

Attachment 1 - Financial Statements

Income Statement - Parent Company

Brazilian GAAP (Legislação Societária)

| R\$ thousand | 2Q 2004 | 2Q 2003 | 1Q 2004 | %Chg. 2Q/2Q |
|---|------------------|------------------|------------------|-------------------|
| Net Revenues | 1,501,566 | 1,198,462 | 1,306,787 | 25 |
| Domestic Market | 1,224,659 | 1,025,303 | 1,081,993 | 19 |
| Export Market | 276,907 | 173,159 | 224,794 | 60 |
| COGS | (805,177) | (750,878) | (734,025) | 7 |
| Gross Profit | 696,389 | 447,584 | 572,762 | 56 |
| <i>% Gross Margin</i> | 46% | 37% | 44% | + 9 p.p. |
| Operating Income (Expenses) | (78,507) | (67,928) | (64,039) | 16 |
| Selling | (28,449) | (13,608) | (20,645) | 109 |
| General and Administrative | (28,548) | (23,698) | (21,630) | 20 |
| Other, Net | (21,510) | (30,622) | (21,764) | -30 |
| EBIT | 617,882 | 379,656 | 508,723 | 63 |
| <i>% EBIT Margin</i> | 41% | 32% | 39% | + 9 p.p. |
| Financial Result | (92,039) | (14,551) | (81,964) | |
| Financial Income | 58,651 | (59,526) | 21,280 | |
| Financial Expenses | (150,690) | 44,975 | (103,244) | |
| Equity Income | 196,931 | 198,348 | 80,327 | |
| Operating Profit | 722,774 | 563,453 | 507,086 | |
| Non-Operating Income | (1,895) | 2,385 | (4,810) | |
| Pre-tax Profit | 720,879 | 565,838 | 502,276 | |
| Income Tax / Social Contribution | (185,330) | (92,457) | (132,393) | |
| Income before Taxes and Profit Sharing | 535,549 | 473,381 | 369,883 | |
| Profit Sharing | - | - | (4,592) | |
| Net Income | 535,549 | 473,381 | 365,291 | 13 |
| Net Income per thousand shares | 2.44122 | 2.20080 | 1.66512 | |
| EBITDA | 680,687 | 448,504 | 570,762 | 52 |
| <i>% EBITDA Margin</i> | 45.3% | 37.4% | 43.7% | + 7,9 p.p. |
| Depreciation | 62,804 | 60,735 | 62,039 | 3 |
| Provisions | - | 8,113 | - | - |

Attachment 2 - Financial Statements

Income Statement - Parent Company

Brazilian GAAP (Legislação Societária)

| R\$ thousand | 1H 2004 | 1H 2003 | % Chg. |
|---|------------------|------------------|-------------------|
| Net Revenues | 2,808,353 | 2,420,962 | 16 |
| Domestic Market | 2,306,652 | 2,006,068 | 15 |
| Export Market | 501,701 | 414,894 | 21 |
| COGS | (1,539,202) | (1,461,756) | 5 |
| Gross Profit | 1,269,151 | 959,206 | 32 |
| <i>% Gross Margin</i> | 45% | 40% | + 5 p.p. |
| Operating Income (Expenses) | (142,546) | (132,977) | 7 |
| Selling | (49,094) | (26,705) | 84 |
| General and Administrative | (50,178) | (43,007) | 17 |
| Other, Net | (43,274) | (63,265) | -32 |
| EBIT | 1,126,605 | 826,229 | 36 |
| <i>% EBIT Margin</i> | 40% | 34% | + 6 p.p. |
| Financial Result | (174,003) | (122,989) | |
| Financial Income | 79,931 | (78,091) | |
| Financial Expenses | (253,934) | (44,898) | |
| Equity Income | 277,258 | 349,584 | |
| Operating Profit | 1,229,860 | 1,052,824 | |
| Non-Operating Income | (6,705) | (6,893) | |
| Pre-tax Profit | 1,223,155 | 1,045,931 | |
| Income Tax / Social Contribution | (317,723) | (210,474) | |
| Income before Taxes and Profit Sharing | 905,432 | 835,457 | |
| Profit Sharing | (4,592) | 0 | |
| Net Income | 900,840 | 835,457 | 8 |
| Net Income per thousand shares | 4.10634 | 3.88412 | |
| EBITDA | 1,251,449 | 963,237 | 30 |
| <i>% EBITDA Margin</i> | 44.6% | 39.8% | + 4,8 p.p. |
| Depreciation | 124,843 | 120,398 | 4 |
| Provisions | - | 16,610 | - |

