
REFERENCE FORM

Base date: 12/31/2016

According to Annex 24 of CVM¹ Ruling No. 480, of December 7, 2009

Usinas Siderúrgicas de Minas Gerais S.A. - USIMINAS

Publicly-traded Company

CNPJ/MF² No. 60.894.730/0001-05

NIRE³ 313.000.1360-0



¹ Brazilian Securities and Exchange Commission ("CVM")

² Brazilian IRS Registry of Legal Entities

³ Number of Enrollment with Commercial Registry

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Public-traded Company
 CNPJ/MF No. 60.894.730/0001-05
 NIRE 313.000.1360-0

Identification	Usinas Siderúrgicas de Minas Gerais S.A. - Usiminas, a joint stock company registered with the Brazilian IRS Registry of Legal Entities under No. 60.894.730/0001-05, with its acts of incorporation registered with the Registry of Commerce of the State of Minas Gerais under NIRE No. 313.000.1360-0.
Headquarter	Rua Prof. José Vieira de Mendonça, 3,011, City of Belo Horizonte, State of Minas Gerais.
Investor Relations Officer	Mr. Ronald Seckelmann, with principal place of business at the Company's headquarters, in the City Belo Horizonte, State of Minas Gerais. The telephone number of the Investor Relations Department is +55 (31) 3499-8856, the fax number is +55 (31) 3499-9357, and the e-mail is investidores@usiminas.com
Independent Auditors	KPMG Auditores Independentes
Underwriting Bank	Bradesco S/A Corretora de Títulos e Valores Mobiliários ("Underwriting agent").
Securities Issued	Common and preferred shares, American Depositary Receipts (ADR) / American Depositary Shares (ADS), Eurobonds and debentures.
Newspapers in Which the Company Discloses its information	The information related to the Company is published in the Official Gazette of the State of Minas Gerais and Estado de Minas.
Internet Website	www.usiminas.com . The information on the Company's website is not an integral part of this Reference Form and should not be included in it for reference purposes either.
Service to Shareholders	The Company's shareholders are serviced by the Investor Relations Department, which is placed at the Company's headquarters. The Company's telephone and fax numbers and the e-mail are +55 (31) 3499-8772, +55 (31) 3499-9357 and investidores@usiminas.com , respectively. The shareholders are also serviced by the Shareholders Department of the Underwriting Agent at +55 (11) 3684-9413, +55 (11) 3684-2811 and 4010.acecustodia@bradesco.com.br , respectively.

1. Identification of the parties in charge of the contents of the form

1.1. Chairman and Investor Relations Officer's Declaration

We declare that we have reviewed the Reference Form, that all information presented in this form complies with the provisions set forth in CVM Ruling No. 480, especially Articles 14 to 19, and that the set of information contained in it is a true, accurate, and complete description of the economic and financial standing of Usinas Siderúrgicas de Minas Gerais S.A. - Usiminas, as well as the risks inherent to its activities and the securities it issues.

Sergio Leite de Andrade

Chief Executive Officer

Ronald Seckelmann

Finance and Investors' Relations Vice Chief
Executive Officer

2. Auditors

2.1/2 In relation to the independent auditors

For the current year, 2017

CVM (Securities Commission) Code	287-9
Name/Corporate name	PricewaterhouseCoopers Auditores Independentes
CNPJ	61.562.112/0005-54
Service start date	02/06/2017
Service end date	Ongoing.
Description of the service contracted	<p>External audit of the Company's Balance Sheet and the corresponding Income Statements, of the Statements of Changes in Equity, Cash Flows, as well as the Consolidated Financial Statements, and limited review of the Quarterly Information (ITR), prepared in accordance with the accounting practices adopted in Brazil.</p> <p>Reviews of the calculation basis of the Corporate Income Tax (IRPJ) and the Social Contribution Tax on Net Profit (CSLL), the Contribution on Gross Revenues to the Social Integration Program (PIS), and the Contribution on Gross Revenues for the Social Security Funding (COFINS) of the Company and its subsidiaries.</p>
Total amount of the remuneration of independent auditors itemized per service	<p>The independent auditors' compensation in the last fiscal year for Usiminas companies was R\$236 thousand, for the auditing service fees.</p> <p>Accounting and tax services related to the application of accounting and tax rules amounted to R\$ 30 thousand.</p>
Justification for replacement	The Company has approved the appointment of PricewaterhouseCoopers as its new Independent Auditor as of the first quarter of 2017.
Reason submitted by the auditor in case of disagreement of the issuer justification	None.
Technical officer's name	Fabio Abreu de Paula
CPF	935.194.436-00
Service start date	02/06/2017
Address:	Rua dos Inconfidentes, 911, 17º e 18º floors, Funcionários, Belo Horizonte, MG, Brasil, CEP 30140-128, Phone +55 031 3269-1500, Fax +55 031 3269-1844, e-mail: fabio.abreu@pwc.com

For the fiscal years ended December 31, 2016 and December 31, 2015

CVM (Securities Commission) Code	418-9
Name/Corporate name	KPMG Auditores Independentes
CNPJ	57.755.217/0004-71
Service start date	07/01/2015
Service end date	02/05/2017
Description of the service contracted	<p>External audit of the Company's Balance Sheet and the corresponding Income Statements, of the Statements of Changes in Equity, Cash Flows, as well as the Consolidated Financial Statements, and limited review of the Quarterly Information (ITR), prepared in accordance with the accounting practices adopted in Brazil.</p> <p>Reviews of the calculation basis of the Corporate Income Tax (IRPJ) and the Social Contribution Tax on Net Profit (CSLL), the Contribution on Gross Revenues to the Social Integration Program (PIS), and the Contribution on Gross Revenues for the Social Security Funding (COFINS) of the Company and its subsidiaries.</p>
Total amount of the remuneration of independent auditors itemized per service	<p><u>2016</u></p> <p>The independent auditors' compensation in the fiscal year ended December 31, 2016 for Usiminas companies was R\$2.5 million, for the auditing service fees.</p> <p>Accounting and tax services related to the application of accounting and tax rules amounted to R\$ 40 thousand.</p> <p>Additionally, the independent auditors were also hired for specific service review compensation benefits in the amount of R\$ 200 thousand.</p> <p><u>2015</u></p> <p>The independent auditors' compensation in the fiscal year ended December 31, 2015 for Usiminas companies was R\$2.0 million, for the auditing service fees.</p> <p>Accounting and tax services related to the application of accounting and tax rules amounted to R\$ 216 thousand.</p> <p>Additionally, the independent auditors were also hired for specific service review compensation benefits in the amount of R\$ 200 thousand.</p>
Justification for replacement	The Company has approved the appointment of KPMG as its new Independent Auditor as of the third quarter of 2015.
Reason submitted by the auditor in case of disagreement of the issuer justification	None.
Technical officer's name	Marco Túlio Fernandes Ferreira
CPF	499.953.166-68
Service start date	07/01/2015
Address:	Rua Paraíba, 550, 12º floor, Savassi, Belo Horizonte, MG, Brasil, CEP 30130-140, Phone +55 031 21285700, Fax +55 31 21285702, e-mail: mtferreira@kpmg.com.br

For fiscal years ended December 31, 2015 and December 31, 2014

CVM (Securities Commission) Code	471-5
Name/Corporate name	Ernst & Young Auditores Independentes
CNPJ	61.366.936/0014-40
Service start date	04/01/2013
Service end date	06/30/2015
Description of the service contracted	<p>External audit of the Company's Balance Sheet and the corresponding Income Statements, of the Statements of Changes in Equity, Cash Flows, as well as the Consolidated Financial Statements, and limited review of the Quarterly Information (ITR), prepared in accordance with the accounting practices adopted in Brazil.</p> <p>Reviews of the calculation basis of the Corporate Income Tax (IRPJ) and the Social Contribution Tax on Net Profit (CSLL), the Contribution on Gross Revenues to the Social Integration Program (PIS), and the Contribution on Gross Revenues for the Social Security Funding (COFINS) of the Company and its subsidiaries.</p>
Total amount of the remuneration of independent auditors itemized per service	<p><u>2015</u></p> <p>The independent auditors' compensation in the fiscal year ended December 31, 2015 for Usiminas companies was R\$ 607 thousand, for the auditing service fees.</p> <p>Accounting and tax services related to the application of accounting and tax rules amounted to R\$ 77 thousand.</p> <p>Additionally, the independent auditors were also hired for specific service review compensation benefits in the amount of R\$ 510 thousand.</p> <p><u>2014</u></p> <p>The independent auditors' compensation in the fiscal year ended December 31, 2014 for Usiminas companies was R\$2.5 million, for the auditing service fees.</p> <p>Accounting and tax services related to the application of accounting and tax rules amounted to R\$ 142 thousand.</p> <p>Additionally, the independent auditors were also hired for specific service review compensation benefits in the amount of R\$ 400 thousand.</p>
Justification for replacement	The Company has approved the appointment of Ernst & Young as its new Independent Auditor as of the second quarter of 2013. Such change is due to the rotation of auditors provided for in CVM Ruling No. 509/11.
Reason submitted by the auditor in case of disagreement of the issuer justification	None.
Technical officer's name	Rogério Xavier Magalhães
CPF	028.398.986-67
Service start date	4/1/2013
Address:	Rua Antônio de Albuquerque, 156, 11 ^º andar floor, Savassi - Zip Code: 30112-010 - Belo Horizonte - Minas Gerais

2.3. Further information that the Company may deem significant

All significant information relevant to this topic was disclosed in the items above.

3. Selected financial information

3.1. Based on the financial statements or, when the issuer is bound to disclose consolidated financial information, based on the consolidated financial statements, prepare table informing:

Values in thousand reais	12/31/2016	12/31/2015	12/31/2014
a) Shareholders' equity	15,191,634	14,993,857	18,761,615
b) Total assets	26,254,745	27,758,332	30,484,062
c) Net revenue	8,454,200	10,185,570	11,741,629
d) Gross results	487,322	172,552	1,036,765
e) Net results	(576,843)	(3,684,977)	208,479
d) Number of shares, excluding treasury	1,226,846,724	987,553,806	987,553,806
g) Asset value of share	R\$ 12.38	R\$ 15.00	R\$ 19.00
h) Basic Earnings per Share	(R\$ 0.60)	R\$ (3.28)	R\$ 0.14
i) Earning Diluted per Share	(R\$ 0.60)	R\$ (3.28)	R\$ 0.14

i) Other accounting information selected by Company

From this date on, equity holding in such companies has been accounted for under the equity method.

Financial statements for the year 2015 were restated and the effects of changes are presented in item 10.4 of this Reference Form.

3.2. In case the issuer has disclosed, in the course of the last fiscal year, or intends to disclose through this form non-accounting measurements, such as EBITDA (earnings before interest, taxes, depreciation, and amortization) or EBIT (earnings before interest and income tax), the issuer must:

a) Amount of non-accounting measurements; and b) reconciliation of the amounts disclosed and those of the audited financial statements.

Statement of the EBITDA	Values in thousand reais		
	12/31/2016	12/31/2015	12/31/2014
Net profit	(576.843)	(3.684.977)	208.479
Income tax and social contribution	325.095	(1.189.922)	(24.562)
Net financial result	30.156	1.245.693	522.831
Depreciation, amortization and depletion	1.216.491	1.311.699	1.114.597
EBITDA - CVM Ruling No. 527	994.899	(2.317.507)	1.821.345
Net result of discontinued operations	(142.861)	(95.582)	(183.780)
EBITDA of jointly controlled companies (i)	151.343	147.028	225.506
Impairment of Assets	(343.006)	2.557.533	-
Adjusted EBITDA	660.375	291.472	1.863.071

(i) Excluded from consolidation, according to the application of CPC 18 (R2).

c) Explanations on the reasons the Company believes that such measurement is more appropriate for a better comprehension of its financial standing and the results of its transactions.

EBITDA represents operating cash flow of the company, that is, how much the company generates funds only through its operating activities, without taking into account the financial and tax effects. Management uses this indicator to analyze the productivity and efficiency of the Company.

Adjusted EBITDA is calculated from the year's net income (loss), reversing profit (loss) of discontinued operations, income tax and social contribution, financial result, depreciation, amortization and depletion, and equity in the results of subsidiary, joint subsidiary and affiliates.

Beginning 2013, as a result of the application of CPC 19 (R2) – joint business, Adjusted EBITDA takes into consideration the proportional equity in the results of the joint subsidiary companies, thus causing it to be compared with the amounts published in the year of 2012.

3.3. Identify and comment on any event subsequent to the last consolidated financial statements of year-end closing significantly changing them:

On January 12, 2017, the Company and its subsidiary Usiminas Commercial Ltd. announced the completion of the "Consent Request" made to Eurobond holders ("Notes"), with original maturity in 2018 and issued in the amount of US\$ 400,000 thousand, to temporarily agree with the Company's non-compliance with its obligations regarding restrictions on the offering of guarantees established in Indenture, signed on January 18, 2008 with the Bank of New York, as the Indenture.

At the Extraordinary General Meeting of Mineração Usiminas S.A. ("MUSA") held on March 3, 2017, its shareholders approved the proposal for the reduction of MUSA's capital stock in the amount of one billion reais (R\$ 1,000,000,000.00). After all legal deadlines have expired, on May 19, 2017, the Company received the amount of R\$ 700,000,000.00 (seven hundred million reais), corresponding to its 70% participation in MUSA's capital stock.

3.4. Describe the allocation policy of income for the last three fiscal years, indicating:

a) Rules on retained profits

Pursuant to the Company's articles of incorporation, CHAPTER VI, Article 24, Paragraph 4:

The Board of Directors may propose, and then the Meeting will deliberate, to deduct from the year's net income, after establishing the legal reserve, a portion at an amount not exceeding 50% to establish a Reserve for Investments and Working Capital, which will stand for the following principles: a) its constitution will not affect the shareholders' right to receive the payment from the mandatory dividend set forth in Paragraph 5, Article 24, of the articles of incorporation; b) its balance may not exceed 95% of the capital; c) the reserve aims to ensure investments in permanent assets, or appreciation in working capital, including through amortization of the Company's debts, regardless of retained profits related to capital budget, and its balance may be used: i) to absorb losses, whenever it is necessary; ii) to distribute dividends at any time; iii) in the transactions involving redemption, refund or share purchase, authorized by law; iv) in the incorporation into share capital, including bonus shares.

The legal reserve is established at 5% of net income for each year until it reaches 20% of capital.

As soon as the allocations mentioned in paragraphs 3, 4, and 5 of Article 24 of the articles of incorporation, with reference to the Legal Reserve, Reserve for Investments and Working Capital and Dividends, respectively, are complied with, the General Meeting may decide to retain portion of net income for the year established in capital budget, previously approved, according to the provisions of Article 196 of Law No. 6404/1976, with the remaining part being distributed to shareholders as complementary dividend.

b) Dividend distribution rules

The shareholders are granted a minimum dividend of 25% of the parent company's net income for the year, calculated in agreement with the provisions of the corporation law and adjusted as follows: i) the increase of the following amounts:- resulting from the reversal, in the period, from former reserves for contingencies; - resulting from profit-taking, in the year, previously transferred to the reserve of unrealized profits; ii) the decrease of the amounts allocated, in the year, to establish the legal reserve, reserves for contingencies and reserve of unrealized profits. The amount so calculated may, at the discretion of the General Meeting or the Board of Directors, as the case may be, be paid on the account of the profit used as calculation basis or reserves of preexisting profits. Owners of preferred stock receive dividends 10 % higher than the ones allocated to common stock. The establishment of reserves may not affect the shareholders' right to receive payment from the mandatory dividend of 25% of net income for the year.

The amount of paid or credited interest, for interest on equity purposes, according to the provisions of Article 13, letter "x", of the articles of incorporation, may be imputed to the amount of dividends to be distributed by the Company, starting to integrate them for all legal purposes.

c) Dividend distribution frequency

The Company distributes dividends on an annual basis. The Company's Board of Directors may also decide to distribute dividends on account of profit determined with basis on the semiannual balance or through smaller periods raised by the Company.

d) Occasional restrictions to the distribution of dividends imposed by Law or special regulation applicable to the issuer, as well as contracts, judicial, administrative or arbitration awards

The Brazilian Corporation Law allows the Company to suspend the mandatory dividend distribution if the Board of Directors informs in the General Meeting that it is incompatible with its financial standing. The Supervisory Board must give its opinion concerning the recommendation made by the Board of Directors. Besides, the Board of Directors must submit the rationale for the suspension to CVM within five days as of the date the General Meeting was held. Profits not distributed, due to the suspension described above, will be allocated to a special reserve and, in case they are not absorbed by subsequent losses, they must be paid, as dividends, as soon as the Company's financial standing so allows. There has been no change in the rules on restrictions to the distribution of dividends in the last three fiscal years.

Some of the loan and financing contracts entered into by the Company (including, but not limited to, 4th and 5th issues debentures described in item 18.5. of the Reference Form) establish that, in case of failure to perform its duties, the Company is bound to restrict the payment of dividends at the minimum mandatory extent, which corresponds to 25% of the adjusted net income. The debentures of 4th issue were settled by the Company in advance in December, 2010, as outlined in Section 18.5. The Company currently understands that it does comply with all contracts providing for such restriction.

There is no restriction on the distribution of dividends imposed by judicial, administrative and arbitration awards involving the Company.

3.5. Indicate on the table for each of the last three fiscal years:

(In thousands of reais)	Fiscal Year 12/31/2016	Fiscal Year 12/31/2015	Fiscal Year 12/31/2014
Adjusted net income	-	-	129,552
Dividends paid in relation to the adjusted net income	-	-	30,769
Rate of return in relation to the shareholders' equity of the issuer	-	-	02052
Total dividends distributed	-	-	30,769
Retained net income	-	-	98,783
Dividends paid in relation to the adjusted net income (%)	-	-	24%
Date of approval of the retention	-	-	06/26/2015
Date of dividends payment	-	-	129,552

Mandatory Dividend			
Common	-	-	14,930 R\$ 0.029698
Common	-	-	-
Class A Preferred	-	-	15,836 R\$ 0.032668
Class A Preferred	-	-	-
Class B Preferred	-	-	3 R\$ 0.032668
Class B Preferred	-	-	-

The Company presented net loss for the years of 2015 and 2016.

3.6 Inform if, in the last three fiscal years, dividends were declared on account of withheld profits or reserves established in previous fiscal years

There was no declaration of dividends in the last three fiscal years on account of withheld profits or reserves established in previous fiscal years.

3.7 Describe on the table the issuer's indebtedness ratio: (a) total amount of debt, of any nature; (b) indebtedness ratio (current liabilities plus non-current liabilities, divided by net equity)

	Values in thousand reais		
	12/31/2016	12/31/2015	12/31/2014
Current liabilities	1,752,244	4,495,923	4,769,426
Non-current liabilities	9,310,867	8,268,552	6,953,021
Total Current Liabilities + Non-Current Liabilities	11,063,111	12,764,475	11,722,447
Shareholders' equity	15,191,634	14,993,857	18,761,615
Indebtedness Ratio (Current + Non-current Liabilities / Shareholders' Equity)	73%	85%	62%

3.8. Amount of the Company's obligations according to the expiry dates, segregated by debts with security interest, floating charge, and unsecured debts

The Company has no debt secured by third party guaranties on December 31, 2016.

Values in thousand reais					
	Less than a year	One to three years	Three to five years	More than five years	Total
Loans and Financings					
Security interest	37,690	77,390	966,417	4,256,967	5,338,464
Floating guarantee	-	-	-	-	-
Unsecured debts	24,467	563,642	-	-	588,109
TOTAL	62,157	641,032	966,417	4,256,967	5,926,573

Values in thousand reais					
	Less than a year	One to three years	Three to five years	More than five years	Total
Debentures					
Security interest	5,551	10,764	178,264	803,156	997,735
Floating guarantee	-	-	-	-	-
Unsecured debts	-	-	-	-	-
TOTAL	5,551	10,764	178,264	803,156	997,735

3.9. Provide other information as the issuer may deem significant

The Company believes that there is no additional significant information to be provided in this item 3 of the Reference Form.

4. Risk factors

4.1. Describe risk factors that may have an influence on the investment decision, especially those related to:

a) The issuer

The Company's operating results may be affected in case of reduced demand and/or steel price, whether in Brazil or abroad.

Steel demand is cyclical both in Brazil and abroad and a reduction in steel demand may negatively affect the Company.

Therefore, the companies' operating results of the steel industry and the Company may be affected by the macroeconomic fluctuations of the global markets and the domestic economies of steel-consuming countries, as well as by changes in the business environment of the sectors of automobile and car spare parts, household appliances, electric equipment, industrial construction, among others.

A global situation of steel offer adversely affecting the prices of the steel products and the results of the companies in the industry. More recent estimates of the WSA – World Steel Association indicate around 700 million tons in exceeding capacity of worldwide steel production.

