

FOR IMMEDIATE DISCLOSURE – Belo Horizonte, October 21, 2009. Usinas Siderúrgicas de Minas Gerais S.A. - Usiminas (BM&FBOVESPA: USIM3, USIM5, USIM6; OTC: USNZY; Latibex: XUSI; XUSIO) today releases its third quarter 2009 results (3Q09). Operational and financial information of the Company, except where otherwise stated, are presented based on consolidated figures, in Brazilian Real, according to corporate law. All comparisons made in this release take into consideration the same period in 2008, except when stated otherwise.

Net Income and EBITDA increase and, up to September, reach respectively R\$ 711 and R\$ 823 million

9M09 Highlights:

- **Net Revenue reached R\$ 7.9 billion**
- **EBITDA totaled R\$ 823 million and EBITDA margin reached 10.4% in 9M09**
- **Net income is of R\$ 711 million**
- **Total sales accounted for 3.9 million tons of steel products**
- **Sales and transfers of iron ore totaled 3.9 million tons**
- **Inventory Reduction totaled R\$ 1.4 billion**

Highlights

R\$ million	3Q09	3Q08	2Q09	Chg. 3Q09/3Q08	9M09	9M08	Chg. 9M09/9M08
Total Sales Volume (000 t)	1,694	1,915	1,187	-12%	3,919	5,718	-31%
Net Revenues	2,858	4,451	2,412	-36%	7,940	11,978	-34%
Gross Profit	416	1,835	409	-77%	1,414	4,524	-69%
Operating Result (EBIT) (a)	166	1,465	4	-89%	268	3,644	-93%
Financial Result	243	(588)	562	-	710	(348)	-
Net Income (Loss)	454	588	369	-23%	711	2,288	-69%
EBITDA (b)	374	1,923	117	-81%	823	4,588	-82%
EBITDA Margin	13.1%	43.2%	4.8%	-30.1 p.p.	10.4%	38.3%	-27.9 p.p.
EBITDA (R\$/t)	221	1,004	98	-78%	210	802	-74%
Total Assets	25,196	25,376	24,999	-1%	25,196	25,376	-1%
Net Debt	3,117	1,579	3,777	97%	3,117	1,579	97%
Stockholders' Equity	15,007	14,338	14,748	5%	15,007	14,338	5%

(a) Earnings before interest, tax and participations.

(b) Earnings before interest, taxes, depreciation, amortization and participations.

Market Data - 09/30/09

Market Capitalization: R\$ 23.7 billion
BM&FBovespa: USIM5 R\$ 46.71/share
USIM3 R\$ 45.31/share
USA/OTC: USNZY US\$ 26.55/ADR
Latibex: XUSI € 18.06
XUSIO € 17.57

Interactive Index

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Initial considerations

The Brazilian economy in 2009 has showed that it has a solid foundation to face the adversities presented by the international financial crisis. The GDP is already showing signs of recovery as a result of the heating up of the economy, which should consolidate itself over the next months.

Local demand growth for flat steel has been sustained by consumption of durable goods, by the return of credit, by the drop in unemployment rates and by an increase in consumer trust, combined with more favorable prospects of volumes aimed at export. The combination of these factors enabled Usiminas, as of July, to reactivate two blast furnaces that had been shut down at the Ipatinga (Minas Gerais state) and Cubatão (São Paulo state) mills. With a more favorable outlook, the Company should reach between 80 and 90% of its installed capacity by the end of 2009, still keeping one of its blast furnaces in Ipatinga mill not operating until signs of sustainable recovery of demand.

Results of the third quarter of 2009 are already showing signs of the start of this recovery. The increase in crude steel production volume reached 93% and sales volume grew 43% as compared with the second quarter of the year.

Therefore, gone the most critical period, Usiminas' economic results are also starting to show signs of recovery. The cash generation in the quarter measured by the EBITDA registered a considerable increase of 220% in comparison with the previous quarter, reaching R\$ 374 million, the margin was of 13% and net income reached R\$ 454 million, up 23% over 2Q09. Liquidity, maintained at a comfortable level, was reinforced by the continuous efforts to reduce working capital, mainly inventory.

Notwithstanding, a few concerns still remain in relation to the excess of production capacity in Brazil, as well as in the world, at a time when demand starts to show signs of recovery. Another factor that is worth mentioning is the increasing presence of imports, which has been determinant for the considerable drop in sales to the domestic market and for the pressure put on product prices. Unfair business practices and the appearance of protectionist measures in several countries indicate that a suitable measure to protect the Brazilian market, as well as to preserve jobs, the payment of taxes and the investment capacity of companies, is to maintain import taxes.

At a moment when investments in all economy sectors have been put on hold, above all in the industrial sector, Usiminas contributes to the country's development by giving continuity to important investments in its business units, generating 8.5 thousand indirect jobs in the industrial units of Ipatinga and Cubatão and allocating, up to September/09, resources totaling R\$ 1.1 billion to meet the demand for, including, high-resistance steel, sectors related to the productive pre-salt chain, large-diameter pipes, offshore oil rigs and the naval sector.

Consolidated Results

Economic and Financial Performance

Net Revenues

Revenues in 3Q09 grew 19% in comparison with 2Q09 mainly due to an increase in volume sold in the quarter. In export sales, revenues were impacted by the exchange effect stemming from the appreciation of the Brazilian Real in relation to the US dollar. In 9M09, when compared with the same period last year, the drop in revenues resulted from the combination of lower sales volume and lower prices practiced during the period in both markets.

Net Revenues

	3Q09	2Q09	1Q09	3Q08	9M09	9M08
DM	82%	85%	83%	88%	83%	88%
EM	18%	15%	17%	12%	17%	12%
Total	100%	100%	100%	100%	100%	100%

Cost of Goods Sold (COGS)

The increase of costs in the quarter, when compared with 2Q09, (growth of R\$ 438 million) was due mainly to an increase in volume sold and other costs, partially offset by the price variation of raw material prices (as a result of price drops and exchange), labor cost cuts and the lower use of slabs, HDG and HRC acquired from third parties, in addition to other items.

In the comparative analysis with 9M08, the items that most impacted COGS reduction were: lower volume sold and the reclassification of equipments' idleness cost. Nevertheless, in this period, COGS was impacted by the growth of other costs, such as labor, third-party services, energy and others.

The Company's gross margin evolved as follows:

Gross Margin

3Q09	2Q09	3Q08	9M09	9M08
14.6%	16.9%	41.2%	17.8%	37.8%

Operating Expenses and Revenue

Operating expenses in 3Q09, when compared to 2Q09, registered a drop of R\$ 154 million, or 38%, due mainly to the lower idleness cost in the period.

