

2Q 2009

Finance, IR and IT Vice-President

Webcast
July, 2009

USIMINAS 

2Q09 Results



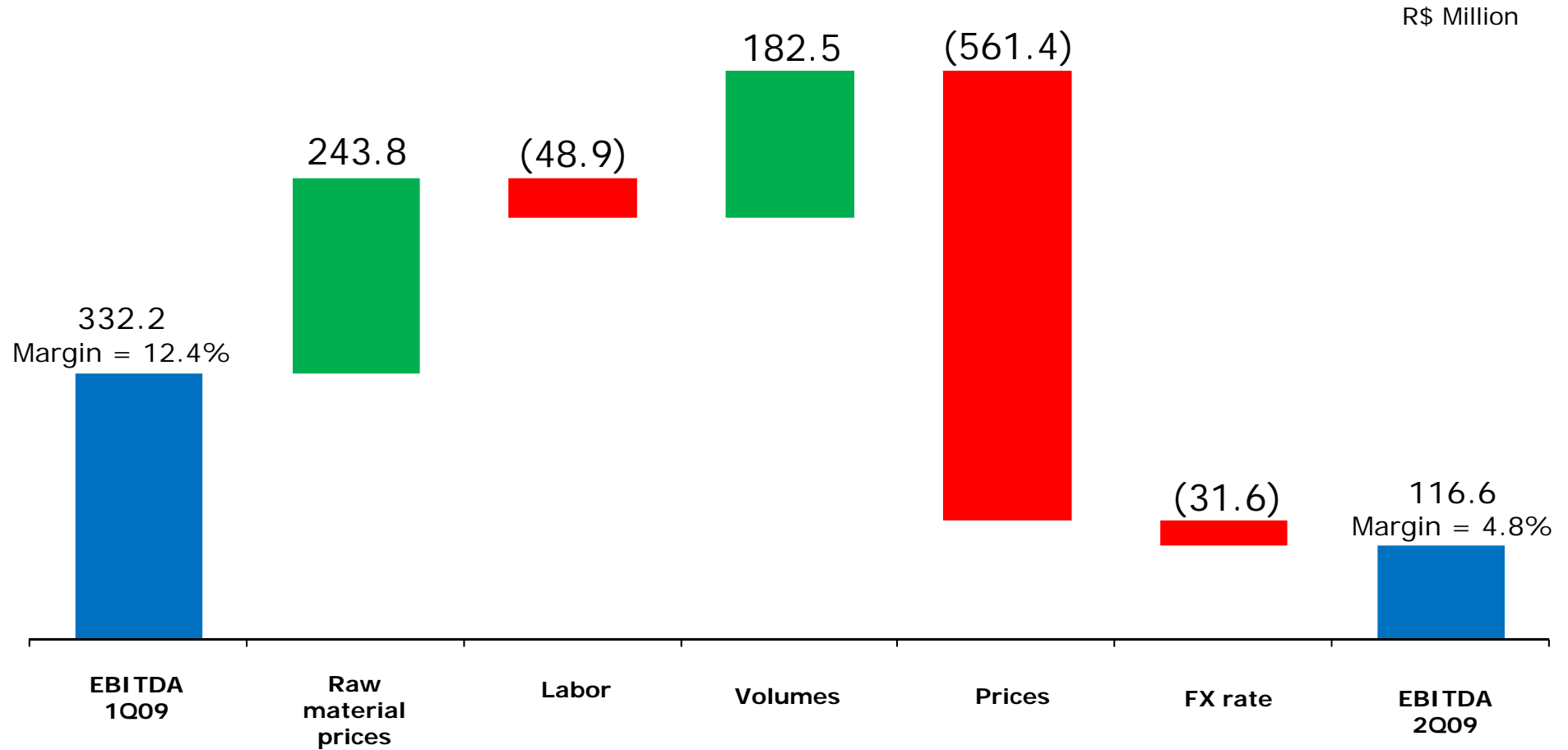
Highlights

R\$ million	2Q 2009	2Q 2008	1Q 2009	Chg. 2009/2008	1H 2009	1H 2008	Chg. 1H09/1H08
Total Sales Volume (000 t)	1,187	1,917	1,038	-38%	2,225	3,803	-41%
Net Revenues	2,412	3,973	2,670	-39%	5,082	7,526	-32%
Gross Profit	409	1,455	589	-72%	998	2,688	-63%
Operating Result (EBIT) (a)	4	1,193	98	-100%	102	2,179	-95%
Financial Result	562	204	(96)	175%	467	240	95%
Net Income (Loss)	369	988	(112)	-63%	257	1,700	-85%
