



Opened in October 2021, the *Centro de Memória Usiminas*, located in a historic building in Ipatinga (MG), brings together pieces that marked the history of the company, which celebrates 60 years of operations in 2022

2022 RESULTS RELEASE

Highlights

- » Steel sales 1.1 million tons;
- » Iron ore sales of 2.4 million tons;
- » Net Revenue of R\$8.5 billion;
- » Adjusted EBITDA of R\$1.9 billion;
- » Net profit of R\$1.1 billion;
- » Cash Position of R\$5.6 billion.

Market data 06/30/2022

B3	USIM5	BRL 8.65/share
	USIM3	BRL 8.21/share
US/OTC	USNZY	US\$1.72/ADR
LATIBEX	XUSI	€1.62/share
	XUSIO	€1.58/share

Consolidated - R\$ million	2Q22	1Q22	Δ	2Q21	Δ	1S22	1S21	Δ
Steel Sales Volume (000 t)	1,088	1,135	-4%	1,315	-17%	2,223	2,569	-13%
Iron Ore Sales Volume (000 t)	2,389	1,610	48%	2,054	16%	4,000	4,003	0%
Net Revenue	8,531	7,845	9%	9,596	-11%	16,376	16,662	-2%
Adjusted EBITDA	1,930	1,560	24%	5,066	-62%	3,490	7,485	-53%
Adjusted EBITDA Margin	23%	20%	+ 3 p.p.	53%	- 30 p.p.	21%	45%	- 24 p.p.
Net Income or Loss	1,060	1,263	-16%	4,543	-77%	2,323	5,748	-60%
Investments (CAPEX)	428	285	50%	335	28%	713	574	24%
Working Capital	10,031	8,775	14%	6,936	45%	10,031	6,936	45%
Cash and Cash Equivalents	5,597	6,604	-15%	6,053	-8%	5,597	6,053	-8%
Net Debt	455	(1,049)	-	(220)	-	455	(220)	-
Net Debt/Adjusted EBITDA	0.05x	-0.09x	-0.14x	-0.02x	0.07x	0.05x	-0.02x	0.07x

Public Information - Belo Horizonte, July 29, 2022. Usinas Siderurgicas de Minas Gerais SA - Usiminas (B3: USIM3, USIM5 and USIM6; OTC: USDMY and USNZY; Latibex: XUSIO and XUSI) today announces the second quarter results of fiscal year 2021 (2Q21). The Company's operating and financial information, except when otherwise stated, is presented based on consolidated numbers in Brazilian Real, in accordance with the IFRS (*International Financial Reporting Standards*). The comparisons made in this release take into account the first quarter of 2021 (1Q21), except stated otherwise. Statements contained in this release regarding business prospects, projections of operating and financial results and references to the Company's growth potential constitute mere forecasts, based on Management's expectations regarding its future performance. These expectations are highly dependent on market behavior, the economic situation in Brazil, the industry and international markets, and are therefore subject to change.

Operating and Economic-Financial Performance

Consolidated Operating Results

R\$ thousand	2Q22	1Q22	Δ	2Q21	Δ
Net Revenues	8,531,460	7,844,648	9%	9,596,269	-11%
Domestic Market	6,885,773	5,822,354	18%	7,462,175	-8%
Exports	1,645,687	2,022,294	-19%	2,134,094	-23%
COGS	(6,344,153)	(6,129,398)	4%	(5,953,981)	7%
Gross Profit	2,187,307	1,715,250	28%	3,642,288	-40%
Gross Margin	25.6%	21.9%	+ 3.8 p.p.	38.0%	- 12.3 p.p.
Operating Income and Expenses	(526,502)	(419,977)	25%	1,127,368	-
Selling Expenses	(193,078)	(171,117)	13%	(119,757)	61%
General and Administrative	(147,129)	(130,480)	13%	(109,442)	34%
Other Operating Income and expenses	(186,295)	(118,380)	57%	1,356,567	-
EBIT	1,660,805	1,295,273	28%	4,769,656	-65%
EBIT Margin	19.5%	16.5%	+ 3.0 p.p.	49.7%	- 30.2 p.p.
Equity in the results of investees	56,033	35,008	60%	55,458	1%
Depreciation and Amortization	220,482	222,750	-1%	250,659	-12%
EBITDA (Instruction CVM 527)	1,937,320	1,553,031	25%	5,075,773	-62%
EBITDA Margin (Instruction CVM 527)	22.7%	19.8%	+ 2.9 p.p.	52.9%	- 30.2 p.p.
Adjusted EBITDA	1,929,894	1,559,920	24%	5,065,644	-62%
(-) Equity in the Results of Associate and Jointly-controlled subsidiaries	(56,033)	(35,008)	60%	(55,458)	-37%
(+) Jointly-controlled subsidiaries proportional EBITDA	48,607	41,897	16%	45,329	-8%
Adjusted EBITDA Margin	22.6%	19.9%	+ 2.7 p.p.	52.8%	- 30.2 p.p.
Main non-recurring itens	-	-	-	1,532,605	-
Adjusted EBITDA Excluding Non-Recurring Itens	1,929,894	1,559,920	24%	3,533,039	-45%
Adjusted EBITDA Excluding Non-recurring Itens Margin	22.6%	19.9%	+ 2.7 p.p.	36.8%	- 14.2 p.p.

Net Revenue

Net Revenue in the 2Q22 reached R\$8.5 billion, 8.8% higher than in the 1Q22 (R\$7.8 billion), highlighting the higher prices at the Steel and Transformation units and higher volumes sold at the Mining Unit. The factors that led to these variations will be explained in the Business Unit Section of this Release.

Cost of Goods Sold - COGS

Cost of goods sold (COGS) in the 2Q22 totaled R\$6.3 billion, a 3.5% increase compared to the 1Q22 (R\$6.1 billion), with a unitary increase in all Units and higher volumes sold at the Mining Unit. Variations will be explained in the Business Unit Section of this Release.

Gross Profit

Gross profit was R\$2.2 billion in the 2Q22, a 27.5% increase compared to the 1Q22 (R\$1.7 billion).

Operating Income and Expenses

Selling expenses in the 2Q22 were R\$193 million, 12.8% higher than the previous quarter (1Q22: R\$171 million), mainly due to higher expenses in the Mining Unit.

In the 2Q22, **General and Administrative Expenses** totaled R\$147 million, 12.8% higher than the previous quarter (1Q22: R\$130 million), with higher expenses in the Steel Unit.

Other operating income (expenses) totaled negative R\$186 million in 2Q22, 57.4% higher than the previous quarter (1Q22: negative R\$118 million), mainly due to higher expenses in the Steel Unit.

Thus, **Operating income (expenses)** were negative R\$527 million in the 2Q22, an increase of 25.4% over the 1Q22 (negative R\$420 million).

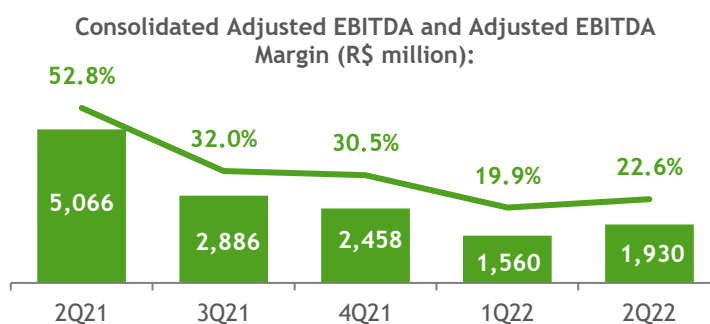
Adjusted EBITDA reached R\$1.9 billion in the 2Q22, 23.7% higher than in the 1Q22 (R\$1.6 billion). Adjusted EBITDA margin was 22.6% in the 2Q22, compared to a 19.9% margin in the 1Q22.

No Non-recurring effects were accounted in the 2Q22, as in the 1Q22.

