.03.01	Interest	253,827	202,284
7.08.03.03	Other	-56,567	-24,933
7.08.04	Equity Remuneration	88,901	-152,770
7.08.04.03	Retained Earnings (Accumulated Losses)	88,901	-152,770

Consolidated Financial Statements - Balance Sheet - Assets

(In thousands of reais)

Account code	Account description	Current quarter - 03/31/2017	Prior year - 12/31/2016
1	Total Assets	26,304,568	26,254,745
1.01	Current Assets	6,893,598	6,420,478
1.01.01	Cash and Cash Equivalents	1,903,657	719,870
1.01.02	Short-term Investments	511,980	1,537,584
1.01.03	Accounts Receivable	1,173,118	1,179,212
1.01.03.01	Trade Accounts Receivable	1,173,118	1,179,212
1.01.04	Inventories	2,814,559	2,604,306
1.01.08	Other Current Assets	490,284	379,506
1.01.08.03	Other	490,284	379,506
1.01.08.03.01	Taxes recoverable	122,548	125,191
1.01.08.03.02	Prepaid Income and Social Contribution	168,971	113,409
1.01.08.03.03	Dividends Receivable	13,782	2,463
1.01.08.03.04	Advances to Suppliers	6,617	7,226
1.01.08.03.05	Other Accounts Receivable	109,714	86,548
1.01.08.03.06	Financial Instruments	68,652	44,669
1.02	Noncurrent Assets	19,410,970	19,834,267
1.02.01	Long-term Assets	4,068,519	4,265,283
1.02.01.03	Accounts Receivable	206,840	163,723
1.02.01.03.01	Accounts Receivable	88,095	-
1.02.01.03.02	Other Accounts Receivable	118,745	163,723
1.02.01.04	Inventories	23,246	22,657
1.02.01.06	Deferred Taxes	3,040,718	3,120,368
1.02.01.08	Receivables from Related Parties	3,623	3,842
1.02.01.09	Other Noncurrent Assets	794,092	954,693
1.02.01.09.04	Judicial Deposits	667,712	660,229
1.02.01.09.05	Financial Instruments	748	100,670
1.02.01.09.06	Taxes Recoverable	96,074	96,070
1.02.01.09.07	Prepaid Income and Social Contribution	-	68,172
1.02.01.09.08	Other	29,558	29,552
1.02.02	Investments	1,150,372	1,126,176
1.02.02.01	Ownership Interest	1,150,372	1,126,176
1.02.02.01.01	Interests Held in Affiliates	526,914	525,309
1.02.02.01.04	Other Ownership Interests	623,458	600,867
1.02.03	Property, Plant and Equipment (PP&E)	13,488,122	13,748,890
1.02.03.01	Property, Plant and Equipment in Use	12,734,441	12,856,285
1.02.03.03	Construction in Progress	753,681	892,605
1.02.04	Intangible Assets	703,957	693,918

Consolidated Financial Statements / Balance Sheet - Liabilities

(In thousands of reais)

Account code	Account description	Current quarter - 03/31/2017	Prior year - 12/31/2016
2	Total Liabilities	26,304,568	26,254,745
2.01	Current Liabilities	2,458,976	1,752,244
2.01.01	Social and Labor Liabilities	180,941	197,076
2.01.02	Trade Accounts Payable	683,157	846,377
2.01.03	Tax Liabilities	123,035	65,985
2.01.03.01	Federal Tax Liabilities	123,035	65,985
2.01.03.01.01	Income and Social Contribution Taxes Payable	6,738	7,538
2.01.03.01.02	Taxes Payable	116,297	58,447
2.01.04	Loans and Financing	600,874	67,708
2.01.04.01	Loans and Financing	595,332	62,157
2.01.04.02	Debentures	5,542	5,551
2.01.05	Other liabilities	870,969	575,098
2.01.05.02	Other	870,969	575,098
2.01.05.02.01	Dividends and Interest on Equity Payable	22,003	22,001
2.01.05.02.04	Taxes in installments	8,681	8,529
2.01.05.02.05	Financial Instruments	71,225	48,577
2.01.05.02.06	Advances from Customers	55,094	35,806
2.01.05.02.08	Accounts Payable	107,214	103,215
2.01.05.02.09	Accounts payable - Forfaiting	606,752	356,970
2.02	Noncurrent Liabilities	8,445,852	9,310,867
2.02.01	Loans and Financing	6,260,885	6,856,600
2.02.01.01	Loans and Financing	5,268,364	5,864,416
2.02.01.02	Debentures	992,521	992,184
2.02.02	Other Liabilities	233,792	360,635
2.02.02.01	Payables to affiliates	130,183	153,269
2.02.02.01.04	Payables to other related parties	130,183	153,269
2.02.02.02	Other	103,609	207,366
2.02.02.02.03	Taxes in Installments	8,874	9,050
2.02.02.02.04	Financial Instruments	-	102,413
2.02.02.02.06	Other	94,735	95,903
2.02.04	Provisions	1,951,175	2,093,632
2.02.04.01	Provisions for Tax, Social Security, Labor and Civil Contingencies	1,804,454	1,950,590
2.02.04.01.02	Provisions for Social Security and Labor Contingencies	1,139,376	1,342,727
2.02.04.01.05	Contingent Liabilities	665,078	607,863
2.02.04.02	Other Provisions	146,721	143,042
2.02.04.02.03	Provisions for Environmental Liabilities and Decommissioning	146,721	143,042
2.03	Equity - Consolidated	15,399,740	15,191,634
2.03.01	Paid-in Capital	13,200,295	13,200,295
2.03.02	Capital reserves	309,740	309,445
2.03.04	Income Reserves	-	-
2.03.04.01	Legal Reserve	-	-
2.03.05	Retained Earnings (Accumulated Losses)	93,358	-
2.03.06	Equity Adjustments	121,033	26,000
2.03.09	Noncontrolling Shareholders	1,675,314	1,655,894

Consolidated Financial Statements / Statement of Operations

(In thousands of reais)

Account code	Account description	YTD 01/01/2017 to 03/31/2017	YTD - prior year 01/01/2016 to 03/31/2016
3.01	Revenue from Sales and/or Services	2,350,838	2,040,890
3.02	Cost of Sales and/or Services	-1,870,099	-2,081,470
3.03	Gross Profit	480,739	-40,580
3.04	Operating Income (Expenses)	-258,985	-227,710
3.04.01	Selling Expenses	-52,193	-79,690
3.04.02	General and Administrative Expenses	-93,141	-89,744
3.04.04	Other Operating Revenues	120,447	131,292
3.04.05	Other Operating Expenses	-271,178	-241,413
3.04.06	Equity Pickup	37,080	51,845
3.05	Income Before Financial Income (Expense) and Taxes	221,754	-268,290
3.06	Financial Income (Expenses), Net	-54,581	101,553
3.07	Income Before Income Taxes	167,173	-166,737
3.08	Income and Social Contribution Taxes	-58,855	15,360
3.08.01	Current	-28,250	-5,081
3.08.02	Deferred	-30,605	20,441
3.09	Net Income from Continuing Operations	108,318	-151,377
3.11	Consolidated Income (Loss) for the Period	108,318	-151,377
3.11.01	Attributed to Shareholders of Parent Company	88,901	-152,770
3.11.02	Attributable to Noncontrolling Shareholders	19,417	1,393
3.99	Earnings (Loss) per Share (Reais / Shares)	-	-
3.99.01	Basic Earnings per Share	-	-
3.99.01.01	RCS	0.07000	-0.15000
3.99.01.02	RPS	0.08000	-0.15000
3.99.02	Diluted Earnings per Share	-	-
3.99.02.01	RCS	0.07000	-0.15000
3.99.02.02	RPS	0.08000	-0.15000

Consolidated Financial Statements / Statement of Comprehensive Income (loss)

(In thousands of reais)

Account code	Account description	YTD 01/01/2017 to 03/31/2017	YTD - prior year 01/01/2016 to 03/31/2016
4.01	Consolidated Net Income for the Period	108,318	-151,377
4.02	Other Comprehensive Income (Loss)	98,020	-37,679
4.02.01	Actuarial Gain (Loss) on Retirement Benefits	98,020	-37,679
4.03	Consolidated Comprehensive Income (Loss) for the Period	206,338	-189,056
4.03.01	Attributed to Shareholders of Parent Company	186,918	-190,449
4.03.02	Attributable to Noncontrolling Shareholders	19,420	1,393

Consolidated Financial Statements / Cash Flow Statement - Indirect Method

(In thousands of reais)

Account code	Account description	YTD 01/01/2017 to 03/31/2017	YTD - prior year 01/01/2016 to 03/31/2016
6.01	Net Cash from Operating Activities	185,262	-27,809
6.01.01	Cash From Operations	684,469	120,003
6.01.01.01	Net Income (Loss) for the Year	108,318	-151,377
6.01.01.02	Charges and Indexation/Exchange Gains (Losses), Net	4,178	-54,411
6.01.01.03	Interest Expenses	192,519	70,502
6.01.01.04	Depreciation and Amortization	306,341	318,086
6.01.01.05	Gain/Loss on sale of Property, Plant and Equipment	-1,408	-1,972
6.01.01.06	Equity Pickup	-37,080	-51,845
6.01.01.07	Stock Option Plan	295	1,209
6.01.01.08	Deferred Income and Social Contribution Taxes	30,605	-20,441
6.01.01.09	Set up (Reversal) of Provisions	73,428	2,572
6.01.01.10	Actuarial Gains (Losses)	7,273	-350
6.01.01.11	Impairment of assets	-	8,030
6.01.02	Changes in Assets and Liabilities	-190,832	147,822
6.01.02.01	Trade Accounts Receivable	-85,924	127,563
6.01.02.02	Inventories	-253,094	288,733
6.01.02.03	Taxes Recoverable	2,125	51,389
6.01.02.04	Judicial Deposits	-16,947	-12,844
6.01.02.05	Receivables from Related Parties	219	110
6.01.02.06	Other (Increase) Decrease in Assets	25,957	-32,793
6.01.02.07	Suppliers, contractors and freight	-163,220	16,112
6.01.02.08	Advances from Customers	19,288	18,203
6.01.02.09	Payables to Related Parties	-23,086	-24,262
6.01.02.10	Taxes Payable	57,850	38,016
6.01.02.11	Accounts payable - Forfaiting	249,782	-184,626
6.01.02.14	Other Increase (Decrease) in Liabilities	-3,782	-137,779
6.01.03	Other	-308,375	-295,634
6.01.03.01	Actuarial Liabilities Paid	-59,582	-51,384
6.01.03.02	Interest Paid	-234,033	-240,115
6.01.03.03	Income and Social Contribution Taxes Paid	-14,760	-4,135
6.02	Net Cash from Investing Activities	1,005,214	44,978
6.02.02	Purchases of Property, Plant and Equipment	-22,674	-64,859
6.02.03	Proceeds from the Sale of Property, Plant and Equipment	1,693	2,364
6.02.05	Dividends Received	1,274	855
6.02.06	Marketable Securities	1,025,604	111,194
6.02.07	Purchase of Software	-683	-4,576
6.03	Net Cash from Financing Activities	-7,752	-184,043
6.03.01	Loans and Financing Taken out and Debentures	-	-
6.03.02	Repayment of Loans and Financing	-4,892	-90,104
6.03.03	Payment of Taxes in Installments	-335	-552
6.03.04	Swap Transaction Settlement	-2,525	-30,723
6.03.05	Dividends and Interest on Equity Paid	-	-2
6.03.06	Credit assignments obtained	-	24,825
6.03.07	Credit assignments repayments	-	-87,487
6.04	Exchange Gain (Loss) on Cash and Cash Equivalents	1,063	-10,762
6.05	Increase (Decrease) in Cash and Cash Equivalents	1,183,787	-177,636
6.05.01	Cash and Cash Equivalents at Beginning of Period	719,870	800,272
6.05.02	Cash and cash Equivalents at End of Period	1,903,657	622,636

