



3Q21 EARNINGS RELEASE

Public Information - Belo Horizonte, October 29, 2021. Usinas Siderurgicas de Minas Gerais SA - Usiminas (B3: USIM3, USIM5 and USIM6; OTC: USDMY and USNZY; Latibex: XUSIO and XUSI) today announces its third quarter results of fiscal year 2021 (3Q21). The Company's operating and financial information, except when otherwise stated, is presented based on consolidated numbers in Brazilian Real, in accordance with IFRS (*International Financial Reporting Standards*). The comparisons made in this release take into account the second quarter of 2021 (2Q21), except stated otherwise. Statements contained in this release relating to business prospects, projections of operating and financial results and references to the Company's growth potential are mere forecasts, based on Management's expectations regarding its future performance. These expectations are highly dependent on market behavior, the economic situation in Brazil, the industry and international markets and are therefore subject to change.

Highlights

- » **Steel sales** 1.2 million tons;
- » **Iron Ore production** 2.5 million tons, quarterly record for the Unit;
- » **Iron Ore Sales** 2.4 million tons;
- » **Net Revenue** of R\$9.0 billion;
- » **Adjusted EBITDA** of R\$2.9 billion;
- » **Net profit** of R\$1.8 billion;
- » **Cash** of R\$7.3 billion, R\$1.2 billion higher than the gross debt.

Consolidated - R\$ million	3Q21	2Q21	Δ	3Q20	Δ	9M21	9M20	Δ
Steel Sales Volume (000 t)	1,189	1,315	-10%	934	27%	3,759	2,590	45%
Iron Ore Sales Volume (000 t)	2,417	2,054	18%	2,293	5%	6,421	6,408	0%
Net Revenue	9,026	9,596	-6%	4,381	106%	25,688	10,614	142%
Adjusted EBITDA	2,886	5,066	-43%	826	249%	10,372	1,587	554%
Adjusted EBITDA Margin	32%	53%	- 21 p.p.	19%	+ 13 p.p.	40%	15%	+ 26 p.p.
Net Income or Loss	1,824	4,543	-60%	198	821%	7,572	(621)	-
Investments (CAPEX)	305	335	-9%	179	70%	879	554	59%
Working Capital	8,192	6,936	18%	3,060	168%	8,192	3,060	168%
Cash and Cash Equivalents	7,294	6,053	20%	3,734	95%	7,294	3,734	95%
Net Debt	(1,211)	(220)	450%	2,529	-	(1,211)	2,529	-
Net Debt/Adjusted EBITDA	-0.10x	-0.02x	-0.08x	1.21x	-1.31x	-0.10x	1.21x	-1.31x

Market Data - 09/30/21

B3	USIM5	R\$16.12/share
	USIM3	R\$15.72/share
EUA/OTC:	USNZY	US\$2.94/ADR
LATIBEX:	XUSI	€2.68/share
	XUSIO	€2.40/share

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OPERATING AND ECONOMIC-FINANCIAL PERFORMANCE

CONSOLIDATED OPERATING RESULTS

R\$ thousand	3Q21	2Q21	Δ	3Q20	Δ
Net Revenues	9,025,649	9,596,269	-6%	4,381,212	106%
Domestic Market	7,507,386	7,462,175	1%	3,078,104	144%
Exports	1,518,263	2,134,094	-29%	1,303,108	17%
COGS	(5,890,273)	(5,953,981)	-1%	(3,489,321)	69%
Gross Profit	3,135,376	3,642,288	-14%	891,891	252%
Gross Margin	34.7%	38.0%	- 3.2 p.p.	20.4%	+ 14.4 p.p.
Operating Income and Expenses	(936,629)	1,127,368	-	(360,426)	160%
Selling Expenses	(199,366)	(119,757)	66%	(96,196)	107%
General and Administrative	(115,168)	(109,442)	5%	(98,233)	17%
Other Operating Income and expenses	(622,095)	1,356,567	-	(165,997)	275%
EBIT	2,198,747	4,769,656	-54%	531,465	314%
EBIT Margin	24.4%	49.7%	- 25.3 p.p.	12.1%	+ 12.2 p.p.
Equity in the results of investees	72,524	55,458	31%	40,031	-31%
Depreciation and Amortization	243,462	250,659	-3%	248,466	-2%
EBITDA (Instruction CVM 527)	2,514,733	5,075,773	-50%	819,962	207%
EBITDA Margin (Instruction CVM 527)	27.9%	52.9%	- 25.0 p.p.	18.7%	+ 9.1 p.p.
Adjusted EBITDA - Jointly-controlled subsidiaries proportional EBITDA	2,886,314	5,065,644	-43%	825,980	249%
Adjusted EBITDA Margin	32.0%	52.8%	- 20.8 p.p.	18.9%	+ 13.1 p.p.
Main non-recurring items	(81,080)	1,532,605	-	13,128	-
Adjusted EBITDA Excluding Non-Recurring Items	2,967,394	3,533,039	-16%	812,852	265%
Adjusted EBITDA Excluding Non-recurring Items Margin	32.9%	36.8%	- 3.9 p.p.	18.6%	+ 14.3 p.p.

Net Revenue

Net Revenue in the 3Q21 reached R\$9.0 billion, 5.9% lower than in 2Q21 (R\$9.6 billion), with a reduction in net revenue in the Mining Unit (-R\$722 million vs. 2Q21), partially offset by higher net revenue in the Steel Unit (+R\$200 million vs. 2Q21). The factors that led to these variations will be explained in the Business Unit section of this release.

Cost of Goods Sold - COGS

Cost of goods sold (COGS) in the 3Q21 totaled R\$5.9 billion, a 1.1% decrease compared to the 2Q21 (R\$6.0 billion). The variations will be explained in the Business Unit section of this release.

Gross profit

Gross profit was R\$3.1 billion in the 3Q21, a 13.9% decrease compared to the 2Q21 (R\$3.6 billion).

Operating Income and Expenses

Selling expenses in the 3Q21 were R\$199 million, 66.5% higher than the previous quarter (2Q21: R\$120 million), with higher expenses in the Mining and Steel Units.

In the 3Q21, **General and Administrative Expenses** totaled R\$115 million, 5.2% higher than the previous quarter (2Q21: R\$109 million), mainly in the Steel and Steel Processing Units.

Other operating income (expenses) totaled a negative R\$622 million in the 3Q21, R\$2.0 billion less than in the 2Q21 (R\$1.4 billion), mainly due the assets write-off at the Cubatão Plant, due to their obsolescence and lack of visibility of demand. The accounting effect of these write-offs was negative R\$408 million, recorded in **Impairment Investments/Assets**, with no effect on **Adjusted EBITDA**. In 2Q21, tax credits related to the exclusion of ICMS from the PIS and COFINS calculation basis were recognized, with a positive net effect of R\$1.5 billion, with no similar effect in 3Q21.

Thus, the **Operating income (expenses)** were negative R\$937 million in the 3Q21 (2Q21: R\$1.1 billion).

Adjusted EBITDA reached R\$2.9 billion in the 3Q21, 43.0% lower than in 2Q21 (R\$5.1 billion). Adjusted EBITDA margin was 32.0% in the 3Q21, compared to a 52.8% margin in the 2Q21.

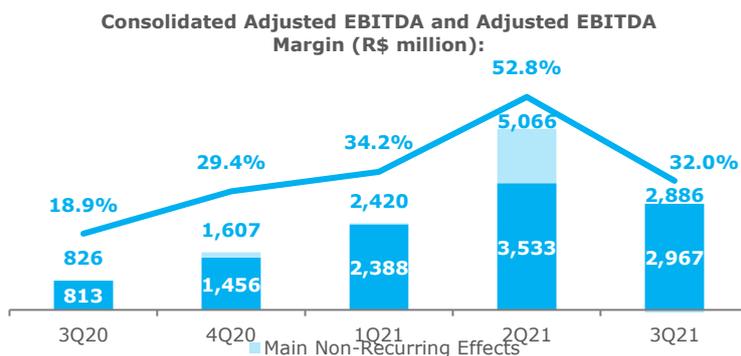
The **Main Non-Recurring Effects** in 3Q21 totaled negative R\$81 million and are related to the contingency provision for a fiscal lawsuit. This event was recorded in **Other Operating**

Income (Expenses). As a result, Usiminas recorded an **EBITDA** excluding non-recurring effects of R\$3.0 billion (2Q21: R\$3.5 billion).

