



In February, Usiminas trained its first group of female locomotive drivers at the Ipatinga Plant

EARNINGS RELEASE 1Q23

1Q23 HIGHLIGHTS

- » Adjusted EBITDA of R\$783 million, 35.2% higher than in the 4Q22;
- » Net profit of R\$544 million, R\$1.4 billion higher than in the 4Q22;
- » Steel sales of 1,035 million tons, 7.4% higher than in the 4Q22;
- » Cash of R\$5.8 billion, 15% higher than the previous quarter;
- » Net debt of R\$284 million, 75% lower than the previous quarter.

Market data 03/31/2023

B3	USIM5	R\$7.29/share
	USIM3	R\$7.97/share
US/OTC	USNZY	US\$1.49/ADR
LATIBEX	XUSI	€1.36/share
	XUSIO	€1.51/share

Consolidated - R\$ million	1Q23	4Q22	Δ	1Q22	Δ
Steel Sales Volume (000 t)	1,035	963	7%	1,135	-9%
Iron Ore Sales Volume (000 t)	1,883	2,400	-22%	1,610	17%
Net Revenue	7,255	7,660	-5%	7,845	-8%
Adjusted EBITDA	783	579	35%	1,560	-50%
Adjusted EBITDA Margin	11%	8%	+ 3 p.p.	20%	- 9 p.p.
Net Income or Loss	544	(839)	-	1,263	-57%
Investments (CAPEX)	580	867	-33%	285	104%
Working Capital	9,845	10,578	-7%	8,775	12%
Cash and Cash Equivalents	5,837	5,072	15%	6,604	-12%
Net Debt	284	1,130	-75%	(1,049)	-
Net Debt/Adjusted EBITDA	0.07x	0.23x	-0.16x	-0.09x	0.16x

For Immediate Release - Belo Horizonte, April 20, 2022. Usinas Siderurgicas de Minas Gerais SA - Usiminas (B3: USIM3, USIM5 and USIM6; OTC: USDMY and USNZY; Latibex: XUSIO and XUSI) today announces its first quarter 2023 (1Q23) results. The Company's operating and financial information, except when otherwise stated, is presented based on consolidated numbers in Brazilian Real, in accordance with the IFRS (*International Financial Reporting Standards*). The comparisons made in this release take into account the fourth quarter of 2022 (4Q22), except stated otherwise. Statements contained in this release regarding business prospects, projections of operating and financial results and references to the Company's growth potential are mere forecasts, based on Management's expectations regarding its future performance. These expectations are highly dependent on market behavior, the economic situation in Brazil, the industry and international markets, and are therefore subject to change.

Operating and Economic-Financial Performance

Consolidated Operating Results

R\$ thousand	1Q23	4Q22	Δ	1Q22	Δ
Net Revenues	7,255,249	7,659,976	-5%	7,844,648	-8%
Domestic Market	6,063,131	6,260,502	-3%	5,822,354	4%
Exports	1,192,118	1,399,474	-15%	2,022,294	-41%
COGS	(6,370,461)	(6,886,824)	-7%	(6,129,398)	4%
Gross Profit	884,788	773,152	14%	1,715,250	-48%
Gross Margin	12.2%	10.1%	+ 2.1 p.p.	21.9%	- 9.7 p.p.
Operating Income and Expenses	(389,388)	(1,861,146)	-79%	(419,977)	-7%
Selling Expenses	(108,638)	(126,092)	-14%	(171,117)	-37%
General and Administrative	(139,664)	(170,814)	-18%	(130,480)	7%
Other Operating Income and expenses	(141,086)	(1,564,240)	-91%	(118,380)	19%
EBIT	495,400	(1,087,994)	-	1,295,273	-62%
EBIT Margin	6.8%	-14.2%	+ 21.0 p.p.	16.5%	- 9.7 p.p.
Equity in the results of investees	45,047	65,331	-31%	35,008	29%
Depreciation and Amortization	248,670	234,496	6%	222,750	12%
EBITDA (Instruction CVM 527)	789,117	(788,167)	-	1,553,031	-49%
EBITDA Margin (Instruction CVM 527)	10.9%	-10.3%	+ 21.2 p.p.	19.8%	- 8.9 p.p.
Adjusted EBITDA	782,761	579,141	35%	1,559,920	-50%
(-) Equity in the Results of Associate and Jointly-controlled	(45,047)	(65,331)	-31%	(35,008)	29%
(+) Jointly-controlled subsidiaries proportional EBITDA	38,691	32,695	18%	41,897	-8%
(-) Impairment of Assets	-	1,399,944	-	-	-
Adjusted EBITDA Margin	10.8%	7.6%	+ 3.2 p.p.	19.9%	- 9.1 p.p.
Main non-recurring itens	-	-	-	-	-
Adjusted EBITDA Excluding Non-Recurring Itens	782,761	579,141	35%	1,559,920	-50%
Adjusted EBITDA Excluding Non-recurring Itens Margin	10.8%	7.6%	+ 3.2 p.p.	19.9%	- 9.1 p.p.

Net Revenue

Net Revenue in the 1Q23 reached R\$7.3 billion, 5.3% lower than in the 4Q22 (R\$7.7 billion), with declining earnings in all Business Units. The factors that led to these variations will be explained in the Business Unit Section of this Release.

Cost of Goods Sold - COGS

Cost of goods sold (COGS) in the 1Q23 totaled R\$6.4 billion, a 7.5% decrease compared to the 4Q22 (R\$6.9 billion), with decreases in all Business Units. Variations will be explained in the Business Unit Section of this Release.

Gross profit

Gross profit was R\$885 million in 1Q23, 14.4% higher than in the 4Q22 (R\$773 million).

Operating Income and Expenses

Sales expenses in the 1Q23 were R\$109 million, 13.8% lower than the previous quarter (4Q22: R\$126 million), with lower sales expenses in all the Business Units.

In the 1Q23, **General and Administrative Expenses** totaled R\$140 million, 18.2% lower than the previous quarter (4Q22: R\$171 million), mainly with lower expenses in the Steel Unit.

Other operating income (expenses) totaled a negative R\$141 million in the 1Q23, 91.0% lower than the previous quarter (4Q22: negative R\$1.6 billion), mainly due to the negative R\$1.4 billion in the Impairment account in the previous quarter, with no effect on Adjusted EBITDA.

Thus, the **Operating income (expenses)** were a negative R\$389 million in the 1Q23, against negative R\$1.9 billion in the 4Q22.

