

INCOME STATEMENT
Consolidated – Corporate Law – In thousands of R\$ - Limited Revision

	4Q04	3Q04	4Q03	2003	2004
Gross revenue	3,649,776	3,339,247	2,393,331	8,291,700	12,250,641
Gross revenue deductions	(1,057,503)	(559,472)	(371,689)	(1,314,275)	(2,451,072)
Net revenue	2,592,273	2,779,775	2,021,642	6,977,425	9,799,569
Domestic Market	1,911,401	2,036,129	1,348,162	4,625,489	6,808,514
Export Market	680,872	743,646	673,480	2,351,936	2,991,055
Cost of goods sold (COGS)	(1,162,801)	(1,440,581)	(1,215,283)	(3,837,555)	(4,997,244)
COGS, excluding depreciation	(954,719)	(1,247,955)	(1,022,786)	(3,186,136)	(4,215,672)
Depreciation allocated to COGS	(208,082)	(192,626)	(192,497)	(651,419)	(781,572)
Gross Profit	1,429,472	1,339,194	806,359	3,139,870	4,802,325
Gross Margin (%)	55.1%	48.2%	39.9%	45.0%	49.0%
Selling expenses	(112,469)	(106,681)	(197,417)	(546,038)	(494,447)
General and administrative expenses	(110,052)	(64,089)	(69,438)	(243,631)	(300,583)
Depreciation allocated to SG&A	(23,448)	(11,351)	(10,967)	(37,778)	(56,504)
Other operating income (expense), net	(137,734)	(25,732)	(201,483)	(229,213)	(176,853)
Operating income before financial and equity interest	1,045,769	1,131,341	327,054	2,083,210	3,773,938
Net financial result	(211,990)	(36,703)	(376,733)	(1,035,657)	(921,914)
Financial expenses	(342,449)	(262,183)	(500,455)	(1,031,814)	(1,112,850)
Financial income	(268,526)	(30,889)	69,780	(785,579)	(38,014)
Monetary and foreign exchange loss*	431,769	281,578	85,326	914,744	341,566
Deferral of foreign exchange loss	(32,784)	(25,209)	(31,384)	(133,008)	(112,616)
Equity interest in subsidiaries	(60,462)	(4,101)	(33,648)	936	(46,005)
Operating Income (loss)	773,317	1,090,537	(83,327)	1,048,489	2,806,019
Non-operating income (expenses) Net	(4,537)	(9,560)	49,779	29,982	(1,228)
Income Before Income and Social Contribution Taxes	768,780	1,080,977	(33,548)	1,078,471	2,804,791
(Provision)/Credit for income tax	(171,964)	(285,992)	316,208	6,453	(587,678)
(Provision)/Credit for social contribution	(66,306)	(100,503)	32,368	(53,911)	(235,325)
Net income (Loss)	530,510	694,482	315,028	1,031,013	1,981,788
EBITDA	1,415,033	1,361,050	732,001	3,001,620	4,788,867
EBITDA margin (%)	54.6%	49.0%	36.2%	43.0%	48.9%

EBITDA = Gross profit less selling, general and administrative expenses, provision for profit sharing, depreciation, amortization and depletion.

EXCHANGE RATE
In R\$/US\$

	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04
End of Period	2.9234	2.8892	2.9086	3.1075	2.8586	2.6544
% change	1.8	(1.2)	0.7	6.8	(8.1)	(7.1)
Acumulated (%)	(17.3)	(18.2)	0.7	7.6	(1.1)	(8.1)



INCOME STATEMENT
Parent Company – Corporate Law – In thousands of R\$ - Limited Revision

