

Quarterly Results

4th quarter of 2020

FCF

Free Cash Flow

R\$ Million

2,327

-441

205

2,330

2,402

Working Capital and Financial Cycle

6.6

62

8.6

83

9.2

95

8.5

63

7.5

49

4Q19

1Q20

2Q20

3Q20

4Q20

Dec | 19

Mar | 20

Jun | 20

Sep | 20

Dec | 20

Working Capital (R\$ billion)

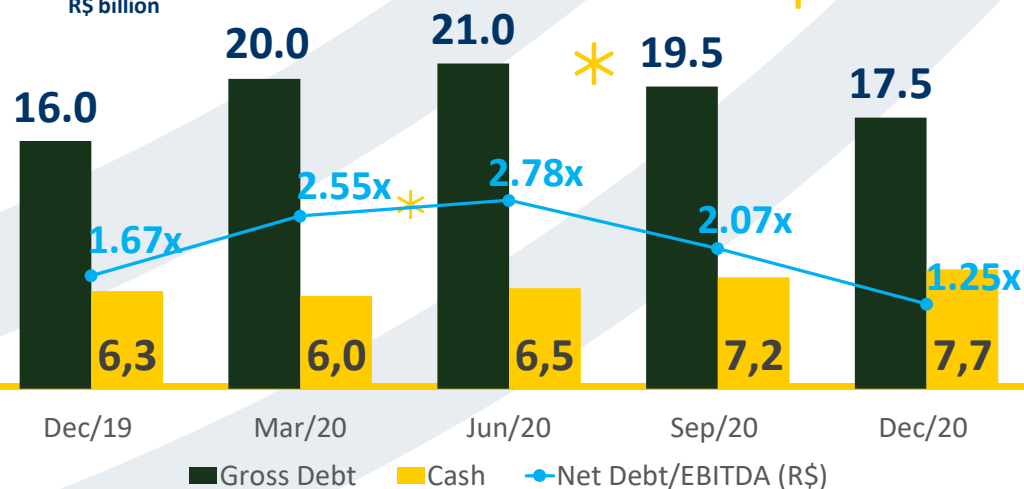
Financial Cycle (days)

LIQUIDITY AND INDEBTNESS

Debt long profile

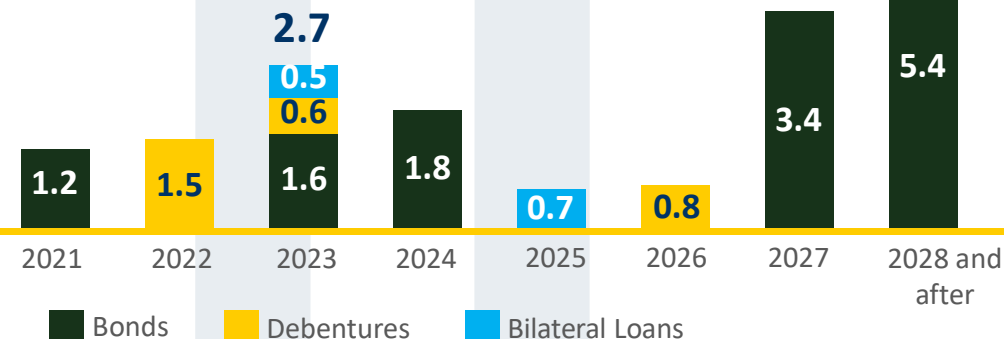
Debt and Leverage

R\$ billion



Gross Debt Amortization Schedule

R\$ billion

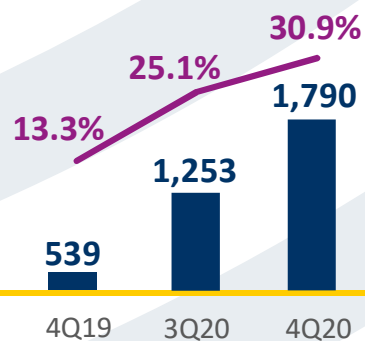
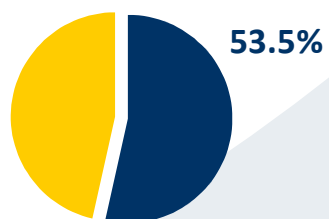


Average
Cost of Debt
4.7%p.a

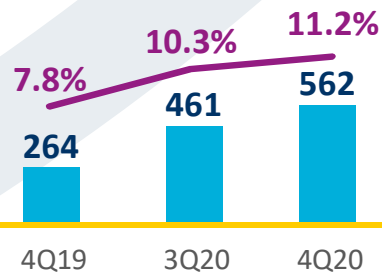
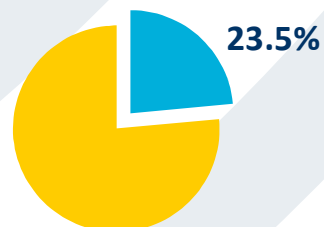
Debt Maturity
7.7 years