Attachment 3 - Financial Statements

Income Statement - Consolidated

Brazilian GAAP (Legislação Societária)

| R\$ thousand | 2Q 2004 | 2Q 2003 | 1Q 2004 | % Chg. 2Q/2Q |
|---|------------------|------------------|------------------|--------------------|
| Net Revenues | 2,771,470 | 2,114,396 | 2,364,710 | 31 |
| Domestic Market | 1,889,132 | 1,643,558 | 1,781,386 | 15 |
| Export Market | 882,338 | 470,838 | 583,324 | 87 |
| COGS | (1,455,646) | (1,352,401) | (1,428,815) | 8 |
| Gross Profit | 1,315,824 | 761,995 | 935,895 | 73 |
| <i>% Gross Margin</i> | 47% | 36% | 40% | + 11 p.p. |
| Operating Income (Expenses) | (173,509) | (133,420) | (154,468) | 30 |
| Selling | (64,799) | (38,833) | (53,017) | 67 |
| General and Administrative | (59,706) | (58,329) | (53,531) | 2 |
| Other, Net | (49,004) | (36,258) | (47,920) | 35 |
| EBIT | 1,142,315 | 628,575 | 781,427 | 82 |
| <i>% EBIT Margin</i> | 41% | 30% | 33% | + 11 p.p. |
| Financial Result | (338,556) | 60,478 | (253,433) | |
| Financial Income | 120,107 | (126,155) | 45,388 | |
| Financial Expenses | (458,663) | 186,633 | (298,821) | |
| Equity Income | 7,101 | 2,421 | 13,908 | |
| Operating Profit | 810,860 | 691,474 | 541,902 | |
| Non-Operating Income | (4,721) | (1,068) | (7,388) | |
| Pre-tax Profit | 806,139 | 690,406 | 534,514 | |
| Income Tax / Social Contribution | (264,626) | (206,943) | (164,645) | |
| Income before Taxes and Profit Sharing | 541,513 | 483,463 | 369,869 | |
| Profit Sharing | 0 | 0 | (4,592) | |
| Minority Interests | (13,231) | (15,474) | (6,857) | |
| Net Income | 528,282 | 467,989 | 358,420 | 13 |
| Net Income per thousand shares | 2.40809 | 2.17573 | 1.63380 | |
| EBITDA | 1,285,187 | 760,449 | 921,083 | 69 |
| <i>% EBITDA Margin</i> | 46.4% | 36.0% | 39.0% | + 10,4 p.p. |
| Depreciation | 136,851 | 119,417 | 135,070 | 15 |
| Provisions | 6,021 | 9,896 | 4,586 | -39 |

Attachment 4 - Financial Statements

Income Statement - Consolidated

Brazilian GAAP (Legislação Societária)