Generally speaking, any significant reduction in demand and/or increase in steel offer both in domestic and export markets (including China) may produce an adverse effect for the Company. It is worth mentioning, for the purposes of this chapter, that an “adverse effect” related to a given risk factor may affect or will affect the Companies’ and/or its subsidiaries’ activities, financial standing, operating results, perspectives, business, and/or the stock trading prices that they may issue.

The Company faces tough competition as for prices and other products, which may negatively affect its profitability and market share.

The worldwide steel industry has been affected by the global exceeding production capacity and weakened steel demand in the advanced economies. Given the high costs provisioned for the operation startup, the system for a continuous operation of a steelworks plant may cause the steelworks operators to keep high levels of production, even during periods of low demand, which results in greater pressure over the sector’s profit margin. The pressure for decreasing steel prices by the Company’s competitors may affect its profitability. Furthermore, continuous scientific advances in the material originated products such as plastic, aluminum, pottery, and glass, all of them steel competitors in a number of industries.

Accidents or failures in critical equipment of the Ipatinga and Cubatão plants may lead to decline or stoppage of production, which may reduce the Company’s operating revenues. Insurances taken out by the Company might not be enough to cover losses due to such decline and stoppage.

Taking into account the Company’s maintenance efforts and investments, the steel production process depends on crucial equipment, such as blast furnace, converters and rolling mills. Such equipment may be affected by severe defects or damages capable of generating significant interruptions in the production process at the Ipatinga or Cubatão plant, which in its turn may reduce the Company’s production volumes and, subsequently, its operating revenue.

The Company has decided to temporarily interrupt the activities of the primary areas of the Cubatão/SP Plant.

Insurance policies taken out by the Company to cover losses due to operating risks, covering material damages to the facilities (including machinery breakdown and port blockage) and disrupted operations, may not be enough to cover the entirety of liabilities that may rise in case of decline or stoppage of the production of the Ipatinga and Cubatão plants, including those related to the non-fulfillment of customers’ orders within the scheduled date because of such events.

The Company has insurance covering Loss of Profits as of 30th day from the loss of profits due to damage.

In addition, in case the Company is not able to take out insurance policies under terms comparable to the current ones in the future, its operating and financial results may be adversely affected if it incurs liabilities not totally covered by its insurance policies.

The Company is subject to risks related to legal, arbitration and administrative claims.

The Company is a party to a number of legal, arbitration and administrative claims, including those involving tax collections, labor disputes, as well as civil actions and public class actions, some of them hard to measure. At December 31, 2016, the total provisioning by the Company concerning such claims amounted to R\$ 607.9 million and the amount judicially deposited was R\$ 138.1 million.

No one is able to estimate the outcome of such claims. In case an essential part of such claims, or one or more claims of significant amount, is ruled against the Company's interests and no provision of similar amount exists, the Company's results may be adversely affected. Additionally, if that is the case, even if a sufficient provision has been established, the Company's liquidity may be adversely affected. For more information, please refer to items 4.3 to 4.8 of this Reference Form.

The Company may face difficulties to implement its investment projects, which may affect its growth.

The Company has been investing and intends to keep investing to enhance its mix of products and efficiency, to increase its production capacity and productivity, to guarantee the operational continuity and the compliance with safety, health, and environment requirements. While implementing its investment projects, the Company may face various impediments, among which:

- failures and/or delays to acquire equipment or services required for building and operation of the projects;
- increase of costs firstly estimated for running the projects;
- difficulties to obtain environmental licenses required for the development of the projects; and
- changes in the market conditions capable of making the investment projects less profitable than firstly estimated by the Company.

In case the Company cannot manage such risks successfully, its growth potential and profitability may be adversely affected.

Floating in the FX rate of real against the dollar may affect the Company's financial performance and the operating results.

The exchange variation, especially that of real in relation to U.S. dollar, may have a significant impact on the Company. The Company may not guarantee it will manage to substantially protect any and all of its duties designated in U.S. dollar in the future. The floating of real in relation to the U.S. dollar may impact the Company's financial expenses, operating costs, and net export revenues, which may cause an adverse event over its operating and financial results. For more information, please refer to item 5.1. of this Reference Form.

Increase in local and foreign interest rates may have a negative impact on the Company's incomes.

A substantial part of the Company's indebtedness is pegged to floating interest rates. Therefore, increase in local and/or foreign interest rates, especially SELIC (Special Clearance and Custody System), TJLP (Long-Term Interest Tax) and LIBOR, may have a negative impact on the Company's results. For more information, please refer to 5.1. of this Reference Form.

Due to its business and investment plan, maybe the Company is not able to fully or successfully implementing future acquisitions, partnerships, or alliances it may set up in the future, and may incur additional costs to finance such projects.

The Company may be incapable of identifying potential acquisitions, alliances or partnerships that fit into its strategy and/or acquiring them within a satisfactory period, taking into account its cost and return. The integration of any transaction also involves risks, among which we may point out:

- loss of consumers or key employees;
- difficulty of personal integration, consolidation of environments and infrastructure, consistency of information and other systems, as well as coordination of its logistic structure;
- failure in maintaining quality of its products and services;
- unaccrued costs;
- difficulty in the internal control of several accounts; and
- deflection of the daily business focus by the Management of the Company and its subsidiaries.

Even in case the Company manages to successfully integrate the future operations of acquisition, alliance or partnerships, they might not reach the expected objectives. Failure in the integration or scope of the benefits of an acquisition, alliance or partnership may adversely impact the Company's revenues and operating results. Any integration process must demand an important research time and, even so, maybe it is incapable of successfully functioning. The Company might need to include its expenses additional resources for possible acquisitions, alliances or partnerships. A significant increase of the Company's debts may have significant consequences on its decision making.

An occasional energy crisis and water rationing may reduce the energy supply with possible energy rationing and decreased economical activity.

Most of the Brazilian electric power mix, according to the Brazilian Electricity Regulatory Agency (ANEEL) consists mostly of hydroelectric generation, and the rest mainly of thermal origin.

Restrictions of electricity and water consumption or its rise in price imposed by the Government may have an adverse impact on the Brazilian economy, reducing the level of economic activity and subsequently the steel demand and negatively affecting the Company's operations, results, and financial standing.

Furthermore, the Company is not self-sufficient in energy production and, since its production process takes a huge volume of energy, occasional restrictions to electricity consumption may affect its economic activity and the rise in price may negatively affect its financial standing.

Reduction and revocation of the steel import duty

The current import duties on steel stand between 10% and 14% depending on the steel product marketed. The Brazilian government can change the rates mentioned, for example, for reasons of trade imbalance derived from changes in domestic or international economic conditions. Reduction in rates of import of steel products can raise the levels of imports affecting the Company's results.

b) To its holding company, direct or indirect or holding group

The Company's controlling shareholders' interests may be in conflict with the other Company's shareholders' interests.

The Company's controlling shareholders are empowered to, among other activities, elect the majority of the Board of Directors' members and resolve the matters requiring the shareholders' approval, under the terms and limits of the Bylaws and the applicable law. The interests and opinions of the controlling shareholders may be different among them and may be different from the ones of the Company's minority shareholders.

Pursuant to Clause Four of the Company's Shareholders' Agreement, the approval, in preparatory meeting, of any matter to be submitted to the Board of Directors or to the Shareholders' Meeting depends of consensus of shareholders representing, at least 65% (sixty five percent) of the shares bound to the Shareholders' Agreement. As a matter of fact, the members of the Control Group have timely reached a consensus about several matters of interest to the Company, which were included in the minutes of the Shareholders' meetings and meetings of the Board of Directors held during the latest fiscal years, including 2016.

Since the 2014 fiscal year, however, the Company's Controlling Shareholders have presented certain divergences of understanding, which resulted in the filing of lawsuits and in the filing of complaints to CVM by the members of the Controlling Group, with allegations, of both sides, of occasional noncompliance to legal and regulatory provisions and to obligations provided in the Shareholders' Agreement.

In this regard, it is worth mentioning that the mentioned disputes prevented the members of the Control Group from reaching a consensus, about the election of a new Executive Board on a final basis, and, as a result, the current Executive Officers of the Company have continued to hold their positions based on the provisions of article 150, paragraph 4, of Law 6,404/1976. In view of these disputes, lawsuits were filed against the resolutions approved by majority voting at the Meetings of the Board of Directors held on May 25, 2016 and March 23, 2017, which implemented changes in the composition of the Company's Executive Board. Therefore, the effects of the resolutions approved at the Meeting of the Board of Directors held on May 25, 2016 were suspended by a decision of the Minas Gerais State Court of Justice issued on October 5, 2016. So far, the effects of the resolutions approved at the Meeting of the Board of Directors held on March 23, 2017 have remained valid.

c) To its shareholders

The Company is involved in a case tried by the Brazilian Antitrust Authorities (Conselho Administrativo de Defesa Econômica - CADE) regarding the acquisition of minority equity interest in its capital by Companhia Siderúrgica Nacional - CSN

The Brazilian Antitrust Authorities (*Conselho Administrativo de Defesa Econômica* - CADE), in session held on April 9th, 2014, tried the case regarding the acquisition of minority equity interest in its capital by *Companhia Siderúrgica Nacional* - CSN and its related companies ("CSN Group") (Merger nº 08012.009198/2011-21), concluded, unanimously, on the necessity of imposing restrictions to the Merger. The CSN Group has executed a Term of Commitment Performance (*Termo de Compromisso de Desempenho* - "TCD") with CADE, which is confidential, agreeing to dispose part of their equity held in Usiminas. The Company informs that it has had access only to the public version of the decision and, thus is unaware of any information related to the volume, conditions and terms of divestment of shares issued by Usiminas held by CSN.

Until take effect the sale of the percentage of shares determined by CADE and throughout the period in which the CSN Group is a shareholder of Usiminas, political rights derived from shares Usiminas held by CSN shall remain suspended. According to the decision, the CSN Group is prohibited to directly or indirectly appoint any members of the Board of Directors, Supervisory Board or any other Usiminas' management and supervision bodies, among other restrictions.

During the period of enforcement of the CADE decision, the lease of the CSN Group's shares to third parties will be allowed, provided that it is carried out through the stock exchange, with multiple lenders, impersonally and within the terms and limits of the transactions regulated by BM&FBovespa. Contracts executed outside the stock exchange and beyond those limits, such as private contracts, are prohibited. The determination intends to dismiss the possibility of directing to one or more shareholders to, individually or jointly, use the political rights related to the shares held by the CSN Group.

In decision rendered on 04/27/2016, the Administrative Court of Antitrust of CADE ratified the Presidency Order No 118/2016, rendered by the CADE's President, which had recommended a flexibilization of the Term of Commitment Performance allowing the CSN Group to appoint two members for the Board of Directors and one for the Usiminas' Fiscal Council, and respective alternates, which should, as condition to the investiture, sign term of commitment specific with CADE, assuming obligations which include the quarterly presentation of reports, commitment of wide availability and adoption of confidentiality duty. The decision of the Administrative Council for Economic Defense (CADE) has been challenged in court, and is pending a final decision. On April 19, 2017, CADE unanimously rejected CSN's request for a new amendment to the Instrument of Performance Commitment, thus preventing CSN from attending, appointing candidates for positions in the Board of Directors and in the Supervisory Board, and voting at the Annual General Meeting of Usiminas held on April 27, 2017. Currently, the Board of Directors of Usiminas has 2 (two) members who were elected at the Annual General Meeting of April 28, 2017, with votes resulting from the shares held by CSN.

d) To its subsidiaries and affiliates

The Company's subsidiaries are subject to risks related to legal, arbitration and administrative claims.

The Company's subsidiaries are party to a number of legal, arbitration and administrative claims, which may include claims discussing tax collection, labor disputes, as well as civil actions and public class actions, among others.

The outcome of these claims cannot be estimated. In case a substantial part of such claims, or one or more claims of significant amount, is ruled against the Subsidiaries' interests and no provision of similar amount exists, the Subsidiaries' results may be adversely affected. Furthermore, if that is the case, even if there is sufficient provision, the Subsidiaries' liquidity may be adversely affected. For more information, please refer to items 4.3 to 4.8 of this Reference Form.

The mining sector is exposed to fluctuations in demand for iron ore which impacts the price of the commodity in the market and may adversely affect the Company's results.

By operating in the commodities market, the subsidiary Mineração Usiminas is exposed to fluctuations in global demand for iron ore and consequently changes in the international prices of its products, directly impacting its revenues.

e) To its suppliers

The Company's exposure to the volatile costs of raw materials, especially the costs of charcoal and iron ore, may adversely affect its profitability.

The main raw materials used in the iron production consist of charcoal and iron ore. Usiminas keep long-term contracts with strategic charcoal suppliers to supply part of its supply chain. Such suppliers are evaluated for global contract and financial performance and for delivery flexibility. In case of charcoal, since it is an imported raw material, buffer stocks are kept to reduce the risk of destocking due to occasional logistic problems. Charcoal price is traded on a monthly, quarterly, or semiannually basis with the suppliers. In case of rise in the charcoal price in reais due to exchange variation, the import cost of charcoal may increase the Company's general production cost, thus resulting in decrease in its profitability.

Iron ore supply for Usiminas is priced based on the monthly mean of the spot prices of ore traded in China, maritime and railroad transport cost and port handling apart, in addition to movement, converted into reais at the exchange rate of the previous month plus freight costs. The Company may be adversely affected in case of rise in iron ore price in the international market and exchange rate increase (R\$/US\$), if it cannot manage to transfer the costs to its products.

In 2016, the costs of raw materials accounted for around 51.9% of the Company's consolidated production costs. In 2014, such costs were around 48.5% and, in 2013, such amount was 52%. Rise in the raw material price may occur in the future, which will lead to reduction in the Company's profitability, since not always the Company manages to transfer costs to its products.

Nowadays, the Cubatão plant depends on the purchase of metal slabs as an input in the production process, interruptions in the supply or volatility in the costs of this product may adversely affect us.

As a result of the temporary shutdown of the downstream operations at our Cubatão plant, our manufacturing of steel products at our Cubatão plant, which remain operational, are currently dependent in part on externally sourced metal slabs as an input in the production process. We may restart these operations in response to a market recovery in the future, but a restart of these operations would not be immediate. As a result, future price increases for metal slabs may adversely affect our production costs, and consequently, us, at least in the short term.

In addition, any prolonged interruption in the supply of metal slabs could also adversely affect us, at least in the short term. For more information, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Principal Factors Affecting Our Financial Condition and Results of Operations—Partial Shutdown of Cubatão Mill."

Nowadays, the Ipatinga and Cubatão plants virtually depend on two electrical energy suppliers, which serve almost its electrical energy needs.

According to the terms of the electric energy supply contracts, both CEMIG and Santo Antônio Energia - SAESA must supply 80% of the electric energy required for the Ipatinga and Cubatão plants to operate until December 31, 2019. In case such companies fail to supply or cannot supply all energy required for the activities to be developed in the Company plants, or in case one of them breaches or terminates the supply contracts, the Usiminas plants may have to acquire electric energy at higher prices than those traded, which may adversely affect their results.

Natural gas is used in the Cubatão and Ipatinga plants, where the Company has firm supply contracts with the local concessionaires. Natural gas is an important energetic source for the Company and, in case of supply shortage, the production may be negatively affected; however, the Company is capable of applying in equipment other alternate energy resources, such as gas generated in the very process, fuel oil or diesel.

f) To its customers

Usiminas has an iron demand concentration in certain industry sectors, and any reduction in such demand could adversely affect its results

Usiminas has relative concentration if its sales to the domestic market in the Automotive industry. During the year of 2016, the Automotive Industry (which aggregates the Automobile and Car Spare Part industries) accounts for 31% of the Company's sales volume.

Changes in the vehicle demand may significantly reduce the Company's sales, thus affecting its results. On the other hand, reducing this risk, the relationship between the Company and its clients is not only based on the steel supply, but also on services, as application engineering, pre and post sale technical assistance and logistics facilities, among others.

g) To the economy sectors in which the issuer operates

Changes in the Brazilian tax policies and charges to the steel industry may cause an important adverse effect to the Company.

The Brazilian Federal Government may change in the future its tax policies and the charges to the steel industry, which may affect the Company. Such changes include alterations in the rates and in the tax calculation basis and, occasionally, the collection of temporary contributions related to specific governmental purposes. Some of those measurements may result in tax increase and, in this case, the Company may be incapable of achieving a proportional revenue growth, which may cause an important adverse effect.

Also, please refer to the risk factor indicated in item 4.1. "a" above, entitled "*The Company faces tough competition as for prices and other products, which may negatively affect its profitability and market share.*"

h) To the regulation of the sectors in which the issuer operates

The Company is subject to a number of increasingly restraining environmental and health regulations, capable of implying increase of liabilities and capital expenditures.

The Company's facilities are subject to federal, state, and local human health and environment-related laws, regulations, and licenses. The Company may be subject to civil penalties, criminal sanctions, and mandatory injunctions of discontinuance of activities due to non-compliance with those regulations, which, among other impositions, limit or forbid both emission and leakage of toxic substances produced as a result of its activities. Current or past practices to remove debris may render the Company to cleanse or recover its facilities at a substantial cost, which may result in significant losses.

In light of possible publication of unforeseen new normative rulings or other kinds of events, the amount of environmental expenses in the future may significantly range compared to those currently foreseen.

i) To the foreign countries where the issuer operates

Protective regulations may affect the Company's capacity to export its products.

The current increase in the protectionism politics in the world specially seeking protection against the Chinese steel imports, and some markets expand these barriers to others countries including Brazil.

However, the markets/products in which Usiminas operates without restrictions import a much higher volume than the volumes exported by the mills, and there is no risk of capacity limitation due to lack of market.

j) To social and environmental

The activities of the iron and steel industry generates impacts to the environment and to the populations living near its industrial plants.

The Steel Unit and the Mining Unit generate a serie of environmental impacts due to the activities developed in its operation. Every aspect, real or potential, are valued using internal criterias, including frequent analysis/probability and gravity of the occurrence of a certain event. The Company seeks to focus not only on the environmental risks of its activities, but also the risks which the population living near to it are subjected.

4.2. Describe, both quantitatively and qualitatively, the main market risks the issuer is exposed to, including in relation to the exchange risks and interest rates.

The Company's activities, financial standing and operating results may be impacted by changes in the policies or rules involving or affecting factors, such as interest rates, exchange rate, inflation, liquidity of the financial markets and commodity prices. Changes in those factors influence the Company's results.

Concerning commodity prices, the Company is basically exposed to charcoal and iron ore-related prices, which account for 22.6% of the Company's consolidated production cost.

The Company is subject to credit risk

Credit risk is managed on a corporate basis and arises from cash and cash equivalents, derivative financial instruments, deposits and investments in banks, as well as credit exposures with customers, including outstanding receivables.

Usiminas Companies' sales policies are subordinated to the credit policies established by management and intend to minimize any problems arising from customer default. Moreover, there is a Credit Committee comprised of experts from the financial and commercial areas, who assess and monitor the risk from customers. This objective is achieved through careful credit rating analysis of customers that considers each customer's capacity to pay, indebtedness ratio and balance sheet, through diversification of trade accounts receivable (risk dilution).

Concerning short-term investments and other investments, Usiminas Companies' policy is to work with top-tier financial institutions. Only securities and paper of entities classified with the minimum rate "A-" are accepted by the international rating agencies. No financial institution holds individually more than 25% of total short-term investments and other investments of Usiminas Companies.

Part of the Company's indebtedness expressed in foreign currency, mainly U.S. dollars, while a significant part of its revenues is in reais.

At December 31, 2016, part of the Company's net liability position in foreign currency, mainly US dollar, amounted to R\$ 1.8 billion, that represented 26% of the consolidated figures. On the other hand, Company's exports, mainly in US dollar, represented approximately 12% of total sales. Therefore, Company's net exposure implies market risks associated with exchange variation (Real against US dollar).

Company sales are intended mainly for the domestic market and its exports may be insufficient to offset the liability position in foreign currency. In view of the foregoing, a depreciation of the Brazilian real in relation to foreign currencies (especially in relation to the U.S. dollar) would increase the Company's indebtedness measured in reais, with an eventual adverse effect on its results and financial conditions. However, at this same year-end period, the Company presented 693 million dollars of cash and cash equivalents.

The Company has restrictive covenants in part of its loans and financing agreements and non-compliance with these covenants may impact its level of indebtedness and its short-term liquidity

The Company has debt instruments with financial and non-financial covenants and non-compliance with these clauses may affect its level of indebtedness and its short-term liquidity.

Regarding the financial covenants, the Company is required to comply with the following ratios, calculated individually (Parent company):

(a) Net debt / EBITDA:

- less than or equal to 4.5x as of June 30, 2019 and December 31, 2019;
- less than or equal to 3.5x as of June 30, 2020 and December 31, 2020;
- less than or equal to 3.0x as of June 30, 2021 and December 31, 2021; and
- less than or equal to 2.5x in semi-annual measurements determined as of June 30 and December 31 of the subsequent years.