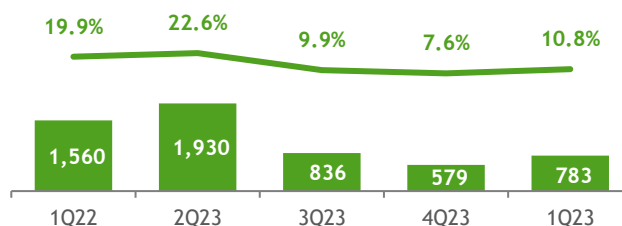
Adjusted EBITDA reached R\$783 million in the 1Q23, 35.2% higher than in the 4Q22 (R\$579 million). Adjusted EBITDA margin was 10.8% in the 1Q23, compared to a 7.6% margin in the previous quarter.

Adjusted EBITDA

Consolidated (R\$ thousand)	1Q23	4Q22	1Q22
Net Income (Loss)	544,076	(838,785)	1,263,169
Income Tax / Social Contribution	189,815	4,088	568,820
Financial Result	(193,444)	(187,966)	(501,708)
Depreciation, Amortization and depletion	248,670	234,496	222,750
EBITDA - Instruction CVM - 527	789,117	(788,167)	1,553,031
(-) Equity in the Results of Associate and Jointly-controlled subsidiaries	(45,047)	(65,331)	(35,008)
(+) Jointly-controlled subsidiaries proportional EBITDA	38,691	32,695	41,897
(-) Impairment of Assets	-	1,399,944	-
Adjusted EBITDA	782,761	579,141	1,559,920
Adjusted EBITDA Margin	10.8%	7.6%	19.9%

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

Adjusted Consolidated EBITDA and EBITDA Margin (R\$ million)



Consolidated Financial Result

R\$ thousand	1Q23	4Q22	Δ	1Q22	Δ
Financial Income	302,175	290,329	4%	239,470	26%
Financial Expenses	(189,464)	(224,628)	-16%	(171,754)	10%
Net Currency Exchange Variation	80,733	122,265	-34%	433,992	-81%
Exchange variation on assets	(51,008)	(49,818)	2%	(341,025)	-85%
Exchange variation on liabilities	131,741	172,083	-23%	775,017	-83%
FINANCIAL RESULT	193,444	187,966	3%	501,708	-61%
+ Appreciation / - Depreciation of Exchange Rate (R\$/US\$)	2.6%	3.5%	- 0.9 p.p.	15.1%	- 12.5 p.p.

Financial result for the 1Q23 was R\$193 million, 2.9% higher than the result presented in the previous quarter (4Q22: R\$188 million), arising from higher financial revenues and lower financial expenses compared to the previous quarter, partially offset by lower exchange rate gains in the period.

Net Income (Loss)

R\$ thousand	1Q23	4Q22	Δ	1Q22	Δ
EBIT	495,400	(1,087,994)	-	1,295,273	-62%
EBIT Margin	6.8%	-14.2%	+ 21.0 p.p.	16.5%	- 9.7 p.p.
Financial Result	193,444	187,966	3%	501,708	-61%
Equity in the results of investees	45,047	65,331	-31%	35,008	29%
Operating Profit or Loss	733,891	(834,697)	-	1,831,989	-60%
Income Tax / Social Contribution	(189,815)	(4,088)	4543%	(568,820)	-67%
Net Income or Loss	544,076	(838,785)	-	1,263,169	-57%
Net Margin	7.5%	-11.0%	+ 18.4 p.p.	16.1%	- 8.6 p.p.

In the 1Q23, the Company recorded net profit of R\$544 million, R\$1.4 billion higher than the net income reported in the previous quarter (4Q22: R\$839 million), mainly due to the accounting of R\$1.4 billion in the Impairment account in the previous quarter, in addition to the better operational performance reported in the quarter.

Working capital

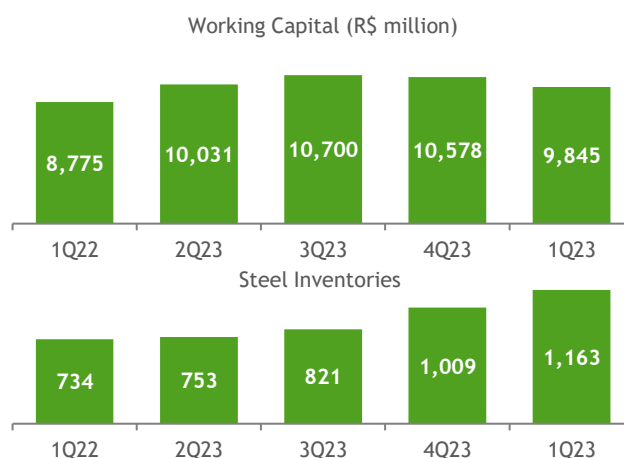
In the 1Q23, working capital was R\$9.8 billion, 6.9% lower than in the 4Q22 (R\$10.6 billion).

The main variations are related to the themes below:

- R\$100 million reduction in **Inventories**, mainly due to the R\$594 million reduction in coal and coke inventories, partially offset by the R\$575 million increase in slab inventories. At the end of 1Q23, Usiminas had 449 thousand tons of slabs to supply production during the shutdown of Blast Furnace 3.

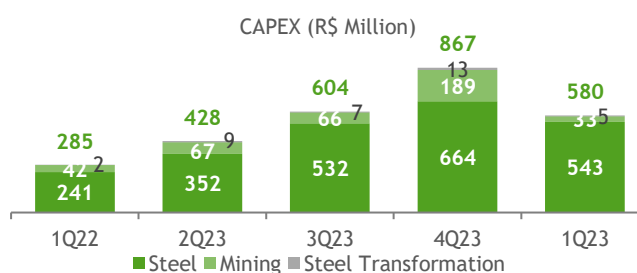
- Increase in payment terms to suppliers (Accounts Payable - advances to suppliers) by R\$498 million, R\$299 million of which from **Forfeiting**.

- Reduction of R\$130 million in **Taxes Recoverable**, mainly PIS/COFINS.



