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Doing always better.

USIMINAS

PUBLIC INFORMATION - Belo Horizonte, February 18, 2013. Usinas Siderúrgicas de Minas Gerais S.A. - Usiminas (BM&FBOVESPA: USIM3, USIM5 and USIM6; OTC: USDMY and USNZY; Latibex: XUSIO and XUSI) releases today its fourth quarter 2012 (4Q12) results and those of fiscal year 2012. Operational and financial information of the Company, except where otherwise stated, are presented based on consolidated figures, in Brazilian Real, according to International Financial Reporting Standards (IFRS). All comparisons made in this release take into consideration the 3Q12 and fiscal year 2011, except where stated otherwise.

Release of the 4Q12 and 2012 results

In 2012, the main highlights were:

- Steel sales volume was 6.9 million tons in 2012, 16.3% above those of last year;
- Iron ore sales volume reached 6.1 million tons, 9.9% above those of 2011;
- Consolidated net revenue was R$12.7 billion, 6.8% greater than in 2011;
- Cash position on 12/31/12 was R$4.7 billion;
- Working capital decrease reached R$2.2 billion;
- Investments totaled R$1.7 billion.

Main Highlights

R$ million	4Q12	3Q12	4Q11	Chg. 4Q12/3Q12	2012	2011	Chg. 2012/2011
Crude Steel Production (000 t)	1,804	1,837	1,509	-2%	7,158	6,699	7%
Steel Sales Volume (000 t)	1,731	1,749	1,340	-1%	6,881	5,916	16%
Iron Ore Production (000 t)	1,496	1,785	1,664	-16%	6,652	6,329	5%
Iron Ore Sales (000 t)	1,747	1,142	1,388	53%	6,115	5,564	10%
Net Revenue	3,208	3,390	2,815	-5%	12,709	11,902	7%
COGS	(3,044)	(3,224)	(2,587)	-6%	(12,048)	(10,608)	14%
Gross Profit (Loss)	163	166	227	-1%	660	1,294	-49%
Net Income (Loss)	(283)	(125)	77	127%	(531)	404	-
EBITDA	226	150	218	51%	798	1,264	-37%
EBITDA Margin	7.1%	4.4%	7.7%	+ 2.7 p.p.	6.3%	10.6%	- 4.3 p.p.
Investments (Capex)	364	371	647	-2%	1,652	2,490	-34%
Cash Position	4,718	4,775	5,191	-1%	4,718	5,191	-9%

Market Data - 12/28/12

BM&FBOVESPA: USIM5 R$12.80/share
USIM3 R$13.67/share

USA/OTC: USNZY US$6.21/ADR

Latibex: XUSI €4.78/share
XUSIO €5.11/share

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Usiminas Focus

A landmark of the year of 2012 was the entrance of Ternium / Tenaris in replacement of Votorantim and Camargo Correa in the controlling group comprised by Nippon Steel & Sumitomo Metal Corporation and Previdência Usiminas, which signed a shareholders agreement until 2031. The Company strengthened its focus on recovering its competitiveness through efforts in its key business areas: commercial and industrial.

In 2012, a major investment cycle in the Steel Business Unit was concluded. In the last five years, approximately R$11 billion were invested in the modernization of the steel facilities and the increase of rolling and galvanizing capacity for production of higher value added products. The challenge now is to generate greater economic value for shareholders while acting strongly to achieve more efficient industry processes and greater integration with customers.

The steel value chain is especially exposed to competition in the global market, which often comes from state-owned companies to which remuneration of the business is irrelevant. Additionaly, there are imports of products with a high steel content, which threaten the entire value chain of our industrial system.

In order to face this difficult scenario, Usiminas has been concentrating all of its efforts in cost reduction and production efficiency enhancement in order to achieve a competitive edge in its activities.

Economic Outlook

The global economy signaled some improvement in the second half of 2012, although not sufficient to reverse the growth outlook below that of the last two years, of 5% in 2010 and 4% in 2011. According to the IMF – International Monetary Fund, the economy grew just 3% in 2012.

In Europe, the commitment of the European Central Bank to provide liquidity to markets of sovereign notes contributed to relieve the solvency problems of regional economies. The IMF forecasts that the European Union economy will have shrunk 0.5% in 2012. In the USA, the growth trend throughout the second half of 2012 was indicative of stability, with improvement of the American economy. In spite of the uncertainty associated with political impass involving fiscal issues, the American GDP grew 2.2% in 2012. In China, the government responded aggressively to the weakening of the economy in the first half of the year, the measures taken had their effect, and the economy grew in the 4Q12, closing the year with an 8% growth.

In Brazil, the growth expectation was continuously adjusted downward throughout 2012, from 3% in the beginning of the year to around 1% at year's end. The expectation of recovery of industrial activity was frustrated. Even in a background of 3% growth in consumption and the unemployment rate below 6%, industrial production receded 2.7% in 2012, evidencing problems of competitiveness in Brazil. Additionally, in relation to industrial production, negative highlight was the decline of 10% in capital goods production, which returned to the 2007 average level, impacting negatively the steel consumption.

In spite of the challenges, some improvement in the business environment is expected in the coming quarters. Industrial entrepreneurs maintain cautious confidence in the recovery of activity as the economy reacts to monetary incentives, coming from reduction of interest rates, prevailing credit incentives, like the Investment Sustentation Program, and fiscal incentives, such as the decrease of electric energy tariffs and payroll cost. Also promising are the structural measures foreseen, such as the decrease in the price of electric energy for the industry and the public concessions programs in infrastructure works.

Economic and Financial Performance
Comments on Consolidated Results

Net Revenue

Net revenue in the 4Q12 totaled R$3.2 billion, a decrease of 5.4% in relation to the 3Q12, mainly in function of lower steel sales volume in the domestic market, following the seasonality, and retraction in net revenue of the Steel, Steel Transformation and Capital Goods Business Units of 4.3%, 6.0% and 15.8%, respectively. This decrease was partially compensated by better performance in the Mining Business Unit.

In the fiscal year of 2012, net revenue reached R$12.7 billion, 6.8% greater than in 2011, mainly due to greater steel volume sold by the Steel Business Unit.

Net Revenue Breakdown

	4Q12	3Q12	4Q11	2012	2011
Domestic Market	77%	79%	89%	80%	87%
Exports	23%	21%	11%	20%	13%
Total	100%	100%	100%	100%	100%

Cost of Goods Sold (COGS)

In the 4Q12, COGS totaled R$3.0 billion, a decline of 5.6% in relation to the 3Q12, mainly due to lower iron ore cost in the Steel Business Unit and third-party services. The decline in third-party services was 5.6% compared with the previous period. On the other hand, there was a 5.99% increase in payroll as a result of the Labor Agreement at Ipatinga plant and Company headquarters in November 2012, corresponding to inflation in the period measured by INPC index. Gross margin was 5.1% in the 4Q12, 20 basis points above that presented in the 3Q12, which was 4.9%.