EBITDA (b)	117	1,423	332	-92%	449	2,665	-83%
EBITDA Margin	4.8%	35.8%	12.4%	- 31,0 p.p.	8.8%	35.4%	- 26,6 p.p.
EBITDA (R\$/t)	98	742	317	-87%	202	616	-67%
Total Assets	24,999	24,415	26,939	2%	24,999	24,415	2%
Net Debt	3,777	552	4,299	584%	3,777	552	584%
Stockholders' Equity	14,748	13,598	14,717	8%	14,748	13,598	8%

(a) Earnings before interest, tax and participations.

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

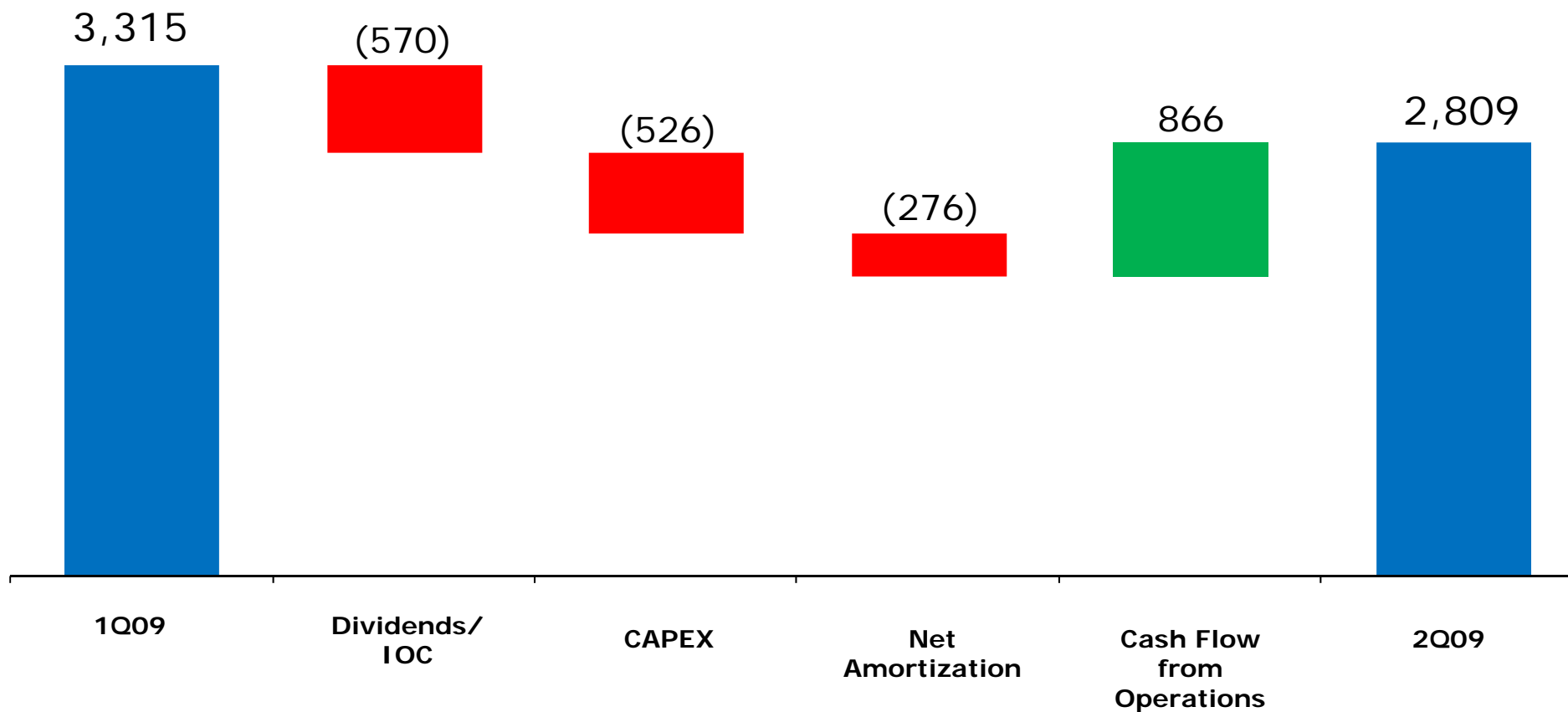
Adverse results in 2Q09 with strong impact on EBITDA



