Public Disclosure - Belo Horizonte, February 09, 2018. Usinas Siderúrgicas de Minas Gerais S.A. - Usiminas (B3: USIM3, USIM5 and USIM6; OTC: USDMY and USNZY; LATIBEX: XUSIO and XUSI) today releases its fourth quarter (4Q17) results. Operational and financial information of the Company, except where otherwise stated, are presented based on consolidated figures, in Brazilian Real, according to International Financial Reporting Standards (IFRS). The comparisons made in this release take into consideration the third quarter of 2017 (3Q17) and the year of 2016, unless stated otherwise.

Release of the 4Q17 and 2017 Results

The main operational and financial indicators in 2017 were:

- Steel sales volume of 4.0 million tons;
- Iron ore sales volume of 3.7 million tons;
- Consolidated Adjusted EBITDA of R$2.2 billion and Adjusted EBITDA margin of 20.4%;
- Cash position on 12/31/17 of R$2.3 billion;
- Working capital on 12/31/17 of R$2.8 billion;
- Investments of R$216.2 million.

Highlights

R$ million - Consolidated	4Q17	3Q17	4Q16	Chg. 4Q17/3Q17	2017	2016	Chg. 2017/2016
Steel Sales Volume (000 t)	1,090	1,016	891	7%	4,026	3,652	10%
Iron Ore Sales Volume (000 t)	1,500	904	657	66%	3,676	3,207	15%
Net Revenue	3,077	2,737	2,120	12%	10,734	8,454	27%
COGS	(2,662)	(2,379)	(1,861)	12%	(9,099)	(7,967)	14%
Gross Profit (Loss)	414	358	259	16%	1,635	487	236%
Net Income (Loss)	(45)	76	(195)	-	315	(577)	-
EBITDA (Instruction CVM 527)	373	444	584	-16%	2,056	995	107%
EBITDA Margin (Instruction CVM 527)	12%	16%	28%	- 4 p.p.	19%	12%	+ 7 p.p.
Adjusted EBITDA	450	453	234	-1%	2,186	660	231%
Adjusted EBITDA Margin	15%	17%	11%	- 2 p.p.	20%	8%	+ 12 p.p.
Investments (CAPEX)	107	52	67	107%	216	225	-4%
Cash Position	2,314	2,138	2,257	8%	2,314	2,257	3%

Market Data – 12/31/17

B3:	**USIM5**	**R$9.10/share**
	USIM3	**R$10.83/share**
EUA/OTC:	**USNZY**	**US$2.77/ADR**
LATIBEX:	**XUSI**	**€2.27/share**
	XUSIO	**€2.61/share**

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Economic Outlook

According the International Monetary Fund's forecast, global growth is 3.5% in 2017 and 3.85% in 2018.

In Brazil, political uncertainty in regard to the approvals of reforms, especially the welfare reform, remains as the main risk to the growth recovery scenario, but the perception of improvement in economic activity has driven the expectation of growth of GDP to be increased to 1% in 2017 and 2.7% in 2018, according to the Focus Report (Banco Central), dated 01/02/18. Inflation reached a 2.95% increase in 2017.

Economic and Financial Performance
Comments on the Consolidated Results

Net Revenue

Net revenue in the 4Q17 was R$3.1 billion, against R$2.7 billion in the 3Q17, a 12.4% increase due to higher sales volume in the Steel and Mining Units, with special mention of the 8.6% increase in steel sales income and a 287.3% increase in iron ore exports.

In 2017, net revenue was R$10.7 billion, against R$8.5 billion in 2016, a 27.0% increase due to high steel and iron ore sales volume, as well as the increase in average price over the year.

Net Revenue Breakdown

	4Q17	3Q17	4Q16	2017	2016
Domestic Market	81%	87%	92%	86%	88%
Exports	19%	13%	8%	14%	12%
Total	100%	100%	100%	100%	100%

Cost of Goods Sold (COGS)

In the 4Q17, COGS totaled R$2.7 billion, 11.9% higher than in the 3Q17, which was R$2.4 billion. For further information, see the Business Unit section of this release. Gross margin was 13.5%, against 13.1% in the 3Q17.

In 2017, COGS was R$9.1 billion, against R$8.0 billion in 2016, a 14.2% increase. For further information, see the Business Unit sections of this release. Gross margin in year 2017 was 15.2%, against 5.8% in 2016, as shown below:

Gross Margin

4Q17	3Q17	4Q16	2017	2016
13.5%	13.1%	12.2%	15.2%	5.8%

Operating Expense and Income

Sales expenses in the 4Q17 were R$70.2 million, against R$63.0 million in the 3Q17, an 11.4% increase, mainly due to higher distribution costs in function of higher steel and iron ore exports in the period, partially compensated by a reversal of R$3.3 million in provisions for doubtful accounts.

General and administrative expenses were R$108.5 million in the 4Q17, against R$106.1 million in the 3Q17, an increase of 2.3%, mainly due to higher general expenses.

Net other operating expenses and income were R$165.1 million negative in the 4Q17, against R$81.6 million negative in the 3Q17, mainly due to:

- Asset impairment in the amount of R$74.9 million in the 4Q17, relative to the Goodwill resulting from the acquisition of the subsidiaries Rios Unidos and Modal, and the associate company Codeme; it is worthwhile mentioning that asset impairment does not affect Adjusted EBITDA;
- Lower result in the sale of surplus electrical energy, which accounted income of R$7.1 million in the 4Q17, against an income of R$10.9 million in the 3Q17;
- Lower tax credits by R$22.6 million, which were R$47.5 million in the 4Q17, against R$70.1 million in the 3Q17;

These effects were partially compensated by:

- Lower expenses with non-absorbed equipment stoppage in the amount of R$91.3 million in the 4Q17, of which R$79.7 million refers to depreciation, against R$104.0 million in the 3Q17, of which R$88.7 million refers to depreciation;
- Lower provisions for legal liabilities by R$16.7 million in the 4Q17, which were R$28.8 million in the 4Q17, against R$45.5 million in the 3Q17.
- Higher revenue with the Reintegra Program, which was R$8.4 million in the 4Q17, against R$5.9 million in the 3Q17.

Thus, in the 4Q17, net operating expenses were R$343.8 million, against R$250.6 million in the 3Q17.

In 2017, sales expenses were R$251.0 million, against R$272.7 million in 2016, mainly due to lower provision for doubtful accounts by R$31.3 million, partially compensated by higher distribution costs associated with higher steel and iron ore exports in the period.

General and administrative expenses in 2017 were R$404.4 million, against R$354.2 million in 2016, an increase of 14.2%, due to higher expenses with own and third party personnel, as well as general expenses.

Net other operating expenses and income were R$250.8 million negative in 2017, against R$224.8 million negative in 2016, due to:

- Asset impairment of R$74.9 million in the 2017, relative to the Goodwill resulting from the acquisition of its subsidiaries Rios Unidos and Modal, and the associate company Codeme, against a reversal of impairment at the Unit Mineração in the amount of R$358.3 in 2016; it is worthwhile mentioning that asset impairment does not affect Adjusted EBITDA;
- Negative result of asset sale/write off in the amount of R$1.2 million in the 2017, against a positive result of R$71.5 million in 2016;
- Higher provision for legal liabilities by R$73.1 million, which were R$138.1 million in 2017 against R$65.0 million in 2016.

These effects were partially offset by:

- Receipt of revenue as a result of an arbitration process against *Porto Sudeste* in the amount of R$201.1 million, net of expenses in year 2017;
- Result in the sale of surplus electrical energy of a positive R$14.0 million in 2017, against a negative R$132.8 million in 2016;
- Tax credits of R$237.5 million in 2017, against R$176.3 million in 2016;

- Lower expenses with non-absorbed equipment stoppage in the amount of R$403.8 million, of which R$349.1 million were relative to depreciation, against R$485.1 million in 2016, of which R$427.9 million were relative to depreciation;
- Extraordinary event, non-recurring, referring to an expense for early termination of contract with a supplier of R$70.7 million in 2016. There was no event of this nature in 2017;
- Higher revenue with the Reintegra Program, which was R$25.4 million in 2017, against R$0.8 million in 2016.

Thus, net operating expenses were R$906.1 million in 2017, against R$851.8 million in 2016.

In this manner, the Company's operational margin showed the following performance:

EBIT Margin

4Q17	3Q17	4Q16	2017	2016
2.3%	3.9%	13.3%	6.8%	-4.3%

Adjusted EBITDA

Adjusted EBITDA is calculated from net income (loss), reversing income tax and social contribution, financial result, depreciation, amortization and depletion, and equity in the results of Associate, Joint Subsidiary and Subsidiary Companies, not including impairment of assets. The adjusted EBITDA includes the proportional participation of 70% of Unigal and other joint subsidiary companies.

