

(A free translation of the original in Portuguese)

**Usinas Siderúrgicas de Minas
Gerais S.A. - USIMINAS**
**Quarterly Information - ITR at
March 31, 2012
and report on review
of quarterly information**



(A free translation of the original in Portuguese)

Usinas Siderúrgicas de Minas Gerais S.A. - USIMINAS

Report on review of quarterly information

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

Introduction

We have reviewed the accompanying parent company and consolidated interim accounting information of Usinas Siderúrgicas de Minas Gerais S.A. - USIMINAS, included in the Quarterly Information Form (ITR) for the quarter ended March 31, 2012, comprising the balance sheet as at that date and the statements of income, comprehensive income, changes in equity and cash flows for the quarter then ended, and a summary of significant accounting policies and other explanatory information.

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

Scope of review

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

Conclusion on the parent company interim information

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

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Usinas Siderúrgicas de Minas Gerais S.A. - USIMINAS

Conclusion on the consolidated interim information

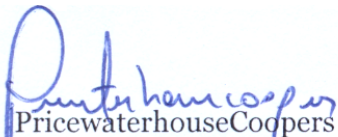
Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to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

Other matters

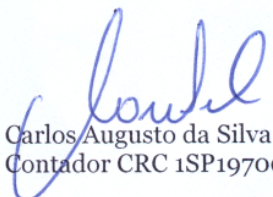
Statements of value added

We have also reviewed the parent company and consolidated statements of value added for the quarter ended March 31, 2012. These statements are the responsibility of the Company's management, and are required to be presented in accordance with standards issued by the CVM applicable to the preparation of Quarterly Information (ITR) and are considered supplementary information under IFRS, which do not require the presentation of the statement of value added. These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in a manner consistent with the parent company and consolidated interim accounting information taken as a whole.

Belo Horizonte, Abril 23, 2012



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



Carlos Augusto da Silva
Contador CRC 1SP197007/O-2 "S" MG

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Company Data / Capital Composition

Number of Shares (Units)	Current Quarter 03/31/2012
Paid-up Capital	
Common	505,260,684
Preferred	508,525,506
Total	1,013,786,190
In Treasury	
Common	2,526,654
Preferred	24,060,356
Total	26,587,010

Individual Financial Statements / Balance Sheet Assets

(In thousands of Reais)

Account Code	Account Description	Current Quarter 03/31/2012	Prior Year 12/31/2011
1	Total Assets	30,308,696	30,238,550
1.01	Current Assets	6,201,325	6,415,996
1.01.01	Cash and Cash Equivalents	561,943	363,586
1.01.02	Financial Investments	0	124,396
1.01.03	Accounts Receivable	860,944	783,520
1.01.03.01	Clients	860,944	783,520
1.01.04	Inventories	4,040,212	4,263,673
1.01.06	Taxes Recoverable	483,821	646,160
1.01.08	Other Current Assets	254,405	234,661
1.01.08.03	Other	254,405	234,661
1.01.08.03.01	Advances on Supply and Services	17,153	18,396
1.01.08.03.02	Financial Instruments	14,500	10,560
1.01.08.03.03	Dividends Receivable	59,145	61,952
1.01.08.03.04	Other Receivables	163,607	143,753
1.02	Non-Current Assets	24,107,371	23,822,554
1.02.01	Long term Receivables	1,727,763	1,793,183
1.02.01.06	Deferred Taxes	719,216	676,592
1.02.01.08	Credits with Related Parties	55,995	57,113
1.02.01.09	Other Non-Current Assets	952,552	1,059,478
1.02.01.09.03	Judicial Deposits	460,309	448,653
1.02.01.09.04	Deposits for tax incentives	5,490	5,490
1.02.01.09.05	Properties for sales	6,985	7,124
1.02.01.09.06	Financial Instruments	328,800	431,772
1.02.01.09.07	Taxes recoverable	113,802	123,381
1.02.01.09.08	Prepaid expenses	11,117	16,567
1.02.01.09.09	Other receivables	26,049	26,491
1.02.02	Investments	8,138,017	8,100,465
1.02.02.01	Equity Investments	8,138,017	8,100,465
1.02.02.01.01	Interest in Associated Companies	141,927	142,017
1.02.02.01.02	Interest in Subsidiaries	7,209,327	7,188,154
1.02.02.01.03	Interest in Jointly Controlled Subsidiaries	786,763	770,294
1.02.03	Property, Plant and Equipment	14,102,028	13,786,171
1.02.03.01	Property, Plant and Equipment in operation	8,844,184	8,815,399
1.02.03.01.01	Property, Plant and Equipment in operation	18,189,079	17,971,838
1.02.03.01.02	Depreciation	-9,344,895	-9,156,439
1.02.03.03	Construction in Progress	5,257,844	4,970,772
1.02.04	Intangible Assets	139,563	142,735

Individual Financial Statements / Balance Sheet Liabilities

(In thousands of Reais)

Account Code	Account Description	Current Quarter 03/31/2012	Prior Year 12/31/2011
2	Total Liabilities	30,308,696	30,238,550
2.01	Current Liabilities	4,744,926	3,405,007
2.01.01	Social Security and Labor Obligations	194,095	200,423
2.01.02	Suppliers	1,558,236	1,270,212
2.01.03	Tax Obligations	111,333	83,402
2.01.04	Loans and Financing	1,754,038	1,104,034
2.01.04.01	Loans and Financing	1,500,071	829,615
2.01.04.02	Debentures	253,967	274,419
2.01.05	Other Obligations	1,127,224	746,936
2.01.05.01	Liabilities with Related Parties	845,966	428,592
2.01.05.02	Other	281,258	318,344
2.01.05.02.01	Dividends and Interest on Own Capital Payable	56,740	57,171
2.01.05.02.04	Taxes Payable in Installments	56,957	57,169
2.01.05.02.05	Financial Instruments	46,263	43,589
2.01.05.02.06	Advances from clients	16,224	12,189
2.01.05.02.07	Other payables	105,074	148,226
2.02	Non-Current Liabilities	8,325,408	9,549,750
2.02.01	Loans and Financing	6,713,723	7,832,780
2.02.01.01	Loans and Financing	6,713,723	7,582,780
2.02.01.02	Debentures	0	250,000
2.02.02	Other Obligations	168,306	231,643
2.02.02.01	Liabilities with Related Parties	35,604	43,085
2.02.02.02	Other	132,702	188,558
2.02.02.02.03	Taxes Payable in Installments	12,397	22,050
2.02.02.02.04	Financial Instruments	20,908	23,990
2.02.02.02.05	Other payables	99,397	142,518
2.02.04	Provisions	1,443,379	1,485,327
2.02.04.01	Tax Social Security Labor and Civil Provisions	161,980	150,500
2.02.04.01.05	Contingent Liabilities	161,980	150,500
2.02.04.02	Other Provisions	1,281,399	1,334,827
2.02.04.02.03	Provision for Environmental Liabilities and Demobilization	45,878	57,354
2.02.04.02.04	Provision for retirement benefits	1,235,521	1,277,473
2.03	Net Equity	17,238,362	17,283,793
2.03.01	Realized Capital	12,150,000	12,150,000
2.03.01.01	Common shares	6,055,436	6,055,436
2.03.01.02	Preferred shares	6,094,564	6,094,564
2.03.02	Capital Reserves	2,589	2,274
2.03.02.01	Premium on Shares Issuance	105,295	105,295
2.03.02.05	Treasury Stock	-105,295	-105,295
2.03.02.07	Recognized Granted Options	2,589	2,274
2.03.04	Revenue Reserves	4,490,822	4,490,822
2.03.04.01	Legal Reserve	699,587	699,587
2.03.04.10	For investments and working capital	3,791,235	3,791,235
2.03.05	Retained earnings/Accumulated losses	-66,160	0
2.03.06	Equity Valuation Adjustments	634,890	614,476
2.03.06.01	Result from capital transaction	871,258	871,258

Individual Financial Statements / Balance Sheet Liabilities

(In thousands of Reais)

Account Code	Account Description	Current Quarter 03/31/2012	Prior Year 12/31/2011
2.03.06.02	Actuarial gains and losses	354,734	341,725
2.03.06.03	Indexation of property, plant and equipment	207,627	211,887
2.03.06.04	Other	15,761	15,761
2.03.06.05	Accumulated Translation Adjustments	747	1,030
2.03.06.06	Cash Flow Hedge Reserve	-105,769	-143,735
2.03.08	Other Comprehensive Results	26,221	26,221
2.03.08.01	Unappropriated Dividends	26,221	26,221

Individual Financial Statements / Statement of Income

(In thousands of Reais)

Account Code	Account Description	Accumulated Current Year 01/01/2012 to 03/31/2012	Accumulated Prior Year 01/01/2011 to 03/31/2011
3.01	Revenue from Sale of Assets and/or Services	2,551,772	2,716,765
3.02	Cost of Assets and/or Services Sold	-2,580,074	-2,700,065
3.03	Gross Result	-28,302	16,700
3.04	Operating Income/Expenses	-43,158	81,082
3.04.01	Selling Expenses	-33,017	-65,873
3.04.02	General and Administrative	-58,998	-66,873
3.04.04	Other Operating Income	18,596	59,895
3.04.05	Other Operating Expenses	-23,464	40,277
3.04.06	Equity in the Results	53,725	113,656
3.04.06.01	In associated and subsidiaries	26,799	104,514
3.04.06.02	Net capital deficiency	26,926	9,142
3.05	Result Before Financial Result and Taxes	-71,460	97,782
3.06	Financial Result	-56,136	7,193
3.07	Result Before Taxes on Profit	-127,596	104,975
3.08	Income Tax and Social Contribution on Net Income	56,761	-6,146
3.08.01	Current	-54	0
3.08.02	Deferred	56,815	-6,146
3.09	Net Result from Continued Operations	-70,835	98,829
3.10	Net Result from Discontinued Operations	0	-124,919
3.10.02	Net Gains/Losses on Discontinued Operations Assets	0	-124,919
3.11	Net Income/Loss for the Period	-70,835	-26,090
3.99	Earnings per Share – (Reais/ Per share)		
3.99.01	Earnings per share basic		
3.99.01.01	ON	-0.06800	-0.03000
3.99.01.02	PN	-0.08000	-0.03000
3.99.02	Earnings per share diluted		
3.99.02.01	ON	-0.06800	-0.03000
3.99.02.02	PN	-0.08000	-0.03000

Individual Financial Statements / Comprehensive Statement of Income

(In thousands of Reais)

Account Code	Account Description	Accumulated Current Year 01/01/2012 to 03/31/2012	Accumulated Prior Year 01/01/2011 to 03/31/2011
4.01	Net Income for the Period	-70,835	-26,090
4.02	Other Comprehensive Income	24,674	114,678
4.02.01	Actuarial gain (loss) with retirement benefits	-13,008	-51,077
4.02.02	Exchange variation on foreign subsidiaries	-284	159,977
4.02.03	Cash flow hedge in subsidiary	0	5,778
4.02.04	Hedge Accounting	37,966	0
4.03	Comprehensive Income for the Period	-46,161	88,588

Individual Financial Statements / Statement of Cash Flow – Indirect Method

(In thousands of Reais)

Account Code	Account Description	Accumulated Current Year 01/01/2012 to 03/31/2012	Accumulated Prior Year 01/01/2011 to 03/31/2011
6.01	Cash Flows from Operating Activities	991,564	155,924
6.01.01	Cash Generated in Operations	55,896	157,227
6.01.01.01	Net income (loss) for the year	-70,835	-26,090
6.01.01.02	Indexation charges and foreign exchange gains/losses, net	-12,503	-66,389
6.01.01.03	Interest expenses	73,280	119,129
6.01.01.04	Depreciation and amortization	191,648	188,450
6.01.01.05	Losses/(gains) on sale of property, plant and equipment	324	-24,930
6.01.01.06	Result from disposal of discontinued operations	0	124,919
6.01.01.07	Equity in the Results	-53,725	-113,656
6.01.01.08	Stock Option Plan	1,649	0
6.01.01.09	Deferred income tax and social contribution	-56,815	6,146
6.01.01.10	Changes in provisions	3,913	-28,632
6.01.01.11	Actuarial losses (gains)	-21,040	-21,720
6.01.02	Changes in Assets and Liabilities	935,668	-1,303
6.01.02.01	Marketable Securities	124,396	3,033
6.01.02.02	Trade receivables	-77,424	-126,463
6.01.02.03	Inventories	223,461	82,610
6.01.02.04	Taxes recoverable	171,864	-92,131
6.01.02.05	Receivables from related companies	1,118	-5,168
6.01.02.06	Judicial deposits	-19,558	-14,513
6.01.02.07	Other (increase) decrease in assets	-28,186	31,801
6.01.02.08	Suppliers, contractors and freights	288,024	316,369
6.01.02.09	Advances from customers	4,035	8,305
6.01.02.10	Payables to related companies	409,893	27,996
6.01.02.11	Taxes payable	27,931	22,113
6.01.02.12	Payment of actuarial liability	-40,138	-38,595
6.01.02.13	Other (increase) decrease in liabilities	-57,044	-136,393
6.01.02.14	Interest paid	-92,704	-80,267
6.02	Cash flow from Investing Activities	-486,298	-475,639
6.02.01	Amount received on disposal (acquisition) of investments	0	35,953
6.02.02	Purchase of property, plant and equipment	-480,070	-511,592
6.02.04	Purchase of intangible assets	-11,810	0
6.02.05	Dividends received	5,582	0
6.03	Cash flow from Financing Activities	-303,093	50,364
6.03.01	New borrowings, financing and debentures	317,113	290,315
6.03.02	Repayment of borrowings and financing	-604,306	-181,672
6.03.03	Taxes paid in installments	-8,367	-6,861
6.03.04	Settlement of swap transactions	-7,517	-15,095
6.03.05	Dividends and interest on own capital	-16	-36,323
6.04	Foreign exchange variation on cash and cash equivalents	-3,816	-7,746
6.05	Increase (Decrease) in Cash and Cash Equivalents	198,357	-277,097
6.05.01	Opening balance of Cash and Cash Equivalents	363,586	1,537,086
6.05.02	Closing balance of Cash and Cash Equivalents	561,943	1,259,989

Individual Financial Statements / Statements of Changes in Equity - 01/01/2012 to 03/31/2012

(In thousands of Reais)

Account Code	Account Description	Paid- up Capital	Capital Reserves, Options Granted and Treasury Stock	Revenue Earnings/ Accumulated Reserve	Retained Earnings/ Accumulated Losses	Other Comprehensive Results	Net Equity
5.01	Opening balances	12,150,000	2,274	4,490,822	0	640,697	17,283,793
5.03	Adjusted opening balances	12,150,000	2,274	4,490,822	0	640,697	17,283,793
5.04	Capital transactions with shareholders	0	315	0	415	0	730
5.04.03	Recognized Granted Options	0	315	0	0	0	315
5.04.08	Prescribed dividends	0	0	0	415	0	415
5.05	Total comprehensive result	0	0	0	-66,575	20,414	-46,161
5.05.01	Net Income for the Period	0	0	0	-70,835	0	-70,835
5.05.02	Other Comprehensive Results	0	0	0	4,260	20,414	24,674
5.05.02.06	Adjustment property, plant and equipment IAS 29	0	0	0	4,260	-4,260	0
5.05.02.07	Constitution of Hedge Accounting	0	0	0	0	37,966	37,966
5.05.02.08	Actuarial loss (gain) with retirement benefits	0	0	0	0	-13,008	-13,008
5.05.02.09	Exchange rate changes on foreign subsidiaries	0	0	0	0	-284	-284
5.07	Closing Balances	12,150,000	2,589	4,490,822	-66,160	661,111	17,238,362

Individual Financial Statements / Statements of Changes in Equity - 01/01/2011 to 03/31/2011

(In thousands of Reais)

