

The creation of Mineração Usiminas S.A (MUSA)

Wilson Brumer,
CEO

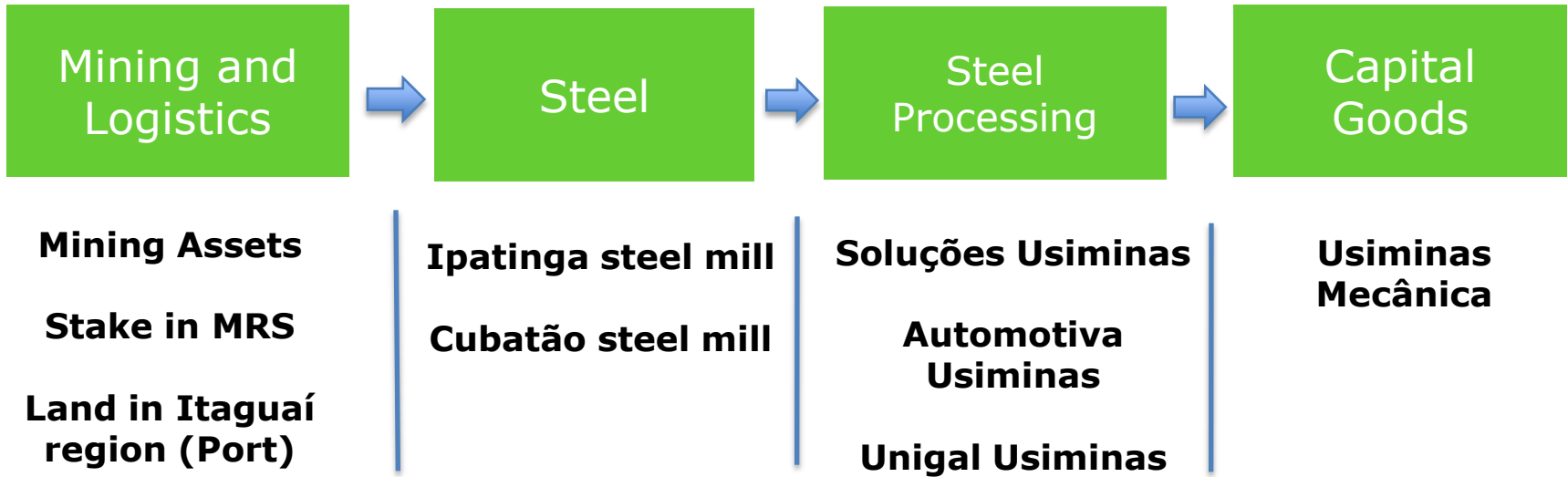
June 30th, 2010



Usiminas value added chain



BUSINESS UNITS



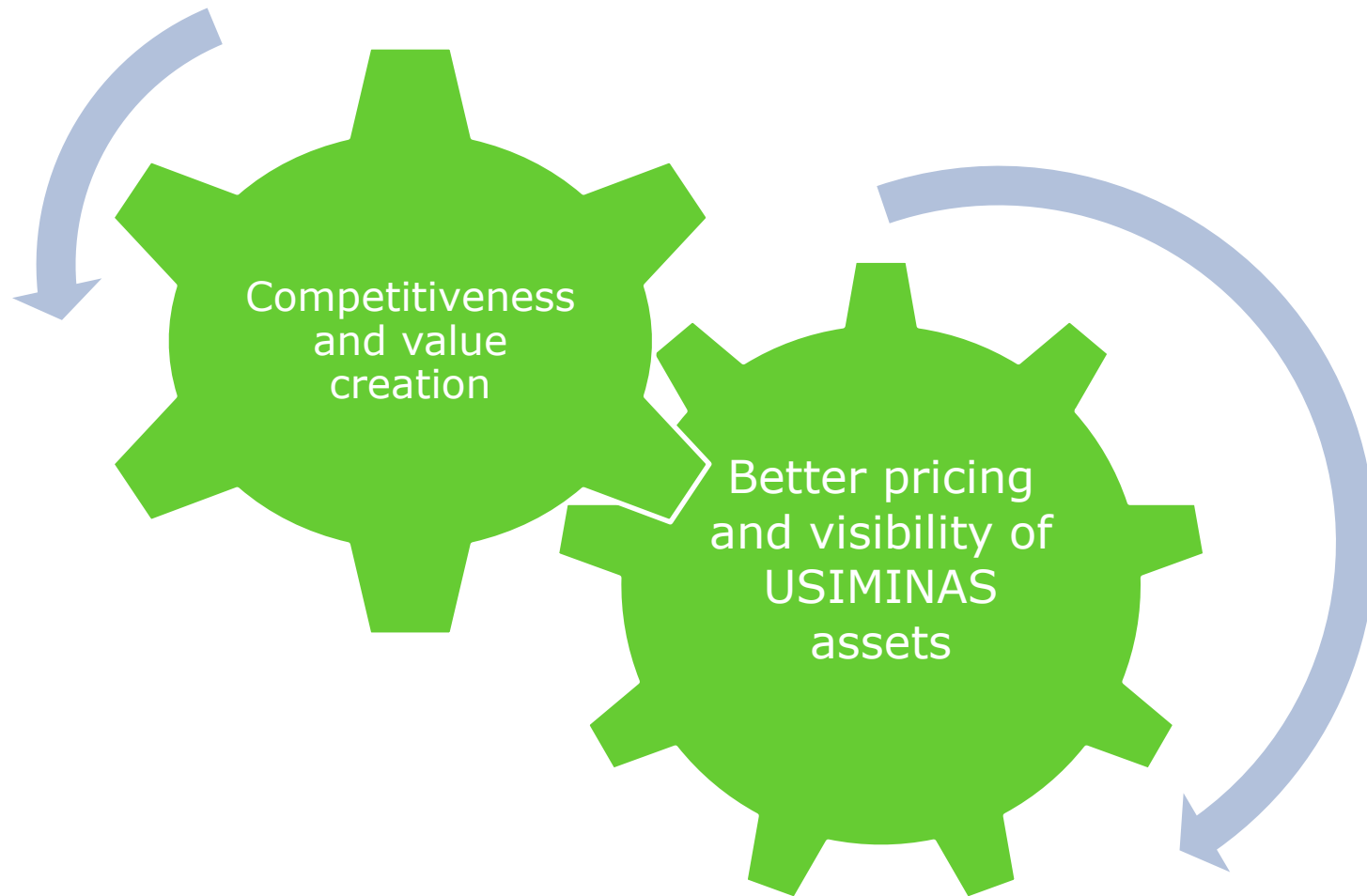
Current status

Mining and Logistics

- ✓ Four mining sites, acquired from J. Mendes Group in Feb./2008
- ✓ Located in Serra Azul-MG, one of the richest iron ore sites in Brazil.
- ✓ Production: **2008**: 3.8 million tons
2009: 5.5 million tons } + 44%
2010: 7.0 million tons
- ✓ May/2010: production record of 592 thousand tons.
- ✓ MRS: 20% of voting shares and part of the Control Group.
- ✓ Land in Itaguaí-RJ, acquired in 2008.



Growth fundamentals...





Mineração
USIMINAS U

Mineração Usiminas S.A. is composed of:



**Mining assets in
Serra Azul**

**Participation in
iron ore
loading terminals
close to Serra Azul
region**

**83.3%
of Usiminas
participation
in MRS**

**Land
located in
Itaguaí, RJ
(Port)**

1,150 direct employees

Strategic partnership...



Mineração
USIMINAS



70%
USIMINAS

30%
SUMITOMO

Acquisition, by the Japanese group **Sumitomo Corporation**, of 30% of Mineração Usiminas S.A., through the subscription of new shares, at the total maximum price of **US\$ 1.929 billion**.

Estimated value of Mineração Usiminas S.A.

**US\$ 6.429
billion**

USMINAS' market cap today does not reflect accurately its Mining and Logistics business.