Adjusted EBITDA

Consolidated (R\$ thousand)	2Q22	1Q22	2Q21	1S22	1S21
Net Income (Loss)	1,059,930	1,263,169	4,543,209	2,323,099	5,748,106
Income Tax / Social Contribution	408,842	568,820	1,614,171	977,662	2,195,797
Financial Result	248,066	(501,708)	(1,332,266)	(253,642)	(956,525)
Depreciation, Amortization and depletion	220,482	222,750	250,659	443,232	499,296
EBITDA - Instruction CVM - 527	1,937,320	1,553,031	5,075,773	3,490,351	7,486,674
(-) Equity in the Results of Associate and Jointly-controlled subsidiaries	(56,033)	(35,008)	(55,458)	(91,041)	(92,162)
(+) Jointly-controlled subsidiaries proportional EBITDA	48,607	41,897	45,329	90,504	90,893
(-) Impairment of Assets	-	-	-	-	-
Adjusted EBITDA	1,929,894	1,559,920	5,065,644	3,489,814	7,485,405
Adjusted EBITDA Margin	22.6%	19.9%	52.8%	21.3%	44.9%

Adjusted EBITDA is calculated based on the net profit (loss) for the year, reversing: (a) income tax and social contribution; (b) the financial result; (c) depreciation, amortization and depletion; (d) participation in the results of jointly controlled and associated companies; (e) impairment of assets; and including a proportional EBITDA of 70% of Unigal and other jointly controlled companies.



Consolidated Financial Result

R\$ thousand	Financial Result - Consolidated							
	2Q22	1Q22	Δ	2Q21	Δ	1S22	1S21	Δ
Financial Income	290,443	239,470	21%	992,561	-71%	529,913	1,068,601	-50%
Financial Expenses	(231,542)	(171,754)	35%	(143,188)	62%	(403,296)	(239,644)	68%
Net Currency Exchange Variation	(306,967)	433,992	-	482,893	-	127,025	127,568	0%
Exchange variation on assets	251,396	(341,025)	-	(428,873)	-	-	-	-
Exchange variation on liabilities	(558,363)	775,017	-	911,766	-	-	-	-
FINANCIAL RESULT	(248,066)	501,708	-	1,332,266	-	253,642	956,525	-73%
+ Appreciation / - Depreciation of Exchange Rate (R\$/US\$)	-10.6%	15.1%	-25.7 p.p.	12.2%	-22.8 p.p.	6.1%	3.7%	+2.4 p.p.

The Financial result in the 2Q22 was negative R\$248 million compared to a result of positive R\$502 million in the 1Q22, due to net foreign exchange losses of R\$307 million in the quarter, compared to net foreign exchange gains of R\$434 million in the previous quarter.

Net Profit (Loss)

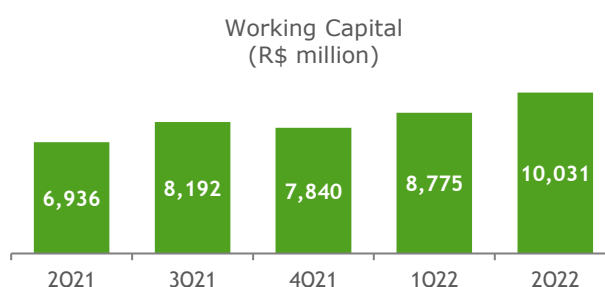
R\$ thousand	2Q22	1Q22	Δ	2Q21	Δ	1S22	1S21	Δ
EBIT	1,660,805	1,295,273	28%	4,769,656	-65%	2,956,078	6,895,216	-57%
EBIT Margin	19.5%	16.5%	+ 3.0 p.p.	49.7%	- 30.2 p.p.	18.1%	41.4%	- 23.3 p.p.
Financial Result	(248,066)	501,708	-	1,332,266	-	253,642	956,525	-73%
Equity in the results of investees	56,033	35,008	60%	55,458	1%	91,041	92,162	-1%
Operating Profit or Loss	1,468,772	1,831,989	-20%	6,157,380	-76%	3,300,761	7,943,903	-58%
Income Tax / Social Contribution	(408,842)	(568,820)	-28%	(1,614,171)	-75%	(977,662)	(2,195,797)	-55%
Net Income or Loss	1,059,930	1,263,169	-16%	4,543,209	-77%	2,323,099	5,748,106	-60%
Net Margin	12.4%	16.1%	- 3.7 p.p.	47.3%	- 34.9 p.p.	14.2%	34.5%	- 20.3 p.p.

In the 2Q22, the Company recorded **net profit** of R\$1.1 billion, 16.1% lower than the net profit presented in the previous quarter (1Q22: R\$1.3 billion), due to the exchange variation losses accounted, partially compensated by the better operating profit before financial results in the period.

Working capital

In the 2Q22, **working capital** was R\$10.0 billion, 14.3% higher than in the 1Q22 (R\$8.8 billion). The main variations are presented below:

- Increase of **Inventories** by R\$2.4 billion, with higher inventories of raw materials and higher steel production costs in inventory;
- Increase in **Accounts Receivable** by R\$263 million, related to higher revenue in the quarter.

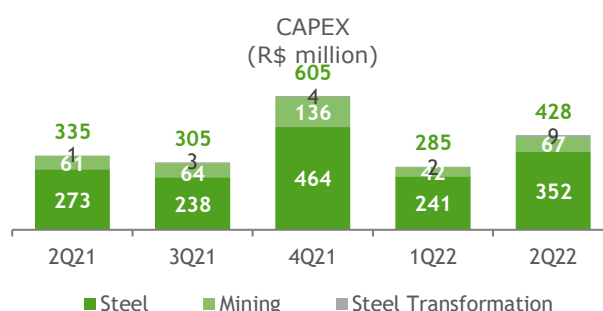


Partially offset by:

- Increase of **Suppliers** by R\$1.4 billion, with higher production costs in the period and a higher balance of foreign suppliers.

Investments (CAPEX)

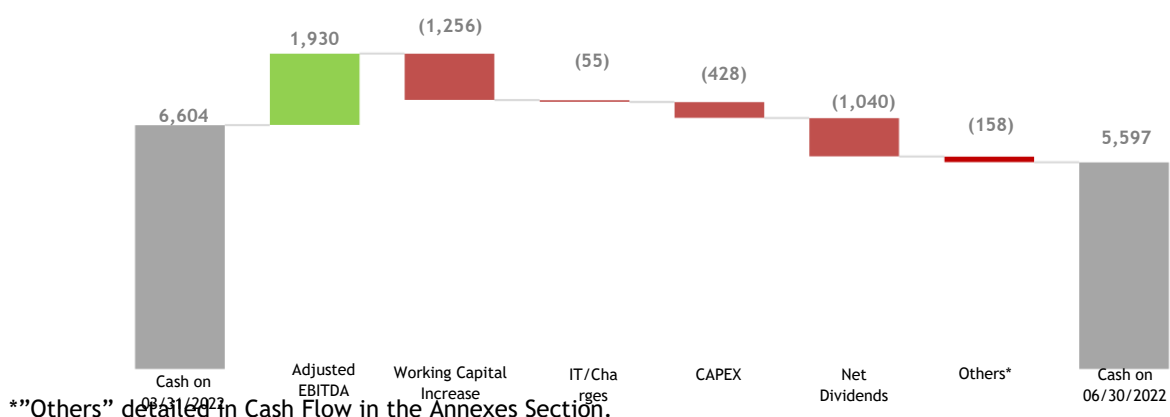
In the 2Q22, **CAPEX** totaled R\$428 million, 50.3% higher than the 1Q22 (R\$285 million), of which 82.2% was in the Steel Unit, 15.7% in the Mining Unit, and 2.1% in the Steel Processing Unit.



