

(A free translation of the original in Portuguese)

**Usinas Siderúrgicas de  
Minas Gerais S.A. -  
USIMINAS**  
**Quarterly Information (ITR) at  
June 30, 2012  
and Report on Review of  
Quarterly Information**



(A free translation of the original in Portuguese)

## **Report on Review of Quarterly Information**

To the Board of Directors and Shareholders  
Usinas Siderúrgicas de Minas Gerais S.A. - USIMINAS

### **Introduction**

We have reviewed the accompanying parent company and consolidated interim accounting information of Usinas Siderúrgicas de Minas Gerais S.A. - USIMINAS, included in the Quarterly Information Form (ITR) for the quarter ended June 30, 2012, comprising the balance sheet as at that date and the statements of income and comprehensive income for the quarter and six-month periods then ended, and the statements of changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of the parent company interim accounting information in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC), and of the consolidated interim accounting information in accordance with CPC 21 and International Accounting Standard (IAS) 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

### **Scope of review**

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Usinas Siderúrgicas de Minas Gerais S.A. - USIMINAS

**Conclusion on the parent company interim information**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

**Conclusion on the consolidated interim information**

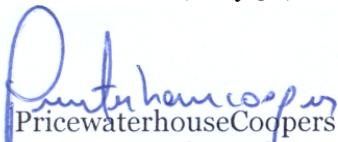
Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

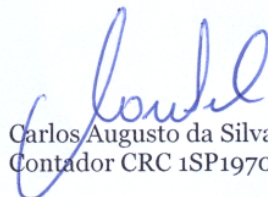
**Other matters**

**Statements of value added**

We have also reviewed the parent company and consolidated statements of value added for the six-month period ended June 30, 2012. These statements are the responsibility of the Company's management, and are required to be presented in accordance with standards issued by the CVM applicable to the preparation of Quarterly Information (ITR) and are considered supplementary information under IFRS, which do not require the presentation of the statement of value added. These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in a manner consistent with the parent company and consolidated interim accounting information taken as a whole.

Belo Horizonte, July 30, 2012.

  
PricewaterhouseCoopers  
Auditores Independentes  
CRC 2SP000160/O-5 "F" MG

  
Carlos Augusto da Silva  
Contador CRC 1SP197007/O-2 "S" MG

**Table of Contents**

---

<b>Company Data</b>	
Capital Composition	1
Earnings in cash	2
<b>Individual Financial Statements</b>	
Balance Sheet Assets	3
Balance Sheet Liabilities	4
Statement of Income	6
Comprehensive Statement of Income	7
Statement of Cash Flows	8
<b>Statement of Changes in Net Equity</b>	
SCNE - 01/01/2012 to 06/30/2012	10
SCNE - 01/01/2011 to 06/30/2011	11
Statement of Value Added	12
<b>Consolidated Financial Statements</b>	
Balance Sheet Assets	13
Balance Sheet Liabilities	14
Statement of Income	16
Comprehensive Statement of Income	17
Statement of Cash Flow	18
<b>Statement of Changes in Net Equity</b>	
SCNE - 01/01/2012 to 06/30/2012	20
SCNE - 01/01/2011 to 06/30/2011	21
Statement of Value Added	22
Management Report/Discussion on Performance	23
Explanatory Notes	25
Other Information Considered Relevant	73

**Company Data/Capital Composition**

<b>Number of Shares (Units)</b>	<b>Current Quarter 06/30/2012</b>
<b>Paid-up Capital</b>	
<b>Common</b>	505,260,684
<b>Preferred</b>	508,525,506
<b>Total</b>	1,013,786,190
<b>In Treasury</b>	
<b>Common</b>	2,526,654
<b>Preferred</b>	24,060,356
<b>Total</b>	26,587,010

**Company Data / Earnings in cash**

<b>Event</b>	<b>Approval</b>	<b>Amounts</b>	<b>Beginning of Payment</b>	<b>Type of Share</b>	<b>Class of Share</b>	<b>Amount per Share (Reais / Share)</b>
Board of Directors Meeting	03/06/2012	Interest on Own Capital	04/26/2012	Common		0.07877
Board of Directors Meeting	03/06/2012	Interest on Own Capital	04/26/2012	Preferred	Class A Preferred	0.08665

**Individual Financial Statements/Balance Sheet Assets**

(In thousands of Reais)

<b>Account Code</b>	<b>Account Description</b>	<b>Current Quarter 06/30/2012</b>	<b>Prior Year 12/31/2011</b>
1	Total Assets	30,768,312	30,238,550
1.01	Current Assets	6,211,362	6,415,996
1.01.01	Cash and Cash Equivalents	646,892	363,586
1.01.02	Financial Investments	0	124,396
1.01.03	Accounts Receivable	1,188,123	783,520
1.01.03.01	Trade Receivables	1,188,123	783,520
1.01.04	Inventory	3,653,497	4,263,673
1.01.06	Taxes Recoverable	523,129	646,160
1.01.08	Other Current Assets	199,721	234,661
1.01.08.03	Other	199,721	234,661
1.01.08.03.01	Advances on Supplies and Services	9,556	18,396
1.01.08.03.02	Financial Instruments	18,687	10,560
1.01.08.03.03	Dividends Receivable	8,313	61,952
1.01.08.03.04	Other Receivables	163,165	143,753
1.02	Non-Current Assets	24,556,950	23,822,554
1.02.01	Long term Receivables	2,034,837	1,793,183
1.02.01.06	Deferred Taxes	942,011	676,592
1.02.01.06.01	Deferred income tax and social contributions	942,011	676,592
1.02.01.08	Credits with Related Parties	72,398	57,113
1.02.01.09	Other Non-Current Assets	1,020,428	1,059,478
1.02.01.09.03	Judicial Deposits	469,232	448,653
1.02.01.09.04	Deposits for tax incentives	5,490	5,490
1.02.01.09.05	Property for sale	7,519	7,124
1.02.01.09.06	Financial Instruments	407,451	431,772
1.02.01.09.07	Taxes recoverable	97,925	123,381
1.02.01.09.08	Prepaid expenses	11,727	16,567
1.02.01.09.09	Other receivables	21,084	26,491
1.02.02	Investments	8,279,068	8,100,465
1.02.02.01	Equity Investments	8,279,068	8,100,465
1.02.02.01.01	Interest in Associated Companies	138,821	142,017
1.02.02.01.02	Interest in Subsidiaries	7,444,848	7,188,154
1.02.02.01.03	Interest in Jointly Controlled Subsidiaries	695,399	770,294
1.02.03	Property, Plant and Equipment	14,099,503	13,786,171
1.02.03.01	Property, Plant and Equipment in operation	9,583,133	8,815,399
1.02.03.01.01	Property, Plant and Equipment in operation	19,111,457	17,971,838
1.02.03.01.02	Depreciation	-9,528,324	-9,156,439
1.02.03.03	Construction in Progress	4,516,370	4,970,772
1.02.04	Intangible Assets	143,542	142,735

**Individual Financial Statements/Balance Sheet Liabilities**

(In thousands of Reais)

<b>Account Code</b>	<b>Account Description</b>	<b>Current Quarter 06/30/2012</b>	<b>Prior Year 12/31/2011</b>
2	Total Liabilities	30,768,312	30,238,550
2.01	Current Liabilities	5,135,501	3,405,007
2.01.01	Social Security and Labor Obligations	216,071	200,423
2.01.02	Suppliers	1,802,763	1,270,212
2.01.03	Tax Obligations	79,664	83,402
2.01.04	Loans and Financing	1,783,073	1,104,034
2.01.04.01	Loans and Financing	1,523,532	829,615
2.01.04.02	Debentures	259,541	274,419
2.01.05	Other Obligations	1,253,930	746,936
2.01.05.01	Liabilities with Related Parties	1,034,823	428,592
2.01.05.02	Other	219,107	318,344
2.01.05.02.01	Dividends and Interest on Own Capital Payable	952	57,171
2.01.05.02.04	Taxes Payable in Installments	53,052	57,169
2.01.05.02.05	Financial Instruments	38,187	43,589
2.01.05.02.06	Advances from clients	17,054	12,189
2.01.05.02.07	Other payables	109,862	148,226
2.02	Non-Current Liabilities	8,624,258	9,549,750
2.02.01	Loans and Financing	7,013,167	7,832,780
2.02.01.01	Loans and Financing	7,013,167	7,582,780
2.02.01.02	Debentures	0	250,000
2.02.02	Other Obligations	161,343	231,643
2.02.02.01	Liabilities with Related Parties	39,728	43,085
2.02.02.02	Other	121,615	188,558
2.02.02.02.03	Taxes Payable in Installments	5,224	22,050
2.02.02.02.04	Financial Instruments	20,495	23,990
2.02.02.02.05	Other payables	95,896	142,518
2.02.04	Provisions	1,449,748	1,485,327
2.02.04.01	Tax Social Security Labor and Civil Provisions	183,224	150,500
2.02.04.01.05	Contingent Liabilities	183,224	150,500
2.02.04.02	Other Provisions	1,266,524	1,334,827
2.02.04.02.03	Provision for Environmental Liabilities and Demobilization	32,344	57,354
2.02.04.02.04	Provision for retirement benefits	1,234,180	1,277,473
2.03	Net Equity	17,008,553	17,283,793
2.03.01	Realized Capital	12,150,000	12,150,000
2.03.01.01	Common shares	6,055,436	6,055,436
2.03.01.02	Preferred shares	6,094,564	6,094,564
2.03.02	Capital Reserves	3,917	2,274
2.03.02.07	Recognized Granted Options	3,917	2,274
2.03.02.01	Premium on Share Issue	105,295	105,295
2.03.02.05	Treasury Stock	-105,295	-105,295
2.03.04	Revenue Reserves	4,490,822	4,517,043
2.03.04.01	Legal Reserve	699,587	699,587
2.03.04.10	For investments and working capital	3,791,235	3,791,235
2.03.04.11	Unappropriated dividends	0	26,221
2.03.05	Retained earnings/Accumulated losses	-161,322	0
2.03.06	Equity valuation adjustments	525,136	614,476
2.03.06.01	Results of capital transactions	871,258	871,258



**Individual Financial Statements/Balance Sheet Liabilities****(In thousands of Reais)**

<b>Account Code</b>	<b>Account Description</b>	<b>Current Quarter 06/30/2012</b>	<b>Prior Year 12/31/2011</b>
2.03.06.02	Actuarial gains and losses	-396,002	-341,725
2.03.06.03	Indexation of property, plant and equipment (IAS 29)	203,097	211,887
2.03.06.04	Accumulated translation adjustments	1,789	1,030
2.03.06.05	Cash flow hedge reserve	-170,767	-143,735
2.03.06.06	Other	15,761	15,761

**Individual Financial Statements/Statement of Income**

(In thousands of Reais)

Account Code	Account Description	Current Quarter	Accumulated current year	Same Prior Year	Accumulated prior year
		04/01/2012 to 06/30/2012	01/01/2012 to 06/30/2012	Quarter 04/01/2011 to 06/30/2011	01/01/2011 to 06/30/2011
3.01	Revenue from Sale of Assets and/or Services	3,042,297	5,594,069	2,693,403	5,410,168
3.02	Cost of Assets and/or Services Sold	-3,074,512	-5,654,586	-2,586,264	-5,286,329
3.03	Gross Result	-32,215	-60,517	107,139	123,839
3.04	Operating Income/Expenses	219,979	176,821	4,231	85,313
3.04.01	Selling Expenses	-38,585	-71,602	-52,650	-118,523
3.04.02	General and Administrative	-50,167	-109,165	-71,022	-137,895
3.04.04	Other Operating Income	107,506	126,102	23,362	83,257
3.04.05	Other Operating Expenses	-58,981	-82,445	12,742	53,019
3.04.06	Equity in the Results	260,206	313,931	91,799	205,455
3.04.06.01	In associated and subsidiaries	263,801	290,600	75,519	180,033
3.04.06.02	Net capital deficiency	-3,595	23,331	16,280	25,422
3.05	Results Before Financial Results and Taxes	187,764	116,304	111,370	209,152
3.06	Financial Results	-456,206	-512,342	31,433	38,626
3.07	Results Before Taxes on Profit	-268,442	-396,038	142,803	247,778
3.08	Income Tax and Social Contributions on Net Income	166,716	223,477	-31,171	-37,317
3.08.01	Current	0	-54	-11,750	-11,750
3.08.02	Deferred	166,716	223,531	-19,421	-25,567
3.09	Net Result from Continued Operations	-101,726	-172,561	111,632	210,461
3.10	Net Result from Discontinued Operations	0	0	0	-124,919
3.11	Net Income/Loss for the Period	-101,726	-172,561	111,632	85,542
3.99	Earnings per Share – (Reais/ Per share)				
3.99.01	Earnings per Share - Basic				
3.99.01.01	ON	-0.10200	-0.17000	0.11000	0.08000
3.99.01.02	PN	-0.10000	-0.18000	0.12000	0.09000
3.99.02	Earnings per share diluted				
3.99.02.01	ON	-0.10200	-0.17000	0.11000	0.08000
3.99.02.02	PN	-0.10000	-0.18000	0.12000	0.09000

**Individual Financial Statements / Comprehensive Statement of Income**

(In thousands of Reais)

<b>Account Code</b>	<b>Account Description</b>	<b>Current Quarter 04/01/2012 to 06/30/2012</b>	<b>Accumulated current year 01/01/2012 to 06/30/2012</b>	<b>Same Prior Year Quarter 04/01/2011 to 06/30/2011</b>	<b>Accumulated prior year 01/01/2011 to 06/30/2011</b>
4.01	Net Income for the Period	-101,726	-172,561	111,632	85,542
4.02	Other Comprehensive Income	-105,224	-80,550	-24,813	89,865
4.02.01	Actuarial gains (losses) on benefit plans	-41,268	-54,276	-40,564	-91,641
4.02.02	Exchange variations on foreign subsidiaries	1,043	759	15,751	175,728
4.02.03	Cash flow hedging in subsidiaries	0	0	0	5,778
4.02.04	Hedge Accounting	-64,999	-27,033	0	0
4.03	Comprehensive Income for the Period	-206,950	-253,111	86,819	175,407

**Individual Financial Statements/Statement of Cash Flow – Indirect Method**

(In thousands of Reais)

<b>Account Code</b>	<b>Account Description</b>	<b>Accumulated Current Year 01/01/2012 to 06/30/2012</b>	<b>Accumulated Prior Year 01/01/2011 to 06/30/2011</b>
6.01	Cash Flow from Operating Activities	1,317,967	111,625
6.01.01	Cash Generated in Operations	127,690	405,662
6.01.01.01	Net income (loss) for the year	-172,561	85,542
6.01.01.02	Indexation charges and foreign exchange gains/losses, net	401,561	-173,630
6.01.01.03	Interest expenses	92,562	235,798
6.01.01.04	Depreciation and amortization	388,133	377,316
6.01.01.05	Losses/(gains) on sales of property, plant and equipment	493	-22,391
6.01.01.06	Results from the disposal of discontinued operations	0	124,919
6.01.01.07	Equity in the Results	-313,931	-205,455
6.01.01.09	Deferred income tax and social contributions	-223,531	25,567
6.01.01.10	Changes in provisions	-4,601	1,435
6.01.01.11	Actuarial losses (gains)	-42,078	-43,439
6.01.01.13	Stock Option Plan	1,643	0
6.01.02	Changes in Assets and Liabilities	1,190,277	-294,037
6.01.02.01	Marketable Securities	124,396	34,968
6.01.02.02	Trade receivables	-404,603	50,076
6.01.02.03	Inventory	610,176	-274,980
6.01.02.04	Taxes recoverable	148,487	-137,503
6.01.02.05	Judicial Deposits	-30,070	-30,558
6.01.02.06	Receivables from related companies	-15,285	-4,226
6.01.02.07	Other (increase)/decrease in assets	5,221	-48,194
6.01.02.08	Suppliers	532,551	470,457
6.01.02.09	Payables to related companies	602,874	-38,844
6.01.02.10	Advances from customers	4,865	29,702
6.01.02.11	Taxes payable	-3,738	13,364
6.01.02.12	Payment of actuarial liabilities	-82,484	-77,844
6.01.02.13	Other (increase)/decrease in liabilities	-48,141	-50,956
6.01.02.14	Interest Paid	-253,918	-229,499
6.01.02.15	Income Tax and Social Contributions Paid	-54	0
6.02	Cash Flow from Investment Activities	-480,420	-772,998
6.02.01	Amounts received on the disposal/(acquisition) of investments	0	35,953
6.02.02	Purchases of property, plant and equipment	-613,427	-900,180
6.02.03	Dividends Received	161,280	91,303
6.02.04	Purchases of intangible assets	-24,738	-74
6.02.05	Amount Paid for the Acquisition of Investments	-3,535	0
6.03	Cash Flow from Financing Activities	-562,726	24,659
6.03.01	New borrowing, financing and debentures	271,281	869,616
6.03.02	Repayment of borrowing and financing	-712,484	-478,212
6.03.03	Taxes paid in installments	-16,241	-14,305
6.03.04	Settlement of swap transactions	-23,751	-32,780
6.03.05	Dividends and interest on own capital	-81,531	-319,660
6.04	Foreign exchange variations on cash and cash equivalents	8,485	-12,868
6.05	Increase/(Decrease) in Cash and Cash Equivalents	283,306	-649,582
6.05.01	Opening Balance of Cash and Cash Equivalents	363,586	1,526,767

**Individual Financial Statements/Statement of Cash Flow – Indirect Method**

(In thousands of Reais)

<u>Account Code</u>	<u>Account Description</u>	<u>Accumulated Current Year 01/01/2012 to 06/30/2012</u>	<u>Accumulated Prior Year 01/01/2011 to 06/30/2011</u>
6.05.02	Closing Balance of Cash and Cash Equivalents	646,892	877,185

**Individual Financial Statements/Statements of Changes in Equity - 01/01/2012 to 06/30/2012**

(In thousands of Reais)

Account Code	Account Description	Paid- up Capital	Capital Reserves, Options Granted and Treasury Stock	Revenue Reserve	Earnings/Accumulated Retained Losses	Other Comprehensive Results	Net Equity
5.01	Opening balances	12,150,000	2,274	4,517,043	0	614,476	17,283,793
5.03	Adjusted opening balances	12,150,000	2,274	4,517,043	0	614,476	17,283,793
5.04	Capital transactions with shareholders	0	1,643	-26,221	2,449	0	-22,129
5.04.03	Recognized Granted Options	0	1,643	0	1,540	0	3,183
5.04.07	Interest on Own Capital	0	0	-21,221	0	0	-26,221
5.04.08	Prescribed dividends	0	0	0	909		909
5.05	Total comprehensive result	0	0	0	-163,771	-89,340	-253,111
5.05.01	Net income for the period	0	0	0	-172,561	0	-172,561
5.05.02	Other Comprehensive Results	0	0	0	8,790	-89,340	-80,550
5.05.02.06	Adjustment property, plant and equipment - IAS 29	0	0	0	8,790	-8,790	0
5.05.02.07	Constitution of Hedges Accounting	0	0	0	0	-27,033	-27,032
5.05.02.08	Actuarial loss (gain) on benefit plans	0	0	0	0	-54,276	-54,277
5.05.02.09	Exchange rate changes on foreign subsidiaries	0	0	0	0	759	759
5.07	Closing Balances	12,150,000	3,917	4,490,822	-161,322	525,136	17,008,553

**Individual Financial Statements/Statements of Changes in Equity - 01/01/2011 to 06/30/2011**

(In thousands of Reais)

