

(A free translation of the original in Portuguese)

Usinas Siderúrgicas de Minas Gerais S.A. - USIMINAS

**Quarterly Information (ITR) at
September 30, 2021
and report on review of
quarterly information**



Report on review of quarterly information

To the Board of Directors and Stockholders
Usinas Siderúrgicas de Minas Gerais S.A. - USIMINAS

Introduction

We have reviewed the accompanying parent company and consolidated interim accounting information of Usinas Siderúrgicas de Minas Gerais S.A. - USIMINAS ("Company"), included in the Quarterly Information Form (ITR) for the quarter ended September 30, 2021, comprising the balance sheet at that date and the statements of operations and comprehensive income for the quarter and nine-month period then ended, and the statements of changes in equity and cash flows for the nine-month period then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of the parent company and consolidated interim accounting information in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC) and International Accounting Standard (IAS) 34, Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company and consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

Other matters

Statements of value added

The quarterly information referred to above includes the parent company and consolidated statements of value added for the nine-month period ended September 30, 2021. These statements are the responsibility of the Company's management and are presented as supplementary information under IAS 34. These statements have been subjected to review procedures performed together with the review of the interim accounting information for the purpose of concluding whether they are reconciled with the interim accounting information and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in the accounting standard CPC 09 - "Statement of Value Added". Based on our review, nothing has come to our attention that causes us to believe that these statements of value added have not been properly prepared, in all material respects, in accordance with the criteria established in this accounting standard, and consistent with the parent company and consolidated interim accounting information taken as a whole.

Belo Horizonte, October 29, 2021

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

Guilherme Campos e Silva
Contador CRC 1SP218254/O-1

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Company Information / Capital

Number of shares (units)	as at 09/30/2021
Common Shares - Paid-in Capital	705,260,684
Preferred Shares - Paid-in Capital	547,818,424
Total - Paid-in Capital	1,253,079,108
Common Treasury Shares	2,526,656
Preferred Treasury Shares	19,933,468
Total Treasury Shares	22,460,124

Parent Company Financial Statements / Balance sheet - Assets

(In thousands of reais)

Account Code	Account description	Current quarter 09/30/2021	Prior year 12/31/2020
1	Total Assets	34,343,439	26,662,013
1.01	Current Assets	15,049,927	8,302,795
1.01.01	Cash and Cash Equivalents	1,848,176	1,848,310
1.01.02	Financial investments	811,589	716,308
1.01.03	Trade Receivables	4,309,762	1,561,483
1.01.04	Inventories	6,115,030	3,315,958
1.01.08	Other Current Assets	1,965,370	860,736
1.01.08.03	Other	1,965,370	860,736
1.01.08.03.01	Taxes Recoverable	1,647,544	251,782
1.01.08.03.02	Prepaid Income Tax and Social Contribution	65,446	30,883
1.01.08.03.03	Dividends Receivable	102,073	380,516
1.01.08.03.04	Advances to Suppliers	29	84,013
1.01.08.03.07	Other	150,278	113,542
1.02	Noncurrent Assets	19,293,512	18,359,218
1.02.01	Long-term Receivables	3,039,487	3,344,307
1.02.01.04	Accounts Receivable	234,252	277,731
1.02.01.04.01	Trade Accounts Receivable	27,636	87,321
1.02.01.04.02	Other Accounts Receivable	206,616	190,410
1.02.01.07	Deferred Taxes	2,034,881	2,220,876
1.02.01.07.01	Deferred Income Tax and Social Contribution	2,034,881	2,220,876
1.02.01.09	Receivables from Related Parties	23,243	23,086
1.02.01.10	Other Noncurrent Assets	747,111	822,614
1.02.01.10.03	Judicial Deposits	298,570	352,615
1.02.01.10.04	Properties for Sale	27,324	27,353
1.02.01.10.06	Taxes Recoverable	60,569	169,463
1.02.01.10.08	Insurance Indemnity to Receive	349,542	262,077
1.02.01.10.09	Other	11,106	11,106
1.02.02	Investments	6,791,123	5,282,942
1.02.02.01	Ownership Interests	6,698,495	5,182,120
1.02.02.01.01	Interest Held in Associates	50,056	42,526
1.02.02.01.02	Interest Held in Subsidiaries	6,059,581	4,623,913
1.02.02.01.03	Subsidiaries	588,858	515,681
1.02.02.02	Investment Property	92,628	100,822
1.02.03	Property, Plant and Equipment (PPE)	9,353,653	9,627,857
1.02.03.01	Property, Plant and Equipment in Use	8,211,697	8,645,358
1.02.03.03	Construction in Progress	1,141,956	982,499
1.02.04	Intangible Assets	109,249	104,112

Parent Company Financial Statements / Balance Sheet - Liabilities

(In thousands of reais)

Account code	Account description	Current quarter 09/30/2021	Prior year 12/31/2020
2	Total Liabilities and Equity	34,343,439	26,662,013
2.01	Current Liabilities	5,493,491	3,647,035
2.01.01	Social and Labor Liabilities	191,082	141,490
2.01.02	Trade Payables	2,680,139	1,966,924
2.01.03	Tax Liabilities	156,689	105,330
2.01.04	Borrowings	54,477	132,824
2.01.04.01	Borrowings	54,470	113,610
2.01.04.02	Debentures	7	19,214
2.01.05	Other Liabilities	2,411,104	1,300,467
2.01.05.02	Other	2,411,104	1,300,467
2.01.05.02.01	Dividends and Interest on Capital Payable	1,222,219	160,315
2.01.05.02.04	Accounts Payable	148,401	184,043
2.01.05.02.05	Taxes Payable in Installments	4,428	4,378
2.01.05.02.07	Advances from Customers	44,520	64,305
2.01.05.02.08	Accounts Payable - Forfeiting	986,066	880,711
2.01.05.02.09	Lease Liabilities	5,470	6,715
2.02	Noncurrent Liabilities	8,685,603	8,147,512
2.02.01	Borrowings	6,018,866	5,827,754
2.02.01.01	Borrowings	4,030,464	3,842,360
2.02.01.02	Debentures	1,988,402	1,985,394
2.02.02	Other Liabilities	312,599	247,904
2.02.02.02	Other	312,599	247,904
2.02.02.02.05	Lease Liabilities	19,276	766
2.02.02.02.06	Other Accounts Payable	293,323	247,138
2.02.04	Provisions	2,354,138	2,071,854
2.02.04.01	Provisions for Tax, Social Security, Labor and Civil	2,354,138	2,071,854
2.02.04.01.02	Provisions for Employee Benefits	1,538,010	1,415,432
2.02.04.01.05	Contingent Liabilities	816,128	656,422
2.03	Equity	20,164,345	14,867,466
2.03.01	Share Capital	13,200,295	13,200,295
2.03.02	Capital Reserves	311,843	311,366
2.03.04	Profit Reserves	1,472,967	1,472,967
2.03.04.01	Legal reserve	92,286	92,286
2.03.04.10	Investments and working capital	1,380,681	1,380,681
2.03.05	Retained Earnings (Accumulated Losses)	5,399,954	-
2.03.06	Equity Adjustments	-220,714	-117,162

Parent Company Financial Statements / Statement of Operations

(In thousands of reais)

Account code	Account description	Current year period 01/01/2021 to 09/30/2021	Prior year period 01/01/2020 to 09/30/2020
3.01	Revenue	21,421,378	8,172,821
3.02	Cost of Sales and/or Services	-16,053,937	-7,880,344
3.03	Gross Profit	5,367,441	292,477
3.04	Operating Income (Expenses)	1,911,810	21,753
3.04.01	Selling Expenses	-118,990	-114,906
3.04.02	General and Administrative Expenses	-259,224	-232,147
3.04.04	Other Operating Income	1,589,937	159,558
3.04.05	Other Operating Expenses	-1,047,298	-407,948
3.04.06	Equity in Results of Investees	1,747,385	617,196
3.05	Income Before Financial Income (Expense) and Taxes	7,279,251	314,230
3.06	Finance result	371,226	-1,480,660
3.07	Income Before Income Taxes	7,650,477	-1,166,430
3.08	Income Tax and Social Contribution	-988,419	280,099
3.08.01	Current	-802,426	-
3.08.02	Deferred	-185,993	280,099
3.09	Net Income (loss) from Continuing Operations	6,662,058	-886,331
3.11	Net Income/Loss for the Period	6,662,058	-886,331
3.99	Earnings (Loss) per Share (Reais / Shares)		
3.99.01	Basic Earnings per Share		
3.99.01.01	Registered Common Shares (RCS)	5.19	-0.72
3.99.01.02	Registered Preferred Shares (RPS)	5.71	-0.72
3.99.02	Diluted Earnings per Share		
3.99.02.01	RCS	5.19	-0.72
3.99.02.02	RPS	5.71	-0.72

Parent Company Financial Statements / Statement of Comprehensive Income (Loss)

(In thousands of reais)

Account code	Account description	Current year period 01/01/2021 to 09/30/2021	Prior year period 01/01/2020 to 09/30/2020
4.01	Net Income (Loss) for the Period	6,662,058	-886,331
4.02	Other Comprehensive Income (Loss)	-87,644	471,250
4.02.01	Actuarial Gain (Loss) on Retirement Benefits	-84,703	471,250
4.02.03	Hedge Accounting	-2,941	-
4.03	Comprehensive Income (Loss) for the Period	6,574,414	-415,081

Parent Company Financial Statements / Cash Flow Statement - Indirect Method

(In thousands of reais)

Account code	Account description	Current year period 01/01/2021 to 09/30/2021	Prior year period 01/01/2020 to 09/30/2020
6.01	Net Cash from Operating Activities	432,877	1,629,869
6.01.01	Cash From Operations	5,355,845	316,932
6.01.01.01	Net Income (Loss) for the Period	6,662,058	-886,331
6.01.01.02	Charges and Indexation/Exchange Gains (Losses), Net	-459,409	1,202,944
6.01.01.03	Interest Expenses	193,581	252,757
6.01.01.04	Depreciation and Amortization	605,230	618,214
6.01.01.05	Gain/Loss on Sale of Property, Plant and Equipment	-50,035	-8,252
6.01.01.07	Equity in Results of Investees	-1,747,385	-617,196
6.01.01.09	Deferred Income Tax and Social Contribution	185,993	-280,099
6.01.01.10	Set up (Reversal) of Provisions	-504,250	-26,707
6.01.01.11	Actuarial Gains (Losses)	69,775	61,602
6.01.01.12	Impairment of Assets	400,287	-
6.01.02	Changes in Assets and Liabilities	-3,806,381	1,275,748
6.01.02.02	Trade Receivables	-2,686,565	29,237
6.01.02.03	Inventories	-2,716,690	124,542
6.01.02.04	Taxes Recoverable	-66,313	-95,595
6.01.02.05	Receivables from Related Parties	8,059	45,801
6.01.02.06	Judicial Deposits	37,693	6,847
6.01.02.07	Receivables - Eletrobras	0	311,534
6.01.02.08	Other Increase (Decrease) In Assets	-40,643	-147,005
6.01.02.09	Accounts Payable, Contractors and Freight	713,215	222,724
6.01.02.10	Advances from Customers	-19,785	39,418
6.01.02.11	Payables to Related Parties	-5,387	-24,621
6.01.02.12	Taxes Payable	975,733	322,563
6.01.02.13	Accounts Payable – Forfeiting	105,355	313,381
6.01.02.14	Other Increase (Decrease) in Liabilities	-111,053	126,922
6.01.03	Other	-1,116,587	37,189
6.01.03.01	Interest Paid	-350,410	-329,992
6.01.03.02	Income and Social Contribution Taxes Paid	-734,131	-9,980
6.01.03.03	Actuarial Liability Paid (Received)	-32,046	377,161
6.02	Net Cash from Investing Activities	-254,034	-364,412
6.02.01	Proceeds from the Sale of Property, Plant and Equipment	50,763	21,609
6.02.02	Purchases of Property, Plant and Equipment	-679,740	-395,549
6.02.04	Dividends Received	487,926	25,115
6.02.06	Purchase of Software	-17,702	-15,587
6.02.07	Marketable securities	-95,281	-
6.03	Net Cash from Financing Activities	-162,544	-58,636
6.03.02	Repayment of Borrowings	-2,982	-8,723
6.03.04	Swap Transaction Settlements	-	662
6.03.05	Dividends and Interest on Equity Paid	-159,562	-50,575
6.04	Exchange Gain (Loss) on Cash and Cash Equivalents	-16,433	27,154
6.05	Increase (Decrease) in Cash and Cash Equivalents	-134	1,233,975
6.05.01	Cash and Cash Equivalents at the beginning of Period	1,848,310	901,864
6.05.02	Cash and cash Equivalents at end of Period	1,848,176	2,135,839

Parent Company Financial Statements / Statement of Changes in Equity - 01/01/2021 to 09/30/2021
(In thousands of reais)

Account code	Account description	Paid-in capital	Capital reserves, options granted and treasury shares	Revenue reserves	Retained earnings (accumulated losses)	Other Comprehensive Income (loss)	Equity
5.01	Opening balances	13,200,295	311,366	1,472,967	-	-117,162	14,867,466
5.03	Adjusted Opening Balances	13,200,295	311,366	1,472,967	-	-117,162	14,867,466
5.04	Capital Transactions with Shareholders	-	477	-	-1,262,104	-15,908	-1,277,535
5.04.03	Stock Options granted	-	-411	-	411	-	-
5.04.05	Treasury Stock sold	-	888	-	-	-	888
5.04.06	Dividends	-	-	-	-829,883	-	-829,883
5.04.07	Interest on Equity	-	-	-	-448,623	-	-448,623
5.04.08	IAS 29 adjustment Property, Plant and Equipment	-	-	-	15,908	-15,908	-
5.04.09	Prescribed dividends	-	-	-	83	-	83
5.05	Total Comprehensive Income	-	-	-	6,662,058	-87,644	6,574,414
5.05.01	Net Income for the Period	-	-	-	6,662,058	-	6,662,058
5.05.02	Other Comprehensive Income	-	-	-	-	-87,644	-87,644
5.05.02.03	Hedge Accounting	-	-	-	-	-2,941	-2,941
5.05.02.06	Actuarial Gain and Loss on Retirement Benefits	-	-	-	-	-84,703	-84,703
5.07	Closing Balances	13,200,295	311,843	1,472,967	5,399,954	-220,714	20,164,345