Adjusted EBITDA

Consolidated (R\$ thousand)	EBITDA Breakdown				
	3Q21	2Q21	3Q20	9M21	9M20
Net Income (Loss)	1,823,743	4,543,209	198,082	7,571,849	(620,959)
Income Tax / Social Contribution	27,508	1,614,171	205,597	2,223,305	134,037
Financial Result	420,020	(1,332,266)	167,817	(536,505)	1,306,904
Depreciation, Amortization and depletion	243,462	250,659	248,466	742,758	747,414
EBITDA - Instruction CVM - 527	2,514,733	5,075,773	819,962	10,001,407	1,567,396
(-) Equity in the Results of Associate and Jointly-controlled subsidiaries	(72,524)	(55,458)	(40,031)	(164,686)	(100,872)
(+) Jointly-controlled subsidiaries proportional EBITDA	46,848	45,329	39,298	137,741	113,285
(-) Impairment of Assets	397,257	-	6,751	397,257	6,751
Adjusted EBITDA	2,886,314	5,065,644	825,980	10,371,719	1,586,560
Adjusted EBITDA Margin	32.0%	52.8%	18.9%	40.4%	14.9%

Adjusted EBITDA is calculated based on the net profit (loss) for the year, reversing: (a) income tax and social contribution; (b) the financial result; (c) depreciation, amortization and depletion; (d) participation in the results of jointly controlled and associated companies; (e) impairment of assets; and including a proportional EBITDA of 70% of Unigal and other jointly controlled companies.



Consolidated Financial Result

R\$ thousand	3Q21	2Q21	Δ	3Q20	Δ	9M21	9M20	Δ
Net Currency Exchange Variation	(328,090)	482,893	-	(102,099)	221%	(200,522)	(1,050,876)	-81%
Financial Income	164,335	992,561	-83%	57,014	188%	1,232,936	183,097	573%
Interest on Financial Asset and Monetary Effects	79,566	36,072	121%	12,096	558%	147,344	53,678	174%
Correction of PIS/COFINS tax credits	22,723	904,034	-97%	1,493	1422%	946,915	9,111	10293%
Monetary Effects on assets	7,099	6,627	7%	2,747	158%	17,896	35,243	-49%
Reversal of interest on contingencies	8,307	16,218	-49%	8,312	0%	29,392	22,559	30%
Other Financial Income	46,640	29,610	58%	32,366	44%	91,389	62,506	46%
Financial Expenses	(256,265)	(143,188)	79%	(122,732)	109%	(495,909)	(439,125)	13%
Interest and Monetary Effects over Financing and Taxes Payable in Installments	(96,219)	(65,716)	46%	(78,351)	23%	(238,380)	(254,911)	-6%
Monetary Effects on liabilities	(6,237)	(7,309)	-15%	(2,609)	139%	(17,676)	(32,588)	-46%
Financing Commission and Others	(7,172)	(5,629)	27%	(8,389)	-15%	(20,033)	(21,831)	-8%
Monetary Effects on contingencies	(114,906)	(20,088)	472%	(13,212)	770%	(137,602)	(62,068)	122%
Other Financial Expenses	(31,731)	(44,446)	-29%	(20,171)	57%	(82,218)	(67,727)	21%
FINANCIAL RESULT	(420,020)	1,332,266	-	(167,817)	150%	536,505	(1,306,904)	-
+ Appreciation / - Depreciation of Exchange Rate (R\$/US\$)	-8.7%	12.2%	-20.9 p.p.	-3.0%	-5.7 p.p.	-4.7%	-39.9%	+35.3 p.p.

Financial Result in 3Q21 was negative R\$420 million, compared to a result of R\$1.3 billion in 2Q21, mostly due to net foreign exchange losses of R\$328 million, against a positive foreign exchange of R\$483 million in the second quarter. Also, negative R\$102 million was recorded related to the correction of the provision for contingency for tax lawsuits. In the second quarter, R\$904 million were accounted related to the monetary restatement of tax credits related to the

exclusion of ICMS from the PIS and COFINS calculation basis, with no similar effect in the third quarter.

Net Profit (Loss)

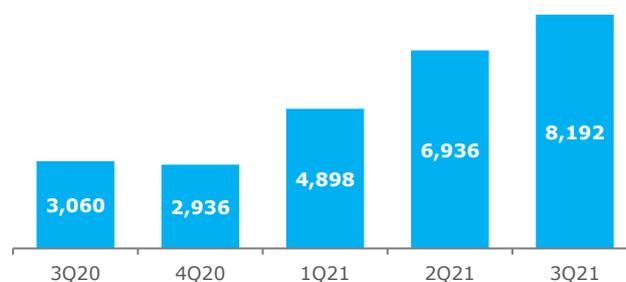
R\$ thousand	3Q21	2Q21	Δ	3Q20	Δ	9M21	9M20	Δ
EBIT	2,198,747	4,769,656	-54%	531,465	314%	9,093,963	719,110	1165%
EBIT Margin	24.4%	49.7%	-25.3 p.p.	12.1%	+12.2 p.p.	35.4%	6.8%	+28.6 p.p.
Financial Result	(420,020)	1,332,266	-	(167,817)	150%	536,505	(1,306,904)	-
Equity in the results of investees	72,524	55,458	31%	40,031	81%	164,686	100,872	63%
Operating Profit or Loss	1,851,251	6,157,380	-70%	403,679	359%	9,795,154	(486,922)	-
Income Tax / Social Contribution	(27,508)	(1,614,171)	-98%	(205,597)	-87%	(2,223,305)	(134,037)	1559%
Net Income or Loss	1,823,743	4,543,209	-60%	198,082	821%	7,571,849	(620,959)	-
Net Margin	20.2%	47.3%	-27.1 p.p.	4.5%	+15.7 p.p.	29.5%	-5.9%	+35.3 p.p.

In 3Q21, the Company recorded **net income** of R\$1.8 billion, 59.9% lower than the net income reported in the previous quarter, mainly affected by the negative exchange variation and write-off of assets in 3Q21, against the recognition of tax credits and net positive foreign exchange gains in 2Q21.

Working capital

In the the 3Q21, **Working capital** totaled R\$8.2 billion, 18.1% higher than in the 2Q21 (R\$6.9 billion). The main variations are presented below:

- Increase in **Inventory** by R\$1.2 billion, due to higher costs and volumes of raw materials and steel inventories.
- Reduction of **Taxes collectible** by R\$473 million, due to the results obtained in the period.
- Increase in **Accounts Receivable** by R\$289 million, mainly due to higher prices and export volumes at the Steel Unit.



Partially offset by:

- Increase of **Suppliers and Forfeiting Operations** by R\$727 million, due to higher raw material costs.

Investments (CAPEX)

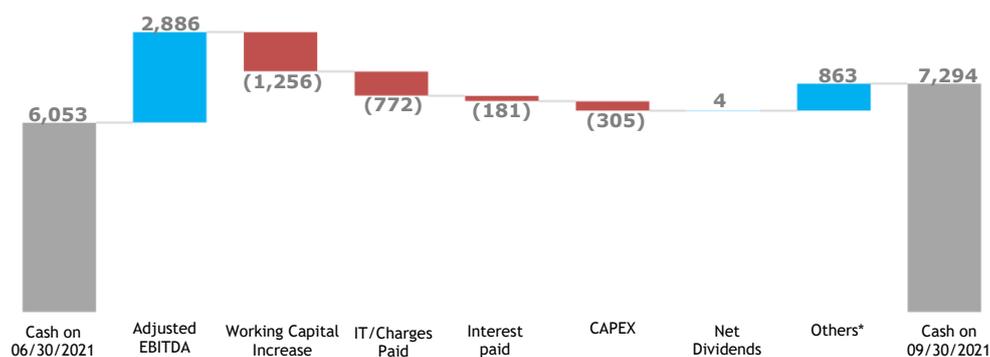
CAPEX in 3Q21 totaled R\$305 million, 9.1% lower than in 2Q21 (R\$335 million). The investments were mainly applied in *sustaining* CAPEX, safety and environment, of which 77.9% were in the Steel Unit, 20.9% in the Mining Unit, and 1.1% in the Steel Processing Unit.