| R\$ thousand | 1H 2004 | 1H 2003 | % Chg. |
|---|------------------|------------------|-------------------|
| Net Revenues | 5,136,180 | 4,234,222 | 21 |
| Domestic Market | 3,670,518 | 3,237,241 | 13 |
| Export Market | 1,465,662 | 996,981 | 47 |
| COGS | (2,884,461) | (2,597,209) | 11 |
| Gross Profit | 2,251,719 | 1,637,013 | 38 |
| <i>% Gross Margin</i> | 44% | 39% | + 5 p.p. |
| Operating Income (Expenses) | (327,977) | (250,493) | 31 |
| Selling | (117,816) | (74,237) | 59 |
| General and Administrative | (113,237) | (104,566) | 8 |
| Other, Net | (96,924) | (71,690) | 35 |
| EBIT | 1,923,742 | 1,386,520 | 39 |
| <i>% EBIT Margin</i> | 37% | 33% | + 4 p.p. |
| Financial Result | (591,989) | (110,587) | |
| Financial Income | 165,495 | (161,475) | |
| Financial Expenses | (757,484) | 50,888 | |
| Equity Income | 21,009 | 2,812 | |
| Operating Profit | 1,352,762 | 1,278,745 | |
| Non-Operating Income | (12,109) | (12,869) | |
| Pre-tax Profit | 1,340,653 | 1,265,876 | |
| Income Tax / Social Contribution | (429,271) | (413,325) | |
| Income before Taxes and Profit Sharing | 911,382 | 852,551 | |
| Profit Sharing | (4,592) | (34) | |
| Minority Interests | (20,088) | (28,374) | |
| Net Income | 886,702 | 824,143 | 8 |
| Net Income per thousand shares | 4.04190 | 3.83152 | |
| EBITDA | 2,206,270 | 1,649,251 | 34 |
| <i>% EBITDA Margin</i> | 43.0% | 39.0% | + 4,0 p.p. |
| Depreciation | 271,921 | 242,703 | 12 |
| Provisions | 10,607 | 17,467 | -39 |

Attachment 5 - Financial Statements

Cash Flow

Brazilian GAAP (Legislação Societária)

| R\$ thousand | Parent Company | | | |
|--|------------------|------------------|--------------------|------------------|
| | 1Q 2004 | 1Q 2003 | 1H 2004 | 1H 2003 |
| Operating Activities | | | | |
| Net Income (Loss) in the Period | 535,549 | 473,381 | 900,840 | 835,457 |
| Financial Expenses and Monetary Var/Net Exchge Var | 112,667 | (52,122) | 200,283 | 42,589 |
| Depreciation, Exhaustion and Amortization | 62,804 | 60,735 | 124,843 | 120,398 |
| Investment Write-offs (Decrease in Permanent Assets) | 0 | 128 | 5 | 7,770 |
| Equity in the Results of Subsidiaries/Associated Companies | (196,931) | (198,349) | (277,258) | (349,585) |
| Income Tax and Social Contribution | 185,330 | 92,457 | 317,723 | 210,474 |
| Provisions | 2,977 | (18,428) | 42,961 | (121) |
| Adjustment for Minority Participation | 0 | 0 | 0 | 0 |
| Total | 702,396 | 357,802 | 1,309,397 | 866,982 |
| Increase/Decrease of Assets | | | | |
| Increase (Decrease) in Accounts Receivables | 167,724 | 7,147 | 171,838 | 2,043 |
| Increase (Decrease) in Inventories | (137,411) | (16,116) | (116,003) | (60,126) |
| Increase (Decrease) in Recovery of Taxes | 20,972 | (213) | 87,211 | (1,221) |
| Increase (Decrease) in Judicial Deposits | (10,949) | (939) | (28,484) | 5,854 |
| Others | (62,635) | (476) | (69,689) | (39,056) |
| Total | 12,958 | (67,958) | 80,590 | (149,867) |
| Increase (Decrease) of Liabilities | | | | |
| Increase (Decrease) in Suppliers | (10,970) | 8,104 | (27,371) | 19,409 |
| Increase (Decrease) in Accounts Payable | 20,200 | (25,649) | (5,252) | (69,017) |
| | 4,646 | (7,850) | 3,376 | (20,464) |
| | 7,064 | (12,737) | 8,933 | (17,802) |
| Others | (8,520) | 15,559 | (123,872) | (38,475) |
| Total | 12,420 | (22,573) | (144,186) | (126,349) |
| Cashflow Generated from Operating Activities | 727,774 | 267,271 | 1,245,801 | 590,766 |
| Financial Activities | | | | |
| Inflow of Loans and Financing | 13,196 | 171,000 | 19,327 | 371,155 |
| Payment of Loans, Financing and Debentures | (394,685) | (410,853) | (687,274) | (946,922) |
| Interest Paid on Loans, Financing and Debentures | (35,375) | (39,185) | (71,609) | (103,843) |
| Interest Paid on Taxes Payable in Installments | (11,615) | (4,128) | (20,612) | (8,659) |
| Swap Operation Redemptions | (9,771) | 2,489 | (21,754) | 25,934 |
| Dividends Paid | (2,923) | (39) | (305,130) | (42) |
| Net Funds from Financial Activities | (441,173) | (280,716) | (1,087,052) | (662,377) |
| Investment Activities | | | | |
| (Additions) in Long-term Investments | 0 | (757) | 0 | (757) |
| (Additions) to Permanent Assets, except Deferred Charges | (33,317) | (42,625) | (44,185) | (93,325) |
| Right off of Permanent Assets | 3,617 | 0 | 3,617 | 0 |
| Funds Used for Investments | (29,700) | (43,382) | (40,568) | (94,082) |
| Exchange Variation of Cash and Cash Equivalents | 4,263 | 4,962 | 5,875 | (7,535) |
| Cash Balance Change | 261,164 | (51,865) | 124,056 | (173,228) |
| At the Beginning of the Period | 305,625 | 340,329 | 442,733 | 461,692 |
| At the End of the Period | 566,789 | 288,464 | 566,789 | 288,464 |