However the maintenance of sound financial and cash position was main goal



R\$ Million



Important adjustments were made



✓ Inventory

R\$ Million	1Q09 (A)	2Q09 (B)	(B-A)
In process / Finished products	2381	2165	(216)
Raw materials	1311	1176	(135)
Others	1226	885	(341)
Total	4918	4226	(692)

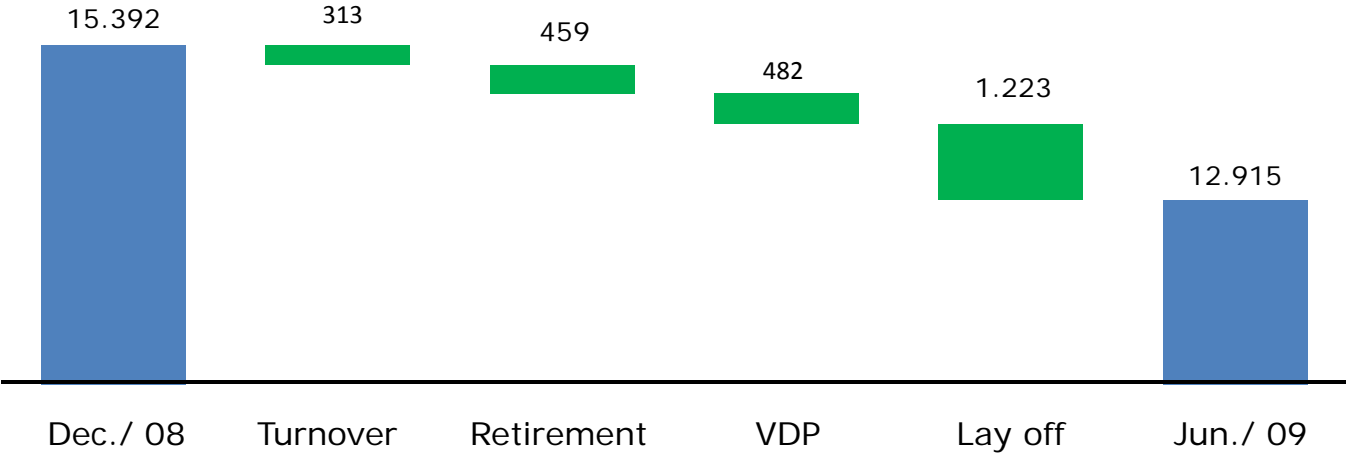


Target: EBITDA and Profitability

Important adjustments were made



✓ Labor force



- Labor force reduction of 16%.
- Non recurring cost of R\$79 million.



