

FGR-030/02

Belo Horizonte, May 10, 2002



United States Securities and Exchange Commission  
Division of Corporation Finance  
450 Fifth Street, N.Y.;  
Washington D.C. 20549



Dear Sirs,

SUPPL

We are attaching the following information distributed to the Brazilian stock exchanges, CVM and shareholders by USIMINAS:

- 1<sup>st</sup> Quarter 2002 Results - Press Release
- Comunicu e to SEC / BONY

PROCESSED

JUN 0 6 2002

THOMSON  
FINANCIAL

Sincerely Yours,

*Breno J. M. Milton*

Breno J lio de Melo Milton  
Investor Relations Manager

*dlw 6/3*

# **USIMINAS**

## **TELEFAX**

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**Date:** May 08, 2002 **Nº:**

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USIMINAS # 82-3902

Dear Sirs.,

Usiminas obtained net income of R\$ 26.2 million in first quarter 2002.

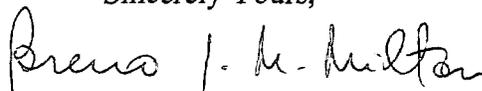
Sales volume was 1,028,710 tons of steel products, with 810,506 tons sold in the domestic market and 218,204 tons sold abroad.

Net revenues reached R\$ 754.6 million, 11% above those of the same period in 2001.

Crude steel production of the Intendente Câmara Steelworks was 1.107 thousand tons, 4.7% below that of 1<sup>st</sup> quarter 2001.

In the present fiscal year, Usiminas made investments in the order of R\$ 15 million, being R\$ 10 million in production optimization programs, R\$ 4 million in technology updating and R\$ 1 million in environmental protection.

Sincerely Yours,



Breno Julio de Melo Milton  
Investor Relations Manager


**USIMINAS**
*Tecnologia avançada para fabricar aço e beneficiar vidas.*
**FOR IMMEDIATE RELEASE**
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## Sales exceed 1 million tons and Net Profit grows 11%

Belo Horizonte, May 6, 2002 - Usinas Siderúrgicas de Minas Gerais S/A - USIMINAS (BOVESPA: USIM3, USIM5, USIM6; OTC: USNZY), today announced its first quarter 2002 earnings. Except where otherwise specified, the operating and financial data presented herein are stated in Brazilian Reais as determined under the prevailing Brazilian Corporate Law. Furthermore, all the comparisons provided in the release have been made in relation to the same period in 2001, except where indicated to the contrary.

Usiminas operated at full capacity in first quarter 2002, raising its net profit by 11% and maintaining the pace of sales volume above 1 million tons per quarter, growing both in the domestic (+2%) and export markets (+28%). Net sales were R\$ 755 million and EBITDA came to R\$ 214 million. Net profit was R\$ 26 million.

"Company operations in this first quarter were in line with our planning. We expanded revenues and sales volume, and our result was not better than anticipated only because of the depressed prices on the international market and because of the continued negative impacts on our production costs, mainly with coal. The adaptation of our product mix to prevailing market conditions resulted in our exporting a considerable volume of slab, diluting our fixed costs, however with some sacrifice of sales margin," affirmed Rinaldo Campos Soares, the Company's CEO.

"With the conclusion of the major investment cycles, we will now seek to achieve gains of this our long-term strategy, by offering higher value-added products and taking advantage of economies of scale. Those factors and the perspective of a market recovery for flat-rolled products in the second half allow us to increase our cash flow and decrease our debt level," concluded the executive.