Attachment 6 - Financial Statements

Cash Flow

Brazilian GAAP (Legislação Societária)

| R\$ thousand | Consolidated | | | |
|--|------------------|------------------|--------------------|--------------------|
| | 1Q 2004 | 1Q 2003 | 1H 2004 | 1H 2003 |
| Operating Activities | | | | |
| Net Income (Loss) in the Period | 528,282 | 467,955 | 886,702 | 824,143 |
| Financial Expenses and Monetary Var/Net Exchange Var | 325,794 | (177,696) | 580,470 | (22,646) |
| Depreciation, Exhaustion and Amortization | 136,853 | 124,683 | 271,923 | 247,969 |
| Investment Write-offs (Decrease in Permanent Assets) | 194 | 448 | 287 | 7,514 |
| Equity in the Results of Subsidiaries/Associated Companies | (7,101) | (2,421) | (21,009) | (2,812) |
| Income Tax and Social Contribution | 323 | 0 | 429,271 | 413,325 |
| Provisions | 264,626 | 206,943 | 87,827 | (6,113) |
| Adjustment for Minority Participation | (3,769) | (20,339) | 20,088 | 28,374 |
| Total | 13,231 | 15,514 | 2,256,244 | 1,489,754 |
| Increase/Decrease of Assets | | | | |
| Increase (Decrease) in Accounts Receivables | (94,888) | (66,125) | (115,263) | 117,362 |
| Increase (Decrease) in Inventories | (275,548) | (50,999) | (269,641) | (200,616) |
| Increase (Decrease) in Recovery of Taxes | (28,018) | (49,102) | 44,313 | (55,755) |
| Increase (Decrease) in Judicial Deposits | 35,257 | (57,361) | (32,832) | (12,953) |
| Others | (7,570) | (16,250) | 59,031 | (19,259) |
| Total | 51,710 | 3,432 | (278,675) | (228,582) |
| Increase (Decrease) of Liabilities | | | | |
| Increase (Decrease) in Suppliers | 16,281 | 192,266 | 25,256 | 132,194 |
| Increase (Decrease) in Accounts Payable | 4,256 | (85,976) | 24,243 | (100,516) |
| | 39,413 | (43,576) | 83,871 | (46,729) |
| | 7,417 | (7,833) | 9,619 | (22,234) |
| Others | (43,552) | (18,134) | (178,383) | (38,709) |
| Total | 23,815 | 36,747 | (35,394) | (75,994) |
| Cashflow Generated from Operating Activities | 963,191 | 415,429 | 1,942,175 | 1,185,178 |
| Financial Activities | | | | |
| Inflow of Loans and Financing | 198,420 | 1,322,271 | 1,365,180 | 2,274,299 |
| Payment of Loans, Financing and Debentures | (1,015,208) | (1,442,889) | (2,238,489) | (2,993,537) |
| Interest Paid on Loans, Financing and Debentures | (128,138) | (139,810) | (292,174) | (303,966) |
| Interest Paid on Taxes Payable in Installments | (22,506) | (3,551) | (31,973) | (9,299) |
| Swap Operation Redemptions | (27,453) | (60,468) | (54,994) | (37,727) |
| Dividends Paid | (2,923) | 877 | (305,130) | (42) |
| Net Funds from Financial Activities | (997,808) | (323,570) | (1,557,580) | (1,070,272) |
| Investment Activities | | | | |
| (Additions) in Long-term Investments | (1,624) | (86,026) | (1,624) | (83,953) |
| (Additions) to Permanent Assets, except Deferred Charges | (86,126) | (25,752) | (126,439) | (122,049) |
| Right off of Permanent Assets | 5,577 | 0 | 5,577 | 0 |
| Funds Used for Investments | (82,173) | (111,778) | (122,486) | (206,002) |
| Exchange Variation of Cash and Cash Equivalents | 35,201 | (50,350) | 39,143 | (79,429) |
| Cash Balance Change | (81,589) | (70,269) | 301,252 | (170,525) |
| At the Beginning of the Period | 1,225,848 | 631,499 | 843,006 | 731,755 |
| At the End of the Period | 1,144,259 | 561,230 | 1,144,258 | 561,230 |

