

Results 1Q24

Webcast

Institutional Presentation

SUMMARY

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<u>INSTITUTIONAL PRESENTATION.....</u>	<u>13</u>

USIMINAS

Results Presentation

1Q24



Highlights of the quarter ^{1Q24 Results}

USIMINAS

Iron Ore Sales 2million ton	Steel Sales 1million ton	Steel COGS/t Decrease compared to 4Q23 -11%
Adjusted EBITDA R\$ 416mi	Net Profit R\$ 36mi	Investments (CAPEX) R\$ 268mi
Cash R\$ 5.7bi	Leverage 0.22x	Disclosure of decarbonization target -15% reduction in emissions by 2030

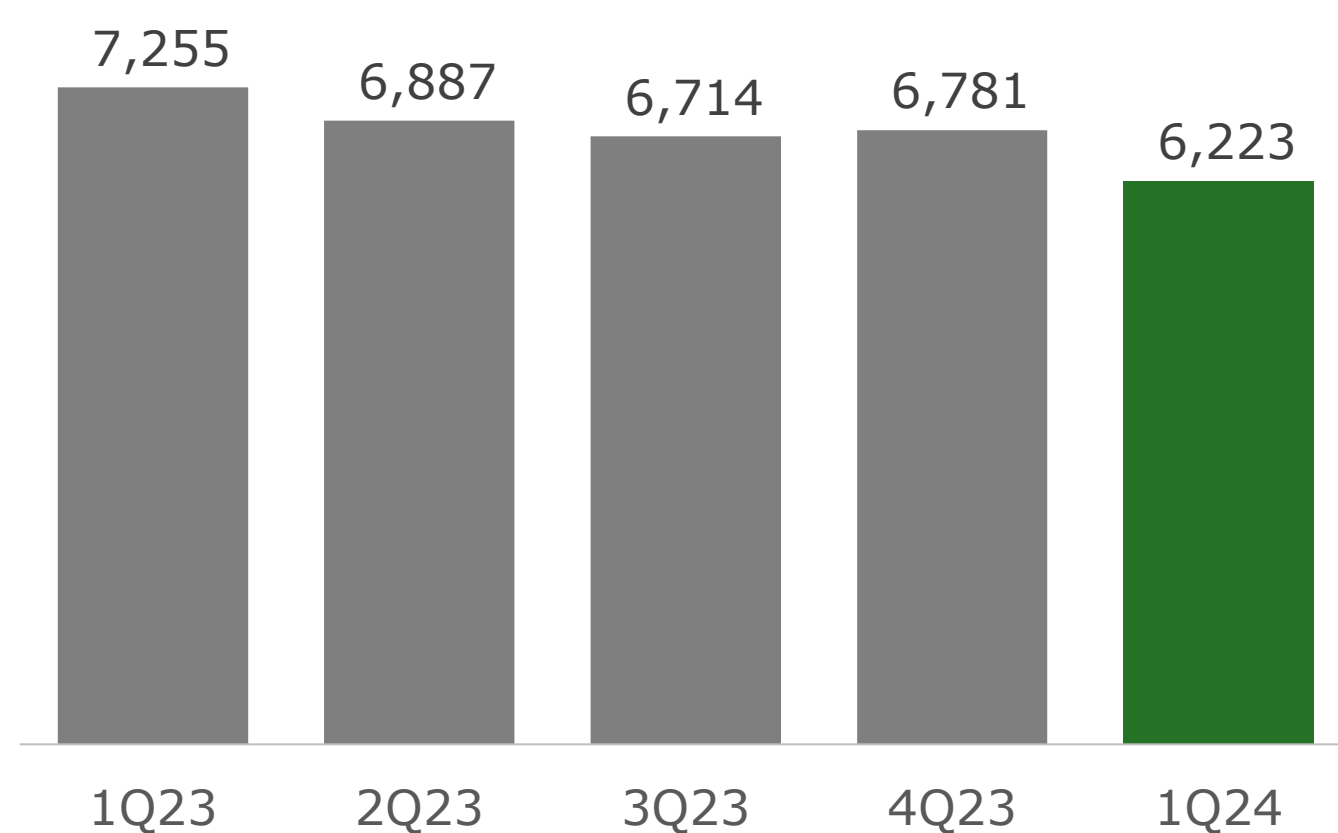
Usiminas' Blast Furnace 3 in Ipatinga has resumed operation and the ramp-up of production level continues according to plan. This modern equipment has higher operating efficiency and environmental controls.



NET REVENUE

R\$ Million

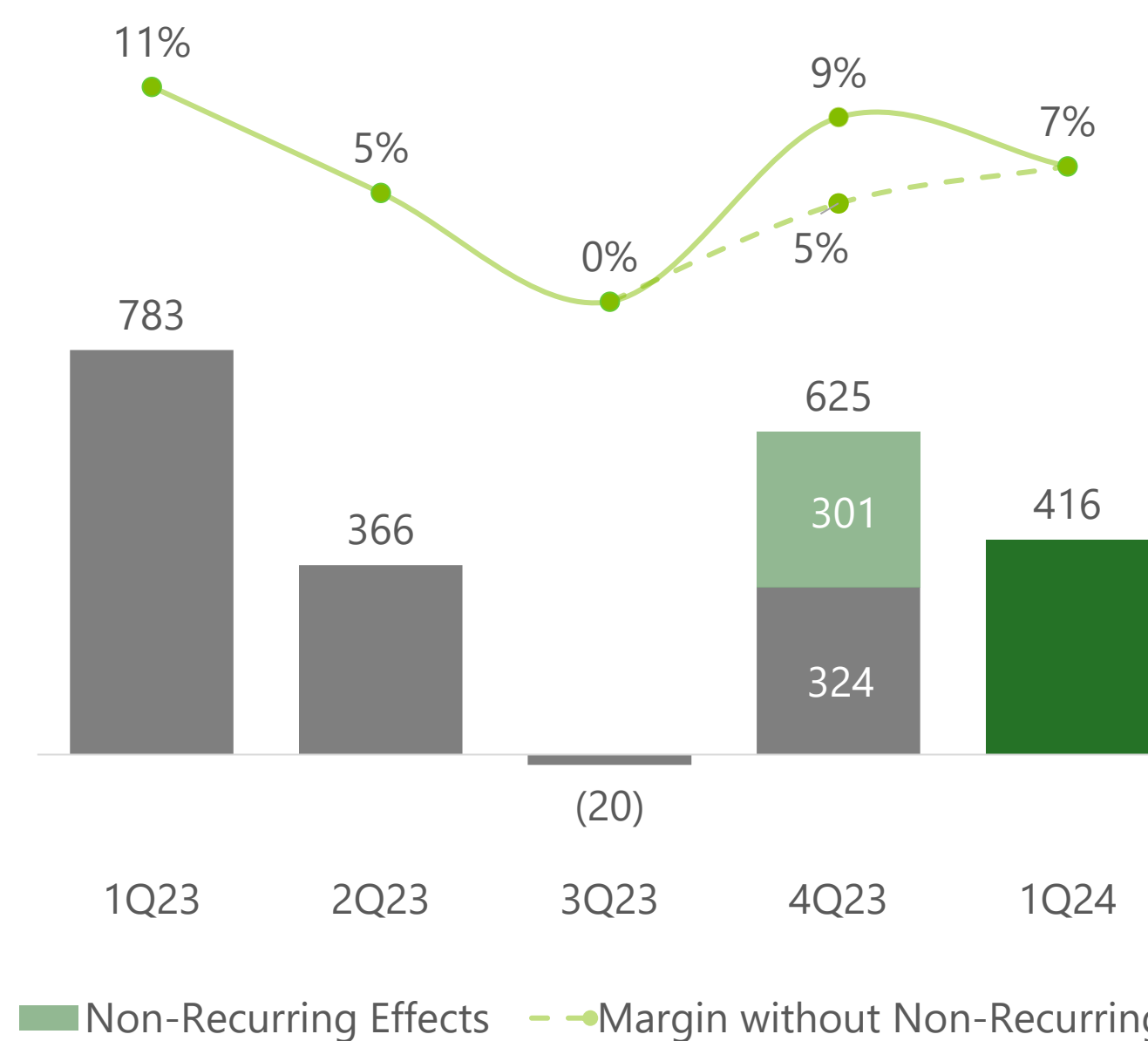
Reduction in Net Revenue, mainly in the mining unit.



ADJUSTED EBITDA

R\$ Million

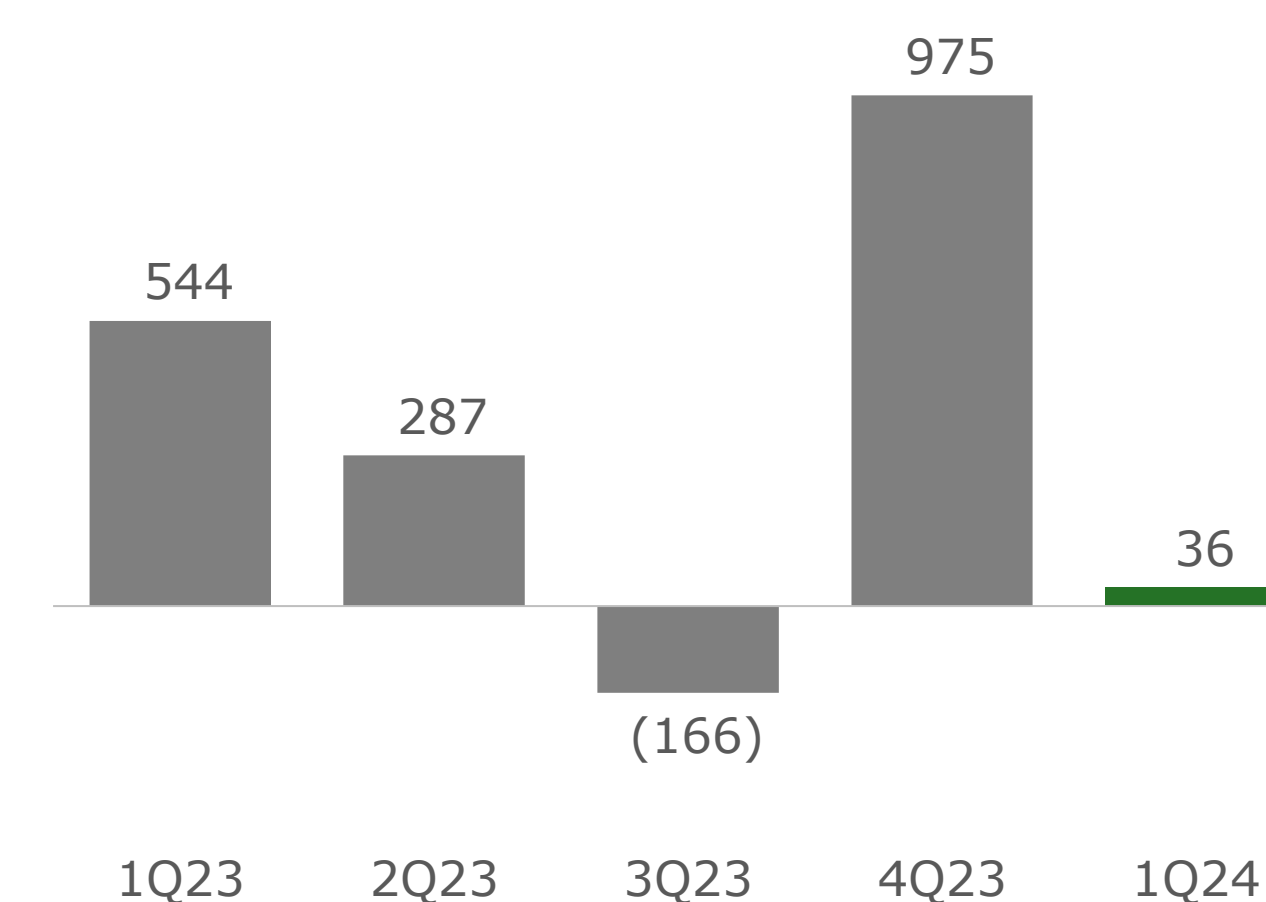
Excluding non-recurring effects in 4Q23, EBITDA improved due to better results in the steel unit.



NET INCOME

R\$ Million

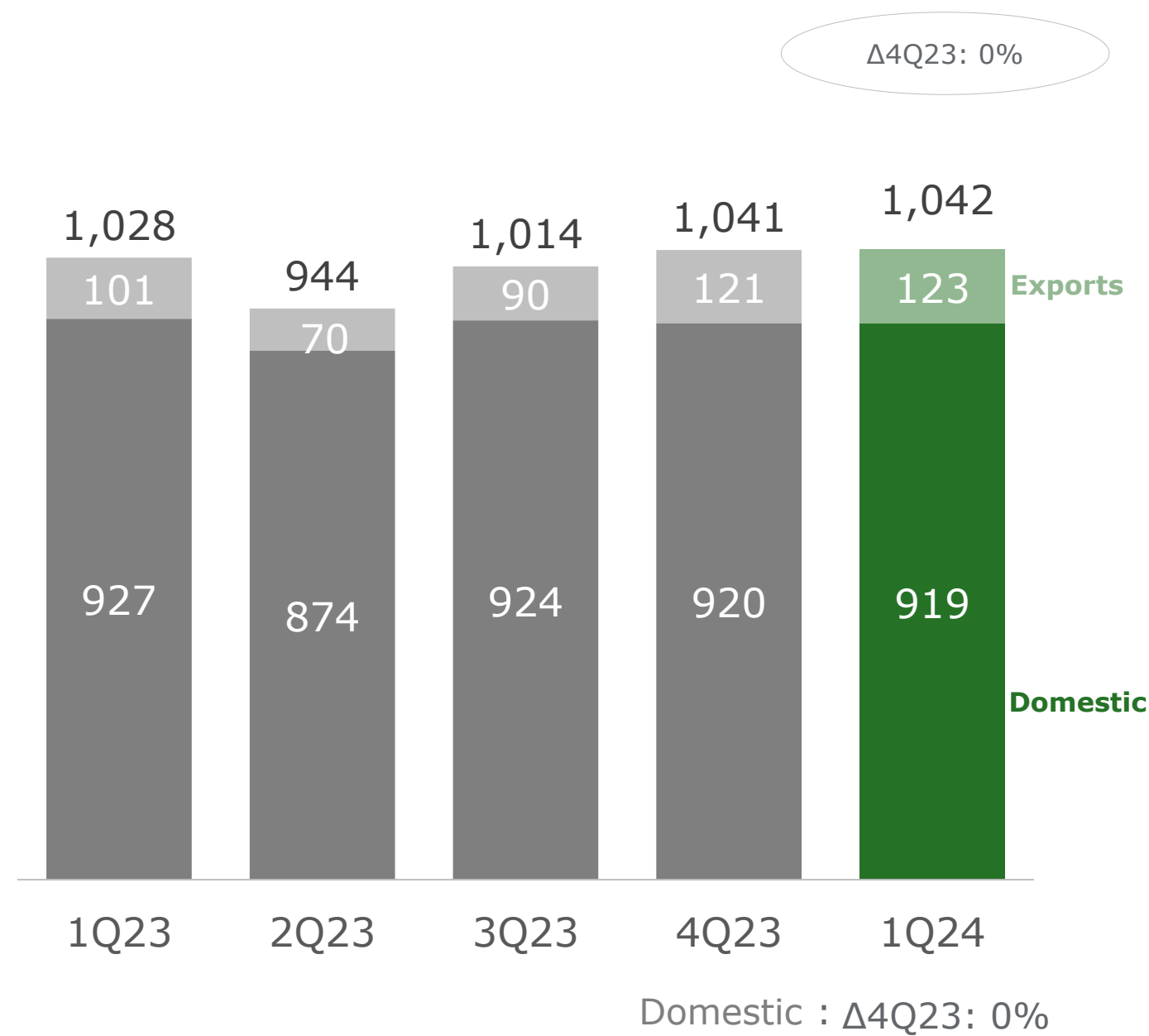
Reduction in net income due to non-recurring effects in 4Q23.



STEEL SALES

(Kt)

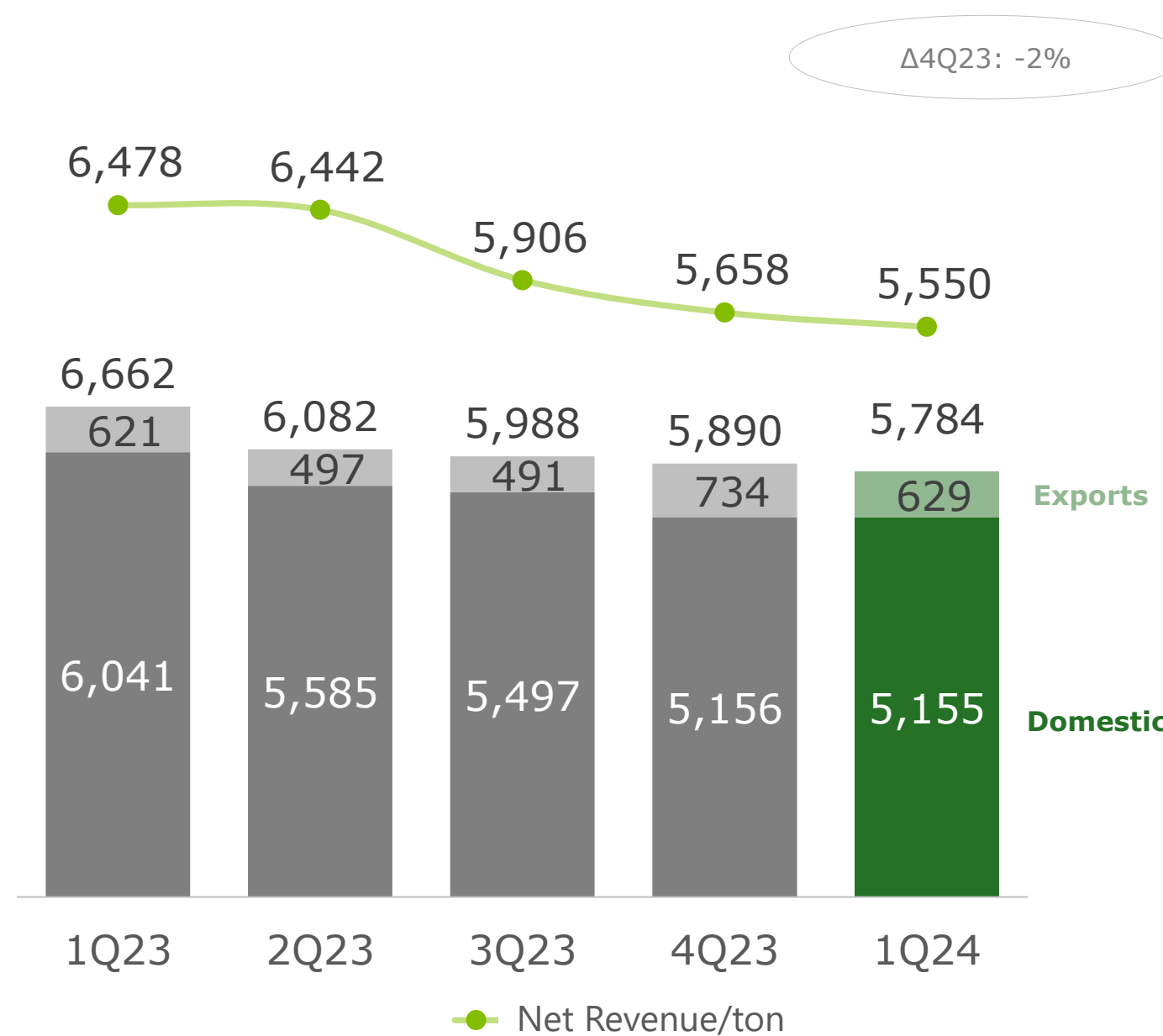
Stability in domestic and exports sales volume.



