



RELEASE OF THE 4Q20 AND 2020 RESULTS

Public Information - Free Translation: For reference only – Original in Portuguese - Belo Horizonte, February 12, 2021. Usinas Siderúrgicas de Minas Gerais S.A. - Usiminas (B3: USIM3, USIM5 e USIM6; OTC: USDMY and USNZY; Latibex: XUSIO and XUSI) today releases its fourth quarter 2020 (4Q20) and 2020 annual results. The Company's operating and financial information, except where otherwise stated, is presented based on the consolidated figures in Brazilian Real, according to IFRS (International Financial Reporting Standards). The comparisons made in this release take into account the third quarter of 2020 (3Q20) and fiscal year 2019, except stated otherwise.

Highlights

- » **Steel sales volume** of 1.1 million tons in the 4Q20, highest quarterly volume since the 4Q15;
- » **Iron ore sales volume** of 8.7 million tons in 2020, annual sales record;
- » **Net Revenue** of R\$5.5 billion in the 4Q20 and of R\$16.1 billion in 2020, highest quarterly and annually;
- » **Adjusted EBITDA** of R\$1.6 billion in the 4Q20 and of R\$3.2 billion in 2020, highest quarterly and annual EBITDA since 2008;
- » **Net profit** of R\$1.9 billion in the 4Q20, 866% higher than the previous quarter;
- » **Cash** of R\$4.9 billion (+153% vs. 2019), highest annual cash position since 2011.

Consolidated - R\$ million	4Q20	3Q20	Δ	4Q19	Δ	2020	2019	Δ
Steel Sales Volume (000 t)	1,133	934	21%	1,009	12%	3,723	4,105	-9%
Iron Ore Sales Volume (000 t)	2,275	2,293	-1%	2,495	-9%	8,683	8,616	1%
Net Revenue	5,474	4,381	25%	3,873	41%	16,088	14,949	8%
Adjusted EBITDA	1,607	826	95%	468	243%	3,194	1,973	62%
Adjusted EBITDA Margin	29%	19%	+ 11 p.p.	12%	+ 17 p.p.	20%	13%	+ 7 p.p.
Net Income (Loss)	1,913	198	866%	268	613%	1,292	377	243%
Investments (CAPEX)	245	179	37%	356	-31%	799	690	16%
Working Capital	2,936	3,060	-4%	4,243	-31%	2,936	4,243	-31%
Cash and Cash Equivalents	4,868	3,734	30%	1,921	153%	4,868	1,921	153%
Net Debt	1,105	2,529	-56%	3,189	-65%	1,105	3,189	-65%
Net Debt/Adjusted EBITDA (x)	0.3	1.2	-0.9	1.6	-1.3	0.3	1.6	-1.3

Market Data - 12/31/20

B3	USIM5	R\$14.61/share
	USIM3	R\$15.69/share
EUA/OTC:	USNZY	US\$2.57/ADR
LATIBEX:	XUSI	€2.28/share
	XUSIO	€2.42/share

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OPERATING AND ECONOMIC-FINANCIAL PERFORMANCE

CONSOLIDATED OPERATING RESULTS – QUARTERLY

R\$ thousand	4Q20	3Q20	Δ	4Q19	Δ
Net Revenues	5,474,270	4,381,212	25%	3,872,891	41%
Domestic Market	4,186,725	3,078,104	36%	3,077,462	36%
Exports	1,287,545	1,303,108	-1%	795,429	62%
COGS	(3,901,465)	(3,489,321)	12%	(3,576,595)	9%
Gross Profit	1,572,805	891,891	76%	296,296	431%
Gross Margin	28.7%	20.4%	+ 8.4 p.p.	7.7%	+ 21.1 p.p.
Operating Income (Expenses)	476,791	(360,426)	-	(153,247)	-
Selling Expenses	(96,435)	(96,196)	0%	(76,366)	26%
General and Administrative	(122,317)	(98,233)	25%	(118,441)	3%
Other Operating Income (expenses)	695,543	(165,997)	-	41,560	1574%
EBIT	2,049,596	531,465	286%	143,049	1333%
EBIT Margin	37.4%	12.1%	+ 25.3 p.p.	3.7%	+ 33.7 p.p.
Equity in the results of investees	58,887	40,031	47%	48,107	-31%
Depreciation and Amortization	252,809	248,466	2%	256,182	-2%
EBITDA (Instruction CVM 527)	2,361,292	819,962	188%	447,338	428%
EBITDA Margin (Instruction CVM 527)	43.1%	18.7%	+ 24.4 p.p.	11.6%	+ 31.6 p.p.
Adjusted EBITDA - Jointly-controlled subsidiaries proportional EBITDA	1,607,060	825,980	95%	468,447	243%
Adjusted EBITDA Margin	29.4%	18.9%	+ 10.5 p.p.	12.1%	+ 17.3 p.p.
Main non-recurring items	150,579	13,128	1047%	121,437	24%
Adjusted EBITDA Excluding Non-Recurring Items	1,456,481	812,852	79%	347,010	320%
Adjusted EBITDA Excluding Non-recurring Items Margin	26.6%	18.6%	+ 8.1 p.p.	9.0%	+ 17.6 p.p.

Net Revenue - Quarterly

Net revenue in the 4Q20 reached R\$5.5 billion, a 25% increase over that in the 3Q20 (R\$4.4 billion), representing the highest net revenue in the history of Usiminas, mainly due to the increase in net revenue in the Steel Unit (+R\$1.2 billion vs. 3Q20), the Steel Processing Unit (+R\$312 million vs. 3Q20) and the Mining Unit (+R\$295 million vs. 3Q20). The factors that led to these variations will be explained in the Business Unit section of this release.

Cost of Goods Sold - COGS - Quarterly

Cost of goods sold (COGS) in the 4Q20 totaled R\$3.9 billion, a 12.0% increase over that in the 3Q20 (R\$3.5 billion), mainly due to higher COGS in the Steel Unit (+R\$829 million vs. 3Q20) and the Steel Processing Unit (+R\$219 million vs. 3Q20). The variations will be explained in the Business Unit section of this release.

Gross Profit - Quarterly

Gross profit was R\$1.6 billion in the 4Q20, a 76% increase over that in the 3Q20 (R\$892 million).

Operating Income (Expenses) - Quarterly

Sales expenses in the 4Q20 were R\$96 million, in line with the previous quarter (3Q20: R\$96 million).

In the 4Q20, **General and administrative expenses** totaled R\$122 million, 25% higher than in the previous quarter (3Q20: R\$98 million), mainly due to variation in the Steel Unit.

Other operating revenue (expenses) totaled R\$696 million, R\$862 million higher than accounted in the 3Q20 (negative R\$166 million), mainly due to registration of positive R\$ 737 million in the Impairment account (3Q20: negative R\$6.8 million), with R\$631 million from the Mining Unit and R\$107 million from the Steel Unit, where these do not affect Adjusted EBITDA, and fixed asset sales in the amount of R\$165 million (3Q20: R\$2.6 million), with special mention of the sale of the Company's headquarter building.

Thus, **Operating Revenue (expenses)** were R\$477 million in the 4Q20 (3Q20: negative R\$360 million).

The Main Non-recurring Events in the 4Q20 totaled R\$151 million and are related to asset sales, with one of them being the Company headquarters and commercial property at Shopping Vale do Aço. These events were recorded in **Other Operating Revenue (Expenses)**. With this, Usiminas accounted an EBITDA excluding the non-recurring effects of R\$1.5 billion (3Q20: R\$813 million).

CONSOLIDATED OPERATING RESULTS – ANNUAL

	R\$ thousand	2020	2019	Δ
Net Revenues		16,088,052	14,948,719	8%
Domestic Market		11,764,836	12,289,660	-4%
Exports		4,323,216	2,659,059	63%
COGS		(12,831,522)	(13,074,129)	-2%
Gross Profit		3,256,530	1,874,590	74%
Gross Margin		20.2%	12.5%	+ 7.7 p.p.
Operating Income (Expenses)		(487,824)	(1,102,814)	-56%
Selling Expenses		(398,385)	(288,515)	38%
General and Administrative		(426,764)	(426,905)	0%
Other Operating Income (expenses)		337,325	(387,394)	-
EBIT		2,768,706	771,776	259%
EBIT Margin		17.2%	5.2%	+ 12.0 p.p.
Equity in the results of investees		159,759	180,735	-12%
Depreciation and Amortization		1,000,223	991,785	1%
EBITDA (Instruction CVM 527)		3,928,688	1,944,296	102%
EBITDA Margin (Instruction CVM 527)		24.4%	13.0%	+ 11.4 p.p.
Adjusted EBITDA - Jointly-controlled subsidiaries proportional EBITDA		3,193,620	1,973,010	62%
Adjusted EBITDA Margin		19.9%	13.2%	+ 6.7 p.p.
Main non-recurring items		140,719	115,146	22%
Adjusted EBITDA Excluding Non-Recurring Items		3,052,901	1,857,864	64%
Adjusted EBITDA Excluding Non-recurring Items Margin		19.0%	12.4%	+ 6.5 p.p.

Net Revenue - Annual

Net revenue in 2020 reached R\$16.1 billion, an 8% increase over 2019 (R\$14.9 billion), the highest annual net revenue in Usiminas' history, mainly due to the increase in net revenue of the Mining Unit (+R\$1.9 billion vs. 2019). The factors that led to this variation will be explained in the Mining Unit section of this release.

Cost of goods sold - COGS - Annual

in 2020, Cost of goods sold (COGS) totaled R\$12.8 billion, a 2% decrease in relation to that accounted in 2019 (R\$13.1 billion).

Gross Profit - Annual

In 2020, gross profit was R\$3.3 billion, a 74% increase over that in the previous year (2019: R\$1.9 billion).

Operating Revenue (Expenses) - Annual

Sales expenses in the year were R\$398 million, a 38% increase over those in 2019 (R\$289 million), mainly due to higher provision for doubtful accounts in the Steel Unit and higher sales expenses in the Mining Unit, which will be detailed in the Business Unit section of this release.

In 2020, **General and Administrative Expenses** totaled R\$427 million, in line with those accounted in the previous year (2019: R\$427 million).

Other operating revenue (expenses) totaled R\$337 million, R\$724 million higher than accounted in 2019 (negative R\$387 million), mainly due to: (i) registration of positive R\$ 731 million in the Impairment account (2019: R\$16 million), which does not affect Adjusted EBITDA and (ii) asset sales in the amount of R\$174 million (2019: R\$6 million), being partially offset by higher idle capacity expenses, which were R\$333 million in 2020, R\$56 million higher than in 2019 (R\$277 million), mainly related to temporarily halted equipment in the Steel Unit, due to the COVID-19 pandemic. Furthermore, in 2019, R\$117 million were recognized regarding the lawsuit judgement concerning the compulsory loan to Eletrobras in the Steel Unit, non-recurring in 2020.

Thus, **Operating Revenue (Expenses)** were a negative R\$488 million in 2020 (2019: negative R\$1.1 billion).