Cash and Financial Indebtedness

On 09/30/21, consolidated **Cash and Cash Equivalents** was R\$7.3 billion, 20.5% higher than the position on 06/30/21 (R\$6.1 billion), due to the strong **EBITDA** generation in the period.

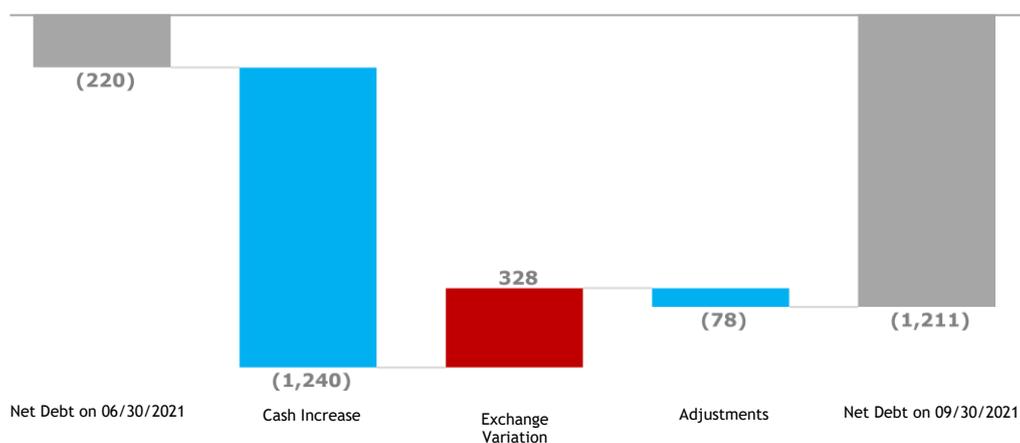
The graph below shows the evolution of cash in the quarter.



*"Others" detailed in the Cash Flow in the attached section.

On 09/30/21, the Consolidated **Gross debt** was R\$6.1 billion, 4.3% higher than the position on 06/30/21 (R\$5.8 billion), due to the 8.7% depreciation of the Real against the Dollar.

Thus, on 9/30/21, the consolidated Cash and Cash Equivalents were higher than the consolidated Gross Debt by R\$1.2 billion, 450% higher compared to 06/30/2021 (R\$220 million). The variation between the periods is due to the increase in the Cash and Cash Equivalent position in the period, partially offset by exchange losses, as shown below:



Debt composition by maturity on 09/30/21 was 1% in the short term and 99% in the long term, compared to 2% and 98%, respectively, on 06/30/21.

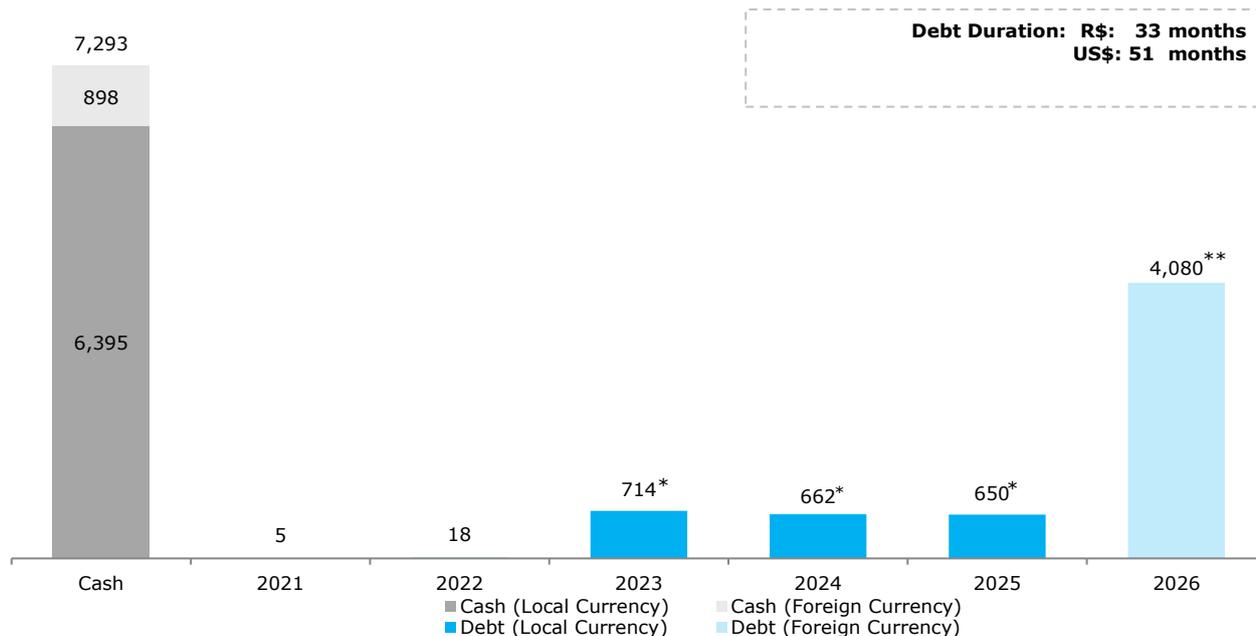
The **Net debt/EBITDA** ratio at the end of the 3Q21 was -0.10x (2Q21: -0.02x).

The chart below shows consolidated debt data:

R\$ thousand	30-set-21			30-jun-21 TOTAL	Change Sep21/Jun21	30-set-20 TOTAL	Change Sep21/Sep20	
	Short Term	Long Term	TOTAL					
Local Currency	11,848	1,994,841	2,006,689	33%	2,033,293	-1%	2,048,000	-2%
CDI	7	1,988,402	1,988,409	-	2,013,064	-1%	1,984,399	0%
Others	11,841	6,439	18,280	-	20,229	-10%	63,601	-71%
Foreign Currency*	51,010	4,024,955	4,075,965	67%	3,799,748	7%	4,215,800	-3%
Gross Debt	62,858	6,019,796	6,082,654	100%	5,833,041	4%	6,263,800	-3%
Cash and Cash Equivalents	-	-	7,293,502	-	6,053,313	20%	3,734,302	95%
Net Debt	-	-	(1,210,848)	-	(220,272)	450%	2,529,498	-

(*)100% of total foreign currency is US dollars denominated in the 2Q21

The graph below shows the cash position and the debt profile (principal only) in millions of Reais on 09/30/21. The current cash position covers all debt.



*: Debentures
**: Bonds

OPERATIONAL PERFORMANCE OF THE BUSINESS UNITS

Intercompany transactions are on an arm's length basis (market prices and conditions), and sales between Business Units are carried out as sales between independent parties..

