3Q10

USIMINAS

Agenda

Overview

3Q10 - Highlights

Business Units







Agenda

Overview | 3Q10 - Highlights | Business Units



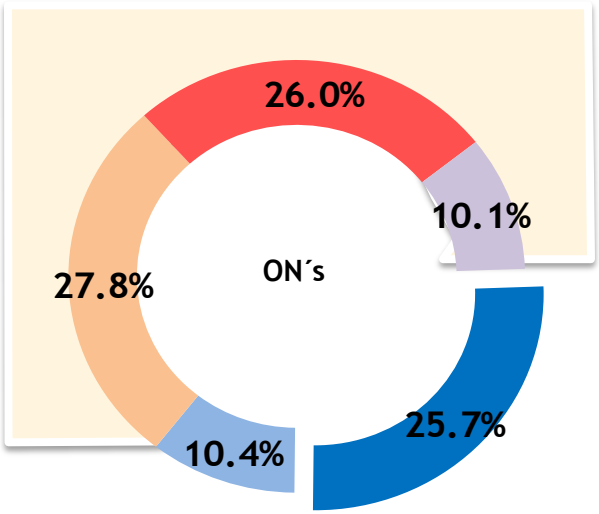




Shareholder Composition

Voting Capital

Control Group:
63.9% of Voting Capital



Nippon Group

Grupo Votorantim / Camargo Corrêa

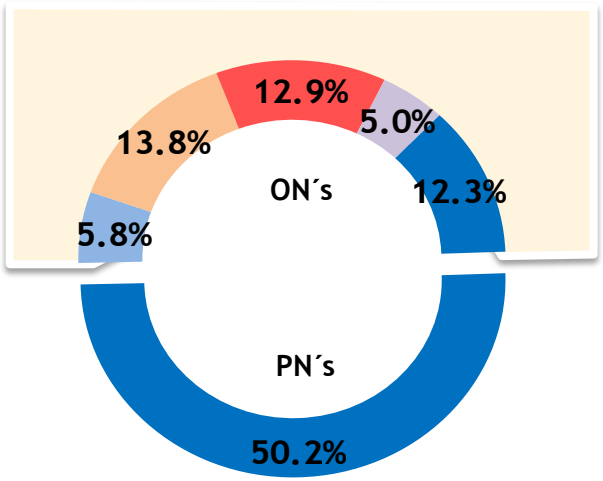
Usiminas Pension Fund

Free Float

Previ

Total Capital

Control Group: 31.8%
63.9% of Voting Capiutal



Usiminas

- Complete solution of services and value added products through its Business Units:

Mining



- Mineração Usiminas *

Steel



- Ipatinga
- Cubatão
- Unigal Usiminas
- Ternium stake **

Steel Procecessing



- Soluções Usiminas
- Automotiva Usiminas
- Metform and Codeme stake **

Capital Goods

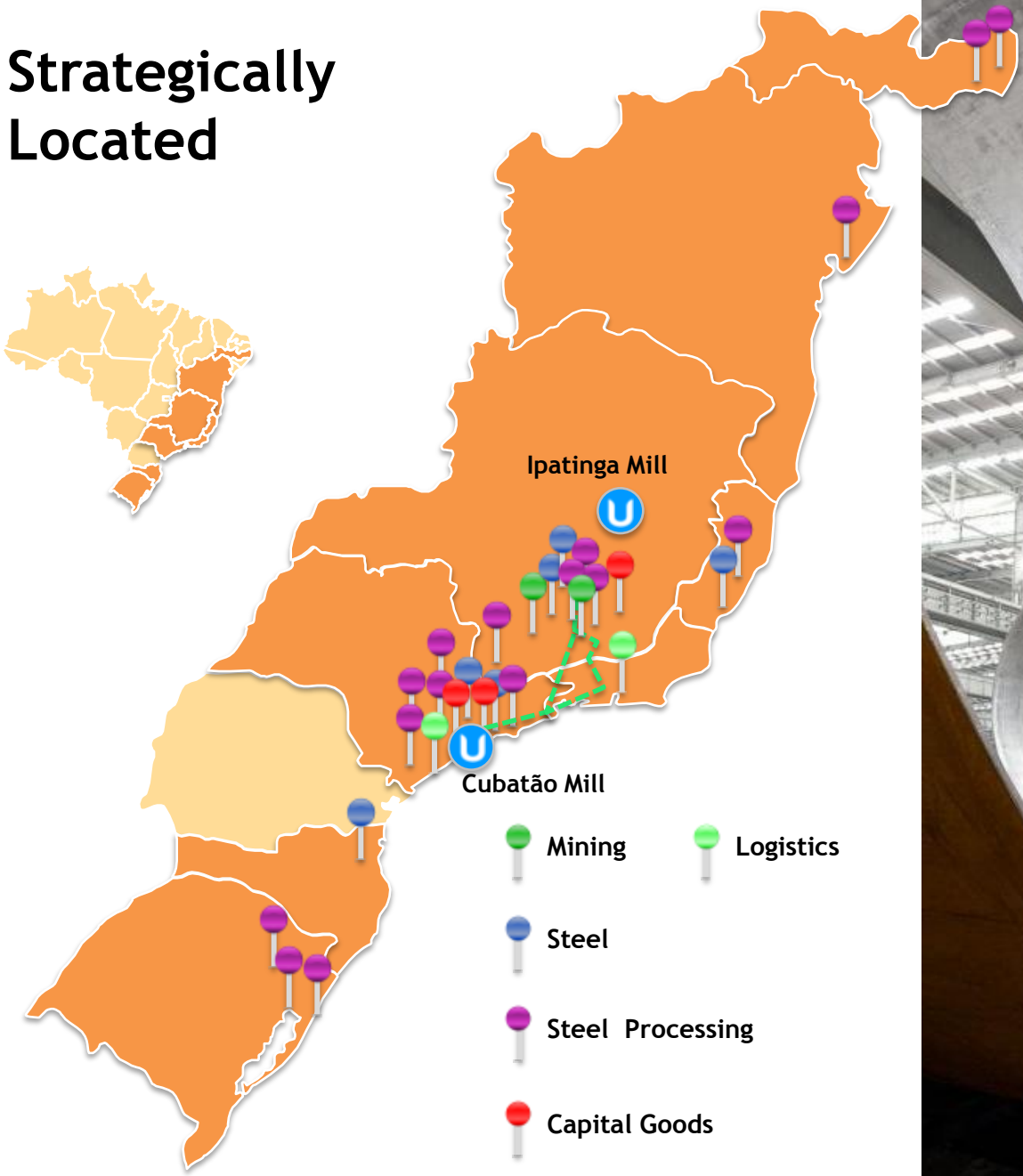


- Usiminas Mecânica

UPSTREAM — DOWNSTREAM

* Controled by Usiminas
** Results accounted through equity income

Strategically Located





Business Strategy

1 UPSTREAM INTEGRATION

Protection against transfer of margin in the value chain
Keep competitiveness of production costs

2 CAPACITY EXPANSION

Take advantage of domestic market growth, capturing a premium for the logistics gains
Capture competitiveness from access to local competitive raw material and labor

3 DOWNSTREAM INTEGRATION

Assure presence in growing markets
Integrate and create value in new market niches

4 PRODUCT PORTFOLIO EXPANSION

Assure maximum potential of value creation
Reduce dependence of few product lines
Assure presence in growing markets

5 INTERNATIONALIZATION

Assure access to markets outside Brazil
Accelerate growth
Diversify and keep close to sector leaders