The **Main Non-recurring Events** accounted in 2020 totaled R\$141 million, with the highlights being (i) reversion of legal provisions in the 1Q20 in the amount of R\$66 million, (ii) provisions

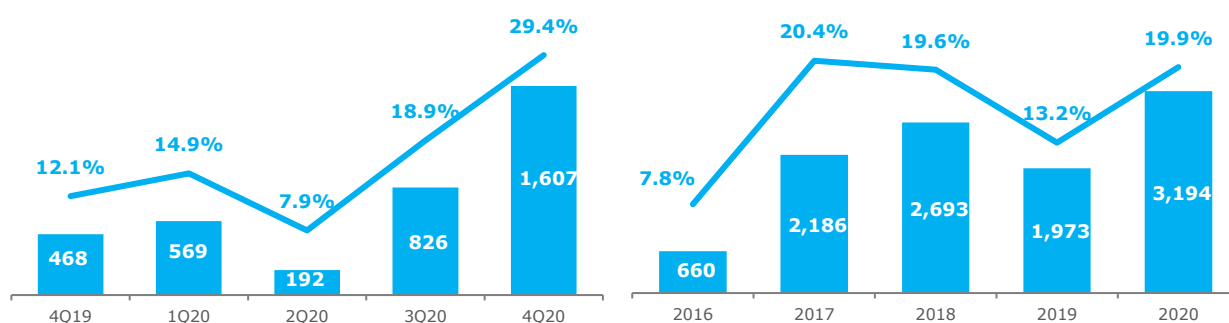
related to effects of the COVID-19 pandemic in the amount of R\$51 million and related to the restructuring of the Capital Goods Unit in the amount of R\$19 million, both accounted in the 2Q20; (iii) recognition of *Reintegra* of sales to the Manaus Free Trade Zone in the amount of R\$13 million and (iv) asset sales in the 4Q20. All these events were accounted in **Other Operating Revenue (Expenses)**. Additionally, a non-recurring provision for doubtful accounts in the amount of R\$19 million was made in the 2Q20 in the **Sales Expenses account**. With this, Usiminas reported EBITDA excluding the non-recurring effects of R\$3.1 billion in 2020 (R\$1.9 billion in 2019).

Adjusted EBITDA – Quarterly and Annual

Consolidated (R\$ thousand)	EBITDA Breakdown				
	4Q20	3Q20	4Q19	2020	2019
Net Income (Loss)	1,912,702	198,082	268,147	1,291,743	376,691
Income Tax / Social Contribution	420,193	205,597	77,442	554,230	65,981
Financial Result	(224,412)	167,817	(154,433)	1,082,492	509,839
Depreciation, Amortization and depletion	252,809	248,466	256,182	1,000,223	991,785
EBITDA - Instruction CVM - 527	2,361,292	819,962	447,338	3,928,688	1,944,296
(-) Equity in the Results of Associate and Jointly-controlled subsidiaries	(58,887)	(40,031)	(48,107)	(159,759)	(180,735)
(+) Jointly-controlled subsidiaries proportional EBITDA	42,060	39,298	52,790	155,345	193,023
(-) Impairment of Assets	(737,405)	6,751	16,426	(730,654)	16,426
Adjusted EBITDA	1,607,060	825,980	468,447	3,193,620	1,973,010
Adjusted EBITDA Margin	29.4%	18.9%	12.1%	19.9%	13.2%

Adjusted EBITDA is calculated starting from the net profit (loss) of the period, reversing: (a) income tax and social contribution; (b) financial result; (c) depreciation, amortization and depletion; (d) equity in the results of subsidiaries and associate companies; (e) asset impairment; and including proportional EBITDA of 70% of Unigal and other subsidiaries jointly.

Consolidated Adjusted EBITDA and Adjusted EBITDA Margin (R\$ million):



Consolidated Financial Result – Quarterly and Annual

R\$ thousand	4Q20	3Q20	Δ	4Q19	Δ	2020	2019	Δ
Net Currency Exchange Variation	286,321	(102,099)	-	95,420	-	(764,555)	(185,168)	313%
Financial Income	79,594	57,014	40%	260,451	40%	262,691	622,022	-58%
Interest on Financial Asset and Monetary Effects	25,823	12,096	113%	23,052	113%	79,501	93,723	-15%
Monetary Effects on ICMS tax in the base calculation of PIS and COFINS	43,558	1,493	2817%	5,328	2817%	52,669	69,702	-24%
Monetary Effects on assets	3,141	2,747	14%	7,046	14%	38,384	24,875	54%
Reversal of interest on contingencies	4,324	-	-	-	-	26,883	57,738	-53%
Monetary Effects on receivable from Eletrobrás	1	8,312	-48%	3,731	-48%	5,687	263,892	-98%
Other Financial Income	2,747	26,680	-90%	32,782	-90%	59,567	112,092	-47%
Financial Expenses	(141,503)	(122,732)	15%	(201,438)	15%	(580,628)	(946,693)	-39%
Interest and Monetary Effects over Financing and Taxes Payable in Installments	(73,978)	(78,351)	-6%	(85,583)	-6%	(328,889)	(454,414)	-28%
Swap Transactions	3	(349)	-	495	-	1,535	(1,696)	-
Monetary Effects on liabilities	(4,114)	(2,609)	58%	(12,021)	58%	(36,702)	(40,803)	-10%
Financing Commission and Others	(2,248)	(8,389)	-73%	(44,260)	-73%	(24,079)	(128,353)	-81%
Monetary Effects on contingencies	(36,205)	(13,212)	174%	(15,775)	174%	(98,273)	(176,634)	-44%
Other Financial Expenses	(24,961)	(19,822)	26%	(44,294)	26%	(94,220)	(144,793)	-35%
FINANCIAL RESULT	224,412	(167,817)	-	154,433	-	(1,082,492)	(509,839)	112%
+ Appreciation / - Depreciation of Exchange Rate (R\$/US\$)	-7.9%	3.0%	- 10.9 p.p.	-3.2%	- 10.9 p.p.	28.9%	4.0%	+ 24.9 p.p.

In the 4Q20, the financial result was R\$224 million, against a negative result of R\$168 million in the 3Q20, mainly due to net exchange gains of R\$286 million, against a net exchange loss of R\$102 million in the 3Q20.

In the year, the net financial result was a negative R\$1.1 billion, 112% higher than that accounted in the previous year of a negative R\$510 million, mainly due to net exchange losses of R\$765 million in 2020, against losses of R\$185 million in 2019, which impacted the dollar parcel of the Company's debt, linked to the exchange variation of 28.9% in the period. Additionally, lower corrections of credits from Eletrobras (R\$6 million, R\$264 million in 2019).

Net Profit (Loss) – Quarterly and Annual

R\$ thousand	4Q20	3Q20	Δ	4Q19	Δ	2020	2019	Δ
EBIT	2,049,596	531,465	286%	143,049	286%	2,768,706	771,776	259%
EBIT Margin	37.4%	12.1%	+ 25.3 p.p.	3.7%	+ 25.3 p.p.	17.2%	5.2%	+ 12.0 p.p.
Financial Result	224,412	(167,817)	-	154,433	-	(1,082,492)	(509,839)	112%
Equity in the results of investees	58,887	40,031	47%	48,107	47%	159,759	180,735	-12%
Operating Profit (Loss)	2,332,895	403,679	478%	345,589	478%	1,845,973	442,672	317%
Income Tax / Social Contribution	(420,193)	(205,597)	104%	(77,442)	104%	(554,230)	(65,981)	740%
Net Income (Loss)	1,912,702	198,082	866%	268,147	865.6%	1,291,743	376,691	243%
Net Margin	34.9%	4.5%	+ 30.4 p.p.	6.9%	+ 30.4 p.p.	8.0%	2.5%	+ 5.5 p.p.

In the 4Q20, the Company accounted a net profit of R\$1.9 billion, 866% higher than the net profit shown in the previous quarter (3Q20: R\$198 million).

In 2020, Net Profit of Usiminas was R\$1.3 billion, the highest annual net profit since 2010 and 243% higher than that in 2019 (R\$377 million).

Working Capital

In the 4Q20, working capital totaled R\$2.9 billion, 4.1% lower compared to the 3Q20 (R\$3.1 billion), the lowest level since 4Q17. The main variations are presented below:

- Increase in the balance of **Suppliers** by R\$285 million, tied to greater purchase of slabs and raw materials to supply the resumption of production levels;
- Increase in the balance of **Taxes Collectible** by R\$218 million;

Partially compensated by:

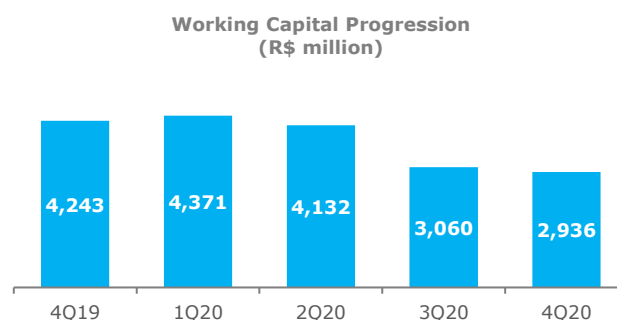
- Increase in the **Inventories** account by R\$310 million, mainly due to appreciation of raw materials and by the increase in the steel inventory volume by 7.6%, tied to the increase in the production levels.

In the year, the decrease in Working Capital was 30.8% (2019: R\$4.2 billion). The main variations were:

- Increase in the balance of **Taxes Collectible** by R\$498 million, related to the increase of profit accounted, mainly in the Mining and Steel Units;
- Increase in the **Suppliers** balance by R\$400 million, linked to greater supply of purchased slab and appreciation of raw materials;
- Decrease in the balance of **Amounts Receivable – Eletrobras** by R\$306 million, with the receipt of the undisputed amount in the 3Q20;
- Decrease in the balance of **Taxes Recoverable** by R\$303 million, mainly because of utilization of credits related to the inclusion of the ICMS tax in the calculation base of PIS/COFINS taxes;
- Increase in the balance of **Forfeiting Operations** by R\$267 million;

Partially compensated by:

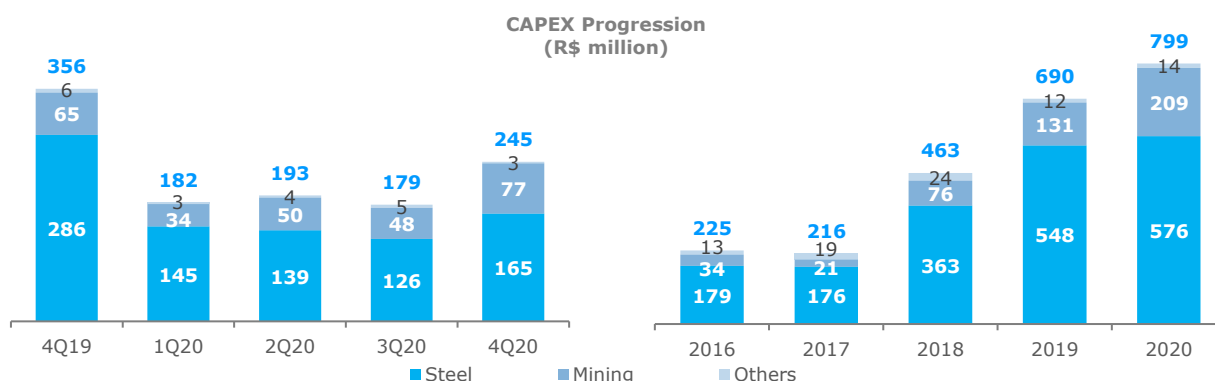
- Increase in **Accounts Receivable** by R\$438 million, mainly in the Mining Unit, related to higher volume financed for export sales.



