

ACESITA S.A.

BALANCE SHEETS

JUNE 30 AND MARCH 31, 2001

(In thousands of Brazilian reais)
(Translated from the original in Portuguese)
(Unaudited)

A S S E T S

	<u>June 30,</u> 2001	<u>March 31,</u> 2001
CURRENT ASSETS:		
Cash and cash equivalents	161,812	274,769
Accounts receivable	86,338	78,926
Inventories	253,326	211,790
Recoverable taxes	25,556	17,305
Other	16,971	32,223
	----- 544,003	----- 615,013
NONCURRENT ASSETS:		
Receivables from affiliated companies	450,845	416,633
Recoverable taxes	315,873	273,903
Escrow deposits	124,722	117,611
Restructuring assets	7,242	10,089
Other	64,063	60,890
	----- 962,745	----- 879,126
PERMANENT ASSETS:		
Investments	722,384	722,479
Property, plant and equipment	1,923,548	1,488,002
	----- 2,645,932	----- 2,210,481
	----- 4,152,680	----- 3,704,620

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LIABILITIES AND SHAREHOLDERS' EQUITY

	<u>June 30,</u> <u>2001</u>	<u>March 31,</u> <u>2001</u>
CURRENT LIABILITIES:		
Loans	219,352	265,751
Debentures	26,198	37,017
Suppliers	166,385	83,199
Payroll and related charges	22,988	19,513
Accrued taxes	12,442	7,987
Payables to affiliated companies	374,529	374,881
Other	41,372	26,310
	<u>863,266</u>	<u>814,658</u>
LONG-TERM LIABILITIES:		
Loans	918,056	878,577
Debentures	297,317	308,728
Foreign suppliers	100,809	155,603
Payables to affiliated companies	77,659	71,767
Deferred taxes	283,688	148,572
Income and other taxes in litigation	121,173	113,078
Reserve for contingencies	54,424	44,367
Other	15,409	14,705
	<u>1,868,535</u>	<u>1,735,397</u>
SHAREHOLDERS' EQUITY:		
Capital	901,921	901,921
Capital reserve	3,948	3,948
Treasury shares	(3,937)	(3,937)
Revaluation reserves	745,801	474,986
Accumulated deficit	(226,854)	(222,353)
	<u>1,420,879</u>	<u>1,154,565</u>
	<u>4,152,680</u>	<u>3,704,620</u>