

Net Revenue grows 36% in 2002 and Ebitda reaches R\$ 2.4 billion

Belo Horizonte, March 28, 2003 – Usinas Siderúrgicas de Minas Gerais S/A - USIMINAS (BOVESPA: USIM3, USIM5, USIM6; OTC: USNZY), released today its fourth quarter 2002 results. The operating and financial information of the Company, except where otherwise mentioned, is presented based on consolidated figures in reais, according to the existing Corporate Legislation – *Legislação Societária*. All comparisons made in this release refer to the same period in 2001, except where specified differently.

HIGHLIGHTS

Sales – Consolidated sales volume grew 29% in 4Q02, totaling 7.7 million tons in the year. The Usiminas System was strengthened by the new production level reached and achieved the double objective of maintaining domestic market share at 61.8% and significantly incrementing its export sales (growth of 98%).

Revenue – Net revenues totaled R\$ 2.2 billion in the quarter and R\$ 6.6 billion in 2002, 81% and 36%, respectively, in the same periods of the previous year. The favorable performance was motivated by the advance in sales volume, by the recovery of international prices and by the exchange rate valuation of the dollar in export revenues. In addition to price recovery, there was also positive impact from the expansion of the galvanizing lines, which raised the share of higher value added products in Usiminas' sales mix.

EBITDA –The growth in sales volume, recuperation of sales margins and gains in scale allowed the Company to raise its operational cash generation by 233% in 4Q02 and by 57% in 2002. EBITDA reached R\$ 1 billion and R\$ 2.4 billion, respectively, and EBITDA margin reached 46% in the quarter and 37% in the year. The historical highs for Usiminas situate it among the most profitable steel companies in the world, excluding financial expense and taxes.

Results –Usiminas recorded net profit of R\$ 618 million in 4Q02, favored by the good operational performance and by the positive exchange rate effects in the period. However, this total was not sufficient to revert the cumulated losses in the year, which totaled R\$ 325 million. It is important to note that this figure mainly reflects the non-cash flow accounting effects of exchange devaluation of 52% on the stock of debt in foreign currency.

Perspectives –The new production raw steel production capacity reached at the end of 2002 of 9.2 million tons, the gradual upgrading of the product mix and the technological advances implemented in the System's steel plants allow for the perspective of increased operational revenues and cash generation in 2003. This will make it possible to continue to decrease its debt level.

Highlights

R\$ million	4Q 2002	4Q 2001	Chg %	2002	2001	Chg %
Total Sales Volume (000 t)	2,185	1,692	29	7,722	6,602	17
Net Revenues	2,241	1,238	81	6,634	4,883	36
Gross Profit	999	316	216	2,356	1,488	58
Operating Result (EBIT)^a	893	206	333	1,930	1,132	70
Financial Result	(37)	(163)	-77	(2,672)	(1,276)	109
Net Income (Loss)	618	245	152	(325)	245	-233
EBITDA^b	1,020	306	233	2,429	1,547	57
EBITDA (R\$/t)	467	181	158	315	234	34
Total Assets	15,523	13,729	13	15,523	13,729	13
Net Debt	8,803	7,038	25	8,803	7,038	25
Stockholders' Equity	3,033	3,358	-10	3,033	3,358	-10

(a) Earnings before interest and tax.

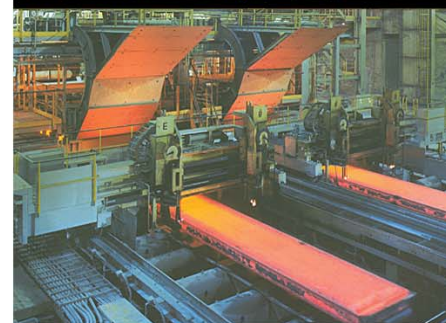
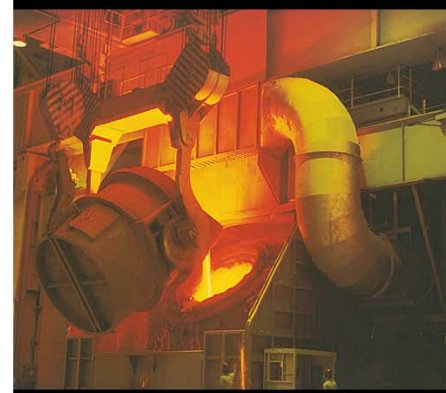
(b) Earnings before interest, depreciation and amortization.