Investments (CAPEX) – Quarterly and Annual

CAPEX in the 4Q20 totaled R\$245 million, 36.8% higher compared to the 3Q20 (R\$175 million). The investments were applied mainly to sustaining CAPEX, safety and environment, with 67.5% in the Steel Unit, 31.4% in the Mining Unit and 1.1% in the other Units.

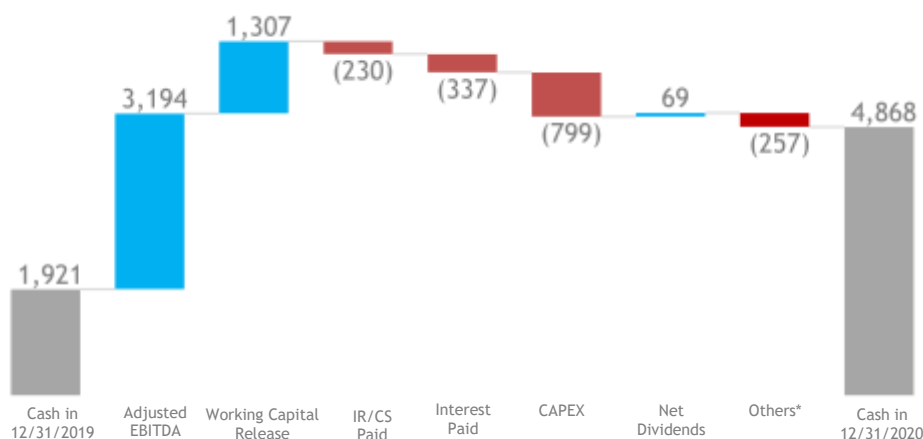
CAPEX in 2020 totaled R\$799 million, 15.7% higher compared to 2019 (R\$690 million), representing the highest level of investment since 2014. The investments were applied mainly to sustaining CAPEX, safety and environment, with special mention of the implementation of the Dry Stacking system in the Mining Unit. CAPEX was distributed to the Steel Unit (72.1%), Mining (26.1%) and other Units (1.7%).



Cash Position and Debt

On 12/31/20, consolidated **Cash and Cash Equivalents** was R\$4.9 billion, 30.4% higher than that on 09/30/20 (R\$3.7 billion), mainly due to strong **EBITDA** generation. Compared to that on 12/31/19 (R\$1.9 billion), variation of **Cash and Cash Equivalents** was 153.4%, the

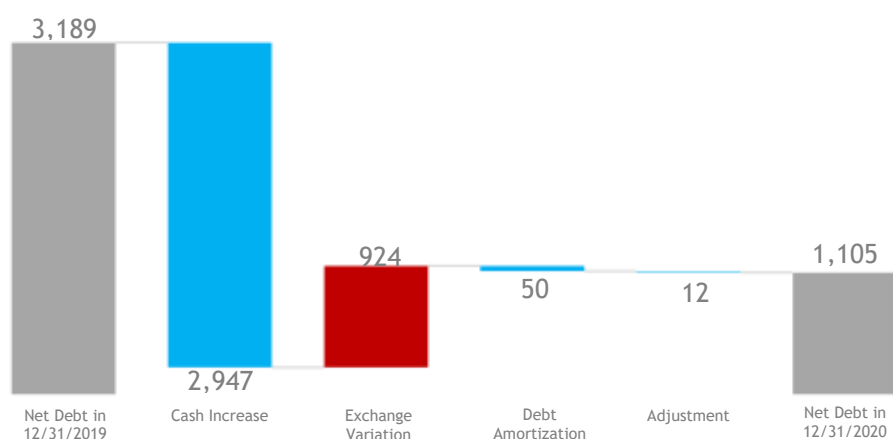
highest annual closing since 2011, mainly due to strong EBITDA generation and freeing up of Working Capital. The following graph shows the evolution of cash in 2020:



*"Others" described on Cash Flow on Appendix.

On 12/31/20, **Gross Consolidated Debt** was R\$6.0 billion, 4.6% lower than on 09/30/20 (R\$6.3 billion), mainly due to Real appreciation against the Dollar by 7.9%. In the year, **Gross Consolidated Debt** grew 16.9%, also strongly tied to Real depreciation against the Dollar by 28.9% in the year.

Net Consolidated Debt on 12/31/20 was R\$1.1 billion, 56.3% lower than on 09/30/20 (R\$2.5 billion). The variation mostly occurred due to the rise in the Cash and Cash Equivalents position by 49.0% in the period. In the year, **Net Debt** decreased by 65.4% compared to that on 12/31/19 (R\$3.2 billion), also strongly related to cash generation in the period.



In regard to debt composition by maturity, on 12/31/20, it was 2% short term and 98% long term, compared to 1% short term and 99% long term on 09/30/20 and 2% and 98%, respectively on 12/31/19.

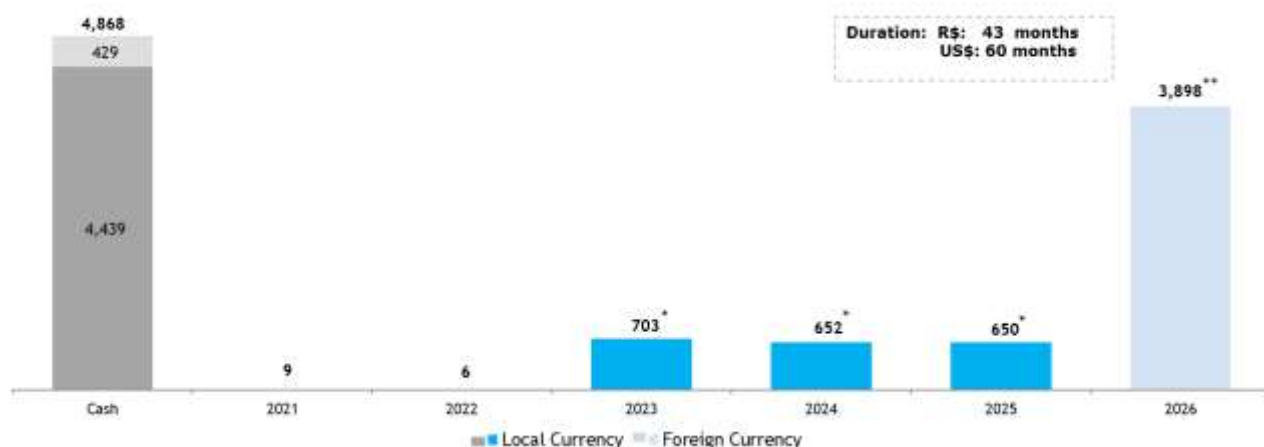
The **Net Debt/EBITDA** ratio closed the 4Q20 at 0.3x (3Q20: 1.2x; 4Q19: 1.6x).

The following chart demonstrates the consolidated debt data:

R\$ thousand	31-dez-20				30-set-20 TOTAL	Change Dez20/Set20	31-dez-19 TOTAL	Change Dez20/Dez19
	Short Term	Long Term	TOTAL					
Local Currency	30,632	1,998,100	2,028,732	34%	2,048,000	-1%	2,081,808	-3%
CDI	19,214	1,985,394	2,004,608	-	1,984,399	1%	2,006,267	0%
Others	11,418	12,706	24,124	-	63,601	-62%	75,541	-68%
Foreign Currency*	109,700	3,834,310	3,944,010	66%	4,215,800	-6%	3,028,744	30%
Gross Debt	140,332	5,832,410	5,972,742	100%	6,263,800	-5%	5,110,552	17%
Cash and Cash Equivalents	-	-	4,868,105	-	3,734,302	30.4%	1,921,141	153%
Net Debt	-	-	1,104,637	-	2,529,498	-56%	3,189,411	-65%

(*)100% of total foreign currency is US dollars denominated in the 4Q20

The following graph demonstrates the cash and debt profile positions (principal only) in millions of Real on 12/31/20.



*: Debêntures

** : Bonds

OPERATIONAL PERFORMANCE OF THE BUSINESS UNITS

Intercompany transactions are on an arm's length basis (market prices and conditions), and sales between Business Units are carried out as sales between independent parties.

Income Statement per Business Units - Non Audited - Quarterly

R\$ million	Mining		Steel*		Steel Processing		Capital Goods		Adjustment		Consolidated	
	4Q20	3Q20	4Q20	3Q20	4Q20	3Q20	4Q20	3Q20	4Q20	3Q20	4Q20	3Q20
Net Revenue	1,413	1,118	4,198	3,042	1,378	1,066	60	31	(1,574)	(876)	5,474	4,381
Domestic Market	272	228	4,052	2,631	1,378	1,065	60	31	(1,574)	(876)	4,187	3,078
Exports	1,141	890	146	412	0	1	-	-	-	-	1,288	1,303
COGS	(396)	(425)	(3,692)	(2,863)	(1,208)	(989)	(67)	(72)	1,461	859	(3,901)	(3,489)
Gross Profit (Loss)	1,017	694	506	179	171	77	(7)	(41)	(114)	(16)	1,573	892
Operating Income (Expenses)	537	(84)	(12)	(237)	(40)	(23)	(10)	(17)	2	1	477	(360)
Selling	(52)	(51)	(26)	(29)	(17)	(11)	(1)	(4)	(2)	(1)	(96)	(96)
General and Administrative	(7)	(7)	(96)	(77)	(15)	(12)	(7)	(6)	4	4	(122)	(98)
Other Operating Income (expenses),	596	(26)	109	(130)	(8)	(0)	(2)	(8)	0	(2)	696	(166)
Net EBIT	1,554	609	493	(58)	130	54	(17)	(58)	(111)	(15)	2,050	531
Depreciation and amortization	35	35	219	214	7	7	-	-	(8)	(8)	253	248
Equity in the results of investees	27	20	795	259	-	-	(0)	(0)	(763)	(239)	59	40
EBITDA (Instruction CVM 527)	1,616	664	1,507	416	137	61	(17)	(58)	(882)	(262)	2,361	820
EBITDA Margin	114.4%	59.4%	35.9%	13.7%	10.0%	5.7%	-28.0%	-189.9%	56.0%	30.0%	43.1%	18.7%
Adjusted EBITDA	958	644	605	157	137	61	(16)	(52)	(24)	16	1,607	826
Adj.EBITDA Margin	67.8%	57.6%	14.4%	5.1%	10.0%	5.7%	-26.6%	-167.8%	1.5%	-1.8%	29.4%	18.9%