### Highlights

RS million	1Q 2002	1Q 2001	4Q 2001	%	
				1Q/1Q	1Q/4Q
<b>Total Sales Volume (thousand tons)</b>	<b>1,029</b>	<b>963</b>	<b>1,063</b>	7%	-3%
<b>Net Revenues</b>	<b>755</b>	<b>680</b>	<b>748</b>	11%	-1%
<b>Gross Profit</b>	<b>201</b>	<b>246</b>	<b>230</b>	18%	13%
<b>Operating Result (EBIT) <sup>a</sup></b>	<b>151</b>	<b>202</b>	<b>192</b>	25%	-21%
<b>Financial Result</b>	<b>(101)</b>	<b>(220)</b>	<b>11</b>		
<b>Net Income</b>	<b>26</b>	<b>7</b>	<b>244</b>	271%	-89%
<b>EBITDA <sup>b</sup></b>	<b>214</b>	<b>252</b>	<b>243</b>	15%	12%
<b>EBITDA (R\$/t)</b>	<b>208</b>	<b>262</b>	<b>228</b>	21%	-9%
<b>Total Assets</b>	<b>8,836</b>	<b>8,608</b>	<b>8,885</b>	3%	1%
<b>Net Debt</b>	<b>3,242</b>	<b>3,586</b>	<b>3,362</b>	-10%	-4%
<b>Stockholders' Equity</b>	<b>3,400</b>	<b>3,501</b>	<b>3,374</b>	-3%	-1%

(a) Earnings before interest and tax

(b) Earnings before interest, tax, depreciation and amortization

**Market, Production and Sales Volume**

**Brazilian flat-rolled production decreased by 2.4%**

1Q02 was marked by an unfavorable global steel environment, where international prices were at historical lows. In the domestic market, the scenario was also negative, with the auto industry, an important flat steel consumer, retreating 8.8%. On the other hand, the civil construction (pipeline segment), agricultural machinery and shipbuilding industries had good performance, helping to ease the fall in demand. According to IBS, Brazilian flat rolled steel production fell 2.4% in the period, totaling 2,676 thousand tons.

**Production and Sales - Usiminas**

Thousand tons	1Q02	%	1Q01	%	4Q01	%
<b>Production (Crude Steel)</b>	<b>1,091</b>		<b>1,140</b>		<b>1,192</b>	
<b>Sales Volume</b>						
<b>Domestic Market</b>	<b>811</b>	<b>75%</b>	<b>793</b>	<b>82%</b>	<b>740</b>	<b>70%</b>
<b>Export Market</b>	<b>218</b>	<b>21%</b>	<b>171</b>	<b>18%</b>	<b>323</b>	<b>30%</b>
<b>Total</b>	<b>1,029</b>	<b>100%</b>	<b>964</b>	<b>100%</b>	<b>1,063</b>	<b>100%</b>

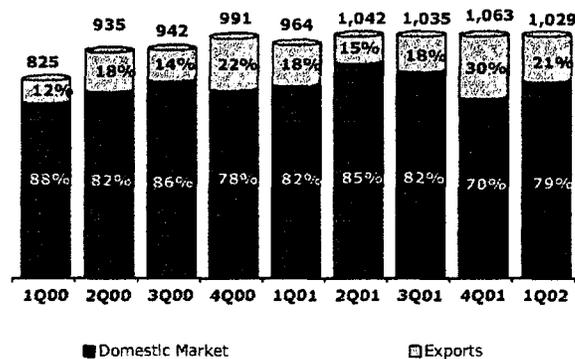
Following its planning and operating at full capacity, Usiminas maintained its production rate at the 1.1 million-ton level.

**Usiminas maintains production and increases sales by 7%**

Sales volume grew 7% and passed the 1-million ton mark. In 1Q02 Usiminas sold 811 thousand tons in the domestic market and exported 218 thousand tons, equivalent to 21% of the total sold.

Domestically, heavy plates sales continued firm (sales of 199 thousand tons), influenced by orders from the pipeline segment for energy projects. There was a slight recovery in hot rolled sheet (267 thousand tons), favored by purchases of re-rollers and autoparts segments and small diameter tubes. Sales of hot dip galvanized products - whose line is in the learning curve process - continued to grow, jumping from 20 thousand tons to 56 thousand tons. On the other hand, cold rolled sales fell 12%, at 154 thousand tons due to lower demand in the auto industry. Exports of slabs continued at high levels, making up two thirds of Usiminas' international sales.