NET REVENUE

R\$ Million and per ton (R\$/t)

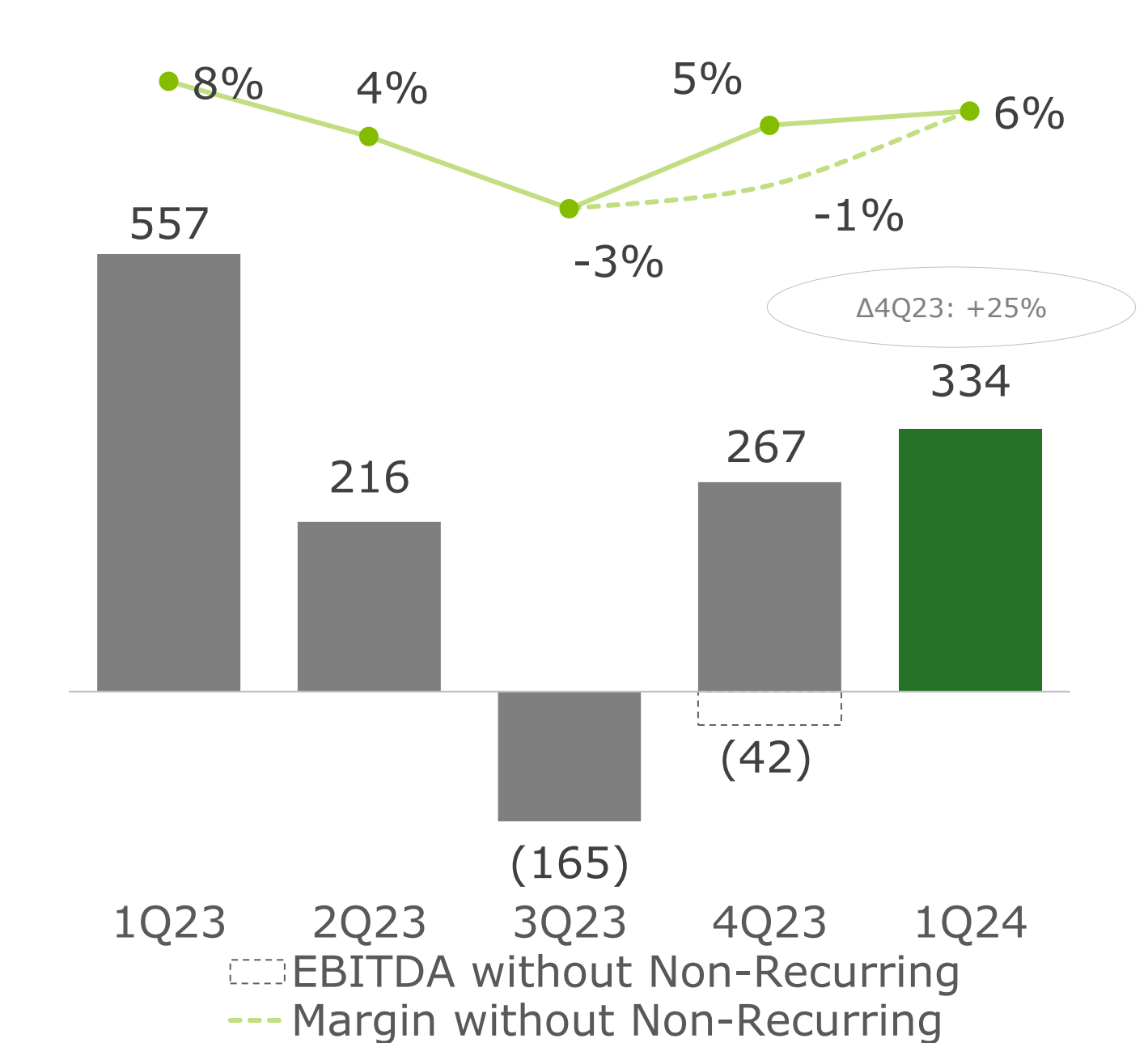
Drop in Net Revenue/t, with lower prices in Exports (-16%) and stability in MI.



ADJUSTED EBITDA

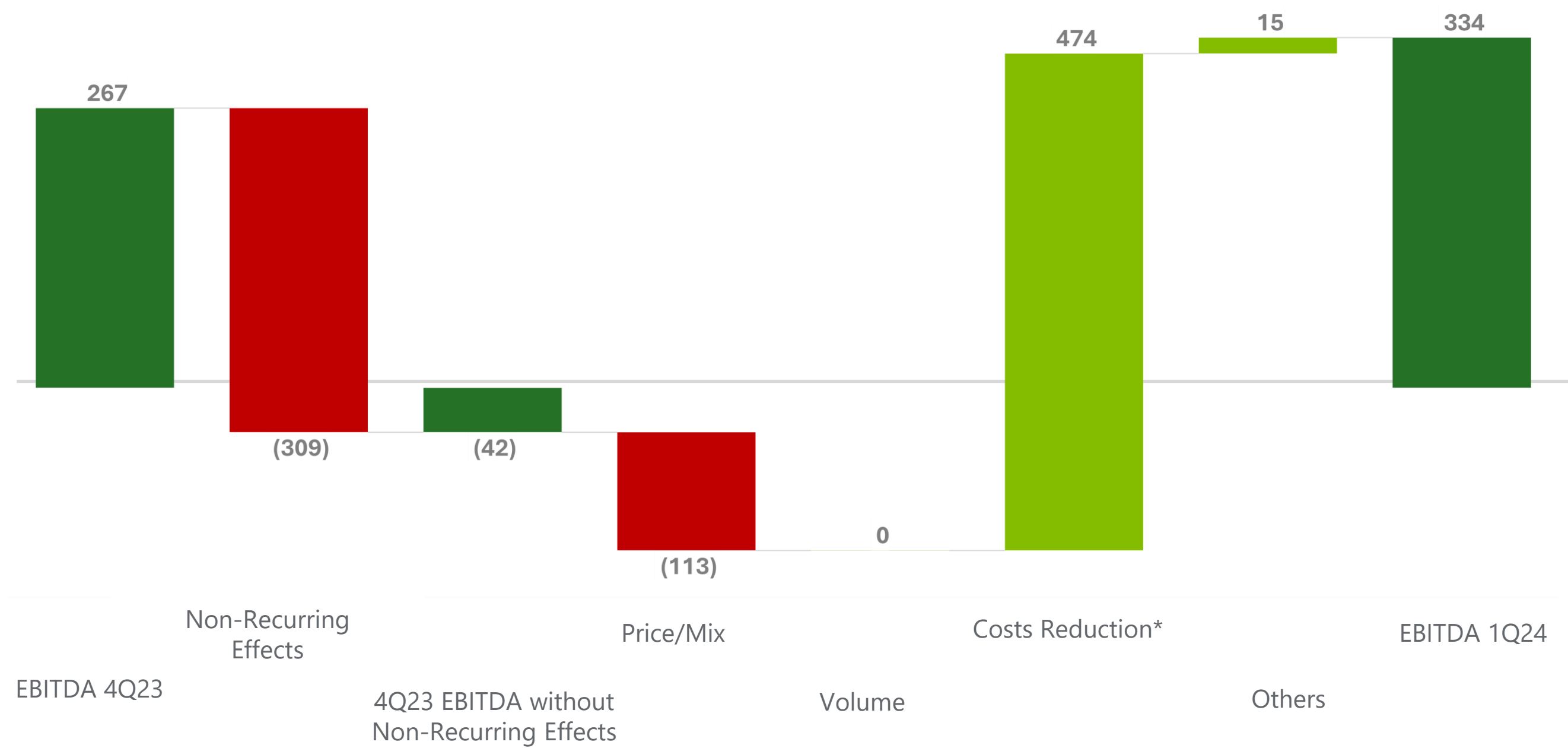
R\$ Million

Growth in EBITDA mainly due to cost reductions.



QUARTERLY VARIATION IN EBITDA R\$ Million

Highlight is the reduction in costs of R\$474mi.



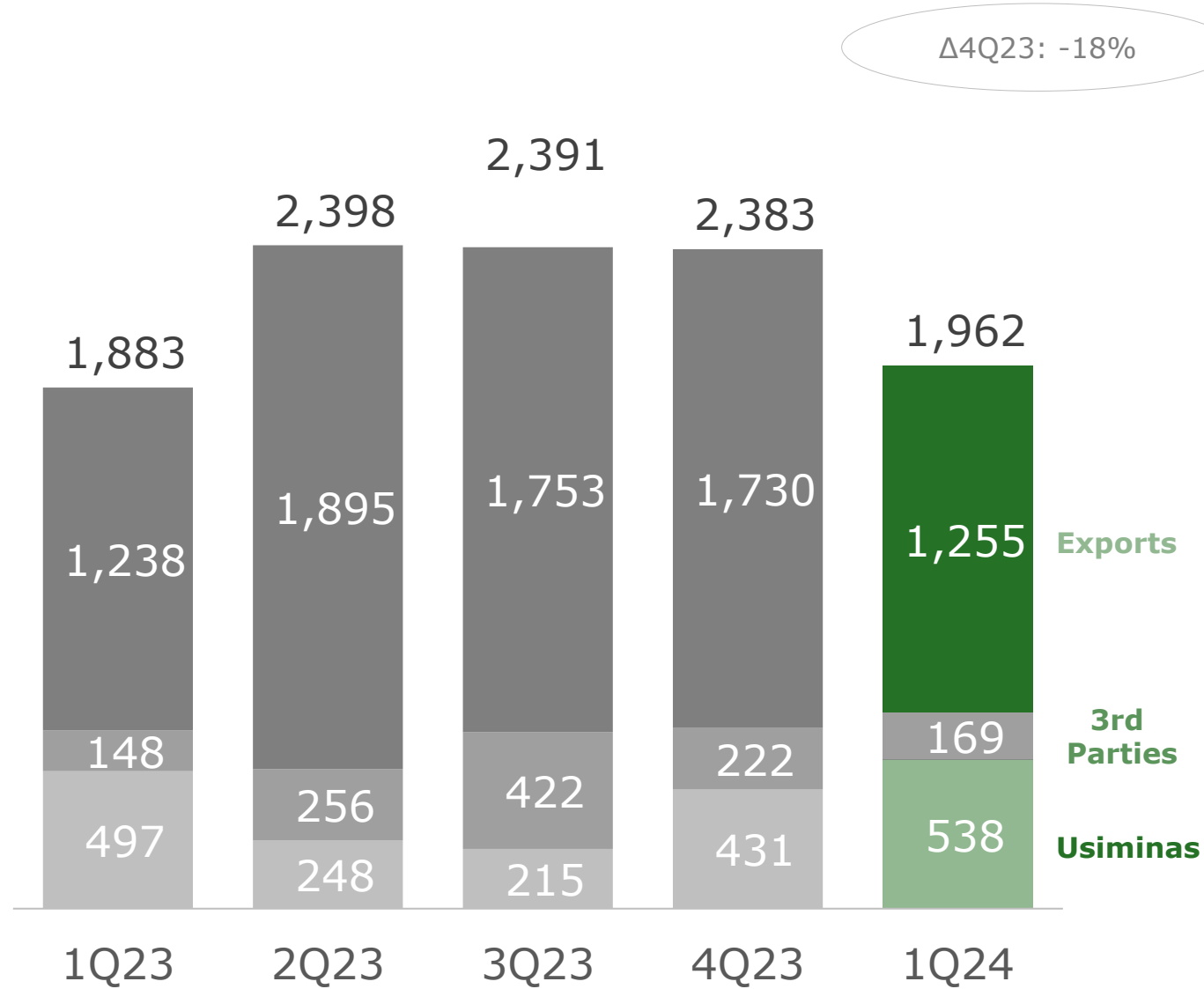
* Excluding the non-recurring effects that impacted COGS in 4Q23 and depreciation..



IRON ORE SALES

(kt)

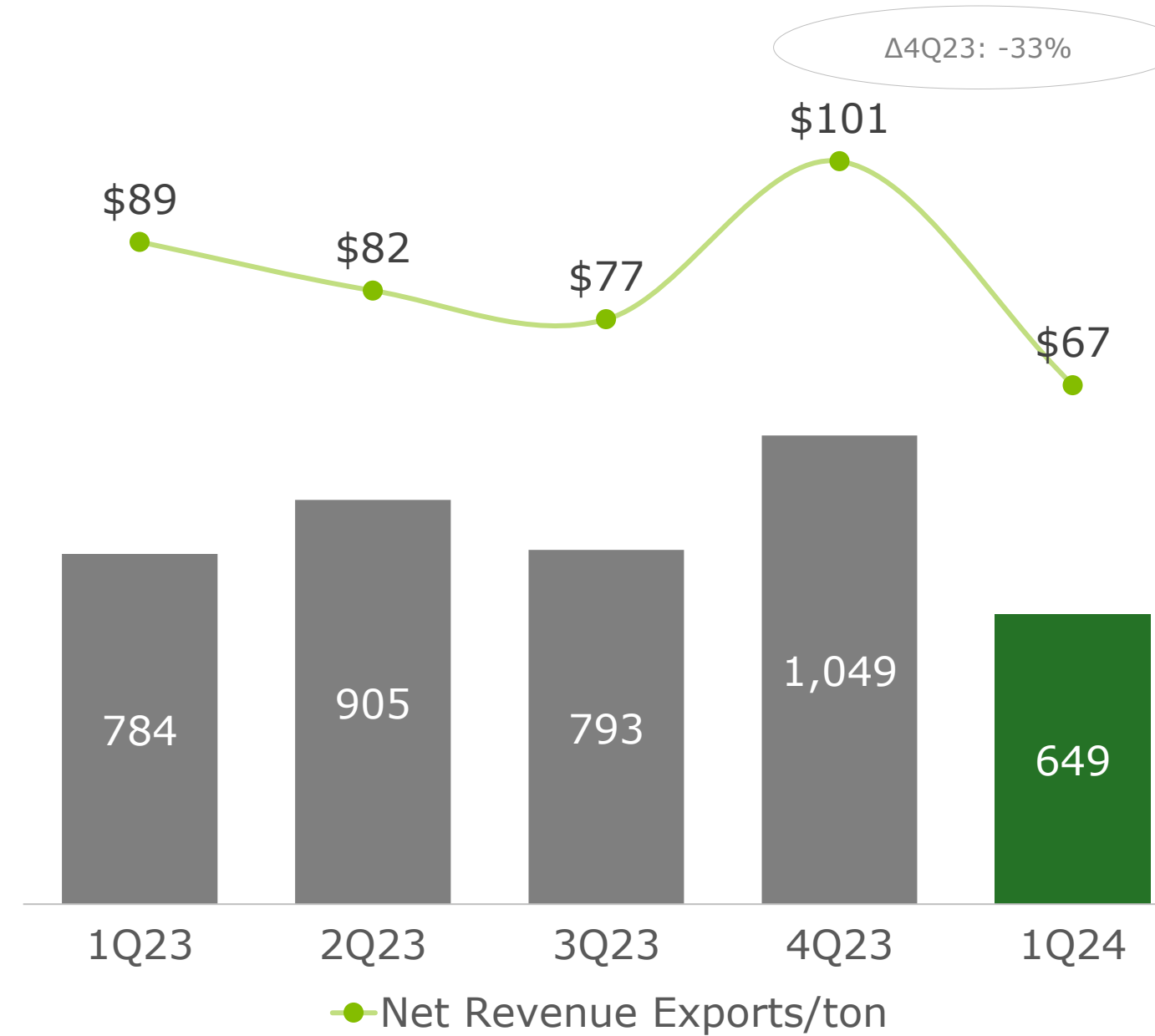
Reduction in sales volume due to seasonal rains and ITM Leste shutdown, partially compensated by higher lump sales volume.



NET REVENUE

R\$ Million and per ton (R\$/t)

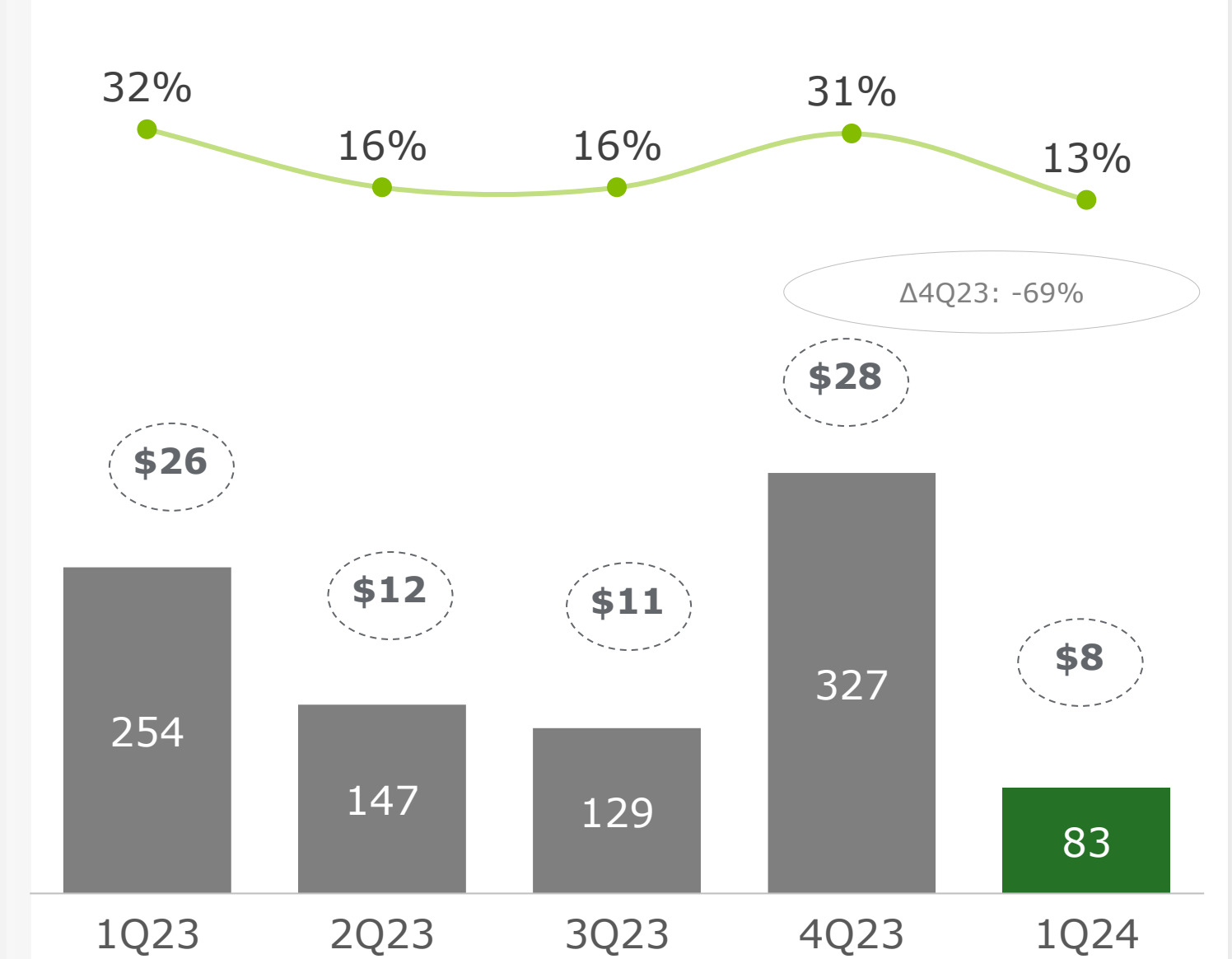
Reduction in Net Revenue/t, mainly due iron ore price reduction in the period (US\$/t 143.2 to US\$/t 102.8).



ADJUSTED EBITDA

R\$ Million and per ton (US\$/t)

Reduction in EBITDA mainly due to the drop in net revenue.