*Consolidated 70% of Unigal

Income Statement per Business Units - Non Audited - Nine Months Ended

R\$ million	Mining		Steel*		Steel Processing		Capital Goods		Adjustment		Consolidated	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Net Revenue	3,858	1,989	12,371	12,719	3,844	3,730	248	412	(4,233)	(3,902)	16,088	14,949
Domestic Market	796	607	11,112	11,443	3,841	3,730	248	412	(4,233)	(3,902)	11,765	12,290
Exports	3,062	1,382	1,259	1,276	2	1	-	-	-	-	4,323	2,659
COGS	(1,482)	(1,144)	(11,481)	(11,774)	(3,537)	(3,540)	(337)	(388)	4,006	3,773	(12,832)	(13,074)
Gross Profit (Loss)	2,376	845	889	945	306	190	(89)	23	(227)	(129)	3,257	1,875
Operating Income (Expenses)	310	(241)	(615)	(718)	(123)	(100)	(64)	(39)	5	(4)	(488)	(1,103)
Selling	(190)	(116)	1	(109)	(52)	(45)	(10)	(13)	(5)	(4)	(398)	(289)
General and Administrative	(27)	(24)	0	(333)	(53)	(57)	(25)	(27)	15	15	(427)	(427)
Other Operating Income (expenses),	526	(100)	(137)	(276)	(18)	3	(29)	1	(5)	(14)	337	(387)
Net EBIT	2,686	604	274	90	183	90	(153)	(16)	(222)	(133)	2,769	772
Depreciation and amortization	142	133	863	862	28	30	-	-	(33)	(34)	1,000	992
Equity in the results of investees	56	61	1,260	273	-	-	(0)	(0)	(1,156)	(153)	160	181
EBITDA (Instruction CVM 527)	2,884	798	2,397	1,362	212	120	(153)	(16)	(1,411)	(320)	3,929	1,944
EBITDA Margin	74.7%	40.1%	19.4%	10.7%	5.5%	3.2%	-61.6%	-3.9%	33.3%	8.2%	24.4%	13.0%
Adjusted EBITDA	2,197	740	1,030	1,102	212	120	(145)	(16)	(46)	26	3,194	1,973
Adj.EBITDA Margin	57.0%	37.2%	8.3%	8.7%	5.5%	3.2%	-58.5%	-3.9%	1.1%	-0.7%	19.9%	13.2%

*Consolidated 70% of Unigal

Business Unit - Mining

In the 4Q20, the average Platts iron ore quotation for 62% Fe was US\$ 133.69/t, an amount 13.1% higher to the average practiced in the 3Q20 of US\$ 118.21/t and 50.9% above the price negotiated on 4Q19 of US\$ 88.61/t.

Strong Chinese demand and limited supply of Brazilian ore in the market contributed to the price increase over the quarter. Brazilian ore exports fell 9,3% over the previous quarter and close the year with 342 million tons shipped, a 2.6% decrease over that exported in 2019. This scenario, despite the decrease in vessel unloading congestion, led to low inventory levels at Chinese ports and contributed to the already high prices increasing even further.

The premium paid for 65% Fe iron ore showed an increase compared to the previous quarter, supported by higher margins obtained by Chinese steel companies. Additionally, with restriction imposed by the Chinese government on Australian coal imports, coke prices had a strong increase in the Chinese domestic market, contributing to higher demand for high-grade iron ore. With this the spread paid between 65% Fe ore and 62% Fe ore was negotiated at US\$12.42/t in the 4Q20, a 16.3% increase over the average in the 3Q20 of US\$10.68/t.

The ocean freight, on the other hand, fell 13.2% over the 4Q20 compared to the 3Q20, negotiated at US\$15.50/t (US\$17.86/t in the 3Q20), with lower iron ore volume shipped on the Tubarão-Qingdao route and greater availability of Capesize vessels

Operational and Sales Performance - Mining

In the 4Q20, **Production Volume** was 2.2 million tons (Mt), a 3.4% decrease compared to the 3Q20 (2.3 Mt), 9.6% higher in relation to the 4Q19 (2.0 Mt).

In 2020, **Production Volume** totaled 8.7 Mt, a record by the Unit, an 18.2% increase over that in 2019 (7.4Mt) due to continuous operation of the Samambaia Plant in the year, while the plant operated for eight months in 2019.

Sales Volume reached 2.3 Mt in the 4Q20, stable compared to the 3Q20 (2.3 Mt). Compared to the same period in the previous year (y-o-y), (2.5Mt), there was an 8.9% decrease.

In 2020, Mineração Usiminas once again achieved an annual sales record with volume of 8.7 Mt, 0.8% more than in 2019 (8.6MT).

Production and sales volumes are shown below:

Thousand tons	Iron Ore							
	4Q20	3Q20	Δ	4Q19	Δ	2020	2019	Δ
Production	2,242	2,319	-3%	2,045	10%	8,735	7,389	18%
Total Sales	2,275	2,293	-1%	2,497	-9%	8,683	8,616	1%
Exports	1,576	1,558	1%	1,707	-8%	5,916	4,631	28%
Domestic Market - Usiminas	587	538	9%	545	8%	2,161	2,185	-1%
Domestic Market - Third Parties	111	197	-44%	245	-55%	606	1,800	-66%

Exports closed out the 4Q20 with 9 vessels shipped, the same number as in the previous quarter.

Exported volume in the 4Q20 was 1.6 Mt, in line with the 3Q20. Compared to the volume shipped in the same period of the previous year (y-o-y), there was an 8% decrease (1.7 Mt). **Distribution by sales term** in the 4Q20 was 76% exported in CFR terms (Cost and Freight) and 24% FOB (Free on Board), against 89% and 11% in the 3Q20, respectively.

In 2020, exports were 5.9 Mt, a 28% increase compared to 2019 (4.6Mt). **Distribution by sales term** in 2020 was 79% CFR and 21% FOB, against 74% and 26% in 2019, respectively.

Comments on the Business Unit Results – Mining - Quarterly

Net Revenue total R\$1.4 billion in the 4Q20, a 26.3% increase over that in the 3Q20 (R\$1.1 billion), mainly due to the price increase in iron ore and sale of higher value-added products. The average exchange rate remained stable.

Cost of total production per ton was R\$72.7/t in the 4Q20, against R\$66.7/t in the 3Q20. Excluding expenses with temporarily idle beneficiation plants, cash cost per ton was R\$70.9/t in the 4Q20 (R\$66.3/t in the 3Q20), a 6.9% increase between periods, mainly due to higher spending with fuel due to higher market price, higher maintenance costs and operation services.

Cost of Goods Solds (COGS) in the 4Q20 was R\$395.7 million, 6.8% lower against the previous quarter (R\$424.6 million). In unitary terms, COGS/t in the 4Q20 was R\$173.9/t, a 6.1% decrease over the previous quarter (R\$185.2/t), mainly due to fall in the price of international freight, in addition to lower share of sales in the CFR mode.

Sales Expenses totaled R\$51.7 million in the 4Q20, in line with the amount accounted in the previous quarter (3Q20: R\$51.4 million).

General and Administrative Expenses in the 4Q20 totaled R\$7.5 million, a 10.9% increase compared to the 3Q20 (R\$6.8 million), due to higher personnel expenses.

Other Operating Revenue (Expenses) showed a positive result of R\$596.0 million against a negative R\$26.2 million in the 3Q20, mainly due to reversal of Impairment in the amount of R\$631.0 million due to revaluation of assets of Mineração Usiminas. Remembering that the reversal of Impairment does not affect the amount of Adjusted EBITDA calculated in the quarter.

Adjusted EBITDA reached R\$958 million in the 4Q20, with Mineração Usiminas reached a new historical high for EBITDA in the quarter, representing a 48.7% increase over that in the 3Q20 (R\$644 million). Adjusted EBITDA Margin was 67.8% in the 4Q20 (3Q20: 57.6%).

Comments on the Business Unit Results – Mining - Annual

In 2020, **Net Revenue** totaled R\$3.9 billion, a 94.0% increase in relation to 2019 (R\$2.0 billion). The increase mainly occurred due to: (i) higher average international iron ore prices, which had an average quotation of US\$108.72/t against an average US\$93.43/t in 2019, a 16.4% increase; (ii) higher export volumes by 27.7% with higher value added, thanks to higher ITM Samambaia production and; (iii) Real average depreciation of 30.7% against the Dollar in the period.

In 2020, **Cash Cost of total production per ton** was R\$69.7/t, an 8.2% increase over 2019 (R\$64.5/t). Excluding expenses with temporarily idle beneficiation plants, cash cost per ton was R\$67.9/t in 2020 (R\$60.2/t in 2019), a 12.7% increase between periods, mainly related to higher dollar-pegged costs and readjustments in service contracts linked to inflation.

Cost of Goods Sold (COGS) totaled R\$1.5 billion in 2020, 29.5% higher than in 2019 (R\$1.1 billion). In unitary terms, COGS/t was R\$170.7/t, a 28.5% increase compared to 2019 (R\$132.8/t), due to higher sales volume for export (27.7%).

Sales Expenses in 2020 totaled R\$189.7 million, a 63.3% increase (2019: R\$116.2 million), mainly related to higher sales volume for export, with part of the expenses dollarized and higher prices practiced.

General and Administrative Expenses totaled R\$26.7 million in the year, a 9.7% increase compared to 2019 (R\$24.4 million)

In 2020, **Other Operating Revenue (Expenses)** showed a positive result of R\$526.2 million (2019: negative R\$100.3 million), mainly due to Impairment reversal effects in the amount of R\$631.0 million accounted in 2020, without effect on Adjusted EBITDA, an effect not observed in the previous fiscal year.

Adjusted EBITDA reached R\$2.2 billion in 2020, with Mineração Usiminas reaching a new historical high of EBITDA, an increase of 196.7% over 2019 (R\$741 million). Adjusted EBITDA Margin was 57.0% in 2020 (2019: 37.2%).

Investments (CAPEX)

CAPEX totaled R\$76.9 million in the 4Q20, against R\$47.6 million accounted in the 3Q20, a 61.7% increase in investment. The main investments were applied to safety, with a highlight to the dry stacking system and sustaining CAPEX.

In 2020, investments made by the Mining Unit totaled R\$208.8 million, 59.7% higher than in 2019 (R\$130.8 million), applied mainly to the Dry Stacking project.

Business Unit - Steel

World Steel Association (WSA) statistics for crude steel production for 2020 reached 1,864 billion, a decline of 0.9% compared to same period in 2019. The retraction affected several of the main producing countries. Among the 5 largest, the highlights were the falls in India (-10.6%), Japan (-16.2%) and the United States (-17.2%). China and Russia had increases of 5.2% and 2.6%, respectively. In Brazil, production of 31.0 million tons in 2020 meant a decrease of 4.9% compared to 2019.

According to the Brazilian Steel Institute, 2020 was surprising to everyone. Steel consumption in the country ended 2020 with a 1.2% increase over the previous year. The flat steel market demand had a soft landing of -0.5%, with stability in the parcel of domestic sales and decline of 7.7% in imports, which corresponded to 10.8% of consumption volume in the year. Flat finished product exports, on the other hand, fell 30%, to 1.6 Mt.

The figures of the National Steel Distributors Institute (INDA) reinforce the dynamic of decline followed by strong recovery in the flat steel market. Sales in 2H20 were on average 23% higher to those in the same period of 2019 and closed the year with a 6.6% increase. Inventories remain at historically low levels, with turnover of 2.3 months.