COGS in 2012 totaled R$12.0 billion, 13.6% higher when compared with that of 2011, mainly due to greater steel sales volume, destocking of steel products produced in previous periods with higher raw materials prices in the Steel Business Unit, higher costs as a result of the exchange effect of the 8.9% depreciation of Real against the US Dollar and costs with workforce adjustment. Gross margin in 2012 was 5.2%. In this manner, the Company’s gross margin presented the following performance:

Gross Margin

4Q12	3Q12	4Q11	2012	2011
5.1%	4.9%	8.1%	5.2%	10.9%

Operating Expenses and Revenues

In the 4Q12, Selling expenses (S) were 3.7% higher, mainly due to the increase of port expenses as a result of higher iron ore exports. General and Administrative expenses (G&A) increased 10.4%, mainly impacted by increased labor expenses, as a result of the cost of workforce adjustment and the Labor Agreement signed in November at Ipatinga plant and Company headquarters. Total operating expenses recorded in the 4Q12 were R$207.8 million, against R$283.9 million in the 3Q12, due to higher legal contingencies reversal in the 4Q12. The 3Q12 was impacted in the amount of R$62.1 million by extraordinary non-recurring effects of the shipping contract provisions with MRS and contingencies provisions referring to the acquisition process of shareholder participations, which took place in 2008. Worthy of note is the 16.5% decline in third-party services in the 4Q12 compared with the 3Q12 and the positive contribution of the Reintegra Program totaling R$18.3 million in the 4Q12, similar amount in the previous quarter.

In the year of 2012, Selling expenses (S) were R$372.9 million, 18.7% below those of 2011, which were R$458.6 million, mainly due to the 18.5% decrease in third party services in 2012 and provision for losses on trade accounts receivable registered in 2011, in the amount of R$72.2 million. General and Administrative expenses (G&A) in 2012 were R$488.4 million, against R$510.3 million, falling 4.3%, impacted also by the decrease of 13.6% in third party services. In 2012, total operating expenses were R$860.1 million, 28.7% higher than those in 2011, mainly due to a considerable legal contingencies reversal in 2011 and lower extraordinary non-recurring effects in 2012. The Reintegra Program positively contributed by R$71.9 million in 2012 and has been extended until December 2013. Thus, the Company's operating margin showed the following performance:

EBIT Margin

4Q12	3Q12	4Q11	2012	2011
-1.3%	-3.5%	0.4%	-1.5%	5.2%

EBITDA

EBITDA in the 4Q12 reached R$226.4 million, 51.3% greater than in the 3Q12, which was R$149.7 million. EBITDA margin in the 4Q12 increased 270 basis points, reaching 7.1%, mainly due to greater iron ore sales volume and lower operating expenses in relation to the 3Q12.

In 2012, EBITDA totaled R$798.1 million, presenting a decline of 36.8% when compared with 2011, which presented R$1.3 billion, mainly due to the decrease in gross profit and the increase in operating expenses. The margins are shown below:

EBITDA Margin

4Q12	3Q12	4Q11	2012	2011
7.1%	4.4%	7.7%	6.3%	10.6%

Financial Result

In the 4Q12, net financial results were R$106.7 million, versus R$117.4 million in the 3Q12. This result can mainly be attributed to the US Dollar appreciation of 0.64% in the 4Q12, which impacted positively the cash position invested abroad.

Consolidated net financial results showed an expense of R$502.6 million in 2012, against an expense of R$50.0 million in 2011, in function of the exchange rate effects due to an 8.9% devaluation of the Real against US dollar in 2012.

Financial Result - Consolidated

R$ thousand	4Q12	3Q12	4Q11	Chg. 4Q12/3Q12	2012	2011	Chg. 2012/2011
Currency Exchange Variation	10,664	(8,508)	86,449	-	(199,981)	76,739	-
Swap Operations Market Cap.	28,152	8,290	(9,558)	240%	71,411	(42,523)	-
Inflationary Variation	(40,995)	(25,415)	(21,593)	61%	(111,051)	(55,680)	99%
Financial Income	55,225	66,665	98,985	-17%	270,190	409,082	-34%
Financial Expenses	(159,736)	(158,478)	(97,620)	1%	(533,200)	(437,633)	22%
FINANCIAL RESULT	**(106,690)**	**(117,446)**	**56,663**	-9%	**(502,631)**	**(50,015)**	905%

Equity in the Results of Associate and Subsidiary Companies

Equity in the results of associate and subsidiary companies was R$15.5 million in the 4Q12, 18.9% less compared with the 3Q12, mainly due to lower participation of the result of MRS Logística, affected by lower shipped volumes and rains in the period. In 2012, the result in equity reached R$61.2 million, which is a decrease of 8.7% compared with the amount of R$67.0 million in 2011. This decrease is explained by a lower contribution by MRS, which was R$50.3 million in 2012, against R$62.6 million in 2011.

Net Profit (Loss)

The Company had a net loss of R$283.1 million in the 4Q12, against R$124.9 million in the 3Q12, mainly due to higher income tax related to inflow of foreign funds in the 4Q12, although with no cash disbursement. In 2012, the Company registered a loss of R$531.3 million against a profit of R$404.1 million in 2011, mainly due to the reduction in gross profit and higher financial expenses, due to the Real depreciation against the US Dollar, in 2012, and the higher contingencies reversal in 2011.

Working Capital

Usiminas continued to strongly reduce working capital and generated a decrease of R$0.7 billion in the quarter, mainly as a result of reducing inventories of steel products and spare parts. In the quarter, 95 thousand tons of steel products in inventories were destocked.

In 2012, the Company reduced its working capital by R$2.2 billion, reaching a total reduction of 482 thousand tons of steel products in inventories. The Company understands that it reached normalized stock levels in its operations in December 2012.

Investments (*Capex*)

Investments totaled R$363.9 million in the 4Q12, 1.9% below in comparison with the 3Q12.

In 2012, investments totaled R$1,651.7 million, 33.7% less compared with 2011, indicating the conclusion of a major investment cycle in modernization and rolling/galvanizing capacity expansion in the Steel Business Unit. Execution of Friables Project to expand production capacity at Mineração Usiminas also contributed to this total amount. Out of the total investments in 2012, approximately 60% was applied to Steel, 34% to Mining, 3% to Steel Transformation and 3% to Capital Goods Business Units.

Indebtedness

Total consolidated debt reached R$8.4 billion on 12/31/2012, against R$9.1 billion on 12/31/2011. Net debt at the end of 2012 was R$3.7 billion, against R$3.9 billion at the end of 2011. The net debt/EBITDA ratio on 12/31/2012 was 4.7 times.

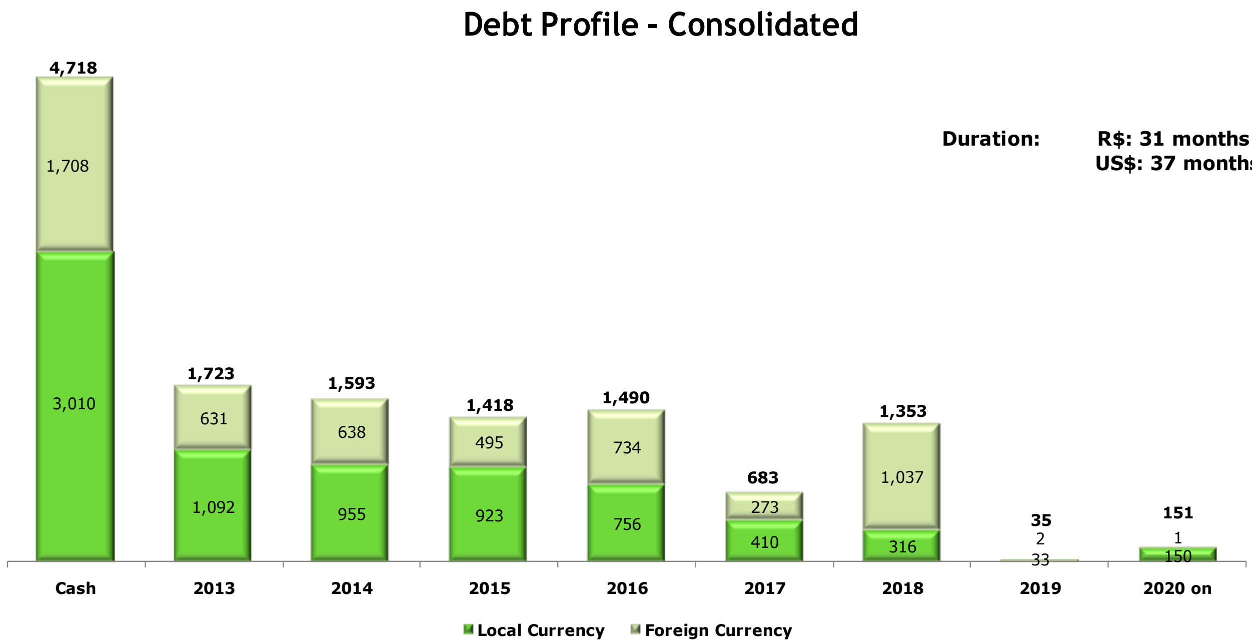
On 12/31/2012, debt composition by maturity date was 20.4% in the short term and 79.6% in the long term. Breakdown by currency represented 54.9% in local currency and 45.1% in foreign currency. The following chart shows the consolidated debt by index:

Loans and Financing by Index - Consolidated

R$ thousand	31-Dec-12			%	30-Sep-12	Chg. Dec12/Sep12
	Short Term	Long Term	TOTAL		TOTAL	
Local Currency	**1,091,863**	**3,543,572**	**4,635,435**	**55%**	**4,669,715**	**-1%**
TJLP	208,239	751,461	959,700	-	974,345	-2%
CDI	702,829	2,502,812	3,205,641	-	3,223,851	-1%
Others	180,795	289,299	470,094	-	471,519	0%
Foreign Currency (*)	**630,644**	**3,179,782**	**3,810,426**	**45%**	**4,234,765**	**-10%**
TOTAL DEBT	**1,722,507**	**6,723,354**	**8,445,861**	**100%**	**8,904,480**	**-5%**
CASH AND CASH EQUIVALENTS	-	-	**4,718,322**	-	**4,774,668**	**-1%**
NET DEBT	**-**	**-**	**3,727,539**	**-**	**4,129,812**	**-10%**

(*) 99% of total foreign currency is US dollars denominated

The graph below shows the consolidated debt profile and cash position:



Performance of the Business Units

In-house transactions are accounted for on arm's-length basis (market prices and conditions).

Usiminas Consolidated

Mining	Steel	Steel Processing	Capital Goods
Mineração Usiminas*	**Ipatinga Mill** **Cubatão Mill** **Unigal***	**Soluções Usiminas*** **Automotiva Usiminas*** **Metform and Codeme stake****	**Usiminas Mecânica***

* Usiminas' Subsidiary

**Results accounted through Equity in the Results of Associate and Subsidiary Companies

Income Statement per Business Units - Non Audited - 4Q12

R$ million	Mining		Steel		Steel Processing		Capital Goods		Adjustment		Consolidated	
	4Q12	3Q12	4Q12	3Q12	4Q12	3Q12	4Q12	3Q12	4Q12	3Q12	4Q12	3Q12
Net Revenue	292	154	2,827	2,955	508	540	257	305	(676)	(564)	3,208	3,390
Domestic Market	213	95	2,188	2,284	502	532	257	305	(676)	(533)	2,484	2,683
Exports	79	59	639	671	6	8	0	0	(0)	(31)	724	707
COGS	(108)	(61)	(2,908)	(2,950)	(464)	(481)	(237)	(278)	673	546	(3,044)	(3,224)
Gross Profit	184	93	(81)	5	44	59	20	27	(4)	(18)	163	166
Operating Income (Expenses)	(20)	(47)	(140)	(187)	(30)	(52)	(18)	2	(0)	(0)	(208)	(284)
EBIT	164	46	(221)	(182)	14	7	2	29	(4)	(18)	(45)	(118)
EBITDA	**173**	**56**	**20**	**57**	**28**	**20**	**8**	**36**	**(3)**	**(19)**	**226**	**150**
EBITDA Margin	**59%**	**36%**	**1%**	**2%**	**6%**	**4%**	**3%**	**12%**	**-**	**-**	**7%**	**4%**

Income Statement per Business Units - Non Audited - 2012

R$ million	Mining		Steel		Steel Processing		Capital Goods		Adjustment		Consolidated	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Net Revenue	898	974	11,453	10,421	2,077	2,149	1,017	1,419	(2,736)	(3,061)	12,709	11,902
Domestic Market	669	822	9,054	9,047	2,046	2,107	1,015	1,418	(2,673)	(3,049)	10,111	10,345
Exports	229	152	2,399	1,374	31	42	2	1	(63)	(12)	2,598	1,557
COGS	(342)	(270)	(11,489)	(10,231)	(1,887)	(1,977)	(997)	(1,235)	2,667	3,105	(12,048)	(10,608)
Gross Profit	556	704	(36)	190	190	172	20	184	(70)	44	660	1,294
Operating Income (Expenses)	(151)	(138)	(470)	(244)	(183)	(192)	(56)	(99)	0	5	(860)	(668)
EBIT	405	566	(506)	(54)	7	(20)	(36)	85	(70)	49	(200)	626
EBITDA	**439**	**604**	**378**	**463**	**60**	**41**	**(11)**	**112**	**(68)**	**44**	**798**	**1,264**
EBITDA Margin	**49%**	**62%**	**3%**	**4%**	**3%**	**2%**	**-1%**	**8%**	**-**	**-**	**6%**	**11%**

I) M I N I N G

- **Mineração Usiminas - MUSA**

Mineração Usiminas is located in the region of Serra Azul/MG and holds mining assets with potential mineable reserves estimated at 2.6 billion tons, in addition to a Usiminas retro area of 850 thousand square meters at the port terminal in the Itaguaí region in Rio de Janeiro state to be transferred to Mineração Usiminas. Mineração Usiminas and Usiminas further hold a stake in MRS Logística with 20% of its voting capital and take part in the control group. The total capital in Mineração Usiminas is comprised 70% by Usiminas and 30% by Sumitomo Corporation.

Comments on the Business Unit Results – Mining

Net revenue in the Mining Business Unit registered in the 4Q12 was R$292.0 million, an increase of 89.4%, compared with the 3Q12, which was R$154.2 million, mainly due to greater sales volume to the domestic market and to exports and price adjustments for quality and volumes with the Steel Business Unit. In 2012, net revenue declined by 7.8%, reaching R$898.5 million against R$974.3 million in 2011, in function of lower iron ore prices in the global market in 2012.

In the 4Q12, cost of goods solds – COGS totaled R$108.1 million, 77.8% greater than in the 3Q12, mainly due to higher sales volume. In 2012, COGS was R$342.0 million against R$270.3 million in 2011, also mainly as a result of the increase of 9.9% in sales volume.

Gross profit reached R$183.9 million in the 4Q12, against R$93.4 million in the 3Q12 and gross margin was 63.0% against 60.6% in the previous quarter, mainly in function of higher net revenue. In 2012, gross profit was R$556.5 million, with gross margin of 61.9%, 104 basis points below that registered in 2011, mainly due to lower iron ore prices in 2012.

Operating expenses showed a decrease of 58.0% in relation to those of the 3Q12, mainly due to price adjustments for quality and volumes with the Steel Business Unit. In 2012, operating expenses increased 9.4% in relation to 2011, mainly due to higher export volume which increased sales expenses.