Attachment 7 - Financial Statements

Balance Sheet - Assets

Brazilian GAAP (Legislação Societária) - R\$ thousand

| Assets | Parent Company | | Consolidated | |
|---------------------------------------|------------------|------------------|-------------------|-------------------|
| | 30-Jun-04 | 31-Dec-03 | 30-Jun-04 | 31-Dec-03 |
| Current Assets | 2,243,249 | 2,309,116 | 4,840,301 | 4,247,631 |
| Cash and Cash Equivalents | 566,789 | 442,733 | 1,144,258 | 843,007 |
| Trade Accounts Receivable | 683,916 | 855,754 | 1,559,060 | 1,443,797 |
| Taxes Recoverable | 30,988 | 118,199 | 203,130 | 244,459 |
| Inventories | 798,595 | 682,592 | 1,711,487 | 1,441,846 |
| Deferred Income Tax & Social Contrb'n | 103,140 | 138,857 | 103,140 | 138,857 |
| Other Securities Receivables | 59,821 | 70,981 | 119,226 | 135,665 |
| Long-Term Receivables | 1,475,782 | 1,425,614 | 1,738,388 | 1,820,804 |
| Deferred Income Tax & Social Contrb'n | 866,097 | 934,650 | 1,264,234 | 1,373,768 |
| Receivables from Related Companies | 395,712 | 297,560 | 89,528 | 77,501 |
| Judicial Deposits | 158,774 | 130,290 | 263,338 | 230,506 |
| Other | 55,199 | 63,114 | 121,288 | 139,029 |
| Permanent Assets | 5,784,704 | 5,606,873 | 9,397,023 | 9,504,377 |
| Investments | 2,253,039 | 1,990,933 | 205,723 | 179,522 |
| Property, Plant and Equipment | 3,531,665 | 3,615,940 | 9,142,358 | 9,274,440 |
| Deferred Charges | - | - | 48,942 | 50,415 |
| Total Assets | 9,503,735 | 9,341,603 | 15,975,712 | 15,572,812 |