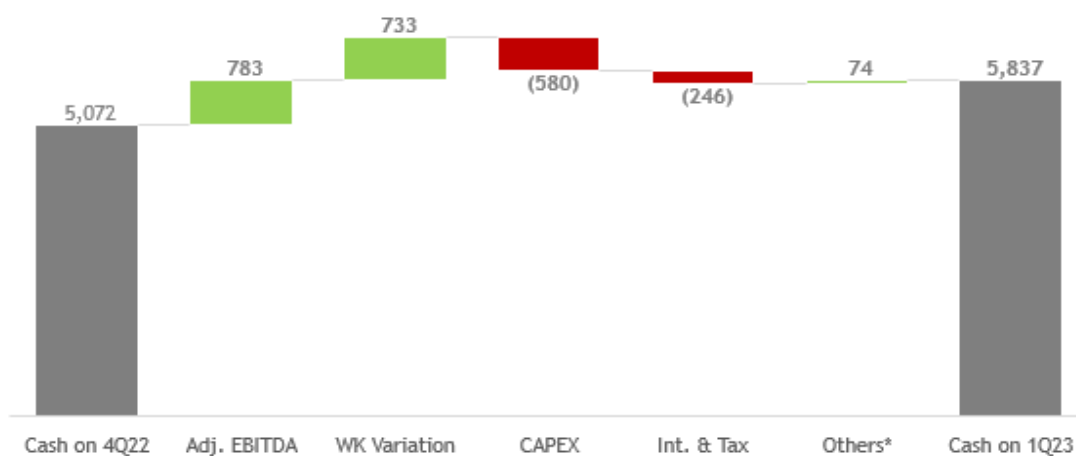
Investments (CAPEX)

In the 1Q23, CAPEX totaled R\$580 million, 33.0% lower than the 4Q22 (R\$867 million), of which 93.5% was in the Steel Unit, 5.7% in the Mining Unit, and 0.8% in the Steel Processing Unit.



Cash and Financial Indebtedness

Consolidated **Cash and Cash Equivalents** on 03/31/23 was R\$5.8 billion, 15.1% higher compared to the position on 12/31/22 (R\$5.1 billion), explained by the EBITDA generation and variation in working capital in the period, partially offset by CAPEX, Interest Paid and Taxes, as shown next:

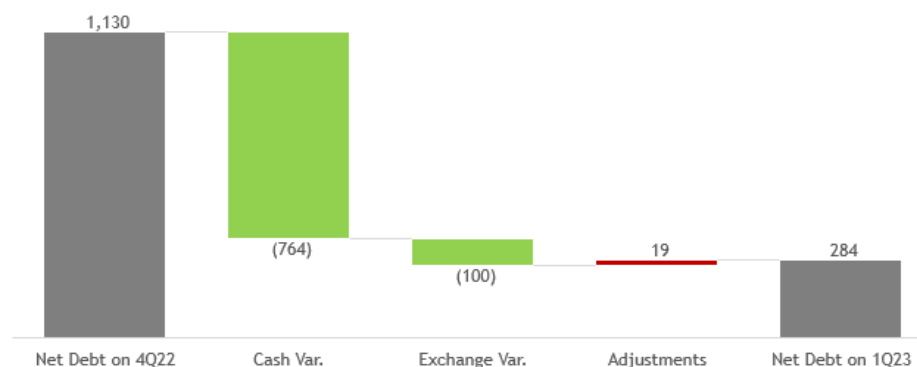
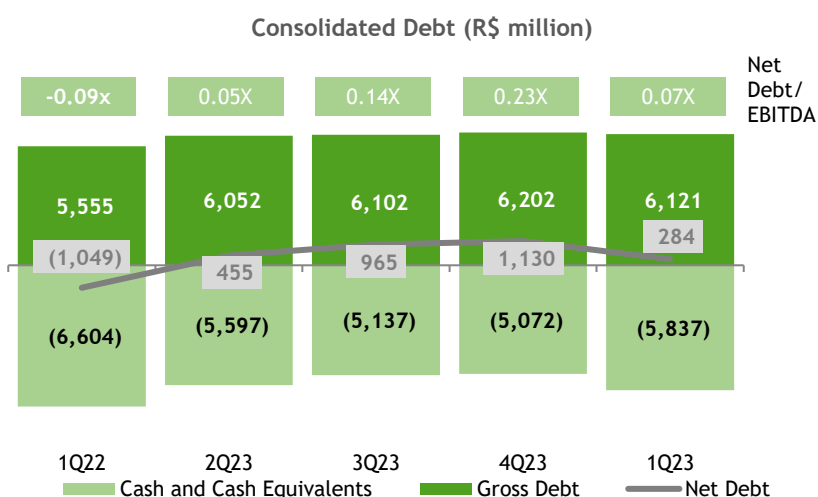


*"Others" detailed in Cash Flow in the Annexes

On 03/31/23, consolidated **Gross debt** was R\$6.1 billion, 1.3% lower than the gross debt on 12/31/22 (R\$6.2 billion), with the effect of the appreciation of the Real against the Dollar in the period.

On 03/31/23, **Net debt** was R\$284 million, 74.9% lower than the net debt at the end of the previous quarter (12/31/22: R\$1.1 billion). The variation between the periods

is mainly due to the increase in the Cash position and the effect of exchange rate variation on the Company's debt, as is shown below (in R\$ million).



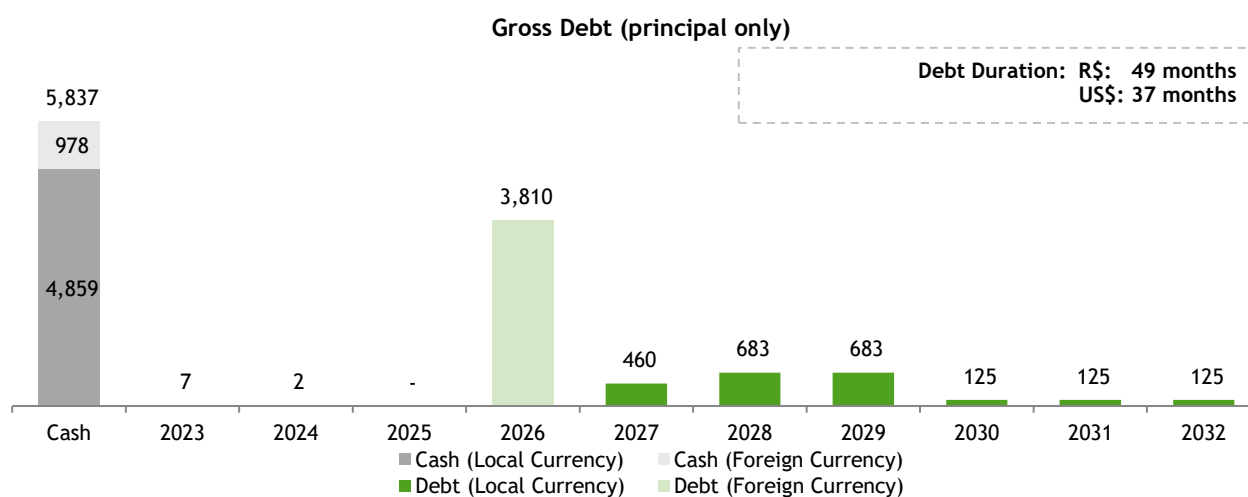
Debt composition by maturity on 03/31/23 was 3% in the short term and 97% in the long term, compared to 2% and 98%, respectively, on 12/31/22.