In the 4Q12, EBITDA registered was R$172.7 million, 209.9% higher than the R$55.7 million in the 3Q12, in function of the price adjustments for quality and volumes with the Steel Business Unit, corresponding to a margin of 59.1%. In 2012, EDITDA registered was R$439.3 million and EBITDA margin was 48.9%, against R$603.7 million of EBITDA and 62.0% EBITDA margin in the previous year.

Operational and Sales Performance

In the 4Q12, production volume reached 1.5 million tons, 16.2% lower than in the 3Q12 in order to reduce inventories and adjust sales volume. In 2012, production volume recorded was 6.7 million tons, 5.1% above that of 2011.

Sales volume in the 4Q12 recorded an increase of 53.0% compared with the 3Q12. Iron ore volume transferred to the Ipatinga and Cubatão plants was 1.2 million tons. Highest export volume in the year was a highlight for this quarter, summing 493 thousand tons. In 2012, total sales volume reached 6.1 million tons, 9.9% higher compared with that of 2011. Production and sales volumes are shown in the following chart:

Iron Ore

Thousand tons	4Q12	3Q12	4Q11	Chg. 4Q12/3Q12	2012	2011	Chg. 2012/2011
Production	**1,496**	**1,785**	**1,664**	**-16%**	**6,652**	**6,329**	**5%**
Sales - Domestic Market	17	47	211	-64%	446	450	-1%
Sales - Exports	493	324	163	52%	1,338	785	70%
Sales to Usiminas	1,237	771	1,014	60%	4,331	4,329	0%
Total = Sales	**1,747**	**1,142**	**1,388**	**53%**	**6,115**	**5,564**	**10%**

Investments

In the 4Q12, investments totaled R$163.4 million. In 2012, investment disbursements totaled R$554.8 million. The investments were mainly related to the Friables Project, whose start up is forecast for the beginning of the second half of 2013. At that time, iron ore production capacity at Mineração Usiminas should reach 12 million tons per annum.

Stake in MRS Logística

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

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

MRS Logística totaled 39.1 million tons transported in the 4Q12, a reduction of 3.7% in relation to the previous quarter, mainly due to lower iron ore volume shipped due to the impact of rain.

Total volume transported in 2012 was 155.4 million tons, an increase of 2.0% compared with 2011. Iron ore, coal and coke volume, which represents 73.7% of the total volume transported, was 0.7% above that of 2011, while general cargo volume – steel, agricultural products and others, presented an increase of 5.5%. MRS contribution in Usiminas result in equity was R$50.3 million in 2012, against R$62.6 million in 2011.

II) S T E E L

Global and Brazilian Steel

The global steel outlook remained negative last year. Steel overcapacity persisted and the latest estimates of the Organisation for Economic Co-operation and Development – OECD indicate around 540 million tons of excess production capacity on a worldwide basis. In 2012, crude steel production is estimated at 1.5 billion tons, growth of 1.1% in relation to 2011, well below the global steel capacity. Finished steel products consumption was 1.4 billion tons, a growth of 2.1% in comparison with 2011, although not sufficient to absorb all production.

In China, the major producer and exporter of steel, excess supply persisted, since production levels were sustained without a significant improvement in demand conditions. In the 4Q12, iron ore prices in the Chinese spot market began a strong recovery after reaching a historical low in

September. There was a recovery of around 70% in prices over the period. With the increase in raw material costs, it is expected that gross steel margins in the global steel market will have receded in December 2012 to the lowest level in the last two years.

In Brazil, while industrial production fell 2.7% in 2012, it is expected that in the direct steel consuming sectors, the fall in production was even greater. Usiminas estimates that industrial production in these sectors has fallen between 3% and 5% in 2012.

The Brazilian flat steel market consumed 14.0 million tons in 2012, with 87% of the volume supplied by local producers and 13% by imports. The comparison with the previous year shows growth recovery of 3%, after a significant drop of 6% seen in 2011. Inventories played a significant role in this sequence of variation rates and help to understand the fact that, although 2012 has shown worse performance indicators, with GDP and industrial production growing less, steel consumption was greater than that in 2011. In 2011, part of the inventories accumulated in 2010 was consumed, which reduced the ground for comparison with 2012.

According to INDA – *Instituto Nacional dos Distribuidores de Aço*, inventories ended the year nearly adjusted with approximately 930 thousand tons, equivalent to 2.6 months in terms of average sales in 2012. INDA estimates growth of 6% in the distribution market in 2012.

Tough competition between local mills and the devaluation of Brazilian currency caused the price differential between domestic and imported landed steel to remain less attractive to imports. However, imports continued at high levels. The implementation of trade defense measures with the increase of import tax for items in the heavy plate line and hot rolled products only occurred in October 2012, having limited impact for the year of 2012. Nevertheless, imports should decrease from 2013 on.

Production - Ipatinga and Cubatão Plants

In the 4Q12, crude steel production in the Ipatinga and Cubatão plants was 1.8 million tons, showing a decrease of 1.8% in relation to the 3Q12. In 2012, total production was 7.2 million tons, which represented an increase of 6.9% compared with the previous year, which was 6.7 million tons.

Production (Crude Steel)

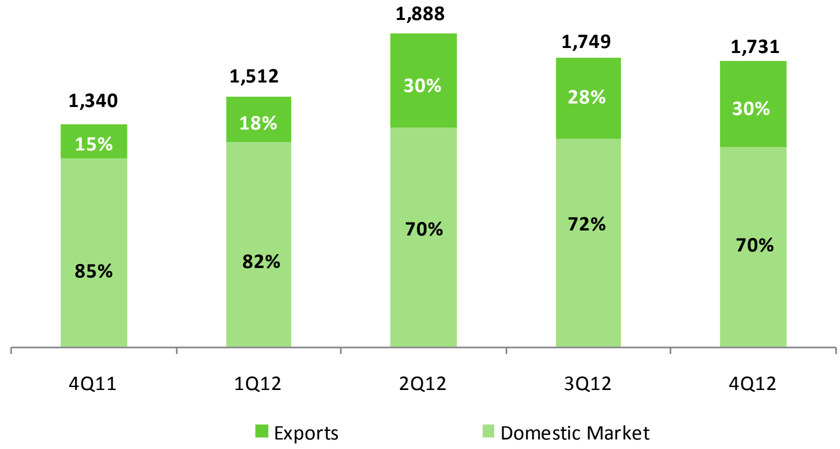
Thousand tons	4Q12	3Q12	4Q11	Chg. 4Q12/3Q12	2012	2011	Chg. 2012/2011
Ipatinga Mill	969	980	861	-1%	3,852	3,691	4%
Cubatão Mill	835	857	648	-3%	3,306	3,008	10%
Total	**1,804**	**1,837**	**1,509**	**-2%**	**7,158**	**6,699**	**7%**

Sales

Total sales volume in the 4Q12 reached 1.7 million tons of steel, with 69.8% destined to the domestic market, which corresponded to 1.2 million tons. On the other hand, export volume in the 4Q12 increased 7.4% compared with the 3Q12 and represented 30.2% of total sales.

In 2012, total sales volume amounted to 6.9 million tons, against 5.9 million tons in 2011, representing a growth of 16.3%. Out of this total, 5.0 million tons were destined to the domestic market, which showed a 3.5% growth in sales. The sales mix represented 73.3% in the domestic market and 26.7% to exports.