Parent Company Financial Statements / Statement of Changes in Equity - 01/01/2020 to 09/30/2020

(In thousands of reais)

Account code	Account description	Paid-in capital	Capital reserves, options granted and treasury shares	Revenue reserves	Retained earnings (accumulated losses)	Other Comprehensive Income (loss)	Equity
5.01	Opening balances	13,200,295	307,033	943,132	-	-407,037	14,043,423
5.03	Adjusted Opening Balances	13,200,295	307,033	943,132	-	-407,037	14,043,423
5.04	Capital Transactions with Shareholders	-	473	-	9,543	-9,126	890
5.04.03	Stock Options granted	-	-417	-	417	-	-
5.04.05	Treasury Stock sold	-	890	-	-	-	890
5.04.09	IAS 29 adjustment - Property, Plant and Equipment	-	-	-	9,126	-9,126	-
5.05	Total Comprehensive Income (Loss)	-	-	-	-886,331	471,250	-415,081
5.05.01	Net Income for the Period	-	-	-	-886,331	-	-886,331
5.05.02	Other Comprehensive Income (Loss)	-	-	-	-	471,250	471,250
5.05.02.06	Actuarial gain and loss on retirement benefits	-	-	-	-	471,250	471,250
5.07	Closing Balances	13,200,295	307,506	943,132	-876,788	55,087	13,629,232

Parent Company Financial Statements / Statement of Value Added**(In thousands of reais)**

Account code	Account description	Current year period 01/01/2021 to 09/30/2021	Prior year period 01/01/2020 to 09/30/2020
7.01	Revenue	26,134,368	9,757,471
7.01.01	Sales of Goods, Products and Services	26,108,665	9,756,913
7.01.02	Other Revenues	23,478	18,315
7.01.04	Allowance (Reversal of) for Doubtful Accounts	2,225	-17,757
7.02	Inputs Acquired from Third Parties	-17,479,834	-7,297,393
7.02.01	Costs of Products Goods and Services Sold	-17,978,699	-6,958,261
7.02.02	Materials, Energy, Third-Party Services and Other Expenses	498,865	-339,132
7.03	Gross Value Added	8,654,534	2,460,078
7.04	Retentions	-605,230	-618,214
7.04.01	Depreciation, Amortization and Depletion	-605,230	-618,214
7.05	Net Value Added Produced	8,049,304	1,841,864
7.06	Value Added Received in Transfer	2,796,106	848,531
7.06.01	Equity in earnings	1,747,385	617,196
7.06.02	Financial Revenues	1,031,948	114,864
7.06.03	Other	16,773	116,471
7.06.03.01	Actuarial Gains (Losses)	-69,775	-61,602
7.06.03.02	Exchange Variations	86,548	178,073
7.07	Total Value Added to be Distributed	10,845,410	2,690,395
7.08	Distribution of Value Added	10,845,410	2,690,395
7.08.01	Personnel	543,163	496,507
7.08.01.01	Direct Compensation	432,234	406,570
7.08.01.02	Benefits	72,885	35,028
7.08.01.03	Unemployment Compensation Fund (FGTS)	38,044	54,909
7.08.02	Taxes, Rates and Contributions	2,892,919	1,306,622
7.08.02.01	Federal	1,447,023	585,376
7.08.02.02	State	1,391,453	668,596
7.08.02.03	Municipal	54,443	52,650
7.08.03	Remuneration of Third Parties	747,270	1,773,597
7.08.03.01	Interest	461,080	375,196
7.08.03.03	Other	286,190	1,398,401
7.08.03.03.01	Foreign Exchange Losses	286,190	1,399,933
7.08.03.03.02	Others	-	-1,532
7.08.04	Equity Remuneration	6,662,058	-886,331
7.08.04.03	Retained Earnings (Accumulated Losses)	6,662,058	-886,331

Consolidated Financial Statements / Balance Sheet - Assets**(In thousands of reais)**

Account code	Account description	Current quarter - 09/30/2021	Prior year 12/31/2020
1	Total Assets	38,918,447	29,952,137
1.01	Current Assets	20,948,645	11,829,602
1.01.01	Cash and Cash Equivalents	5,686,749	3,261,288
1.01.02	Financial investments	1,606,753	1,606,816
1.01.03	Trade Receivables	3,944,124	2,372,791
1.01.04	Inventories	7,186,774	3,889,695
1.01.08	Other Current Assets	2,524,245	699,012
1.01.08.03	Other	2,524,245	699,012
1.01.08.03.01	Taxes Recoverable	2,213,556	441,572
1.01.08.03.02	Prepaid Income Tax and Social Contribution	84,264	35,780
1.01.08.03.03	Dividends Receivable	11,189	11,686
1.01.08.03.04	Advances to Suppliers	2,175	86,177
1.01.08.03.07	Other Accounts Receivable	213,061	123,797
1.02	Noncurrent Assets	17,969,802	18,122,535
1.02.01	Long-term Receivables	4,232,813	4,295,372
1.02.01.04	Accounts Receivable	251,501	258,411
1.02.01.04.01	Trade Accounts Receivable	63,255	87,321
1.02.01.04.02	Other Accounts Receivable	188,246	171,090
1.02.01.07	Deferred Taxes	2,816,937	2,914,338
1.02.01.07.01	Deferred Income Tax and Social Contribution	2,816,937	2,914,338
1.02.01.10	Other Noncurrent Assets	1,164,375	1,122,623
1.02.01.10.03	Judicial Deposits	503,942	543,408
1.02.01.10.05	Taxes Recoverable	111,976	174,004
1.02.01.10.08	Insurance Indemnity to Receive	349,542	262,077
1.02.01.10.09	Other	198,915	143,134
1.02.02	Investments	1,371,196	1,222,930
1.02.02.01	Ownership Interest	1,212,138	1,058,708
1.02.02.01.01	Interests Held in Associates	616,287	535,977
1.02.02.01.04	Other Ownership Interests	595,851	522,731
1.02.02.02	Investment Property	159,058	164,222
1.02.03	Property, Plant and Equipment (PP&E)	10,773,499	11,006,034
1.02.03.01	Property, Plant and Equipment in Use	9,219,331	9,697,130
1.02.03.03	Construction in Progress	1,554,168	1,308,904
1.02.04	Intangible Assets	1,592,294	1,598,199

Consolidated Financial Statements / Balance Sheet - Liabilities**(In thousands of reais)**

Account code	Account description	Current quarter - 09/30/2021	Prior year 12/31/2020
2	Total Liabilities and Equity	38,918,447	29,952,137
2.01	Current Liabilities	6,805,830	4,479,098
2.01.01	Social and Labor Liabilities	260,518	180,757
2.01.02	Trade Payables	2,682,254	1,917,690
2.01.03	Tax Liabilities	1,170,179	610,804
2.01.03.01	Federal Tax Liabilities	1,170,179	610,804
2.01.03.01.01	Income and Social Contribution Taxes Payable	913,321	445,842
2.01.03.01.02	Taxes Payable	256,858	164,962
2.01.04	Borrowings	58,428	135,952
2.01.04.01	Borrowings	58,421	116,738
2.01.04.02	Debentures	7	19,214
2.01.05	Other Liabilities	2,634,451	1,633,895
2.01.05.02	Other	2,634,451	1,633,895
2.01.05.02.01	Dividends and Interest on Capital Payable	1,267,093	324,728
2.01.05.02.04	Taxes Payable in Installments	4,430	4,380
2.01.05.02.05	Financial Instruments	23,426	-
2.01.05.02.06	Advances from Customers	95,374	139,678
2.01.05.02.08	Accounts Payable	227,389	257,611
2.01.05.02.09	Accounts Payable - Forfeiting	986,066	880,711
2.01.05.02.10	Lease Liabilities	30,674	26,787
2.02	Noncurrent Liabilities	9,164,986	8,634,869
2.02.01	Borrowings	6,019,796	5,832,410
2.02.01.01	Borrowings	4,031,394	3,847,016
2.02.01.02	Debentures	1,988,402	1,985,394
2.02.02	Other Liabilities	373,651	301,055
2.02.02.01	Payables to related companies	88,453	80,042
2.02.02.02	Other	285,198	221,013
2.02.02.02.06	Lease Liabilities	56,676	37,920
2.02.02.02.07	Other	228,522	183,093
2.02.04	Provisions	2,771,539	2,501,404
2.02.04.01	Provisions for Tax, Social Security, Labor and Civil Contingencies	2,530,063	2,271,402
2.02.04.01.02	Post-employment benefits	1,597,662	1,471,801
2.02.04.01.05	Provision for litigation	932,401	799,601
2.02.04.02	Other Provisions	241,476	230,002
2.02.04.02.03	Provision for environmental and decommissioning liabilities	241,476	230,002
2.03	Equity	22,947,631	16,838,170
2.03.01	Share Capital	13,200,295	13,200,295
2.03.02	Capital Reserves	311,843	311,366
2.03.04	Revenue Reserves	1,472,967	1,472,967
2.03.04.01	Legal Reserve	92,286	92,286
2.03.04.10	Investments and working capital	1,380,681	1,380,681
2.03.05	Retained Earnings (Accumulated Losses)	5,399,954	-
2.03.06	Carrying value adjustments	-220,714	-117,162
2.03.09	Non-controlling interests	2,783,286	1,970,704

Consolidated Financial Statements / Statement of Operations**(In thousands of reais)**

Account code	Account description	Current year period 01/01/2021 to 09/30/2021	Prior year period 01/01/2020 to 09/30/2020
3.01	Revenue	25,687,750	10,613,782
3.02	Cost of Sales and/or Services	-16,446,704	-8,930,057
3.03	Gross Profit	9,241,046	1,683,725
3.04	Operating Income (Expenses)	17,603	-863,743
3.04.01	Selling expenses	-417,832	-301,950
3.04.02	General and Administrative Expenses	-340,022	-304,447
3.04.04	Other Operating Income	1,930,606	173,842
3.04.05	Other Operating Expenses	-1,319,835	-532,060
3.04.06	Equity in Results of Investees	164,686	100,872
3.05	Income Before Financial Income (Expense) and Taxes	9,258,649	819,982
3.06	Finance result, Net	536,505	-1,306,904
3.07	Income Before Income Taxes	9,795,154	-486,922
3.08	Income Tax and Social Contribution	-2,223,305	-134,037
3.08.01	Current	-2,123,743	-413,653
3.08.02	Deferred	-99,562	279,616
3.09	Net income (Loss) from Continuing Operations	7,571,849	-620,959
3.11	Net Income/Loss for the Period	7,571,849	-620,959
3.11.01	Attributed to Shareholders of Parent Company	6,662,058	-886,331
3.11.02	Attributed to Noncontrolling Shareholders	909,791	265,372
3.99	Earnings (Loss) per Share (Reais / Shares)		
3.99.01	Basic Earnings per Share		
3.99.01.01	Registered Common Shares (RCS)	5.19	-0.72
3.99.01.02	Registered Preferred Shares (RPS)	5.71	-0.72
3.99.02	Diluted Earnings per Share		
3.99.02.01	RCS	5.19	-0.72
3.99.02.02	RPS	5.71	-0.72

Consolidated Financial Statements / Statement of Comprehensive Income (loss)

(In thousands of reais)

Account code	Account description	Current year period 01/01/2021 to 09/30/2021	Prior year period 01/01/2020 to 09/30/2020
4.01	Consolidated Net Income (Loss) for the Period	7,571,849	-620.959
4.02	Other Comprehensive Income (Loss)	-88,858	471.258
4.02.01	Actuarial Gain (Loss) on Retirement Benefits	-84,657	471.258
4.02.03	Hedge Accounting	-4,201	-
4.03	Consolidated Comprehensive Income (Loss) for the Period	7,482,991	-149.701
4.03.01	Attributed to Shareholders of Parent Company	6,574,414	-415.081
4.03.02	Attributed to Noncontrolling Shareholders	908,577	265.380

Consolidated Financial Statements / Cash Flow Statement - Indirect Method

(In thousands of reais)

Account code	Account description	Current year period 01/01/2021 to 09/30/2021	Prior year period 01/01/2020 to 09/30/2020
6.01	Net Cash from Operating Activities	3,579,887	2,532,591
6.01.01	Cash From Operations	8,984,505	1,857,406
6.01.01.01	Net Income (Loss) for the Period	7,571,849	-620,959
6.01.01.02	Charges and Indexation/Exchange Gains (Losses) Net	-568,532	1,225,262
6.01.01.03	Interest Expenses	190,997	244,078
6.01.01.04	Depreciation and Amortization	742,758	747,414
6.01.01.05	Gain/Loss on sale of Property, Plant and Equipment	-66,634	-9,620
6.01.01.07	Equity Income Result	-164,686	-100,872
6.01.01.09	Deferred Income Tax and Social Contribution	99,562	-279,616
6.01.01.10	Set up (Reversal) of Provisions	708,877	580,386
6.01.01.11	Actuarial Gains (Losses)	73,057	64,582
6.01.01.12	Impairment of Assets	397,257	6,751
6.01.02	Changes in Assets and Liabilities	-3,452,893	770,873
6.01.02.02	Trade Receivables	-1,536,642	-455,238
6.01.02.03	Inventories	-3,214,520	234,923
6.01.02.04	Taxes Recoverable	-355,302	-128,731
6.01.02.05	Judicial Deposits	25,722	1,651
6.01.02.06	Receivables from Related Parties	-	-10,533
6.01.02.07	Receivables - Eletrobras	-	311,534
6.01.02.08	Other (Increase) Decrease in Assets	-186,616	-149,096
6.01.02.09	Accounts Payable, Contractors and Freight	764,564	114,867
6.01.02.10	Payables to Related Parties	8,411	-14,184
6.01.02.11	Advances from Customers	-44,304	57,935
6.01.02.12	Taxes Payable	1,085,657	417,592
6.01.02.13	Accounts Payable – Forfeiting	105,355	313,381
6.01.02.14	Other Increase (Decrease) in Liabilities	-105,218	76,772
6.01.03	Others	-1,951,725	-95,688
6.01.03.01	Interest Paid	-343,484	-330,146
6.01.03.02	Income and Social Contribution Taxes Paid	-1,576,195	-142,703
6.01.03.03	Actuarial Liabilities Paid (Received)	-32,046	377,161
6.02	Net Cash from Investing Activities	-763,457	-1,165,069
6.02.01	Proceeds from the Sale of Property, Plant and Equipment	103,089	24,348
6.02.02	Purchases of Property, Plant and Equipment	-857,662	-537,363
6.02.04	Dividends Received	11,967	6,821
6.02.06	Purchase of Software	-20,914	-16,822
6.02.07	Marketable Securities	63	-642,053
6.03	Net Cash from Financing Activities	-374,536	-223,568
6.03.02	Repayment of Borrowings	-5,779	-11,116
6.03.04	Swap Transaction Settlement	-	-153,029
6.03.05	Dividends and Interest on Equity Paid	-368,757	-59,423
6.04	Exchange Gain (Loss) on Cash and Cash Equivalents	-16,433	27,154
6.05	Increase (Decrease) in Cash and Cash Equivalents	2,425,461	1,171,108
6.05.01	Cash and Cash Equivalents at Beginning	3,261,288	1,252,966
6.05.02	Cash and Cash Equivalents at End of Period	5,686,749	2,424,074