<b>Account Code</b>	<b>Account Description</b>	<b>Paid- up Capital</b>	<b>Capital Reserves, Options Granted and Treasury Stock</b>	<b>Revenue Reserve</b>	<b>Retained Earnings/ Accumulated Losses</b>	<b>Other Comprehensive Results</b>	<b>Net Equity</b>
5.01	Opening balances	12,150,000	0	4,493,825	0	788,774	17,432,599
5.03	Adjusted opening balances	12,150,000	0	4,493,825	0	788,774	17,432,599
5.04	Capital transactions with shareholders	0	0	-176,833	0	0	-176,833
5.04.07	Interest on Own Capital	0	0	-176,833	0	0	-176,833
5.05	Total comprehensive result	0	0	0	96,604	78,803	175,407
5.05.01	Net Income for the Period	0	0	0	85,542	0	85,542
5.05.02	Other Comprehensive Results	0	0	0	11,062	78,803	89,865
5.05.02.06	Hedging of Cash Flow in Associated Entities	0	0	0	0	5,778	5,778
5.05.02.07	Adjustment property, plant and equipment IAS 29	0	0	0	11,062	-11,062	0
5.05.02.08	Actuarial losses/(gains) on benefit plans	0	0	0	0	-91,641	-91,641
5.05.02.09	Exchange rate changes on foreign subsidiaries	0	0	0	0	175,728	175,728
5.07	Closing Balances	12,150,000	0	4,316,992	96,604	867,577	17,431,173

**Individual Financial Statements/Statement of Value Added****(In thousands of Reais)**

<b>Account Code</b>	<b>Account Description</b>	<b>Accumulated Current Year 01/01/2012 to 06/30/2012</b>	<b>Accumulated Prior Year 01/01/2011 to 06/30/2011</b>
7.01	Revenue	7,387,711	7,301,018
7.01.01	Sales of Goods, Products and Services	7,385,086	7,287,091
7.01.02	Other Revenue	4,508	23,019
7.01.04	Provision/Reversal of Allowance for Doubtful Accounts	-1,883	-9,092
7.02	Inputs Acquired from Third Parties	-6,582,130	-6,620,757
7.02.01	Cost of Products, Goods and Services Sold	-6,327,629	-6,409,614
7.02.02	Materials, Energy, Third Party Services and Other	-254,501	-211,143
7.03	Gross Value Added	805,581	680,261
7.04	Retentions	-388,133	-377,316
7.04.01	Depreciation, Amortization and Depletion	-388,133	-377,316
7.05	Net Value Added	417,448	302,945
7.06	Value Added Received in Transfer	455,742	644,646
7.06.01	Equity in the Results	313,931	205,455
7.06.02	Financial Income	99,733	146,720
7.06.03	Other	42,078	292,471
7.06.03.01	Actuarial Gains/(Losses)	42,078	43,439
7.06.03.02	Net Foreign Exchange Variations	0	249,032
7.07	Total Value Added to be Distributed	873,190	947,591
7.08	Distribution of Value Added	873,190	947,591
7.08.01	Personnel	529,600	444,281
7.08.01.01	Direct Remuneration	444,568	337,009
7.08.01.02	Benefits	44,701	70,891
7.08.01.03	Severance Fund (FGTS).	40,331	36,381
7.08.02	Taxes, Fees and Contributions	-95,924	-64,277
7.08.02.01	Federal	72,130	208,450
7.08.02.02	State	-185,610	-289,650
7.08.02.03	Municipal	17,556	16,923
7.08.03	Third Party Capital Remuneration	612,075	357,126
7.08.03.01	Interest	273,378	313,669
7.08.03.03	Other	338,697	43,457
7.08.03.03.01	Net Foreign Exchange Variations	298,203	0
7.08.03.03.02	Other	40,494	43,457
7.08.04	Own Capital Remuneration	-172,561	210,461
7.08.04.03	Retained Earnings/Losses for the Period	-172,561	210,461



**Consolidated Financial Statements/Balance Sheet - Assets**

(In thousands of Reais)

Account Code	Account Description	Current Quarter 06/30/2012	Prior Year 12/31/2011
1	Total Assets	33,516,475	33,360,425
1.01	Current Assets	11,925,042	12,616,945
1.01.01	Cash and Cash Equivalents	2,772,289	2,901,312
1.01.02	Financial Investments	2,071,255	2,289,383
1.01.03	Accounts Receivable	1,567,895	1,254,435
1.01.03.01	Trade Receivables	1,567,895	1,254,435
1.01.04	Taxes Recoverable	4,536,628	5,058,876
1.01.06	Taxes Recoverable	669,481	799,635
1.01.08	Other Current Assets	307,494	313,304
1.01.08.03	Other	307,494	313,304
1.01.08.03.01	Advances on Supplies and Services	38,353	71,758
1.01.08.03.02	Financial Instruments	40,809	29,464
1.01.08.03.03	Dividends Receivable	27,066	13,587
1.01.08.03.04	Other Accounts Receivable	201,266	198,495
1.02	Non-Current Assets	21,591,433	20,743,480
1.02.01	Long Term Receivables	2,244,971	1,939,992
1.02.01.06	Deferred Taxes	1,106,669	797,146
1.02.01.06.01	Deferred Income Tax and Social Contributions	1,106,669	797,146
1.02.01.08	Credits with Related Parties	13,796	5,710
1.02.01.09	Other Non-current Assets	1,124,506	1,137,136
1.02.01.09.03	Judicial Deposits	504,828	486,327
1.02.01.09.04	Financial Investments	413,970	435,972
1.02.01.09.05	Taxes Recoverable	155,206	154,737
1.02.01.09.06	Other Non-current Assets	50,502	60,100
1.02.02	Investments	431,110	428,382
1.02.02.01	Interest Corporation	431,110	428,382
1.02.03	Property, plant and equipment	16,472,506	15,921,154
1.02.03.01	Property, plant and equipment in Operation	11,494,075	10,489,802
1.02.03.01.01	Property, plant and equipment in Operation	21,822,291	20,390,687
1.02.03.01.02	Depreciation	-10,328,216	-9,900,885
1.02.03.03	Construction in Progress	4,978,431	5,431,352
1.02.04	Intangible Assets	2,442,846	2,453,952

**Consolidated Financial Statements/Balance Sheet – Liabilities**

(In thousands of Reais)

<b>Account Code</b>	<b>Account Description</b>	<b>Current Quarter 06/30/2012</b>	<b>Prior Year 12/31/2011</b>
2	Total Liabilities	33,516,475	33,360,425
2.01	Current Liabilities	5,452,214	4,092,173
2.01.01	Social and Labor Obligations	317,590	301,950
2.01.02	Suppliers	2,297,765	1,462,373
2.01.03	Tax Obligations	167,326	323,838
2.01.03.01	Federal Tax Obligations	167,326	323,838
2.01.03.01.01	Income Tax and Social Contributions Payable	55,680	197,636
2.01.03.01.02	Taxes Payable	111,646	126,202
2.01.04	Loans and Financing	1,882,630	1,139,516
2.01.04.01	Loans and Financing	1,623,089	865,097
2.01.04.02	Debentures	259,541	274,419
2.01.05	Other Obligations	786,903	864,496
2.01.05.01	Liabilities to Related Parties	95,227	92,815
2.01.05.02	Other	691,676	771,681
2.01.05.02.01	Dividends and Interest on Own Capital Payable	954	69,704
2.01.05.02.04	Taxes Payable in Installments	57,227	61,169
2.01.05.02.05	Financial Instruments	38,187	43,589
2.01.05.02.06	Advances from Customers	245,582	202,978
2.01.05.02.07	Acquisition of Mineração Ouro Negro	172,490	156,193
2.01.05.02.08	Other Accounts Payable	177,236	238,048
2.02	Non-Current Liabilities	9,276,047	10,254,047
2.02.01	Loans and Financing	6,839,573	7,623,126
2.02.01.01	Loans and Financing	6,839,573	7,373,126
2.02.01.02	Debentures	0	250,000
2.02.02	Other Obligations	859,819	1,023,053
.02.02.01	Liabilities to Related Parties	0	6,750
2.02.02.02	Other	859,819	1,016,303
2.02.02.02.03	Taxes Payable in Installments	20,425	38,637
2.02.02.02.04	Financial Instruments	497,385	547,250
2.02.02.02.05	Acquisition of Mineração Ouro Negro	258,736	312,385
2.02.02.02.06	Other Accounts Payable	83,273	118,031
2.02.03	Deferred Taxes	23,181	17,880
2.02.03.01	Deferred Income Tax and Social Contributions	23,181	17,880
2.02.04	Provisions	1,553,474	1,589,988
2.02.04.01	Tax, Social, Labor and Civil Provisions	236,397	204,255
2.02.04.01.05	Contingent Liabilities	236,397	204,255
2.02.04.02	Other Provisions	1,317,077	1,385,733
2.02.04.02.03	Provisions for Environmental Liabilities and Demobilization	82,897	108,260
2.02.04.02.04	Provision Retirement Benefits	1,234,180	1,277,473
2.03	Consolidated Equity	18,788,214	19,014,205
2.03.01	Realized Capital Shares	12,150,000	12,150,000
2.03.01.01	Common Shares	6,055,436	6,055,436
2.03.01.02	Preferred Shares	6,094,564	6,094,564
2.03.02	Capital Reserves	3,917	2,274

**Consolidated Financial Statements/Balance Sheet – Liabilities**

(In thousands of Reais)

<b>Account Code</b>	<b>Account Description</b>	<b>Current Quarter 06/30/2012</b>	<b>Prior Year 12/31/2011</b>
2.03.02.07	Recognized Granted Options	3,917	2,274
2.03.02.08	Premium on Share Subscriptions	105,295	105,295
2.03.02.09	Treasury Stock	-105,295	-105,295
2.03.04	Revenue Reserves	4,490,822	4,517,043
2.03.04.01	Legal Reserve	699,587	699,587
2.03.04.10	Other Revenue Reserves	3,791,235	3,791,235
2.03.04.11	Unappropriated Dividends	0	26,221
2.03.05	Retained Earnings/Accumulated Deficit	-161,322	0
2.03.06	Equity Valuation Adjustments	525,136	614,476
2.03.06.01	Results from Capital Transactions	871,258	871,258
2.03.06.02	Actuarial gains and losses	-396,002	-341,725
2.03.06.03	Restatement of property, plant and equipment (IAS 29)	203,097	211,887
2.03.06.04	Other	15,761	15,761
2.03.06.05	Accumulated Translation Adjustments	1,789	1,030
2.03.06.06	Cash Flow Hedge Reserve	-170,767	-143,735
2.03.09	Non-controlling Interests	1,779,661	1,730,412

## Consolidated Financial Statements/Statement of Income

(In thousands of Reais)

Account Code	Account Description	Current Quarter	Accumulated Current Year	Same Prior Year	Accumulated Prior Year
		04/01/2012 to 06/30/2012	01/01/2012 to 06/30/2012	Quarter 04/01/2011 to 06/30/2011	01/01/2011 to 06/30/2011
3.01	Revenue from Sales of Assets and/or Services	3,225,265	6,111,499	3,025,659	6,089,135
3.02	Cost of Assets and/or Services Sold	-3,066,955	-5,779,825	-2,605,607	-5,370,364
3.03	Gross Results	158,310	331,674	420,052	718,771
3.04	Operating Expenses/Income	-145,732	-341,987	-184,617	-304,129
3.04.01	Selling Expenses	-97,497	-176,111	-95,242	-206,382
3.04.02	General and Administrative Expenses	-112,611	-223,360	-135,635	-261,523
3.04.04	Other Operating Income	116,536	137,795	29,326	99,244
3.04.05	Other Operating Expenses	-65,510	-106,797	3,213	32,835
3.04.06	Equity in the Results	13,350	26,486	13,721	31,697
3.05	Results Before Financial Results and Taxes	12,578	-10,313	235,435	414,642
3.06	Financial Results	-255,660	-278,495	45,615	89,088
3.07	Results Before Taxes on Profit	-243,082	-288,808	281,050	503,730
3.08	Income Tax and Social Contributions on Net Income	156,570	165,496	-124,451	-206,191
3.08.01	Current	-49,441	-95,340	-114,175	-187,771
3.08.02	Deferred	206,011	260,836	-10,276	-18,420
3.09	Net Results from Continued Operations	-86,512	-123,312	156,599	297,539
3.10	Net Results from Discontinued Operations	0	0	0	-124,919
3.10.02	Net Gains/Losses on Assets from Discontinued Operations	0	0	0	-124,919
3.11	Consolidated Net Income/Loss for the Period	-86,512	-123,312	156,599	172,620
3.11.01	Attributed to Parent Company Shareholders	-101,726	-172,561	111,632	85,542
3.11.02	Attributed to Non-controlling Interests	15,214	49,249	44,967	87,078
3.99	Earnings per Share – (Reais/ per share)				
3.99.01	Earnings per Share - Basic				
3.99.01.01	ON	-0.10200	-0.17000	0.11000	0.08000
3.99.01.02	PN	-0.10000	-0.18000	0.12000	0.09000
3.99.02	Earnings per Share - Diluted				
3.99.02.01	ON	-0.10200	-0.17000	0.11000	0.08000
3.99.02.02	PN	-0.10000	-0.18000	0.12000	0.09000

**Consolidated Financial Statements/Comprehensive Statement of Income**

(In thousands of Reais)

<b>Account Code</b>	<b>Account Description</b>	<b>Current Quarter 04/01/2012 to 06/30/2012</b>	<b>Accumulated Current Year 01/01/2012 to 06/30/2012</b>	<b>Same Prior Year Quarter 04/01/2011 to 06/30/2011</b>	<b>Accumulated Prior Year 01/01/2011 to 06/30/2011</b>
4.01	Consolidated Net Income for the Period	-86,512	-123,312	156,599	172,620
4.02	Other Comprehensive Income	-105,224	-80,550	-24,813	89,865
4.02.01	Actuarial Gains/(Losses) on Retirement Benefits	-41,268	-54,276	-40,564	-91,641
4.02.02	Foreign exchange variations on foreign associated companies and other changes	1,043	759	15,751	175,728
4.02.03	Cash Flow Hedging in Associated Companies	0	0	0	5,778
4.02.04	Hedge Accounting	-64,999	-27,033	0	0
4.03	Consolidated Comprehensive Income for the Period	-191,736	-203,862	131,786	262,485
4.03.01	Attributed to Parent Company Shareholders	-206,950	-253,111	86,819	175,407
4.03.02	Attributed to Non-controlling Interests	15,214	49,249	44,967	87,078

**Consolidated Financial Statements/Statement of Cash Flow – Indirect Method**

(In thousands of Reais)

<b>Account Code</b>	<b>Account Description</b>	<b>Accumulated Current Year 01/01/2012 to 06/30/2012</b>	<b>Accumulated prior Year 01/01/2011 to 06/30/2011</b>
6.01	Cash Flow from Operating Activities	1,425,846	-1,126,995
6.01.01	Cash Generated in Operations	538,778	680,647
6.01.01.01	Net Income/(Loss) for the year	-123,312	172,620
6.01.01.02	Indexation charges and foreign exchange gains/(losses), net	384,722	-216,681
6.01.01.03	Interest expenses	150,210	249,766
6.01.01.04	Depreciation and amortization	458,828	428,400
6.01.01.05	Results from the sale of property, plant and equipment	685	-18,355
6.01.01.06	Result from the disposal of discontinued operations	0	124,919
6.01.01.07	Equity in the results	-26,486	-31,697
6.01.01.08	Deferred Income Tax and Social Contributions	-260,836	18,420
6.01.01.09	Constitution/(Reversal) of Provisions	-4,598	-3,306
6.01.01.10	Actuarial Losses/(Gains)	-42,078	-43,439
6.01.01.11	Stock Option Plan	1,643	0
6.01.02	Changes in Assets and Liabilities	887,068	-1,807,642
6.01.02.01	Marketable Securities	218,128	-1,591,410
6.01.02.02	Trade Receivables	-313,460	114,618
6.01.02.03	Inventory	522,248	-344,925
6.01.02.04	Taxes Recoverable	71,968	-158,373
6.01.02.05	Judicial Deposits	-30,166	-31,651
6.01.02.06	Receivables from related companies	-8,086	126
6.01.02.07	Other (increases)/decreases in liabilities	48,972	-46,921
6.01.02.08	Suppliers	835,392	519,796
6.01.02.09	Payables to related companies	-4,338	-25,464
6.01.02.10	Advances from customers	42,604	99,460
6.01.02.11	Taxes payable	-14,556	10,200
6.01.02.12	Payment of actuarial liabilities	-82,484	-77,844
6.01.02.13	Other increase/(decrease) in liabilities	62,161	-101,098
6.01.02.14	Interest paid	-281,735	-250,295
6.01.02.15	Income tax and social contributions payable	-179,580	-126,057
6.02	Cash Flow from Investment Activities	-1,024,186	512,889
6.02.01	Amount received on disposal of investments	0	1,656,740
6.02.02	Purchases of property, plant and equipment	-914,758	-1,154,988
6.02.03	Amount Paid on Acquisition of Investments	-92,152	-63
6.02.04	Dividends received	8,121	12,320
6.02.05	Purchases of intangible assets	-26,188	-2,379
6.02.06	Proceeds from sales of fixed assets	791	1,259
6.03	Cash Flow from Financing Activities	-539,168	121,540
6.03.01	New borrowings, financing and debentures	371,860	909,001
6.03.02	Repayment of borrowing, financing and debentures	-784,616	-412,017
6.03.03	Taxes paid in installments	-18,302	-14,808
6.03.04	Settlement of swap transactions	-14,048	-19,626
6.03.05	Dividends and interest on own capital paid	-94,062	-341,010
6.04	Exchange gains/losses on Cash and Cash Equivalents	8,485	-12,868
6.05	Increase/(Decrease) in Cash and Cash Equivalents	-129,023	-505,434

### Consolidated Financial Statements/Statement of Cash Flow – Indirect Method

(In thousands of Reais)

<b>Account Code</b>	<b>Account Description</b>	<b>Accumulated Current Year 01/01/2012 to 06/30/2012</b>	<b>Accumulated prior Year 01/01/2011 to 06/30/2011</b>
6.05.01	Opening Balance of Cash and Cash Equivalents	2,901,312	4,145,779
6.05.02	Closing Balance of Cash and Cash Equivalents	2,772,289	3,640,345

**Consolidated Financial Statements/Statements of Changes in Equity - 01/01/2012 to 06/30/2012**

(In thousands of Reais)

Account Code	Account Description	Paid up Capital	Capital Reserves, Options Granted and Treasury Stock	Revenue Reserves	Retained Earnings/ Accumulated Deficit	Other Comprehensive Results	Net Equity	Noncontrolling Interest	Consolidated Net Equity
5.01	Opening Balances	12,150,000	2,274	4,517,043	0	614,476	17,283,793	1,730,412	19,014,205
5.03	Adjusted Opening Balances	12,150,000	2,274	4,517,043	0	614,476	17,283,793	1,730,412	19,014,205
5.04	Capital Transactions with Shareholders	0	1,643	-26,221	2,449	-26,2210	-22,129	0	-22,129
5.04.03	Recognized Granted Options	0	1,643	0	1,540	0	3,183	0	3,183
5.04.07	Interest on Own Capital	0	0	-26,221	0	0-26,221	-26,221	0	-26,221
5.04.08	Prescribed Dividends	0	0	0	909	0	909	0	909
5.05	Total Comprehensive Results	0	0	0	-163,771	-89,340	-253,111	49,249	-203,862
5.05.01	Net Income for the Period	0	0	0	-172,561	0	-172,561	49,249	-123,312
5.05.02	Other Comprehensive Results	0	0	0	8,790	-89,340	-80,550	0	-80,550
5.05.02.06	Adjustments to Property, Plant and Equipment - IAS 29	0	0	0	8,790	-8,790	0	0	0
5.05.02.07	Hedge Accounting Constitution	0	0	0	0	-27,0323	-27,033	0	-27,0323
5.05.02.08	Actuarial Losses/(Gain) on Retirement Benefits	0	0	0	0	-54,2776	-54,2776	0	-54,2776
5.05.02.09	Foreign exchange variations in foreign subsidiaries	0	0	0	0	759	759	0	759
5.07	Closing Balance	12,150,000	3,917	4,490,822	-161,322	525,136	17,008,553	1,779,661	18,788,214