Attachment 8 - Financial Statements

Balance Sheet - Liabilities and Shareholders' Equity

Brazilian GAAP (Legislação Societária) - R\$ thousand

| Liabilities and Shareholders' Equity | Parent Company | | Consolidated | |
|---|------------------|------------------|-------------------|-------------------|
| | 30-Jun-04 | 31-Dec-03 | 30-Jun-04 | 31-Dec-03 |
| Current Liabilities | 1,279,891 | 1,846,094 | 3,242,872 | 4,205,279 |
| Loans and Financing, Deb. and Taxes Payable in Installments | 740,373 | 972,226 | 1,862,394 | 2,794,185 |
| Suppliers and Contractors - Local | 118,060 | 140,207 | 348,452 | 316,763 |
| Taxes, Charges and Payroll Taxes | 229,705 | 77,867 | 506,953 | 238,067 |
| Financial Instruments | 1,472 | 27,647 | 42,835 | 90,868 |
| Related Companies | 83,460 | 178,054 | 67,581 | 43,338 |
| FEMCO | - | - | 7,202 | 8,891 |
| Salaries and Social Charges | 51,277 | 41,667 | 63,671 | 50,325 |
| Dividends Payable | 1,242 | 306,372 | 1,285 | 306,415 |
| Other | 54,302 | 102,054 | 342,499 | 356,427 |
| | - | - | - | - |
| Long-Term Liabilities | 3,297,946 | 3,470,451 | 7,712,224 | 7,253,708 |
| Loans and Financing, Deb. and Taxes Payable in Installments | 1,445,035 | 1,688,438 | 4,956,462 | 4,430,420 |
| Provision for Contingencies | 569,985 | 502,685 | 993,219 | 914,315 |
| Actuarial Liability | 968,676 | 967,802 | 1,025,413 | 1,024,539 |
| Financial Instruments | 29,767 | 54,597 | 202,107 | 284,000 |
| FEMCO | - | - | 364,249 | 353,067 |
| Other | 284,483 | 256,929 | 170,774 | 247,367 |
| Minority Interests | - | - | 134,493 | 114,404 |
| Shareholders' Equity | 4,925,898 | 4,025,058 | 4,886,123 | 3,999,421 |
| Capital | 1,280,839 | 1,280,839 | 1,280,839 | 1,280,839 |
| Reserves | 2,744,219 | 1,431,532 | 2,718,582 | 1,412,410 |
| Revenues from Fiscal Year | 900,840 | 1,312,687 | 886,702 | 1,306,172 |
| Total Liabilities and Shareholders' Equity | 9,503,735 | 9,341,603 | 15,975,712 | 15,572,812 |

Attachment 9 - Quarterly Sales Breakdown

Sales Volume Breakdown - Consolidated

| Thousand tons | 2Q 2004 | | 2Q 2003 | | 1Q 2004 | | Chg. 2Q/2Q |
|--------------------------------------|--------------|-------------|--------------|-------------|--------------|-------------|---------------|
| TOTAL SALES | 1,971 | 100% | 1,939 | 100% | 1,910 | 100% | 2% |
| Heavy Plates | 425 | 22% | 375 | 19% | 426 | 22% | 13% |
| Hot Coils/Sheets | 531 | 27% | 551 | 28% | 538 | 28% | -4% |
| Cold Coils/Sheets | 505 | 26% | 484 | 25% | 470 | 25% | 4% |
| Electrogalvanized Coils | 63 | 3% | 52 | 3% | 65 | 3% | 20% |
| Hot Dip Galvanized Coils | 104 | 5% | 93 | 5% | 73 | 4% | 12% |
| Processed Products | 101 | 5% | 99 | 5% | 107 | 6% | 1% |
| Slabs | 243 | 12% | 285 | 15% | 230 | 12% | -15% |
| TOTAL SALES - DOMESTIC MARKET | 1,429 | 73% | 1,431 | 74% | 1,379 | 72% | 0% |
| Heavy Plates | 285 | 14% | 300 | 15% | 301 | 16% | -5% |
| Hot Coils/Sheets | 494 | 25% | 507 | 26% | 490 | 26% | -2% |
| Cold Coils/Sheets | 383 | 19% | 402 | 21% | 371 | 19% | -5% |
| Electrogalvanized Coils | 54 | 3% | 45 | 2% | 48 | 3% | 20% |
| Hot Dip Galvanized Coils | 78 | 4% | 81 | 4% | 64 | 3% | -4% |
| Processed Products | 64 | 3% | 65 | 3% | 65 | 3% | -1% |
| Slabs | 71 | 4% | 31 | 2% | 39 | 2% | 130% |
| TOTAL SALES - EXPORTS | 542 | 27% | 509 | 26% | 531 | 28% | 7% |
| Heavy Plates | 140 | 7% | 75 | 4% | 125 | 7% | 87% |
| Hot Coils/Sheets | 37 | 2% | 44 | 2% | 47 | 2% | -17% |
| Cold Coils/Sheets | 122 | 6% | 82 | 4% | 99 | 5% | 49% |
| Electrogalvanized Coils | 8 | 0% | 7 | 0% | 17 | 1% | 20% |
| Hot Dip Galvanized Coils | 26 | 1% | 12 | 1% | 9 | 0% | 115% |
| Processed Products | 36 | 2% | 34 | 2% | 42 | 2% | 6% |
| Slabs | 172 | 9% | 254 | 13% | 191 | 10% | -32% |