EBITDA

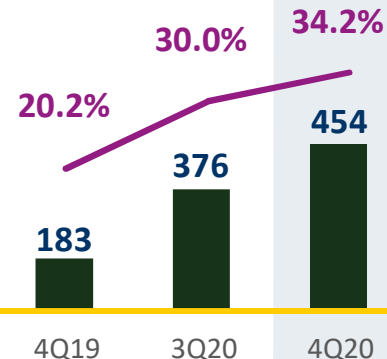
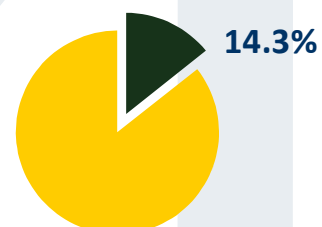
Brazil BD



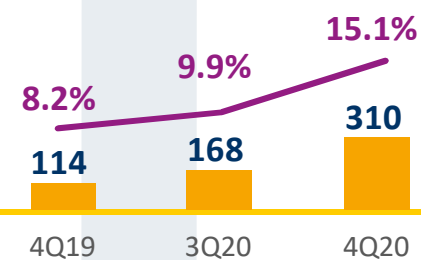
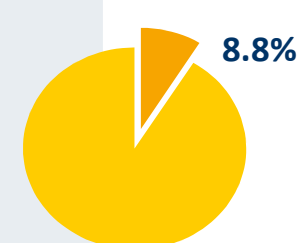
North America BD



South America BD



Special Steel BD



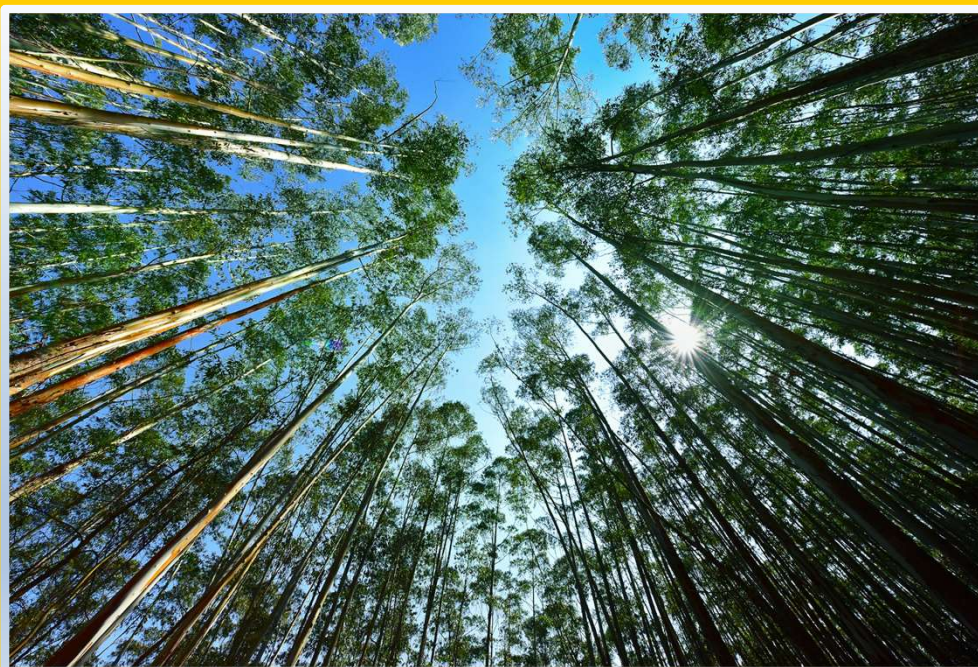
■ EBITDA (R\$ million)

■ EBITDA Margin (%)

● Adjusted EBITDA share by Business Division (last 12 months)



Health and Safety



More resilient business models



Sustainability (ESG)

HIGHLIGHTS

OPERATIONS

PERSPECTIVES

NORTH AMERICA

- Market resilience in the USA; infrastructure investment package.
- Prioritization of local content.

SPECIAL STEEL

- Brazil: rebound of auto sector; maintaining the good performance of the wind energy and machinery sectors.
- USA: auto industry recovery; agricultural sector continues resilient.

BRAZIL

- Strong growth of the construction sector.
- Continuity of positive retail performance; good infrastructure opportunities.