USIMINAS

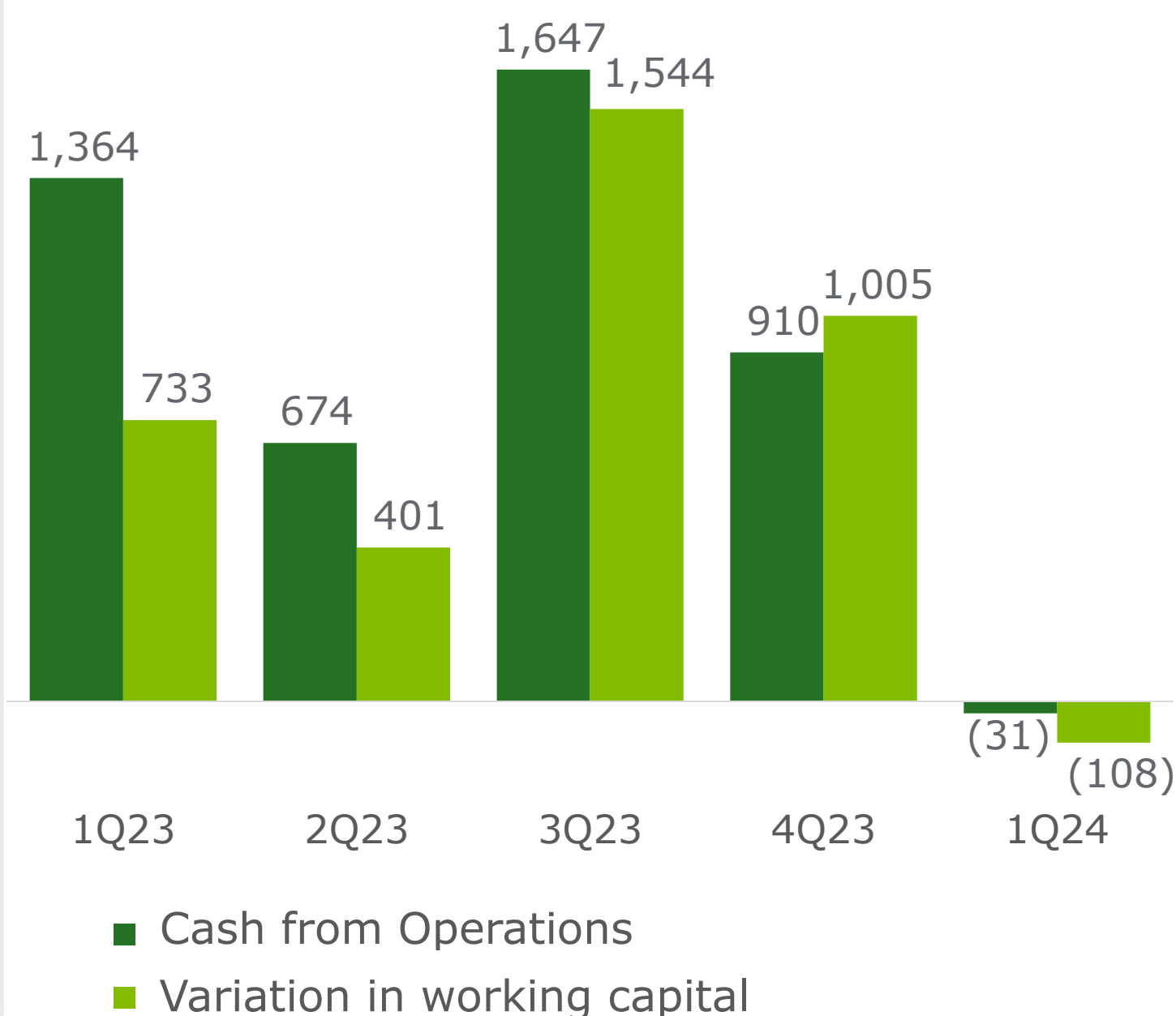
Financial Indicators

1Q24

CHANGES IN WORKING CAPITAL AND CASH FROM OPERATIONS*

R\$ Million

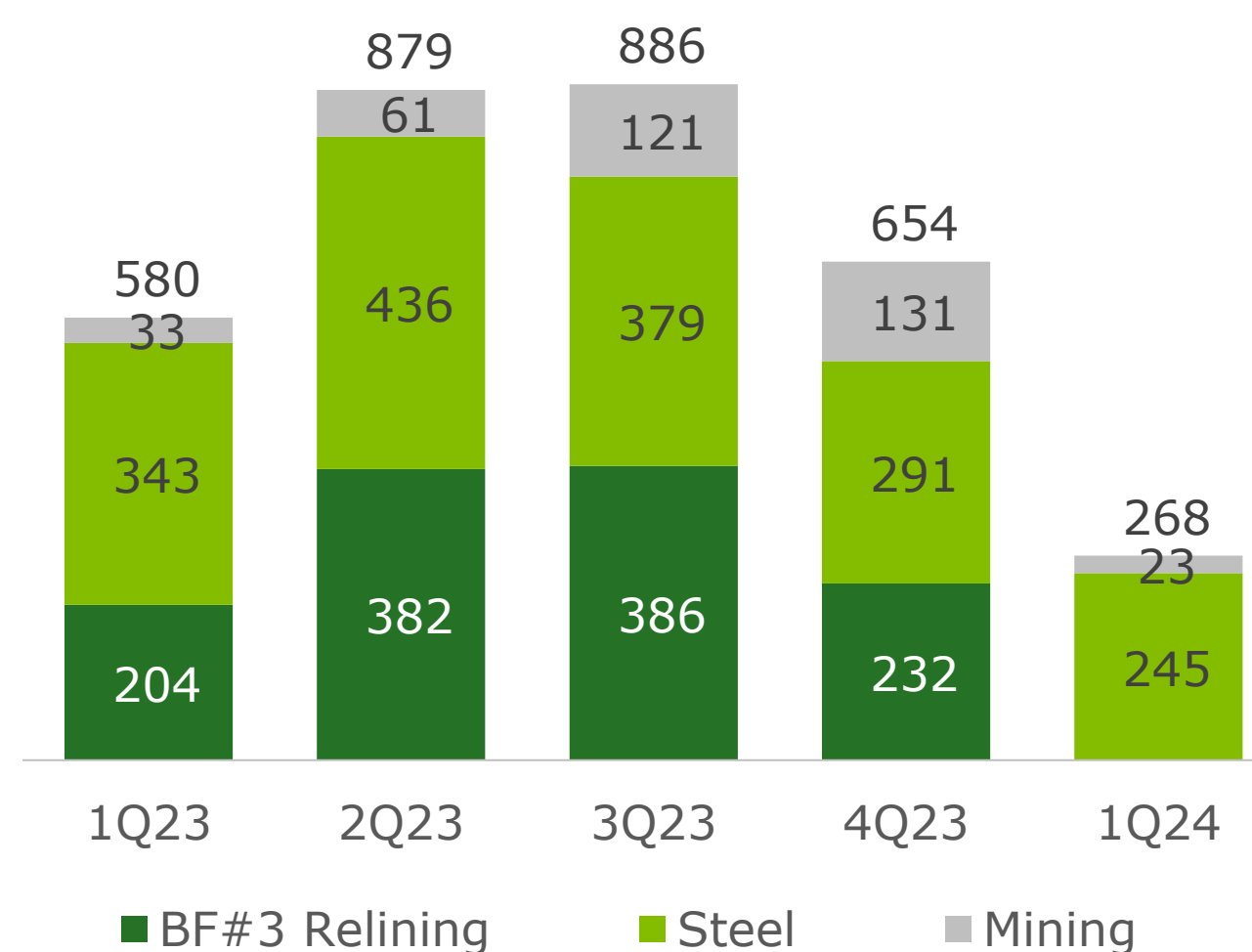
R\$459mi reduction in Inventories and R\$123mi reduction in Receivables, compensated by R\$704 mi reduction in forfeiting.



CAPEX

R\$ Million

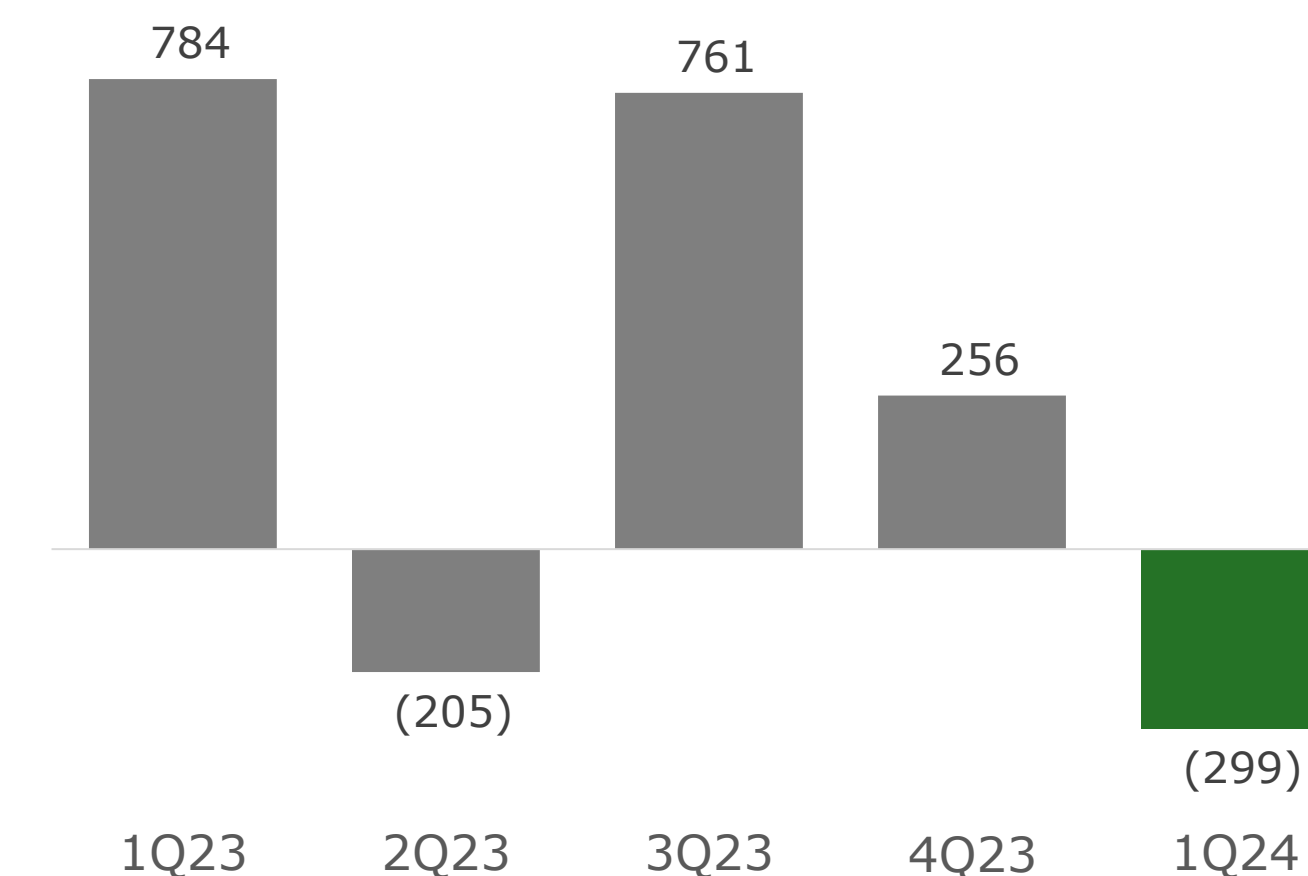
Reduction in CAPEX mainly due to the end of Blast Furnace #3 relining.



FREE CASH FLOW**

R\$ Million

Free Cash Flow follows the consumption of cash from operations.



* Variation in Cash excluding CAPEX and other investment and financing activities

** Cash From Operations + CAPEX

CASH, GROSS DEBT, NET DEBT AND LEVERAGE

R\$ Billion

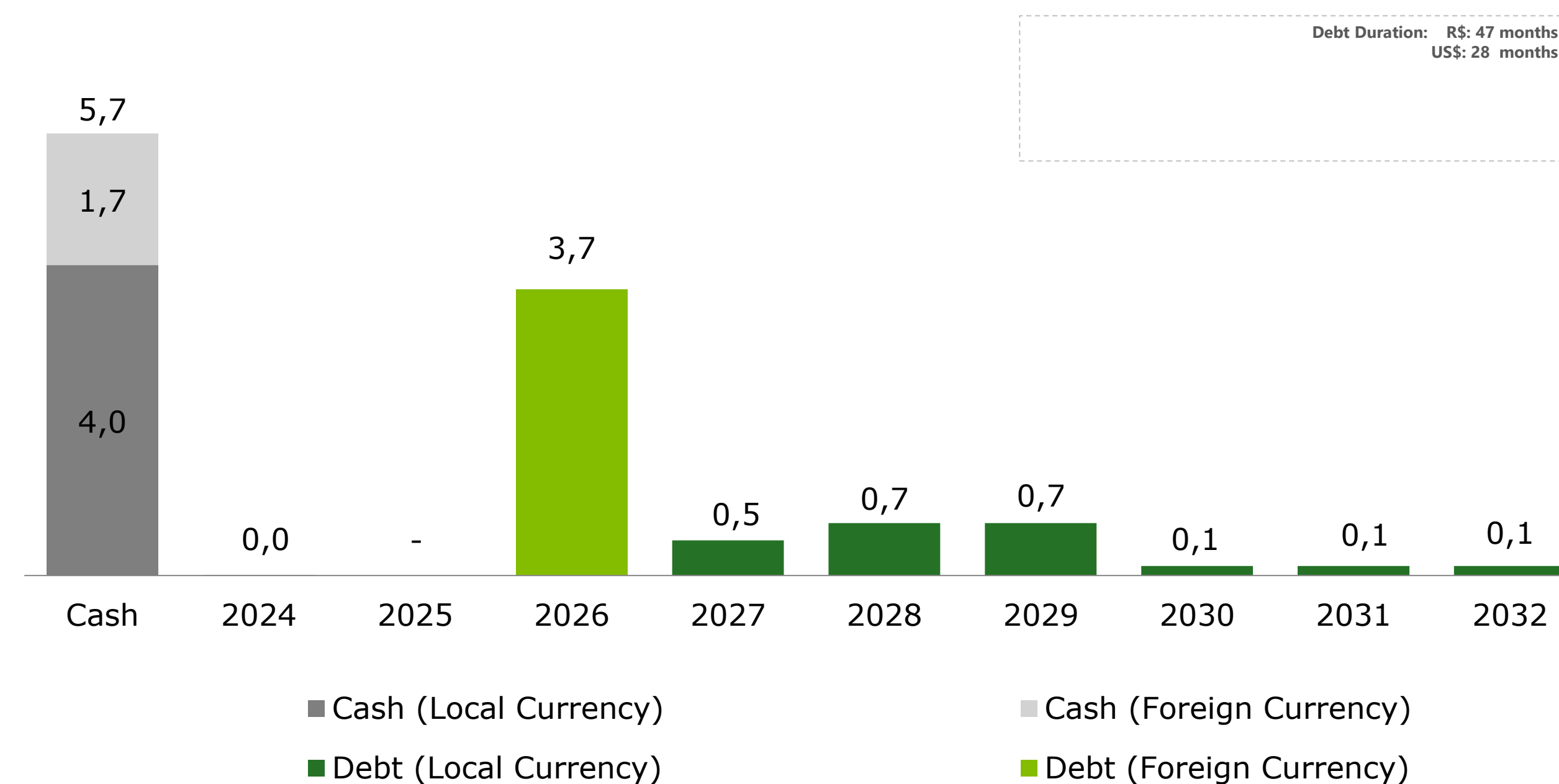
Net debt increased by R\$398 million, mainly due to the reduction in cash. Leverage close to 0.



GROSS DEBT AMORTIZATION PROFILE - PRINCIPAL ONLY

R\$ Million

Debt with practically no maturity until 2026.



Descarbonization Plan

Energy Efficiency

Relining of Usiminas Blast Furnace 3
New Plant to Maximize PCI Injection
Energy Efficiency Management and Projects

Biomass

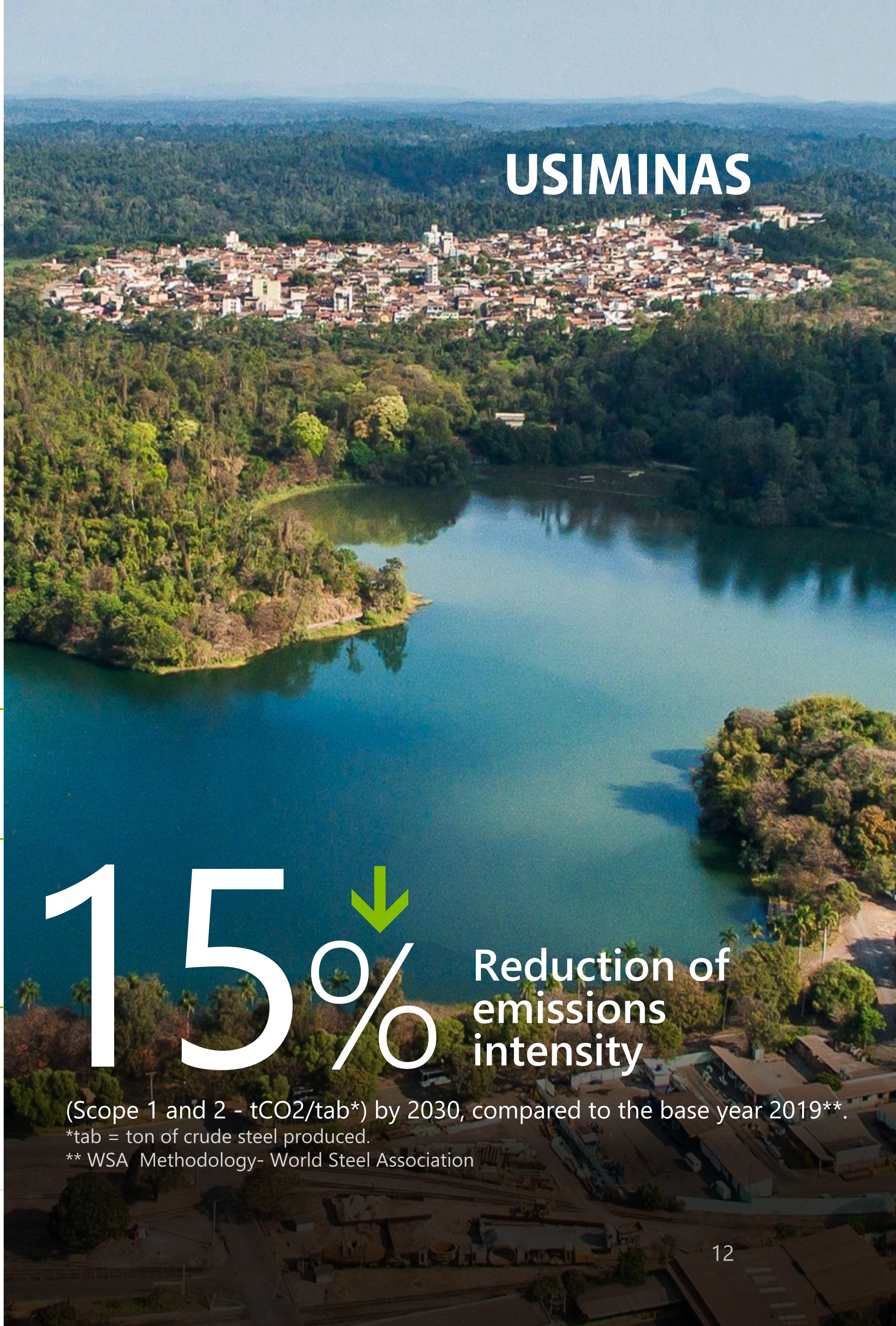
Use of charcoal as a partial substitute for coal/coke

Renewable Energy

Partnership with Canadian Solar to install a photovoltaic park in Jaíba/MG with a self-production capacity of 120 MW from 2025

Optimization of Raw Materials

Maximizing scrap in steelmaking
Blast furnace metal charge optimization



15% Reduction of emissions intensity

(Scope 1 and 2 - tCO₂/tab*) by 2030, compared to the base year 2019**. *tab = ton of crude steel produced. ** WSA Methodology- World Steel Association



1Q24 Institutional Presentation

USIMINAS

OUR AGENDA

1 The Usiminas

2 Usiminas Management Pillars

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USIMINAS

The Usiminas

Overview

- ✓ One of the biggest producers of flat steel in Brazil.
- ✓ Present in six states, covering the entire steel chain
- ✓ Mining and logistics, capital goods, service and distribution centers and customized solutions.
- ✓ Two steel mills strategically located along Brazil's main industrial axis.
- ✓ Sales units present in the main regions of the country.
 - ✓ Founder of the longest-running environmental education project in the private sector since 1984.
- ✓ First Brazilian steel company certified by ISO 9001.