Production - Ipatinga and Cubatão Plants

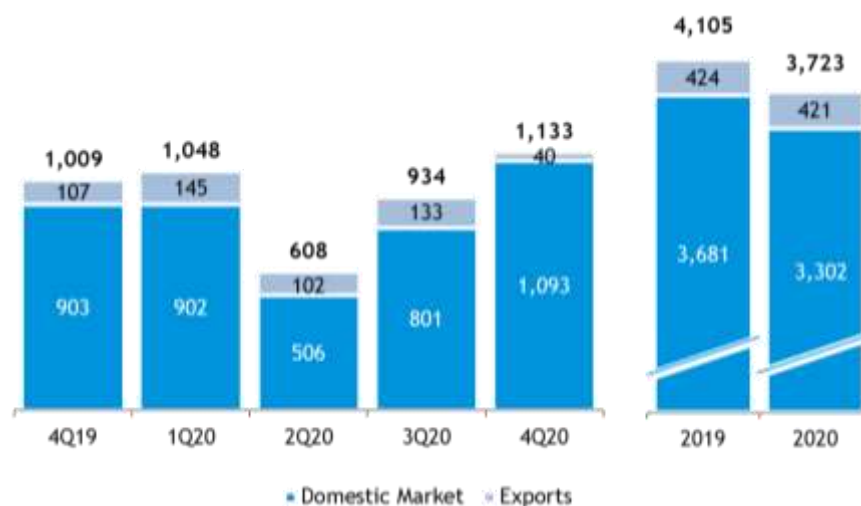
Crude steel production at the Ipatinga Plant was 760 thousand tons in the 4Q20, 9.2% higher in relation to the 3Q20 (696 thousand tons). Finished production at the Ipatinga and Cubatão Plants totaled 1.143 million tons in the 4Q20 (3Q20: 801 thousand tons), a 42.7% increase, reflex of efforts made by the Company to meet domestic demand in the quarter. In the 4Q20, 521 thousand tons of purchased slab were processed (3Q20: 240 thousand tons).

In 2020, crude steel production at the Ipatinga Plant was 2.760 million tons, 15.4% lower in relation to 2019 (3.264 million tons). Finished production at the Ipatinga and Cubatão Plants totaled 3.695 million tons in the year (2019: 4.064 million tons) a 9.1% decrease, resultant from the measures taken to adapt needed production to the fall in demand observed in beginning of the pandemic. It is worthy mentioning the efforts of the Company to adapt production to recovery in demand, considering that finished production in the 4Q20 was 69.1% higher than that accounted in the 2Q20 (676 thousand tons). In 2020, 1.245 million tons of purchased slab were processed (2019: 1.272 million tons).

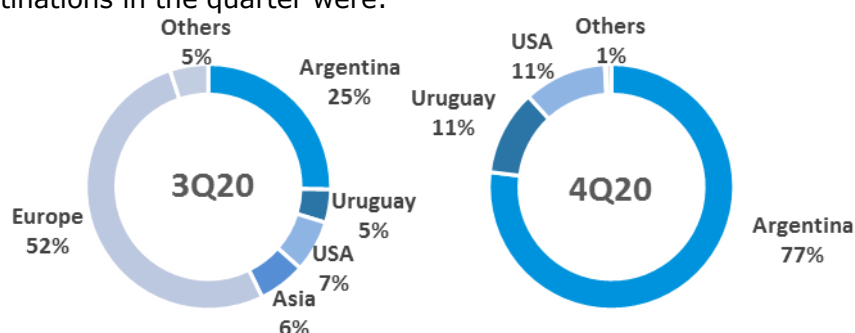
Production of Crude and Rolled Steel								
Thousand tons	4Q20	3Q20	Δ	4Q19	Δ	2020	2019	Δ
Total Crude Steel	760	696	9.2%	797	-4.6%	2,760	3,264	-15.4%
Purchased Slab Processed	521	240	117.2%	223	133.8%	1,245	1,272	-2.1%
Total Rolled Steel	1,143	801	42.7%	944	21.1%	3,695	4,064	-9.1%

Sales

In the 4Q20, total sales came to 1.133 million tons of steel, a 21.4% growth over that in the 3Q20 (934 thousand tons), representing the highest quarterly sales volume of the Steel Unit since 4Q15, reflecting Usiminas' efforts to capture the recovery in demand presented in 4Q20, with sales growth in all its segments, with highlight for sales to the automotive segment. In the domestic market, sales were 1.093 million tons in the 4Q20, the highest quarterly volume since the 1Q15, a 36.5% increase over the 3Q20 (801 thousand tons). Export sales in the 4Q20 were 40 thousand tons, 69.9% lower than in the 3Q20 (133 thousand tons), with main destination the national clients with production chains abroad. Sales volume was 96% to the domestic market and 4% for export, a result of Usiminas' efforts to meet local customers' demand. The quarterly and annual sales evolution is shown in the graph below (in thousands of tons):

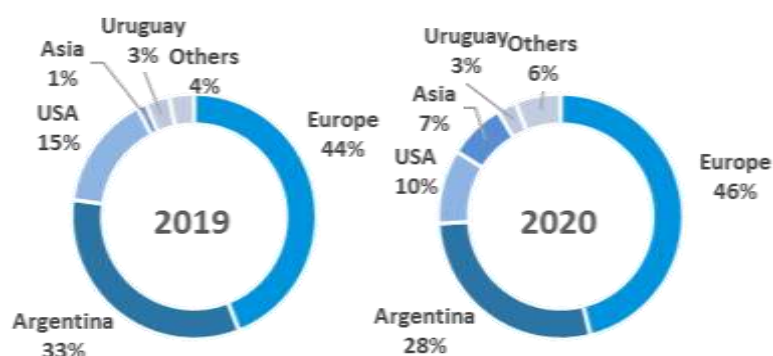


Main export destinations in the quarter were:



In 2020, total sales were 3.7 million tons of steel, a 9.3% decline over 2019 (4.1 million tons), reflecting the impact of the Covid-19 pandemic in the steel consuming segments, especially in the 2Q20. The most impacted segment of Usiminas customers by the pandemic was the automobile industry, with national automobile production falling 31.6% compared to 2019, according to data from ANFAVEA. On the other hand, industrial customers showed an increase in volume purchased, mainly in Civil Construction and White Goods, reflecting Usiminas' efforts to serve segments that have shown greater resilience throughout 2020. In the domestic market, sales were 3.3 million tons in 2020, a 10.3% decrease in relation to 2019 (3.7 million tons). Export sales in the year were 421 thousand tons, 0.8% less than in 2019 (424 thousand tons). Sales volume was 89% to the domestic market and 11% to exports.

The main export destinations in the year were:



Sales to the Domestic Market were distributed among the following segments:

	4Q20	3Q20	Δ	4Q19	Δ	2020	2019	Δ
Auto Industry	33.0%	27.2%	+ 6 p.p.	32.4%	+ 1 p.p.	31.0%	35.2%	- 4 p.p.
Distribution	33.1%	35.2%	- 2 p.p.	38.8%	- 6 p.p.	34.1%	36.3%	- 2 p.p.
Industry	33.9%	37.6%	- 4 p.p.	28.8%	+ 5 p.p.	34.9%	28.5%	+ 6 p.p.

Comments on the Business Unit Results – Steel - Quarterly

In the 4Q29, **Net Revenue** in the Steel Unit was R\$4.2 billion, growing 38.0% over the 3Q20 (R\$3.0 billion) mainly due to higher sales volume by 21.4%, a net revenue/ton sold of R\$3,703.8/t, 13.7% higher than the previous quarter (3Q20: R\$3,258.1/t), a consequence of higher prices practiced in all product lines.

Cash cost per ton was R\$2,724/t in the 4Q20, 11.4% higher over the 3Q20 (R\$2,445/t). Among the main variations in per-ton cost in the period, stands out the greater share of purchased slabs in the production mix stood out and higher purchase price compared to previous quarter, partially offset by greater dilution of fixed costs due to the higher production level.

Cost of Goods Sold (COGS) was R\$3.7 billion in the 4Q20, 28.9% higher in relation to the 3Q20 (R\$2.9 billion), due to higher steel volume sold in the period. COGS per ton was R\$3,258/t in the 4Q20, a 6.3% increase in relation to the 3Q20 (R\$3,066/t), mainly due to greater share of purchased slab in the mix.

Sales Expenses totaled R\$26 million in the 4Q20, 11.7% lower compared to the 3Q20 (R\$29 million), mainly due to lower costs related to exports, given the export volume was 69.8% lower than the previous quarter.

In the 4Q20, **General and Administrative Expenses** totaled R\$96 million, 24.1% higher than in the 3Q20 (R\$77 million), mainly related to personnel and social charges, typical in this period of the year.

Other Operating Revenue (Expenses) were R\$109 million in the 4Q20, presenting an increase of R\$240 million compared to the 3Q20 (negative R\$130 million), mainly due to:

- Higher result in Asset Sales of R\$160 million, related to the sale of Usiminas' Headquarters and commercial property at Shopping Vale do Aço.
- R\$107 million, referring to the reversal of loss of intangible assets generated in the acquisition of a subsidiary included in the item Asset Impairment, and with no effect on Adjusted EBITDA.

Thus, **Adjusted EBITDA** reached R\$605 million in the 4Q20, 286.2% higher than that accounted in the 3Q20 (R\$157 million). Adjusted EBITDA Margin was 14.4% in the 4Q20, against 5.2% in the 3Q20. Excluding the sale of non-recurring assets, at R\$ 151 million, Adjusted EBITDA without non-recurring effects was R\$ 454 million.

Comments on the Business Unit Results – Steel - Annual

In 2020, **Net Revenue** in the Steel Unit was R\$12.4 billion, 2.7% lower than that accounted in the previous year (R\$12.7 billion) mainly due to lower sales volume by 9.3%, partially compensated by net revenue/ton sold of R\$3,322.7/t, 7.2% higher than in the previous year (2019: R\$3,098.5/t), as a result of higher prices practiced in all product lines.

Cash Cost per Ton in 2020 was R\$2,629/t, 10.3% higher in relation to 2019 (R\$2,384/t). Among the main variations, we highlight the higher costs with purchased slabs, mainly due to the higher price and greater participation of slabs in the production mix and higher cost with iron ore, reflecting the 16.4% increase in the international average price and the average appreciation of the dollar against the real of 30.7%, partially offset by lower costs with coal and coke, the lower average cost of coal used and due to the production mix.

Cost of Good Solds (COGS) was R\$11.5 billion in 2020, 2.5% lower over the previous year (2019: R\$11.8 billion), given the lower steel volume sold in the period. In 2020, COGS per ton was R\$3,083/t, a 7.5% increase in relation to 2019 (R\$2,868/t), mainly due to higher unitary production cost in the period.

In 2020, **Sales Expenses** totaled R\$141 million, 28.7% higher compared to 2019 (R\$109 million), mainly due to recognition of a non-recurring provision for doubtful accounts, in the

amount of R\$19 million in the 2Q20, while reversions of provisions of this nature were accounted in 2019 in the amount of R\$24 million.