Consolidated Financial Statements / Statement of Changes in Equity - SCE - 01/01/2017 to 03/31/2017

(In thousands of reais)

Account code	Account description	Paid-in capital	Capital reserves, options granted and treasury shares	Income reserves	Retained earnings (accumulated losses)	Other Comprehensive Income (Loss)	Equity	Noncontrolling shareholders	Equity - Consolidated
5.01	Opening Balances	13,200,295	309,445	-	-	26,000	13,535,740	1,655,894	15,191,634
5.03	Adjusted Opening Balances	13,200,295	309,445	-	-	26,000	13,535,740	1,655,894	15,191,634
5.04	Capital Transactions with Shareholders	-	295	-	4,333	-2,860	1,768	-	1,768
5.04.03	Recognized Options Granted	-	295	-	-	-	295	-	295
5.04.08	Adjustment from IAS 29 on Property, Plant and Equipment	-	-	-	4,333	-2,860	1,473	-	1,473
5.05	Total Comprehensive Income (Loss)	-	-	-	89,025	97,893	186,918	19,420	206,338
5.05.01	Net Income (Loss) for the Period	-	-	-	88,901	-	88,901	19,417	108,318
5.05.02	Other Comprehensive Income (Loss)	-	-	-	124	97,893	98,017	3	98,020
5.05.02.06	Actuarial loss on retirement benefits	-	-	-	124	97,893	98,017	3	98,020
5.07	Closing Balances	13,200,295	309,740	-	93,358	121,033	13,724,426	1,675,314	15,399,740

Consolidated Financial Statements / Statement of Changes in Equity - SCE - 01/01/2016 to 03/31/2016

(In thousands of reais)

Account code	Account description	Paid-in capital	Capital reserves, options granted and treasury shares	Income reserves	Retained earnings (accumulated losses)	Other Comprehensive Income (Loss)	Equity	Noncontrolling shareholders	Equity - Consolidated
5.01	Opening Balances	12,150,000	327,191	620,039	-	311,748	13,408,978	1,584,879	14,993,857
5.03	Adjusted Opening Balances	12,150,000	327,191	620,039	-	311,748	13,408,978	1,584,879	14,993,857
5.04	Capital Transactions with Shareholders	-	1,209	-	5,368	-119	6,458	-	6,458
5.04.03	Recognized Options Granted	-	1,209	-	-	-	1,209	-	1,209
5.04.06	Dividends	-	-	-	-	-	-	-	-
5.04.08	Adjustment from IAS 29 on Property, Plant and Equipment	-	-	-	5,368	-3,543	1,825	-	1,825
5.04.09	Changes in ownership interests in subsidiaries that do not result in a loss or acquisition of control					3,424	3,424	-	3,424
5.05	Total Comprehensive Income	-	-	-	-152,770	-37,679	-190,449	1,399	-189,050
5.05.01	Net Income for the Period	-	-	-	-152,770	-	-152,770	1,393	-151,377
5.05.02	Other Comprehensive Income (Loss)	-	-	-	-	-37,679	-37,679	6	-37,673
5.05.02.06	Actuarial loss on retirement benefits	-	-	-	-	-37,679	-37,679	6	-37,673
5.07	Closing Balances	12,150,000	328,400	620,039	-147,402	273,950	13,224,987	1,586,278	14,811,265

Consolidated Financial Statements / Statement of Value Added

(In thousands of reais)

Account code	Account description	YTD 01/01/2017 to 03/31/2017	YTD - prior year 01/01/2016 to 03/31/2016
7.01	Revenue	3,200,579	2,655,580
7.01.01	Sales of Goods, Products and Services	3,142,388	2,657,212
7.01.02	Other Revenues	62,114	15,278
7.01.04	(Reversal of) Allowance for Doubtful Accounts	-3,923	-16,910
7.02	Inputs Acquired from Third Parties	-2,174,164	-2,106,610
7.02.01	Costs of Products Goods and Services Sold	-1,960,651	-1,906,929
7.02.02	Materials, Energy, Third-Party Services and Other Expenses	-213,513	-199,681
7.03	Gross Value Added	1,026,415	548,970
7.04	Retentions	-306,341	-318,086
7.04.01	Depreciation, Amortization and Depletion	-306,341	-318,086
7.05	Net Value Added Produced	720,074	230,884
7.06	Value Added Received in Transfer	244,575	505,364
7.06.01	Equity Interest in Investees	37,080	51,845
7.06.02	Financial Revenues	159,151	106,212
7.06.03	Other	48,344	347,307
7.06.03.01	Actuarial Gains and Losses	-7,273	350
7.06.03.02	Foreign Exchange Gains/losses	55,617	346,957
7.07	Total Value Added to be Distributed	964,649	736,248
7.08	Distribution of Value Added	964,649	736,248
7.08.01	Personnel	211,003	322,415
7.08.01.01	Direct Compensation	187,807	290,479
7.08.01.02	Benefits	3,326	7,409
7.08.01.03	Unemployment Compensation Fund (FGTS)	19,870	24,527
7.08.02	Taxes, Rates and Contributions	375,979	213,594
7.08.02.01	Federal	165,415	133,080
7.08.02.02	State	189,026	60,414
7.08.02.03	Municipal	21,538	20,100
7.08.03	Debt Remuneration	269,349	351,616
7.08.03.01	Interest	270,648	222,565
7.08.03.03	Other	-1,299	129,051
7.08.04	Equity Remuneration	108,318	-151,377
7.08.04.03	Retained Earnings (Accumulated Losses)	88,901	-152,770
7.08.04.04	Noncontrolling Interests in Retained Profits	19,417	1,393

1 Operations

Usinas Siderúrgicas de Minas Gerais S.A. - USIMINAS ("USIMINAS", "Usiminas", "Parent company" or "Company"), headquartered in the city of Belo Horizonte, state of Minas Gerais, is a publicly-held company and its shares are traded on the São Paulo Futures, Commodities and Securities Exchange - BM&FBovespa S.A. ("BM&FBovespa") under the tickers USIM3, USIM5 and USIM6.

The Company and its subsidiaries, jointly-controlled subsidiaries and associates ("Usiminas") operate in the steel industry and related activities, such as iron ore extraction, steel transformation, production of capital assets and logistics. It currently has two steel mills with nominal production capacity of 9.5 million metric tons per annum of flat-rolled products, located in the cities of Ipatinga, state of Minas Gerais and Cubatão, state of São Paulo, in addition to iron ore reserves, service and distribution centers, maritime ports, cargo terminals, strategically located in several Brazilian cities.

The Company holds, directly or indirectly, interest in subsidiaries, jointly-controlled subsidiaries and associates, as described in Note 1 to the financial statements for the year ended December 31, 2016.

2 Interim accounting information

The issue and disclosure of the interim accounting information included in this Quarterly Information Form (ITR) on the Company and Consolidated accounts were approved by the Board of Directors at a meeting held on April 19, 2017.

3 Summary of significant accounting policies

The main accounting policies applied in the preparation of this interim accounting information are presented in the financial statements of the Company for the year ended December 31, 2016.

Accounting policies applied in transactions considered immaterial were not included in this interim accounting information.

The accounting policies, which have been consistently applied in the current period, are consistent with those of the year and period presented for comparison purposes, and common to the parent company, subsidiaries, associates and jointly-controlled subsidiaries, and the interim financial information of the subsidiaries was adjusted, as applicable, to meet this criterion.

3.1 Basis of preparation and statement of compliance

This interim accounting information for the quarter ended March 31, 2017, should be read together with the Company's financial statements for the year ended December 31, 2016.

Considering that there were no material changes in the composition and nature of the balances presented in the financial statements for the year ended December 31, 2016, the following Notes are presented in a condensed manner for the quarter ended March 31, 2017.

3 Summary of significant accounting policies;
12 Judicial deposits;
13 Investments;
14 Property, plant and equipment;
15 Impairment of non-financial assets;
16 Intangible assets;
17 Borrowings and debentures;
19 Taxes payable in installments;
20 Provision for litigation;
21 Retirement benefit obligations;
22 Equity;
28 Transactions with related parties; and
29 Stock option plan.

Parent company and consolidated interim accounting information

The parent company and consolidated interim accounting information has been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and the accounting practices adopted in Brazil, issued by the Brazilian Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities Commission (CVM), and disclose all (and only) the applicable significant information related to the interim accounting information, which is consistent with the information utilized by Management in the performance of its duties.

The parent company and consolidated interim accounting information presented herein under Company and Consolidated, respectively, has been prepared and is being presented in accordance with Technical Pronouncement CPC 21 (R1) - Interim Financial Reporting, and International Accounting Standard (IAS) 34 - Interim Financial Reporting, in a manner consistent with the standards issued by the Brazilian Securities Commission (CVM).

3.2 Standards, amendments to and interpretations of existing standards

In the quarter ended March 31, 2017, no new standards, amendments to and interpretations of existing standards were issued, in addition to those disclosed in Note 3.20 to the Company’s financial statements for the year ended December 31, 2016. In addition, no changes occurred in relation to expected and disclosed impacts on those financial statements that could affect the interim accounting information for such period.