**Sales volume (000 t.)**



**Usiminas Market Share is 36%**

Usiminas' market share in the Brazilian flat rolled market declined slightly, going from 37% in 2001 to 36% in 1Q02. The small decline was in function of the return to production of CSN's and Cosipa'a facilities that were in maintenance in 2H01.

**Net Sales Revenues**

Net sales totaled R\$ 755 million in 1Q02, growing 11%. This increase was a consequence of a 7% growth in sales volume and an increase of 4% in average price, which reached R\$ 733.53/t.

**Net sales revenues grew 11% and totaled R\$ 755 million**

Volume continued to reflect the significant participation of slabs in the sales mix to compensate the cold rolled product decline and other products. In relation to average prices, the average dollar rate grew by around 18% between 1Q01 and 1Q02, partially diluting the effect of weak international prices. In the domestic market, Usiminas was able to partially pass through its cost increases to its customers, adjusting prices 9% in 2S01.

**Gross Income**

Gross income was R\$ 201 million in the quarter, a decrease of 19%. Gross margin declined from 36% to 27%. Several factors affected margin: low international prices, change in the product mix with increases in the sale of semi-finished products, rising raw materials costs, such as coal (55%), iron ore (25%) and electrical energy (23%), in addition to higher depreciation levels of new equipment.

**Gross Income reached R\$ 201 million**

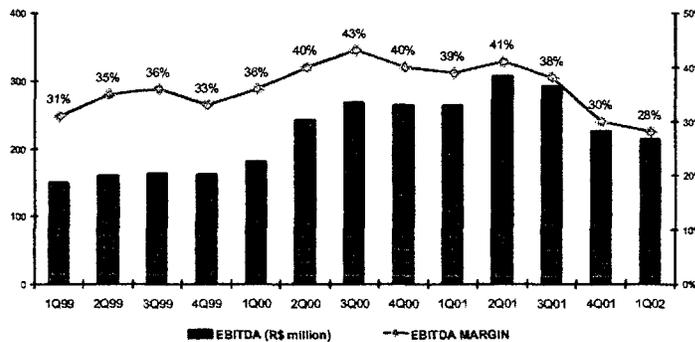
Average per-ton cost was R\$ 538.32 in 1Q02, a hike of 20%.

**Operating Income**

Operating profit before financial expense (EBIT) was R\$ 151 million in the quarter, a decline of 25%.

EBIT margin declined from 30% to 20% inspite of the cost savings policy set by Usiminas, which has reduced administrative and sales expenses proportionally to sales.

**EBITDA totaled R\$ 214 million and EBITDA margin stood at 28%**

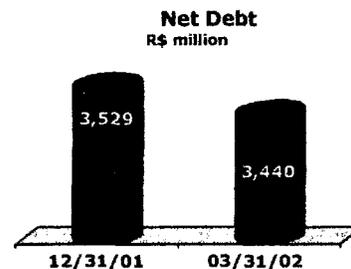


EBITDA totaled R\$ 214 million at Usiminas in 1Q02, 19% below that of 1Q01. With this EBITDA margin went from 39% to 28%, reflecting the lows in prices and cost pressure.

**Financial Expense and Debt**

Exchange rate stabilization between the end of fiscal year 2001 and end of 1Q02 favored the financial expense of Usiminas. With almost no impact of exchange rate variation over financing, net financial expense declined from R\$ 220 million in 01Q01 to R\$ 101 million in 1Q02.

**Net debt fell 3% in 1Q02**



Usiminas' gross debt totaled R\$ 3.4 billion at quarter's end. Out of this total 30% is due to export/import financing operations, 30% refer to BNDES debt, 18% are local debentures and the remainder refers to sundry operations.

The debt profile remains elongated, without short-term pressure and with a perspective for gradual reduction now that the Company has concluded its heaviest investments.

The portion of debt contracted in foreign currency protected by hedge on March 31, 2002 was 70% of its total.