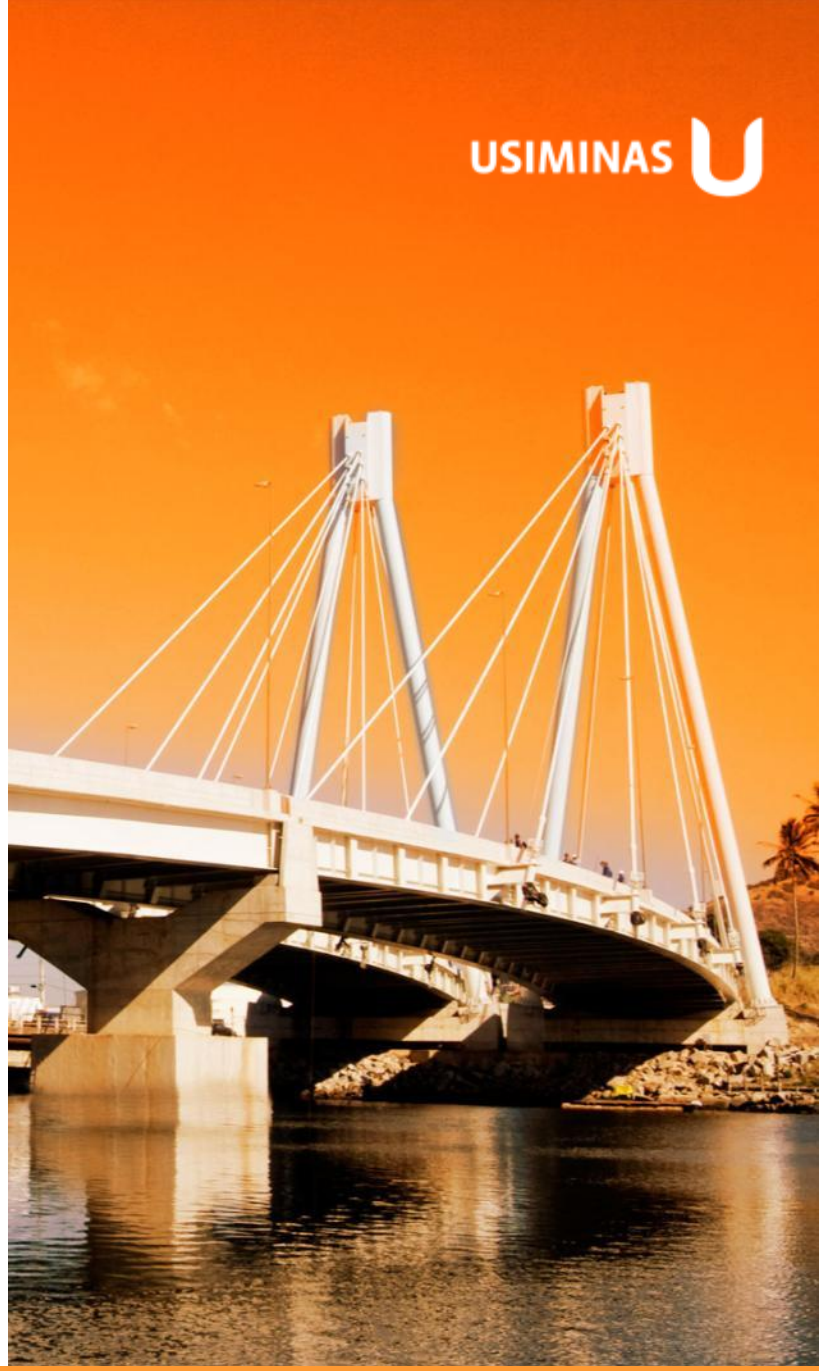
Domestic Market

Benefit from the Brazilian positive outlook

- GDP forecast:

  2010: ~ 7%
  2011 – 2014: ~5.5% p.a.

- Apparent crude steel consumption is estimated to increase by more than 40% in 2010