(b) EBITDA / Financial expenses:

- minimum of 2.0x as of June 30, 2019, December 31, 2019 and in semi-annual measurements determined as of June 30 and December 31 of the subsequent years.

Regarding non-financial covenants established in debt instruments, including limitations of expansion capex, limitations for obtaining new loans, and change in the control group, the Company has monitoring controls and, for the year ended December 31 2016, has not identified any breaches of these covenants.

In addition, as part of the debt renegotiation concluded on September 12, 2016 certain conditions would require the early maturity of the debt such as the failure to carry out an offer of exchange of Eurobonds, originally issued in 2008, totaling US\$ 400 million and maturing in January 2018 until the deadline of June 30, 2017. This offer, whose terms and conditions are still being discussed, covers only the Eurobonds outstanding in the market, which currently represent about US\$ 180 million.

Increase in local and foreign interest rates may have a negative impact on the Company's results.

A fundamental part of the Company's indebtedness is pegged to floating interest rates. At December 31, 2016, part of the Company's total consolidated debts was in floating interest rates, mainly in TJPL and Libor, being R\$ 3.7 billion in TJLP and R\$ 1.0 billion in Libor, which corresponded, respectively, to 54% and 15% of

its total consolidated debts. Therefore, increases in local and/or foreign interest rates, especially TJLP and Libor, may negatively affect the Company's results.

The Company prepares a sensitivity analysis of financial assets and liabilities subject to interest rates outstanding at the end of the period considering the rates in force at December 31, 2016 as the probable scenario. Scenario I considers an increase of 5% on the average interest rate applicable to the floating portion of its current debt. Scenarios II and III were calculated with deterioration of 25% and 50%, respectively, on the value of these rates at December 31, 2016.

The rates used and their respective scenarios are as follows:

	12/31/2016			
	Rates at year	Scenario I	Scenario II	Scenario III
CDI	13.6%	14.3%	17.0%	20.4%
TJLP	7.5%	7.9%	9.4%	11.3%
LIBOR	1.7%	1.8%	2.1%	2.5%
TR	2.0%	2.1%	2.5%	3.0%

(i) Annualized rates, except for TR that pertains to the period from April through December 2016
(ii)

The effects on financial expenses considering scenarios I, II and III are as follows:

Index	Consolidated		
	12/31/2016		
	Scenario I	Scenario II	Scenario III
CDI	(18,143)	(90,717)	(181,434)
TJLP	(1,425)	(7,123)	(14,246)
LIBOR	(663)	(3,314)	(6,628)
TR	(2)	(9)	(19)

Derivative financial instruments pegged to interest rates were included in the sensitivity analysis of changes in interest rates, based on the objective of these instruments, which is to minimize the impact of fluctuations in interest rates.

The Federal Government has exerted and still exerts an important influence on the Brazilian economy. The Brazilian economic and political conjuncture has a direct impact on the Company's activities.

The Federal Government at times significantly changes monetary, fiscal and credit policies, among others, in order to influence the course of economy. The measurements the Federal Government adopts to control inflation and influence other policies may be implemented through price and salary control, depreciation or appreciation of the Brazilian real, controls over the resource remittance abroad, change in the benchmark interest rate, as well as other measurements.

The measurements adopted by the Federal Government concerning the economy may have important effects over the companies and other bodies in Brazil, including the Company, and over the market conditions and prices of the Brazilian securities. The Company may be adversely affected by the changes in the policies adopted by the Federal Government, as well as other economic factors, namely:

- inflation;
- economic stagnation;
- floating exchange rates and currency valuation/devaluation;
- liquidity of the local securities and loan market;

- price instability;
- electricity shortage and rationing programs; and
- water shortage and rationing programs.

Uncertainty as for the implementation of changes by the Federal Government in the policies and rules that may affect this and other factors in the future may contribute to the economic uncertainty in Brazil. In such case, such uncertainties in the Brazilian economy may affect the Company's activities and operating results.

The Company is not able to foresee which fiscal, exchange, monetary, welfare policies among others the current or future Federal Government will adopt, not even if such policies will result in adverse consequences to the Country's economy, our business or operating results, our financial standing or perspectives.

Efforts made by the government to fight inflation may delay the Brazilian economy growth and affect the Company's business.

In the past, Brazil suffered extremely high inflation rates and, as a result, adopted monetary policies that resulted in one of the highest real interest rates in the world. Between December 2006 and December 2016, the SELIC (Special Clearance and Custody System) rate ranged between 14.25% and 7.25% p.a, ending up the year at a 13.75% rate. Inflation and the measurements adopted by the Brazilian government to cope with it, especially by means of the Central Bank of Brazil, had and still may produce considerable effects over the Brazilian economy and the Company's business.

Rigid monetary policies with high interest rates may restrict the Brazilian growth and the credit availability. On the other hand, milder governmental and monetary policies and decreased interest rates may trigger increases of inflation rates and, as a result, the volatility of growth and need for unexpected and significant increases of the interest rates. Besides, we may have no condition to adjust the prices charged to offset the effects of inflation on the Company's structure of costs. Any of these factors could negatively affect the Company's business.

Exchange instability may affect the Brazilian economy and the Company.

During the last decades, the Brazilian currency has experienced frequent and important changes in relation to the U.S. dollar and other foreign currencies. At December 31, 2016, 2015, and 2014, the exchange rate was R\$3.25, R\$3.90 and R\$2.66 per US\$ 1.00, respectively, with real increasing 16.54% in 2016, and depreciating 47.01% in 2015 and 13.39% in 2014.

The depreciation of Real compared to U.S. dollar can generate inflationary pressures in Brazil and cause the increase of the interest rates, which, on its turn, can negatively affect the general growth of the Brazilian economy due to consumption decrease and affect both the Company's financial standing and the operating results, in addition to restricting the access to the international financial markets and determining governmental interventions, including through recession policies. On the other hand, the appreciation of Real in relation to the U.S. dollar and other foreign currencies can result in worsening of the Brazilian balance of trade, facilitating imports and increasing competition of our products in the local market and restraining exportation-driven growth.

Besides the effects mentioned above, real depreciation against US dollar affects around 35% of the steel production costs, nominated in US dollars.

The Company prepares sensitivity analysis of assets and liabilities contracted in foreign currency, outstanding at the end of the period, considering the exchange rate prevailing at December 31, 2016, to be the probable scenario. Scenario I considered depreciation of the Brazilian real of 5% on the current scenario.

Scenarios II and III were calculated with depreciation of 25% and 50% of the Brazilian real, respectively, on the foreign currency amount as at December 31, 2016.

Currencies used in the sensitivity analysis and their respective scenarios are as follows:

	12/31/2016			
	Exchange rate at year	Scenario I	Scenario II	Scenario III
US dollar	3.2591	3.4221	4.0739	4.8887
EUR	3.4384	3.6103	4.2980	5.1576
YEN	0.02792	0.0293	0.0349	0.0419

The effects on financial expenses considering scenarios I, II and III are as follows:

Currency	Consolidated		
	12/31/2016		
	Scenario I	Scenario II	Scenario III
US dollar	(88,124)	(440,619)	(881,238)
EUR	246	1,228	2,456
YEN	39	197	394

Derivative financial instruments pegged to currency exposure were included in the sensitivity analysis of assets and liabilities in foreign currency, based on the objective of these instruments, which is to minimize the impact from fluctuations in foreign currency.

The swap transactions aim to reduce currency exposure and abrupt changes in commodity prices (mainly aluminum, nickel, copper and zinc). Usiminas Companies have no financial instruments for speculative purposes. Company policy consists of not settling their transactions before their respective original maturities, as well as not making advance payments of their derivative financial instruments.

The transactions with derivative financial instruments are as follows:

DERIVATIVE FINANCIAL INSTRUMENTS							
Maturity range MM/YY	INDEXERS		Reference value (Contract value – Notional)		FAIR VALUE (MARKET) – booked amount	Profit or loss 2016	
	Long position	Short position	Long position	Short position	Long (short) position	Profit (loss)	
Merrill Lynch	09/10 a 03/17	Libor + 0.83% p.a.	3.05% p.a..	USD 85,713	USD 85,713	(275)	199
Santander	01/08 a 01/18	Yen + 4.1165% p.a.	US Dollar + 7.34%	JPY 42,952,000	USD 400,000	(149,581)	57,632
Santander	06/06 a 06/16	Yen + 4.275% p.a.	US Dollar + 8.35%	JPY 22,800,000	USD 200,000	-	88,867
Itau BBA*	06/14 a 06/19	VC + 2.68% p.a.	109% CDI	USD 135,233	R\$ 300,000		(94,286)
Santander	06/06 a 06/16	US Dollar + 8.25 p.a..	Yen + 4.275 % p.a.	USD 200,000	JPY 22,800,000	-	(86,184)
Santander	01/08 a 01/18	US Dollar + 7.25 p.a.	Yen + 4.1165 %	USD 400,000	JPY 42,952,000	145,339	(56,100)
Itau BBA*	03/15 a 03/18	VC + 4.53% p.a.	111.75% CDI	USD 100,200	R\$ 300,000	-	(79,874)
Bradesco	04/15 a 04/25	TR + 9.8000% p.a..	95.00% do CDI	R\$ 59,000	R\$ 59,000	(1,134)	4,300
Bradesco*	08/15 a 05/18	VC + 4.11% p.a.	110+.98% CDI	USD 152,088	R\$ 530,329	-	(136,667)

Financial result in the period **(302,123)**

Booked amount (long/short position, net) **(5,651)**

(*)Contracts settled in advance in 2016 following the Company's debt renegotiation plan.

Events and the perception of risk in other countries, especially in emerging markets, may adversely affect the market value of Brazilian securities and the price of shares issued by the Company.

The market for the securities issued by Brazilian companies is influenced, to a certain extent, by the economic and market conditions of other countries, including those in Latin America and other emerging countries.

Although the economic conditions of those countries are different from the economic conditions of Brazil, the investors' reactions to the events in those countries may have an adverse effect on the market value of the securities from Brazilian companies, including of the shares issued by the Company. Occasional crises in other emerging countries may reduce the investors' demand for securities from Brazilian companies, including the securities issued by the Company. Such facts may adversely affect the market of shares issued by the Company, which, if reduced, may hamper or even prevent the Company's access to the stock market and the financing of its operations in the future.

The Company presents high exposure to raw material costs and a strong fluctuation of its prices may affect Company's profitability

The Company is exposed mainly to domestic demand and possible fluctuations on the steel domestic demand may negatively affect Company's businesses and results.

An electric energy and water rationing policy in Brazil may affect the Company results.

In case of restriction imposed by the Government for electric energy and/or water rationing, the Company results and financial conditions may be adversely affected, as mentioned in item 4.1 of this Reference Form.

The relative volatility and lack of liquidity of the Brazilian market of securities may significantly restrict the investors' capacity to sell the shares issued by the Company at the price and time intended.

Investing in securities traded in emerging markets, such as Brazil, involves often major risk compared to other global markets, and therefore such investments are generally deemed of more speculative nature. The Brazilian market of securities is significantly smaller, less liquid and more concentrated, and may be more volatile than the principal global markets of securities.

Besides, the Company may not ensure liquidity of the shares it issues. Such factors may considerably restrict the capacity of the holders of shares issued by the Company to sell them at the price and time intended.

Seasonality may affect the Company's sales

Historically, the months of December, January and February recorded slightly lower demand due to stoppages and shutdowns that occur in several companies that consume steel.

The Company's sales are subjected to the seasonalities described above, the planning of sales seeks to understand these fluctuations and minimize its effects, maintaining a stable level of production, compensating internal oscillations with exports to other markets.

Impairment of non-financial assets risk

For calculation of the recoverable amount of each business segment, Usiminas Companies use the discounted cash flow method based on financial and economic projections of each of these reporting segments. The projections take into consideration the changes observed in the economic outlook of the markets in which the companies operate, as well as assumptions of expected P&L and history of profitability of each segment.

At December 31, 2016, Usiminas Companies tested their cash-generating units for impairment, as described below:

(a) Goodwill impairment test

For cash-generating units that have indefinite-lived intangible assets (goodwill), Usiminas Companies performed impairment test, as described below.

Breakdown of allocation of goodwill by operating segment is as follows:

	<u>12/31/2016</u>
Mining	23,283
Steelmaking	183,353
Steel transformation	<u>2,433</u>
	<u>209,069</u>

These calculations use cash flow projections based on financial budgets approved by management.

For calculation of the recoverable amount, Usiminas Companies used projections of sales volume, average prices and operating costs performed by the commercial and planning sectors for the next 5 years, considering market share, variation in international prices, and dollar and inflation evolution, based on market reports. Working capital and investment requirements for maintenance of assets tested for impairment were also taken into consideration.

For subsequent years, growth rates were adopted due to the estimated long-term inflation and exchange rates.

The discount rates used were prepared considering market information available on the test date. The Company adopted different rates for each business segment tested in order to reflect its capital structure. Nominal rates used to discount the cash flow of each cash-generating unit range from 11.8% to 15.6% p.a..

The long-term inflation rate used in the projected flows was 4,2% p.a..

(b) Long-lived assets impairment test

The value in use of the mining segment was updated in order to reflect Management's best estimates regarding the future prices of iron ore, based on market forecasts. This evaluation is sensitive to commodity market prices volatility and potential changes to long-term expectations that could lead to future adjustments to the amounts recorded.

The discount rate applied the projected cash flows refers to an estimated rate for which the market participant would have used based on the specific risks of the assets. The nominal rate in real (R\$) applied to the model was 7.2% p.a. The Company took into consideration market sources of information in order to determine the inflation indexers and foreign currency rates applied to the projection of future cash flows. The Brazilian long-term inflation indexers applied was 4.2% p.a. The projection of annual foreign currency rates (Real / US Dollar) considered both US and Brazilian long-term inflation indexers. The projected market prices of iron ore (CFR China 62% Fe) range between USD50/t and USD62/t. The prices applied to future cash flow model are within the expectations made available by market analysts.

Considering the revised projections for expenses and long-term investments, the Company recognized in the income statement of the year ended December 31, 2016 a reversal of impairment in the amount of R\$ 357,508 which was recognized in the income statement of the subsidiary Mineração Usiminas S.A. The remaining impairment of R\$ 1,641,432, continues to be monitored by the Company and will be reversed to the extent that future projections enable it.

The Company continues to monitor the key assumptions of this segment.

c) Impairment test of other long-lived assets

As of December 31, 2016, the Company performed an impairment test of fixed assets of cash generating units in the steelmaking segment, steel transformation and capital assets.

There was no impairment in the steel segment. In December 2015 was registered an impairment loss of R\$350,057 on the steelmaking segment, associated with assets at the Cubatão Plant.

As of December 31, 2016, impairment losses were not identified for long lived assets on other segments.

The impairment test applied sales volume projections, average sale prices and operating costs for commercial and planning sectors for the next 5 years, considering the market share, changes to global prices, US dollar rates and inflation indexers changes. For the forthcoming years, growth rates based on estimates of long-term inflation and foreign currency rates. The discounted cash flow was prepared in accordance with the estimated useful life of operating equipment.

The scenario applied to the tests were the best estimates of Usiminas companies for results and future cash generation from the various business segments.

The assumptions applied to the impairment test of long-lived assets are the same applied to the goodwill impairment analysis, as mentioned at item (a).

The Company will continue to monitor the results of 2016, which will indicate the reasonableness of forecasts utilized.

4.3. Describe the judicial, administrative or arbitration proceedings the issuer and its subsidiaries are party to, separating them by labor, tax, and civil, among others: (i) that are not under secrecy, and (ii) that are significant for the issuer's and subsidiaries' business:

Authority: () Administrative (x) Judicial () Arbitral	
Nature: () Labor (x) Civil () Tax () Environment () Other:	
Number of the lawsuit	Declaratory Action nbr. 02755661920108130313
Judicial Authority	Minas Gerais Court of justice - 2 nd Civil Court of the Courthouse of Ipatinga/MG
Instance	1 st
Date Commenced	04/07/2008
Parties Involved	
Plaintiff	IPS Port Systems Ltda. and IMPSA Port Systems Ltd.
Defendant	Usiminas Mecânica S/A
Others	None
External legal firm	David Teixeira de Azevedo Advogados
Values, assets or rights involved	R\$ 555,945,536.88
Main facts	<p>CIVIL LAWSUIT IN WHICH THE PLAINTIFFS CLAIM REIMBURSEMENT AND INDEMNIZATION FOR LOSSES ALLEGEDLY INCURRED DUE TO THE SUPPOSED MANUFACTURING OF CRANES OUT OF SPECIFICATION (WHICH WAS THE PURPOSE IN THE SUPPLY AGREEMENT).</p> <p>04.07.08 - Principal suit filed on the 17th Civil Court of São Paulo/SP under n.538.000.2008.133751-7.</p> <p>09.09.09 – Judicial decision rendered: a) with regards to the main suit, it accepted UMSA's plea for connection and ordered that the claim be refiled in the district of Ipatinga/MG, where a similar suit with the same parties, and relating to the same agreement was already in progress; b) as for the injunction, the request for anticipated forensic examination in Spain was denied.</p> <p>12.09.10 – Petitions filed insisting on the process termination related to the foreign plaintiff due to the lack of payment and of financial conditions of the Brazilian plaintiff to represent it.</p> <p>07.14.11 – The plaintiff, IMPSA Port Systems, has been excluded from the lawsuit.</p> <p>10.17.11- The plaintiffs presented an interlocutory appeal to discuss the plaintiff IMPSA exclusion of the lawsuit.</p> <p>02.03.12 – Return of the letter of request from Spain which object was the technical evidences.</p> <p>02.03.12 - UMSA claims the nullity of the expert evidences produced in Spain.</p> <p>04.19.12 – The plaintiff's interlocutory appeal was partially granted and IMPSA returned to integrate the lawsuit.</p> <p>06.11.12 – Appeals to the Superior Court of Justice filed by both parties, which were not admitted.</p> <p>01.09.13 - Interlocutory appeals filed in the state court of Minas Gerais against the decisions which did not admit the special appeals.</p> <p>12.04.13 - Published the decision reactivating the process. The parties will submit questions to be answered by the expert.</p> <p>12.09.13 – Opposed requests for clarification of UMSA.</p> <p>06.25.14 – Published the decision rejecting the requests of clarification presented by the UMSA. UMSA presents the plaintiff's interlocutory.</p> <p>09.17.15: Court decides that IPS shall present, in 30 days, an undertaking of 10% of the amount in dispute, which was set in R\$158.301.534,84.</p> <p>12.15.15: IMPSA present undertaking of another company from IPS group. UMSA disagreed.</p> <p>06.15.16: IMPSA present Interlocutory Appel to State Court against the decision of undertaking.</p> <p>08.12.16: IMPSA Interlocutory Appel was denied.</p> <p>CURRENT STATUS: AWAITING FOR THE LAWSUIT RETAKE.</p>
Chance of loss	() probable (x) possible () remote
Analysis of the impact if the case is lost	Only the amount involved in the litigation, which has not been provisioned.
Amount provisioned, if any	None

Authority: () Administrative (x) Judicial () Arbitral	
Nature: () Labor (x) Civil () Tax () Environment () Other:	
Number of the lawsuit	Public Civil Suit no. 0008162292011807001
Judicial Authority	Federal District Court of justice - 18 th Civil Court of Brasília/DF
Instance	1 st
Date Commenced	02/16/2011
Parties Involved	
Plaintiff	Public Attorneys Office of Federal District
Defendant	Usiminas Mecânica S/A– 7th Defendant
Others	Elmar Luiz Koenigkan, Espólio de Claudio Oscar de Carvalho Santanna, Clarindo Carlos da Rocha, Aldo Aviane Filho, Projconsult Engenharia de Projetos Ltda., Via Engenharia and UMSA.
External legal firm	Albino Advogados
Values, assets or rights involved	R\$434,302,153.94
Main facts	<p>CIVIL ACTION FILED IN ORDER TO INVESTIGATE ALLEGED OVERCHARGING IN THE CONSTRUCTION OF JK BRIDGE IN BRASILIA AND TO RECOVER DAMAGES TO THE PUBLIC TREASURY OF THE AMOUNTS INCREASED BY VIRTUE OF THE AMENDMENT TO THE CONTRACT Nº. 516/00.</p> <p>02.24.11– Defendant's serving. 08.19.11 – UMSA presented defense. 02.02.12 – Filing of the evidences specification. 07.09.12 – Preliminary hearing without agreement. 07.09.12 – Awaiting decision regarding the preliminary requests for production of evidence. 10.17.12 - Preliminary refused and production of evidence deferred. 11.08.12 – Interlocutory Appeal against proceeding decision. 09.30.14 – Transferred the case to Veirano Lawyers. 12.01.16 - Case transferred to Albino Advogados</p> <p>CURRENT STATUS: AWAITING PRODUCTION OF EVIDENCE.</p>
Chance of loss	() probable (x) possible () remote
Analysis of the impact if the case is lost	Usiminas Mecânica's risk is the value involved in the demand (without provision). UMSA shall be entitled to have recourse against the other Defendants in case of any payment take place by joint and several liability.
Analysis of the impact if the case is lost	None