SOUTH AMERICA

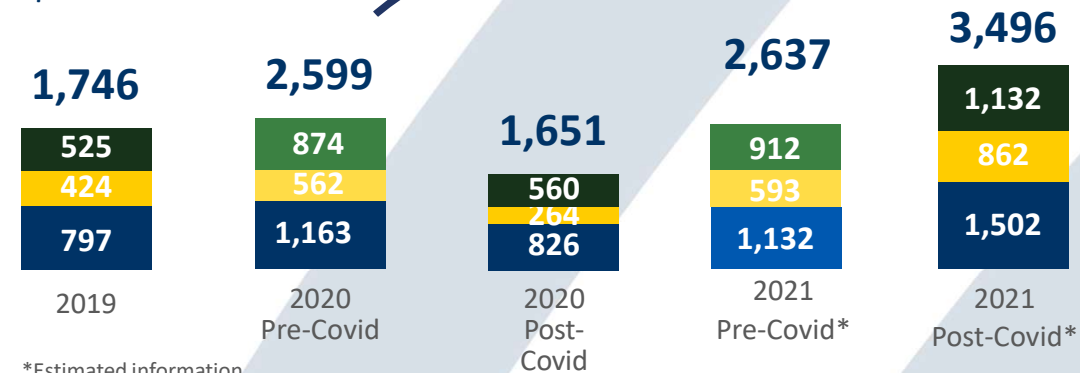
- Argentina: continuity of good activity levels for the construction industry.
- Peru: Strong recovery of the local market, as a result of the construction sector performance.



CAPEX

Part of the Capex estimated before Covid-19 impacts was transferred to 2021.

R\$ Million

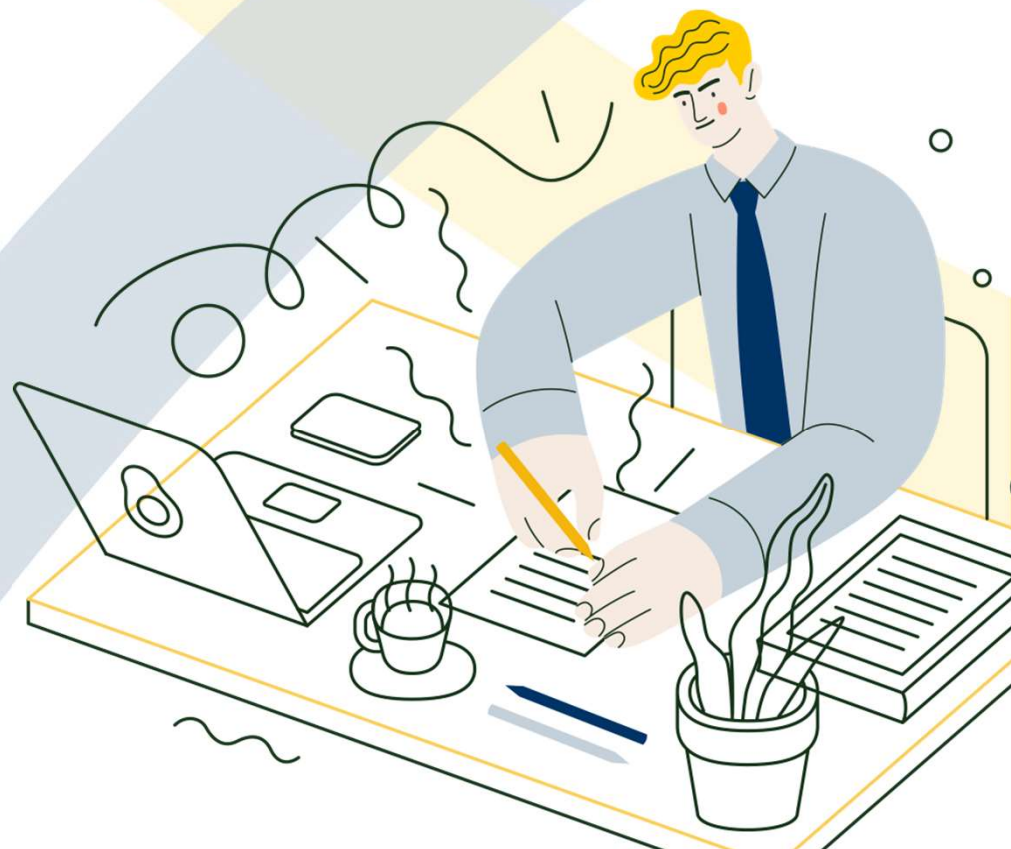


*Estimated information.