Account Code	Account Description	Paid- up Capital	Capital Reserves, Options Granted and Treasury Stock	Revenue Reserve	Retained Earnings/Ac cumulated Losses	Other Comprehensive Results	Net Equity
5.01	Opening balances	12,150,000	0	4,316,992	0	965,607	17,432,599
5.03	Adjusted opening balances	12,150,000	0	4,316,992	0	965,607	17,432,599
5.05	Total comprehensive result	0	0	0	-20,702	109,290	88,588
5.05.01	Net Income for the Period	0	0	0	-26,090	0	-26,090
5.05.02	Other Comprehensive Results	0	0	0	5,388	109,290	114,678
5.05.02.06	Actuarial loss with retirement benefits	0	0	0	0	-51,077	-51,077
5.05.02.07	Realization of IAS 29 adjustment in property, plant and equipment	0	0	0	5,388	-5,388	0
5.05.02.08	Cash flow hedge in subsidiary	0	0	0	0	5,778	5,778
5.05.02.09	Exchange rate changes on foreign subsidiaries and other changes	0	0	0	0	159,977	159,977
5.07	Closing Balances	12,150,000	0	4,316,992	-20,702	1,074,897	17,521,187

Individual Financial Statements / Statement of Value Added

(In thousands of Reais)

Account Code	Account Description	Accumulated Current Year 01/01/2012 to 03/31/2012	Accumulated Prior Year 01/01/2011 to 03/31/2011
7.01	Revenues	3,411,766	3,614,661
7.01.01	Sales of Goods, Products and Services	3,410,768	3,614,066
7.01.02	Other Revenues	2,691	9,223
7.01.04	Provision/Reversal of Allowance for Doubtful Accounts	-1,693	-8,628
7.02	Inputs Acquired from Third Parties	-2,998,408	-3,385,824
7.02.01	Cost of Products, Goods and Services Sold	-2,867,278	-3,306,519
7.02.02	Materials, Energy, Third Party Services and Other	-131,130	-79,305
7.03	Gross Value Added	413,358	228,837
7.04	Retentions	-191,648	-188,450
7.04.01	Depreciation, Amortization and Depletion	-191,648	-188,450
7.05	Net Value Added	221,710	40,387
7.06	Value Added Received in Transfer	290,607	332,394
7.06.01	Equity in the Results	53,725	113,656
7.06.02	Financial Income	46,653	79,047
7.06.03	Other	190,229	139,691
7.06.03.01	Actuarial Gains (losses)	21,040	21,720
7.06.03.02	Net foreign Exchange variations	169,189	117,971
7.07	Total Value Added to be distributed	512,317	372,781
7.08	Distribution of Value Added	512,317	372,781
7.08.01	Personnel	243,429	220,634
7.08.01.01	Direct Remuneration	202,823	166,264
7.08.01.02	Benefits	21,620	36,228
7.08.01.03	Severance Fund (F.G.T.S).	18,986	18,142
7.08.02	Taxes, Fees and Contributions	67,745	-136,507
7.08.02.01	Federal	114,411	44,676
7.08.02.02	State	-56,015	-189,779
7.08.02.03	Municipal	9,349	8,596
7.08.03	Third Party Capital Remuneration	271,978	189,825
7.08.03.01	Interest	147,488	149,699
7.08.03.03	Other	124,490	40,126
7.08.04	Own Capital Remuneration	-70,835	98,829
7.08.04.03	Retained Earnings/Loss for the Period	-70,835	98,829

Consolidated Financial Statements/Balance Sheet - Assets

(In thousands of Reais)

Account Code	Account Description	Current Quarter 03/31/2012	Prior Year 12/31/2011
1	Total Assets	33,038,904	33,360,425
1.01	Current Assets	11,965,921	12,616,945
1.01.01	Cash and Cash Equivalents	3,036,777	2,901,312
1.01.02	Financial Investments	1,797,308	2,289,383
1.01.03	Accounts Receivable	1,315,983	1,254,435
1.01.03.01	Trade Receivables	1,315,983	1,254,435
1.01.04	Inventories	4,866,032	5,058,876
1.01.06	Taxes recoverable	597,934	799,635
1.01.08	Other Current Assets	351,887	313,304
1.01.08.03	Other	351,887	313,304
1.01.08.03.01	Advance on Supplies and Services	67,104	71,758
1.01.08.03.02	Financial Instruments	36,604	29,464
1.01.08.03.03	Dividends receivable	13,533	13,587
1.01.08.03.04	Other Accounts Receivable	234,646	198,495
1.02	Non-Current Assets	21,072,983	20,743,480
1.02.01	Long Term Receivables	1,901,568	1,939,992
1.02.01.06	Deferred taxes	846,995	797,146
1.02.01.06.01	Deferred Income Tax and Social Contribution	846,995	797,146
1.02.01.08	Credits with Related Parties	5,624	5,710
1.02.01.09	Other non-current assets	1,048,949	1,137,136
1.02.01.09.03	Judicial deposits	492,571	486,327
1.02.01.09.04	Financial Investments	331,450	435,972
1.02.01.09.05	Taxes recoverable	145,375	154,737
1.02.01.09.06	Other Accounts Receivable	79,553	60,100
1.02.02	Investments	439,030	428,382
1.02.02.01	Interest Corporation	439,030	428,382
1.02.02.01.01	Interest in associated companies	439,030	428,382
1.02.03	Property, plant and equipment	16,288,495	15,921,154
1.02.03.01	Property, plant and equipment in Operation	10,582,159	10,489,802
1.02.03.01.01	Property, plant and equipment in Operation	20,698,401	20,390,687
1.02.03.01.02	Depreciation	-10,116,242	-9,900,885
1.02.03.03	Construction in progress	5,706,336	5,431,352
1.02.04	Intangible assets	2,443,890	2,453,952

Consolidated Financial Statements/Balance Sheet – Liabilities

(In thousands of Reais)

Account Code	Account Description	Current Quarter 03/31/2012	Prior Year 12/31/2011
2	Total Liabilities	33,038,904	33,360,425
2.01	Current Liabilities	5,015,480	4,092,173
2.01.01	Social and Labor Obligations	297,758	301,950
2.01.02	Suppliers	1,925,696	1,462,373
2.01.03	Tax Obligations	194,429	323,838
2.01.03.01	Federal Tax Obligations	194,429	323,838
2.01.03.01.01	Income Tax and Social Contribution Payable	46,008	197,636
2.01.03.01.02	Taxes Payable	148,421	126,202
2.01.04	Loans and Financing	1,813,728	1,139,516
2.01.04.01	Loans and Financing	1,559,761	865,097
2.01.04.02	Debentures	253,967	274,419
2.01.05	Other Obligations	783,869	864,496
2.01.05.01	Liabilities with Related Parties	74,738	92,815
2.01.05.02	Other	709,131	771,681
2.01.05.02.01	Dividends and Interest on Own Capital Payable	69,273	69,704
2.01.05.02.04	Taxes Payable in Installments	61,043	61,169
2.01.05.02.05	Financial Instruments	46,263	43,589
2.01.05.02.06	Advances from Customers	224,108	202,978
2.01.05.02.07	Acquisition Mineração Ouro Negro	153,807	156,193
2.01.05.02.08	Other Accounts Payable	154,637	238,048
2.02	Non-Current Liabilities	9,020,615	10,254,047
2.02.01	Loans and Financing	6,644,265	7,623,126
2.02.01.01	Loans and Financing	6,644,265	7,373,126
2.02.01.02	Debentures	0	250,000
2.02.02	Other Obligations	801,449	1,023,053
2.02.02.01	Liabilities with Related Parties	0	6,750
2.02.02.02	Other	801,449	1,016,303
2.02.02.02.03	Taxes Payable in Installments	28,331	38,637
2.02.02.02.04	Financial Instruments	402,775	547,250
2.02.02.02.05	Acquisition Mineração Ouro Negro	269,162	312,385
2.02.02.02.06	Other Accounts Payable	101,181	118,031
2.02.03	Deferred taxes	26,374	17,880
2.02.03.01	Deferred income tax and social contribution	26,374	17,880
2.02.04	Provisions	1,548,527	1,589,988
2.02.04.01	Tax, Social Security Labor and Civil Provisions	217,609	204,255
2.02.04.01.05	Contingent liabilities	217,609	204,255
2.02.04.02	Other Provisions	1,330,918	1,385,733
2.02.04.02.03	Provisions for Environmental Liabilities and Demobilization	95,397	108,260
2.02.04.02.04	Provisions for Retirement Benefits	1,235,521	1,277,473
2.03	Consolidated Net Equity	19,002,809	19,014,205
2.03.01	Realized Capital	12,150,000	12,150,000
2.03.01.01	Common Shares	6,055,436	6,055,436
2.03.01.02	Preferred Shares	6,094,564	6,094,564
2.03.02	Capital reserves	2,589	2,274
2.03.02.01	Premium on the issuance of shares	105,295	105,295
2.03.02.05	Treasury Stock	-105,295	-105,295

Consolidated Financial Statements / Balance Sheet - Liabilities

(In thousands of Reais)

Account Code	Account Description	Current Quarter 03/31/2012	Prior Year 12/31/2011
2.03.02.07	Recognized granted options	2,589	2,274
2.03.04	Revenue Reserves	4,490,822	4,490,822
2.03.04.01	Legal Reserve	699,587	699,587
2.03.04.10	For investments and working capital	3,791,235	3,791,235
2.03.05	Retained Earnings/Accumulated Deficit	-66,160	0
2.03.06	Equity valuation adjustments	634,890	614,476
2.03.06.01	Result in capital transaction	871,258	871,258
2.03.06.02	Actuarial gains and losses	-354,734	-341,725
2.03.06.03	Restatement of property, plant and equipment	207,627	211,887
2.03.06.04	Other	15,761	15,761
2.03.06.05	Accumulated Translation Adjustments	747	1,030
2.03.06.06	Cash Flow Hedge Reserve	-105,769	-143,735
2.03.08	Other Comprehensive Results	26,221	26,221
2.03.08.01	Unappropriated Dividends	26,221	26,221
2.03.09	Non-controlling interest	1,764,447	1,730,412

Consolidated Financial Statements/Statement of Income

(In thousands of Reais)

Account Code	Account Description	Accumulated Current Year 01/01/2012 to 03/31/2012	Accumulated Prior Year 01/01/2011 to 03/31/2011
3.01	Revenue from Sale of Assets and/or Services	2,886,234	3,063,476
3.02	Cost of Assets and/or Services Sold	-2,712,870	-2,764,757
3.03	Gross Result	173,364	298,719
3.04	Operating Expenses/Income	-196,255	-119,512
3.04.01	Selling Expenses	-78,614	-111,140
3.04.02	General and Administrative Expenses	-110,749	-125,888
3.04.04	Other Operating Income	21,259	69,918
3.04.05	Other Operating Expenses	-41,287	29,622
3.04.06	Equity in the Results	13,136	17,976
3.05	Result Before Financial Result and Taxes	-22,891	179,207
3.06	Financial Result	-22,835	43,473
3.07	Result Before taxes on Profit	-45,726	222,680
3.08	Income Tax and Social Contribution on Net Income	8,926	-81,740
3.08.01	Current	-45,899	-73,596
3.08.02	Deferred	54,825	-8,144
3.09	Net Result from Continued Operations	-36,800	140,940
3.10	Net Result from Discontinued Operations	0	-124,919
3.10.02	Net Gains/Losses on Assets from Discontinued Operations	0	-124,919
3.11	Consolidated Net Income/Loss for the Period	-36,800	16,021
3.11.01	Attributed to Parent Company shareholders	-70,835	-26,090
3.11.02	Attributed to Noncontrolling interest	34,035	42,111
3.99	Earnings per Share – (Reais/ Per share)		
3.99.01	Earnings per share basic		
3.99.01.01	ON	-0.06800	-0.03000
3.99.01.02	PN	-0.08000	-0.03000
3.99.02	Earnings per share diluted		
3.99.02.01	ON	-0.06800	-0.03000
3.99.02.02	PN	-0.08000	-0.03000

Consolidated Financial Statements/Comprehensive Statement of Income

(In thousands of Reais)

Account Code	Account Description	Accumulated Current Year 01/01/2012 to 03/31/2012	Accumulated Prior Year 01/01/2011 to 03/31/2011
4.01	Consolidated Net Income for the Period	-36,800	16,021
4.02	Other Comprehensive Income	24,674	114,678
4.02.01	Actuarial gain (loss) from Retirement Benefits	-13,008	-51,077
4.02.02	Foreign exchange variation on foreign associated companies and other changes	-284	159,977
4.02.03	Cash Flow Hedge in Associated company	0	5,778
4.02.04	Hedge Accounting	37,966	0
4.03	Consolidated Comprehensive Income for the Period	-12,126	130,699
4.03.01	Attributed to Parent Company Shareholders	-46,161	88,588
4.03.02	Attributed to Non-controlling interest	34,035	42,111

Consolidated Financial Statements/Statement of Cash Flow – Indirect Method

(In thousands of Reais)

Account Code	Account Description	Accumulated Current Year 01/01/2012 to 03/31/2012	Accumulated Prior Year 01/01/2011 to 03/31/2011
6.01	Cash Flow from Operating Activities	1,022,097	-1,272,523
6.01.01	Cash Generated in Operations	163,975	305,987
6.01.01.01	Net Income (loss) for the year	-36,800	16,021
6.01.01.02	Indexation charges and foreign exchange gain/losses, net	-53,565	-83,666
6.01.01.03	Interest expenses	111,750	123,642
6.01.01.04	Depreciation and amortization	225,863	213,240
6.01.01.05	Result from sale of property, plant and equipment	-165	-22,671
6.01.01.06	Result on disposal of discontinued operations	0	124,919
6.01.01.07	Equity in the results	-13,136	-17,976
6.01.01.08	Stock option plan	1,649	0
6.01.01.09	Deferred income tax and social contribution	-54,825	8,144
6.01.01.10	Constitution (reversal) of provisions	4,244	-33,946
6.01.01.11	Actuarial losses (gains)	-21,040	-21,720
6.01.02	Changes in Assets and Liabilities	858,122	-1,578,510
6.01.02.01	Marketable Securities	492,075	-1,579,567
6.01.02.02	Trade Receivables	-61,548	21,917
6.01.02.03	Inventories	192,844	5,558
6.01.02.04	Taxes recoverable	155,403	-94,169
6.01.02.05	Judicial deposits	-14,940	-13,317
6.01.02.06	Receivables from related companies	86	54
6.01.02.07	Other (increases) decreases in assets	-29,609	-22,466
6.01.02.08	Suppliers, contractors and freights	463,323	318,202
6.01.02.09	Payables to related companies	-24,827	-17,792
6.01.02.10	Advances from customers	21,130	14,209
6.01.02.11	Taxes payable	22,219	9,363
6.01.02.12	Payment of actuarial liability	-40,138	-38,595
6.01.02.13	Other increase (decrease) in liabilities	-53,099	6,936
6.01.02.14	Interest paid	-97,293	-94,374
6.01.02.15	Income tax and social contribution payable	-167,504	-94,469
6.02	Cash Flow from Investing Activities	-607,928	981,472
6.02.01	Amount received/paid on disposal (acquisition) of investments	-42,490	1,656,677
6.02.02	Purchases of property, plant and equipment	-561,106	-673,629
6.02.03	Proceeds from sale of fixed assets	683	21
6.02.04	Purchase of intangible assets	-12,190	-2,041
6.02.05	Dividends received	7,175	444
6.03	Cash Flow from Financing Activities	-274,888	52,640
6.03.01	New borrowings, financing and debentures	364,810	293,424
6.03.02	Repayment of borrowings, financing and debentures	-628,099	-190,164
6.03.03	Taxes paid in installments	-9,392	-7,115
6.03.04	Settlement of swap transactions	-2,191	-7,181
6.03.05	Dividends and interest on own capital paid	-16	-36,324
6.04	Exchange gains/losses on Cash and Cash Equivalents	-3,816	-7,746
6.05	Increase (Decrease) in Cash and Cash Equivalents	135,465	-246,157
6.05.01	Opening Balance of Cash and Cash Equivalents	2,901,312	4,156,098
6.05.02	Closing Balance of Cash and Cash Equivalents	3,036,777	3,909,941

Consolidated Financial Statements/Statements of Changes in Equity - 01/01/2012 to 03/31/2012

(In thousands of Reais)