4 Financial risk management objectives and policy

At March 31, 2017, there were no significant changes in financial risk policies and management in relation to those disclosed in the Company's financial statements for the year ended December 31, 2016.

4.1 Foreign exchange risk

(i) Foreign exchange exposure

Usiminas operates internationally and is exposed to foreign exchange risk arising from exposures in certain currencies, primarily with respect to the US Dollar and, to a lesser extent, the yen and euro. Foreign exchange risk arises from recognized assets and liabilities and net investments in foreign operations.

As a preventive measure and to mitigate the effects of foreign currency gains/losses, Management adopt the policy to reduce its foreign currency exposure. Currently, the composition of borrowings and debentures denominated in foreign currency is 32% in the Parent company and 25% in Consolidated.

	Parent company		Consolidated	
	3/31/2017	12/31/2016	3/31/2017	12/31/2016
Assets in foreign currency				
Cash and cash equivalents	121,232	8,362	230,460	103,130
Marketable securities	-	-	8,307	8,146
Trade receivables	53,553	86,504	53,830	87,334
Advances to suppliers	7,310	11,505	8,319	12,684
	182,095	106,371	300,916	211,294
Liabilities in foreign currency				
Borrowings	(2,393,491)	(2,418,093)	(1,718,079)	(1,779,065)
Trade payables, contractors and freight charges	(202,873)	(163,191)	(207,629)	(167,613)
Advances from customers	(1,963)	(3,430)	(2,906)	(4,607)
Other payables	(16,782)	(16,790)	(16,778)	(16,786)
	(2,615,109)	(2,601,504)	(1,945,392)	(1,968,071)
Net exposure	(2,433,014)	(2,495,133)	(1,644,476)	(1,756,777)
Derivative financial instruments (notional)	(45,805)	(104,420)	-	-
Total currency exposure	(2,478,819)	(2,599,553)	(1,644,476)	(1,756,777)

(ii) Sensitivity analysis - foreign exchange risk arising from assets and liabilities denominated in foreign currency

The Company prepares a sensitivity analysis of outstanding assets and liabilities denominated in foreign currency at the end of the period, considering the foreign exchange rate at March 31, 2017. Scenario I consider a depreciation of the Brazilian Real of 5% when compared to the current scenario. Scenarios II and III were stressed based on factors of 25% and 50%, respectively, on the amount of the foreign currency at March 31, 2017.

The currencies used in the sensitivity analysis and their related scenarios are shown below:

				3/31/2017
Currency	Foreign exchange rate at the end of the period	Scenario I	Scenario II	Scenario III
US$	3.1684	3.3268	3.9605	4.7526
EUR	3.3896	3.5591	4.2370	5.0844
YEN	0.02844	0.0299	0.0356	0.0427

Effects on the finance result, considering Scenarios I, II and III, are shown below:

	Consolidated		
	3/31/2017		
Currency	Scenario I	Scenario II	Scenario III
US$	(82,209)	(411,044)	(822,089)
EUR	58	291	582
YEN	(73)	(366)	(731)

Derivative financial instruments linked to currency exposure were included in the sensitivity analysis of assets and liabilities in foreign currency, based on the objective of these instruments, which is to reduce the impact of fluctuations in foreign currency.
These derivative financial instruments are summarized in Note 5.

4.2 Cash flow or fair value interest rate risk

The interest rate risk arises from interest rates used in financial investments and borrowings and debentures.

According to Usiminas financial policy, derivative transactions are intended to mitigate the risk by replacing floating rates by fixed rates, or interest rates based on international indices by interest rates based on local currency indices, by interest rates based on local currency indices, according to the guidance of the Finance Committee.

(i) Composition of borrowings and debentures by type of interest rate

The composition of borrowings and debentures contracted, by type of interest rate, in current and non-current liabilities is presented as follows:

	Parent company				Consolidated			
	3/31/2017	%	12/31/2016	%	3/31/2017	%	12/31/2016	%
Borrowings								
Fixed	1,265,433	17	1,259,745	17	611,674	9	642,964	9
TJLP	377,351	5	377,351	5	378,799	5	379,880	6
LIBOR	1,036,168	14	1,065,773	14	1,036,168	15	1,065,773	15
CDI	3,733,255	50	3,735,303	50	3,733,255	54	3,735,406	54
Other	103,559	1	102,115	1	103,800	2	102,550	1
	6,515,766	87	6,540,287	87	5,863,696	85	5,926,573	85
Debentures								
CDI	998,063	13	997,735	13	998,063	15	997,735	15
	7,513,829	100	7,538,022	100	6,861,759	100	6,924,308	100

The Company transacts derivative financial instruments for the management of risks of volatility in interest rates of borrowings denominated in foreign currency. This includes locking in the London Interbank Offered Rate (LIBOR) in certain instances, with the purpose of minimizing the risks related to fluctuations in interest rates of borrowings in foreign currency and, sometimes, local currency. Overseas, borrowings are supported by contracts with the International Swaps and Derivatives Association, Inc. (ISDA), and local transactions are supported by the Master Derivative Contract (CGD).

(ii) Sensitivity analysis of changes in interest rates

The Company prepares sensitivity analysis of outstanding assets and liabilities indexed to interest rates at the end of the period, considering the rates prevailing at March 31, 2017 as the base scenario. Scenario I considers a 5% increase on the average interest rate applicable to the floating portion of its current debt. Scenarios II and III were stressed based on factors of 25% and 50%, respectively, on the amounts of these rates at March 31, 2017.

The rates used and their related scenarios are shown below:

		3/31/2017		
Index	Rates at the end of the period (i)	Scenario I	Scenario II	Scenario III
CDI	12.1%	12.7%	15.2%	18.2%
TJLP	7.5%	7.9%	9.4%	11.3%
LIBOR	1.8%	1.9%	2.3%	2.7%
TR	0.3%	0.3%	0.4%	0.5%

(i) Annual rates

Effects on the financial result, considering Scenarios I, II and III, are shown below:

	Consolidated		
	3/31/2017		
Index	Scenario I	Scenario II	Scenario III
CDI	(15,973)	(79,866)	(159,732)
TJLP	(1,420)	(7,102)	(14,205)
LIBOR	(689)	(3,444)	(6,888)
TR	(1)	(3)	(6)

The specific interest rates to which the Company is exposed, which are related to borrowings and debentures, are presented in Note 20 to the financial statements for the year ended December 31, 2016, and mainly comprise London Interbank Offered Rate (LIBOR), Long-Term Interest Rate (TJLP) and Interbank Deposit Certificate (CDI).

Derivative financial instruments linked to interest rates were included in the sensitivity analysis of changes in interest rates, based on the objective of these instruments, which is to minimize the impact of fluctuations in interest rates.

4.3 Capital management

The objectives for managing capital are to safeguard the ability to continue as a going concern in order to provide returns for stockholders and benefits for other stakeholders and to maintain an optimal capital structure at optimum costs.

Consistent with others in the industry, Usiminas monitors capital based on the gearing ratio. These ratios are calculated as net debt divided by total capital. Net debt is calculated as total borrowings and debentures, and taxes payable in installments (including current and non-current transactions, as shown in the consolidated balance sheet) less cash and cash equivalents and marketable securities. Total capital is calculated as equity as shown in the consolidated balance sheet plus net debt.

Usiminas strategy is to maintain the gearing ratio within indices that are lower than those established in the borrowing contracts (covenants).

The calculation of the gearing ratio considering net debt as a percentage of total capital is presented below.

	Parent company		Consolidated	
	3/31/2017	12/31/2016	3/31/2017	12/31/2016
Total borrowings, debentures and taxes payable in installments	7,521,162	7,545,227	6,879,314	6,941,887
Cash and cash equivalents and marketable securities	(635,215)	(538,715)	(2,415,637)	(2,257,454)
Net debt	6,885,947	7,006,512	4,463,677	4,684,433
Total equity	13,724,426	13,535,740	15,399,740	15,191,634
Total capital	20,610,373	20,542,252	19,863,417	19,876,067
Gearing ratio	33%	34%	22%	24%

5 Derivative financial instruments

Usiminas carries out swap transactions with the objective of hedging against and especially managing risks inherent to volatility of foreign currencies and interest rates. These transactions aim at reducing currency exposure and the volatility of interest rates on its borrowings. The Company does not transact financial instruments for speculative purposes. The Company does not settle its transactions prior to their respective original maturities and does not prepay its derivative financial instruments.

The transactions with derivative financial instruments are summarized as follows:

(a) Parent company

Maturity range MM/YY	INDEX		NOTIONAL AMOUNT (contraced amount)				FAIR (MARKET) VALUE - BOOK VALUE		Profit/Loss for the period
	3/31/2017		3/31/2017		12/31/2016		3/31/2017	12/31/2016	3/31/2017
	Asset position	Liability position	Asset position	Liability position	Posição ativa	Posição passiva	Asset (liability) position	Asset (liability) position	Gain (Loss)
RATES AND FOREIGN EXCHANGE AND HEDGES (SWAP)									
Merrill Lynch	Sep/10 to Mar/17	Libor + 0,83% p.a.	3,05% p.a..	USD 85,713	USD 85,713	USD 85,713	USD 85,713	-	(275)	11
Santander	Jan/08 to Jan/18	Yen + 4,1165% p.a.	U.S. dollar + 7,34% p.a	JPY 42,952,000	USD 400,000	JPY 42,952,000	USD 400,000	(71,075)	(149,581)	54,824
Bradesco	Apr/15 a apr/25	TR + 9,8000% p.a.	95,00% of the CDI	R$ 59,000	R$ 59,000	R$ 59,000	R$ 59,000	598	(1,134)	1,732
							Financial gain/loss for the period			56,567
							Book balance (net asset position - liability position)		(70,477)	(150,990)

(b) Consolidated

Maturity range MM/YY	INDEX		NOTIONAL AMOUNT (contraced amount)				FAIR (MARKET) VALUE - BOOK VALUE		Profit/Loss for the period
	3/31/2017		3/31/2017		12/31/2016		3/31/2017	12/31/2016	3/31/2017
	Asset position	Liability position	Asset position	Liability position	Posição ativa	Posição passiva	Asset (liability) position	Asset (liability) position	Gain (Loss)
RATES AND FOREIGN EXCHANGE AND HEDGES (SWAP)									
Merrill Lynch	Sep/10 to Mar/17	Libor + 0,83% p.a.	3,05% p.a..	USD 85,713	USD 85,713	USD 85,713	USD 85,713	-	(275)	11
Santander	Jan/08 to Jan/18	Yen + 4,1165% p.a.	U.S. dollar + 7,34% p.a	JPY 42,952,000	USD 400,000	JPY 42,952,000	USD 400,000	(71,075)	(149,581)	54,824
Santander	Jan/08 to Jan/18	Dólar + 7,25 p.a.	Yen + 4,1165 % p.a.	USD 400,000	JPY 42,952,000	USD 400,000	JPY 42,952,000	68,652	145,339	(55,268)
Bradesco	Apr/15 a apr/25	TR + 9,8000% p.a.	95,00% of the CDI	R$ 59,000	R$ 59,000	R$ 59,000	R$ 59,000	598	(1,134)	1,732
							Financial gain/loss for the period			1,299
							Book balance (net asset position - liability position)		(1,825)	(5,651)