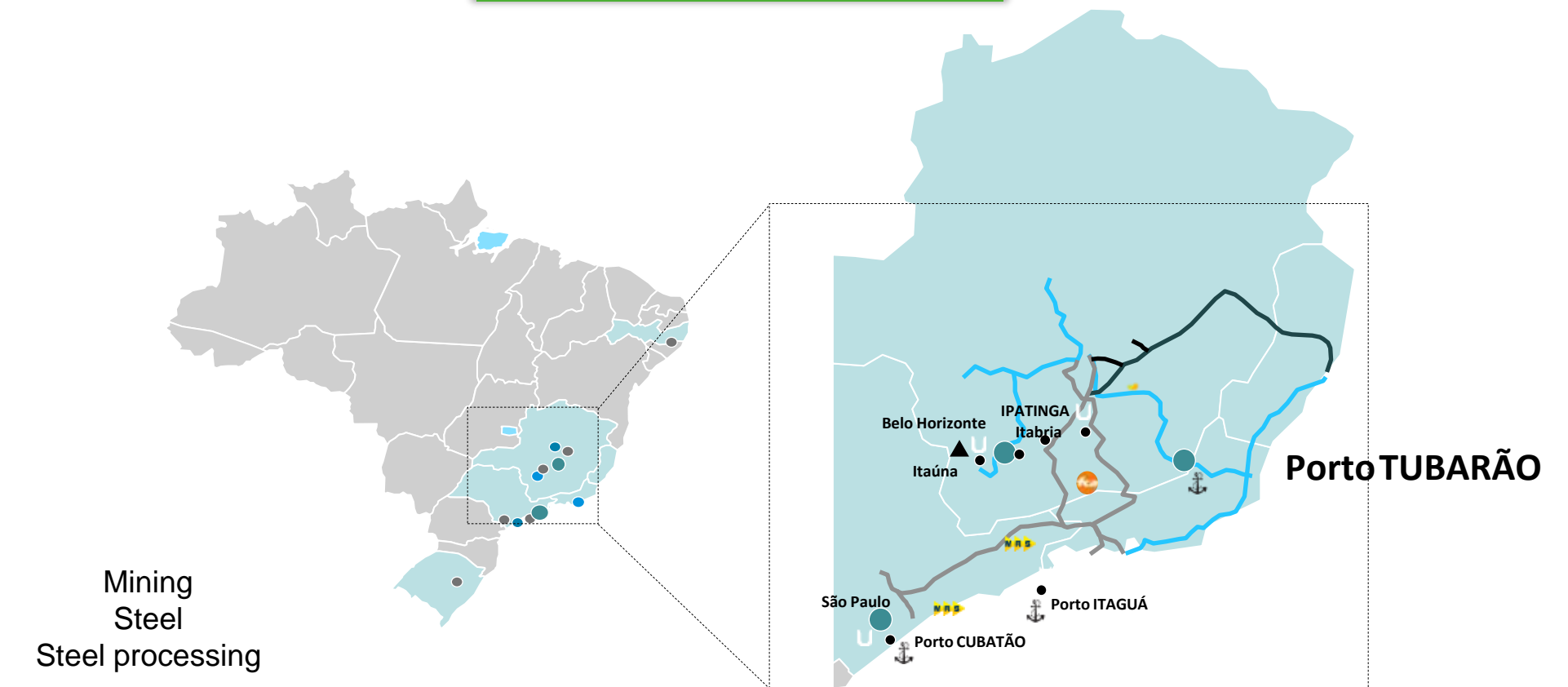


The Usiminas

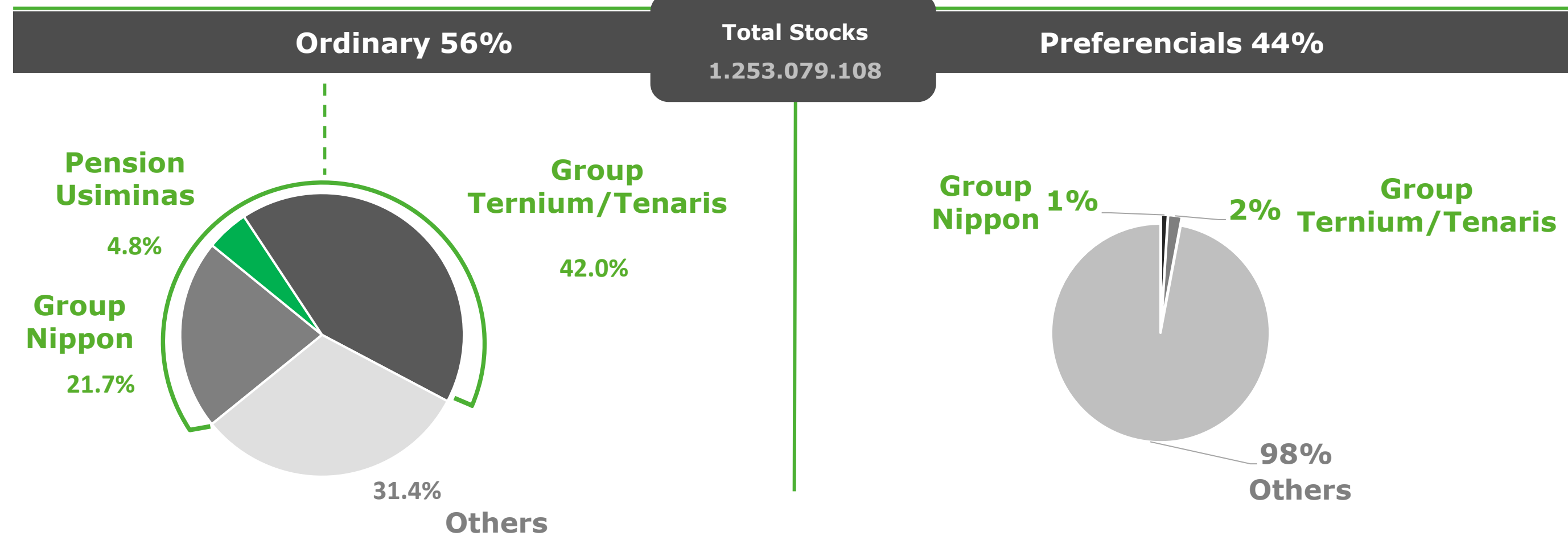
Financial Highlights

	2017	2018	2019	2020	2021	2022	2023
Net Revenue (R\$ mi)	10,734	13,737	14,949	16,088	33,737	32,471	27,638
<i>annual growth</i>	27%	28%	9%	8%	110%	-4%	-15%
Ajusted EBITDA (R\$ mi)	2,186	2,693	1,973	3,194	12,830	4,905	1,753
<i>Margin</i>	20%	20%	13%	24%	38%	15%	-64%
Net Profit (loss)(R\$ mi)	315	829	377	1,292	10,060	2,093	975
<i>Net Margin</i>	3%	6%	3%	8%	30%	6%	6%
Gross Debt	6,656	5,854	5,111	5,793	6,304	6,202	5,921
Cash And Cash Equivalent	2,314	1,693	1,921	4,868	7,023	5,072	6,009
Net Debt	4,342	4,161	3,189	1,105	(720)	1,130	89
<i>Debt / EBITDA</i>	2.0 x	1.6 x	1.6 x	0.3 x	-0.06x	0.23x	-0.05x

Geographic Location



Shareholding composition



Complete Solutions in Products and Services

Mining

Mineração Usiminas



- JV formed in 2010 through a partnership with Sumitomo Corporation
- Responsible for the mining operations, in addition to rail and port transportation
- Three iron ore plants at Serra Azul - MG

Steel Unit

Ipatinga | Cubatão | Unigal | Soluções Usiminas



- One of the largest producers of flat rolled steel in Brazil
- Two industrial plants in Ipatinga (MG) and Cubatão (SP)
- Also holds Unigal Usiminas, a JV with Nippon Steel responsible for steel hot-dip galvanizing activities, enhancing the technology content within Usiminas' steel.

- A Soluções Usiminas foi incorporada na unidade de Siderurgia a partir do 4T23. Criada em 2009, possui amplo portfólio de produtos e serviços de transformação e distribuição de aços planos e atende 3 principais setores: distribuição, tubos e JIT (just in time).



Upstream

Downstream

USIMINAS

Mining

Overview

- ✓ JV formed in 2010 through a partnership with Sumitomo Corporation (30% economic stake) responsible for mining and railway operations.
- ✓ Three mining sites in the Serra Azul region (MG), with resources of 2.4 billion tons of iron ore.
- ✓ Asset base also includes pellet and sinter feed processing plants.
- ✓ Current capacity of 12 million tons/year
- ✓ The company also has voting equity stake of 20% of MRS Logística and a strategic field in Sepetiba Bay (RJ).

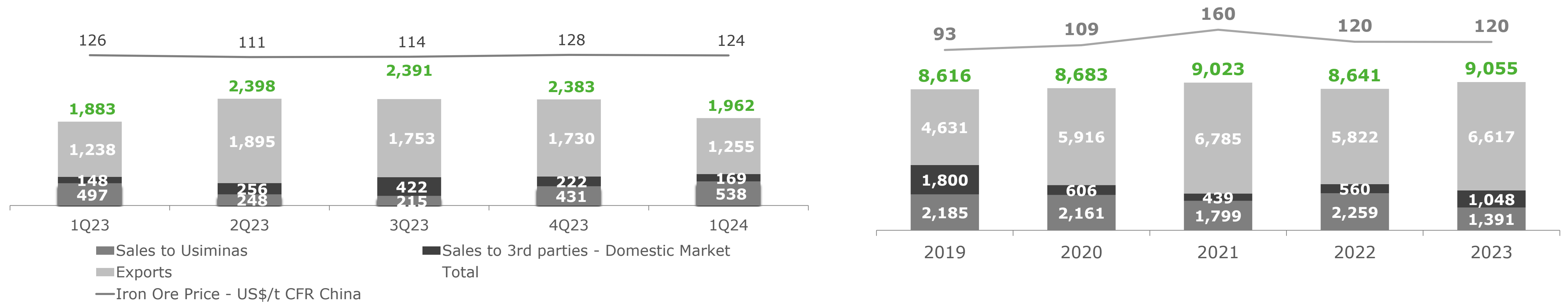


Mining

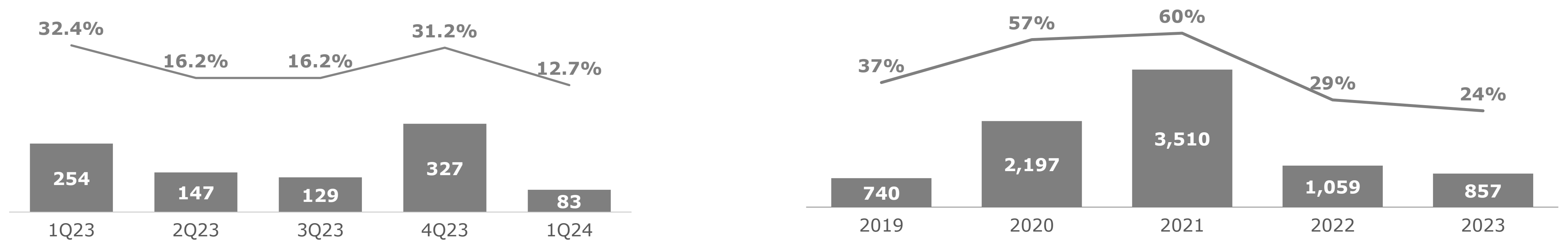
Destques Financeiros

Iron Ore Sales and Price PLATTS (62% FE CFR China)

Mining Business Unit - Thousand tons - Prices in US\$/ton



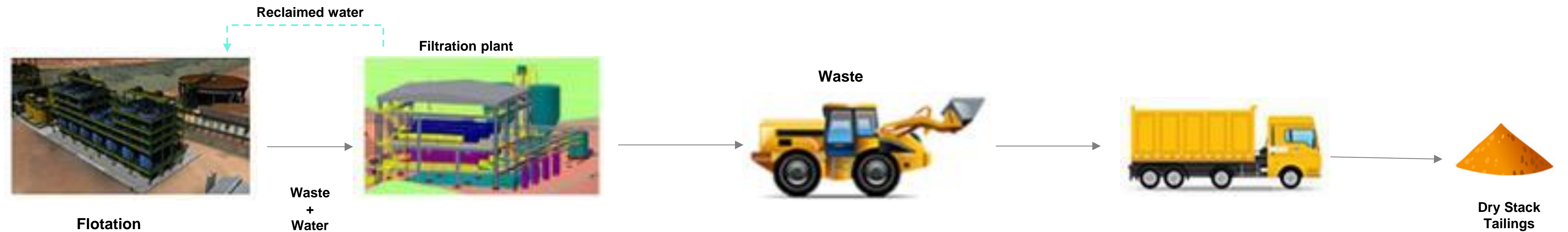
EBITDA (R\$ mm) and EBITDA Margin (%)



Mining

Dry Stacking

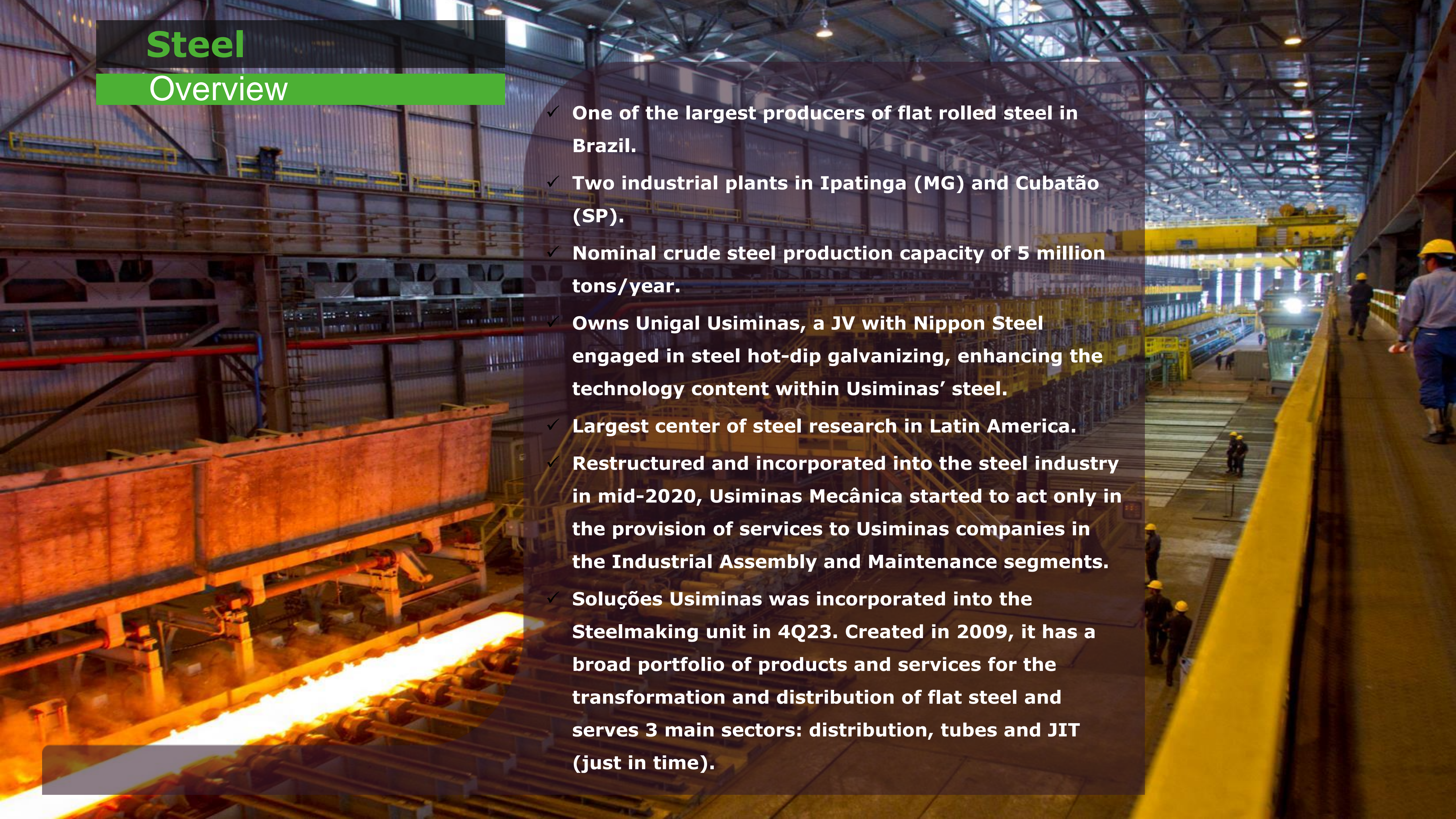
- ✓ Disposal of tailings by the dry stacking process, replacing dams
- ✓ Started operation in December 2021
- ✓ R\$235 million invested



Steel

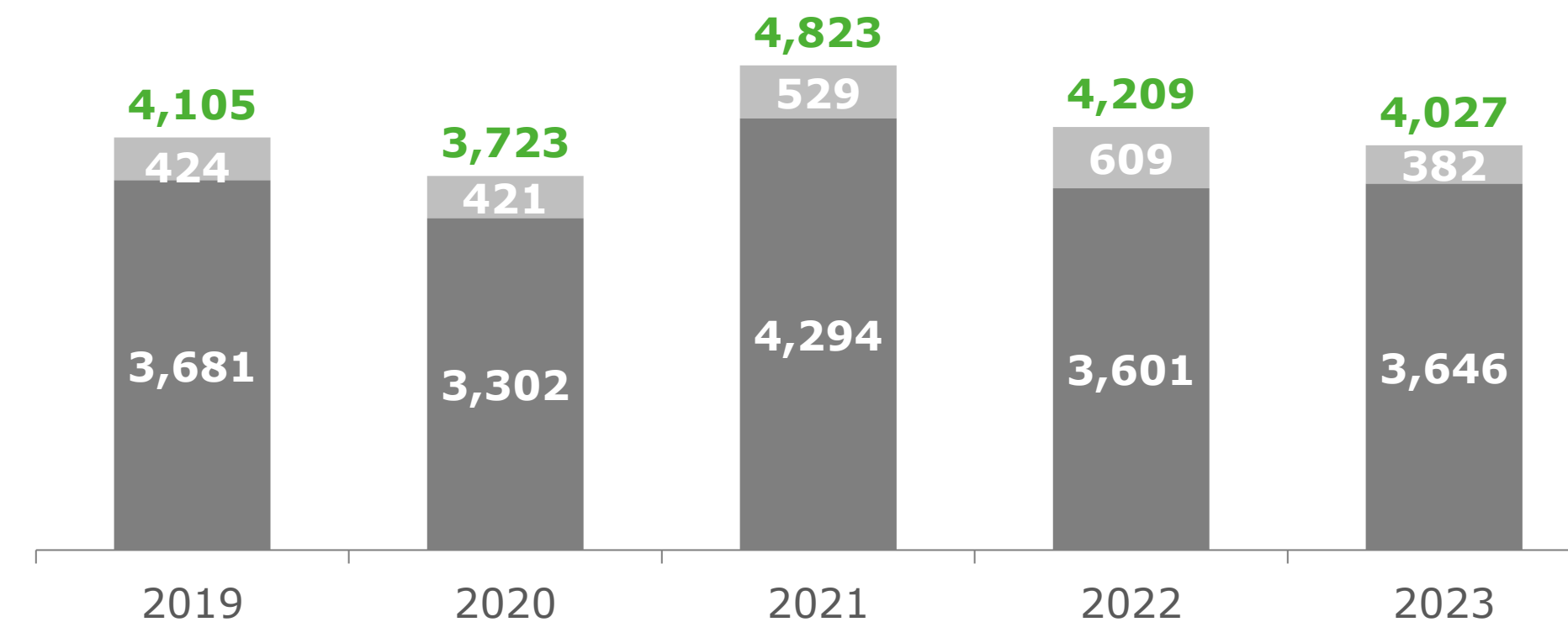
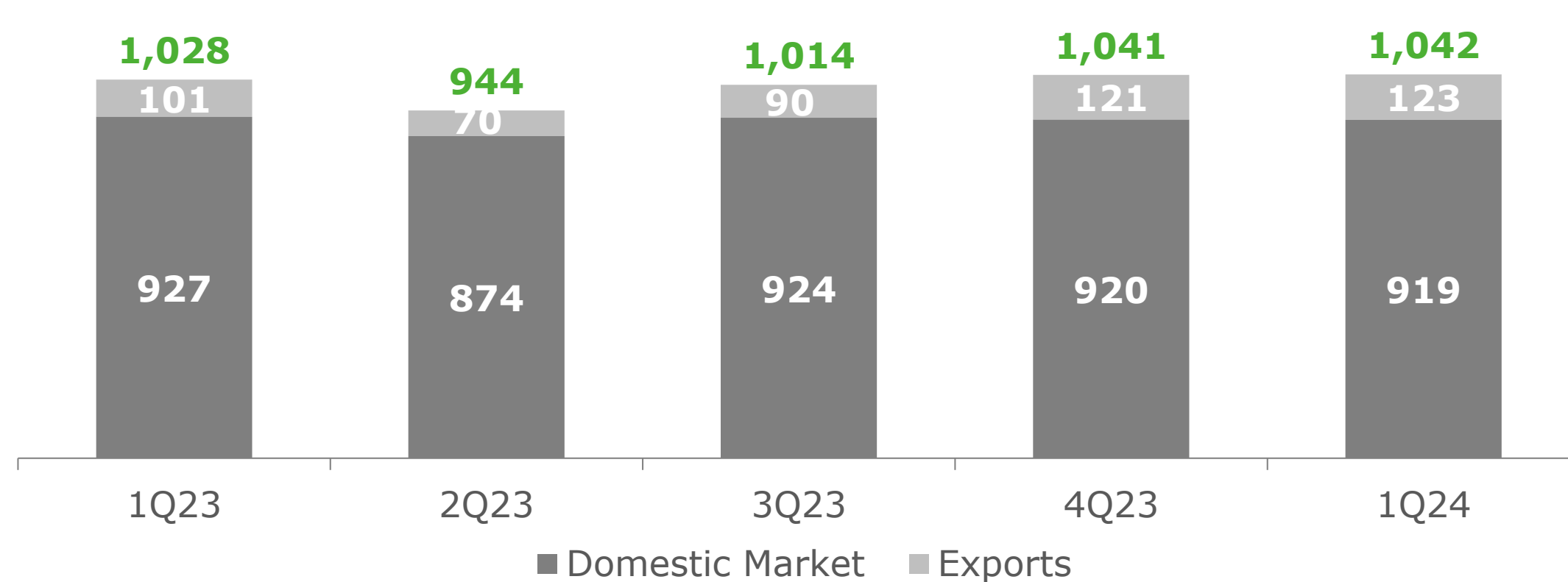
Overview

- ✓ One of the largest producers of flat rolled steel in Brazil.
- ✓ Two industrial plants in Ipatinga (MG) and Cubatão (SP).
- ✓ Nominal crude steel production capacity of 5 million tons/year.
- ✓ Owns Unigal Usiminas, a JV with Nippon Steel engaged in steel hot-dip galvanizing, enhancing the technology content within Usiminas' steel.
- ✓ Largest center of steel research in Latin America.
- ✓ Restructured and incorporated into the steel industry in mid-2020, Usiminas Mecânica started to act only in the provision of services to Usiminas companies in the Industrial Assembly and Maintenance segments.
- ✓ Soluções Usiminas was incorporated into the Steelmaking unit in 4Q23. Created in 2009, it has a broad portfolio of products and services for the transformation and distribution of flat steel and serves 3 main sectors: distribution, tubes and JIT (just in time).