Income Statement per Business Units - Non Audited - Quarterly

R\$ million	Mining		Steel*		Steel Processing		Adjustment		Consolidated	
	3Q21	2Q21	3Q21	2Q21	3Q21	2Q21	3Q21	2Q21	3Q21	2Q21
Net Revenue	1,362	2,084	7,933	7,734	2,358	2,418	(2,628)	(2,639)	9,026	9,596
Domestic Market	434	259	7,344	7,426	2,356	2,416	(2,628)	(2,639)	7,507	7,462
Exports	928	1,825	589	308	2	2	-	-	1,518	2,134
COGS	(566)	(544)	(5,739)	(5,702)	(2,047)	(2,021)	2,462	2,313	(5,890)	(5,954)
Gross Profit or Loss	796	1,540	2,194	2,032	311	396	(166)	(326)	3,135	3,642
Operating Income and Expenses	(148)	(91)	(752)	1,190	(40)	27	4	2	(937)	1,127
Selling	(125)	(66)	(55)	(36)	(20)	(18)	-	-	(199)	(120)
General and Administrative	(9)	(8)	(95)	(93)	(16)	(14)	4	6	(115)	(109)
Other Operating Income and expenses, Net	(15)	(18)	(602)	1,319	(4)	59	(1)	(3)	(622)	1,357
EBIT	648	1,449	1,442	3,222	271	423	(162)	(324)	2,199	4,770
Depreciation and amortization	39	40	207	213	6	6	(8)	(8)	243	251
Equity in the results of investees	45	26	490	599	-	-	(462)	(570)	73	55
EBITDA (Instruction CVM 527)	732	1,515	2,138	4,034	277	429	(632)	(902)	2,515	5,076
EBITDA Margin	53.7%	72.7%	27.0%	52.2%	11.8%	17.8%	24.1%	34.2%	27.9%	52.9%
Adjusted EBITDA	685	1,489	2,050	3,436	277	429	(125)	(289)	2,886	5,066
Adj.EBITDA Margin	50.3%	71.5%	25.8%	44.4%	11.8%	17.8%	4.8%	10.9%	32.0%	52.8%

*Consolidated 70% of Unigal and 100% of Usiminas Mecânica

Income Statement per Business Units - Non Audited - Accumulated

R\$ million	Mining		Steel*		Steel Processing		Adjustment		Consolidated	
	9M21	9M20	9M21	9M20	9M21	9M20	9M21	9M20	9M21	9M20
Net Revenue	4,925	2,446	21,443	8,204	6,518	2,465	(7,199)	(2,501)	25,688	10,614
Domestic Market	918	525	20,210	7,091	6,514	2,463	(7,199)	(2,501)	20,444	7,578
Exports	4,007	1,921	1,233	1,113	4	2	-	-	5,244	3,036
COGS	(1,476)	(1,085)	(15,900)	(7,904)	(5,571)	(2,329)	6,500	2,388	(16,447)	(8,930)
Gross Profit (Loss)	3,449	1,361	5,543	300	947	136	(699)	(112)	9,241	1,684
Operating Income (Expenses)	(313)	(231)	169	(656)	(13)	(83)	9	5	(147)	(965)
Selling	(241)	(142)	(120)	(125)	(57)	(35)	-	-	(418)	(302)
General and Administrative	(24)	(19)	(284)	(258)	(44)	(38)	12	11	(340)	(304)
Other Operating Income (expenses), Net	(47)	(70)	572	(273)	89	(10)	(3)	(6)	611	(358)
EBIT	3,136	1,130	5,712	(357)	935	53	(690)	(107)	9,094	719
Depreciation and amortization	117	107	631	644	19	21	(24)	(24)	743	747
Equity in the results of investees	83	31	1,570	624	-	-	(1,489)	(553)	165	101
EBITDA (Instruction CVM 527)	3,337	1,267	7,913	911	954	74	(2,202)	(685)	10,001	1,567
EBITDA Margin	67.8%	51.8%	36.9%	11.1%	14.6%	3.0%	30.6%	27.4%	38.9%	14.8%
Adjusted EBITDA	3,253	1,239	6,746	296	954	74	(582)	(23)	10,372	1,587
Adj.EBITDA Margin	66.1%	50.7%	31.5%	3.6%	14.6%	3.0%	8.1%	0.9%	40.4%	14.9%

*Consolidated 70% of Unigal and 100% of Usiminas Mecânica

Business Unit - Mining

Operating and Sales Performance - Mining

In the 3Q21 the **production volume** was 2.5 million tons, quarterly record for the Mining Unit, a 15.5% increase compared to the 2Q21 (2.2 million tons), mainly due to the operational resumption of Mina Leste at the end of 2Q21 and performing throughout 3Q21.

Sales volume reached 2.4 million tons in the 3Q21, 17.7% higher than in 2Q21 (2.1 million tons).

The production and sales volumes are shown below:

Thousand tons	3Q21	2Q21	Δ	3Q20	Δ	9M21	9M20	Δ
Production	2,517	2,179	16%	2,319	9%	6,679	6,493	3%
Total Sales	2,417	2,054	18%	2,293	5%	6,421	6,408	0%
Exports	1,753	1,661	6%	1,558	12%	4,944	4,340	14%
Domestic Market - Usiminas	530	320	66%	538	-1%	1,207	1,574	-23%
Domestic Market - Third Parties	134	73	84%	197	-32%	270	495	-46%

The highlight was the growth in sales to Usiminas of 65.7% and 5.5% destined for the export market, with 10 shipments, in line with the previous quarter.

Distribution by commercial condition in the 3Q21 was 58% of exports in the CFR modality (*Cost and freight*) and 42% FOB (*Free On Board*), compared to 61% and 39% in the 2Q21, respectively.

Comments on the Results - Mining

Net revenue in 3Q21 totaled R\$1.4 billion, 34.6% lower than in the previous quarter (R\$2.1 billion). This reduction is mainly due to the average reference price for iron ore in the quarter, which was 18.5% lower than the average for 2Q21, in addition to the negative effect of the pricing mechanisms since the provisional prices were marked to market at the end of the quarter with prices lower than the quarterly average of the reference. In addition, greater penalties applied by the international market in quality differentials and a greater proportion of sales in the FOB modality were observed. These factors were partially offset by a 17.7% higher volume sold in the quarter.

Total cash cost per ton of production was R\$90.8/t (US\$17.4/t) in the 3Q21 against R\$89.7/t (US\$17.0/t) in the 2Q21. Excluding expenses with temporarily inactive processing plants, *cash cost* was R\$90.2/t (US\$17.3/t) in the 3Q21, against R\$88.1/t (US\$16.6/t) in the 2Q21, a 2.3% increase between periods, mainly due to greater utilization of leased areas and higher fuel and electric power prices.

Cost of goods sold - COGS in 3Q21 was R\$566.2 million, 4.2% up over the previous quarter (R\$543.6 million), due to the increased sales volume in the period and the increase in maritime and land freight prices.

In unit terms, COGS/t in 3Q21 was R\$234.2/t, 11.5% lower than in 2Q21 (R\$264.6/t). Remembering that in the previous quarter, there was a change in CFEM's (Financial Compensation for Mineral Exploitation tax) accounting and the accumulated annual effect impacted the 2Q21. Excluding the CFEM effect, COGS/t was R\$215.1/t in 3Q21 (2Q21: R\$212.7/t), a 1.1% increase between periods, due to the increase in international maritime freight prices.

Sales Expenses totaled R\$124.5 million in the 3Q21, an 89.7% increase in relation to the previous quarter (2Q21: R\$65.6 million), due to the higher export volume and adjustments in port charges.

General and Administrative Expenses totaled R\$8.8 million, up 8.5% against the previous quarter (2Q21: R\$8.1 million), due to the increase in expenses with personnel and services.

Other Operating Income (Expenses) presented a negative result of R\$14.8 million, 16.1% lower than the one accounted in the previous quarter (2Q21: negative R\$17.6 million).

Adjusted EBITDA reached R\$684.5 million in 3Q21, representing a reduction of 54.0% compared to 2Q21 (R\$1.5 billion). Adjusted EBITDA margin was 50.3% in the 3Q21, against 71.5% in the 2Q21.

Investments (CAPEX)

CAPEX totaled R\$63.8 million in 3Q21 (2Q21: R\$60.9 million), an increase of 4.8% between periods. The Company is in the final stages of construction of its dewatering plant (dry stacking) this being its main investment. Other projects focused on safety and maintenance of the Company's activities (sustaining) complete the amount invested in the period.