EBITDA Breakdown

Consolidated (R$ thousand)	4Q17	3Q17	4Q16	2017	2016
Net Income (Loss)	(44,851)	75,903	(194,971)	315,080	(576,843)
Income Tax / Social Contribution	(4,620)	16,713	418,323	105,870	325,095
Financial Result	172,084	64,961	87,053	462,920	30,156
Depreciation, Amortization	250,337	286,572	273,502	1,171,851	1,216,491
EBITDA - Instruction CVM - 527	**372,950**	**444,149**	**583,907**	**2,055,721**	**994,899**
Equity in the Results of Associate and Subsidiary Companies	(51,982)	(50,556)	(27,314)	(154,896)	(142,861)
Joint Subsidiary Companies proportional EBITDA	56,646	59,191	27,973	212,194	151,343
Impairment of Assets	72,764	-	(350,449)	72,764	(343,006)
Adjusted EBITDA	**450,378**	**452,784**	**234,117**	**2,185,783**	**660,375**

Adjusted EBITDA in the 4Q17 was R$450.4 million, against R$452.8 million in the 3Q17. Adjusted EBITDA margin in the 4Q17 was 14.6%, against 16.5% in the 3Q17.

In 2017, Adjusted EBITDA was R$2.2 billion, against R$660.4 million in 2016, mainly due to better performance in the Steel, Mining and Steel Processing Units. Adjusted EBITDA margin in 2017 reached 20.4%, against 7.8% in 2016.

Adjusted EBITDA margins are shown below:

Adjusted EBITDA Margin

4Q17	3Q17	4Q16	2017	2016
14.6%	16.5%	11.0%	20.4%	7.8%

Financial Result

The net financial result was a negative R$172.1 million in the 4Q17, against a negative R$65.0 million in the 3Q17, a 165% increase, mainly in function of exchange variation losses accounted in the 4Q17, in the amount of R$56.1 million, due to devaluation of the Real against the Dollar of 4.4% in the period, compared with exchange gains of R$56.0 million in the 3Q17, with a 4.2% appreciation of the Real against the Dollar in the period.

In 2017, net financial result were a negative R$462.9 million, against a negative R$30.1 million in 2016, mainly due to a 1.5% depreciation of the Real against the Dollar in 2017, compared with an appreciation of 16.5% in 2016. This resulted in exchange losses of R$21.6 million in 2017, against exchange gains of R$639.1 million in 2016. Additionally, in 2017, swap operation expenses of R$0.1 million were accounted, against expenses of R$302.1 million in 2016, in function of debt renegotiation of the Company, initiated in 2016, where some contracts, targets of renegotiation, were concluded and substituted by new debt instruments, thus contributing to the increase in these expenses.

Financial Result - Consolidated

R$ thousand	4Q17	3Q17	4Q16	Change 4Q17/3Q17	2017	2016	Change 2017/2016
Net Currency Exchange Variation	(56,091)	56,042	(6,421)	-	(21,601)	639,098	-
Swap Transactions Market Cap.	(1,905)	1,178	(8,808)	-	(129)	(302,123)	-100%
Interest on Financial Asset and Monetary Effects	67,605	97,599	128,249	-31%	377,154	430,750	-12%
Other Financial Income	37,692	42,759	72,148	-12%	184,084	240,468	-23%
Interest and Monetary Effects over Financing and Taxes Payable in Installments	(157,407)	(182,104)	(219,021)	-14%	(753,106)	(767,307)	-2%
Other Financial Expenses	(61,978)	(80,435)	(53,200)	-23%	(249,322)	(271,042)	-8%
FINANCIAL RESULT	**(172,084)**	**(64,961)**	**(87,053)**	**165%**	**(462,920)**	**(30,156)**	**1435%**
+ Appreciation / - Depreciation of Exchange Rate (R$/US$)	**-4.4%**	**4.2%**	**-0.4%**	**- 8.7 p.p.**	**-1.5%**	**16.5%**	**- 18.0 p.p.**

Equity in the Results

The results of equity of Associate and Subsidiary Companies were jointly R$52.0 million in the 4Q17, stable compared to that in the 3Q17. There was lower contribution of MRS Logística, which was partially compensated by higher contribution of Unigal in the period.

The result at equity of associate and subsidiary companies was R$154.9 million in 2017, against R$142.9 million in 2016, mainly due to Unigal's and MRS Logística's performance.

Net Profit (Loss)

The Company accounted a net loss of R$44.9 million in the 4Q17, against a net profit of R$75.9 million in the 3Q17.

In 2017, the Company presented a net profit of R$315.1 million, against a net loss of R$576.8 million in 2016, a significant improvement of R$891.9 million.

Working Capital

In the 4Q17, working capital was R$2.8 billion, against R$3.1 billion in the 3Q17, a decrease of R$287.0 million, generated mainly by the increase in Other Liabilities and of Suppliers balances in function of forfaiting operations related to the purchase of slabs and other raw material, partially compensated by the increase in Accounts Receivable (due to higher sales volume).

In 2017, working capital was R$2.8 billion, against R$2.5 billion in 2016, an increase of R$331.0 million, mainly due to the increase in Accounts Receivable, and in Inventories, partially compensated by the increase in Other Liabilities and in the balance to Suppliers. The following is worthy of mention:

- Increase in the balance of Accounts Receivable by R$376.0 million, due to higher sales volume in the period in the Steel Unit by R$260.0 million and in the Mining Unit by R$123.0 million;
- Increase in finished products inventories by R$159.0 million, mainly due to higher production costs, related to the increase of prices in raw material, specially coal and slabs purchased;
- Increase of R$154.0 million in Other Liabilities, mainly related to the increase in the balance of forfaiting operations by R$118.0 million and of the balance of customer advances by R$46.0 million;

Investments (CAPEX)

In the 4Q17, investments totaled R$107.1 million, 107.1% higher compared to those in the 3Q17, mainly with sustaining CAPEX. Of the total investments made in this period, approximately 84% was made to the Steel Unit, 9% to the Mining, 3% to Steel Processing and 4% to Capital Goods Units.

In 2017, CAPEX totaled R$216.2 million, against R$225.2 million in 2016, a 4.0% decrease. The main investments made were with sustaining CAPEX. Of the total investments made in 2017, approximately 81% was made to the Steel Unit, 10% to the Mining, 5% to Steel Processing and 4% to Capital Goods Units.

Indebtedness

Gross consolidated debt was R$6.7 billion on 12/31/2017, a R$204.1 million decrease in relation to that on 09/30/2017. In the annual comparison the balance was R$285.6 million lower, mainly due to debt amortization and to depreciation of 1.5% of the Real against the Dollar in the year, which directly impacted the parcel of dollar-denominated debt, accounting for 26% of total debt.

Net consolidated debt on 12/31/2017 was R$4.3 billion, R$380.0 million lower than that on 09/30/2017 and by R$342.5 million over that on 12/31/2016.

On 12/31/2017, debt composition by maturity was 15% short term and 85% long term.

On 12/15/2017, payment was made in the amount corresponding to 50% of the balance of notes issued by subsidiary Usiminas Commercial Ltd. in pro-rata form, for the purpose of partial amortization of Usiminas debts with each one of its creditors, in the total amount of US$89.9 million.

Additionally, as a subsequent event of the quarter reported, on 01/18/18, full payment of the Notes issued in 2008 was made, in the amount of US$400.0 million, of which approximately US$220.0 million returned to the Company's cash position by reason of a repurchase of part of the Notes issued in 2013.

With these payments, Usiminas has overcome an important stage of its financial restructuring process with creditors, with the objective of generation of sustainable results for the Company.

The following chart demonstrates the consolidated debt indexes on 12/31/17 (without effects of bond repayment):

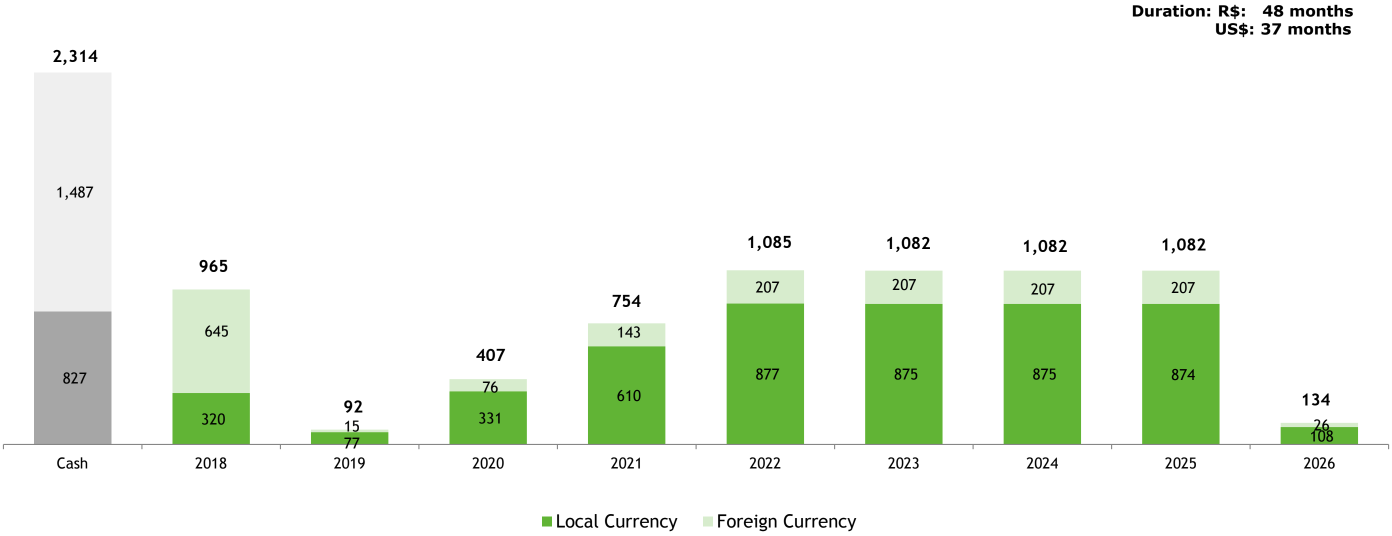
Total Indebtedness by Index - Consolidated