The chart below shows consolidated debt data:

R\$ thousand	31-mar-23			31-dec-22	Var. Mar23/Dez22	31-mar-22	Var. Mar23/Mar22	
	Short Term	Long Term	TOTAL					
Local Currency	106,965	2,193,335	2,300,300	38%	2,219,081	4%	2,006,095	15%
CDI	99,434	2,192,197	2,291,631	-	2,209,655	4%	1,991,443	15%
Others	7,531	1,138	8,669	-	9,426	-8%	14,652	-41%
Foreign Currency*	47,668	3,772,945	3,820,613	62%	3,983,198	-4%	3,548,954	8%
Gross Debt	154,633	5,966,280	6,120,913	100%	6,202,279	-1%	5,555,049	10%
Cash and Cash Equivalents	-	-	5,836,793	-	5,072,361	15%	6,604,129	-12%
Net Debt	-	-	284,120	-	1,129,918	-75%	(1,049,080)	-
Gross Debt (Principal Only)	-	-	6,018,958	-	6,082,460	-1%	5,509,372	9%

(*)100% of total foreign currency is US dollars denominated in the 1Q23

The graph below shows the cash position and the debt profile (principal only) in millions of Reais on 03/31/23.



The following table details the issues that comprise the Company's debt:

Issue	Series	Value (Millions)	Rate	Maturity
Bonds	-	USD 750	5.785%	2026
8th Issue of Debentures	1 st Series	BRL 300	CDI + 1.50%	2027
	2 nd Series	BRL 400	CDI + 1.70%	2028 and 2029
9th Issue of Debentures	1 st Series	BRL 160	CDI + 1.45%	2027
	2 nd Series	BRL 966	CDI + 1.65%	2028 and 2029
	3 rd Series	BRL 374	CDI + 1.95%	2030, 2031 and 2032

Operational Performance of the Business Units

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

Income Statement per Business Units - Non Audited - Quarterly

R\$ million	Mining		Steel*		Steel Processing		Adjustment		Consolidated	
	1Q23	4Q22	1Q23	4Q22	1Q23	4Q22	1Q23	4Q22	1Q23	4Q22
Net Revenue	784	812	6,390	6,569	2,134	2,203	(2,052)	(1,925)	7,255	7,660
Domestic Market	212	178	5,773	5,809	2,131	2,199	(2,052)	(1,925)	6,063	6,261
Exports	572	634	617	761	3	5	-	-	1,192	1,399
COGS	(493)	(596)	(5,875)	(6,182)	(2,054)	(2,126)	2,051	2,018	(6,370)	(6,887)
Gross Profit or Loss	291	216	516	387	80	77	(2)	92	885	773
Operating Income and Expenses	(106)	191	(258)	(1,992)	(25)	(39)	(1)	(21)	(389)	(1,861)
Selling	(65)	(73)	(39)	(43)	(5)	(10)	-	-	(109)	(126)
General and Administrative	(12)	(11)	(114)	(144)	(19)	(21)	5	5	(140)	(171)
Other Operating Income and expenses, Net	(30)	274	(104)	(1,804)	(2)	(7)	(6)	(26)	(141)	(1,564)
EBIT	185	407	258	(1,605)	55	39	(2)	72	495	(1,088)
Depreciation and amortization	68	57	179	175	10	12	(9)	(9)	249	234
Equity in the results of investees	19	32	206	424	-	-	(179)	(391)	45	65
EBITDA (Instruction CVM 527)	271	496	643	(1,006)	65	50	(190)	(328)	789	(788)
EBITDA Margin	34.6%	61.0%	10.1%	-15.3%	3.1%	2.3%	9.3%	17.0%	10.9%	-10.3%
Adjusted EBITDA	254	171	438	264	65	50	25	93	783	579
Adj.EBITDA Margin	32.4%	21.1%	6.9%	4.0%	3.1%	2.3%	-1.2%	-4.9%	10.8%	7.6%

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

Business Unit - Mining



Operational and Sales Performance

In the 1Q23 production volume was 1.8 million tons, a 21.4% decrease compared to the 4Q22 (2.3 million tons). The lower production volume was mainly due to higher levels of rainfall due to the usual climatic seasonality in the first quarter of the year, and preventive maintenance at the

plants.

Sales volume reached 1.9 million tons in the 1Q23, 21.5% lower than the 4Q22 (2.4 million tons), following the production volume of the period and limitations on the availability of external rail transport as a result of the rains.

Production and sales volumes are shown below:

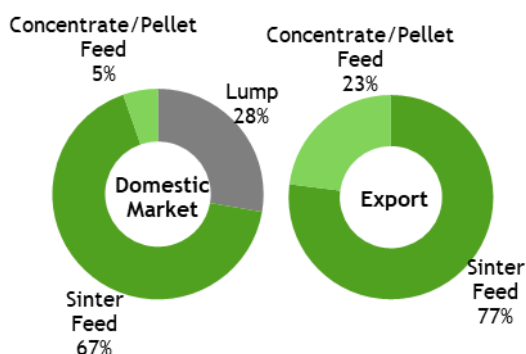
Thousand tons	1Q23	4Q22	Δ	1Q22	Δ
Production	1,821	2,317	-21%	1,732	5%
Total Sales	1,883	2,400	-22%	1,610	17%
Exports	1,238	1,665	-26%	1,000	24%
Domestic Market - Usiminas	497	613	-19%	463	7%
Domestic Market - Third Parties	148	122	21%	147	0%

The types of ore sold by market are shown below:

Export sales in 1Q23 totaled 1.2 million tons, equivalent to seven shipments, three shipments less than in the 4Q22, mainly impacted by the rainy season and logistic limitations.