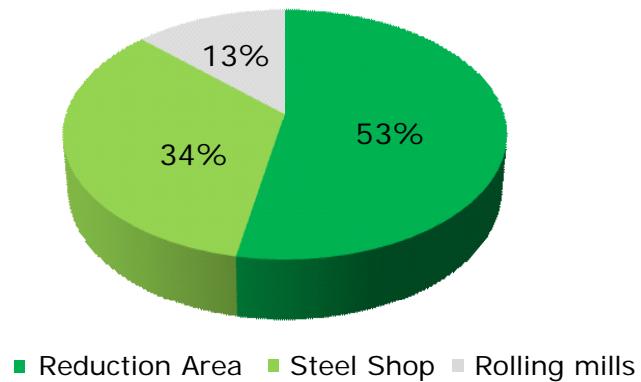
Target: EBITDA and Profitability

Productivity and Action Project

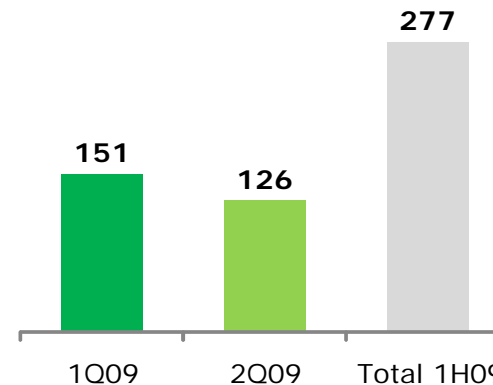


✓ Productivity and Action Project

Estimated Impacts – R\$1.4 billion



Savings during 1H09
R\$ million



✓ Supply Project

Potential savings of R\$ 1 billion over 2.5 years . In 2009 savings may reach R\$ 120 million.

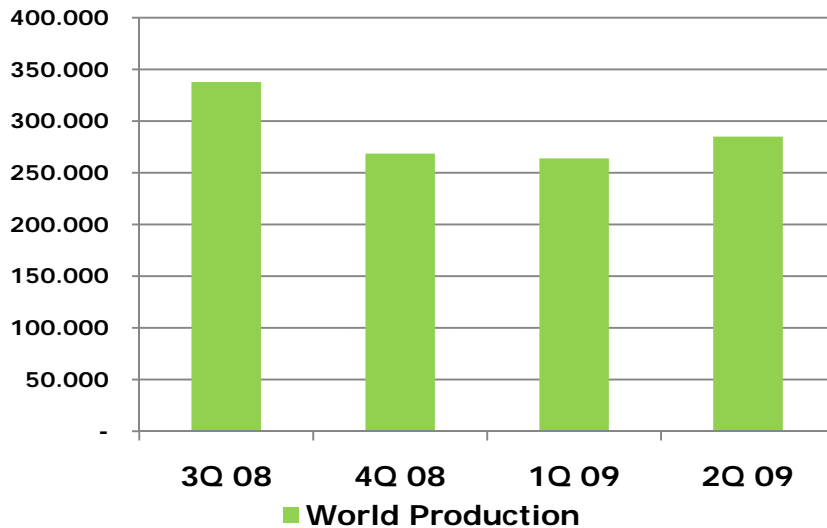
✓ Working capital release

Inventory decrease of R\$ 692 million in 2Q09. Savings target: R\$1 billion at the end of 3Q09.