Steel Sales (thousand tons)

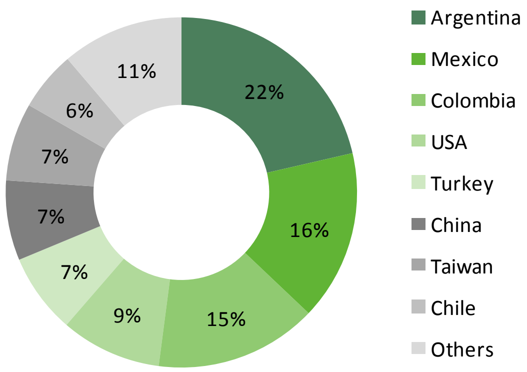


Sales Volume Breakdown

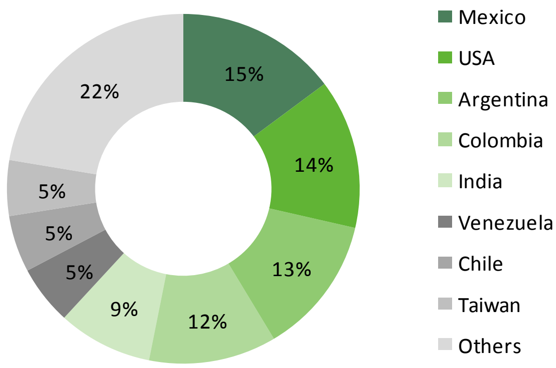
Thousand tons	4Q12		3Q12		4Q11		Chg. 4Q12/3Q12	2012		2011		Chg. 2012/2011
TOTAL SALES	**1,731**	**100%**	**1,749**	**100%**	**1,340**	**100%**	**-1%**	**6,881**	**100%**	**5,916**	**100%**	**16%**
Heavy Plates	305	18%	394	23%	312	23%	-23%	1,460	21%	1,490	25%	-2%
Hot Rolled	561	32%	503	29%	407	30%	12%	2,074	30%	1,739	29%	19%
Cold Rolled	380	22%	386	22%	298	22%	-2%	1,483	22%	1,474	25%	1%
Electrogalvanized	31	2%	35	2%	50	4%	-11%	142	2%	211	4%	-33%
Hot Dip Galvanized	204	12%	188	11%	140	10%	9%	709	10%	500	8%	42%
Processed Products	46	3%	46	3%	39	3%	0%	169	2%	147	2%	15%
Slabs	204	12%	197	11%	94	7%	4%	844	12%	355	6%	138%
DOMESTIC MARKET	**1,209**	**70%**	**1,262**	**72%**	**1,136**	**85%**	**-4%**	**5,044**	**73%**	**4,871**	**82%**	**4%**
Heavy Plates	253	15%	281	16%	276	21%	-10%	1,129	16%	1,156	20%	-2%
Hot Coils	382	22%	402	23%	378	28%	-5%	1,667	24%	1,612	27%	3%
Cold Coils	298	17%	299	17%	280	21%	0%	1,208	18%	1,248	21%	-3%
Electrogalvanized	28	2%	31	2%	43	3%	-10%	123	2%	187	3%	-34%
Hot Dip Galvanized	175	10%	169	10%	109	8%	4%	626	9%	434	7%	44%
Processed Products	41	2%	42	2%	35	3%	-2%	156	2%	123	2%	27%
Slabs	32	2%	38	2%	15	1%	-16%	135	2%	111	2%	22%
EXPORTS	**522**	**30%**	**487**	**28%**	**204**	**15%**	**7%**	**1,837**	**27%**	**1,045**	**18%**	**76%**
Heavy Plates	52	3%	113	6%	36	3%	-54%	331	5%	334	6%	-1%
Hot Rolled	179	10%	101	6%	29	2%	77%	407	6%	127	2%	220%
Cold Rolled	82	5%	87	5%	18	1%	-6%	275	4%	226	4%	22%
Electrogalvanized	3	0%	4	0%	7	1%	-25%	19	0%	24	0%	-21%
Hot Dip Galvanized	29	2%	19	1%	31	2%	53%	83	1%	66	1%	26%
Processed Products	5	0%	4	0%	4	0%	25%	13	0%	24	0%	-46%
Slabs	172	10%	159	9%	79	6%	8%	709	10%	244	5%	191%

The main export destinations are listed below:

Exports - Main Markets – 4Q12



Exports - Main Markets – 2012



Comments on Business Unit Results – Steel

In the 4Q12, the Steel Business Unit presented net revenue of R$2.8 billion, 4.3% lower than in the 3Q12, due to lower sales volume in the domestic market and higher exports. In the year of 2012, net revenue was R$11.5 billion, 9.9% greater than in the previous year due to the increase of 16.3% in total sales volume.

In the 4Q12, Cost of Goods Sold – COGS was R$2.9 billion, in line with the 3Q12. In 2012, COGS totaled R$11.5 billion, 12.3% higher than in 2011 in function of greater sales volume, the destocking process of steel products produced in previous periods with higher raw material prices, higher costs resulting from exchange effects deriving from the 8.9% depreciation of Real against the US Dollar and costs with workforce adjustment. On the other hand, COGS per ton in 2012 were 3.4% lower when compared with 2011.

The Cost of Production per ton decreased 1.0% when compared with the 3Q12, due to lower raw material prices.

In the 4Q12, Selling expenses (S) remained stable. General and Administrative expenses (G&A) increased 9.5%, mainly impacted by increased labor expenses, as a result of the cost of workforce adjustment and the Labor Agreement signed in November at Ipatinga plant and Company headquarters. Total operating expenses registered in the 4Q12 were R$140.1 million, against R$186.6 million in the 3Q12, due to higher tax recovery in the 4Q12. Additionaly, the 3Q12 was impacted in the amount of R$62.1 million by the extraordinary non-recurring effects of provisions of the shipping contract with MRS and provisions for contingencies referring to the process of acquisition of shareholder participations, which took place in 2008.

In 2012, operating expenses were R$469.7 million, 92.4% above those of 2011, mainly due to lower legal contingencies reversal and lower extraordinary non-recurring effects. The Reintegra Program contributed positively with R$71.9 million during the year of 2012 and was extended until December 2013.

EBITDA recorded in the quarter was R$20.4 million, 64.5% lower than in the 3Q12, mainly as a result of the price adjustments for quality and volumes with Mineração Usiminas. In 2012, EBITDA totaled R$378.5 million, which represents a decrease of 18.3% over the previous year. 2011 had been mainly affected by the legal contingencies reversal effect and the other extraordinary operating expenses. 2012 EBITDA margin presented was 3.3% versus 4.4% in 2011.

Investments

Investments in the 4Q12 totaled R$173.2 million, highlighting the civil construction in the Pickling Plant 3 in Cubatão and the revamping of Coke Plant 2 in Ipatinga. In 2012, total amount was R$984.8 million, being the new Hot Strip Mill in Cubatão the main investment, which started up at the end of the 1Q12. This project amounted to approximately R$2.6 billion, with a rolling capacity of 2.3 million tons per annum, enabling the Company to supply hot rolled products with strict specifications to high-value-added market niches.

III) STEEL PROCESSING

- **Soluções Usiminas (SU)**

Soluções Usiminas operates in the distribution, services and small-diameter tubes markets nationwide, offering its customers high value added products. The Company has a processing capacity of more than 2 million tons of steel per year in its 11 industrial facilities, strategically distributed in the States of Rio Grande do Sul, São Paulo, Minas Gerais, Espírito Santo, Bahia and Pernambuco. It serves several economic segments, such as Automotive, Autoparts, Civil

Construction, Distribution, Electro-electronic, Machinery and Equipment and Household Appliances, among others.

Sales of the Distribution, Services/Just In Time and Small Diameter Tubes business units were responsible for, respectively, 44%, 46% and 10% of the volume sold in the 4Q12.