Comparing with 9M08, expenses increased around R\$ 267 million and were negatively impacted by the recognition of idleness cost, third-party services and others in this line, partially offset by the reversal of legal contingencies, actuarial liabilities and others.

The Company's operating margin evolved as follows:

EBIT Margin

3Q09	2Q09	3Q08	9M09	9M08
5.8%	0.2%	32.8%	3.3%	30.5%

EBITDA

EBITDA generated in the quarter rose R\$ 257 million when compared with that of 2Q09. Factors that influenced this were the increase in net revenue due to a rise in sales volume in both markets, in addition to the reduction in operating expenses, labor and others, offsetting the drop in average prices in the markets and the increase of raw material costs.

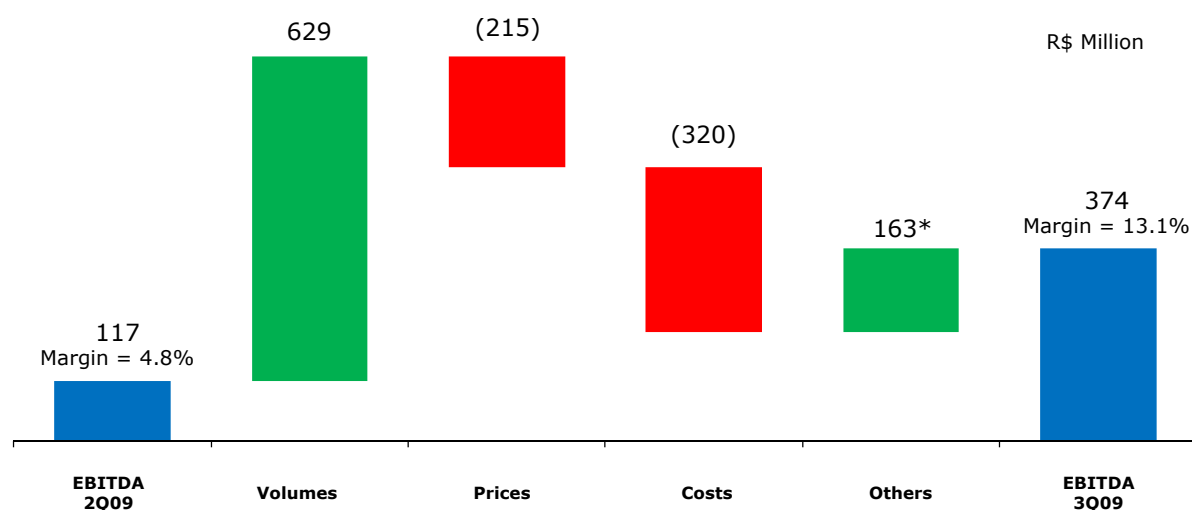


In 9M09, the generated EBITDA was substantially lower as compared with the same year-ago period, due mainly to the drop in sales volume and prices in the international market, which negatively impacted net revenue.

EBITDA Margin

3Q09	2Q09	3Q08	9M09	9M08
13.1%	4.8%	43.2%	10.4%	38.3%

EBITDA Variation 3Q09 X 2Q09



* Stocks' inventory, Products acquired for resale, Byproducts consumed/generated, Storeroom and Others.

Working Capital

The Company gave continuity to its strategy to reduce inventories. In 3Q09, another R\$ 573 million was added so that, since the end of 2008, total reduction was of R\$ 1.4 billion and represents basically a reduction in raw materials and inputs, processed products and finished products.

Financial Result

Net financial result of the quarter was positively impacted by R\$ 283 million due to gains from the 9% appreciation of the Brazilian Real in relation to the US dollar. In the overall for 9M09, there was a positive result of R\$ 710 million, against an expense of R\$ 348 million posted in 9M08, where the devaluation of the Brazilian Real in relation to the US Dollar was 8%.

Financial Income - Consolidated

R\$ million	3Q09	3Q08	2Q09	Chg. 3Q09/3Q08	9M09	9M08	Chg. 9M09/9M08
Exchange Effects	359,308	(478,966)	582,881	-	985,067	(247,902)	-
Exchange Variation	282,725	(496,874)	582,506	-	900,496	(231,670)	-
Hedge Income (Expenses)	76,583	17,908	375	328%	84,571	(16,232)	-
Swap Operations Market Cap. (Law 11,638)	(21,913)	(52,654)	30,805	-58%	(62,127)	13,627	-
Financial Income	75,773	107,659	85,739	-30%	280,169	364,663	-23%
Financial Expenses	(115,560)	(112,806)	(113,860)	2%	(379,247)	(401,975)	-6%
Monetary Effects	(54,234)	(51,447)	(23,331)	5%	(113,827)	(76,780)	48%
NET INTEREST INCOME	243,374	(588,214)	562,234	-	710,035	(348,367)	-

Equity Interest in Controlled and Affiliated Companies

The equity interest in controlled companies in 3Q09 was impacted by Ternium's gain of R\$ 128 million, deriving from the sale of its equity interest in Sidor.

Net Income

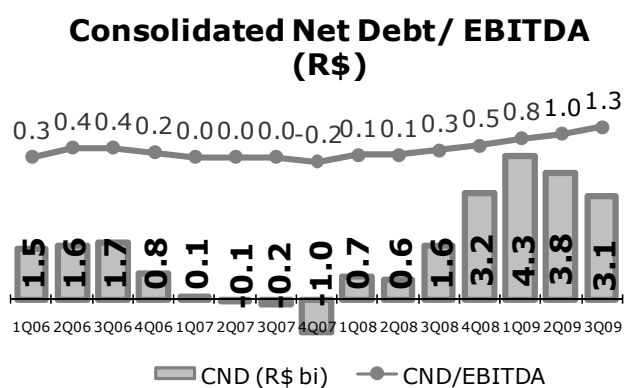
Net income in 3Q09 of R\$ 454 million went up 23% in comparison with 2Q09 due to better operating results, exchange gains and the positive effect of equity interest in controlled companies.

When compared to the same period of the previous year, net income of 9M09 posted a significant reduction, mainly due to lower sales volume and prices, in addition to the idleness cost arising from stoppage or operational slowdown of some production equipments.

Indebtedness

The decrease in net debt in comparison with the end of 2Q09 results mainly from effects of exchange variation stemming from the appreciation of the Brazilian Real of around 9% in the period.