General maintenance

Ouro Branco maintenance

Expansion and technological update

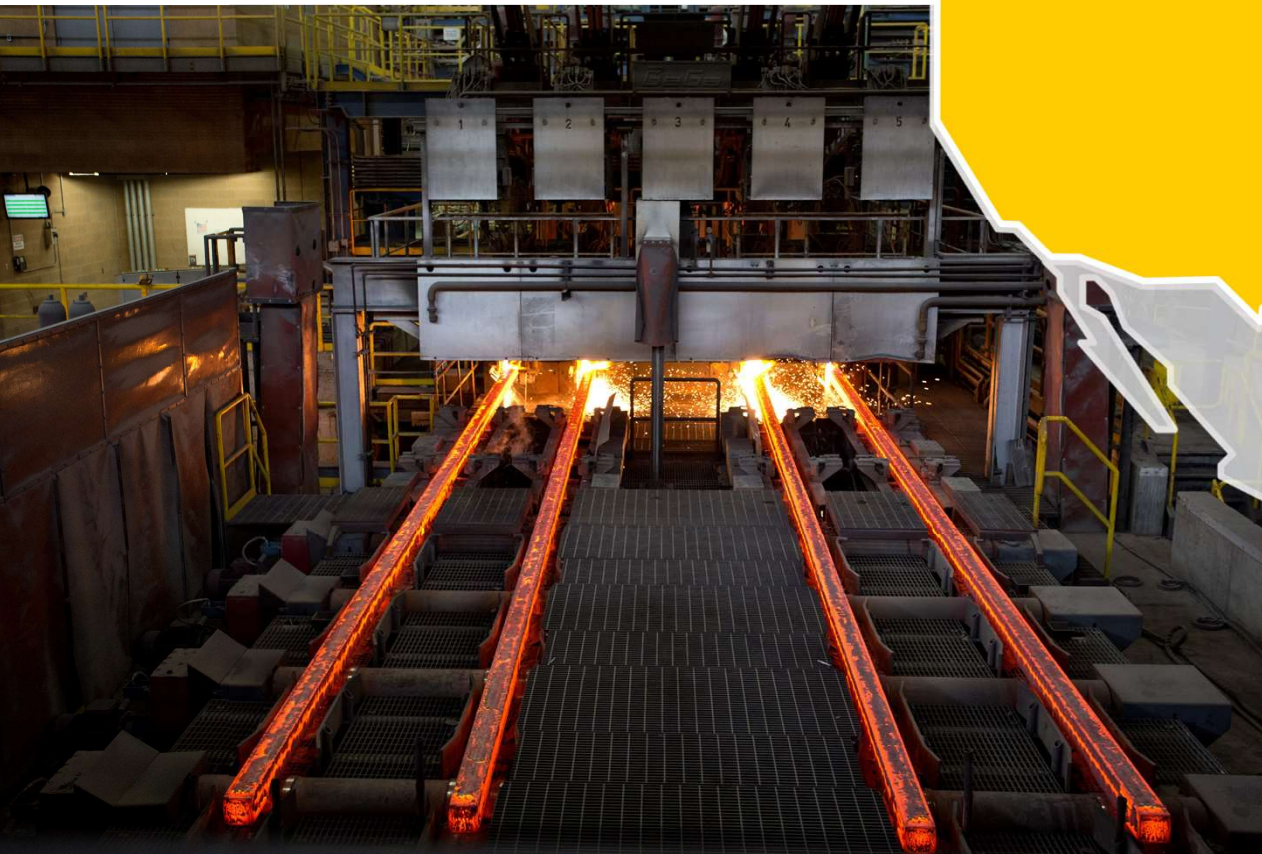


PINDAMONHANGABA - BRAZIL (SPECIAL STEEL BD)

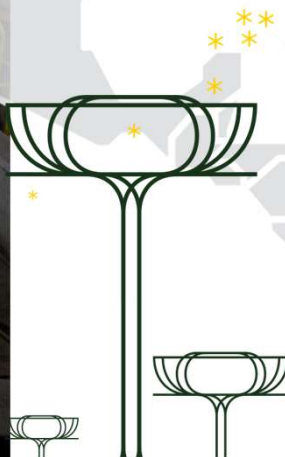


- Unit modernization in line with the prospects for increasing the production of electric and hybrid vehicles in Brazil.
- In 2030, the light vehicle market in Brazil is expected to comprise 9% of hybrid units and 3% of electric units (Source: IHS).
- New continuous casting with cutting edge technology.
- Supply of higher quality and added-value products.

MONROE – USA (SPECIAL STEEL BD)



- New step of the unit's technological update, which includes the modernization of various steelmaking equipment, making Monroe a world reference in the production of special steels.
- In North America, there is a growing trend in the production of hybrid and electric vehicles.
- This trend has a direct impact on the development of clean and lighter steels, which will be produced in Monroe.





Customers



Profitability



Gerdau Next



Health and Safety



Sustainability
(ESG)

FUTURE

SAVE THE DATE
MAY 5TH
Q1 2021 EARNINGS RELEASE