**Consolidated Financial Statements/Statements of Changes in Equity - 01/01/2011 to 06/30/2011**

(In thousands of Reais)

Account Code	Account Description	Paid up Capital	Capital Reserves, Options Granted and Treasury Stock	Revenue Reserves	Retained Earnings/ Accumulated Deficit	Other Comprehensive Results	Net Equity	Noncontrolling Interest	Consolidated Net Equity
5.01	Opening Balances	12,150,000	0	4,493,825	0	788,774	17,432,599	1,596,838	19,029,437
5.03	Adjusted Opening Balances	12,150,000	0	4,493,825	0	788,774	17,432,599	1,596,838	19,029,437
5.04	Capital Transactions with Shareholders	0	0	-176,833	0	0	-176,833	-6,706	-183,539
5.04.06	Dividends	0	0	0	0	0	0	-6,706	-6,706
5.04.07	Interest on Own Capital	0	0	-176,833	0	0	-176,833	0	-176,833
5.05	Total Comprehensive Result	0	0	0	96,604	78,803	175,407	87,078	262,485
5.05.01	Net Income for the Period	0	0	0	85,542	0	85,542	87,078	172,620
5.05.02	Other Comprehensive Results	0	0	0	11,062	78,803	89,865	0	89,865
5.05.02.06	Hedge Accounting Constitution	0	0	0	0	5,778	5,778	0	5,778
5.05.02.07	Actuarial Loss/(Gain) on Retirement Benefits	0	0	0	0	-91,641	-91,641	0	-91,641
5.05.02.08	Foreign exchange Variations in Foreign Subsidiaries	0	0	0	0	175,728	175,728	0	175,728
5.05.02.09	Adjustments to Property, Plant and Equipment - IAS 29	0	0	0	11,062	-11,062	0	0	0
5.07	Closing Balances	12,150,000	0	4,316,992	96,604	867,577	17,431,173	1,677,210	19,108,383

**Consolidated Financial Statements/Statement of Value Added**

(In thousands of Reais)

<b>Account Code</b>	<b>Account Description</b>	<b>Accumulated Current Year 01/01/2012 to 06/30/2012</b>	<b>Accumulated Prior Year 01/01/2011 to 06/30/2011</b>
7.01	Revenue	8,056,001	8,181,142
7.01.01	Sales of Goods, Products and Services	8,053,977	8,167,975
7.01.02	Other Revenue	4,936	23,644
7.01.04	Provision/Reversal of Allowance for Doubtful Accounts	-2,912	-10,477
7.02	Inputs Acquired from Third Parties	-6,984,025	-6,841,201
7.02.01	Costs of Products, Goods and Services Sold	-6,515,394	-6,453,298
7.02.02	Materials, Energy, Third Party Services and Other	-468,631	-387,903
7.03	Gross Value Added	1,071,976	1,339,941
7.04	Retentions	-458,828	-428,400
7.04.01	Depreciation, Amortization and Depletion	-458,828	-428,400
7.05	Net Value Added	613,148	911,541
7.06	Value Added Received in Transfer	302,129	494,749
7.06.01	Equity in Results	26,486	31,697
7.06.02	Financial Income	233,565	294,767
7.06.03	Other	42,078	168,285
7.06.03.01	Actuarial Gains and Losses	42,078	43,439
7.06.03.02	Net Foreign Exchange Variations	0	124,846
7.07	Total Value Added to be Distributed	915,277	1,406,290
7.08	Distribution of Value Added	915,277	1,406,290
7.08.01	Personnel	889,451	877,261
7.08.01.01	Direct Remuneration	772,324	728,626
7.08.01.02	Benefits	56,123	85,354
7.08.01.03	Severance Fund (FGTS)	61,004	63,281
7.08.02	Taxes, Fees and Contributions	-362,922	-99,035
7.08.02.01	Federal	8,778	326,760
7.08.02.02	State	-395,013	-453,697
7.08.02.03	Municipal	23,313	27,902
7.08.03	Remuneration of Third Party Capital	512,060	330,525
7.08.03.01	Interest	344,892	334,802
7.08.03.03	Other	167,168	-4,277
7.08.03.03.01	Net Foreign Exchange Variations	188,079	0
7.08.03.03.02	Other	-20,911	-4,277
7.08.04	Remuneration of Own Capital	-123,312	297,539
7.08.04.03	Retained Earnings/Losses for the Period	-172,561	210,461
7.08.04.04	Non-controlling Interest in Retained Earnings	49,249	87,078

**Management Report/Comment on the Performance****COMMENTS ON CONSOLIDATED PERFORMANCE  
FOR THE SECOND QUARTER OF 2012****Results**

In the second quarter of 2012 USIMINAS recorded a loss of R\$ 87 million, against a loss of R\$ 37 million in the first quarter. The increase in the loss for the current quarter was mainly due to foreign exchange losses amounting to R\$ 204 million (Foreign Exchange gains amounting to R\$ 16 million in the prior quarter), reflecting the devaluation of the Real against the US Dollar by 10.93% (the prior quarter saw the Real appreciate at 2.86%). The foreign exchange losses have been partially offset by operating gains as tax concessions (Reintegra) amounting to R\$ 35 million and gains relating to the refunding of import fees amounting to R\$ 34 million in the current quarter.

**Sales Revenue**

Net sales revenue for the quarter was 12% higher due to the increase in the sale of steel laminated products by 376 thousand tons, or an increase of 26% in relation to the previous quarter. The average price of laminated products sold in the foreign market was 3% higher, increasing from R\$ 1,265 per ton in the first quarter to R\$ 1,302 per ton in the second quarter. This was partially due to the appreciation of the US Dollar in the period. The prices for the domestic market were stable.

**Cost of Sales**

	<b>In thousands of Reais</b>			
	<b>1Q 2012</b>	<b>2 Q 2012</b>	<b>Variation %</b>	<b>Variation (R\$)</b>
Cost of sales - Consolidated	(2,713)	(3,067)	13%	(354)
Cost of sales/Net revenue % - Consolidated	- 94.0%	-95.1%	1%	

The increase in costs by 13% mainly reflects the increase in sales volume by the steel company at 376 thousand tons.

**Operating Income (Expenses)**

Selling expenses increased by R\$ 18 million, a result of higher port expenses arising from the increase in the export of steel products at 295 thousand tons and increase in ore exports at 209 thousand tons. Administrative expenses remained stable across the quarters. Other operating income (expenses) increased from negative R\$ 20 million in the first quarter to R\$ 51 million in the second quarter due to gains of R\$ 35 million in export incentives (Reintegra) and gains related to refunds of import fees amounting to R\$ 34 million.

**Management Report/Comment on the Performance**

**Financial Result**

The increase in financial expenses arose mainly from foreign exchange losses reflecting the devaluation of the Real before the US Dollar at 10.93% (prior quarter appreciation of the Real was 2.86%)

**Production Indicators**

In thousand tons

<b>Ipatinga and Cubatão Plants</b>	<b>First quarter 2012</b>	<b>Second quarter 2012</b>
Liquid steel	1,699	1,874
Crude steel	1,672	1,845
Cock	731	715
Laminated	1,630	1,846

In thousand tons

<b>Mining</b>	<b>First quarter 2012</b>	<b>Second quarter 2012</b>
Production	1,854	1,518
Sales to third parties	478	425
Transferred/sold to the plants	1,252	1,073

## **Explanatory Notes**

### **1 Operations**

Usinas Siderúrgicas de Minas Gerais S.A. – USIMINAS (“USIMINAS” or the “Company”), headquartered in Belo Horizonte, State of Minas Gerais, operates in the steel industry and related activities. The Company produces flat rolled carbon steel at the Intendente Câmara plant in Ipatinga, State of Minas Gerais, and the José Bonifácio de Andrada e Silva plant in Cubatão, State of São Paulo, for the Brazilian domestic and export markets.

The Company, through its subsidiaries, jointly-controlled and associated companies (collectively, the Usiminas companies), has several service and distribution centers in Brazil, in addition to the Cubatão and Praia Mole ports located in the states of São Paulo and Espírito Santo, respectively, as strategic ports for shipping of its production. The activities of the Usiminas Companies are described in Note 1 to the financial statements for the year ended December 31, 2011, filed with the Brazilian Securities Commission (CVM).

The Company's shares are listed for trading on the stock exchange in São Paulo (BM&FBOVESPA) under the tickers USIM3 and USIM5.

As described in Note 43.2, Ternium S.A (“Ternium”), executed an agreement to purchase the interests of the companies group Votorantim and Camargo Corrêa Cimentos S.A. in USIMINAS, in addition to part of the shares held by Caixa dos Empregados da Usiminas (“CAIXA”), in the amount totaling 139.7 million shares, or 27.7% of the Company's voting capital. After the approval of the transaction, the controlling group of USIMINAS comprises Nippon (46.1%), Ternium and Tenaris (43.3%) and CAIXA (10.6%). The completion of the transactions and, as a consequence, the effectiveness of the New Shareholders' Agreement occurred on January 16, 2012, according to a Material Fact notice disclosed to the market on January 17, 2012.

The Company has been implementing measures to improve the operating performance, with a reduction in its level of indebtedness and the maintenance of a high liquidity level. These include an increase in the level of use of the installed capacity in the plants, with better absorption of fixed costs, a reduction of structural expenses (selling and administrative), working capital reduction, especially of inventories of work in process, finished products and warehouse inventory, and the reduction of investments in capex, should be highlighted. In addition, the Company has a significant volume of cash held by foreign subsidiaries.

### **2 Interim Financial Statements**

The issue of these interim financial statements included in this Quarterly Information (ITR) off the Parent Company and the Consolidated statements were considered and approved by the Company Board of Directors on July 30, 2012.

## **Explanatory Notes**

### **3 Presentation of the Interim Financial Statements and Summary of Principal Accounting Policies**

The principal accounting policies applied in the preparation of these financial statements are consistent with the policies described in Note 3 to the Company's Financial Statements for the year ended December 31, 2011 as filed with the CVM. These policies have been consistently adopted for all of the years presented, unless otherwise stated.

#### **3.1 Preparation basis**

##### **(a) Individual interim financial statements – Parent Company**

The individual interim financial statements of USIMINAS, presented as Parent Company, have been prepared in accordance with CPC 21 - "Interim Statements", based on the rules and regulations of the CVM.

These interim financial statements should be read together with the Company financial statements for the year ended December 31, 2011.

##### **(b) Consolidated interim financial statements**

The consolidated interim statements, ("Consolidated"), have been prepared and are being presented in accordance with CPC 21 - "Interim Statements", in accordance with CVM regulations. They have also been prepared in accordance with IAS 34 - "Presentation of Interim Financial Reports", based on CVM rules.

These interim financial statements should be read together with the Company Financial Statements for the year ended December 31, 2011.

#### **3.2 Accounting standards, amendments and interpretations that are not yet effective**

In the six month period ended June 30, 2012 no standards, amendments and interpretations, except for those disclosed in Note 3.24 to the Company's financial statements for the year ended December 31, 2011, have been issued, nor amendments related to expected effects that have been previously disclosed that could affect the interim financial statements.

## **Explanatory Notes**

### **4 Financial Risk Management**

As at June 30, 2012, no alterations in the policies for the management of financial risks occurred in relation to those disclosed in the Company's financial statements for the year ended December 31, 2011.

There were no significant alterations to the information related to: (a) the cash flow of financial instruments, (b) foreign currency denominated assets and liabilities, (c) new loans and financing and debentures by currency and interest rate, (d) the financial leverage index, (e) the classification of assets and liabilities measured at fair value, (f) the fair value of loans and financing and of other financial assets and liabilities in relation to those disclosed in the Company's financial statements at December 31, 2011 and, accordingly, Management decided not to repeat them in these interim financial statements as at June 30, 2012.

#### **4.1 Sensitivity analysis**

In the preparation of the sensitivity analysis for derivative financial instruments, the Company used the quotations available in the financial market (Broadcast, Bloomberg, BM&F). These quotations were used to calculate the future amounts of swap transactions and NDF to present the scenario considered to be "probable" by Management. Additionally, Scenarios II and III were based on stress factors of 25% and 50% from the base risk level deemed as probable by management.

**Explanatory Notes**

**(a) Exchange rate and interest risk**

**(i) Parent company**

		<u>Gain(Loss)</u>		
		<u>06/30/2012</u>		
<u>Transaction</u>	<u>Risk</u>	<u>Scenario</u>		
		<u>Probable I</u>	<u>Probable II</u>	<u>Probable III</u>
Swap	Increase in CDI	5,338	2,747	(4,975)
Swap	Decrease in LIBOR	(38,440)	(42,355)	(46,270)
Swap	Decrease in the price of Zinc	(410)	(2,584)	(4,757)
NDF	Increase in US\$	419	(114,046)	(228,510)
		<u>Gain(Loss)</u>		
		<u>06/30/2011</u>		
<u>Transaction</u>	<u>Risk</u>	<u>Scenario</u>		
		<u>Probable I</u>	<u>Probable II</u>	<u>Probable III</u>
Swap	Increase in CDI	(21,698)	(44,912)	(73,045)
Swap	Decrease in LIBOR	(36,847)	(45,304)	(53,762)
Swap	Decrease in the price of aluminum	2,421	(3,658)	(9,737)
Swap	Decrease in the price of copper	150	(166)	(482)
Swap	Decrease in the price of Zinc	370	(1,576)	(3,522)



**Explanatory Notes**

**(ii) Consolidated**

		<b>Gain(Loss)</b>		
		<b>06/30/2012</b>		
<b>Transaction</b>	<b>Risk</b>	<b>Scenario</b>		
		<b>Probable I</b>	<b>Probable II</b>	<b>Probable III</b>
Swap	Increase in CDI	12,113	8,880	519
Swap	Decrease in LIBOR	(38,440)	(42,355)	(46,270)
Swap	Decrease in the price of Zinc	(410)	(2,584)	(4,757)
NDF	Increase in US\$	419	(114,046)	(228,510)

		<b>Gain(Loss)</b>		
		<b>06/30/2011</b>		
<b>Transaction</b>	<b>Risk</b>	<b>Scenario</b>		
		<b>Probable I</b>	<b>Probable II</b>	<b>Probable III</b>
Swap	Increase in CDI	(27,681)	(54,899)	(84,284)
Swap	Decrease in LIBOR	(36,847)	(45,304)	(53,762)
Swap	Decrease in the price of aluminum	2,421	(3,658)	(9,737)
Swap	Decrease in the price of copper	150	(166)	(482)
Swap	Decrease in the price of Zinc	370	(1,576)	(3,522)

**Explanatory Notes**

**(b) Sensitivity analysis of loans and financing**

**(i) Parent company**

**Table of Sensitivity Analysis of Loans and Financing** 06/30/2012

		Probable scenario I	Scenario II	Scenario III
US dollar		2.0213	2.5266	3.0320
EUR		2.5606	3.2008	3.8409
JPY		0.0253	0.0317	0.0380

Transaction	Risk	Probable scenario I	Scenario II	Scenario III
Loans and financial linked to US\$	Appreciation of USD	2,955,448	3,694,310	4,433,172
Loans and financial linked to EUR	Appreciation of EUR	32,727	40,909	49,091
Loans and financial linked to JPY	Appreciation of JPY	1,689,863	2,112,329	2,534,795

**Table of Sensitivity Analysis of Loans and Financing** 12/31/2011

		Probable scenario I	Scenario II	Scenario III
US dollar		1.8758	2.3448	2.8137
EUR		2.4342	3.0428	3.6513
JPY		0.0243	0.0304	0.0365

Transaction	Risk	Probable scenario I	Scenario II	Scenario III
Loans and financial linked to US\$	Appreciation of USD	2,890,357	3,612,946	4,355,536
Loans and financial linked to EUR	Appreciation of EUR	35,564	44,455	53,346
Loans and financial linked to JPY	Appreciation of JPY	1,621,816	2,027,270	2,432,724

**(i) Consolidated**

**Table of Sensitivity Analysis of Loans and Financing** 06/30/2012

		Probable scenario I	Scenario II	Scenario III
US dollar		2.0213	2.5266	3.0320
EUR		2.5606	3.2008	3.8409
JPY		0.0253	0.0317	0.0380

Transaction	Risk	Probable scenario I	Scenario II	Scenario III
Loans and financial linked to US\$	Appreciation of USD	4,369,677	5,462,096	6,554,516
Loans and financial linked to EUR	Appreciation of EUR	32,727	40,909	49,091
Loans and financial linked to JPY	Appreciation of JPY	3,045	3,806	4,568

**Table of Sensitivity Analysis of Loans and Financing** 12/31/2011

		Probable scenario I	Scenario II	Scenario III
US dollar		1.8758	2.3448	2.8137
EUR		2.4342	3.0428	3.6513
JPY		0.0243	0.0304	0.0365

Transaction	Risk	Probable scenario I	Scenario II	Scenario III
Loans and financial linked to US\$	Appreciation of USD	4,209,729	5,262,161	6,314,5934
Loans and financial linked to EUR	Appreciation of EUR	35,564	44,455	53,346
Loans and financial linked to JPY	Appreciation of JPY	2,923	3,654	4,385

As at June 30, 2012, considering the foreign currency variations of 5% in comparison to the Real, the impact of this variation on loans and financing would be R\$233,902 (December 31, 2011 – R\$277,387) in the Parent Company, and R\$220,272 (December 31, 2011 – R\$212,411) in the Consolidated figures.

The net balance of trade receivables, financial investments and payables in foreign currency are not material and, therefore, do not represent significant risks arising from the foreign exchange volatility.

## **Explanatory Notes**

### **5 Derivative financial instruments**

The Usiminas companies carry out swap and NDF transactions with the objective of hedging against and managing risks inherent to the volatility of foreign currencies, interest rates, prices and other variables. These transactions aim to mitigate exposure to foreign exchange risks and abrupt changes in the prices of commodities (aluminum, nickel, copper and zinc). The Usiminas companies do not enter into financial instrument transactions for speculative purposes. The Company generally does not settle transactions prior to their respective original due dates and do not prepay their derivative financial instruments.