Cash and Financial Indebtedness

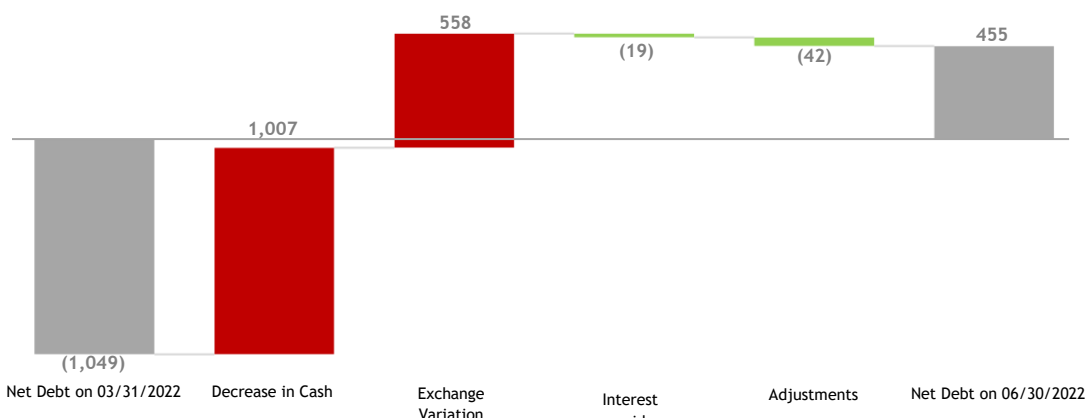
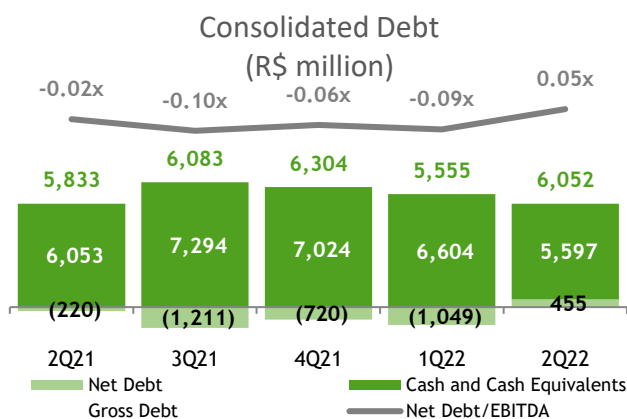
O **Cash and Cash Equivalents** consolidated on 06/30/22 was R\$5.6 billion, 15.3% lower compared to the position on 03/31/22 (R\$6.6 billion), mainly due to the payment of dividends for the year 2021, complementary to the earnings paid in the previous year, and to the increase in Working Capital, effects partially offset by the generation of EBITDA in the period.

The following chart shows the evolution of cash position in the quarter (R\$ million):



On 06/30/22, the Consolidated **Gross debt** was R\$6.1 billion, 8.9% higher than the position on 03/31/22 (R\$5.6 billion), mainly due to the 10.6% depreciation of the Real against the Dollar in the period.

Thus, on 06/30/22, the **Net debt** was R\$455 million, while the Company's Cash and Cash Equivalents exceeded its Gross Debt by R\$1.0 billion in the 1Q22. The variation between the periods is due to the decrease in the Company's cash position, previously detailed, and the effect of the exchange rate variation on the company's debt, as shown below (R\$ million):

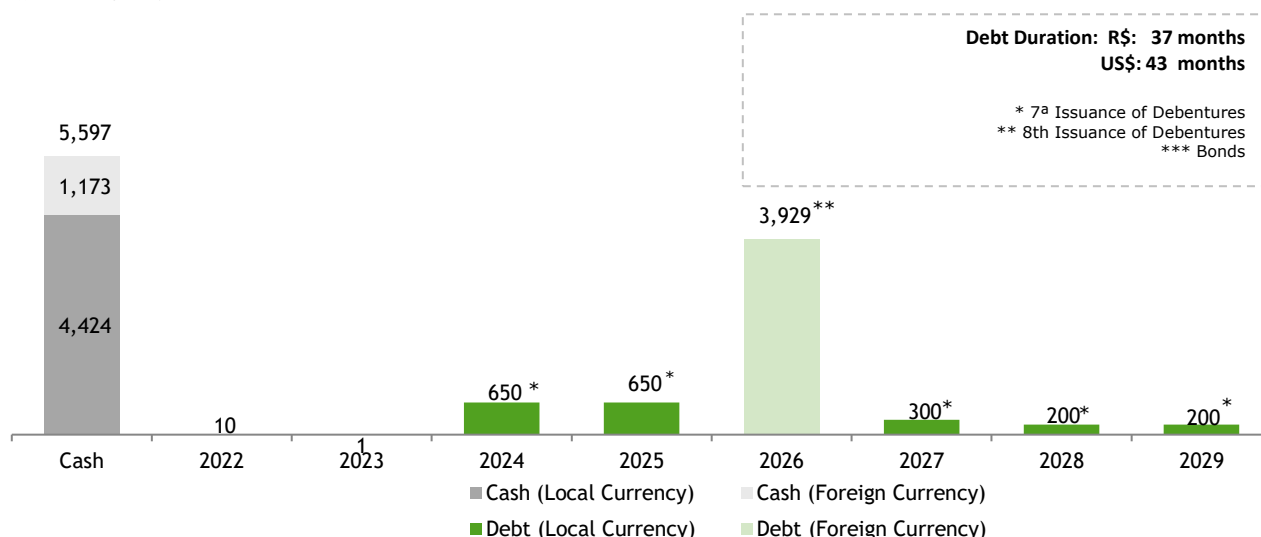


Debt composition by maturity on 06/30/22 was 3% in the short term and 97% in the long term, compared to 1% and 99%, respectively, on 03/31/22.

The chart below shows consolidated debt data:

R\$ thousand	30-jun-22				31-mar-22	Change	30-jun-21	Change
	Short Term	Long Term	TOTAL		TOTAL	Mar22/Dec	TOTAL	Mar22/Ma
Local Currency	64,404	1,994,637	2,059,041	34%	2,006,095	3%	2,033,293	1%
CDI	54,550	1,991,596	2,046,146	-	1,991,443	3%	2,013,064	2%
Others	9,854	3,041	12,895	-	14,652	-12%	20,229	-36%
Foreign Currency*	110,580	3,882,525	3,993,105	66%	3,548,954	13%	3,799,748	5%
Gross Debt	174,984	5,877,162	6,052,146	100%	5,555,049	9%	5,833,041	4%
Cash and Cash Equivalents	-	-	5,596,689	-	6,604,129	-15%	6,053,313	-8%
Net Debt	-	-	455,457	-	(1,049,080)	-	(220,272)	-
Gross Debt (Principal Only)	-	-	5,939,567	-	5,563,947	7%	5,766,824	3%

(*100% of total foreign currency is US dollars denominated in the 2Q22)



According to the Material Fact published on 04/19/2022, Usiminas carried out the 8th Issue of Debentures. With the new issuance, R\$700 million was obtained, divided into two series, with maturities in 2027, 2028 and 2029. The funds were exclusively used for the early redemption of the 1st Series of the 7th Issue of Debentures, also in the amount of R\$700 million and due in 2023. The following chart shows the cash position and debt profile (principal only) in millions of reais on 06/30/22.