Consolidated Financial Statements / Statement of Changes in Equity - 01/01/2021 to 09/30/2021
(In thousands of reais)

Account code	Account description	Paid-in capital	Capital reserves, options granted and treasury shares	Revenue reserves	Retained earnings (accumula ted losses)	Other Comprehen sive Income (Loss)	Equity	Noncontrollin shareholders	Equity - Consolidated
5.01	Opening Balances	13,200,295	311,366	1,472,967	-	-117,162	14,867,466	1,970,704	16,838,170
5.03	Adjusted Opening Balances	13,200,295	311,366	1,472,967	-	-117,162	14,867,466	1,970,704	16,838,170
5.04	Capital Transactions with Shareholders	-	477	-	-1,262,104	-15,908	-1,277,535	-95,995	-1,373,530
5.04.03	Stock Options granted	-	-411	-	411	-	-	-	-
5.04.05	Treasury Stock sSold	-	888	-	-	-	888	-	888
5.04.06	Dividends	-	-	-	-829,883	-	-829,883	-95,995	-925,878
5.04.07	Interest on Equity	-	-	-	-448,623	-	-448,623	-	-448,623
5.04.08	IAS 29 Adjustment - Property, Plant and Equipment	-	-	-	15,908	-15,908	-	-	-
5.04.09	Prescribed Dividends	-	-	-	83	-	83	-	83
5.05	Total Comprehensive Income (Loss)	-	-	-	6,662,058	-87,644	6,574,414	908,577	7,482,991
5.05.01	Net Income (Loss) for the Period	-	-	-	6,662,058	-	6,662,058	909,791	7,571,849
5.05.02	Other Comprehensive Income (Loss)	-	-	-	-	-87,644	-87,644	-1,214	-88,858
5.05.02.03	Hedge Accounting	-	-	-	-	-2,941	-2,941	-1,260	-4,201
5.05.02.06	Actuarial Gain (Loss) on retirement benefits	-	-	-	-	-84,703	-84,703	46	-84,657
5.07	Closing Balances	13,200,295	311,843	1,472,967	5,399,954	-220,714	20,164,345	2,783,286	22,947,631

Consolidated Financial Statements / Statement of Changes in Equity - 01/01/2020 to 09/30/2020
(In thousands of reais)

Account code	Account description	Paid-in capital	Capital reserves, options granted and treasury shares	Revenue reserves	Retained earnings (accumulated losses)	Other Comprehensive Income (Loss)	Equity	Noncontrolling shareholders	Equity - Consolidated
5.01	Opening Balances	13,200,295	307,033	943,132	-	-407,037	14,043,423	1,522,261	15,565,684
5.03	Adjusted Opening Balances	13,200,295	307,033	943,132	-	-407,037	14,043,423	1,522,261	15,565,684
5.04	Capital Transactions with Shareholders	-	473	-	9,543	-9,126	890	-239	651
5.04.03	Stock Options granted	-	-417	-	417	-	-	-	-
5.04.05	Treasury Stock sold	-	890	-	-	-	890	-	890
5.04.06	Dividends	-	-	-	-	-	-	-239	-239
5.04.09	IAS 29 Adjustment Property, Plant and Equipment	-	-	-	9,126	-9,126	-	-	-
5.05	Total Comprehensive Income (Loss)	-	-	-	-886,331	471,250	-415,081	265,380	-149,701
5.05.01	Net Income (Loss) for the Period	-	-	-	-886,331	-	-886,331	265,372	-620,959
5.05.02	Other Comprehensive Income (Loss)	-	-	-	-	471,250	471,250	8	471,258
5.05.02.06	Actuarial Gain (Loss) on retirement benefits	-	-	-	-	471,250	471,250	8	471,258
5.07	Closing Balances	13,200,295	307,506	943,132	-876,788	55,087	13,629,232	1,787,402	15,416,634

Consolidated Financial Statements / Statement of Value Added**(In thousands of reais)**

Account code	Account description	Current year period 01/01/2021 to 09/30/2021	Prior year period 01/01/2020 to 09/30/2020
7.01	Revenue	32,048,288	12,940,106
7.01.01	Sales of Goods, Products and Services	32,025,676	12,947,224
7.01.02	Other Revenues	28,852	20,825
7.01.04	Allowance (Reversal of) for Doubtful Accounts	-6,240	-27,943
7.02	Inputs Acquired from Third Parties	-19,541,299	-8,821,258
7.02.01	Costs of Products Goods and Services Sold	-19,822,732	-8,199,825
7.02.02	Materials, Energy, Third-Party Services and Other Expenses	278,403	-621,433
7.02.03	(Loss) Recovery of Assets	3,030	-
7.03	Gross Value Added	12,506,989	4,118,848
7.04	Retentions	-742,758	-747,414
7.04.01	Depreciation, Amortization and Depletion	-742,758	-747,414
7.05	Net Value Added Produced	11,764,231	3,371,434
7.06	Value Added Received in Transfer	1,393,183	552,534
7.06.01	Equity in Results of Investees	164,686	100,872
7.06.02	Financial Revenues	1,232,936	183,097
7.06.03	Other	-4,439	268,565
7.06.03.01	Actuarial Gains and Losses	-73,057	-64,582
7.06.03.02	Foreign Exchange Gains/losses	68,618	333,147
7.07	Total Value Added to be Distributed	13,157,414	3,923,968
7.08	Distribution of Value Added	13,157,414	3,923,968
7.08.01	Personnel	817,629	811,311
7.08.01.01	Direct Compensation	664,559	695,339
7.08.01.02	Benefits	100,809	45,042
7.08.01.03	Unemployment Compensation Fund (FGTS)	52,261	70,930
7.08.02	Taxes, Rates and Contributions	4,002,887	1,910,468
7.08.02.01	Federal	2,029,035	975,255
7.08.02.02	State	1,913,384	871,150
7.08.02.03	Municipal	60,468	64,063
7.08.03	Remuneration of Third Parties	765,049	1,823,148
7.08.03.01	Interest	495,909	440,657
7.08.03.03	Other	269,140	1,382,491
7.08.03.03.01	Exchange gains and losses, net	269,140	1,384,023
7.08.03.03.02	Others	-	-1,532
7.08.04	Equity Remuneration	7,571,849	-620,959
7.08.04.03	Retained Earnings (Accumulated Losses)	6,662,058	-886,331
7.08.04.04	Noncontrolling Interests in Retained Profits	909,791	265,372

Notes

1 Operations

Usinas Siderúrgicas de Minas Gerais S.A. - USIMINAS (“USIMINAS”, “Usiminas”, “Parent company” or “Company”), headquartered in the city of Belo Horizonte, State of Minas Gerais, is a publicly-held company with shares traded on the Brazilian stock exchange (B3 – Brasil, Bolsa, Balcão) under tickers USIM3, USIM5 and USIM6.

The Company and its subsidiaries, jointly-controlled subsidiaries and associates (Usiminas) operate in the steel industry and related activities, such as iron ore extraction, steel transformation, production of capital goods, and logistics. Currently, the Company operates two steel mills, located in the cities of Ipatinga, State of Minas Gerais, and Cubatão, State of São Paulo, which have a nominal capacity to generate products for sales of 6.9 million (data not reviewed by auditor) metric tons, in addition to iron ore reserves, service and distribution centers, maritime ports and cargo terminals, strategically located in several Brazilian cities.

The Company holds direct or indirect interests in subsidiaries, jointly-controlled subsidiaries and associates, as described in Note 1 to the financial statements for the year ended December 31, 2020.

2 Interim accounting information

The issue and disclosure of the interim accounting information included in this Quarterly Information Form (ITR) on the Company and Consolidated accounts was approved by the Board of Directors at a meeting held on October 28, 2021.

3 Summary of significant accounting policies

The significant accounting policies applied in the preparation of this interim accounting information are consistent with those adopted and presented in the Company's financial statements for the year ended December 31, 2020.

The accounting policies, which have been consistently applied in the current period, are consistent with those of the year and period presented for comparison purposes, and common to the parent company, subsidiaries, associates and jointly-controlled subsidiaries; the interim accounting information on the subsidiaries was adjusted, as applicable, to meet this criterion.

3.1 Basis of preparation and statement of compliance

This interim accounting information for the nine-month period ended September 30, 2021 should be read together with the Company's financial statements for the year ended December 31, 2020.

Considering that there were no material changes in the composition and nature of the balances presented in the financial statements for the year ended December 31, 2020, the following notes are presented in a condensed format for the nine-month period ended September 30, 2021:

- 3 Summary of significant accounting policies;
- 4 Financial risk management objectives and policy;
- 11 Income tax and social contribution;
- 12 Judicial deposits;
- 13 Investments;
- 14 Property, plant and equipment;
- 15 Impairment of non-financial assets;
- 16 Intangible assets;
- 17 Borrowings and debentures;
- 19 Taxes payable in installments;
- 21 Provision for litigation;
- 22 Retirement benefit obligations;
- 23 Equity;
- 29 Transactions with related parties; and
- 30 Stock option plan.

3.2 Parent company and consolidated interim accounting information

The parent company and consolidated interim accounting information presented herein under Parent company and Consolidated, respectively, has been prepared in accordance with Technical Pronouncement CPC 21 (R1) - Interim Financial Reporting, International Accounting Standard (IAS) 34 - Interim Financial Reporting, and the rules of the Brazilian Securities Commission (CVM). Accordingly, this interim accounting information discloses all applicable significant information, which is consistent with the information utilized by management in the performance of its duties.

3.3 Standards, amendments to and interpretations of existing standards

In the nine-month period ended September 30, 2021, no new standards, amendments to, or interpretations of existing standards were issued.

4 Financial risk management objectives and policy

At September 30, 2021, there were no significant changes in financial risk policies and management in relation to those disclosed in the Company's financial statements for the year ended December 31, 2020.

4.1 Foreign exchange risk

(i) Foreign exchange exposure

Usiminas operates internationally and is exposed to foreign exchange risks associated with fluctuations in exchange rates, particularly in relation to the US Dollar and, to a lesser extent, the Yen and the Euro. Foreign exchange risk arises from recognized assets and liabilities and net investments in foreign operations, as described below.

	Parent company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Assets in foreign currency				
Cash and cash equivalents	329,427	128,916	862,014	397,051
Marketable securities	-	-	36,334	32,120
Trade receivables	355,929	47,353	302,441	262,589
Advances to suppliers	29	-	45	1,364
	<u>685,385</u>	<u>176,269</u>	<u>1,200,834</u>	<u>693,124</u>
Liabilities in foreign currency				
Borrowings	(4,075,965)	(3,944,010)	(4,075,965)	(3,944,010)
Trade payables, contractors, and freight charges	(1,035,271)	(607,429)	(1,037,363)	(618,415)
Advances from customers	(18,414)	(10,682)	(26,450)	(20,074)
Other payables	(2,135)	(2,793)	(2,143)	(2,787)
	<u>(5,131,785)</u>	<u>(4,564,914)</u>	<u>(5,141,921)</u>	<u>(4,585,286)</u>
Currency exposure	<u>(4,446,400)</u>	<u>(4,388,645)</u>	<u>(3,941,087)</u>	<u>(3,892,162)</u>

(ii) Sensitivity analysis - foreign exchange risk arising from assets and liabilities denominated in foreign currency

The Company prepared a sensitivity analysis of outstanding assets and liabilities denominated in foreign currency at the end of the period, using the foreign exchange rate at September 30, 2021. For Scenario I, a 5% depreciation of the Brazilian Real in comparison with the current scenario was considered. For Scenarios II and III, the exchange rate at September 30, 2021 was stressed by 25% and 50%, respectively.

The currencies used in the sensitivity analysis and their related scenarios are shown below:

Currency	Foreign exchange rate at the end of the period	09/30/2021		
		Scenario I	Scenario II	Scenario III
US\$	5.4394	5.7114	6.7993	8.1591
Euro	6.2983	6.6132	7.8729	9.4475
Yen	0.0488	0.0512	0.0610	0.0732

The potential effects on finance result, considering Scenarios I, II and III, are shown below:

Currency	Consolidated		
	09/30/2021		
	Scenario I	Scenario II	Scenario III
US\$	(196,695)	(983,474)	(1,966,947)
Euro	(79)	(395)	(789)
Yen	(281)	(1,404)	(2,808)

4.2 Cash flow and fair value interest rate risk**(i) Composition of borrowings and debentures by type of interest rate**

The interest rate risk arises from interest rates used in financial investments, borrowings and debentures.

The balances of borrowings and debentures, by type of interest rate, in current and non-current liabilities, are as follows:

	Parent company				Consolidated			
	09/30/2021	%	12/31/2020	%	09/30/2021	%	12/31/2020	%
Borrowings								
Fixed rate	4,084,934	67	3,955,970	66	4,089,815	67	3,963,754	66
Debentures								
CDI	1,988,409	33	2,004,608	34	1,988,409	33	2,004,608	34
	6,073,343	100	5,960,578	100	6,078,224	100	5,968,362	100

(ii) Sensitivity analysis of changes in interest rates

The Company prepared a sensitivity analysis of assets and liabilities indexed to interest rates outstanding at the end of the period, considering the rate prevailing at September 30, 2021 for the probable scenario. For Scenario I, a 5% increase on the average interest rate applicable to the floating portion of its current debt was considered. For Scenarios II and III, the probable rate was stressed by 25% and 50%, respectively.