The book balances of the derivative financial instruments are as below:

	Parent company		Consolidated	
	3/31/2017	12/31/2016	3/31/2017	12/31/2016
Current assets	-	-	68,652	44,669
Non-current assets	748	-	748	100,670
Current liabilities	(71,225)	(48,577)	(71,225)	(48,577)
Non-current liabilities	-	(102,413)	-	(102,413)
	(70,477)	(150,990)	(1,825)	(5,651)

	Parent company		Consolidated	
	3/31/2017	3/31/2016	3/31/2017	3/31/2016
In financial result	56,567	24,933	1,299	(129,051)
	56,567	24,933	1,299	(129,051)

6 Cash and cash equivalents

	Parent company		Consolidated	
	3/31/2017	12/31/2016	3/31/2017	12/31/2016
Bank accounts	20,820	14,931	28,520	24,454
Bank accounts abroad	121,232	8,362	230,460	103,130
Bank Deposit Certificates (CDB) and repurchase commitments	369,000	339,000	1,644,677	592,286
	511,052	362,293	1,903,657	719,870

Financial investments in Bank Deposit Certificates (CDB) and repurchase commitments have immediate liquidity, and earn on average 98.18% (December 31, 2016 - 99.98%) of the CDI rate in the Parent company and 100.12% (December 31, 2016 - 100.94%) of the CDI rate in Consolidated.

At March 31, 2017, Usiminas does not have overdraft accounts.

7 Marketable securities

	Parent company		Consolidated	
	3/31/2017	12/31/2016	3/31/2017	12/31/2016
Bank Deposit Certificates (CDB)	124,158	176,297	503,665	1,529,284
Financial investments abroad (Time deposits)	-	-	8,307	8,146
Other investments	5	125	8	154
	124,163	176,422	511,980	1,537,584

Financial investments in Bank Deposit Certificates (CDB) earn on average 98.18% (December 31, 2016 - 99.98%) of the CDI rate in the Parent company and 100.12% (December 31, 2016 - 101.43%) of the CDI rate in Consolidated.

None of these financial assets is either past due or impaired.

8 Trade receivables

	Parent company		Consolidated	
	3/31/2017	12/31/2016	3/31/2017	12/31/2016
Trade receivables:				
In local currency	776,458	716,762	1,303,344	1,184,061
In foreign currency	53,264	80,302	54,084	82,015
Provision for impairment of trade receivables	(90,682)	(99,026)	(125,020)	(128,452)
Trade receivables, net	739,040	698,038	1,232,408	1,137,624
Receivables from related parties				
In local currency	221,424	183,346	26,501	33,639
In foreign currency	2,847	8,832	2,304	7,949
Receivables from related parties	224,271	192,178	28,805	41,588
	963,311	890,216	1,261,213	1,179,212
Current assets	922,222	890,216	1,173,118	1,179,212
Non-current assets	41,089	-	88,095	-

The detailed aging analysis of the trade receivables is as follows:

	Parent company		Consolidated	
	3/31/2017	12/31/2016	3/31/2017	12/31/2016
Amounts not yet due	889,530	799,291	1,162,640	1,077,432
Amounts past due:				
Up to 30 days	81,533	68,779	50,559	66,470
From 31 to 60 days	3,700	5,528	4,905	9,265
From 61 to 90 days	153	1,750	877	3,105
From 91 to 180 days	2,895	2,623	5,835	8,443
Over 181 days	76,182	111,271	161,417	142,949
(-) Provision for impairment of trade receivables	(90,682)	(99,026)	(125,020)	(128,452)
	963,311	890,216	1,261,213	1,179,212

At March 31, 2017, trade receivables amounting to R$73,781 in the Parent company and R$51,567 in Consolidated were past due but not impaired (December 31, 2016 - R$90,925 and R$101,780, respectively). These relate to a number of independent customers for whom there is no recent history of default, or the related outstanding balances are supported by guarantees.

The accounts receivable are denominated in the following currencies:

	Parent company		Consolidated	
	3/31/2017	12/31/2016	3/31/2017	12/31/2016
Brazilian Real	909,757	803,713	1,207,382	1,091,879
U.S. Dollar	46,919	77,609	47,196	78,439
Euro	6,635	8,894	6,635	8,894
	963,311	890,216	1,261,213	1,179,212

The changes in the provision for impairment of trade receivables are as follows:

	Parent company		Consolidated	
	3/31/2017	12/31/2016	3/31/2017	12/31/2016
Opening balance	(99,026)	(65,573)	(128,452)	(91,687)
(Additions) Reversals to profit or loss	993	(49,923)	(3,919)	(62,513)
Write-off against trade receivables	7,278	15,749	7,278	25,027
Foreign currency gains/losses	73	721	73	721
Closing balance	(90,682)	(99,026)	(125,020)	(128,452)

The additions to and release of the provision for impairment of trade receivables are included in "Selling expenses" in the statement of operations. Usiminas does not hold any collateral for the accounts receivable.

9 Inventories

	Parent company		Consolidated	
	3/31/2017	12/31/2016	3/31/2017	12/31/2016
Current assets				
Finished products	577,533	470,828	644,929	541,935
Work in progress	702,513	633,478	708,382	640,050
Raw materials	478,824	370,764	802,887	663,385
Supplies and spare parts	494,011	489,112	538,850	534,190
Imports in transit	42,941	151,545	43,431	151,560
Provision for losses	(82,119)	(96,521)	(93,344)	(111,290)
Other	170,851	185,570	169,424	184,476
	2,384,554	2,204,776	2,814,559	2,604,306
Non-current assets				
Work in progress (i)	-	-	23,246	22,657
	2,384,554	2,204,776	2,837,805	2,626,963

(i) Refers to inventories of products of the subsidiary Mineração Usiminas that are expected to be realized in more than 12 months.

10 Recoverable taxes

	Parent company			
	3/31/2017		12/31/2016	
	Current	Non- current	Current	Non- current
PIS	2,509	-	3,972	-
COFINS	10,907	-	17,571	-
ICMS	35,992	18,017	38,034	20,424
IPI	5,108	-	5,953	-
Export credit - Special Tax Refund Regime for Exporters (Reintegra)	5,063	-	539	-
National Institute of Social Security (INSS) recoverable	18	-	18	-
Brazilian Foreign Trade Department of Banco do Brasil (Cacex)	-	11,631	-	11,631
	59,597	29,648	66,087	32,055

	Consolidated			
	3/31/2017		12/31/2016	
	Current	Non- current	Current	Non- current
PIS	2,777	12	4,244	16
COFINS	12,204	58	18,918	76
ICMS	64,606	84,218	69,404	84,192
IPI	17,503	-	15,453	-
Export credit - Special Tax Refund Regime for Exporters (Reintegra)	5,063	-	539	-
National Institute of Social Security (INSS) recoverable	18,644	-	16,098	-
Brazilian Foreign Trade Department of Banco do Brasil (Cacex)	-	11,631	-	11,631
Other	1,751	155	535	155
	122,548	96,074	125,191	96,070

11 Income tax and social contribution

(a) Income taxes

The effective income tax and social contribution on net income rates differ from the theoretical value that would be obtained by using the nominal rates of such taxes, applicable to profit before taxation, in the Parent company and Consolidated accounts, as shown below:

	Parent company		Consolidated	
	3/31/2017	3/31/2016	3/31/2017	3/31/2016
Profit (loss) before income tax and social contribution	116,125	(170,719)	167,173	(166,737)
Nominal rates	34%	34%	34%	34%
Taxes on profit at standard rates	(39,483)	58,044	(56,839)	56,691
Reconciling adjustments				
Equity in the results of investees (i)	14,306	(38,009)	12,608	17,627
Permanent exclusions (additions)	8,998	(2,086)	8,612	(2,621)
Unrecognized tax credits	(11,045)	-	(11,045)	-
Tax incentives	-	-	236	46
Non-taxable income and rate differences of subsidiaries abroad	-	-	(12,427)	(56,279)
Other	-	-	-	(104)
Taxes on profit	(27,224)	17,949	(58,855)	15,360
Current	-	-	(28,250)	(5,081)
Deferred	(27,224)	17,949	(30,605)	20,441
Taxes on profit (loss) in the statement of operations	(27,224)	17,949	(58,855)	15,360
Income tax	(19,760)	13,198	(44,748)	9,121
Social contribution	(7,464)	4,751	(14,107)	6,239
Effective rates	23%	11%	35%	9%

(i) Net of unrealized profit on inventories.

There are no current tax items presented in equity in this interim accounting information.

(b) Deferred income tax and social contribution

Changes in deferred income tax and social contribution, net, for the quarter ended March 31, 2017, are as follows:

	Assets	
	Parent company	Consolidated
At December 31, 2016	2,021,565	3,120,368
Changes in deferred taxes in the statement of operations, net	(27,224)	(30,605)
Deferred taxes in comprehensive income (actuarial liabilities)	(50,451)	(50,451)
Adjustment to PP&E under IAS 29	1,406	1,406
At March 31, 2017	1,945,296	3,040,718

The composition of deferred income tax and social contribution assets and liabilities is shown below:

	Parent company		Consolidated	
	3/31/2017	12/31/2016	3/31/2017	12/31/2016
Deferred assets arising from income tax and social contribution losses	2,314,141	2,303,097	2,489,519	2,483,739
Deferred assets arising from temporary differences	975,764	1,102,364	1,946,126	2,071,480
Deferred labilities arising from temporary differences	(319,721)	(370,052)	(345,458)	(396,426)
Unrecognized deferred Income tax and social contribution	(1,024,888)	(1,013,844)	(1,049,469)	(1,038,425)
	1,945,296	2,021,565	3,040,718	3,120,368

The long-term deferred income tax and social contribution are expected to be realized according to future taxable income based on projections approved by the Company's management, and in accordance with accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS). These projections are based on assumptions that reflect the economic and operational environment of the Company.