09/30/09	
Cash Position - R\$ billion	3.0
Total Debt/EBITDA Ratio	2.6 x
Net Debt/EBITDA Ratio	1.3 x

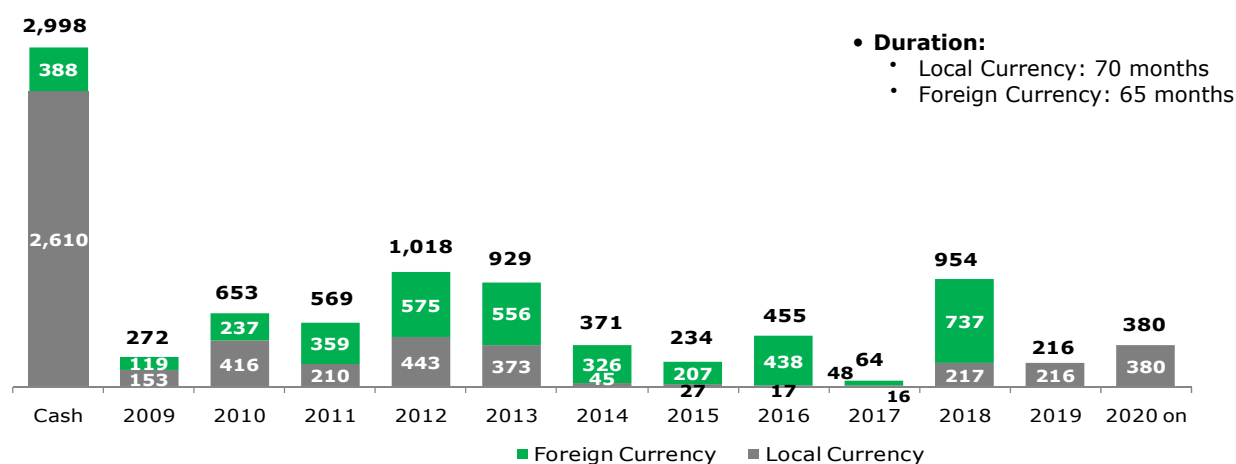


Loans and Financing by Index - Consolidated

R\$ thousand	30-sep-09			%	30-jun-09	Chg. sep09/jun09
	Short Term	Long Term	TOTAL		TOTAL	
Foreign Currency (*)	323,909	3,278,702	3,602,611	59%	4,059,330	-11%
TJLP	156,695	487,237	643,932	-	655,654	-2%
Debentures	21,237	1,100,000	1,121,237	-	1,122,124	0%
Taxes Payable in Installments	34,898	73,230	108,128	-	111,905	-3%
FEMCO	10,089	332,137	342,226	-	344,686	-1%
Others	286,035	10,888	296,923	-	292,292	2%
Local Currency	508,954	2,003,492	2,512,446	41%	2,526,661	-1%
TOTAL DEBT	832,863	5,282,194	6,115,057	-	6,585,991	-7%
CASH AND CASH EQUIVALENTS	-	-	2,998,151	-	2,809,358	7%
NET DEBT	-	-	3,116,906	-	3,776,633	-17%

(*) 96.8% of total foreign currency is denominated in US dollars

Maturity Profile



Investment Program

Investments on fixed assets in 3Q09 reached R\$ 571 million and totaled R\$ 1.3 billion in 9M09. The current situation of the main investment projects is detailed below:

Investments	Goal	Status	Project Capex	Total Executed up to September/2009
New Coke Facility (no.3)	Production of 750 thousand tons/year of coke	Equipments manufacture concluded. Construction works in progress. Start-up: 1Q/2010.	R\$ 707 million	R\$ 444 million
New Thermolectric Power Plant	Generation of 60 MW of electric energy	Performance tests concluded. Operating since April/2009.	R\$ 238 million	R\$ 235 million
Expansion of Heavy-Plate Rolling Mill	Increase production to 1,350 thsd tons/year Accelerated Heavy Plate Cooling - serving the requirements needs of the pre-salt exploitation projects	Expansion - Start-up: 4Q/2012. Accelerated Heavy Plate Cooling equipments under construction. Construction works in progress. Start-up: 3Q/2010.	R\$ 1.050 billion	R\$ 222 million
New HDG Line	Production of 550 thousand tons/year of hot dipped galvanized products.	Construction works of the building to be concluded on August/2009. Construction work for the structure of the building by Usiminas Mecânica. Construction works to be concluded on October/2009. Start-up: 1Q/2011.	R\$ 914 million	R\$ 111 million
Hot Strip Mill (no. 2)	Production of 2.3 million tons/year	Skinpass Mill: Equipments contracted and in the project detailing stage. Construction works in progress. Construction work for the structure of the building by Usiminas Mecânica. Assembling works to be concluded on October/2009. Start-up: 2Q/2011.	R\$ 2.530 billion	R\$ 553 million



Usiminas is investing to expand its business in the naval, offshore oil rigs and large-diameter pipe sectors.

Accelerated Heavy Plate Cooling (CLC) is a technology that will enable the production of high resistance steel in order to supply sectors related to the pre-salt productive chain. This technology will enhance Company's services to the naval, offshore oil rigs and large-diameter pipe sectors. CLC enables the production of highly resistant heavy plates, ideal for use in these sectors and Usiminas will be the first steel company outside Japan to use this method, developed by Nippon Steel. With the capacity to produce up to 500 thousand tons a year, the priority is to meet domestic market demands. The use of the new process is in line with Usiminas' strategy to add value to steel.

Business Units Performance in 9M09

Usiminas is adjusting its accounting, controlling and planning systems, in order to manage its activities with a model of "Business Units". Managerial results will be assessed as shown in the structure below, with inter and intra Company transactions being assessed in amounts and market conditions.

Usiminas Consolidated			
Mining & Logistics	Steel	Steel Processing	Capital Goods
Mining Assets MRS	Ipatinga Mill Cubatão Mill Ternium	Unigal Soluções Usiminas * Automotiva Usiminas	Usiminas Mecânica

* Under structuring and will concentrate Rio Negro, Fasal, Dufer e Zamproгна

Net Revenues per Business Units - 9M09 - Non Audited (including total transfers in market conditions)

R\$ millions	Mining & Logistics	Steel	Steel Processing	Capital Goods	Adjustments	Consolidated
Net Revenues	299	6,934	1,557	661	(1,511)	7,939
Domestic Market	299	5,689	1,488	641	(1,511)	6,606
Export Market	0	1,245	69	20	0	1,333

MINING & LOGISTICS

In 3Q09, 1.4 million tons of iron ore were produced - 43% greater than that in the same period of 2008 and 9% above than that of 2Q09. The month of September was the highlight of this period, when the mines reached a production of 519 thousand tons, an all-time monthly record. This production volume was 54% higher than that in the same month of last year.

As such, Usiminas' steel mills have been operating at an estimated production pace of 5.5 million tons for 2009. They are projected to reach a production of around



580 thousand tons by December, representing an annualized level of 7.0 million tons.

The expectation is that, through the investments in progress, production will evolve over the next 3 years, hitting 11 million tons. By gradually increasing production and cutting costs even further, enabling the supply of quality iron ore to the Company's mills in Ipatinga and Cubatão, the vertical restructuring of the productive chain will assure the sustainability of the Company's core business: steel production.