The rate used and the related scenarios are shown below:

Index	Rates at the end of the period (i)	09/30/2021		
		Scenario I	Scenario II	Scenario III
CDI	6.2%	6.5%	7.7%	9.2%

(i) Annualized rate.

The potential effects on finance result, considering Scenarios I, II and III, are shown below:

Index	Consolidated		
	09/30/2021		
	Scenario I	Scenario II	Scenario III
CDI	13,331	66,653	133,306

The interest rates to which the Company is exposed, in relation to debentures, are presented in Note 21 to the financial statements for the year ended December 31, 2020, and Note 17 to this interim accounting information, and mainly refer to Interbank Deposit Certificate (CDI).

4.3 Capital management

Usiminas' objectives for managing capital are to safeguard the ability to continue as a going concern, by fulfilling its commitments and improving earnings in order to provide returns for Shareholders and benefits for other stakeholders, while maintaining an optimal capital structure.

Presented below is the calculation of the gearing ratio considering net debt as a percentage of total capital.

	Parent company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Total borrowings, debentures and taxes payable in installments	6,077,771	5,964,956	6,082,654	5,972,742
Less: cash and cash equivalents and marketable securities	<u>(2,659,765)</u>	<u>(2,564,618)</u>	<u>(7,293,502)</u>	<u>(4,868,104)</u>
Net debt	<u>3,418,006</u>	<u>3,400,338</u>	<u>(1,210,848)</u>	<u>1,104,638</u>
Total equity	20,164,345	14,867,466	22,947,631	16,838,170
Total capitalization	<u>23,582,351</u>	<u>18,267,804</u>	<u>21,736,783</u>	<u>17,942,808</u>
Gearing ratio	<u>14%</u>	<u>19%</u>	<u>-6%</u>	<u>6%</u>

5 Derivative financial instruments

The Company enters into swap contracts for the main purpose of managing and hedging price risks, thereby reducing the effects of volatility of commodity prices. Financial instruments are not used for speculative purposes. In accordance with its policy, the Company neither settles the transactions prior to their respective original maturity dates nor makes early payments on its derivative financial instruments.

At September 30, 2021, the derivative financial instruments entered into by the Company were as follows:

(a) Consolidated

Hedged item	Maturity groups (month/year)	INDEX		NOTIONAL AMOUNT (contracted amount)				FAIR (MARKET) VALUE - BOOK VALUE		Gain/loss for the period
				9/30/2021		12/31/2020		9/30/2021	12/31/2020	9/30/2021
		Asset position	Liability position	Asset position	Liability position	Asset position	Liability position	Asset (liability) position	Asset (liability) position	Gain (loss)

HEDGE OF COMMODITIES' PRICE

Iron Ore CFR China (62% Fe Fines)	Nov21	Ore FWD USD 104.95	Ore_FWD_SCOV1	R\$ 27,599	R\$ 27,599	-	-	-	-	(3,460)
Iron Ore CFR China (62% Fe Fines)	Nov21	Ore FWD USD 98.00	Ore_FWD_SCOV1	R\$ 51,983	R\$ 51,983	-	-	-	-	(10,700)
Iron Ore CFR China (62% Fe Fines)	Nov21	Ore FWD USD 109.40	Ore_FWD_SCOV1	R\$ 2,717	R\$ 2,717	-	-	-	-	(2,159)
Iron Ore CFR China (62% Fe Fines)	Nov21	Ore FWD USD 113.60	Ore_FWD_SCOV1	R\$ 30,376	R\$ 30,376	-	-	-	-	(1,107)
Iron Ore CFR China (62% Fe Fines)	Nov21	Ore FWD USD 115.10	Ore_FWD_SCOV1	R\$ 61,553	R\$ 61,553	-	-	-	-	(1,398)
Iron Ore CFR China (62% Fe Fines)	Dec21	Ore FWD USD 108.15	Ore_FWD_SCOX1	R\$ 27,401	R\$ 27,401	-	-	-	-	(2,268)
Iron Ore CFR China (62% Fe Fines)	Jan22	Ore FWD USD 106.95	Ore_FWD_SCOZ1	R\$ 27,096	R\$ 27,096	-	-	-	-	(2,334)

Revenue from exports in the period (23,426)

Book balance (asset position net of the liability position) - (23,426)

At September 30, 2021, the book balances of the derivative financial instruments operations total R\$23,426 in the Consolidated and are recorded in current liabilities.

(b) Hedging activities – cash flow hedge (hedge accounting)

The subsidiary Mineração Usiminas has entered into hedging transactions to protect against fluctuations in iron ore price, which have an impact on its sales to the foreign market.

Hedge accounting involves the recognition of the net effect on profit or loss of gains/losses arising from changes in the fair value of the hedging instrument and the hedged item at the same time.

The commodity price hedging transactions at September 30, 2021 are presented below:

					Consolidated
Hedged item	Maturity (month/year)	Index		Notional amount (amount contracted)	Balance
		Asset position	Liability position		
Iron Ore CFR China (62% Fe Fines)	Nov21	Ore FWD USD 104.95	Ore_FWD_SCOV1	R\$ 27,599	(3,460)
Iron Ore CFR China (62% Fe Fines)	Nov21	Ore FWD USD 98.00	Ore_FWD_SCOV1	R\$ 51,983	(10,700)
Iron Ore CFR China (62% Fe Fines)	Nov21	Ore FWD USD 109.40	Ore_FWD_SCOV1	R\$ 27,717	(2,159)
Iron Ore CFR China (62% Fe Fines)	Nov21	Ore FWD USD 113.60	Ore_FWD_SCOV1	R\$ 30,376	(1,107)
Iron Ore CFR China (62% Fe Fines)	Nov21	Ore FWD USD 115.10	Ore_FWD_SCOV1	R\$ 61,553	(1,398)
Iron Ore CFR China (62% Fe Fines)	Dec21	Ore FWD USD 108.15	Ore_FWD_SCOX1	R\$ 27,401	(2,268)
Iron Ore CFR China (62% Fe Fines)	Jan22	Ore FWD USD 106.95	Ore_FWD_SCOZ1	R\$ 27,096	(2,334)
				-	(23,426)

Hedge accounting directly affecting equity is shown below:

	Consolidated 09/30/2021
Opening balance recognized in equity	-
Hedging instrument amount recognized in the period	(23,426)
Hedged item amount recognized in the period	17,061
Deferred taxes on profit (34%)	2,164
Closing balance recognized in equity	(4,201)
Amount reversed from equity to profit or loss	-

6 Cash and cash equivalents

	Parent company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Bank accounts	46,719	27,391	71,583	43,264
Bank accounts abroad	329,427	128,916	862,014	397,051
Bank Deposit Certificates (CDBs) and repurchase commitments	1,472,030	1,692,003	4,753,152	2,820,973
	<u>1,848,176</u>	<u>1,848,310</u>	<u>5,686,749</u>	<u>3,261,288</u>

Financial investments in Bank Deposit Certificates (CDBs) and repurchase transactions have immediate liquidity, and earn on average 105.65% (104.24% at December 31, 2020) of the CDI rate in the Parent company, and 106.01% (103.98% at December 31, 2020) of the CDI rate in Consolidated.

At September 30, 2021, Usiminas did not have overdraft accounts.

7 Marketable securities

	Parent company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Bank Deposit Certificates (CDBs)	811,589	716,308	1,570,419	1,574,696
Financial investments abroad	-	-	36,334	32,120
	<u>811,589</u>	<u>716,308</u>	<u>1,606,753</u>	<u>1,606,816</u>

Financial investments in CDBs earn on average 105,65% (104.24% at December 31, 2020) of the CDI rate in the Parent company and 106.01% (103.98% at December 31, 2020) of the CDI rate in Consolidated.

None of these financial assets is either past due or impaired.

Financial investments mainly comprise Bank Deposit Certificates (CDBs) held with first-tier financial institutions.

8 Trade receivables

	Parent company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Trade receivables:				
In Brazil	2,664,269	1,354,497	3,858,536	2,381,091
Abroad	356,794	34,191	303,306	249,427
Provision for impairment of trade receivables (i)	(135,179)	(137,208)	(204,128)	(197,946)
Trade receivables, net	2,885,884	1,251,480	3,957,714	2,432,572
Receivables from related parties				
In Brazil	1,447,990	379,969	46,141	10,185
Abroad	3,524	17,355	3,524	17,355
Total receivables from related parties	1,451,514	397,324	49,665	27,540
	<u>4,337,398</u>	<u>1,648,804</u>	<u>4,007,379</u>	<u>2,460,112</u>
Current assets	4,309,762	1,561,483	3,944,124	2,372,791
Non-current assets	27,636	87,321	63,255	87,321

(i) Of the total provision for impairment of trade receivables in Parent company and Consolidated accounts, R\$4,389 (R\$4,193 at December 31, 2020) refers to trade receivables in foreign currency.

The ageing analysis of trade receivables is shown below:

	Parent company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Amounts not yet due	3,856,370	1,641,529	3,821,973	2,270,168
Overdue:				
Up to 30 days	504,875	38,153	211,569	211,221
From 31 to 60 days	8,943	4,124	8,395	5,557
From 61 to 90 days	1,310	1,925	2,066	7,717
From 91 to 180 days	1,495	2,486	1,535	5,073
Over 181 days	99,584	97,795	165,969	158,322
(-) Provision for impairment of trade receivables	(135,179)	(137,208)	(204,128)	(197,946)
	<u>4,337,398</u>	<u>1,648,804</u>	<u>4,007,379</u>	<u>2,460,112</u>

At September 30, 2021, trade receivables amounting to R\$481,028 in the Parent company and R\$185,406 in Consolidated were past due but not impaired (R\$7,275 and R\$189,944 at December 31, 2020, respectively). These receivables relate to customers with no recent history of default, or whose outstanding balances are secured by collateral.

Trade receivables, net of the provision for impairment, are denominated in the following currencies:

	Parent company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Brazilian Real	3,981,469	1,601,451	3,704,938	2,197,523
U.S. dollar	347,725	46,048	294,237	261,284
Euro	8,204	1,305	8,204	1,305
	<u>4,337,398</u>	<u>1,648,804</u>	<u>4,007,379</u>	<u>2,460,112</u>

Changes in the provision for impairment of trade receivables were as follows:

	Parent company	Consolidated
At December 31, 2020	<u>(137,208)</u>	<u>(197,946)</u>
Reversals from (additions to) profit or loss	2,225	(6,240)
Write-off against trade receivables		254
Foreign exchange gains	<u>(196)</u>	<u>(196)</u>
At September 30, 2021	<u>(135,179)</u>	<u>(204,128)</u>

Changes (additions/reversals) in the provision for impairment of trade receivables were recorded within "Selling expenses" in the statement of operations. Usiminas does not hold any collateral for trade receivables.

9 Inventories

	Parent company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Current assets				
Finished products	1,197,311	669,208	1,194,420	786,763
Work in progress	2,128,731	1,257,692	2,171,335	1,274,666
Raw materials	1,352,922	685,879	2,313,530	1,072,102
Supplies and spare parts	581,809	484,788	657,371	546,827
Imports in transit	764,950	160,446	765,760	160,520
Provision for losses (i)	(172,462)	(120,836)	(177,412)	(129,964)
Other	261,769	178,781	261,770	178,781
	<u>6,115,030</u>	<u>3,315,958</u>	<u>7,186,774</u>	<u>3,889,695</u>

(i) Relates to losses arising from fair value adjustments and obsolescence of certain inventory items.

10 Taxes recoverable

	Parent company			
	09/30/2021		12/31/2020	
	Current	Non-current	Current	Non-current
Income tax (i)	169,708	-	-	-
Social contribution (i)	61,124	-	-	-
Social Integration Program (PIS) (ii)	175,074	-	20,809	13,798
Social Contribution on Revenues (COFINS) (ii)	982,390	-	80,986	103,940
Value-Added Tax on Sales and Services (ICMS)	208,431	39,451	114,000	30,926
Excise Tax (IPI)	48,086	-	34,923	-
Special System for Refund of Tax Amounts to Exporting Companies (Reintegra) - credit	2,707	19,253	1,040	18,934
Other	24	1,865	24	1,865
	<u>1,647,544</u>	<u>60,569</u>	<u>251,782</u>	<u>169,463</u>
	Consolidated			
	09/30/2021		12/31/2020	
	Current	Non-current	Current	Non-current
Income tax (i)	187,429	-	-	-
Social contribution (i)	67,503	-	-	-
PIS (ii)	234,751	17,727	36,283	14,353
COFINS (ii)	1,271,035	32,411	159,117	106,633
ICMS	293,228	40,565	176,309	32,064
IPI	147,405	-	64,694	-
Reintegra - credit	2,948	19,253	1,040	18,934
National Institute of Social Security (INSS)	4,754	-	2,809	-
Other	4,503	2,020	1,320	2,020
	<u>2,213,556</u>	<u>111,976</u>	<u>441,572</u>	<u>174,004</u>

(i) As described in Note 21 (b) (iii).

(ii) At September 30, 2021, current asset balances relate mainly to the inclusion of ICMS in PIS and COFINS taxable base, as described in Note 21 (b) to this interim accounting information and in Note 25 (c) to the financial statements at December 31, 2020. These balances were classified in current assets based on their expected offset against taxes payable, considering the Company's projected results for the next 12 months.