Authority: () Administrative (x) Judicial () Arbitral	
Nature: () Labor (x) Civil () Tax () Environment () Other:	
Number of the lawsuit	Civil Action no. 00205550519958240023
Judicial Authority	Court of Justice of Santa Catarina - 1 st Treasury Court of Florianópolis / SC
Instance	1 st
Date Commenced	03.29.1995
Parties Involved	
Plaintiff	Public Attorneys Office of Santa Catarina
Defendant	Usiminas Mecânica S/A – 5th Defendant
Others	UMSA, Neri dos Santos, Miguel Rodrigues Orofino, José Aceldo Gaio and Ster Engenharia S/A
External legal firm	Albino Advogados
Values, assets or rights involved	R\$89,715,698.04
Main facts	<p>CIVIL LAWSUIT PROPOSED BY THE PUBLIC ATTORNEY'S OFFICE OF SANTA CATARINA AIMING TO REDRESS DAMAGES TO THE PUBLIC TREASURY DUE TO A SUPPOSED UNDUE SPENDING ON THE CONSTRUCTION OF PONTE PEDRO IVO CAMPOS.</p> <p>06.09.95– UMSA presented the answer and a denounce the dispute to BNDES and STER Engenharia S/A.</p> <p>07.21.98 – The judge agreed with UMSA's request to denounce BNDES and STER Engenharia S/A.</p> <p>01.26.99 – BNDES presented its answer with regard to UMSA's request (denounce BNDES and STER Engenharia S/A).</p> <p>04.12.04 – Decision justifying the suspension of proceedings and requiring the referral of the case to the Court of Justice, once one of the Defendants is a former Congressman.</p> <p>02.21.05 – Decision alleging that the Court of Justice of the State of Santa Catarina was not the proper jurisdiction and requiring the return of the case to the origin.</p> <p>07.27.11 – UMSA presented its queries and indicated the expert.</p> <p>09.30.14 – Transferred the case to Veirano Lawyers.</p> <p>09.12.16 – Started technical expert evidences.</p> <p>12.01.16 - Case transferred to Albino Advogados</p> <p>CURRENT STATUS: AWAITING PRODUCTION OF EVIDENCE.</p>
Chance of success	() probable (x) possible () remote
Analysis of the impact if the case is lost	The amount of UMSA's risk is equal to the demand. Referred amount is not provisioned. UMSA has the right to recover any amount paid by virtue of solidarity.
Amount provisioned, if any	None

Authority: () Administrative (x) Judicial () Arbitral Nature: () Labor (x) Civil () Tax () Environment () Other:	
Number of the lawsuit	Public Civil Suit no. 00093627119974025001
Judicial Authority	Regional Federal Court – 2 nd Region
Instance	2 nd
Date Commenced	11/10/1997
Parties Involved	
Plaintiff	Federal Public Prosecutor's Office (MPF)
Defendant	Usinas Siderúrgicas de Minas Gerais S/A
Others	Gerdau Açominas e ArcelorMittal Comercial
External legal firm	Albino Advogados
Values, assets or rights involved	Right to exploit the Praia Mole Private Port Terminal
Main facts	<p>THE SUIT'S OBJECTIVE IS TO ANNUL THE VALIDITY OF THE CONTRACTS THAT FORMALIZE THE CONCESSION.</p> <p>11.10.97 – Suit distributed.</p> <p>02.17.98 – Injunction requested by the Public Prosecutor's Office (MPF) denied, in which the control of the parties over the Terminal would be removed.</p> <p>11.09.07 – Court decision favorable to the companies. The motion of the legal proceedings deemed totally invalid.</p> <p>04.08.08 – Appeal presented by the MPF.</p> <p>06.25.08 – Suit forwarded to second level court for the judging of the MPF's appeal.</p> <p>07.03.12 – Appeal ruled in favor of the companies.</p> <p>11.12.12 - Appeal presented by the Federal Prosecutor Office to the Superior Courts.</p> <p>06.30.15 - Transferred the case to Veirano Lawyers.</p> <p>12.01.16 - Case transferred to Albino Advogados.</p> <p>CURRENT STATUS: AWAITING TRIAL.</p>
Chance of loss	() probable () possible (x) remote
Analysis of the impact if the case is lost	If the suit is judged valid, Usiminas, ArcelorMittal and Gerdau Açominas lose the authorization to operate the Praia Mole Private Port Terminal. R\$45 MM (residual value that means 33,33% for the Port, as informed by the Controllershship).
Amount provisioned, if any	None

Authority: () Administrative (x) Judicial () Arbitral	
Nature: () Labor (x) Civil () Tax () Environment () Other:	
Number of the lawsuit	Proceeding No. 01645006020128260100
Judicial Authority	São Paulo Court of justice - 22 nd Civil Court of the Courthouse of São Paulo/SP
Instance	1 st
Date Commenced	07/04/2008
Parties Involved	
Plaintiff	Luiz Eduardo Franco de Abreu e NSG Capital Asset Management S/A
Defendant	Soluções em Aço Usiminas S/A
Others	None
External legal firm	Pinheiro, Mourão, Raso e Araújo Filho Advogados
Values, assets or rights involved	R\$ 65,227,058.95
Main facts	<p>PARTIAL EFFECTIVENESS OF THE ARBITRAL AWARD RENDERED IN THE COURT RECORDS OF THE ARBITRATION - CAM-CCBC Nº 04/2012 IN COURSE IN THE ARBITRATION AND MEDIATION CENTER OF THE CHAMBER OF COMMERCE BRAZIL-CANADA.</p> <p>09.10.12 – Soluções Usiminas offered property to be pledged. Soluções Usiminas filed an objection.</p> <p>07.25.13 – Soluções Usiminas accepted a judicial guarantee insurance in the amount of R\$ 50,736,645.19.</p> <p>03.11.14 - The objection was denied.</p> <p>03.31.14 – Both parties filed a motion for clarification. which was rejected.</p> <p>22.04.14 - Interlocutory appeal to TJSP filed by the plaintiff's against the decision which rejected the objection filed by Soluções Usiminas.</p> <p>07.17.14 – Interlocutory appeal granted to Soluções Usiminas and the execution proceeding was judged extinct.</p> <p>07.11.14 – Special appeals filed by the plaintiff's were declined.</p> <p>21.11.14 – Interlocutory appeals filed in the state court against the decisions which did not admit the special appeals .</p> <p>04.23.15 - Suit forwarded to STJ.</p> <p>CURRENT STATUS: AWAITING TRIAL.</p>
Chance of loss	(x) probable () possible () remote
Analysis of the impact if the case is lost	Only the amount involved in the litigation, which has been provisioned.
Amount provisioned, if any	R\$ 65,227,058.95

Authority: () Administrative (x) Judicial () Arbitral	
Nature: () Labor (x) Civil () Tax () Environment () Other:	
Number of the lawsuit	Proceeding no. 1132521-58.2015.8.26.0100
Judicial Authority	São Paulo Court of Justice – 1st Civil Court of Courthouse of São Paulo/SP
Instance	1st
Date Commenced	02/18/2016
Parts Involved	
Plaintiff	Luiz Eduardo Franco de Abreu and NSG Capital Asset Management S/A
Defendant	Soluções em Aço Usiminas S/A
Others	None
External legal firm	Pinheiro, Mourão, Raso e Araújo Filho Advogados
Values, assets or rights involved	R\$ 100,929,371.90
Main facts	<p>PARTIAL COMPLIANCE OF THE ARBITRAL AWARD RENDERED IN THE ARBITRATION PROCEDURE CAM-CCBC NO 04/2012 by which the Plaintiffs intend to receive the amount of the R\$ 96,262,791.74 (historical value).</p> <p>This lawsuit resulted from proceeding no. 01645006020128260100 (slide above) 01.17.17 – SUMMONS RECEIVED BY SOLUÇÕES USIMINAS CURRENT STATUS: SU PRESENTED THE PRE-EXECUTION MOTION</p>
Chance of loss	() probable () possible (x) remote
Analysis of the impact if case is lost	Only the amount involved in the litigation, which has been provisioned in the lawsuit mentioned above (same claims)
Amount provisioned	None

Authority: () Administrative (x) Judicial () Arbitral	
Nature: (x) Labor () Civil () Tax () Environment () Other:	
Number of the lawsuit	00012379620125020251
Judicial Authority	Labour Court of the 2 nd Region – 1 st Court of Cubatão/SP
Instance	2nd
Date Commenced	12/12/2012
Parties Involved	
Plaintiff	Sindicato dos Metalúrgicos (STISMMMEC)
Defendant	Usinas Siderúrgicas de Minas Gerais S/A
Others	None
External legal firm	Rosi e Rajão Advogados / Russomano Advocacia
Values, assets or rights involved	Inestimable value
Main facts	<p>PUBLIC CIVIL ACTION IN WHICH THE LABOR UNION ALLEGES THE OCCURRENCE OF MASS DISMISSALS BY USIMINAS PRACTICED IN THE YEAR OF 2012 WITHOUT THE PRIOR LABOR UNION NEGOTIATIONS. REQUIRES THE REINSTATEMENT OF ALL EMPLOYEES DISMISSED IN 2012 (MORE THAN 1.000), AND THE PROHIBITION OF USIMINAS TO MAKE ANY NEW DISMISSALS, WITHOUT THE PRIOR JUDICIAL CONSENT AND PERFORMING MEDIA CAMPAIGN AGAINST MASS DISMISSALS AND PAYING THE AMOUNT OF R\$ 200,000.00 TO SANTA CASA DE MISERICORDIA DE SANTOS.</p> <p>12.12.12 – Summons received by Usiminas. 04.18.13 - Defense presented / the court held a hearing . 12.02.13 – The claim was denied. 06.05.14 – Appeal presented by Labor Union. 12.02.16 – Decision maintained. 04.19.16 – Unappealable judgment. 11.25.16 – Case returned to origin. FASE ATUAL: CLOSED PROCEEDING. SHALL BE EXCLUDED FROM THE NEXT REPORT.</p>
Chance of loss	() probable () possible (x) remote
Analysis of the impact if the case is lost	Inestimable value.
Amount provisioned, if any	None.

Authority: () Administrative (x) Judicial () Arbitral	
Nature: (x) Labor () Civil () Tax () Environment () Other:	
Number of the lawsuit	10000931920165020255
Judicial Authority	Labour Court of the 2 nd Region - 5 th Court of Cubatão/SP
Instance	1 st
Date Commenced	I - 02/11/2016
Parties Involved	
Plaintiff	I - Sindicato dos Metalúrgicos (STISMMMEC)
Defendant	Usinas Siderúrgicas de Minas Gerais S/A
Others	None
External legal firm	Rosi e Rajão Advogados
Values, assets or rights involved	Inestimable value
Main facts	<p>PUBLIC CIVIL ACTION IN WHICH THE LABOR UNION ALLEGES THE OCCURRENCE OF MASS DISMISSALS BY USIMINAS PRACTICED IN THE YEAR OF 2016 WITHOUT THE PRIOR LABOR UNION NEGOTIATIONS. REQUIRES THE PAYMENT OF COLLECTIVE MENTAL DISTRESS IN THE AMOUNT OF R\$ 10 MM.</p> <p>23.02.16 – Injunction granted favorable to Usiminas.</p> <p>17.03.16 - Summons received by Usiminas.</p> <p>06.20.2016 – Defense presented</p> <p>01.30.2017 – Judicial hearing held – trial scheduled</p> <p>CURRENT STATUS: AWAITING FOR TRIAL SCHEDULED TO 02/15/2017.</p>
Chance of loss	() probable (x) possible () remote
Analysis of the impact if the case is lost	Inestimable value.
Amount provisioned, if any	None.

Authority: () Administrative (x) Judicial () Arbitral	
Nature: (x) Labor () Civil () Tax () Environment () Other:	
Number of the lawsuit	00101951620155030097
Judicial Authority	Labor Court of the 3 rd Region – 4 th Labor Court Coronel Fabriciano/MG
Instance	1 st
Date Commenced	05/31/2015
Parties Involved	
Plaintiff	Labor Prosecution Office
Defendant	Usinas Siderúrgicas de Minas Gerais S/A
Others	None
External legal firm	Ney Campos Advogados Associados
Values, assets or rights involved	R\$ 5,000,000.00
Main facts	<p>PUBLIC CIVIL ACTION AGAINST THE LABOR PROSECUTION OFFICE REQUIRING THE IMPLEMENTATION OF 29 OBLIGATIONS TO BE MADE ABOUT HEALTH AND SAFETY AT WORK. ALSO REQUIRE THE PAYMENT OF COLLECTIVE MENTAL DISTRESS. CLAIM RESULTING FROM ACTS SUPPOSEDLY HARMFUL TO THE WORKERS ENVIRONMENT.</p> <p>06.08.15 – Summons received by Usiminas.</p> <p>06.08.15 – Injunction granted, unfavorable to Usiminas.</p> <p>12.10.15 - Defense presented / the court held a hearing .</p> <p>CURRENT STATUS: AWAITING FOR TRIAL RESCHEDULED TO 08/02/2017.</p>
Chance of loss	() probable (x) possible () remote
Analysis of the impact if the case is lost	Inestimable value.
Amount provisioned, if any	None.

Authority: () Administrative (x) Judicial () Arbitral	
Nature: () Labor () Civil (x) Tax () Environment () Other:	
Number of the lawsuit	Class action no. 00306942920128130313
Judicial Authority	Court of Justice of Minas Gerais –Court of the Treasury Department of Ipatinga/MG
Instance	1 st
Date Commenced	02/03/2012
Parties Involved	
Plaintiff	Chênia Paula Rodrigues Lucas
Defendant	Usinas Siderúrgicas de Minas Gerais S/A
Others	City of Ipatinga, Sebastião de Barros Quintão (Ipatinga's mayor 2004-2009), Robson Gomes da Silva (Ipatinga's mayor 2009-2012), Nilton Manoel (city councilor).
External legal firm	Internal lega area
Values, assets or rights involved	R\$ 2,389,590,664.56
Main facts	<p>CLASS ACTION FOR THE IPTU PAYMENT SUPPOSEDLY DUE BY USIMINAS TO THE CITY OF IPATINGA FROM 1997 UNTIL 2012.</p> <p>THE PLAINTIFF CLAIMS THAT THROUGH DOCUMENTS AND INFORMATION IT COULD BE SEEN THAT SINCE 1997 MANY CONSTRUCTIONS WERE DONE IN IPATINGA'S PLANT IN IPATINGA/MG, WITHOUT THEIR INCLUSION IN THE IPTU TAX BASE, WHICH WOULD HAVE GENERATED A LOSS OF FUNDS TO THE CITY IN THE APPROXIMATE AMOUNT OF R\$ 1,590,727,376.22. THE PLAINTIFF REQUESTS THE USIMINAS'S CONDEMNATION TO REIMBURSE THE CITY WITH THE AMOUNT OF IPTU THAT WAS NOT CHARGED DURING THAT PERIOD.</p> <p>02.03.12 – Distribution.</p> <p>01.07.14 - Usiminas presented defense informing the administrative proceeding of IPTU terminated on 2013.</p> <p>03.13.15 – Trial hearing performed – Final reasons presented.</p> <p>05.13.16 – The claim was denied.</p> <p>09.27.16 - Referral of the case to the TJMG.</p> <p>CURRENT STATUS: AWAITING TRIAL.</p>
Chance of loss	() probable () possible (x) remote
Analysis of the impact if the case is lost	Only the demand value, which has not been provisioned.
Amount provisioned, if any	None

Authority: () Administrative (x) Judicial () Arbitral	
Nature: () Labor () Civil (x) Tax () Environment () Other:	
Number of the lawsuit	Tax Foreclosure no. 00241860420118130313
Judicial Authority	Court of Justice of Minas Gerais– Court of the Treasury Department of Ipatinga/MG
Instance	1 st
Date Commenced	01/12/2011
Parties Involved	
Plaintiff	City of Ipatinga/MG
Defendant	Unigal Ltda.
Others	None
External legal firm	Rodolfo Gropen Advocacia
Values, assets or rights involved	R\$ 149,708,731.05
Main facts	<p>ISS – LACK OF TAX COLLECTION SUPPOSEDLY DUE BY THE SERVICE PROVISION OF GALVANIZATION (SUBITEM 14.05 OF THE SERVICE LIST - LAW 2.033/2003).</p> <p>01.12.11 – Distribution of the tax foreclosure.</p> <p>09.28.11 – Unigal offered to pledge industrial equipment, to secure the debt and file defense do Tax Foreclosure.</p> <p>10.26.11- Judicial decision granting the pledge to the assets indicated by Usiminas and drawing up of the pledge term.</p> <p>07.04.12 – Pledge Term subscribed.</p> <p>08.03.12 – Defense presented.</p> <p>07.22.13 - Petition requesting the production of technical expert evidence.</p> <p>07.16.14- Technical expert evidence granted.</p> <p>CURRENT STATUS: AWAITING PRODUCTION OF EVIDENCE.</p>
Chance of loss	<p>Period affected from 01 to 12/2004 and from 01 to 08/2005</p> <p>R\$ 32,935,920.82</p> <p>() probable () possible (x) remote</p>
	<p>Period from 09/2005 to 06/2009</p> <p>R\$ 116,772,810.23</p> <p>() probable (x) possible () remote</p>
Analysis of the impact if the case is lost	Only the amount involved in the litigation, which has not been provisioned.
Amount provisioned, if any	None

Authority: (x) Administrative () Judicial () Arbitral Nature: () Labor () Civil (x) Tax () Environment () Other:	
Number of the lawsuit	PTA no. 13603000422200631
Judicial Authority	Administrative Council for Tax Appeals
Instance	2 nd
Date Commenced	04/12/2006
Parties Involved	
Plaintiff	Usinas Siderúrgicas de Minas Gerais S/A
Defendant	Federal Government
Others	None
External legal firm	Botelho, Spagnol Advogados
Values, assets or rights involved	R\$ 161,544,397.30
Main facts	<p>REQUEST FOR RECOVERY OF CSL CREDIT. DIVERGENCE OVER THE POSSIBILITY OF COMPENSATION IN RELATION TO THE DEADLINE.</p> <p>04.12.06 – Objection to the tax-deficiency notice filed by Usiminas.</p> <p>10.13.06 – Notification regarding the decision that: 1) combined the notices of infraction 13.603.000421/2006-31 (Corporate Income Tax/IRPJ) and 13.603.000422/2006-31 (Social Contribution on Net Profits/CSL), as well as manifested dissatisfaction regarding proceeding 10.680.016230/2004-74 (Corporate Income Tax/IRPJ), for being brought to trial; 2) did not register the request to compensate; and 3) considered the accounting entry valid in part, establishing a reduction in the tax penalty from 75% to 50%.</p> <p>11.13.06 – Voluntary appeal filed by Usiminas.</p> <p>05.10.13 – The voluntary appeal was partially granted.</p> <p>05.17.13 - Motion for clarification filed by Usiminas.</p> <p>11.09.15 - Especial appeal filed by Usiminas after the rejection of the motion for clarification.</p> <p>11.09.15 – Special appeal of Usiminas was granted recognizing the deadline of 10 years and determining the return of the case to examine the claims for compensation.</p> <p>CURRENT STATUS: AWAITING LIQUIDATION AND NEW TRIAL.</p>
Chance of loss	() probable () possible (x) remote
Analysis of the impact if the case is lost	Only the amount involved in the litigation, which has not been provisioned.
Amount provisioned, if any	None

Authority: () Administrative (x) Judicial () Arbitral	
Nature: () Labor () Civil (x) Tax () Environment () Other:	
Number of the lawsuit	Action for Annulment no. 02808723420158210001
Court	6th Court of Public Treasury of Porto Alegre/RS
Instance	1 st
Filing Date	11/20/2015
Parties Involved	
Plaintiff	Usinas Siderúrgicas de Minas Gerais S/A
Defendant	State of Rio Grande do Sul
Others	None
External legal firm	Sacha Camon Misabel Derzi Consultores e Advogados
Values, assets or rights involved	R\$ 132,901,603.03
Main facts	<p>ACTION FOR ANNULMENT FILED FOR DISCUSSION OF 6 NOTES OF INFRACTION (nº 29537681, 29537690, 29537703, 29537711, 29537720 e 29537738 – 1 PER FACILITY) BY THE STATE OF RIO GRANDE DO SUL DUE TO THE CHARGEBACK OF CREDITS CONSIDERED TO HAVE BEEN TAKEN WHEN USIMINAS WAS SUPPOSEDLY IN AN IRREGULAR TAX SITUATION (DEBTS ENROLLED IN DA AND NOT SECURED).</p> <p>05.21.14 – Objections filed by Usiminas. 07.23.14 - The objections filed by Usiminas were denied. 08.19.14 – Administrative appeal filed by Usiminas. 09.18.15 - The administrative appeal was denied. 09.18.15 – Closed administrative level unfavorable to Usiminas. 11.20.15 - Action for Annulment no. 02808723420158210001 filed by Usiminas. CURRENT STATUS: AWAITING TRIAL.</p>
Loss Contingencies	() probable (x) possible () remote
Analysis of the impact in case of Loss	Only the demand value, which has not been provisioned.
Amount provisioned, if any	None.