The drilling work is following the established schedule and is estimated to be concluded in November of the current year and then the evaluation of the data will be performed with a conclusion forecast for February 2010.

Total sales and transfers to the Ipatinga and Cubatão mills are shown in the table below:

Iron Ore								
Thousand tons	3Q09	3Q08	2Q09	Chg. 3Q09/3Q08	Chg. 3Q09/2Q09	9M09	9M08	Chg. 9M09/9M08
Production	1,438	1,005	1,321	43%	9%	3,917	2,830	38%
Sales	149	952	63	-84%	137%	381	2,403	-84%
Transferred to Mills	1,256	233	1,008	439%	25%	3,491	529	560%
Total - Sales + Transferences to Mills	1,405	1,185	1,071	19%	31%	3,872	2,932	32%

MRS

By September 2009, MRS reached net revenues of R\$ 1.7 billion having transported 92.5 million tons of cargo in general, among which iron ore, coal/coke, steel products, cement and others.

MRS Logística is a concession that controls, operates and monitors the Southeast Federal Railroad Network. The company operates in the railway transport market, connecting the states of Rio de Janeiro, Minas Gerais and São Paulo and its core business is the railway transport of cargo in general, such as ores, finished steel products, cement, bauxite, agricultural produce, green coke and containers with integrated logistics.

Usiminas, Vale, MBR, Gerdau and CSN are the controlling shareholders of MRS. Usiminas holds 20% of the voting capital and is part of the Company's control group.

STEEL

Scenario and Outlook

The domestic flat steel market, despite undergoing a steady recovery over the past months, should end the year with a significant drop in comparison with the levels reached in 2007 and 2008, with growing presence of direct flat steel imports, that in 2009 is representing approximately 15% of apparent consumption.

However, the prospects are very positive with the investments scheduled for the following years, mainly in infrastructure and exploration of pre-salt mines, for which Usiminas has been preparing itself.

In turn, the international market for steel products has registered rising prices from April to September due to the rekindling of global demand and the partial reestablishment of inventories. During this period, Usiminas stepped up its export volumes.

The growing demand from regions outside the macro-markets (Nafta, Europe and China), such as Latin America, Middle East and Southeast Asia, combined with the low levels of existing



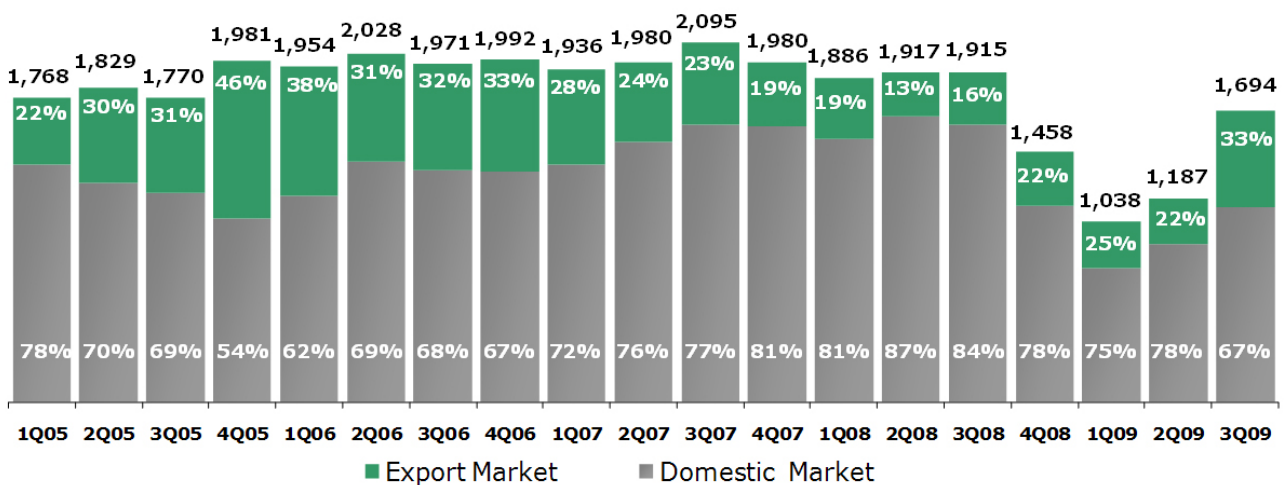
inventory, lead to the prospect of a new demand recovery cycle, moving slowly towards the levels seen in 2008.

Sales Performance

Total sales in 3Q09 represented 1.7 million tons. A total of 1.1 million tons of products were aimed at the domestic market, representing a 23% growth in relation to 2Q09, a reflex of the economy's and the market's recovery, which has been occurring over the past months. Exports increased 109% in comparison with 2Q09 and represented 33% of sales in the quarter, confirming the recovery of the international market which has taken place since the closing of 1H09.

In 9M09, physical sales totaled 3.9 million tons, substantially lower than the volume dispatched in 9M08.

Consolidated Sales (000 t)



Sales Volume Breakdown - Consolidated

Thousand tons	3Q09		3Q08		2Q09		Chg. 3Q09/3Q08
TOTAL SALES	1,694	100%	1,915	100%	1,187	100%	-12%
Heavy Plates	277	16%	452	24%	245	21%	-39%
Hot Coils/Sheets	488	29%	591	31%	358	30%	-17%
Cold Coils/Sheets	465	27%	451	24%	313	26%	3%
Electroalvanized Coils	63	4%	66	3%	44	4%	-5%
Hot Dip Galvanized Coils	125	7%	122	6%	107	9%	2%
Processed Products	41	2%	56	3%	31	3%	-27%
Slabs	235	15%	177	9%	89	7%	33%
DOMESTIC MARKET	1,133	67%	1,612	84%	923	78%	-30%
Heavy Plates	166	10%	407	21%	149	13%	-59%
Hot Coils/Sheets	427	25%	556	29%	320	27%	-23%
Cold Coils/Sheets	329	19%	399	21%	270	23%	-18%
Electroalvanized Coils	46	3%	61	3%	39	3%	-25%
Hot Dip Galvanized Coils	103	6%	112	6%	91	8%	-8%
Processed Products	31	2%	35	2%	26	2%	-11%
Slabs	31	2%	42	2%	28	2%	-26%
EXPORTS	560	33%	303	16%	264	22%	85%
Heavy Plates	111	7%	45	2%	96	8%	147%
Hot Coils/Sheets	61	4%	35	2%	38	3%	74%
Cold Coils/Sheets	136	8%	52	3%	43	4%	162%
Electroalvanized Coils	17	1%	5	0%	5	0%	240%
Hot Dip Galvanized Coils	22	1%	10	1%	16	1%	120%
Processed Products	10	1%	21	1%	5	0%	-52%
Slabs	203	11%	135	7%	61	6%	50%