Source: Central Bank of Brazi / IABR / CRU / Usiminas

Domestic Market

Medium and long term projects

USIMINAS

PETROBRAS

2009-2015

~ US$ 224 billion

FIFA WORLD CUP Brasil 2014

2010-2014

~ US$ 55 billion

rio2016

2011-2016

~ US$ 12 billion

Source: Petrobrás / Tendências Consultoria

Agenda

Overview | 3Q10 - Highlights | Business Units

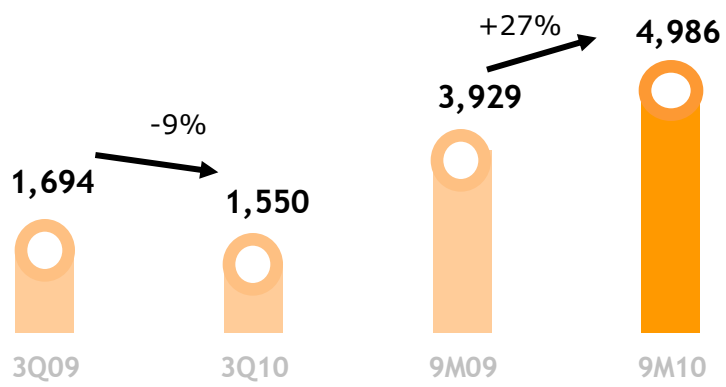




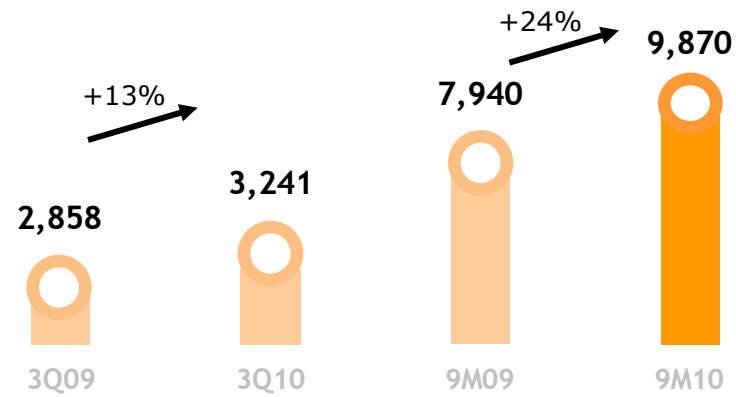


Results 3Q10
*Highlights**

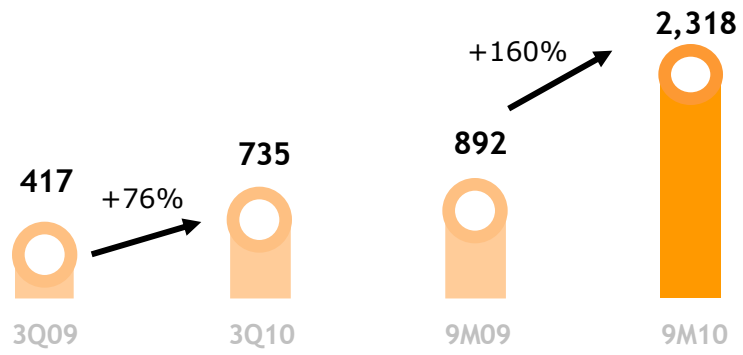
Sales - *thousand tons*



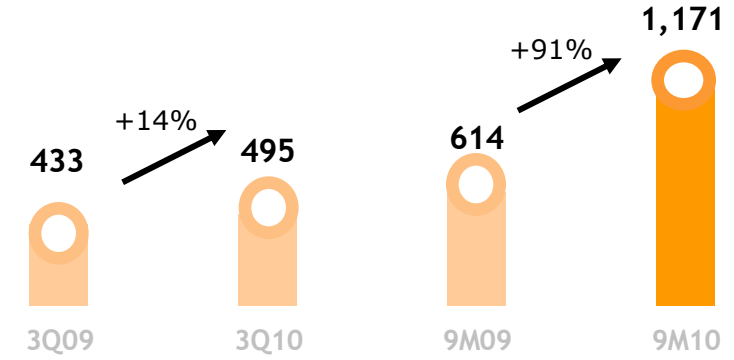
Net Revenues - *R$ Million*



Ebitda - *R$ Million*



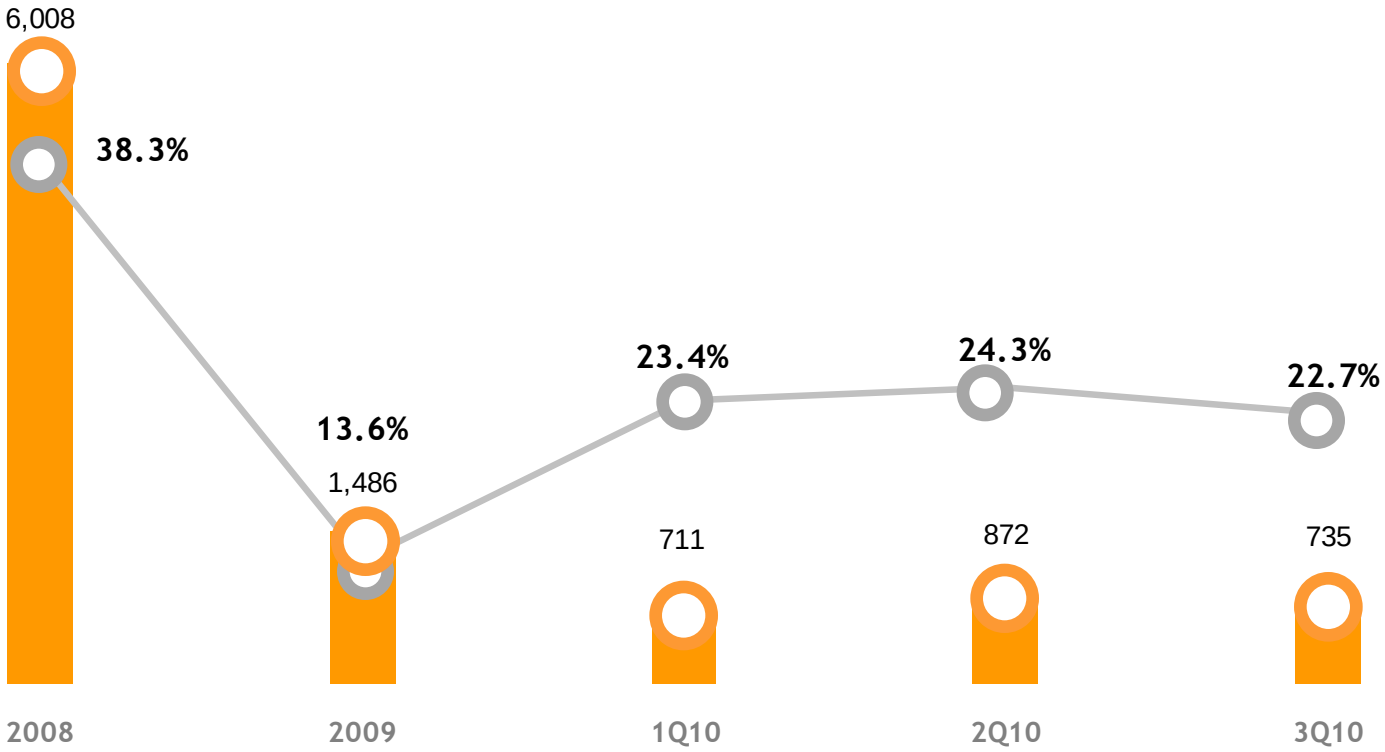
Net profit - *R$ Million*



*IFRS

Ebitda

*R$ Million**

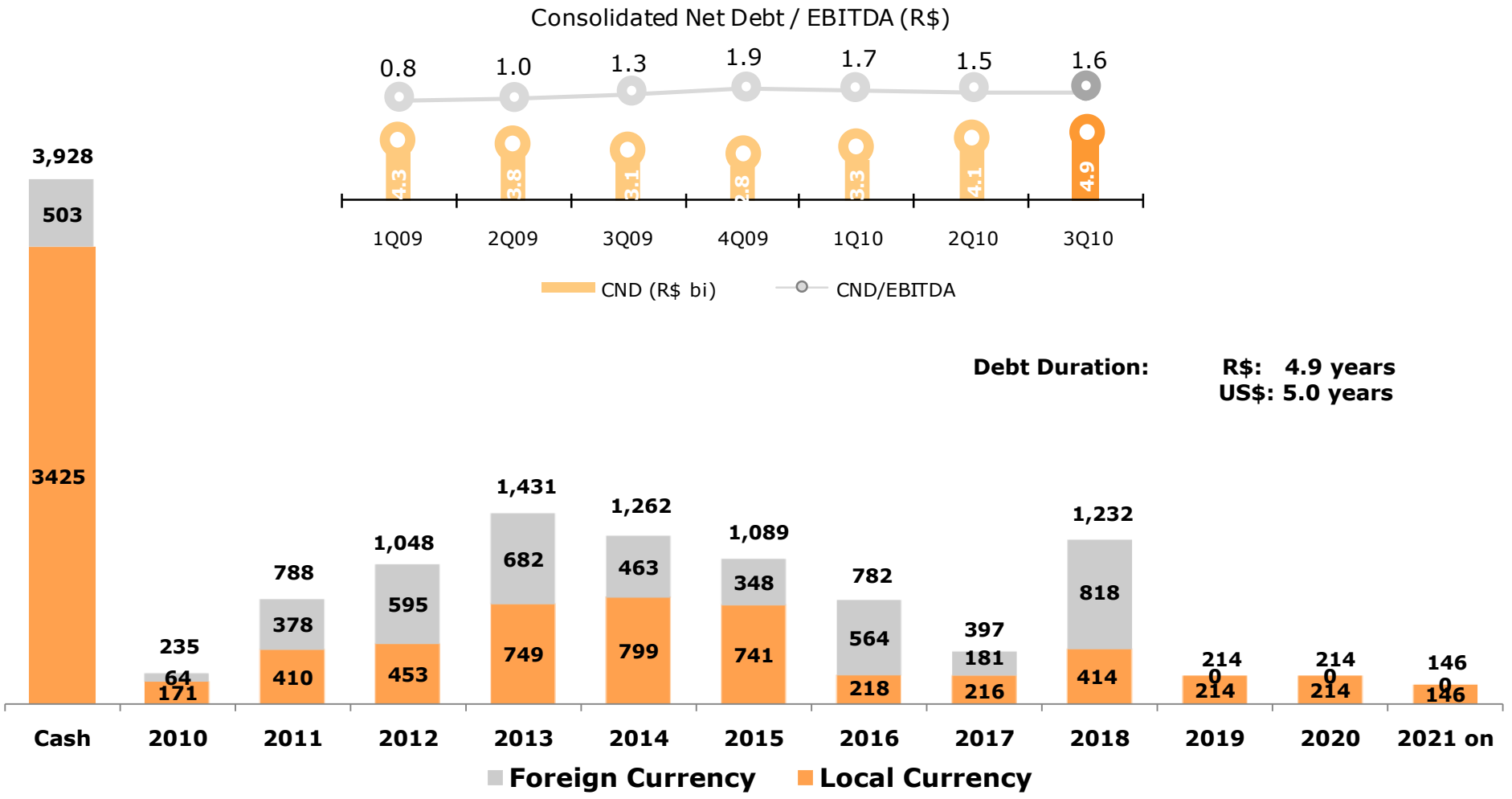


*IFRS

Debt

Focus in strong cash position and low indebtedness

R$ Million



Agenda

Overview | 3Q10 - Highlights | Business Units







Results Accounted by Business Unit

R$ Million (Non Audited)*

Income Statement per Business Units - Non Audited

R$ million	Mining				Steel				Steel Processing				Capital Goods				Consolidated			
	3Q10	2Q10	9M10	9M09	3Q10	2Q10	9M10	9M09	3Q10	2Q10	9M10	9M09	3Q10	2Q10	9M10	9M09	3Q10	2Q10	9M10	9M09
Net Revenues	291	277	726	299	2.846	3.276	8.943	6.936	620	668	1.842	1.451	389	375	1.056	661	3.241	3.586	9.870	7.940
COGS	(69)	(70)	(205)	(114)	(2.351)	(2.777)	(7.407)	(6.619)	(559)	(575)	(1.615)	(1.359)	(340)	(332)	(919)	(535)	(2.438)	(2.760)	(7.541)	(7.122)
Gross Profit	222	207	521	185	495	499	1536	317	61	93	227	92	49	43	137	126	803	826	2329	818
Operating Income (Expenses)	(25)	(17)	(60)	(51)	(138)	(124)	(396)	(385)	(49)	(48)	(119)	(137)	(37)	(24)	(82)	(51)	(249)	(213)	(657)	(624)
EBIT	197	190	461	134	357	375	1140	(68)	12	45	108	(45)	12	19	55	75	554	613	1672	194
EBITDA	**204**	**198**	**483**	**155**	**514**	**607**	**1711**	**566**	**22**	**56**	**139**	**(17)**	**19**	**26**	**76**	**90**	**735**	**871**	**2317**	**892**
EBITDA Margin	**70%**	**72%**	**67%**	**52%**	**18%**	**19%**	**19%**	**8%**	**4%**	**8%**	**8%**	**-1%**	**5%**	**7%**	**7%**	**14%**	**23%**	**24%**	**24%**	**11%**

*IFRS Note: MRS and Ternium results are accounted through equity on Equity Income.