Business Unit - Steel

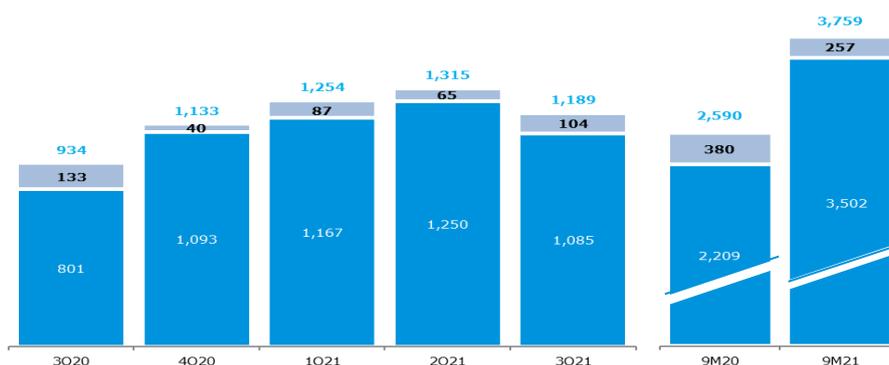
Production - Ipatinga and Cubatão Plants

Crude steel production at the Ipatinga plant was 924 thousand tons in the 3Q21, 23.0% higher in relation to the 2Q21 (751 thousand tons). **Rolled steel production** at the Ipatinga and Cubatão mills totaled 1,213 thousand tons in 3Q21, an 8.4% decrease compared to the previous quarter (2Q21: 1,324 thousand tons). In the 3Q21, 502 thousand tons of **purchased slabs** were processed (2Q21: 652 thousand tons).

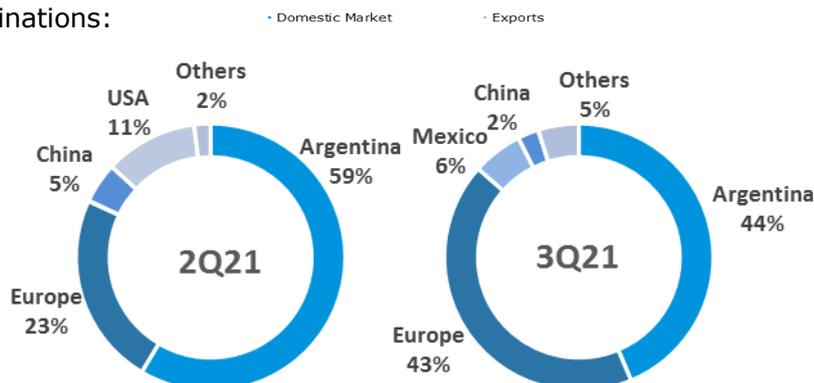
Thousand tons	3Q21	2Q21	Δ	3Q20	Δ	9M21	9M20	Δ
Total Crude Steel	924	751	23%	696	33%	2,455	2,000	23%
Purchased Slab Processed	502	652	-23%	240	109%	1,824	724	152%
Total Rolled Steel	1,213	1,324	-8%	801	51%	3,829	2,552	50%

Sales

In 3Q21, the **total sales** were 1,189 thousand tons of steel, 9.6% less than in the 2Q21 (1,315 thousand tons), with lower volumes for all segments. In the **domestic market**, sales were 1,085 thousand tons in the 3Q21, a decline of 13.2% in relation to the 2Q21, (1,250 thousand tons). **Exports** in 3Q21 there were 104 thousand tons, 59.7% higher than in the 2Q21 (65 thousand tons). Sales volume was 91% for the domestic market and 9% for exports (compared to 95% and 5% in the 2Q21). The quarterly evolution is shown in the chart below (in thousands of tons):



Main export destinations:



Sales to the Domestic Market were distributed in the following segments:

	3Q21	2Q21	Δ	3Q20	Δ	9M21	9M20	Δ
Auto Industry	30.7%	31.5%	- 1 p.p.	27.2%	+ 4 p.p.	32.6%	30.0%	+ 3 p.p.
Distribution	35.9%	34.9%	+ 1 p.p.	35.2%	+ 1 p.p.	34.6%	34.6%	+ 0 p.p.
Industry	33.3%	33.6%	- 0 p.p.	37.6%	- 4 p.p.	32.8%	35.4%	- 3 p.p.

Comments on the Results - Steel

In the 3Q21, **Net Revenue** of the Steelmaking Unit was R\$7.9 billion, advancing 2.6% compared to the 2Q21 (R\$7.7 billion) due to net revenue/ton sold of R\$6,670/t, 13.4% higher than the previous quarter (2Q21: R\$5,881/t), reflecting higher practiced prices in all product lines, partially compensated by lower sales volume compared to the previous quarter.

Cash cost per ton was R\$4,032/t in 3Q21, 5.4% higher than in 2Q21 (R\$3,827/t). Among the main variations, we highlight higher iron ore costs, higher consumption of imported coke and higher costs of purchased slabs.

Cost of Goods Sold – COGS was R\$5.7 billion in 3Q21, in line with the previous quarter. COGS per ton was R\$4,825/t in the 3Q21, an 11.3% increase over the 2Q21 (R\$4,335/t), due to greater inventory turnover and higher production cost in the period.

Selling expenses totaled R\$55 million in 3Q21, 53.1% higher than in 2Q21 (R\$36 million), related to expenses arising from higher export volumes.

General and Administrative Expenses totaled R\$95 million, 2.2% higher than in the 2Q21 (R\$93 million).

Other operating income (expenses) was R\$602 million negative in 3Q21, R\$1.9 billion less than in 2Q21 (R\$1.3 billion), with a negative R\$408 million related to the write-off of assets at the Cubatão plant, without effect on Adjusted EBITDA, as previously explained, and negative R\$81 million related to the provision for non-recurring tax lawsuit contingency. In 2Q21, R\$1.4 billion of tax credits related to the exclusion of ICMS from the PIS and COFINS calculation basis were recognized, with no similar effect in 3Q21.

Thus, the **Adjusted EBITDA** reached R\$2.1 billion in 3Q21, 40.3% lower than in 2Q21 (R\$3.4 billion). Adjusted EBITDA margin was 25.8% in 3Q21, compared to a margin of 44.4% in 2Q21. **EBITDA** excluding the non-recurring effects of the contingency provision was R\$2.1 billion, 5.4% higher than the previous quarter (2Q21: R\$2.0 billion) and Adjusted EBITDA margin of 26.9%, 0.8 pp higher than 2Q21 (26.1%).

Investments (CAPEX)

CAPEX totaled R\$237 million in the 3Q21, a 13.0% decrease against the 2Q21 (R\$273 million), with investments mainly in sustaining CAPEX, environment, health and safety.

Business Unit - Steel Processing

Comments on the Results - Soluções Usiminas

Net Revenue in 3Q21 totaled R\$2.4 billion, in line with the 2Q21, due to higher prices, offsetting sales volumes 12.0% lower than in the previous quarter. Sales of the Distribution, Services/JIT and Tubes of the business unit accounted for 27.8%, 67.5% and 4.7% of the volume, respectively, sold in the 3Q21.

In 3Q21, the **Cost of goods sold** was R\$2.0 billion, in line with the previous quarter. COGS/t was R\$6,143/t in the 3Q21, a 15.0% increase compared to the 2Q21 (R\$5,341/t), due to higher raw material costs in the period.

Operating income (expenses) were a negative by R\$40 million in the 3Q21, R\$67 million lower compared to the 2Q21 (R\$27 million), mainly due to the recognition of tax credits

related to the exclusion of ICMS from the PIS and COFINS calculation basis, recorded in the previous quarter.

Adjusted EBITDA in 3Q21 it was R\$277 million, 35.3% lower than in the previous quarter (2Q21: R\$429 million). Adjusted EBITDA margin was 11.8% in the 3Q21 (2Q21: 17.8%).

Equity in the Result

Equity income in associates and jointly controlled companies totaled R\$73 million in the 3Q21, against R\$55 million in the previous quarter.

ESG Agenda - Sustainability Themes

Usiminas remains focused on the development and advancement of its sustainability strategy.