Account Code	Account Description	Paid up Capital	Capital Reserves, Options Granted and Treasury Stock	Revenue Reserves	Retained Earnings/Accumulated Deficit	Other Comprehensive Results	Net Equity	Noncontrolling Interest	Consolidated Net Equity
5.01	Opening Balances	12,150,000	2,274	4,490,822	0	640,697	17,283,793	1,730,412	19,014,205
5.03	Adjusted Opening Balances	12,150,000	2,274	4,490,822	0	640,697	17,283,793	1,730,412	19,014,205
5.04	Capital Transactions with Shareholders	0	315	0	415	0	730	0	730
5.04.03	Recognized granted options	0	315	0	0	0	315	0	315
5.04.08	Prescribed dividends	0	0	0	415	0	415	0	415
5.05	Total Comprehensive Result	0	0	0	-66,575	20,414	-46,161	34,035	-12,126
5.05.01	Net Income for the Period	0	0	0	-70,835	0	-70,835	34,035	-36,800
5.05.02	Other Comprehensive Results	0	0	0	4,260	20,414	24,674	0	24,674
5.05.02.06	Adjustment property, plant and equipment IAS 29	0	0	0	4,260	-4,260	0	0	0
5.05.02.07	Hedge Accounting constitution	0	0	0	0	37,966	37,966	0	37,966
5.05.02.08	Actuarial loss (gain) with retirement benefits	0	0	0	0	-13,008	-13,008	0	-13,008
5.05.02.09	Foreign exchange variation in foreign subsidiary	0	0	0	0	-284	-284	0	-284
5.07	Closing Balances	12,150,000	2,589	4,490,822	-66,160	661,111	17,238,362	1,764,447	19,002,809

Consolidated Financial Statements/Statements of Changes in Equity - 01/01/2011 to 03/31/2011

Account Code	Account Description	Paid up Capital	Capital Reserves, Options Granted and Treasury Stock	Revenue Reserves	Retained Earnings/Accumulated Deficit	Other Comprehensive Results	Net Equity	Noncontrolling Interest	Consolidated Net Equity
5.01	Opening Balances	12,150,000	0	4,316,992	0	965,607	17,432,599	1,596,838	19,029,437
5.03	Adjusted Opening Balances	12,150,000	0	4,316,992	0	965,607	17,432,599	1,596,838	19,029,437
5.04	Capital Transactions with Shareholders	0	0	0	0	0	0	-1,415	-1,415
5.04.06	Dividends	0	0	0	0	0	0	-1,415	-1,415
5.05	Total Comprehensive Result	0	0	0	-20,702	109,290	88,588	42,111	130,699
5.05.01	Net Income for the Period	0	0	0	-26,090	0	-26,090	42,111	16,021
5.05.02	Other Comprehensive Results	0	0	0	5,388	109,290	114,678	0	114,678
5.05.02.06	Actuarial loss with retirement benefits	0	0	0	0	-51,077	-51,077	0	-51,077
5.05.02.07	Realization of IAS 29 on property, plant and equipment	0	0	0	5,388	-5,388	0	0	0
5.05.02.08	Cash Flow Hedge in associated company	0	0	0	0	5,778	5,778	0	5,778
5.05.02.09	Foreign exchange variation in foreign subsidiary and other changes	0	0	0	0	159,977	159,977	0	159,977
5.07	Closing Balances	12,150,000	0	4,316,992	-20,702	1,074,897	17,521,187	1,637,534	19,158,721

Consolidated Financial Statements/Statement of Value Added

(In thousands of Reais)

Account Code	Account Description	Accumulated Current Year 01/01/2012 to 03/31/2012	Accumulated Prior Year 01/01/2011 to 03/31/2011
7.01	Revenues	3,838,194	4,032,158
7.01.01	Sales of Goods, Products and Services	3,837,114	4,031,845
7.01.02	Other Revenues	2,980	9,438
7.01.04	Provision/Reversal of Allowance for Doubtful Accounts	-1,900	-9,125
7.02	Inputs Acquired from Third Parties	-3,241,177	-3,550,443
7.02.01	Costs of Products, Goods and Services Sold	-3,007,447	-3,390,283
7.02.02	Materials, Energy, Third Party Services and Other	-234,330	-160,160
7.03	Gross Value Added	596,417	481,715
7.04	Retentions	-225,863	-213,240
7.04.01	Depreciation, Amortization and Depletion	-225,863	-213,240
7.05	Net Value Added	370,554	268,475
7.06	Value Added Received in Transfer	171,936	231,747
7.06.01	Equity in the Results	13,136	17,976
7.06.02	Financial Income	122,073	148,385
7.06.03	Other	36,727	65,386
7.06.03.01	Actuarial Gains and Losses	21,040	21,720
7.06.03.02	Net Foreign Exchange Variations	15,687	43,666
7.07	Total Value Added to be Distributed	542,490	500,222
7.08	Distribution of Value Added	542,490	500,222
7.08.01	Personnel	442,044	436,405
7.08.01.01	Direct Remuneration	379,228	357,623
7.08.01.02	Benefits	31,916	48,525
7.08.01.03	Severance Fund - F.G.T.S.	30,900	30,257
7.08.02	Taxes, Fees and Contributions	-23,349	-225,701
7.08.02.01	Federal	127,605	61,481
7.08.02.02	State	-162,692	-300,807
7.08.02.03	Municipal	11,738	13,625
7.08.03	Remuneration of Third Party Capital	160,595	148,578
7.08.03.01	Interest	184,474	160,558
7.08.03.03	Other	-23,879	-11,980
7.08.03.03.01	Other	-23,879	-11,980
7.08.04	Remuneration of Own Capital	-36,800	140,940
7.08.04.03	Retained Earnings/Loss for the Period	-70,835	98,829
7.08.04.04	Non-controlling interest in Retained Earnings	34,035	42,111

Management Report/Comment on the Performance**COMMENTS ON CONSOLIDATED PERFORMANCE
FOR THE FIRST QUARTER OF 2012**

The consolidated result for the first quarter of 2012 was a deficit of R\$ 37 million against an income of R\$ 16 million for the same period in 2011. The weaker performance in 2012 is due to the lower volume of sales in the steel company, and as a consequence less revenue, foreign exchange losses and losses with judicial contingencies.

Net Revenue

The consolidated net revenue totaled R\$ 2,886 million in the first quarter of 2012, 5.78% lower than the revenue for the first quarter of 2011, which amounted to R\$3,063 million, mainly due to the decrease in the volume of rolled products sold by the steel company at 75 thousand tons and the reduction of capital assets projects.

Consolidated Highlights

	First quarter 2012	First quarter 2011	Fourth quarter 2011
Volume sold (thousand tons)⁽¹⁾	1,512	1,588	1,340
Net revenue (R\$10⁶)	2,886	3,063	2,815
Net revenue (p/ton)⁽¹⁾	1,676	1,674	1,744
Cost of sales (R\$ 10⁶)	(2,713)	(2,765)	(2,587)
CPS (p/ton)⁽¹⁾	(1,706)	(1,700)	(1,908)
Profit (loss) (R\$ 10⁶)	(37)	16	77

(1) Steel products**Cost of products sold**

The consolidated cost of products sold amounted to R\$ 2,713 million in the current quarter against R\$ 2,765 million in the first quarter of 2011, a decrease of 1.88% mainly due to the decrease in the volume sold by the steel company.

Operating expenses

The consolidated operating expenses (selling, general and administrative and other operating expenses) amounted to R\$ 209 million in the first quarter of 2012, R\$ 71 million higher when compared to R\$ 138 million in the first quarter of 2011, basically because in the prior quarter there were higher gains with reversal of judicial contingencies and recovery of taxes.

Financial result

The consolidated net financial result presented a net expense of R\$ 23 million in the first quarter of 2012, against R\$ 43 million of net income in the same 2011 period, basically due to lower foreign exchange gains in the amount of R\$ 28 million and decrease in the yields with financial investments at R\$ 23 million.

Management Report/Comment on the Performance**Interest in subsidiaries**

The interest in subsidiaries recorded a revenue of R\$ 13 million in the first quarter of 2012, against a revenue of R\$ 18 million in the same 2011 period, arising from the lower result presented in MRS Logística.

Production Indicators

Ipatinga and Cubatão Plants	In thousand tons			
	First quarter 2012	First quarter 2011	Fourth quarter 2011	Accumulated 2011
Liquid steel	1,699	1,822	1,546	6,847
Crude steel	1,672	1,783	1,509	6,699
Cock	731	733	720	3,029
Laminated	1,639	1,618	1,309	5,822

Mining

	In thousand tons			
	First quarter 2012	First quarter 2011	Fourth quarter 2011	Accumulated 2011
Production	1,854	1,554	1,665	6,330
Sales to third parties	478	213	373	1,238
Transferred/sold to the plants	1,252	1,035	1,023	4,333

Explanatory Notes

1 Operations

Usinas Siderúrgicas de Minas Gerais S.A. – USIMINAS (“Usiminas” or the “Company”), headquartered in Belo Horizonte, State of Minas Gerais, operates in the steel industry and related activities. The Company produces flat rolled carbon steel at the Intendente Câmara plant in Ipatinga, State of Minas Gerais and the José Bonifácio de Andrada e Silva plant in Cubatão, State of São Paulo, for the Brazilian domestic and export markets.

The Company, through its subsidiaries, jointly-controlled and associated companies (collectively, the Usiminas companies), has several service and distribution centers in Brazil, in addition to the Cubatão and Praia Mole ports located in the states of São Paulo and Espírito Santo, respectively, as strategic ports for shipping of its production. The activities of Usiminas Companies are described in Note 1 to the financial statements for the year ended December 31, 2011, filed with the Brazilian Securities Commission (CVM).

The Company's shares are listed for trading on the stock exchange in São Paulo (BM&FBOVESPA) under the tickers USIM3 and USIM5.

As described in Note 19, Techint Group executed an agreement to purchase the interest of Votorantim and Camargo Corrêa Groups in USIMINAS, in addition to part of the shares owned by Caixa dos Empregados da Usiminas (CAIXA), in an amount totaling 139.7 million shares, or 27.7% of the Company's voting capital. After the transaction approval, the controlling group of USIMINAS is composed by Nippon (46.1%), Ternium and Tenaris (43.3%) and CAIXA (10.6%). The transactions were completed on January 16, 2012 with the consequent effectiveness of the New Shareholders Agreement, according to the Material Fact disclosed to the Market on January 17, 2012.

2 Interim Financial Statements

The issue of these interim financial statements included in the Guide of Quarterly Information (ITR) for the Parent Company and Consolidated were considered approved by the Company Board of Directors on April 23, 2012.

Explanatory Notes

3 Presentation of the Interim Financial Statements and Summary of Principal Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are consistent with the policies described in Note 3 to the Company's Financial Statements for the year ended December 31, 2011 as filed with the CVM. These policies have been consistently adopted for all the years presented, unless otherwise stated.

3.1 Preparation basis

(a) Individual interim financial statements – Parent Company

The individual interim financial statements of Usiminas, presented as Parent Company, have been prepared in accordance with CPC 21, "Interim Statements", based on the rules and regulations of the CVM.

These interim financial statements should be read together with the Company financial statements for the year ended December 31, 2011.

(b) Consolidated interim financial statements

The consolidated interim statements, ("Consolidated"), have been prepared and are being presented in accordance with the CPC 21, "Interim Statements", in accordance with CVM regulations. They have also been prepared in accordance with IAS 34, "Presentation of Interim Financial Reports", based on CVM rules.

These interim financial statements should be read together with the Company Financial Statements for the year ended December 31, 2011.

3.2 Accounting standards, amendments and interpretations that are not yet effective

In the quarter ended March 31, 2012 no standards, amendments and interpretations, except for those disclosed in Note 3.24 to the Company's financial statements for the year ended December 31, 2011, have been issued, nor amendments related to expected effects that have been previously disclosed that could affect the interim financial statements.

Explanatory Notes

4 Financial Risk Management

As at March 31, 2012, no alterations in the policies and management of financial risks occurred in relation to those disclosed in the Company financial statements for the year ended December 31, 2011.

There were no significant alterations to the information related to: (a) cash flow of financial instruments; (b) foreign currency denominated assets and liabilities; (c) new loans and financing and debentures by currency and interest rate; (d) financial leverage index and (e) classification of assets and liabilities measured at fair value; (f) fair value of loans and financing and of other financial assets and liabilities in relation to those disclosed in the Company financial statements at December 31, 2011 and, accordingly, Management decided not to repeat them in these interim financial statements at March 31, 2012.

4.1 Sensitivity analysis

In the preparation of the sensitivity analysis for derivative financial instruments, the Company used the quotations available in the financial market, (Broadcast, Bloomberg, BM&F). These quotations were used for the calculation of the future amounts of swap transactions and NDF to present the scenario considered to be *probable* by Management. Additionally, scenarios II and III were stressed based on factors of 25% and 50% from the base risk level deemed as probable by management.

Explanatory Notes

(a) Exchange rate and interest risk

(i) Parent company

		Gain(Loss)		
		03/31/2012		
Transaction	Risk	Probable Scenario I	Scenario II	Scenario III
Swap	Increase in CDI	(6,463)	(9,015)	(11,541)
Swap	Decrease in LIBOR	(4,250)	(4,835)	(5,420)
Swap	Decrease in LIBOR	(27,292)	(29,473)	(31,654)
Swap	Decrease in the price of Zinc	394	(3,083)	(6,560)
Swap	Increase in CDI	10,810	2,340	(6,124)
Swap	Decrease in LIBOR	(10,817)	(12,578)	(14,338)
NDF	Increase in US\$	(41)	(5,310)	(10,579)
		Gain(Loss)		
		12/31/2011		

Transaction	Risk	Probable Scenario I	Scenario II	Scenario III
Swap	Increase in CDI	(12,066)	(15,667)	(19,222)
Swap	Decrease in LIBOR	(5,565)	(6,268)	(6,972)
Swap	Decrease in LIBOR	(23,958)	(26,480)	(29,002)
Swap	Decrease in the price of Zinc	(1,403)	(3,206)	(5,009)
Swap	Increase in CDI	3,169	(9,602)	(22,454)
Swap	Decrease in LIBOR	(10,764)	(13,229)	(15,694)
NDF	Increase in US\$	(814)	(37,914)	(75,015)

Explanatory Notes

(ii) Consolidated

		Gain(Loss)		
		03/31/2012		
Transaction	Risk	Probable Scenario I	Scenario II	Scenario III
Swap	Increase in CDI	(6,463)	(9,015)	(11,541)
Swap	Decrease in LIBOR	(4,250)	(4,835)	(5,420)
Swap	Decrease in LIBOR	(27,292)	(29,473)	(31,654)
Swap	Decrease in the price of Zinc	394	(3,083)	(6,560)
Swap	Increase in CDI	10,810	2,340	(6,124)
Swap	Decrease in LIBOR	(10,817)	(12,578)	(14,338)
NDF	Increase in US\$	(41)	(5,310)	(10,579)
Swap	Increase in CDI	7,343	6,969	6,598

		Gain(Loss)		
		12/31/2011		
Transaction	Risk	Probable Scenario I	Scenario II	Scenario III
Swap	Increase in CDI	(12,066)	(15,667)	(19,222)
Swap	Decrease in LIBOR	(5,565)	(6,268)	(6,972)
Swap	Decrease in LIBOR	(23,958)	(26,480)	(29,002)
Swap	Decrease in the price of Zinc	(1,403)	(3,206)	(5,009)
Swap	Increase in CDI	3,169	(9,602)	(22,454)
Swap	Decrease in LIBOR	(10,764)	(13,229)	(15,694)
NDF	Increase in US\$	(814)	(37,914)	(75,015)
Swap	Increase in CDI	4,371	3,946	3,526

Explanatory Notes

(b) Sensitivity analysis of loans and financing

(i) Parent company

Table os Sensitivity Analysis of Loans and Financing

03/31/2012

		Probable Scenario I	Probable Scenario II	Probable Scenario III
	US Dollar	1.8221	2.2776	2.7332
	EUR	2.4300	3.0375	3.6450
	JPY	0.0221	0.0276	0.0332
Transaction	Risk	Probable Scenario I	Probable Scenario II	Probable Scenario III
Loans and financial linked to US\$	Appreciation of USD	2,746,768	2,746,768	3,433,460
Loans and financial linked to EUR	Appreciation of EUR	30,704	30,704	38,380
Loans and financial linked to JPY	Appreciation of JPY	1,470,033	1,470,033	1,837,541
				4,120,152
				46,056
				2,205,049

Table os Sensitivity Analysis of Loans and Financing

12/31/2011

		Probable Scenario I	Probable Scenario II	Probable Scenario III
	US Dollar	1.8758	2.3448	2.8137
	EUR	2.4342	3.0428	3.6513
	JPY	0.0243	0.0304	0.0365
Transaction	Risk	Probable Scenario I	Probable Scenario II	Probable Scenario III
Loans and financial linked to US\$	Appreciation of USD	2,890,357	2,890,357	3,612,946
Loans and financial linked to EUR	Appreciation of EUR	35,564	35,564	44,455
Loans and financial linked to JPY	Appreciation of JPY	1,621,816	1,621,816	2,027,270
				4,335,536
				53,346
				2,432,724

(ii) Consolidated

Table os Sensitivity Analysis of Loans and Financing

03/31/2012

		Probable Scenario I	Probable Scenario II	Probable Scenario III
	US Dollar	1.8221	2.2776	2.7332
	EUR	2.4300	3.0375	3.6450
	JPY	0.0221	0.0276	0.0332
Transaction	Risk	Probable Scenario I	Probable Scenario II	Probable Scenario III
Loans and financial linked to US\$	Appreciation of USD	4,038,304	4,038,304	5,047,880
Loans and financial linked to EUR	Appreciation of EUR	30,704	30,704	38,380
Loans and financial linked to JPY	Appreciation of JPY	2,033	2,033	2,541
				6,057,456
				46,056
				3,050

Table os Sensitivity Analysis of Loans and Financing

12/31/2011

		Probable Scenario I	Probable Scenario II	Probable Scenario III
	US Dollar	1.8758	2.3448	2.8137
	EUR	2.4342	3.0428	3.6513
	JPY	0.0243	0.0304	0.0365
Transaction	Risk	Probable Scenario I	Probable Scenario II	Probable Scenario III
Loans and financial linked to US\$	Appreciation of USD	4,209,729	4,209,729	5,262,161
Loans and financial linked to EUR	Appreciation of EUR	35,564	35,564	44,455
Loans and financial linked to JPY	Appreciation of JPY	2,923	2,923	3,654
				6,314,594
				53,346
				4,385

Explanatory Notes

As at March 31, 2012, considering the foreign currencies variation of 5% in comparison to Real, the impact of this variation on loans and financing would be R\$212,375 (December 31, 2011 – R\$277,387) on the Parent Company and R\$ 203,552 (December 31, 2011 – R\$212,411) on Consolidated.