11 Income tax and social contribution**(a) Taxes on profit**

Income tax and social contribution were calculated as follows:

	Parent company		Consolidated	
	09/30/2021	09/30/2020	09/30/2021	09/30/2020
Profit (loss) before income tax and social contribution	7,650,477	(1,166,430)	9,795,154	(486,922)
Nominal statutory rates	34%	34%	34%	34%
Income tax at nominal rates	<u>(2,601,162)</u>	<u>396,587</u>	<u>(3,330,352)</u>	<u>165,553</u>
Adjustments to determine taxable income:				
Equity in the results of investees (i)	754,496	203,914	55,992	34,295
Interest on capital paid	152,532	-	169,982	-
Interest on capital received	(40,715)	-	-	-
Permanent tax differences	57,536	(961)	141,269	(3,442)
Reversal of Selic interest on tax overpayment (ii)	230,832	-	254,932	-
Recognized (unrecognized) deferred tax losses	439,494	(319,441)	463,958	(358,386)
Tax incentives	18,568	-	21,380	2,623
Non-taxable income and rate differences of foreign subsidiaries	-	-	(466)	25,320
	<u>-</u>	<u>-</u>	<u>(466)</u>	<u>25,320</u>
Tax (expense) credit in the statement of operations	<u>(988,419)</u>	<u>280,099</u>	<u>(2,223,305)</u>	<u>(134,037)</u>
Current	(802,426)	-	(2,123,743)	(413,653)
Deferred	<u>(185,993)</u>	<u>280,099</u>	<u>(99,562)</u>	<u>279,616</u>
Tax (expense) credit in the statement of operations	<u>(988,419)</u>	<u>280,099</u>	<u>(2,223,305)</u>	<u>(134,037)</u>
Income tax	(721,880)	206,211	(1,628,550)	(97,480)
Social contribution	<u>(266,539)</u>	<u>73,888</u>	<u>(594,755)</u>	<u>(36,557)</u>

(i) Net of unrealized inventory profit.

(ii) As described in Note 21 (b) (iii).

The effective rates differ from the statutory rates as demonstrated above.

(b) Deferred income tax and social contribution

Changes in deferred income tax and social contribution, net, for the nine-month period ended September 30, 2021, were as follows:

	Assets	
	Parent company	Consolidated
At December 31, 2020	2,220,876	2,914,338
Changes in deferred taxes in the statement of operations, net	(625,487)	(563,520)
Recognized (unrecognized) deferred tax losses	439,494	463,958
Other	(2)	2,161
At September 30, 2021	2,034,881	2,816,937

The composition of deferred income tax and social contribution assets and liabilities is as below:

	Parent company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Deferred assets arising from income tax and social contribution losses	2,087,183	2,537,974	2,215,267	2,691,854
Deferred assets arising from temporary differences	1,077,791	931,319	1,945,194	1,711,646
Deferred liabilities arising from temporary differences	(711,590)	(390,420)	(742,886)	(424,566)
Income tax and social contribution and social contribution	(418,503)	(857,997)	(600,638)	(1,064,596)
	<u>2,034,881</u>	<u>2,220,876</u>	<u>2,816,937</u>	<u>2,914,338</u>

In the nine-month period ended September 30, 2021, the Company's management reversed a provision for tax credit losses of R\$439,494 in the Parent company and R\$463,958 in Consolidated (additions of R\$319,441 in the Parent company and R\$358,386 in the Consolidated at December 31, 2020). Deferred tax losses not recognized in the financial statements totaled R\$418,503 in the Parent company and R\$600,638 in Consolidated (R\$857,997 and R\$1,064,596 at December 31, 2020, respectively). Management will continue monitoring this unrecognized amount, which may be accounted for as soon as offset is expected to be probable.

Based on projections approved by management and on the balance of deferred income tax assets (tax losses and temporary differences) at September 30, 2021, deferred taxes are expected to be realized as follows:

	<u>Parent company</u>	<u>Consolidated</u>
2021	59,577	164,168
2022	235,408	271,019
2023	245,099	280,687
2024	245,883	281,485
2025	278,010	313,596
2026 to 2028	882,217	999,701
2029 to 2031	912,993	1,014,191
2032 to 2034	305,787	370,518
After 2035 (i)	-	465,096
Total	<u>3,164,974</u>	<u>4,160,461</u>
Recognized (unrecognized) deferred tax losses	<u>(418,503)</u>	<u>(600,638)</u>
Assets	<u>2,746,471</u>	<u>3,559,823</u>
Liabilities	<u>(711,590)</u>	<u>(742,886)</u>
Net position	<u>2,034,881</u>	<u>2,816,937</u>

(i) In Consolidated, the amounts relate mainly to tax credits from goodwill on the merger of Mineração Usiminas. These tax credits were allocated to match the expected useful lives of the mines, which are foreseen to be fully depleted by 2053.

The recognition of tax assets is based on a study of expected future taxable income, which was reviewed by the Statutory Audit Board and approved by the Board of Directors of the Company, and was based on the same data and assumptions adopted in the impairment testing of assets (Note 17 to the financial statements at December 31, 2020). In addition, the Company monitors, over the year, the actual results of the main assumptions adopted in impairment tests to assess the need for recognizing or reversing deferred tax credits.

As the income tax and social contribution taxable bases arise not only from projected taxable income, but also from non-taxable income, non-deductible expenses, tax incentives and other variables, there is no linear correlation between the Company's forecast profit and the income subject to income tax and social contribution. Therefore, the expected use of deferred tax credits should not be considered as the only indicator of Usiminas' future profitability.

12 Judicial deposits

At September 30, 2021, changes in judicial deposits were as follows:

	<u>Parent company</u>	<u>Consolidated</u>
At December 31, 2020 (i)	<u>549,507</u>	<u>740,300</u>
Additions	2,625	26,344
Interest/inflation indexation	3,737	7,521
Reversals	<u>(60,407)</u>	<u>(73,331)</u>
Sub-total	<u>495,462</u>	<u>700,834</u>
(-) Offset against taxes payable in installments	<u>(196,892)</u>	<u>(196,892)</u>
At September 30, 2021	<u>298,570</u>	<u>503,942</u>

(i) The amount of R\$196,892, related to the offset of taxes payable in installments, must be added to the total amount of judicial deposits presented in the balance sheet at December 31, 2020.

At September 30, 2021, additions in the Parent company relate mainly to tax proceedings amounting to R\$2,553. In Consolidated, besides the events considered in the Parent company, the additions relate mainly to the payment of Financial Compensation for Mineral Resources Exploration (CFEM) in the subsidiary Mineração Usiminas, amounting to R\$21,860

At September 30, 2021, reversals in the Parent company relate mainly to tax proceedings of R\$31,180, and labor claims totaling R\$24,475. In Consolidated, in addition to the events considered in the Parent company, the reversals relate mainly to labor claims amounting to R\$11,944.

13 Investments**(a) Changes in investments****(i) Parent company**

	<u>12/31/2020</u>	<u>Equity in the results of investees</u>	<u>Interest on capital and dividends</u>	<u>Unrealized profits on inventories</u>	<u>Actuarial liability</u>	<u>Other</u>	<u>09/30/2021</u>
Subsidiaries							
Mineração Usiminas	3,666,557	1,493,402	(223,988)	-	109	(2,941)	4,933,139
Soluções Usiminas	701,100	527,246	-	(471,723)	-	-	756,623
Usiminas International	73,163	(1,372)	-	-	-	-	71,791
Usiminas Mecânica	21,702	106,449	-	-	-	-	128,151
Usiminas Participações e Logística S.A. (UPL)	84,474	11,940	(2,470)	-	31	-	93,975
Goodwill on subsidiaries	76,917	-	-	-	-	(1,015)	75,902
	<u>4,623,913</u>	<u>2,137,665</u>	<u>(226,458)</u>	<u>(471,723)</u>	<u>140</u>	<u>(3,956)</u>	<u>6,059,581</u>
Jointly-controlled subsidiaries							
Unigal	503,078	72,354	-	-	-	-	575,432
Usiroll	12,603	1,823	(1,000)	-	-	-	13,426
	<u>515,681</u>	<u>74,177</u>	<u>(1,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>588,858</u>
Associates							
Codeme	30,504	5,721	-	-	-	-	36,225
MRS	12,022	1,790	14	-	5	-	13,831
	<u>42,526</u>	<u>7,511</u>	<u>14</u>	<u>-</u>	<u>5</u>	<u>-</u>	<u>50,056</u>
	<u>5,182,120</u>	<u>2,219,353</u>	<u>(227,444)</u>	<u>(471,723)</u>	<u>145</u>	<u>(3,956)</u>	<u>6,698,495</u>

At September 30, 2021, equity in the results of investees in the Parent company, presented in changes in investments, is reconciled as follows:

	<u>Parent company</u>
Equity in results of investees presented in the statements of income and cash flows	<u>1,747,385</u>
Net capital deficiency of the subsidiary Rios Unidos	245
Unrealized inventory profit determined at the subsidiaries Soluções Usiminas and Usiminas Mecânica.	<u>471,723</u>
Equity in results of investees presented as changes in investments	<u>2,219,353</u>

(ii) Consolidated

	12/31/2020	Equity in the results of investees	Interest on capital and dividends	Actuarial liability	09/30/2021
Jointly-controlled subsidiaries					
Investments in jointly-controlled subsidiaries	518,063	76,400	(3,280)	-	591,183
Goodwill on jointly-controlled subsidiaries	4,668	-	-	-	4,668
	522,731	76,400	(3,280)	-	595,851
Associates					
Investments in associates	528,777	88,286	(8,167)	191	609,087
Goodwill on associates	7,200	-	-	-	7,200
	535,977	88,286	(8,167)	191	616,287
Total	1,058,708	164,686	(11,447)	191	1,212,138

14 Property, plant and equipment

Changes in property, plant and equipment were as follows:

	<u>Parent company</u>	<u>Consolidated</u>
At December 31, 2020	9,627,857	11,006,034
Additions	679,740	857,662
Disposals	(728)	(36,455)
Impairment	(407,557)	(407,557)
Depreciation (i)	(591,007)	(714,277)
Interest and indexation charges/foreign exchange gains or losses	22,491	22,491
Transfers	(1,658)	(1,662)
Addition/Remeasurement - IFRS 16 (Right of use)	24,361	47,110
Other	154	153
At September 30, 2021	9,353,653	10,773,499

- (i) Includes right-of-use depreciation (IFRS 16) of R\$7,069 in the Parent company and R\$25,438 in Consolidated.
(ii) These charges were capitalized at the contracted rates, which are described in Note 20 to the financial statements for the year ended December 31, 2020.

In the nine-month period ended September 30, 2021, additions to property, plant and equipment relate to expenses incurred to maintain the Company's production capacity.

At September 30, 2021, interest and foreign exchange losses on borrowings amounting to R\$22,491 were capitalized within property, plant and equipment, in the Parent company and in Consolidated.

At September 30, 2021, depreciation in the Parent company was recognized in "Cost of sales", "Other operating income (expenses)", "Selling expenses" and "General and administrative expenses", in the amounts of R\$446,865, R\$132,646, R\$2,267 and R\$9,229 (R\$411,012, R\$181,267, R\$2,241 and R\$7,914 at September 30, 2020), respectively. In Consolidated, depreciation was recognized in "Cost of sales", "Other operating income (expenses)", "Selling expenses" and "General and administrative expenses" in the amounts of R\$559,122, R\$141,759, R\$3,179 and R\$10,217 (R\$520,185, R\$189,635, R\$3,039 and R\$10,397 at September 30, 2020), respectively.

Certain property, plant and equipment items have been pledged as collateral for borrowings and judicial proceedings (Note 32).

15 Impairment of non-financial assets

For calculation of the recoverable amount of each business segment, Usiminas uses the discounted cash flow method based on the economic and financial projections of each segment. The projections take into consideration the changes observed in the economic scenario of the markets in which the companies operate, as well as assumptions of expected results and the history of profitability of each segment.

During the nine-month period ended September 30, 2021, management monitored the behavior of the main assumptions used in the impairment tests carried out at December 31, 2020 (Note 17 to the annual financial statements), as well as the macroeconomic context of each business segment.

The assumptions and scenarios used were based on the expected improvement of the macroeconomic environment. These projections, however, are dependent on market factors and conditions, and may therefore differ from actual figures and results. The Company will continue monitoring developments and assessing the impacts of the spread of the coronavirus pandemic (COVID-19) on its operations and, consequently, on its financial statements.

In the nine-month period ended September 30, 2021, the economy started showing signs of growth.

This growth was reflected in better projected results for all the Company's segments in the period, when compared with the previous quarter. Therefore, there was no need to perform an impairment test for the period.

Management will continue to monitor the key assumptions of each business segment, as well as profit or loss for 2021, which will indicate the reasonableness of the future projections.

At September 30, 2021, an impairment loss of R\$407,557 was recognized for property, plant and equipment in the Steel metallurgy segment. This loss was identified on an individual group of assets, which is not related to the value in use of the segment's cash generating unit taken as a whole. As assessed by management, these assets, which were not in operation, presented evidence of obsolescence, indicating that it would not be economically feasible to bring them back into use. Additionally, an impairment reversal was recorded in the steel segment in the amount of R\$7,270, related to investment properties, arising from fair value adjustments.

The remaining impairment loss in the Mining segment at September 30, 2021, totaling R\$586,788 (R\$51,662 in inventories and R\$535,126 in mining rights), continues to be monitored by the Company and will be reversed as future projections allow.

The remaining impairment loss in the Capital Assets segment at September 30, 2021, totaling R\$107,668 (R\$2,492 in intangible assets and R\$105,176 in property, plant and equipment), continues to be monitored by the Company and will be reversed as future projections permit.