Steel



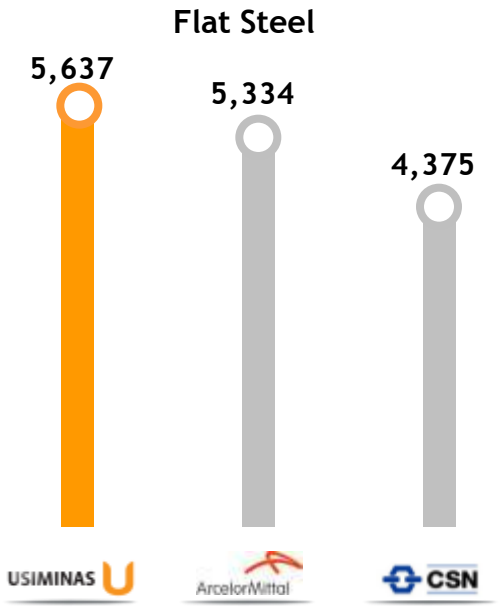


Steel Production

Usiminas is the largest flat steel producer in Latin American

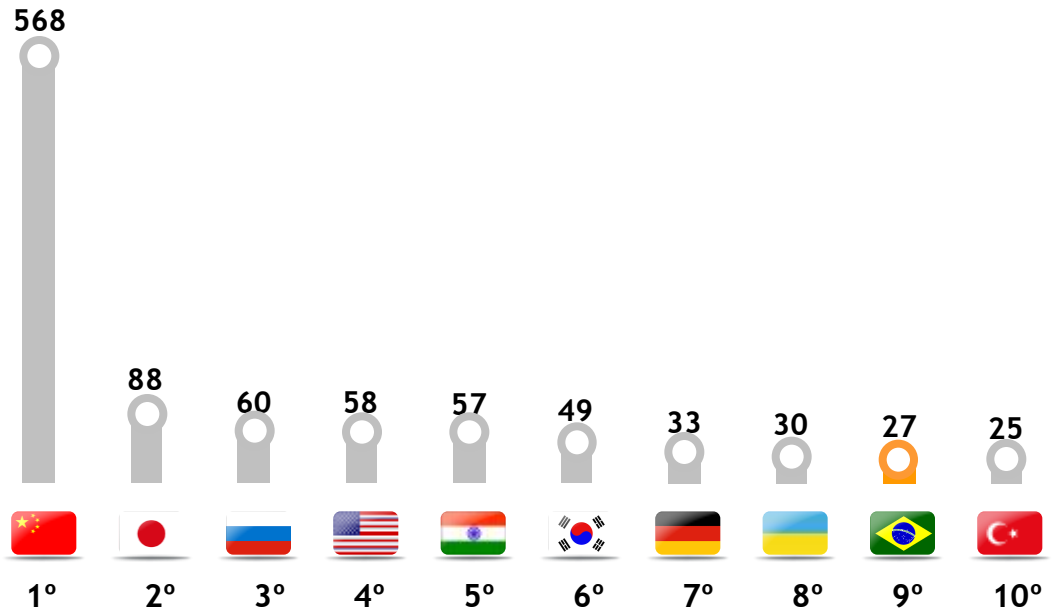
2009 - Crude Steel

Brazil: 26.5 Million tons



Source: Instituto Aço Brasil

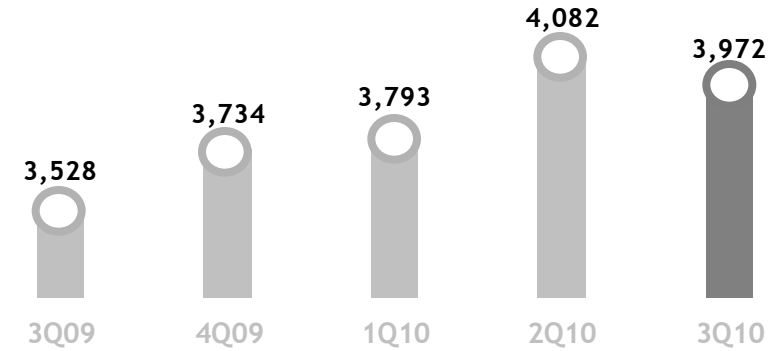
World: 1.22 Billion tons



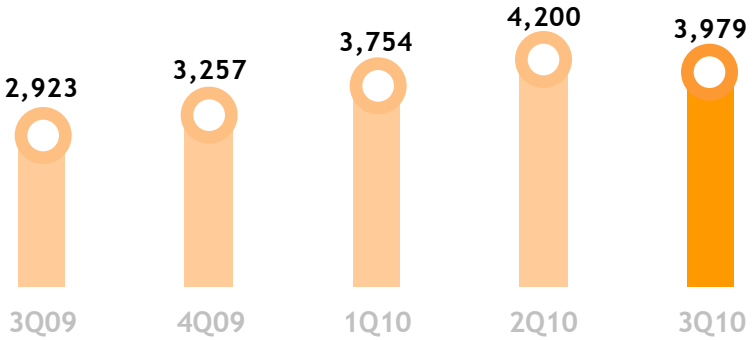
Source: WorldSteel

Brazilian Market - Flat Steel

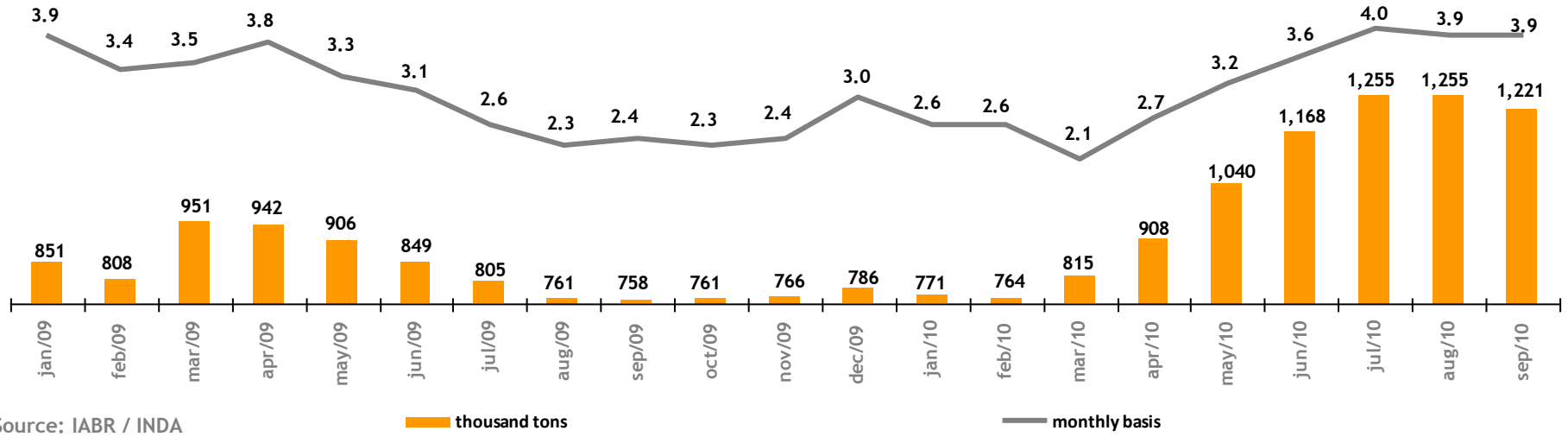
Production - *thousand tons*



Apparent Consumption - *thousand tons*



Inventories in the Distribution Network - *(flat)*

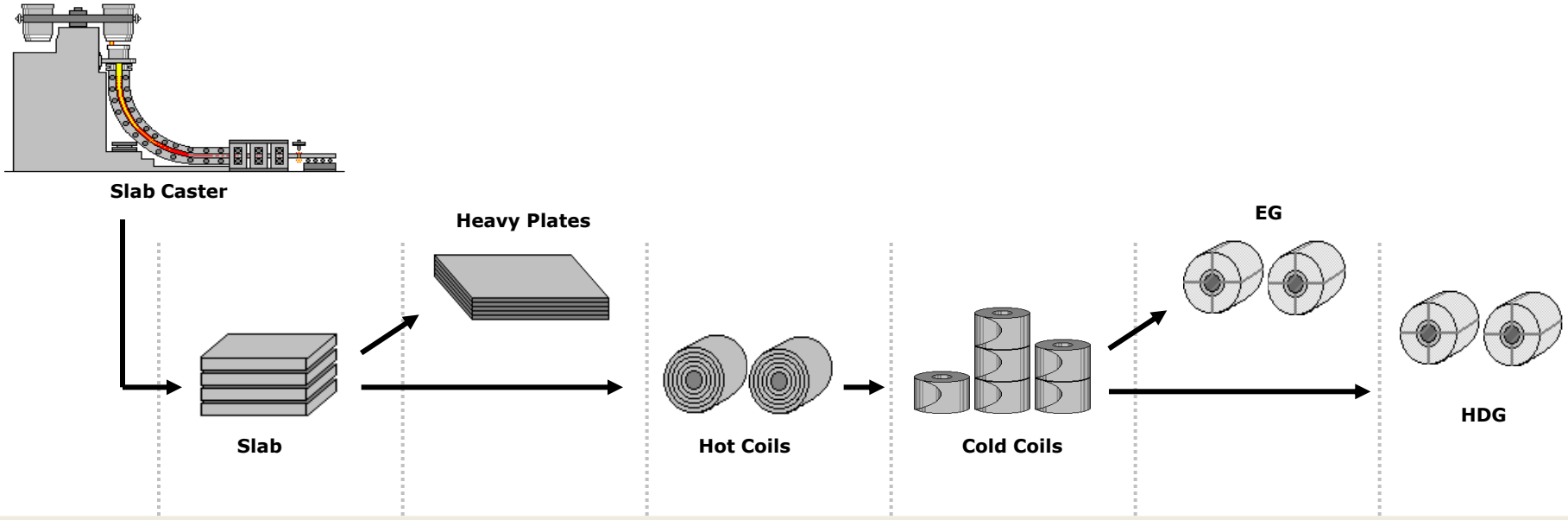


Source: IABR / INDA

Flat Steel Production

Usiminas has a full range of flat steel products

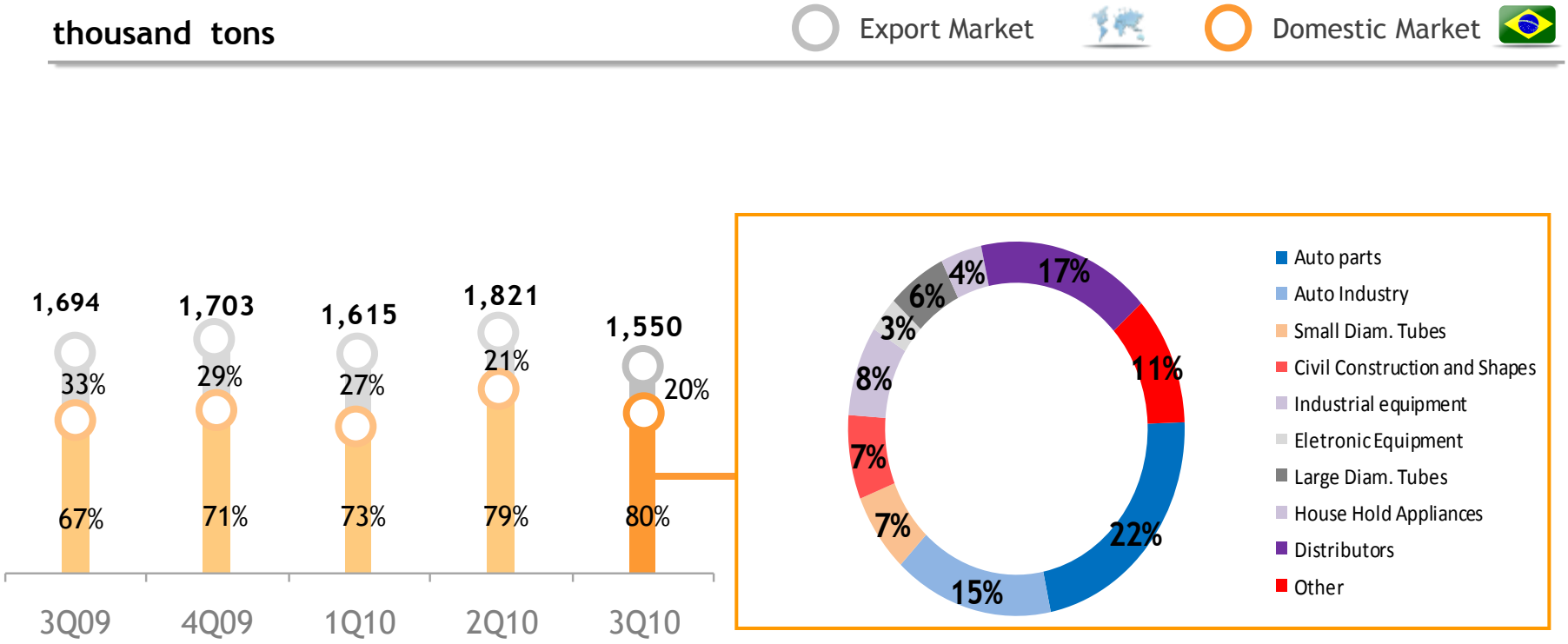
Installed Capacity : 9.5 million tons / year