The net balance of trade receivables, financial investments and payables in foreign currency are not material and, therefore, do not represent significant risks arising from the foreign exchange volatility.

5 Derivative financial instruments

The Usiminas companies carries out swap and NDF transactions with the objective of hedging against and managing risks inherent to volatility of foreign currencies, interest rates, prices and others. These transactions aim to mitigate exposure to foreign exchange risks and abrupt changes in the prices of commodities (aluminum, nickel, copper and zinc). Usiminas companies do not enter into financial instruments transactions for speculative purposes. The Company generally do not settle their transactions prior to their respective original due dates and do not prepay their derivative financial instruments.

The transactions with derivative financial instruments are summarized as follows:

(a) Parent company

Maturity month/year	INDEX		NOTIONAL VALUE (contracted value - Notional)				FAIR VALUE (MARKET) - BOOK				Gain (loss) in the		
	12/31/2011		12/31/2011		12/31/2010		12/31/2011		12/31/2010			12/31/2011	
	Asset position	Liability position	Asset position	Liability position	Asset position	Liability position	Asset position	Liability position	Posição ativa	Asset position		Liability position	
EXCHANGE RATES HEDGE (SWAP)													
Credit Suisse	02/09 to 02/14	US dollar at 2.3784 + libor	100% CDI	\$55 70,000	\$55 70,000	\$55 70,000	\$55 70,000	4.386	(10.922)	6.737	(12.816)	(4.807)	
Pre pagamentos Citibank	07/10 to 03/15	US dollar at 2.0263 + libor	US dollar at 2.0263 + 4.22%	\$55 300,000	\$55 300,000	\$55 300,000	\$55 300,000	554,651	(580,562)	555,126	(580,291)	(1,759)	
Pre pagamentos HSBC	09/10 to 11/03	US dollar at 2.0263 + libor	US dollar at 2.0263 + 3.937%	\$55 300,000	\$55 300,000	\$55 300,000	\$55 300,000	395,680	(483,124)	483,124	(488,146)	(5,030)	
Banco do Brasil S.A.	04/10 to 03/13	Pre fixed rate 11.48% p.a.	BHN CDI	\$ 300,00	\$ 300,000	\$ 300,000	\$ 300,000	380,782	(367,617)	367,894	(357,599)	3,870	
MERRIL LYNCH	09/10 to 09/16	libor + 0.83%	0.02% p.a.	\$55 96,000	\$55 96,000	\$5 96,000	\$55 96,000	168,705	(176,882)	168,468	(176,616)	(1,518)	
BN AMRO	12/08 to 01/12	Pre to 0.019307	US dollar at 2.7636	Pre 42,862,000	\$55 200,000	Pre 42,862,000	\$55 200,000	1,123,341	(931,755)	1,199,296	(934,868)	(17,471)	
BN AMRO	06/13/2016	Pre to 0.019887	US dollar at 2.2672	Pre 23,800,000	\$55 200,000	Pre 23,800,000	\$55 200,000	582,539	(464,608)	615,282	(457,413)	(19,537)	
									3,207,084	(2,931,249)	3,388,025	(3,008,728)	(131,144)
Accounting balance (net asset position liability position)									275,835		379,297	(116,144)	
													Result from settled transactions (8,345)
													Result for the period - Financial expenses (124,693)
HEDGING OF PRODUCT PRICE - NDF													
HSBC Bank	02/15/2012	US dollar at 1.8445	Safe PTAX			\$D 9,189	\$D 9,189			64,360	(66,000)		
HSBC Bank	01/17/2012	US dollar at 1.841	Safe PTAX			\$D 24,920	\$D 24,920			6,255	(6,951)		
Goldman Sachs	11/27/2012	US dollar at 1.843	Safe PTAX			\$D 3,410	\$D 3,410			15,258	(15,268)		
MERRIL LYNCH	03/15/2012	US dollar at 1.843	Safe PTAX			\$D 35,378	\$D 35,378			25,565	(26,138)		
MERRIL LYNCH	03/15/2012	US dollar at 1.8609	Safe PTAX			\$D 14,191	\$D 14,191			25,873	(26,502)		
Citibank	03/15/2012	US dollar at 1.9382	Safe PTAX			\$D 4,368	\$D 4,368			8,295	(8,029)		
											145,606	(148,666)	
Accounting balance (net asset position liability position)												(3,060)	
													Result from settled transactions 10,309
													Result for the period - Financial expenses (124,693)
HEDGING OF PRODUCT PRICE - COMMODITIES													
SANTANDER SA (ZINC)	02/02/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax			\$D 1,387	\$D 1,387			1,879	(2,602)		
Barclays (ZINC)	02/03/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax			\$D 1,412	\$D 1,412			1,926	(2,649)		
Barclays (ZINC)	02/02/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax			\$D 148	\$D 148			273	(277)		
Barclays (ZINC)	02/02/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax			\$D 148	\$D 148			274	(277)		
Barclays (ZINC)	03/04/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax	\$D 148	\$D 148	\$D 148	\$D 148	291	(269)	275	(277)	(77)	
Barclays (ZINC)	03/05/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax	\$D 149	\$D 149	\$D 149	\$D 149	291	(272)	276	(280)	23	
Barclays (ZINC)	04/05/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax	\$D 149	\$D 149	\$D 149	\$D 149	291	(272)	276	(283)	23	
Barclays (ZINC)	03/07/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax	\$D 149	\$D 149	\$D 149	\$D 149	292	(272)	277	(286)	23	
Barclays (ZINC)	02/08/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax	\$D 151	\$D 151	\$D 151	\$D 151	293	(292)	298	(309)	22	
Barclays (ZINC)	04/09/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax	\$D 151	\$D 151	\$D 151	\$D 151	293	(275)	279	(283)	22	
Barclays (ZINC)	02/12/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax	\$D 151	\$D 151	\$D 151	\$D 151	294	(275)	280	(283)	22	
Barclays (ZINC)	12/12/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax	\$D 151	\$D 151	\$D 151	\$D 151	295	(276)	281	(284)	22	
Barclays (ZINC)	04/12/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax	\$D 151	\$D 151	\$D 151	\$D 151	295	(276)	282	(286)	21	
Barclays (ZINC)	03/03/2013	Average price (Zn) x Ptax	Call position (Zn) x Ptax	\$D 151	\$D 151	\$D 151	\$D 151	296	(276)	283	(284)	21	
Barclays (ZINC)	03/04/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax	\$D 1,181	\$D 1,181	\$D 1,181	\$D 1,181	2,181	(2,153)	2,178	(2,178)	28	
Barclays (ZINC)	03/04/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax	\$D 1,181	\$D 1,181	\$D 1,181	\$D 1,181	2,182	(2,153)	2,182	(2,178)	29	
Barclays (ZINC)	04/06/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax	\$D 1,181	\$D 1,181	\$D 1,181	\$D 1,181	2,186	(2,153)	2,186	(2,178)	33	
Barclays (ZINC)	03/07/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax	\$D 1,195	\$D 1,195	\$D 1,195	\$D 1,195	2,191	(2,178)	2,195	(2,178)	13	
Barclays (ZINC)	02/08/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax	\$D 1,195	\$D 1,195	\$D 1,195	\$D 1,195	2,195	(2,178)	2,195	(2,178)	17	
Barclays (ZINC)	04/09/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax	\$D 1,195	\$D 1,195	\$D 1,195	\$D 1,195	2,200	(2,178)	2,200	(2,178)	22	
Standard Chartered Bank (ZINC)	08/05/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax	\$D 11,462	\$D 11,462	\$D 11,462	\$D 11,462	20,854	(20,895)	20,854	(20,895)	(41)	
TOTAL									36,920	(36,626)	7,129	(8,623)	233
Accounting balance (net asset position liability position)									284		(1,484)	223	
													Result from settled transactions 7,918
													Result for the period - Financial expenses (8,141)
Accounting balance (net asset position liability position)									276,129		374,373	(115,921)	
													Result from settled transactions (5,781)
													Result for the period - Financial expenses (106,140)

Explanatory Notes

(b) Consolidated

Maturity month/year	INDEX		NOTIONAL VALUE (contracted value - Notional)				FAIR VALUE (MARKET) BOOK				Gain (loss) in the result		
	12/31/2011		12/31/2011		12/31/2010		12/31/2011		12/31/2010		12/31/2011		
	Asset position	Liability position	Asset position	Liability position	Asset position	Liability position	Asset position	Liability position	Posição ativa	Asset position	Liability position		
EXCHANGE RATES HEDGE (SWAP)													
Credit Suisse	02/09 to 02/14	US dollar at 2.3784 + libor	100% CDF	\$55 70,000	\$55 70,000	\$55 70,000	\$55 70,000	4,386	(10,923)	6,737	(12,810)	(4,807)	
Pre-pagamento Citibank	07/10 to 03/15	US dollar at 2.0261 + libor	US dollar at 2.0261 + 4.23%	\$55 300,000	\$55 300,000	\$55 300,000	\$55 300,000	553,651	(580,929)	555,126	(580,211)	(1,755)	
Pre-pagamento HSBC	02/10 to 11/09	US dollar at 2.0261 + libor	US dollar at 2.0261 + 3.3375%	\$55 300,000	\$55 300,000	\$55 300,000	\$55 300,000	395,080	(399,933)	483,124	(480,140)	(128)	
Banco do Brasil S.A	04/10 to 03/13	Pre fixed rate 11.48% p.a.	98% CDF	\$300,000	\$300,000	R\$ 300,000	R\$ 300,000	380,792	(365,617)	367,894	(367,599)	(3,870)	
MERRIL LYNCH	09/10 to 09/16	libor + 0.83%	1.05% p.a.	\$55 96,000	\$55 96,000	\$55 96,000	\$55 96,000	168,205	(126,882)	168,468	(126,610)	(1,510)	
ABN AMRO	01/08 to 01/18	Yen to 0.016387	US dollar at 1.7536	JPY 42,952,000	\$55 200,000	JPY 42,952,000	\$55 200,000	1,121,341	(931,729)	1,191,394	(934,863)	(73,471)	
ABN AMRO	06/11/2016	Yen to 0.019867	US dollar at 2.2072	JPY 22,800,000	\$55 200,000	JPY 22,800,000	\$55 200,000	582,539	(664,006)	616,382	(617,413)	(19,910)	
ABN AMRO	01/08 to 01/18	US\$	JPY	\$55 400,000	JPY 42,952,000	\$55 400,000	JPY 42,952,000	984,850	(1,212,881)	1,028,656	(1,352,617)	101,291	
ABN AMRO	06/11/2016	0.0005	0.04275	\$55 200,000	JPY 22,800,000	\$55 200,000	JPY 22,800,000	484,923	(634,321)	492,767	(673,122)	50,962	
Itaú BBA	06/11/2016	US\$	12.77% + 25% iB.p.a.	\$30,000	\$30,000	\$30,000	\$30,000	35,412	(35,096)	36,126	(31,920)	(1,888)	
								4,712,809	(4,793,547)	4,945,574	(5,066,431)	32,226	
								Accounting balance (net asset position liability position)		(81,278)		(20,959)	32,236
										Result from settled transactions		(8,340)	
										Result for the period - Financial expenses		23,880	
HEDGING OF PRODUCT PRICE - NFE													
HSBC Bank	02/15/2012	US dollar at 1.8445	Sale PTAX			\$50 9,189	\$50 9,189			64,360	(66,300)		
HSBC Bank	01/17/2012	US dollar at 1.841	Sale PTAX			\$50 24,920	\$50 24,920			6,255	(6,311)		
Goldman Sachs	01/17/2012	US dollar at 1.844	Sale PTAX			\$50 4,410	\$50 4,410			15,258	(15,340)		
MERRIL LYNCH	02/15/2012	US dollar at 1.843	Sale PTAX			\$50 35,376	\$50 35,376			25,566	(26,138)		
MERRIL LYNCH	01/15/2012	US dollar at 1.8609	Sale PTAX			\$50 14,191	\$50 14,191			25,873	(26,502)		
Citibank	02/15/2012	US dollar at 1.9382	Sale PTAX			\$50 4,368	\$50 4,368			8,295	(8,029)		
										145,606	(148,660)		
								Accounting balance (net asset position liability position)			(3,050)		
										Result from settled transactions		10,209	
										Result for the period - Financial expenses		10,209	
HEDGING OF PRODUCT PRICE - COMMODITIES													
SANTANDER SA (ZINCO)	02/02/2012	Average price (Zni) x Ptax	Call position (Zni) x Ptax			\$50 1,287	\$50 1,287			1,829	(2,602)		
Citibank (ZINCO)	02/02/2012	Average price (Zni) x Ptax	Call position (Zni) x Ptax			\$50 1,412	\$50 1,412			1,926	(2,649)		
Barratays (ZINCO)	03/02/2012	Average price (Zni) x Ptax	Call position (Zni) x Ptax			\$50 1,48	\$50 1,48			273	(277)		
Barratays (ZINCO)	04/03/2012	Average price (Zni) x Ptax	Call position (Zni) x Ptax			\$50 148	\$50 148			274	(277)		
Barratays (ZINCO)	05/03/2012	Average price (Zni) x Ptax	Call position (Zni) x Ptax	\$50 148	\$50 148	\$50 148	\$50 148	291	(269)	275	(277)		
Barratays (ZINCO)	06/04/2012	Average price (Zni) x Ptax	Call position (Zni) x Ptax	\$50 149	\$50 149	\$50 149	\$50 149	291	(272)	276	(280)		
Barratays (ZINCO)	07/03/2012	Average price (Zni) x Ptax	Call position (Zni) x Ptax	\$50 149	\$50 149	\$50 149	\$50 149	291	(272)	276	(280)		
Barratays (ZINCO)	08/02/2012	Average price (Zni) x Ptax	Call position (Zni) x Ptax	\$50 149	\$50 149	\$50 149	\$50 149	292	(273)	277	(280)		
Barratays (ZINCO)	09/04/2012	Average price (Zni) x Ptax	Call position (Zni) x Ptax	\$50 151	\$50 151	\$50 151	\$50 151	293	(273)	278	(283)		
Barratays (ZINCO)	10/02/2012	Average price (Zni) x Ptax	Call position (Zni) x Ptax	\$50 151	\$50 151	\$50 151	\$50 151	293	(273)	279	(283)		
Barratays (ZINCO)	11/09/2012	Average price (Zni) x Ptax	Call position (Zni) x Ptax	\$50 151	\$50 151	\$50 151	\$50 151	294	(276)	280	(283)		
Barratays (ZINCO)	12/04/2012	Average price (Zni) x Ptax	Call position (Zni) x Ptax	\$50 151	\$50 151	\$50 151	\$50 151	295	(276)	281	(284)		
Barratays (ZINCO)	01/03/2013	Average price (Zni) x Ptax	Call position (Zni) x Ptax	\$50 151	\$50 151	\$50 151	\$50 151	295	(276)	282	(284)		
Barratays (ZINCO)	04/03/2012	Average price (Zni) x Ptax	Call position (Zni) x Ptax	\$50 151	\$50 151	\$50 151	\$50 151	296	(276)	283	(284)		
Barratays (ZINCO)	05/03/2012	Average price (Zni) x Ptax	Call position (Zni) x Ptax	\$50 1,181	\$50 1,181	\$50 1,181	\$50 1,181	2,181	(2,153)	2,181	(2,153)		
Barratays (ZINCO)	06/04/2012	Average price (Zni) x Ptax	Call position (Zni) x Ptax	\$50 1,181	\$50 1,181	\$50 1,181	\$50 1,181	2,182	(2,153)	2,182	(2,153)		
Barratays (ZINCO)	07/03/2012	Average price (Zni) x Ptax	Call position (Zni) x Ptax	\$50 1,181	\$50 1,181	\$50 1,181	\$50 1,181	2,182	(2,153)	2,182	(2,153)		
Barratays (ZINCO)	08/02/2012	Average price (Zni) x Ptax	Call position (Zni) x Ptax	\$50 1,195	\$50 1,195	\$50 1,195	\$50 1,195	2,191	(2,178)	2,191	(2,178)		
Barratays (ZINCO)	09/04/2012	Average price (Zni) x Ptax	Call position (Zni) x Ptax	\$50 1,195	\$50 1,195	\$50 1,195	\$50 1,195	2,191	(2,178)	2,191	(2,178)		
Barratays (ZINCO)	05/08/2012	Average price (Zni) x Ptax	Call position (Zni) x Ptax	\$50 1,195	\$50 1,195	\$50 1,195	\$50 1,195	2,200	(2,178)	2,200	(2,178)		
Standard Chartered Bank (ZINCO)	08/02/2012	Average price (Zni) x Ptax	Call position (Zni) x Ptax	\$50 11,462	\$50 11,462	\$50 11,462	\$50 11,462	20,854	(20,895)	20,854	(20,895)		
								36,920		(36,620)	7,139	(8,623)	
								Accounting balance (net asset position liability position)		294	(1,484)		
										Result from settled transactions		7,928	
										Result for the period - Financial expenses		8,141	
								Accounting balance (net asset position liability position)		(80,984)	(125,403)		
										Result from settled transactions		9,781	
										Result for the period - Financial expenses		42,230	