In 3Q21, the highlights were developments related to the theme **Climate Change**, such as the report to [module "Climate Change"](#) of the CDP (Carbon Disclosure Project) and the dissemination of its [emissions inventory](#) in the Gold category of the GHG Protocol. The results obtained with the completion of the inventory will support the Company's strategy to combat climate change.

Another relevant step towards the ESG agenda was the interaction with its **Value Chain**. In September, Usiminas met with Customers and Suppliers to present its Sustainability Strategy and its intention to work together with these publics in favor of sustainable development.

Regarding the approved, disclosed goals, the progress achieved in the 3Q21 are shown below:

Subject	Indicator	Goal	Status	Comments
Diversity and Inclusion	Index of women in the company's Industrial area	10% of women in the company's Industrial area by 2022;	●	On 09/30/21, the percentage of women under the Industrial VP totaled 3.7%. This development is in line with the plan.
Workplace safety	Recorded accident frequency rate	Zero Accident Target. Lost Time Accident frequency rate less than 0.3 in 2021;	●	On 09/30/21, the Lost Time Accident frequency rate was 0.64. The Company is taking several preventive actions to reverse this result.
CO2 / Energy	Carbon Emission	Conducting GHG emission inventories in 2021 with independent certification;	●	The goal was fully met. The Company completes its emissions inventory with independent certification in 2Q21.
		Participation in the CDP (Carbon Disclosure Project);	●	The goal was fully met. In 3Q21, the Company responded to the CDP form.
		Disclosure of the inventory through the GHG Protocol.	●	The goal was fully met. In 3Q21, the Company disclosed its emissions inventory through the GHG Protocol. For disclosure of the highest level of transparency, the Company received the Gold Seal of the GHG Protocol.
Dams	Dam Safety	Migration of the traditional waste disposal method to filtering in the 2Q21;	●	Change in schedule due to project adjustments. New forecast for completion in November/2021, with investments of around R\$235 million.
		Decharacterization of the Central dam in the 1Q22, certified by the propraauthorities;	●	90.6% physical progress on the project, surpassing the plan.

● In line with planning

● Late in relation to planning

● Not achieved

The main sustainability initiatives for the quarter are detailed below:

SDG

CO₂ emissions

The "Public Emissions Registry", the largest database of corporate inventories in Latin America, granted Usiminas the Gold Seal, the most advanced award, for the complete publication of its [Greenhouse Gas \(GHG\) emissions inventory](#). The company's entry was announced in September, with the release of reports for the 2020/2021 cycle. The inventory counted GHG emissions from mobile combustion sources, stationary combustion, industrial processes, energy acquisition, among others. The platform has a policy for classifying the inventories of participating companies through seals, according to the level of detail in the data. It is noteworthy that Usiminas' emissions inventory was verified by an agency accredited by Inmetro, in accordance with the ISO 14064 standard.



Diversity Week

Usiminas has been intensifying its activities to become an increasingly diverse and inclusive company and held its second Diversity Week in September. The initiative promoted a large debate forum with the participation of professionals recognized in the market for their work on the subject, in addition to discussing the advances



of the company's Diversity and Inclusion Program started in 2019. Among other guests were journalist Flavia Cintra, who addressed the importance of companies being "accelerated" to activate diversity programs in their routine, and executive Danielle Torres, partner and director of Professional Practices at KPMG in Brazil, who addressed the topic "Stereotypes: Career & Purpose".



Volunteer Day

Usiminas set Volunteer Day, celebrated in Brazil on August 28, with the conclusion of the first group of the "Mentoria Plano de Vida" project. The initiative brought together 30 company volunteers and 66 students (14 to 16 years old), who took part in 10 virtual meetings, once a week, talking with company professionals about school, work, career, challenges and obstacles faced by young people, in addition to exchanging experiences on various topics involved such as personal and professional development. The project, part of the Usiminas Volunteers (VOU) program, aims to transform the lives of young students through education and experiences, connected students and contributed to their growth as well as the Usiminas professionals who participated in the action.



Solutions Usiminas at Casa Cor

From September 14 to October 30, *Soluções Usiminas*, Usiminas' steel distribution and services company, sponsors an innovative environment at the 26th Casa Cor Minas Gerais: the modular steel cabin. Developed by company *Liga Arquitetura e Urbanismo* from Belo Horizonte, with technical and commercial support from the *Mais Soluções Usiminas* sales platform. The project has 33m², with a kitchen, bathroom, mezzanine and, upstairs, a bedroom. The initiative has among its objectives to bring the steel closer to the final consumer and to connect the diverse specialties in the civil construction segment: architects, designers, metal workers, engineers and structural manufacturers, among others. To this end, at the beginning of this year, the company launched a pioneering digital platform in the sector for the sale of steel directly to the final consumer, regardless of its size. More details in the [Usiminas Blog](#).



Capital markets

Usiminas Performance Summary - B3 (USIM5)

	3Q21	2Q21	Δ	3Q20	Δ
Number of Deals	2,057,510	1,868,209	10%	1,281,569	61%
Daily Average	32,149	30,132	7%	19,716	63%
Traded - thousand shares	1,460,993	1,264,436	16%	1,377,760	6%
Daily Average	22,828	20,394	12%	21,196	8%
Financial Volume - R\$ million	26,192	25,949	1%	12,725	106%
Daily Average	409	419	-2%	196	109%
Maximum	22.43	24.36	-8%	11.64	93%
Minimum	13.10	16.56	-21%	7.41	77%
Closing	16.12	19.10	-16%	10.03	61%
Market Capitalization - R\$ million	20,200	23,934	-16%	12,568	61%

Usiminas shares are traded on the Brazilian market, with preferred and common shares on the B3, and also in the United States, on the over-the-counter market (OTC - *over-the-counter*), as well as in Europe, on the LATIBEX – Madrid Stock Exchange Section. Below, the performance of the Company's shares in the respective markets:

	3Q21	2Q21	Δ	3Q20	Δ
Preferred stocks (USIM5) - B3	R\$16.12	R\$19.10	-16%	R\$10.03	61%
Common stocks (USIM3) - B3	R\$15.72	R\$19.75	-20%	R\$10.24	54%
ADR (USNZY) - OTC	\$2.94	\$3.86	-24%	\$1.73	70%
Preferred stocks (XUSI) - LATIBEX	€ 2.68	€ 2.98	-10%	€ 1.67	60%
Common stocks (XUSIO) - LATIBEX	€ 2.40	€ 3.46	-31%	€ 1.75	37%

3Q21 Video conference of Results - Date 10/29/2021

In Portuguese - Simultaneous Translation into English

Brasília time: at 11:00 am

New York time: at 10:00 am

Live via Zoom

[Click here to register for the Zoom event](#)

[Click here to follow on YouTube](#)

**Replay in both idioms will be available at Investor Relations' website:
www.usiminas.com/ri**



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Attachments (Excel tables available in the Modeling Guide)

Balance Sheet - Assets - Consolidated | IFRS - R\$ thousand

Assets	30-Sep-21	30-Jun-21	30-Sep-20
Current Assets	20,948,645	18,234,043	10,391,300
Cash and Cash Equivalents	7,293,502	6,053,313	3,734,302
Trade Accounts Receivable	3,944,124	3,654,969	2,420,397
Taxes Recoverable	2,297,820	2,236,831	518,548
Inventories	7,186,774	6,029,160	3,580,494
Advances to suppliers	2,175	2,445	2,863
Other Securities Receivables	224,250	257,325	134,696
Non-Current Assets	17,969,802	18,223,451	17,476,067
Long-Term Receivable	4,232,813	4,218,293	4,290,262
Deferred Taxes	2,816,937	2,851,127	3,064,609
Deposits at Law	503,942	512,848	548,298
Taxes Recoverable	111,976	62,909	173,788
Financial Instruments	-	-	7,069
Accounts Receiv - Gasometer	349,542	332,191	223,640
Others	450,416	459,218	272,858
Equity Investments	1,212,138	1,143,820	1,133,876
Investment Property	159,058	164,194	100,827
Property, Plant and Equipment	10,773,499	11,103,073	11,224,774
Intangible	1,592,294	1,594,071	726,328
Total Assets	38,918,447	36,457,494	27,867,367