R$ thousand	31-Dec-17			%	30-Sep-17	Change	31-Dec-16	Change
	Short Term	Long Term	TOTAL		TOTAL	Dec17/Sep17	TOTAL	Dec17/Dec16
Local Currency	**345,426**	**4,562,893**	**4,908,319**	**74%**	**5,142,153**	**-5%**	**5,162,822**	**-5%**
TJLP	24,244	335,652	359,896	-	377,166	-5%	379,880	-5%
CDI	297,310	4,201,465	4,498,775	-	4,720,342	-5%	4,733,141	-5%
Others	23,872	25,776	49,648	-	44,645	11%	49,801	0%
Foreign Currency*	**665,045**	**1,082,909**	**1,747,954**	**26%**	**1,718,242**	**2%**	**1,779,065**	**-2%**
Gross Debt	**1,010,471**	**5,645,802**	**6,656,273**	**100%**	**6,860,395**	**-3%**	**6,941,887**	**-4%**
Cash and Cash Equivalents	-	-	**2,314,288**	-	**2,138,050**	**8%**	**2,257,454**	**3%**
Net Debt	**-**	**-**	**4,341,985**	**-**	**4,722,345**	**-8%**	**4,684,433**	**-7%**

(*)100% of total foreign currency is US dollars denominated

The graph below demonstrates the cash position and debt profile (principal only) in millions of Real on 12/31/17. Is worth mentioning, that in the debt renegotiation instruments the cash sweep method, which requires the Company, in case of a cash surplus exceeding the limits agreed, to be checked on the dates June 30 and December 31 of each year, excluded certain liquidity events, to distribute the exceeding amount of cash to its creditors, pro rata basis, to be used for the early payment of principal amounts, interest and other charges due under the terms of these instruments.

As at December 31, 2017, the Company presented the amount of R$378.8 million as cash surplus, which was classified in the short term, since the payment in the pro rata terms will be made to its creditors until March 15, 2018.



*In the amount of R$645.0 million recorded as debt in foreign currency to be due in 2018, R$572.0 million refers to the Notes issued by the subsidiary Usiminas Commercial, fully paid in January 2018, and approximately R$73.0 million refers to the cash sweep mechanism, to be paid in March 2018. In relation to the amount of R$320.0 million recorded as debt in local currency to be due in 2018, approximately R$306.0 million refers to the cash sweep method, to be paid in March 2018.

Performance of the Business Units

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

Usiminas - Business Units

Mining	Steel	Steel Processing	Capital Goods
Mineração Usiminas	**Ipatinga Mill** **Cubatão Mill** **Unigal**	**Soluções Usiminas**	**Usiminas Mecânica**

Income Statement per Business Units - Non Audited - Quarterly

R$ million	Mining		Steel*		Steel Processing		Capital Goods		Adjustment		Consolidated	
	4Q17	**3Q17**	**4Q17**	**3Q17**	**4Q17**	**3Q17**	**4Q17**	**3Q17**	**4Q17**	**3Q17**	**4Q17**	**3Q17**
Net Revenue	206	121	2,761	2,543	667	673	51	74	(608)	(674)	3,077	2,737
Domestic Market	61	86	2,329	2,228	667	673	51	74	(608)	(674)	2,500	2,386
Exports	145	35	432	315	-	-	-	-	-	-	577	351
COGS	(154)	(83)	(2,371)	(2,209)	(629)	(639)	(54)	(66)	545	618	(2,662)	(2,379)
Gross Profit (Loss)	52	38	390	334	38	35	(4)	7	(62)	(56)	414	358
Operating Income (Expenses)	(49)	(50)	(266)	(142)	(28)	(24)	(3)	(36)	2	1	(344)	(251)
EBIT	3	(12)	124	192	11	10	(7)	(28)	(60)	(55)	71	107
Adjusted EBITDA	**41**	**27**	**405**	**438**	**19**	**18**	**(2)**	**(25)**	**(12)**	**(5)**	**450**	**453**
Adj.EBITDA Margin	**20%**	**22%**	**15%**	**17%**	**3%**	**3%**	**-4%**	**-35%**	**2%**	**1%**	**15%**	**17%**

*Consolidated 70% of Unigal

Income Statement per Business Units - Non Audited - 2017

R$ million	Mining		Steel*		Steel Processing		Capital Goods		Adjustment		Consolidated	
	2017	**2016**	**2017**	**2016**	**2017**	**2016**	**2017**	**2016**	**2017**	**2016**	**2017**	**2016**
Net Revenue	525	366	9,980	7,518	2,497	1,853	288	568	(2,556)	(1,852)	10,734	8,454
Domestic Market	344	292	8,635	6,609	2,496	1,853	287	567	(2,556)	(1,852)	9,207	7,469
Exports	180	74	1,346	909	1	1	1	1	-	-	1,527	985
COGS	(343)	(296)	(8,489)	(7,080)	(2,328)	(1,731)	(278)	(529)	2,339	1,669	(9,099)	(7,967)
Gross Profit (Loss)	182	71	1,492	438	169	123	9	39	(217)	(184)	1,635	487
Operating Income (Expenses)	10	182	(759)	(877)	(99)	(103)	(62)	(59)	5	5	(906)	(852)
EBIT	192	253	733	(439)	69	20	(53)	(20)	(212)	(178)	729	(364)
Adjusted EBITDA	**345**	**46**	**1,806**	**615**	**101**	**49**	**(33)**	**12**	**(33)**	**(60)**	**2,186**	**660**
Adj.EBITDA Margin	**66%**	**12%**	**18%**	**8%**	**4%**	**3%**	**-12%**	**2%**	**1%**	**3%**	**20%**	**8%**

*Consolidated 70% of Unigal

I) MINING

In the 4Q17, the average iron ore price quotation in the international market declined 7.5% over the 3Q17, representing a quarterly average of US$65.57/t, a decrease of US$5.33/t over the previous quarter. The reduction was mainly due to inventory increases of ore in China, together with growing supply of Australian material in the Chinese market.

The quarter was also marked by price oscillations of up to US$16.50/t between minimum and maximum levels due to strong price speculation in the futures market. Comparing the monthly averages in the quarter, the price rose constantly, going from US$60.91/t in October to US$64.28/t in November and finally to US$71.88/t in December, where it reached US$74.60/t maximum. In 2017, the price oscillated considerably and closed the year with a 22% increase over 2016.

Nevertheless, the adoption of measures by the Chinese government related to greater environmental restrictions has been limiting production increases by Chinese steel plants, which have programmed maintenance and major stoppages, mainly in the sintering and pelletizing plants and blast furnaces. This factor has contributed to lower steel supply in the domestic market and, as a consequence, generated higher profit margins in the Chinese steel industry, which despite of negatively affect the demand for iron ore, contributed to an increase in the necessity of acquiring higher quality iron ore in detriment to lower iron content ores. The result is the application of higher penalties of ore with contaminants in low iron content ore.

Operational and Sales Performance - Mining

In the 4Q17, production volume was 1.5 million tons, against 1.1 million tons in the 3Q17. In the 4Q17, sales volume was 1.5 million tons, a 66% growth compared to that in the 3Q17, mainly due to higher export sales volume, with four shipments in the period, and to third parties sales in domestic market.

In 2017, production volume was 4.0 million tons, 44.0% greater than in 2016, which was 2.8 million tons, mainly due to the resumption of operations of two plants, *Mina Leste* and *Flotação*. Sales volume was 3.7 million tons in 2017, against 3.2 million tons in 2016, a 14.6% increase, mainly due to the resumption of exports in the third quarter of the year.

Production and sales volumes are shown in the chart below:

Iron Ore

Thousand tons	4Q17	3Q17	4Q16	Change 4Q17/3Q17	2017	2016	Chg. 2017/2016
Production	**1,539**	**1,053**	**646**	**46%**	**3,962**	**2,751**	**44%**
Sales - Third Parties - Domestic Market	179	53	69	235%	293	283	4%
Sales - Exports	716	175	-	310%	891	521	71%
Sales to Usiminas	605	676	588	-10%	2,492	2,403	4%
Total Sales	**1,500**	**904**	**657**	**66%**	**3,676**	**3,207**	**15%**

Comments on the Business Unit Results - Mining

Net revenue in the 4Q17 was R$205.9 million, against R$121.4 million in the 3Q17, a 69.6% growth, mainly in function of higher sales volume.

Cash cost per ton was R$50.2/t in the 4Q17, against R$60.2/t in the 3Q17, a 25.3% decrease, due to greater dilution of fixed costs in function of greater production volume by 46.2%.

Cost of Goods Sold (COGS) was R$153.7 million in the 4Q17, against R$83.1 million in the 3Q17, an 85% increase, mainly due to higher sales volume by 65.9% in the period. COGS per ton was R$91.8/t, against R$90.3/t, a slight increase of 1.7%, mainly due to higher rail and ocean freight costs, due to greater volume exported in the period.

In the 4Q17, net operating expenses were R$49.0 million, in line with those in the 3Q17, which were R$49.8 million.