Explanatory Notes

The transactions with derivative financial instruments are summarized as follows:

	Parent Company		Consolidated	
	03/31/2012	12/31/2011	03/31/2012	12/31/2011
Current assets	14,500	10,560	36,604	29,464
Non- current assets	328,800	431,772	331,450	435,972
Current liabilities	(46,263)	(43,589)	(46,263)	(43,589)
Non-current liabilities	(20,908)	(23,990)	(402,775)	(547,250)
	<u>276,129</u>	<u>374,753</u>	<u>(80,984)</u>	<u>(125,403)</u>

	Parent Company		Consolidated	
	03/31/2012	03/31/2011	03/31/2012	03/31/2011
Results of operations				
Cost of assets and/or services sold	8,141	(572)	8,141	(572)
Other operating income (expenses), net	10,209		10,209	
In financial result	(124,490)	(37,846)	23,880	14,260
	<u>(106,140)</u>	<u>(38,418)</u>	<u>42,230</u>	<u>13,688</u>

(c) Hedging activities – cash flow hedge (hedge accounting)

On August 1, 2011, the Company designated some export prepayment transactions as hedge instruments against part of the foreign exchange risk arising from highly probable future transactions (exports). The purpose of the hedge accounting adoption is consistent with the risk management strategy to reduce the impacts from foreign exchange rates volatility on the financial statements due to an accounting mismatch generated by future transactions not recognized in the books.

The application of hedge accounting involves the recognition of the net effect on the result of gains and losses from the changes in the fair value of the hedging instruments and hedging objects at the same time.

Explanatory Notes

The export prepayment transactions designated as hedging instruments are as follows:

				Parent Company and Consolidated	
				Principal balance	
	Nominal value US\$ thousands	Interest rate	Maturity	03/31/2012	12/31/2011
BNP Paribas	3,636	Libor + 1.25% p.a,	2012	6,625	13,643
Club Deal (Mizuho, Tokio Mitsubishi, West LB)	45,000	Libor + 0.65% p.a,	2012 to 2013	81,995	112,548
Credit Suisse	40,000	Libor + 4% p.a,	2014	72,884	93,790
Bawag PSK		Libor + 2.317% p.a,	2012		13,534
Sindicato (HSBC)	514,286	Libor + 1.1% to 1.35% p.a,	2012 to 2015	937,080	1,045,089
	<u>602,922</u>			<u>1,098,584</u>	<u>1,278,604</u>
In current liabilities				<u>587,568</u>	<u>493,692</u>
In non-current liabilities				<u>511,016</u>	<u>784,912</u>

The hedge accounting recognition on equity may be stated as follows:

	Parent Company and Consolidated	
	03/31/2012	12/31/2011
Initial balance recognized on equity	(143,735)	
Amount recognized in the period	37,426	(229,714)
Amount reversed from equity to exports revenues	20,099	11,933
Taxes on deferred profit (34%)	(19,559)	74,046
	<u>37,966</u>	<u>(143,735)</u>
Final balance recognized on equity	<u>(105,769)</u>	<u>(143,735)</u>

On March 31, 2012, the Company conducted prospective and retrospective effectiveness tests in conformity with IAS 39/CPC 38 Standard. These tests presented 100% of effectiveness for the export prepayment transactions defined as hedging instruments, as well as for the exports defined as hedging objects.

Explanatory Notes

6 Cash and Cash Equivalents

Cash and cash equivalents include the financial assets as follows:

	Parent Company					
	03/31/2012			12/31/2011		
	Loans and receivables	Fair value through results	Total	Loans and receivables	Fair value through results	Total
Current account	50,610		50,610	29,379		29,379
Offshore current account	42,305		42,305	12,223		12,223
Certificates of deposits – CDBs		453,484	453,484		248,619	248,619
Offshore time deposit	15,544		15,544	73,365		73,365
	<u>108,459</u>	<u>453,484</u>	<u>561,943</u>	<u>114,967</u>	<u>248,619</u>	<u>363,586</u>

	Consolidated					
	03/31/2012			12/31/2011		
	Loans and receivables	Fair value through results	Total	Loans and receivables	Fair value through results	Total
Current account	67,505		67,505	72,142		72,142
Offshore current account	62,470		62,470	33,846		33,846
Certificates of deposits – CDBs		2,831,052	2,831,052		2,721,957	2,721,957
Offshore time deposit	75,750		75,750	73,367		73,367
	<u>205,725</u>	<u>2,831,052</u>	<u>3,036,777</u>	<u>179,355</u>	<u>2,721,957</u>	<u>2,901,312</u>

The average certificates of deposits yield (CDBs) was a spread over the Interbank Deposit Certificate (CDI) from 93% to 106%.

7 Marketable securities

Marketable securities include financial assets classified as loans and receivables, as follows:

	Parent Company	Consolidated	
	12/31/2011	03/31/2012	12/31/2011
Financial investments abroad	124,396	1,797,308	2,289,383
	<u>124,396</u>	<u>1,797,308</u>	<u>2,289,383</u>

Although the investments have immediate liquidity, they were classified as marketable securities as they are substantially linked to future investments related to the expansion project, or subject to foreign exchange variation and/or a pre-fixed interest rate.

Yields from the financial investments in bank deposit certificates (CDBs) reflected a spread of between 93% and 106% above the CDI interest rate. Foreign currency denominated financial investments overseas are remunerated at fixed interest rates.

Explanatory Notes

8 Trade Receivables

	Parent Company		Consolidated	
	03/31/2012	12/31/2011	03/31/2012	12/31/2011
Brazilian customers	631,854	517,997	1,253,334	1,124,237
Export customers	122,615	144,948	172,831	238,468
Provision for losses on trade receivables	(109,561)	(107,868)	(127,922)	(126,149)
Trade receivables, net	644,908	555,077	1,298,243	1,236,556
Receivables from related parties	216,036	228,443	17,740	17,879
	860,944	783,520	1,315,983	1,254,435

Trade receivables have no financing features and are initially assessed and recorded at fair value.

9 Inventories

	Parent Company		Consolidated	
	03/31/2012	12/31/2011	03/31/2012	12/31/2011
Finished goods	1,137,231	1,143,730	1,472,895	1,463,147
Work in progress	1,487,614	1,706,518	1,535,958	1,752,084
Raw materials	521,307	514,088	884,867	857,639
Supplies and spare parts	720,568	729,966	799,827	807,774
Imports in transit	87,557	108,890	87,603	109,184
Other	85,935	60,481	84,882	69,048
	4,040,212	4,263,673	4,866,032	5,058,876

As of March 31, 2012, the Company held inventories of R\$17,894 (December 31, 2011 - R\$17,463) offered in guarantee to judicial processes.

Explanatory Notes**10 Taxes Recoverable**

	Parent Company			
	03/31/2012		12/31/2011	
	Current	Non-current	Current	Non-current
Prepayments of income tax	32,027		86,926	
Prepayments of social contribution	106		70,040	
Social Integration Program (PIS)	60,176	1,740	67,331	2,480
Social Contribution on Revenues (COFINS)	272,386	8,015	305,338	11,425
Value-added Tax on Sales and Services (ICMS)	114,483	92,337	110,464	95,165
Excise Tax (IPI)	2,512		3,933	
Other	2,131	11,710	2,128	14,311
	<u>483,821</u>	<u>113,802</u>	<u>646,160</u>	<u>123,381</u>
	Consolidated			
	03/31/2012		12/31/2011	
	Current	Non-current	Current	Non-current
Prepayments of income tax	63,133		117,529	
Prepayments of social contribution	9,920		79,506	
Social Integration Program (PIS)	72,319	2,205	80,049	2,929
Social Contribution on Revenues (COFINS)	285,640	10,155	321,261	13,495
Value-added Tax on Sales and Services (ICMS)	145,608	146,787	156,618	123,847
Excise Tax (IPI)	17,672		22,190	
Other	3,642	11,865	22,482	14,466
	<u>597,934</u>	<u>171,012</u>	<u>799,635</u>	<u>154,737</u>

Explanatory Notes

11 Income tax and social contribution

(a) Income tax and social contribution expense

The effective income tax (IRPJ) and the social contribution (CSLL) expenses differs from the amount which would be obtained using the statutory income tax and social contribution nominal rates applicable to profit before taxation, at the Parent Company and Consolidated, as follows:

	<u>Parent Company</u>		<u>Consolidated</u>	
	<u>03/31/2012</u>	<u>03/31/2011</u>	<u>03/31/2012</u>	<u>03/31/2011</u>
Profit (loss) before income tax and social contribution	(127,596)	104,975	(45,726)	222,680
Statutory rates of tax	34%	34%	34%	34%
IRPJ and CSLL at statutory rates	<u>43,383</u>	<u>(35,692)</u>	<u>15,547</u>	<u>(75,711)</u>
Adjustments to determine the effective IRPJ and CSLL expense::				
Equity in the results	18,266	38,643	4,466	6,112
Interest on own capital				
Permanent exclusions (additions)	(4,834)	(7,573)	(5,823)	(5,778)
Tax incentive			(280)	414
Foreign subsidiary profits not-taxable			(5,642)	(8,381)
Adjustments to the IR/CS Return of prior years	(54)		723	2,857
Other		<u>(1,524)</u>	<u>(65)</u>	<u>(1,253)</u>
IRPJ and CSLL	<u>56,761</u>	<u>(6,146)</u>	<u>8,926</u>	<u>(81,740)</u>
Current	(54)		(45,899)	(73,596)
Deferred	<u>56,815</u>	<u>(6,146)</u>	<u>54,825</u>	<u>(8,144)</u>
IRPJ and CSLL expense	<u>56,761</u>	<u>(6,146)</u>	<u>8,926</u>	<u>(81,740)</u>

There are no current tax items taken directly to equity in these interim financial statements.

Explanatory Notes

(b) Changes in deferred income tax and social contribution

The changes in deferred income tax and social contribution for the quarter ended March 31, 2012 are as follows:

	<u>Parent Company</u>	<u>Consolidated</u>	
	<u>Assets</u>	<u>Assets</u>	<u>Liabilities</u>
At December 31, 2011	676,592	797,146	17,880
Constitution of deferred taxes in results of operations	(76,036)	(50,165)	31,603
Reversal of deferred taxes	132,851	117,927	(18,666)
Constitution of deferred taxes in the comprehensive result (actuarial liabilities)	6,701	6,701	
Constitution of deferred taxes in the comprehensive result (hedge accounting)	(19,559)	(19,559)	
Other	(1,333)	(5,055)	(4,443)
At March 31, 2012	<u>719,216</u>	<u>846,995</u>	<u>26,374</u>

As at March 31, 2012, there were no changes in the projections related to the realization of deferred income tax and social contribution. These projections will be reviewed at December 31, 2012.

12 Judicial deposits

The composition of judicial deposits balances has not significantly changed in relation to those disclosed in the Company financial statements for December 31, 2011 and, accordingly, Management decided not to repeat them in the interim financial statements for March 31, 2012.

The changes in judicial deposits for the quarter ended March 31, 2012 are as follows:

	<u>Parent Company</u>	<u>Consolidated</u>
	At December 31, 2011 before offsetting provisions for contingencies	754,431
Additions	11,265	12,212
Interest/restatements	11,295	12,378
Reversals	(3,003)	(9,652)
	<u>773,988</u>	<u>846,575</u>
Deposits linked to provisions for contingencies	(313,679)	(354,004)
At March 31, 2012	<u>460,309</u>	<u>492,571</u>

Explanatory Notes

13 Investments

As at December 31, 2012, changes in investments are as follows:

(i) Parent Company

	12/31/2011	Equity in the results	Conversion adjustments	Interest on own capital and dividends	Other	03/31/2012
Subsidiaries						
Automotiva Usiminas S.A.	115,440	(7,892)			541	108,089
Cosipa Commercial		7,765				7,765
Cosipa Overseas Ltd.	17,579	(598)				16,981
Mineração Usiminas S.A.	3,227,711	74,379				3,302,090
Rios Unidos Logística e Transporte de Aço Ltda.	10,206	(1,446)			6	8,766
Soluções em Aço Usiminas S.A.	756,614	3,775			10,997	771,386
Usiminas Europa A/S	1,962,976	(45,426)				1,917,550
Usiminas International Ltd.	217,362	(5,262)				212,100
Usiminas Mecânica S.A.	703,521	(18,791)			2,512	687,242
UPL Usiminas Participações e Logística S.A.	45,944	1,805		(932)		46,817
Goodwill in subsidiaries	130,801				(260)	130,541
	7,188,154	8,309		(932)	13,796	7,209,327
Jointly controlled subsidiaries						
Fasal Trading Corporation	9,617	(103)	(285)			9,229
Unigal Ltda.	754,729	16,444				771,173
Usiroll – Usiminas Court Tecnologia em Acabamento Superficial Ltda.	5,948	396			17	6,361
	770,294	16,737	(285)		17	786,763
Associated companies						
Codeme Engenharia S.A.	38,290	1,327		(1,843)		37,774
Metform S.A.	17,840	157				17,997
MRS Logística S.A.	6,423	269				6,692
Goodwill in associated companies	79,464					79,464
	142,017	1,753		(1,843)		141,927
	8,100,465	26,799	(285)	(2,775)	13,813	8,138,017

Explanatory Notes**(ii) Consolidated**

	<u>12/31/2011</u>	<u>Additions (disposals)</u>	<u>Equity in the results</u>	<u>Interest on own capital and dividends</u>	<u>Other</u>	<u>03/31/2012</u>
Codeme Engenharia S.A.	38,290		1,327	(1,843)		37,774
Metform S.A.	17,840		157			17,997
MRS Logística S.A.	262,397		10,917	54		273,368
Terminal de Cargas Sarzedo Ltda.	3,381		803	(722)		3,462
Other	3,185	(23)	(68)	40	6	3,140
Goodwill	<u>103,289</u>					<u>103,289</u>
Total	<u>428,382</u>	<u>(23)</u>	<u>13,136</u>	<u>(2,471)</u>	<u>6</u>	<u>439,030</u>

14 Property, Plant and Equipment

The composition of property, plant and equipment did not present significant changes in relation to those disclosed in the Company's financial statements for December 31, 2011 and, accordingly, Management decided not to repeat them in the interim financial statements for March 31, 2012.