Authority: () Administrative (x) Judicial () Arbitral	
Nature: () Labor () Civil (x) Tax () Environment () Other:	
Number of the lawsuit	Ordinary Action no. 153416920084013800
Judicial Authority	5th Court of Federal Justice– Judicial Section of Minas Gerais
Instance	1 st
Date Commenced	06/16/2008
Parties Involved	
Plaintiff	Usinas Siderúrgicas de Minas Gerais S/A
Defendant	Federal Government
Others	None
External legal firm	De Biasi Auditores e Consultores S/C
Values, assets or rights involved	R\$ 88,413,880.44
Main facts	<p>ACTION PROPOSED BY USIMINAS TO QUESTION THE NON REGISTRATION OF IRPJ COMPENSATION ARISING FROM THE REVIEW OF LALUR, FOR THE YEAR OF 1995, WITH OTHER FEDERAL TAXES.</p> <p>06.16.08 - Request for advance protection granted.</p> <p>11.05.08 – Decision granting an accounting expert inspection, as requested by Usiminas.</p> <p>11.04.09 – Disclosure of the expert opinion (favorable to Usiminas) made available to the parties.</p> <p>11.09.09 – Manifestation presented from our technical assistant corroborating the conclusions in the expert opinion presented.</p> <p>12.09.09 – The Federal Government requested a 30-day suspension of the legal proceedings to await the Internal Revenue Dept. to return on the matter.</p> <p>04.08.10 – Request for suspension denied. The Federal Government filed an interlocutory appeal.</p> <p>03.8.16 – Favorable decision to Usiminas.</p> <p>07.07.16 – The Federal Government filed an appeal.</p> <p>CURRENT STATUS: AWAITING TRIAL.</p>
Chance of loss	() probable (x) possible () remote
Analysis of the impact if the case is lost	Only the amount involved in the litigation, which has not been provisioned.
Amount provisioned, if any	None

Authority: (<input checked="" type="checkbox"/>) Administrative (<input type="checkbox"/>) Judicial (<input type="checkbox"/>) Arbitral Nature: (<input type="checkbox"/>) Labor (<input type="checkbox"/>) Civil (<input checked="" type="checkbox"/>) Tax (<input type="checkbox"/>) Environment (<input type="checkbox"/>) Other:	
Number of the lawsuit	Notice of Infraciton no. 13629720012201511
Court	Internal Revenue Office in Coronel Fabriciano/MG
Instance	1 st
Filing Date	01/12/2015
Parties Involved	
Plaintiff	Federal Government
Defendant	Usinas Siderúrgicas de Minas Gerais S/A
Others	None
External legal firm	Botelho, Spagnol e Advogados Associados
Values, assets or rights involved	R\$ 117,327,329.25
Main facts	CHARGEBACK OF THE CREDIT REQUIRED BY THE FEDERAL GOVERNMENT DUE TO SUPPOSED UNDUE CREDIT OF IPI ON REFRACTORY MATERIAL. 02.11.15 - Objection notice filed by Usiminas. 12.11.15 - Reply to the tax manifestation presented by Usiminas. 05.18.16 - The objection was denied. 06.16.16 – Application of the voluntary appeal. CURRENT STATUS: AWAITING TRIAL.
Loss Contingencies	(<input type="checkbox"/>) probable (<input type="checkbox"/>) possible (<input checked="" type="checkbox"/>) remote
Analysis of the impact in case of Loss	Only the demand value, which has not been provisioned.
Amount provisioned, if any	None

Authority: () Administrative (x) Judicial () Arbitral	
Nature: () Labor () Civil (x) Tax () Environment () Other:	
Number of the lawsuit	Ordinary Action no. 122679519944013800
Judicial Authority	6th Federal District Court - Judicial Section of Minas Gerais
Instance	1 st
Date Commenced	06/03/1994
Parties Involved	
Plaintiff	Usinas Siderúrgicas de Minas Gerais S/A
Defendant	Federal Government
Others	None
External legal firm	Sacha Calmon – Misabel Derzi Consultores e Advogados
Values, assets or rights involved	R\$ 88,331,399.96
Main facts	<p>USIMINAS IS DISCUSSING THE POSSIBILITY OF RENOUNCING TO THE ACTION, DUE TO THE AMNESTY WHICH HAS ADHERED (LAW No. 11.941/09), EVEN AFTER THE FINAL DECISION OF THE DISCUSSION, FOR THIS REQUIREMENT IS NOT EXPRESSED IN THE LEGISLATION.</p> <p>10.30.09 – Petition filed informing the adhesion of the monthly payments as per Law No. 11.941/09 and the waiver to the right over the tax credit and requiring the conversion into income of the deposit, and also the analysis of the remaining balance by Usiminas, according to the calculations attached to the petition.</p> <p>06.30.10 – Published a decision refusing the waiver to the right of over the tax credit and to the balance analysis requested by Usiminas and determining the conversion of the total value of the deposit in definite payment to the Federal Government.</p> <p>07.12.10 – Usiminas filed an appeal.</p> <p>CURRENT STATUS: AWAITING TRIAL.</p>
Chance of loss	() probable (x) possible () remote
Analysis of the impact if the case is lost	Only the demand value, which has not been provisioned.
Amount provisioned, if any	None

Authority: (x) Administrative () Judicial () Arbitral	
Nature: () Labor () Civil (x) Tax () Environment () Other:	
Amount involved	R\$ 52,967,233.78
Amount provisioned, if any	
Practice adopted by the issuer or by parties that it controls that caused such contingency	Notice of Infraction drawn-up due to the fact that Usiminas has taken advantage of the suspension of ICMS, provided for in art. 19, General Part and items 1 to 5 of Annex III, all of the RICMS/02, in the supply of fuels to Ipatinga's Thermal Power Plant, operated by a third party (Cemig), during the years of 2011 through 2014.
No. of administrative proceedings	1
No. of the administrative proceedings	0100061529948
Administrative Authority	Taxpayers Board of Minas Gerais
Level	1 st
Date commenced	01/11/2016
Parties Involved	
Plaintiff	Minas Gerais State
Defendant	Usinas Siderúrgicas de Minas Gerais S/A
Others	None
External legal firm	Botelho, Spagnol e Advogados Associados
Chance of loss	() probable (x) possible () remote
Main facts	12.01.16 – Usiminas was notified. 12.29.16 - Objection to the notice of infraction was filed by Usiminas.

Authority: () Administrative () Judicial (x) Arbitral	
Nature: () Labor (x) Civil () Tax () Environment () Other:	
Number of the lawsuit	Arbitral Proceeding No. 62/2013/SEC2
Court	Arbitration and Mediation Centre of the Chamber of Commerce Brazil-Canada (CAM-CCBC)
Instance	
Filing Date	10/18/2013
Parties Involved	
Plaintiff	Eldorado Brasil Celulose S.A.
Defendant	Usiminas Mecânica S/A
Others	None
External legal firm	Lefosse Advogados
Values, assets or rights involved	R\$ 57,400,000.00
Main facts	<p>ARBITRATION PROCEEDING ORIGINATING FROM THE PURCHASE AND SALE AGREEMENT OF ASSETS FOR THE SUPPLY OF 447 RAILWAY WAGONS QUESTIONING: (ii) PENALTY APPLICATION LIMITED TO 10% OVER THE AGREEMENT'S VALUE AND ALSO INDEMNIFICATION FOR LOSSES AND DAMAGES.</p> <p>10.18.13 – Eldorado initiated the Arbitration Requirement.</p> <p>11.08.13 – UMSA responded its answer to the Arbitration Requirement.</p> <p>09.29.14 – UMSA presented its response to Eldorado's Initial Claims</p> <p>12.20.14 – Case transferred to Lefosse Advogados due to the lawyers responsible by the case have moved to that law firm.</p> <p>02.09.15 – Eldorado presented the evidences to be produced.</p> <p>03.25.15 – UMSA presented its response to Eldorado's evidences. UMSA presented the evidences to be produced.</p> <p>06.26.15 - UMSA presented its request for reconsideration of the Arbitration Court's decision which was rejected part of their evidence. UMSA and ELDORADO presented their clarification of the supplementary items requested by the Arbitration Court's Redfern Schedule.</p> <p>09.10.15 - The Arbitration Court ended the stage of documents exhibition by UMSA and ELDORADO.</p> <p>09.25.15 - UMSA and ELDORADO presented on November 20th, 15 technical reports related to the occurrence or not of (a) delay in the delivery of the wagons; (b) project error, as well as (c) the issue regarding the contractual guarantee.</p> <p>02.02.16 and 02.03.16 - Trial hearing of the legal representatives, witnesses and technical assistants of the Parties was performed.</p> <p>08.19.16 – UMSA and ELDORADO presented their closing arguments.</p> <p>01.09.17 - the Arbitration Court entered sentence, recognizing partially the claims of UMSA and Eldorado, to be evaluated in the liquidation of the sentence.</p> <p>01.27.17 - UMSA and ELDORADO presented their Clarifications Request about the judgment entered on 01.09.17.</p> <p>CURRENT STATUS – AWAITING DECISION OF ARBITRATION COURT ON THE CLARIFICATIONS REQUEST PRESENTED BY THE PARTIES.</p>
Loss Contingencies	<p>R\$ 16,100,000.00 (x) probable () possible () remote</p> <p>R\$ 16,100,000.00 () probable () possible (x) remote</p>
Analysis of the impact in case of Loss	Only the amount involved in the litigation, which has not been provisioned.
Amount provisioned, if any	R\$ 16,100,000.00

4.4. Describe the judicial, administrative or arbitration claims, which are not confidential, to which the issuer or its subsidiaries are parties and whose adversary parties are managers or former managers, controlling shareholders or former controlling shareholders of the issuer or of its subsidiaries:

Authority: () Administrative (x) Judicial () Arbitral	
Nature: () Labor (X) Civil () Tax () Environment () Other:	
Number of the lawsuit	00838549420118130024
Judicial Authority	Minas Gerais Court of Justice - 8th Civil Court of the Court of Belo Horizonte/MG
Instance	1 st
Date Commenced	01/20/2011
Parties Involved	
Plaintiff	H. N.
Defendant	Usinas Siderúrgicas de Minas Gerais S/A
Others	None
External legal firm	Vilas Boas, Lopes Frattari
Values, assets or rights involved	R\$1,023,679.24
Main facts	<p>The collection action which the plaintiff requires the proportional bonus payment to the months worked in 2008.</p> <p>04.26.11 – Serving received by Usiminas.</p> <p>05.24.11 - Defense presented.</p> <p>08.19.15: Hearing held. The Claim made by Usiminas for H.N to give undertaking was rejected.</p> <p>09.08.15: Transferred the case to Vilas Boas, Lopes Frattari.</p> <p>09.29.15: Interlocutory appeal was rejected.</p> <p>10.07.15: Usiminas appealed to the Superior Court of Justice about the undertaking.</p> <p>11.10.15 – Closing arguments presented by Usiminas.</p> <p>CURRENT STATUS: AWAITING TRIAL.</p>
Chance of loss	() probable (x) possible () remote
Analysis of the impact if the case is lost	Only the amount involved, which has not been provisioned.
Amount provisioned, if any	None.

Authority: () Administrative (x) Judicial () Arbitral	
Nature: () Labor () Civil () Tax () Environment (x) Other: Corporate Law	
Number of the lawsuit	I – Annulment lawsuit nº 16319919120158130024 II – Annulment lawsuit nº 16439055520158130024
Judicial Authority	Minas Gerais Court of Justice – 1st Commercial Court of the Court of Belo Horizonte/MG
Instance	1st
Date Commenced	I – 06/12/2015 II – 06/22/2015
Parties Involved	
Plaintiff	I - Nippon Steel & Sumitomo Metal Corporation II - Nippon Usiminas Co. Ltd.
Defendant	Usinas Siderúrgicas de Minas Gerais S/A
Others	None.
External legal firm	Pinheiro, Mourão, Raso e Araújo Filho Advogados Associados
Values, assets or rights involved	None.
Main facts	<p>Plaintiffs demand annulment of Usiminas resolutions passed by its general meetings in 04/16/2013 and 04/25/2014 that approved the management accounts and the financial statements related to the fiscal years of 2012 and 2013, because plaintiff shareholders would have been misled when rendering their vote of approval.</p> <p>I – Annulment lawsuit nº 16319919120158130024</p> <p>07.27.15 – Usiminas answered requiring (i) the inclusion on the lawsuit of the former officers who were dismissed and (ii) the pledges limitation only to the part of resolutions approving the management accounts.</p> <p>08.10.15 – T/T Group require its inclusion on the lawsuit, defending the approval of the resolutions.</p> <p>09.29.15 – T/T Group pledge to be included was granted, but its pledge to produce testimonial evidence was denied.</p> <p>11.18.15 – Trial adjourned.</p> <p>06.10.16 – The 1st level judge decision which has determined the inclusion on the lawsuit of the former officers who were dismissed was revoked by the Minas Gerais Court of Justice.</p> <p>09.29.16 – Stage of production of evidence.</p> <p>CURRENT STATUS: Awaiting for closing arguments.</p> <p>II – Annulment lawsuit nº 16439055520158130024</p> <p>07.23.15 – Usiminas answered just as it did at the Annulment lawsuit nº I.</p> <p>08.02.15 – T/T Group required to be included in the lawsuit just as it did at the Annulment lawsuit n. I.</p> <p>09.29.16 – Stage of production of evidence.</p> <p>CURRENT STATUS: Awaiting for closing arguments.</p>
Chance of loss	() probable (x) possible () remote
Analysis of the impact if the case is lost	Not applicable
Amount provisioned, if any	None.

Authority: () Administrative (x) Judicial () Arbitral	
Nature: () Labor () Civil () Tax () Environment (x) Other: Corporate Law	
Number of the lawsuit	I – Annulment lawsuit nº 50763914020168130024 II – Annulment lawsuit nº 50855552920168130024
Judicial Authority	Minas Gerais Court of Justice – 1st Commercial Court of the Courthouse of Belo Horizonte/MG
Instance	1st
Date Commenced	I – 05/30/2015 II – 06/14/2016
Parties Involved	
Plaintiff	I - Nippon Steel & Sumitomo Metal Corporation II - Nippon Usiminas Co. Ltd.
Defendant	Usinas Siderúrgicas de Minas Gerais S/A, Ternium Investments SARL, Confab Industrial S/A, Prosid Investimentos S/A, Siderar S.A.I.C, Previdência Usiminas, Elias de Matos Brito, Oscar Montero Martinez, Guilherme Poggiali Almeida, Gileno Antônio de Oliveira, Sérgio Leite de Andrade, Ronald Seckelmann, Ascanio Merrighi de Figueiredo Silva, Tulio Cesar do Couto Chipoletti e Nobuhiko Takamatsu
Others	None.
External legal firm	Pinheiro, Mourão, Raso e Araujo Filho Advogados Associados
Values, assets or rights involved	None.
Main facts	<p>Plaintiffs demand the suspension and annulment of the resolution of the board of directors of Usiminas, filed to suspend the effectiveness of the election of the board of executive officers of the company held on the Meeting of the Board of Directors on 05/25/2016.</p> <p>I – Precautionary lawsuit nº 50763914020168130024</p> <p>06.01.16 – Primary injunction was denied by the 1st Level Judge.</p> <p>06.09.16 – Plaintiffs appealed to Minas Gerais State Court against the primary injunction denial. Still waiting for decision.</p> <p>06.17.16 – A conciliation hearing was realized, without settlement.</p> <p>06.20.16 – Usiminas request to be treated just as patient.</p> <p>07.11.16 – A new conciliation hearing was realized, without settlement.</p> <p>10.05.16 – Interlocutory Appeal granted</p> <p>10.07.16 – The previous Board of Executive Officers took office.</p> <p>CURRENT STATUS: Awaiting for the lawsuit retake.</p> <p>II – Precautionary lawsuit nº 50855552920168130024</p> <p>06.20.16 – Primary injunction was denied by the 1st Level Judge.</p> <p>07.05.15 – Usiminas presented claim in the same sense of the Precautionary lawsuit n. I</p> <p>07.08.16 - Plaintiffs appealed to Minas Gerais State Court against the primary injunction denial. If not possible to suspend the election resolution, as required, or the appointment of the CEO for Usiminas. Still waiting for decision.</p> <p>10.05.16 – Interlocutory Appeal granted</p> <p>10.07.16 – The previous Board of Executive Officers took office.</p> <p>CURRENT STATUS: Awaiting for the lawsuit retake after judgment of Interlocutory Appeal.</p>
Chance of loss	() probable (x) possible () remote
Analysis of the impact if the case is lost	Not applicable.
Amount provisioned, if any	None.

Authority: () Administrative (x) Judicial () Arbitral	
Nature: () Labor () Civil () Tax () Environment (x) Other: Corporate Law	
Number of the lawsuit	5070219-82.2016.8.13.0024
Judicial Authority	Minas Gerais Court of Justice – 1st Commercial Court of the Courthouse of Belo Horizonte/MG
Instance	1st
Date Commenced	18.05.2016
Parties Involved	
Plaintiff	Companhia Siderúrgica Nacional; e VR1 – Fundo de Investimento Multimercado Crédito Privado
Defendant	Usinas Siderúrgicas de Minas Gerais – Usiminas; e BM&F Bovespa S/A – Bolsa de Valores Mercadorias e Futuros
Others	
External legal firm	Pinheiro, Mourão, Raso e Araújo Filho Advogados
Values, assets or rights involved	R\$1,000,000,000.00
Main facts	<p>CCSN filed a preliminary injunction asking the court to grant them authorization to make the judicial deposit of the amount correspondent to the shares subscribed by the Plaintiffs related to the capital increase of Usiminas. Subsequently, the Plaintiffs presented their main claim, for annulment of: (i) the resolutions of the meetings of the Board of Directors of Usiminas held on 03.11.2016 and 03.18.2016; (ii) the resolution of Usiminas' Shareholders Meeting held on 04.18.2016, which approved the capital increase of the Company; (iii) all acts and legal transactions related to the above mentioned corporate acts.</p> <p>18.05.16 – File of the preliminary injunction. 19.05.16 – The court deferred the preliminary injunction and authorized the Plaintiffs to make the judicial deposit of the amount correspondent to the shares subscribed by the Plaintiffs related to the capital increase of Usiminas, in the amount of R\$178,831,755.00. 30.05.16 – Usiminas presents its defense to the preliminary injunction. 08.06.16 – Usiminas presented a response against the decision that granted the provisional remedy. 10.06.16 – Plaintiffs reply the defense of Usiminas. 17.06.16 – Plaintiffs present their main claim 08.19.16 – Usiminas present answer. 09.23.16 – CSN present reply. 12.30.16 – In phase of production of evidence. CURRENT STATUS: AWAITING DECISION.</p> <p>ABOUT THE INTERLOCUTORY APPEAL: Appeal filed on 06.06.16 with request for active effect. Response to the appeal presented on 06.08.16. The active effect to the appeal was rejected on 06.15.16. Usiminas asked the court to reconsider such rejection on 06.20.16. The Plaintiffs presented a petition on 06.30.16. 07.12.16 – The court authorized USIMINAS to withdrawal the amount deposited. 08.03.16 – CSN presented a suit for a writ of mandamus against the decision which allowed Usiminas to withdraw the deposit. 09.27.16 – Public Attorney issue a Writ of Mandamus against CSN Claim. 11.30.16 – Interlocutory Appeal Decision allowing Usiminas to withdraw the deposit. 02.02.17 – CSN presents Internal Interlocutory Appeal.</p>
Chance of loss	() probable (x) possible () remote
Analysis of the impact if the case is lost	In case the decision that deferred the preliminary injunction is maintained, the renegotiation of Usiminas' debt can be jeopardized, considering that the creditors conditioned the effectiveness of the celebrated agreements to the immediate access to all of the funds correspondent to the capital increase approved on 04.18.16. If the main claim is granted, the deliberation of the Shareholders Meeting held on 04.18.16 will be null and void and, therefore, the capital increase will be equally null.
Amount provisioned, if any	None

Authority: () Administrative (X) Judicial () Arbitral	
Nature: () Labor () Civil () Tax () Environmental (X) Others: Corporate	
Number of the lawsuit	0011844-68.2017.4.01.3400 JF-DF (former 0580650-09.2016.8.13.0024 – TJMG)
Judicial Authority	Federal Regional Court of the 1st Region – 1 st Federal Court of Brasília
Instance	1 st
Date commenced	04/15/2016
Parties Involved	
Plaintiff	Nippon Steel & Sumitomo Metal Corporation
Defendant	Companhia Siderúrgica Nacional, Usinas Siderúrgicas de Minas Gerais S/A – USIMINAS and Administrative Council for Economic Defense – CADE
Others	None.
Legal firm in charge	Pinheiro, Mourão, Raso e Araújo Filho Advogados Associados
Values, assets or rights involved	None.
Main facts	<p>The case records are related to a declaratory action related to the impediment of vote, with request of preliminary injunction, filed with the purpose to prevent the exercise of the voting right by CSN on the elections for the Board of Directors and Fiscal Council of Usiminas to take place at the Annual General Meeting on 4/28/2016.</p> <p>04.27.16 – Published decision not granting the preliminary injunction.</p> <p>04.28.16 – Usiminas spontaneously joined the case records, requiring its admission as joint assistant to the Plaintiff.</p> <p>04.28.16 – Interlocutory appeals filed by the Plaintiff, as well as by Usiminas, and decision rejecting the preliminary injunction required by the appellants.</p> <p>10.10.16 – Determined the dispatch of the case records to the Federal Justice of Brasília due to the inclusion of CADE in the proceeding.</p> <p>CURRENT STATUS: Waiting decision the order determining the rejection of the response presented by CSN. Awaiting decision on the interlocutory appeals.</p>
Chance of loss	() probable (x) possible () remote
Analysis of the impact if the case is lost	Not applicable.
Amount provisioned, if any	None.