General and Administrative Expenses totaled R\$337 million in 2020, 1.3% higher than in the previous year (2019: R\$333 million).

Other operating revenue (expenses) were a negative R\$137 million in 2020, showing a 50.2% decrease compared to 2019 (negative R\$276 million), mainly due to:

- Result of **Asset Sales** in the amount of R\$170 million, (2019: R\$3.4 million), related to sales accounted in the 4Q20;
- R\$ 107 million in the Impairment item in 4Q20, (2019: negative R \$ 13 million). Bearing in mind that this effect does not impact Adjusted EBITDA.

Partially compensated by:

- Higher **Idle Capacity Expenses** by R\$88 million, related to temporarily stopped equipment as a result of the COVID-19 pandemic;
- Recognition of R\$117 million related to the Eletrobras compulsory loan in the Steel Unit, without similar effect in 2020.

Thus, **Adjusted EBITDA** reached R\$1.0 billion in 2020, 6.6% lower to that accounted in 2019 (R\$1.1 billion). Adjusted EBITDA Margin was 8.3% in 2020, against an 8.7% margin in 2019.

Investments (CAPEX)

CAPEX totaled R\$165 million in the 4Q20, a 30.7% increase in relation to the 3Q20 (R\$126 million). In 2020, CAPEX totaled R\$576 million, a 5.2% increase over the previous year (R\$548 million), with investments mainly applied to sustaining CAPEX, environment, health and safety.

Business Unit – Steel Processing

Comments on the Business Unit Results – Soluções Usiminas - Quarterly

In the 4Q20, **Net Revenue** totaled R\$1.4 billion, a 29.3% increase over that in the 3Q20 (R\$1.1 billion), the highest net revenue in the history of *Soluções Usiminas*, due to higher sales volume of 14.5%, also a record for the Unit, and higher prices practiced. Sales of the Distribution, Services/JIT and Tubes were responsible for 32.9%, 59.5% and 7.6%, respectively of the volume sold in the 4Q20.

In the 4Q20, **Cost of Goods Sold** was R\$1.2 billion, a 22.1% increase over the 3Q20 (R\$989 million), mainly due to higher sales volume in the period. COGS/t was R\$3,613.2/t in the 4Q20, a 6.7% increase over the 3Q20 (R\$3,387.3/t) due to higher raw materials costs in the period.

Net Operating Revenue (Expenses) were a negative R\$40 million in the 4Q20, 70.4% higher compared to the 3Q20 (negative R\$23 million), mainly due to higher sales expenses due to higher sales volume and prices practiced and by higher expenses with provisions, which reached R\$7 million in the 4Q20, against a reversion of R\$4 million in the 3Q20.

Adjusted EBITDA in the 4Q20 was R\$137 million, 126.4% higher to that accounted in the previous quarter (3Q20: R\$61 million), with *Soluções Usiminas* achieving its historical high of EBITDA in a quarter. Adjusted EBITDA Margin was 10.0% in the 4Q20 (3Q20: 5.7%).

Comments on the Business Unit Results – Soluções Usiminas - Annual

In 2020, **Net Revenue** totaled R\$3.8 billion, a 3.0% increase over 2019 (R\$3.3 billion) due to higher prices practiced over the year, inspite of an 8.9% decrease in sales volume due to the Covid-19 impact, mainly in the 2Q20.

Cost of Goods Sold in 2020 was R\$3.5 billion, in line with that accounted in 2019. COGS/t was R\$3,395.3/t in 2020, a 9.6% increase in relation to 2019 (R\$3,097.1/t), mainly due to higher raw materials costs in the period.

Net Operating Revenue (Expenses) were a negative R\$123 million in 2020, 22.6% higher compared to 2019 (negative R\$100 million), mainly due to higher sales expenses with higher prices practiced and higher expenses with provisions.

Adjusted EBITDA in 2020 was R\$212 million, 75.7% higher to that accounted in the previous year (2019: R\$120.4 million), with *Soluções Usiminas* reaching its historical high for EBITDA. Adjusted EBITDA Margin in the year was 5.5% (2019: 3.2%).

Business Unit – Capital Goods

Comments of the Business Unit Results – Usiminas Mecânica

In the 4Q20, **Net Revenue** was R\$60 million, 94.2% higher against the 3Q20 (R\$31 million), mainly due to inventory sales.

The Capital Goods Unit presented **Gross Loss** of R\$7 million in the 4Q20 (3Q20: gross loss of R\$42 million).

Adjusted EBITDA in the 4Q20 was a negative R\$16 million (3Q20: negative R\$41 million).

In 2020, **net revenue** accounted was R\$248 million, 39.7% lower compared to 2019 (R\$412 million), reflecting the strategic redirecting of the company to only service Assembly/Maintenance to Usiminas and its associate companies. It is worth mentioning that the Company maintains its commitment to all clients that have projects in progress, which will be completed and delivered as agreed.

The **gross loss** was R\$88.6 million, reverting the gross profit in 2019 (R\$23 million).

Adjusted EBITDA in 2020 totaled a negative R\$145 million, R\$129 million lower than that accounted in 2019 (negative R\$16 million), mainly due to the restructuring process of the business. EBITDA Margin in 2020 was -58.5% (2019: -3.9%).

Equity in the Results

Equity in the results of subsidiaries and associate companies jointly totaled R\$59 million in the 4Q20, against R\$40 million in the previous quarter.

In 2020, equity in the results of subsidiaries and associate companies totaled R\$160 million, against R\$181 million in 2019.

Others

Somisa dam de-characterization

On 01/07/21 the National Mining Agency (Agência Nacional de Mineração – ANM) issued a favorable opinion for the de-characterization of the Somisa Dam, indicating that the structure may be unsubscribed from the Integrated System and Management of Mining Dams (Sistema Integrado e Gestão de Barragens de Mineração - SIGMB). On 01/26/21 the State Foundation for the Environment (Fundação Estadual de Meio Ambiente – FEAM) issued a favorable opinion for the de-characterization of the Somisa Dam, informing that the structure will be removed from the Environmental Declarations Database, being exempt from complying with the determinations of the Normative Resolution (Deliberação Normativa – DN) Copam nº 62/2002; DN Copam nº 87/2005 and DN Copam nº 124/2008. Both demonstrations declare that Somisa no longer has artificial barrier characteristics and does not fit the concept of a dam, according to current regulations.

Return to operation of Blast Furnace 2 at the Ipatinga Plant

On 12/17/2020, the Company's Board of Directors approved resumption of operation of Blast Furnace Nr 2 of the Ipatinga Plant, forecast for 06/01/2021, which will have CAPEX of approximately R\$67 million. The return of the Blast Furnace is in line with Usiminas'

commitment to generation of sustainable results, as well as perennial efforts of the Company to meet the demand of domestic customers.

Sale of the Company Headquarters

On 12/17/2020, the Board of Directors approved the sale of the building of the Company's headquarters to the São Francisco Xavier Foundation in the amount of R\$130 million, on a market basis, with R\$125.2 million net of asset write off, thus positively impacting the Company's EBITDA in the 4Q20. The São Francisco Xavier Foundation, founded by Usiminas in 1969, operates in the areas of health and education and intends to use the property to expand its hospital network, strengthening its operations in the State of Minas Gerais and in the Country.

Term of Agreement with the Board of Directors of the Antitrust Counsel (CADE)

On 12/16/2020, the Company signed a Term of Legal Agreement with the Board of Directors of the Antitrust Counsel (Conselho Administrativo de Defesa Econômica – CADE) with the intention to end all controversies related to Administrative and Judicial Process, in addition to other demands related to that case. The referred to agreement further includes all controversies related to former Companhia Siderúrgica Paulista – COSIPA – incorporated by the Company in 2009. In compensation, the Company will pay to CADE the amount of R\$118.6 million, which is duly provisioned, in installments, in the maximum term of three (3) years, with payment of the first installment in up to 30 (thirty) days after signing of the agreement and another six installments semi-annually from 06/30/21. The Notice to the Market is available to stakeholders on the websites of CVM (www.cvm.gov.br – Portuguese only), B3 (www.b3.com.br – Portuguese only) and the Company itself (www.usiminas.com/ri - Original in Portuguese with free translation to English).

ESG Agenda – Sustainability Themes

In 2020 we prepared to further develop Usiminas' ESG agenda. In June, the General Management Corporate Sustainability Department was created, directly subordinated to the CEO, whose mission is to articulate and follow all themes related to the Company's sustainability agenda.

As an ongoing activity, we created the Sustainability Committee where the entire Executive Board and the main Usiminas and subsidiary leadership have a seat. It is in this forum that ESG themes will gain the needed transversality.

As part of the work strategy in networking and contributing to the 17 Sustainable Development Objectives, as well as the 10 principles of the United Nations Global Pact, Usiminas reaffirms its intention to actively participate in the Brazil Global Pact Network.

We also began the structuring of the following of the main themes that make up the Materiality Matrix of Usiminas' sustainability agenda by means of indicators. To the measure that these indicators are matured, we will take the next steps with establishment of qualitative and quantitative goals.

In this sense, the Company begins the process of disclosing goals already approved by the Executive Board, assuming the following commitments:

Subject	Indicator	Goal
Diversity and Inclusion	Number of women in the industrial area of the company	10% of women in the company's Industrial area by 2022;
Work Safety	Accident frequency rate recorded	Zero Accident Target. LTI Frequency Rate less than 0.3 in 2021;
CO2 / Energy	Carbon Emissions	Conducting GHG emission inventories in the year 2021 with independent certification; Conect to the CDP (Carbon Disclosure Project) and disclosure of the inventory through the GHG Protocol;
Dams	Dam Safety	Migration of the tailings disposal from the traditional method to filtering in 2T21; De-characterization of the Central dam in 1T22 certified by competent agencies.

In terms of its commitment to sustainability, the Company presented important results:

Diversity and Inclusion

The Company took a census on diversity and maintains the educational campaign, such as the LGBTI+ pride event, held in the month of June. Also underway is the first roundtable of the mentoring and coaching program with female employees, with a view to develop potential of these women and prepare them for leadership roles. Usiminas also launched its first all-female learning group, seeking to increase the presence of women in all areas of the Company. Through these and several other initiatives, Usiminas was able to double the participation of women in leadership positions from the beginning in the Diversity and Inclusion program, from 5.5% in March 2019 to 11.8% at the end of 2020, when it was the verification is completed.

SDG



Environment

The Company made important improvements in Ipatinga plant seeking to reduce emissions and dissemination of particulate material. In a proactive manner, Usiminas installed the Environmental Monitoring Center and an Automatic Environmental Monitoring Network, allowing continuous monitoring in real time of operations and rapid response to clear up possible abnormalities. In December, the Company defined, along with Public Authorities, and announced to the community the objectives and goals for reduction of material, which should be achieved by the end of 2021.

SDG



Usiminas "Mobiliza" Program

The fronts of the Usiminas' Mobiliza Program involve several collaborative partners, reaching important consolidated numbers over the last few years.