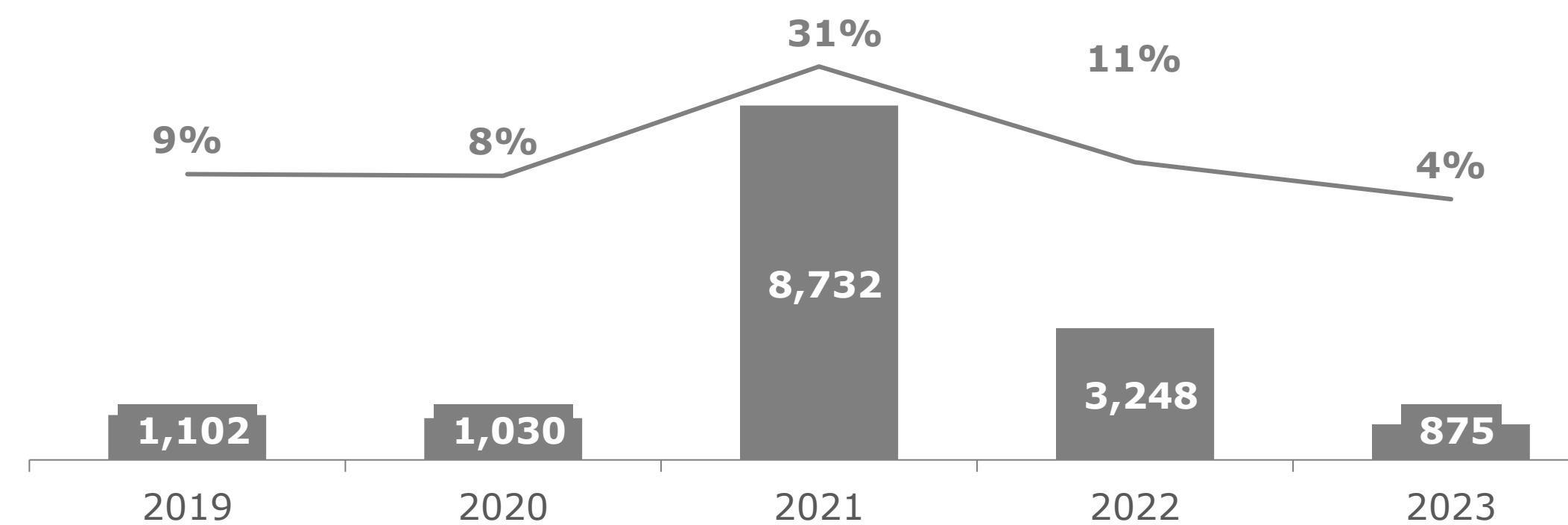
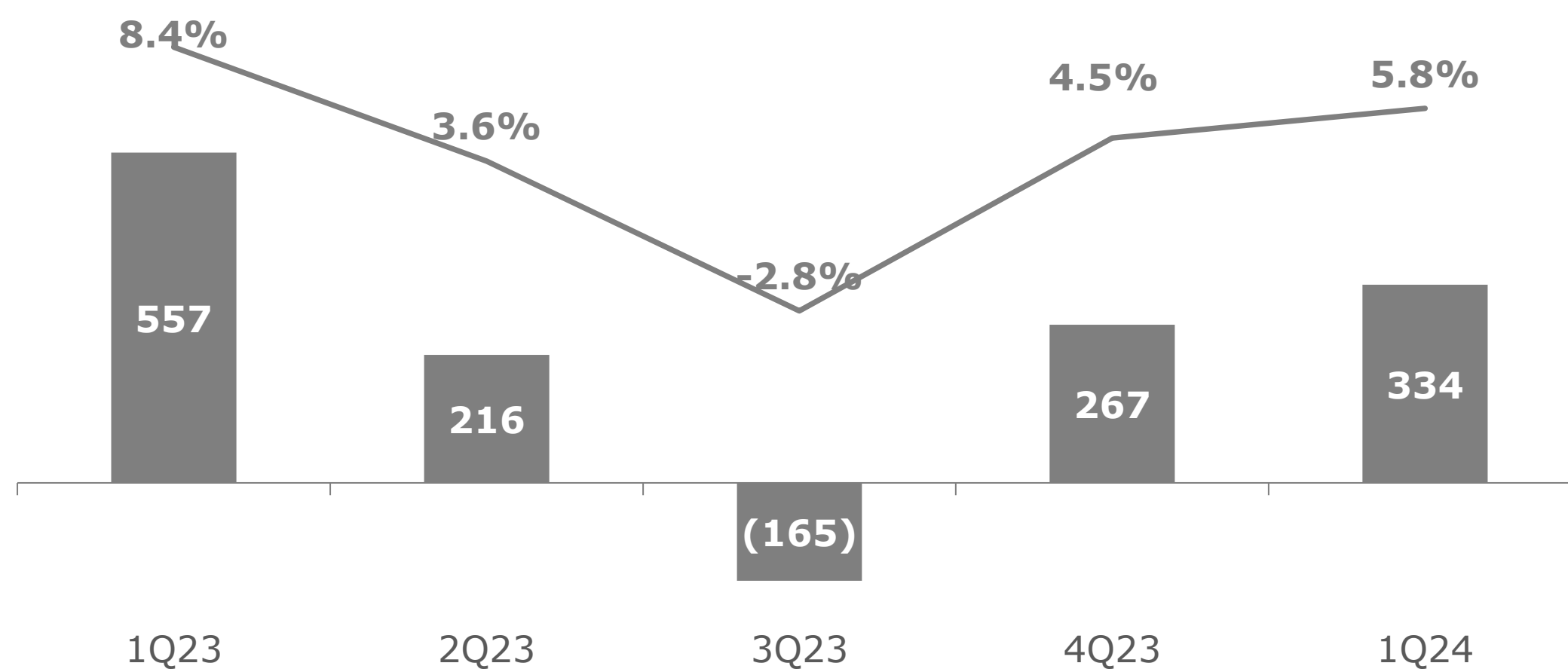


Steel

Steel Sales Evolution (Thousand tons)



EBITDA (R\$ mm) and EBITDA Margin (%)



Steel



Civil
Construction



Machinery
and
Equipment



Pipelines



Capital Goods



Wind Energy



Oil and Gas



Civil
Construction



Machinery
and
Equipment



Pipelines



Auto Industry



Solar Energy



Oil and Gas



Civil
Construction



White Line



Auto Industry



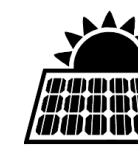
Civil
Construction



White Line



Auto Industry



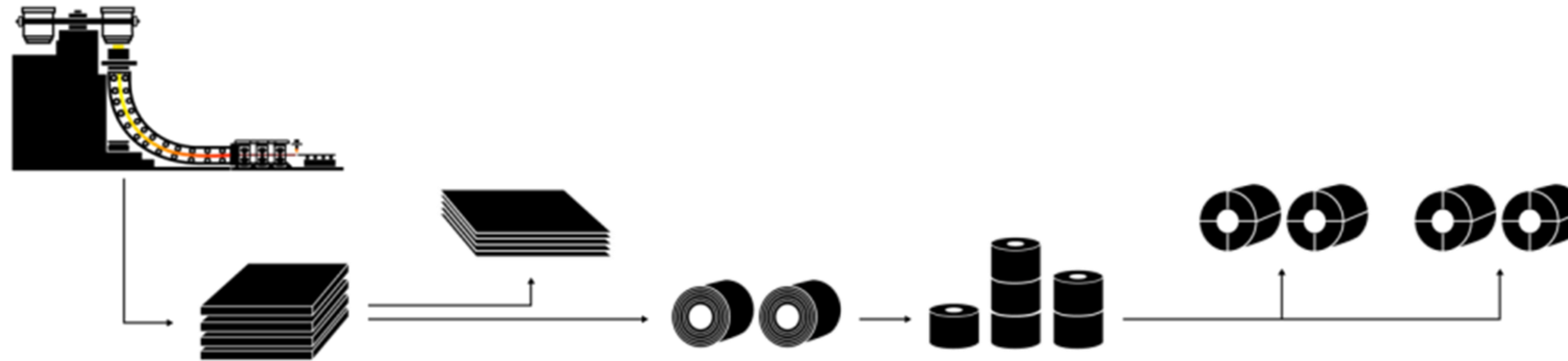
Solar Energy

Steel

Flat steel consumption markets

The total crude steel generation capacity is 5 million tons and is located in Ipatinga.

Current capacity for generating finished products, considering the galvanizing lines (EG and HDG) and heavy plates at their maximum capacities.



Total Production Capacity of Products for Sale	Heavy Plates	Hot Rolled	Cold Rolled	Galvanized		Total
				Electrogalvanized	HDG	
	1,000	1,800	2,710	360	1,030	6,900

Strategic investments in the Ipatinga plant

Steelworks 2



- **R\$535 million** in investments by 2023
- Replacement and repair of main metal structures
- Recovery of main foundations and scale channels
- Recovery and modernization of slab cutting machines

Expected benefits



Costs reduction



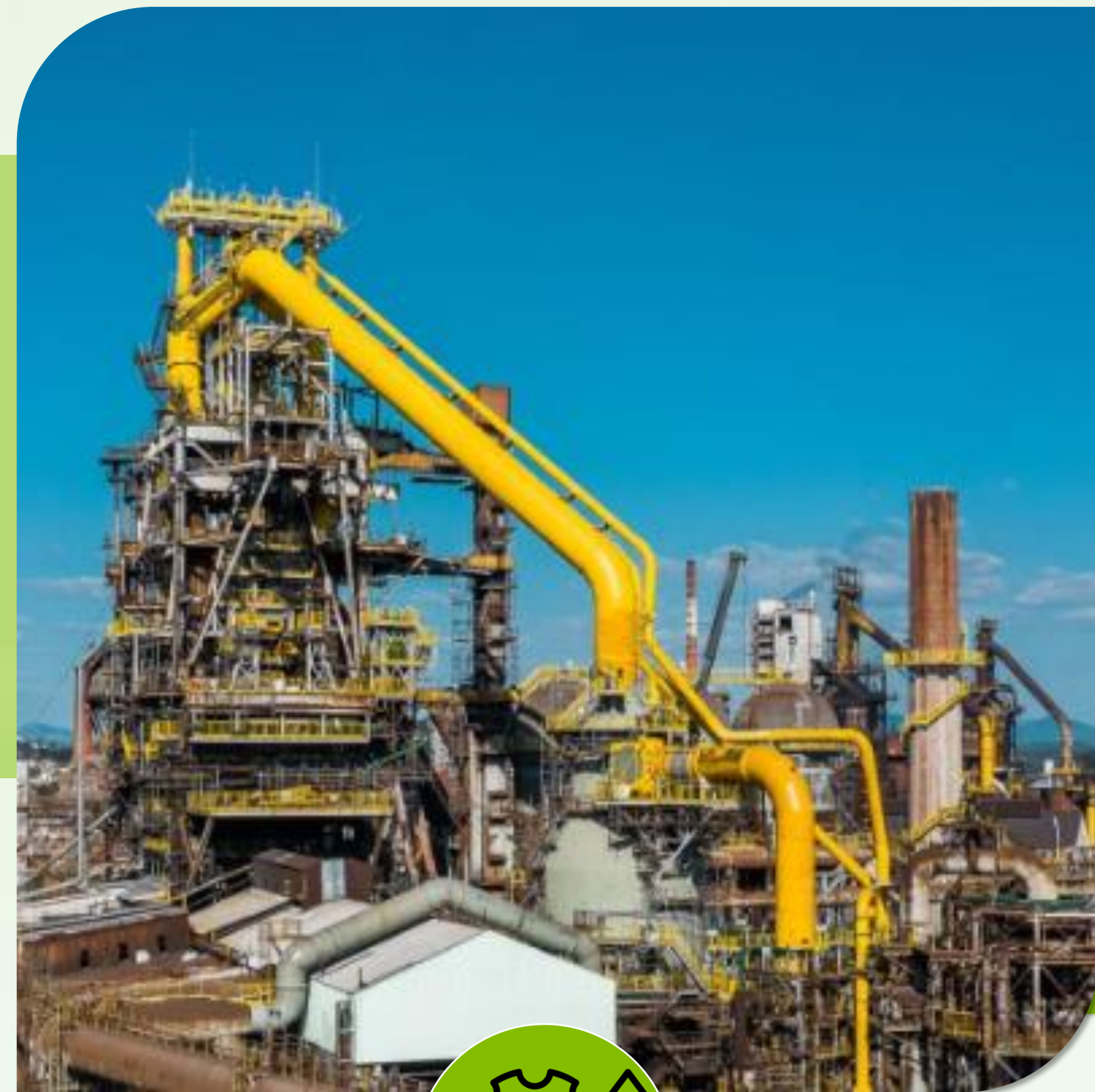
Higher productivity



Greater efficiency and process control

USIMINAS

Strategic investments in the Ipatinga plant



Blast Furnace 3

- **R\$2.7 billion in investments**
- **Ramp-up** continues as **planned**

Expected benefits

Compared to the pre-revamp period



Productivity gains > 30%



Fuel efficiency gains: 9%
Gains in specific coke consumption: 20%



GHG reduction with the incorporation of sophisticated control models

➤ **Expect stable production and costs in the first half of 2024**

USIMINAS

Steel

Research and Development

Largest steel research center in Latin America

- ✓ **More than 50 years of experience**
- ✓ **17 laboratories**
- ✓ **Largest number of steel patents in Latin America (101 letters patent)**
- ✓ **Focus on developing new steels and improving production processes**

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USIMINAS

People

Social and Environmental Highlights

Highlights



VOU – Usiminas Volunteers

1.384 employees registered on the platform, **52** actions carried out in ten cities. **1,642** thousand hours dedicated in 2022.



Program for the Recovery and Preservation of Green Areas

12,500 seedlings were produced, of which 1,000 were planted were donated to employees and the community.



18 Thousand

received the quadrivalent vaccine in 2022, among employees and dependents.



336

Scholarships

to the São Francisco Xavier Educational Foundation in 2022.



Márcio Cunha Hospital

recognized by Newsweek magazine as as one of the best Brazilian hospitals for the 3rd consecutive year.

“Mobiliza Caminhos do Vale” Project

Promotes the recovery of rural roads based on steel aggregates, having as a counterpart the realization of socio-environmental projects and the recovery of springs by the municipalities

- ✓ **3.7 Million** tons of applied Siderbrita
- ✓ **1.3 Million** beneficiaries
- ✓ **4,600 km** of rural roads recovered
- ✓ **60 municipalities** already benefited



USIMINAS

People

“Mobiliza Todos pela Água” Project

In partnership with the municipalities, uses metallurgical co-products in the recovery of springs



36,000
Seedlings
donated to
municipalities



1,600
Springs
protected



5,500
Springs
identified and
mapped

People

“Mobiliza Caminhos do Vale” Project

Socio-environmental projects as counterpart in Marliéria



Socio-environmental considerations in Paraíso and Iapú



Increase in tourism and handicraft, and helping the local products flow



Construction of the free flight ramp in the community of Achado, 2nd largest in the State of Minas Gerais

People

Education and Culture

São Francisco Xavier School

First educational institution in Brazil to obtain ISO 9001



Usiminas Institute

Usiminas invested over R\$260 million, encouraging around 2,000 social projects since 1993



Projects and Programs

Xerimbabo Usiminas Project

Promotes protection and environmental education free of charge for more than 2 million young people



“Plante uma vida” Project

The initiative promotes the planting of native tree by employees who had a children in the year



People

Social and Environmental Highlights

São Francisco Xavier Foundation

Márcio Cunha Hospital – Unit I

Reference center in the area of health in Brazil



Márcio Cunha Hospital – Unit II

Internação, Atendimento Ambulatorial, Centro de Diagnóstico por Imagem e Usifamília



Carlos Chagas Municipal Hospital

Reference for the municipalities of the Itabira microregion to SUS patients



People

Social and Environmental Highlights

Libertas Hospital

**New hospital in
installation by FSFX,
occupying the **old
headquarters building**
in Belo Horizonte**

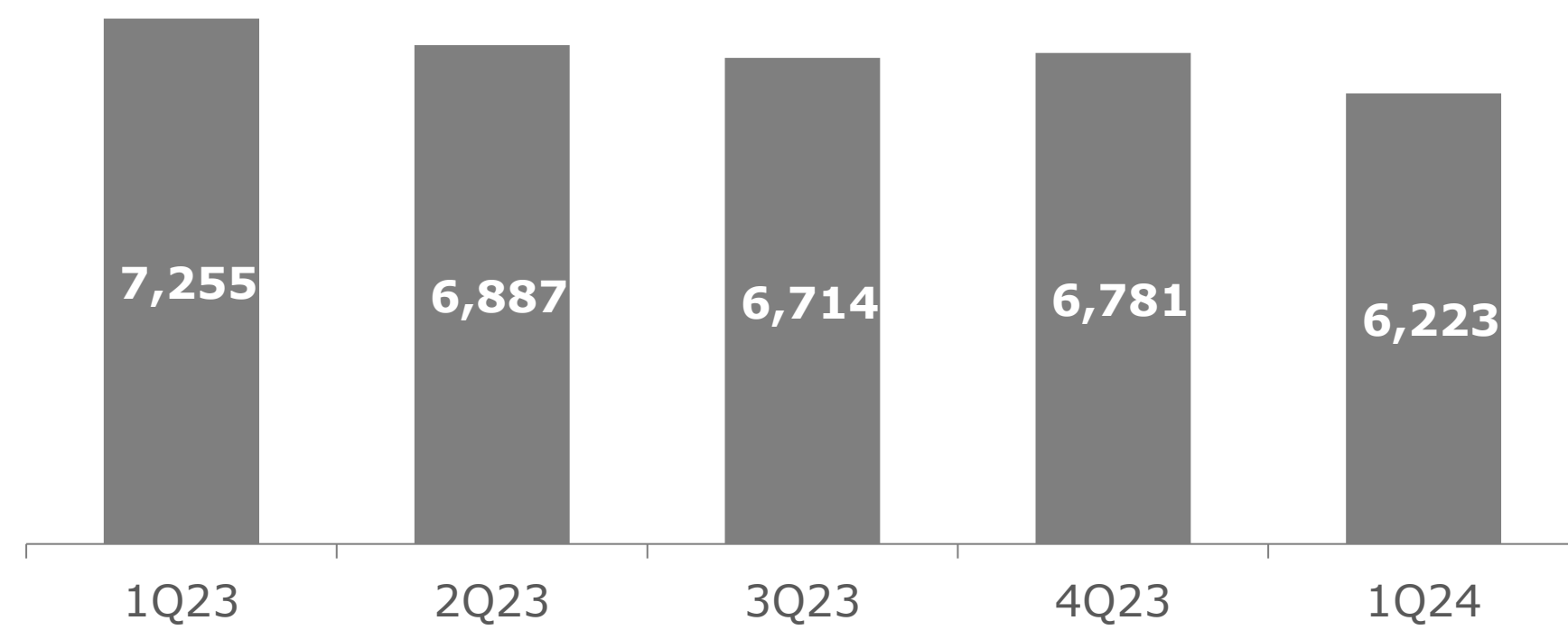
**Inicial opening of
140 beds
(380 in total)**