Authority: () Administrative (X) Judicial () Arbitral	
Nature: () Labor () Civil () Tax () Environmental (X) Others: Corporate	
Number of the lawsuit	0790838-77.2016.8.13.0024
Judicial Authority	Court of Justice of Minas Gerais – 1 st Corporate Court of Belo Horizonte/MG
Instance	1st
Date commenced	05/09/2016
Parties Involved	
Plaintiff	Nippon Usiminas Co. Ltd.
Defendant	Usinas Siderúrgicas de Minas Gerais S/A – USIMINAS, Companhia Siderúrgica Nacional, Ricardo Antônio Weiss Sônia Júlia Sulzbeck Villalobos, Gesner José Oliveira Filho, Derci Alcântara, Wagner Mar and Pedro Carlos de Mello
Others	None
External legal firm	Pinheiro, Mourão, Raso e Araujo Filho Advogados Associados
Values, assets or rights involved	None.
Main facts	<p>The case records are related to an action for annulment, with request of preliminary injunction, filed with the purpose to suspend the effectiveness of the elections occurred at the Annual General Meeting of Usiminas, of 4/28/2016, that elected the effective and alternate members indicated by CSN to the Board of Directors and to the Fiscal Council of the Company.</p> <p>05.13.16 – Preliminary injunction was granted.</p> <p>05.14.16 –Usiminas spontaneously joined the case records, requiring the confirmation of the upholding of the request made by the Plaintiff.</p> <p>05.18.16 – Preliminary injunction was revoked.</p> <p>05.23.16 – Interlocutory appeal presented, whose preliminary injunction was promptly denied.</p> <p>CURRENT STATUS: Awaiting service of process of all Defendants in the main action. In the interlocutory appeal, awaiting manifestation of the Reporting Appellate Judge on the petition presented by CADE and, thereafter, the designation of judgement session.</p>
Chance of loss	() probable (x) possible () remote
Analysis of the impact if the case is lost	Not applicable.
Amount provisioned, if any	None.

Authority: () Administrative (x) Judicial () Arbitral	
Nature: () Labor () Civil () Tax () Environmental (x) Others: Corporate	
Number of the lawsuit	0028883-15.2016.4.01.3400
Judicial Authority	Federal Regional Court of the 1st Region – 1 st Feral Court of Brasília
Instance	1 st
Date commenced	05/09/2016
Parties Involved	
Plaintiff	Confab Industrial S/A and Ternium Investiments S/A
Defendant	Usinas Siderúrgicas de Minas Gerais S/A – USIMINAS, Companhia Siderúrgica Nacional and Administrative Council for Economic Defense – CADE.
Others	
External legal firm	Pinheiro, Mourão, Raso e Araújo Filho Advogados
Values, assets or rights involved	None.
Main facts	<p>The case records are related to an action for the annulment of the plenary decision of the Tribunal of the CADE that approved Orders nº 118/2016 and 121/2016, allowing the election of two members to the Board of Directors and of one member to the Fiscal Council indicated by CSN, as well as their respective alternates. The purpose is to revert to the prior decision (of 2014), that approved the Commitment Term of Performance (“TCD”), by means of which CSN committed, among other obligations, not to exercise, directly or indirectly, the political rights related to the shares issued by Usiminas, it holds until it is evidenced the sale of the lot of shares defined by the TCD.</p> <p>05.12.16 – The Plaintiffs withdrew the application for preliminary injunction.</p> <p>08.12.16 –Usiminas presented manifestation, requiring its exclusion as defendant and admission as joint assistant to the Plaintiffs.</p> <p>03.01.17 – Granted access to the Plaintiffs to the responses presented.</p> <p>CURRENT STATUS: Awaiting presentation of the challenging of the claims.</p>
Chance of loss	() probable (x) possible () remote
Analysis of the impact if the case is lost	Not applicable.
Amount provisioned, if any	None.

Authority: () Administrative (X) Judicial () Arbitral	
Nature: () Labor () Civil () Tax () Environmental (X) Others: Corporate	
Number of the lawsuit	0025270-48.2016.4.01.3800
Judicial Authority	Federal Regional Court of the 1st Region – 7 th Federal Court of Brasília
Instance	1 st
Date commenced	05/10/2016
Parties Involved	
Plaintiff	Usinas Siderúrgicas de Minas Gerais S/A – USIMINAS
Defendant	Companhia Siderúrgica Nacional and Administrative Council for Economic Defense – CADE
Others	None.
External legal firm	Pinheiro, Mourão, Raso e Araújo Filho Advogados Associados
Values, assets or rights involved	None.
Main facts	<p>The case records are related to an action for annulment of plenary decision of the Tribunal of the CADE that approved Orders nº 118/2016 and 121/2016, allowing the election of two members to the Board of Directors and of one member to the Fiscal Council by CSN, as well as of their respective alternates. The purpose is to revert to the prior decision (of 2014), that approved the Commitment Term of Performance (“TCD”), by means of which CSN committed, among other obligations, not to exercise, directly or indirectly, the political rights related to the shares issued by Usiminas, it holds until it is evidenced the sale of the lot of shares defined by the TCD.</p> <p>05.11.16 – Jurisdiction denied by the Federal Justice of Belo Horizonte and action directed to the Federal Justice of Brasília.</p> <p>06.17.16 – Denied the request of preliminary injunction.</p> <p>06.20.16 – Interlocutory appeal filed by Usiminas, to which it was initially attributed active suspensive effect, effect that was subsequently denied by the Reporting Appellate Judge of the appeal.</p> <p>CURRENT STATUS: Awaiting service of process of CADE. In the interlocutory appeal, awaiting designation of judgement session.</p>
Chance of loss	() probable (x) possible () remote
Analysis of the impact if the case is lost	Not applicable.
Amount provisioned, if any	None.

Authority: () Administrative (X) Judicial () Arbitral	
Nature: () Labor () Civil () Tax () Environmental (X) Others: Corporate	
Number of the lawsuit	5145143-64.2016.8.13.0024
Judicial Authority	Justice Court of Minas Gerais – 1 st Corporate Court of Belo Horizonte/MG
Instance	1 st
Date commenced	10/04/2016
Parties Involved	
Plaintiff	Companhia Siderúrgica Nacional and VR1 – Fundo de Investimento Multimercado Crédito Privado
Defendant	Usinas Siderúrgicas de Minas Gerais S/A – USIMINAS, Ternium Investments Sarl, Confab Industrial S/A, Prosid Investments SCA, Siderar S.A.I.C, Nippon Steel & Sumitomo Metal Corporation, Nippon Usiminas Co., Ltd., Metal One Corp., Mitsubishi Corporation do Brasil S/A
Others	None
External legal firm	Pinheiro, Mourão, Raso e Araujo Filho Advogados Associados
Values, assets or rights involved	None.
Main facts	<p>By means of the request, CSN intends to shown relevant documents related to a possible split-up of Usiminas, on the grounds that its investment in more than R\$ 3 billion in shares would be about to be lost, due to the supposed plan of division of the Company.</p> <p>31.10.16 – Preliminary injunction was denied; the final and unappealable decision taken.</p> <p>02.15.17 - Serving received by Usiminas.</p> <p>02.03.17 – Usiminas presented response.</p> <p>CURRENT STATUS: Awaiting presentation of defense by the other Defendants.</p>
Chance of loss	() probable () possible (x) remote
Analysis of the impact if the case is lost	Not applicable.
Amount provisioned, if any	None.

Authority: () Administrative (x) Judicial () Arbitral	
Nature: (x) Labor () Civil () Tax () Environment () Other:	
Number of the lawsuit	00020767320105020031
Judicial Authority	Regional Labor Court of the 2 nd Region – 31st Court of São Paulo/SP
Instance	Superior Labor Court
Date Commenced	09/22/2010
Parties Involved	
Plaintiff	R. V. J.
Defendant	Usinas Siderúrgicas de Minas Gerais S/A
Others	None
External legal firm	Rosi e Rajão Advogados
Values, assets or rights involved	R\$ 1,998,338.54
Main facts	<p>Labor Lawsuit in which the Plaintiff requires difference in the amount of the non competition agreement.</p> <p>10.18.10 – Serving received by Usiminas.</p> <p>02.16.11 - Defense presented / hearing was held.</p> <p>03.16.11 and 10.03.11 – The claim was denied.</p> <p>CURRENT STATUS: AWAITING APPEAL DECISION IN SUPERIOR LABOR COURT.</p>
Chance of loss	<p>(x) probable* () possible (x) remote**</p> <p>*Probable: R\$ 139,877.22</p> <p>**Remote: R\$ 1,858,461.32</p>
Analysis of the impact if the case is lost	Only the amount involved, which has not been provisioned.
Amount provisioned, if any	None.

Authority: () Administrative (x) Judicial () Arbitral Nature: (x) Labor () Civil () Tax () Environment () Other:	
Number of the lawsuit	00022562020105020054
Judicial Authority	54th Court of Cubatão/SP
Instance	Superior Labor Court
Date Commenced	10/19/2010
Parties Involved	
Plaintiff	I. C. F.
Defendant	Usinas Siderúrgicas de Minas Gerais S/A
Others	None
External legal firm	Rosi e Rajão Advogados
Values, assets or rights involved	R\$ 1,553,861.49
Main facts	Labor Lawsuit in which the Plaintiff requires the difference in the amount of the non competition agreement. 11.19.10 – Serving received by Usiminas. 05.03.11 - Defense presented / hearing was held. 10.02.13 – The claim was denied. CURRENT STATUS: AWAITING APPEAL DECISION IN SUPERIOR LABOR COURT.
Chance of loss	() probable () possible (x) remote
Analysis of the impact if the case is lost	Only the amount involved, which has not been provisioned.
Amount provisioned, if any	None.

Authority: () Administrative (x) Judicial () Arbitral	
Nature: (x) Labor () Civil () Tax () Environment () Other:	
Number of the lawsuit	00022431920105020087
Judicial Authority	Labor Court of the 2 nd Region - 87th Court of São Paulo/SP
Instance	Superior Labor Court
Date Commenced	11/19/2011
Parties Involved	
Plaintiff	G. M. J. P.
Defendant	Usinas Siderúrgicas de Minas Gerais S/A
Others	None
External legal firm	Rosi e Rajão Advogados
Values, assets or rights involved	R\$ 1,363,991.18
Main facts	<p>Labor Lawsuit in which the Plaintiff requires the difference in the amount of the non competition agreement.</p> <p>10.28.10 – Serving received by Usiminas.</p> <p>03.22.11 - Defense presented / hearing was held.</p> <p>04.12.11 – The claim was denied.</p> <p>03.03.16 – The plaintiff appeal was granted. The trial determined return to the lawsuit of the new judgment on the first level. The decision of the first level recognized material incompetence of the Labor Court to adjudicate the claim for repayment of the amounts deducted by way of social security and tax contributions in non-competition agreement. This decision was canceled by the labor court and the lawsuit will be judged again.</p> <p>11.18.2016 – Lawsuit partially granted, with determination of the return of the discounts made, as income tax and social security contribution in 48 hours, regardless of the final and unappealable decision.</p> <p>CURRENT STATUS: Awaiting sentence publication for appeal and evaluation of prognosis.</p>
Chance of loss	() probable (x) possible () remote
Analysis of the impact if the case is lost	Only the amount involved, which has not been provisioned.
Amount provisioned, if any	None.

4.5. With respect to confidential proceedings to which the issuer or its subsidiaries are parties, which have not been disclosed in items 4.3 and 4.4 above, analyze the impact in the event of loss and report the values involved.

Not applicable, as there is no significant confidential claims to which the Company or its subsidiaries are parties, thus with no possible impacts.

4.6. Describe the repeated or linked judicial, administrative or arbitration claims, based on facts and similar legal causes, which are not confidential and that are significant in the aggregate, to which the issuer or its subsidiaries are a party, breaking down by labor, tax, civil claims and other types:

Authority: () Administrative (x) Judicial () Arbitral	
Nature: () Labor () Civil () Tax () Environment (x) Other: Anti-trust	
Amount involved	R\$177,364,190.23
Amount provisioned, if any	None
Practices adopted by the issuer or by parties that it controls that caused such contingency	Lawsuits proposed by Usiminas and by the extinct Cosipa requesting the annulment of the decision of the Administrative Council for Economic Defense (CADE) which imposed fines on the companies referred to for supposedly engaging in illegal anti-trust practices (cartel formation), jointly with CSN.
Quantity of lawsuits	02
Nbrs. of the lawsuits	Ordinary Action no. 2000.34.00.000087-1 (Usiminas); II- Ordinary Action no. 2000.34.00.000088-4 (Cosipa)
Judicial Authority	Federal Appeals Court of the 1st Region
Instance	2 nd
Date commenced	12/07/1999
Parties Involved	
Plaintiff	Usinas Siderúrgicas de Minas Gerais S/A
Defendant	Administrative Council for Economic Defense – CADE
Others	CSN
External legal firm	Franceschini e Miranda Advogados (Cosipa) Wald e Associados Advogados (Usiminas)
Chance of loss	R\$156,768,914.88 () probable (x) possible () remote
	R\$11,535,764.53 (x) probable () possible () remote
Main facts	Ordinary Action no. 2000.34.00.000087-1 and Ordinary Action no. 2000.34.00.000088-4 12.07.99 - Suit filed. 07.31.03 – On first level the conviction was held, being suppressed an installment of the fine, supposedly related to fraud. 06.14.10 – Claims judged on the Federal court - 1 st Region, conviction maintained in the same terms of the sentence rendered by the first court. 07.30.10 - The companies filed a motion for clarification against the Federal Court's ruling. 09.15.10 - Tax Foreclosure no. 41842-28.2010.4.01.3400 filed to collect the fine owed by Usiminas. Usiminas has not been served. 12.10.10 – Dispatch deferring the acceptance of the insurance policy offered by Usiminas and Cosipa, to guarantee the debit. 02.17.11 – Determined the suspension of the Tax Foreclosures, whose purposes was the collection of the fine. 12.07.11 - Filed special and extraordinary appeal. 10.28.13 – Appeal filed regarding non acceptance of the appeals. 09.30.14 – Usiminas presented injunction in STJ to avoid publishing the decision on the newspaper. This injunction was rejected. There is another injunction in Regional Court with the same purpose. CURRENT STATUS: AWAITING TRIAL.

Authority: () Administrative (x) Judicial () Arbitral	
Nature: (x) Labor () Civil () Tax () Environment () Other:	
Amount involved	R\$1,065,463,550.06
Amount provisioned, if any	R\$ 220,251,533.97
Practices adopted by the issuer or by parties that it controls that caused such contingency	3.458 - LAWSUITS FILED BY OWN FORMER EMPLOYEES AND BY THIRD PARTIES AT CUBATÃO PLANT REQUIRING SEVERAL COMPENSATORY AND WAGE PAYMENTS (OVERTIME, TRANSPORT PAYMENT, WAGES ADJUSTMENT, PREMIUM FOR UNHEALTHY WORK AND DANGEROUS WORK, TRAVEL HOURS, MEAL TICKET AND INDEMNIZATIONS);
Quantity of lawsuits	Several.
Nbrs. of the lawsuits	Several.
Judicial Authority	Several.
Instance	Several.
Date commenced	Several.
Parties Involved	
Plaintiff	Usiminas former employees (Cubatão Plant) ou former employees from contractors
Defendant	Usinas Siderúrgicas de Minas Gerais S/A (Cubatão Plant).
Others	Companies contracted by Usiminas (Cubatão Plant).
External legal firm	Rosi e Rajão Advogados
Chance of loss	(x) probable – R\$ 220,251,533.97 (x) possible – R\$ 138,048,543.90 (x) remote – R\$ 707,163,472.19

Authority: (<input checked="" type="checkbox"/>) Administrative (<input checked="" type="checkbox"/>) Judicial (<input type="checkbox"/>) Arbitral	
Nature: (<input checked="" type="checkbox"/>) Labor (<input type="checkbox"/>) Civil (<input type="checkbox"/>) Tax (<input type="checkbox"/>) Environment (<input type="checkbox"/>) Other:	
Amount involved	R\$ 383,276,854.85
Amount provisioned, if any	R\$ 35,801,323.45
Practices adopted by the issuer or by parties that it controls that caused such contingency	1.424 - LAWSUITS FILED BY OWN FORMER EMPLOYEES AND BY THIRD PARTIES OF IPATINGA PLANT REQUIRING SEVERAL COMPENSATORY AND WAGE PAYMENTS (OVERTIME, TRANSPORT PAYMENT, WAGES ADJUSTMENT, PREMIUM FOR UNHEALTHY WORK AND DANGEROUS WORK, TRAVEL HOURS, MEAL TICKET, INDEMNIZATIONS) AS WELL AS ADMINISTRATIVE PROCESSES ORIGINATED FROM LABOR INSPECTION;
Quantity of lawsuits	Several.
Nbrs. of the lawsuits	Several.
Judicial Authority	Several.
Instance	Several.
Date commenced	Several.
Parties Involved	
Plaintiff	Usiminas former employees or former employees contractors (Ipatinga Plant),
Defendant	Usinas Siderúrgicas de Minas Gerais S/A (Ipatinga Plant).
Others	Companies contracted by Usiminas (Ipatinga Plant).
External legal firm	Ney Campos Advogados Associados
Chance of loss	(<input checked="" type="checkbox"/>) probable – R\$ 35,801,323.45 (<input checked="" type="checkbox"/>) possible – R\$ 135,260,965.58 (<input checked="" type="checkbox"/>) remote – R\$ 212,214,574.82

Authority: () Administrative (x) Judicial () Arbitral Nature: (x) Labor () Civil () Tax () Environment () Other:	
Amount involved	R\$200,253,403.60
Amount provisioned, if any	None
Practices adopted by the issuer or by parties that it controls that caused such contingency	I - CLASS ACTION LAWSUIT FILED BY 22 FORMER EMPLOYEES AND 1 EMPLOYEE OF USIMINAS IN FEDERAL COURT IN IPATINGA, CLAIMING THAT USIMINAS HAS ALWAYS USED, AND STILL HAS IN ITS AREA, ASBESTOS PRODUCTS (AMIANTO) IN VIOLATION TO THE LAW. CLAIM RESULTING FROM ACTS SUPPOSEDLY HARMFUL TO THE WORKERS ENVIRONMENT. II - PUBLIC CIVIL ACTION FILED BY LABOR ATTORNEY OFFICE ALLEGES THE SAME GROUNDS AND APPLICATIONS OF THE POPULAR ACTION, AS WELL AS REQUEST CORRECTION OF PPP (PROFESSIONAL PROFILE PENSION), ADDITIONAL PAYMENT FOR UNHEALTHY WORK AND COLLECTIVE MENTAL DISTRESS.
Quantity of lawsuits	02
Nbrs. of the lawsuits	I – 33683620124013814 II - 0000247192013503033
Judicial Authority	I – 2nd Federal District Court in Ipatinga II – 1st Labor Court in Coronel Fabriciano/MG
Instance	I / II- 1 st level
Date commenced	I – 06/15/2012 II – 02/18/2013
Parties Involved	
Plaintiff	I – Sérgio Santos Lopes and others (+22 plaintiffs) II – Labor Attorney Office
Defendant	I - União, MTE, IBAMA, USIMINAS (Ipatinga Plant) and TEADIT II - Usiminas
Others	
External legal firm	Ney Campos Advogados Associados
Chance of loss	R\$200,053,403.60 () probable () possible (X) remote R\$200,000.00 () probable (x) possible () remote
Main facts	I – Class action no. 33683620124013814 10.15.12 – Defense presented. 02.08.13 – Presentation of requests of clarification. 12.07.16 –Judicial Inspection and Trial. 01.31.17 – Presentation of questions and rejection of new documents presented by the Plaintiffs. CURRENT STATUS: AWAITING FOR SCHEDULE THE EXPERT EVIDENCE. II - Public interest civil action 0000247192013503033 04.30.13 – Defense presented. 11.17.14 – Injunction granted, unfavorable to Usiminas. 08.09.16 – instruction hearing . CURRENT STATUS: AWAITING JUDGMENT FOR 04.20.2017.