Rationale of the Transaction

1

Cristalization of the mining business value in USIMINAS market value:

- ✓ *The stock market does not value accurately the mining and logistics assets*
- ✓ *A reference is created, based on a concrete transaction*

2

SUMITOMO's expertise in selling iron ore:

- ✓ *Market knowledge, mainly in China*
- ✓ *One of the most relevant Japanese traders of commodities*
- ✓ *Presence in diversified businesses: mining, logistics, infrastructure*
- ✓ *Global presence*

3

Equalization of the investment needs in Mining:

- ✓ *Assets potential depend on the implementation of the projects*
- ✓ *Does not compete with investments in the steel business*

4

Create conditions for future expansions:

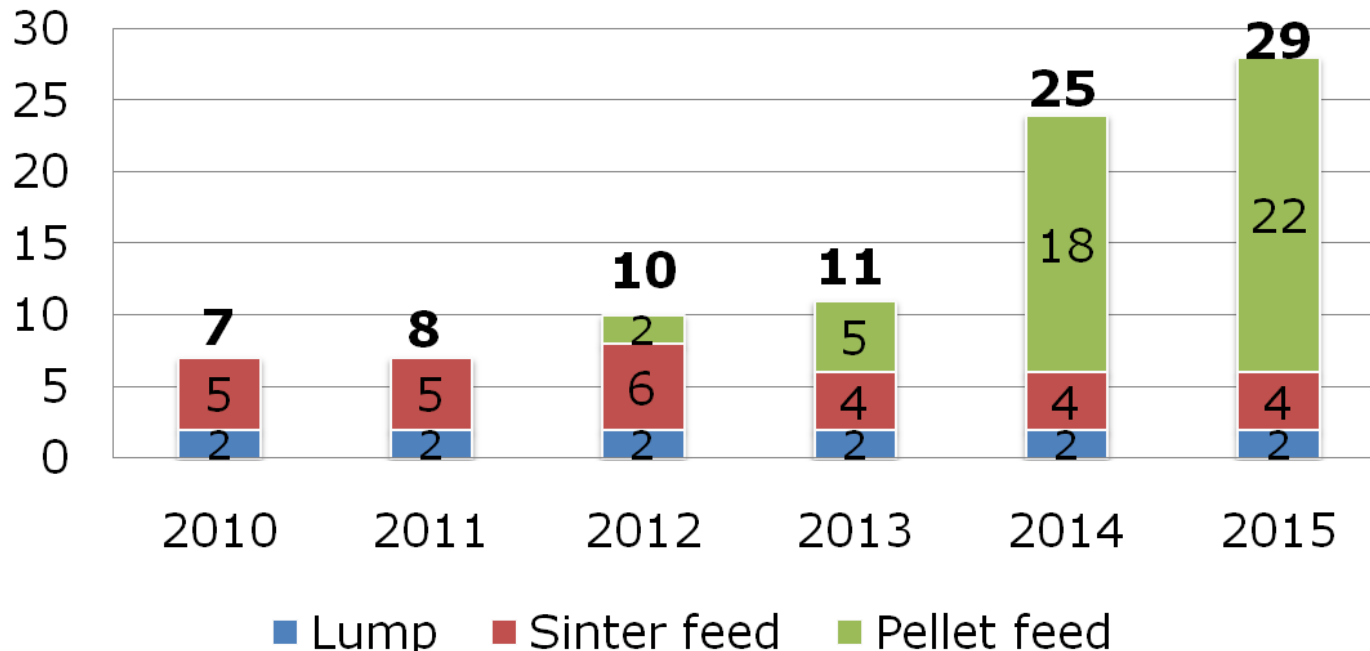
- ✓ *Mineração Usiminas will have a great potential for growth in the Serra Azul area, given its size, availability of capital and integrated logistics.*

5

Upgrade to steel business:

- ✓ *Through the integration of the mining and logistics businesses, assurance of a certain amount of iron ore to USIMINAS, it is considered an important step towards the integration of the steel business into the iron ore business, intended since the acquisition of J. Mendes.*

Development Plan



- ✓ Capex until 2015 are estimated in **R\$ 4.1 billion** including industrial facilities projects , equipments, loading terminals, etc.
- ✓ Estimated additionnal **1,000 direct jobs** creation until 2015
- ✓ Reserves of **2.6 billion tons**

USIMINAS 