IMMEDIATE RELAEASE

Contacts:

Breno Júlio de Melo Milton
 bmlilton@usiminas.com.br
 Tel: +55 (31) 3499-8710

Paulo Esteves
 paulo.esteves@thomsonir.com.br
 Tel: +55 (11) 3848-0887 extn 205



Market, Production and Sales

Domestic demand recovers in 4Q02

The fourth quarter of 2002 was marked by the recuperation of domestic demand, reflecting the positive performance of the companies related to the energy sector, the linepipe and machinery and equipment segments. The automotive industry also increased orders, partly driven by increased export volumes of vehicles and autoparts. From October to December, domestic flat steel sales grew 14% in relation to the same period of 2001.

Brazilian steel exports grow 26% in 2002

Nevertheless, on the year, demand for steel products declined 1.1% in Brazil, totaling 16.5 million tons. On the other hand, exports reached record volumes of 11.7 million tons, a growth of 26% compared to 2001. This performance was a result of a set of factors: international prices were more attractive; the dollar appreciated over the real; there was an increase in Brazilian production capacity. According to the IBS (The Brazilian Steel Institute), Brazilian raw steel production grew 11% to 29.6 million tons.

Usiminas System production grows 19% in the year

The Usiminas System produced 2.3 million tons in 4Q02, 34% above that produced last year. In 2002, production grew 19% and totaled 8.4 million tons. This growth was achieved due to Cosipa's full capacity coming on line in September, at a rate of 4.5 million tons/yr.

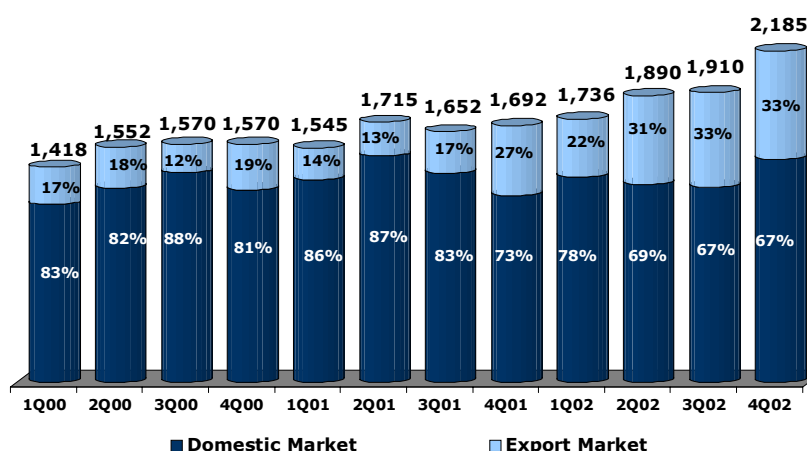
Production (Crude Steel)

Thousand tons	4Q02	4Q01	3Q02	Chg % 4Q/4Q	Chg.% 4Q/3Q	2002	2001	Chg.-%
Usiminas	1,170	1,192	1,160	-2	1	4,575	4,620	-1
Cosipa	1,101	507	1,026	117	7	3,872	2,460	57
Total	2,271	1,699	2,186	34	4	8,447	7,080	19

Exports grow 98% in 2002

Consolidated sales grew 29% in the quarter in relation to 4Q01, reaching 2.2 million tons. Exports represented 33% of the total in the period. In the year, sales volume of 7.7 million tons represented an evolution of 17%. Export deliveries were 2.3 million tons (30% of total sales volume), which is a growth of 98% compared to the previous year.

Consolidated Sales (000 t.)



Usiminas System market share finishes year at 61.8%

The momentum of recovery in domestic demand was intensified in 4Q02. This allowed Usiminas to re-align its sales mix, giving priority to higher value added products. Galvanized product sales grew 19% and totaled a record volume of 476 thousand tons in 2002.