In the 1Q23, **export distribution** was 54% including ocean freight (CFR) and 46% without ocean freight, against 62% and 38% in the 4Q22, respectively.

Comments on the Results - Mining



Net revenue totaled R\$784 million in the 1Q23, 3.5% less over the 4Q22 (R\$812 million). This decrease occurred as a result of the combination of lower sales volume in the quarter and a higher proportion of sales without maritime freight, which were partially offset by higher ore prices. In the quarter, the quarterly average reference price of iron ore 62% Fe CFR China showed a positive variation of 26.8% in comparison with the previous quarter.

Total production cash cost per ton was R\$127.2/t or US\$24.5/t (without idleness) in 1Q23 against R\$111.8/t (US\$21.3/t) in 4Q22, an increase of 13.8% between periods, mainly due to lower dilution of fixed costs with lower volumes and higher costs with scheduled preventive maintenance at the Samambaia and Oeste plants.

Cost of Goods Sold (COGS) in the 1Q23 was R\$493 million, 17.3% lower than in the previous quarter (R\$596 million), mainly due to the lower export sales volume.

In unit terms, COGS/ton in 1Q23 was (R\$261.8/t), 5.4% higher than in the 4Q22 (R\$248.3/t), impacted by the previously mentioned increase in unit production costs, partially offset by lower export freight costs.

Sales Expenses totaled R\$65 million in the 1Q23, an 11.1% decrease in relation to the previous quarter (4Q22: R\$73 million), due to the lower volume exported.

General and Administrative Expenses totaled R\$12 million in the 1Q23, up 10.7% in relation to the amounts presented in the previous quarter (4Q22: R\$11 million).

In 1Q23, **Other Operating Income (Expenses)** presented a negative result of R\$30 million against a positive result of R\$275 million in the 4Q22, which there was a partial reversal of the Impairment provision of productive assets in the amount of R\$293 million, with no effect on Adjusted EBITDA.

Adjusted EBITDA reached R\$ 254 million in the 1Q23, a 48.2% increase compared to the 4Q22 (R\$171 million). Adjusted EBITDA margin was 32.4% in the 1Q23 (4Q22: 21.1%).

Investments (CAPEX)

CAPEX totaled R\$33 million in 1Q23, against R\$189 million recorded in the 4Q22, an 82.5% decline in investments compared to the previous quarter and were dedicated to the conclusion of the sludge centrifugation project and sustaining operational outlays.

Business Unit - Steel

Operational and Sales Performance

Crude steel production at the Ipatinga plant was 717 thousand tons in the 1Q23, 10.3% higher in relation to the 4Q22 (650 thousand tons). Rolled steel production at the Ipatinga and Cubatão mills totaled 971 Kt in the 1Q23, a 3.3% decrease compared to the previous quarter (4Q22: 1,004 Mt). In the 1Q23, 489 Kt of purchased slabs were processed (4Q22: 499 Kt).



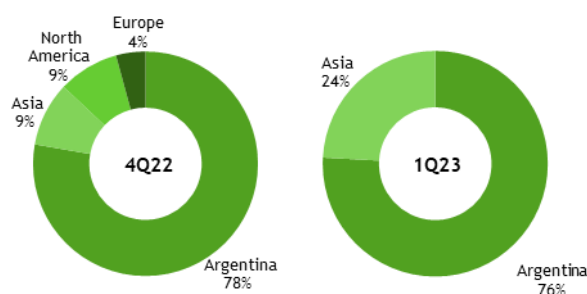
Thousand tons	1Q23	4Q22	Δ	1Q22	Δ
Total Crude Steel	717	650	10%	677	6%
Purchased Slab Processed	489	499	-2%	451	9%
Total Rolled Steel	971	1,004	-3%	1,091	-11%
Sales Volume	1,035	963	7%	1,135	-9%
Domestic Market	934	872	7%	867	8%
Exports	101	92	10%	267	-62%

In the 1Q23, total sales were 1,035 Mt of steel, 7.4% higher than in the 4Q22 (963 Kt). In the domestic market, sales were 934 thousand tons in the 1Q23, a 7.1% increase in relation to the 4Q22, (872 thousand tons). Exports in the 1Q23 were 101 Kt, 10.0% higher than in the 4Q22 (92 Kt). Sales volume was 90% for the domestic market and 10% for exports (the same as in the 4Q22).

Domestic Market Sales were distributed in the following segments:

	1Q23	4Q22	Δ	1Q22	Δ
Auto Industry	34.5%	31.3%	+ 3 p.p.	38.1%	- 4 p.p.
Distribution	25.8%	26.2%	- 0 p.p.	29.4%	- 4 p.p.
Industry	39.7%	42.5%	- 3 p.p.	32.5%	+ 7 p.p.

Main export destinations in the quarter were:

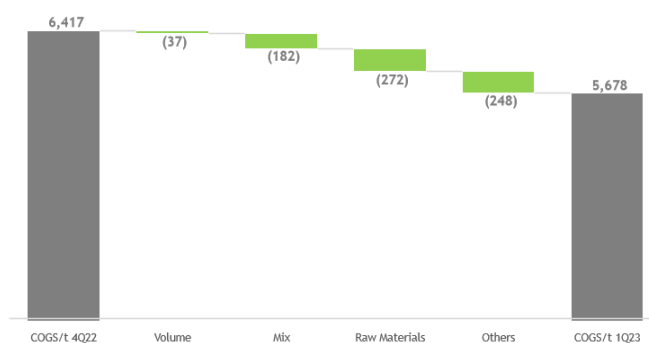


Comments on the Results - Steel

In 1Q23, **Net Revenue** from the Steel Unit was R\$6.4 billion, 2.7% lower than that recorded in 4Q22 (R\$6.6 billion), due to lower prices recorded in the quarter, partially offset by higher volume of steel sold compared to the 4Q22 by 7.1%. Net revenue/ton sold was R\$6,177/t, 9.4% lower than the previous quarter (4Q22: R\$6,819/t). In the period, there was a 7.2% decrease in net revenue/ton sold in the Domestic Market, and a 26.3% decrease in net revenue/ton sold in the Export Market.

Cash cost per ton was R\$4,656/t in the 1Q23, 9.4% lower than in the 4Q22 (R\$5,142/t). Among the main variations, the highlights are lower costs with slabs by 23% and lower costs with energy and fuel by 10%, partially offset by higher costs with ores by 5%.