Ipatinga Plant	**5,000 kt**	**1,000 kt**	**3,550 kt**	**2,500 kt**	**360 kt**	**480 kt**
Cubatão Plant	**4,500 kt**	**1,000 kt**	**2,100 kt**	**1,200 kt**	**-**	**-**

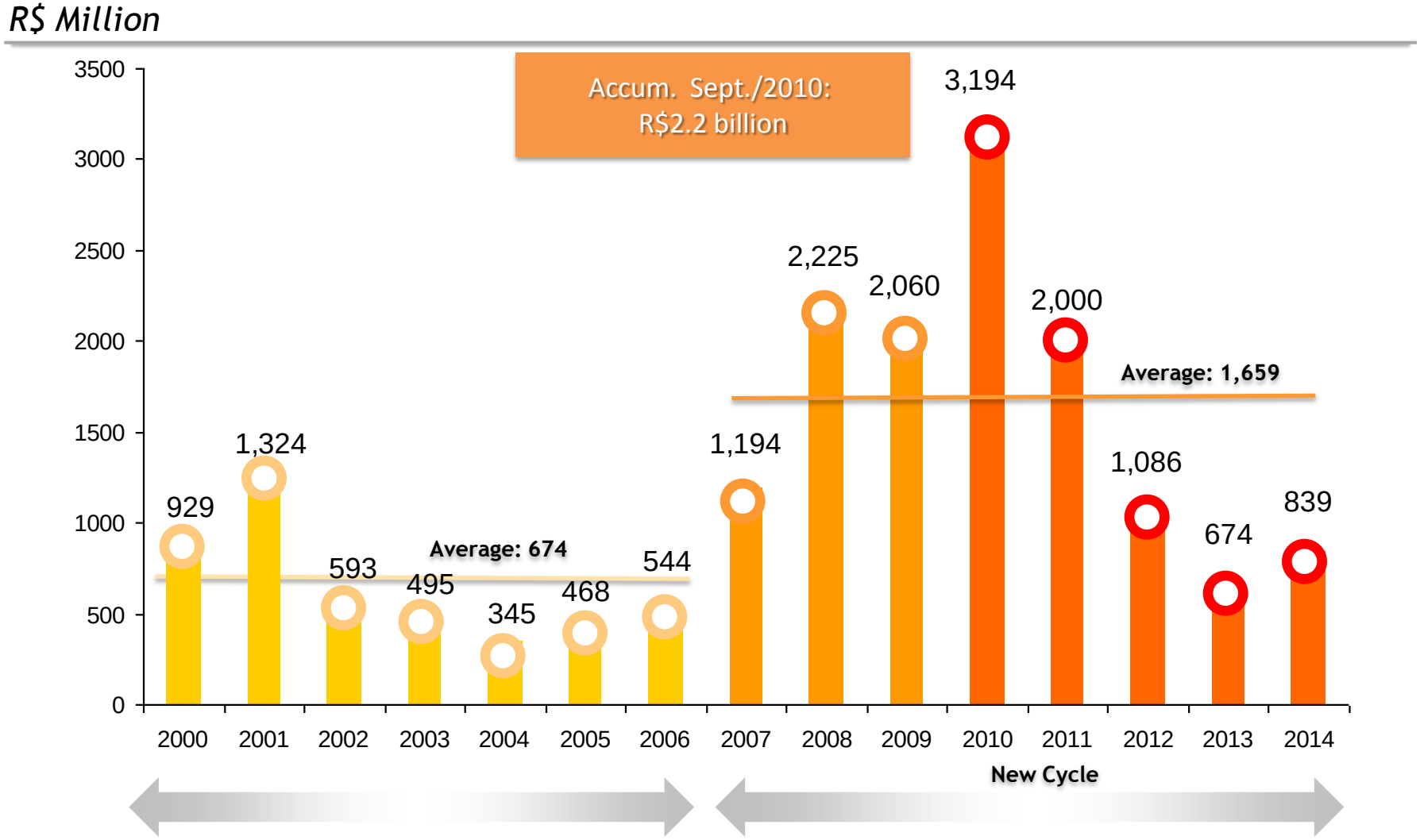
Domestic Market

Usiminas is focused in the domestic market with a product range to supply different sectors



Investments

The Steel Unit is going through a strong investment cycle pointed to value creation and cost reduction



Investments

Adding value and reducing costs

New Coke Facility #3

- Additional production of 750,000 tons/year – Ipatinga Plant
- Start-up: 3Q/2010



Heavy-Plate Mill Rolling Mill - Ipatinga

- CLC – Accelerated Cooling Technology – meeting the requirements of the pre-salt exploitation projects.
- Start-up: 3Q/2010.