**Explanatory Notes**

The transactions involving derivative financial instruments are summarized as follow:

**(a) Parent Company**

Maturity month/year	INDEX		NOTIONAL VALUE (contracted value - Notional)						FAIR VALUE (MARKET) - BOOK				Gain (loss) in the result for the period 06/30/2012
	06/30/2012		06/30/2012		12/31/2011		06/30/2012		12/31/2011		Gain (loss)		
	Asset position	Liability position	Asset position	Liability position	Asset position	Liability position	Asset position	Liability position	Asset position	Liability position			

**EXCHANGE RATES HEDGE (SWAP)**

Credit Suisse	02/09 a 02/14	US Dollar at 2.3794 + libor	100% CDI	US\$ 70.000	US\$ 70.000	US\$ 70.000	US\$ 70.000	4.982	(9.198)	6.737	(12.816)	(2.486)	
Pre-pagamento Citibank	07/10 a 03/15	US Dollar at 2.0261 + libor	US Dollar at 2.0261 + 4.23%	US\$ 300.000	US\$ 300.000	US\$ 300.000	US\$ 300.000	603.464	(626.743)	555.126	(560.281)	(4.644)	
Pre-pagamento HSBC	10/09 a 03/13	US Dollar at 2.0261 + libor	US Dollar at 2.0261 + 3.3375%	US\$ 300.000	US\$ 300.000	US\$ 300.000	US\$ 300.000	349.256	(352.693)	483.124	(485.146)	(1.322)	
Banco do Brasil S.A	04/10 a 03/13	Pre fixed rate 11.48% p.a.	88% CDI	R\$ 300.000	R\$ 300.000	R\$ 300.000	R\$ 300.000	382.490	(372.350)	367.694	(357.599)	7.845	
MERRIL LYNCH	06/10 a 09/16	libor + 0.85%	3.87% p.a.	US\$ 80.000	US\$ 80.000	US\$ 80.000	US\$ 80.000	176.321	(188.362)	166.468	(176.810)	(2.348)	
ABN AMRO	01/06 a 01/16	Yen at 0.0163307	US Dollar at 1.7336	JPY 42.952.000	US\$ 800.000	JPY 42.952.000	US\$ 800.000	1.261.915	(1.220.133)	1.193.334	(524.823)	(119.853)	
ABN AMRO	13/06/2016	Yen at 0.018987	US Dollar at 2.2672	JPY 22.800.000	US\$ 200.000	JPY 22.800.000	US\$ 200.000	640.842	(492.552)	615.282	(457.413)	(13.879)	
								3.429.300	(3.062.451)	3.398.025	(3.008.728)	(37.651)	
Accounting balance (net asset position liability position)									367.449		379.297	(37.651)	
												Result from settled transactions	2.845
												Result for the period - Financial income (expenses)	(40.494)

**HEDGING OF PRODUCT PRICE - NDF**

HSBC Bank	15/02/2012	US Dollar at 1.8445	Swap PTAx			USD 9.189	USD 9.189			64.360	(66.100)		
HSBC Bank	17/01/2012	US Dollar at 1.841	Swap PTAx			USD 24.920	USD 24.920			6.255	(6.361)		
Goldman Sachs	17/01/2012	US Dollar at 1.843	Swap PTAx			USD 3.410	USD 3.410			15.259	(15.536)		
MERRIL LYNCH	15/02/2012	US Dollar at 1.843	Swap PTAx			USD 35.378	USD 35.378			26.556	(26.136)		
MERRIL LYNCH	15/03/2012	US Dollar at 1.8629	Swap PTAx			USD 14.191	USD 14.191			25.873	(25.502)		
Citibank	15/03/2012	US Dollar at 1.9382	Swap PTAx			USD 4.368	USD 4.368			8.295	(8.029)		
Standard Chartered Bank S.A.	13/07/2012	US Dollar at 2.0223	Swap PTAx	USD 57.728	USD 57.728					116.392	(115.890)	412	
Standard Chartered Bank S.A.	31/07/2012	US Dollar at 2.027	Swap PTAx	USD 22.581	USD 22.581					45.471	(45.390)	81	
VOTORANTIM S.A.	15/08/2012	US Dollar at 2.0338	Swap PTAx	USD 111.788	USD 111.788					225.120	(225.069)	51	
BRADESCO S.A.	14/09/2012	US Dollar at 2.0386	Swap PTAx	USD 33.542	USD 33.542					67.313	(67.440)	127	
								454.296	(453.884)	145.606	(148.666)	412	
Accounting balance (net asset position liability position)									412		(3.060)	412	
												Result from settled transactions	10.206
												Result for the period - Operating income (expenses)	10.618

**HEDGING OF PRODUCT PRICE - COMMODITIES**

SANTANDER SA (ZINCO)	02/02/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax			USD 1.387	USD 1.387			1.879	(2.802)		
Citibank (ZINCO)	02/03/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax			USD 1.412	USD 1.412			1.926	(2.648)		
Barclays (ZINCO)	02/03/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax			USD 148	USD 148			273	(277)		
Barclays (ZINCO)	02/03/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax			USD 148	USD 148			274	(277)		
Barclays (ZINCO)	03/04/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax			USD 148	USD 148			276	(277)		
Barclays (ZINCO)	03/05/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax			USD 149	USD 149			278	(280)		
Barclays (ZINCO)	04/06/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax			USD 149	USD 149			276	(280)		
Barclays (ZINCO)	03/07/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax	USD 149	USD 149					304	(292)	12	
Barclays (ZINCO)	02/08/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax	USD 151	USD 151					2.282	(2.415)	133	
Barclays (ZINCO)	04/09/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax	USD 151	USD 151					304	(305)	1	
Barclays (ZINCO)	02/10/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax	USD 151	USD 151					2.282	(2.415)	133	
Barclays (ZINCO)	06/11/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax	USD 151	USD 151					304	(285)	119	
Barclays (ZINCO)	04/12/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax	USD 151	USD 151					2.280	(2.415)	133	
Barclays (ZINCO)	03/01/2013	Average price (Zn) x Ptax	Call position (Zn) x Ptax	USD 151	USD 151					304	(305)	1	
Barclays (ZINCO)	03/07/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax	USD 1.195	USD 1.195					304	(305)	1	
Barclays (ZINCO)	02/08/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax	USD 1.195	USD 1.195					304	(305)	1	
Barclays (ZINCO)	04/09/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax	USD 1.195	USD 1.195					305	(306)	1	
TOTAL								8.973	(9.378)	7.139	(8.623)	(380)	
Accounting balance (net asset position liability position)									(405)		(1.484)	(380)	
												Result from settled transactions	(787)
												Result for the period - Cost of Sales	(1.172)
Accounting balance (net asset position liability position)									367.456		374.763	(37.624)	
												Result from settled transactions	6.576
												Total Result with Financial Instruments	(31.648)

Explanatory Notes

(b) Consolidated

Maturity month/year	INDEX		NOTIONAL VALUE (contracted value - Notional)						FAIR VALUE (MARKET) - BOOK						Gain (loss) in the result for the period
	06/30/2012		06/30/2012		12/31/2011		06/30/2012		12/31/2011		06/30/2012				
	Asset position	Liability position	Asset position	Liability position	Asset position	Liability position	Asset position	Liability position	Asset position	Liability position	Asset position	Liability position	Gain (loss)		

EXCHANGE RATES HEDGE (SWAP)

Credit Suisse	02/09 a 02/14	US Dollar at 2.3784 + libor	100% CDI		US\$ 70.000	US\$ 70.000	US\$ 70.000	US\$ 70.000		4.982	(9.198)	6.737	(12.816)	(2.486)
Pre-pagamento Citibank	07/10 a 03/15	US Dollar at 2.0261 + libor	US Dollar at 2.0261 + 4.23%		US\$ 300.000	US\$ 300.000	US\$ 300.000	US\$ 300.000		(626.454)	(626.743)	555.126	(580.281)	(4.644)
Pre-pagamento HSBC	10/09 a 03/13	US Dollar at 2.0261 + libor	US Dollar at 2.0261 + 3.3375%		US\$ 300.000	US\$ 300.000	US\$ 300.000	US\$ 300.000		349.286	(352.693)	483.124	(489.146)	(1.322)
Banco do Brasil S.A	04/10 a 03/13	Pre fixed rate 11.48% p.a.	88% CDI		R\$ 300.000	R\$ 300.000	R\$ 300.000	R\$ 300.000		392.490	(374.350)	387.894	(387.999)	7.845
MERRIL LYNCH	04/10 a 09/16	Libor + 0.87%	0.07% F.S.		US\$ 96.000	US\$ 96.000	US\$ 96.000	US\$ 96.000		176.211	(138.362)	183.498	(176.810)	(3.178)
ABN AMRO	01/08 a 01/18	Yen at 0.0163307	US Dollar at 1.7536		JPY 42.952.000	US\$ 426.000	JPY 42.952.000	US\$ 426.000		1.261.915	(1.020.013)	1.191.394	(924.803)	(19.353)
ABN AMRO	13/06/2016	Yen at 0.019887	US Dollar at 2.2672		JPY 22.800.000	US\$ 200.000	JPY 22.800.000	US\$ 200.000		640.842	(492.552)	615.282	(487.413)	(13.873)
ABN AMRO	01/08 a 01/18	US\$	JPY		US\$ 400.000	JPY 42.952.000	US\$ 400.000	JPY 42.952.000		1.105.869	(1.392.652)	1.028.656	(1.352.607)	42.546
ABN AMRO	13/06/2016	0.0825	0.04275		US\$ 200.000	JPY 22.800.000	US\$ 200.000	JPY 22.800.000		523.457	(688.442)	492.767	(873.122)	19.746
Itau BBA	23/06/2014	US\$	2.775% + 25% IR p.a.		US\$ 30.000	US\$ 30.000	US\$ 30.000	US\$ 30.000		30.655	(27.096)	36.126	(31.926)	(887)
									5.089.781	(5.170.581)	4.945.574	(5.266.433)	23.754	
									Accounting balance (net asset position liability position)		(80.800)	(120.859)	23.754	
											Result from settled transactions		(2.843)	
											Result for the period - Financial income (expenses)		20.911	

HEDGING OF PRODUCT PRICE - NDE

HSBC Bank	10/02/2012	US Dollar at 1.8445	Sale PTAX			USD 2.180	USD 9.189				64.300	(66.120)	
HSBC Bank	17/01/2012	US Dollar at 1.841	Sale PTAX			USD 24.600	USD 24.920				6.255	(6.361)	
Goldman Sachs	17/01/2012	US Dollar at 1.843	Sale PTAX			USD 3.410	USD 3.410				15.258	(15.036)	
MERRIL LYNCH	10/02/2012	US Dollar at 1.843	Sale PTAX			USD 35.378	USD 35.378				25.565	(25.138)	
MERRIL LYNCH	10/03/2012	US Dollar at 1.8609	Sale PTAX			USD 14.191	USD 14.191				26.873	(26.502)	
Citibank	10/03/2012	US Dollar at 1.8586	Sale PTAX			USD 4.388	USD 4.388				8.288	(8.028)	
Standard Chartered Bank S.A.	13/07/2012	US Dollar at 2.0229	Sale PTAX		USD 57.728	USD 57.728			116.382	(116.980)			412
Standard Chartered Bank S.A.	31/07/2012	US Dollar at 2.027	Sale PTAX		USD 22.681	USD 22.681			45.471	(45.380)			81
VOTORANTIM S.A.	15/08/2012	US Dollar at 2.0338	Sale PTAX		USD 111.788	USD 111.788			225.120	(225.089)			51
BRASESCO S.A.	14/09/2012	US Dollar at 2.0395	Sale PTAX		USD 33.542	USD 33.542			87.313	(87.445)			(132)
									454.296	(453.884)	145.608	(148.696)	412
									Accounting balance (net asset position liability position)		412	(3.060)	412
											Result from settled transactions		10.206
											Result for the period - Operating income (expenses)		10.618

PROTEÇÃO DE PREÇO DE PRODUTO - COMMODITIES

SANTANDER SA (ZINCO)	02/02/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax			USD 1.387	USD 1.387				1.879	(2.602)		
Citibank (ZINCO)	02/02/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax			USD 1.412	USD 1.412				1.265	(2.549)		
Barclays (ZINCO)	02/02/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax			USD 148	USD 148				273	(277)		
Barclays (ZINCO)	02/03/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax			USD 148	USD 148				274	(277)		
Barclays (ZINCO)	03/04/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax			USD 148	USD 148				275	(277)		
Barclays (ZINCO)	03/05/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax			USD 149	USD 149				276	(280)		
Barclays (ZINCO)	04/06/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax			USD 149	USD 149				276	(280)		
Barclays (ZINCO)	03/07/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax		USD 149	USD 149	USD 149			304	(302)	277	(280)	
Barclays (ZINCO)	03/08/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax		USD 151	USD 151	USD 151			2.282	(2.415)	278	(283)	5
Barclays (ZINCO)	04/09/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax		USD 151	USD 151	USD 151			304	(300)	279	(283)	4
Barclays (ZINCO)	02/10/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax		USD 151	USD 151	USD 151			2.282	(2.415)	280	(283)	3
Barclays (ZINCO)	05/11/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax		USD 151	USD 151	USD 151			304	(300)	281	(284)	2
Barclays (ZINCO)	04/12/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax		USD 151	USD 151	USD 151			2.280	(2.415)	282	(284)	1
Barclays (ZINCO)	03/01/2013	Average price (Zn) x Ptax	Call position (Zn) x Ptax		USD 151	USD 151	USD 151			304	(300)	283	(284)	1
Barclays (ZINCO)	03/07/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax		USD 1.195	USD 1.195				304	(305)			(132)
Barclays (ZINCO)	03/08/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax		USD 1.195	USD 1.195				304	(305)			(133)
Barclays (ZINCO)	04/09/2012	Average price (Zn) x Ptax	Call position (Zn) x Ptax		USD 1.195	USD 1.195				305	(306)			(136)
									8.873	(9.378)	7.139	(8.623)	(380)	
									Accounting balance (net asset position liability position)		(405)	(1.484)	(390)	
											Result from settled transactions		(787)	
											Result for the period - Cost of Sales		(1.172)	
									Accounting balance (net asset position liability position)		(80.793)	(125.463)	25.791	
											Result from settled transactions		6.276	
											Total Result with financial Instruments		30.357	

## Explanatory Notes

The transactions involving derivative financial instruments are summarized as follows:

	<b>Parent Company</b>		<b>Consolidated</b>	
	<b>06/30/2012</b>	<b>12/31/2011</b>	<b>06/30/2012</b>	<b>12/31/2011</b>
Current assets	18,687	10,560	40,809	29,464
Non- current assets	407,451	431,772	413,970	435,972
Current liabilities	(38,187)	(43,589)	(38,187)	(43,589)
Non-current liabilities	(20,495)	(23,990)	(497,385)	(547,250)
	<u>367,456</u>	<u>374,753</u>	<u>(80,793)</u>	<u>(125,403)</u>

	<b>Parent Company</b>		<b>Consolidated</b>	
	<b>06/30/2012</b>	<b>06/30/2011</b>	<b>06/30/2012</b>	<b>06/30/2011</b>
<b>Result</b>				
Cost of assets and/or services sold	(1,172)	(5,257)	(1,172)	(5,257)
Other operating income (expenses), net	10,618		10,618	
In financial results	<u>(40,494)</u>	<u>(42,971)</u>	<u>20,911</u>	<u>5,466</u>
	<u>(31,048)</u>	<u>(48,228)</u>	<u>30,357</u>	<u>209</u>

### (c) Hedging activities – cash flow hedging (hedge accounting)

On August 1, 2011, the Company designated some export prepayment transactions as hedging instruments against part of the foreign exchange risk arising from highly probable future transactions (exports). The purpose of the hedge accounting adoption is consistent with the risk management strategy to reduce the impacts from foreign exchange rate volatility on the financial statements due to an accounting mismatch generated by future transactions not recognized in the books.

The application of the hedge accounting involves the recognition of the net effect on the result of gains and losses from the changes in the fair value of the hedging instruments and hedging objects at the same time.

## Explanatory Notes

The export prepayment transactions designated as hedging instruments are as follow:

	<b>Parent Company and Consolidated</b>				
	<b>Principal balance</b>				
	<b>Nominal value US\$ thousands</b>	<b>Interest rate</b>	<b>Maturity</b>	<b>06/30/2012</b>	<b>12/31/2011</b>
BNP Paribas		Libor + 1.25% p.a.	2012		13,643
Club Deal (Mizuho, Tokio Mitsubishi, West LB)	45,000	Libor + 0.65% p.a.	2012 to 2013	90,959	112,548
Credit Suisse	40,000	Libor + 4% p.a.	2014	80,852	93,790
Bawag PSK		Libor + 2.317% p.a.	2012		13,534
Sindicato (HSBC)	471,429	Libor + 1.1% to 1.35% p.a.	2012 to 2015	952,899	1,045,089
	<u>556,429</u>			<u>1,124,710</u>	<u>1,278,604</u>
In current liabilities				<u>612,953</u>	<u>493,692</u>
In non current liabilities				<u>511,757</u>	<u>784,912</u>

The recognition of hedge accounting in equity is as follows:

	<b>Parent Company and Consolidated</b>	
	<b>06/30/2012</b>	<b>12/31/2011</b>
Initial balance recognized in equity	(143,735)	
Amount recognized in the period	(73,099)	(229,714)
Amount reversed from equity to export revenue	32,141	11,933
Taxes on deferred profits (34%)	13,925	74,046
Final balance recognized in equity	<u>(170,768)</u>	<u>(143,735)</u>

On June 30, 2012, the Company conducted prospective and retrospective effectiveness tests in conformity with IAS 39/CPC 38. Those tests showed 100% of effectiveness for the export prepayment transactions defined as hedging instruments, as well as for exports defined as hedging objects.

## Explanatory Notes

### 6 Cash and Cash Equivalents

Cash and cash equivalents include the financial assets as follow:

	<b>Parent Company</b>					
	<b>06/30/2012</b>			<b>12/31/2011</b>		
	<b>Loans and receivables</b>	<b>Fair value through results</b>	<b>Total</b>	<b>Loans and receivables</b>	<b>Fair value through results</b>	<b>Total</b>
Current account	45,233		45,233	29,379		29,379
Offshore current account	71,180		71,180	12,223		12,223
Certificates of deposit – CDBs		498,148	498,148		248,619	248,619
Offshore time deposits	32,331		32,331	73,365		73,365
	<u>148,744</u>	<u>498,148</u>	<u>646,892</u>	<u>114,967</u>	<u>248,619</u>	<u>363,586</u>

	<b>Consolidated</b>					
	<b>06/30/2012</b>			<b>12/31/2011</b>		
	<b>Loans and receivables</b>	<b>Fair value through results</b>	<b>Total</b>	<b>Loans and receivables</b>	<b>Fair value through results</b>	<b>Total</b>
Current account	60,896		60,896	72,142		72,142
Offshore current account	97,397		97,397	33,846		33,846
Certificates of deposit – CDBs		2,441,774	2,441,774		2,721,957	2,721,957
Offshore time deposits	172,222		172,222	73,367		73,367
	<u>330,515</u>	<u>2,441,774</u>	<u>2,772,289</u>	<u>179,355</u>	<u>2,721,957</u>	<u>2,901,312</u>

The average yield of certificates of deposit was a spread over the Interbank Deposit Certificate rate (CDI) from 100% to 103%.

### 7 Marketable securities

Marketable securities include financial assets classified as loans and receivables, as follow:

	<b>Parent Company</b>	<b>Consolidated</b>	
	<b>12/31/2011</b>	<b>06/30/2012</b>	<b>12/31/2011</b>
Financial investments abroad	124,396	2,071,255	2,289,383
	<u>124,396</u>	<u>2,071,255</u>	<u>2,289,383</u>

Although the investments have immediate liquidity, they were classified as marketable securities as they are subject to foreign exchange variations and/or a pre-fixed interest rates.