Sales

Thousand tons	4Q02	%	4Q01	%	2002	%	2001	%
Usiminas								
Domestic Market	896	80	740	70	3,283	79	3,270	80
Export Market	218	20	324	30	899	21	833	20
Total	1,114	100	1,064	100	4,182	100	4,103	100
Cosipa								
Domestic Market	573	54	492	78	2,129	60	2,165	87
Export Market	498	46	136	22	1,411	40	334	13
Total	1,071	100	628	100	3,540	100	2,499	100
Consolidated								
Domestic Market	1,469	67	1,232	73	5,412	70	5,435	82
Export Market	716	33	460	27	2,310	30	1,167	18
Total	2,185	100	1,692	100	7,722	100	6,602	100

Sales volume grows 29% in 4Q and 17% in the year

The Usiminas System maintained its domestic market share at 61.8%.

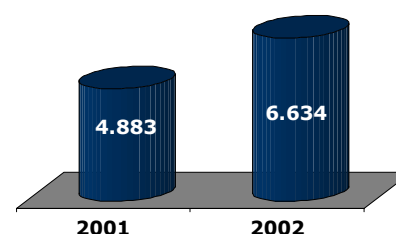
In international markets, efforts were made to diversify markets and products, as a way to supplant possible difficulties in the two main market focuses: the US and Argentina. The limitations imposed by the Section 201 measures caused limited impact on sales to the North American market, which totaled 29% of the total negotiated by the Usiminas System in 2002.

In accordance with the strategic planning set out by the System, Cosipa achieved strong expansion of its exports, with the entry into new international markets. This process was made possible with the ramping up of its new steel shop, which made the company's cost of production more competitive.

Net Revenues

Consolidated net revenues grew 81% and totaled R\$ 2.2 billion in 4Q02. Average price grew 40%, reaching R\$ 1,025.63/t, while sales volume grew 29%. Total net revenues were R\$ 6.6 billion, a 36% growth, explained by a 17% increase in average price, which reached R\$ 859,10/t in 2002, and by a 17% expansion in volume commercialized, as well.

Consolidated Net Revenue
R\$ million



Recovery of international prices of steel products over the second half had its positive effect amplified by dollar valuation. Steel slab prices, which fell to around US\$ 140/ton in 1Q02, ended the year 2002 at around US\$ 245/ton. In addition to better pricing, there was also the positive effect of the expansion of the galvanizing line at Unigal, raising the share of higher value added products.

On the volume side, growth occurred mainly from the new operating level reached by subsidiary Cosipa, which made possible advances in sales volume, especially in the export markets.

Gross Profit

Gross profit was R\$ 999 million in 4Q02, a growth of 216%. Average cost per ton rose in 4Q02 4%, coming to R\$ 568.22. In the year gross profit reached R\$ 2.4 billion, a growth of 58%. Gross margin went from 30% to 36%.

New revenues grow 36% in the year and reach R\$ 6.6 billion

International prices rise significantly in 2002

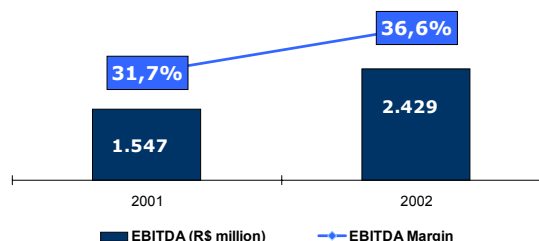
Gross profit grows 58% and totals R\$ 999 million

This indicates that the Company managed its product mix well and took advantage of economies of scale, neutralizing strong cost pressures felt during 2002. On the year, average cost per ton totaled R\$ 553.93, an increase of 8% over the previous year.

Operating Results

Earnings before financial expenses and taxes (EBIT) grew 333% in the quarter, reaching R\$ 893 million. In 2002, EBIT totaled R\$ 1.9 billion, an increase of 70%. EBIT margin, in turn, went from 23% to 29%. As a result of the investments made in previous years, Usiminas presented vigorous growth in cash generation (EBITDA), which jumped from R\$ 1.5 billion to R\$ 2.4 billion, a growth of 57%.

EBITDA totals R\$ 1 billion in the quarter and R\$ 2.4 billion in the year



The growth in sales volume, recuperation of sales margins and economies of scale made it possible for Usiminas to reach a consolidated EBITDA of 37%, situating it among the most profitable steel companies in the world, excluding financial expense and taxes.