Thus, Adjusted EBITDA was R$41.4 million in the 4Q17, against R$26.6 million in the 3Q17, a 55.9% increase. Adjusted EBITDA margin was 20.1% in the 4Q17, against 21.9% in the 3Q17.

In 2017, net revenue was R$524.8 million, against R$366.1 million in 2016, a 43.3% growth, due to higher sales volume and higher iron ore price in the international market. The PLATTS price reference, adjusted for the period of price formation of sales prices of *Mineração Usiminas* (62% Fe, CFR China) was US$72.3/t in 2017, against US$54.4/t in 2016, a 33.0% increase.

Cash cost per ton was R$58.9/t in 2017, against R$55.2/t in 2016, a 6.6% increase, due to startup costs of the *Minas Leste* and *Flotação* Plants, which, during the preparation period, resulted in lower dilution of fixed costs in the period.

In 2017, Cost of Goods Sold (COGS) was R$342.9 million, against R$295.5 million in 2016, a 16.0% increase, mainly due to greater sales volume by 14.6%. COGS per ton in 2017 was R$92.6/t, against R$91.7/t in 2016, a slight increase of 1.7%, due to higher freight costs due to exports, partially compensated by gains in scale due to the resumption of operations of *Flotação* and *Mina Leste*, as well as to ongoing cost reduction efforts implemented.

In 2017, net operating expenses and revenues were a positive R$9.7 million, against R$182.5 million in 2016, mainly due to reversion of the impairment in the amount of R$358.3 million in 2016, against impairment of R$1.9 million in 2017. It is worth mentioning that Adjusted EBITDA is not impacted by impairment events. In the 3Q17, the company adhered to the Regularize Program of the Minas Gerais State Government, with a payment of R$4.0 million which made it possible to anticipate settlement of taxes that were in legal dispute, thus reducing the provision for contingencies by 113%. Also in 2017, the final settlement of the arbitration process against the *Porto Sudeste* was reached, in the amount of R$201.1 million, net of expenses, occurred in the 2Q17.

In the manner, Adjusted EBITDA was R$345.4 million in 2017, against R$45.5 million in 2016, and Adjusted EBITDA margin was 65.8% in 2017, against 12.4% in 2016.

Investments (CAPEX)

Investments in the 4Q17 were R$9.1 million, against R$5.0 million in the 3Q17, mainly related to sustaining CAPEX.

In 2017, total investments were R$21.3 million, against R$34.1 million in 2016, again related to sustaining CAPEX.

Stake in MRS Logística

Mineração Usiminas holds a stake in the MRS Logística through its subsidiary UPL – Usiminas Participações e Logística S.A.

MRS Logística is a concession that controls, operates and monitors the Brazilian Southeastern Federal Railroad Network (*Malha Sudeste da Rede Ferroviária Federal*). The company operates in the railway transportation segment, connecting the states of Rio de Janeiro, Minas Gerais and São Paulo, and its core business is transporting, with integrated logistics, bulk cargo in general, such as iron ore, finished steel products, cement, bauxite, agricultural products, pet coke and containers.

MRS transported 42.0 million tons in the 4Q17, a 5.4% decrease in comparison with the 3Q17. In 2017, the volume transported totaled 171.0 million tons, an increase of 1.4% compared to 2016.

II) S T E E L

Brazilian industry continues to signal consistent, modest gains in recovery. With data available through November, Industrial Production (IBGE stats) came to register a 2.3% increase in the indicator that compares the first 11 months with the same period in 2016. Steel intensive use industries had even more significant gains. Capital goods production advanced 5.8% and durable goods, 12.7%. The improvement is reflected in the business confidence rates, which reached the highest level since 2011, according to the Brazilian National Confederation of Industry (Confederação Nacional da Industria – CNI).

Usiminas estimates that the consume of flat steel in the 4Q17 has reached 2.7 million tons, of which 88% of the volume had been provided by domestic steel plants and 12% by imports. There was a decrease of 3.0% in comparison to the 3Q17 due to seasonal factors, but in comparison to the same period of the previous year, an increase of 10.0% was presented. In 2017, the consume reached 10.4 million ton, an increase of 12.3% in relation to 2016.

Imports totaled 308 mil ton, regressing in relation to the volumes recorded in the 3Q17. In 2017, imports reached 1.4 million ton, as increase of 88% in relation to 2016. Thereby, imports now represent 12.7% of apparent consumption.

Below, relevant facts are highlighted of the behavior of the main flat steel consumer segments in the 4Q17:

<u>Automotive:</u> The fourth quarter of the year continued to show quite positive figures, with the recovery of domestic sales above expectations and with exports breaking new all-time records. According to data from the National Association of Motor Vehicle Manufacturers (ANFAVEA), vehicle production in the 4Q17 reached 713 thousand vehicles and show a slight decline of 1.5% in comparison with the 3Q17 for seasonal reasons. Compared to the 4Q16, however, the increase came to 20.5%. At 2017, the production of 2.7 million vehicles signified a 25.2% increase compared to 2016.

<u>Industrial:</u> According to the IBGE, capital goods production returned to growth in 2017, after three consecutive years of decline. Accumulated production through November accumulated growth of 5.8%, with a highlight for capital goods for construction, which grew 39%. Political uncertainty, which inhibits investment, still affects some categories of capital goods, such as the case of non-serial capital goods, less favored by export growth. Furthermore, according to ANFAVEA data, agricultural and highway machinery production accounted a growth of 1.5% in 2017, with production of 55.0 thousand units.

<u>Domestic and Industrial Appliances:</u> The electro-domestic segment continued to show positive figures. According to the IBGE, industrial production in the electro-domestic segment registered a 10.8% growth accumulated through November. The expectation is for improvement of credit availability, with reduction of interest rates, which will also allow positive results in 2018.

<u>Civil Construction:</u> With data available through November 2017, production of typical Building Industry inputs (ICC-IBGE) registered growth of 1.1% over October, according to calculations of Tendências Consulting. The outlook for civil construction has begun to show signs of a gradual recovery for the coming months, starting with renovation of existing real estate and resumption of paralyzed works. In relation to private investment, especially that linked to infrastructure, the scheduled calendar should suffer further delay. For 2017, Tendências Consulting projects a retraction of 3.4% in this indicator, after an 11.9% decline in 2016. For 2018, the growth outlook remains at 5.8%.

<u>Distribution:</u> According to the National Steel Distributors Institute (INDA), flat steel sales in the distribution network declined 10.8% in the 4Q17, compared to the 3Q17, due to seasonal factors. In comparison with the 4Q16, the increase was 2.3%. At the closing of the year, distributors accounted a decline of 2.6%. Inventories remained stable at 900 thousand in the 4Q17. This is equivalent to a turnover of 4.1 months, based on December sales.

Production - Ipatinga and Cubatão Plants

In the 4Q17, crude steel production at the Ipatinga plant was 747 thousand tons, slightly lower than that in the 3Q17, 1.7%. Together, the two plants rolled steel production totaled 1.1 million tons, the highest in the last eight quarters.

Flat steel production totaled 4.0 million tons in 2017, against 3.6 million tons in 2016, an 11.8% growth.

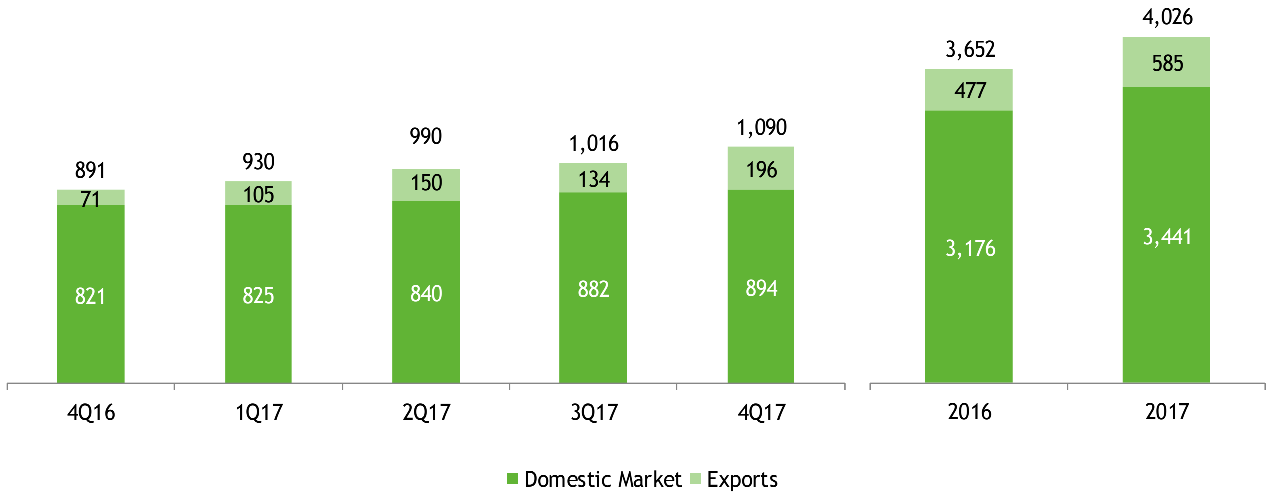
Production of Crude and Rolled Steel

Thousand tons	4Q17	3Q17	4Q16	Change 4Q17/3Q17	2017	2016	Chg. 2017/2016
Total Crude Steel	747	760	777	-2%	3,013	3,143	-4%
Total Rolled Steel	1,096	983	957	11%	4,044	3,618	12%