Net revenue in the 4Q12 was R$415.5 million, 5.5% below that of the 3Q12, basically due to lower sales volume. In 2012, net revenue was R$1.7 billion, 0.9% greater than in 2011, due to higher average prices in the period.

- **Automotiva Usiminas**

Automotiva Usiminas is a Company in the autoparts segment in Brazil which produces parts and painted cabins in their final color, starting from the development of raw material to the final product, going through the processes of stamping, welding, painting and assembly.

Net revenue in the 4Q12 was R$78.8 million, 4.3% lower than that recorded in the 3Q12, due to lower sales volume. In 2012, net revenue was R$291.8 million, 15.8% lower than in 2011, mainly as a consequence of the decline in truck sales, whose segment production fell 40.5% in Brazil.

In the 4Q12 the highlights were the start up of the cabin production for the SUV Jimny, by Suzuki, and the agreement for supply of complete cabins for DAF (Paccar) trucks.

Comments on Business Unit Results – Steel Transformation

Net revenue in the 4Q12 totaled R$507.6 million, 6.0% less than in the 3Q12. In 2012, net revenue was R$2.1 billion, 3.3% lower than in 2011, mainly due to lower sales volume by Soluções Usiminas.

In the 4Q12, cost of goods sold was R$463.9 million, 3.5% lower compared with the 3Q12. In 2012, COGS was R$1.9 billion, 4.5% lower when compared with 2011, due to lower sales volume.

Operating expenses decreased 43.2% in the 4Q12, as a result of the positive impact in other operating income as a result of the reimbursement of lawsuits/damages of responsibility of shareholders prior to the establishment of Soluções Usiminas. In 2012, operating expenses were R$183.2 million, lower by 4.8%, when compared with 2011, mainly due to the reduction in labor expenses and third-party services.

In the 4Q12, EBITDA totaled R$28.4 million, 40.0% greater than in the 3Q12. EBITDA margin showed an increase of 190 basis points in relation to the previous quarter, reaching 5.6%, mainly impacted by the positive effects in other operating income. In 2012, EBITDA reached R$59.7 million, 47.3% greater than in 2011. EBITDA margin of 2.9% represented an increase of 100 basis points compared with the previous year.

IV) C A P I T A L G O O D S

Usiminas Mecânica S.A.

Usiminas Mecânica figures among the largest companies in capital goods in Brazil. The Company operates in the following business areas: Steel Structures, Shipbuilding and Offshore, Oil and Gas, Industrial Equipment, Industrial Assembly, and Foundry and Railcars.

Highlights

In the 4Q12, the main contracts signed were with Brasfels for the manufacture and assembly of a shipyard, with Gestamp for supply of blanks for wind towers, and with Vale for the disassembly of a furnace for Onça-Puma.

Investments

In the 4Q12, investments totaled R$8.5 million, concluding the works to increase railcar production capacity to 3 thousand units per year. In the year of 2012, investments totaled R$55.0 million, being the railcar investment the main one.

Comments on Business Unit Results – Capital Goods

Net revenue in the 4Q12 was R$256.5 million, 15.8% below that verified in the 3Q12. In 2012, net revenue registered was R$1.0 billion, 28.3% lower than in 2011, impacted by the reduction of the projects portfolio and the transferring of maintenance activities to the Steel Business Unit.

Gross profit in the 4Q12 was R$19.9 million against R$27.1 million in the 3Q12. In 2012, gross profit was R$20.2 million against R$183.8 million in 2011, mainly due to the reduction of net revenue, and the revision of ongoing projects costs.

EBITDA in the 4Q12 was R$8.2 million against R$35.6 million in the 3Q12. EBITDA margin in the period was 850 basis points below that of the 3Q12. EBITDA in 2012 was a negative R$10.6 million against a positive R$111.9 million in 2011. EBITDA margin showed a decrease of 890 basis points in 2012, at a negative EBITDA margin of 1.0%.

Subsequent Events

Conclusion of the Debentures Restricted Offer

Usiminas concluded on 01/30/2013 the sixth (6th) issuance of simple debentures in the amount of R$ 1,000,000,000.00, with maturity date on 01/30/19, pursuant to CVM Instruction nº 476/09 (“Restricted Offer”).

The proceeds obtained with this issuance shall be used for rolling on debt with maturity date in 2013 and to enhance cash position, in connection with the Company’s ordinary course of business.

The conditions and terms of this issuance are disclosed on the websites of CVM - Brazilian Securities Commission (www.cvm.gov.br) and BM&FBOVESPA (www.bmfbovespa.com.br), as well as in the Company's website (ri.usiminas.com).

Debentures Final Maturity

On 02/01/2013, Usiminas made the payment of principal and interest amounts of the debentures issued on 02/01/2008, thus concluding the 4th issuance of simple debentures by the Company.

Capital Markets

Performance on BM&FBOVESPA

Usiminas' Common shares (USIM3) closed the 4Q12 quoted at R$13.67 and its Preferred shares (USIM5) at R$12.80. USIM3 appreciated 17.6% in value in the quarter and USIM5 26.5%. In the same period, the Ibovespa appreciated 3.0%.

Usiminas Performance Summary - BM&FBOVESPA (USIM5)

	4Q12	3Q12	Chg. 4Q12/3Q12	4Q11	Chg. 4Q12/4Q11
Number of Deals	**811,961**	**939,208**	**-14%**	**547,923**	**48%**
Daily Average	*9,022*	*14,908*	*-39%*	8,982	*0%*
Traded - thousand shares	**434,436**	**696,660**	**-38%**	**353,101**	**23%**
Daily Average	*7,363*	*11,058*	*-33%*	5,789	*27%*
Financial Volume - R$ million	**4,832**	**5,991**	**-19%**	**3,888**	**24%**
Daily Average	*82*	*95*	*-14%*	64	*28%*
Maximum	**13.05**	**12.96**	**1%**	**12.68**	**3%**
Minimum	**9.51**	**5.57**	**71%**	**9.71**	**-2%**
Closing	**12.80**	**10.12**	**26%**	**10.15**	**26%**
Market Capitalization - R$ million	**12,976**	**10,260**	**26%**	**10,290**	**26%**

Foreign Stock Markets

OTC – New York

Usiminas has American Depositary Receipts (ADRs) traded on the over-the-counter market: USDMY is backed by common shares and USNZY backed by Class A preferred shares. On 12/28/2012, greater liquidity USNZY ADRs were quoted at US$6.22 and appreciated 22.4% in the quarter.

Latibex – Madrid

Usiminas' shares are traded on the LATIBEX – the Madrid Stock Market: XUSI as preferred shares and XUSIO as common shares. On 12/28/2012, XUSI closed quoted at €4.78, having appreciated 49.8% and XUSIO shares closed at €5.11, an appreciation of 34.8% in the same period.