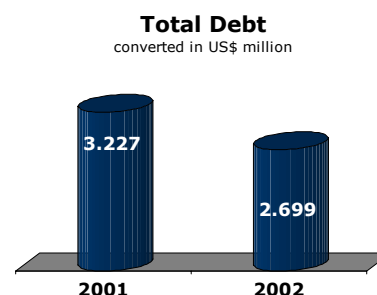
Consolidated EBITDA margin reaches 37% in the year

Financial Results and Debt

In 4Q02, the Real appreciated 9% and generated positive exchange variation of R\$ 208 million, decreasing its impact on net financial expense, which totaled R\$ 37 million. Even so, the cumulated exchange devaluation remained high (52%) and directly affected the financial result of Usiminas. Net financial expense totaled R\$ 2.7 billion in the year, an increase of 109% compared to the previous fiscal year. Of this total R\$ 1.9 billion (70% of the total) was due to net exchange variation, after deduction of hedge gains.

Exchange variation accounts for 70% of financial expenses in 2002

Usiminas showed a gross debt of R\$ 9.5 billion at the closing of 2002. Of the total 50% are from export/import financing operations, 20% refer to BNDES, 5% make up local debentures and the remaining refers to sundry operations.



Growth of debt by 27% between 2001 and 2002 was a consequence of the strong exchange rate impact on foreign debt operations, which represented 72% of the total loans and financing. When converted to dollars, consolidated debt shows a reduction of 20%, going from US\$ 3.4 billion at the end of 2001 to US\$ 2.7 billion in December, 2002.

Debt converted in US\$ falls 16% in the year

It is important to emphasize that US\$ 656 million in subsidiary Cosipa's debt is protected by a natural hedge, subordinated to already contracted future exports. In this manner, the exchange variation related to these advances does not signify losses, since the realization of sales will bring foreign exchange indexed resources, integrally compensating the debt's exchange variation.

Exchange devaluation of 52% affects net results in the year

Investment totals R\$ 388 million in 2002

Domestic demand should continue to grow in the first half

Net Results

Usiminas recorded a net profit of R\$ 618 million in 4Q02, favored by good performance and by the positive exchange rate variation in the period. Nevertheless, this total was not sufficient to offset the cumulated loss in the year.

In spite of the excellent operational performance in 2002, net results were a negative R\$ 325 million. This figure essentially reflects the accounting of exchange devaluation on the stock of foreign currency debt of the Company.

Investments

Investments total R\$ 158 million in 4Q02 and R\$ 388 million in the year. Resources were basically earmarked for equipment maintenance, considering that the modernization and expansion program at Usiminas and the restructuring of Cosipa, have already been concluded and enabled the System to operate at full capacity.

For 2003, investments programmed will also be directed toward maintenance and small revamping, with a view to improve production capacity and finished quality of the steel product mix. The investment forecast is around R\$ 140 million at Cosipa and R\$ 320 million at Usiminas, out of which R\$ 100 million are for the revamping of one of the blast furnaces at the Intendente Câmara Works and R\$ 50 million for dragging the marine terminal access channel at Cubatão.

Outlook

The new annual production capacity level of 9.2 million tons of raw steel reached at the end of 2002, the gradual upgrading of the product mix and the technological advances implemented at the steel mills of the System indicate the expansion of operational revenues and cash generation in 2003.

We believe that the domestic market will continue to show growth over first half 2003, a period in which steel distributors are re-stocking. Any declines in domestic demand, if they occur, could be compensated by the return to exports.

With the conclusion of the major investments in the mills and the expansion of production capacity, Usiminas will direct its cash flow to the reduction of its debt level.

Declarations contained in this communiqué relative to business perspectives of the Company, operating and financial results and projections, and references to the growth of the Company, constitute mere forecasts and were based on Management's expectations in relation to future performance. These expectations are highly dependent on market behavior, of Brazil's economic situation, on the industry and on international markets, and are therefore subject to change.

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Usinas Siderúrgicas de Minas Gerais S/A – USIMINAS is an integrated steel producer, with consolidated net sales of R\$ 6.6 billion in 2002. The Usiminas System, made up of Usiminas and Cosipa and 15 other companies, has an annual production capacity of 9.2 million tonnes of raw steel and holds the position of domestic market leader in flat rolled steel in the auto, autoparts, agricultural and highway machinery, electrical and electronic equipment and linepipe industries.