The following table details the issues that make up the Company's debt:

Issue	Series	Value (Millions)	Rate	Maturity
7 th Issue of Debentures	2 nd Series	BRL 1,300	DI + 2.10%	2024 and 2025
8 th Issue of Debentures	1 st Series	BRL 300	DI + 1.50%	2027
	2 nd Series	BRL 400	DI + 1.70%	2028 and 2029
Bonds	-	USD 750	5.785%	2026

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		Adjustment		Consolidated	
	2Q22	1Q22	2Q22	1Q22	2Q22	1Q22	2Q22	1Q22	2Q22	1Q22
Net Revenue	1,160	812	7,738	6,937	2,416	2,136	(2,783)	(2,041)	8,531	7,845
Domestic Market	323	245	6,932	5,486	2,414	2,132	(2,783)	(2,041)	6,886	5,822
Exports	838	567	806	1,451	2	4	-	-	1,646	2,022
COGS	(654)	(409)	(6,144)	(5,820)	(2,110)	(2,043)	2,563	2,142	(6,344)	(6,129)
Gross Profit or Loss	507	403	1,594	1,118	306	94	(220)	101	2,187	1,715
Operating Income and Expenses	(172)	(112)	(312)	(279)	(44)	(33)	2	5	(527)	(420)
Selling	(131)	(70)	(45)	(89)	(17)	(13)	-	-	(193)	(171)
General and Administrative	(11)	(10)	(122)	(108)	(19)	(17)	5	4	(147)	(130)
Other Operating Income and expenses, Net	(31)	(32)	(145)	(83)	(8)	(4)	(2)	0	(186)	(118)
EBIT	334	291	1,281	839	262	60	(217)	105	1,661	1,295
Depreciation and amortization	50	53	172	172	7	7	(9)	(8)	220	223
Equity in the results of investees	28	12	215	306	-	-	(186)	(284)	56	35
EBITDA (Instruction CVM 527)	412	356	1,668	1,317	269	67	(412)	(187)	1,937	1,553
EBITDA Margin	35.5%	43.9%	21.6%	19.0%	11.1%	3.1%	14.8%	9.1%	22.7%	19.8%
Adjusted EBITDA	385	345	1,454	1,011	269	67	(179)	137	1,930	1,560
Adj. EBITDA Margin	33.2%	42.5%	18.8%	14.6%	11.1%	3.1%	6.4%	-6.7%	22.6%	19.9%

*Consolidated 70% of Unigal and 100% of Usiminas Mecânica

Income Statement per Business Units - Non Audited - Accumulated

R\$ million	Mining		Steel*		Steel Processing		Adjustment		Consolidated	
	1S22	1S21	1S22	1S21	1S22	1S21	1S22	1S21	1S22	1S21
Net Revenue	1,972	3,563	14,675	13,510	4,552	4,160	(4,824)	(4,571)	16,376	16,662
Domestic Market	568	484	12,418	12,866	4,546	4,158	(4,824)	(4,571)	12,708	12,936
Exports	1,405	3,079	2,257	644	6	2	-	-	3,668	3,726
COGS	(1,062)	(910)	(11,964)	(10,161)	(4,153)	(3,524)	4,705	4,038	(12,474)	(10,556)
Gross Profit (Loss)	910	2,653	2,712	3,349	400	636	(119)	(533)	3,903	6,106
Operating Income (Expenses)	(284)	(165)	(592)	921	(77)	27	7	6	(946)	790
Selling	(200)	(117)	(134)	(65)	(30)	(37)	-	-	(364)	(218)
General and Administrative	(21)	(16)	(230)	(189)	(36)	(28)	9	8	(278)	(225)
Other Operating Income (expenses), Net	(63)	(32)	(228)	1,174	(12)	93	(2)	(2)	(305)	1,233
EBIT	626	2,489	2,120	4,271	322	664	(112)	(528)	2,956	6,895
Depreciation and amortization	103	79	344	424	14	13	(17)	(16)	443	499
Equity in the results of investees	40	38	521	1,080	-	-	(470)	(1,026)	91	92
EBITDA (Instruction CVM 527)	768	2,605	2,985	5,775	336	677	(599)	(1,570)	3,490	7,487
EBITDA Margin	38.9%	73.1%	20.3%	42.7%	7.4%	16.3%	12.4%	34.3%	21.3%	44.9%
Adjusted EBITDA	730	2,569	2,466	4,697	336	677	(42)	(457)	3,490	7,485
Adj. EBITDA Margin	37.0%	72.1%	16.8%	34.8%	7.4%	16.3%	0.9%	10.0%	21.3%	44.9%

*Consolidated 70% of Unigal and 100% of Usiminas Mecânica

Business Unit - Mining



Operational and Sales Performance

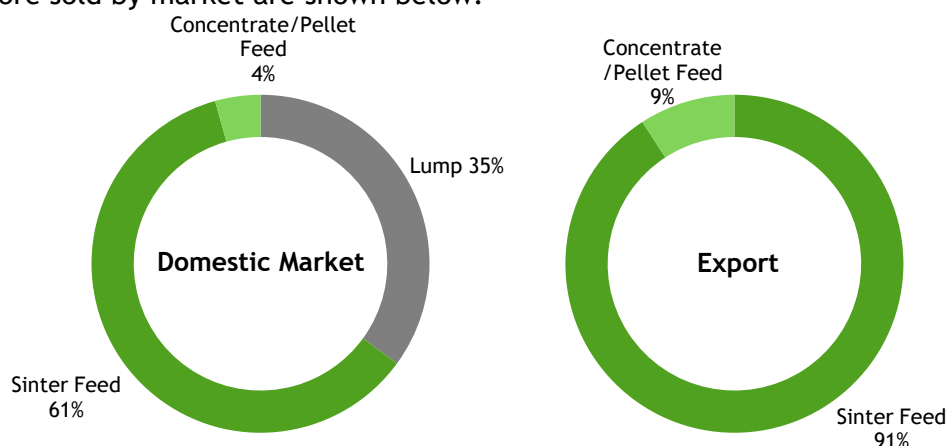
In the 2Q22 the production volume was 2.3 million tons, an increase of 35.3% compared to the 1Q22 (1.7 million tons), representing a resumption in production levels, after a first quarter that was heavily impacted by record rainfall in the region, which generated operational stoppage in this period.

The sales amount reached 2.4 million tons in the 2Q22, 48.4% higher than in the 1Q22 (1.6 million tons), which was affected by the stoppage of operations and the interruption of the logistics chain, due to the rains in the period, as previously mentioned.

Production and sales volumes are shown below:

Thousand tons	2Q22	1Q22	Δ	2Q21	Δ	1S22	1S21	Δ
Production	2,342	1,732	35%	2,179	7%	4,074	4,162	-2%
Total Sales	2,389	1,610	48%	2,054	16%	4,000	4,003	0%
Exports	1,614	1,000	61%	1,661	-3%	2,615	3,191	-18%
Domestic Market - Usiminas	595	463	29%	320	86%	1,057	677	56%
Domestic Market - Third Parties	180	147	23%	73	147%	328	135	142%

The types of ore sold by market are shown below:



Export sales in 2Q22 totaled 1.6 million tons, equivalent to nine shipments, compared to 6 shipments in the 1Q22.

Distribution by commercial term in the 2Q22 was 94% of exports in the CFR modality and 6% FOB, against 67% and 33% in the 1Q22, respectively.

Comments on the Results - Mining

Net income totaled R\$1.2 billion in the 2Q22, a 42.9% increase compared to the 1Q22 (R\$812 million). This increase was mainly due to sales volume 48.4% higher in the quarter, partially offset by the 5.8% appreciation of the Real against the Dollar in average in the quarter and 2.6% decreases in the average iron ore 62% Fe reference price.

Total cash cost per ton of production was R\$103.9/t (US\$21.1/t) in the 2Q22 against R\$112.7/t (US\$21.5/t) in the 1Q22. Excluding the expenses with idleness, cash cost was R\$103.3/t (US\$21.0/t) in 2Q22 (R\$110.2/t, or US\$21.1/t, in 1Q22), a 6.3% decrease between periods. The variation is mainly due to a better dilution of fixed costs, due to the higher volume produced.

Cost of goods sold - COGS in 2Q22 was R\$653.5 million, 59.8% up over the previous quarter (R\$408.9 million), due to the increased sales volume in the period, increase in the prices of maritime freight by 31% (US\$30.0/t vs US\$22.9/t) and higher CFR term sales. In unit terms, COGS/ton in 2Q22 was (R\$273.5/t), 7.7% higher than in the 1Q22 (R\$253.9/t) due to the aforementioned effects.

Sales Expenses totaled R\$131 million in the 2Q22, an 87.8% increase compared to the previous quarter (1Q22: R\$70 million), mainly due to higher export volumes and port charges.

General and Administrative Expenses totaled R\$11 million in the 2Q22, up 6.2% against the previous quarter (1Q22: R\$10 million).