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THE BANK OF NEW YORK MELLON

ADR – Depositary Receipt Bank

Visit the Investor Relations site: www.usiminas.com/ri

or access by your mobile phone: m.usiminas.com/ri

4Q12 Conference Call - Date 02/19/2013	
In Portuguese - Simultaneous Translation into English	
Brasília time: at 11:00 p.m. Dial-in Numbers: Brazil: (55 11) 4688.6361	New York time: at 09:00 a.m. Dial-in Numbers: USA: (1 855) 281 6021
Other Countries: (1 786) 924.6977	
Audio replay available at (55 11) 4688.6312	
Pincode for replay: 3023214# - Portuguese	Pincode for replay: 2543972# - English
Audio of the conference call will be transmitted live via Internet	
See the slide presentation on our website: www.usiminas.com/ri	

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

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

Assets	31-Dec-12	30-Sep-12
Current Assets	**10,780,645**	**11,551,640**
Cash and Cash Equivalents	4,718,322	4,774,668
Trade Accounts Receivable	1,568,085	1,671,370
Taxes Recoverable	485,532	548,528
Inventories	3,780,182	4,269,322
Advances to suppliers	33,431	32,962
Financial Instruments	50,093	50,013
Other Securities Receivables	145,000	204,777
Long-Term Receivable	**2,444,744**	**2,370,311**
Deferred Income Tax & Social Contrb'n	1,513,879	1,265,580
Deposits at Law	430,717	436,436
Accounts Receiv. Affiliated Companies	12,631	14,082
Taxes Recoverable	132,451	142,105
Financial Instruments	286,508	456,684
Others	68,558	55,424
Permanent Assets	**19,548,830**	**19,461,957**
Investments	453,062	449,422
Property, Plant and Equipment	16,653,120	16,564,242
Intangible	2,442,648	2,448,293
Total Assets	**32,774,219**	**33,383,908**

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

Liabilities and Shareholders' Equity	31-Dec-12	30-Sep-12
Current Liabilities	**5,402,921**	**5,774,264**
Loans and Financing and Taxes Payable in Installments	1,722,507	2,114,829
Suppliers, Subcontractors and Freight	2,283,644	2,309,526
Wages and social charges	281,536	332,474
Taxes and taxes payables	207,089	206,577
Related Companies	158,243	95,989
Financial Instruments	42,209	40,538
Dividends Payable	26,635	937
Customers Advances	279,297	268,906
Others	401,761	404,488
Long-Term Liabilities	**8,858,225**	**8,968,736**
Loans and Financing and Taxes Payable in Installments	6,511,846	6,575,915
Actuarial Liability	1,396,812	1,234,105
Provision for Contingencies	279,938	251,518
Financial Instruments	323,790	526,862
Environmental protection provision	77,703	66,861
Others	268,136	313,475
Shareholders' Equity	**18,513,073**	**18,640,908**
Capital	12,150,000	12,150,000
Reserves & Revenues from Fiscal Year	4,458,429	4,692,847
Non-controlling shareholders participation	**1,904,644**	**1,798,061**
Total Liabilities and Shareholders' Equity	**32,774,219**	**33,383,908**

Income Statement - Consolidated | IFRS

R$ thousand	4Q12	3Q12	4Q11	Chg. 4Q12/3Q12
Net Revenues	**3,207,529**	**3,389,771**	**2,814,670**	-5%
Domestic Market	2,483,973	2,683,061	2,501,893	-7%
Exports	723,556	706,710	312,777	2%
COGS	(3,044,259)	(3,224,216)	(2,587,323)	-6%
Gross Profit	**163,270**	**165,555**	**227,347**	-1%
Gross Margin	**5.1%**	**4.9%**	**8.1%**	**+ 0.2 p.p.**
Operating Income (Expenses)	**(207,770)**	**(283,899)**	**(216,038)**	-27%
Selling Expenses	(100,182)	(96,644)	(163,847)	4%
General and Administrative	(139,096)	(125,991)	(117,892)	10%
Other Operating Income (expenses)	31,508	(61,264)	65,701	-
Reintegra (Brazilian Government Export Benefit)	18,275	18,925	0	-3%
Actuarial (Losses)/Gains	22,974	21,040	24,507	9%
Provision for Contigencies	19,624	(4,736)	59,129	-
Provision of Contingencies with Acquisition of Equity Interests	-	(30,905)	-	-
Transportation Agreement with MRS	-	(31,174)	(11,434)	-
Other Operating Income (Expenses), Net	(29,365)	(34,414)	(6,501)	-15%
EBIT	**(44,500)**	**(118,344)**	**11,309**	-62%
EBIT Margin	**-1.3%**	**-3.5%**	**0.4%**	**+ 2.2 p.p.**
Financial Result	**(106,690)**	**(117,446)**	**56,663**	-9%
Financial Income	134,744	102,507	182,708	31%
Financial Expenses	(241,434)	(219,953)	(126,045)	10%
Equity in the Results of Associate and Subsidiary Companies	15,534	19,148	22,007	-19%
Operating Profit (Loss)	**(135,656)**	**(216,642)**	**89,979**	-37%
Income Tax / Social Contribution	(147,481)	91,791	(12,498)	-
Net Income (Loss) from Continued Operations	**(283,137)**	**(124,851)**	**77,481**	127%
Net Income (Loss) from Discontinued Operations	0	0	0	-
Net Income (Loss)	**(283,137)**	**(124,851)**	**77,481**	127%
Net Margin	**-8.7%**	**-3.7%**	**2.8%**	**- 5.0 p.p.**
Attributable:				
Shareholders	**(323,762)**	**(143,251)**	**44,571**	126%
Minority Shareholders	**40,625**	**18,400**	**32,910**	121%
EBITDA	**226,380**	**149,666**	**218,104**	51%
EBITDA Margin	**7.1%**	**4.4%**	**7.7%**	**+ 2.7 p.p.**
Depreciation and Amortization	270,880	268,010	214,471	1%
Adjustments	0	0	(7,676)	-

Income Statement - Consolidated | IFRS

R$ thousand	2012	2011	Chg. 2012/2011
Net Revenues	**12,708,799**	**11,901,959**	7%
Domestic Market	10,110,794	10,345,344	-2%
Exports	2,598,005	1,556,615	67%
COGS	(12,048,300)	(10,607,791)	14%
Gross Profit	**660,499**	**1,294,168**	-49%
Gross Margin	**5.2%**	**10.9%**	**- 5.7 p.p.**
Operating Income (Expenses)	**(860,142)**	**(668,316)**	29%
Selling Expenses	(372,937)	(458,568)	-19%
General and Administrative	(488,447)	(510,319)	-4%
Other Operating Income (Expenses)	1,242	300,571	-100%
Reintegra (Brazilian Government export benefit)	71,881	-	-
Actuarial (Losses)/Gains	86,092	89,666	-4%
Provision for Contigencies	16,510	307,490	-
Provision of Contingencies with Acquisition of Equity Interests	(30,905)	-	-
Transportation Agreement with MRS	(31,174)	(29,434)	6%
Other Operating Income (Expenses), Net	(111,162)	(67,151)	-
EBIT	**(199,643)**	**625,852**	-
EBIT Margin	**-1.5%**	**5.2%**	**- 6.7 p.p.**
Financial Result	**(502,631)**	**(50,015)**	905%
Financial Income	626,073	905,077	-31%
Financial Expenses	(1,128,704)	(955,092)	18%
Equity in the Results of Associate and Subsidiary Companies	61,168	66,967	-9%
Operating Profit (Loss)	**(641,106)**	**642,804**	-
Income Tax / Social Contribution	109,806	(113,752)	-
Net Income (Loss) from Continued Operations	**(531,300)**	**529,052**	-
Net Income (Loss) from Discontinued Operations	0	(124,919)	-100%
Net Income (Loss)	**(531,300)**	**404,133**	-
Net Margin	**-4.1%**	**3.4%**	**- 7.5 p.p.**
Attributable:			
Shareholders	**(639,574)**	**233,077**	-
Minority Shareholders	**108,274**	**171,056**	-37%
EBITDA	**798,075**	**1,263,692**	-37%
EBITDA Margin	**6.3%**	**10.6%**	**- 4.3 p.p.**
Depreciation and Amortization	997,718	856,888	16%
Adjustments	0	(219,048)	-