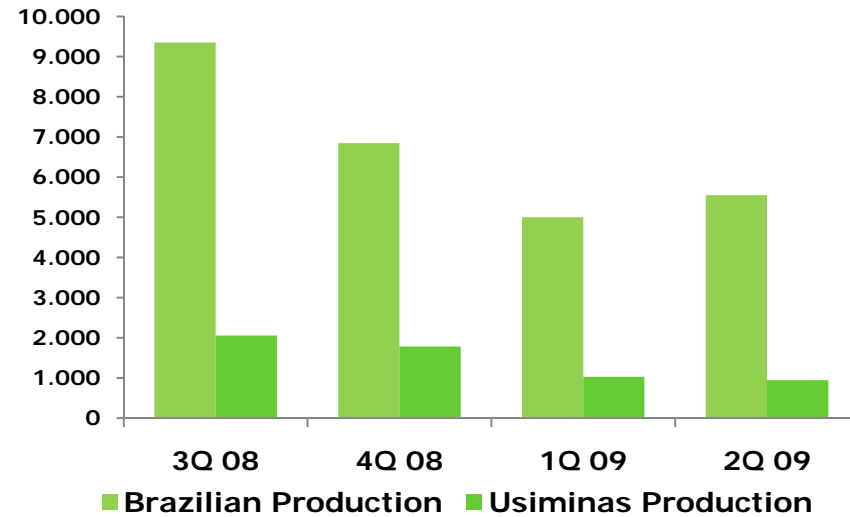
Crisis Impact on 2Q09 - Production



World Production



Brazilian Production

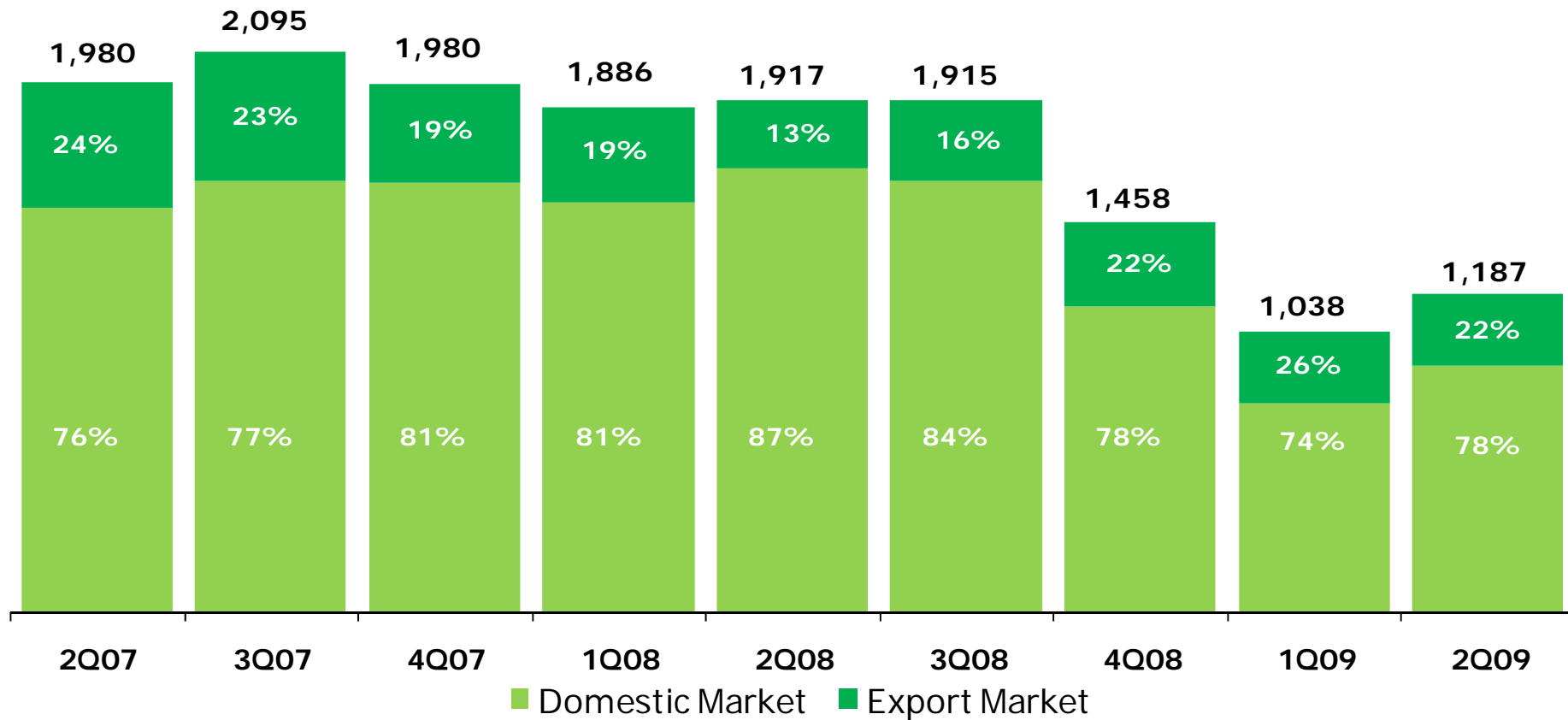


- World production should decrease 20% compared to 2008. (WSA)
- Domestic production should decrease between 20% and 25% compared to 2008. (IBS – Brazilian Steel Institute)
- However there are signs of recovery in the world and Brazilian steel production for 2H09.