16 Intangible assets

Changes in intangible assets in the nine-month period ended September 30, 2021 were as follows:

	<u>Parent company</u>	<u>Consolidated</u>
At December 31, 2020	104,112	1,598,199
Additions	17,702	20,914
Amortization	(14,223)	(28,481)
Transfers	1,658	1,662
At September 30, 2021	109,249	1,592,294

17 Borrowings and debentures**(a) Borrowings**

Changes in borrowings were as follows:

	<u>Parent company</u>	<u>Consolidated</u>
At December 31, 2020	<u>3,955,970</u>	<u>3,963,754</u>
Accrued charges	192,144	185,067
Indexation accruals	358	403
Foreign exchange losses	182,025	182,025
Payment of interest	(251,201)	(244,275)
Repayment of principal	(2,982)	(5,779)
Deferral of commissions	<u>8,620</u>	<u>8,620</u>
At September 30, 2021	<u>4,084,934</u>	<u>4,089,815</u>
Current liabilities	54,470	58,421
Non-current liabilities	<u>4,030,464</u>	<u>4,031,394</u>

Long-term amounts fall due as follows:

	<u>Parent company</u>		<u>Consolidated</u>	
	<u>09/30/2021</u>	<u>12/31/2020</u>	<u>09/30/2021</u>	<u>12/31/2020</u>
2022	837	3,378	1,747	6,038
2023	2,976	2,976	2,992	4,968
2024	1,696	1,696	1,700	1,700
2026	<u>4,024,955</u>	<u>3,834,310</u>	<u>4,024,955</u>	<u>3,834,310</u>
	<u>4,030,464</u>	<u>3,842,360</u>	<u>4,031,394</u>	<u>3,847,016</u>

(b) Debentures

At September 30, 2021, changes in debentures were as follows:

	<u>Parent company and consolidated</u>
At December 31, 2020	<u>2,004,608</u>
Accrued charges	30,466
Indexation accruals	52,544
Payment of interest	<u>(99,209)</u>
At September 30, 2021 (i)	<u><u>1,988,409</u></u>
Current liabilities	7
Non-current liabilities	<u>1,988,402</u>

(i) Net balance, after deduction of R\$11,598, related to the deferral of transaction costs, in accordance with Technical Pronouncement CPC 08 - Transaction Costs and Premiums on Issue of Securities.

At September 30, 2021, debenture charges of R\$7 were recorded in current liabilities (R\$19,214 at December 31, 2020).

Long-term amounts fall due as follows:

	<u>Parent company and consolidated</u>	
	<u>09/30/2021</u>	<u>12/31/2020</u>
2023	695,940	694,888
2024	646,231	645,253
2025	<u>646,231</u>	<u>645,253</u>
	<u><u>1,988,402</u></u>	<u><u>1,985,394</u></u>

(c) Covenants

With respect to financial covenants, the Company is required to comply with the following ratio, calculated on a consolidated basis:

(i) Net debt / adjusted EBITDA:

- less than 3.5 times in the quarterly measurements for bonds and half-yearly measurements (December and June) for debentures.

At September 30, 2021, the following ratio was determined:

Indicator	Contracted ratio	Determined ratio
Net debt / adjusted EBITDA	< 3.5	(0.1)

In relation to non-financial covenants, the Company has monitoring controls; in the nine-month period ended September 30, 2021, no breaches of these covenants were identified.

18 Taxes payable

	Parent company		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Value-Added Tax on Sales and Services (ICMS)	53,892	48,378	69,844	57,415
Excise Tax (IPI)	70,566	37,866	76,684	41,127
Withholding Income Tax (IRRF)	4,935	9,954	30,727	11,977
Service Tax (ISS)	1,742	1,353	5,592	4,554
Social Integration Program (PIS) and Social Contribution on Revenues (COFINS)	24,378	1,897	30,741	3,485
Financial Contribution for the Exploration of Mineral Resources (CFEM)	-	-	39,969	37,927
Other	1,176	5,882	3,301	8,477
	<u>156,689</u>	<u>105,330</u>	<u>256,858</u>	<u>164,962</u>

19 Taxes payable in installments

Changes in the balances of taxes payable in installments were as follows:

	Parent company	Consolidated
At December 31, 2020 (i)	<u>201,270</u>	<u>201,272</u>
Provision for interest	<u>50</u>	<u>50</u>
Sub-total	<u>201,320</u>	<u>201,322</u>
Balance of judicial deposit offset	<u>(196,892)</u>	<u>(196,892)</u>
At September 30, 2021 (ii)	<u>4,428</u>	<u>4,430</u>

(i) The amount of R\$196,892, which refers to offsets against judicial deposits, corresponds to taxes payable in installments presented in the balance sheet, in the Parent company and in Consolidated.

(ii) The balances in the Parent company and Consolidated relate mainly to the Excise Tax (IPI).

20 Lease liabilities

At September 30, 2021, the Company estimated the discount rates based on risk-free interest rates observable in the Brazilian market, for the term of its agreements, which ranged from 7.34% to 10.53% per annum.

At September 30, 2021, changes in lease liabilities were as follows:

	Parent company	Consolidated
	09/30/2021	09/30/2021
Opening balance	7,481	64,707
Additions/Remeasurements of contracts	24,361	47,110
Payments	(8,225)	(30,089)
Interest	1,129	5,622
Closing balance	24,746	87,350
Current	5,470	30,674
Non-current	19,276	56,676

At September 30, 2021, the minimum payments related to lease agreements were as follows:

	Parent			
	Less than one year	From one to two years	From two to five years	Total
Lease agreements	7,481	5,997	19,634	33,112
Adjustment to present value	(2,011)	(1,583)	(4,772)	(8,366)
	<u>5,470</u>	<u>4,414</u>	<u>14,862</u>	<u>24,746</u>
	Consolidated			
	Less than one year	From one to two years	From two to five years	Total
Lease agreements	37,809	27,134	41,981	106,924
Adjustment to present value	(7,135)	(4,757)	(7,682)	(19,574)
	<u>30,674</u>	<u>22,377</u>	<u>34,299</u>	<u>87,350</u>

At September 30, 2021, the table below shows the estimated value of the potential right to PIS/COFINS recoverable, which is included in the lease consideration, according to the scheduled payment periods:

	Parent company		Consolidated	
Cash flow	Nominal	Adjusted to present value	Nominal	Adjusted to present value
Lease consideration	30,049	22,457	97,033	79,270
Potential PIS/COFINS (9.25%)	3,063	2,289	9,890	8,080
	<u>33,112</u>	<u>24,746</u>	<u>106,923</u>	<u>87,350</u>

21 Provision for litigation

	Parent company					
	09/30/2021			12/31/2020		
	Provisions	Judicial deposits	Net balance	Provisions	Judicial deposits	Net balance
INSS	53,796	-	53,796	51,692	-	51,692
ICMS	235,328	-	235,328	52,564	-	52,564
Labor claims	406,267	(104,648)	301,619	399,329	(126,811)	272,518
Civil claims	120,737	(23,136)	97,601	152,837	(24,064)	128,773
	<u>816,128</u>	<u>(127,784)</u>	<u>688,344</u>	<u>656,422</u>	<u>(150,875)</u>	<u>505,547</u>

	Consolidated					
	09/30/2021			12/31/2020		
	Provisions	Judicial deposits	Net balance	Provisions	Judicial deposits	Net balance
INSS	63,699	(58)	63,641	52,364	(58)	52,306
ICMS	236,504	(1,268)	235,236	53,640	(1,254)	52,386
PIS/COFINS	2,081	-	2,081	2,049	-	2,049
Labor claims	485,272	(145,049)	340,223	491,105	(177,526)	313,579
Civil claims	132,743	(40,025)	92,718	189,510	(40,695)	148,815
Other	12,102	(2,784)	9,318	10,933	(2,747)	8,186
	<u>932,401</u>	<u>(189,184)</u>	<u>743,217</u>	<u>799,601</u>	<u>(222,280)</u>	<u>577,321</u>

The judicial deposits related to provisions for contingencies, in the Parent Company and Consolidated accounts, comprise the total balance of judicial deposits (Note 12).

At September 30, 2021, changes in the provisions for litigation were as follows:

	<u>Parent company</u>	<u>Consolidated</u>
At December 31, 2020	656,422	799,601
Additions	182,498	194,612
Interest/inflation indexation	147,990	137,602
Payments/reductions	(126,744)	(128,598)
Reversal of principal	(15,492)	(41,388)
Reversal of interest	(28,546)	(29,428)
At September 30, 2021	<u>816,128</u>	<u>932,401</u>

The provisions for litigation were recorded to cover probable losses arising from administrative proceedings and litigation relating to tax, labor, civil and environmental matters, in amounts considered sufficient by management, based on the advice and assessment of internal and external legal counsel.

In the nine-month period ended September 30, 2021, additions in the Parent company relate to labor claims (R\$77,014), civil proceedings (R\$24,373), and tax proceedings (R\$81,111). Interest/inflation indexation relates mainly to labor claims (R\$38,258), civil proceedings (R\$5,975), and tax proceedings (R\$103,757). Payments/reductions relate to payments made in connection with labor claims (R\$66,877) and civil proceedings (R\$59,867).

In the nine-month period ended September 30, 2021, additions in Consolidated relate mainly to labor claims (R\$81,360), civil proceedings (R\$30,785), and tax proceedings (R\$82,467). Interest/inflation indexation relates mainly to labor claims (R\$33,095), civil proceedings (R\$3,041), and tax proceedings (R\$107,549). Payments/reductions relate mainly to payments made in connection with labor claims (R\$68,392) and civil proceedings (R\$60,206).

In September 2021, the principal amount of R\$81,080 was included in the Parent company within "Additions" and the adjustment amount of R\$102,170 was included in "Interest/inflation indexation", referring to a tax lawsuit filed by the State of São Paulo demanding the payment of ICMS on the disallowance of tax credits in connection with the acquisition of refractory materials for the period from January 1995 to May 1996.

(a) Possible loss contingencies

In the nine-month period ended September 30, 2021, Usiminas was a defendant in proceedings involving risks of losses classified as possible by management, based on the advice of its legal counsel, totaling R\$5,912,784 (R\$6,546,379 at December 31, 2020). At September 30, 2021, these proceedings, for which no provision was recorded, related to civil matters - R\$630,993; environmental matters - R\$19,702; labor matters - R\$919,179; and tax matters - R\$4,342,910 (civil matters - R\$568,630; environmental matters - R\$17,673; labor matters - R\$929,854 and tax matters - R\$5,030,221 at December 31, 2020).

(b) Contingent assets

At September 30, 2021, the main proceeding in which the Company is the plaintiff is presented below:

(i) Inclusion of ICMS in the PIS and COFINS taxable base - amount separately identified in the invoice

In March 2017, the Federal Supreme Court (STF) ruled as unconstitutional the inclusion of ICMS in the PIS and COFINS taxable base. In October 2018, the Brazilian Federal Revenue Secretariat published COSIT Private Letter Ruling 13/18, determining the exclusion of ICMS paid from the PIS and COFINS taxable base. Since December 2018, supported by the RFB's understanding, the Company and its subsidiaries have recorded PIS and COFINS credits based on the amount of ICMS paid, since this was the undisputed portion of the credits to which the Company was entitled.

In May 2021, the STF confirmed that the amount of the ICMS tax displayed on the invoice should also be excluded from the PIS and COFINS taxable base, and not only the ICMS paid. Following this favorable decision, which referred to various periods since November 2001, the Company computed, together with its external consultants, the amounts of taxes overpaid, considering aspects related to the quantification of the credits, the method for computing interest/indexation accruals, as well as the prospects for offsetting such credits against federal taxes payable.

Accordingly, at September 31, 2021, R\$2,227,936 was recorded in the Parent company and R\$2,566,458 in Consolidated, within "Recoverable taxes", as a corresponding entry to "Other operating income" (Note 26) and "Finance result" (Note 27), as follows:

ICMS in the PIS and COFINS taxable base	Parent company	Consolidated
	09/30/2021	09/30/2021
PIS/COFINS credits - Other operating income	1,389,646	1,633,493
Indexation of PIS/COFINS credits - Finance result	838,290	932,965
Total PIS/COFINS credits recognized	2,227,936	2,566,458
Provision for losses on expected realization	-	(76,558)
Total PIS/COFINS credits recognized - net	2,227,936	2,489,900
PIS/COFINS credits - Other operating income (item ii)	-	31,530
Indexation of PIS/COFINS credits - Finance result (item ii)	-	13,950
Total PIS/COFINS credits recognized - net	2,227,936	2,535,380
Total PIS/COFINS credits - Other operating income	1,389,646	1,665,023
Total provision for losses on expected realization	-	(76,558)
Total indexation of PIS/COFINS credits - Finance result	838,290	946,915

In the nine-month period ended September 30, 2021, the following amounts were offset: R\$1,229,177 in the Parent company and R\$1,293,345 in Consolidated.

(ii) Inclusion of ICMS in the PIS and COFINS taxable base - tax paid

In addition to the information presented in item (i), at the end of 2020, a final and unappealable decision was rendered in favor of the subsidiary Soluções em Aço Usiminas S.A. with respect to the lawsuit that challenged the inclusion of ICMS in PIS and COFINS taxable base.

The subsidiary determined, together with its external consultants, the amounts of taxes overpaid, considering aspects related to the credit quantification guidelines of COSIT Private Ruling Letter No. 13 issued by the Brazilian Federal Revenue Secretariat, the method for computing interest/indexation accruals, as well as the prospects for offsetting such credits against federal taxes payable. Accordingly, in March 2021, R\$45,480 was recorded in Consolidated, as a corresponding entry to “Other operating income” and “Finance result”, in the amounts of R\$31,530 and R\$13,950, respectively. These credits were determined in the first quarter considering the exclusion of the ICMS paid from the PIS and COFINS taxable base, which, in that period, was the undisputed amount, since the STF’s decision on the Motion for Clarification was rendered only in May 2021. Therefore, the additional amounts referring to the exclusion of the amounts of ICMS tax displayed on the invoices were recognized in the second quarter, as per item (i) above.

(iii) Exclusion of Selic interest on overpaid tax

In a final decision rendered on September 24, 2021, the STF issued a ruling with respect to the levy of IRPJ and CSLL on late payment interest (SELIC) received by taxpayers as refund of undue tax payment. In light of this, the Company reassessed the judgment on the lawsuit, as required by ICPC 22/IFRIC 23, and concluded that the facts and circumstances on which the decision was based had changed; it recognized a tax credit of R\$230,832 and R\$254,932 in the Parent company and Consolidated, respectively. Once a final decision is issued on Usiminas’s lawsuits, the corresponding amounts will be considered in the tax calculations, pursuant to the rules of the Brazilian Federal Revenue Service.