Cost of Goods Sold per ton was R\$5,678/t in the 1Q23. COGS/ton was 11.5% lower than the previous quarter (4Q22: R\$6,417/t). This variation is explained by the mix produced and lower prices of raw materials in the quarter, as shown in the graph on the below. Thus, Cost of Goods Sold in the 1Q23 was R\$5.9 billion, 5.0% lower than the COGS of the previous quarter (4Q22: R\$6.2 billion).

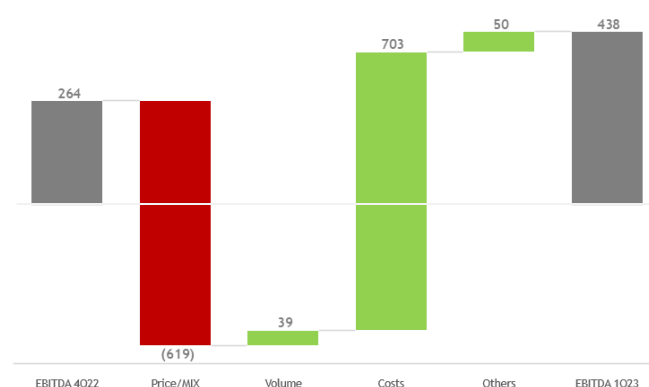


Sales expenses totaled R\$39 million in the 1Q23, 9.5% lower than in the 4Q22 (R\$43 million), mainly as a result of lower expenses with distribution costs and commissions in the period.

General and Administrative Expenses totaled R\$114 million in the 1Q23, 10.5% lower than in the 4Q22 (R\$127 million), with lower third-party expenses and social charges, seasonally higher at the end of the year.

Other operating income (expenses) were negative R\$104 million in the 1Q23, 94.2% lower than the 4Q22 (negative R\$1.8 billion), mainly with the recognition of loss due to Impairment in the amount of R\$1.7 billion recorded in the 4Q22, with no effect on the Company's Adjusted EBITDA and without a similar effect in the 1Q23.

Thus, **Adjusted EBITDA** reached R\$438 million in the 1Q23, 65.9% higher than that accounted in the 4Q22 (R\$264 million). Adjusted EBITDA margin was 6.9% in the 1Q23, against 4.0% in the 4Q22.



Investments (CAPEX)

In the 1Q23, CAPEX totaled R\$543 million, 18.3% lower than in the 4Q22 (R\$664 million). In this quarter, R\$204 million were used to renovate Blast Furnace 3.



Business Unit - Steel Processing

Comments on the Results - *Soluções Usiminas*

Net Revenue in the 1Q23 totaled R\$2.1 billion, 3.2% lower than in the 4Q22 (R\$2.2 billion), due to lower prices practiced in the period. Sales of the Distribution, Services/JIT and Tubes segments accounted for 29.7%, 65.6% and 4.7% of the volume, respectively, sold in the 1Q23.

Cost of Goods Sold (COGS) was R\$2.05 billion in the 1Q23, 3.4% lower than in the 4Q22 (R\$2.13 billion). COGS/t was R\$6,931/t in 1Q23, a 2.8% decrease compared to the 4Q22 (R\$7,133/t), with lower raw materials costs.

Operating income (expenses) were negative R\$25 million in the 1Q23, 35.3% lower compared to 4Q22 (negative R\$38 million), mainly due to lower provisions for contingencies and for doubtful accounts.

Adjusted EBITDA in the 1Q23 was R\$65 million, 29.8% higher than in the previous quarter (4Q22: R\$50 million). Adjusted EBITDA margin was 3.1% in the 1Q23 (4Q22: 2.3%).

Equity in the Result

In the 1Q23, equity income was R\$45 million, 31.0% lower than recorded in the 4Q22.

ESG Agenda - Sustainability Topics

Actions in favor of Usiminas' Diversity and Inclusion agenda were highlighted in the first quarter of 2023.

Among the main initiatives related to the topic, we highlight the renewal of the D&I, which received new members in January, guardians of diversity, to act in the dissemination and strengthening of the culture of diversity and inclusion in the companies of the Usiminas group. Additionally, in the quarter, we also launched a new internal training program on the subject and updating of the Diversity and Inclusion Standard.

In the field of innovation, Usiminas joined the Young Innovators on SDG program of the Global Compact. This initiative provides the Company with the opportunity to develop a project that connects sustainability and innovation, with the potential to generate solutions for Usiminas and create value for the company and society.

Next, we present the new set of sustainability goals for the 2023 cycle. Such goals, linked to the variable remuneration of the Company's Senior Management, will be calculated on a quarterly basis and their results will be presented from 2Q23 onwards.

Material Theme	Goal	SDG
People management	Objective of Zero Accidents, in compliance with the Strategic Safety Plan, with focus on achieving a Safety Index of 1.0;	3 and 8
People management	Reach 18% of women in leadership positions by 2023;	5
Climate changes	Conducting a GHG inventory at Soluções Usiminas by 09/30/2023;	13
Climate changes	Adhesion of Mineração Usiminas to the Brazilian GHG Protocol Program;	13
Relationship with Stakeholders	Improvement of the General Customer Satisfaction Index;	12
Relationship with Stakeholders	Sustainability in the supply chain, strengthening relationships and reducing risks at 75% of strategic suppliers;	12
Relationship with Stakeholders	Strengthening relationships with formal and community leaders in Vale do Aço and Baixada Santista	17
Management of natural resources and environmental impacts	Donation of 100% of the steel aggregate generated in 2023 to the Caminhos do Vale program	12

Usiminas trains a female locomotive driver's class (SDG 5)



In February, Usiminas trained its first female group of locomotive drivers at the Ipatinga Plant. After the training phase, which lasted almost a year and a half, 10 professionals, the first women in the company to work in this role, were hired to work in the operation of the unit's locomotives. The action was also part of the initiatives in celebration of Women's Day.