Changes in property, plant and equipment for the quarter ended March 31, 2012, are as follows:

	<u>Parent Company</u>	<u>Consolidated</u>
At December 31, 2011	<u>13,786,171</u>	<u>15,921,154</u>
Additions	480,070	561,106
Disposals	(188)	(277)
Depreciation	(188,455)	(214,600)
Capitalized indexation charges	22,487	22,487
Transfers		(798)
Disposal of advances		(1,569)
Other	<u>1,943</u>	<u>992</u>
At March 31, 2012	<u>14,102,028</u>	<u>16,288,495</u>

At March 31, 2012, additions to property, plant and equipment, in the amount of R\$ 480,070, refer mainly to hot strip mill R\$76,012, stripping activities n 3 R\$12,073, cock plant 2 refurbishment R\$22,153 and sintering electrostatic precipitator n 1 R\$20,812.

Explanatory Notes**15 Intangible Assets**

The composition of intangible assets did not present significant changes in relation to those disclosed in the Company's financial statements for December 31, 2011 and, accordingly, Management decided not to repeat them in the interim financial statements for March 31, 2012.

The changes in intangible assets, for the quarter ended March 31, 2012, are as follows:

	<u>Parent Company</u>	<u>Consolidated</u>
At December 31,2011	142,735	2,453,952
Additions	21	402
Amortization	(3,193)	(11,262)
Transfers from property, plant and equipment		798
At March 31, 2012	<u>139,563</u>	<u>2,443,890</u>

16 Loans and Financing

The composition of loans and financing did not present significant changes in relation to those disclosed in the Company's financial statements for December 31, 2011 and, accordingly, Management decided not to repeat them in the interim financial statements for March 31, 2012.

(a) Changes in loans and financing

The changes in loans and financing, for the quarter ended March 31, 2012, are as follows:

	<u>Parent Company</u>	<u>Consolidated</u>
At December 31,2011	8,412,395	8,238,223
New loans and financing	317,113	364,810
Charges provisioned	93,247	131,507
Indexation charges	31,342	31,473
Foreign exchange(gains) losses	(224,174)	(117,476)
Payment of charges	(63,056)	(67,645)
Payment of principal	(354,306)	(378,099)
Other	1,233	1,233
At March 31, 2012	<u>8,213,794</u>	<u>8,204,026</u>

Explanatory Notes**(b) Other significant information on loans and financing****Contracting of Guarantee Letter**

On January 13, 2012, the Company Board of Directors approved the contracting of guarantee letter from Banco Safra, in the amount of US\$79,692 thousand, to guarantee the supplementary payment and final acquisition of Mineração JMendes Ltda., from Siderúrgica do Oeste de Minas Gerais Ltda. and from Global Mineração Ltda., as set forth in the original agreement disclosed in Material Fact, dated February 2, 2008.

17 Provision for Contingencies**(a) Probable loss contingencies**

The composition of reserves for contingencies can be demonstrated as follows:

	Parent Company					
	03/31/2012			12/31/2011		
	Contingencies	Judicial deposits	Net balance	Contingencies	Judicial deposits	Net balance
IR and CSLL	16,200	(16,200)		16,070	(16,070)	
INSS	42,257	(5,590)	36,667	41,852	(5,498)	36,354
Labor	146,237	(90,854)	55,383	131,919	(83,461)	48,458
Civil	76,061	(8,095)	67,966	73,497	(7,809)	65,688
Other	1,964		1,964			
	<u>282,719</u>	<u>(120,739)</u>	<u>161,980</u>	<u>263,338</u>	<u>(112,838)</u>	<u>150,500</u>
	Consolidated					
	03/31/2012			12/31/2011		
	Contingencies	Judicial deposits	Net balance	Contingencies	Judicial deposits	Net balance
ICMS	3,595		3,595	3,583		3,583
IR and CSLL	56,008	(26,102)	29,906	54,973	(25,966)	29,007
INSS	42,285	(5,618)	36,667	41,880	(5,526)	36,354
CIDE	6,174	(6,174)		6,019	(6,019)	
COFINS	12,335	(11,874)	461	12,335	(11,873)	462
PIS	2,216	(2,216)		2,216	(2,216)	
Labor	174,782	(100,301)	74,481	159,000	(92,284)	66,716
Civil	78,612	(8,103)	70,509	75,916	(7,809)	68,107
Other	2,667	(677)	1,990	703	(677)	26
	<u>378,674</u>	<u>(161,065)</u>	<u>217,609</u>	<u>356,625</u>	<u>(152,370)</u>	<u>204,255</u>

At March 31, 2012 Usiminas companies have judicial deposits recorded in non-current assets, for which no provisions were recorded (Note 12).

Explanatory Notes

The changes in the provisions for contingencies for the quarter ended March 31, 2012 are as follows:

	<u>Parent Company</u>	<u>Consolidated</u>
Balances at December 31,2011 before the offset of judicial deposits	263,338	356,625
Additions	18,187	23,643
Interest/indexation	7,670	8,147
Amortization/disposals	(4,161)	(4,161)
Reversals	<u>(2,315)</u>	<u>(5,580)</u>
	<u>282,719</u>	<u>378,674</u>
Offset of judicial deposits	<u>(120,739)</u>	<u>(161,065)</u>
Balance at March 31, 2012	<u><u>161,980</u></u>	<u><u>217,609</u></u>

The provisions for contingencies were recorded to cover probable losses on administrative and judicial litigation relating to tax, labor and civil issues, in amounts deemed sufficient by management, based on the advice and evaluation of internal and external legal counsel.

(b) Possible loss contingencies

In addition, the parent company and some of its subsidiaries are also parties to lawsuits which involve risk of loss classified as *possible* by management, based on the evaluation of its legal counsel, for which no provisions have been recorded. In the quarter ended March 31, 2012, the Company is a part of new processes, in the amount of R\$ 258,023, which are presented as follows:

<u>Description</u>	<u>Position</u>	<u>Balance</u>
New tax assessment notice issued by the State of Sao Paulo claiming the reversal of ICMS credit of materials considered for use and consumption (refractory and other).	In January, 2012, Usiminas presented its defense. Awaiting judgment at the first administrative level.	93,473
New tax assessment notice issued by the State of Minas Gerais to the reversal of ICMS credits for the purchase of materials classified as use and consumption by tax authorities.	In January, 2012, Usiminas presented its defense. Awaiting judgment at the first administrative level.	34,145
Tax collection proposed by Ipatinga to cover the payment of IPTU/2011 debits and the a request for review of IPTU/2012 presented by Usiminas.	Awaiting service of process of Usiminas of tax collection of IPTU 2011. Awaiting judgment at the first administrative level of IPTU 2012.	65,572
Other		<u>64,833</u>
		<u><u>258,023</u></u>

At March 31, 2012, the information related to the progress of processes, expectation of success and contingencies on assets did not have significant changes in relation to the one disclosed in the Company financial statements for December 31, 2011, and accordingly Management decided not to repeat them in the interim financial statements for March 31, 2012.

Explanatory Notes

18 Retirement Benefit Obligations

At March 31, 2012, there were no alterations in the nature and conditions of the retirement benefit plans in relation to the description in Note 26 to the Company financial statements for the year ended December 31, 2011.

The balances of retirement benefits are set out as follows:

	Parent Company and Consolidated	
	03/31/2012	12/31/2011
Balance sheet obligations for:		
Pension benefits	1,180,373	1,223,587
Post-employment medical benefits	55,148	53,886
	<u>1,235,521</u>	<u>1,277,473</u>
	Parent Company and Consolidated	
	03/31/2012	03/31/2011
Income (expenses) recognized in income statement for :		
Pension benefits	22,302	22,985
Post-employment medical benefits	(1,262)	(1,265)
	<u>21,040</u>	<u>21,720</u>
Actuarial gains(losses) recognized immediately in other comprehensive income	(40,095)	(40,642)
Actuarial gains(losses) of the debt recognized immediately in other comprehensive income – CPC 33 and IFRIC 14	4,563	(32,019)
(Increase)/decrease in asset ceiling in other comprehensive income - paragraph 58 CPC 33 and IAS 19	22,524	21,584
	<u>(13,008)</u>	<u>(51,077)</u>
Cumulative actuarial losses recognized in the statement of other comprehensive income	<u>(354,734)</u>	<u>(238,629)</u>

Change in the retirement benefit obligations

The actuarial study in conformity with CPC 33, conducted by independent actuary for the base date of December 31, 2011, presented a liability of R\$1,277,473. This actuarial study will be reviewed again at December 31, 2012. The change in the defined benefit obligations is set out as follows:

	Parent Company and Consolidated
Balance at December 31, 2011	<u>1,277,473</u>
Amortization	(40,138)
Amounts recognized in results of operations	(21,040)
Actuarial losses directly recognized in other comprehensive results	19,710
Amortization cost of past service	<u>(484)</u>
Balance at March 31, 2012	<u>1,235,521</u>

Explanatory Notes

19 Equity

(a) New shareholders' agreement

On January 17, 2012, through Material Fact, the Company informed the Market of the completion of the purchase and sales transactions of shares that occurred on January 16, 2012, pursuant to the regulations applicable to the Brazilian capital Market, the contents of which is described below:

- (i) Confab Industrial S.A. ("Confab"), Prosid Investments S.C.A. ("Prosid"), Siderar S.A.I.C. ("Siderar") and Ternium Investments S.à r.l. ("Ternium" and, jointly with Confab, Prosid and Siderar, "Techint Group ") completed the purchase and sales of shares pursuant to the purchase and sales of shares agreement executed with VBC Energia S.A. (VBC), to Votorantim Industrial S.A. ("Votorantim") and to Caixa dos Empregados da Usiminas (CEU and the "Purchase and Sales Agreement of Techint Group") on November 27, 2011 and acquired 139,741,296 common shares of Usiminas, representing approximately 27.66% of Usiminas common shares and approximately 13.78% of Usiminas share capital, for the price of R\$36.00 per share, totaling R\$5,030,687.
- (ii) Nippon Steel Corporation (NSC) completed the purchase and sales of shares pursuant to the purchase and sales of shares agreement executed with CEU on November 27, 2011, and acquired 8,527,440 common shares of Usiminas, representing approximately 1.69% of Usiminas common shares and approximately 0.84% of Usiminas share capital, for the price of R\$36.00 per share, totaling R\$306,988.
- (iii) Techint Group, NSC, Nippon Usiminas Co. Ltd. (NU), Metal One Corporation ("Metal One"), Mitsubishi Corporation do Brasil S.A. ("Mitsubishi") and CEU executed an Amended and Consolidated Shareholders' Agreement of Usinas Siderúrgicas de Minas Gerais S.A. – USIMINAS (the "New Shareholders' Agreement"), in terms essentially identical to those of the Amended and Consolidated Shareholders' Agreement of Usinas Siderúrgicas de Minas Gerais S.A. – USIMINAS executed on November 27, 2011, however excluding the precedent effectiveness conditions of this agreement. The New Shareholders' Agreement amends, consolidates and fully replaces the Amended and Consolidated Shareholders' Agreement of Usiminas as of November 6, 2006 ("Original Shareholders' Agreement") and, from now on, shall govern the relationships between the parties of such agreement as shareholders and members of the controlling group of Usiminas. A copy of the New Shareholders' Agreement was delivered to Usiminas on January 17, 2012, to be signed as a consenting party and filed at its headquarters for the purposes of article 118 of Law 6,404/76

Explanatory Notes

- (iv) The New Shareholders' Agreement also replaces and revokes Usiminas Shareholders Agreement of February 18, 2011, between Mitsubishi, Metal One, NSC, NU, VBC and Votorantim, which was expressly terminated by the parties on this date.

For reference purposes, the table below indicates the distribution of USIMINAS voting capital among the parties of the New Shareholders' Agreement at this date and after the completion of transactions referred to in items (i) and (ii):

	<u>Original Shareholders' Agreement</u>		<u>New Shareholders' Agreement</u>	
	<u>Linked common shares (%)</u>	<u>Total Common shares(%)</u>	<u>Linked common shares (%)</u>	<u>Total Common shares (%)</u>
NSC (a)	3.75	2.40	6.40	4.09
NU	37.18	23.74	37.18	23.74
Total NSC and NU	40.93	26.14	43.58	27.83
Mitsubishi and Metal One	2.54	1.62	2.54	1.62
Total NSC, NU, Mitsubishi and Metal One	43.47	27.76	46.12	29.45
Ternium			26.26	16.77
Siderar			3.10	1.98
Prosid			6.20	3.96
Confab			7.75	4.95
Techint Group			43.31	27.66
V/C Group (Votorantim and Camargo Correa)	40.67	25.97		
CEU	15.86	10.13	10.57	6.75
Controlling shareholders	100.00	63.86	100.00	63.86
Non-controlling shareholders		36.14		36.14

(a) NSC Group holds 6,726,600 free common shares, not linked to the New Shareholders' Agreement.

Explanatory Notes

(b) Share capital

As at March 31, 2012 and December 31, 2011, the Company share capital, amounting to R\$12,150,000 and comprising 1,013,786,190 shares, is as follows:

	<u>Common</u>	<u>Class A Preferred</u>	<u>Class B Preferred</u>	<u>Total</u>
Total shares	505,260,684	508,439,712	85,794	1,013,786,190
Total treasury stock	(2,526,654)	(24,060,356)		(26,587,010)
Total shares except treasury stock	<u>502,734,030</u>	<u>484,379,356</u>	<u>85,794</u>	<u>987,199,180</u>

Each common share is entitled to one vote in the General Meeting deliberations, and the preferred shares have no voting right, but (i) will receive dividends 10% higher than those attributed to common shares; (ii) are entitled to share, in equal conditions to the common shares, in any gratuities voted in the General meeting; (iii) the priority in the capital reimbursement, with no premium right, in the event of the Company liquidation; (iv) will acquire voting right in the meetings, if the Company does not pay preferred dividends during three consecutive years.

The preferred shares may not be converted into common shares.

The class B preferred shareholders will have priority in the capital reimbursement, with no premium right, in the event of the Company liquidation. The class A preferred shareholders will have the same priority, however, only after complying with the priority granted to class B preferred shares. The class B preferred shares may, at any time, and at the sole discretion of the shareholder, be converted into class A preferred shares.

The shareholders are assured a minimum dividend of 25% of net income for the year calculated pursuant to the Corporate Law.

Explanatory Notes

(c) Reserves

- Exceeding amount in the shares subscription, constituted in the merger process, in conformity with article 14, sole paragraph of Law 6,404/76. This reserve may be used to absorb losses exceeding the retained earnings and revenue reserves, redemption, reimbursement or purchase of shares, redemption of beneficiary parties, incorporation to capital and payment of dividends to preferred shares, when this benefit is assured to them (article 200 of Law 6,404/76)
- Treasury stock – At March 31, 2012 and December 31, 2011 the Company held 2,526,654 common shares and 24,060,356 class A preferred shares in treasury.
- Legal reserve – Constituted based on 5% of net income for each year, up to 20% of capital.
- The reserve for investments and working capital comprises:

- (i) appropriation of 50% of net income for the year adjusted by legal reserve, as set forth in the Company By-Laws. The investments and working capital reserve cannot exceed 95% of capital, and its balance may be used to absorb losses, dividends distribution, redemptions, reimbursement or purchase of shares, or capitalized.
- (ii) appropriation to the statutory reserve, in the terms of article 196 of Law 6,404/76, based on capital budget approved at the meeting of the Board of Directors.