Other Operating Income (Expenses) presented a negative result of R\$31 million, 4.1% lower than that accounted in the previous quarter (1Q22: negative R\$32 million).

Adjusted EBITDA reached R\$385 million in the 2Q22, an 11.8% increase compared to the 1Q22 (R\$345 million). Adjusted EBITDA margin was 33.2% in the 2Q22 (1Q22: 42.5%).

Investments (CAPEX)

CAPEX totaled R\$67 million in the 2Q22, compared to R\$42 million recorded in the 1Q22, a 58.7% increase in investments. The main investments were in sustaining CAPEX, safety, health and environment.

Business Unit - Steel

Operational and Sales Performance

Crude steel production at the Ipatinga plant was 671 Kt in the 2Q22, 0.9% lower in relation to the 1Q22 (677 Kt). Rolled steel production at the Ipatinga and Cubatão mills totaled 1,072 Kt in the 2Q22, a 1.7% decrease compared to the previous quarter (1Q22: 1,091 Mt). In the 2Q22, 482 thousand tons of purchased slabs were processed (1Q22: 451 thousand tons).



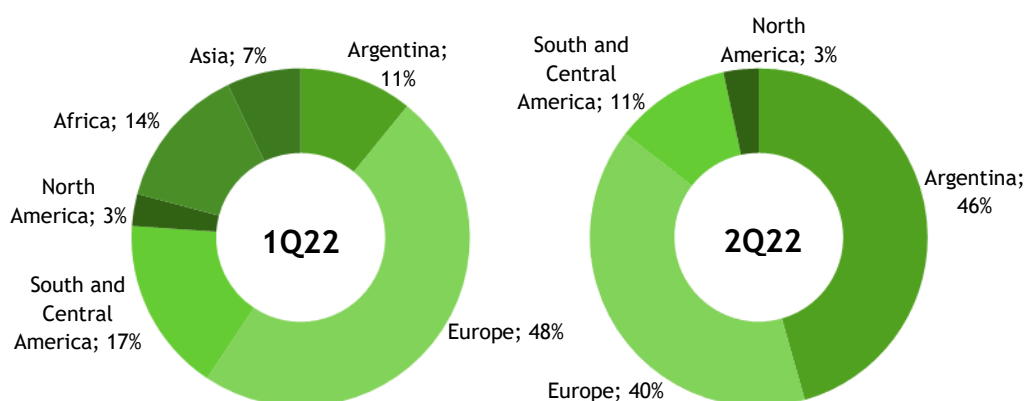
Thousand tons	2Q22	1Q22	Δ	2Q21	Δ	1S22	1S21	Δ
Total Crude Steel	671	677	-1%	751	-11%	1,348	1,531	-12%
Purchased Slab Processed	482	451	7%	652	-26%	933	635	47%
Total Rolled Steel	1,072	1,091	-2%	1,324	-19%	2,163	2,616	-17%
Sales Volume	1,088	1,135	-4%	1,315	-17%	2,223	2,569	-13%
Domestic Market	948	867	9%	1,250	-24%	1,815	2,417	-25%
Exports	141	267	-47%	65	116%	408	153	167%

In the 2Q22, total sales were 1,088 Kt of steel, 4.1% lower than in the 1Q22 (1,135 Kt). In the domestic market, sales were 948 Kt in the 2Q22, a 9.3% increase in relation to the 1Q22, (867 Kt). Exports in the 2Q22 were 141 Kt, 47.4% lower than in the 1Q22 (267 Kt). Sales volume was 87% for the domestic market and 13% for exports (compared to 76% and 24% in the 1Q22).

Domestic Market Sales were distributed in the following segments:

	2Q22	1Q22	Δ	2Q21	Δ	1S22	1S21	Δ
Auto Industry	36.0%	38.1%	- 2 p.p.	31.5%	+ 4 p.p.	37.0%	33.4%	+ 4 p.p.
Distribution	28.9%	29.4%	- 0 p.p.	34.9%	- 6 p.p.	29.1%	34.0%	- 5 p.p.
Industry	35.1%	32.5%	+ 3 p.p.	33.6%	+ 2 p.p.	33.9%	32.6%	+ 1 p.p.

Main export destinations:



Comments on the Results - Steel

In the 2Q22, the **Net Revenue** of the Steel Unit was R\$7.7 billion, 11.5% higher than that accounted in the 1Q22 (R\$6.9 billion). Net revenue/ton sold was R\$7,112/t, 16.3% higher than in the previous quarter (1Q22: R\$6,114/t), reflecting higher prices, mainly for the automotive segment.

Cash cost per ton was R\$5,146/t in the 2Q22, of which 7% were related to higher costs related to the lower availability of coke ovens. Cash Cost per ton was 16.3% higher than in the 1Q22 (R\$4,425/t). Among the main variations, we highlight higher costs with acquired slabs and its greater share in the production mix and higher third-party purchased coke cost.

COGS per ton was R\$5,647/t in 2Q22, of which 4% were related to higher costs related to the lower availability of coke ovens. COGS/ton was 10.1% higher than the previous quarter (1Q22: R\$5,129/t), reflecting higher production costs in the period.

Selling expenses totaled R\$45 million in 2Q22, 49.6% lower than in 1Q22 (R\$89 million), reflecting lower export volumes in the period.

General and Administrative Expenses totaled R\$122 million in the 2Q22, 13.6% higher than in the 1Q22 (R\$108 million), with higher personnel expenses and social charges, which atypically occurred in the 2Q22.

Other operating income (expenses) were negative R\$145 million in 2Q22, 75.8% higher than in 1Q22 (negative R\$83 million), due to adjustments in coal inventories and higher downtime expenses, related to the low availability of coke plants. These effects were partially offset by the sale of non-operating assets in the period.

Thus, **Adjusted EBITDA** reached R\$1.5 billion in the 2Q22, 43.8% higher than that accounted in the 1Q22 (R\$1.0 billion). Adjusted EBITDA margin was 18.8% in the 2Q22, against 14.6% in the 1Q22. No non-recurring effects were recorded in the 2Q22, as well as in the 1Q22.

Investments (CAPEX)

CAPEX in 2Q22 totaled R\$352 million, 45.7% higher than in 1Q22 (R\$241 million).



Business Unit - Steel Processing

Comments on the Results - *Soluções Usiminas*

Net Revenue in 2Q22 it totaled R\$2.4 billion, 13.1% higher than in 1Q22 (R\$2.1 billion), due to higher prices practiced. Sales of the Distribution, Services/JIT and Tubes segments accounted for 30.1%, 63.3% and 6.6% of the volume sold in the 2Q22, respectively.

Cost of goods sold was R\$2.1 billion in the 2Q22, 3.3% higher than in the 1Q22 (R\$2.0 billion). COGS/t was R\$6,848/t in 2Q22, an 8.3% increase compared to the 1Q22 (R\$6,321/t), with higher raw material costs.

Operating income (expenses) were negative by R\$44 million in the 2Q22, 31.7% higher compared to the 1Q22 (R\$33 million).

Adjusted EBITDA in the 2Q22 was R\$269 million, 301.4% higher than in the previous quarter (1Q22: R\$67 million). Adjusted EBITDA margin was 11.1% in the 2Q22 (1Q22: 3.1%). No non-recurring effects were recorded in the 2Q22, as well as in the 1Q22.

Equity in the Result

In the 2Q22, equity income was R\$56 million, compared to R\$35 million in the 1Q22.

Others

Blast Furnace 2 and Coke batteries

According to the Material Fact published on this date, the Company's Board of Directors approved on 07/28/22 the return to operation of Blast Furnace No.2. The decision to resume BF2 is based on the Company's production schedule and slab stock, in view of the expected shutdown of Blast Furnace No. 3 scheduled for April 2023. Additionally, despite the decision on the return of operation BF2, the coke plants at the Ipatinga Plant continue to show lower production availability and efforts and mitigating measures are currently underway. This situation has created the need for the Company to purchase coke in volumes higher than usual, in addition to an additional volume of natural gas to supply the deficit in internal gas production, which must be maintained for the period in which the coke plants show operational performance below standard. The Company expects a gradual recovery in the performance of the coke plants, with a more relevant effect in the 2nd half of 2023. The need for additional measures in relation to the coke plants is still being evaluated by the Company.