### Equity Income

***International Market affects performance of associated companies***

Equity income went from a positive R\$ 4 million in 1Q01 to a negative R\$ 43 million in 1Q02, mainly affected by the losses accounted by the financial cost of Unigal's debt and by the result of the Amazon Consortium and Usiminas International Ltd due to losses booked in Sidor in Venezuela and as well as the negative results of MRS Logística.

### Non-operating Income

Non operating income in the period mainly refers to reversion of ICMS contingencies over exports in the amount of R\$ 49.5 million.

### Net Income

***Net Income totaled R\$ 26 million***

In spite of an unfavorable macroeconomic environment in relation to 1Q01, Usiminas had a net income of R\$ 26 million, compared to R\$ 7 million in the same period in 2001. Exchange rate stability over 1Q02 favored the financial expense of the Company, contrasting with the margin compression due to the fall in export prices, to the product mix and to production cost pressure.

### Investments

***Conclusion of major investments led the way to record production highs***

With the conclusion of the recent major investment cycle, Usiminas substantially reduced the need for expansion and modernization project outlays of its industrial plant. In 1Q02 only R\$ 15 million were spent (R\$ 1 million for environmental protection, R\$ 4 million for technology updating and R\$ 10 million for production optimization).

The projects underway seek to adjust production capacity at Usiminas to 5 million tons/yr and increase in-house electrical generation by installing a top turbine on one of its blast furnaces.

### Consolidated Income Statement

***Consolidated Net Revenue grows 13% with Cosipa expansion***

Raw steel production of the Usiminas System totaled 1.9 million tons in 1Q02. Consolidated sales volume rose 12% and reached 1.7 million tons. The increase in Cosipa's production capacity in the period brought consolidated Usiminas figures to a new high.

Net sales grew 13%, totaling R\$ 1.3 billion, favored by the larger volume sold and also by the increment generated by higher value added products, sold by Unigal.

Consolidated EBITDA reached R\$ 324 million, 15% less than 1Q01 (R\$ 379.0 million). Consolidated net income was R\$ 31 million in 1Q02, compared to R\$ 9 million in obtained in 1Q01, reflecting the same factors related to the performance of the controlling company.

## Income Statement - Consolidated

Legislação Societária - Corporate Law

R\$	1Q2002	1Q 2001	%
<b>Net Sales and Services Revenues</b>	<b>1,308,109</b>	<b>1,161,501</b>	13%
Cost of Goods Sold	(968,925)	(798,073)	21%
<b>Gross Income</b>	<b>339.184</b>	<b>363.428</b>	-7%
<i>Gross Margin %</i>	<b>26%</b>	<b>31%</b>	
<b>Financial (Expense) Income</b>	<b>(81,398)</b>	<b>(86,672)</b>	-6%
Sales	(25,817)	(26,936)	-4%
General and Administrative	(43,145)	(40,480)	7%
Other (Expense) Income	(12,436)	(19,256)	-35%
<b>Operating Income before Financial Expense</b>	<b>257,786</b>	<b>276,756</b>	-7%
<i>Operating Margin %</i>	<b>20%</b>	<b>24%</b>	
<b>Financial (Expense) Income</b>	<b>(189,115)</b>	<b>(329,671)</b>	-43%
<b>Operating Income</b>	<b>68,671</b>	<b>(52,915)</b>	-230%
Non-operating Income	2,708	4,995	-45%
<b>Income (Loss) before Taxes</b>	<b>71.379</b>	<b>(47.948)</b>	-249%
Social Contribution	(9,542)	11,024	-187%
Income Tax	(28,356)	47,380	-160%
Employee Profit Sharing	(2,042)	0	-
Minority Shareholder Participation	(521)	(1,282)	-59%
<b>Net Income (Loss)</b>	<b>30,918</b>	<b>9,202</b>	236%

### Perspectives

#### **Market shows signs of recovery**

The Company should maintain production rate and sales volume in the coming quarter, since the scenario indicates a recovery in international prices. The pipeline segment continues to demand steel and the auto industry should gradually recover from the end of the first half onward. Growing demand in the electrical/electronic, small diameter tubes and civil construction segment is expected. The gradual increase in the level of activity in these industries should confirm moderate growth in the domestic flat rolled market in 2002, forecasting a 4.6% increase in volume over 2001. This domestic market strengthening will allow Usiminas to upgrade its product mix, decreasing the share of slab.