Sectorial Sales - Consolidated

| Thousand Tons | 2Q 2004 | | 2Q 2003 | | 1Q 2004 | | Chg. 2Q/2Q |
|------------------------|--------------|-------------|--------------|-------------|--------------|-------------|---------------|
| Domestic Market | 1,429 | 100% | 1,431 | 100% | 1,379 | 100% | 0% |
| Auto | 151 | 11% | 114 | 8% | 144 | 10% | 32% |
| Autoparts | 177 | 12% | 166 | 12% | 176 | 13% | 6% |
| Shipbuilding | 18 | 1% | 7 | 0% | 30 | 2% | 151% |
| Line Pipes | 80 | 6% | 89 | 6% | 70 | 5% | -10% |
| Small Diameter Pipes | 119 | 8% | 130 | 9% | 119 | 9% | -8% |
| Packaging | 24 | 2% | 26 | 2% | 25 | 2% | -7% |
| Household Appliances | 29 | 2% | 31 | 2% | 29 | 2% | -8% |
| Civil Construction | 107 | 8% | 118 | 8% | 128 | 9% | -9% |
| Electrical Equipment | 57 | 4% | 52 | 4% | 54 | 4% | 11% |
| Distributors | 366 | 26% | 431 | 30% | 386 | 28% | -15% |
| Industrial Equipment | 38 | 3% | 51 | 4% | 52 | 4% | -24% |
| Others | 263 | 18% | 218 | 15% | 167 | 12% | 21% |

Attachment 10 - Accumulated Sales Breakdown

Sales Volume Breakdown - Consolidated

| Thousand tons | 1H 2004 | | 1H 2003 | | Chg. |
|--------------------------------------|--------------|-------------|--------------|-------------|------------|
| TOTAL SALES | 3,881 | 100% | 3,769 | 100% | 3% |
| Heavy Plates | 851 | 22% | 764 | 20% | 11% |
| Hot Coils/Sheets | 1,069 | 28% | 1,069 | 28% | 0% |
| Cold Coils/Sheets | 975 | 25% | 963 | 26% | 1% |
| Electrogalvanized Coils | 128 | 3% | 103 | 3% | 25% |
| Hot Dip Galvanized Coils | 177 | 5% | 188 | 5% | -6% |
| Processed Products | 208 | 5% | 224 | 6% | -7% |
| Slabs | 473 | 12% | 460 | 12% | 3% |
| TOTAL SALES - DOMESTIC MARKET | 2,808 | 72% | 2,798 | 74% | 0% |
| Heavy Plates | 586 | 15% | 597 | 16% | -2% |
| Hot Coils/Sheets | 984 | 25% | 998 | 26% | -1% |
| Cold Coils/Sheets | 754 | 19% | 757 | 20% | 0% |
| Electrogalvanized Coils | 103 | 3% | 87 | 2% | 18% |
| Hot Dip Galvanized Coils | 142 | 4% | 162 | 4% | -12% |
| Processed Products | 129 | 3% | 148 | 4% | -13% |
| Slabs | 111 | 3% | 49 | 1% | 126% |
| TOTAL SALES - EXPORTS | 1,073 | 28% | 971 | 26% | 11% |
| Heavy Plates | 265 | 7% | 167 | 4% | 59% |
| Hot Coils/Sheets | 84 | 2% | 71 | 2% | 19% |
| Cold Coils/Sheets | 222 | 6% | 206 | 5% | 8% |
| Electrogalvanized Coils | 25 | 1% | 16 | 0% | 64% |
| Hot Dip Galvanized Coils | 35 | 1% | 26 | 1% | 36% |
| Processed Products | 79 | 2% | 76 | 2% | 4% |
| Slabs | 363 | 9% | 411 | 11% | -12% |