Financial investments overseas are remunerated at fixed interest rates plus foreign exchange gains/losses.



**Explanatory Notes****8 Trade Receivables**

	<b>Parent Company</b>		<b>Consolidated</b>	
	<b>06/30/2012</b>	<b>12/31/2011</b>	<b>06/30/2012</b>	<b>12/31/2011</b>
Brazilian customers	697,984	517,997	1,305,706	1,124,237
Export customers	254,915	144,948	369,967	238,468
Provision for losses on trade receivables	(109,752)	(107,868)	(128,916)	(126,149)
Trade receivables, net	843,147	555,077	1,546,757	1,236,556
Receivables from related parties	344,976	228,443	21,138	17,879
	<u>1,188,123</u>	<u>783,520</u>	<u>1,567,895</u>	<u>1,254,435</u>

Trade receivables have no financing characteristics and are initially assessed and recorded at fair value.

**9 Inventory**

	<b>Parent Company</b>		<b>Consolidated</b>	
	<b>06/30/2012</b>	<b>12/31/2011</b>	<b>06/30/2012</b>	<b>12/31/2011</b>
Finished goods	949,011	1,143,730	1,270,289	1,463,147
Work in progress	1,199,016	1,706,518	1,263,467	1,752,084
Raw materials	512,217	514,088	912,336	857,639
Supplies and spare parts	675,834	729,966	770,550	807,774
Imports in transit	72,667	108,890	77,436	109,184
Other	244,752	60,481	242,550	69,048
	<u>3,653,497</u>	<u>4,263,673</u>	<u>4,536,628</u>	<u>5,058,876</u>

As at June 30, 2012, the Company held inventory of R\$15, 496 (December 31, 2011 - R\$17,463) offered as guarantees for judicial processes.

## Explanatory Notes

### 10 Taxes Recoverable

	<b>Parent Company</b>			
	<b>06/30/2012</b>		<b>12/31/2011</b>	
	<b>Current</b>	<b>Non-current</b>	<b>Current</b>	<b>Non-current</b>
Prepayments of income tax	34,805		86,926	
Prepayments of social contributions	137		70,040	
Social Integration Program (PIS)	61,490	1,038	67,331	2,480
Social Contributions on Revenue (COFINS)	245,185	4,781	305,338	11,425
Value-added Tax on Sales and Services (ICMS)	121,364	80,397	110,464	95,165
Excise Tax (IPI)	3,254		3,933	
Export credit - Reintegra	20,809			
Import credits recoverable	34,384			
Other	1,701	11,709	2,128	14,311
	<u>523,129</u>	<u>97,925</u>	<u>646,160</u>	<u>123,381</u>
	<b>Consolidated</b>			
	<b>06/30/2012</b>		<b>12/31/2011</b>	
	<b>Current</b>	<b>Non-current</b>	<b>Current</b>	<b>Non-current</b>
Prepayments of income tax	54,544		117,529	
Prepayments of social contribution	4,949		79,506	
Social Integration Program (PIS)	73,302	1,439	80,049	2,929
Social Contribution on Revenues (COFINS)	259,573	6,632	321,261	13,495
Value-added Tax on Sales and Services (ICMS)	174,226	135,271	156,618	123,847
Excise Tax (IPI)	38,114		22,190	
Export credit - Reintegra (*)	20,809			
Import credits recoverable	39,011			
Other	4,953	11,864	22,482	14,466
	<u>669,481</u>	<u>155,206</u>	<u>799,635</u>	<u>154,737</u>

(\*) Refers to the Special Rules of Reintegration of Tax Amounts for Export Companies (Reintegra), whose objective is to restore values resulting from remaining tax costs calculated in the supply chain of export companies. The Reintegra was established by Provisional Measure 540/2011 and regulated by Decree 7633/2011. The basis of calculation represents 3% of export revenue.

## Explanatory Notes

### 11 Income tax and social contributions

#### (a) Income tax and social contribution expenses

The effective income tax (IRPJ) and the social contribution (CSLL) expenses differ from the amount which would be obtained using the statutory income tax and social contribution nominal rates applicable to profit before taxation, at Parent Company and Consolidated levels, as follows:

	<u>Parent Company</u>		<u>Consolidated</u>	
	<u>06/30/2012</u>	<u>06/30/2011</u>	<u>06/30/2012</u>	<u>06/30/2011</u>
Profit (loss) before income tax and social contributions	(396,038)	247,778	(288,808)	503,730
Statutory rates of tax	<u>34%</u>	<u>34%</u>	<u>34%</u>	<u>34%</u>
IRPJ and CSLL at statutory rates	<u>134,653</u>	<u>(84,245)</u>	<u>98,195</u>	<u>(171,268)</u>
Adjustments to determine the effective IRPJ and CSLL expenses:				
Equity in the results	106,737	69,855	9,005	10,777
Permanent exclusions (additions)	(9,798)	(10,040)	(12,429)	(8,970)
Tax incentives			2,163	1,000
Foreign subsidiary profits (not-taxable)			74,559	(27,807)
Adjustments to the IR/CS Returns of prior years	(8,115)	(11,750)	(7,255)	(9,146)
Other		<u>(1,137)</u>	<u>1,258</u>	<u>(777)</u>
IRPJ and CSLL	<u>223,477</u>	<u>(37,317)</u>	<u>165,496</u>	<u>(206,191)</u>
Current	(54)	(11,750)	(95,340)	(187,771)
Deferred	<u>223,531</u>	<u>(25,567)</u>	<u>260,836</u>	<u>(18,420)</u>
IRPJ and CSLL expenses	<u>223,477</u>	<u>(37,317)</u>	<u>165,496</u>	<u>(206,191)</u>

There are no current tax items recorded directly in equity in these interim financial statements.

#### (b) Changes in deferred income tax and social contributions

The changes in deferred income tax and social contributions for the six month period ended June 30, 2012 are as follow:

	<u>Parent Company</u>	<u>Consolidated</u>	
	<u>Assets</u>	<u>Assets</u>	<u>Liabilities</u>
As at December 31, 2011	676,592	797,146	17,880
Deferred taxes charged to results	435,696	484,806	5,301
Reversal of deferred taxes	(212,165)	(218,669)	
Deferred taxes charged to comprehensive results (actuarial liabilities)	27,963	27,963	
Deferred taxes charged to comprehensive results (hedge accounting)	13,925	13,925	
Other		<u>1,498</u>	
As at June 30, 2012	<u>942,011</u>	<u>1,106,669</u>	<u>23,181</u>

## Explanatory Notes

As at June 30, 2012, according to projections approved by the Company's Management, long term deferred income tax and social contributions shall be realized as follow:

	<u>Parent Company</u>	<u>Consolidated</u>
2012	(42.340)	(21.959)
2013	(2.138)	14.034
2014	116.205	132.377
2015	126.106	142.278
2016	172.263	188.435
2017	166.441	182.613
2018 onwards	<u>1.033.405</u>	<u>1.098.092</u>
Assets	<u>1.569.942</u>	<u>1.735.870</u>
Liabilities	<u>(627.931)</u>	<u>(629.201)</u>
Net assets	<u><u>942.011</u></u>	<u><u>1.106.669</u></u>

## 12 Judicial deposits

The composition of the balance of judicial deposits has not significantly changed in relation to those disclosed in the Company's financial statements for December 31, 2011 and, accordingly, Management decided not to repeat them in the interim financial statements for June 30, 2012.

The changes in judicial deposits for the six month period ended June 30, 2012 are as follow:

	<u>Parent Company</u>	<u>Consolidated</u>
As at December 31, 2011 before offsetting provisions for contingencies	754,431	831,637
Additions	14,590	19,540
Interest/restatements	21,647	23,641
Payments	(4,646)	(4,809)
Reversals	<u>(1,522)</u>	<u>(8,208)</u>
	<u>784,500</u>	<u>861,801</u>
Deposits linked to provisions for Contingencies and taxes payable in installments	<u>(315,268)</u>	<u>(356,973)</u>
As at June 30, 2012	<u><u>469,232</u></u>	<u><u>504,828</u></u>

## Explanatory Notes

### 13 Investments

As at June 30, 2012, the changes in investments were as follow:

#### (i) Parent Company

	<u>12/31/2011</u>	<u>Additions (disposals)</u>	<u>Equity in the results</u>	<u>Conversion adjustments</u>	<u>Interest on own capital and dividends</u>	<u>Other</u>	<u>06/30/2012</u>
<b>Subsidiaries</b>							
Automotiva Usiminas S.A.	115,440		(3,888)		(1,719)	300	110,133
Cosipa Commercial Ltd.			7,870				7,870
Cosipa Overseas Ltd.	17,579		1,249				18,828
Mineração Usiminas S.A.	3,227,711		110,794				3,338,505
Rios Unidos Logística e Transporte de Aço Ltda.	10,206		(3,954)			6	6,258
Soluções em Aço Usiminas S.A.	756,614		(3,843)			(2,288)	750,483
Usiminas Europa A/S	1,962,976		168,819				2,131,795
Usiminas International Ltd.	217,362		18,019				235,381
Usiminas Mecânica S.A.	703,521		(42,736)		6,757	(484)	667,058
UPL Usiminas Participações e Logística S.A.	45,944		3,247		(932)		48,259
Goodwill in subsidiaries	130,801					(523)	130,278
	<u>7,188,154</u>		<u>255,577</u>		<u>4,106</u>	<u>(2,989)</u>	<u>7,444,848</u>
<b>Jointly controlled subsidiaries</b>							
Fasal Trading Brasil	9,617		(452)	759			9,924
Unigal Ltda.	754,729		28,950		(105,000)		678,679
Usiroll – Usiminas Court Tecnologia em Acabamento Superficial Ltda.	5,948		832			16	6,796
	<u>770,294</u>		<u>29,330</u>	<u>759</u>	<u>(105,000)</u>	<u>16</u>	<u>695,399</u>
<b>Associated companies</b>							
Codeme Engenharia S.A.	38,290	(437)	3,256		(1,872)		39,237
Metform S.A.	17,840	(1,705)	1,950		(4,541)		13,544
MRS Logística S.A.	6,423		487		(334)		6,576
Goodwill in associated companies	79,464						79,464
	<u>142,017</u>	<u>(2,142)</u>	<u>5,693</u>		<u>(6,747)</u>		<u>138,821</u>
	<u>8,100,465</u>	<u>(2,142)</u>	<u>290,600</u>	<u>759</u>	<u>(107,641)</u>	<u>(2,973)</u>	<u>8,279,068</u>

## Explanatory Notes

### (ii) Consolidated

	<u>12/31/2011</u>	<u>Additions (disposals)</u>	<u>Equity in the results</u>	<u>Interest on own capital and dividends</u>	<u>Other</u>	<u>06/30/2012</u>
Codeme Engenharia S.A.	38,290	(437)	3,256	(1,872)		39,237
Metform S.A.	17,840	(1,705)	1,950	(4,541)		13,544
MRS Logística S.A.	262,397		19,764	(13,480)		268,681
Terminal de Cargas Sarzedo Ltda.	3,381		1,620	(1,767)		3,234
Other	3,185	(23)	(104)	61	6	3,125
Goodwill	<u>103,289</u>					<u>103,289</u>
	<u>428,382</u>	<u>(2,165)</u>	<u>26,486</u>	<u>(21,599)</u>	<u>6</u>	<u>431,110</u>

### 14 Property, Plant and Equipment

The composition of property, plant and equipment did not present significant changes compared to those disclosed in the Company's financial statements for December 31, 2011 and, accordingly, Management decided not to repeat them in the interim financial statements for June 30, 2012.

The changes in property, plant and equipment in the six month period ended June 30, 2012 were as follow:

	<u>Parent Company</u>	<u>Consolidated</u>
As at December 31, 2011	<u>13,786,171</u>	<u>15,921,154</u>
Additions	613,427	914,758
Disposals	(79)	(1,039)
Depreciation	(381,796)	(436,741)
Capitalized indexation charges	92,912	92,912
Transfers	(6,992)	(9,379)
Disposal of advances		(4,235)
Other	(4,140)	(4,924)
As at June 30, 2012	<u>14,099,503</u>	<u>16,472,506</u>

As at June 30, 2012, additions to property, plant and equipment amounting to R\$ 914,758 refer mainly to the hot strip mill R\$ 182,448, stripping activities R\$ 18,223 the cock plant 2 refurbishment R\$ 51,656, the blooming mill in thick plates line R\$ 122,470 the control of particled material of the coke extinction tower R\$ 22,250, and friable projects of the Parent Company Mineração Usiminas R\$ 107,567.

## Explanatory Notes

### 15 Intangible Assets

The composition of intangible assets refer mainly to mineral rights, did not present significant changes in relation to those disclosed in the Company's financial statements for December 31, 2011 and, accordingly, Management decided not to repeat them in the interim financial statements as at June 30, 2012.

The changes in intangible assets for the six month period ended June 30, 2012, were as follow:

	<u>Parent Company</u>	<u>Consolidated</u>
<b>As at December 31, 2011</b>	142,735	2,453,952
<b>Additions</b>	152	1,602
Amortization	(6,337)	(22,087)
Transfers from property, plant and equipment	6,992	9,379
<b>As at June 30, 2012</b>	<u>143,542</u>	<u>2,442,846</u>

### 16 Loans and Financing

The composition of loans and financing did not present significant changes in relation to those disclosed in the Company's financial statements for December 31, 2011 and, accordingly, Management decided not to repeat them in the interim financial statements for June 30, 2012.

#### (a) Changes in loans and financing

The changes in loans and financing, for the six month period ended June 30, 2012, are as follow:

	<u>Parent Company</u>	<u>Consolidated</u>
<b>As at December 31, 2011</b>	8,412,395	8,238,223
New loans and financing	271,281	371,860
Financial charges provisioned	137,069	194,333
Indexation charges	111,779	115,930
Foreign exchange	303,080	341,170
Payment of charges	(224,095)	(251,912)
Payment of principal	(421,785)	(493,917)
Escrow accounts ( *)	(40,699)	(40,699)
Other	(12,326)	(12,326)
<b>As at June 30, 2012</b>	<u>8,536,699</u>	<u>8,462,662</u>

(\*) Export receivables which shall be used for the amortization of export prepayment contracts.

## **Explanatory Notes**

### **(b) Other significant information on loans and financing**

#### **Contracting of Guarantee Letter**

On January 13, 2012, the Company's Board of Directors approved the contracting of a guarantee letter from Banco Safra, amounting to US\$79,692 thousand, to guarantee the supplementary payment for and final acquisition of Mineração JMendes Ltda., from Siderúrgica do Oeste de Minas Gerais Ltda. and from Global Mineração Ltda., as set forth in the original agreement disclosed as a Material Fact, dated February 2, 2008. The balance of the credit letter for the quarter ended June 30, 2012 was US\$ 66,410 thousand.

#### **Covenants**

The Company has loans and financing with certain contractual conditions including covenants based on certain financial ratios, as follows:

- Consolidated Interest Coverage Ratio – payment capacity of interest on loans and financing in relation to EBITDA
- Total Debt to EBITDA and Net Debt to EBITDA – payment capacity of debt in relation to Ebitda
- Total Capitalization Ratio – relation between own capital and third party capital
- Liquidity Level – payment capacity of short term liabilities
- Capitalization Level – ratio of Net Equity to Total Assets
- Collections History – ratio between payment of principal and interest on ACC (advances on exchange contracts) debt and export prepayments and net export revenues.
- Minimum cash level
- Maximum level of indebtedness

The above ratios are calculated on a consolidated basis of Company.

As at June 30,2012, the Company has not fulfilled the contractual conditions related to the Ratios of Total Debt to EBITDA and Net Debt to EBITDA for certain contracts. This fact has been duly communicated to the creditors and a waiver was requested, which was successfully obtained prior to the date of preparation of these financial statements



**Explanatory Notes**

**17 Provision for Contingencies**

**(a) Probable loss contingencies**

The composition of reserves for contingencies is as follows:

	<b>Parent Company</b>					
	<b>06/30/2012</b>			<b>12/31/2011</b>		
	<b>Contingencies</b>	<b>Judicial deposits</b>	<b>Net balance</b>	<b>Contingencies</b>	<b>Judicial deposits</b>	<b>Net balance</b>
IR and CSLL	16,311	(16,311)		16,070	(16,070)	
INSS	42,600	(5,669)	36,931	41,852	(5,498)	36,354
Labor	151,365	(91,971)	59,394	131,919	(83,461)	48,458
Civil	93,221	(8,377)	84,844	73,497	(7,809)	65,688
Other	2,055		2,055			
	<u>305,552</u>	<u>(122,328)</u>	<u>183,224</u>	<u>263,338</u>	<u>(112,838)</u>	<u>150,500</u>

	<b>Consolidated</b>					
	<b>06/30/2012</b>			<b>12/31/2011</b>		
	<b>Contingencies</b>	<b>Judicial deposits</b>	<b>Net balance</b>	<b>Contingencies</b>	<b>Judicial deposits</b>	<b>Net balance</b>
ICMS	1,381		1,381	3,583		3,583
IR and CSLL	56,184	(26,213)	29,971	54,973	(25,966)	29,007
INSS	42,628	(5,697)	36,931	41,880	(5,526)	36,354
CIDE	6,316	(6,316)		6,019	(6,019)	
COFINS	12,335	(11,873)	462	12,335	(11,873)	462
PIS	2,216	(2,216)		2,216	(2,216)	
Labor	180,881	(102,719)	78,162	159,000	(92,284)	66,716
Civil	95,717	(8,385)	87,332	75,916	(7,809)	68,107
Other	2,773	(615)	2,158	703	(677)	26
	<u>400,431</u>	<u>(164,034)</u>	<u>236,397</u>	<u>356,625</u>	<u>(152,370)</u>	<u>204,255</u>

As at June 30, 2012, the Company has judicial deposits recorded in non-current assets, for which no provisions were recorded (Note 12).

## Explanatory Notes

The changes in the provisions for contingencies for the six month period ended June 30, 2012 are as follow:

	<u>Parent Company</u>	<u>Consolidated</u>
Balances as at December 31,2011 before the offsetting of judicial deposits	263,338	356,625
Additions	52,493	58,225
Interest/indexation	15,407	17,731
Amortization/disposals	(8,194)	(8,457)
Reversals	(8,939)	(13,285)
Other	(8,553)	(10,408)
	<u>305,552</u>	<u>400,431</u>
Offsetting of judicial deposits	<u>(122,328)</u>	<u>(164,034)</u>
Balance as at June 30, 2012	<u><u>183,224</u></u>	<u><u>236,397</u></u>

The provisions for contingencies were recorded to cover probable losses on administrative and judicial procedures relating to tax, labor and civil issues, with amounts deemed to be sufficient by management, based on the advice and evaluation of internal and external legal counsel.