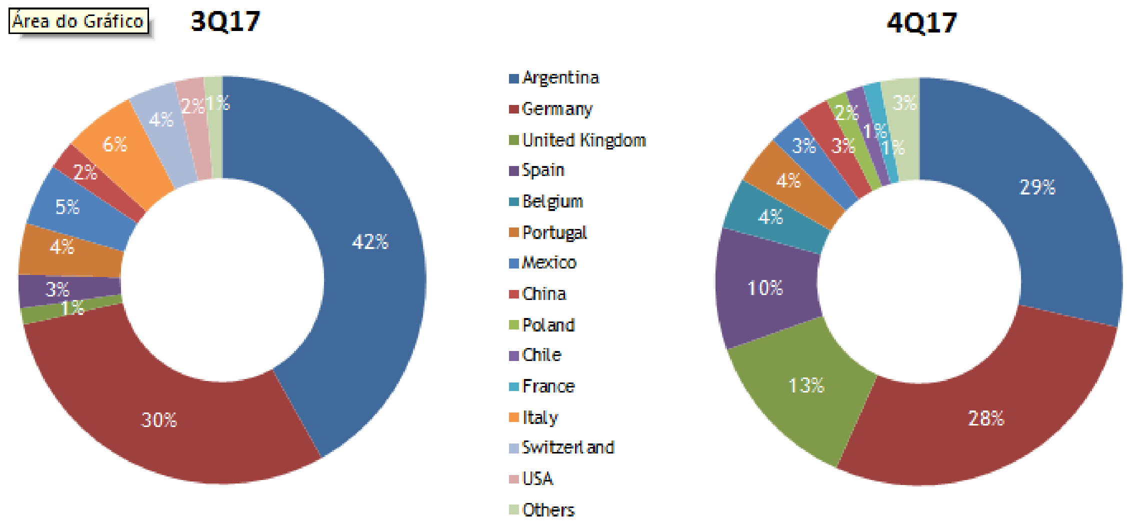
Sales

Sales totaled 1.1 million tons of steel in the 4Q17, a 7.3% growth compared to those in the 3Q17, which were 1.0 million tons. Sales to the domestic market were 894.0 thousand tons, a 1.4% increase compared to those of the 3Q17. There was a 45.8% growth in exports volume in the 4Q17, totaling 196.1 thousand tons, against 134.5 thousand tons in the 3Q17. Share of domestic market sales was 82% of total sales in the 4Q17.

In 2017, total sales volume was 4.0 million tons, against 3.7 million tons in 2016, a growth of 10.2%. Domestic market, more representatively, accounted sales of 3.4 million ton in 2017, against 3.2 million tons in 2016, an 8.4% growth compared with the previous year, mainly driven by recovery in the demand of the automotive industry, segments connected to agriculture, such as agricultural machinery and silos and exporting segments. Exports were 584.3 thousand tons, a 22.6% increase over 2016. Share of domestic market sales was 85% of total sales in 2017.



The main export destinations are shown below:



Sales Volume Breakdown

Thousand tons	4Q17		3Q17		4Q16		Change 4Q17/3Q17	2017		2016		Change 2017/2016
Total Sales	**1,090**	**100%**	**1,016**	**100%**	**891**	**100%**	**7%**	**4,026**	**100%**	**3,652**	**100%**	**10%**
Heavy Plates	112	10%	131	13%	140	16%	-15%	481	14%	518	14%	-7%
Hot Rolled	286	26%	299	29%	246	28%	-4%	1,139	26%	975	27%	17%
Cold Rolled	404	37%	311	31%	275	31%	30%	1,319	32%	1,155	32%	14%
Galvanized	276	25%	264	26%	216	24%	5%	1,028	25%	919	25%	12%
Slabs	12	1%	11	1%	15	2%	13%	58	2%	84	2%	-31%
Domestic Market	**894**	**82%**	**882**	**87%**	**821**	**92%**	**1%**	**3,441**	**85%**	**3,176**	**87%**	**8%**
Heavy Plates	95	11%	114	13%	134	16%	-16%	434	15%	491	15%	-12%
Hot Rolled	276	31%	280	33%	235	29%	-1%	1,084	28%	885	28%	22%
Cold Rolled	268	30%	253	29%	252	31%	6%	1,000	30%	968	30%	3%
Galvanized	247	28%	227	26%	192	23%	9%	876	24%	764	24%	15%
Slabs	7	1%	8	1%	9	1%	-7%	46	2%	68	2%	-32%
Exports	**196**	**18%**	**134**	**13%**	**71**	**8%**	**46%**	**584**	**15%**	**477**	**13%**	**23%**
Heavy Plates	16	8%	17	13%	6	8%	-3%	47	5%	27	6%	72%
Hot Rolled	10	5%	20	15%	11	15%	-48%	55	20%	91	19%	-40%
Cold Rolled	135	69%	59	44%	24	33%	130%	318	40%	187	39%	70%
Galvanized	29	15%	36	27%	25	35%	-19%	152	32%	155	33%	-2%
Slabs	5	3%	3	2%	6	9%	-	12	3%	16	3%	-29%

Comments on the Business Unit Results - Steel

Net revenue in the Steel Unit was R$2.8 billion in the 4Q17, 8.6% higher than in the 3Q17, which was R$2.5 billion, due to a 3.7% increase in prices practiced in the domestic market and 45.8% increase in the steel volume exported, which was partially compensated by lower average prices in Real of the exports by 6.1% compared to the 3Q17.

Cash cost per ton was R$1,770/t in the 4Q17, a 7.3% increase over the 3Q17, which was R$1,649/t, mainly due to the 13.6% increase in purchased slab. In the 4Q17, 415 thousand tons of slabs were processed, against 366 thousand tons in the 3Q17. Additionally, it is worthwhile mentioning that there was a 2.6% decrease in coal cost and 9.8% energy and fuel cost decrease.

In the 4Q17, COGS per ton was R$2,176/t, stable in relation to that in the 3Q17, which R$2,174/t, in function of the sales of products that were produced in previous period at lower costs.

In the 4Q17, sales expenses were R$36.1 million, against R$40.8 million in the 3Q17, an 11.6% decrease, mainly due to the impact of R$7.4 million in provision for doubtful account in the 3Q17 against a reversal of provision for doubtful account of R$3.8 million in the 4Q17.

General and administrative expenses totaled R$86.4 million in the 4Q17, against R$81.4 million in the 3Q17, a 6.1% increase, mainly due to greater expenses with own personnel, in function of the provision for Collective Labor Agreement at the Ipatinga Plant and Company Headquarters, which is being carried out in two stages, 1.8% in November 2017 and 0.5% in March 2018 and of provisions for the Company's profit sharing.

In the 4Q17, net other operating expenses and income totaled R$143.4 million negative, against R$20.0 million negative in the 3Q17, mainly due to:

- Asset impairment in the amount of R$73.0 million in the 4Q17, relative to the Goodwill resulting from the acquisition of the subsidiaries Rios Unidos and the associate company Codeme; it is worthwhile mentioning that Adjusted EBITDA is not impacted by impairment events;
- Higher provisions for legal liabilities by R$21.9 million in the 4Q17, which were R$37.3 million in the 4Q17, against R$15.5 million in the 3Q17;
- Lower result in the sale of surplus electrical energy, which where R$7.0 million in the 4Q17, against R$9.9 million in the 3Q17;
- Lower tax credits by R$22.6 million, which were R$47.5 million in the 4Q17, against R$70.1 million in the 3Q17;
- Lower expenses with non-absorbed equipment stoppage in the amount of R$69.6 million in the 4Q17, of which R$66.1 million were depreciation, against R$72.1 million in the 3Q17, of which R$69.3 million were depreciation.

These effects were offset by:

- Higher revenue with the Reintegra Program, which was R$8.4 million in the 4Q17, against R$5.9 million in the 3Q17;
- Tax recovery in the amount of R$19.8 million in the 4Q17; There was no such event in the 3Q17;
- Impact of adherence to the Regularize Program in the 3Q17 (non-recurring event), with collection of R$13.2 million to the Government of Minas Gerais.

Thus, net operating expenses were R$265.9 million in the 4Q17, against R$142.3 million in the 3Q17.

In this manner, Adjusted EBITDA was R$404.9 million in the 4Q17, against R$438.1 million in the 3Q17. Adjusted EBITDA margin was 14.7% in the 4Q17, against 17.2% in the 3Q17.

In 2017, net revenue was R$10.0 billion, 32.7% higher than in 2016, which was R$7.5 billion, mainly due to higher volumes and prices in steel and iron ore sales.

Also in 2017, cash cost per ton was R$1,691/t, an 18.0% increase over that of 2016, which was R$1,433/t, due to higher purchased slab and coal costs.

COGS per ton totaled R$2,109/t in 2017, an 8.8% increase over 2016, which was R$1,939/t, mainly due to production cost increases in the period related to the higher price of some raw materials, principally coal and slabs purchased.

In 2017, sales expenses totaled R$155.9 million, against R$178.3 million in 2016, a 12.6% decrease due to lower provision for doubtful accounts, which was R$16.8 million in 2017, against R$49.9 million in 2016, partially compensated by higher distribution costs, due to higher export volume.