Exports - Main Markets – 3Q09

Country	Thousand Tons	Share %
China	178	32%
Mexico	43	8%
South Korea	40	7%
Chile	38	7%
Argentina	32	6%
Colombia	21	4%
USA	16	3%
Others	192	33%
Total	560	100%

Sectorial Sales - Consolidated - Summary

Thousand tons	3Q09		2Q09		3Q08		Chg. 3Q09/3Q08
Domestic Market	1,133	100%	923	100%	1,611	100%	-30%
Automotive	397	35%	357	39%	546	34%	-27%
Industrial	250	22%	199	22%	423	26%	-41%
Distribution + Others	486	43%	367	39%	642	40%	-24%

Net Revenues per Ton

R\$ / t.	3Q09	2Q09	1Q09	4Q08	3Q08	2Q08	1Q08	4Q07	3Q07
Heavy Plates	1,570	1,860	2,475	2,993	2,486	2,112	1,892	1,887	2,017
Hot Coils/Sheets	1,477	1,707	1,991	2,202	1,951	1,622	1,447	1,455	1,467
Cold Coils/Sheets	1,539	1,862	2,058	2,391	2,151	1,836	1,676	1,720	1,679
Electrogalvanized Coils	2,093	2,286	2,558	2,552	2,399	2,237	2,068	2,076	2,104
Hot Dip Galvanized Coils	2,253	2,344	2,572	2,817	2,525	2,328	2,245	2,161	2,210
Processed Products	2,250	1,647	2,386	2,557	2,224	1,958	1,913	1,972	1,933
Slabs	649	700	1,087	1,551	1,444	902	850	774	798
Total	1,493	1,781	2,146	2,416	2,138	1,910	1,649	1,666	1,667

Production Performance of Ipatinga and Cubatão Mills

With the recovery of demand and better sales prospects in the domestic, as well as in the international market, the Ipatinga and Cubatão mills increased their utilization level after their blast furnaces started to operate again. Crude steel production increased 93% in the quarter in comparison with 2Q09.

Production (Crude Steel)

Thousand tons	3Q09	3Q08	2Q09	Chg. 3Q09/3Q08	Chg. 3Q09/2Q09	9M09	9M08	Chg. 9M09/9M08
Ipatinga Mill	870	1,169	594	-26%	46%	1,957	3,399	-42%
Cubatão Mill	954	887	350	8%	173%	1,837	2,844	-35%
Total	1,824	2,056	944	-11%	93%	3,794	6,243	-39%

Cost Reduction Program

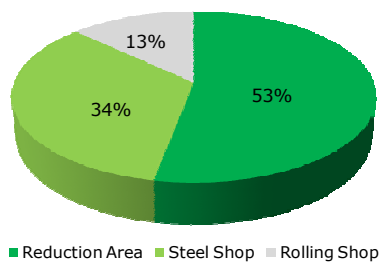
Productivity and Action Project

An extensive improvement and efficiency program aimed at cutting costs in the industrial area is being implemented at Usiminas, with measures to promote reduction of “cash cost” in the short term.

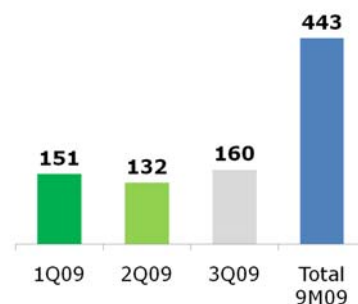
The most relevant contributions until now have derived from the industrial area. The quantified potential of cutting costs is up to R\$ 1.4 billion with an expectation of adding around R\$ 509 million in 2009. Until September/09 the figure stood at R\$ 443 million.

Productivity and Action Project Potential

Estimated Impact – R\$ 1.4 billion



Benefits up to 9M09
R\$ million



Supply Project

This project was developed with the purpose of strengthening the Supply area of the group’s companies by defining a more efficient and effective model to meet Usiminas’ present and future needs.

The savings estimate in the supply area points to a cost reduction potential of R\$ 1.0 billion over an estimated period of 2.5 years and in 2009 the Company plans to reach something around R\$ 120 million.

Ternium

Ternium is one of the largest steel producers in the Americas and offers a wide array of products, including flat and long steel products. In 2008, Ternium sold 7.5 million tons and posted a net revenue of US\$ 8.5 billion. The Company has operating facilities in Mexico, (Hylsamex and Hylsa) and in Argentina (Siderar) and has a wide distribution network.

Usiminas holds 14.25% of Ternium’s total capital, of which it is partner along with the Techint group. Ternium’s results are registered in Usiminas balance sheet with a delay of one quarter.



STEEL PROCESSING

Unigal

Unigal reached a net revenue of R\$ 152 million in 9M09, due mainly to the provision of services.

The construction work for the warehouses of Unigal Usiminas' new hot-dipped galvanizing line continue within schedule and the expansion, estimated to be concluded in 2011, will boost the current production capacity by 550 thousand tons of coils a year and should generate 750 direct jobs and 2,100 workers at the peak of the construction work.

Galvanized steel is used mainly by the auto, household appliance and civil construction industries.

Unigal is a joint-venture between Usiminas (with a 70% share) and Nippon Steel (with a 30% share), aimed at processing cold-rolled coils using hot dipped galvanizing.

Soluções Usiminas

At a meeting held on October 21 2009, Usiminas' Board of Directors ratified the Board's acts and approved other acts necessary to consolidate the distribution companies and service centers controlled by Usiminas, namely, Rio Negro Usiminas (Rio Negro and Dufer), Zamprogna, Fasal, Usial and the industrial plant (Usicort), which, upon completion of such consolidation, comprise the business unit Soluções Usiminas.

It is expected that the Soluções Usiminas' structure will be completed in the current year consolidating itself as an important player in the Distribution, Services and Tubes markets of the country, with 14 industrial units strategically located in the states of Rio Grande do Sul, São Paulo, Minas Gerais, Espírito Santo and Pernambuco to supply the auto, auto parts, civil construction, distribution, electronic equipment, machinery and equipment, household appliances and other sectors.

Jointly, the "Soluções Usiminas" companies reached, in the nine months of 2009, a net revenue of R\$ 1.3 billion (pro-forma, unaudited, not considering eliminations between companies), resulting from the sale of coils, plates, rolls, blanks, welded sets and pipes (carbon and stainless steel) among others.

Through this business unit, Usiminas will increase its presence in the many steel consumer sectors by expanding its product and service portfolio and, in addition, enabling it to better understand client needs and obtain efficiency gains.