Financial Statements

Income Statement - Parent Company

Brazilian GAAP (Legislação Societária)

R\$ thousand	Parent Company					
	4Q 2002	4Q 2001	Chg.	2002	2001	Chg.
Net Revenues	1,219,514	747,918	63	3,714,079	2,942,383	26
COGS	(713,988)	(518,082)	38	(2,397,659)	(1,905,082)	26
Gross Profit	505,526	229,836	120	1,316,420	1,037,301	27
<i>Gross Margin %</i>	41%	31%	35	35%	35%	1
Operating Income (Expenses)	(64,127)	(37,646)	70	(230,060)	(167,992)	37
Selling	(17,809)	(14,814)	20	(80,766)	(55,804)	45
General and Administrative	(20,418)	(17,647)	16	(84,223)	(66,271)	27
Othres, Net	(25,900)	(5,185)	400	(65,071)	(45,917)	42
EBIT	441,399	192,190	130	1,086,360	869,309	25
<i>EBIT Margin %</i>	36%	26%	41	29%	30%	-1
Financial Result	(78,258)	11,074		(916,508)	(604,707)	
Financial Income	(23,422)	(39,427)		283,280	83,266	
Financial Expenses	(54,836)	50,501		(1,199,788)	(687,973)	
Equity Income	278,593	52,299		(572,694)	2,570	
Operating Result	641,734	255,563		(402,842)	267,172	
Non-Operating Income	8,403	12,820		92,089	3,963	
Profit (Loss) Before Taxes	650,137	268,383		(310,753)	271,135	
Social Contribution	(18,196)	20,254		(14,278)	13,384	
Income Tax	(9,049)	(36,517)		3,906	(35,330)	
Income (Loss) before Taxes and Profit Sharing	622,892	252,120		(321,125)	249,189	
Profit Sharing	0	(8,257)		0	(8,257)	
Net Income (Loss)	622,892	243,863		(321,125)	240,932	
Net Income (Loss) per thousand shares	2.89589	1.13374		(1.49294)	1.12012	
EBITDA	505,726	242,567	108	1,357,601	1,106,283	23
<i>EBITDA Margin%</i>	41.5%	32.4%	28	36.6%	37.6%	-3

Financial Statements

Income Statement - Consolidated

Brazilian GAAP (Legislação Societária)

R\$ thousand	Consolidated					
	4Q 2002	4Q 2001	Chg.	2002	2001	Chg.
Net Revenues	2,240,650	1,237,645	81	6,633,852	4,882,509	36
COGS	(1,241,554)	(921,662)	35	(4,277,483)	(3,395,006)	26
Gross Profit	999,096	315,983	216	2,356,369	1,487,503	58
<i>Gross Margin %</i>	45%	26%	75	36%	30%	17
Operating Income (Expenses)	(105,606)	(109,649)	-4	(426,548)	(355,090)	20
Selling	(38,447)	(33,859)	14	(161,264)	(118,180)	36
General and Administrative	(52,368)	(53,564)	-2	(197,884)	(178,103)	11
Othres, Net	(14,791)	(22,226)	-33	(67,400)	(58,807)	15
EBIT	893,490	206,334	333	1,929,821	1,132,413	70
<i>EBIT Margin %</i>	40%	17%	139	29%	23%	25
Financial Result	(37,266)	(163,447)		(2,671,790)	(1,276,095)	
Financial Income	(66,616)	76,277		531,877	309,517	
Financial Expenses	29,350	(239,724)		(3,203,667)	(1,585,612)	
Equity Income	(1,388)	118,314		83,842	135,622	
Operating Result	854,836	161,201		(658,127)	(8,060)	
Non-Operating Income	5,708	8,373		27,899	947	
Profit (Loss) Before Taxes	860,544	169,574		(630,228)	(7,113)	
Social Contribution	(144,825)	(134,463)		59,086	30,430	
Income Tax	(66,933)	(13,331)		207,424	12,214	
Income (Loss) before Taxes and Profit Sharing	648,786	21,780		(363,718)	35,531	
Profit Sharing	(1,519)	(8,745)		(3,769)	(16,593)	
Minority Interests	(28,840)	231,523		42,737	225,642	
Net Income (Loss)	618,427	244,558		(324,750)	244,580	
Net Income (Loss) per thousand shares	2.87513	1.13697		(1.50980)	1.13708	
EBITDA	1,019,608	306,000	233	2,429,357	1,547,000	57
<i>EBITDA Margin%</i>	45.5%	24.7%	84	36.6%	31.7%	16