Sectorial Sales - Consolidated

| Thousand Tons | 1H 2004 | | 1H 2003 | | Chg. |
|------------------------|--------------|-------------|--------------|-------------|-----------|
| Domestic Market | 2,808 | 100% | 2,798 | 100% | 0% |
| Auto | 294 | 10% | 230 | 8% | 28% |
| Autoparts | 353 | 13% | 334 | 12% | 6% |
| Shipbuilding | 48 | 2% | 7 | 0% | 581% |
| Line Pipes | 149 | 5% | 186 | 7% | -20% |
| Small Diameter Pipes | 238 | 8% | 271 | 10% | -12% |
| Packaging | 49 | 2% | 46 | 2% | 7% |
| Household Appliances | 58 | 2% | 60 | 2% | -4% |
| Civil Construction | 203 | 7% | 238 | 9% | -15% |
| Electrical Equipment | 111 | 4% | 99 | 4% | 12% |
| Distributors | 752 | 27% | 843 | 30% | -11% |
| Industrial Equipment | 90 | 3% | 95 | 3% | -5% |
| Others | 463 | 16% | 389 | 14% | 19% |

Attachment 11 - Market Share

Market Share - Usiminas System (*)

(% volume)

| | 1H 2004(**) | 2003(**) | 2002(**) | 2001(*) | 2000(*) |
|------------------------|-------------|------------|------------|------------|------------|
| DOMESTIC MARKET | 56% | 59% | 62% | 62% | 59% |
| Auto | 58% | 60% | 62% | 66% | 67% |
| Autoparts | 63% | 68% | 73% | 69% | 63% |
| Shipbuilding | 100% | 100% | 100% | 100% | 100% |
| Electrical Equipment | 62% | 58% | 54% | 64% | 62% |
| Household Appliances | 37% | 43% | 44% | 47% | 48% |
| Line Pipes | 97% | 98% | 100% | 100% | 100% |
| Small Diameter Pipes | 62% | 67% | 80% | 77% | 72% |
| Packaging | 15% | 13% | 14% | 12% | 13% |
| Civil Construction | 48% | 56% | 54% | 45% | 40% |
| Distributors | 51% | 56% | 62% | 66% | 64% |

(*) Defined by USIMINAS, Cosipa, and CSN markets.

(**) Defined by USIMINAS, Cosipa, CSN, Acesita and CST (since September) markets.

Source: IBS Information System

Attachment 12 - Financial Indebtedness

Financial Income (Expenses), Net

| R\$ million | 6/30/04 Short Term | 6/30/04 Long Term | 6/30/04 Total | 3/31/04 Total | Chg. 2Q04/1Q04 |
|-------------------------------|-----------------------|----------------------|------------------|------------------|-------------------|
| TOTAL DEBT | | | | | |
| Foreign Currency (*) | 1,455 | 3,749 | 5,204 | 5,574 | -7% |
| IGP-M | 110 | 257 | 367 | 347 | 6% |
| TJLP | 224 | 468 | 692 | 726 | -5% |
| Others | 45 | 77 | 122 | 172 | -29% |
| Sub-Total | 1,835 | 4,551 | 6,386 | 6,819 | -6% |
| Debentures | 14 | 240 | 254 | 244 | 4% |
| Sub-Total | 1,849 | 4,791 | 6,640 | 7,063 | -6% |
| Taxes Payable in Installments | 20 | 165 | 185 | 126 | 47% |
| TOTAL | 1,869 | 4,956 | 6,825 | 7,189 | -5% |
| FEMCO | 7 | 364 | 371 | 367 | 1% |
| TOTAL | 1,876 | 5,321 | 7,197 | 7,556 | -5% |

(*) % of total foreign currency is denominated in US dollars

Financial Income (Expenses), Net

| R\$ million | 2Q 2004 | 2Q 2003 |
|---|--------------|-----------|
| Monetary Effects | (58) | (56) |
| Exchange Variation | (314) | 785 |
| Hedge Income (Expenses) | 127 | (514) |
| Interest on Loans, Financing, ACC's and Pre-Payment | (129) | (158) |
| Financial Income | 63 | 33 |
| Other Financial Expenses | (27) | (31) |
| NET INTEREST INCOME | (339) | 60 |