Balance Sheet - Liabilities and Shareholders' Equity - Consolidated | IFRS - R\$ thousand

Liabilities and Shareholders' Equity	30-Sep-21	30-Jun-21	30-Sep-20
Current Liabilities	6,805,830	5,377,667	3,690,047
Loans and Financing and Taxes Payable in Installments	62,858	143,271	71,797
Suppliers, Subcontractors and Freight	2,682,254	2,177,726	1,633,137
Wages and Social Charges	260,518	225,589	262,164
Taxes and Taxes Payables	1,170,179	1,643,118	392,854
Accounts Payable Forfeiting	986,066	763,231	927,184
Dividends Payable	1,267,093	678	8,630
Customers Advances	95,374	176,235	115,692
Others	281,488	247,819	278,589
Long-Term Liabilities	9,164,986	8,599,084	8,760,686
Loans and Financing and Taxes Payable in Installments	6,019,796	5,689,770	6,192,003
Actuarial Liability	1,597,662	1,560,006	1,287,642
Provision for Legal Liabilities	932,401	736,906	729,813
Environmental Protection Provision	241,476	237,516	241,442
Others	373,651	374,886	309,786
Shareholders' Equity	22,947,631	22,480,743	15,416,634
Capital	13,200,295	13,200,295	13,200,295
Reserves & Revenues from Fiscal Year	6,964,050	6,706,112	428,937
Non-controlling shareholders participation	2,783,286	2,574,336	1,787,402
Total Liabilities and Shareholders' Equity	38,918,447	36,457,494	27,867,367

Income Statement - Consolidated | IFRS

R\$ thousand	3Q21	2Q21	Δ	3Q20	Δ
Net Revenues	9,025,649	9,596,269	-6%	4,381,212	106%
Domestic Market	7,507,386	7,462,175	1%	3,078,104	144%
Exports	1,518,263	2,134,094	-29%	1,303,108	17%
COGS	(5,890,273)	(5,953,981)	-1%	(3,489,321)	69%
Gross Profit	3,135,376	3,642,288	-14%	891,891	252%
Gross Margin	34.7%	38.0%	- 3.2 p.p.	20.4%	+ 14.4 p.p.
Operating Income and Expenses	(936,629)	1,127,368	-	(360,426)	160%
Selling Expenses	(199,366)	(119,757)	66%	(96,196)	107%
Provision for Doubtful Accounts	(2,300)	(1,038)	122%	(4,656)	-51%
Other Selling Expenses	(197,066)	(118,719)	66%	(91,540)	115%
General and Administrative	(115,168)	(109,442)	5%	(98,233)	17%
Other Operating Income and expenses	(622,095)	1,356,567	-	(165,997)	275%
Inventories Adjustments	(25,338)	(32,249)	-21%	(1,853)	1267%
Credit of tax - Inclusion of ICMS in the base calculation of PIS and COFINS	13,221	1,609,163	-99%	2,392	453%
Legal charges	(3,051)	(5,410)	-44%	(6,556)	-53%
Idleness expenses (includes depreciation)	(43,424)	(76,326)	-43%	(116,679)	-63%
Impairment of Assets	(397,257)	-	-	(6,752)	5784%
Provision for tax credit (ICMS)	(14,423)	(146,168)	-90%	(11,978)	20%
Provision for contingencies	(118,767)	(21,862)	443%	(2,776)	4178%
Recovery of insurance claims expenses	17,351	36,804	-53%	29,596	-41%
Result of the non-operating asset sale/write-off	(3,149)	53,000	-	2,519	-
Other Operating Income and Expenses, Net	(47,258)	(60,385)	-22%	(53,910)	-12%
EBIT	2,198,747	4,769,656	-54%	531,465	314%
EBIT Margin	24.4%	49.7%	- 25.3 p.p.	12.1%	+ 12.2 p.p.
Financial Result	(420,020)	1,332,266	-	(167,817)	150%
Financial Income	164,335	992,561	-83%	57,014	188%
Financial Expenses	(256,265)	(143,188)	79%	(122,732)	109%
Net foreign exchange gain and losses	(328,090)	482,893	-	(102,099)	221%
Equity in the results of investees	72,524	55,458	31%	40,031	81%
Operating Profit or Loss	1,851,251	6,157,380	-70%	403,679	359%
Income Tax / Social Contribution	(27,508)	(1,614,171)	-98%	(205,597)	-87%
Net Income or Loss	1,823,743	4,543,209	-60%	198,082	821%
Net Margin	20.2%	47.3%	- 27.1 p.p.	4.5%	+ 15.7 p.p.
Attributable:					
Shareholders	1,562,215	4,168,048	-63%	57,118	2635%
Minority Shareholders	261,528	375,161	-30%	140,964	86%
EBITDA (Instruction CVM 527)	2,514,733	5,075,773	-50%	819,962	207%
EBITDA Margin (Instruction CVM 527)	27.9%	52.9%	- 25.0 p.p.	18.7%	+ 9.1 p.p.
Adjusted EBITDA - Jointly-controlled subsidiaries proportional	2,886,314	5,065,644	-43%	825,980	249%
Adjusted EBITDA Margin	32.0%	52.8%	- 20.8 p.p.	18.9%	+ 13.1 p.p.
Depreciation and Amortization	243,462	250,659	-3%	248,466	-2%

Income Statement - Consolidated | IFRS

	R\$ thousand	9M21	9M20	Δ
Net Revenues		25,687,750	10,613,782	142%
Domestic Market		20,443,877	7,578,111	170%
Exports		5,243,873	3,035,671	73%
COGS		(16,446,704)	(8,930,057)	84%
Gross Profit		9,241,046	1,683,725	449%
	Gross Margin	36.0%	15.9%	+ 20.1 p.p.
Operating Income (Expenses)		(147,083)	(964,615)	-85%
Selling Expenses		(417,832)	(301,950)	38%
Provision for Doubtful Accounts		(6,240)	(27,943)	-78%
Other Selling Expenses		(411,592)	(274,007)	50%
General and Administrative		(340,022)	(304,447)	12%
Other Operating Income (Expenses)		610,771	(358,218)	-
Inventories Adjustments		(112,588)	(3,307)	3305%
Credit of tax - Inclusion of ICMS in the base calculation of PIS and COFINS		1,665,023	9,569	17300%
Legal charges		(19,467)	(16,091)	21%
Idleness expenses (includes depreciation)		(190,194)	(266,762)	-29%
Impairment of Assets		(397,257)	(6,752)	0%
Provision for tax credit (ICMS)		(172,677)	(33,868)	410%
Provision for contingencies		(153,232)	25,237	-
Recovery of insurance claims expenses		87,465	98,432	-11%
Result of the non-operating asset sale/write-off		66,634	9,620	593%
Other Operating Income and Expenses, Net		(162,936)	(174,296)	-7%
EBIT		9,093,963	719,110	1165%
	EBIT Margin	35.4%	6.8%	+ 28.6 p.p.
Financial Result		536,505	(1,306,904)	-
Financial Income		1,232,936	183,097	573%
Financial Expenses		(495,909)	(439,125)	13%
Net foreign exchange gain and losses		(200,522)	(1,050,876)	-81%
Equity in the results of investees		164,686	100,872	63%
Operating Profit (Loss)		9,795,154	(486,922)	-
Income Tax / Social Contribution		(2,223,305)	(134,037)	1559%
Net Income (Loss)		7,571,849	(620,959)	-
	Net Margin	29.5%	-5.9%	+ 35.3 p.p.
Attributable:				
Shareholders		6,662,058	(886,331)	-
Minority Shareholders		909,791	265,372	243%
EBITDA (Instruction CVM 527)		10,001,407	1,567,396	538%
	EBITDA Margin (Instruction CVM 527)	38.9%	14.8%	+ 24.2 p.p.
Adjusted EBITDA - Jointly-controlled subsidiaries proportional EBITDA		10,371,719	1,586,560	554%
	Adjusted EBITDA Margin	40.4%	14.9%	+ 25.4 p.p.
Depreciation and Amortization		742,758	747,414	-1%