The projections are subject to factors which may result it outcomes different from actual data.

In the quarter ended March 31, 2017, the Company had deferred income tax and social contribution that were not recognized in the interim accounting information (R$1,024,888 in the Parent company and R$1,049,469 in Consolidated), as the expectation is that such losses will not be offset over the next 10 years. The Company's Management will continue to monitor the credits related to income tax and social contribution, which may be recorded as soon as offset is considered probable.

According to the projections approved by the Company's Management and the balance of deferred income tax assets (tax loss and temporary differences) at March 31, 2017, the expected realization of the taxes is as follows:

	Parent company	Consolidated
2017	-	116,835
2018	-	112,012
2019	139,993	269,122
2020	205,849	350,622
As from 2021	1,919,175	2,537,585
Assets	2,265,017	3,386,176
Liabilities	(319,721)	(345,458)
Net position	1,945,296	3,040,718

As the income tax and social contribution taxable bases arise not only from the profit that may be generated, but also from the existence of non-taxable income, non-deductible expenses, tax incentives and other variables, there is no immediate correlation between the Company's profit and the income subject to income tax and social contribution. Therefore, the expectation of the use of deferred tax assets should not be taken as the only indicator of the Company's future results of operations.

12 Judicial deposits

At March 31, 2017, changes in judicial deposits are as follows:

	Parent company	Consolidated
At December 31, 2016 (i)	727,047	858,261
Additions	6,223	16,674
Interest/restatements	8,870	10,488
Reversals	(18,385)	(19,679)
Subtotal	723,755	865,744
(-) Offset against taxes payable in installments	(198,032)	(198,032)
At March 31, 2017	525,723	667,712

(i) From the judicial deposits presented in the balance sheet, the amount of R$198,032 relates to the offset of taxes payable in installments.

13 Investments

(a) Changes in investments

(i) Parent company

	12/31/2016	Equity in the results of investees (i)	Interest on capital and dividends	Unrealized profits on inventories	Other	3/31/2017
Subsidiaries						
Mineração Usiminas	3,047,638	30,803	-	-	5	3,078,446
Soluções Usiminas	650,840	13,909	-	(15,726)	-	649,023
Usiminas Commercial	20,603	(6,076)	-	-	-	14,527
Usiminas Europa	864,794	(16,763)	-	-	-	848,031
Usiminas International	33,881	(538)	-	-	-	33,343
Usiminas Mecânica	532,745	(4,979)	-	(867)	-	526,899
Usiminas Participações e Logística S.A. (UPL)	62,851	2,132	-	-	2	64,985
Goodwill in subsidiaries	10,835	-	-	-	-	10,835
	5,224,187	18,488	-	(16,593)	7	5,226,089
Jointly-controlled subsidiaries						
Unigal	573,284	23,076	-	-	-	596,360
Usiroll	8,831	266	-	-	(304)	8,793
	582,115	23,342	-	-	(304)	605,153
Associates						
Codeme	61,944	-	-	-	-	61,944
MRS Logística S.A. (MRS)	9,511	317	(277)	-	(1)	9,550
Goodwill in associates	62,175	-	-	-	-	62,175
	133,630	317	(277)	-	(1)	133,669
	5,939,932	42,147	(277)	(16,593)	(298)	5,964,911

(i) To reconcile equity in the results of investees presented in the statements of operations and cash flows of the Parent company, of R$25,481 to the income of R$42,147 disclosed in the changes in investments, losses related to net capital deficiency of the subsidiary Rios Unidos totaling R$73 and unrealized profit on inventories determined in the subsidiaries Soluções Usiminas and Usiminas Mecânica of R$16,593.

(ii) Consolidated

	12/31/2016	Equity in the results of investees (i)	Interest on capital and dividends	Other	3/31/2017
Jointly-controlled subsidiaries					
Modal	2,669	584	(1,031)	-	2,222
Unigal	573,284	23,076	-	-	596,360
Usiroll	8,831	266	-	(304)	8,793
Goodwill in jointly-controlled subsidiaries	16,083	-	-	-	16,083
	600,867	23,926	(1,031)	(304)	623,458
Associates					
Codeme	61,944	-	-	-	61,944
MRS	388,532	12,930	(11,319)	13	390,156
Paraopeba Terminal	910	(1)	-	-	909
Sarzedo Terminal	1,852	238	(243)	-	1,847
Other	2,696	(13)	-	-	2,683
Goodwill in associates	69,375	-	-	-	69,375
	525,309	13,154	(11,562)	13	526,914
Total	1,126,176	37,080	(12,593)	(291)	1,150,372

(i) To reconcile equity in the results of investees presented in the statements of operations and cash flows of the Parent company, totaling R$25,481, to the income of R$42,147 disclosed in changes in investments, the losses on net capital deficiency of the subsidiary Rios Unidos amounting to R$73 and unrealized profit on inventories of R$16,593 determined in subsidiaries Soluções Usiminas and Usiminas Mecânica must be considered.

(b) Other significant information on the investments

Mineração Usiminas - Service agreement related to port terminal operation with Porto Sudeste do Brasil S.A. (formerly MMX Porto Sudeste Ltda.)

On May 27, 2015, Mineração Usiminas S.A. communicated to Porto Sudeste do Brasil S.A. (formerly MMX Porto Sudeste Ltda.) the immediate termination of the agreement for the rendering of port operation services related to the receipt, handling, warehousing and shipment of ore owned by Mineração Usiminas at the Porto Sudeste Terminal under Take-or-Pay and Delivery-or-Pay arrangements. This agreement was terminated due to repeated failure by Porto Sudeste do Brasil S.A. in its obligation of completing and putting the port into operation, as well as to nonpayment of contractual penalties. The Company took reasonable steps to enforce its rights, including arbitration proceedings claiming the payment of penalties, compensation for loss of profits, in addition to other damages provided for in the agreement. The agreement signed was effective for five years as from the first shipment, originally scheduled for April 2012. At March 31, 2017, no arbitration award had been granted and, therefore, no amount referring to this compensation was recognized in Mineração Usiminas.

14 Property, plant and equipment

Changes in property, plant and equipment are as follows:

	Parent company	Consolidated
At December 31, 2016	11,883,058	13,748,890
Additions	17,388	22,674
Disposals	(284)	(285)
Depreciation (i)	(217,272)	(267,903)
Interest and indexation/foreign exchange gains/losses capitalized	2,987	2,987
Transfers to intangible assets	(17,805)	(17,863)
Other	(378)	(378)
At March 31, 2017	11,667,694	13,488,122

(i) At March 31, 2017, in addition to the depreciation for the period presented above, the amount of R$29,931 was recognized in the statement of operations as the depreciation originally recognized in inventories and realized in the period.
(ii) These charges were capitalized at the contracted rates, which are stated in Note 20 to the financial statements for the year ended December 31, 2016.

At March 31, 2017, additions to property, plant and equipment amounting to R$22,674, mainly refer to the exchange of the converter frame No. 5 of the steel plant in Ipatinga (R$3,563); replacement of shed beams of the continuous casting area in Ipatinga (R$2,446); improvements in the ladle refining furnace No. 2 of the steel plant in Ipatinga (R$1,476); installation of the front gate of the converters 4 and 5 of the steel plant No. 2 in Ipatinga (R$1,339) and replacement of the L8 overhead crane of the continuous casting area of the steel plant No. 2 in Ipatinga (R$1,122).

At March 31, 2017, construction in progress amounting to R$753,681 in Consolidated refers to projects for improvement of the production process to maintain the production capacity, sustaining and environmental protection and security projects. The main works include rolling mill for thick steel plates at Ipatinga (R$380,854); a project for improvement in the sintering system No. 3 (R$10,084); and a project for processing compact iron ore (R$72,817) of the subsidiary Mineração Usiminas.

At March 31, 2017, interest and foreign currency gain/losses were capitalized on borrowings in property, plant and equipment, of R$2,987 in the Parent company and Consolidated.

At March 31, 2017, depreciation in the Parent company was recognized in "Cost of sales", "Selling expenses" and "General and administrative expenses", in the amounts of R$213,301, R$781 and R$3,190 (March 31, 2016 – R$241,715, R$786 and R$3,000), respectively. At the same date, in the Consolidated accounts, depreciation was recognized in "Cost of sales", "Selling expenses" and "General and administrative expenses" in the amounts of R$262,299, R$1,107 and R$4,497 (March 31, 2016 - R$289,594, R$1,123 and R$4,392), respectively.

Certain property, plant and equipment items are pledged in guarantee of borrowings and judicial proceedings (Note 30).

15 Impairment of non-financial assets

For calculation of the recoverable amount of each business segment, Usiminas uses the discounted cash flow method based on the economic and financial projections of each segment. The projections take into consideration the changes observed in the economic scenario of the markets in which the companies operate, as well as assumptions of expected results and the history of profitability of each segment.

During the quarter ended March 31, 2017, Management monitored the behavior of the main assumptions used in the impairment tests carried out at the end of 2016 (as described in Note 17 to the financial statements at December 31, 2016), as well as the macroeconomic context of each business segment. This monitoring did not identify the need for change in the assumptions used in the preparation of these impairment tests. Management will continue to monitor the key assumptions of each business segment, and the results in 2017, which will indicate the reasonableness of the future projections used.

16 Intangible assets

The changes in intangible assets in the quarter ended March 31, 2017, are summarized as follows:

	Parent company	Consolidated
At December 31, 2016	186,855	693,918
Additions	609	683
Amortization	(6,241)	(8,507)
Transfers from PP&E	17,805	17,863
At March 31, 2017	199,028	703,957

17 Borrowings and debentures

On September 12, 2016, the Company completed the renegotiation of its financial debt with its creditors. As part of this renegotiation, certain conditions were established that would require the early maturity of the debts, as described below:

a) the non-receipt of funds held in cash of its subsidiary Mineração Usiminas S.A. (MUSA) at a minimum amount of R$700,000 up to June 30, 2017; and b) the non-performance of an exchange offer of Eurobonds, originally issued in 2008 in the total amount of US$400 million, maturing in January 2018, up to June 30, 2017. This offer, whose terms and conditions are still under discussion, cover only the Eurobonds outstanding on the market, which currently represent about US$180 million.

Regarding item a, at the Extraordinary General Meeting of MUSA held on March 3, 2017, a reduction of its capital by R$1,000,000 was approved, of which R$700,000 will be delivered to the Company after all legal deadlines have elapsed. Regarding item b, the Company's Management has been negotiating and believes that it will be in compliance within the established deadlines.