General and administrative expenses were R$311.4 million, a 19.0% increase over 2016, which were R$261.7 million, due to increased expenses with own personnel and general expenses.

Net other operating expenses and income totaled R$291.5 million negative in 2017, against R$437.1 million negative in 2016, mainly due to:

- Tax credits of R$237.5 million in 2017, against R$176.3 million in 2016;
- Higher result in the sale of surplus electrical energy, which totaled a positive R$12.3 million in 2017, against a negative result of R$127.9 million in 2016;
- Result of asset sale/write-off of R$1.3 million negative in 2017, against R$71.7 million positive in 2016;
- Greater result of the Reintegra Program, which was R$25.4 million in 2017, against R$0.8 million in 2016;
- Extraordinary non-recurring event referring to the expense for anticipated liquidation of a supplier contract in the amount of R$70.7 million in 2016. There was no such event of this nature in 2017.

These effects were partially compensated mainly by:

- Asset impairment of R$73.0 million in 2017, relative to the Goodwill resulting from the acquisition of the subsidiaries Rios Unidos and the associate company Codeme, against R$7.3 million in 2016; it is worthwhile mentioning that Adjusted EBITDA is not impacted by impairment events;
- Higher provision for legal liabilities by R$55.5 million in 2017;
- Lower expenses with non-absorbed equipment stoppage in the amount of R$283.4 million in 2017, of which R$273.5 million were relative to depreciation, against R$383.7 million in 2016, of which R$346.6 were depreciation.

Thus, in 2017, net operating expenses totaled R$758.8 million, against R$877.1 million in 2016.

In this manner, in 2017, Adjusted EBITDA totaled R$1.8 billion, against R$614.5 million in 2016. Adjusted EBITDA margin in 2017 was 18.1%, against 8.2% in 2016.

Investments (CAPEX)

Investments in the 4Q17 totaled R$89.9 million, 111.9% higher than those accounted in the 3Q17, which were R$42.4 million in the 3Q17, mainly related to sustaining CAPEX.

In 2017, investments totaled R$175.8 million, stable in relation to those in 2016, which were R$178.5 million, mainly related to sustaining CAPEX.

II) STEEL PROCESSING

Soluções Usiminas - SU

Soluções Usiminas operates in the distribution, services and small-diameter tubes' markets nationwide, offering its customers high-value added products. It serves several economic segments, such as automotive, auto parts, civil construction, distribution, electro-electronics, machinery and equipment and household appliances, among others.

Sales to business units Distribution, Services/Just-In-Time and Tubes accounted for 37%, 56% and 7%, respectively.

Comments on the Business Unit Results – Steel Processing

Net revenue in the 4Q17 was R$667.0 million, stable compared with that in the 3Q17, which was R$673.3 million. Although there was higher average price by 5.5%, there was lower sales and services volume in the period.

In the 4Q17, Cost of Goods Sold was R$628.6 million, against R$638.8 million in the 3Q17, a 1.6% decrease, accompanying lower sales and services volume.

In the 4Q17, operating expenses totaled R$27.5 million, against R$24.0 million in the 3Q17, a 14.7% increase, mainly due to provisions for doubt accounts.

In this manner, Adjusted EBITDA was R$18.6 million in the 4Q17, against R$18.3 million in the 3Q17. Adjusted EBITDA margin was 2.8% in the 4Q17, against 2.7% in the 3Q17.

In 2017, net revenue was R$2.5 billion, against R$1.9 billion in 2016, a 34.7% growth, due to higher sales and services volume and to higher average price of about 16% in the period.

In 2017, COGS totaled R$2.3 billion, presenting a 34.5% increase compared to 2016, which was R$1.7 billion, due to higher sales volume.

Operating expenses totaled R$99.5 million in 2017, against R$103.2 million in 2016, a 3.6% decrease.

Thus, *Soluções Usiminas* presented the highest annual Adjusted EBITDA of its history, which R$101.1 million in 2017, against R$48.8 million in 2016, and Adjusted EBITDA margin was 4.0% in 2017, against 2.6% in 2016.

II) CAPITAL GOODS

Usiminas Mecânica S.A.

Usiminas Mecânica is a Brazilian capital goods company dedicated to the fabrication and assembly of metallic structures, shipbuilding and offshore platforms, oil and gas, industrial assembly and equipment fabrication, foundry and railcar manufacture.

Main Contracts

In 2017, the main projects were destined to segments of mining, paper and cellulose, oil and gas industry, bridges, railcars and industrial assembly.

Comments on the Business Unit Results – Capital Goods

Net revenue in the 4Q17 totaled R$50.7 million, 31.2% lower compared to that of the 3Q17, which was R$73.8 million, mainly due to market retraction, which led to fewer projects in the company's portfolio in the area of equipment, structures and assemblies due to the stagnation of projects in the oil and gas and infrastructure segments of the country.

In the 4Q17, gross loss was R$3.7 million, against a gross profit of R$7.3 million in the 3Q17, due to lower margins achieved in the ongoing projects.

Adjusted EBITDA in the 4Q17 was a negative R$2.2 million, against a negative R$25.5 million in the 3Q17, due to adherence to the Regularize Program in the 3Q17, with tax payment of R$22.5 million to the Minas Gerais Government in that quarter. Adjusted EBITDA margin was a negative 4.3% in the 4Q17, against a negative 34.6% in the previous quarter.

In 2017, net revenue accounted was R$287.6 million, against R$568.3 million in 2016, a 49.4% decrease, mainly due to fewer projects in the company's portfolio in the area of equipment, structures and assemblies due to the stagnation of projects in the oil and gas and infrastructure segments of the country

In 2017, gross profit was R$9.4 million, 76.0% lower than in 2016, which was R$39.1 million, due to lower margins achieved in the ongoing projects.

Thus, Adjusted EBITDA margins in 2017 totaled a negative R$33.4 million, against a positive R$11.8 million in 2016. Adjusted EBITDA margin in 2017 was a negative 11.6%, against a positive 2.1% in 2016.

Highlights in the year

Worker Safety and Health Award: Usiminas was recognized in Cubatão with the Best Companies in Worker Safety and Health Award 2017 in the Steel Industry by the National Association of Safety and Worker Protection Materials – ANIMASEG. The award was received on 12/05/17 during an event in São Paulo.

The choice of the best companies is made by health and safety specialist with recognized credibility and market performance. In order to compete, the companies must prove their commitment of leadership with health and safety, not have serious accidents in the previous year, possess effective occupational health and safety management and indicators and demonstrate actions in favor of environment improvement in the workplace of the company and in favor of society.

Since the beginning of last year, the Cubatão Plant has operated under a new business model, producing steel coils made from slabs acquired from other suppliers. Even with the shutdown of its primary areas, the facility has been able to reduce the occurrence of accidents in areas considered to be of high risk, with maintenance, and completed the year without any accidents.

Inauguration of the Cubatão Hospital: The São Francisco Xavier Foundation (FSFX), the social organ of Usiminas in the health and education areas, expanded its services and has just assumed the administration of the Dr. Luiz Camargo da Fonseca e Silva Hospital in Cubatão, in the Baixada Santista, SP. The hospital, which has been closed since June 2016, was reopened on 12/01/17, and is now providing to the community maternity ward, surgery center and ICU, among other medium complexity services. In 2018, the hospital will also offer high complexity services: hyperbaric medicine, haemodialysis and chemotherapy.

In Minas Gerais, the FSFX maintains the Márcio Cunho Hospital in Ipatinga, a reference hospital of the Health Ministry in the eastern part of the state for cancer treatment and is responsible for the administration of the Carlos Chagas Hospital in Itabira. Both perform SUS (Public Health System) services and private health plan services.

Capital Markets

Usiminas Performance Summary - B3 (USIM5)

	4Q17	3Q17	Change 4Q17/3Q17	4Q16	Change 4Q17/4Q16
Number of Deals	**872,253**	**854,327**	**2%**	**821,644**	**6%**
Daily Average	14,784	13,349	11%	13,470	10%
Traded - thousand shares	**1,174,102**	**1,132,820**	**4%**	**1,561,664**	**-25%**
Daily Average	19,900	17,700	12%	25,601	-22%
Financial Volume - R$ million	**10,627**	**7,892**	**35%**	**6,401**	**66%**
Daily Average	180	123	46%	105	72%
Maximum	**10.58**	**9.63**	**10%**	**4.83**	**119%**
Minimum	**7.69**	**4.61**	**67%**	**3.50**	**120%**
Closing	**9.10**	**7.78**	**17%**	**4.10**	**122%**
Market Capitalization - R$ million	**11,403**	**9,749**	**17%**	**5,138**	**122%**

Performance in the B3

Usiminas' common shares (USIM3) closed the 4Q17 quoted at R$10.83 and its preferred shares (USIM5) at R$9.10. In the 4Q17, USIM3 and USIM5 appreciated 7.8% and 17.0%, respectively. In the same period the Ibovespa presented a 2.8% appreciation. In the annual comparison, in 2017, USIM3 appreciated 31.1% and USIM5, 122.0%, while Ibovespa appreciated 26.9%.

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 12/31/17, USNZY ADRs, which have higher liquidity, were quoted at US$2.77, presenting an appreciation of 10.8% in the quarter and an appreciation of 121.6% 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 12/31/17, XUSI closed quoted at €2.27, appreciating 8.1% in the quarter. XUSIO shares closed quoted at €2.61, registering depreciation of 25.3% in the quarter and appreciation of 4.2% in the year.

