

**USIMINAS**



# Webcast

## First Quarter 2004 Results

Presentation:  
Paulo Penido Pinto Marques  
CFO and Investor Relations Director

## Disclaimer

*“Declarations contained in this presentation regarding the business outlook of the Company, projections of operational and financial results and references to potential growth of the Company constitute mere forecasts and were based on the expectations of the Management in relation to its future performance. These expectations are highly dependent on market behavior, on the economic situation in Brazil, the industry and international markets, and are therefore subject to change.”*

## The Steel Industry in 1Q04

- Brazilian production of crude steel reached 8 million tonnes, with a 6% expansion spurred on by the start-up of new lines of production.
- Domestic sales of flat steel products grew 7.6%, with a sales volume of 2.5 million tonnes.
- Domestic demand was led by orders from export and agribusiness sectors.
- Brazilian exports totaled 828 thousand tonnes – a 32% increase stemming from Asian market demand and the resumption of U.S. purchases.

## Usiminas – Consolidated Highlights

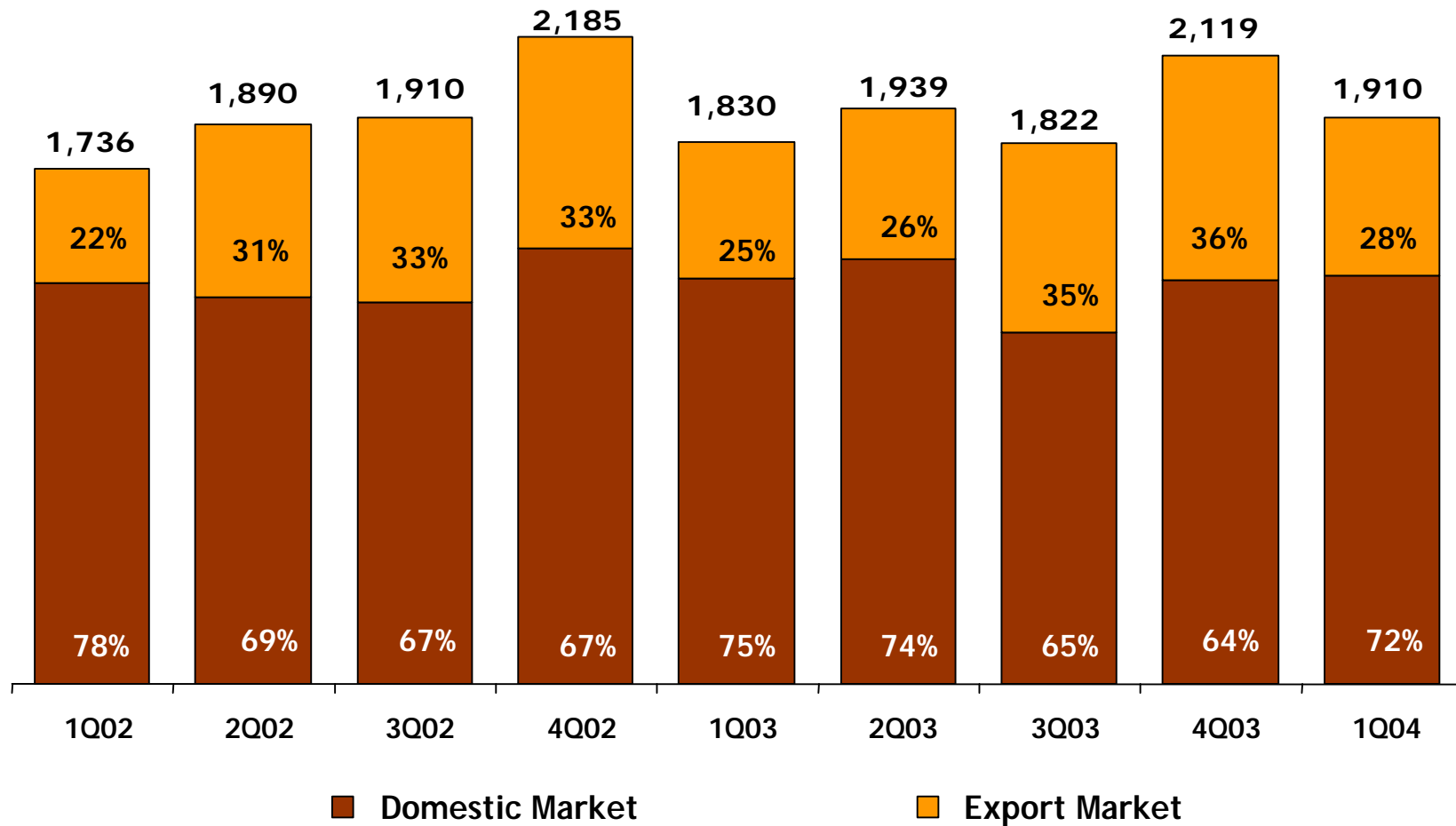
R\$ million	1Q 2004	1Q 2003	% Chg.
<b>Total Sales Volume (000 t)</b>	<b>1,910</b>	<b>1,830</b>	<b>4</b>
<b>Net Revenues</b>	<b>2,365</b>	<b>2,120</b>	<b>12</b>
<b>Gross Profit</b>	<b>936</b>	<b>875</b>	<b>7</b>
<b>Operating Result (EBIT)(a)</b>	<b>781</b>	<b>758</b>	<b>3</b>
<b>Financial Result</b>	<b>(253)</b>	<b>(171)</b>	<b>-</b>
<b>Net Income</b>	<b>358</b>	<b>356</b>	<b>-</b>
<b>EBITDA (b)</b>	<b>921</b>	<b>889</b>	<b>4</b>
<b>Total Assets</b>	<b>15,799</b>	<b>15,139</b>	<b>4</b>
<b>Net Debt</b>	<b>6,330</b>	<b>8,061</b>	<b>-21</b>
<b>Stockholders' Equity</b>	<b>4,358</b>	<b>3,390</b>	<b>29</b>