Financial Statements

Cash Flow

Brazilian GAAP (Legislação Societária)

R\$ thousand	Parent Company		Consolidated	
	2002	2001	2002	2001
Operating Activities				
Net Income (Loss) in the Period	(321,125)	240,932	(324,750)	244,580
Financial Expenses and Monetary Var/Net Exchge Var	1,009,110	570,692	2,525,838	1,217,202
Depreciation, Exhaustion and Amortization	249,182	226,252	476,113	401,825
Investment Write-offs (Decrease in Permanent Assets)	(90,326)	876	(46,005)	838
Equity in the Results of Subsidiaries/Associated Companies	572,694	(2,570)	(83,842)	(135,622)
Income Tax and Social Contribution	10,372	21,946	(266,510)	(42,644)
Reversion of Long-Term Provision	17,409	9,846	83,068	40,171
Adjustment for Minority Participation	0	0	(42,737)	(225,642)
Total	1,447,316	1,067,974	2,321,175	1,500,708
Increase/Decrease of Assets				
Increase (Decrease) in Accounts Receivables	(327,599)	(88,726)	(624,773)	(150,336)
Increase (Decrease) in Inventories	(11,611)	(86,963)	(19,149)	(151,595)
Increase (Decrease) in Recovery of Taxes	37,706	(42,635)	27,991	(42,312)
Increase (Decrease) in Judicial Deposits	(37,927)	(63,276)	(55,194)	(85,396)
Others	29,067	(93,264)	(47,417)	28,806
Total	(310,364)	(374,864)	(718,542)	(400,833)
Increase (Decrease) of Liabilities				
Increase (Decrease) in Suppliers	112,442	18,054	222,741	67,686
Increase (Decrease) in Accounts Payable	60,159	28,148	1,096	20,172
Others	(25,294)	(24,283)	(72,871)	(134,137)
Total	147,307	21,919	150,966	(46,279)
Cashflow Generated from Operating Activities				
	1,284,259	715,029	1,753,599	1,053,596
Financial Activities				
Inflow of Loans and Financing	669,743	730,013	2,942,100	2,303,154
Payment of Loans, Financing and Debentures	(1,330,512)	(1,165,211)	(3,621,968)	(2,116,872)
Payment of Tax Installments	(92,058)	(68,151)	(98,761)	(110,251)
Interest Paid on Loans and Financing	(259,069)	(358,996)	(571,650)	(658,160)
Dividends Paid	(51,134)	(99,410)	(51,798)	(103,269)
Swap Operations Redemptions	33,168	215,327	66,531	323,825
Net Funds from Financial Activities				
	(1,029,862)	(746,428)	(1,335,546)	(361,573)
Investment Activities				
(Additions) in Long-term Investments	131,881	123,594	132,136	(10,797)
(Additions) to Permanent Assets, except Deferred Charges	(92,256)	(171,349)	(397,381)	(1,041,087)
Decrease of Permanent Assets	0	20,183	86	26,248
Funds Used for Investments				
	39,625	(27,572)	(265,159)	(1,025,636)
Exchange Variation on Assets				
	839	15,625	128,952	56,239
Cash Balance Change				
	294,861	(43,346)	281,846	(277,374)
At the Beginning of the Period	166,831	210,177	449,909	727,283
At the End of the Period	461,692	166,831	731,755	449,909

Financial Statements

Balance Sheet - Assets

Brazilian GAAP (Legislação Societária) - R\$ thousand

Assets	Parent Company		Consolidated	
	31-Dec-02	31-Dec-01	31-Dec-02	31-Dec-01
Current Assets	2,103,290	1,389,323	3,700,748	2,699,334
Cash and Cash Equivalents	461,692	166,831	731,755	449,909
Trade Accounts Receivable	762,438	434,839	1,375,178	750,405
Taxes Recoverable	36,930	74,636	95,193	123,184
Financial Instruments	103,582	-	113,226	-
Inventories	661,741	650,130	1,250,382	1,231,233
Other Securities Receivables	76,907	62,887	135,014	144,603
Long-Term Receivable	1,794,241	1,525,519	2,394,009	1,655,615
Deferred Income Tax & Social Contrb'n	1,162,529	1,154,644	1,555,217	1,297,077
Related Company Credits	239,510	185,116	7,499	11,184
Deposits at Law	129,823	91,896	189,814	134,620
Financial Instruments	155,062	-	368,054	-
Others	107,317	93,863	273,425	212,734
Permanent Assets	5,233,422	5,969,854	9,428,066	9,373,610
Investments	1,577,183	2,112,899	60,246	210,795
Property, Plant and Equipment	3,656,239	3,856,955	9,297,978	9,092,957
Deferred	-	-	69,842	69,858
Total Assets	9,130,953	8,884,696	15,522,823	13,728,559