Cash Flow - Consolidated | IFRS
Cash Flow - Consolidated | IFRS

	3Q21	2Q21	3Q20
Operating Activities Cash Flow			
Net Income or Loss in the Period	1,823,743	4,543,209	198,082
Financial Expenses and Monetary Var. / Net Exchge Var.	425,715	(1,281,785)	116,782
Interest Expenses	67,214	54,212	73,321
Depreciation and Amortization	243,462	250,659	248,466
Losses/(gains) on Sale of Property, Plant and Equipment	3,149	(53,000)	(2,519)
Equity in the Results of Subsidiaries/Associated Companies	(72,524)	(55,458)	(40,031)
Impairment of Assets	397,257	-	6,751
Difered Income Tax and Social Contribution	36,353	87,091	(24,917)
Constitution (reversal) of Provisions	111,956	200,304	387,217
Actuarial Gains and losses	24,350	24,355	21,527
Total	3,060,675	3,769,587	984,679
(Increase)/Decrease of Assets			
Accounts Receivables Customer	(256,823)	(368,020)	(642,386)
Inventories	(1,156,324)	(1,157,806)	372,292
Recovery of Taxes	(334,826)	73,799	(21,754)
Judicial Deposits	2,673	26,146	9,178
Receivables Eletrobras	-	-	311,534
Others	(3,334)	22,291	(32,384)
Total	(1,748,634)	(1,403,590)	(3,520)
Increase /(Decrease) of Liabilities			
Suppliers, Contractors and Freights	504,528	40,503	554,878
Amounts Owed to Affiliated Companies	2,898	2,802	-
Customers Advances	(80,861)	23,767	56,159
Tax Payable	580,576	252,613	198,965
Securities Payable Forfaiting	222,835	(57,507)	(12,495)
Actuarial Liability Payments	(9,534)	(14,116)	-
Others	(58,129)	(237,749)	(17,103)
Total	1,162,313	10,313	780,404
Cash Generated from Operating Activities	2,474,354	2,376,310	1,761,563
Interest Paid	(180,709)	(418)	(172,893)
Income Tax and Social Contribution	(772,474)	(310,614)	(51,616)
Net Cash Generated from Operating Activities	1,521,171	2,065,278	1,537,054
Investments activities cash flow			
Marketable Securities	698,550	(1,708,584)	(482,767)
Fixed Asset Acquisition	(296,911)	(330,799)	(173,407)
Fixed Asset Sale Receipt	(958)	53,668	4,551
Dividends Received	4,215	3,160	2,819
Purchase of Intangible Assets	(7,865)	(4,384)	(5,439)
Net Cash Employed on Investments Activities	397,031	(1,986,939)	(654,243)
Financial Activities Cash Flow			
Payment of Loans, Financ. & Debent.	(1,913)	(1,923)	(1,074)
Swap Operations Liquidations	-	-	(143,720)
Dividends and Interest on Capital	75	(320,640)	-
Net Cash Generated from (Employed on) Financial Activities	(1,838)	(322,563)	(144,794)
Exchange Variation on Cash and Cash Equivalents	22,375	(12,150)	7,304
Net Increase (Decrease) of Cash and Cash Equivalents	1,938,739	(256,374)	745,321
Cash and Cash Equivalents at the Beginning of the Period	3,748,010	4,004,384	1,678,753
Cash and Cash Equivalents at the End of The Period	5,686,749	3,748,010	2,424,074
RECONCILIATION WITH BALANCE SHEET			
Cash and Cash Equivalents at the Beginning of the Period	3,748,010	4,004,384	1,678,753
Marketable Securities at the Beginning of the Period	2,305,303	596,719	827,461
Cash and Cash Equivalents at the Beginning of the Period	6,053,313	4,601,103	2,506,214
Net Increase (Decrease) of Cash and Cash Equivalentes	1,938,739	(256,374)	745,321
Net Increase (Decrease) of Marketable Securities	(698,550)	1,708,584	482,767
Cash and Cash Equivalents at the End of the Period	5,686,749	3,748,010	2,424,074
Marketable Securities at the End of the Period	1,606,753	2,305,303	1,310,228
Cash and Cash Equivalents at the End of the Period	7,293,502	6,053,313	3,734,302

Cash Flow - Consolidated | IFRS

R\$ thousand

	9M21	9M20
Operating Activities Cash Flow		
Net Income (Loss) in the Period	7,571,849	(620,959)
Financial Expenses and Monetary Var. / Net Exchge Var.	(568,532)	1,225,262
Interest Expenses	190,997	244,078
Depreciation and Amortization	742,758	747,414
Losses/(gains) on sale of property, plant and equipment	(66,634)	(9,620)
Equity in the Results of Subsidiaries/Associated Companies	(164,686)	(100,872)
Impairment of Assets	397,257	6,751
Difered Income Tax and Social Contribution	99,562	(279,616)
Constitution (reversal) of Provisions	708,877	580,386
Actuarial Gains and losses	73,057	64,582
Total	8,984,505	1,857,406
Increase/Decrease of Assets		
Accounts Receivables Customer	(1,536,642)	(455,238)
Inventories	(3,214,520)	234,923
Recovery of Taxes	(355,302)	(128,731)
Judicial Deposits	25,722	(10,533)
Receivables Eletrobras	-	311,534
Receivables from Related Companies	-	1,651
Others	(186,616)	(149,096)
Total	(5,267,358)	(195,490)
Increase / (Decrease) of Liabilities		
Suppliers, contractors and freights	764,564	114,867
Amounts Owed to Affiliated Companies	8,411	(14,184)
Customers Advances	(44,304)	57,935
Tax Payable	1,085,657	417,592
Securities Payable Forfaiting	105,355	313,381
Actuarial Liability payments	(32,046)	(16,772)
Actuarial Liability Received - PB1	-	393,933
Others	(105,218)	76,772
Total	1,782,419	1,343,524
Cash Generated from Operating Activities	5,499,566	3,005,440
Interest Paid	(343,484)	(330,146)
Income Tax and Social Contribution	(1,576,195)	(142,703)
Net Cash Generated from Operating Activities	3,579,887	2,532,591
Investments activities cash flow		
Marketable Securities	63	(642,053)
Fixed asset acquisition	(857,662)	(537,363)
Fixed asset sale receipt	103,089	24,348
Dividends Received	11,967	6,821
Purchase of Intangible Assets	(20,914)	(16,822)
Net Cash Employed on Investments Activities	(763,457)	(1,165,069)
Financial Activities Cash Flow		
Payment of Loans, Financ. & Debent.	(5,779)	(11,116)
Swap	-	(153,029)
Dividends and Interest on Capital	(368,757)	(59,423)
Net Cash Generated from (Employed on) Financial Activities	(374,536)	(223,568)
Exchange Variation on Cash and Cash Equivalents	(16,433)	27,154
Net Increase (Decrease) of Cash and Cash Equivalents	2,425,461	1,171,108
Cash and Cash Equivalents at the Beginning of the Period	3,261,288	1,252,966
Cash and Cash Equivalents at the End of The Period	5,686,749	2,424,074
RECONCILIATION WITH BALANCE SHEET		
Cash and cash equivalents at the beginning of the period	3,261,288	1,252,966
Marketable securities at the beginning of the period	1,606,816	668,175
Cash and cash equivalents at the beginning of the period	4,868,104	1,921,141
Net increase (decrease) of cash and cash equivalents	2,425,461	1,171,108
Net increase (decrease) of marketable securities	(63)	642,053
Cash and cash equivalents at the end of the period	5,686,749	2,424,074
Marketable securities at the end of the period	1,606,753	1,310,228
Cash and cash equivalents at the end of the period	7,293,502	3,734,302