Authority: (<input checked="" type="checkbox"/>) Administrative (<input checked="" type="checkbox"/>) Judicial (<input type="checkbox"/>) Arbitral	
Nature: (<input type="checkbox"/>) Labor (<input type="checkbox"/>) Civil (<input checked="" type="checkbox"/>) Tax (<input type="checkbox"/>) Environment (<input type="checkbox"/>) Other:	
Amount involved	R\$ 1,121,466,078.42
Amount provisioned, if any	None
Practices adopted by the issuer or by parties that it controls that caused such contingency	Tax authority requests chargeback of ICMS pursuant to material considered as of use and consumption (refractory and others): Usiminas classifies refractory material used in the production of steel as "intermediary material", allowing for appropriation of ICMS credits. The São Paulo tax authorities, however, classifies such material as "for use and consumption", which appropriation of ICMS credit is forbidden, and is demanding the chargeback from Usiminas of the respective credits.
Quantity of lawsuits	08
Nbrs. of the lawsuits	I – Tax Foreclosure no. 00002114620068260157; II - Tax Foreclosure no. 00046401720108260157; III – Notice of Infraction no. 31600475; IV – Notice of Infraction no. 40106214; V - Notice of Infraction no. 40263575; VI - Notice of Infraction no. 40368294; VII – Declaratory Action no 00148253820108260053; VIII - Notice of Infraction no. 40737196
Judicial Authority	São Paulo Court of Justice: I/VII - Cubatão Court – Tax Sector II/III/IV/V/VI/VIII – São Paulo State Revenue Service of Santos/SP
Instance	I, VII - 2 nd II/III/IV/V/VI/VII - 1 st
Date commenced	I – 03/15/2006; II – 07/15/2010; III – 01/02/2012 IV – 09/24/2012 V- 10/01/2013 VI – 02/24/2014 VII - 05/12/2010 VIII - 06/15/2016
Parties Involved	
Plaintiff	State of São Paulo
Defendant	Usinas Siderúrgicas de Minas Gerais S/A
Others	None
External legal firm	Sacha Calmon – Misabel Derzi Consultores e Advogados
Chance of loss	(<input type="checkbox"/>) probable (<input checked="" type="checkbox"/>) possible (<input type="checkbox"/>) remote
Main facts	<p>I – Tax Foreclosure no. 00002114620068260157 04.06.09 - Judge ruled tax collection valid. 07.03.09 - Usiminas appealed. 05.19.14 – Decision unfavorable for Usiminas. 06.06.14 – Motion for clarification filed by Usiminas 10.06.14 – Appeal to the Superior Court of Justice and the Federal Supreme Court filed by Usiminas. 07.02.15 – Interlocutory appeals filed by Usiminas on the inadmissibility of the appeals. CURRENT STATUS: AWAITING ANALYSIS OF APPEALS.</p> <p>II - Tax Foreclosure no. 00046401720108260157 03.20.12 – Appeal filed by the State of São Paulo in order to obtain the pledge of the financial assets of Usiminas. 04.22.13 – Petition presented by Usiminas notifying the Court about the suspension of the debt, granted in a Declaratory Action over the same issue. 10.11.16 – Expert report filed by the engineering expert, favorable to Usiminas. CURRENT STATUS: AWAITING ACCOUNTANCY EVIDENCE TO BE PRODUCED.</p> <p>III, IV, V, VI – Tax-deficiency notice no. 31600475, 40106214, 40263575, 40368294 e 40737196. 05.06.16 – Dismissal of appeal to São Paulo State reestablishing the extra interest in arrears on Infraction Notice no. 31600475 08.04.16 – Dismissal of appeal of Usiminas in the infraction notice no. 40368294. The State of São Paulo appealed. 09.19.16 - The objection was denied in the infraction notice no. 40737196. 11.08.16 - Dismissal of appeal to São Paulo State reestablishing the interest in arrears of infraction notice No. 40263575. CURRENT STATUS: PROCEEDINGS SUSPENDED DUE TO A FAVORABLE DECISION IN PROCEEDING VII.</p> <p>VII – Declaratory Action no. 00148253820108260053. 04.19.13 – Court decision favorable to the interests of Usiminas 06.24.13 –Appeal filed by the State of São Paulo. 03.26.14 – Court decision favorable to the interests of Usiminas 07.23.14 – Appeal to the Superior Court of Justice and presentation, by Usiminas, of a protocol to the appeals against the inadmissibility of the RE and RESP of the State. CURRENT STATUS: AWAITING ANALYSIS OF APPEALS ADMISSIBILITY BY THE COURT.</p>

Authority: () Administrative (x) Judicial () Arbitral Nature: () Labor () Civil (x) Tax () Environment () Other:	
Amount involved	R\$ 1,030,401,157.97
Amount provisioned, if any	None
Practices adopted by the issuer or by parties that it controls that caused such contingency	ICMS TAXES REQUIRED TO BE PAID ON EXPORTS OF PRODUCTS CONSIDERED SEMI-MANUFACTURED BY THE TAX AUTHORITIES (PRIOR TO EC 42/03). OFFICIAL NOTIFICATION FROM THE STATE OF SÃO PAULO CLAIMING THAT USIMINAS WOULD HAVE SHIPPED SEMI-MANUFACTURED MERCHANDISE OVERSEAS FROM MAY, 1991 TO FEBRUARY, 1994 PERIOD. HOWEVER, USIMINAS DEFENDS THAT THE EXPORTED MERCHANDISE WAS FULLY MANUFACTURED AND, AS SO, WAS NOT SUBJECT TO ICMS ON EXPORTATION, THAT BEING THE REASON THE COMPANY DID NOT PAY THIS TAX.
Quantity of lawsuits	03
Nbrs. of the lawsuits	I - Ordinary Action no. 01202424820088260053; II - Ordinary Action no. 00251213220048260053; III - Ordinary Action no. 00192005820058260053
Judicial Authority	COURT OF JUSTICE OF SÃO PAULO: I and III – 4 th VFP; II – 2 nd VFP
Instance	II – 1 st ; I and III – 2 nd
Date commenced	I – 2004; II – 2005; III – 2008
Parties Involved	
Plaintiff	Usinas Siderúrgicas de Minas Gerais S/A
Defendant	State of São Paulo
Others	None
External legal firm	Advocacia Krakowiak
Chance of loss	() probable () possible (x) remote
Main facts	I - Ordinary Action no. 01202424820088260053 04.25.08 - Suit filed. 11.28.13 – Judgment ruled in favor of Usiminas. 07.28.14 - Awaiting for the decision of the appeal of the State of São Paulo. 11.05.14 - Sentence confirmed by the court. 08.17.15 – The special and extraordinary appeals filed by State of São Paulo were denied. Interlocutory appeal to STJ and STF filed . CURRENT STATUS: AWAITING TRIAL. II - Ordinary Action no. 00251213220048260053 09.22.04 - Suit filed. 09.01.14 - Expert opinion favorable to the interests of Usiminas. 06.03.16 – Decision favorable to the interests of Usiminas. CURRENT STATUS: AWAITING REFERRAL OF THE CASE TO THE COURT OF JUSTICE. III - Ordinary Action no. 00192005820058260053 08.24.05 - Suit filed. 02.14.06 – Judgment ruled in favor of Usiminas. 09.12.06 - The State of São Paulo appealed. 03.12.12 – Court's decision affirming the first judgment in favor of Usiminas. 07.02.12 – Appeal to the Superior Court of Justice and the Federal Supreme Court filed by the State of São Paulo. 12.15.16 - The instrument appeal in the special appeal filed by State of São Paulo was denied by the Superior Court of Justice. CURRENT STATUS: AWAITING FEDERAL SUPREME COURT TRIAL.

Authority: () Administrative (x) Judicial () Arbitral	
Nature: () Labor () Civil (x) Tax () Environment () Other:	
Amount involved	R\$ 584,186,605.87
Amount provisioned, if any	None
Practices adopted by the issuer or by parties that it controls that caused such contingency	THE COMPANY (CUBATÃO MILL) FAILED TO ATTACH THE TAX INVOICES FOR MATERIAL IN TRANSIT TO THE CUSTOMS AREA IN CUBATÃO WITH THOSE FOR MATERIAL IN TRANSIT FOR EXPORTATION (PERIOD: 08 TO 12/2004).
Quantity of lawsuits	02
Nbrs. of the lawsuits	I – Tax Foreclosure no. 00078663020108260157 II – Tax Foreclosure no. 00023335620118260157
Judicial Authority	I/II – Cubatão Court – Tax Attachment
Instance	I/II – 1 st
Date commenced	I – 2010; II – 2011;
Parties Involved	
Plaintiff	State of São Paulo - Tax Attachment
Defendant	Usinas Siderúrgicas de Minas Gerais S/A
Others	None
External legal firm	Sacha Calmon – Misabel Derzi Consultores e Advogados
Chance of loss	() probable (x) possible () remote
Main facts	<p>I - Tax Foreclosure nbr. 00078663020108260157 12.02.10 – Tax foreclosure distributed by State of São Paulo. 01.10.11 - Usiminas offered to pledge area 19, located in the Plant at Cubatão/SP, referring to Blast Furnace 2, inscription 7289, to secure the debt and file defense. 05.08.12 – Pledge Term signed. 06.06.12 – Defense presented. 09.22.15 – Technical expert evidence granted. 02.24.16: Expert opinion favorable to Usiminas. Awaiting engineering evidence to be produced. CURRENT STATUS: AWAITING PRODUCTION OF EVIDENCE.</p> <p>II – Tax Foreclosure nbr. 00023335620118260157 03.30.11 - Tax foreclosure distributed by State of São Paulo. 05.17.11 – Usiminas offered to pledge area 05, in Plant 2 located in the Plant of Cubatão/SP, referring to the inscription 7275, as debt warranty to secure the debt and file defense. 08.01.11 – Judicial decision granting the lien to the assets indicated by Usiminas. 11.17.11 – Pledge Term subscribed. 12.19.11 – Defense presented. 11.20.15 – Technical expert evidence granted. CURRENT STATUS: AWAITING PRODUCTION OF EVIDENCE</p>

Authority: (X) Administrative () Judicial () Arbitral	
Nature: () Labor () Civil (x) Tax () Environment () Other:	
Amount involved	R\$ 257.009.285,82
Amount provisioned, if any	None.
Main facts	THE STATE OF SÃO PAULO REQUESTS THE CHARGEBACK OF ICMS DELAY CREDITS REGISTERED BY USIMINAS BECAUSE THEY WERE SUPPOSEDLY: (I) REGISTERED IN DUPLICITY AND WITHOUT INDICATION OF THE MAIN REASON FOR THAT; (II) REGISTERED WITHOUT PROOF OF ORIGIN AND WITHOUT INDICATION OF THE MAIN REASON FOR THAT; AND (III) WERE RELATED TO MATERIAL CONSIDERED AS OF USE AND CONSUMPTION AND WERE REGISTERED WITHOUT INDICATION OF THE MAIN REASON FOR THAT.
Quantity of lawsuits	03
Number of the lawsuit	I – Notice of Infraction nbr. 40089241 II - Notice of Infraction nbr.40263551 III - Notice of Infraction nbr.40368282
Judicial Authority	State Revenue Service of São Paulo
Instance	1 st
Date Commenced	I - 09/2012; II – 09/2013; III – 02/2014
Parties Involved	
Plaintiff	State of São Paulo
Defendant	Usinas Siderúrgicas de Minas Gerais S/A
Others	None
External legal firm	Sacha Calmon – Misabel Derzi Consultores e Advogados
Chance of success	() probable (x) possible () remote
Analysis of the impact if the case is lost	I - Notice of Infraction nbr. 40089241 10.23.12 – Objection to the tax-deficiency notice filed by Usiminas. 06.14.13 – Ordinary appeal filed by Usiminas. 04.13.15 – Ordinary appeal was denied. 05.25.15 – Special appel filed by Usiminas CURRENT STATUS: AWAITING TRIAL. II – Notice of Infraction nbr.40263551 10.01.13 – Objection to the tax-deficiency notice filed by Usiminas. 12.04.13 - Ordinary appeal filed by Usiminas. CURRENT STATUS: AWAITING TRIAL. III - Notice of Infraction nbr.40368282 03.27.14 - Objection to the tax-deficiency notice filed by Usiminas. 06.23.14 - Ordinary appeal filed by Usiminas. CURRENT STATUS: AWAITING TRIAL.

Authority: (x) Administrative () Judicial () Arbitral	
Nature: () Labor () Civil (x) Tax () Environment () Other:	
Amount involved	R\$ 158.961.741,59
Amount provisioned, if any	None
Practices adopted by the issuer or by parties that it controls that caused such contingency	The Brazilian Revenue Service dismissed the credits (REINTEGRA program) due to problem in the credit request was different of the ones in the SISCOMEX data.
Quantity of lawsuits	07
Nbrs. of the lawsuits	I) 10680-900.472/2015-09; II) 10680-900.473/2015-45; III) 10680-900.474/2015-90; IV) 10680-902.704/2015-55; V) 10680-900.475/2015-34; VI) 10680.915.896/2014; VII) 10680-915.897/2014-23; VIII) 10680904091201591; IX) 10680904092201535; X) 10680-912.618/2016-31 e XI) 10680-912.619/2016-86
Judicial Authority	Brazilian Revenue Service
Instance	1 st
Date commenced	04/16/2015
Parties Involved	
Plaintiff	Federal Government
Defendant	Usinas Siderúrgicas de Minas Gerais S/A
Others	None
External legal firm	Botelho, Spagnol e Advogados Associados
Chance of loss	() probable () possible (x) remote
Main facts	04.16.15 – Administrative defense presented. Waiting trial. 06.10.15– Two new filings received by Usiminas. Defense presented. 05.23.16– Two new filings received by Usiminas. 06.20.16 – Defense presented. CURRENT STATUS: AWAITING TRIAL.

Authority: <input checked="" type="checkbox"/> Administrative <input type="checkbox"/> Judicial <input type="checkbox"/> Arbitral	
Nature: <input type="checkbox"/> Labor <input type="checkbox"/> Civil <input checked="" type="checkbox"/> Tax <input type="checkbox"/> Environment <input type="checkbox"/> Other:	
Amount involved	R\$ 73.001.356,07
Amount provisioned, if any	None
Practices adopted by the issuer or by parties that it controls that caused such contingency	Notices of Infraction issued against Usiminas to charge the differences of PIS/PASEP-Import and COFINS-Import supposedly owed due to the non inclusion, on the so called "customs value", of the expenses regarding the unloading and handling of imported goods.
Quantity of administrative proceedings	02
Nbrs. of the administrative proceedings	I) PTA no 10611721712201354; II) PTA no. 11128730446201456
Administrative Authority	Federal Revenue
Instance	I) 1st level ; II) 2nd level
Date commenced	I) 01/21/14; II) 01/14/15
Parties Involved	
Plaintiff	Federal Government
Defendant	Usinas Siderúrgicas de Minas Gerais S/A
Others	None
External legal firm	Botelho, Spagnol e Advogados Associados
Chance of loss	<input type="checkbox"/> probable <input type="checkbox"/> possible <input checked="" type="checkbox"/> remote
Main facts	<p>I) PTA no. 10611721712201354 01.21.14 – Usiminas was notified. 02.20.14 – Defense presented. 10.14.14 – 1st level judgment fully maintained the tax credits. 11.12.14 - Voluntary appeal filed by Usiminas. 03.24.16 - The trial was converted into diligence (production of evidence). CURRENT STATUS: AWAITING FOR DILIGENCE RESULT.</p> <p>II) PTA no. 11128730446201456 01.14.15 - Usiminas was notified. 02.13.15 – Defense presented. 12.28.15 - Reply to the Tax Authority's statement presented by Usiminas. CURRENT STATUS: AWAITING TRIAL.</p>

Authority: (x) Administrative () Judicial () Arbitral Nature: () Labor () Civil (x) Tax () Environment () Other:	
Amount involved	R\$ 99.539.223,91
Amount provisioned, if any	None
Practices adopted by the issuer or by parties that it controls that caused such contingency	No payment of the additional to the tax rate of SAT/RAT contribution, which was implemented in order to finance the social benefit established in Articles 57 and 58 of Law n. 8.213/91 ("special retirement") and is calculated over the compensation of employees who perform their activities subject to special conditions that are harmful to their health or physical integrity.
Quantity of administrative proceedings	05
Nbrs. of the administrative proceedings	I) 35387000566200541; II) 15504726223201168; III) 15504726224201111; IV) 15504726599201172; V) 15504723812201518
Administrative Authority	Federal Revenue
Instance	I, II, III and IV – 2nd level; V- 1 st level
Date commenced	I) 02/2012; II) 09/2015; III) 01/2012; IV) 01/2012; V) 09/2015.
Parties Involved	
Plaintiff	Federal Government
Defendant	Usinas Siderúrgicas de Minas Gerais S/A
Others	None
External legal firm	Botelho, Spagnol e Advogados Associados
Chance of loss	() probable (x) possible () remote
Main facts	I) 35387000566200541; II) 15504.726223/2011-68; III) 15504.726224/2011-11 e IV) 15504.726599/2011-72 CURRENT STATUS: AWAITING TRIAL BY CARF (ADMINISTRATIVE TAX APPEALS COUNCIL). V) PTA nº 15504723812201518 10.14.15 – Preparation and presentation of the defense. CURRENT STATUS: AWAITING TRIAL.

Authority: () Administrative (x) Judicial () Arbitral	
Nature: () Labor () Civil (x) Tax () Environment () Other:	
Values, assets or rights involved	R\$ 51.623.886,11
Amount provisioned, if any	None
Practices adopted by the issuer or by parties that it controls that caused such contingency	THE TAX AUTHORITIES OF SÃO PAULO DEMAND PAYMENT OF ICMS DUE TO SUPPOSED UNDUE CREDIT OF THE TAX ON FREIGHT OPERATIONS. THE CLAIM IS THAT THE TAX CREDIT WAS IMPROPER.
Quantity of lawsuits	02
Number of the lawsuit	I - Tax Foreclosure 00035576320108260157; II- Notice of Infraction nbr. 40741941
Court	I - State Tax Court at the City of Cubatão – SP; e II– São Paulo State Revenue Service – Santos/SP
Instance	I and II: 1 st
Filing Date	I - 24/05/2010; II- 15/06/2016
Parties Involved	
Plaintiff	State of São Paulo
Defendant	Usinas Siderúrgicas de Minas Gerais S/A
Others	None
External legal firm	Sacha Calmon Misabel Derzi Consultores e Advogados
Loss Contingencies	() probable (x) possible () remote
Main facts	<p>I - Tax Foreclosure 00035576320108260157: 05.24.10: Distribution of the tax foreclosure. 03.14.12: Defense presented. 07.10.12: Petition by Usiminas requesting the production of expert accounting evidence. 06.16.16: Interlocutory appeal no. 00862407520128260 determining that the tax foreclosure remains secured by the property made by the State of São Paulo 12.01.16: Expert opinion filed by the expert. CURRENT STATUS – AWAITING DECISION.</p> <p>II- Tax-deficiency notice nbr. 40741941 07.15.16 - Objection to the notice of infraction filed by Usiminas. 09.19.16 – 1st level judgment fully maintained the tax credits. 10.31.16: Ordinary appeal filed by Usiminas. CURRENT STATUS – AWAITING TRIAL.</p>

Authority: (x) Administrative (x) Judicial () Arbitral	
Nature: () Labor () Civil (x) Tax () Environment () Other:	
Amount involved	R\$ 122.315.439,02* *Inclusion by the the amount involved exceeds R\$ 50.000.000,00.
Amount provisioned, if any	None
Practices adopted by the issuer or by parties that it controls that caused such contingency	Notices of Infraction drawn-up due to supposed underpayment of ICMS, considering Usiminas would have taken advantage of the tax credits related to the services of transportation in shipments to warehouses owned by the company and to industries located in the Zona Franca de Manaus.
Quantity of administrative proceedings	2
Nbrs. of the administrative proceedings	0100038551932; 0100043501034.
Administrative Authority	Board of Taxpayers of Minas Gerais
Level	1 st and 2 st
Date commenced	12/07/2015; 06/06/2016
Parties Involved	
Plaintiff	Minas Gerais State
Defendant	Usinas Siderúrgicas de Minas Gerais S/A
Others	None
External legal firm	Botelho, Spagnol e Advogados Associados
Chance of loss	() probable (x) possible () remote
Main facts	PTA n 0100038551932. Final administrative decision unfavorable in the administrative level. Judicial litigation started. PTA n. 0100043501034. Final administrative decision unfavorable in the administrative level.