In relation to the non-financial covenants established in the debt instruments, the Company has monitoring controls and, for the period ended March 31, 2017, no breaches of these covenants were found.

(a) Borrowings

Changes in borrowings are as follows:

	Parent company	Consolidated
At December 31, 2016	6,540,287	5,926,573
Accrued interest charges	150,153	161,456
Indexation charges	28,258	28,366
Foreign currency gains/losses	(11,121)	(55,444)
Payment of interest	(192,685)	(195,983)
Repayment of principal	(2,746)	(4,892)
Deferral of commissions	3,620	3,620
At March 31, 2017	6,515,766	5,863,696
Current liabilities	1,266,162	595,332
Non-current liabilities	5,249,604	5,268,364

Long-term amounts fall due as follows:

	Parent company		Consolidated	
	3/31/2017	12/31/2016	3/31/2017	12/31/2016
2018	7,232	1,198,975	11,590	568,519
2019	56,552	67,924	61,141	72,513
2020	328,694	336,046	332,601	339,953
2021	618,084	623,317	621,231	626,464
2022	894,300	897,509	897,030	900,239
2023	894,922	898,133	894,947	898,158
2024	894,792	898,004	894,796	898,009
2025	894,388	897,601	894,388	897,601
2026	660,640	662,960	660,640	662,960
	5,249,604	6,480,469	5,268,364	5,864,416

(b) Debentures

At March 31, 2017, changes in debentures are as follows:

	Parent company and consolidated
At December 31, 2016	997,735
Accrued charges	33,922
Monetary variation	4,119
Payment of interest	(38,050)
Deferral of commissions	337
At March 31, 2017	998,063
Current liabilities	5,542
Non-current liabilities	992,521

At March 31, 2017, the charges of R$5,542 on the debentures are recorded in current liabilities (December 31, 2016 - R$5,551).

After the renegotiation of the Company's debts, the principal amount of R$1,000,000 will mature annually from 2019 to 2026.

18 Taxes payable

	Parent company		Consolidated	
	3/31/2017	12/31/2016	3/31/2017	12/31/2016
Value-added Tax on Sales and Services (ICMS)	45,001	20,111	51,198	22,419
Excise tax (IPI)	23,015	10,298	25,220	12,466
Withholding Income Tax (IRRF)	3,631	7,003	4,704	9,345
Services Tax (ISS)	800	890	2,978	3,179
Social Integration Program (PIS) and Social Contribution on Revenues (COFINS)	24,964	2,439	29,125	6,342
Other	1,179	540	3,072	4,696
	98,590	41,281	116,297	58,447

19 Taxes payable in installments

Changes in the balance of taxes payable in installments are as follows:

	Parent company	Consolidated
At December 31, 2016 (i)	205,237	215,611
Provision for interest	128	128
Amortization of the principal	-	(335)
Indexation charges	-	183
Subtotal	205,365	215,587
Offsetting of judicial deposit	(198,032)	(198,032)
At March 31, 2017 (ii)	7,333	17,555
Current liabilities	7,333	8,681
Non-current liabilities	-	8,874

(i) From the amount of taxes payable in installment presented in the balance sheet, the amount of R$198.032, which refers to the offsetting of judicial deposits, must be deducted.
(ii) The balance of the Parent company substantially comprises IPI. The balance of Consolidated, in addition to the IPI of the Parent company, substantially comprises COFINS.

20 Provision for litigation

	Parent company					
	3/31/2017			12/31/2016		
	Provisions	Judicial deposits	Net balance	Provisions	Judicial deposits	Net balance
IRPJ and CSLL	3,105	-	3,105	1,775	-	1,775
INSS	2,269	-	2,269	5,293	-	5,293
ICMS (i)	52,786	-	52,786	3,564	-	3,564
Labor	279,872	(110,291)	169,581	278,859	(108,585)	170,274
Civil	121,660	(25,459)	96,201	119,589	(26,321)	93,268
Other	13,616	-	13,616	13,325	-	13,325
	473,308	(135,750)	337,558	422,405	(134,906)	287,499

	Consolidated					
	3/31/2017			12/31/2016		
	Provisions	Judicial deposits	Net balance	Provisions	Judicial deposits	Net balance
IRPJ and CSLL	3,105	-	3,105	1,775	-	1,775
INSS	2,321	-	2,321	5,344	-	5,344
ICMS (i)	82,192	-	82,192	32,341	-	32,341
PIS/COFINS	18,111	-	18,111	17,819	-	17,819
Labor	369,762	(110,291)	259,471	358,106	(108,585)	249,521
Civil	139,643	(25,459)	114,184	137,541	(26,321)	111,220
Other	49,944	(26,358)	23,586	54,937	(3,244)	51,693
	665,078	(162,108)	502,970	607,863	(138,150)	469,713

(i) The Company is a party to tax assessments drawn up by the State of Rio Grande do Sul, for the alleged misappropriation of presumed ICMS credits from March to July 2013, which had previously been classified as a possible loss. In the quarter ended March 31, 2017, due to a partially favorable judgment, the Company recorded a provision in the amount of R$ 49,432.

The Company also has judicial deposits recorded in non-current assets, for which there are no related provisions (Note 12).

At March 31, 2017, changes in the provisions for litigation are as follows:

	Parent company	Consolidated
At December 31, 2016	422,405	607,863
Additions	48,562	53,709
Interest/restatements	22,378	25,544
Amortization /reductions in judicial deposits	(15,302)	(12,748)
Reversals	(4,735)	(9,290)
At March 31, 2017	473,308	665,078

The provisions for litigation were recorded to cover probable losses arising from administrative proceedings and lawsuits relating to tax, labor and civil matters, in amounts considered sufficient by Management, based on the advice and evaluation of internal and external legal advisors.

(a) Possible contingencies

The Company and its subsidiaries are parties to lawsuits which involve risks of losses classified as possible by Management, based on the assessment of the legal counsel, amounting to R$5,591,644 at March 31, 2017 (December 31, 2016 – R$5,303,865), for which no provisions have been recorded. In the quarter ended March 31, 2017, the Usiminas companies are parties to new proceedings, the most significant ones being as follows: civil - R$72,398; tax - R$198,316; and labor - R$17,065.

(b) Contingent assets

The Company is the plaintiff in a lawsuit claiming the receipt of the full amount paid by Usiminas related to its Cubatão and Ipatinga branches, to Eletrobrás, as a compulsory loan, in accordance with the legislation criteria in force at the time the tax was paid.

The declaratory action relating to the Cubatão branch obtained a final and unappealable decision. In June 2016, the Company applied for liquidation by determination of the court, with the immediate appointment of a forensic expert. At March 31, 2017, the amount under dispute totaled R$959,650.

The lawsuit relating to the Ipatinga branch is at a higher court level awaiting judgment of the appeals by the Federal Government and Eletrobrás, which were filed after a favorable decision to Usiminas' interests at the appellate court level. Currently, the Company is preparing a petition for liquidation by determination of the court to be included in the records. At March 31, 2017, the amount under dispute totaled R$1,826,015.

The Company was also the plaintiff in a lawsuit claiming the unconstitutionality of the inclusion of ICMS and the contributions themselves in the calculation bases of PIS and COFINS on Imports. A final and unappealable decision was issued in August 2015, which recognized the right to offset the amounts overpaid. The Company obtained the approval from the Federal Revenue Secretariat of credits amounting to R$543,816, in which R$332,827 were compensated in the twelve-month period ended December 31, 2016. In the three-month period ended March 31, 2017 offset amounts totaled R$86,853.

At March 31, 2017, the other contingent assets presented in Note 24 (c) to the financial statements at December 31, 2016, did not undergo any change.

21 Retirement benefit obligations

The amounts and information on retirement benefit obligations are as follows:

	Parent company		Consolidated	
	3/31/2017	12/31/2016	3/31/2017	12/31/2016
Balance sheet obligations for:				
Pension benefits	786,958	992,924	786,958	992,924
Post-employment medical benefits	348,037	345,495	352,418	349,803
	1,134,995	1,338,419	1,139,376	1,342,727

	Parent company		Consolidated	
	3/31/2017	3/31/2016	3/31/2017	3/31/2016
Income (expenses) recognized in the statement of operations				
Pension benefits	1,943	3,618	1,943	3,618
Post-employment medical benefits	(9,068)	(3,163)	(9,216)	(3,268)
	(7,125)	455	(7,273)	350

The Defined Benefit Plan (PBD) totaled R$ 313,012 at December 31, 2016. Of this amount, R$ 156,727 corresponds to the pension fund, which was reversed in February 2017 after the approval of changes in PBD Regulations by the National Superintendency of Pension Funds (PREVIC), the supervisory body of closed private pension entities. This reversal is in accordance with the debt agreement and with the Actuarial Opinion issued by Willis Towers Watson, actuarial consultant of Previdência Usiminas.

At March 31, 2017, the changes in actuarial gains and losses recognized in Other comprehensive income (loss) are as follows:

	Parent company	Consolidated
Actuarial gains (losses) recognized directly in Other comprehensive income (loss)	(45,241)	(45,238)
Actuarial gains (losses) of debts contracted and directly recognized in Other comprehensive income (loss) - CPC 33 and IFRIC 14	103,934	103,934
Decrease in assets (asset ceiling) in Other comprehensive income (loss) - paragraph 58, CPC 33 and IAS 19	39,324	39,324
Accumulated actuarial gains recognized in Other comprehensive income (loss) (i)	98,017	98,020

(i) At March 31, 2017, balance in the Parent company includes R$3 related to actuarial gains (losses) of subsidiaries and jointly-controlled subsidiaries, recorded by the equity method of accounting.

Changes in retirement benefit obligations

In line with CPC 33 (R1) and IAS 19, the actuarial study carried out by an independent actuary as of December 31, 2016 presented a liability of R$1,338,419. The changes in retirement benefit obligations are presented below:

	Parent company	Consolidated
At December 31, 2016	1,338,419	1,342,727
Amortization	(59,582)	(59,582)
Amounts recognized in the statement of operations	7,125	7,273
Actuarial losses recognized directly in other comprehensive income (loss)	(150,967)	(151,042)
At March 31, 2017	1,134,995	1,139,376

22 Equity

(a) Share capital

At March 31, 2017, the Company's capital is R$13,200,295, comprising 1,253,079,108 book entry shares with no par value, of which 705,260,684 common shares; 547,740,661 Class A preferred shares and 77,763 Class B1 preferred shares, as shown below:

	Common	Class A Preferred	Class B Preferred	Total
Total shares at December 31, 2016	705,260,684	547,740,661	77,763	1,253,079,108
Total treasury shares	2,526,656	23,705,728	-	26,232,384
Total shares, except treasury shares	702,734,028	524,034,933	77,763	1,226,846,724

(b) Reserves

At March 31, 2017, there were no changes in the nature and conditions of reserves in relation to those described in Note 27 (b) to the Company's financial statements for the year ended December 31, 2016. Thus, Management decided not to repeat this disclosure in this interim financial information.