USIMINAS

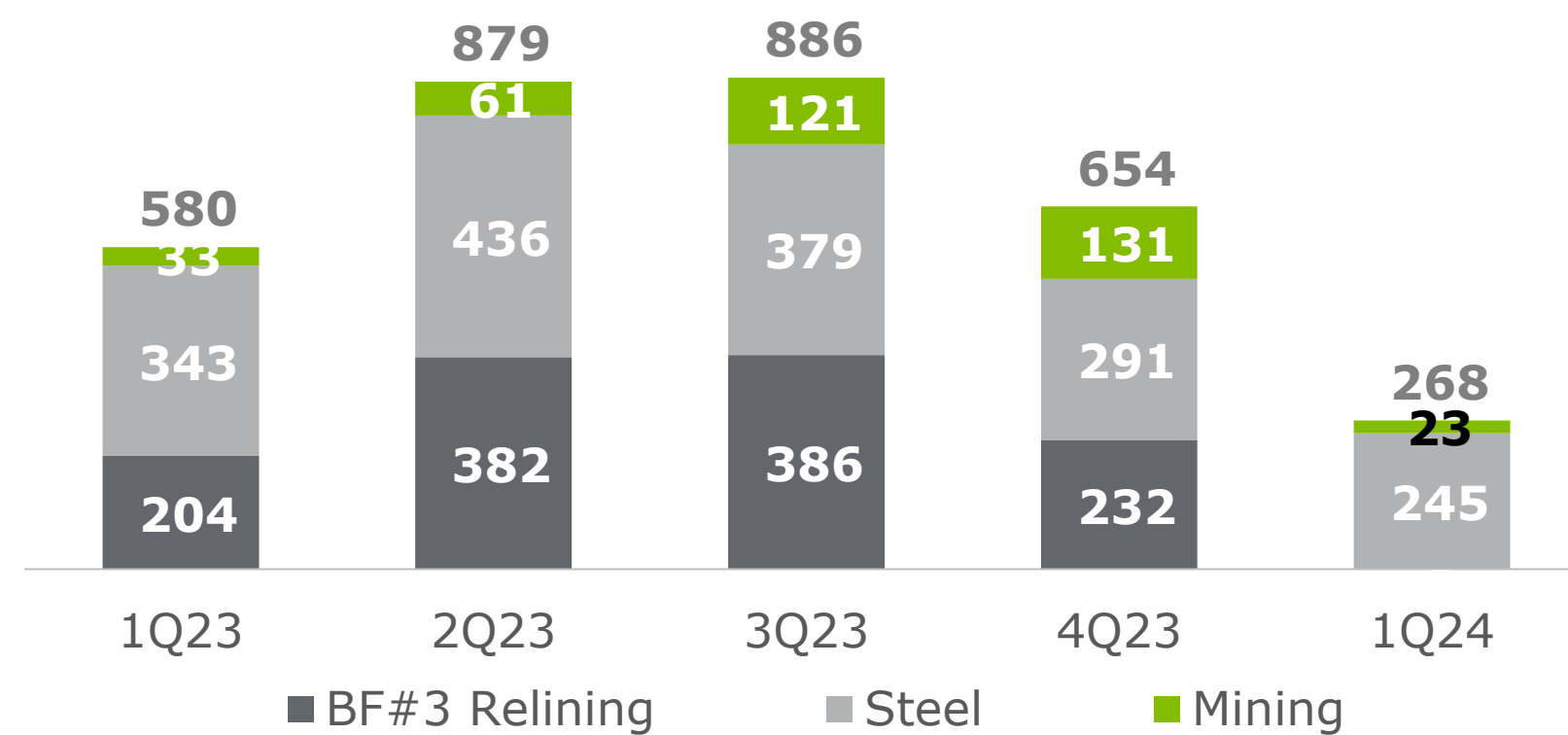
Results

(R\$ Million, except otherwise indicated)

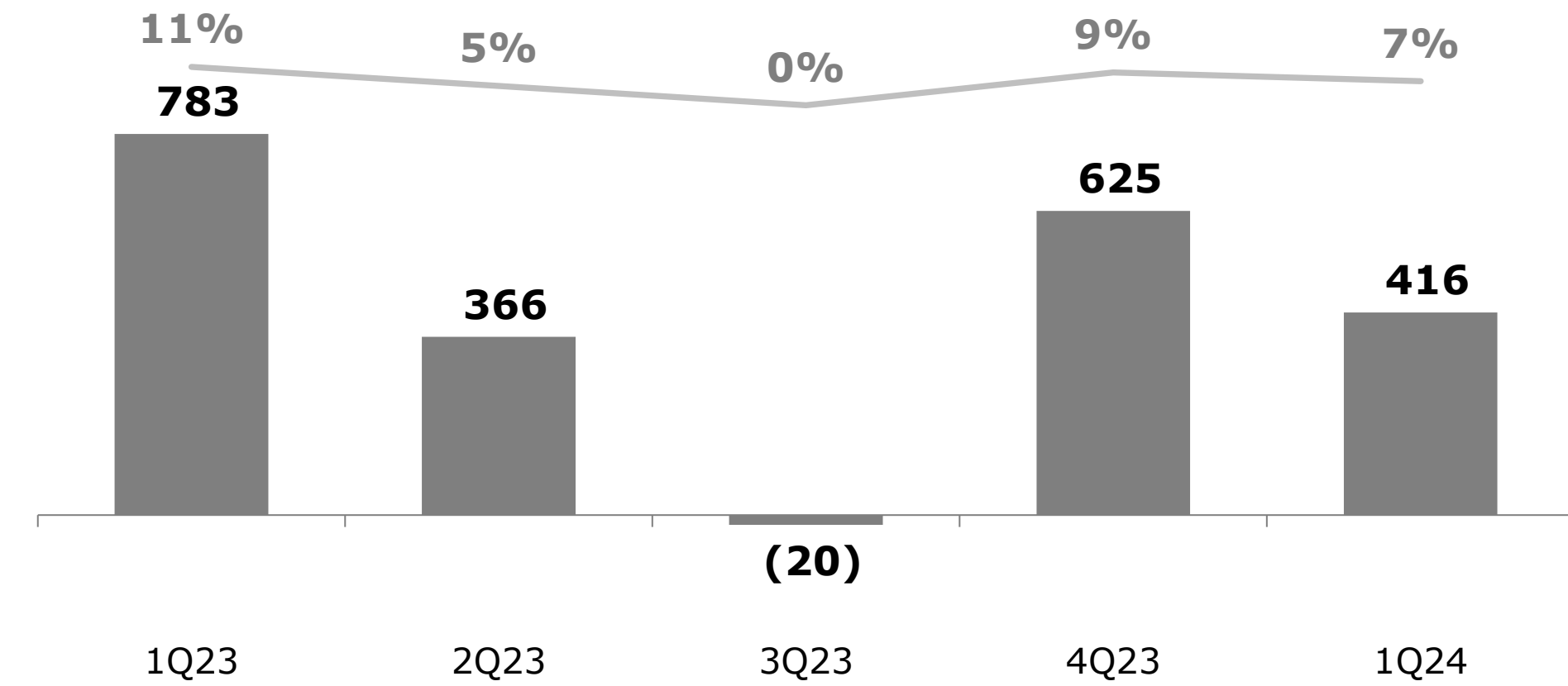
Net Revenues



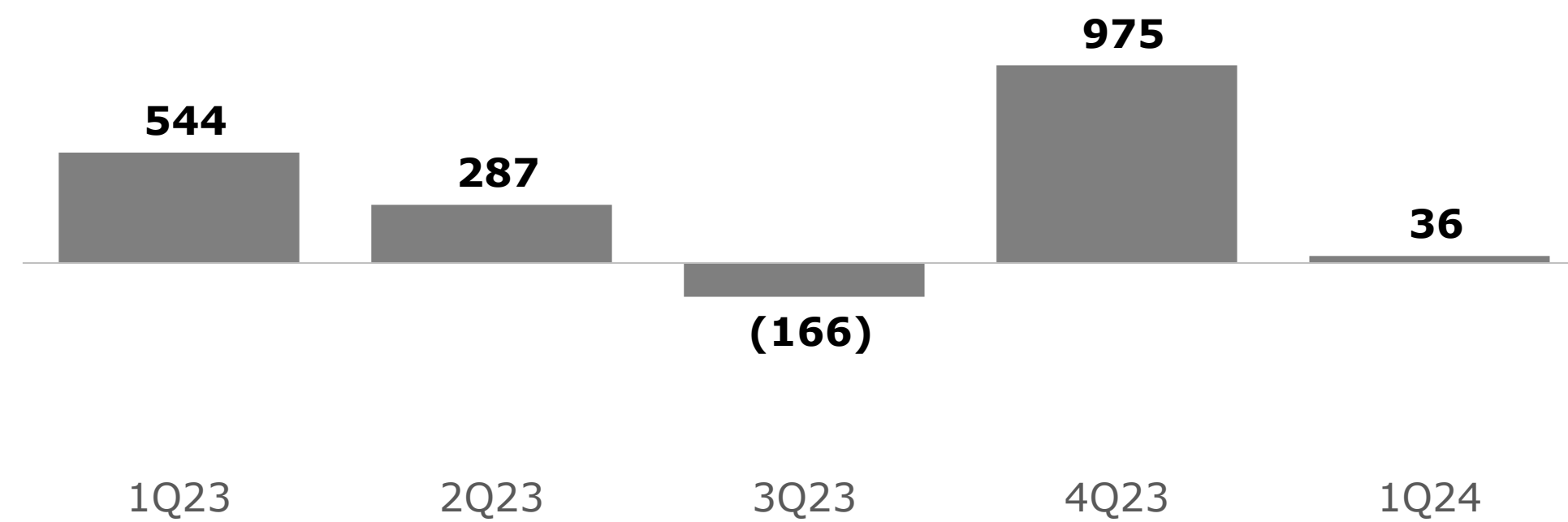
Capex



Ajusted EBITDA and adjusted EBITDA margin



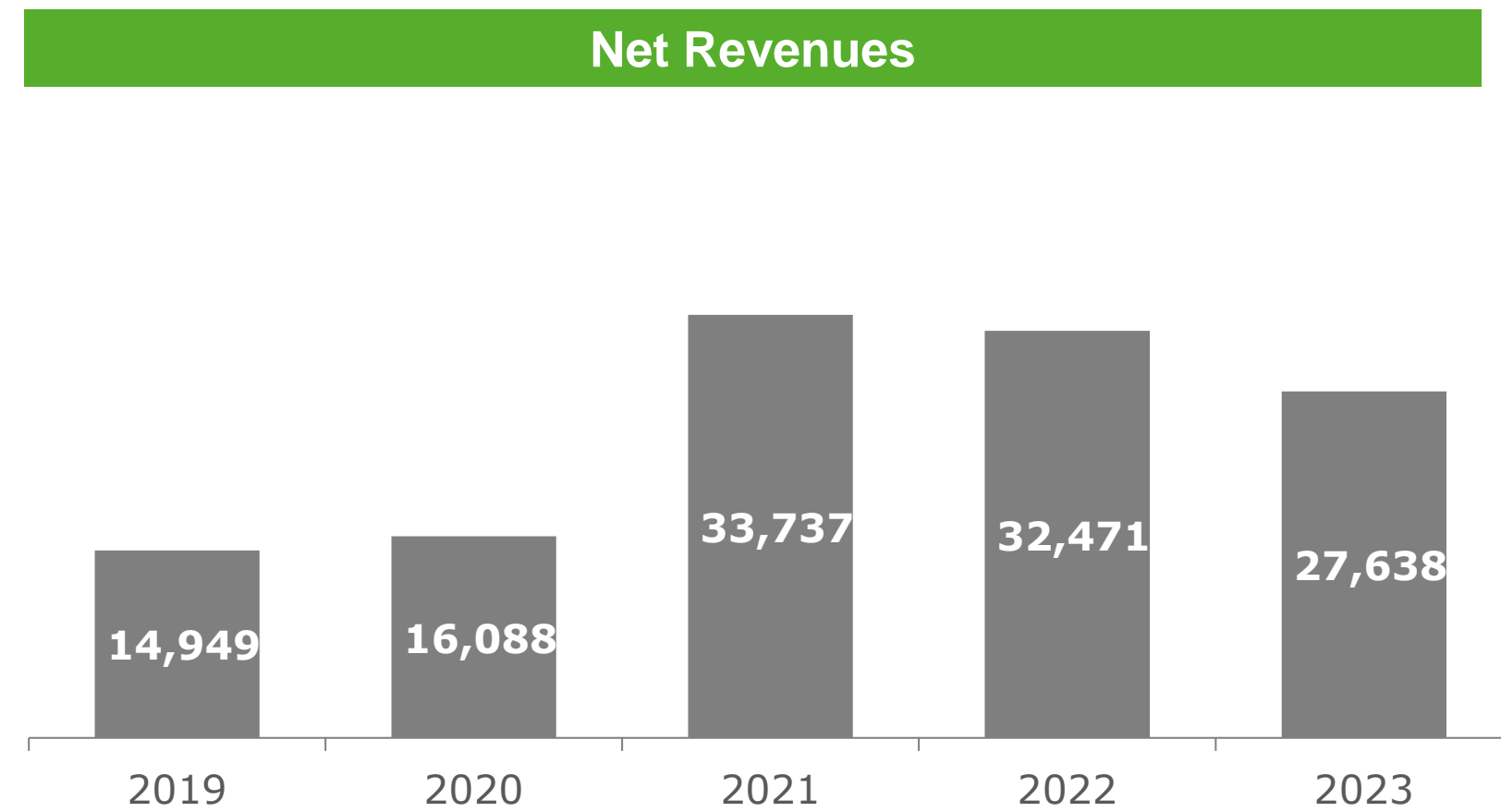
Net income



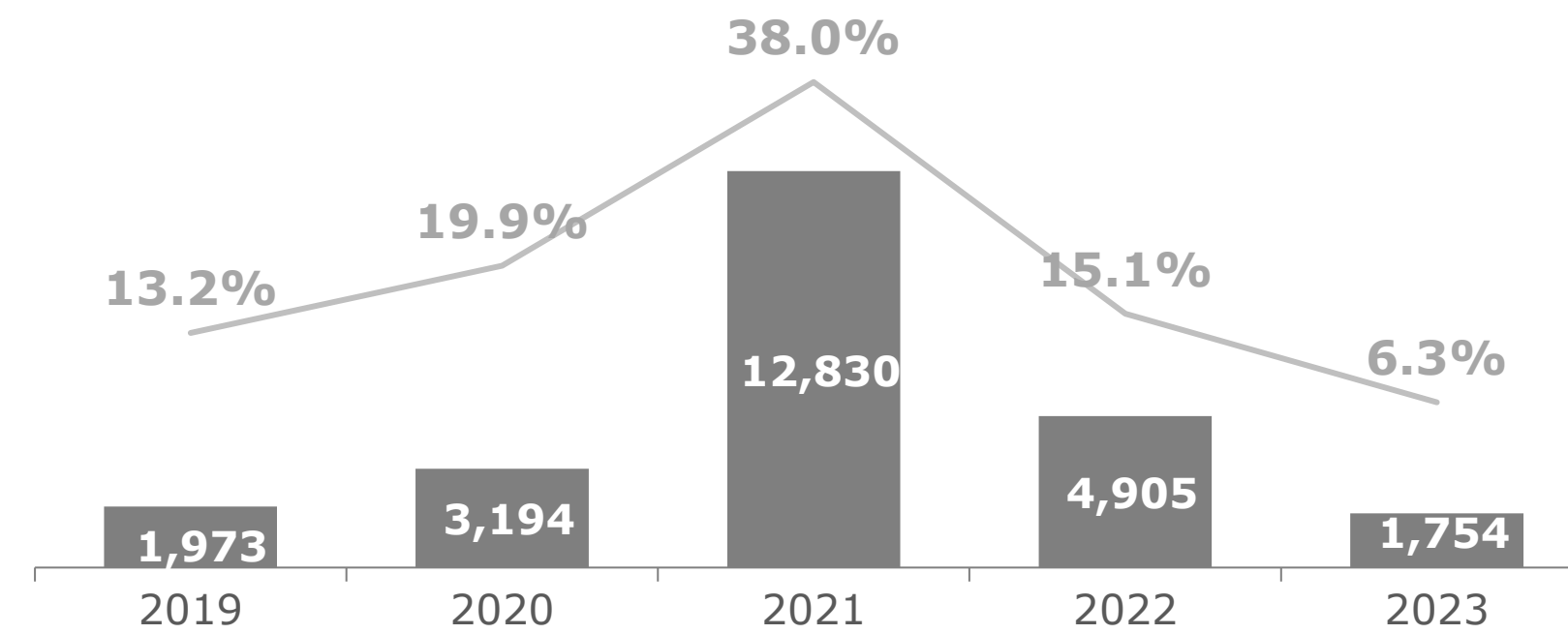
Results

(R\$ Million, except otherwise indicated)

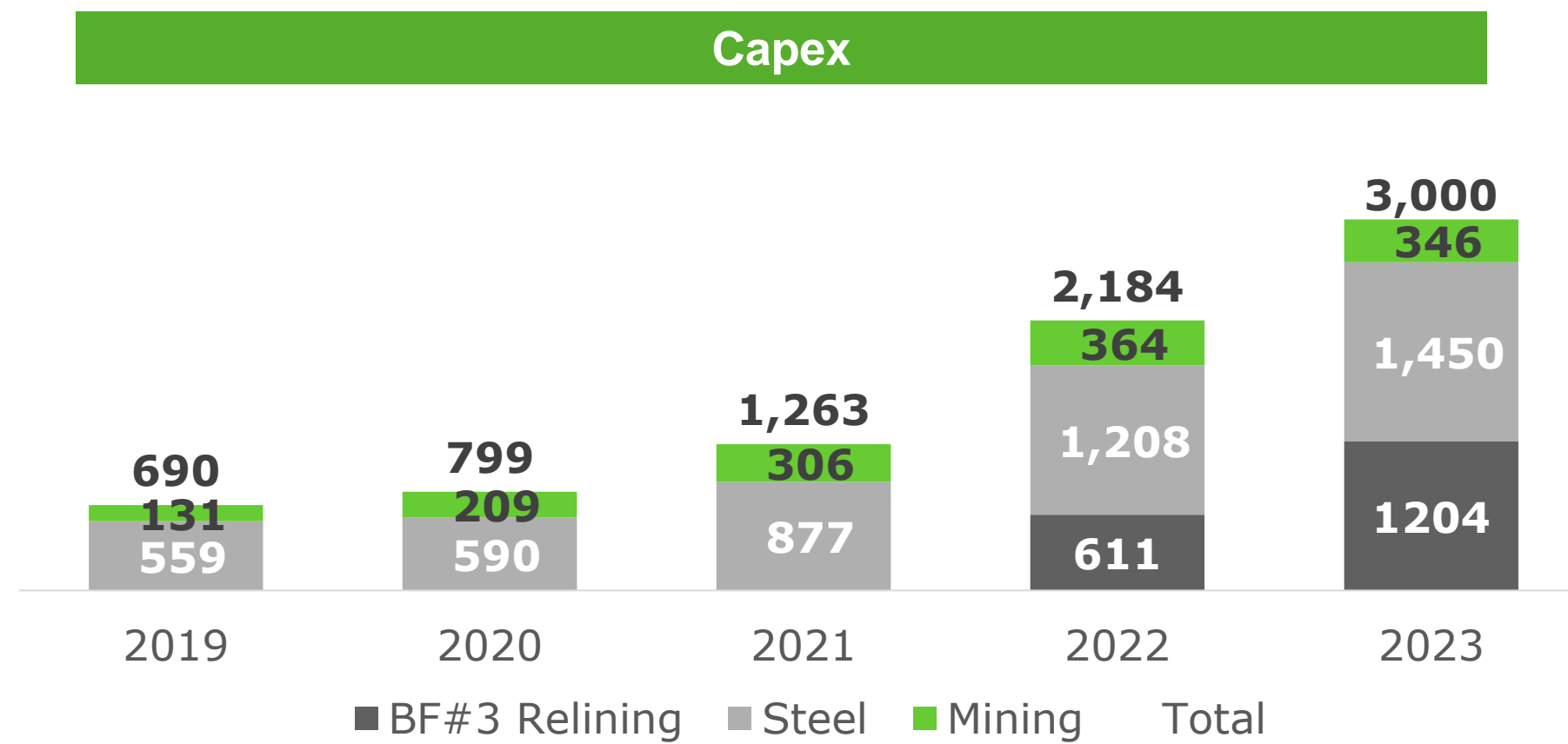
Net Revenues



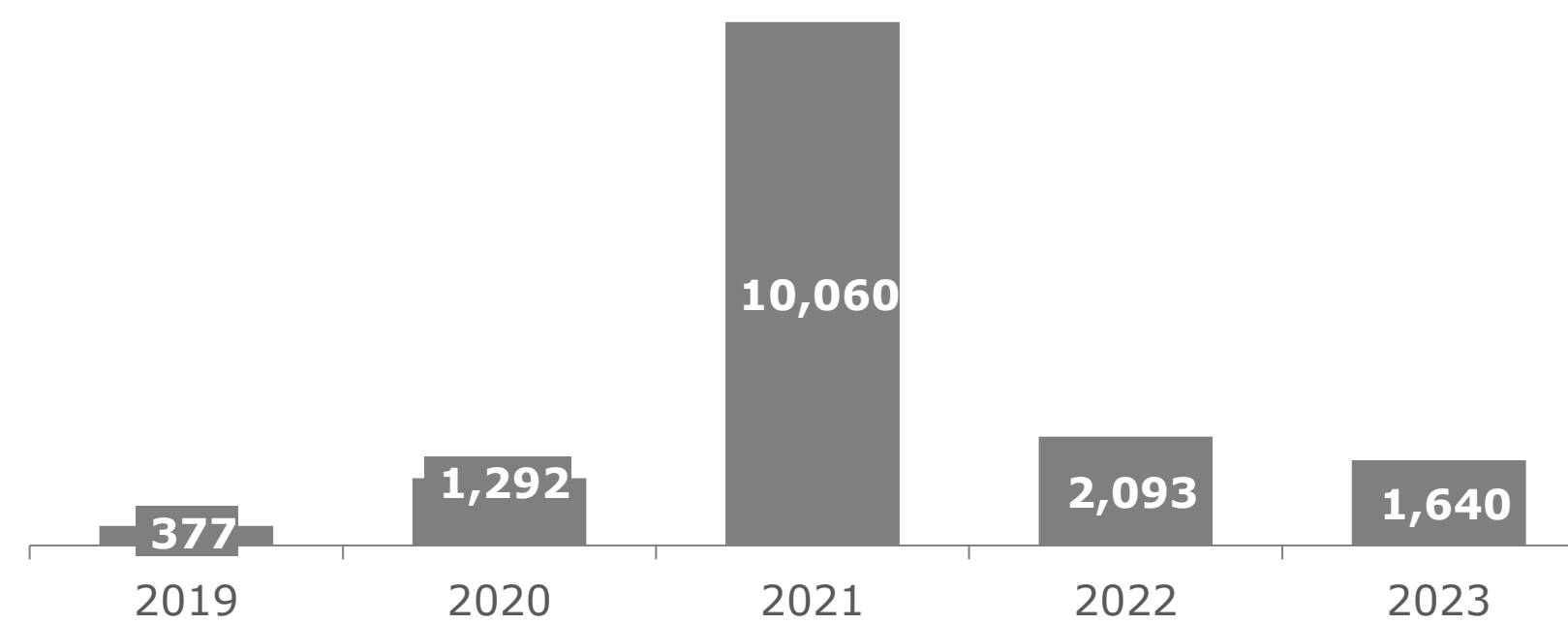
Ajusted EBITDA and Ajusted EBITDA Margin