Automotiva Usiminas

The Automotiva Usiminas Unit reached a net revenue, in the nine months of 2009, of R\$ 162 million. The Automotiva Unit stands out in the production of complete sets and cabs painted in their final color and is divided into the following process sectors:

- Product development engineering
- Partnerships with Toolmakers
- Stamping development and production
- Development and Production of Welded Subsets
- Complete Paintwork – e-coat (KTL), Surfacer and Enamel
- Final Trimming
- Logistic Integration



Some of the main automakers of the country are among its clients, such as Ford, Mercedes-Benz, Volkswagen, GM, Iveco Fiat, and others.

CAPITAL GOODS

Usiminas Mecânica S.A.

Usiminas Mecânica, the largest capital goods and services company in Brazil, reached in 9M09 a net revenue of R\$ 661 million. The Company has in its portfolio many long-term projects, of which the main ones are:

- Supply of furnaces, oil rigs and towers to Petrobras;
- Supply and assembly of storage tanks for Petrobras;
- Supply of structures and equipment assembly for the nickel mine of Mineração Onça Puma Ltda;
- Blanks for wind towers, agricultural, roadwork and naval industry implements;
- Supply of structures for the Steel Making Shop building of Companhia Siderúrgica do Atlântico – CSA;
- Supply of structures for the nickel mine of Anglo American Ltda.

Investments:

Usiminas Mecânica is investing approximately R\$ 45 million in iron foundry expansion to increase the production capacity of the manual molding line from 2,160 tons/year to 6,600 tons/year, whose main feature is the capacity to produce large-scale parts, with the possibility of reaching 70 tons in finished weight. Another two molding lines will be created; one will be automated with a capacity for 18,000 tons/year. These ingots are the raw material used in forges for the manufacturing of parts for many different industrial sectors.

Highlights of the Quarter:

Conclusion of two large projects:

- **Ponte da Passagem Bridge in Vitória (Espírito Santo state)**

The bridge was built with approximately 1,700 tons of steel. It is a cable-stayed bridge and is the first in the country to use metal towers. With impressive 55 meters in height, which equals to a building of eight floors, the project is already being considered the newest symbol of modernity in the state of Espírito Santo.

- **Supply of Structures, Equipment and Assembly of Alumar**

Usiminas Mecânica has successfully delivered its largest project ever. The participation in the Alumar project included the partial supply, the full assembly of the Precipitation plant of Unit 2 and the expansion and remodeling of the Precipitation plant of Unit 1, comprising the assembly of tanks, precipitators, mechanical and electrical equipments, as well as complex electrical, piping and instrumental systems, including from the detailing of project parts up to the supply and assembly of equipments.

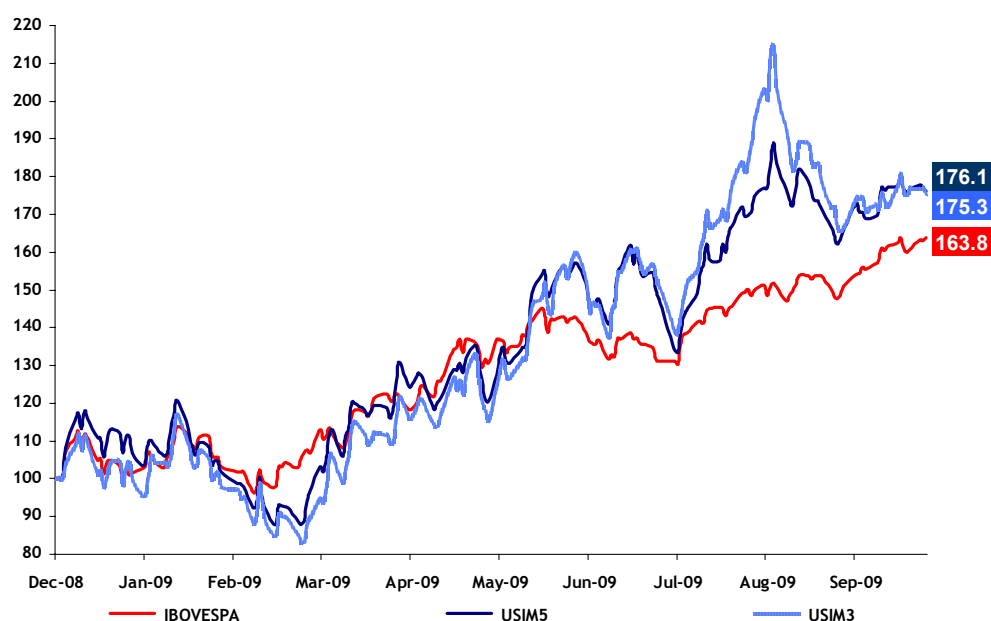
Capital Markets

Bovespa Performance – Bovespa Index

Usiminas' common stock (USIM3) ended the quarter quoted at R\$ 45.31 per share and the preferred stock (USIM5) quoted at R\$ 46.71 per share, with an appreciation of respectively 9.3% and 12.3% in the quarter. In the same period, Ibovespa appreciated 19.5%. On 09/30/09, Usiminas' market capitalization was of R\$ 23.7 billion.

USIM5 and USIM3 versus Ibovespa

From (basis 100) 12/30/2008 to 09/30/2009



Performance Summary - Bovespa (USIM5)

	3Q09	2Q09	Chg. 3Q09/2Q09
Number of deals	374,278	371,733	1%
Daily average	5,848	6,094	-4%
Traded - thousand shares	196,939	227,487	-13%
Daily average	3,077	3,729	-17%
Financial Volume - R\$ million	8,605	8,098	6%
Daily average	134	133	1%
Maximum	50.13	43.44	15%
Minimum	35.02	28.52	23%
Closing	46.71	41.61	12%
Number of Shares	506,893	506,893	-
Market Cap - R\$ million	23,677	21,092	12%



Foreign Exchanges

NYSE – New York

On 09/30/09, Usiminas' preferred type A shares, traded in the United States as Level 1 "USNZY" in the OTC market, were quoted at US\$ 26.55.

Latibex – Madri

On 09/30/09, the XUSI shares (preferred) ended the quarter quoted at €18.06. The XUSIO shares (common) ended quoted at €17.57.

Other Highlights of the Quarter

- **Usiminas closes a deal with ALL to transport steel products**

Usiminas closed a deal with ALL, a railway-based logistics operator, to transport steel products. The agreement between the companies defines the transport of 10 thousand tons of coils and steel plates produced by the Cubatão Mill (São Paulo state) to be loaded for the Porto Alegre Terminal (Rio Grande do Sul state). The expectation is that by 2010 the volume of steel transported will increase reaching 30 thousand tons per month.

The agreement entered into by the two companies includes the rendering of services to one of Usiminas' clients, GM, which recently announced new investments in its plant based in Gravataí (Rio Grande do Sul state). Therefore, Usiminas will be able to expand the services offered to the automaker, either through a more efficient logistics network in the region, or through the expansion of the volume supplied, which currently is of 4.0 thousand tons/month of blanks.