(a) Earnings before interest, tax and participations.

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

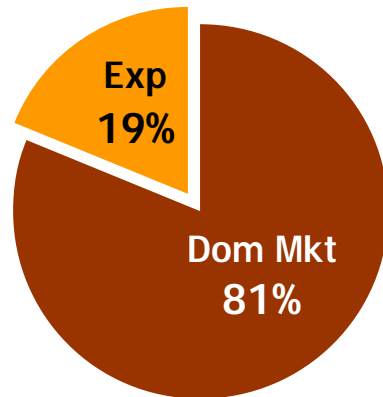
# Usiminas – Sales Volume

Consolidated Sales (000 t.)

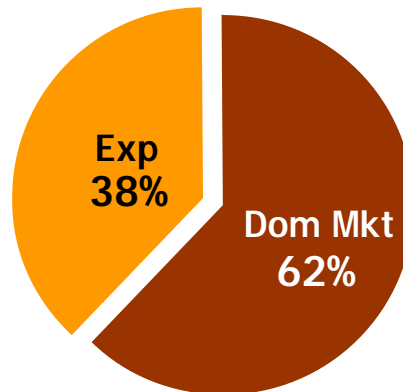


## Usiminas – Sales Volume Mix

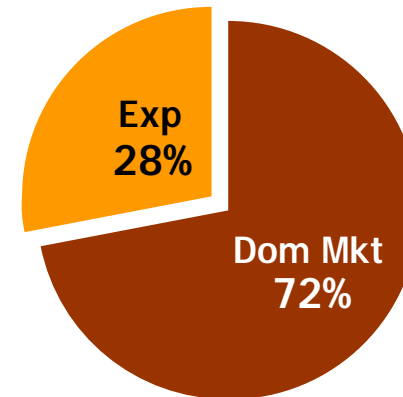
**Usiminas**



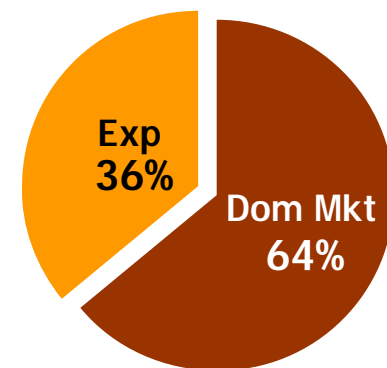
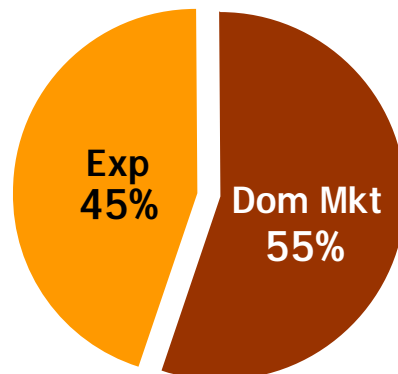
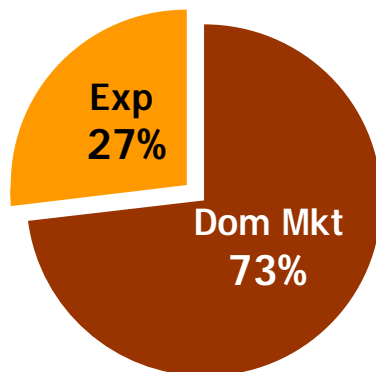
**Cosipa**