	4Q04	3Q04	4Q03	2003	2004
Gross revenue	2,781,361	2,761,068	1,989,773	7,283,930	10,128,511
Gross revenue deductions	(864,542)	(447,589)	(318,085)	(1,113,726)	(1,994,019)
Net revenue	1,916,819	2,313,479	1,671,688	6,170,204	8,134,492
Domestic Market	1,482,641	1,949,722	1,223,002	4,345,276	6,108,316
Export Market	434,178	363,757	448,686	1,824,928	2,026,176
Cost of goods sold (COGS)	(814,722)	(1,126,621)	(972,897)	(3,439,429)	(4,063,033)
COGS, excluding depreciation	(654,409)	(953,994)	(799,279)	(2,829,607)	(3,376,378)
Depreciation allocated to COGS	(160,313)	(172,627)	(173,618)	(609,822)	(686,655)
Gross Profit	1,102,097	1,186,858	698,791	2,730,775	4,071,459
Gross Margin (%)	57.5%	51.3%	41.8%	44.3%	50.1%
Selling expenses	(67,163)	(66,040)	(85,372)	(246,329)	(256,830)
General and administrative expenses	(73,456)	(46,851)	(50,670)	(199,717)	(219,044)
Depreciation & Amortization allocated to SG&A	(7,536)	(7,473)	(5,246)	(25,312)	(29,796)
Other operating income (expense), net	(85,890)	(43,790)	(140,537)	(159,429)	(165,180)
Operating income before financial and equity interest	868,052	1,022,704	416,966	2,099,988	3,400,609
Net financial result	(2,458)	(18,171)	(529,400)	(1,068,661)	(831,703)
Financial expenses	(254,560)	(269,107)	(503,006)	(1,093,779)	(1,057,338)
Financial income	(279,076)	(244,230)	(59,738)	(1,057,934)	(211,938)
Monetary and foreign exchange loss	556,105	520,375	64,061	1,213,391	540,752
Defferral of foreign exchange loss	(24,927)	(25,209)	(30,717)	(130,339)	(103,179)
Equity interest in subsidiaries	(29,514)	99,528	10,789	5,473	424,190
Operating Income (loss)	836,080	1,104,061	(101,645)	1,036,800	2,993,096
Non-operating income (expenses. Net)	(7,453)	(9,458)	49,246	26,905	(17,694)
Income Before Income and Social Contribution Taxes	828,627	1,094,603	(52,399)	1,063,705	2,975,402
(Provision)/Credit for income tax	(170,906)	(277,911)	338,123	37,596	(593,636)
(Provision)/Credit for social contribution	(64,694)	(97,724)	40,251	(42,463)	(236,769)
Net income (Loss)	593,027	718,968	325,975	1,058,838	2,144,997
EBITDA	1,121,791	1,246,594	736,367	2,894,551	4,282,240
EBITDA Margin (%)	58.5%	53.9%	44.0%	46.9%	52.6%
Additional Information					
Deliberated Dividends and Interest on Equity	2,268,045		717,300	717,300	2,303,045
Number of Shares - thousands **	276,893	282,169	71,729,261	71,729,261	276,893
Earnings (Loss) per share - R\$ ***	2.14	2.55	0.00454	0.01476	7.75

** Excluding treasury stocks

EBITDA = Gross profit less selling, general and administrative expenses, provision for profit sharing, depreciation, amortization and depletion.