#### **Usiminas will continue to focus on high-value added products and reduction of its debt**

According to the trends in the last few months, the Company will proceed to increase the share of galvanized products, mainly to the auto industry. This higher value added product line will contribute to the recuperation of the sales margins at Usiminas.

The export market prices are starting to show recovery after reaching record lows in the recent past. The Section 201 measures provoked increases in finished product prices in the US and should also reflect on the price of slabs. This improvement in the international scenario should improve Usiminas' results in the second half.

With the conclusion of its major investments, the Company's focus will be to reduce its debt level with the generation of cash flow made possible by price recovery and by sales of higher value added products.

*Declarations contained in the communiqué relative to business perspectives of the Company, operating and financial results and projections, and references to the growth of the Company, constitute mere forecasts and were based on Management's expectations in relation to future performance. These expectations are highly dependent on market behavior, of Brazil's economic situation, on the industry and on international markets, and are therefore subject to change.*

# # #

*Usinas Siderúrgicas de Minas Gerais S/A - USIMINAS is an integrated steel producer, with net sales of R\$2.4 billion in 2000. Located in Ipatinga, in the State of Minas Gerais, it has an annual production of approx. 4.7 million tons of raw steel. USIMINAS is the domestic market leader in flat-rolled steel in the automobile industry, autoparts, agricultural and highway machinery sectors, electrical and electronic equipment segments and line pipe industry.*

## Financial Statements

### Income Statement Brazilian GAAP (Legislação Societária)

in million of Reais - R\$	1Q 2002	1Q 2001	4Q 2001	Var. 1Q/1Q	Var. 1Q/4Q
<b>Net Revenues</b>	<b>754,562</b>	<b>679,583</b>	<b>747,918</b>	<b>11%</b>	<b>1%</b>
Domestic Market	658,438	572,747	573,196	15%	15%
Export Market	96,124	106,836	98,570	-10%	-2%
COGS	(553,778)	(433,170)	(518,082)	28%	7%
<b>Gross Profit</b>	<b>200,784</b>	<b>246,413</b>	<b>229,836</b>	<b>-19%</b>	<b>-13%</b>
<i>Gross Margin %</i>	<b>27%</b>	<b>36%</b>	<b>31%</b>		
<b>Operating Income (Expenses)</b>	<b>(49,839)</b>	<b>(44,612)</b>	<b>(37,646)</b>	<b>12%</b>	<b>32%</b>
Selling	(14,030)	(14,359)	(14,814)	-2%	-5%
General and administrative	(16,720)	(15,952)	(17,647)	5%	-5%
Others, net	(19,089)	(14,301)	(5,185)	33%	268%
<b>Operating Income (Loss) before interest and taxes</b>	<b>150,945</b>	<b>201,801</b>	<b>192,190</b>	<b>-25%</b>	<b>-21%</b>
<i>Operating Margin %</i>	<b>20%</b>	<b>30%</b>	<b>26%</b>		
<b>Financial Result</b>	<b>(101,438)</b>	<b>(220,303)</b>	<b>11,074</b>	-	-
Financial Income	(9,118)	90,382	(176,778)	-	-
Financial Expenses	(92,320)	(310,685)	187,852	-	-
Equity Income	(43,286)	4,161	52,299	-	-
<b>Operating Income</b>	<b>6,221</b>	<b>(14,341)</b>	<b>255,563</b>	-	-
Non-Operating Income	52,174	4,943	12,820	-	-
<b>Profit Before Taxes</b>	<b>58,395</b>	<b>(9,398)</b>	<b>268,383</b>	-	-
Social Contribution	(7,994)	96	20,254	-	-
Income Tax	(24,129)	16,002	(36,517)	-	-
<b>Income (Loss) before taxes and profit sharing</b>	<b>26,272</b>	<b>6,700</b>	<b>252,120</b>	-	-
Profit sharing	0	0	(8,257)	-	-
<b>Net income (loss)</b>	<b>26,272</b>	<b>6,700</b>	<b>243,863</b>	-	-
Net income (loss) (per thousand shares)	0.12214	0.03115	1.13374		
<b>EBITDA</b>	<b>293,477</b>	<b>264,588</b>	<b>306,705</b>	-	-
<i>EBITDA Margin %</i>	<b>38.9%</b>	<b>38.9%</b>	<b>41.0%</b>		
Depreciation	(63,199)	(56,219)	(56,266)	12%	12%