**System**



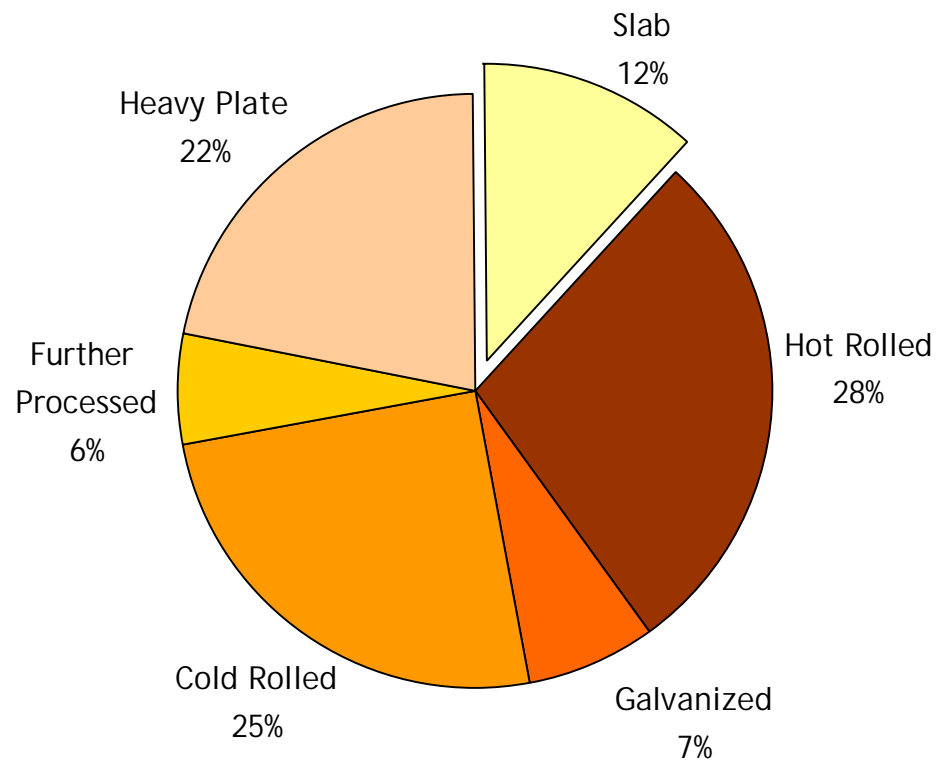
**1Q04**



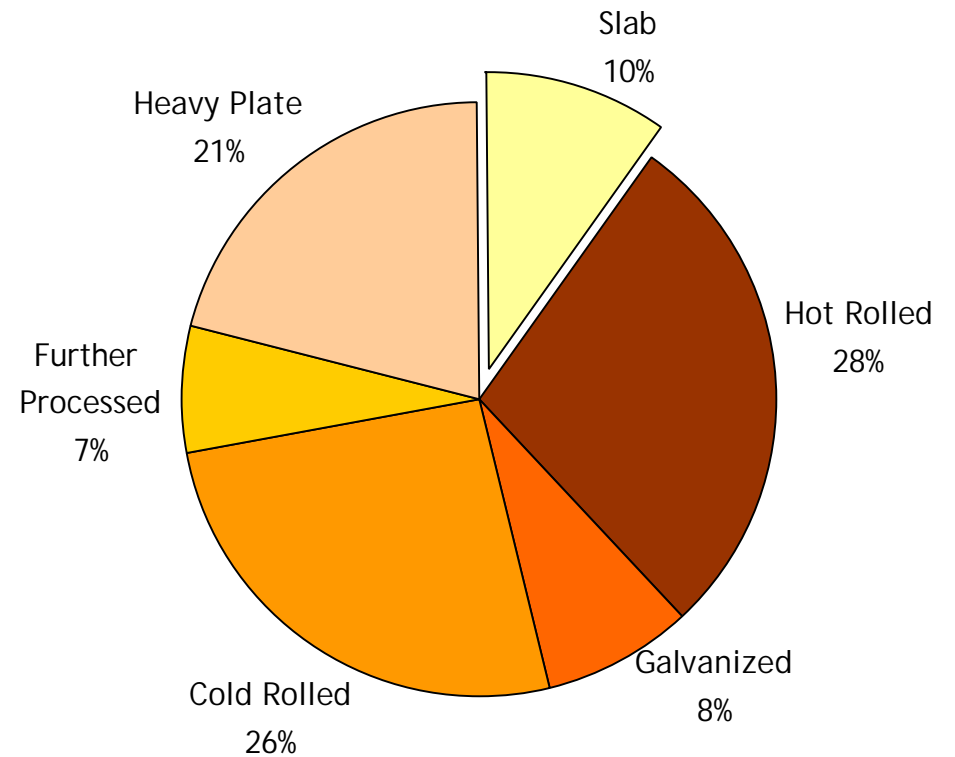
**1Q03**

# Usiminas – Sales Mix

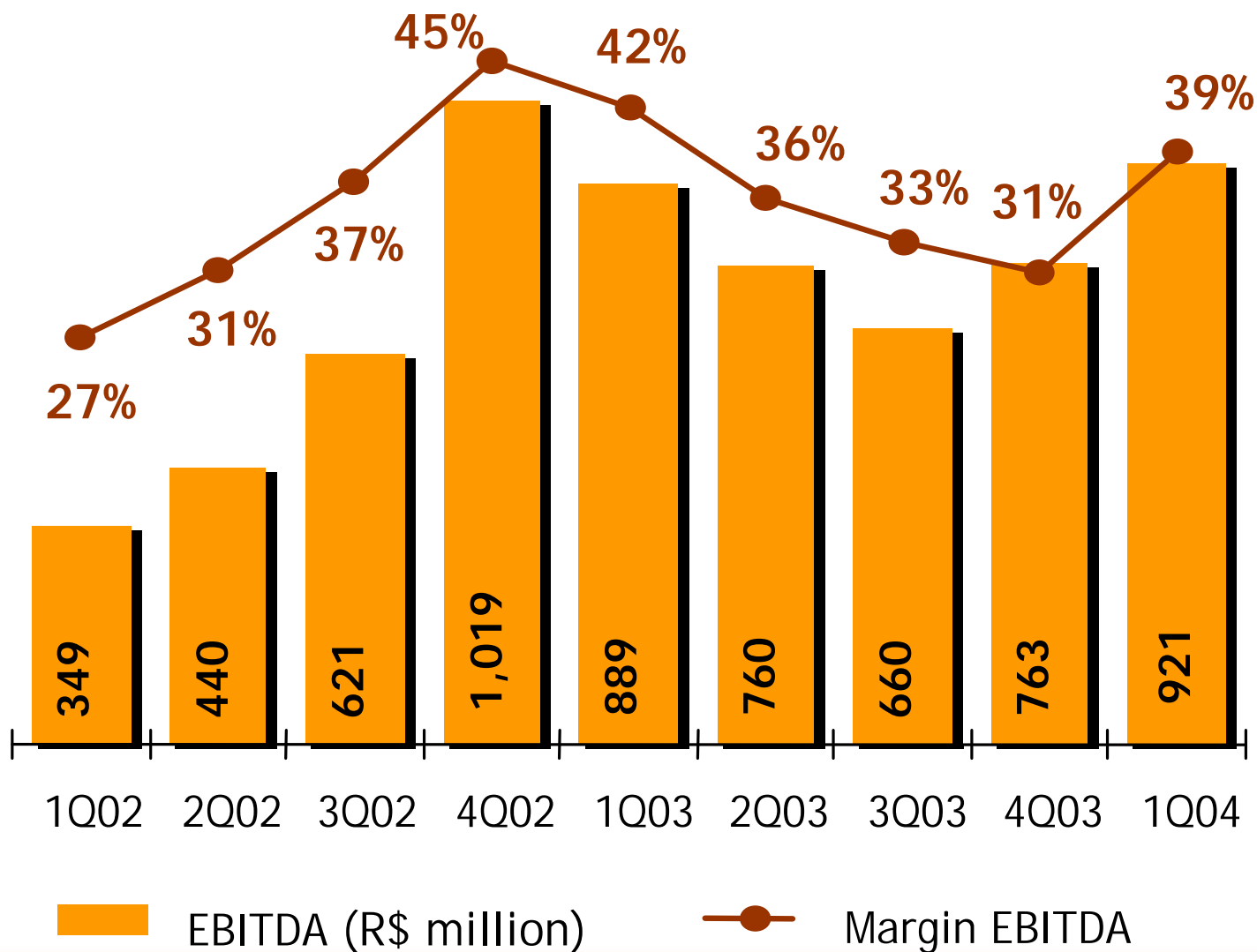
Sales Volume 1Q04



Sales Volume 1Q03

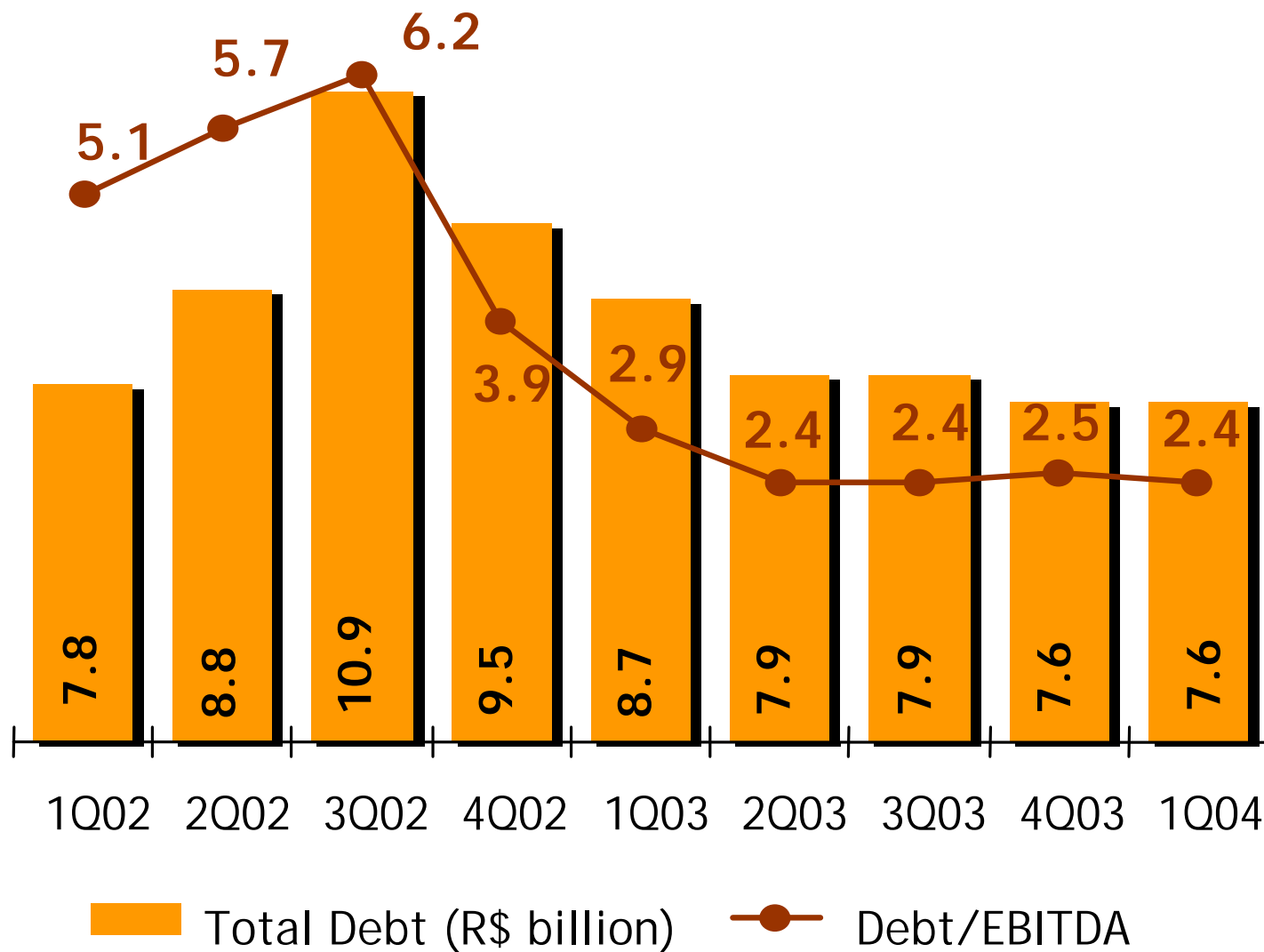


## Usiminas - EBITDA



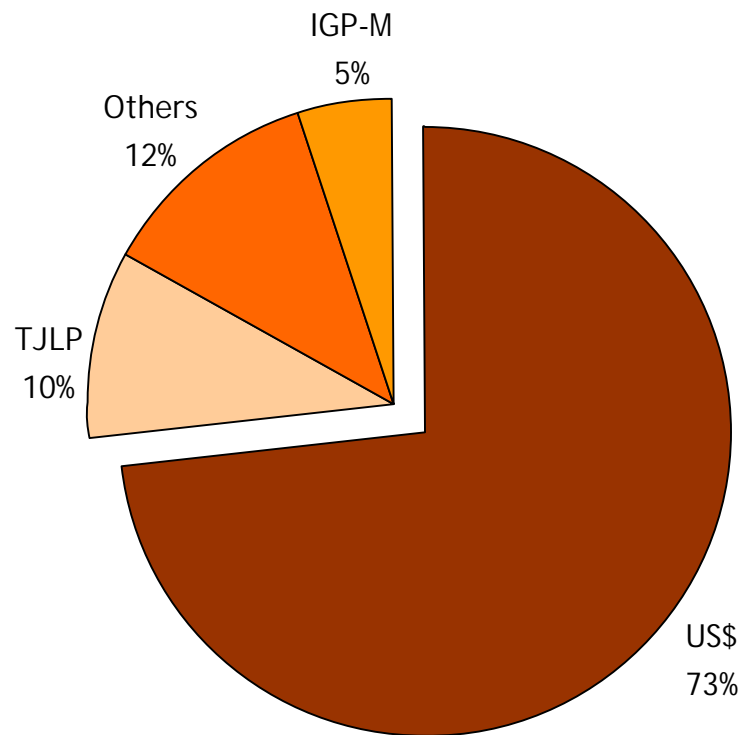