For further information:

INVESTOR RELATIONS DEPARTMENT		
Leonardo Karam Rosa	leonardo.rosa@usiminas.com	55 31 3499-8550

Press: please contact through e-mail imprensa@usiminas.com

Bradesco

Custodian Bank

Shareholders' Department
Fone: (55 11) 3684-9495

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ADR – Depositary Receipt Bank

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4Q17 Conference Call Results - Date 02/09/2018	
In Portuguese - Simultaneous Translation into English	
Brasília time: at 12:00 p.m. Dial-in Numbers: Brazil: (+55 11) 3193-1001 / 2820-4001	New York time: at 09:00 a.m. Dial-in Numbers: USA: (1 646) 828-8246
Audio replay available at (55 11) 3193-1012 / 2820-4012	
Pincode for replay: 2806691# - Portuguese	Pincode for replay: 9479630# - English
Audio of the conference call will be transmitted live via Internet	
See the slide presentation on our website: www.usiminas.com/ri	

Statements contained in this release, relative to the business outlook of the Company, forecasts of operating 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 Brazil, its industry and international markets and, therefore, are subject to change.

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

Assets	31-Dec-17	30-Sep-17	31-Dec-16
Current Assets	**7,254,755**	**6,800,072**	**6,420,478**
Cash and Cash Equivalents	2,314,288	2,138,050	2,257,454
Trade Accounts Receivable	1,555,494	1,339,336	1,179,212
Taxes Recoverable	362,465	334,517	238,600
Inventories	2,763,496	2,766,155	2,604,306
Advances to suppliers	4,332	4,140	7,226
Financial Instruments	12	71,280	44,669
Other Securities Receivables	254,668	146,594	89,011
Non-Current Assets	**18,729,722**	**19,005,745**	**19,834,267**
Long-Term Receivable	**4,115,862**	**4,059,756**	**4,265,283**
Deferred Income Tax & Social Contribution	3,046,112	3,030,450	3,120,368
Deposits at Law	675,600	683,542	660,229
Accounts Receiv. Affiliated Companies	3,147	3,328	3,842
Taxes Recoverable	54,881	48,517	164,242
Financial Instruments	1,184	1,470	100,670
Others	334,938	292,449	215,932
Investments	**1,054,052**	**1,205,496**	**1,126,176**
Property, Plant and Equipment	**12,882,618**	**13,048,632**	**13,748,890**
Intangible	**677,190**	**691,861**	**693,918**
Total Assets	**25,984,477**	**25,805,817**	**26,254,745**

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

Liabilities and Shareholders' Equity	31-Dec-17	30-Sep-17	30-Dec-16
Current Liabilities	**3,046,420**	**2,387,267**	**1,752,244**
Loans and Financing and Taxes Payable in Installment:	1,010,471	875,662	76,237
Suppliers, Subcontractors and Freight	976,917	738,257	846,377
Wages and Social Charges	188,735	240,574	197,076
Taxes and Taxes Payables	96,523	85,533	65,985
Accounts Payable Forfaiting	475,251	201,334	356,970
Financial Instruments	-	72,535	48,577
Dividends Payable	75,644	138	22,001
Customers Advances	81,394	39,607	35,806
Others	141,485	133,627	103,215
Long-Term Liabilities	**7,754,093**	**8,091,901**	**9,310,867**
Loans and Financing and Taxes Payable in Installment:	5,645,802	5,984,733	6,865,650
Actuarial Liability	1,050,324	1,050,848	1,342,727
Provision for Legal Liabilities	668,964	674,806	607,863
Financial Instruments	-	-	102,413
Environmental Protection Provision	158,333	154,364	143,042
Others	230,670	227,150	249,172
Shareholders' Equity	**15,183,964**	**15,326,649**	**15,191,634**
Capital	13,200,295	13,200,295	13,200,295
Reserves & Revenues from Fiscal Year	574,500	702,836	335,445
Non-controlling shareholders participation	**1,409,169**	**1,423,518**	**1,655,894**
Total Liabilities and Shareholders' Equity	**25,984,477**	**25,805,817**	**26,254,745**

Income Statement - Consolidated | IFRS

R$ thousand	4Q17	3Q17	4Q16	Change 4Q17/3Q17
Net Revenues	**3,076,770**	**2,737,025**	**2,120,144**	**12%**
Domestic Market	2,499,518	2,385,844	1,957,768	5%
Exports	577,252	351,181	162,376	64%
COGS	(2,662,308)	(2,379,358)	(1,860,736)	12%
Gross Profit	**414,462**	**357,667**	**259,408**	**16%**
Gross Margin	**13.5%**	**13.1%**	**12.2%**	**+ 0.4 p.p.**
Operating Income (Expenses)	**(343,831)**	**(250,646)**	**23,683**	**37%**
Selling Expenses	(70,163)	(62,992)	(85,302)	11%
Provision for Doubtful Accounts	3,261	(7,321)	(33,319)	-
Other Selling Expenses	(73,424)	(55,671)	(51,983)	32%
General and Administrative	(108,520)	(106,088)	(90,912)	2%
Other Operating Income (expenses)	(165,148)	(81,566)	199,897	102%
Reintegra Program	8,436	5,863	151	44%
Provision for Contingencies	(28,834)	(45,526)	(13,804)	-37%
Result of the Non Operating Asset Sale/Write-Off	(2,665)	660	393	-
Result of the Sale of the Surplus Electric Energy	7,066	10,931	(11,883)	-35%
Temporary Equipments Shutdown (includes depreciation)	(91,250)	(104,046)	(105,404)	-12%
Impairment of Assets	(74,892)	-	350,449	-
Porto Sudeste Agreeement (net of expenses)	-	-	(70,700)	-
Tax credit on imports PIS/COFINS	47,467	70,112	64,489	-32%
Other Operating Income (Expenses), Net	(30,476)	(19,560)	(13,794)	56%
EBIT	**70,631**	**107,021**	**283,091**	**-34%**
EBIT Margin	**2.3%**	**3.9%**	**13.3%**	**- 1.6 p.p.**
Financial Result	**(172,084)**	**(64,961)**	**(87,053)**	**165%**
Financial Income	105,297	140,358	200,397	-25%
Financial Expenses	(221,290)	(261,361)	(281,029)	-15%
Net foreing exchange gain and losses	(56,091)	56,042	(6,421)	-
Equity in the Results of Associate and Subsidiary Companies	51,982	50,556	27,314	3%
Operating Profit (Loss)	**(49,471)**	**92,616**	**223,352**	**-**
Income Tax / Social Contribution	4,620	(16,713)	(418,323)	-
Net Income (Loss)	**(44,851)**	**75,903**	**(194,971)**	**-159%**
Net Margin	**-1.5%**	**2.7%**	**-9.3%**	**- 4.2 p.p.**
Attributable:				
Shareholders	**(49,918)**	**76,959**	**(273,609)**	**-**
Minority Shareholders	**5,067**	**(1,056)**	**78,638**	**-**
EBITDA (Instruction CVM 527)	**372,950**	**444,149**	**583,907**	**-16%**
EBITDA Margin (Instruction CVM 527)	**12.1%**	**16.2%**	**27.5%**	**- 4.1 p.p.**
Adjusted EBITDA - Joint Subsidiary Companies proportional EBITDA	**450,378**	**452,784**	**234,117**	**-1%**
Adjusted EBITDA Margin	**14.6%**	**16.5%**	**11.0%**	**- 1.9 p.p.**
Depreciation and Amortization	250,337	286,572	273,502	-13%

Income Statement - Consolidated | IFRS

R$ thousand	2017	2016	Chg. 2017/2016
Net Revenues	**10,734,118**	**8,454,200**	27%
Domestic Market	9,206,707	7,469,266	23%
Exports	1,527,411	984,934	55%
COGS	(9,099,024)	(7,966,878)	14%
Gross Profit	**1,635,094**	**487,322**	**236%**
Gross Margin	**15.2%**	**5.8%**	**+ 9.4 p.p.**
Operating Income (Expenses)	**(906,120)**	**(851,775)**	**6%**
Selling Expenses	(250,950)	(272,731)	-8%
Provision for Doubtful Accounts	(24,313)	(55,623)	-56%
Other Selling Expenses	(226,637)	(217,108)	4%
General and Administrative	(404,393)	(354,218)	14%
Other Operating Income (Expenses)	(250,777)	(224,826)	12%
Reintegra Program	25,420	844	2912%
Provision for Legal Liabilities	(138,110)	(65,023)	112%
Result of the Non Operating Asset Sale/Write-Off	(1,183)	71,473	-
Result of the Sale of the Surplus Electric Energy	14,012	(132,821)	-
Temporary Equipments Shutdown (includes depreciation)	(403,844)	(485,145)	-17%
Impairment of Assets	(74,892)	343,006	-
Porto Sudeste Agreement	201,106	-	-
Contractual penalty	-	(70,700)	-
Tax credit on imports PIS/COFINS	237,492	176,299	35%
Other Operating Income (Expenses), Net	(110,778)	(62,759)	77%
EBIT	**728,974**	**(364,453)**	-
EBIT Margin	**6.8%**	**-4.3%**	**+ 11.1 p.p.**
Financial Result	**(462,920)**	**(30,156)**	1435%
Financial Income	561,238	671,218	-16%
Financial Expenses	(1,002,557)	(1,340,472)	-25%
Net foreing exchange gain and losses	(21,601)	639,098	-
Equity in the Results of Associate and Subsidiary Companies	154,896	142,861	8%
Operating Profit (Loss)	**420,950**	**(251,748)**	**-**
Income Tax / Social Contribution	(105,870)	(325,095)	-67%
Net Income (Loss)	**315,080**	**(576,843)**	**-**
Net Margin	**2.9%**	**-6.8%**	**+ 9.7 p.p.**
Attributable:			
Shareholders	**233,015**	**(669,952)**	**-**
Minority Shareholders	**82,065**	**93,109**	**-12%**
EBITDA (Instruction CVM 527)	**2,055,721**	**994,899**	**107%**
EBITDA Margin (Instruction CVM 527)	**19.2%**	**11.8%**	**+ 7.4 p.p.**
Adjusted EBITDA - Joint Subsidiary Companies proportional EBITDA	**2,185,783**	**660,375**	**231%**
Adjusted EBITDA Margin	**20.4%**	**7.8%**	**+ 12.6 p.p.**
Depreciation and Amortization	1,171,851	1,216,491	-4%