23 Segment reporting

Usiminas has four reportable operating segments, which offer different products and services and are managed separately. These segments are determined based on different legal entities and there are no different segments within the same company.

The following summary describes the main operations of each of the reportable segments of Usiminas:

Reportable segments	Operations
Mining and logistics	Extraction and processing of iron ore as pellet feed, sinter feed and granulated iron ore. Storage, handling, transportation of cargo and operation of highway and railroad cargo terminals. The sales of iron ore are mainly intended for the Steel segment.
Steel	Manufacture and sales of steel products. A portion of sales is for the steel transformation and capital assets segments.
Steel transformation	Transformation and distribution of steel products.
Capital assets	Manufacture of equipment and installations for several industries.

Management reviews the internal managerial reports for each segment periodically.

Information on operating income (loss), assets and liabilities by reportable segment

							3/31/2017
	Mining and logistics	Steel	Steel transformation	Capital assets	Subtotal	Eliminations and adjustments	Total
Revenue	108,349	2,218,621	567,016	82,675	2,976,661	(625,823)	2,350,838
Cost of sales	(53,026)	(1,797,826)	(512,112)	(82,160)	(2,445,124)	575,025	(1,870,099)
Gross profit (loss)	55,323	420,795	54,904	515	531,537	(50,798)	480,739
Operating (expenses)/income	(29,605)	(175,620)	(26,061)	(10,822)	(242,108)	(16,877)	(258,985)
Selling expenses	(3,147)	(32,009)	(13,236)	(2,717)	(51,109)	(1,084)	(52,193)
General and administrative expenses	(5,087)	(71,450)	(12,393)	(7,405)	(96,335)	3,194	(93,141)
Other income (expenses)	(34,220)	(114,342)	(432)	(687)	(149,681)	(1,050)	(150,731)
Share of results of subsid., jointly-controlled subsidiaries and associates	12,849	42,181	-	(13)	55,017	(17,937)	37,080
Operating (loss) profit	25,718	245,175	28,843	(10,307)	289,429	(67,675)	221,754
Financial result	36,775	(93,623)	2,149	2,832	(51,867)	(2,714)	(54,581)
Profit (loss) before income tax and social contribution	62,493	151,552	30,992	(7,475)	237,562	(70,389)	167,173
Income tax and social contribution	(16,587)	(50,494)	(10,799)	2,496	(75,384)	16,529	(58,855)
Profit (loss) for the period	45,906	101,058	20,193	(4,979)	162,178	(53,860)	108,318
Attributable to							
Controlling stockholders	32,774	101,058	13,908	(4,979)	142,761	(53,860)	88,901
Non-controlling interests	13,132	-	6,285	-	19,417	-	19,417
Assets							
Total assets include:	5,020,104	24,201,082	1,484,544	692,168	31,397,898	(5,093,330)	26,304,568
Investments in associates (except goodwill and investment properties	383,357	71,557	-	2,620	457,534	-	457,534
Additions to non-current assets (except financial instruments and deferred tax assets)	3,579	24,639	7,949	4,281	40,448	(416)	40,032
Current and non-current liabilities	476,039	10,418,335	419,141	161,698	11,475,213	(570,385)	10,904,828

	3/31/2016						
	Mining and logistics	Steel	Steel transformation	Capital assets	Subtotal	Eliminations and adjustments	Total
Revenue	106,081	1,739,130	430,890	169,666	2,445,767	(404,877)	2,040,890
Cost of sales	(105,483)	(1,786,200)	(409,735)	(152,407)	(2,453,825)	372,355	(2,081,470)
Gross profit (loss)	598	(47,070)	21,155	17,259	(8,058)	(32,522)	(40,580)
Operating (expenses)/income	(34,983)	(182,883)	(25,247)	(15,171)	(258,284)	30,574	(227,710)
Selling expenses	(20,033)	(44,464)	(10,490)	(3,656)	(78,643)	(1,047)	(79,690)
General and administrative expenses	(4,739)	(64,450)	(14,367)	(9,656)	(93,212)	3,468	(89,744)
Other income (expenses)	(27,800)	(79,267)	(390)	(1,859)	(109,316)	(805)	(110,121)
Share of results of investees, jointly-controlled subsid. and associates	17,589	5,298	-	-	22,887	28,958	51,845
Operating (loss) profit	(34,385)	(229,953)	(4,092)	2,088	(266,342)	(1,948)	(268,290)
Financial result	32,675	79,269	1,355	771	114,070	(12,517)	101,553
Profit (loss) before income tax and social contribution	(1,710)	(150,684)	(2,737)	2,859	(152,272)	(14,465)	(166,737)
Income tax and social contribution	6,517	905	284	(747)	6,959	8,401	15,360
Profit (loss) for the period	4,807	(149,779)	(2,453)	2,112	(145,313)	(6,064)	(151,377)
Attributable to							
Controlling stockholders	4,254	(149,779)	(3,293)	2,112	(146,706)	(6,064)	(152,770)
Non-controlling interests	553	-	840	-	1,393	-	1,393
Assets							
Total assets include:	4,671,296	24,517,551	1,341,714	769,107	31,299,668	(4,683,886)	26,615,782
Investments in associates (except goodwill and investment properties	352,473	85,077	-	2,704	440,254	-	440,254
Additions to non-current assets (except financial instruments and deferred tax assets)	4,589	86,450	2,234	1,748	95,021	(397)	94,624
Current and non-current liabilities	391,726	11,285,649	359,282	226,702	12,263,359	(458,842)	11,804,517

Sales between segments are carried out at arm's length.

Billings are broadly dispersed and the Company and its subsidiaries do not have third-party customers representing more than 10% of their billings.

24 Revenue

The reconciliation between gross and net revenue is as follows:

	Parent company		Consolidated	
	3/31/2017	3/31/2016	3/31/2017	3/31/2016
Sales of goods				
Domestic market	2,578,085	1,926,597	2,694,421	2,128,888
Foreign market	241,191	261,984	242,305	314,096
	2,819,276	2,188,581	2,936,726	2,442,984
Sales of services				
Domestic market	6,710	3,788	67,313	114,089
Foreign market	451	-	451	-
	7,161	3,788	67,764	114,089
Gross revenue	2,826,437	2,192,369	3,004,490	2,557,073
Deductions from revenue	(609,975)	(454,693)	(653,652)	(516,183)
Net revenue	2,216,462	1,737,676	2,350,838	2,040,890

25 Expenses by nature

	Parent company		Consolidated	
	3/31/2017	3/31/2016	3/31/2017	3/31/2016
Depreciation, amortization and depletion	(253,444)	(264,839)	(306,341)	(318,086)
Employee benefit expenses	(176,475)	(224,006)	(265,339)	(375,009)
Stock option plan	(242)	(1,016)	(295)	(1,209)
Raw materials and consumables	(1,284,072)	(1,103,274)	(1,185,670)	(1,119,686)
Scheduled maintenance	(98,051)	(37,827)	(98,485)	(37,725)
Judicial charges	(10,327)	(5,311)	(10,701)	(6,092)
Distribution costs	(21,299)	(19,551)	(24,327)	(34,949)
Loss on the sale of surplus electricity (i)	(22,822)	(36,833)	(22,701)	(40,797)
Third-party services	(161,870)	(224,270)	(194,613)	(270,520)
Income (expenses) in litigation, net	(43,827)	(5,337)	(45,314)	(6,646)
Profit on the sale/write-off of PP&E, intangible assets and investments	1,409	71,961	1,408	71,972
Impairment of assets, net		(8,030)		(8,030)
PIS/COFINS credits on imports	48,396	-	48,396	-
Provision for impairment of trade receivables	(781)	(786)	(3,923)	(16,910)
Losses on advances to suppliers	-	(10,483)	-	(10,483)
Other expenses	(22,954)	(142,137)	(58,259)	(186,855)
	(2,046,359)	(2,011,739)	(2,166,164)	(2,361,025)
Cost of sales	(1,831,163)	(1,826,753)	(1,870,099)	(2,081,470)
Selling expenses	(32,009)	(44,464)	(52,193)	(79,690)
General and administrative expenses	(69,190)	(61,988)	(93,141)	(89,744)
Other operating income (expenses), net	(113,997)	(78,534)	(150,731)	(110,121)
	(2,046,359)	(2,011,739)	(2,166,164)	(2,361,025)

(i) At March 31, 2017, the Company had receivables from the sale of surplus electricity of R$33,105 (December 31, 2016 - R$13,223), which is recorded in Other current assets.

26 Financial result

	Parent company		Consolidated	
	3/31/2017	3/31/2016	3/31/2017	3/31/2016
Financial income				
Interest from customers	4,052	3,865	5,574	5,637
Income from financial investments	13,443	1,033	54,598	7,417
Indexation credits	2,148	6,878	9,571	48,763
Restatement of PIS/COFINS credits on imports (i)	38,457	-	38,457	-
Indexation of judicial deposits	8,870	7,253	10,488	9,385
Realization of adjustment to present value of trade receivables	26,598	27,508	26,598	27,508
Reversal of the provision for interest on contingencies related to litigation	69	3,379	69	3,384
Other financial income	9,510	3,854	13,796	4,118
	103,147	53,770	159,151	106,212
Financial expenses				
Interest on borrowings and taxes payable in installments	(178,688)	(62,603)	(182,530)	(61,618)
Gains (losses) on swap transactions	56,567	24,933	1,299	(129,051)
Indexation charges	(32,313)	(109,525)	(36,266)	(115,295)
Interest on provisions for litigation	(22,378)	(9,739)	(25,544)	(15,940)
Realization of the adjustment to present value of trade payables	(6,229)	(5,940)	(11,756)	(9,599)
Commissions on borrowings and other	(7,476)	(9,328)	(3,974)	(8,133)
Other financial expenses	(6,743)	(5,149)	(10,578)	(11,980)
	(197,260)	(177,351)	(269,349)	(351,616)
Foreign exchange gains (losses), net	14,654	333,857	55,617	346,957
	(79,459)	210,276	(54,581)	101,553

(i) Refers to the restatement of credits approved by the Brazilian Federal Revenue Service (RFB), as described in Note 20 (b).