- **Usiminas is awarded the international green seal**

The Cubatão Mill (São Paulo state), received the conformity certification for its product line from the European Directive RoHS (Restriction of Hazardous Substances) and ELV (End of Life Vehicle Act). Both are aimed at protecting the soil, water and air against pollution through a restriction to use certain substances, such as lead, mercury and cadmium.

The certification is valid for Usiminas' entire product line – slabs, heavy plates, hot-rolled, cold-rolled and coated products, in compliance with the strictest international environmental requirements in terms of products.

The Ipatinga Mill (Minas Gerais state), which was granted this certification in 2007, recently went through an audit process which reconfirmed its compliance to the BVC criteria and was once again approved. When it was awarded the certification in 2007, the Ipatinga Mill made Usiminas the first steel mill in Latin America and the second company in Brazil to obtain this qualification.

- **Transparency Trophy**

For the sixth time, Usiminas was one of the 10 finalists for the Anefac/Fipecafi/Serasa Transparency Trophy Award, granted by the National Association of Finance, Administration and Accounting Executives (Anefac), in the Publicly Held Company category. The Transparency Trophy is awarded to companies that disclose accounting statements containing clear, precise and transparent information – qualities essential to show respect for consumers, investors and society.

**For further information:**

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or through your mobile: m.usiminas.com/ri

3Q09 Conference Call - Date 10/22/2009	
Local: at 8:30 a.m. – New York time	International: at 10:00 a.m. - New York time
Dial-in Numbers:	Dial-in Numbers:
Brazil: (55 11) 4688.6361	USA: (1 800) 860.2442
Abroad: (55 11) 4688.6361	Brazil: (55 11) 4688.6361
Pincode for replay: 206 local	Other Countries: (1 412) 858.4600
Audio of the conference call will be transmitted live via Internet	Pincode for replay: 412 international
See 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

Brazilian GAAP - R\$ thousand

Assets	30-sep-09	30-jun-09
Current Assets	9,391,448	9,661,664
Cash and Cash Equivalents	2,998,151	2,809,358
Trade Accounts Receivable	1,956,185	1,528,062
Taxes Recoverable	255,344	397,027
Inventories	3,653,119	4,226,449
Deferred Income Tax & Social Contrb'n	111,464	115,347
Other Securities Receivables	417,185	585,421
Long-Term Receivable	1,416,411	1,362,825
Deferred Income Tax & Social Contrb'n	759,689	806,430
Deposits at Law	248,005	248,367
Accounts Receiv. Affiliated Companies	8,270	10,193
Taxes Recoverable	159,936	157,174
Others	240,511	140,661
Permanent Assets	14,387,761	13,974,851
Investments	1,735,413	1,674,857
Property, Plant and Equipment	10,819,513	10,462,596
Intangible	1,832,835	1,837,398
Total Assets	25,195,620	24,999,340

Balance Sheet - Liabilities and Shareholders' Equity - Consolidated

Brazilian GAAP - R\$ thousand

Liabilities and Shareholders' Equity	30-sep-09	30-jun-09
Current Liabilities	2,730,301	2,347,817
Loans and Financing and Taxes Payable in Installments	822,774	822,280
Suppliers, Subcontractors and Freight	700,268	502,800
Taxes, Charges and Payroll Taxes	328,847	212,803
Related Companies	39,721	32,758
Financial Instruments	98,473	98,301
Actuarial Liability	95,662	91,977
Dividends Payable	5,462	3,037
Customers Advances	222,860	207,990
Others	416,234	375,871
Long-Term Liabilities	7,351,116	7,822,175
Loans and Financing and Taxes Payable in Installments	4,950,057	5,419,025
Actuarial Liability	1,259,473	1,281,203
Provision for Contingencies	673,290	744,840
Deferred Income Tax & Social Contrb'n	50,162	64,249
Financial Instruments	286,283	180,402
Environmental protection provision	88,573	86,236
Others	43,278	46,220
Minority Interests	106,813	81,382
Shareholders' Equity	15,007,390	14,747,966
Capital	12,150,000	12,150,000
Reserves & Revenues from Fiscal Year	2,857,390	2,597,966
Total Liabilities and Shareholders' Equity	25,195,620	24,999,340

Income Statement - Consolidated

Brazilian GAAP

R\$ thousand	3Q09	3Q08	2Q09	Chg. 3Q09/3Q08
Net Revenues	2,857,658	4,451,396	2,411,787	-36%
Domestic Market	2,342,754	3,920,485	2,047,367	-40%
Export Market	514,904	530,911	364,420	-3%
COGS	(2,441,202)	(2,616,028)	(2,003,200)	-7%
Gross Profit	416,456	1,835,368	408,587	-77%
Gross Margin	15%	41%	17%	- 26 p.p.
Operating Income (Expenses)	(250,708)	(370,852)	(404,779)	-32%
Selling	(70,971)	(44,354)	(65,899)	60%
General and Administrative	(110,704)	(92,538)	(122,020)	20%
Others, Net	(69,033)	(233,960)	(216,860)	-70%
EBIT	165,748	1,464,516	3,808	-89%
EBIT Margin	6%	33%	0%	- 27 p.p.
Financial Result	243,374	(588,214)	562,234	-
Financial Income	10,686	229,882	(63,012)	-95%
Financial Expenses	232,688	(818,096)	625,246	-
Equity Income	169,504	40,760	2,933	316%
Operating Profit (Loss)	578,626	917,062	568,975	-37%
Income Tax / Social Contribution	(123,137)	(326,633)	(197,958)	-62%
Group Result	455,489	590,429	371,017	-23%
Minority Interests	(1,661)	(2,186)	(2,339)	-24%
Consolidated Result	453,828	588,243	368,678	-23%
Net Margin	16%	13%	15%	+ 3 p.p.
Net Income (Loss) per thousand shares	0.91943	1.19174	0.74692	-23%
EBITDA	373,910	1,922,535	116,596	-81%
EBITDA Margin	13%	43%	5%	- 30 p.p.
Depreciation and amortization	216,983	239,543	184,563	-9%
Provisions	(8,821)	218,476	(71,775)	-

