



WEBCAST | First Quarter 2008 Earnings

Paulo Penido Pinto Marques

CFO and Investor Relations Director

Disclaimer

“Declarations 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, Brazil’s economic situation, the industry and international markets, and are therefore subject to change.”

CONSOLIDATED RESULTS

Highlights

| R\$ million | 1Q 2008 | 1Q 2007 | 4Q 2007 | Chg. 1Q08/1Q07 |
|-----------------------------|---------|---------|---------|-------------------|
| Total Sales Volume (000 t) | 1,886 | 1,936 | 1,980 | -3% |
| Net Revenues | 3,554 | 3,336 | 3,479 | 7% |
| Gross Profit | 1,233 | 1,144 | 1,198 | 8% |
| Operating Result (EBIT) (a) | 1,012 | 964 | 1,334 | 5% |
| Financial Result | (30) | 9 | (89) | |
| Net Income | 646 | 642 | 970 | 1% |
| EBITDA (b) | 1,254 | 1,178 | 1,217 | 6% |
| EBITDA MARGIM | 35.3% | 35.3% | 35.0% | 0 p.p. |
| EBITDA (R\$/t) | 665 | 608 | 615 | 9% |
| Total Assets | 22,770 | 19,320 | 20,699 | 18% |
| Net Debt | 677 | 128 | (952) | 429% |
| Stockholders' Equity | 13,121 | 11,060 | 12,474 | 19% |

(a) Earnings before interest, tax and participations.

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

MACRO ECONOMIC ANALISYS - 1Q08

BRAZIL

Economy:

Strong expansion → - investment increase.
- consumption increase.

Risks → - pressure arising from inflation.
- interest rate increase.

Economy

WORLD

USA: → Recession.
- slowdown of consumer expenses.
- lower confidence levels.

Europe: → Positive scenario.

Emerging countries: → solid growth.

FLAT STEEL DEMAND - 1Q08

BRAZIL

Demand growth of 19%, highlighting:

Auto sector → +23% - Record Vehicle production - All time high.

Distribution and Civil construction → +24%

Industry → modest growth - competition from imported products.

“Third year in a roll of strong demand growth”

WORLD

Steel production cost affected by raw materials price increases.

Scenario that also affects behavior of demand:

Tight market - Supply X Demand

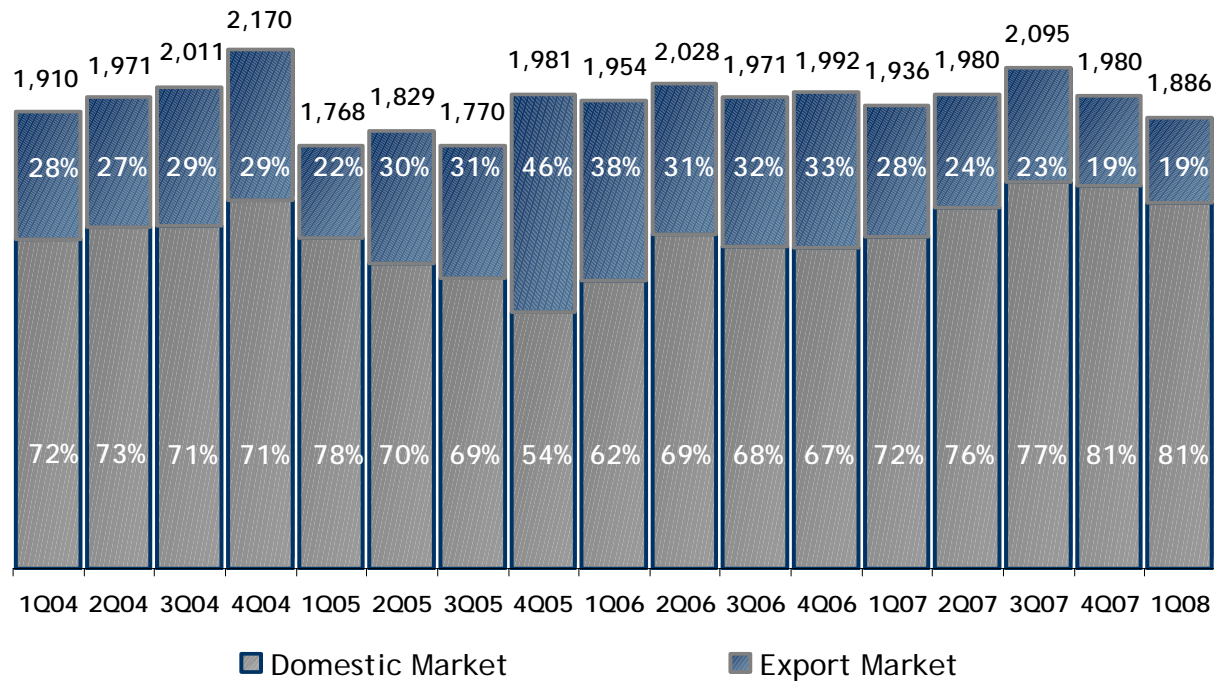
Export decrease from China

Lower dependence of Emerging countries to US performance

“Price recovery in all markets”

CONSOLIDATED SALES

Consolidated Sales (000 t)

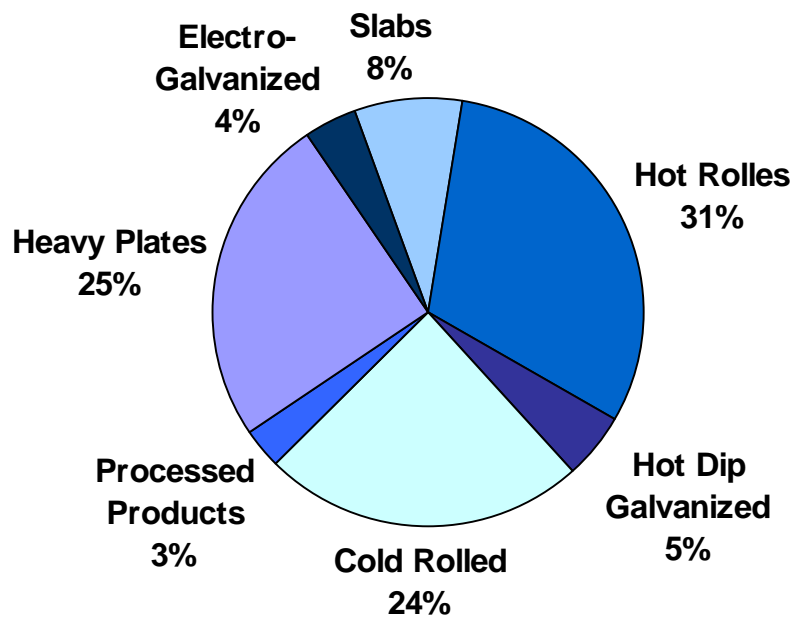


- 1Q08: 1.886 MMt, down 3% from 1Q07
- Domestic sales: up 11% from 1Q07
- Exports: down 36% from 1Q07

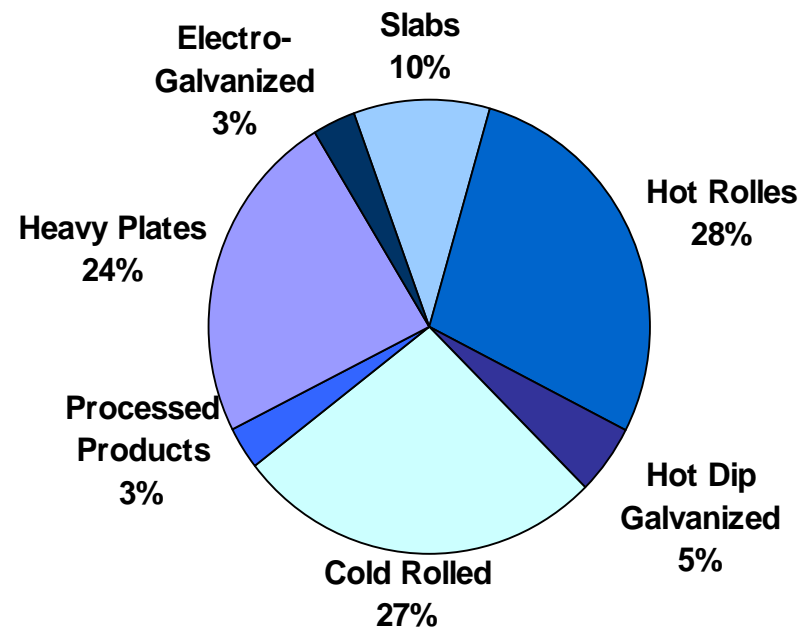
"Market share leadership of 48%."