Cash Flow - Consolidated | IFRS

R$ thousand	4Q12	3Q12
Operating Activities Cash Flow		
Net Income (Loss) in the Period	(283,137)	(124,851)
Financial Expenses and Monetary Var. / Net Exchge Var.	109,555	47,060
Interest Expenses	53,995	80,603
Depreciation and Amortization	270,880	268,010
Losses/(gains) on sale of property, plant and equipment	902	(3,833)
Equity in the Results of Subsidiaries/Associated Companies	(15,534)	(19,148)
Difered Income Tax and Social Contribution	129,110	(146,396)
Constitution (reversal) of Provisions	52,669	82,524
Actuarial Gains and losses	(22,974)	(21,040)
Stock Option Plan	3,757	1,291
Total	**299,223**	**164,220**
Increase/Decrease of Assets		
Securities	360,557	173,140
In Accounts Receivables	103,285	(103,475)
In Inventories	489,140	267,306
In Recovery of Taxes	90,209	116,218
In Judicial Deposits	(15,058)	64,671
In Accounts Receiv. Affiliated Companies	1,451	(286)
Others	55,520	30,120
Total	**1,085,104**	**547,694**
Increase (Decrease) of Liabilities		
Suppliers, contractors and freights	(25,882)	11,761
Amounts Owed to Affiliated Companies	62,254	762
Customers Advances	10,391	23,324
Tax Payable	(6,239)	14,072
Actuarial Liability payments	(50,411)	(41,616)
Others	(1,398)	156,248
Total	**(11,285)**	**164,551**
Cash Generated from Operating Activities	**1,373,042**	**876,465**
Interest Paid	(145,542)	(79,969)
Income Tax and Social Contribution	(29,178)	(11,589)
Net Cash Generated from Operating Activities	**1,198,322**	**784,907**
Investments activities cash flow		
Amount received on disposal (acquisition) of investments	4,606	0
Amount paid on the acquisition of subsidiaries	(53,797)	(48,463)
Fixed asset acquisition	(359,616)	(362,703)
Fixed asset sale receipt	2,250	9,849
Additions to / payments of Intangible	(17,934)	(22,197)
Dividends Received	27,911	837
Net Cash Employed on Investments Activities	**(396,580)**	**(422,677)**
Financial Activities Cash Flow		
Inflow of Loans, Financing and Debentures	69,973	10,925
Payment of Loans, Financ. & Debent.	(554,425)	(259,054)
Taxes paid in installments	(8,499)	(8,428)
Settlement of swap transactions	(4,828)	(3,249)
Dividends and Interest on Capital	(20)	(17)
Net Cash Generated from (Employed on) Financial Activities	**(497,799)**	**(259,823)**
Exchange Variation on Cash and Cash Equivalents	**268**	**1,857**
Net Increase (Decrease) of Cash and Cash Equivalents	**304,211**	**104,264**
Cash and Cash Equivalents at the Beginning of the Period	2,876,553	2,772,289
Cash and Cash Equivalents at the End of The Period	3,180,764	2,876,553
RECONCILIATION WITH BALANCE SHEET		
Cash and cash equivalents at the beginning of the period	2,876,553	2,772,289
Marketable securities at the beginning of the period	1,898,115	2,071,255
Cash and cash equivalents at the beginning of the period	**4,774,668**	**4,843,544**
Net increase (decrease) of cash and cash equivalentes	304,211	104,264
Net increase (decrease) of marketable securities	(360,557)	(173,140)
Cash and cash equivalents at the end of the period	3,180,764	2,876,553
Marketable securities at the end of the period	1,537,558	1,898,115
Cash and cash equivalents at the end of the period	**4,718,322**	**4,774,668**

Cash Flow - Consolidated | IFRS

R$ thousand	2012	2011
Operating Activities Cash Flow		
Net Income (Loss) in the Period	(531,300)	404,133
Financial Expenses and Monetary Var. / Net Exchge Var.	541,337	490,460
Interest Expenses	284,808	277,737
Depreciation and Amortization	997,718	856,888
Losses/(gains) on sale of property, plant and equipment	(2,246)	(64,112)
Equity in the Results of Subsidiaries/Associated Companies	(61,168)	(66,967)
Discontinued Operation Results	0	124,919
Difered Income Tax and Social Contribution	(278,122)	(226,831)
Constitution (reversal) of Provisions	130,595	(148,096)
Actuarial Gains and losses	(86,092)	(89,666)
Stock Option Plan	6,691	2,274
Total	**1,002,221**	**1,560,739**
Increase/Decrease of Assets		
Securities	751,825	(1,891,596)
In Accounts Receivables	(313,650)	480,692
In Inventories	1,278,694	(241,990)
In Recovery of Taxes	278,395	12,059
In Judicial Deposits	19,447	(34,299)
In Accounts Receiv. Affiliated Companies	(6,921)	250
Others	134,612	(27,549)
Total	**2,142,402**	**(1,702,433)**
Increase (Decrease) of Liabilities		
Suppliers, contractors and freights	821,271	379,637
Amounts Owed to Affiliated Companies	58,678	(14,955)
Customers Advances	76,319	22,250
Tax Payable	(6,723)	(4,239)
Actuarial Liability payments	(174,511)	(167,207)
Others	217,011	215,680
Total	**992,045**	**431,166**
Cash Generated from Operating Activities	**4,136,668**	**289,472**
Interest Paid	(507,246)	(549,599)
Income Tax and Social Contribution	(220,347)	(210,504)
Net Cash Generated from Operating Activities	**3,409,075**	**(470,631)**
Investments activities cash flow		
Amount received on disposal (acquisition) of investments	4,606	1,656,740
Amount paid on the acquisition of subsidiaries	(194,412)	(154,312)
Fixed asset acquisition	(1,637,077)	(2,490,138)
Fixed asset sale receipt	12,890	85,100
Additions to / payments of Intangible	(66,319)	(45,436)
Dividends Received	36,869	26,197
Net Cash Employed on Investments Activities	**(1,843,443)**	**(921,849)**
Financial Activities Cash Flow		
Inflow of Loans, Financing and Debentures	452,758	1,497,120
Payment of Loans, Financ. & Debent.	(1,598,095)	(940,230)
Receipt arising from issuance of shares of subsidiaries	0	42,063
Taxes paid in installments	(35,229)	(34,335)
Settlement of swap transactions	(22,125)	(37,571)
Dividends and Interest on Capital	(94,099)	(371,896)
Net Cash Generated from (Employed on) Financial Activities	**(1,296,790)**	**155,151**
Exchange Variation on Cash and Cash Equivalents	**10,610**	**(7,138)**
Net Increase (Decrease) of Cash and Cash Equivalents	**279,452**	**(1,244,467)**
Cash and Cash Equivalents at the Beginning of the Period	2,901,312	4,145,779
Cash and Cash Equivalents at the End of The Period	3,180,764	2,901,312

RECONCILIATION WITH BALANCE SHEET		
Cash and cash equivalents at the beginning of the period	2,901,312	4,145,779
Marketable securities at the beginning of the period	2,289,383	397,787
Cash and cash equivalents at the beginning of the period	**5,190,695**	**4,543,566**
Net increase (decrease) of cash and cash equivalentes	279,452	(1,244,467)
Net increase (decrease) of marketable securities	(751,825)	1,891,596
Cash and cash equivalents at the end of the period	3,180,764	2,901,312
Marketable securities at the end of the period	1,537,558	2,289,383
Cash and cash equivalents at the end of the period	**4,718,322**	**5,190,695**