Income Statement - Consolidated

Brazilian GAAP

R\$ thousand	9M09	9M08	Chg. 9M09/9M08
Net Revenues	7.939.721	11.977.662	-34%
Domestic Market	6.605.812	10.576.265	-38%
Export Market	1.333.909	1.401.397	-5%
COGS	(6.525.674)	(7.453.949)	-12%
Gross Profit	1.414.047	4.523.713	-69%
Gross Margin	18%	38%	-20 p.p.
Operating Income (Expenses)	(1.146.453)	(879.772)	30%
Selling	(205.520)	(172.494)	19%
General and Administrative	(332.775)	(256.846)	30%
Others, Net	(608.158)	(450.432)	35%
EBIT	267.594	3.643.941	-93%
EBIT Margin	3%	30%	-27 p.p.
Financial Result	710.035	(348.367)	-
Financial Income	60.845	454.185	-87%
Financial Expenses	649.190	(802.552)	-
Equity Income	82.644	49.689	66%
Operating Result	1.060.273	3.345.263	-68%
Income Tax / Social Contribution	(349.453)	(1.040.878)	-66%
Income before Minority Interests	710.820	2.304.385	-69%
Minority Interests	(190)	(15.895)	-99%
Net Income	710.630	2.288.490	-69%
Net Margin	9%	19%	-10 p.p.
Net Income per thousand shares	1,43969	4,63633	-69%
EBITDA	822.664	4.587.912	-82%
EBITDA Margin	10%	38%	-28 p.p.
Depreciation	610.319	681.315	-10%
Provisions	(55.249)	262.656	-

**Cash Flow - Consolidated**
Brazilian GAAP

R\$ thousand	3Q09	3Q08
Operating Activities Cash Flow		
Net Income (Loss) in the Period	453,828	588,243
Financial Expenses and Monetary Var. / Net Exchge Var.	(377,180)	863,655
Interest Expenses	84,550	93,207
Depreciation and Amortization	216,983	239,543
Write-offs (Decrease in Permanent Assets and Deferred Charges)	1,495	20,242
Equity in the Results of Subsidiaries/Associated Companies	(169,505)	(40,760)
Income Tax and Social Contribution	58,553	(133,713)
Provisions	(3,776)	108,635
Adjustment for Minority Participation	1,661	2,166
Total	266,609	1,741,218
Increase/Decrease of Assets		
Securities	0	0
In Accounts Receivables	(288,208)	(227,339)
In Inventories	573,330	(651,534)
In Recovery of Taxes	136,480	9,938
In Judicial Deposits	362	54,415
In Accounts Receiv. Affiliated Companies	1,923	(24)
Others	54,114	253,971
Total	478,001	(560,573)
Increase (Decrease) of Liabilities		
Suppliers, contractors and freights	228,961	480,857
Amounts Owed to Affiliated Companies	6,963	77,843
Customers Advances	14,870	(317,026)
Tax Payable	48,099	(12,305)
Income Tax and Social Contribution	7,339	14,232
Interest Paid	(116,183)	(96,064)
Actuarial Liability payments	(37,446)	0
Others	22,062	(161,726)
Total	174,665	(14,189)
Net Cash Generated from Operating Activities	919,275	1,166,456
Investments activities cash flow		
(Additions) Right off of investments	9,518	26,614
(Additions) to Permanent Assets, including Deferred Charges	(599,803)	(791,619)
Additions to intangible	11,185	0
Capitalized Interest	(9,747)	0
Zamprogna Acquisition	0	0
Dividends received	37,428	24,598
Net Cash Employed on Investments Activities	(551,419)	(740,407)
Financial Activities Cash Flow		
Inflow of loans, financing and debentures	68,285	72,655
Payment of loans, financ., debent. & taxes payable in installments	(162,815)	(305,661)
Interest paid on loans, financing and debentures	(3,651)	(2,096)
Swap operations redemptions	6,577	(136,072)
Dividends and interest on capital	(87,459)	(528,780)
Net Cash Generated from (Employed on) Financial Activities	(179,063)	(899,954)
Exchange Variation of Cash and Cash Equivalents	-	49,682
Net Increase (Decrease) of Cash and Cash Equivalents	188,793	(424,223)
Cash and cash equivalents at the beginning of the period	2,809,358	4,522,664
Adjustments from Law 11.638/07	0	0
Cash and cash equivalents at the end of the period	2,998,151	4,098,441

**Cash Flow - Consolidated**

Brazilian GAAP

R\$ thousand	9M09	9M08
Operating activities cash flow		
Net Income (Loss) in the Period	710,630	2,288,490
Financial Expenses and Monetary Var. / Net Exchge Var.	(1,027,940)	412,573
Interest Expenses	300,070	251,147
Depreciation and Amortization	610,319	681,315
Write-offs (Decrease in Permanent Assets and Deferred Charges)	8,722	23,264
Equity in the Results of Subsidiaries/Associated Companies	(82,645)	(49,689)
Income Tax and Social Contribution	68,318	(259,086)
Provisions	(73,821)	83,700
Adjustment for Minority Participation	190	15,887
Total	513,843	3,447,601
Increase/Decrease of Assets		
Securities	0	0
In Accounts Receivables	(219,540)	(595,263)
In Inventories	1,569,293	(1,130,811)
In Recovery of Taxes	297,878	(31,779)
In Judicial Deposits	(29,098)	25,765
In Accounts Receiv. Affiliated Companies	25	(3,119)
Others	114,410	194,749
Total	1,732,968	(1,540,458)
Increase (Decrease) of Liabilities		
Suppliers, contractors and freights	47,273	522,754
Amounts Owed to Affiliated Companies	(17,597)	114,937
Customers Advances	17,441	(34,859)
Tax Payable	79,645	40,273
Income Tax and Social Contribution	(435,276)	66,111
Interest Paid	(345,747)	(197,745)
Actuarial Liability payments	(111,298)	0
Others	(601)	56,294
Total	(766,160)	567,765
Net cash generated from operating activities	1,480,651	2,474,908
Investments activities cash flow		
(Additions) Right off of investments	30,000	(1,539,525)
(Additions) to Permanent Assets, including Deferred Charges	(1,356,734)	(1,778,173)
Additions to intangible	11,878	0
Capitalized Interest	(86,912)	0
Zamprogna Acquisition	(69,336)	0
Dividends received	68,248	55,012
Net cash employed on investments activities	(1,402,856)	(3,262,686)
Financial Activities Cash Flow		
Inflow of loans, financing and debentures	999,618	2,697,856
Payment of loans, financ., debent. & taxes payable in installments	(1,254,188)	(501,009)
Interest paid on loans, financing and debentures	(8,987)	(22,729)
Swap operations redemptions	(127,094)	(101,930)
Dividends and interest on capital	(696,997)	(1,149,588)
Net cash generated from (employed on) financial activities	(1,087,648)	922,600
Exchange Variation of Cash and Cash Equivalents	-	12,682
Net increase (decrease) of Cash and Cash Equivalents	(1,009,853)	147,504
Cash and cash equivalents at the beginning of the period	4,008,004	3,950,937
Adjustements from Law 11.638/07	0	0
Cash and cash equivalents at the end of the period	2,998,151	4,098,441