BALANCE SHEET
Corporate Law – thousands of R\$ – Limited Revision

	Parent Company		Consolidated	
	12/31/2004	12/31/2003	12/31/2004	12/31/2003
Current Assets	6,440,179	5,507,669	8,608,514	6,775,380
Cash and marketable securities	1,957,277	2,193,171	3,671,205	3,879,672
Trade accounts receivable	1,696,794	1,740,091	1,140,136	1,114,111
Inventory	1,560,071	642,435	2,276,027	891,807
Other	1,226,037	931,972	1,521,146	889,790
Long-term assets	1,531,697	3,162,132	1,783,244	1,964,670
Permanent asstes	17,752,126	15,640,981	14,312,890	13,782,155
Investments	5,450,044	2,879,772	292,649	241,783
PP&E	12,092,187	12,430,298	13,666,804	13,134,055
Deffered	209,895	330,911	353,437	406,317
Total Assets	25,724,002	24,310,782	24,704,648	22,522,205
Current Liabilities	6,231,577	4,551,745	6,163,662	4,542,518
Loans and financing	1,253,736	2,368,487	1,772,455	2,386,771
Other	4,977,841	2,183,258	4,391,207	2,155,747
Long-term liabilities	12,647,884	12,316,105	11,807,922	10,553,809
Loans and financing	7,535,135	7,446,565	6,697,237	6,570,642
Deffered income and social contribution taxes	2,296,013	2,422,146	2,296,038	2,460,007
Other	2,816,736	2,447,394	2,814,647	1,523,160
Future periods results			77,796	6,496
Shareholders' Equity	6,844,541	7,442,932	6,655,268	7,419,382
Capital	1,680,947	1,680,947	1,680,947	1,680,947
Capital reserve	17,319	17,319	17,319	17,319
Revaluation reserve	4,763,226	5,008,072	4,763,226	5,008,072
Investment reserve	823,392	736,594	823,392	713,044
Treasury shares	(440,343)		(440,343)	
Retained earnings			(189,273)	
Total liabilities and shareholders' equity	25,724,002	24,310,782	24,704,648	22,522,205



CASH FLOW
CONSOLIDATED – Corporate Law – In thousands of Reais – Limited Revision

	4Q04	3Q04	4Q03	2003	2004
Cash Flow from Operating Activities	1,524,060	668,048	840,070	2,137,213	2,830,814
Net income for the period	530,510	694,482	315,028	1,031,013	1,981,788
Exchange Rate Deferral	32,784	25,209	31,384	133,008	112,616
Net Exchange and Monetary variations	(430,972)	(535,226)	(35,697)	(877,638)	(506,548)
Provision for financial expenses	276,338	239,956	169,888	525,440	943,209
Depreciation, exhaustion and amortization	231,585	203,921	203,464	689,197	838,075
Equity Results	60,462	4,101	33,648	(936)	46,005
Deferred IT/SC	(210,697)	84,581	(462,818)	(127,054)	(48,593)
Provision for derivatives	(132,005)	(82,035)	(271,340)	633,548	(729,507)
Provision for Unfunded Pension Liabilities	41,244	7,705	70,983	70,983	63,589
Other provisions	105,551	54,722	384,756	408,339	233,603
Working Capital	1,019,260	(29,368)	400,774	(348,687)	(103,423)
Accounts Receivable	258,328	223,185	493,040	56,376	8,885
Inventories	(124,998)	(709,158)	(1,144)	(318,132)	(1,382,060)
Suppliers	217,483	103,911	(25,186)	(62,509)	272,987
Taxes	350,130	387,107	298,887	296,521	651,766
Others	318,317	(34,413)	(364,823)	(320,943)	344,999
Cash Flow from Investing Activities	(1,022,413)	(127,191)	(609,232)	(943,747)	(1,668,846)
Investments	(616)	-	(178,477)	(112,227)	(139,821)
Fixed Assets	(1,021,797)	(127,191)	(430,755)	(831,520)	(1,529,025)
Cash Flow from Financing Activities	(461,466)	362,096	1,244,318	1,270,894	(1,486,707)
Issuances	1,125,093	1,092,611	2,268,989	5,784,109	3,930,839
Amortizations	(987,503)	(418,371)	(945,198)	(3,183,998)	(3,208,738)
Interest Expenses	(340,769)	(221,969)	(79,468)	(529,541)	(1,016,329)
Dividends/Interest on Equity	118	(28)	(5)	(799,676)	(752,136)
Stocks in Treasury	(258,405)	(90,147)	-	-	(440,343)
Free Cash Flow	40,181	902,953	1,475,156	2,464,360	(324,739)