ESG Agenda - Sustainability Themes

Usiminas remains focused on developing and advancing its sustainability strategy.

In line with its commitment to transparency, on 04/29/2022, the Company released its [Sustainability Report 2021](#). The document provides a complete account of Usiminas' performance in the three pillars that form the concept of sustainable development. Since adopting the *GRI Standard Essential*, Usiminas has been learning and managing the impacts of its activities in the environmental, economic and social areas with more quality and efficiency. The Company has also begun to incorporate some requirements of the *Sustainability Accounting Standards Board (SASB)* and *Task Force on Climate-related Financial Disclosures (TCFD)*. In addition, the contents of the Report underwent external verification carried out by a specialized company.

Further in the 2Q22, on 06/01/2022, the Corporate Sustainability General Management area progressed in the Company's organizational structure and expanded its scope of action, whereby the processes related to Institutional Relations themes were determined to be at and incorporated to the executive board (director's) level. The area is now referred to as the Corporate Sustainability and Institutional Relations Directorate.

Regarding the approved and disclosed goals, the progress achieved in the 2Q22 is shown below:

Subject	Indicator	2022 Goals Goal	SDG	Progress	Comments
Water resources	Water Efficiency	Achieve 94.6% annual average recirculation by 12/31/22;	6 and 12	●	The level of water recirculation in 2Q22 reached 94.8%
Energy Efficiency and Use of Renewable Energy	Self-generation of renewable energy	Contract at least 10% of Usiminas' total energy consumption from clean and renewable energy for 2025;	7	●	Target achieved with a partnership signed with Canadian for self-production of around 12% of the energy consumed by the company.
Combating Climate Change	Emissions Inventory	Conducting a GHG inventory at the units of Mineração Usiminas and Soluções Usiminas until 12/31/22;	13	●	Development of the project in line with the plan.
	Scope 3 carbon emission	Engagement of 75% of Critical Suppliers with Scope 3 to Usiminas' climate agenda by 12/31/22;	13	●	86% of Critical Suppliers for Scope 3 responded to the data collection stage on the topic of Climate Change.
Workplace safety	Accident frequency rate	Zero Accident Goal. Lost-time accident frequency rate (CPT) recorded below or equal to 0.3 in 2022;	3, 8 and 9	●	The accumulated rate was 0.49. The indicator evolved in relation to 1Q22 (0.6).
Diversity and Inclusion	Women in apprentice training courses	Reach at least 55% of women in apprentice training classes by 12/31/22;	3 and 8	●	In 2Q22, this indicator was 58.8%.
Innovation	Pilots for safety risk reduction.	Execute 80% of innovation pilots with potential to reduce security risk;	9 and 12	●	Development of the project in line with the plan.
Portfolio Positioning	General Customer Satisfaction Index	General Customer Satisfaction Index higher or equal to 89.7% in 2022;	9 and 12	●	The overall satisfaction index accumulated until June is 90.3%.
	Products with RoHS and ELV certifications	100% of the production of laminates, certified in RoHS and ELV Standards;	9 and 12	●	100%
Ethics and Transparency	Environmental Compliance Program	Implementation of the Environmental Compliance Program until 12/31/2022.	16	●	Development of the project in line with the plan.

The main sustainability advances in the quarter are detailed below:



Mineração Usiminas receives certificate of de-characterization of its Central Dam (ODS 12)

The State Environmental Foundation (Feam) made official the de-characterization of the last tailings disposal structure built upstream at *Mineração Usiminas* Central Dam. The certificate was issued on May 17, after inspection by representatives of the environmental agency.

Learn more at (Portuguese Only): https://bit.ly/MUSA_Central



3rd Diversity Week (SDGs 5 and 10)

Usiminas held the 3rd Diversity and Inclusion Week between June 20th and 24th. Usiminas' Diversity and Inclusion program has been helping to transform the company's reality with various actions and the action of affinity groups in the five pillars: gender equity, LGBTI+, generations, people with disabilities and race and ethnicity.



Learn more at (Portuguese Only) : https://bit.ly/USI_3a_div_inc

Pedra Mole Station turns 100 years old (SDG 11)



In 2019, the ruins of the Pedra Mole Station Building were restored, receiving important repairs and new interventions. The works, executed by Usiminas, had an investment of approximately R\$ 750 thousand. The reform project was approved and monitored by the State Public Ministry and the Council for the Historical and Artistic Heritage of Ipatinga.



Learn more at (Portuguese Only): https://bit.ly/USI_Pedra_Mole

Capital markets

	2Q22	1Q22	Δ	2Q21	Δ
Number of Deals	1,288,773	1,821,614	-29%	1,868,209	-31%
Daily Average	20,787	29,381	-29%	30,132	-31%
Traded - thousand shares	1,161,545	1,276,571	-9%	1,264,436	-8%
Daily Average	18,735	20,590	-9%	20,394	-8%
Financial Volume - R\$ million	12,867	19,661	-35%	25,949	-50%
Daily Average	208	317	-35%	419	-50%
Maximum	14.20	17.56	-19%	24.36	-42%
Minimum	8.42	13.18	-36%	16.56	-49%
Closing	8.65	13.97	-38%	19.10	-55%
Market Capitalization - R\$ million	10,839	17,506	-38%	23,934	-55%

Usiminas shares are traded on the Brazilian market, with preferred and common shares on the B3, and also in the United States, on the over-the-counter market (OTC - *over-the-counter*), as well as in Europe, on the LATIBEX - Madrid Stock Exchange Section. Below, the performance of the Company's shares in the respective markets:

	2Q22	1Q22	Δ	2Q21	Δ
Preferred stocks (USIM5) - B3	R\$8.65	R\$13.97	-38%	R\$19.10	-55%
Common stocks (USIM3) - B3	R\$8.21	R\$13.04	-37%	R\$19.75	-58%
ADR (USNZY) - OTC	\$1.72	\$2.99	-42%	\$3.86	-55%
Preferred stocks (XUSI) - LATIBEX	€ 1.62	€ 2.72	-40%	€ 2.98	-46%
Common stocks (XUSIO) - LATIBEX	€ 1.58	€ 2.58	-39%	€ 3.46	-54%

2Q22 Live Results - July 29, 2022 (Friday)

11:00 am Brasilia | 10:00 am New York

Live event via Zoom with streaming via YouTube

[Click here to register for the Zoom event](#)

[Click here to watch on YouTube](#)

Replay in both languages will be available on the Investor Relations website: www.usiminas.com/ri



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Attachments (Excel tables available in the IR site in the Modeling Guide)

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

Assets	30-jun-22	31-mar-22	30-jun-21
Current Assets	21,527,074	19,652,621	18,234,043
Cash and Cash Equivalents	5,596,689	6,604,129	6,053,313
Trade Accounts Receivable	4,059,324	3,795,645	3,654,969
Taxes Recoverable	1,171,431	1,433,716	2,236,831
Inventories	9,918,009	7,519,481	6,029,160
Advances to suppliers	442,230	131,483	2,445
Other Securities Receivables	339,391	168,167	257,325
Non-Current Assets	19,753,527	19,451,023	18,223,451
Long-Term Receivable	5,277,235	5,267,974	4,218,293
Deferred Taxes	2,627,274	2,695,295	2,851,127
Deposits at Law	496,459	489,212	512,848
Taxes Recoverable	1,303,161	1,244,133	62,909
Accounts Receiv - Gasometer	352,230	355,807	332,191
Others	498,111	483,527	459,218
Equity Investments	1,221,980	1,170,461	1,143,820
Investment Property	159,047	159,054	164,194
Property, Plant and Equipment	11,446,841	11,206,157	11,103,073
Intangible	1,648,424	1,647,377	1,594,071
Total Assets	41,280,601	39,103,644	36,457,494