## Usiminas – Total Consolidated Debt

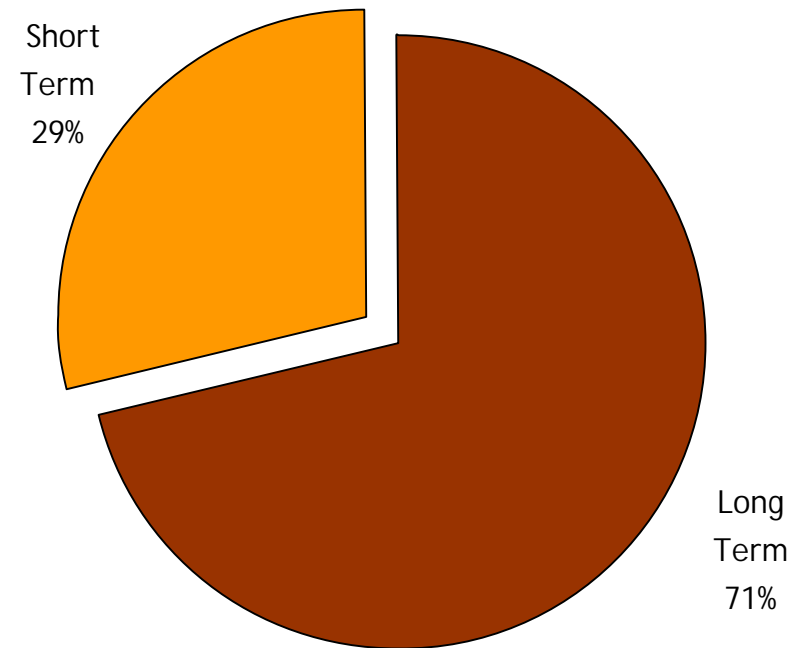


# Usiminas – Total Consolidated Debt 1Q04: R\$ 7.6 billion

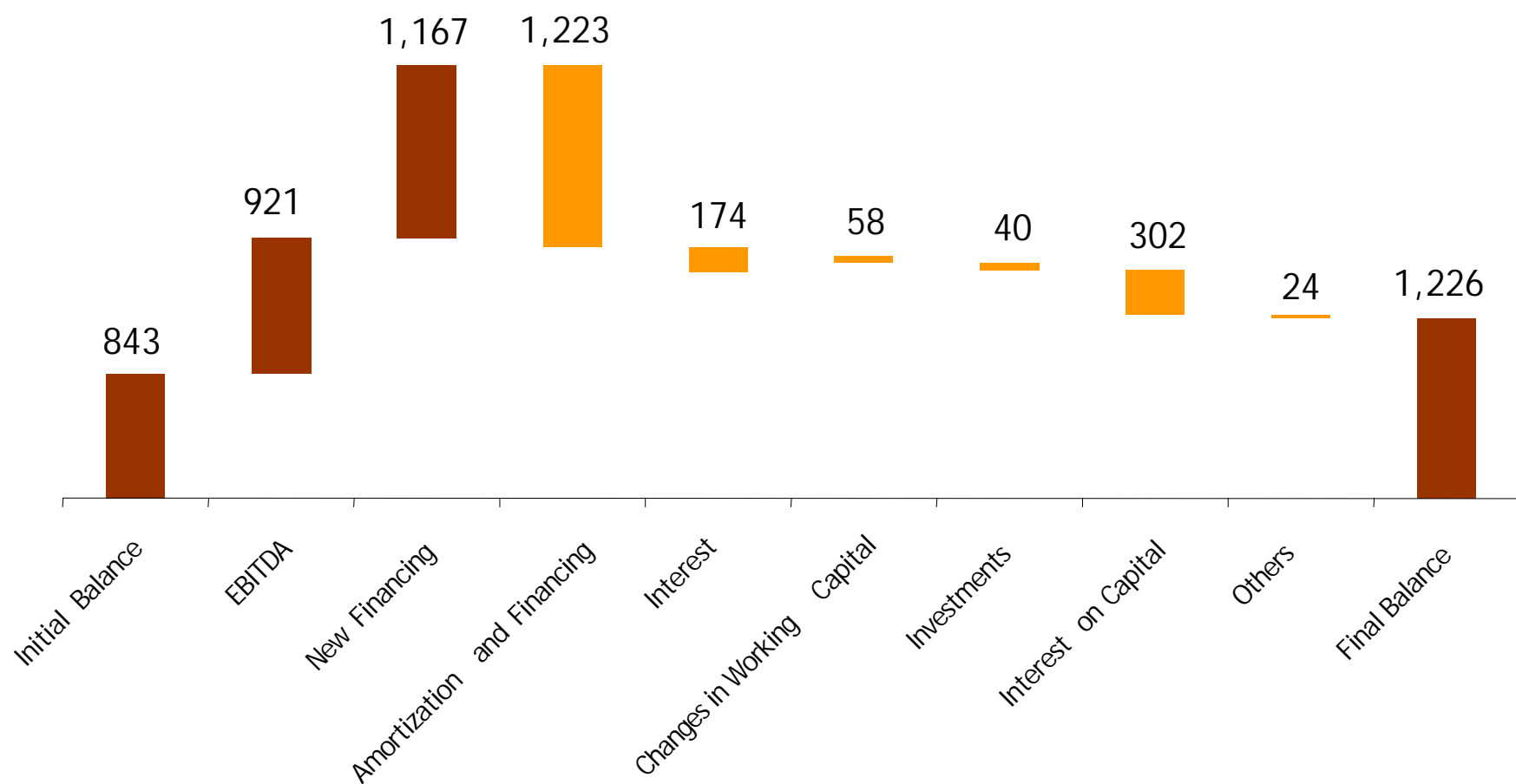
By Index



By Term



## Usiminas –Consolidated Cash Flow (Corporate Law) - R\$ million



## Subsequent Events

Three important agreements signed in April and May 2004:

- **Technology transfer** – the sixth agreement signed with Nippon Steel ensures Usiminas' continued leadership in state-of-the-art steel production.
- **Iron ore** – agreement signed with CVRD guarantees supply of 5 million tonnes of iron ore annually over the next five years;
- **Electrical energy** – agreement with Cemig guarantees supply of electrical energy also over a five-year period.

## Outlook

- Rhythm of economy in the coming months will continue to focus on export and agribusiness sectors.
- In 2Q04, average prices will remain at high levels in the international steel market.
- Based on figures from the Brazilian Steel Institute (IBS), Usiminas expects a 7% expansion in the domestic flat steel market in 2004.
- Goal to reduce gross debt in 2004 by at least US\$ 300 million is being met.



For Additional Information:

[www.usiminas.com.br](http://www.usiminas.com.br)

or

Usiminas Investor Relations

**Bruno Seno Fusaro**

*brunofusaro@usiminas.com.br*

Tel: (+ 55 31) 3499-8710

**Luciana Valadares dos Santos**

*lsantos@usiminas.com.br*

Tel: (+ 55 31) 3499-8619

**Douglas Lee Arnold**

*darnold@usiminas.com.br*

Tel: (+ 55 31) 3499-8856

**Matheus Perdigão Rosa**

*mprosa@usiminas.com.br*

Tel: (+ 55 31) 3499-8056