Investments

Adding value and reducing costs

New Hot Dip Galvanizing Line (Unigal II)

- Additional production of 550,000 tons/year – Ipatinga Plant.
- Start-up: 1Q/2011



New Hot Strip Mill #2

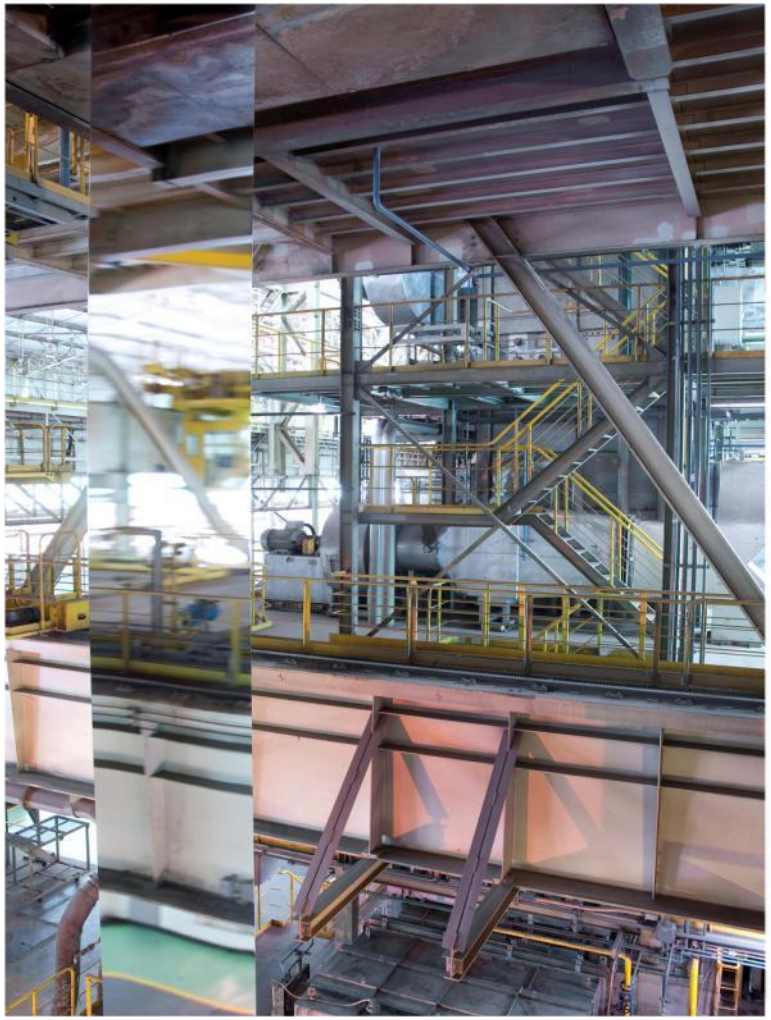
- Additional production of 2.3 million tons/year – Cubatão Plant (stage 01).
- Start-up: 2Q/2011



12,000 jobs created in Ipatinga and Cubatão.

Unigal Usiminas

- Ipatinga – MG.
  - Joint-venture between Usiminas (70%) and Nippon Steel (30%) aimed at processing hot-dip galvanized coils.
  - Processing capacity of 480 thousand tons/year.
- 2009 Gross Revenues of R$277 million
- Market Sectors:
  - Galvanized steel is used mainly by the auto, household appliance and civil construction industries.
- Investments:
  - 550,000 expansion in HDG capacity. R$ 914 million capex. Start-up: 1Q 2011



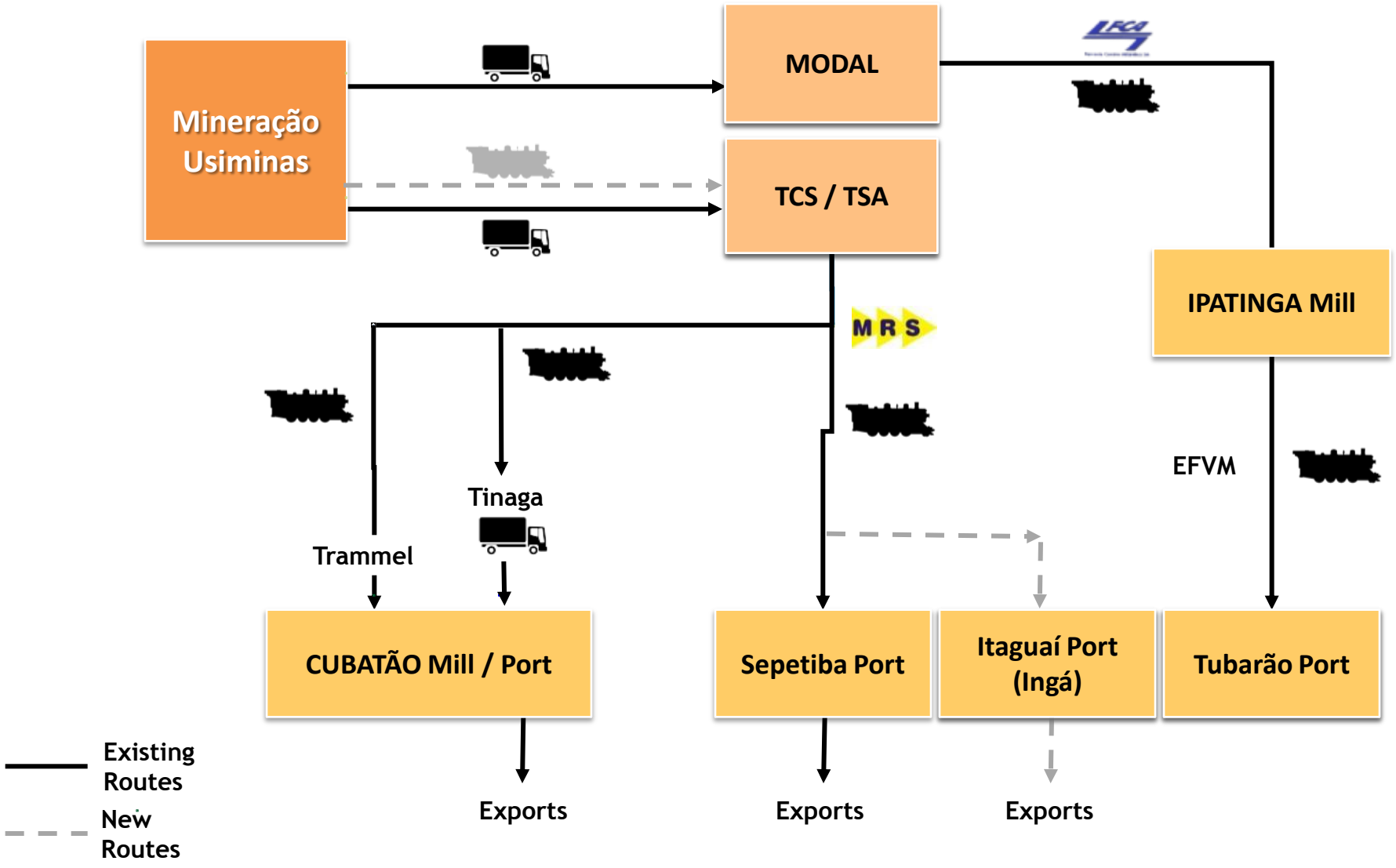
Mining and Logistics





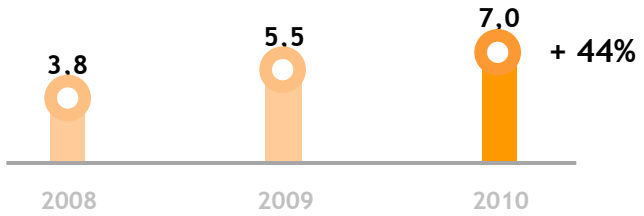
Conceição do Mato Dentro
Ipatinga
Itabira
Belo Horizonte
Sabará
Itaúna
Vitória
TUBARÃO Port
Mariana
Jeceaba
MRS
MRS
Três Rios
Barra do Piraí
B. Mansa
Itaguaí
ITAGUAÍ Port
São Paulo
MRS
Cubatão
CUBATÃO Port
Santos

Logistics


Mineração Usiminas
MODAL
TCS / TSA
IPATINGA Mill
MRS
EFVM
Tinaga
Trammel
CUBATÃO Mill / Port
Sepetiba Port
Itaguaí Port (Ingá)
Tubarão Port
Exports
Exports
Exports
Existing Routes
New Routes

Mining and Logistics
Current status

- 4 mining sites, acquired from J. Mendes Group in Feb./2008
- Located in Serra Azul-MG, one of the richest iron ore sites in Brazil.
- Production – MM ton:

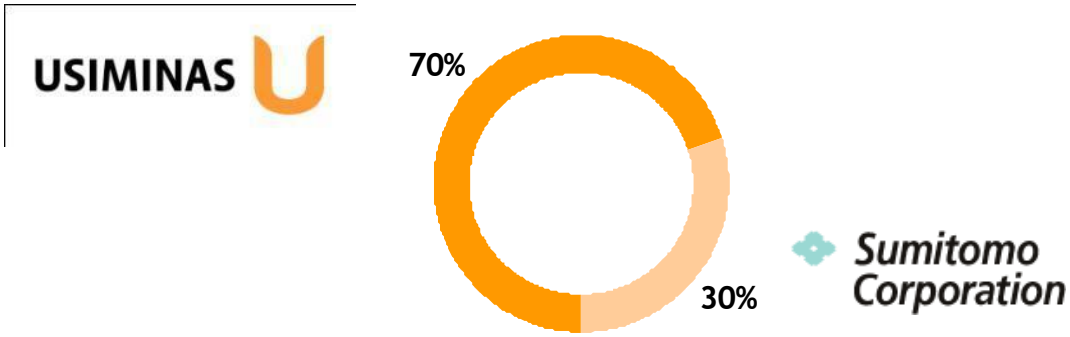


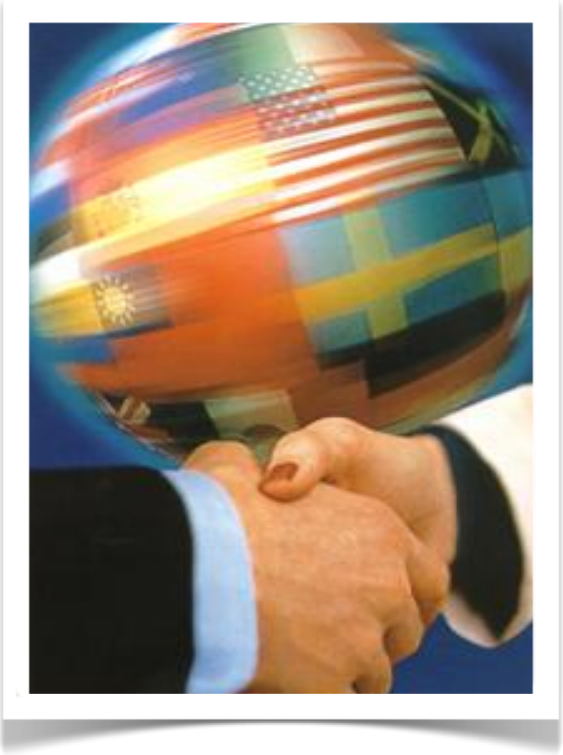
- Sept./2010: production record of +600 thousand tons.
- MRS: 20% of voting shares and part of the Control Group.
- Land in Itaguaí-RJ, acquired in 2008.



Mining and Logistics
Strategic partnership

- Acquisition, by the Japanese group Sumitomo Corporation, of 30% of Mineração Usiminas S.A., through the subscription of new shares, at the total maximum price of US$ 1.929 billion.

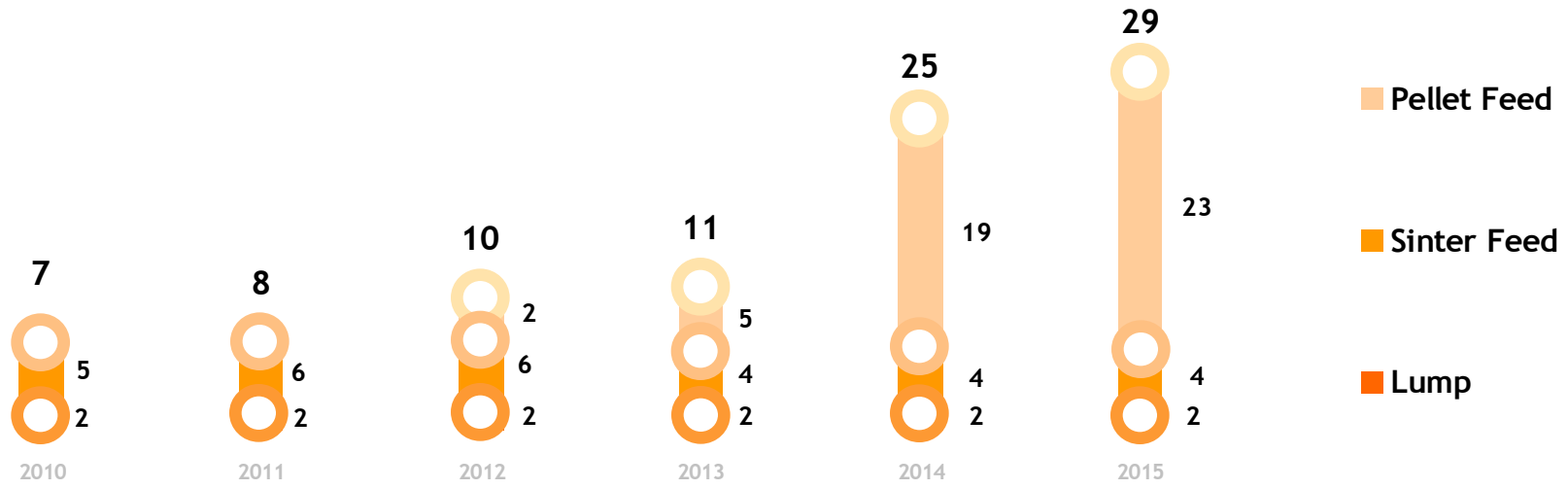




Estimated Market Value
Mineração Usiminas S.A.: US$ 6.4 bi

Development Plan

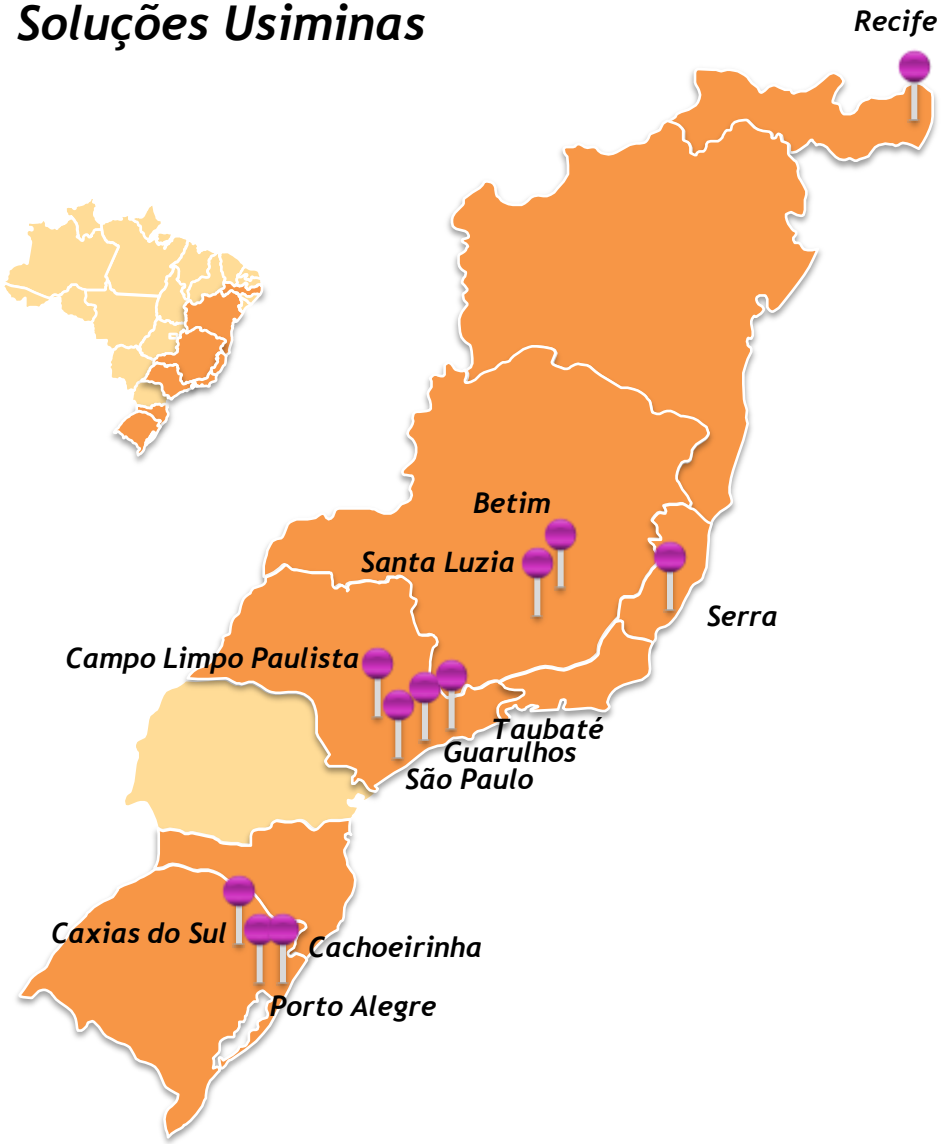
Iron Ore Production - *million tons*



- Capex until 2015 are estimated in R$ 4.1 billion including industrial facilities projects , equipments, loading terminals, etc.
- Reserves of 2.6 billion tons.