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

Liabilities and Shareholders' Equity	30-jun-22	31-mar-22	30-jun-21
Current Liabilities	6,135,616	5,329,348	5,377,667
Loans and Financing and Taxes Payable in Installments	174,984	56,274	143,271
Suppliers, Subcontractors and Freight	4,048,784	2,734,336	2,177,726
Wages and Social Charges	262,326	228,214	225,589
Taxes and Taxes Payables	316,430	305,621	1,643,118
Accounts Payable Forfeiting	895,461	563,859	763,231
Dividends Payable	117,326	966,934	678
Customers Advances	93,483	154,056	176,235
Others	226,822	320,054	247,819
Long-Term Liabilities	8,695,556	8,155,793	8,599,084
Loans and Financing and Taxes Payable in Installments	5,877,162	5,498,775	5,689,770
Actuarial Liability	1,192,758	1,167,156	1,560,006
Provision for Legal Liabilities	905,487	909,565	736,906
Environmental Protection Provision	222,712	227,754	237,516
Others	497,437	352,543	374,886
Shareholders' Equity	26,449,429	25,618,503	22,480,743
Capital	13,200,295	13,200,295	13,200,295
Reserves & Revenues from Fiscal Year	10,588,334	9,734,159	6,706,112
Non-controlling shareholders participation	2,660,800	2,684,049	2,574,336
Total Liabilities and Shareholders' Equity	41,280,601	39,103,644	36,457,494

Income Statement - Consolidated | IFRS

R\$ thousand	2Q22	1Q22	Δ	2Q21	Δ
Net Revenues	8,531,460	7,844,648	9%	9,596,269	-11%
Domestic Market	6,885,773	5,822,354	18%	7,462,175	-8%
Exports	1,645,687	2,022,294	-19%	2,134,094	-23%
COGS	(6,344,153)	(6,129,398)	4%	(5,953,981)	7%
Gross Profit	2,187,307	1,715,250	28%	3,642,288	-40%
Gross Margin	25.6%	21.9%	+ 3.8 p.p.	38.0%	- 12.3 p.p.
Operating Income and Expenses	(526,502)	(419,977)	25%	1,127,368	-
Selling Expenses	(193,078)	(171,117)	13%	(119,757)	61%
Provision for Doubtful Accounts	(4,491)	3,577	-	(1,038)	333%
Other Selling Expenses	(188,587)	(174,694)	8%	(118,719)	59%
General and Administrative	(147,129)	(130,480)	13%	(109,442)	34%
Other Operating Income and expenses	(186,295)	(118,380)	57%	1,356,567	-
Inventories Adjustments	(73,080)	(4,535)	1511%	(32,249)	127%
Credit of tax - Inclusion of ICMS in the base calculation of PIS and COFINS	996	-	-	1,609,163	-100%
Legal charges	(6,792)	(5,362)	27%	(5,410)	26%
Idleness expenses (includes depreciation)	(56,914)	(46,752)	22%	(76,326)	-25%
Retirement plans and health benefits	(27,816)	(27,816)	-	(24,355)	14%
Provision for tax credit (ICMS)	(15,519)	(11,941)	30%	(146,168)	-89%
Provision for contingencies	(17,058)	(11,196)	52%	(21,862)	-22%
Recovery of insurance claims expenses	(3,577)	6,776	-	36,804	-
Result of the non-operating asset sale/write-off	31,477	8,183	285%	53,000	-41%
Other Operating Income and Expenses, Net	(18,012)	(25,737)	-30%	(36,030)	-50%
EBIT	1,660,805	1,295,273	28%	4,769,656	-65%
EBIT Margin	19.5%	16.5%	+ 3.0 p.p.	49.7%	- 30.2 p.p.
Financial Result	(248,066)	501,708	-	1,332,266	-
Financial Income	290,443	239,470	21%	992,561	-71%
Financial Expenses	(231,542)	(171,754)	35%	(143,188)	62%
Net foreign exchange gain and losses	(306,967)	433,992	-	482,893	-
Equity in the results of investees	56,033	35,008	60%	55,458	1%
Operating Profit or Loss	1,468,772	1,831,989	-20%	6,157,380	-76%
Income Tax / Social Contribution	(408,842)	(568,820)	-28%	(1,614,171)	-75%
Net Income or Loss	1,059,930	1,263,169	-16%	4,543,209	-77%
Net Margin	12.4%	16.1%	- 3.7 p.p.	47.3%	- 34.9 p.p.
Attributable:					
Shareholders	889,268	1,191,414	-25%	4,168,048	-79%
Minority Shareholders	170,662	71,755	138%	375,161	-55%
EBITDA (Instruction CVM 527)	1,937,320	1,553,031	25%	5,075,773	-62%
EBITDA Margin (Instruction CVM 527)	22.7%	19.8%	+ 2.9 p.p.	52.9%	- 30.2 p.p.
Adjusted EBITDA - Jointly-controlled subsidiaries proportional EBITDA	1,929,894	1,559,920	24%	5,065,644	-62%
Adjusted EBITDA Margin	22.6%	19.9%	+ 2.7 p.p.	52.8%	- 30.2 p.p.
Depreciation and Amortization	220,482	222,750	-1%	250,659	-12%

Income Statement - Consolidated | IFRS

R\$ thousand	1S22	1S21	Δ
Net Revenues	16,376,108	16,662,101	-2%
Domestic Market	12,708,127	12,936,491	-2%
Exports	3,667,981	3,725,610	-2%
COGS	(12,473,551)	(10,556,431)	18%
Gross Profit	3,902,557	6,105,670	-36%
Gross Margin	23.8%	36.6%	- 12.8 p.p.
Operating Income and Expenses	(946,479)	789,546	-
Selling Expenses	(364,195)	(218,466)	67%
Provision for Doubtful Accounts	(914)	(3,940)	-77%
Other Selling Expenses	(363,281)	(214,526)	69%
General and Administrative	(277,609)	(224,854)	23%
Other Operating Income and expenses	(304,675)	1,232,866	-
Inventories Adjustments	(77,615)	(87,250)	-11%
Credit of tax - Inclusion of ICMS in the base calculation of PIS and COFINS	996	1,651,802	-100%
Legal charges	(12,154)	(16,416)	-26%
Idleness expenses (includes depreciation)	(103,666)	(146,770)	-29%
Retirement plans and health benefits	(55,632)	(48,707)	14%
Provision for tax credit (ICMS)	(27,460)	(158,254)	-83%
Provision for contingencies	(28,254)	(34,465)	-18%
Recovery of insurance claims expenses	3,199	70,114	-95%
Result of the non-operating asset sale/write-off	39,660	69,783	-43%
Other Operating Income and Expenses, Net	(43,749)	(66,971)	-35%
EBIT	2,956,078	6,895,216	-57%
EBIT Margin	18.1%	41.4%	- 23.3 p.p.
Financial Result	253,642	956,525	-73%
Financial Income	529,913	1,068,601	-50%
Financial Expenses	(403,296)	(239,644)	68%
Net foreign exchange gain and losses	127,025	127,568	0%
Equity in the results of investees	91,041	92,162	-1%
Operating Profit or Loss	3,300,761	7,943,903	-58%
Income Tax / Social Contribution	(977,662)	(2,195,797)	-55%
Net Income or Loss	2,323,099	5,748,106	-60%
Net Margin	14.2%	34.5%	- 20.3 p.p.
Attributable:			
Shareholders	2,080,682	5,099,843	-59%
Minority Shareholders	242,417	648,263	-63%
EBITDA (Instruction CVM 527)	3,490,351	7,486,674	-53%
EBITDA Margin (Instruction CVM 527)	21.3%	44.9%	- 23.6 p.p.
Adjusted EBITDA - Jointly-controlled subsidiaries proportional EBITDA	3,489,814	7,485,405	-53%
Adjusted EBITDA Margin	21.3%	44.9%	- 23.6 p.p.
Depreciation and Amortization	443,232	499,296	-11%