Financial Statements

Balance Sheet - Liabilities and Shareholders' Equity

Brazilian GAAP (Legislação Societária) - R\$ thousand

Liabilities and Shareholders' Equity	Parent Company		Consolidated	
	31-Dec-02	31-Dec-01	31-Dec-02	31-Dec-01
Current Liabilities	2,277,864	1,429,865	5,038,478	3,062,529
Loans and Financing	1,489,552	889,778	3,760,337	2,106,055
Debentures	133,855	8,604	133,855	8,604
Suppliers, Subcontractors and Freight	218,096	105,654	687,091	464,350
Taxes, Charges and Payroll Taxes	49,630	19,277	100,707	75,181
Dividends	331	51,465	2,018	51,522
Related Companies	207,842	147,683	33,664	32,568
Taxes Payable in Installments	25,441	65,738	26,843	68,005
Salaries and Social Contribution	57,632	44,797	92,140	77,367
Others	95,485	96,869	201,823	178,877
Long-Term Liabilities	3,800,547	4,081,164	7,363,918	7,176,512
Loans and Financing	1,739,963	1,816,157	4,787,586	4,273,664
Debentures	326,264	578,330	326,264	578,330
Provision for Contingencies	416,972	385,299	630,619	619,888
Actuarial Liability	938,710	909,466	995,288	965,242
Taxes Payable in Installments	102,246	129,475	106,013	132,721
Others	276,392	262,437	518,148	606,667
Minority Interests	-	-	87,007	131,348
Shareholders' Equity	3,052,542	3,373,667	3,033,420	3,358,170
Capital	1,221,000	1,221,000	1,221,000	1,221,000
Capital Reserves	1,831,542	1,998,775	1,812,420	1,998,775
Revenue Reserves	-	153,892	-	138,395
Total Liabilities and Shareholders' Equity	9,130,953	8,884,696	15,522,823	13,728,559

Sales Breakdown

Sales Volume Breakdown - Consolidated

Thousand tons	4Q 2002	4Q 2001	Chg	2002	2001	Chg
TOTAL SALES	2,185 100%	1,692 100%	29%	7,723 100%	6,602 100%	17%
Heavy Plates	421 19%	422 25%	0%	1,522 20%	1,521 23%	0%
Hot Coils/Sheets	589 27%	476 28%	24%	2,299 30%	2,186 33%	5%
Cold Coils/Sheets	535 24%	381 23%	40%	1,642 21%	1,700 26%	-3%
Eletrogalvanized Coils	51 2%	34 2%	50%	194 3%	204 3%	-5%
Hot Dip Galvanized Coils	104 5%	44 3%	135%	297 4%	150 2%	98%
Processed Products	139 6%	100 6%	39%	484 6%	417 6%	16%
Slabs	346 16%	235 14%	47%	1,285 17%	423 6%	204%
TOTAL SALES - DOMESTIC MARKET	1,469 67%	1,232 73%	19%	5,412 70%	5,435 82%	0%
Heavy Plates	329 15%	334 20%	-1%	1,209 16%	1,278 19%	-5%
Hot Coils/Sheets	523 24%	417 25%	25%	2,014 26%	1,949 30%	3%
Cold Coils/Sheets	388 18%	318 19%	22%	1,326 17%	1,441 22%	-8%
Eletrogalvanized Coils	46 2%	33 2%	38%	179 2%	201 3%	-11%
Hot Dip Galvanized Coils	75 3%	43 3%	75%	246 3%	144 2%	70%
Processed Products	86 4%	71 4%	21%	341 4%	355 5%	-4%
Slabs	22 1%	15 1%	46%	97 1%	66 1%	46%
TOTAL SALES - EXPORTS	716 33%	460 27%	56%	2,310 30%	1,167 18%	98%
Heavy Plates	92 4%	87 5%	5%	313 4%	244 4%	28%
Hot Coils/Sheets	66 3%	59 3%	12%	285 4%	238 4%	20%
Cold Coils/Sheets	147 7%	63 4%	133%	316 4%	259 4%	22%
Eletrogalvanized Coils	5 0%	1 0%	538%	15 0%	3 0%	352%
Hot Dip Galvanized Coils	29 1%	1 0%	###	50 1%	6 0%	815%
Processed Products	53 2%	28 2%	86%	143 2%	62 1%	130%
Slabs	324 15%	220 13%	47%	1,188 15%	356 5%	233%