Usiminas Mobiliza "Along the Pathes of the Valley":

Recovering more than 3,000 kilometers of rural roads and local streets through the application of around 3.58 million tons of Siderbrita (Co-product of Usiminas generated from recycled waste), benefitting 84 participating municipalities in Eastern Minas Gerais, with improved transit of goods produced by family-owned agriculture and facilitating access to education, health and other essential services.

SDG



Usiminas Mobiliza "All for the Water":

The project includes 4,590 headwaters in the process of recovery in 84 participating municipalities in Eastern Minas, with the planting of around 1.13 million saplings (average 247/headwater).

Usiminas Mobiliza "For Work":

Creation in the Timóteo Prison of an interlocking block plant made of steel co-products (Siderbrita), contributing to the re-socialization of 50 convicts and improvement of the family well-being.



Mineração Usiminas

At *Mineração Usiminas*, the highlight is for the Filtering Plant and Dry Stacking of Tailings. The company obtained permits in June 2020, with conclusion scheduled for 2Q21. The new plant will receive investments of around R\$160 million. The adoption of the new technology will end the cycle of use of conventional tailings dams for *Mineração Usiminas*. After the de-characterization of the Somisa Dam, the company has two of these structures, with only one in operation and the other will be deactivated, in accordance with prevailing law.

SDG



COVID-19

Since the occurrence of the first cases of Covid-19 in Brazil, Usiminas has been taking several preventative measures against the disease and for protection of its employees, in support of the communities where it operates. Throughout 2020, the company invested around R\$27 million through its São Francisco Xavier Foundation to this end.

Internally, Usiminas, among other actions, restricted travel and meetings, adopted the home office system and made adjustments to cafeterias and dining areas and buses that transport employees. Sanitization of work areas was reinforced, and, at the Ipatinga Plant, work shifts were changed in such a way as to reduce the quantity of people at the plant. The Company also began a strategic testing program, allowing identification of cases and mapping of possible contamination contacts.

SDG



Capital Markets

Usiminas Performance Summary - B3 (USIM5)

	4Q20	3Q20	Δ	4Q19	Δ
Number of Deals	1,394,907	1,281,569	9%	788,803	77%
Daily Average	22,867	19,716	16%	12,931	77%
Traded - thousand shares	1,106,915	1,377,760	-20%	824,352	34%
Daily Average	18,146	21,196	-14%	13,514	34%
Financial Volume - R\$ million	13,636	12,725	7%	6,720	103%
Daily Average	224	196	14%	110	103%
Maximum	15.20	11.64	31%	9.65	58%
Minimum	9.82	7.41	33%	7.12	38%
Closing	14.61	10.03	46%	9.51	54%
Market Capitalization - R\$ million	18,307	12,568	46%	11,917	54%

Performance on the B3

Usiminas' common shares (USIM3) closed the 4Q20 quoted at R\$15.69 and its preferred shares (USIM5) at R\$14.61. In the 4Q20, USIM3 and USIM5 appreciated 53.2% and 45.7%, respectively. In the same period, the Ibovespa appreciated 25.8%. Over 2020, USIM3 shares appreciated 59.0% and USIM5, 53.6%, while the Ibovespa appreciated 2.9%.

Foreign Stock Markets

OTC – New York

Usiminas has American Depositary Receipts (ADRs) traded on the over-the-counter market: USDMY is backed by common shares and USNZY, by Class A preferred shares. On 12/31/2020, USNZY ADRs, which have higher liquidity, were quoted at US\$2.57 and presented an appreciation in the quarter of 48.6% and 10.8% in the year.

Latibex – Madrid

Usiminas' shares are traded on the Latibex – the Madrid Stock Exchange: XUSI as preferred shares and XUSIO as common shares. On 12/31/20, XUSI closed quoted at €2.28 appreciating 36.5% in the quarter and 16.9% in the year. XUSIO shares closed quoted at €2.42, appreciating 38.3% in the quarter and 14.2% in the year.

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THE BANK OF NEW YORK MELLON

ADR – Depositary Receipt Bank

4T20 e 2020 Live de Resultados - Data 12/02/2021

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**Replay in both idioms will be available at Usiminas 'Youtube channel or thru Investor Relations' website:
www.usiminas.com/ri**

Statements contained in this release, relative to the business outlook of the Company, forecasts of operation and financial income and references to growth prospects are mere forecasts and were based on the expectations of Management in relation to future performance. These expectations are highly dependent on market conduct, the economic situation in Brasil, its industry and international markets and, therefore, are subject to change.

Appendix (Excel tables available in the Valuation Guide)

Balance Sheet - Assets - Consolidated | IFRS - R\$ thousand

Assets	31-Dec-20	30-Sep-20	31-Dec-19
Current Assets	11,829,602	10,391,300	8,861,282
Cash and Cash Equivalents	4,868,104	3,734,302	1,921,141
Trade Accounts Receivable	2,372,791	2,420,397	1,938,440
Taxes Recoverable	477,352	518,548	779,545
Inventories	3,889,695	3,580,494	3,795,832
Advances to suppliers	86,177	2,863	1,225
Financial Instruments	0	1,396	762
Accounts Receiv - Eletrobras	0	-	305,848
Other Securities Receivables	135,483	133,300	118,489
Non-Current Assets	18,122,535	17,476,067	17,475,750
Long-Term Receivable	4,295,372	4,290,262	4,180,797
Deferred Taxes	2,914,338	3,064,609	3,037,626
Deposits at Law	543,408	548,298	543,658
Accounts Receiv. Affiliated Companies	-	-	1,651
Taxes Recoverable	174,004	173,788	152,336
Financial Instruments	-	7,069	6,950
Accounts Receiv - Gasometer	262,077	223,640	125,050
Others	401,545	272,858	313,526
Equity Investments	1,058,708	1,133,876	1,053,138
Investment Property	100,822	100,827	90,202
Property, Plant and Equipment	11,069,434	11,224,774	11,424,691
Intangible	1,598,199	726,328	726,922
Total Assets	29,952,137	27,867,367	26,337,032

Balance Sheet - Liabilities and Shareholders' Equity - Consolidated | IFRS - R\$ thousand

Liabilities and Shareholders' Equity	31-Dec-20	30-Sep-20	31-Dec-19
Current Liabilities	4,479,098	3,690,047	2,889,738
Loans and Financing and Taxes Payable in Installments	140,332	71,797	125,647
Suppliers, Subcontractors and Freight	1,917,690	1,633,137	1,518,270
Wages and Social Charges	180,757	262,164	198,416
Taxes and Taxes Payables	610,804	392,854	114,693
Accounts Payable Forfeiting	880,711	927,184	613,803
Dividends Payable	324,728	8,630	67,814
Customers Advances	139,678	115,692	57,757
Financial Instruments	-	26,950	-
Others	284,398	251,639	193,338
Long-Term Liabilities	8,634,869	8,760,686	7,881,610
Loans and Financing and Taxes Payable in Installments	5,832,410	6,192,003	4,984,905
Actuarial Liability	1,471,801	1,287,642	1,574,796
Provision for Legal Liabilities	799,601	729,813	777,386
Environmental Protection Provision	230,002	241,442	231,591
Others	301,055	309,786	312,932
Shareholders' Equity	16,838,170	15,416,634	15,565,684
Capital	13,200,295	13,200,295	13,200,295
Reserves & Revenues from Fiscal Year	1,667,171	428,937	843,128
Non-controlling shareholders participation	1,970,704	1,787,402	1,522,261
Total Liabilities and Shareholders' Equity	29,952,137	27,867,367	26,337,032

Income Statement - Consolidated IFRS					
R\$ thousand	4Q20	3Q20	Δ	4Q19	Δ
Net Revenues	5,474,270	4,381,212	25%	3,872,891	41%
Domestic Market	4,186,725	3,078,104	36%	3,077,462	36%
Exports	1,287,545	1,303,108	-1%	795,429	62%
COGS	(3,901,465)	(3,489,321)	12%	(3,576,595)	9%
Gross Profit	1,572,805	891,891	76%	296,296	431%
Gross Margin	28.7%	20.4%	+ 8.4 p.p.	7.7%	+ 21.1 p.p.
Operating Income (Expenses)	476,791	(360,426)	-	(153,247)	-
Selling Expenses	(96,435)	(96,196)	0%	(76,366)	26%
Provision for Doubtful Accounts	(3,544)	(4,655)	-24%	11,599	-
Other Selling Expenses	(92,891)	(91,541)	1%	(87,965)	6%
General and Administrative	(122,317)	(98,233)	25%	(118,441)	3%
Other Operating Income (expenses)	695,543	(165,997)	-	41,560	1574%
Credit of tax - Inclusion of ICMS in the base calculation of PIS and COFINS	36,479	2,392	1425%	8,525	328%
Idleness expenses (includes depreciation)	(65,786)	(116,679)	-44%	(26,113)	152%
Credits receivable from Eletrobrás	-	-	-	117,337	-
Legal charges	(11,345)	(6,556)	73%	(29,545)	-62%
Impairment of Assets	737,406	(6,752)	-	(16,426)	0%
Program Reintegra	252	13,128	-98%	314	-20%
Provision for tax credit (ICMS)	(15,807)	(11,978)	32%	(14,131)	12%
Provision for onerous contracts	(400)	4,506	-	-	-
Provision for contingencies	(57,800)	(2,776)	1982%	(9,655)	499%
Recovery of insurance claims expenses	38,519	29,596	30%	43,647	-12%
Result of the non-operating asset sale/write-off	165,146	2,519	6456%	(413)	-
Result of the sale of the surplus electric energy	1,923	(3,154)	-	16,102	-88%
Other Operating Income (Expenses), Net	(133,044)	(70,243)	89%	(48,082)	177%
EBIT	2,049,596	531,465	286%	143,049	1333%
EBIT Margin	37.4%	12.1%	+ 25.3 p.p.	3.7%	+ 33.7 p.p.
Financial Result	224,412	(167,817)	-	154,433	45%
Financial Income	79,594	57,014	40%	260,451	-69%
Financial Expenses	(141,503)	(122,732)	15%	(201,438)	-30%
Net foreign exchange gain and losses	286,321	(102,099)	-	95,420	200%
Equity in the results of investees	58,887	40,031	47%	48,107	22%
Operating Profit (Loss)	2,332,895	403,679	478%	345,589	575%
Income Tax / Social Contribution	(420,193)	(205,597)	104%	(77,442)	443%
Net Income (Loss)	1,912,702	198,082	866%	268,147	613%
Net Margin	34.9%	4.5%	+ 30.4 p.p.	6.9%	+ 28.0 p.p.
Attributable:					
Shareholders	1,559,121	57,118	2630%	219,066	612%
Minority Shareholders	353,581	140,964	151%	49,081	620%
EBITDA (Instruction CVM 527)	2,361,292	819,962	188%	447,338	428%
EBITDA Margin (Instruction CVM 527)	43.1%	18.7%	+ 24.4 p.p.	11.6%	+ 31.5 p.p.
Adjusted EBITDA - Jointly-controlled subsidiaries proportional	1,660,681	825,980	101%	468,447	255%
EBITDA	30.3%	18.9%	+ 11.5 p.p.	12.1%	+ 18.2 p.p.
Adjusted EBITDA Margin	30.3%	18.9%	+ 11.5 p.p.	12.1%	+ 18.2 p.p.
Depreciation and Amortization	252,809	248,466	2%	256,182	-1%