## Financial Statements

### Cash Flow

Brazilian GAAP (Legislação Societária)

RS thousand	Jan-Mar 2002	Jan-Mar 2001
<b>Operating Activities</b>		
Operating Income (Loss) before interest and taxes	150,945	201,801
Depreciation, exhaustion and amortization	63,199	56,219
Reversion of Long-term provision	116	5,514
<b>Operating Cash Generation (EBITDA)</b>	<b>214,260</b>	<b>263,534</b>
Increase (Decrease) in Accounts Receivables	(45,468)	(44,564)
Increase (Decrease) in Inventories	(8,535)	6,738
Increase (Decrease) in Other Receivables	15,507	26,904
Increase (Decrease) in Suppliers	(22,636)	(30,459)
Increase (Decrease) in Accounts Payable	34,779	(10,091)
<b>Cashflow generated from operating activities</b>	<b>187,907</b>	<b>212,062</b>
<b>Financial Activities</b>		
Inflow in Loans and Financing	163,402	151,937
Payment in Loans, Financing and Debentures	(248,399)	(230,752)
Payments of Tax Installments	(18,069)	(10,248)
Interest paid on Loans and Financing	(55,863)	(86,259)
Interest paid on Tax Installments	(3,204)	(5,204)
Dividends paid	-	(53,400)
Net result of Swap Operations	174	59,454
Other financing activities, net	25,157	6,808
<b>Net funds from financial activities</b>	<b>(136,802)</b>	<b>(167,664)</b>
<b>Investment Activities</b>		
Additions in Investments	(5,637)	(1,028)
Additions to Permanent Assets, except deferred charges	(14,276)	(43,398)
Decrease of Permanent Assets	3	14
<b>Funds used for Investments</b>	<b>(19,910)</b>	<b>(44,412)</b>
<b>Cash balance variation</b>	<b>31,195</b>	<b>(14)</b>
At the beginning of the period	166,831	210,177
At the end of the period	198,026	210,163