(d) Dividends and interest on capital

Dividends and interest on own capital distribution are as follows:

	<u>Parent Company</u>	<u>Consolidated</u>
Balance at December 31, 2011	57,171	69,704
Dividends paid	(16)	(16)
Dividends prescribed	(415)	(415)
Balance at March 31, 2012	<u>56,740</u>	<u>69,273</u>

Explanatory Notes**20 Segment Information**

Management has determined the Usiminas companies' operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Board of Directors analyses the business by segment of products sold.

The revenue generated by the reported operating segments arises mainly from the manufacture and sale of steel products and related services.

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

	03/31/2012						
	Mining and Logistics	Steel Metallurgy	Steel Transformation	Capital Assets	Subtotal	Eliminations and adjustments	Total
Revenue	239,334	2,573,426	496,750	250,741	3,560,251	(674,017)	2,886,234
Cost of sales	(100,335)	(2,573,558)	(447,274)	(258,073)	(3,379,240)	666,370	(2,712,870)
Gross profit	138,999	(132)	49,476	(7,332)	181,011	(7,647)	173,364
Operating income/(expenses)	(35,529)	(99,772)	(51,083)	(23,007)	(209,391)		(209,391)
Selling expenses	(17,012)	(33,017)	(24,254)	(4,331)	(78,614)		(78,614)
General and administrative expenses	(12,899)	(61,327)	(22,044)	(16,525)	(112,795)	2,046	(110,749)
Other income and (expenses)	(5,618)	(5,428)	(4,785)	(2,151)	(17,982)	(2,046)	(20,028)
Operating profit (i)	103,470	(99,904)	(1,607)	(30,339)	(28,380)	(7,647)	(36,027)
Assets	5,449,155	30,140,261	1,670,005	1,179,405	38,438,826	(5,399,922)	33,038,904
Total assets includes:							
Investments in associated (other than goodwill) companies	270,138	62,527		3,076	335,741		335,741
Additions to non-current assets (other than financial instruments and deferred tax assets)	56,322	493,511	15,122	8,229	573,184	536	573,720
Current and non-current liabilities	683,558	12,901,420	432,341	492,049	14,509,368	(473,273)	14,036,095

Explanatory Notes

	Mining and Logistics	Steel Metallurgy	Steel Transformation	Capital Assets	Subtotal	Eliminations and adjustments	03/31/2011
Revenue	213,368	2,691,364	593,304	325,373	3,823,409	(759,933)	3,063,476
Cost of sales	(58,494)	(2,683,697)	(540,614)	(290,495)	(3,573,300)	808,543	(2,764,757)
Gross profit	<u>154,874</u>	<u>7,667</u>	<u>52,690</u>	<u>34,878</u>	<u>250,109</u>	<u>48,610</u>	<u>298,719</u>
Operating income/(expenses)	(22,423)	(35,776)	(53,830)	(27,477)	(139,506)	2,018	(137,488)
Selling expenses	(10,886)	(65,959)	(28,264)	(6,031)	(111,140)		(111,140)
General and administrative expenses	(11,448)	(69,098)	(25,515)	(19,827)	(125,888)		(125,888)
Other operating income and (expenses)	(89)	99,281	(51)	(1,619)	97,522	2,018	99,540
Operating profit (i)	<u>132,451</u>	<u>(28,109)</u>	<u>(1,140)</u>	<u>7,401</u>	<u>110,603</u>	<u>50,628</u>	<u>161,231</u>

(i) The reconciliation of operating profit is as follows:

	03/31/2012	03/31/2011
Operating profit of information by business segment	(36,027)	161,231
Financial result	(22,835)	43,473
Equity in the results	<u>13,136</u>	<u>17,976</u>
Operating result before taxation on net income	<u>(45,726)</u>	<u>222,680</u>

Sales between segments were carried as sales between independent parties.

The invoicing is spread, and the Company and its subsidiaries do not have individual clients representing more than 10% of invoicing. More than 95% of revenues arise from revenues with assets and services.

Explanatory Notes

20.2 Reconciliations of assets, liabilities and revenues by reporting segments

(a) Reconciliation of assets

The amounts provided by the Board of Directors in relation to total assets are consistent with the balances recorded in the consolidated financial statements. These assets are allocated based on the segment operations and on the physical location of the asset.

The assets corresponding to the reported segments are reconciled with total assets, as follows:

	<u>03/31/2012</u>
Assets from reported segments	38,438,826
Elimination of assets between segments	<u>(5,399,922)</u>
Total assets	<u>33,038,904</u>

The eliminations of assets between segments refer to intercompany common balances.

(b) Reconciliation of liabilities

The amounts provided by the Board of Directors in relation to total liabilities are consistent with the balances recorded in the consolidated financial statements. These liabilities are allocated based on the segment operations.

The liabilities corresponding to the reported segments are reconciled with total liabilities, as follows:

	<u>03/31/2012</u>
Liabilities from reported segments	14,509,368
Elimination of liabilities between segments	<u>(473,273)</u>
Total liabilities	<u>14,036,095</u>

The eliminations of assets between segments refer to intercompany common balances.

Explanatory Notes

21 Expenses by Nature

	Parent Company		Consolidated	
	03/31/2012	03/31/2011	03/31/2012	03/31/2011
Depreciation ,amortization and depletion	(191,648)	(188,450)	(225,863)	(213,240)
Employee benefit expenses	(262,101)	(232,297)	(493,631)	(498,080)
Raw materials and consumables	(1,732,211)	(1,880,862)	(1,559,130)	(1,724,468)
Distribution cost	(10,864)	(24,494)	(31,573)	(45,565)
Third-party services	(257,434)	(374,646)	(293,669)	(394,136)
Net revenue (expenses) with contingencies	(16,044)	78,980	(21,425)	73,109
Gains (losses) on disposal of property, plant and equipment, intangible assets and investment	(324)	25,008	165	25,008
Other income (expenses)	(206,331)	(135,878)	(297,135)	(124,873)
	<u>(2,676,957)</u>	<u>(2,732,639)</u>	<u>(2,922,261)</u>	<u>(2,902,245)</u>
Cost of assets and/or services sold	(2,580,074)	(2,700,065)	(2,712,870)	(2,764,757)
Selling expenses	(33,017)	(65,873)	(78,614)	(111,140)
General and administrative expenses	(58,998)	(66,873)	(110,749)	(125,888)
Other operating income (expenses), net	(4,868)	100,172	(20,028)	99,540
	<u>(2,676,957)</u>	<u>(2,732,639)</u>	<u>(2,922,261)</u>	<u>(2,902,245)</u>

Explanatory Notes**22 Financial Income (Expenses)**

The financial income (expenses) are summarized as follows:

	Parent Company		Consolidated	
	03/31/2012	03/31/2011	03/31/2012	03/31/2011
Financial income				
Client interest	4,009	1,562	5,663	2,116
Income from financial investments	5,208	30,024	76,414	99,277
Indexation credits	155	1	2,908	1,220
Interest on judicial deposits	11,295	10,238	11,775	10,238
Realization of adjustment to present value of trade accounts receivable	22,435	28,026	22,394	25,938
Other financial income	3,551	9,196	2,919	9,596
	<u>46,653</u>	<u>79,047</u>	<u>122,073</u>	<u>148,385</u>
Financial expenses				
Interest on financing	(64,856)	(58,385)	(74,781)	(67,933)
Results of swap transactions	(124,490)	(37,846)	23,880	14,260
Indexations charges	(44,063)	(59,906)	(45,082)	(59,946)
Interest, commissions and expenses on arrears	(4,510)	(136)	(8,337)	(459)
Tax on Financial Transactions (IOF)	(2,250)	(98)	(3,026)	(141)
Interest on contingent liabilities	(7,670)	(10,448)	(8,147)	(11,152)
Realization of adjustment to present value of accounts payable	(17,458)	(15,883)	(30,888)	(16,100)
Commissions on financing and others	(5,028)	(4,388)	(5,075)	(4,388)
Other financial expenses	(1,653)	(2,735)	(9,139)	(2,719)
	<u>(271,978)</u>	<u>(189,825)</u>	<u>(160,595)</u>	<u>(148,578)</u>
Foreign exchange gains and losses, net	<u>169,189</u>	<u>117,971</u>	<u>15,687</u>	<u>43,666</u>
	<u>(56,136)</u>	<u>7,193</u>	<u>(22,835)</u>	<u>43,473</u>

Foreign exchange differences charged or credited to the income statements arise from the foreign exchange gains/losses on loans and financing, foreign suppliers, current accounts, financial investments and customers.

Explanatory Notes

The Company reassessed the interpretation and accounting of interest and monetary restatement of the contracts indexed to CDI and segregated the Amplified Consumer Prices Index (IPCA) of loans and financing, whose contracted index is the Interbank Deposit Certificate (CDI). The portion related to IPCA was segregated from interest on loans and financing and included in *Monetary effects* in the group of *Financial expenses*, which comprises the *Financial income (expenses)*. For comparison purposes, at March 31, 2011, the amounts from monetary variation have also been reclassified.

23 Loss per Share

(a) Basic and diluted

Basic and diluted earnings (loss) per share are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of common shares issued during the year, excluding common shares purchased by the Company and held as treasury shares.

The Company does not have debt convertible into shares or share purchase options and, accordingly, it does not have potentially dilutable common and preferred shares.

	Parent Company and Consolidated					
	03/31/2012			03/31/2011		
	Common	Preferred	Total	Common	Preferred	Total
Basic and diluted						
Basic and diluted numerator						
Loss available to the stockholders	(34,385)	(36,450)	(70,835)	(12,665)	(13,425)	(26,090)
Basic and diluted denominator						
Weighted average of shares, excluding treasury shares	502,734,030	484,465,150	987,199,180	502,734,030	484,465,150	987,199,180
Loss per share in R\$ -basic and diluted	(0,068)	(0,080)		(0,030)	(0,030)	

Explanatory Notes

24 Related Parties Transactions

At March 31, 2012 and December 31, 2011, the Company's shareholding position is as follows:

Shareholder	Common Shares		Preferred Shares		Total	
	Number	%	Number		Number	%
	03/31/2012					
Nippon Usiminas Co. Ltd. (*)	119,969,788	23.74	2,830,832	0.56	122,800,620	12.11
Ternium Investments S.A.R.L. (*)	84,741,291	16.77			84,741,291	8.36
Confab Industrial S.A. (*)	25,000,000	4.96			25,000,000	2.47
Caixa de Previdência dos Funcionários do Banco do Brasil	52,966,590	10.48	6,508,550	1.28	59,475,140	5.87
Prosid Investments S.C.A. (*)	20,000,000	3.96			20,000,000	1.97
Caixa dos Empregados da Usiminas (*)	34,109,762	6.75			34,109,762	3.36
Companhia Siderúrgica Nacional	35,122,900	6.95	76,983,800	15.14	112,106,700	11.06
Nippon Steel Corporation Co. Ltd. (*)	27,347,796	5.41	307,926	0.06	27,655,722	2.73
BNDES Participações S.A.			15,868,530	3.12	15,868,530	1.57
Usiminas in treasury	2,526,654	0.50	24,060,356	4.73	26,587,010	2.62
Other shareholders	103,475,903	20.48	381,965,512	75.11	485,441,415	47.88
Total	505,260,684	100.00	508,525,506	100.00	1,013,786,190	100.00

Shareholder	Common Shares		Preferred Shares		Total	
	Number	%	Number		Number	%
	12/31/2011					
Nippon Usiminas Co. Ltd. (*)	119,969,788	23.74	2,830,832	0.56	122,800,620	12.11
Votorantim Industrial S.A. (*)	65,606,930	12.98			65,606,930	6.47
VBC Energia S.A. (*)	65,606,926	12.98			65,606,926	6.47
Caixa de Previdência dos Funcionários do Banco do Brasil	52,769,590	10.45	6,640,950	1.31	59,410,540	5.86
Caixa dos Empregados da Usiminas (*)	51,164,642	10.13			51,164,642	5.05
Companhia Siderúrgica Nacional	31,554,500	6.25	76,973,800	15.14	108,528,300	10.71
Nippon Steel Corporation Co. Ltd. (*)	18,820,356	3.72	307,926	0.06	19,128,282	1.89
BNDES Participações S.A.			18,549,230	3.65	18,549,230	1.83
Usiminas in treasury	2,526,654	0.50	24,060,356	4.73	26,587,010	2.62
Other shareholders	97,241,298	19.25	379,162,412	74.55	476,403,710	46.99
Total	505,260,684	100.00	508,525,506	100.00	1,013,786,190	100.00

(*) Controlling shareholders, by means of shareholders' agreement

Explanatory Notes

The main balances and transactions with related parties are as follows:

(a) Current assets

	03/31/2012			Parent Company 12/31/2011		
	Trade accounts receivable	Dividends receivable	Other accounts receivable	Trade accounts receivable	Dividends receivable	Other accounts receivable
Controllers						
Caixa dos Empregados da Usiminas - CAIXA	90			1		
Confab Industrial	12,113					
Siderar	233					
Non-controllers						
Companhia Siderúrgica Nacional - CSN				63		
Subsidiaries						
Automotiva Usiminas S.A.	4,615	5,593		30,372	5,593	
Cosipa Overseas Ltd.	22,799			53,324		
Mineração Usiminas S.A.	1,711	29,238	695	40	29,238	695
Rios Unidos Logística e Transporte de Aço Ltda.	1,353		9,222	1,354		9,222
Soluções em Aço Usiminas S.A.	117,071			83,050		
Usiminas Eletro galvanizado Steel ApS	6,704			7,012		
Usiminas Galvanized Steel ApS	27,825			20,089		
Usiminas Mecânica S.A. S.A.	17,584	23,647	9,962	17,147	23,647	9,963
Usiminas Participações e Logística S.A.					2,806	
Jointly –controlled subsidiaries						
Fasal Trading Brasil		333			333	
Fasal Trading Corporation	365			366		
Unigal Ltda.	49			91		
Usiroll – Usiminas Court Tecnologia em Acabamento Superficial Ltda.	1		15,888	1		14,421
Associated companies						
Codeme Engenharia S.A.	3,012			8,494		
Metform S.A.	511			1,312		
MRS Logística S.A.		334			335	
Other related parties						
Metal One Corporation			5	5,727		9
	<u>216,036</u>	<u>59,145</u>	<u>35,772</u>	<u>228,443</u>	<u>61,952</u>	<u>34,310</u>

Explanatory Notes

	03/31/2012		Consolidated 12/31/2011	
	Trade accounts receivable	Other accounts receivable	Trade accounts receivable	Other accounts receivable
Controllers				
Caixa dos Empregados da Usiminas - CAIXA	90		1	
Confab Industrial	12,113			
Siderar	233			
Votorantin Industrial			462	
Non-controllers				
Companhia Siderúrgica Nacional - CSN			63	
Jointly –controlled subsidiaries				
Fasal Trading Corporation	182		183	
Unigal Ltda.	914		917	
Usiroll – Usiminas Court Tecnologia em Acabamento Superficial Ltda.		7,944		7,210
Associated companies				
Codeme Engenharia S.A.	3,022		8,539	
Metform S.A.	511		1,312	
MRS Logística S.A.	675	13,533	675	13,587
Other related parties				
Metal One Corporation		5	5,727	9
	<u>17,740</u>	<u>21,482</u>	<u>17,879</u>	<u>20,806</u>

Trade accounts receivable classified as related parties mainly arise from sales transactions and fall due no more than 30 days. The accounts receivable have no guarantees and are subject to interest. At March 31, 2012 and December 31, 2011, no provisions for accounts receivable from related parties were set up.

Other receivables from related parties refer mainly to loans.

(b) Non-current assets – receivables form related companies

	Parent Company		Consolidated	
	03/31/2012	12/31/2011	03/31/2012	12/31/2011
Controllers				
Caixa dos Empregados da Usiminas - CAIXA (a)	5,624	5,710	5,624	5,710
Subsidiaries				
Usiminas Europa A/S	73	74		
Usiminas Mecânica S.A. (b)	50,298	51,329		
	<u>55,995</u>	<u>57,113</u>	<u>5,624</u>	<u>5,710</u>

(a) Related to actuarial deficit.

(b) Related to actuarial deficit and sale or property, plant and equipment.