Income Statement - Consolidated IFRS			
R\$ thousand	2020	2019	Δ
Net Revenues	16,088,052	14,948,719	8%
Domestic Market	11,764,836	12,289,660	-4%
Exports	4,323,216	2,659,059	63%
COGS	(12,831,522)	(13,074,129)	-2%
Gross Profit	3,256,530	1,874,590	74%
Gross Margin	20.2%	12.5%	+ 7.7 p.p.
Operating Income (Expenses)	(487,824)	(1,102,814)	-56%
Selling Expenses	(398,385)	(288,515)	38%
Provision for Doubtful Accounts	(31,487)	18,120	-
Other Selling Expenses	(366,898)	(306,635)	20%
General and Administrative	(426,764)	(426,905)	0%
Other Operating Income (Expenses)	337,325	(387,394)	-
Credit of tax - Inclusion of ICMS in the base calculation of PIS and COFINS	46,048	86,860	20%
Idleness expenses (includes depreciation)	(332,548)	(276,862)	-47%
Credits receivable from Eletrobrás	-	117,337	-
Legal charges	(24,994)	(39,558)	-37%
Impairment of Assets	730,654	(16,426)	43%
Program Reintegra	13,955	1,197	43%
Provision of tax credits (ICMS)	(49,675)	(29,277)	-
Provision for onerous contracts	(16,706)	-	70%
Provision for restructuring process - Usiminas Mecânica	(19,029)	-	-
Provision for contingencies	(32,563)	(201,921)	-
Recovery of insurance claims expenses	136,951	95,609	-84%
Result of the non operating asset sale/write-off	174,766	5,687	2973%
Result of the sale of the surplus electric energy	(8,545)	47,753	-
Other Operating Income (Expenses), Net	(280,989)	(177,793)	58%
EBIT	2,768,706	771,776	259%
EBIT Margin	17.2%	5.2%	+ 12.0 p.p.
Financial Result	(1,082,492)	(509,839)	112%
Financial Income	262,691	622,022	-58%
Financial Expenses	(580,628)	(946,693)	-39%
Net foreign exchange gain and losses	(764,555)	(185,168)	313%
Equity in the results of investees	159,759	180,735	-12%
Operating Profit (Loss)	1,845,973	442,672	317%
Income Tax / Social Contribution	(554,230)	(65,981)	740%
Net Income (Loss)	1,291,743	376,691	243%
Net Margin	8.0%	2.5%	+ 5.5 p.p.
Attributable:			
Shareholders	672,790	213,265	215%
Minority Shareholders	618,953	163,426	279%
EBITDA (Instruction CVM 527)	3,928,688	1,944,296	102%
EBITDA Margin (Instruction CVM 527)	24.4%	13.0%	+ 11.4 p.p.
Adjusted EBITDA - Jointly-controlled subsidiaries proportional	3,247,241	1,973,010	65%
Adjusted EBITDA Margin	20.2%	13.2%	+ 7.0 p.p.
Depreciation and Amortization	1,000,223	991,785	1%

Cash Flow - Consolidated IFRS			
Cash Flow - Consolidated IFRS	4Q20	3Q20	4Q19
Operating Activities Cash Flow			
Net Income (Loss) in the Period	1,912,702	198,082	268,147
Financial Expenses and Monetary Var. / Net Exchge Var.	(300,989)	116,782	(270,746)
Interest Expenses	68,785	73,321	78,940
Depreciation and Amortization	252,809	248,466	256,182
Losses/(gains) on Sale of Property, Plant and Equipment	(165,146)	(2,519)	413
Equity in the Results of Subsidiaries/Associated Companies	(58,887)	(40,031)	(48,107)
Impairment of Assets	(737,405)	6,751	16,426
Difered Income Tax and Social Contribution	149,232	(24,917)	73,190
Constitution (reversal) of Provisions	162,842	387,217	(171,368)
Actuarial Gains and losses	25,110	21,527	21,387
Total	1,309,053	984,679	224,464
(Increase)/Decrease of Assets			
Accounts Receivables Customer	32,590	(642,386)	(105,903)
Inventories	(321,273)	372,292	405,797
Recovery of Taxes	(76,700)	(21,754)	(42,330)
Judicial Deposits	(3,816)	9,178	(13,578)
Accounts Receiv. Eletrobras	-	311,534	751,404
Accounts Receiv. Affiliated Companies	-	-	(77)
Others	(189,853)	(32,384)	74,318
Total	(559,052)	(3,520)	1,069,631
Increase /(Decrease) of Liabilities			
Suppliers, Contractors and Freights	284,553	554,878	24,622
Amounts Owed to Affiliated Companies	(27,612)	-	-
Customers Advances	23,986	56,159	(42,494)
Tax Payable	209,714	198,965	201,724
Securities Payable Forfaiting	(46,473)	(12,495)	(301,980)
Actuarial Liability Payments	(7,804)	-	(15,800)
Actuarial Liability Received - PB1	(3,728)	-	-
Others	138,399	(17,103)	(114,245)
Total	571,035	780,404	(248,173)
Cash Generated from Operating Activities	1,321,036	1,761,563	1,045,922
Interest Paid	(6,913)	(172,893)	(24,269)
Income Tax and Social Contribution	(87,326)	(51,616)	(28,720)
Net Cash Generated from Operating Activities	1,226,797	1,537,054	992,933
Investments activities cash flow			
Marketable Securities	(296,588)	(482,767)	247,385
Capital increase in subsidiary	(22)	-	(17)
Fixed Asset Acquisition	(231,344)	(173,407)	(330,346)
Fixed Asset Sale Receipt	96,933	4,551	(97)
Dividends Received	130,081	2,819	220,678
Purchase of Intangible Assets	(13,150)	(5,439)	(22,071)
Net Cash Employed on Investments Activities	(314,090)	(654,243)	115,532
Financial Activities Cash Flow			
Inflow of Loans, Financing and Debentures	-	-	2,000,000
Payment of Loans, Financ. & Debent.	(38,915)	(1,074)	(2,729,374)
Swap Operations Liquidations	(18,443)	(143,720)	-
Dividends and Interest on Capital	(8,660)	-	(32,582)
Net Cash Generated from (Employed on) Financial Activities	(66,018)	(144,794)	(761,956)
Exchange Variation on Cash and Cash Equivalents	(9,475)	7,304	(396)
Net Increase (Decrease) of Cash and Cash Equivalents	837,214	745,321	346,113
Cash and Cash Equivalents at the Beginning of the Period	2,424,074	1,678,753	906,853
Cash and Cash Equivalents at the End of The Period	3,261,288	2,424,074	1,252,966
RECONCILIATION WITH BALANCE SHEET			
Cash and Cash Equivalents at the Beginning of the Period	2,424,074	1,678,753	906,853
Marketable Securities at the Beginning of the Period	1,310,228	827,461	915,560
Cash and Cash Equivalents at the Beginning of the Period	3,734,302	2,506,214	1,822,413
Net Increase (Decrease) of Cash and Cash Equivalents	837,214	745,321	346,113
Net Increase (Decrease) of Marketable Securities	296,588	482,767	(247,385)
Cash and Cash Equivalents at the End of the Period	3,261,288	2,424,074	1,252,966
Marketable Securities at the End of the Period	1,606,816	1,310,228	668,175
Cash and Cash Equivalents at the End of the Period	4,868,104	3,734,302	1,921,141

Cash Flow - Consolidated IFRS		
R\$ thousand	2020	2019
Operating Activities Cash Flow		
Net Income (Loss) in the Period	1,291,743	376,691
Financial Expenses and Monetary Var. / Net Exchge Var.	924,273	47,416
Interest Expenses	312,863	375,479
Depreciation and Amortization	1,000,223	991,785
Losses/(gains) on sale of property, plant and equipment	(174,766)	(5,687)
Equity in the Results of Subsidiaries/Associated Companies	(159,759)	(180,735)
Impairment of Assets	(730,654)	16,426
Difered Income Tax and Social Contribution	(130,384)	(72,979)
Constitution (reversal) of Provisions	743,228	119,233
Actuarial Gains and losses	89,692	85,743
Total	3,166,459	1,753,372
Increase/Decrease of Assets		
Accounts Receivables Customer	(422,648)	(93,654)
Inventories	(86,350)	79,505
Recovery of Taxes	(205,431)	(201,656)
Judicial Deposits	(14,349)	(61,829)
Accounts Receiv. Eletrobras	311,534	751,404
Accounts Receiv. Affiliated Companies	1,651	691
Others	(338,949)	(59,485)
Total	(754,542)	414,976
Increase / (Decrease) of Liabilities		
Suppliers, contractors and freights	399,420	384,507
Amounts Owed to Affiliated Companies	(41,796)	(12,416)
Customers Advances	81,921	(5,727)
Tax Payable	627,306	524,009
Securities Payable Forfaiting	266,908	(352,124)
Actuarial Liability payments	(24,576)	(131,742)
Actuarial Liability Received - PB1	390,205	-
Others	215,171	(133,427)
Total	1,914,559	273,080
Cash Generated from Operating Activities	4,326,476	2,441,428
Interest Paid	(337,059)	(364,416)
Income Tax and Social Contribution	(230,029)	(105,188)
Net Cash Generated from Operating Activities	3,759,388	1,971,824
Investments activities cash flow		
Marketable Securities	(938,641)	(81,616)
Capital increase in subsidiary	(22)	(26)
Fixed asset acquisition	(768,707)	(646,236)
Fixed asset sale receipt	121,281	9,141
Dividends Received	136,902	224,946
Purchase of Intangible Assets	(29,972)	(35,215)
Net Cash Employed on Investments Activities	(1,479,159)	(529,006)
Financial Activities Cash Flow		
Inflow of Loans, Financing and Debentures	-	4,811,557
Payment of Loans, Financ. & Debent.	(50,031)	(5,850,504)
Swap Operations Liquidations	(171,472)	(5,507)
Dividends and Interest on Capital	(68,083)	(255,464)
Capital Gain / Reduction	-	-
Net Cash Generated from (Employed on) Financial Activities	(289,586)	(1,299,918)
Exchange Variation on Cash and Cash Equivalents	17,679	3,276
Net Increase (Decrease) of Cash and Cash Equivalents	2,008,322	146,176
Cash and Cash Equivalents at the Beginning of the Period	1,252,966	1,106,790
Cash and Cash Equivalents at the End of The Period	3,261,288	1,252,966
RECONCILIATION WITH BALANCE SHEET		
Cash and cash equivalents at the beginning of the period	1,252,966	1,106,790
Marketable securities at the beginning of the period	668,175	586,559
Cash and cash equivalents at the beginning of the period	1,921,141	1,693,349
Net increase (decrease) of cash and cash equivalentes	2,008,322	146,176
Net increase (decrease) of marketable securities	938,641	81,616
Cash and cash equivalents at the end of the period	3,261,288	1,252,966
Marketable securities at the end of the period	1,606,816	668,175
Cash and cash equivalents at the end of the period	4,868,104	1,921,141