Learn more at (Portuguese Only): <https://bit.ly/mulheresmaquinistas>

Capital markets

	1Q23	4Q22	Δ	1Q22	Δ
Number of Deals	970,914	1,089,365	-6%	1,835,232	-41%
Daily Average	15,411	17,858	0%	30,086	-41%
Traded - thousand shares	931,876	1,226,061	-6%	1,360,106	-10%
Daily Average	14,792	20,099	0%	22,297	-10%
Financial Volume - R\$ million	6,913	9,248	-16%	19,533	-53%
Daily Average	110	152	-11%	320	-53%
Maximum	8.67	8.15	-17%	17.37	-53%
Minimum	6.53	6.86	0%	11.85	-42%
Closing	7.29	7.16	-5%	15.16	-53%
Market Capitalization - R\$ million	9,135	8,972	-5%	18,997	-53%

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

	1Q23	4Q22	Δ	1Q22	Δ
Preferred stocks (USIM5) - B3	R\$7.29	R\$7.16	-5%	R\$13.97	-53%
Common stocks (USIM3) - B3	R\$7.97	R\$7.41	-10%	R\$13.04	-49%
ADR (USNZY) - OTC	\$1.49	\$1.40	-3%	\$2.99	-47%
Preferred stocks (XUSI) - LATIBEX	€ 1.36	€ 1.30	-10%	€ 2.72	-47%
Common stocks (XUSIO) - LATIBEX	€ 1.51	€ 1.29	-17%	€ 2.58	-39%

1Q23 Live Results

April 20, 2023 (Thursday)

11:00am Brasilia | 10:00am New York

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

Replay in both languages will be available on the Investor Relations website: www.usiminas.com/ri



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Attachments (Excel tables available in the IR site in the Modeling Database)

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

Assets	31-mar-23	31-dec-22	31-mar-22
Current Assets	20,216,136	20,358,661	19,652,621
Cash and Cash Equivalents	5,836,793	5,072,361	6,604,129
Trade Accounts Receivable	3,538,479	3,547,946	3,795,645
Taxes Recoverable	782,337	912,419	1,433,716
Inventories	9,864,655	9,965,172	7,519,481
Advances to suppliers	1,329	623,381	131,483
Other Securities Receivables	192,543	237,382	168,167
Non-Current Assets	19,987,624	19,641,790	19,451,023
Long-Term Receivable	5,440,894	5,492,446	5,267,974
Deferred Taxes	2,328,349	2,410,456	2,695,295
Deposits at Law	525,778	513,777	489,212
Taxes Recoverable	1,717,387	1,713,328	1,244,133
Accounts Receiv - Gasometer	353,732	352,661	355,807
Others	515,648	502,224	483,527
Equity Investments	1,253,005	1,211,337	1,170,461
Investment Property	141,425	141,496	159,054
Property, Plant and Equipment	11,176,254	10,820,571	11,206,157
Intangible	1,976,046	1,975,940	1,647,377
Total Assets	40,203,760	40,000,451	39,103,644

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

Liabilities and Shareholders' Equity	31-mar-23	31-dec-22	31-mar-22
Current Liabilities	5,180,871	5,392,626	5,329,348
Loans and Financ., Debentures, and Taxes Payable in Installments	154,633	135,697	56,274
Suppliers, Subcontractors and Freight	2,415,618	2,838,631	2,734,336
Wages and Social Charges	259,752	267,712	228,214
Taxes and Taxes Payables	301,174	191,212	305,621
Accounts Payable Forfeiting	1,233,989	935,375	563,859
Dividends Payable	470,580	470,599	966,934
Customers Advances	52,731	108,813	154,056
Others	292,394	444,587	320,054
Long-Term Liabilities	8,572,437	8,720,075	8,155,793
Loans and Financing and Taxes Payable in Installments	5,966,280	6,066,582	5,498,775
Actuarial Liability	961,182	952,905	1,167,156
Provision for Legal Liabilities	868,162	892,157	909,565
Environmental Protection Provision	286,619	283,060	227,754
Others	490,194	525,371	352,543
Shareholders' Equity	26,450,452	25,887,750	25,618,503
Capital	13,200,295	13,200,295	13,200,295
Reserves & Revenues from Fiscal Year	10,442,549	9,954,730	9,734,159
Non-controlling shareholders participation	2,807,608	2,732,725	2,684,049
Total Liabilities and Shareholders' Equity	40,203,760	40,000,451	39,103,644

Income Statement - Consolidated | IFRS

R\$ thousand	1Q23	4Q22	Δ	1Q22	Δ
Net Revenues	7,255,249	7,659,976	-5%	7,844,648	-8%
Domestic Market	6,063,131	6,260,502	-3%	5,822,354	4%
Exports	1,192,118	1,399,474	-15%	2,022,294	-41%
COGS	(6,370,461)	(6,886,824)	-7%	(6,129,398)	4%
Gross Profit	884,788	773,152	14%	1,715,250	-48%
Gross Margin	12.2%	10.1%	+ 2.1 p.p.	21.9%	- 9.7 p.p.
Operating Income and Expenses	(389,388)	(1,861,146)	-79%	(419,977)	-7%
Selling Expenses	(108,638)	(126,092)	-14%	(171,117)	-37%
General and Administrative	(139,664)	(170,814)	-18%	(130,480)	7%
Other Operating Income and expenses	(141,086)	(1,564,240)	-91%	(118,380)	19%
Inventories Adjustments	2,088	17,901	-88%	(4,535)	-
Legal charges	(16,293)	(6,838)	138%	(5,362)	204%
Idleness expenses (includes depreciation)	(18,432)	(63,893)	-71%	(46,752)	-61%
Retirement plans and health benefits	(24,468)	(27,814)	-12%	(11,941)	105%
Provision for tax credit (ICMS)	(10,864)	(16,110)	-33%	(11,196)	-3%
Provision for contingencies	(33,427)	(19,335)	73%	6,776	-
Result of the non-operating asset sale/write-off	(45)	30,415	-	8,183	-
Other Operating Income and Expenses, Net	(39,645)	(78,622)	-50%	(25,737)	54%
EBIT	495,400	(1,087,994)	-	1,295,273	-62%
EBIT Margin	6.8%	-14.2%	+ 21.0 p.p.	16.5%	- 9.7 p.p.
Financial Result	193,444	187,966	3%	501,708	-61%
Financial Income	302,175	290,329	4%	239,470	26%
Interest on Financial Asset and Monetary Effects	161,033	148,108	9%	126,489	27%
Correction of PIS/COFINS tax credits	4,506	6,394	-30%	13,778	-67%
Monetary Effects on assets	7,492	9,361	-20%	7,447	1%
Reversal of interest on contingencies	8,098	3,576	126%	10,688	-24%
Other Financial Income	121,046	122,890	-2%	81,068	49%
Financial Expenses	(189,464)	(224,628)	-16%	(171,754)	10%
Interest and Monetary Effects over Financing and Taxes Payable in Installments*	(121,373)	(113,460)	7%	(96,046)	26%
Capitalized Interest	22,328	25,931	-14%	38,252	-42%
Monetary Effects on liabilities	(13,808)	(8,456)	63%	(13,263)	4%
Financing Commission and Others	(6,048)	(8,841)	-32%	(7,661)	-21%
Monetary Effects on contingencies	(26,144)	(23,979)	9%	(16,940)	54%
Other Financial Expenses	(44,419)	(95,823)	-54%	(76,096)	-42%
Net foreign exchange gain and losses	80,733	122,265	-34%	433,992	-81%
Equity in the results of investees	45,047	65,331	-31%	35,008	29%
Operating Profit or Loss	733,891	(834,697)	-	1,831,989	-60%
Income Tax / Social Contribution	(189,815)	(4,088)	4543%	(568,820)	-67%
Net Income or Loss	544,076	(838,785)	-	1,263,169	-57%
Net Margin	7.5%	-11.0%	+ 18.4 p.p.	16.1%	- 8.6 p.p.
Attributable:					
Shareholders	474,132	(982,146)	-	1,191,414	-60%
Minority Shareholders	69,944	143,361	-51%	71,755	-3%
EBITDA (Instruction CVM 527)	789,117	(788,167)	-	1,553,031	-49%
EBITDA Margin (Instruction CVM 527)	10.9%	-10.3%	+ 21.2 p.p.	19.8%	- 8.9 p.p.
Adjusted EBITDA - Jointly-controlled subsidiaries proportional	782,761	579,141	35%	1,559,920	-50%
Adjusted EBITDA Margin	10.8%	7.6%	+ 3.2 p.p.	19.9%	- 9.1 p.p.
Depreciation and Amortization	248,670	234,496	6%	222,750	12%