## Financial Statements

### Balance Sheet

Brazilian GAAP (Legislação Societária) - in thousands of Reais

Assets	3/31/02	12/31/01	Liabilities and Shareholders' equity	3/31/02	12/31/01
<b>Current Assets</b>	<b>1,498,158</b>	<b>1,389,323</b>	<b>Current Liabilities</b>	<b>1,593,233</b>	<b>1,429,865</b>
Cash and cash equivalents	23,767	8,704	Loans and financing	992,569	898,881
Marketable Securities	174,259	158,127	Debentures	49,078	8,604
Trade accounts receivable	480,307	434,839	Suppliers	92,696	115,332
Advances to suppliers	11,339	22,138	Taxes and payroll taxes	42,952	32,807
Taxes Recoverable	66,978	74,636	Dividends	50,429	51,465
Other Securities Receivables	658,665	650,130	Provisions	33,239	31,267
Inventories	82,843	40,749	Related Companies	159,221	144,683
Other	-	-	Tax Payable in Installments	60,457	65,738
			Others	112,592	81,088
<b>Long-term receivable</b>	<b>1,483,322</b>	<b>1,525,519</b>	<b>Long-term Liabilities</b>	<b>3,843,142</b>	<b>4,081,164</b>
Deferred income and social contribution taxes	1,143,681	1,154,644	Loans and financing	1,666,235	1,847,709
Related Companies	185,061	185,124	Debentures	555,341	578,330
Deposits at law	91,934	91,931	Provision for contingent liabilities	339,728	385,299
Other	62,646	93,820	Actuarial liability	909,466	909,466
			Tax payable in installments	116,687	129,475
			Others	255,685	230,885
<b>Permanent assets</b>	<b>5,854,834</b>	<b>5,969,854</b>	<b>Shareholders' equity</b>	<b>3,399,939</b>	<b>3,373,667</b>
Investments	2,040,405	2,112,899	Capital	1,221,000	1,221,000
Convertible Bonds (Debentures Cosipa)	46,228	-	Capital reserves	1,998,775	1,998,775
Property, plant and equipment	3,768,201	3,856,955	Revaluation reserve	-	-
			Revenue reserves	153,892	153,892
			Accumulated loss	26,272	-
<b>Total assets</b>	<b>8,836,314</b>	<b>8,884,696</b>	<b>Total liabilities and shareholders' equity</b>	<b>8,836,314</b>	<b>8,884,696</b>

## Sales Breakdown

### Sales Volume Breakdown

Thousand tons	1Q 2002	1Q 2001	4Q 2001	% 1Q 02	% 1Q 01
<b>Total Sales</b>	<b>1,029</b>	<b>984</b>	<b>1,063</b>	<b>7%</b>	<b>-3%</b>
Heavy Plates	219 21%	230 24%	236 22%	-5%	-7%
Hot Coils / Sheets	294 29%	321 33%	289 27%	-8%	2%
Cold Coils / Sheets	172 17%	231 24%	194 18%	-26%	-11%
Eletrogalvanized Coils	38 4%	53 6%	34 3%	-28%	13%
Hot Dip Galvanized Coils	57 5%	22 2%	45 4%	-	26%
Processed Products	86 8%	95 10%	79 7%	-10%	9%
Slabs	163 16%	13 1%	188 18%	1174%	-13%
<b>Total Sales - Domestic Market</b>	<b>811</b>	<b>793</b>	<b>748</b>	<b>2%</b>	<b>10%</b>
Heavy Plates	199 25%	184 23%	202 27%	8%	-1%
Hot Coils / Sheets	267 33%	260 33%	238 32%	3%	12%
Cold Coils / Sheets	154 19%	176 22%	153 21%	-12%	1%
Eletrogalvanized Coils	37 5%	52 7%	33 4%	-39%	13%
Hot Dip Galvanized Coils	56 7%	20 3%	43 6%	-	30%
Processed Products	78 10%	89 11%	62 8%	-12%	26%
Slabs	18 2%	13 2%	8 1%	42%	119%
<b>Total Sales - Domestic Market</b>	<b>218</b>	<b>171</b>	<b>324</b>	<b>28%</b>	<b>-33%</b>
Heavy Plates	20 9%	46 27%	33 10%	-57%	-40%
Hot Coils / Sheets	27 12%	61 36%	51 16%	-56%	-47%
Cold Coils / Sheets	17 8%	55 32%	41 13%	-68%	-57%
Eletrogalvanized Coils	1 0%	1 0%	1 0%	35%	10%
Hot Dip Galvanized Coils	1 0%	2 1%	2 1%	-	-66%
Processed Products	7 3%	6 4%	17 5%	22%	-55%
Slabs	145 66%	0 0%	179 55%	-	-19%