Explanatory Notes

(c) Current liabilities

	03/31/2012			Parent Company 12/31/2011		
	Liabilities with related companies		Loans and financing	Liabilities with related companies		Loans and financing
	Suppliers	Other payables		Suppliers	Other payables	
Controllers						
Caixa dos Empregados da Usiminas – CAIXA (a)		415		199		
Confab Industrial		86				
Nippon Steel Corporation Co. Ltd.	4			4		
Nippon Usiminas Co. Ltd. (b)			88,246			93,015
Non-controllers						
Companhia Siderúrgica Nacional - CSN	12,651			15,641		
Subsidiaries						
Automotiva Usiminas S.A.	282			271		
Cosipa Commercial Ltd.			7,320			1,279
Cosipa Overseas Ltd.						13,680
Mineração Usiminas S.A.	311,321	1		91,450	1	
Rios Unidos Logística e Transporte de Aço Ltda.	2,755			2,796		
Soluções em Aço Usiminas S.A.	542	69		559	100	
Usiminas Commercial Ltd.			8,936			22,107
Usiminas Eletro galvanizado		163,467				
Usiminas Galvanized		154,878				
Usiminas Mecânica S.A.	114,819			193,396		
Jointly –controlled subsidiaries						
Unigal Ltda.	53,794			90,067		
Usiroll – Usiminas Court Tecnologia em Acabamento Superficial Ltda.	857			534		
Associated companies						
Codeme Engenharia S.A.		21,198			24,624	
Metform S.A.	9	6,694		99	7,776	
MRS Logística S.A.	2,124			1,075		
	<u>499,158</u>	<u>346,808</u>	<u>104,502</u>	<u>395,892</u>	<u>32,700</u>	<u>130,081</u>

(a) Refers to Usiprev contribution and PB1 company's and employee's part

(b) Loans in US dollars, bearing charges varying from 0.83% to 2.35% p.a. + libor.

Explanatory Notes

	Consolidated					
	03/31/2012			12/31/2011		
	Liabilities with related companies			Liabilities with related companies		
	Suppliers	Other payables	Loans and financing	Suppliers	Other payables	Loans and financing
Controllers						
Caixa dos Empregados da Usiminas – CAIXA (a)	47	457		36	221	
Confab Industrial		86				
Nippon Steel Corporation Co. Ltd.	4			4		
Nippon Usiminas Co. Ltd. (b)			88,246			93,015
Votorantin Industrial S.A.					17	
Non-controllers						
Companhia Siderúrgica Nacional - CSN	12,651			15,641		
Jointly –controlled subsidiaries						
Modal Terminal de Granéis Ltda.	155			299		
Unigal Ltda.	16,138			27,200		
Usiroll – Usiminas Court Tecnologia em Acabamento Superficial Ltda.	428			268		
Associated companies						
Codeme Engenharia S.A.		21,198			24,624	
Metform S.A.	9	6,694		99	7,776	
MRS Logística S.A.	8,606	7,289		8,343	7,289	
Terminal de Cargas Sarzedo Ltda.	976			998		
	<u>39,014</u>	<u>35,724</u>	<u>88,246</u>	<u>52,888</u>	<u>39,927</u>	<u>93,015</u>

(a) Refers to Usiprev contribution and PB1 company's and employee's part.

(b) Loans in US dollars, bearing charges varying from 0.83% to 2.35%p. a. + libor.

The payables to related companies classified as suppliers arise mainly from purchase transactions and fall due no more than 45 days after the purchase date. The payables to related companies bear no interest.

Explanatory Notes

(d) Non-current liabilities

	<u>Parent Company</u>				<u>Consolidated</u>		
	<u>03/31/2012</u>		<u>12/31/2011</u>		<u>03/31/2012</u>		<u>12/31/2011</u>
	<u>Loans and financing</u>	<u>Other</u>	<u>Loans and financing</u>	<u>Other</u>	<u>Loans and financing</u>	<u>Loans and financing</u>	<u>Other</u>
Controllers							
Nippon Usiminas Co. Ltd. (a)	325,307		379,996		325,307		379,996
Subsidiaries							
Cosipa Commercial Ltd.	504,108		554,268				
Usiminas Commercial Ltd.	949,669		1,044,163				
Usiminas Eletrogalvanized Steel ApS		12,453		12,709			
Usiminas Galvanized Steel ApS		23,151		23,626			
Associated companies							
Codeme Engenharia S.A.				5,130			5,130
Metform S.A.				1,620			1,620
	<u>1,779,084</u>	<u>35,604</u>	<u>1,978,427</u>	<u>43,085</u>	<u>325,307</u>	<u>379,996</u>	<u>6,750</u>

(a) Loans in US dollars, bearing charges varying from 0.83% to 2.35%p. a. + libor.

Explanatory Notes

(e) Sales and purchases

	Parent Company				Consolidated			
	Sales		Purchases		Sales		Purchases	
	03/31/2012	03/31/2011	03/31/2012	03/31/2011	03/31/2012	03/31/2011	03/31/2012	03/31/2011
Controllers								
Camargo Corrêa Cimentos S.A.		20,125		38		20,125		141
Confab Industrial S.A.	74,226				74,233			
Construções e Comércio Camargo Corrêa S.A.				4,570				4,570
Nippon Steel Corporation Co. Ltd.			1,725	4,285			1,725	4,285
Siderar S.A	253				253			
Ternium Investments	38,653				38,653			
Non-controllers								
Companhia Siderúrgica Nacional – CSN			26,417				26,417	
Subsidiaries								
Automotiva Usiminas S.A.	14,851	29,120	1,782	2,058				
Cosipa Overseas Ltd.	52,220	81,283						
Mineração Usiminas S.A.	1,638		232,255	230,294				
Rios Unidos Logística e Transporte de Aço Ltda.			11,811	11,320				
Soluções em Aço Usiminas S.A.	438,181	548,385	5,693	5,300				
Usiminas Eletro galvanizado Steel ApS	7,590							
Usiminas Galvanized Steel ApS	32,548	43,063						
Usiminas Mecânica S.A.	88,070		83,320	166,695				
Jointly –controlled subsidiaries								
Fasal Trading Corporation	25	64,710		105	13	32,355		53
Modal Terminal de Granéis Ltda.							314	
Unigal Ltda.	136		59,269	89,140	76	4,020	17,781	26,742
Usiroll – Usiminas Court Tecnologia em Acabamento Superficial Ltda.			2,483	1,245			1,397	623
Associated companies								
Codeme Engenharia S.A.	11,197	6,619			11,219	6,619		
Metform S.A.	4,589	5,587	100	472	4,589	5,587	529	720
MRS Logística S.A.			32,027	31,905	1,849	469	73,713	60,510
Terminal de Cargas Sarzedo Ltda.							3,258	2,167
Other related parties								
Metal One Corporation			4,058	8,433			4,058	8,433
	<u>764,177</u>	<u>798,892</u>	<u>460,940</u>	<u>555,860</u>	<u>130,885</u>	<u>69,175</u>	<u>129,192</u>	<u>108,244</u>

Explanatory Notes

The main Company transactions with related parties are summarized as follows:

- Sales of granulated slag to Camargo Corrêa, used in the manufacture of cement;
- Purchase of services from Nippon Steel Corporation Co Ltd., including the provision of advanced industrial technology, technical assistance services and training for employees;
- Sales of products to Automotiva Usiminas for application in the stamping of pieces for the automobile industry;
- Purchase of iron ore from Minerações Usiminas to be used in the Plants of Ipatinga and Cubatão.
- Purchase from Rios Unidos of railroad transportation services of iron and steel products and different materials;
- Sales of products to Soluções em Aço Usiminas S.A. for transformation and distribution. In addition, Soluções em Aço Usiminas S.A. renders technical services in the steel area to clients of Usiminas Companies;
- Sales of electro-galvanized and galvanized steel to Usiminas Galvanized Steel ApS. and Usiminas Eletrogalvanized Steel ApS., respectively, to foster the sales to foreign clients.
- Sales of products to Usiminas Mecânica and purchase of services, like the industrialization of steel products and equipment;
- Purchase from Unigal of hot-dip galvanized steel sheets and cold-rolled steel sheets and coils;
- Purchase from Usiroll – Usiminas Court Tecnologia em Acabamento Superficial Ltda. of services of texturing and chrome plating of cylinders used in laminations;

In addition, the following transactions between associated companies are carried out:

- Purchase of railroad transportation services from MRS Logística S.A. for the transportation of iron ore.
- Purchase from Modal Terminal de Graneis S.A. and Terminal de Cargas Sarzedo Ltda. of storage services and loading of ore.

Explanatory Notes

Sales among related parties are carried out based on the effective price list and based on terms and conditions similar to those that would be available for third parties,

The other related party transactions are mainly contracted at market prices and terms.

(f) Financial result

	Parent Company		Consolidated	
	03/31/2012	03/31/2011	03/31/2012	03/31/2011
Controllers				
Caixa dos Empregados da Usiminas - CAIXA	117	216	117	216
Camargo Corrêa Cimentos S.A.		98		98
Confab Industrial S.A.	134		134	
Nippon Steel Corporation Co. Ltd.		(8)		(8)
Nippon Usiminas Co. Ltd.	11,706	8,171	11,706	8,171
Siderar S.A.	(16)		(16)	
Non-controllers				
Companhia Siderúrgica Nacional - CSN	(209)		(209)	
Subsidiaries				
Automotiva Usiminas S.A.	110	88		
Cosipa Commercial Ltd.	44,118	14,878		
Cosipa Overseas Ltd.	(1,414)	(1,562)		
Mineração Usiminas S.A.	680	(992)		
Rios Unidos Logística e Transporte de Aço Ltda.	(110)	(94)		
Soluções em Aço Usiminas S.A.	2,611	3,946		
Usiminas Commercial Ltd.	83,892	28,489		
Usiminas Europa A/S	(1)			
Usiminas Eletro galvanizado Steel ApS	(8,845)			
Usiminas Galvanized Steel ApS	(3,593)			
Usiminas International Ltd.		1,829		
Usiminas Mecânica S.A.	956	621		
Jointly –controlled subsidiaries				
Fasal Trading Corporation	(25)	(246)	(13)	(123)
Modal Terminal de Granéis Ltda.				(2)
Unigal Ltda.	(365)		(111)	(164)
Usiroll – Usiminas Court Tecnologia em Acabamento Superficial Ltda.	447	(548)	224	(6)
Associated companies				
Codeme Engenharia S.A.	37	26	37	26
Metform S.A.	12	14	12	14
MRS Logística S.A.	(60)	(70)	(60)	(89)
Usifast Logística Industrial S.A.		(12)		
Terminal de Cargas Sarzedo Ltda.				(5)
	130,182	54,844	11,821	8,128

The financial result with related parties refers mainly to charges on loans and financing in items (c) and (d) above.

Explanatory Notes

(g) Management key personnel compensation

The compensation paid or payable to Management key personnel for employees services is set out below:

	Parent Company and Consolidated	
	03/31/2012	03/31/2011
Fees and charges	4,694	5,870
Profit sharing	2,751	2,009
Retirement and pension plans	62	98
	<u>7,507</u>	<u>7,977</u>

The amounts above are recorded in the income statement under the heading *General and administrative expenses*.

The Company has a share-based compensation plan as described in Note 25.

Explanatory Notes

25 Stock Option Plan

The Company has a stock option plan for its shares. This plan is managed by the Company's Board of Directors, with the advisory of the Human Resources Committee, subject to the limitations included in the Plan.

No changes occurred in the guidelines and characteristics of the plan in relation to those described in the Financial Statements for December 31, 2011.

At October 3, 2011, 2,589,451 Options were granted for the Basic Granting and 402,302 for the Bonus Granting, totaling 2,991,753 Options related to 2011 (first granting), to be granted to the executive and statutory officers ("Participants") of the Company through the *Contract for Granting of Stock Option Plan*.

(a) Modalities of Granting Options

A total of 3,965,910 Options were addressed to the Stock Option Plan related to 2011.

The Options were granted in two different modalities:

- (i) Basic Granting** – in which the number of Options granted shall be based on Usiminas strategy, and each Option granted will entitle its owner to acquire or subscribe one Company preferred share.
- (ii) Bonus Granting** – which shall be linked to a voluntary investment of the Participant, who addresses part of the net value of the variable compensation for the acquisition of preferred shares.

The fair value of the Options at the granting date, as well as the main assumptions used in accordance with the Black & Sholes pricing model, are as follows:

	<u>First year</u>	<u>Second year</u>	<u>Third year</u>
Fair value at the granting date	R\$4.83	R\$5.07	R\$5.27
Share price	R\$ 11.45	R\$ 11.45	R\$ 11.45
Exercise price	R\$ 11.98	R\$ 11.98	R\$ 11.98
Volatility of the share price	50.70%	50.70%	50.70%
Grace period (three years)	33% after first year	33% after 2nd. year	33% after 3rd. year
Dividends estimate	2,94%	2,94%	2,94%
Free risk return rate	11.62% p.a.	11.65% p.a.	11.69% p.a.
Adjusted effectiveness	4 years	45 years	5 years

The exercise price was determined based on the daily average quotation in the exercise of 30 days prior to the Option granting.

Explanatory Notes

At March 31, 2012 and December 31, 2011, the total number of outstanding options is as follows:

	<u>03/31/2012</u>	<u>Options</u> <u>12/31/2011</u>
Outstanding options at the beginning of the year	<u>2.991.753</u>	
Granted during the year		2.991.753
Canceled during the year	<u>822.328</u>	
Outstanding options at the end of the year	<u><u>2.169.425</u></u>	<u><u>2.991.753</u></u>

At March 31, 2012 and December 31, 2011, the weighted average exercise price totaled in the amount of R\$11,98.

At March 31, 2012 there were no exercised options.

The technical pronouncement CPC 10 (R1) - Share-based Payment requires that the effects of transactions of share-based payments are recorded in the income statement and in the balance sheet of the Company. The value recorded in the income statement of the Parent Company and Consolidated on March 31, 2012 was R\$1,649. The impact on equity in the quarter ended March 31, 2012 was R\$315, net of deferred income tax and social contribution.

Explanatory Notes

26 Notes presented in the annual financial statements that are not presented in this intermediary financial information

Pursuant to Circular Letter CVM/SYNC/SEP/N°003/2011, the Company has complied with the explanatory notes presentation in the Basic Accounting Pronouncement – Conceptual Structure for the Preparation and Presentation of the Financial Statements. All the information on omissions or effects that might influence a user’s economic decisions have been duly disclosed in the financial information, which should be read together with the Financial Statements at December 31, 2011.

An index to the explanatory notes for this information is provided below.

- Note 04 - Critical accounting estimates and judgments
- Note 07 – Financial instruments by category
- Note 08 – Credit quality of financial assets
- Note 18 – Impairment of non-financial assets
- Note 21 – Debentures
- Note 22 – Taxes payable
- Note 23 – Taxes payable in installments
- Note 25 – Provision for environmental recovery
- Note 29 – Statement of adjusted EBITDA (unaudited)
- Note 30 – Revenue
- Note 32 – Employment benefit expenses
- Note 33 – Operating income (expenses)
- Note 36 – Commitments
- Note 37 – Business combination
- Note 39 – Statements of cash flows
- Note 40 – Insurance coverage

Board of Directors

Israel Vainboim
President

Alcides José Morgante
Counselor

Aloísio Macário Ferreira de Souza
Counselor

Daniel Agustín Novegil
Counselor

Fumihiko Wada
Counselor

Rita Rebelo Horta de Assis Fonseca
Counselor

Roberto Caiuby Vidigal
Counselor

Rômél Erwin de Souza
Counselor

Toru Obata
Counselor

Fiscal Council

Lúcio de Lima Pires
President

Heloísa Regina Guimarães de Menezes
Counselor

Marco Antônio Bersiani
Counselor

Masato Ninomiya
Counselor

Executive Board

Julián Alberto Eguren
President-Director

Marcelo Rodolfo Chara
Industrial Vice-President

Rômél Erwin de Souza
Information Technology and Quality Vice-
President

Ronald Seckelmann
Finance Vice-President and Investors Relation

Sérgio Leite de Andrade
Business Vice-President

Paolo Felice Bassetti
Subsidiaries Vice-President

Nobuhiro Yamamoto
Corporate Planning Vice-President

Antônio Geraldo Vilela de Moraes
General Manager of Accounting
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