22 Retirement benefit obligations

	<u>Parent company</u>		<u>Consolidated</u>	
	<u>09/30/2021</u>	<u>12/31/2020</u>	<u>09/30/2021</u>	<u>12/31/2020</u>
Balance sheet obligations for:				
Pension benefits	766,221	676,280	767,548	691,024
Post-employment medical benefits	<u>771,789</u>	<u>739,152</u>	<u>830,114</u>	<u>780,777</u>
	<u>1,538,010</u>	<u>1,415,432</u>	<u>1,597,662</u>	<u>1,471,801</u>

	<u>Parent company</u>		<u>Consolidated</u>	
	<u>09/30/2021</u>	<u>09/30/2020</u>	<u>09/30/2021</u>	<u>09/30/2020</u>
Income (expenses) recognized in the statement of operations				
Pension benefits	(32,341)	(16,669)	(33,077)	(17,814)
Post-employment medical benefits	<u>(37,434)</u>	<u>(24,398)</u>	<u>(39,980)</u>	<u>(25,241)</u>
	<u>(67,775)</u>	<u>(41,067)</u>	<u>(73,057)</u>	<u>(43,055)</u>

At September 30, 2021, changes in actuarial gains and losses recognized in other comprehensive income were as follows:

	<u>Parent company</u>	<u>Consolidated</u>
Actuarial gains (losses) recognized directly in other comprehensive income	(25,824)	(25,870)
Actuarial gains on loans recognized directly in other comprehensive income - CPC 33 and IFRIC 14	<u>110,527</u>	<u>110,527</u>
Accumulated actuarial gains recognized in other comprehensive income (i)	<u>84,703</u>	<u>84,657</u>

(i) At September 30, 2021, the total balance in the Parent company includes R\$145 (total balance in Consolidated includes the amount of R\$46) related to actuarial gains (losses) of subsidiaries and jointly-controlled subsidiaries recorded under the equity method of accounting.

Changes in retirement benefit obligations

Pursuant to CPC 33 (R1) and IAS 19, the actuarial study carried out by an independent actuary at December 31, 2020 presented liabilities of R\$1,415,432 in the Parent company and R\$1,471,801 in Consolidated. Changes in retirement benefit obligations asbelow:

	<u>Parent company</u>	<u>Consolidated</u>
At December 31, 2020	<u>1,415,432</u>	<u>1,471,801</u>
Amortization	(32,046)	(32,046)
Amounts recognized in the statement of operations	69,775	73,057
Actuarial losses recognized directly in other comprehensive income	<u>84,849</u>	<u>84,850</u>
At September 30, 2021	<u>1,538,010</u>	<u>1,597,662</u>

23 Equity**(a) Share capital**

At September 30, 2021, the Company's capital comprised the following:

	<u>Common shares</u>	<u>Class A Preferred shares</u>	<u>Class B Preferred shares</u>	<u>Total</u>
Total shares at September 30, 2021	<u>705,260,684</u>	<u>547,752,163</u>	<u>66,261</u>	<u>1,253,079,108</u>
Total treasury shares	<u>(2,526,656)</u>	<u>(19,933,468)</u>	<u>-</u>	<u>(22,460,124)</u>
Total shares except treasury shares	<u>702,734,028</u>	<u>527,818,695</u>	<u>66,261</u>	<u>1,230,618,984</u>

(b) Reserves

At September 30, 2021, there were no changes in the nature and conditions of reserves in relation to those described in Note 28 (b) to the Company's financial statements for the year ended December 31, 2020. Disclosures have not been repeated in this interim accounting information.

(c) Dividends and interest on capital

The Company's Board of Directors unanimously approved the Executive Board's proposal to distribute to shareholders the net amount of R\$1,211,213, as follows:

- (i) Dividends on profits for the first half of 2021, totaling R\$829,883, of which R\$0.6466 will be paid per common share and R\$0.71129 per preferred share; and
- (ii) Interest on capital, computed in accordance with the Bylaws and the prevailing legislation, in the net amount of R\$381,330, corresponding to a gross amount of R\$448,623. The calculation was based on the Company's current shareholding position, which corresponds to the gross amount of R\$0.3496 per common share and R\$0.3845 per preferred share, and the net amount of R\$0.2971 per common share and R\$0.3268 per preferred share.

The Board also unanimously approved that the interest on capital be included in the amount of dividends for 2021 to be paid by the Company, will be considered as part of these dividends for all legal purposes, as provided for in article 24, paragraph 7 of the Bylaws. These amounts will be paid on October 5, 2021.

Changes in dividends and interest on capital payable are presented below:

	<u>Parent company</u>	<u>Consolidated</u>
At December 31, 2020	160,315	324,728
Dividends and interest on capital paid	(159,562)	(368,757)
Prescribed dividends	(83)	25
Dividends and interest on capital advance on the period	1,211,213	1,300,761
Tax rate differential abroad / exempt	10,336	10,336
At September 30, 2021	<u>1,222,219</u>	<u>1,267,093</u>

24 Segment reporting

As disclosed in Note 1 (e) to the financial statements for the year ended December 31, 2020, the Company's management has restructured the activities carried out by its subsidiary Usiminas Mecânica S.A., which started to render services exclusively to Usiminas, particularly to the Parent company.

As a result of this restructuring, at September 30, 2021, the segment reporting presents the subsidiary Usiminas Mecânica S.A. in the Steel metallurgy segment, instead of in the Capital Assets segment, which will no longer be presented.

As established in CPC 22 - Segment Reporting, information for prior periods were restated based on the Company's new business structure.

The following is a summary of the main operations of each reportable segment of Usiminas:

Reportable segments	Operations
Mining and logistics	Extraction and processing of iron ore as pellet feed, sinter feed and granulated iron ore. Storage, handling, transport of cargo and operation of highway and railway cargo terminals. The sales of iron ore are mainly intended for the Steel metallurgy segment.
Steel metallurgy	Manufacture and sale of steel products. A portion of the sales is for the Steel transformation segment.
Steel transformation	Transformation and distribution of steel products.

Management periodically reviews the internal managerial reports for each segment.

Information on operating income (loss), assets and liabilities by reportable segment

	09/30/2021					
	Mining and logistics	Steel metallurgy	Steel transformation	Sub-total	Eliminations and adjustments	Total
Gross sales revenue from products and services	5,275,154	26,239,200	8,088,572	39,602,926	(8,728,448)	30,874,478
Sales of products	5,275,154	26,207,703	8,044,938	39,527,795	(8,729,309)	30,798,486
Sales of services	-	31,497	43,634	75,131	861	75,992
Deductions	(350,237)	(4,795,865)	(1,570,342)	(6,716,444)	1,529,716	(5,186,728)
Net revenue	4,924,917	21,443,335	6,518,230	32,886,482	(7,198,732)	25,687,750
Cost of sales	(1,475,667)	(15,899,935)	(5,570,880)	(22,946,482)	6,499,778	(16,446,704)
Gross profit (loss)	3,449,250	5,543,400	947,350	9,940,000	(698,954)	9,241,046
Operating income (expenses)	(229,708)	1,739,009	(12,605)	1,496,696	(1,479,093)	17,603
Selling expenses	(241,244)	(119,624)	(56,964)	(417,832)	-	(417,832)
General and administrative expenses	(24,396)	(283,760)	(44,234)	(352,390)	12,368	(340,022)
Other income (expenses)	(47,124)	572,252	88,593	613,721	(2,950)	610,771
Share of results of subsidiaries, jointly-controlled subsidiaries and associates	83,056	1,570,141	-	1,653,197	(1,488,511)	164,686
Operating (loss) profit	3,219,542	7,282,409	934,745	11,436,696	(2,178,047)	9,258,649
Finance income (costs)	57,839	423,132	58,884	539,855	(3,350)	536,505
Profit (loss) before income tax and social contribution	3,277,381	7,705,541	993,629	11,976,551	(2,181,397)	9,795,154
Income tax and social contribution	(1,026,927)	(1,203,867)	(228,148)	(2,458,942)	235,637	(2,223,305)
Profit (loss) for the period	2,250,454	6,501,674	765,481	9,517,609	(1,945,760)	7,571,849
Attributable to						
Controlling interests	1,578,900	6,501,671	527,247	8,607,818	(1,945,760)	6,662,058
Non-controlling interests	671,554	3	238,234	909,791	-	909,791
Assets	9,118,776	34,644,794	3,709,822	47,473,392	(8,554,945)	38,918,447
Total assets include:						
Investments in associates (except goodwill and investment properties)	556,699	52,388	-	609,087	-	609,087
Additions to non-current assets (except financial instruments and deferred tax assets)	191,254	711,947	12,819	916,020	(11,100)	904,920
Current and non-current liabilities	1,785,722	14,422,669	1,744,791	17,953,182	(1,982,366)	15,970,816

	09/30/2020					
	Mining and logistics	Steel metallurgy	Steel transformation	Sub-total	Eliminations and adjustments	Total
Gross sales revenue from products and services	2,585,860	9,856,526	3,073,664	15,516,050	(2,976,534)	12,539,516
Sales of products	2,585,860	9,791,858	3,049,410	15,427,128	(2,979,603)	12,447,525
Sales of services	-	64,668	24,254	88,922	3,069	91,991
Deductions	(140,320)	(1,652,993)	(608,434)	(2,401,747)	476,013	(1,925,734)
Net revenue	2,445,540	8,203,533	2,465,230	13,114,303	(2,500,521)	10,613,782
Cost of sales	(1,084,852)	(7,903,984)	(2,329,499)	(11,318,335)	2,388,278	(8,930,057)
Gross profit (loss)	1,360,688	299,549	135,731	1,795,968	(112,243)	1,683,725
Operating income (expenses)	(200,153)	(32,385)	(82,769)	(315,307)	(548,436)	(863,743)
Selling expenses	(141,722)	(124,805)	(35,423)	(301,950)	-	(301,950)
General and administrative expenses	(19,253)	(258,213)	(37,594)	(315,060)	10,613	(304,447)
Other income (expenses)	(69,794)	(273,100)	(9,752)	(352,646)	(5,572)	(358,218)
Share of results of subsidiaries, jointly-controlled subsidiaries, and associates	30,616	623,733	-	654,349	(553,477)	100,872
Operating (loss) profit	1,160,535	267,164	52,962	1,480,661	(660,679)	819,982
Finance income (costs)	117,568	(1,417,692)	(2,887)	(1,303,011)	(3,893)	(1,306,904)
Profit (loss) before income tax and social contribution	1,278,103	(1,150,528)	50,075	177,650	(664,572)	(486,922)
Income tax and social contribution	(423,341)	270,126	(17,635)	(170,850)	36,813	(134,037)
Profit (loss) for the period	854,762	(880,402)	32,440	6,800	(627,759)	(620,959)
Attributable to						
Controlling interests	599,482	(880,398)	22,344	(258,572)	(627,759)	(886,331)
Non-controlling interests	255,280	(4)	10,096	265,372	-	265,372
						12/31/2020
Assets	7,032,637	26,930,196	1,874,809	35,837,642	(5,885,505)	29,952,137
Total assets include:						
Investments in associates (except goodwill and investment properties)	483,861	44,916	-	528,777	-	528,777
Additions to non-current assets (except financial instruments and deferred tax assets)	237,814	612,145	21,986	871,945	(15,226)	856,719
Current and non-current liabilities	1,623,569	12,015,617	675,259	14,314,445	(1,200,478)	13,113,967

Sales between segments were carried out at arm's length.

Billings are broadly dispersed. The Company and its subsidiaries do not have third-party customers which individually represent more than 10% of their billings.

25 Revenue

Reconciliation of gross to net revenue was as follows:

	Parent company		Consolidated	
	09/30/2021	09/30/2020	09/30/2021	09/30/2020
Sales of products				
Domestic market	24,955,898	8,668,629	25,313,871	9,347,691
Foreign market	<u>1,226,879</u>	<u>1,110,252</u>	<u>5,484,615</u>	<u>3,099,834</u>
	<u>26,182,777</u>	<u>9,778,881</u>	<u>30,798,486</u>	<u>12,447,525</u>
Sales of services				
Domestic market	23,478	22,832	71,660	86,953
Foreign market	<u>4,332</u>	<u>5,038</u>	<u>4,332</u>	<u>5,038</u>
	<u>27,810</u>	<u>27,870</u>	<u>75,992</u>	<u>91,991</u>
Gross revenue	<u>26,210,587</u>	<u>9,806,751</u>	<u>30,874,478</u>	<u>12,539,516</u>
Deductions from revenue	<u>(4,789,209)</u>	<u>(1,633,930)</u>	<u>(5,186,728)</u>	<u>(1,925,734)</u>
Net revenue	<u>21,421,378</u>	<u>8,172,821</u>	<u>25,687,750</u>	<u>10,613,782</u>

26 Expenses by nature

	Parent company		Consolidated	
	09/30/2021	09/30/2020	09/30/2021	09/30/2020
Depreciation, amortization and depletion	(605,230)	(618,214)	(742,758)	(747,414)
Employee benefit expenses	(712,445)	(653,046)	(1,034,928)	(1,015,895)
Raw materials and consumables	(13,504,043)	(5,857,728)	(12,428,840)	(5,685,679)
Scheduled maintenance	(193,567)	(110,734)	(186,749)	(109,830)
Freight charges and insurance	(530,685)	(286,195)	(1,037,734)	(688,887)
Distribution costs	(77,990)	(57,405)	(333,333)	(200,997)
Outsourced services	(672,970)	(592,550)	(972,280)	(835,823)
Judicial charges	(7,972)	(9,341)	(19,467)	(16,091)
Income (expenses) in litigation, net	(167,006)	28,335	(153,232)	25,237
Gain/loss on the sale/write-off of PP&E, intangible assets and investments	50,035	8,252	66,634	9,620
(Impairment) reversal of impairment of assets, net	(400,287)	-	(397,257)	(6,751)
PIS/COFINS credits	1,389,646	-	1,665,023	9,569
Provision for tax losses	-	-	(172,677)	(33,868)
Other	(456,998)	(327,161)	(846,189)	(597,863)
	<u>(15,889,512)</u>	<u>(8,475,787)</u>	<u>(16,593,787)</u>	<u>(9,894,672)</u>
Cost of sales	(16,053,937)	(7,880,344)	(16,446,704)	(8,930,057)
Selling expenses	(118,990)	(114,906)	(417,832)	(301,950)
General and administrative expenses	(259,224)	(232,147)	(340,022)	(304,447)
Other operating income (expenses), net	<u>542,639</u>	<u>(248,390)</u>	<u>610,771</u>	<u>(358,218)</u>
	<u>(15,889,512)</u>	<u>(8,475,787)</u>	<u>(16,593,787)</u>	<u>(9,894,672)</u>