The Company segregates the Extended Consumer Price Index (IPCA) of borrowings and financial investments, between the CDI and TJLP. Thus, the IPCA portion is segregated from interest on borrowings and income from financial investments, and included in "Idexation credits/charges".

27 Earnings (loss) per share

Basic and diluted

Basic and diluted earnings (loss) per share is calculated by dividing the profit (loss) attributable to the Company's stockholders by the weighted average number of common and preferred shares issued during the year excluding common shares acquired by the Company and held in treasury (Note 22).

The Company does not have debt convertible into shares. The stock option plan does not include potential common or preferred shares for dilution purposes (Note 29).

	Parent company					
	3/31/2017			3/31/2016		
	Common shares	Preferred shares	Total	Common shares	Preferred shares	Total
Basic and diluted						
Basic and diluted numerator						
Earnings (loss) available to controlling stockholders	48,836	40,065	88,901	(77,771)	(74,999)	(152,770)
Basic and diluted denominator						
Weighted average number of shares, excluding treasury shares	702,734,028	524,112,696	1,226,846,724	502,734,028	484,819,778	987,553,806
Basic and diluted earnings (loss) per share (R$)	0.07	0.08		(0.15)	(0.15)	

28 Transactions with related parties

The main balances and transactions with related parties are presented below:

(a) Assets

	Parent company					
	3/31/2017			12/31/2016		
	Trade receivables	Dividends receivable	Other receivables	Trade receivables	Dividends receivable	Other receivables
Controlling stockholders	5,447	-	3,998	18,573	-	110
Subsidiaries	195,466	52,864	95,948	206,981	52,864	41,866
Jointly-controlled subsidiaries	53	-	-	-	-	22
Associates	14,989	2,740	-	15,055	2,463	-
Other related parties	8,316	-	250	11,349	-	4,634
Total	224,271	55,604	100,196	251,958	55,327	46,632
Current	212,670	55,604	41,689	192,178	55,327	46,632
Non-current	11,601	-	58,507	59,780	-	-
Total	224,271	55,604	100,196	251,958	55,327	46,632

	Consolidated					
	3/31/2017			12/31/2016		
	Trade receivables	Dividends receivable	Other receivables	Trade receivables	Dividends receivable	Other receivables
Controlling stockholders	5,447	-	3,998	18,573	-	110
Non-controlling interests	-	-	-	453	-	-
Jointly-controlled subsidiaries	53	-	-	-	-	22
Associates	14,989	13,782	-	15,055	2,463	-
Other related parties	8,316	-	900	11,349	-	5,284
Total	28,805	13,782	4,898	45,430	2,463	5,416
Current	17,204	13,782	1,275	41,588	2,463	5,416
Non-current	11,601	-	3,623	3,842	-	-
Total	28,805	13,782	4,898	45,430	2,463	5,416

The receivables are unsecured and are subject to interest. At March 31, 2017 and December 31, 2016, no provisions were held for receivables from related parties.

(b) Liabilities

	Parent company					
	3/31/2017			12/31/2016		
	Trade payables	Other payables	Borrowings	Trade payables	Other payables	Borrowings
Controlling stockholders	274	16,175	163,296	144	16,939	167,987
Subsidiaries	118,764	72,649	1,233,049	106,087	74,504	1,224,608
Jointly-controlled subsidiaries	61,397	-	-	52,994	-	-
Associates	1,486	85	-	2,578	-	-
Other related parties	581	-	-	588	-	-
Total	182,502	88,909	1,396,345	162,391	91,443	1,392,595
Current	182,502	14,303	1,233,404	162,391	15,325	25,769
Non-current	-	74,606	162,941	-	76,118	1,366,826
Total	182,502	88,909	1,396,345	162,391	91,443	1,392,595

	Consolidated					
	3/31/2017			12/31/2016		
	Trade payables	Other payables	Borrowings	Trade payables	Other payables	Borrowings
Controlling stockholders	436	16,197	163,296	636	16,965	167,987
Non-controlling interests	-	21,861	-	-	22,364	-
Jointly-controlled subsidiaries	62,173	-	-	53,493	-	-
Associates	1,519	158,190	-	2,815	184,123	-
Other related parties	581	-	-	588	1	-
Total	64,709	196,248	163,296	57,532	223,453	167,987
Current	64,709	66,065	355	57,532	70,184	381
Non-current	-	130,183	162,941	-	153,269	167,606
Total	64,709	196,248	163,296	57,532	223,453	167,987

At March 31, 2017, borrowings include an amount due to the subsidiary Usiminas Commercial of R$1,233,049 (December 31, 2016 - R$1,224,608). In the Consolidated accounts, borrowings include an amount from Nippon Usiminas Co. Ltd., controlling stockholder of Usiminas, of R$163,296 (December 31, 2016 - R$167,987).

(c) Results

	Parent company					
	3/31/2017			3/31/2016		
	Sales	Purchases	Financial and operating result	Sales	Purchases	Financial and operating result
Controlling stockholders	52,920	657	2,968	52,996	2,570	16,539
Subsidiaries	662,965	136,061	(36,605)	511,265	78,025	25,471
Jointly-controlled subsidiaries	-	82,154	4	-	95,799	(21)
Associates	7,130	33,542	-	9,475	23,220	-
Other related parties (i)	17,522	119,660	80	19,640	13,220	(1,779)
Total	740,537	372,074	(33,553)	593,376	212,834	40,210

	Consolidated					
	3/31/2017			3/31/2016		
	Sales	Purchases	Financial and operating result	Sales	Purchases	Financial and operating result
Controlling stockholders	52,920	657	2,967	62,964	2,570	15,711
Non-controlling interests	-	-	-	3,400	-	-
Jointly-controlled subsidiaries	4,212	83,441	4	397	97,040	(21)
Associates	7,130	65,372	(5,527)	9,653	87,434	(3,659)
Other related parties (i)	17,616	119,660	(217)	70,487	13,220	(1,779)
Total	81,878	269,130	(2,773)	146,901	200,264	10,252

(i) At March 31, 2017, total purchases from other related parties refer to steel plates purchased from Metal One Corporation to be used in rolling processes in the Cubatão plant.

The nature of the main related-party transactions is described in Note 36(e) to the financial statements for the year ended December 31, 2016.

Financial income (costs) with related parties refers mainly to charges on borrowings disclosed in item (b) above.

(d) Key management personnel compensation

The remuneration paid or payable to key management personnel, which includes the Executive Board, the Board of Directors and the Supervisory Board of the Company is as follows:

	Parent company and consolidated	
	3/31/2017	3/31/2016
Fees	(2,875)	(3,562)
Social charges	(564)	(1,050)
Retirement plans	(36)	55
	(3,475)	(4,557)

At March 31, 2017, the amount paid to key management was R$3,411 (March 31, 2016 - R$4,749).

The Company has a shared-based payment plan in place (Note 29).

Transactions with related parties are substantially carried out under market conditions, with respect to prices and terms.

29 Stock option plan

The Company has a stock option plan. The plan is managed by the Company's Board of Directors, with the support of the Human Resources Committee, subject to the Plan's limitations.

No changes have been identified in the Plan's characteristics and guidelines in relation to those described in Note 38 to the financial statements at December 31, 2016.

At March 31, 2017, the Plan includes four programs:

- Program 2011, launched on October 3, 2011;
- Program 2012, launched on November 28, 2012;
- Program 2013, launched on November 28, 2013; and
- Program 2014, launched on November 27, 2014.

The fair value of the options granted is determined based on the Black-Scholes methodology and accounted for as expense over the vesting period.

In the quarter ended March 31, 2017, no further grants or cancellations of options as a result of losing the right to exercise the option took place.

The impact of the stock option plan was an expense of R$295 at March 31,2017 (R$1,209 at March 31, 2016), which was recorded in the statement of operations as a corresponding entry to the Company's equity.

The Plan's estimated deferred expenses, considering that all its contractual assumptions remain unaltered and no new grant takes place, total R$688.

30 Guarantees

The composition of the assets pledged as collateral is as follows:

		Parent company		Consolidated	
Assets pledged as collateral	**Liabilities secured**	**3/31/2017**	**12/31/2016**	**3/31/2017**	**12/31/2016**
Property, plant and equipment	Borrowings	4,446,357	4,503,801	4,468,419	4,525,862
Property, plant and equipment	Litigation	798,077	820,825	857,033	870,987
Inventories	Litigation	112,068	95,577	112,068	95,577
Cash and cash equivalents	Litigation	40,000	40,000	40,000	40,000
		5,396,502	5,460,203	5,477,520	5,532,426

31 Explanatory notes presented in the annual financial statements that are not disclosed in this interim financial information

Pursuant to CVM/SNC/SEP/ Circular Letter No. 003/2011, the Company presented notes considered to be material within the context of "Framework Pronouncement - Conceptual Framework for Financial Reporting". All information whose omission or distortion could influence the economic decisions of users was properly disclosed in this interim financial information, which should be read together with the financial statements for the year ended December 31, 2016.

The Notes not repeated in this interim financial information, as no significant changes were made to the nature and conditions of these notes in relation to those disclosed in the Company's financial statements for the year ended December 31, 2016 are the following:

Note 04 - Significant accounting judgments, estimates and assumptions;
Note 07 - Financial instruments by category;
Note 19 - Trade payables, contractors and freight charges;
Note 31 - Employee benefit expenses;
Note 32 - Operating (expenses) income;
Note 35 - Commitments; and
Note 37 - Insurance.

Board of Directors

Elias de Matos Brito
Chairman

Francisco Augusto da Costa e Silva
Member

Gesner José Oliveira Filho
Member

Guilherme Poggiali Almeida
Member

Ichiro Sato
Member

Kazuhiro Egawa
Member

Luiz Carlos de Miranda Faria
Member

Oscar Montero Martinez
Member

Ricardo Antonio Weiss
Member

Rita Rebelo Horta de Assis Fonseca
Member

Wanderley Rezende de Souza
Member

Supervisory Board

Masato Ninomiya
Chairman

Lúcio de Lima Pires
Member

Paulo Frank Coelho da Rocha
Member

Paulo Roberto Evangelista de Lima
Member

Wagner Mar
Member

Executive Board

Sérgio Leite de Andrade
CEO
Vice-President - Technology and Quality
Vice-President - Commercial Area

Ronald Seckelmann
Vice-President - Financial and Investor Relations
Vice-President - Subsidiaries

Takahiro Mori
Vice-President - Corporate Planning

Túlio César do Couto Chipoletti
Vice-President - Operations

Lucas Marinho Sizenando Silva
Accountant CRC-MG 080.788/O