### (b) Possible loss contingencies

In addition, the parent company and some of its subsidiaries are also parties to lawsuits which involve a risk of loss classified as *possible* by management, based on the evaluation of its legal counsel, for which no provisions have been recorded. For the six month period ended June 30, 2012, the Company is a party to new processes, amounting to R\$ 278,648, which are presented as follow:

<u>Description</u>	<u>Position</u>	<u>Balance</u>
New tax assessment notice issued by the State of Sao Paulo claiming the reversal of ICMS credits on materials deemed to be use and consumption (refractory and other).	In January, 2012, Usiminas presented its defense. Awaiting judgment at the first administrative level.	95,380
New tax assessment notice issued by the State of Minas Gerais for the reversal of ICMS credits for the purchase of materials deemed to be for use and consumption by the tax authorities.	In January, 2012, Usiminas presented its defense. Awaiting judgment at the first administrative level.	34,842
Tax execution procedure proposed by Ipatinga to cover the payment of IPTU/2011 debits and request for review of IPTU/2012 presented by Usiminas.	Awaiting citation of process of Usiminas tax collection of IPTU 2011. Awaiting judgment at the first administrative level of IPTU 2012.	66,942
Lawsuit aiming to avoid the collection of social contributions levied on profit-sharing paid to the employees in the period from 1995 to 1998.	Usiminas obtained a partially favorable decision at the second judicial level and filed an appeal, which is still pending judgement.	15,324
Other		<u>66,160</u>
		<u><u>278,648</u></u>

## Explanatory Notes

As at June 30, 2012, there was no new information regarding the progress, expectation of success and contingencies on assets relating to these lawsuits, compared to that disclosed in the Company's financial statements as at December 31, 2011, and accordingly Management decided not to repeat them in the interim financial statements for June 30, 2012.

### 18 Retirement Benefit Obligations

As at June 30, 2012, there were no alterations in the nature and conditions of the retirement benefit plans in relation to the description in Note 26 to the Company financial statements for the year ended December 31, 2011.

The balances of retirement benefits are set out as follow:

	<b>Parent Company and Consolidated</b>	
	<u>06/30/2012</u>	<u>12/31/2011</u>
Balance sheet obligations for		
Pension benefits	1,179,626	1,223,587
Post-employment medical benefits	54,554	53,886
	<u>1,234,180</u>	<u>1,277,473</u>
	<b>Parent Company and Consolidated</b>	
	<u>06/30/2012</u>	<u>06/30/2011</u>
Income (expenses) recognized in income statement for		
Pension benefits	44,601	45,970
Post-employment medical benefits	(2,523)	(2,531)
	<u>42,078</u>	<u>43,439</u>
Actuarial gains(losses) recognized directly in other comprehensive income	(80,424)	(81,717)
Actuarial gains/(losses) on the debt recognized directly in other comprehensive income – CPC 33 and IFRIC 14	(19,213)	(53,525)
(Increase)/decrease in asset ceiling in other comprehensive income - paragraph 58 CPC 33 and IAS 19	45,360	43,601
	<u>(54,277)</u>	<u>(91,641)</u>
Cumulative actuarial losses recognized in the statement of other comprehensive income	<u>(396,002)</u>	<u>(279,193)</u>

**Explanatory Notes**

**Change in the retirement benefit obligations**

The actuarial study, in conformity with CPC 33 and IAS 19, was conducted by an independent actuary with a base date of December 31, 2011, presented a liability of R\$1,277,473. This actuarial study will be reviewed again at December 31, 2012. The changes in the defined benefit obligations are as follow:

	<b><u>Parent Company and Consolidated</u></b>
Balance as at December 31, 2011	<u>1,277,473</u>
Amortization	(82,484)
Amounts recognized in results of operations	(42,078)
Actuarial losses directly recognized in other comprehensive results	82,236
Amortization costs of past service	<u>(967)</u>
Balance as at June 30, 2012	<u><u>1,234,180</u></u>

## Explanatory Notes

### 19 Equity

#### (a) New shareholders' agreement

On January 17, 2012, the Company informed the Market of the Material Fact of the completion of the purchase and sale transactions of shares that occurred on January 16, 2012, pursuant to the regulations applicable to the Brazilian Capital Market, the contents of which is described below:

- (i) Confab Industrial S.A. ("Confab"), Prosid Investments S.C.A. ("Prosid"), Siderar S.A.I.C. ("Siderar") and Ternium Investments S.à r.l. ("Ternium" and, jointly with Confab, Prosid and Siderar, "Techint Group ") completed the purchase and sale of shares pursuant to the purchase and sales of shares agreement executed with VBC Energia S.A. ("VBC"), to Votorantim Industrial S.A. ("Votorantim") and to Caixa dos Empregados da Usiminas ("CEU" and the "Purchase and Sales Agreement of Techint Group") on November 27, 2011 and acquired 139,741,296 common shares of Usiminas, representing approximately 27.66% of Usiminas' common shares and approximately 13.78% of Usiminas' share capital, at a price of R\$36.00 per share, totaling R\$5,030,687.
- (ii) Nippon Steel Corporation ("NSC") completed the purchase and sale of shares pursuant to the purchase and sales of shares agreement executed with CEU on November 27, 2011, and acquired 8,527,440 common shares of Usiminas, representing approximately 1.69% of Usiminas' common shares and approximately 0.84% of Usiminas share capital, at a price of R\$36.00 per share, totaling R\$306,988.
- (iii) Techint Group, NSC, Nippon Usiminas Co. Ltd. ("NU"), Metal One Corporation ("Metal One"), Mitsubishi Corporation do Brasil S.A. ("Mitsubishi") and CEU executed an Amended and Consolidated Shareholders' Agreement of Usinas Siderúrgicas de Minas Gerais S.A. – USIMINAS (the "New Shareholders' Agreement"), with terms essentially identical to those of the Amended and Consolidated Shareholders' Agreement of Usinas Siderúrgicas de Minas Gerais S.A. – USIMINAS executed on November 27, 2011, but excluding the conditions required for the agreement to become effective . The New Shareholders' Agreement amends, consolidates and fully replaces the Amended and Consolidated Shareholders' Agreement of Usiminas as of November 6, 2006 (the "Original Shareholders' Agreement") and, from now on, shall govern the relationships between the parties to this agreement as shareholders and members of the controlling group of Usiminas. A copy of the New Shareholders' Agreement was delivered to Usiminas on January 17, 2012, to be signed as a consenting party and filed at its headquarters for the purposes of Article 118 of Law 6,404/76.

### Explanatory Notes

- (iv) The New Shareholders' Agreement also replaces and revokes the Usiminas Shareholders Agreement of February 18, 2011, between Mitsubishi, Metal One, NSC, NU, VBC and Votorantim, which was expressly terminated by the parties on this date.

For reference purposes, the table below indicates the distribution of USIMINAS voting capital among the parties to the New Shareholders' Agreement as at this date and after the completion of the transactions referred to in items "(i)" and "(ii)":

	Original Shareholders' Agreement		New Shareholders' Agreement	
	Linked common shares (%)	Total Common shares(%)	Linked common shares (%)	Total Common shares (%)
NSC (a)	3.75	2.40	6.40	4.09
NU	37.18	23.74	37.18	23.74
<b>Total NSC and NU</b>	<b>40.93</b>	<b>26.14</b>	<b>43.58</b>	<b>27.83</b>
Mitsubishi and Metal One	2.54	1.62	2.54	1.62
<b>Total NSC, NU, Mitsubishi and Metal One</b>	<b>43.47</b>	<b>27.76</b>	<b>46.12</b>	<b>29.45</b>
Ternium			26.26	16.77
Siderar			3.10	1.98
Prosid			6.20	3.96
Confab			7.75	4.95
<b>Techint Group</b>			<b>43.31</b>	<b>27.66</b>
<b>V/C Group (Votorantim and Camargo Correa)</b>	<b>40.67</b>	<b>25.97</b>		
<b>CEU</b>	<b>15.86</b>	<b>10.13</b>	<b>10.57</b>	<b>6.75</b>
<b>Controlling shareholders</b>	<b>100.00</b>	<b>63.86</b>	<b>100.00</b>	<b>63.86</b>
<b>Non-controlling shareholders</b>		<b>36.14</b>		<b>36.14</b>

(a) NSC Group holds 6,726,600 free common shares, not linked to the New Shareholders' Agreement.

**Explanatory Notes**

**(b) Share capital**

As at June 30, 2012 and December 31, 2011, the Company share capital, amounting to R\$12,150,000 and comprising 1,013,786,190 shares, is as follows:

	<u>Common</u>	<u>Class A Preferred</u>	<u>Class B Preferred</u>	<u>Total</u>
Total shares	505,260,684	508,439,712	85,794	1,013,786,190
Total treasury stock	(2,526,654)	(24,060,356)		(26,587,010)
Total shares except treasury stock	<u>502,734,030</u>	<u>484,379,356</u>	<u>85,794</u>	<u>987,199,180</u>

Each common share is entitled to one vote in General Meetings, while preferred shares have no voting rights, but (i) will receive dividends 10% higher than those attributed to common shares, (ii) are entitled to share, with equal conditions to the common shares, of any gratuities voted in the General Meeting, (iii) priority in capital reimbursements, with no premium rights, in the event of the Company's liquidation, (iv) will acquire voting rights at General Meetings, if the Company does not pay preferred dividends during three consecutive years.

The preferred shares may not be converted into common shares.

The Class B preferred shareholders will have priority on capital reimbursements, with no premium rights, in the event of the Company's liquidation. The Class A preferred shareholders will have the same priority, however, only after complying with the priority granted to the Class B preferred shares. The Class B preferred shares may, at any time, and at the sole discretion of the shareholder, be converted into Class A preferred shares.

The shareholders are assured a minimum dividend of 25% of net income for the year calculated pursuant to the Corporate Law.

## Explanatory Notes

### (c) Reserves

- Premium on share subscription - established during the merger process, in accordance with article 14, sole paragraph of Law 6,404/76. This reserve may be used to absorb losses which exceed retained earnings and revenue reserves, for redemption, reimbursement or purchase of shares, redemption of founders' shares, capital increase and payment of dividends on preferred shares, when applicable (Article 200 of Law 6,404/76).
- Treasury stock – As at June 30, 2012 and December 31, 2011 the Company held 2,526,654 common shares and 24,060,356 Class A preferred shares in treasury.
- Legal reserve – Constituted based on 5% of net income for each year, up to 20% of capital.
- The reserve for investments and working capital comprises:

- (i) An appropriation of 50% of net income for the year adjusted by the amount of the legal reserve, as set forth in the Company's bylaws. The investments and working capital reserves cannot exceed 95% of capital, and its balance may be used to absorb losses, dividend distributions, redemptions, reimbursement or purchase of shares, or capitalized.
- (ii) An appropriation to the statutory reserve, in the terms of Article 196 of Law 6,404/76, based on the capital budget approved at the meeting of the Board of Directors.

### (d) Dividends and interest on capital

Dividends and interest on the Company's own capital distribution are as follow:

	<u>Parent Company</u>	<u>Consolidated</u>
Balance as at December 31, 2011	57,171	69,704
Dividends paid	(81,531)	(94,062)
Dividends prescribed	(909)	(909)
Dividends related to the prior year's profit	26,221	26,221
Balance as at June 30, 2012	<u>952</u>	<u>954</u>



## Explanatory Notes

### 20 Segment Information

Management has determined the Usiminas companies' operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions, which analyse the business by product segment.

The revenue generated by the reported operating segments arises mainly from the manufacture and sale of steel products and related services.

#### 20.1 Information on operating profit/(loss), assets and liabilities by reportable segment

	<b>06/30/2012</b>						
	<u>Mining and Logistics</u>	<u>Steel Metallurgy</u>	<u>Steel Transformation</u>	<u>Capital Assets</u>	<u>Subtotal</u>	<u>Eliminations and adjustments</u>	<u>Total</u>
Revenue	452,370	5,670,192	1,029,401	456,150	7,608,113	(1,496,614)	6,111,499
Cost of sales	<u>(173,169)</u>	<u>(5,630,868)</u>	<u>(942,618)</u>	<u>(482,940)</u>	<u>(7,229,595)</u>	1,449,770	<u>(5,779,825)</u>
Gross profit	<u>279,201</u>	<u>39,324</u>	<u>86,783</u>	<u>(26,790)</u>	<u>378,518</u>	<u>(46,844)</u>	<u>331,674</u>
Operating income/(expenses)	<u>(84,519)</u>	<u>(142,959)</u>	<u>(101,361)</u>	<u>(39,634)</u>	<u>(368,473)</u>		<u>(368,473)</u>
Selling expenses	(47,109)	(71,602)	(48,617)	(8,783)	(176,111)		(176,111)
General and administrative expenses	(30,345)	(114,376)	(48,421)	(34,310)	(227,452)	4,092	(223,360)
Other income and (expenses)	<u>(7,065)</u>	<u>43,019</u>	<u>(4,323)</u>	<u>3,459</u>	<u>35,090</u>	<u>(4,092)</u>	<u>30,998</u>
<u>Operating profit (i)</u>	<u>194,682</u>	<u>(103,635)</u>	<u>(14,578)</u>	<u>(66,424)</u>	<u>10,045</u>	<u>(46,844)</u>	<u>(36,799)</u>
Assets	5,517,964	30,593,268	1,648,245	1,197,504	38,956,981	(5,440,506)	33,516,475
Total assets includes:							
Investments in associated (other than goodwill) companies	265,339	59,423		3,059	327,821		327,821
Additions to non-current assets (other than financial instruments and deferred tax assets)	224,406	638,378	28,373	40,523	931,680	7,755	939,435
Current and non-current liabilities	<u>688,738</u>	<u>13,573,331</u>	<u>421,865</u>	<u>527,336</u>	<u>15,211,270</u>	<u>(483,009)</u>	<u>14,728,261</u>

## Explanatory Notes

	<u>Mining and Logistics</u>	<u>Steel Metallurgy</u>	<u>Steel Transformation</u>	<u>Capital Assets</u>	<u>Subtotal</u>	<u>Eliminations and adjustments</u>	<u>06/30/2011</u>
Revenue	479,606	5,484,376	1,101,668	680,850	7,746,500	(1,657,365)	6,089,135
Cost of sales	(122,667)	(5,311,876)	(992,538)	(604,035)	(7,031,116)	1,660,752	(5,370,364)
Gross profit	<u>356,939</u>	<u>172,500</u>	<u>109,130</u>	<u>76,815</u>	<u>715,384</u>	<u>3,387</u>	<u>718,771</u>
Operating income/(expenses)	<u>(52,067)</u>	<u>(130,956)</u>	<u>(104,676)</u>	<u>(51,290)</u>	<u>(338,989)</u>	<u>3,163</u>	<u>(335,826)</u>
Selling expenses General and administrative expenses	(23,790)	(118,609)	(51,438)	(12,545)	(206,382)		(206,382)
Other operating income and (expenses)	(26,355)	(145,735)	(52,280)	(37,153)	(261,523)		(261,523)
Operating profit (i)	<u>(1,922)</u>	<u>133,388</u>	<u>(958)</u>	<u>(1,592)</u>	<u>128,916</u>	<u>3,163</u>	<u>132,079</u>
	<u>304,872</u>	<u>41,544</u>	<u>4,454</u>	<u>25,525</u>	<u>376,395</u>	<u>6,550</u>	<u>382,945</u>

(i) The reconciliation of operating profit is as follows:

	<u>06/30/2012</u>	<u>06/30/2011</u>
Operating profit information by business segment	(36,799)	382,945
Financial results	(278,495)	89,088
Equity in the results	<u>26,486</u>	<u>31,697</u>
Operating results before taxation on net income	<u>(288,808)</u>	<u>503,730</u>

Sales between segments were carried as sales between independent parties.

There are no individually significant customers representing more than 10% of revenues. Over 95% of the revenues originate from sale of goods and services.

**Explanatory Notes**

**20.2 Reconciliations of assets, liabilities and revenue by reporting segments**

**(a) Reconciliation of assets**

The amounts provided by the Board of Directors in relation to total assets are consistent with the balances recorded in the consolidated financial statements. These assets are allocated based on the segment operations and on the physical location of the asset.

The assets corresponding to the reported segments are reconciled with the total assets, as follow:

	<u>06/30/2012</u>
Assets from reported segments	38,956,981
Elimination of assets between segments	<u>(5,440,506)</u>
Total assets	<u>33,516,475</u>

The eliminations of assets between segments refer to intercompany common balances.

**(b) Reconciliation of liabilities**

The amounts provided by the Board of Directors in relation to total liabilities are consistent with the balances recorded in the consolidated financial statements. These liabilities are allocated based on the segment operations.

The liabilities corresponding to the reported segments are reconciled with total liabilities, as follow:

	<u>06/30/2012</u>
Liabilities from reported segments	15,211,270
Elimination of liabilities between segments	<u>(483,009)</u>
Total liabilities	<u>14,728,261</u>

The eliminations of assets between segments refers to intercompany common balances.

## Explanatory Notes

### 21 Expenses by Nature

	<b>Parent Company</b>		<b>Consolidated</b>	
	<b>06/30/2012</b>	<b>06/30/2011</b>	<b>06/30/2012</b>	<b>06/30/2011</b>
Depreciation ,amortization and depletion	(388,133)	(377,316)	(458,828)	(428,400)
Employee benefit expenses	(573,781)	(473,632)	(994,984)	(984,631)
Raw materials and consumables	(3,800,277)	(3,891,100)	(3,412,885)	(3,256,451)
Distribution cost	(27,918)	(46,379)	(79,115)	(84,082)
Third-party services	(586,460)	(612,481)	(605,010)	(706,002)
Net revenue (expenses) with contingencies	(43,554)	134,083	(45,942)	126,625
Other income (expenses)	(371,573)	(139,646)	(551,534)	(373,249)
	<u>(5,791,696)</u>	<u>(5,406,471)</u>	<u>(6,148,298)</u>	<u>(5,706,190)</u>
Cost of assets and/or services sold	(5,654,586)	(5,286,329)	(5,779,825)	(5,370,364)
Selling expenses	(71,602)	(118,523)	(176,111)	(206,382)
General and administrative expenses	(109,165)	(137,895)	(223,360)	(261,523)
Other operating income (expenses), net	43,657	136,276	30,998	132,079
	<u>(5,791,696)</u>	<u>(5,406,471)</u>	<u>(6,148,298)</u>	<u>(5,706,190)</u>

## Explanatory Notes

### 22 Financial Income (Expenses)

The financial income (expenses) can be summarized as follow:

	<b>Parent Company</b>		<b>Consolidated</b>	
	<b>06/30/2012</b>	<b>06/30/2011</b>	<b>06/30/2012</b>	<b>06/30/2011</b>
<b>Financial income</b>				
Client interest	6,569	5,456	10,554	6,483
Income from financial investments	4,754	6,275	62,850	43,664
Monetary effects	13,182	39,376	85,265	151,385
Interest on judicial deposits	21,648	20,989	22,430	20,989
Realization of adjustment to present value of trade accounts receivable	44,985	57,920	44,910	48,777
Interest on tax credits	4,327	13,049	5,181	13,049
Other financial income	4,268	3,655	2,375	10,420
	<u>99,733</u>	<u>146,720</u>	<u>233,565</u>	<u>294,767</u>
<b>Financial expenses</b>				
Interest on financing	(87,249)	(74,509)	(105,149)	(87,807)
Results of swap transactions	(40,494)	(42,971)	20,911	5,466
Monetary effects	(122,215)	(161,536)	(129,906)	(168,510)
Interest, commission and expenses in arrears	(2,106)	(3,348)	(6,056)	(4,237)
Tax on Financial Transactions (IOF)	(2,345)	(7,625)	(3,278)	(7,683)
Funding expenses	(268)	(1,286)	(268)	(1,286)
Interest on contingent liabilities	(15,405)	(20,437)	(17,731)	(21,902)
Realization of adjustments to present value of accounts payable	(34,546)	(30,219)	(52,167)	(31,391)
Commission on financing and others	(8,791)	(6,840)	(8,791)	(6,840)
Other financial expenses	(453)	(8,355)	(21,546)	(6,335)
	<u>(313,872)</u>	<u>(357,126)</u>	<u>(323,981)</u>	<u>(330,525)</u>
Foreign exchange gains and losses, net	<u>(298,203)</u>	<u>249,032</u>	<u>(188,079)</u>	<u>124,846</u>
	<u>(512,342)</u>	<u>38,626</u>	<u>(278,495)</u>	<u>89,088</u>

Foreign exchange differences charged or credited to the income statements arise from the foreign exchange gains/losses on loans and financing, foreign suppliers, current accounts, financial investments and customers.