Sectorial Sales - Consolidated

Thousand Tons	4Q 2002	4Q 2001	Chg	2002	2001	Chg
Domestic Market	1,469 100%	1,232 100%	19.2%	5,412 100%	5,435 100%	-0.4%
Auto	109 7%	88 7%	23%	471 9%	491 9%	-4%
Autoparts	141 10%	114 9%	24%	589 11%	559 10%	5%
Shipbuilding	9 1%	8 1%	11%	39 1%	27 0%	46%
Line Pipes	145 10%	113 9%	29%	458 8%	383 7%	19%
Small Diameter Pipes	136 9%	140 11%	-3%	545 10%	589 11%	-7%
Packaging	18 1%	13 1%	45%	60 1%	57 1%	5%
Household Appliance	63 4%	52 4%	21%	224 4%	241 4%	-7%
Civil Construction	146 10%	92 7%	59%	444 8%	375 7%	18%
Electrical Equipment	39 3%	35 3%	14%	140 3%	163 3%	-14%
Distributors	424 29%	382 31%	11%	1,563 29%	1,652 30%	-5%
Industrial Equipment	30 2%	35 3%	-13%	118 2%	131 2%	-10%
Others	208 14%	161 13%	29%	763 14%	768 14%	-1%

Market Share

Market Share - Usiminas System (*) (% volume)

	2002(**)	2001(*)	2000(*)
DOMESTIC MARKET	62%	63%	59%
Auto	62%	66%	67%
Autoparts	73%	67%	63%
Shipbuilding	100%	100%	100%
Electrical Equipment	54%	65%	62%
Household Appliance	44%	51%	48%
Line Pipes	100%	100%	100%
Small Diameter Pipes	80%	76%	72%
Packaging	14%	13%	13%
Civil Construction	54%	45%	40%
Distributors	62%	67%	64%

(*) Defined by USIMINAS, Cosipa, and CSN markets.

(**) Defined by USIMINAS, Cosipa, CSN, Acesita and CST (since September), markets.

Source: IBS

Financial Indebtedness

Financial Income (Expenses), Net

R\$ million	31/12/02 Short Term	31/12/02 Long Term	31/09/02 Total	30/09/02 Total	31/12/01 Total	Chg. 2002/2001	
TOTAL DEBT							
Foreign Currency (98,45%)	3,175	3,718	6,893	8,294	4,822	43%	
IGP-M	68	353	421	366	386	9%	
TJLP	269	620	889	934	1,062	-16%	
Others	248	97	345	344	110	215%	
<i>Sub-Total</i>	3,760	4,788	8,548	9,939	6,380	34%	
Debentures	134	326	460	475	587	-22%	
<i>Sub-Total</i>	3,894	5,114	9,008	10,414	6,967	29%	
Taxes Payable in Installments	27	106	133	157	201	-34%	
<i>TOTAL</i>	3,921	5,220	9,141	10,570	7,167	28%	
FEMCO	0	394	394	364	321	23%	
<i>TOTAL</i>	3,921	5,614	9,535	10,934	7,488	27%	
			<i>Closing FX rate</i>	3.5333	3.8949	2.3204	52%
			Debt converted into US\$	2,699	2,807	3,227	-16%

Financial Income (Expenses), Net

R\$ million	2002	2001
Monetary Effects	(238)	(123)
Exchange Variation	(2,539)	(599)
Hedge Income	671	(149)
Interest of Loans and Financing	(465)	(540)
Interest of Pre-Export Payment	(143)	(53)
Financial Income	129	262
Other Financial Expenses	(87)	(75)
NET INTEREST INCOME	(2,672)	(1,276)