### Sectorial Sales

Thousand tons	1Q 2002	1Q 2001	4Q 2001	% 1Q 02	% 1Q 01
<b>Domestic Market</b>	<b>811</b>	<b>793</b>	<b>748</b>	<b>2%</b>	<b>10%</b>
Auto	98 12%	101 13%	75 10%	-3%	31%
Autoparts	121 15%	100 13%	94 13%	21%	29%
Shipbuilding	3 0%	1 0%	2 0%	-	-
Line Pipes	93 11%	69 9%	97 13%	35%	-4%
Small Diameter Pipes	64 8%	65 8%	66 9%	-2%	-2%
Packaging	11 1%	15 2%	13 2%	-27%	-13%
Household Appliance	21 3%	27 3%	20 3%	-22%	6%
Civil Construction	68 8%	66 8%	67 9%	3%	1%
Electrical Equipment	37 5%	43 5%	35 5%	-14%	7%
Distributors	172 21%	180 23%	169 23%	-4%	2%
Others	123 15%	126 16%	105 14%	-2%	17%

**Market Share****Market Share (\*)**

	Jan-Mar 2002	2001	2000
<b>Domestic Market</b>	<b>36%</b>	<b>37%</b>	<b>35%</b>
<b>Auto</b>	<b>57%</b>	<b>56%</b>	<b>56%</b>
<b>Autoparts</b>	<b>62%</b>	<b>57%</b>	<b>51%</b>
<b>Shipbuilding</b>	<b>45%</b>	<b>18%</b>	<b>6%</b>
<b>Electrical Equipment</b>	<b>50%</b>	<b>51%</b>	<b>52%</b>
<b>Household Appliance</b>	<b>29%</b>	<b>36%</b>	<b>36%</b>
<b>Line Pipes</b>	<b>78%</b>	<b>89%</b>	<b>88%</b>
<b>Small Diameter Pipes</b>	<b>34%</b>	<b>32%</b>	<b>32%</b>
<b>Packaging</b>	<b>7%</b>	<b>8%</b>	<b>9%</b>
<b>Civil Construction</b>	<b>32%</b>	<b>32%</b>	<b>24%</b>
<b>Distributors</b>	<b>26%</b>	<b>29%</b>	<b>30%</b>

(\*) Defined by USIMINAS, Cosipa and CSN market

Source: USIMINAS

## Financial Indebtedness

### Loans and Financing

RS million	3/31/02 Short Term	3/31/02 Long Term	3/31/02 Total	12/31/01 Total	Chg. 2002/2001
<b>TOTAL DEBT</b>					
Foreign Currency (95.8% USdollar)	801,113	1,131,248	1,932,361	1,968,531	-2%
IGP-M	58,561	337,496	396,057	424,331	-7%
TJLP	130,476	186,215	316,691	323,495	-2%
TR	2,419	11,276	13,695	30,233	-55%
<i>Sub-Total</i>	992,569	1,666,235	2,658,804	2,746,590	-3%
Debentures	49,078	555,341	604,419	586,934	3%
<i>Sub-Total</i>	1,041,647	2,221,576	3,263,223	3,333,524	-2%
Taxes payable in installments	60,457	116,687	177,144	195,213	-9%
<b>TOTAL</b>	<b>1,102,104</b>	<b>2,338,263</b>	<b>3,440,367</b>	<b>3,528,737</b>	<b>-3%</b>

Closing exchange rate (R\$ per US\$  
1.00)

	2.3236	2.3204	
Debt converted into US\$	1,480,619	1,520,745	-3%

### Financial Income (Expenses), Net.

RS million	1Q 2002	1Q 2001	4Q 2001
Monetary Effects	(12.7)	(9.1)	(19.7)
Exchange Variation	(3.5)	(207.1)	295.5
Hedge Income	(20.3)	79.6	(190.2)
Interest of Loans and Financing	(68.0)	(87.7)	(70.9)
Financial Income	11.2	10.7	13.3
Other Financial Expenses	(8.1)	(6.8)	(17.0)
<b>NET INTEREST INCOME</b>	<b>(101.4)</b>	<b>(220.3)</b>	<b>11.1</b>