## Explanatory Notes

The Company reassessed the interpretation and accounting of interest and monetary restatement of the contracts indexed to CDI and segregated the Amplified Consumer Prices Index (IPCA) of loans and financing, whose contracted index is the Interbank Deposit Certificate (CDI) rate. The portion related to IPCA was segregated from the interest on loans and financing and included in “Monetary Effects” in the group of “Financial Expenses”, which comprises “Financial Income (Expenses)”. For comparison purposes, as at June 30, 2011, the amounts of monetary variations have also been reclassified.

### 23 Losses per Share

#### (a) Basic and Diluted

Basic and diluted earnings (losses) per share are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of common shares issued during the six month period, excluding common shares purchased by the Company and held as treasury shares.

The Company does not have debt convertible into shares or share purchase options and, accordingly, it does not have potentially dilutable common and preferred shares.

	Parent Company and Consolidated					
	06/30/2012			06/30/2011		
	Common	Preferred	Total	Common	Preferred	Total
<b>Basic and diluted</b>						
<b>Basic and diluted numerator</b>						
Losses available to the stockholders	(83,766)	(88,795)	(172,561)	41,525	44,017	88,542
<b>Basic and diluted denominators</b>						
Weighted average of shares, excluding treasury shares	502,734,030	484,465,150	987,199,180	502,734,030	484,465,150	987,199,180
Losses per share in R\$ - basic and diluted	(0.17)	(0.18)		(0.08)	(0.09)	

**Explanatory Notes****24 Related Party Transactions**

As at June 30, 2012 and December 31, 2011, the Company's shareholding position was as follows:

Shareholder	06/30/2012					
	Common Shares		Preferred Shares		Total	
	Number	%	Number	%	Number	%
Nippon Usiminas Co. Ltd. (*)	119,969,788	23.74	2,830,832	0.56	122,800,620	12.11
Ternium (*)	84,741,291	16.77			84,741,291	8.36
Caixa de Previdência dos Funcionários do Banco do Brasil	52,980,090	10.49	6,543,350	1.28	59,523,440	5.87
Companhia Siderúrgica Nacional - CSN	41,468,000	8.21	78,151,800	15.37	119,619,800	11.80
Confab (*)	25,000,000	4.95			25,000,000	2.47
Prosid (*)	20,000,000	3.96			20,000,000	1.97
CAIXA (*)	34,109,762	6.75			34,109,762	3.36
Nippon Steel Corporation Co. Ltd. (*)	27,347,796	5.41	307,926	0.06	27,655,722	2.73
BNDES Participações S.A.			13,525,730	2.66	13,525,730	1.33
Usiminas in treasury	2,526,654	0.50	24,060,356	4.73	26,587,010	2.62
Other shareholders	97,117,303	19.22	383,105,512	75.34	480,222,815	47.38
<b>Total</b>	<b>505,260,684</b>	<b>100.00</b>	<b>508,525,506</b>	<b>100.00</b>	<b>1,013,786,190</b>	<b>100.00</b>

Shareholder	12/31/2011					
	Common Shares		Preferred Shares		Total	
	Number	%	Number	%	Number	%
Nippon Usiminas Co. Ltd. (*)	119,969,788	23.74	2,830,832	0.56	122,800,620	12.11
Votorantim (*)	65,606,930	12.98			65,606,930	6.47
VBC Energia S.A. (*)	65,606,926	12.98			65,606,926	6.47
Caixa de Previdência dos Funcionários do Banco do Brasil	52,769,590	10.45	6,640,950	1.31	59,410,540	5.86
CAIXA (*)	51,164,642	10.13			51,164,642	5.05
Companhia Siderúrgica Nacional - CSN	31,554,500	6.25	76,973,800	15.14	108,528,300	10.71
Nippon Steel Corporation Co. Ltd. (*)	18,820,356	3.72	307,926	0.06	19,128,282	1.89
BNDES Participações S.A.			18,549,230	3.65	18,549,230	1.83
Usiminas in treasury	2,526,654	0.50	24,060,356	4.73	26,587,010	2.62
Other shareholders	97,241,298	19.25	379,162,412	74.55	476,403,710	46.99
<b>Total</b>	<b>505,260,684</b>	<b>100.00</b>	<b>508,525,506</b>	<b>100.00</b>	<b>1,013,786,190</b>	<b>100.00</b>

(\*) Controlling shareholders, by means of shareholders' agreement

## Explanatory Notes

The main balances and transactions with related parties are as follow:

### (a) Current assets

	06/30/2012			Parent Company 12/31/2011		
	Trade accounts receivable	Dividends receivable	Other accounts receivable	Trade accounts receivable	Dividends receivable	Other accounts receivable
<b>Controllers</b>						
CAIXA	2			1		
Confab	14,529					
<b>Non-controllers</b>						
Companhia Siderúrgica Nacional - CSN				63		
<b>Subsidiaries</b>						
Automotiva Usiminas S.A.	7,084	7,312		30,372	5,593	
Cosipa Overseas Ltd.	71,524			53,324		
Mineração Usiminas S.A.	366		695	40	29,238	695
Rios Unidos Logística e Transporte de Aço Ltda.			12,952	1,354		9,222
Soluções em Aço Usiminas S.A.	120,485			83,050		
Usiminas Eletro galvanizado Steel ApS	16,773			7,012		
Usiminas Galvanized Steel ApS	67,744			20,089		
Usiminas Mecânica S.A..	41,028		1,036	17,147	23,647	9,963
Usiminas Participações e Logística S.A.					2,806	
<b>Jointly-controlled subsidiaries</b>						
Fasal Trading Brasil		333			333	
Fasal Trading Corporation	385			366		
Unigal Ltda.	54			91		
Usiroll – Usiminas Court Tecnologia em Acabamento Superficial Ltda.				1		14,421
<b>Associated companies</b>						
Codeme Engenharia S.A.	4,685			8,494		
Metform S.A.	317			1,312		
MRS Logística S.A.		668			335	
<b>Other related parties</b>						
Metal One			5	5,727		9
	<u>344,976</u>	<u>8,313</u>	<u>14,688</u>	<u>228,443</u>	<u>61,952</u>	<u>34,310</u>



## Explanatory Notes

	06/30/2012		Consolidated 12/31/2011	
	Trade accounts receivable	Other accounts receivable	Trade accounts receivable	Other accounts receivable
<b>Controllers</b>				
CAIXA	2		1	
Confab	14,529			
Siderar				
Votorantin			462	
<b>Non-controllers</b>				
Companhia Siderúrgica Nacional - CSN			63	
<b>Jointly-controlled subsidiaries</b>				
Fasal Trading Corporation	193		183	
Unigal Ltda.	1,411		917	
Usiroll – Usiminas Court Tecnologia em Acabamento Superficial Ltda.				7,210
<b>Associated companies</b>				
Codeme Engenharia S.A.	4,686		8,539	
Metform S.A.	317		1,312	
MRS Logística S.A.		27,066	675	13,587
<b>Other related parties</b>				
Metal One		5	5,727	9
	<u>21,138</u>	<u>27,071</u>	<u>17,879</u>	<u>20,806</u>

Trade accounts receivable classified as related parties mainly arise from sales transactions and fall due within no more than 30 days. The accounts receivable have no guarantees and are subject to interest. As at June 30, 2012 and December 31, 2011, no provisions were made for accounts receivable from related parties.

Other receivables from related parties refer mainly to dividends (MRS) and loans.

### (b) Non-current assets – receivables from related companies

	Parent Company		Consolidated	
	06/30/2012	12/31/2011	06/30/2012	12/31/2011
<b>Controllers</b>				
Caixa dos Empregados da Usiminas - CAIXA (a)	5,641	5,710	5,641	5,710
<b>Subsidiaries</b>				
Usiminas Europa A/S	81	74		
Usiminas Mecânica S.A. (b)	50,366	51,329		
Usiroll	16,310		8,155	
	<u>72,398</u>	<u>57,113</u>	<u>13,796</u>	<u>5,710</u>

(a) Related to the actuarial deficit.

(b) Related to the actuarial deficit.

## Explanatory Notes

### (c) Current liabilities

	Parent Company					
	06/30/2012			12/31/2011		
	Liabilities to related companies			Liabilities to related companies		
	Suppliers	Other payables	Loans and financing	Suppliers	Other payables	Loans and financing
<b>Controllers</b>						
CAIXA (a)		450			199	
Mitsubishi Corporation	51,931					
Nippon Steel Corporation Co. Ltd.	4	400		4		
Nippon Usiminas Co. Ltd. (b)			100,214			93,015
<b>Non-controllers</b>						
Companhia Siderúrgica Nacional - CSN				15,641		
<b>Subsidiaries</b>						
Automotiva Usiminas S.A.	299			271		
Cosipa Commercial Ltd.			1,332			1,279
Cosipa Overseas Ltd.						13,680
Mineração Usiminas S.A.	418,922	2		91,450	1	
Rios Unidos Logística e Transporte de Aço Ltda.	12,612			2,796		
Soluções em Aço Usiminas S.A.	5,557			559	100	
Usiminas Commercial Ltd.			23,033			22,107
Usiminas Eletro galvanized Steel ApS		181,576				
Usiminas Galvanized Steel ApS		134,076				
Usiminas Mecânica S.A.	144,562			193,396		
<b>Jointly-controlled subsidiaries</b>						
Unigal Ltda.	78,826			90,067		
Usiroll – Usiminas Court Tecnologia em Acabamento Superficial Ltda.	836			534		
<b>Associated companies</b>						
Codeme Engenharia S.A.		1,635			24,624	
Metform S.A.	90	516		99	7,776	
MRS Logística S.A.	1,124			1,075		
<b>Other related parties</b>						
Metal One Corporation.	1,405					
	<u>716,168</u>	<u>318,655</u>	<u>124,579</u>	<u>395,892</u>	<u>32,700</u>	<u>130,081</u>

(a) Refers to the contribution of Usiprev and PBI (part company and part employee).

(b) Loans in US Dollars, bearing interest varying from 0.83% to 2.35% p.a. + LIBOR.

## Explanatory Notes

	Consolidated					
	06/30/2012			12/31/2011		
	Liabilities to related companies			Liabilities to related companies		
	Suppliers	Other payables	Loans and financing	Suppliers	Other payables	Loans and financing
<b>Controllers</b>						
CAIXA (a)	37	491		36	221	
Mitsubishi	51,931					
Nippon Steel Corporation Co. Ltd.	4	400		4		
Nippon Usiminas Co. Ltd. (b)			100,214			93,015
Votorantin					17	
<b>Non-controllers</b>						
Companhia Siderúrgica Nacional - CSN				15,641		
<b>Jointly-controlled subsidiaries</b>						
Modal Terminal de Granéis Ltda.	187			299		
Unigal Ltda.	23,648			27,200		
Usiroll – Usiminas Court Tecnologia em Acabamento Superficial Ltda.	418			268		
<b>Associated companies</b>						
Codeme Engenharia S.A.		1,635			24,624	
Metform S.A.	90	516		99	7,776	
MRS Logística S.A.	5,553	7,290		8,343	7,289	
Terminal de Cargas Sarzedo Ltda.	1,622			998		
<b>Other related parties</b>						
Metal One Corporation	1,405					
	<u>84,895</u>	<u>10,332</u>	<u>100,214</u>	<u>52,888</u>	<u>39,927</u>	<u>93,015</u>

(c) Refers to the contribution of Usiprev and PBI (part company and part employee).

(d) Loans in US Dollars, bearing interest varying from 0.83% to 2.35% p.a. + LIBOR.

The payables to related companies classified as suppliers arise mainly from purchase transactions, and fall due no more than 45 days after the purchase date. The payables to related companies bear no interest.

**Explanatory Notes**

**(d) Non-current liabilities**

	<b>Parent Company</b>				<b>Consolidated</b>		
	<b>06/30/2012</b>		<b>12/31/2011</b>		<b>06/30/2012</b>		<b>12/31/2011</b>
	<b>Loans and financing</b>	<b>Other</b>	<b>Loans and financing</b>	<b>Other</b>	<b>Loans and financing</b>	<b>Loans and financing</b>	<b>Other</b>
<b>Controllers</b>							
Nippon Usiminas Co. Ltd. (a)	360,871		379,996		360,871		379,996
<b>Subsidiaries</b>							
Cosipa Commercial Ltd.	577,524		554,268				
Usiminas Commercial Ltd.	1,087,974		1,044,163				
Usiminas Eletro galvanized Steel ApS		13,895		12,709			
Usiminas Galvanized Steel ApS		25,833		23,626			
<b>Associated companies</b>							
Codeme Engenharia S.A.				5,130			5,130
Metform S.A.				1,620			1,620
	<u>2,026,369</u>	<u>39,728</u>	<u>1,978,427</u>	<u>43,085</u>	<u>360,871</u>	<u>379,996</u>	<u>6,750</u>

(a) Loans in US Dollars, bearing charges varying from 0.83% to 2.35% p.a. + LIBOR.

## Explanatory Notes

### (e) Sales and purchases

	Parent Company				Consolidated			
	Sales		Purchases		Sales		Purchases	
	06/30/2012	06/30/2011	06/30/2012	06/30/2011	06/30/2012	06/30/2011	06/30/2012	06/30/2011
<b>Controllers</b>								
Camargo Corrêa Cimentos S.A.		42,103		377		42,103		579
Confab	225,485				225,492			
Construções e Comércio Camargo Corrêa S.A.		675		4,570		675		4,570
Mitsubishi Nippon Steel Corporation Co. Ltd.			138,900				138,900	
			4,259	5,848			4,259	6,371
Siderar	265				265			
Ternium								
<b>Non-controllers</b>								
Companhia Siderúrgica Nacional – CSN			48,321				48,321	
<b>Subsidiaries</b>								
				4,482				
Automotiva Usiminas S.A.	42,915	56,367	3,825					
Cosipa Overseas Ltd.	189,083	143,107						
Mineração Usiminas S.A.	380		495,586	571,888				
Rios Unidos Logística e Transporte de Aço Ltda.		3	35,824	26,293				
Soluções em Aço Usiminas S.A.	960,171	868,331	16,158	12,224				
Usiminas Eletrogalvanized Steel ApS	21,002							
Usiminas Galvanized Steel ApS	124,728							
Usiminas Mecânica S.A.	126,662	117,897	253,208	367,398				
<b>Jointly-controlled subsidiaries</b>								
Fasal Trading Corporation	37	79,201		240	19	39,601		120
Modal Terminal de Granéis Ltda.				139			1,081	1,294
Unigal Ltda.	313	317	183,261	173,635	1,451	9,478	54,979	52,090
Usiroll – Usiminas Court Tecnologia em Acabamento Superficial Ltda.			5,165	2,747			2,918	1,374
<b>Associated companies</b>								
Codeme Engenharia S.A.	28,992	22,503	3,535	2,253	29,015	22,503	3,535	2,253
Metform S.A.	9,270	13,137	306	768	9,270	13,137	846	1,024
MRS Logística S.A. Terminal de Cargas Sarzedo Ltda.			78,296	85,002	1,849	469	78,296	156,079
				51				4,983
<b>Other related parties</b>								
Metal One	414		13,070	8,433	414		13,070	8,433
	<u>1,729,717</u>	<u>1,343,641</u>	<u>1,279,714</u>	<u>1,266,348</u>	<u>267,775</u>	<u>127,966</u>	<u>346,205</u>	<u>239,170</u>

## Explanatory Notes

The main Company transactions with related parties are summarized as follow:

- Purchase of services from Nippon Steel Corporation Co Ltd., including the provision of advanced industrial technology, technical assistance services and training for employees.
- Sale of products to Confab Industrial S.A. for the production of large diameter pipes, in addition to industrial equipment.
- Sales of products to Automotiva Usiminas S.A. for application in the stamping of pieces for the automobile industry.
- Purchase of iron ore from Minerações Usiminas S.A. to be used in the Plants of Ipatinga and Cubatão.
- Purchase from Rios Unidos Logística and Transporte de Aço S.A. of railroad transportation services for iron and steel products and various materials.
- Sales of products to Soluções em Aço Usiminas S.A. for transformation and distribution. In addition, Soluções em Aço Usiminas S.A. renders technical services in the steel area to clients of Usiminas Companies.
- Sales of electro-galvanized and galvanized steel to Usiminas Galvanized Steel ApS. and Usiminas Eletrogalvanized Steel ApS., respectively, to foster sales to foreign clients.
- Sales of products to Usiminas Mecânica S.A. and purchase of services, like the industrialization of steel products and equipment.
- Purchase from Unigal Ltda. of hot-dip galvanized steel sheets and cold-rolled steel sheets and coils.
- Purchase from Usiroll – Usiminas Court Tecnologia em Acabamento Superficial Ltda. of services of texturing and chrome plating of cylinders used in lamination.
- Purchase of railroad transportation services from MRS Logística S.A. for the transportation of iron ore.
- Purchase from Modal Terminal de Graneis S.A. and Terminal de Cargas Sarzedo Ltda. of storage services and loading of ore.
- Purchase from Mitsubishi Corporation do Brasil S.A. of equipment for the hot strip mill n<sup>o</sup>. 2 of the Cubatão plant.
- Sale of products to Siderar S.A.I.C..
- Credit assignment with invoices of Mineração Usiminas S.A. related to the supply of iron ore.

## Explanatory Notes

Sales among related parties are carried out based on the effective price list and based on terms and conditions similar to those that would be available to third parties.

The other related party transactions are mainly contracted at market prices and terms.

### (f) Financial result

	<b>Parent Company</b>		<b>Consolidated</b>	
	<b>06/30/2012</b>	<b>06/30/2011</b>	<b>06/30/2012</b>	<b>06/30/2011</b>
<b>Controllers</b>				
CAIXA	340	342	340	342
Camargo Corrêa Cimentos S.A.		242		242
Confab	809		809	
Mitsubishi	1		1	
Nippon Steel Corporation Co. Ltd.				
Nippon Usiminas Co. Ltd.	3,444	(12)	3,444	(12)
Prosid Investments				
Siderar	(21)	24,798	(21)	24,798
<b>Non-controllers</b>				
Companhia Siderúrgica Nacional – CSN	(410)		(410)	
<b>Subsidiaries</b>				
Automotiva Usiminas S.A.	226	170		
Cosipa Commercial Ltd.	(37,497)	14,345		
Cosipa Overseas Ltd.	1,050	(1,296)		
Mineração Usiminas S.A.	(1,968)	(2,555)		
Rios Unidos Logística e Transporte de Aço Ltda.	(229)	(260)		
Soluções em Aço Usiminas S.A.	5,974	6,980		
Usiminas Commercial Ltd.	(68,510)	28,232		
Usiminas Europa A/S	7			
Usiminas Eletro galvanized Steel ApS	(28,357)			
Usiminas Galvanized Steel ApS	(16,943)			
Usiminas International Ltd.		4,069		
Usiminas Mecânica S.A.	2,793	276		
<b>Jointly-controlled subsidiaries</b>				
Fasal Trading Corporation	(18)	(254)	(9)	(127)
Modal Terminal de Granéis Ltda.		(1)		(10)
Unigal Ltda.	(1,015)	(1,055)	(305)	(316)
Usiroll – Usiminas Court Tecnologia em Acabamento Superficial Ltda.	845	(33)	423	(16)
<b>Associated companies</b>				
Codeme Engenharia S.A.	10,376	84	10,376	84
Metform S.A.	2,817	35	2,817	35
MRS Logística S.A.	(138)	(189)	(138)	(325)
Terminal de Cargas Sarzedo Ltda.				(17)
	<u>(126,424)</u>	<u>73,918</u>	<u>17,327</u>	<u>24,678</u>

The financial results with related parties refer mainly to charges on loans and financing in items (c) and (d) above.