Cash Flow - Consolidated | IFRS

Cash Flow - Consolidated | IFRS	4Q17	3Q17	4Q16
Operating Activities Cash Flow			
Net Income (Loss) in the Period	(44,851)	75,903	(194,971)
Financial Expenses and Monetary Var. / Net Exchge Var.	119,187	(26,094)	66,726
Interest Expenses	125,102	168,381	238,744
Depreciation and Amortization	250,337	286,572	273,502
Losses/(gains) on Sale of Property, Plant and Equipment	2,665	(660)	26,411
Equity in the Results of Subsidiaries/Associated Companies	(51,982)	(50,556)	(27,314)
Impairment of Assets	74,892	-	(350,449)
Difered Income Tax and Social Contribution	(166)	33,954	412,660
Constitution (reversal) of Provisions	39,359	87,737	31,613
Actuarial Gains and losses	7,273	7,274	(514)
Stock Option Plan	2,198	(1,101)	503
Total	**524,014**	**581,410**	**476,911**
(Increase)/Decrease of Assets			
Accounts Receivables Customer	(222,373)	(61,653)	127,544
Inventories	28,312	9,021	(380,518)
Recovery of Taxes	(33,110)	(13,890)	(32,188)
Judicial Deposits	20,475	(9,392)	(23,829)
Accounts Receiv. Affiliated Companies	181	(26)	262
Others	(22,388)	191,388	89,236
Total	**(228,903)**	**115,448**	**(219,493)**
Increase /(Decrease) of Liabilities			
Suppliers, Contractors and Freights	238,660	34,819	249,626
Amounts Owed to Affiliated Companies	4,020	4,558	5,021
Customers Advances	41,787	(13,751)	(17,657)
Tax Payable	12,553	(35,432)	(46,680)
Securities Payable Forfaiting	273,917	(126,108)	(252,356)
Actuarial Liability Payments	(55,919)	(49,107)	(55,807)
Others	(113,920)	(31,376)	(18,562)
Total	**401,098**	**(216,397)**	**(136,415)**
Cash Generated from Operating Activities	**696,209**	**480,461**	**121,003**
Interest Paid	(147,170)	(199,331)	(245,421)
Income Tax and Social Contribution	(2,765)	(2,100)	(2,375)
Net Cash Generated from Operating Activities	**546,274**	**279,030**	**(126,793)**
Investments activities cash flow			
Marketable Securities	429,453	(67,174)	274,355
Fixed Asset Acquisition	(103,267)	(50,168)	(74,799)
Fixed Asset Sale Receipt	6,135	818	(52,711)
Dividends Received	23,261	(10,578)	93,477
Purchase of Software	(3,793)	(1,534)	(3,430)
Net Cash Employed on Investments Activities	**351,789**	**(128,636)**	**236,892**
Financial Activities Cash Flow			
Payment of Loans, Financ. & Debent.	(293,496)	(3,327)	80,586
Payment of Taxes Installments	(3,321)	(345)	(329)
Swap Operations Liquidations	(2,886)	(1,366)	1
Dividends and Interest on Capital	-	(21,862)	(1)
Net Cash Generated from (Employed on) Financial Activities	**(299,703)**	**(26,900)**	**80,257**
Exchange Variation on Cash and Cash Equivalents	**7,331**	**(3,904)**	**1,664**
Net Increase (Decrease) of Cash and Cash Equivalents	**605,691**	**119,590**	**192,020**
Cash and Cash Equivalents at the Beginning of the Period	1,164,882	1,045,292	527,850
Cash and Cash Equivalents at the End of The Period	1,770,573	1,164,882	719,870
RECONCILIATION WITH BALANCE SHEET			
Cash and Cash Equivalents at the Beginning of the Period	1,164,882	1,045,292	527,850
Marketable Securities at the Beginning of the Period	973,168	905,994	1,811,939
Cash and Cash Equivalents at the Beginning of the Period	**2,138,050**	**1,951,286**	**2,339,789**
Net Increase (Decrease) of Cash and Cash Equivalentes	605,691	119,590	192,020
Net Increase (Decrease) of Marketable Securities	(429,453)	67,174	(274,355)
Cash and Cash Equivalents at the End of the Period	1,770,573	1,164,882	719,870
Marketable Securities at the End of the Period	543,715	973,168	1,537,584
Cash and Cash Equivalents at the End of the Period	**2,314,288**	**2,138,050**	**2,257,454**

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Cash Flow - Consolidated | IFRS

R$ thousand	2017	2016
Operating Activities Cash Flow		
Net Income (Loss) in the Period	315,080	(576,843)
Financial Expenses and Monetary Var. / Net Exchge Var.	200,702	33,433
Interest Expenses	636,934	451,913
Depreciation and Amortization	1,171,851	1,216,491
Losses/(gains) on sale of property, plant and equipment	1,183	25,331
Equity in the Results of Subsidiaries/Associated Companies	(154,896)	(142,861)
Impairment of Assets	74,892	(343,006)
Difered Income Tax and Social Contribution	46,832	307,144
Constitution (reversal) of Provisions	236,683	66,120
Actuarial Gains and losses	29,096	(1,480)
Stock Option Plan	951	(2,881)
Total	**2,559,308**	**1,033,361**
Increase/Decrease of Assets		
Accounts Receivables Customer	(536,710)	199,287
Inventories	(268,659)	163,648
Recovery of Taxes	4,654	24,583
Judicial Deposits	(19,082)	(72,282)
Accounts Receiv. Affiliated Companies	695	570
Others	(13,629)	82,118
Total	**(832,731)**	**397,924**
Increase /(Decrease) of Liabilities		
Suppliers, contractors and freights	130,540	25,806
Amounts Owed to Affiliated Companies	(10,099)	(9,688)
Customers Advances	45,588	(4,993)
Tax Payable	36,642	(27,100)
Securities Payable Derived from Suppliers	118,281	(399,729)
Actuarial Liability payments	(230,332)	(213,108)
Others	(150,656)	(198,974)
Total	**(60,036)**	**(827,786)**
Cash Generated from Operating Activities	**1,666,541**	**603,499**
Interest Paid	(764,250)	(897,242)
Income Tax and Social Contribution	(25,262)	(16,569)
Net Cash Generated from Operating Activities	**877,029**	**(310,312)**
Investments activities cash flow		
Marketable Securities	993,869	(313,399)
Fixed asset acquisition	(208,471)	(207,035)
Fixed asset sale receipt	8,647	5,532
Dividends Received	26,500	96,701
Software Purchase	(7,699)	(15,724)
Net Cash Employed on Investments Activities	**812,846**	**(433,925)**
Financial Activities Cash Flow		
Assigned Credits	-	43,832
Settled Credits assignments	-	(241,294)
Payment of Loans, Financ. & Debent.	(309,780)	(185,431)
Shares Issued / Capital Increase	-	1,050,295
Payment of Taxes Installments	(4,342)	(1,601)
Swap Operations Liquidations	(6,976)	12,240
Dividends and Interest on Capital	(25,505)	(3)
Capital Gain / Reduction	(300,000)	-
Net Cash Generated from (Employed on) Financial Activities	**(646,603)**	**678,038**
Exchange Variation on Cash and Cash Equivalents	**7,431**	**(14,203)**
Net Increase (Decrease) of Cash and Cash Equivalents	**1,050,703**	**(80,402)**
Cash and Cash Equivalents at the Beginning of the Period	719,870	800,272
Cash and Cash Equivalents at the End of The Period	1,770,573	719,870

RECONCILIATION WITH BALANCE SHEET		
Cash and cash equivalents at the beginning of the period	719,870	800,272
Marketable securities at the beginning of the period	1,537,584	1,224,185
Cash and cash equivalents at the beginning of the period	**2,257,454**	**2,024,457**
Net increase (decrease) of cash and cash equivalentes	1,050,703	(80,402)
Net increase (decrease) of marketable securities	(993,869)	313,399
Cash and cash equivalents at the end of the period	1,770,573	719,870
Marketable securities at the end of the period	543,715	1,537,584
Cash and cash equivalents at the end of the period	**2,314,288**	**2,257,454**