Capex



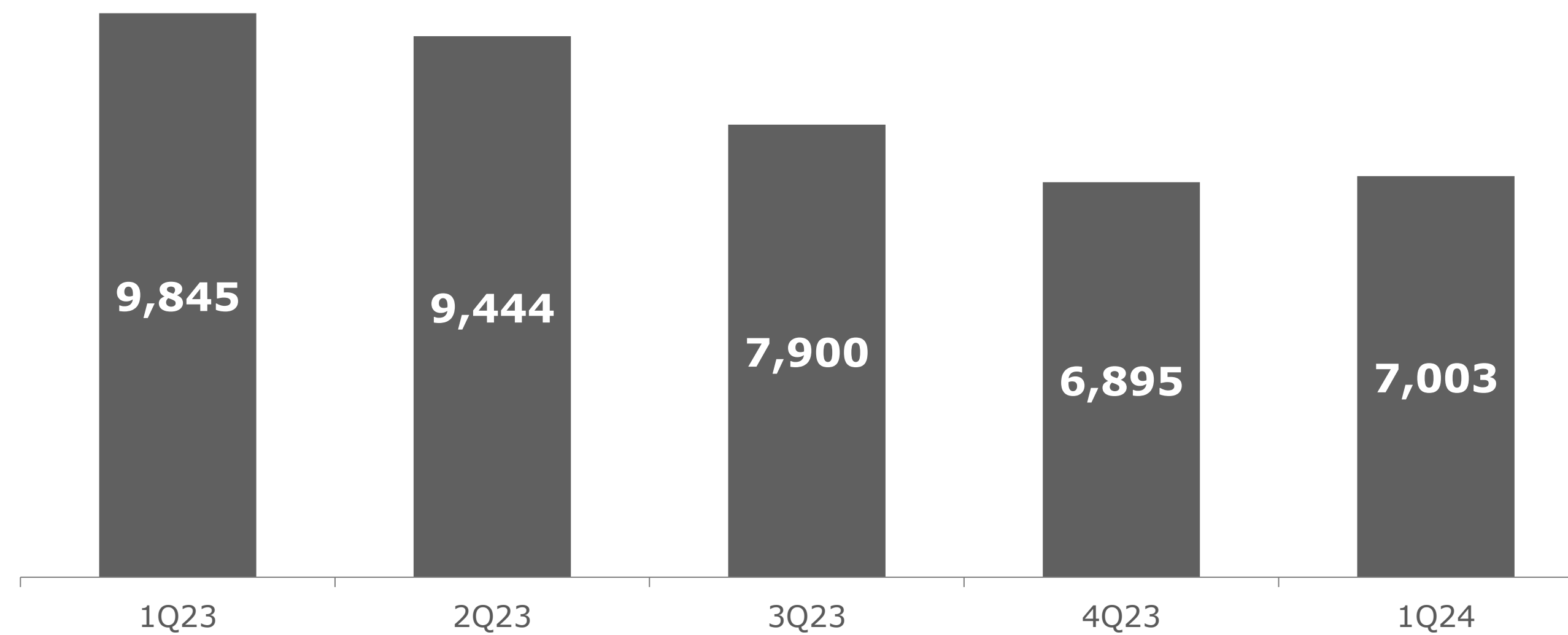
Net Income and Net Margin



Results

Financial Results

Working Capital (R\$ million)

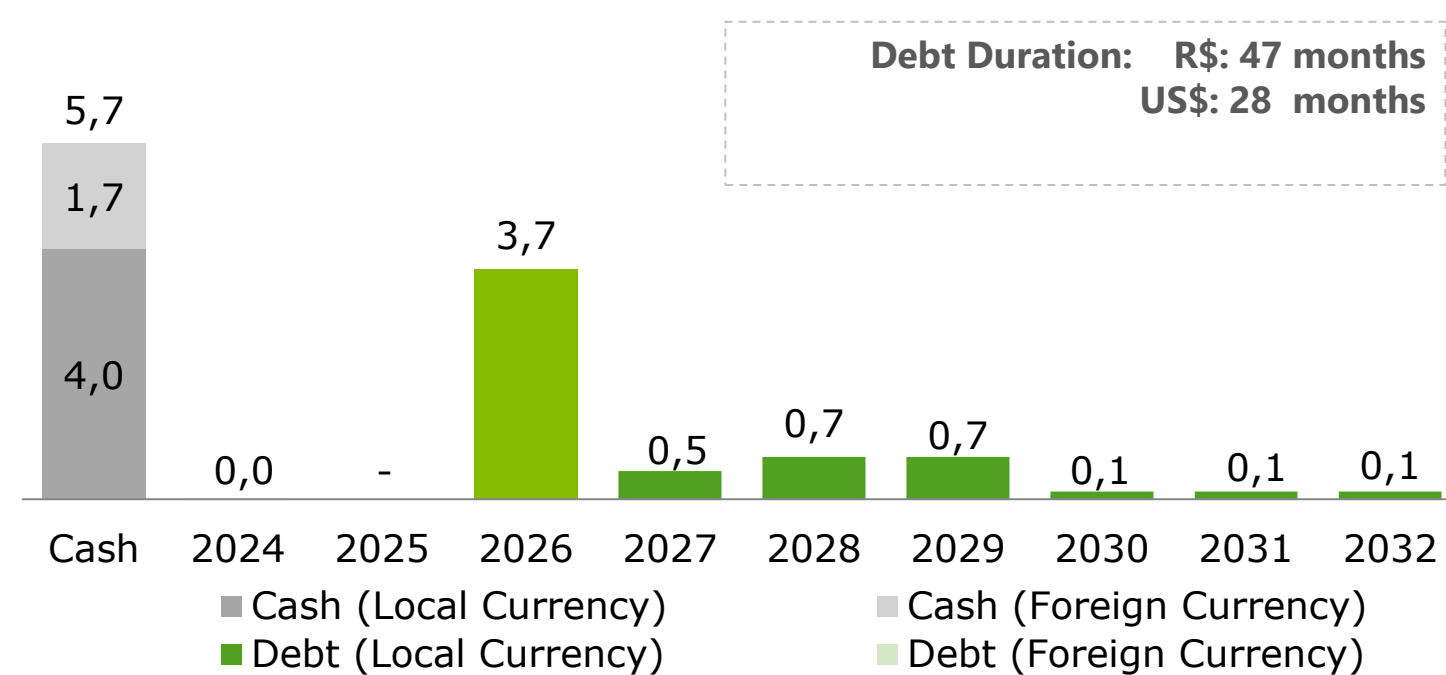


Liquidity and Indebtedness

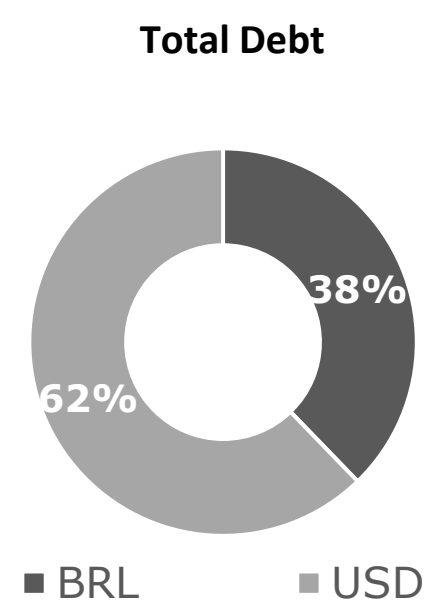
(R\$ billion)

Debt Repayment Schedule

Current cash position covers all debt until 2029



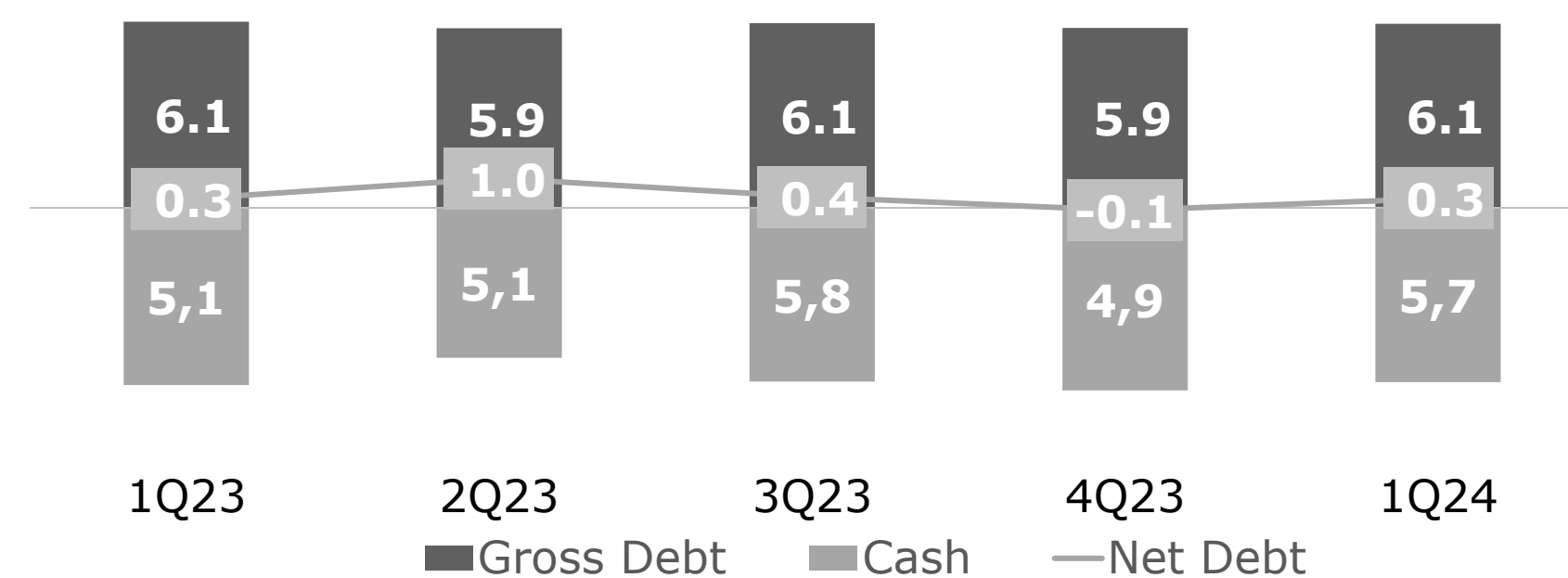
Debt Profile by Category



Cost Of Debt

Category	Cost
Local Currency	CDI + 1.50%
	CDI + 1.70%
	CDI + 1.45%
	CDI + 1.65%
Foreign Currency	5.875%

Cash Position and Indebtedness



Agências de rating

	Global	National	Outlook
MOODY'S	Ba2	AA+.br	Stable
S&P Global	BB	brAAA	Stable
FitchRatings	BB	AA+(bra)	Stable

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USIMINAS

Usiminas' Corporate Governance

Usiminas' model of corporate governance meets government and market requirements for listed companies, preserving and encouraging transparency

New Shareholders Agreement

✓ On July, 2023, the Company's amended and restated the Usiminas Shareholders Agreement - valid until November, 2031

Corporate Governance Model

✓ The Board of Directors is responsible for general strategic policies

- ✓ 8 current members and their respective alternates, besides the Chairman
- ✓ Election for unified terms of 2 years

2 committees supporting the BoD:

- ✓ Human Resources Committee
- ✓ Audit Committee

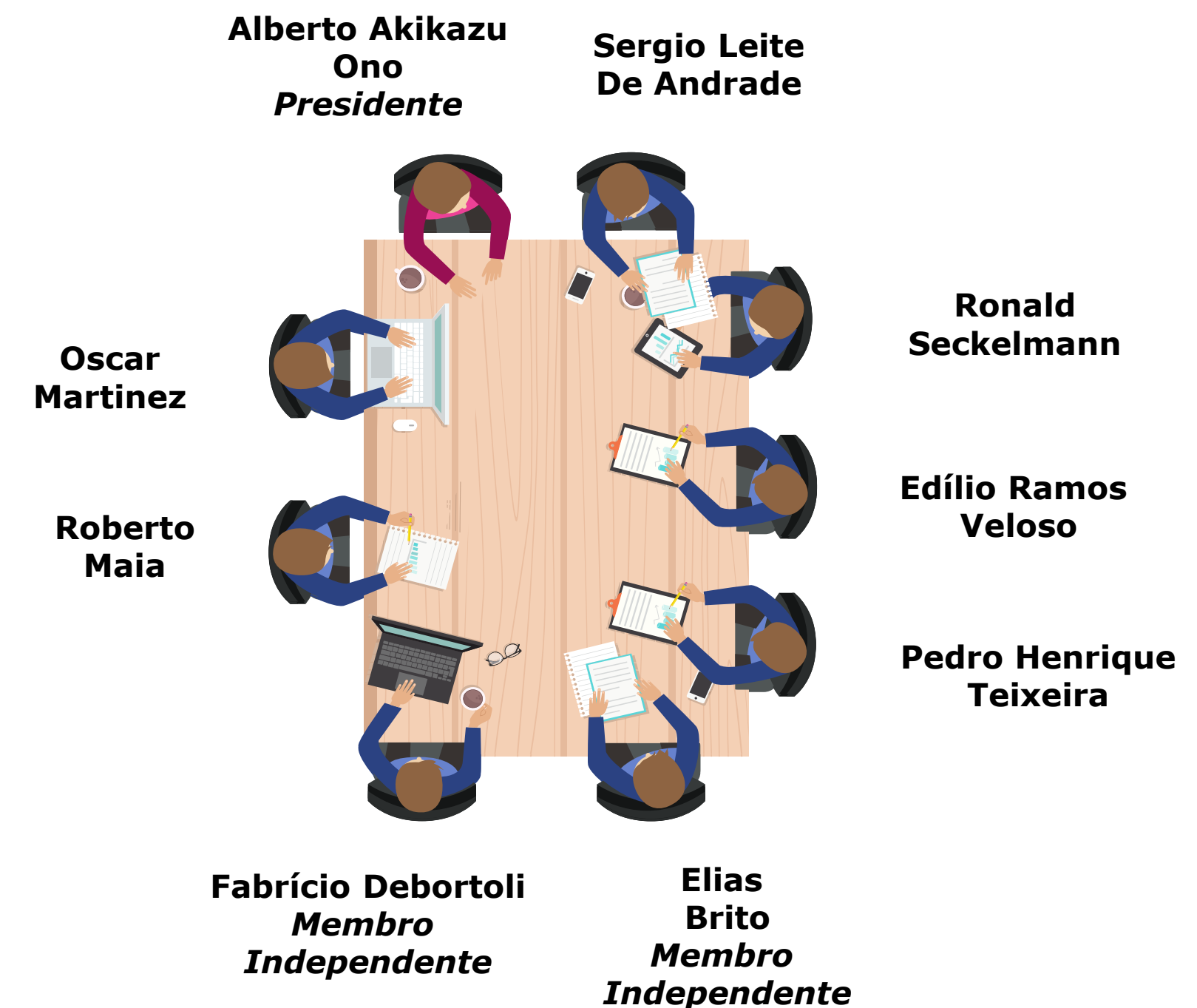
Permanent Fiscal Council

- ✓ Review of the financial statements, investment plans, budgets, opinion on dividend distribution, etc
- ✓ Five members elected in General Meeting

✓ Listing on B3 Level 1, ADR on OTC Market (New York) and Latibex exchange (Madrid)

- ✓ Improvement in quarterly reports, including the disclosure of consolidated financial statements and special audit revision
- ✓ Disclosure of an annual calendar of corporate events
- ✓ Minimum Free Float of 25%
- ✓ Evaluation of Board of Directors, Management, and Committees
- ✓ Minimum dividend payout of 25% of the net profit (after legal reserves and contingencies – in compliance with Law No 6,404)

Board of Directors (Current Members)



Usiminas' Corporate Governance (Cont'd)

Recently approved programs that ensure safety for the investor, transparency of actions, management control and clarity in communication

Integrity Program

- ✓ Code of Ethics and Conduct
- ✓ Anticorruption Policy
- ✓ Competition Policy
- ✓ Policy of Conflict of Interests and Transactions with Related Parties
- ✓ Policy of Rewards, Gifts and Hospitalities
- ✓ Policy of Sponsorship and Donations
- ✓ Policy of Relationship with Third Intermediary Parties

Policies of the Brazilian Corporate Governance Code

- ✓ Policy of Destination of Results
- ✓ Policy of on the Remuneration of the Members of the Board of Officers
- ✓ Policy of Contracting of Extra-audit Services
- ✓ Policy of Disclosure of Information and Negotiation with Securities

*Aprovado pelo Conselho de
Administração em Outubro de 2018*

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USIMINAS

Over Half a Century of Leadership



Main Highlights

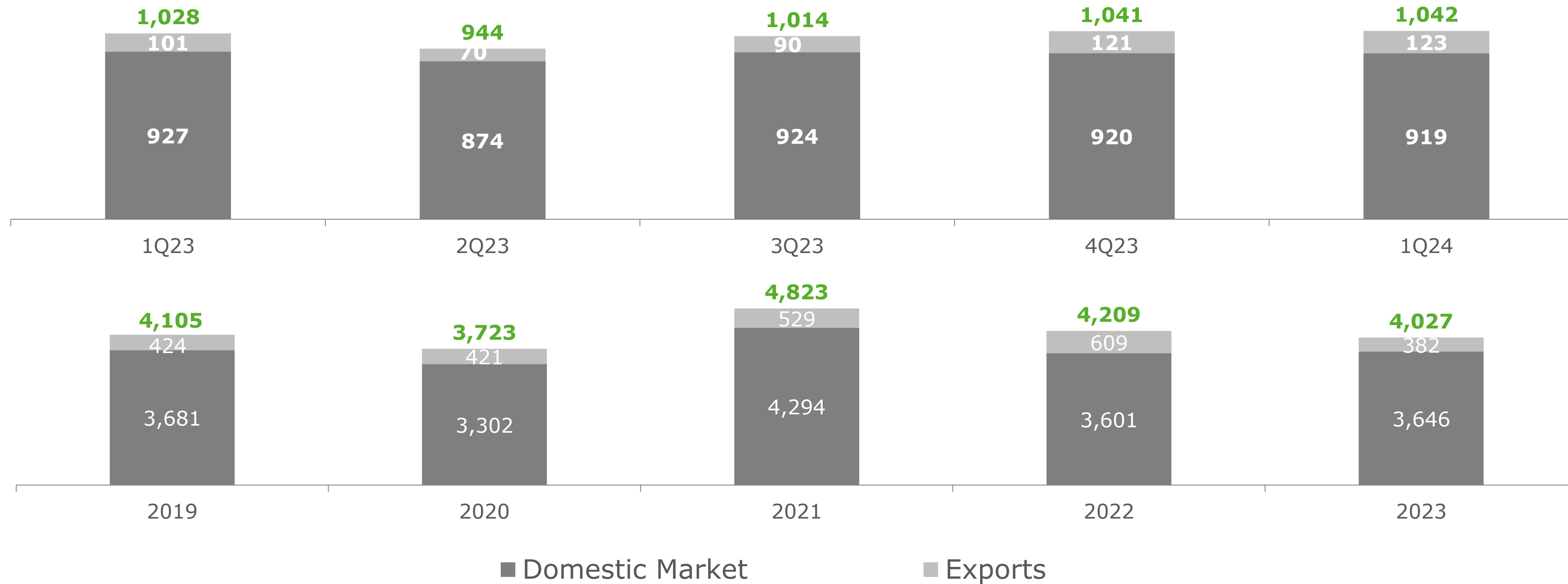


- 1 Leadership position in the Brazilian steel market, with presence in strategic international markets
- 2 Diversification of products and markets
- 3 Assets strategically located on the main industrial and logistics axis
- 4 Experienced and specialized administration
- 5 Solid corporate governance
- 6 Cultural and socio-environmental responsibility