SALES MIX BY PRODUCT

1Q08

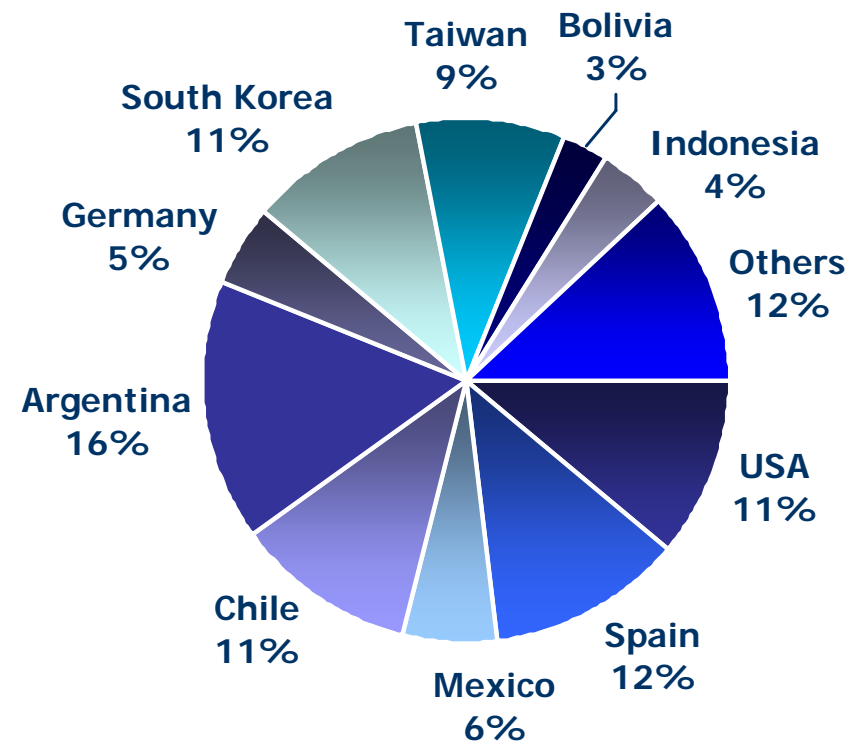


1Q07



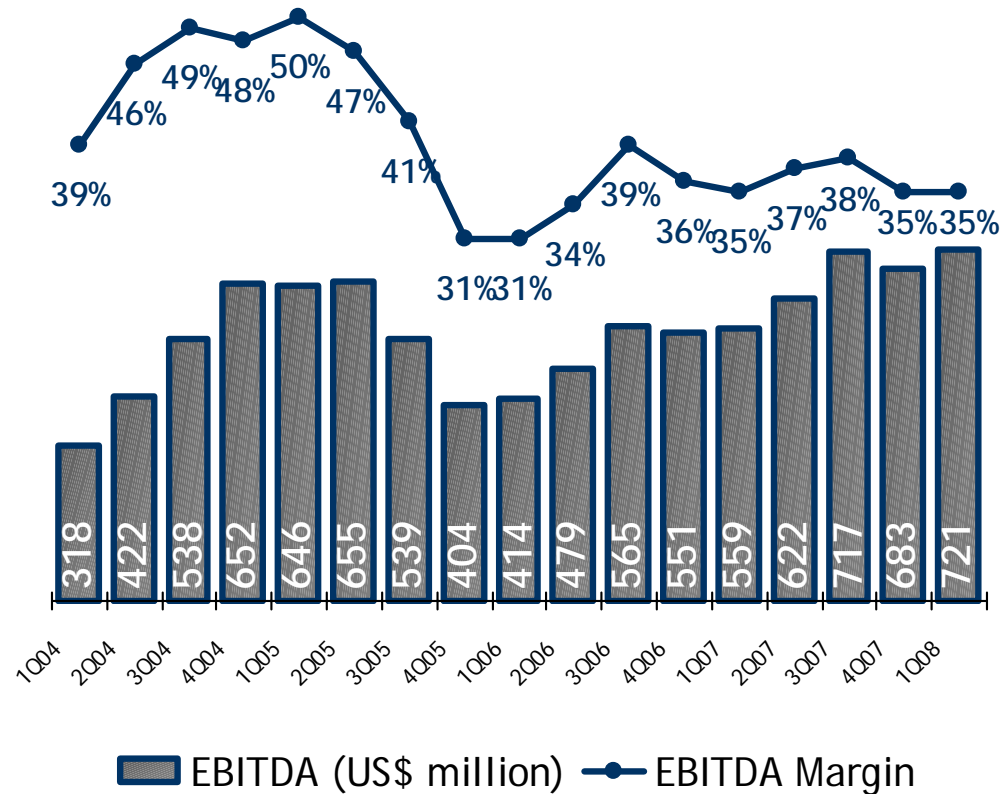
"Improvement in product mix"