Cash Flow - Consolidated | IFRS

R\$ thousand	1Q23	4Q22	1Q22
Operating Activities Cash Flow			
Net Income (Loss) in the Period	544,076	(838,785)	1,263,169
Financial Expenses and Monetary Var. / Net Exchange Var.	(37,047)	(120,865)	(487,973)
Interest Expenses	66,992	104,526	60,724
Depreciation and Amortization	248,670	234,496	222,750
Losses/(gains) on Sale of Property, Plant and Equipment	45	(30,415)	(8,183)
Equity in the Results of Subsidiaries/Associated Companies	(45,047)	(65,331)	(35,008)
Impairment of Assets	-	1,399,944	-
Income tax and social contribution in tax year	132,540	(57,697)	283,722
Difered Income Tax and Social Contribution	57,275	61,785	285,098
Constitution (reversal) of Provisions	(115,107)	(171,311)	117,355
Actuarial Gains and losses	24,468	27,814	27,816
Derivative financial instruments	(306)	(31,128)	104,949
Total	876,559	513,033	1,834,419
(Increase)/Decrease of Assets			
Accounts Receivables Customer	84,949	137,784	(286,373)
Inventories	178,962	207,742	(26,830)
Recovery of Taxes	(8,128)	(132,266)	7,786
Judicial Deposits	(6,150)	(7,197)	(5,555)
Advances to suppliers	622,052	(234,251)	(129,019)
Others	21,583	144,414	5,342
Total	893,268	116,226	(434,649)
Increase /(Decrease) of Liabilities			
Suppliers, Contractors and Freights	(453,559)	(111,792)	83,034
Amounts Owed to Affiliated Companies	(26,077)	2,389	(25,450)
Customers Advances	(56,082)	(3,088)	(211)
Tax Payable	244,917	124,654	159,363
Securities Payable Forfaiting	298,614	5,492	(151,938)
Actuarial Liability Payments	(14,026)	(11,879)	(10,621)
Others	(153,690)	(46,404)	(135,432)
Total	(159,903)	(40,628)	(81,255)
Cash Generated from Operating Activities	1,609,924	588,631	1,318,515
Interest Paid	(121,618)	(104,878)	(236,205)
Income Tax and Social Contribution	(124,053)	(44,973)	(981,294)
Net Cash Generated from Operating Activities	1,364,253	438,780	101,016
Investments activities cash flow			
Marketable Securities	895,151	(1,265,892)	(471,335)
Capital increase in subsidiary	-	(67)	-
Fixed Asset Acquisition	(575,609)	(739,270)	(282,975)
Fixed Asset Sale Receipt	-	37,215	8,748
Dividends Received	3,378	123,255	2,950
Purchase of Software	(4,857)	(35,007)	(1,972)
Net Cash Employed on Investments Activities	318,063	(1,879,766)	(744,584)
Financial Activities Cash Flow			
Inflow of Loans, Financing and Debentures	-	1,500,000	-
Payment of Loans, Financ. & Debent.	(823)	(1,301,747)	(1,769)
Lease Liabilities	(12,056)	(19,276)	(11,318)
Swap Operations Liquidations	-	60,184	(98,267)
Dividends and Interest on Capital	(19)	(132,065)	(9)
Net Cash Generated from (Employed on) Financial Activities	(12,898)	107,096	(111,363)
Exchange Variation on Cash and Cash Equivalents	(9,835)	3,061	(135,824)
Net Increase (Decrease) of Cash and Cash Equivalents	1,659,583	(1,330,829)	(890,755)
Cash and Cash Equivalents at the Beginning of the Period	2,916,047	4,246,876	6,341,017
Cash and Cash Equivalents at the End of The Period	4,575,630	2,916,047	5,450,262
RECONCILIATION WITH BALANCE SHEET			
Cash and Cash Equivalents at the Beginning of the Period	2,916,047	4,246,876	6,341,017
Marketable Securities at the Beginning of the Period	2,156,314	890,422	682,532
Cash and Cash Equivalents at the Beginning of the Period	5,072,361	5,137,298	7,023,549
Net Increase (Decrease) of Cash and Cash Equivalents	1,659,583	(1,330,829)	(890,755)
Net Increase (Decrease) of Marketable Securities	(895,151)	1,265,892	471,335
Cash and Cash Equivalents at the End of the Period	4,575,630	2,916,047	5,450,262
Marketable Securities at the End of the Period	1,261,163	2,156,314	1,153,867
Cash and Cash Equivalents at the End of the Period	5,836,793	5,072,361	6,604,129