Net Financial Result
Corporate Law – In thousands of R\$ - Limited Revision

	Parent Company		Consolidated	
	2004	2003	2004	2003
Financial Expenses	(1,057,338)	(1,093,779)	(1,112,850)	(1,031,814)
Loans and financing	(466,804)	(382,377)	(875,319)	(538,275)
Local currency	(239,516)	(196,439)	(235,773)	(216,201)
Foreign currency	(227,288)	(185,938)	(639,546)	(322,074)
Transactions with subsidiaries	(404,364)	(297,749)	-	-
Taxes	(130,664)	(122,079)	(128,542)	(129,388)
Other financial expenses	(55,506)	(291,574)	(108,989)	(364,151)
Financial Income	(211,938)	(1,057,934)	(38,014)	(785,579)
Transactions with subsidiaries	55,137	-	-	-
Income from cash investments	14,885	(24,043)	91,845	5,459
Other income	(281,960)	(1,033,891)	(129,859)	(791,038)
Exchange and Monetary Variation	437,573	1,083,052	228,950	781,736
Net monetary change	(36,853)	(26,385)	(70,748)	(33,182)
Net exchange change	577,605	1,239,776	412,314	947,926
Deferred exchange losses	(103,179)	(130,339)	(112,616)	(133,008)
Net Financial Result	(831,703)	(1,068,661)	(921,914)	(1,035,657)



SALES VOLUME
Consolidated – thousand of tons

	4Q04	3Q04	4Q03	2003	2004
DOMESTIC MARKET	756	918	897	3,035	3,298
Hot rolled	273	315	340	1,081	1,142
Cold rolled	129	156	184	671	648
Galvanized	192	227	164	558	783
Tim mill products	150	204	185	656	668
Slabs	12	16	24	69	57
EXPORT MARKET	282	297	569	1,965	1,447
Hot rolled	38	52	216	750	417
Cold rolled	19	27	40	138	96
Galvanized	161	161	149	329	576
Tim mill products	64	42	90	387	312
Slabs	-	15	74	361	44
TOTAL	1,038	1,214	1,466	5,000	4,744
Hot rolled	311	367	556	1,831	1,559
Cold rolled	147	183	224	809	745
Galvanized	354	388	313	887	1,359
Tim mill products	214	246	275	1,043	980
Slabs	12	30	98	430	101

SALES VOLUME
Parent Company – thousands of tons

	4Q04	3Q04	4Q03	2003	2004
DOMESTIC MARKET	828	951	874	3,069	3,355
Hot rolled	289	314	340	1096	1138
Cold rolled	216	242	172	694	822
Galvanized	165	179	156	564	681
Tim mill products	146	200	180	647	658
Slabs	12	16	25	68	57
EXPORT MARKET	234	205	475	1,824	1,297
Hot rolled	60	69	247	799	510
Cold rolled	-	1	25	98	21
Galvanized	54	42	52	208	169
Tim mill products	54	32	76	363	275
Slabs	67	60	75	356	322
TOTAL	1,062	1,156	1,349	4,893	4,652
Hot rolled	348	383	587	1,895	1,648
Cold rolled	216	244	197	792	843
Galvanized	219	221	208	773	850
Tim mill products	200	232	256	1,010	932
Slabs	79	76	99	423	379

NET SALES PER UNIT
Consolidated – In R\$/ton

	4Q04	3Q04	4Q03	2003	2004
TOTAL	1,953	2,126	1,282	1,305	1,839
Hot rolled	1,620	1,715	979	995	1,465
Cold rolled	1,823	2,264	1,232	1,282	1,777
Galvanized	2,174	2,421	1,519	1,592	2,134
Tim mill products	2,217	2,319	1,857	1,845	2,153
Slabs	923	957	736	767	1,073

NET SALES PER UNIT
Parent Company – In R\$/ton

	4Q04	3Q04	4Q03	2003	2004
TOTAL	1,735	1,896	1,236	1,188	1,662
Hot rolled	1,499	1,593	894	908	1,354
Cold rolled	1,648	1,841	1,130	1,143	1,646
Galvanized	2,064	2,341	1,511	1,525	2,064
Tim mill products	2,009	2,220	1,719	1,706	2,020
Slabs	1,415	1,316	660	669	1,257