**Explanatory Notes**

**(g) Management key personnel compensation**

The compensation paid or payable to key Management personnel for employee services is set out below:

	<b>Parent Company and Consolidated</b>	
	<b>06/30/2012</b>	<b>06/30/2011</b>
Fees and charges	7,581	8,457
Profit sharing	4,245	6,801
Retirement and pension plans	144	135
	<u>11,970</u>	<u>15,393</u>

The Company has a share-based compensation plan as described in Note 25.



## Explanatory Notes

### 25 Stock Option Plan

The Company has a stock option plan for its shares. This plan is managed by the Company's Board of Directors, with the advisory of the Human Resources Committee, subject to the limitations included in the Plan.

No changes occurred in the guidelines and characteristics of the plan in relation to those described in the Financial Statements as at December 31, 2011.

As at October 3, 2011, 2,589,451 Options were granted for the Basic Granting and 402,302 for the Bonus Granting, totaling 2,991,753 Options related to 2011 (the "First Granting"), to be granted to the executive and statutory officers (the "Participants") of the Company through the "Contract for Granting of the Stock Option Plan".

#### (a) Modalities of Granting Options

A total of 3,965,910 options was allocated to the Plan, for the grants related to 2011.

The Options were granted in two different modalities:

- (i) Basic Granting – in which the number of Options granted shall be based on Usiminas' strategy, and each Option granted will entitle its owner to acquire or subscribe to one preferred share in the Company.
- (ii) Bonus Granting – shall be linked to a voluntary investment by the Participant, who addresses part of the net value of the variable compensation for the acquisition of preferred shares.

The fair values of the Options at the granting date, as well as the main assumptions used in accordance with the Black & Sholes pricing model, are as follow:

	<u>First year</u>	<u>Second year</u>	<u>Third year</u>
Fair value at the granting date	R\$4.83	R\$5.07	R\$5.27
Share price	R\$ 11.45	R\$ 11.45	R\$ 11.45
Exercise price	R\$ 11.98	R\$ 11.98	R\$ 11.98
Volatility of the share price	50.70%	50.70%	50.70%
Grace period (three years)	33% after first year	33% after 2nd. year	33% after 3rd. year
Dividends estimate	2.94%	2.94%	2.94%
Free risk return rate	11.62% p.a.	11.65% p.a.	11.69% p.a.
Adjusted effectiveness	4 years	4,5 years	5 years

The exercise price was determined based on the daily average quotation in the exercise of 30 days prior to the Option granting.

### Explanatory Notes

As at June 30, 2012 and December 31, 2011, the total number of outstanding options is as follows:

	<u>06/30/2012</u>	<u>Options</u> <u>12/31/2011</u>
Outstanding options at the beginning of the year	2,991,753	_____
Granted during the year		2,991,753
Cancelled during the year	1,274,135	_____
Outstanding options at the end of the year	<u>1,717,618</u>	<u>2,991,753</u>

As at June 30, 2012 and December 31, 2011, the weighted average exercise price totaled R\$ 11.98.

As at June 30, 2012, there were no exercised options.

The technical pronouncement CPC 10 (R1) - Share-based Payment requires that the effects of transactions of share-based payments are recorded in the income statement and in the balance sheet of the Company. The value recorded in the income statement of the Parent Company and the Consolidated statements on June 30, 2012 was R\$3,183. The impact on equity in the six month period ended June 30, 2012 was R\$3,917.

## Explanatory Notes

### 26 Notes presented in the annual financial statements that are not presented in this intermediary financial information

Pursuant to Circular Letter CVM/SYNC/SEP/N°003/2011, the Company has complied with the explanatory notes presentation in the “Basic Accounting Pronouncement – Conceptual Structure for the Preparation and Presentation of the Financial Statements”. All information on omissions or effects that might influence a user’s economic decisions has been duly disclosed in the financial information, which should be read together with the Financial Statements at December 31, 2011.

The explanatory notes which the information was not repeated in these interim financial information either by redundancy or by relevance are as follows:

- Note 04 - Critical accounting estimates and judgments
- Note 07 – Financial instruments by category
- Note 08 – Credit quality of financial assets
- Note 18 – Impairment of non-financial assets
- Note 21 – Debentures
- Note 22 – Taxes payable
- Note 23 – Taxes payable in installments
- Note 25 – Provision for environmental recovery
- Note 29 – Statement of adjusted EBITDA (unaudited)
- Note 30 – Revenue
- Note 32 – Employment benefit expenses
- Note 33 – Operating income (expenses)
- Note 36 – Commitments
- Note 37 – Business combination
- Note 39 – Statements of cash flow
- Note 40 – Insurance coverage
- Note 42 – Net results from discontinued operations

## Explanatory Notes

### Board of Directors

Paulo Penido Pinto Marques  
President

Alcides José Morgante  
Counselor

Aloísio Macário Ferreira de Souza  
Counselor

Daniel Agustín Novegil  
Counselor

Fumihiko Wada  
Counselor

José Oscar Costa de Andrade  
Counselor

Lírio Albino Parisotto  
Counselor

Nobuhiko Ikura  
Counselor

Rita Rebelo Horta de Assis Fonseca  
Counselor

Roberto Caiuby Vidigal  
Counselor

### Fiscal Council

Paulo Frank Coelho da Rocha  
President

Lúcio de Lima Pires  
Counselor

Masato Ninomiya  
Counselor

Marco Antônio Bersiani  
Counselor

Telma Suzana Mezia  
Counselor

### Executive Board

Julián Alberto Eguren  
President-Director

Marcelo Rodolfo Chara  
Industrial Vice-President

Rômél Erwin de Souza  
Information Technology and Quality Vice-  
President

Ronald Seckelmann  
Finance Vice-President and Investors Relation

Sérgio Leite de Andrade  
Business Vice-President

Paolo Felice Bassetti  
Subsidiaries Vice-President

Nobuhiro Yamamoto  
Corporate Planning Vice-President

Antônio Geraldo Vilela de Moraes  
General Manager of Accounting  
Responsável Técnico TC CRC-MG 57.658

**Other Information Considered Relevant****1 Differentiated Corporate Governance Practices – Level 1**

In compliance with the Regulation of Differentiated Governance Practices – Level 1, we present below all shareholding positions exceeding 5% of the company's shares, segregated by type and class, up to the individual level.

USINAS SIDERÚRGICAS DE MINAS GERAIS S.A. – USIMINAS - CNPJ 60.894.730/0001-05  
 SHARES IN UNITS  
 BASE DATE : 06/30/2012

Shareholders	Common Shares		Preferred Shares "A"		Preferred Shares. "B"		Total	
	Number	%	Number	%	Number	%	Number	%
Companhia Siderúrgica Nacional	41,468,000	8.21	78,151,800	15.37			119,619,800	11.8
Nippon Usiminas Co., Ltd.	119,969,788	23.74	2,830,832	0.56			122,800,620	12.11
Caixa dos Empregados da Usiminas	34,109,762	6.75					34,109,762	3.36
Nippon Steel Corporation	27,347,796	5.41	307,926	0.06			27,655,722	2.73
Ternium Investments S.A.R.L.	84,741,291	16.77					84,741,291	8.36
Prosid Investments S.C.A.	20,000,000	3.96					20,000,000	1.97
Confab Industrial S.A.	25,000,000	4.95					25,000,000	2.47
Usiminas S.A. in Treasury	2,526,654	0.5	24,060,356	4.73			26,587,010	2.62
Caixa de Previdência dos Funcionários do Banco do Brasil	52,980,090	10.48	6,543,350	1.28			59,523,440	5.87
Other	97,117,303	19.23	396,545,448	78	85,794	100	493,748,545	48.71
<b>Total</b>	<b>505,260,684</b>	<b>100</b>	<b>508,439,712</b>	<b>100</b>	<b>85,794</b>	<b>100</b>	<b>1,013,786,190</b>	<b>100</b>

**Other Information Considered Relevant**

COMPANHIA SIDERÚRGICA NACIONAL  
 CNPJ nº 33.042.730/0001-04  
 SHARES IN UNITS  
 BASE DATE : 06/30/2012

Shareholders	Common Shares		Preferred Shares		Total	
	Number	%	Number	%	Number	%
Rio Iaco Participações S.A.	58,193,503	3.99			58,193,503	3.99
Vicunha Siderurgia S.A.	697,719,990	47.86			697,719,990	47.86
Other	702,056,615	48.15			702,056,615	48.15
<b>Total</b>	<b>1,457,970,108</b>	<b>100</b>			<b>1,457,970,108</b>	<b>100</b>

RIO IACO PARTICIPAÇÕES S.A  
 CNPJ nº 06.990.482/0001-50  
 SHARES IN UNITS  
 BASE DATE : 06/30/2012

Shareholders	Common Shares		Preferred Shares		Total	
	Number	%	Number	%	Number	%
Rio Purus Participações S.A.	499	99.80			499	99.80
Other	1	0.20			1	0.20
<b>Total</b>	<b>500</b>	<b>100</b>			<b>500</b>	<b>100</b>

VICUNHA SIDERURGIA S.A.  
 CNPJ nº 02.871.007/0001-04  
 SHARES IN UNITS  
 BASE DATE : 06/30/2012

Shareholders	Common Shares		Preferred Shares		Total	
	Number	%	Number	%	Number	%
Vicunha Aços S.A.	580,634,272	99.99	468,298,605	100	1,048,932,877	99.99
Other	6	0.01			6	0.01
<b>Total</b>	<b>580,634,278</b>	<b>100</b>	<b>468,298,605</b>	<b>100</b>	<b>1,048,932,883</b>	<b>100</b>

RIO PURUS PARTICIPAÇÕES S.A.  
 CNPJ nº 60.078.060/0001-59  
 SHARES IN UNITS  
 BASE DATE : 06/30/2012

Shareholders	Common Shares		Preferred Shares		Total	
	Number	%	Number	%	Number	%
Dorothea Steinbruch	702,046,223	99.99			702,046,223	49.99
Other	1,500	0.01	702,047,723	100	702,049,223	50.01
<b>Total</b>	<b>702,047,723</b>	<b>100</b>	<b>702,047,723</b>	<b>100</b>	<b>1,404,095,446</b>	<b>100</b>

**Other Information Considered Relevant**

VICUNHA AÇOS S.A.  
 CNPJ nº 04.213.131/0001-08  
 SHARES IN UNITS  
 BASE DATE : 06/30/2012

Shareholders	Common Shares		Preferred Shares		Total	
	Number	%	Number	%	Number	%
Vicunha Steel S.A.	223,982,554	99.99			223,982,554	66.96
Other	8	0.01	110,521,137	100	110,521,145	33.04
<b>Total</b>	<b>223,982,562</b>	<b>100</b>	<b>110,521,137</b>	<b>100</b>	<b>334,503,699</b>	<b>100</b>

VICUNHA STEEL S.A.  
 CNPJ nº 04.169.992/0001-36  
 SHARES IN UNITS  
 BASE DATE : 06/30/2012

Shareholders	Common Shares		Preferred Shares		Total	
	Number	%	Number	%	Number	%
CFL Participações S.A.	88,994,551	39.99			88,994,551	39.99
Rio Purus Participações S.A.	133,491,823	60			133,491,823	60
Other	8	0.01			8	0.01
<b>Total</b>	<b>222,486,382</b>	<b>100</b>			<b>222,486,382</b>	<b>100</b>

CFL PARTICIPAÇÕES S.A.  
 CNPJ nº 60.078.045/0001-00  
 SHARES IN UNITS  
 BASE DATE : 06/30/2012

Shareholders	Common Shares		Preferred Shares		Total	
	Number	%	Number	%	Number	%
Clarice Steinbruch	327,396,429	33.33			327,396,429	33.33
Fábio Steinbruch	327,396,430	33.34			327,396,430	33.34
Leo Steinbruch	327,396,429	33.33			327,396,429	33.33
<b>Total</b>	<b>982,189,288</b>	<b>100</b>			<b>982,189,288</b>	<b>100</b>

**Other Information Considered Relevant**

NIPPON USIMINAS CO., LTD.  
 SHARES IN UNITS  
 BASE DATE : 06/30/2012

Shareholders	Common Shares		Preferred Shares		Total	
	Number	%	Number	%	Number	%
Nippon Steel Corporation - NSC (1)	268,874	89.35			268,874	89.35
Japan International Cooperation Agency - JICA (2)	30,092	10.00			30,092	10.00
Mitsubishi Corporation	1,948	0.65			1,948	0.65
<b>Total</b>	<b>300,914</b>	<b>100.00</b>			<b>300,914</b>	<b>100.00</b>

- (1) NSC – Nippon Steel Corporation is a publicly held company listed on the Tokyo Stock Exchange – Japan, and is the parent company of Nippon Steel Group, the main business of which is steel production, in addition to rendering Engineering, Construction, Chemistry Systems Technology and others services through different subsidiaries.
- (2) JICA - Japan International Cooperation Agency is a Japanese Government Agency responsible for the implementation of Technical Cooperation ODA (Official Development Assistance) Loans and Japanese Non Reimbursable Financial Cooperation in developing countries aiming to improve the social economic conditions. JICA has offices in almost 100 countries in addition to the head Office in Tokyo and training centers in different regions of Japan.



**Other Information Considered Relevant**

CONFAB INDUSTRIAL S.A.  
 CNPJ 60.882.628/0001-90  
 SHARES IN UNITS  
 BASE DATE: 06/30/2012

Shareholders	Common Shares		Preferred Shares		Total	
	Number	%	Number	%	Number	%
Siderca S.A.I.C.(1)	167,308,639	99.22		0.00	167,308,639	41.91
Tenaris Investments S.à rl.	1,310,117	0.78	230,591,281	100.00	231,901,398	58.09
Total	168,618,756	100.00	230,591,281	100.00	399,210,037	100.00

(1) Siderca S.A.I.C. is an Argentine joint stock company and its main shareholders are Tenaris Investments S.à rl., Luxembourg company, and Tenaris Global Services S.A., Uruguayan company, both jointly owned subsidiaries of Tenaris S.A., which hold approximately 97.49% and 2.50%, respectively, of the shares issued by Siderca S.A.I.C.

Tenaris S.A. is a publicly held company, listed at New York Stock Exchange (NYSE) – United States of America, at Buenos Aires Stock Exchange – Argentina, at the Milan Stock Exchange (MTA) – Italy and at Mexico Stock Exchange – Mexico. Tenaris S.A. is the parent company of Tenaris Group, which, through its different subsidiaries, has as its main business the production and supply of steel pipes and services provision for the world energetic industry, as well as for certain industrial use.

Tenaris S.A. is controlled by San Faustin S.A., Luxembourg joint stock company (“San Faustin”), which, indirectly holds, through its Luxembourg jointly owned subsidiary Techint Holdings S.à r.l., approximately 60.5% of the shares issued by Tenaris S.A.

Rocca & Partners Stichting Administratiekantoor Aandelen San Faustin, a Dutch private foundation (“RP STAK”), owns shares issued by San Faustin in sufficient number to control San Faustin. No person or group of persons controls RP STAK.

PROSID INVESTMENTS S.C.A.  
 CNPJ 14.759.342/0001-02  
 06/30/2012

Prosid Investments S.C.A. has as its main shareholder Siderar S.A.I.C. with 99.99% participation in the capital shares.

### Other Information Considered Relevant

SIDERAR S.A.I.C.  
CNPJ 05.722.544/0001-80  
06/30/2012

Siderar S.A.I.C. is an Argentine publicly held joint stock company, listed on the Buenos Aires Stock Exchange – Argentina. Siderar S.A.I.C. has as its main shareholders Ternium Internacional España, S.L.U., Spanish jointly owned subsidiary of Ternium S.A., which owns approximately 60.94% of the shares issued by Siderar S.A.I.C., and to *Administración Nacional de la Seguridad Social (ANSeS)*, Argentine government body, which owns approximately 26.03% of the shares issued by Siderar S.A.I.C. Ternium S.A. control is detailed below.

TERNIUM INVESTMENTS S.À R.L.  
CNPJ 12.659.927/ 0001-17  
06/30/2012

Ternium Investments S.à r.l. is a Luxembourg limited liability company whose single partner is Ternium S.A. with 100% participation in its capital shares.

Ternium S.A. is a publicly held company, listed at New York Stock Exchange (NYSE) – United States of America. Ternium S.A. is the parent company of Ternium Group, which, through its different subsidiaries, has as its main business the production of long and flat steel, with production centers located in Argentina, in Colombia, in the United States of America, in Guatemala and in Mexico. Ternium S.A. is controlled by San Faustin, which indirectly holds, through its Luxembourg jointly owned subsidiary Techint Holdings S.à r.l., approximately 62% of the shares issued by Ternium S.A.

RP STAK owns shares issued by San Faustin in sufficient number to control San Faustin. No person or group of persons controls RP STAK.

**Other Information Considered Relevant**

In compliance with the Regulation of Differentiated Corporate Governance Practices – Level 1 we present below the nature of the marketable securities issued by the Company which are owned directly or indirectly by the Controlling Shareholder, Officers, Members of the Fiscal Council and Board of Directors. The table also presents the outstanding shares and their percentage of the total number of shares issued.

Position at 06/30/2012								
Shareholders	Common		Preferred class A		Preferred class B		Total	
	Units	%	Units	%	Units	%	Units	%
<b>Controlling Shareholders</b>	329,377,429	65.19	3,138,758	0.62			332,516,187	32.80
<b>Officers</b>								
Board of Directors	13		132,003	0.03			132,016	0.02
Executive Board	2		9,245				9,247	
<b>Fiscal Council</b>	101						101	
<b>Treasury Shares</b>	2,526,654	0.50	24,060,356	4.73			26,587,010	2.62
<b>Other shareholders</b>	173,356,485	34.31	481,098,570	94.62	86,574	100	654,541,629	64.56
<b>Total</b>	505,260,684	100.00	508,438,932	100.00	86,574	100	1,013,786,190	100.00
<b>Outstanding shares</b>	173,356,586	34.31	481,098,570	94.62	86,574	100	654,541,730	64.56

Position at 06/30/2011								
Shareholders	Common		Preferred class A		Preferred class B		Total	
	Units	%	Units	%	Units	%	Units	%
<b>Controlling Shareholders</b>	329,377,434	65.19	3,138,758	0.62			332,516,192	32.80
<b>Officers</b>								
Board of Directors	4,024		4,006				8,030	
Executive Board	10		1,182				1,192	
<b>Fiscal Council</b>			8,100				8,100	
<b>Treasury Shares</b>	2,526,654	0.50	24,060,356	4.73			26,587,010	2.62
<b>Other shareholders</b>	173,352,562	34.31	481,226,910	94.65	86,194	100.00	654,665,666	64.58
<b>Total</b>	505,260,684	100.00	508,439,312	100.00	86,194	100.00	1,013,786,190	100.00
<b>Outstanding shares</b>	173,352,562	34.31	481,235,010	94.65	86,194	100.00	654,673,766	64.58