EXPORTS



CONSOLIDATED EBITDA

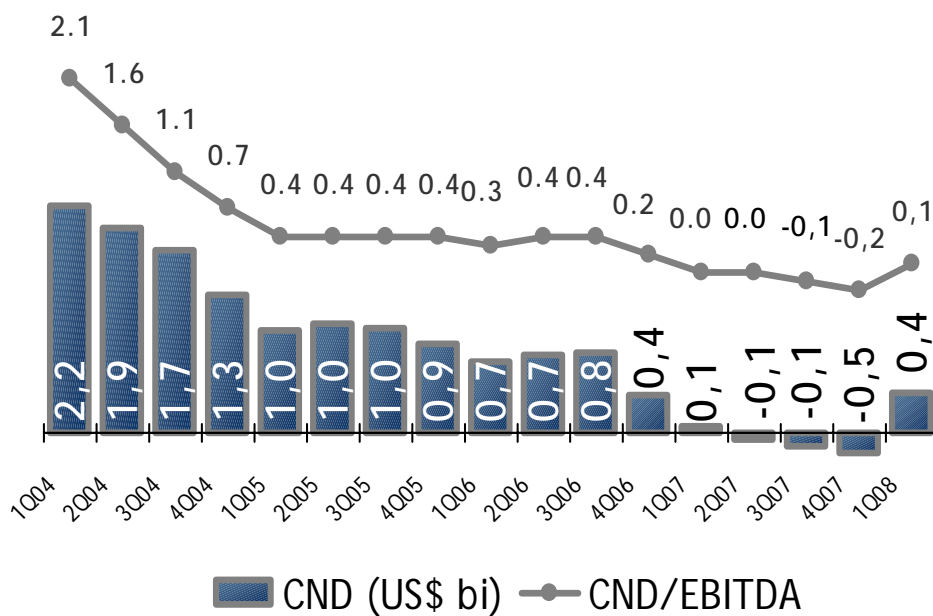
EBITDA & EBITDA Margin



- EBITDA totaled R\$ 1.3 billion (US\$ 721 million) in 1Q08, up 6% from 1Q07
- EBITDA margin of 35% in 1Q08 in line with 1Q07

CONSOLIDATED NET DEBT

Consolidated Net Debt / EBITDA



•Debt profile:

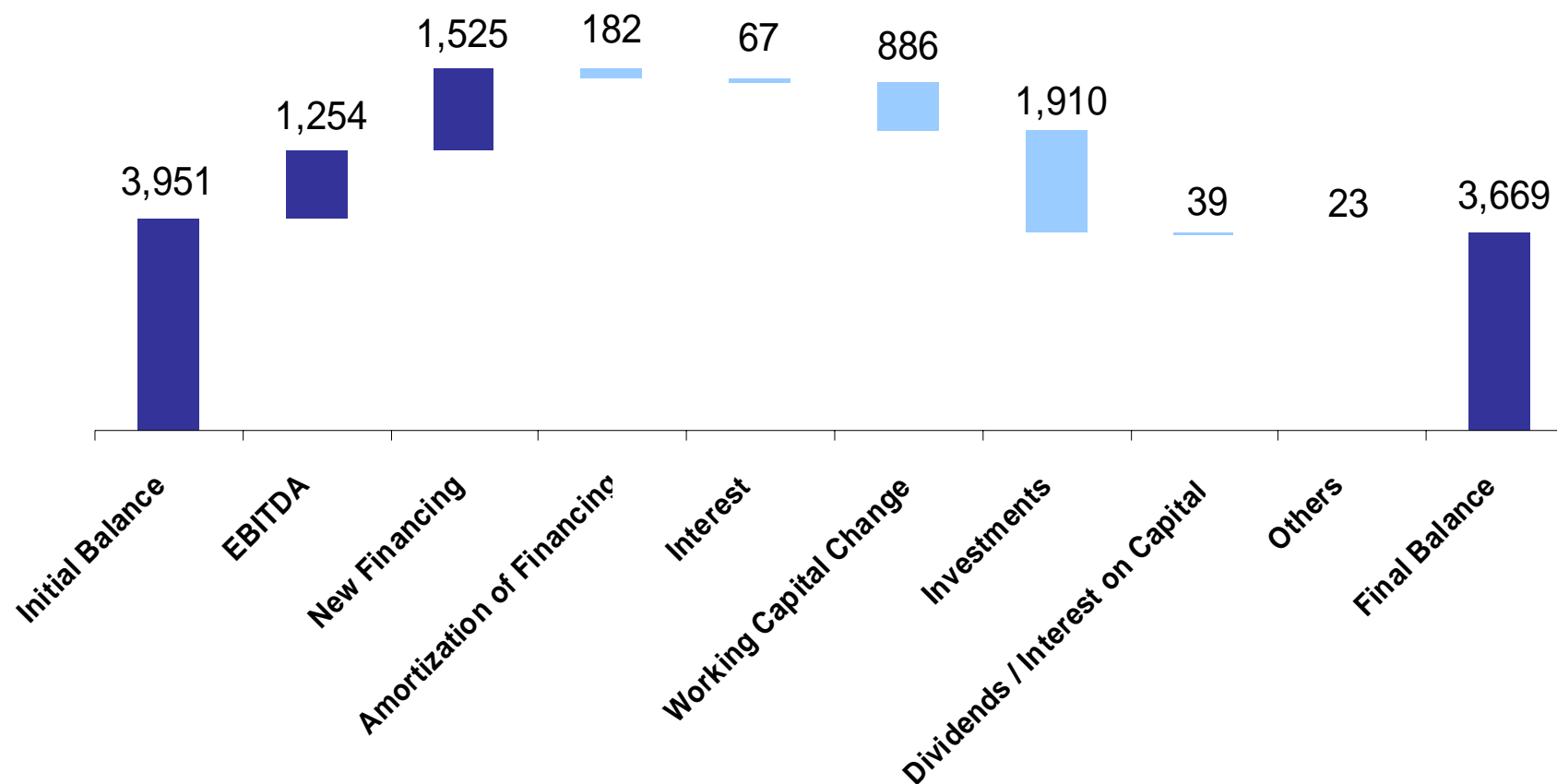
21% due in short term
79% due in long term

•Debt by currency:

Local: 40%
Foreign: 60%

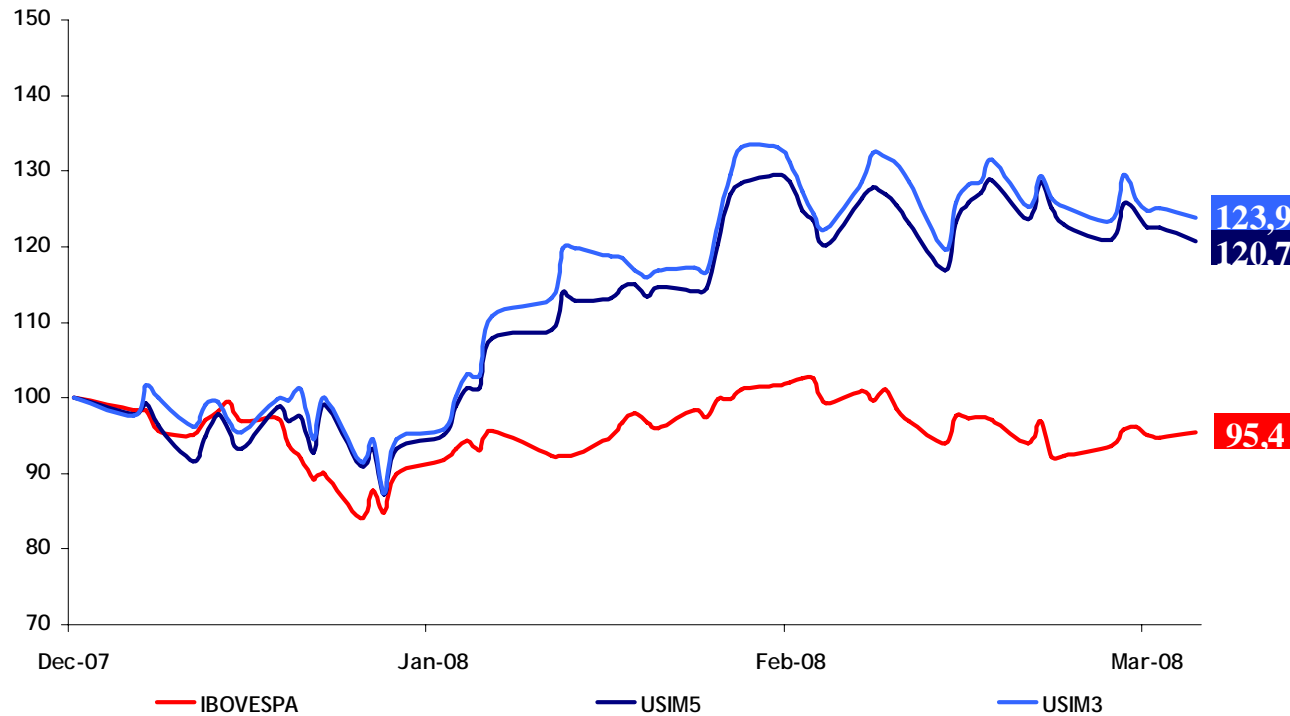
“New funding arranged to finance the Investment Plan”

1Q08 CONSOLIDATED CASH FLOW Brazilian GAAP - R\$ million



STOCK PERFORMANCE

USIM5 and USIM3 vs Ibovespa
From (basis100) 12/28/2007 to 03/31/2008



**ADR
Level I**



- PNA and ON shares rose 21% and 24% in 1Q08, respectively, while the Bovespa Index depreciated 4,4% in the same period.
- PNA shares continues among the top five traded on the Bovespa.
- One of the most traded shares (by volume) on Latibex.

OUTLOOK FOR STEEL INDUSTRY

Brazil

Strong demand according to IBS.

World

Positive, despite increase in main raw material prices.

International price increase trend to continue.

Usiminas

Sales of 1.8 million tons in 2Q08 and 7.9 ~ 8.0 million tons in 2008.

- Sales mix: 89% domestic market and 11% export market estimate for 2Q08.
- Price adjustment in domestic market to compensate raw material cost increase.

OTHER HIGHLIGHTS

- Blast Furnace n.1 relining undergoing.
 - Capacity increase.
 - Start-up estimated for the end of May/08.
- Modernization of a Continuous Casting Machine
 - Start-up at the end of April/08 - increase steel production capacity by 325,000 tons/year and enable production of high value-added steel.
- General Shareholders' Meeting 04/29/08 = Appointment of Board members and Fiscal Council.
- Appointment of Executive Officers = New CEO and Special Relations Director.

For further information: Investor Relations

Bruno Seno Fusaro

brunofusaro@usiminas.com.br

Tel: +55(31) 3499-8772

Gilson Rodrigues Bentes

gilson@cosipa.com.br

Tel: +55(11) 5070-8980 (SP)

+55(31) 3499-8617 (BH)

Matheus Perdigão Rosa

mprosa@usiminas.com.br

Tel: +55(31) 3499-8056

Luciana Valadares dos Santos

lsantos@usiminas.com.br

Tel: +55(31) 3499-8619

Diogo Dias Gonçalves

dgoncalves@usiminas.com.br

Tel: +55(31) 3499-8710

www.usiminas.com.br/ri