Steel Processing

Soluções Usiminas





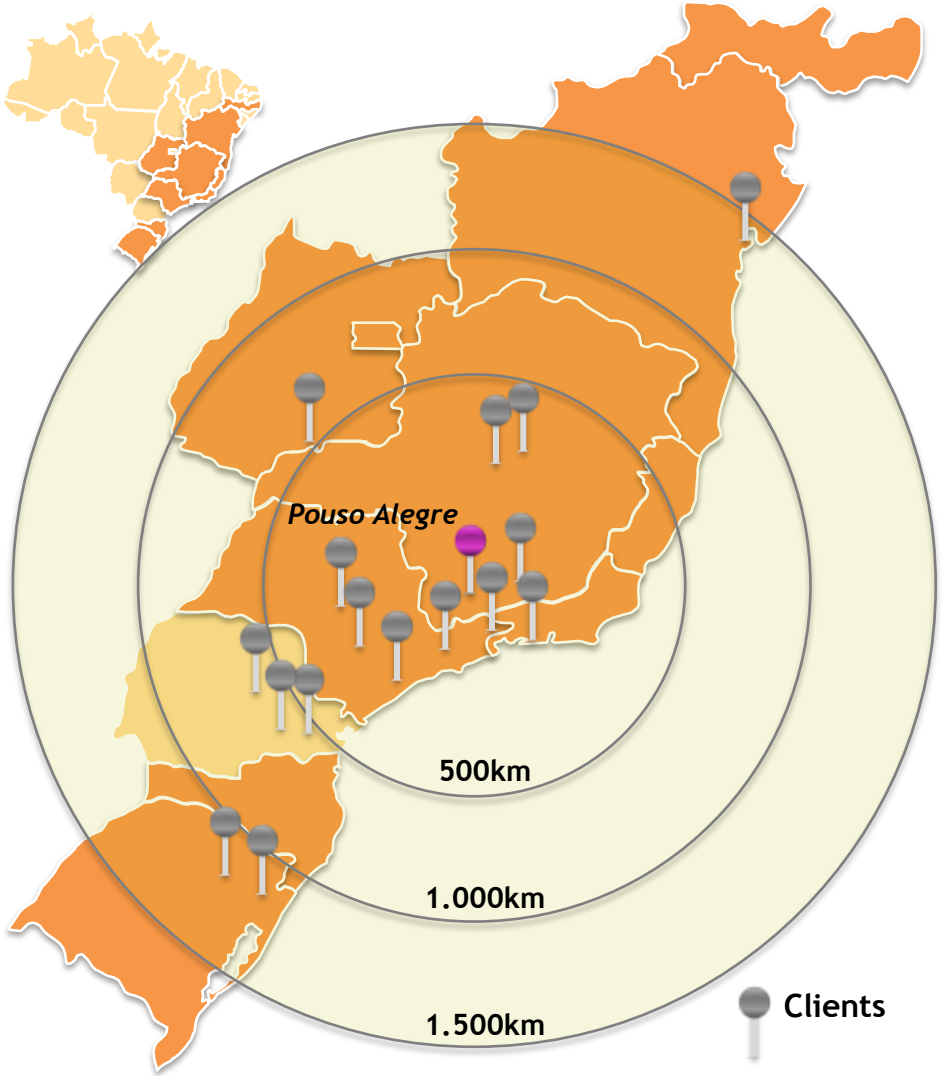
Soluções Usiminas

- 14 industrial units, in MG, SP, RS, ES and PE. Processing capacity of 2 million tons/year.
- 2009 Gross Revenues of R$1.6 billion
- Leadership:
  - In 1Q10, took over the leadership in the steel distribution sector, according to INDA.
- Investments:
  - 25% expansion in blanks production capacity (70,000 tons) of Taubaté plant (SP), to supply the auto industry. Up to April/2011.



Steel Processing

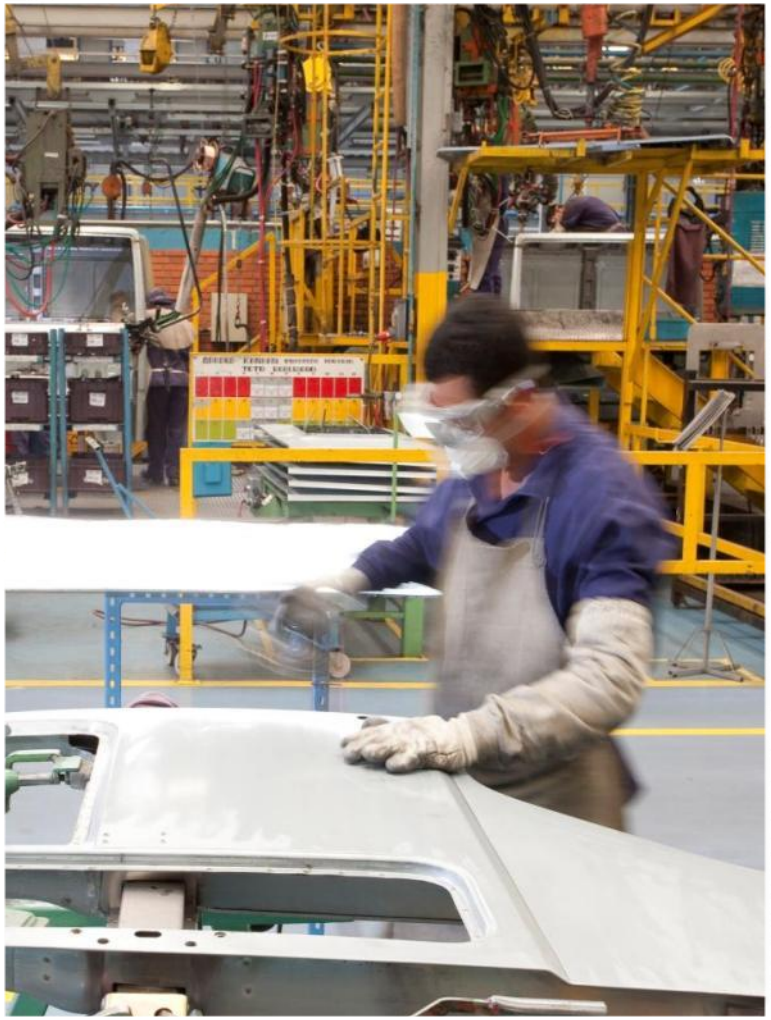
Automotiva Usiminas





Automotiva Usiminas

- Pouso Alegre – MG
  - Close to major auto makers. Full service company
- 2009 Gross Revenues of R$278 million
- Major Clients:
  - Ford, Mercedes Benz, Fiat, Volkswagen, Volvo, General Motors, International Trucks, Honda Toyota, PSA Peugeot Citroën, Scania.
- Highlights:
  - 2009 - FIAT Qualitas Awards - “Metallic Supplier”

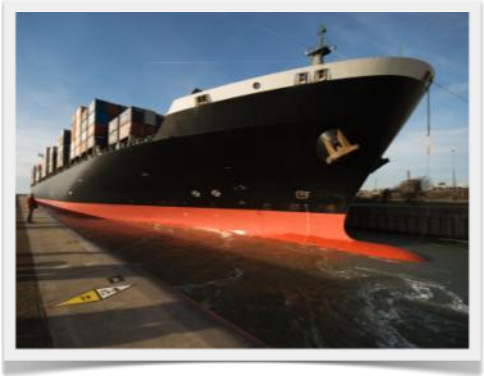


Capital Goods



Usiminas Mecânica

- Ipatinga – MG.
  - The Group's capital goods arm is one of the largest capital goods companies in the country.
- 2009 Gross Revenues of R$1.1 billion
- Market Sectors:
  - Structures and Metal Bridges.
  - Industrial Equipments.
  - Industrial Assembly.
  - Blanks and Stamping.
  - Funding, Forgery and Railcars.
  - Steel EPC Unit. (Engineering Procurement Construction)
  - Oil and Gas EPC Unit.







NÍVEL 1 BOVESPA BRASIL

ADR Level I

LATIBEX

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

USIMINAS