Crisis Impact on 2Q09 - Sales



Consolidated Sales (000 tons)



Usiminas maintain its market leadership



✓ Market Share

Products: Hot Rolled, Cold rolled and HDG

	1H 2009	2008
Market Share	46%	49%

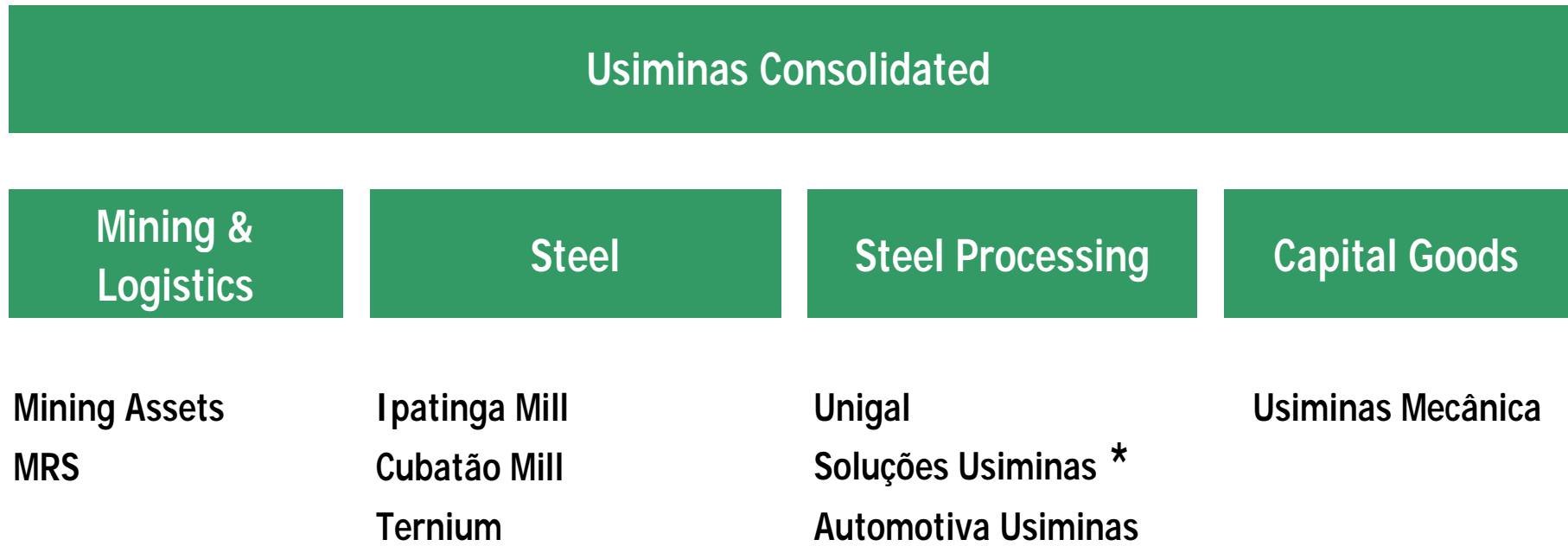
(*) Defined by USIMINAS, CSN and Arcelor Mittal markets.

Source: IBS

Business Units



- Future format of Business Units results:



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

Board of Directors Decisions



- Suspend the new “Santana do Paraíso” mill project. It should be resumed as soon as the market fundamentals confirm the recovery of sustainable demand.
- R\$ 215 million new capex in Ipatinga mill: Secondary metallurgy of Steel Shop #2 aiming to increase supply of value added steel products to the oil and gas, and auto sectors.
- Interest on Capital payment in the amount of R\$ 89.9 million.

2009 Guidance

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, of Brazil's economic situation, on the industry and on international markets, and are therefore subject to change.



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