Leading Position in the Brazilian Steel Market, with Presence in Strategic International Markets

Usiminas' leading position is underpinned by the superior quality of its products and the long-term relationship with key clients

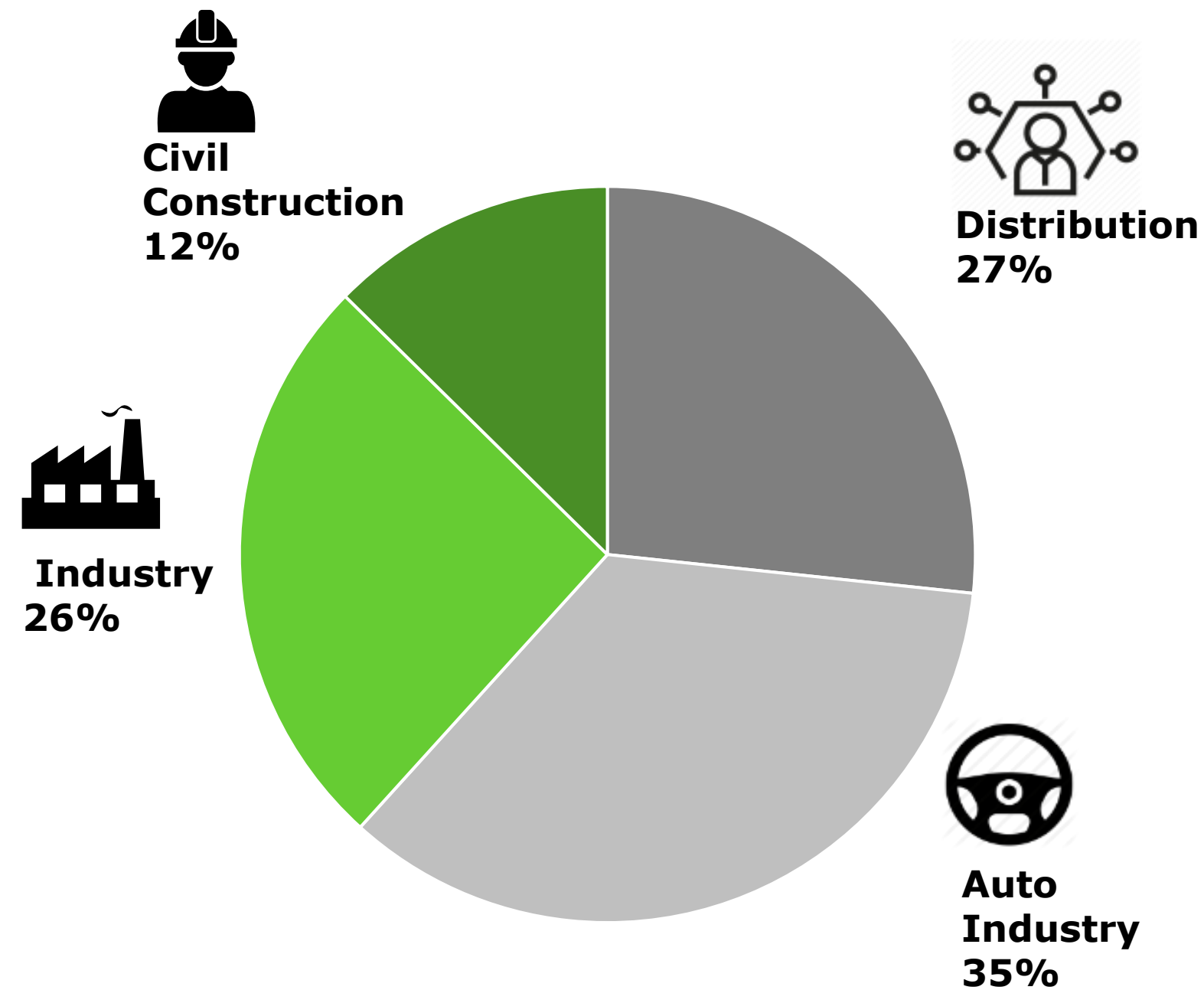
Sales Volumes – Steel – (Thousand Tons – Quarterly)



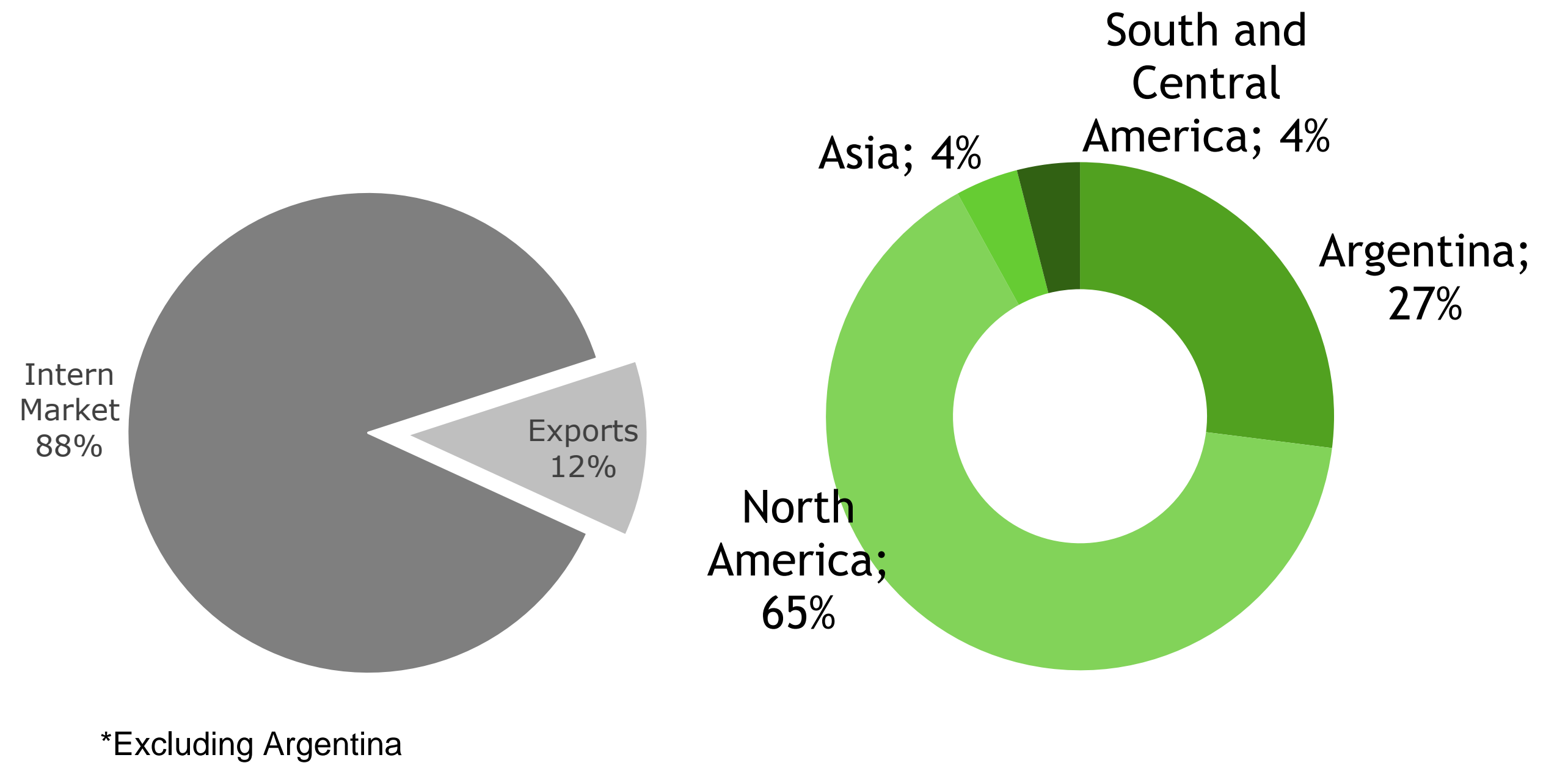
Diversification Across Products and Markets

Usiminas has capacity to produce a wide variety of steel, allowing for flexibility to adjust its production according to market demands domestically and internationally

End Markets Share of Volume, 1Q24, Domestic Market

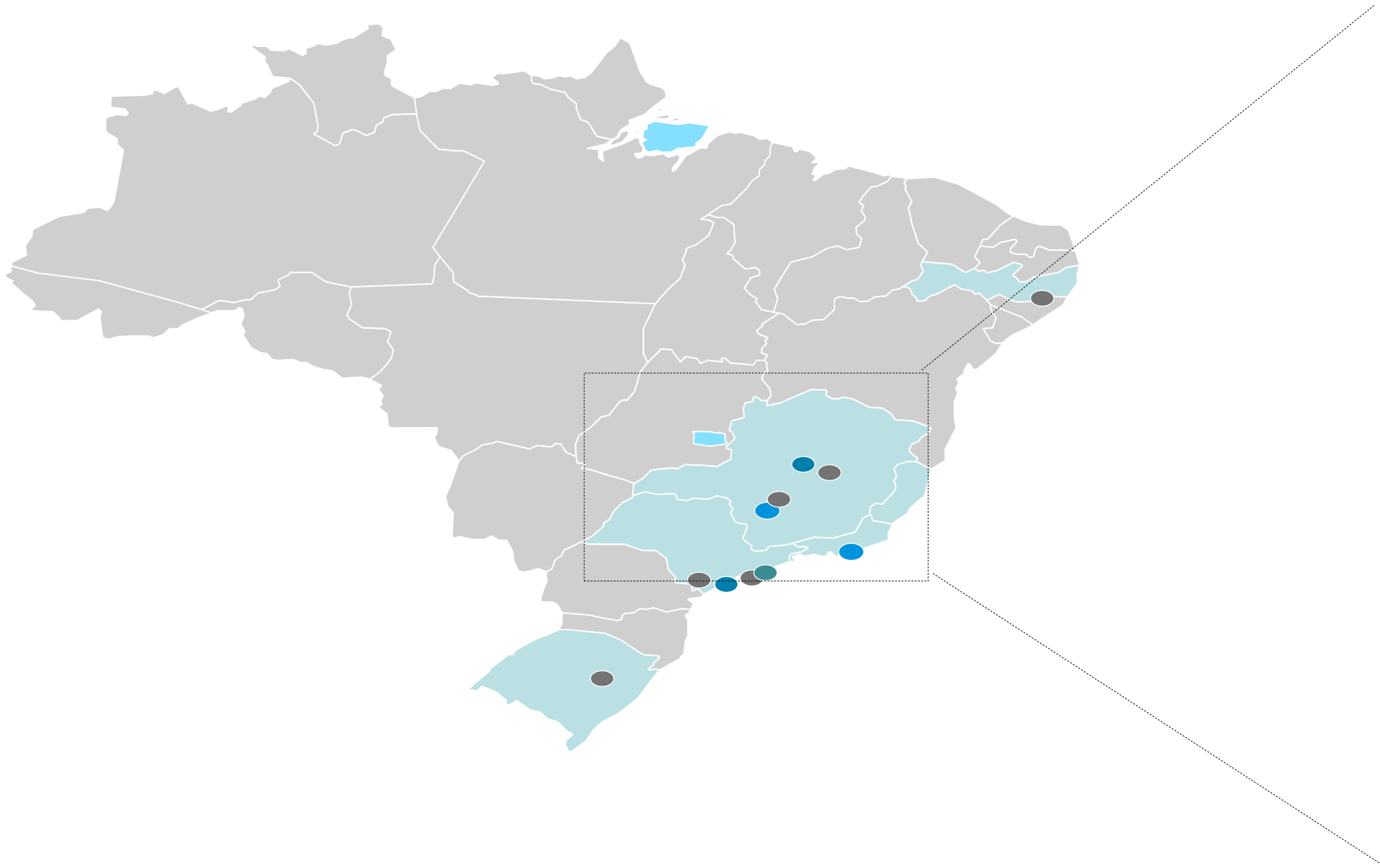


Revenues by Country Share of Net Revenue, 1Q24, Steel



Assets Strategically Located in the Country's Main Industrial and Logistic Axis in the Country

The location of Usiminas' assets allows for access to raw materials (e.g. iron ore), consumption centers and logistic terminals (railways, ports)



- Mining
- Steel

Seasoned and Specialized Management Team

Usiminas' Executive Board consists of professionals with deep knowledge in their respective areas



Marcelo Chara
CEO

- Over 40 years of experience in the steel industry. He served as Executive President of Ternium Brasil from 2017 to 2023. He also served as Industrial Director at Ternium in Argentina, Industrial Vice President at Usiminas, Director at Sidor (Venezuela), among other executive positions at the Techint Group.
- He was a director at Instituto Aço Brasil, at Alacero and vice-president of the board at ABM.
- Graduated in Metallurgical Engineering from the University of Birmingham (UK). He has been a professor at the Catholic University of Córdoba, the National University of La Plata and the Catholic University of La Plata.



Toshihiro Miyakoshi
Technology and Quality Vice President Officer

- The executive returns to Brazil for his second season at the company, after a stint at Unigal in 2014.
- Graduated in metallurgy, he started his career at Nippon Steel, having held several positions directly linked to production and management.



Thiago da Fonseca Rodrigues
CFO and IR Vice President Officer

- More than 15 years of experience in the steel industry. Before joining Usiminas, he worked, among other companies, in the Brazilian operation of Ternium and Vale. He was a member of the Audit Committee of Usiminas.
- He was a member of the Tax Affairs Council of Firjan and director of the Brazilian Foreign Trade Association (AEB).
- Graduated in Business Administration from PUC-RJ and post-graduated in Management from IBMEC-RJ.



Miguel Angel Homes Camejo
Commercial Vice President Officer

- Has a career spanning more than 20 years dedicated to the steel sector, having held several positions in the Ternium Techint group in countries such as Venezuela, Argentina, Mexico and Colombia.
- Has been the head of the commercial VP at Usiminas for four years.
- Graduated in Economics from Universidad Catolica Andres Bello, in Venezuela, he participated in executive education programs at the universities of Chicago and Stanford, in the USA.



Américo Ferreira Neto
Industrial Vice President Officer

- With a career spanning more than 30 years at Usiminas, he worked in the areas of Maintenance, Hot and Cold Rolling and, in 2016, became the executive director of the Cubatão Plant. In 2019, he held the same position at the Ipatinga Plant until reaching Industrial VP in 2020.
- Electrical engineer by Unisantia, with specialization in industrial automation by Unisantos and MBA in project management by FGV, he also has a master's degree in electrical engineering from USP.



Gino Eugenio Ritagliati
Corporate Planning Vice President Officer

- Before being appointed VP of Corporate Planning, he was a member of the Audit Committee at Usiminas. He has more than 15 years of experience in positions in the Economic, Commercial and Industrial Engineering areas of the Ternium Techint group in Argentina and Brazil.
- Graduated in Accounting, with specializations in Economics and Finance.

Usiminas' Corporate Governance (Cont'd)

Recently approved programs that ensure safety for the investor, transparency of actions, management control and clarity in communication

Integrity Program

- ✓ Code of Ethics and Conduct
- ✓ Anticorruption Policy
- ✓ Competition Policy
- ✓ Policy of Conflict of Interests and Transactions with Related Parties
- ✓ Policy of Rewards, Gifts and Hospitalities
- ✓ Policy of Sponsorship and Donations
- ✓ Policy of Relationship with Third Intermediary Parties


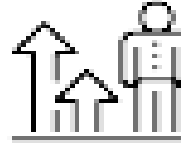



Policies of the Brazilian Corporate Governance Code

- ✓ Policy of Destination of Results
- ✓ Policy of on the Remuneration of the Members of the Board of Officers
- ✓ Policy of Contracting of Extra-audit Services
- ✓ Policy of Disclosure of Information and Negotiation with Securities

*Aprovado pelo Conselho de
Administração em Outubro de 2018*

Culture of Employee, Social and Environmental Responsibility

Usiminas translates concepts into practice, conciliating the objective of all stakeholders

<p>Employee Investments in professional training and safety prove the ongoing commitment to the qualification, development and life of our people</p>	 <p>More than 700 thousand hours of training average of 58.4 hours per employee in 2022</p>	 <p>612 Apprentices and Interns monitoring and training at the company's first entry level</p>	 <p>100% of our employees performed a performance evaluation in 2022</p>	 <p>"Mãos Seguras" 627 hand safety devices created in 2021</p>
<p>Social The company's sponsorship policy planned and executed by the Institute favors projects that promote inclusion, training and human development</p>	 <p>Usiminas Memory Center in Ipatinga (MG), with a collection of more than 300 works of art</p>	 <p>More than R\$79 million allocated to 123 social, sports and cultural projects throughout Brazil in 2022</p>	 <p>Construction of the Libertas Hospital in Belo Horizonte (MG)</p>	 <p>VOU – Usiminas volunteers 1.364 registered employees and more than 9,000 items donated in 2022</p>
<p>Environmental We believe that innovation and sustainability are essential to ensure that we continue to do business and stay competitive</p>	 <p>1.84 million tons of recycled materials reused</p>	 <p>22,500 tree seedlings produced in the nursery, 1,000 of which are donated to employees and the community</p>	 <p>94,7% of the water in the steel manufacturing process at Usiminas is recirculated</p>	 <p>More than 1.5 thousand springs preserved by the Caminhos do Vale program</p>

Rating Agencies' Views

Comments from latest changing rating reports

S&P Global
Ratings

On September 15, 2021, S&P Global Ratings raised its global issuer credit ratings on Usiminas to 'BB' from 'BB-' and its national issuer credit and issue-level ratings to 'brAAA' from 'brAA+'.

The stable outlook reflects our expectation of good results in the second half of 2021 and in 2022, despite cost pressures, allowing Usiminas to maintain EBITDA margins above 20% and gross debt to EBITDA consistently below 2.0x. We also expect management to maintain its conservative financial policy on dividends, share buybacks and investment decisions, the robust liquidity position and smooth debt amortization profile.

Record high results, solid liquidity and sharp deleveraging underpin the upgrade. EBITDA and free cash flow increased in the last 12 months ended June 2021, due to robust demand for steel, despite considerable price increases.

MOODY'S

Usinas Siderúrgicas de Minas Gerais S.A.'s (Usiminas) Ba2 ratings reflect the company's solid position in the Brazilian flat steel market and its track record of quickly adapting operations to market conditions in Brazil. The ratings are also supported by Usiminas' good credit and liquidity metrics during economic and commodity cycles, and its greater financial flexibility to withstand volatility in its main end markets. Usiminas has been able to adapt to avoid cash burn and maintain compliance with covenants in the recent past, which reduces potential liquidity risks in more difficult operating environments.

On November 16, we raised Usiminas' ratings to Ba2 from Ba3 with a stable outlook to reflect the strengthening observed in the company's liquidity position and leverage ratios since the beginning of 2021, which provides further protection for the company to withstand future volatility in operations and mitigates the risks associated with future investments. Although we expect favorable market conditions to gradually moderate over the next 12 to 18 months, the cash Usiminas has generated over the past year creates a lasting buffer for net leverage, covenant compliance and liquidity metrics, which reduces the company's overall credit risk.

FitchRatings

On June 18, 2021, Fitch Ratings raised the Long-Term Foreign and Local Currency Issuer Default Ratings (IDRs) of Usinas Siderúrgicas de Minas Gerais S.A. (Usiminas) to 'BB', from 'BB-', and its Long-Term National Rating to 'AA+(bra)', from 'A+(bra)'. In addition, Fitch raised the rating of the senior unsecured notes due 2026 issued by Usiminas International S.a.r.l. and guaranteed by Usiminas to 'BB' from 'BB-'.

The outlook on Usiminas' Foreign and Local Currency IDRs and National Long-Term Rating remains Stable.

The ratings upgrade reflects Usiminas' low absolute and relative debt levels, its manageable debt repayment profile and performance, despite the coronavirus pandemic, as well as the maintenance of a solid operating profile, amid a favorable environment for steel in Brazil, after the worst moment of the pandemic

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