Cash Flow - Consolidated | IFRS

R\$ thousand	2Q22	1Q22	2Q21
Operating Activities Cash Flow			
Net Income or Loss in the Period	1,059,930	1,263,169	4,543,209
Financial Expenses and Monetary Var. / Net Exchge Var.	310,512	(487,973)	(1,281,785)
Interest Expenses	90,662	60,724	54,212
Depreciation and Amortization	220,482	222,750	250,659
Losses/(gains) on Sale of Property, Plant and Equipment	(31,477)	(8,183)	(53,000)
Equity in the Results of Subsidiaries/Associated Companies	(56,033)	(35,008)	(55,458)
Income tax and social contribution for the quarter	342,532	283,722	1,527,080
Difered Income Tax and Social Contribution	66,310	285,098	87,091
Constitution (reversal) of Provisions	206,553	117,355	(1,285,184)
Actuarial Gains and losses	27,816	27,816	24,355
Derivative financial instruments	(21,976)	104,949	-
Total	2,215,311	1,834,419	3,811,179
(Increase)/Decrease of Assets			
Accounts Receivables Customer	(402,875)	(286,373)	(368,020)
Inventories	(2,469,821)	(26,830)	(1,199,398)
Recovery of Taxes	(180,797)	7,786	73,799
Judicial Deposits	(3,653)	(5,555)	26,146
Others	(455,179)	(123,677)	22,291
Total	(3,512,325)	(434,649)	(1,445,182)
Increase /(Decrease) of Liabilities			
Suppliers, Contractors and Freight	1,292,647	85,291	40,503
Amounts Owed to Affiliated Companies	2,235	(25,450)	2,802
Customers Advances	(60,573)	(211)	23,767
Tax Payable	131,963	159,363	252,613
Securities Payable Forfaiting	331,602	(154,195)	(57,507)
Actuarial Liability Payments	(39,880)	(10,621)	(14,116)
Others	66,449	(135,432)	(227,062)
Total	1,724,443	(81,255)	21,000
Cash Generated from Operating Activities	427,429	1,318,515	2,386,997
Interest Paid	(19,138)	(236,205)	(418)
Income Tax and Social Contribution	(54,981)	(981,294)	(310,614)
Net Cash Generated from Operating Activities	353,310	101,016	2,075,965
Investments activities cash flow			
Marketable Securities	77,701	(471,335)	(1,708,584)
Fixed Asset Acquisition	(418,760)	(282,975)	(330,799)
Fixed Asset Sale Receipt	38,643	8,748	53,668
Dividends Received	4,525	2,950	3,160
Purchase of Intangible Assets	(9,397)	(1,972)	(4,384)
Net Cash Employed on Investments Activities	(307,288)	(744,584)	(1,986,939)
Financial Activities Cash Flow			
Loan Tickets., Finance. and Debentures	700,000	-	-
Payment of Loans, Financ. & Debent.	(701,761)	(1,769)	(1,923)
Lease liability payment	(12,600)	(11,318)	(10,687)
Swap Operations Liquidations	(21,307)	(98,267)	-
Dividends and Interest on Capital	(1,044,286)	(9)	(320,640)
Net Cash Generated from (Employed on) Financial Activities	(1,079,954)	(111,363)	(333,250)
Exchange Variation on Cash and Cash Equivalents	104,193	(135,824)	(12,150)
Net Increase (Decrease) of Cash and Cash Equivalents	(929,739)	(890,755)	(256,374)
Cash and Cash Equivalents at the Beginning of the Period	5,450,262	6,341,017	4,004,384
Cash and Cash Equivalents at the End of The Period	4,520,523	5,450,262	3,748,010
RECONCILIATION WITH BALANCE SHEET			
Cash and Cash Equivalents at the Beginning of the Period	5,450,262	6,341,017	4,004,384
Marketable Securities at the Beginning of the Period	1,153,867	682,532	596,719
Cash and Cash Equivalents at the Beginning of the Period	6,604,129	7,023,549	4,601,103
Net Increase (Decrease) of Cash and Cash Equivalentes	(929,739)	(890,755)	(256,374)
Net Increase (Decrease) of Marketable Securities	(77,701)	471,335	1,708,584
Cash and Cash Equivalents at the End of the Period	4,520,523	5,450,262	3,748,010
Marketable Securities at the End of the Period	1,076,166	1,153,867	2,305,303
Cash and Cash Equivalents at the End of the Period	5,596,689	6,604,129	6,053,313

Cash Flow - Consolidated | IFRS
R\$ thousand

	1S22	1S21
Operating Activities Cash Flow		
Net Income (Loss) in the Period	2,323,099	5,748,106
Financial Expenses and Monetary Var. / Net Exchge Var.	(177,461)	(994,247)
Interest Expenses	151,386	123,783
Depreciation and Amortization	443,232	499,296
Losses/(gains) on sale of property, plant and equipment	(39,660)	(69,783)
Equity in the Results of Subsidiaries/Associated Companies	(91,041)	(92,162)
Income tax and social contribution in tax year	626,254	2,132,588
Difered Income Tax and Social Contribution	351,408	63,209
Constitution (reversal) of Provisions	323,908	(1,374,395)
Actuarial Gains and losses	55,632	48,707
Derivative financial instruments	82,973	-
Total	4,049,730	6,085,102
Increase/Decrease of Assets		
Accounts Receivables Customer	(689,248)	(1,279,819)
Inventories	(2,496,651)	(2,219,468)
Recovery of Taxes	(173,011)	(20,476)
Judicial Deposits	(9,208)	23,049
Others	(578,856)	(183,282)
Total	(3,946,974)	(3,679,996)
Increase /(Decrease) of Liabilities		
Suppliers, contractors and freights	1,377,938	260,036
Amounts Owed to Affiliated Companies	(23,215)	5,513
Customers Advances	(60,784)	36,557
Tax Payable	291,326	505,081
Securities Payable Derived from Suppliers	177,407	(117,480)
Actuarial Liability payments	(50,501)	(22,512)
Others	(68,983)	(26,371)
Total	1,643,188	640,824
Cash Generated from Operating Activities	1,745,944	3,045,930
Interest Paid	(255,343)	(162,775)
Income Tax and Social Contribution	(1,036,275)	(803,721)
Net Cash Generated from Operating Activities	454,326	2,079,434
Investments activities cash flow		
Marketable Securities	(393,634)	(698,487)
Fixed asset acquisition	(701,735)	(560,751)
Fixed asset sale receipt	47,391	104,047
Dividends Received	7,475	7,752
Software Purchase	(11,369)	(13,049)
Net Cash Employed on Investments Activities	(1,051,872)	(1,160,488)
Financial Activities Cash Flow		
Inflow of Loans, Financing and Debentures	700,000	-
Payment of Loans, Financ. & Debent.	(703,530)	(3,866)
Lease Liabilities	(23,918)	(20,718)
Swap Operations Liquidations	(119,574)	-
Dividends and Interest on Capital	(1,044,295)	(368,832)
Net Cash Generated from (Employed on) Financial Activities	(1,191,317)	(393,416)
Exchange Variation on Cash and Cash Equivalents	(31,631)	(38,808)
Net Increase (Decrease) of Cash and Cash Equivalents	(1,820,494)	486,722
Cash and Cash Equivalents at the Beginning of the Period	6,341,017	3,261,288
Cash and Cash Equivalents at the End of The Period	4,520,523	3,748,010
RECONCILIATION WITH BALANCE SHEET		
Cash and cash equivalents at the beginning of the period	6,341,017	3,261,288
Marketable securities at the beginning of the period	682,532	1,606,816
Cash and cash equivalents at the beginning of the period	7,023,549	4,868,104
Net increase (decrease) of cash and cash equivalentes	(1,820,494)	486,722
Net increase (decrease) of marketable securities	393,634	698,487
Cash and cash equivalents at the end of the period	4,520,523	3,748,010
Marketable securities at the end of the period	1,076,166	2,305,303
Cash and cash equivalents at the end of the period	5,596,689	6,053,313