27 Finance income (costs)

	Parent company		Consolidated	
	09/30/2021	09/30/2020	09/30/2021	09/30/2020
Finance income				
Interest from customers	11,567	8,781	17,896	35,243
Income from financial investments	480	17,368	4,941	34,371
Indexation accruals	66,451	10,456	142,403	19,307
Indexation of judicial deposits	3,737	4,706	7,521	7,493
Accretion of present value adjustment of trade receivables	77,162	27,326	77,162	27,326
Reversal of the provision/inflation indexation of judicial deposits and litigation related payments	28,546	20,520	29,392	22,559
Indexation of ICMS in the calculation basis of PIS/COFINS	838,290	-	946,915	9,111
Other finance income	5,715	25,707	6,706	27,687
	<u>1,031,948</u>	<u>114,864</u>	<u>1,232,936</u>	<u>183,097</u>
Finance costs				
Interest on borrowings and taxes payable in installments	(180,397)	(220,382)	(173,362)	(218,592)
Indexation accruals	(51,236)	(23,820)	(65,018)	(36,319)
Indexation of provisions for litigation related payments	(147,990)	(43,155)	(137,602)	(62,068)
Accretion of present value adjustment of trade payables	4,846	(36,666)	(6,858)	(53,832)
Commissions and other costs on borrowings	(22,432)	(28,421)	(20,033)	(21,831)
PIS/COFINS on finance income	(44,016)	(4,043)	(53,918)	(7,010)
PIS/COFINS on interest on capital	(11,077)	-	(11,077)	-
Interest, commissions and late payment expenses	(1,340)	(157)	(17,676)	(32,588)
Other finance costs	(7,438)	(17,020)	(10,365)	(6,885)
	<u>(461,080)</u>	<u>(373,664)</u>	<u>(495,909)</u>	<u>(439,125)</u>
Foreign exchange losses, net	<u>(199,642)</u>	<u>(1,221,860)</u>	<u>(200,522)</u>	<u>(1,050,876)</u>
	<u>371,226</u>	<u>(1,480,660)</u>	<u>536,505</u>	<u>(1,306,904)</u>

The Company segregates the Extended Consumer Price Index (IPCA) in borrowings and financial investments indexed to the CDI rate and Referential Rate (TR). Accordingly, the IPCA portion is segregated from interest on borrowings and income from financial investments, and included in "Indexation accruals".

28 Earnings (loss) per share**Basic and diluted**

Basic and diluted earnings (loss) per share are calculated by dividing the profit (loss) attributable to the Company's shareholders by the weighted average number of common and preferred shares issued during the period excluding common shares acquired by the Company and held in treasury (Note 23).

	Parent company					
	09/30/2021			09/30/2020		
	Common shares	Preferred shares	Total	Common shares	Preferred shares	Total
Basic and diluted numerator						
Profit (loss) attributable to owners of the parent	3,647,832	3,014,226	6,662,058	(506,495)	(379,836)	(886,331)
Basic and diluted denominator						
Weighted average number of shares, excluding treasury shares	702,734,028	527,841,967	1,230,575,995	702,734,028	526,928,487	1,229,662,515
Basic and diluted earnings per share - R\$	5.19	5.71		(0.72)	(0.72)	

29 Transactions with related parties

The main balances and transactions with related parties are as follows:

(a) Assets

	09/30/2021			12/31/2020		
	Trade receivables	Dividends receivable	Other receivables	Trade receivables	Dividends receivable	Other receivables
Controlling interests	18,602	-	28	1,253	-	28
Subsidiaries (i)	1,402,585	101,787	25,381	370,331	380,218	27,396
Jointly-controlled subsidiaries	87	-	-	73	-	-
Associates	17,142	286	-	6,181	298	-
Other related parties (ii)	13,098	-	8,623	19,486	-	5,181
Total	1,451,514	102,073	34,032	397,324	380,516	32,605
Current	1,451,514	102,073	2,164	397,324	380,516	4,334
Non-current	-	-	31,868	-	-	28,271
Total	1,451,514	102,073	34,032	397,324	380,516	32,605

(i) At September 30, 2021, the balance of receivables from subsidiaries relates mainly to the sale of flat-rolled products to Soluções Usiminas S.A. in the amount of R\$1,401,827 (R\$369,888 at December 31, 2020).

(ii) At September 30, 2021, the balance of trade receivables relates mainly to the sale of flat-rolled products to the Nippon Group in the amount of R\$13,098 (R\$16,029 at December 31, 2020, sale to the Ternium Group).

	09/30/2021			12/31/2020		
	Trade receivables	Dividends receivable	Other receivables	Trade receivables	Dividends receivable	Other receivables
Controlling interests	18,602	-	28	1,253	-	28
Jointly-controlled subsidiaries	204	-	-	110	-	-
Associates	17,250	11,189	-	6,181	11,686	-
Other related parties (i)	13,609	-	8,623	19,997	-	5,181
Total	49,665	11,189	8,651	27,541	11,686	5,209
Current	49,665	11,189	26	27,541	11,686	24
Non-current (ii)	-	-	8,625	-	-	5,185
Total	49,665	11,189	8,651	27,541	11,686	5,209

(i) At September 30, 2021, the balance of trade receivables mainly relates to the sale of flat-rolled products to the Nippon Group in the amount of R\$13,102 (R\$16,540 at December 31, 2020, sale to the Ternium Group).

(ii) At September 30, 2021, total non-current relates to advances on property, plant and equipment in the amount of R\$8,625 (R\$5,185 at December 31, 2020).

Trade receivables from related parties are unsecured by nature and bear interest. At September 30, 2021 and December 31, 2020, no provisions were recorded for receivables from related parties.

(b) Liabilities

	Parent company					
	09/30/2021			12/31/2020		
	Trade payables	Other payables	Borrowings	Trade payables	Other payables	Borrowings
Controlling interests	420	2,207	-	585	3,253	-
Subsidiaries	312,955	-	4,119,138	309,730	20,835	3,994,000
Jointly-controlled subsidiaries	70,907	-	-	66,212	-	-
Associates	2,615	-	-	2,706	-	-
Other related parties (i)	606,231	-	-	463,127	-	-
Total	993,128	2,207	4,119,138	842,360	24,088	3,994,000
Current	993,128	2,207	51,010	842,360	24,088	109,700
Non-current	-	-	4,068,128	-	-	3,884,300
Total	993,128	2,207	4,119,138	842,360	24,088	3,994,000

	Consolidated			
	09/30/2021		12/31/2020	
	Trade payables	Other payables	Trade payables	Other payables
Controlling interests	420	431,657	596	3,253
Non-controlling interests	3,741	49,687	-	151,096
Jointly-controlled subsidiaries	72,303	-	67,277	-
Associates	9,572	92,773	11,456	81,058
Other related parties (i)	606,231	1,814	463,127	11,305
Total	692,267	575,931	542,456	246,712
Current	692,267	487,478	542,456	166,670
Non-current	-	88,453	-	80,042
Total	692,267	575,931	542,456	246,712

(i) At September 30, 2021, the balance of trade payables to other related parties relates mainly to the purchase of plates from Ternium Brasil in the amount of R\$606,227 (R\$463,123 at December 31, 2020) in the Parent company and in Consolidated.

(c) Results

	Parent company			Consolidated		
	09/30/2021			09/30/2020		
	Sales	Purchases	Finance and operating result	Sales	Purchases	Finance and operating result
Controlling interests	166,176	1,996	(2,072)	164,080	3,871	(920)
Subsidiaries	7,754,156	1,145,065	(369,554)	2,445,762	682,512	(1,435,200)
Jointly-controlled subsidiaries	-	313,770	(857)	-	246,784	(2,235)
Associates	44,351	122,160	-	18,331	69,862	189
Other related parties (i) (ii)	257,907	4,599,121	2,742	152,056	1,414,937	8,205
Total	8,222,590	6,182,112	(369,741)	2,780,229	2,417,966	(1,429,961)

	Parent company			Consolidated		
	09/30/2021			09/30/2020		
	Sales	Purchases	Finance and operating result	Sales	Purchases	Finance and operating result
Controlling interests	166,176	1,996	(2,072)	164,080	3,871	(947)
Non-controlling interests	-	31,846	-	-	-	-
Jointly-controlled subsidiaries	2,917	318,063	(1,146)	5,955	250,811	(2,486)
Associates	45,020	315,980	-	18,331	223,855	189
Other related parties (i) (ii)	257,907	4,599,121	8,129	153,929	1,414,937	8,201
Total	472,020	5,267,006	4,911	342,295	1,893,474	4,957

(i) At September 30, 2021, total sales to other related parties refer mainly to sales by Usiminas to the Ternium Group, amounting to R\$171,895 in the Parent company and in Consolidated (R\$135,516 in the Parent company and R\$137,389 in Consolidated at September 30, 2020).

(ii) At September 30, 2021, total purchases from other related parties refer mainly to the purchase of steel plates from Ternium Brasil Ltda. in the amount of R\$4,597,950 (R\$1,408,401 in the Parent company and in Consolidated at September 30, 2020).

The nature of the more significant related-party transactions is described in Note 37(e) to the financial statements for the year ended December 31, 2020.

Finance costs referring to related parties comprise mainly charges on borrowings disclosed in item (b) above.

(d) Remuneration of key management

The remuneration paid or payable to key management, which includes the Executive Board, the Board of Directors, and the Statutory Audit Board of the Company is shown below:

	Parent company and consolidated	
	09/30/2021	09/30/2020
Fees	11,173	9,826
Social charges	2,450	2,054
Retirement plans	446	244
Provision for variable compensation	7,982	4,374
	<u>22,051</u>	<u>16,498</u>

The Company has a stock option plan in place, (Note 31).

30 Insurance

The coverage provided by insurance policies is considered sufficient by management.

At September 30, 2021 and December 31, 2020, the Company and certain subsidiaries had insurance contracted for buildings, goods and raw materials, equipment, machinery, furniture, fixtures, and facilities, which form the insured establishments and the respective premises of the Company and Unigal, for a value at risk of US\$10,710,788, in addition to an operational risk insurance policy (All Risks) with an indemnity limit of US\$600,000 per claim. At September 30, 2021 and December 31, 2020, the maximum deductible for property damage was US\$10,000, and the maximum waiting period deductible for loss of income, 45 days. This insurance term expires on January 30, 2022.

At September 30, 2021, the Company had insurance indemnity receivable related to an accident on August 10, 2018 in one of the four gasometers located at the Ipatinga plant. This indemnity for property damage and additional operating expenses totaling R\$349,542 (R\$262,077 at December 31, 2020), was recorded in non-current assets. At September 30, 2021 the Company had received R\$116,219 (R\$62,245 at December 31, 2020) as an advance payment of the insurance indemnity.

31 Stock option plan

The Company has a stock option plan in place, which is monitored by the Board of Directors and managed with the support of the Human Resources Committee, under the parameters established for the plan.

No changes have been identified in the Plan's characteristics and guidelines in relation to those described in Note 39 to the financial statements at December 31, 2020.

Program 2014 plan, which was launched on November 27, 2014, was in force at September 30, 2021.

The fair value of the options granted is determined based on the Black-Scholes methodology and recorded as an expense over the vesting period.

In the nine-month period ended September 30, 2021, R\$477 was recorded for the Stock Option Plan in capital reserves (September 30, 2020 - impact of R\$417).

In the nine-month period ended September 30, 2021, a total of 144,583 options were exercised, reducing preferred shares held in treasury.

32 Collateral

The assets pledged as collateral were as follows:

Assets pledged as collateral	Liabilities secured	Parent company		Consolidated	
		09/30/2021	12/31/2020	09/30/2021	12/31/2020
Cash and cash equivalents	Litigation	40,972	40,692	40,972	40,692
Inventories	Litigation	1,034	710	1,034	710
Property, plant and equipment	Litigation	181,163	359,846	208,142	390,027
Property, plant and equipment	Borrowings	-	-	-	724
Property, plant and equipment	Actuarial liability	359,592	383,222	359,592	383,222
		<u>582,761</u>	<u>784,470</u>	<u>609,740</u>	<u>815,375</u>

33 Explanatory notes presented in the annual financial statements that are not presented in this interim accounting information

Pursuant to CVM/SNC/SEP Circular Letter No. 003/2011, the Company discloses Notes that are considered material under the provisions of CPC 00 - “Conceptual Framework for Financial Reporting”. All information that if omitted or misstated could affect the economic decisions of users was properly disclosed in this interim accounting information, which should be read together with the financial statements for the year ended December 31, 2020.

Below is a list of Notes for which information has not been repeated in this interim accounting information, considering that there have been no material changes in their nature and conditions in relation to those disclosed in the Company's financial statements for the year ended December 31, 2020:

Note 4 - Significant accounting judgments, estimates and assumptions
Note 7 - Financial instruments by category
Note 19 - Trade payables, contractors and freight charges
Note 26 - Provision for environmental recovery
Note 32 - Employee benefits and expenses
Note 33 - Operating income (expenses)
Note 36 - Commitments

Board of Directors

Ruy Roberto Hirschheimer
Chairman

Edílio Ramos Veloso
Board Member

Elias de Matos Brito
Board Member

Hiroshi Ono
Board Member

Oscar Montero Martinez
Board Member

Rita Rebelo Horta de Assis Fonseca
Board Member

Ronald Seckelmann
Board Member

Yuichi Akiyama
Board Member

Statutory Audit Board

Wanderley Rezende de Souza
Chairman

Fabricio Santos Debortoli
Board Member

Paulo Frank Coelho da Rocha
Board Member

Sérgio Carvalho Campos
Board Member

Tácito Barbosa Coelho Monteiro Filho
Board Member

Executive Board

Sergio Leite de Andrade
CEO

Alberto Akikazu Ono
Vice-President - Finance and Investor Relations

Américo Ferreira Neto
Vice-President - Industrial Area

Kohei Kimura
Vice-President - Technology and Quality

Miguel Angel Homes Camejo
Vice-President - Commercial Area

Yoshiaki Shimada
Vice-President - Corporate Planning

Adriane Vieira Oliveira Albuquerque
CRC MG 070.852/0