4.7. Describe other important contingencies not encompassed in the previous items

Authority: () Administrative (X) Judicial () Arbitral	
Nature: () Labor (X) Civil () Tax () Environment () Other:	
Number of the lawsuit	0053430-22.2016.4.01.3400
Judicial Authority	15th Federal District Court
Instance	1st
Date Commenced	09/05/2016
Parties Involved	
Plaintiff	Usinas Siderúrgicas de Minas Gerais S/A – Usiminas, Usiminas Mecânica S.A. and Mineração Usiminas S.A.
Defendant	Electric Energy Trading Chamber (CCEE) and National Electric Energy Agency (ANEEL)
Others	
External legal firm	Rhein Schirato, Tavares, Meireles e Caiado
Values, assets or rights involved	R\$13.932.000,00
Main facts	<p>The preliminary injunction shall be granted unprecedently in order to (i) be determined by CCEE and ANEEL not to transfer to the Plaintiff any financial charges arising from judicial decisions rendered in cases in which the Plaintiff is not a party, especially in those cases where there is a limitation or withdrawal of the application of the GSF on hydroelectric generating agents, in all financial settlements carried out by CCEE; (ii) to determine to CCEE and ANEEL to refrain from performing the Plaintiff's credits on settlement of the CCEE as a result of apportionment of default values that are not payable as a result of the granting of injunctions in this sense in connection with the legal proceedings for the the Plaintiff is a party.</p> <p>09/08/2016 – Preliminary Injunction granted.</p> <p>10/11/2016 – The amount of R\$ 46,500,000.00 was credits on USIMINAS' account.</p> <p>CURRENT STATUS: Awaiting regular continuation of the decision.</p>
Chance of success	<p>() provável (x) possível* () remota</p> <p>* Possible in relation to the residual amount (R\$ 13.932.000,00)</p>
Analysis of the impact if the case is lost	Postponement to receive the credit
Amount provisioned, if any	None

Authority: () Administrative (x) Judicial () Arbitral	
Nature: () Labor () Civil (x) Tax () Environment () Other:	
Number of the lawsuit	Ordinary Action nbr. 340556020014013400
Judicial Authority	Federal Appeals Court of the 1st Region – Seventh Panel
Instance	2 nd
Date Commenced	12/19/2001
Parties Involved	
Plaintiff	Usinas Siderúrgicas de Minas Gerais S/A
Defendant	Eletrobrás and the Federal Government
Others	None
External legal firm	Advocacia Passarinho Y Amoedo
Values, assets or rights involved	R\$ 1.792.662.605,45
Main facts	<p>ORDINARY ACTION FILED BY USIMINAS VIEWING THE RECEIPT OF THE AMOUNTS PAID TO ELETROBRÁS AS COMPULSORY LOAN FROM 1977 TO 1993, WITH DUE MONETARY AND INTEREST, ACCORDING TO THE CRITERIA SET IN THE LAWS APPLICABLE AT THE TIME THAT SUCH TAXES WERE PAID.</p> <p>12.14.01 - Suit filed.</p> <p>03.06.03 - Sentence partially favorable to Usiminas: the judge did not agree with the rates presented by Usiminas for the monetary adjustment of the amount owed by Eletrobrás.</p> <p>03.25.05 - All parties appealed.</p> <p>03.24.04 - Defendants' appeal ruled ungrounded. Usiminas' appeal partially granted.</p> <p>12.19.06 - Special appeals filed by the parties.</p> <p>03.24.09 – Federal Government's special appeal stayed until the final ruling on the appeal before the STJ.</p> <p>08.12.09 – Repetitive appeal judged in STJ.</p> <p>12.15.10 – Usiminas petition protocol requiring that the STJ precedents be applied to this case.</p> <p>07.01.11 – The petition of Usiminas requiring that the STJ precedents were applied to this case was granted by the Judge and the lawsuit was sent to the seventh panel of the Federal Court.</p> <p>11.08.11 – The request of Usiminas was granted but the decision had some contradictions.</p> <p>09.29.14 – Motion for clarification favorable for Usiminas</p> <p>11.17.14 – Eletrobrás filed appeals</p> <p>07.10.15 – The special and extraordinary appeals filed by Eletrobrás were denied.</p> <p>07.15.15 – Interlocutory appeal to STJ and STF filed by Eletrobrás, against the decisions of the Court.</p> <p>12.02.15 – Answer to the interlocutory appeal presented by Usiminas.</p> <p>02.16.16 - Interlocutory appeal to STJ and STF filed by Eletrobrás were denied by the Special Court.</p> <p>23.08.16 - The motion requesting the liquidacion by determination was filed.</p> <p>11.14.16 – Usiminas have indicated retained expert and presented questions.</p> <p>FASE ATUAL: WAITING DESIGNATION OF OFFICIAL EXPERT.</p>
Chance of success	(x) probable () possible () remote
Analysis of the impact if the case is lost	None
Amount provisioned, if any	None

Authority: () Administrative (x) Judicial () Arbitral	
Nature: () Labor () Civil (x) Tax () Environment () Other:	
Number of the lawsuit	Ordinary Action nbr. 00001521619994025101
Judicial Authority	Superior Justice Court (STJ) - Second Panel
Instance	Higher Court
Date Commenced	12/22/1998
Parties Involved	
Plaintiff	Former Cosipa (Usiminas)
Defendant	Eletrobrás and the Federal Government
Others	CVRD, Copene, Cimento Mauá and others
External legal firm	Advocacia Krakowiak
Values, assets or rights involved	R\$ 942.121.760,87
Main facts	<p>ORDINARY ACTION FILED BY COSIPA AND OTHERS (PLAINTIFFS) SEEKING TO RECEIVE THE FULL AMOUNTS PAID TO ELETROBRÁS AS COMPULSORY LOAN FROM 1977 TO 1993, WITH MONETARY ADJUSTMENT AND INTEREST, ACCORDING TO THE CRITERIA SET IN THE LAWS APPLICABLE AT THE TIME THAT SUCH TAXES WERE PAID.</p> <p>02.22.98 - Suit filed.</p> <p>04.01.04 - Sentence partially favorable to the Plaintiffs: the judge did not agree with the rates presented by the Plaintiffs for the monetary adjustment of the amount owed by Eletrobrás.</p> <p>05.03.04 - The plaintiffs filed ordinary, special and extraordinary appeals and Eletrobrás filed an ordinary appeal. The plaintiffs received a favorable ruling with regards to the issue of the monetary adjustment rate, however, unfavorable pursuant to the amounts paid from 1977 to 1986.</p> <p>12.09.13 - The judgment became unappealable.</p> <p>12.17.14 - Execution of sentence filed by Usiminas.</p> <p>02.12.15 - Interlocutory appeal presented against the necessity of the presence of the Union in the lawsuit.</p> <p>09.14.15 - Interlocutory Appeal was ruled in favor of Usiminas.</p> <p>09.15.15 - Appeal filed by Eletrobrás.</p> <p>10.06.15 - Court decision unfavorable for Eletrobrás.</p> <p>28.03.16 - Procedure extinct without a merit sentence.</p> <p>07.04.16 - Motion for clarification filed by Usiminas was refused.</p> <p>16.06.2016 - The motion requesting the liquidation by determination was filed.</p> <p>CURRENT STATUS: Official expert was appointed. The parties have indicated Technical Assistant and presented questions.</p>
Chance of success	(x) probable () possible () remote
Analysis of the impact if the case is lost	None
Amount provisioned, if any	None

Authority: () Administrative (x) Judicial () Arbitral	
Nature: () Labor () Civil (x) Tax () Environment () Other:	
Number of the lawsuit	Ordinary Action no. 323216220064013800
Judicial Authority	Federal Appeals Court of the 1st Region - Seventh Panel
Instance	2 nd
Date Commenced	10/13/2006
Parties Involved	
Plaintiff	Usinas Siderúrgicas de Minas Gerais S/A
Defendant	Federal Government
Others	None
External legal firm	Sacha Calmon – Misabel Derzi Consultores e Advogados
Values, assets or rights involved	R\$ 231.205.109,71
Main facts	<p>EXCLUSION OF ICMS FROM THE PIS AND COFINS CALCULATION BASIS. THE COMPANY SEEKS TO RECOVER THE AMOUNTS PAID IN THE PREVIOUS YEARS REFERENT TO ICMS IN THE PIS AND COFINS CALCULATION BASIS.</p> <p>10.13.06 - Suit filed.</p> <p>07.18.07 – Sentence ruled in favor of Usiminas.</p> <p>08.29.07 - The Federal Government appealed.</p> <p>09.25.12 – The appeal was ruled in favor of Federal Government.</p> <p>10.11.12 – Motion for clarification filed by Usiminas.</p> <p>06.21.16 - Appeal by Usiminas against an appellate decision granted the return a favorable decision.</p> <p>06.28.16 – Motion for clarification filed by Usiminas.</p> <p>CURRENT STATUS: AWAITING TRIAL.</p>
Chance of success	() probable (x) possible () remote
Analysis of the impact if the case is lost	None
Amount provisioned, if any	None

Authority: () Administrative (x) Judicial () Arbitral Nature: () Labor () Civil (x) Tax () Environment () Other:	
Number of the lawsuit	Ordinary Action no. 210176120094013800
Judicial Authority	7th Federal District Court - Judicial Section of Minas Gerais
Instance	2 nd
Date Commenced	08/18/2009
Parties Involved	
Plaintiff	Usinas Siderúrgicas de Minas Gerais S/A
Defendant	Federal Government
Others	None
External legal firm	Botelho, Spagnol Advogados
Values, assets or rights involved	R\$ 219.589.631,38
Main facts	LAWSUIT PROPOSED BY USIMINAS SEEKING THE DECLARATION OF THE COMPANY'S RIGHT TO RECOGNIZE CREDITS FROM PIS/PASEP AND COFINS OVER MACHINERY, EQUIPMENT AND OTHER GOODS INCORPORATED TO THE FIXED ASSET. 08.18.09 – Lawsuit filed. 08.24.10 – Judge ruled in favor of Usiminas requests. 08.30.10 – Appeal interposed by the Federal Government. CURRENT STATUS: AWAITING TRIAL.
Chance of success	(x) probable () possible () remote
Analysis of the impact if the case is lost	None
Amount provisioned, if any	None

4.8. In relation to the rules of the foreign issuer's country of origin and the rules of the country in which the foreign issuer's securities are held in custody, if different from the country of origin, identify:

Not applicable, as the Company is not an issuer of foreign origin.

5. Risk management and internal controls policy

5.1. With respect to each one of the risks described in item 4.1, indicate:

a) Describe the risk management policy adopted

Usiminas has adopted a model of corporate governance that will create value for shareholders and business partners. This model is based on security for investors, transparency, management control and clarity in communications.

Corporate governance practices include the instatement of a permanent Fiscal Council, in addition to internal human resources and audit committees, created in May 9th, 2007 by the Board of Directors.

The company is also structured to meet government and market requirements for listed companies, preserving and encouraging transparency in reporting.

Corporate governance at Usiminas also includes:

- Risk control;
- Presentation of accounts according to international standards;
- A code of conduct for all group companies;
- Instatement of a permanent Fiscal Council;
- Shares traded on BM&FBovespa (level I), in Brazil; on the over-the-counter market in the USA (ADR - level I); and on Latibex, in Madrid.

b) its objectives and strategies, indicating:

- Risks against which one may seek protection

The objective of the risks management is to identify the Company's exposure and to minimize the impact on its operations and results. This identification requires knowledge of the Company, market, activities, legal, social, political and cultural environments.

- Instruments used for protection

The focus of the Internal Audit work is primarily preventive and follow an Annual Audit Plan with the objectives of improving the internal controls structure, improving the corporate governance practices and contributing to the Company's risks reduction. In addition, Internal Audit also evaluates complaints received through the Open Channel.

- Organizational structure for risk management control

The execution of the risks management control activities is responsibility of all Company's employees, based on the approved and widely disclosed corporate standards. To ensure compliance with the guidance and objectives approved by the Board of Directors, the Company has an implemented organizational structure, as describe below:

The Board of Directors, as the highest governing body at the Company's organizational structure and strategic risks management, is specifically responsible for approving the Company's risk propensity and also for following and evaluating such risks.

As the Board of Directors advisory body and also integrating the risks management control organizational structure, the Audit Committee, mandatory governing body according to the Company's Bylaws, presents in its structure members of the Board of Directors. Its attributions and members can be verified on items 12.1 "a" and 12.7 of this Reference Form, respectively.

Also subordinated to the Board of Directors, the General Internal Audit Management is in charge of evaluating the internal control system and directly refers to the Audit Committee.

In 2016, the Internal Audit oversaw the maintenance of the Corporate Governance levels, the maturity in applying the Risk-Based methodology. The result of such audits provided enhancements in the structure of internal controls, improvement of the Corporate Governance practices and contributed to running preventive actions to reduce the Company's risks.

The Company also has Finance and Tax Committees, to advise the Executive Board, that meet periodically and follow the financial positions and the Company's capital structure. Its attributions and members can be verified on items 12.1 "a" and 12.7 of this Reference Form, respectively.

c) Suitability of the operating structure of internal controls to check the effectiveness of the policy adopted

The Company believes that the operating structure and internal controls to check the risk management policy are suitable and under continuous improvement process. The Company makes every effort to run actions proposed by the internal committee and audits as for suitability of the risk management policy, as well as prevention, control, and reduction of risks capable of affecting the Company.

In 2014 the anti-corruption law was the subject of a classroom and e-learning course for all employees of all group companies. The course was planned by the Internal Audit department with the support of the Legal department. The Company reinforced the Open Channel and the Code of Conduct. This preventive action shows the values adopted by the Company.

5.2. Describe the policy to manage market risks adopted by the issuer, its objectives, strategies and instruments, indicating:

a) Describe the market risk management policy adopted

Since the year of 2009, the Company adopted a Financial Policy, whose objective is to establish general guidelines for management and investment of financial resources, in line with the strategic guidelines and the risk profile of the business. This policy is to ensure efficiency in the management of the company's assets and liabilities, supported by the Cash Management and Market Risk Management guidelines, approved by this board.

b) its objectives and strategies, indicating:

- Risks against which one may seek protection

The Company seeks to reduce the exchange exposure to the volatility of currencies, commodity prices, interest rates, volatility in the cash flow, and to avoid mismatching among currencies.

The Company does not adopt specific hedges related to inflation or market liquidity.

- Strategy of equity hedge

To hedge the balance sheet, in relation to the exposure of debts and suppliers in foreign currency, the Company privileges natural hedge operations, with some assets pegged to the foreign currency (cash, short-term investments and receivables from exports), which reduce foreign exchange exposure. Also, the Company engages derivative financial instruments for the same purpose.

- Instruments used for equity hedge

The instruments applied by the Company consist of transactions involving: (i) currency swap, replacing exchange exposure of foreign currency to reais; (ii) interest rate swap, replacing floating rate with fixed rate; (iii) hedge of commodities, avoiding abrupt variations in their prices.

- Parameters used for managing such risks

The Company's Financial Policy, which also encompasses its subsidiaries, establishes the following parameters:

- criteria for selection of the banks and choice of investments allowed are established.
- the objectives of the transactions of derivatives and limits allowed are stipulated.
- the level of contraction of its transactions is defined.
- the grade of exposure to the financial market risks is controlled.
- monitoring of the exchange exposure.

- In the event the issuer operates financial instruments with different objectives of equity hedge and which those objectives are

As described in letter "c" above, the instruments used are financial instruments of derivatives with the objective of hedge, reducing the Company's exposure to the volatility of currencies, commodity prices, interest rates, volatility in the cash flow and avoidance of mismatching among currencies. The Company does not contract financial instruments with others objectives.

- Organizational structure for market risk management control

The execution of the risks management control activities is responsibility of all Company's employees, based on the approved and widely disclosed corporate standards. To ensure compliance with the guidance and objectives approved by the Board of Directors, the Company has an implemented organizational structure, as describe below:

The Board of Directors, as the highest governing body at the Company's organizational structure and strategic risks management, is specifically responsible for approving the Company's risk propensity and also for following and evaluating such risks.

As the Board of Directors advisory body and also integrating the risks management control organizational structure, the Audit Committee, mandatory governing body according to the Company's Bylaws, presents in its structure members of the Board of Directors. Its attributions and members can be verified on items 12.1 "a" and 12.7 of this Reference Form, respectively.

Also subordinated to the Board of Directors, the General Internal Audit Management is in charge of evaluating the internal control system and directly refers to the Audit Committee.

In 2016, the Internal Audit oversaw the maintenance of the Corporate Governance levels, the maturity in applying the Risk-Based methodology. The result of such audits provided enhancements in the structure of internal controls, improvement of the Corporate Governance practices and contributed to running preventive actions to reduce the Company's risks.

The Company also has Finance and Tax Committees, to advise the Executive Board, that meet periodically and follow the financial positions and the Company's capital structure. Its attributions and members can be verified on items 12.1 "a" and 12.7 of this Reference Form, respectively.

- Suitability of the operating structure of internal controls to check the effectiveness of the policy adopted

The Company believes that the operating structure and internal controls to check the risk management policy are suitable and under continuous improvement process. The Company makes every effort to run actions proposed by the internal committee and audits as for suitability of the risk management policy, as well as prevention, control, and reduction of risks capable of affecting the Company.

In 2014 the anti-corruption law was the subject of a classroom and e-learning course for all employees of all group companies. The course was planned by the Internal Audit department with the support of the Legal department. The Company reinforced the Open Channel and the Code of Conduct. This preventive action shows the values adopted by the Company.

5.3. In regard to the controls adopted by the issuer to ensure the preparation of reliable financial statements, inform:

a) Main internal controls practices and the level of efficiency of such controls, indicating any deficiencies and the actions taken to correct them

The Company has formal procedures for the preparation and review of the financial statements, in order to better ensure the integrity and transparency of the information.

Among the adopted practices, can be highlighted:

- The formalization of the accounting standards applied to the financial statements, including the criteria for accruals;
- The automation of most accounting entries;
- The systemized control and the periodic review of the logic access of the systems, as well as the segregation of duties to the critical process transactions;
- The definition of limits of authority for approval by value range;
- The instatement of a Disclosure Committee, responsible for reviewing the communications to the capital markets;
- The management review of the period-end accounting activities, banking reconciliation, journal entries, significant accounting judgments, estimates and assumptions, consolidation of the financial statements, among others.

The internal controls system and the practices adopted by the Company are periodically assessed and monitored by the Independent Auditors and the Internal Audit. Any imperfections and deficiencies are reported in the Internal Controls Reports or the Audit Reports and submitted to the Management and Audit Committee, resulting in actions plans to mitigate or reduce the risks exposure to acceptable levels to the Company.

b) Organizational structure involved:

- Controlling;
- Investor Relations;
- Management;
- Internal Audit;
- Internal committees.

c) If and how the internal control efficiency is supervised by the issuer, indicating the responsables for such monitoring

The internal controls system and the practices established by the Company are supervised by the Board of Directors, Executive Board and Audit Committee from the Internal Controls Reports issued by the Independent Auditors and from the Audit Reports issued by the Internal Audit.

d) Deficiencies and recommendations regarding to the Company's internal controls report, prepared and presented to the issuer by its independent auditor, in accordance with regulations issued by CVM related to independent auditing activities

For the financial statements of the last 3 years, the independent auditors of Usiminas, during the execution of their auditing procedures, did not identify recommendations or weaknesses in relation to the Company's internal controls that could be considered material and/or with significant impacts on the financial statements.

Regarding other deficiencies identified by the independent auditors, it is important to mention that they reported, for the years ended December 31st, 2015 and 2014, certain weaknesses in the internal controls processes related to the management of expatriates professionals, regarding direct and indirect benefits to be paid to such professionals, such as: (i) lack of clarity between the established in the Policy of Long Term Transfer (National and International) and the definitions in the Internal Procedure of Human Resources; (ii) lack of approval by the Human Resources Committee and the Board of Directors of the regulation to the management of impatriates and expatriates professionals; (iii) weaknesses in the internal controls related to the calculation of direct and indirect benefits, calculation of taxes, values reconciliation, payments and presentation of the amounts paid to the expatriates professionals in the Company's payroll. These reported weaknesses, that are not considered material, were evaluated by the Audit Committee, in order to improve such procedures. The elaboration of new transfer policies are currently under discussion in the Human Resources Committee, with the definition that such policies should be sufficiently clear and complete, with no future regulations. Management believes that such weaknesses do not impact the Company's activities and is currently supporting the Human Resources Committee so that the improvements mentioned above can become effective as soon as possible.

e) Comments of the Management regarding to the deficiencies identified in the independent's auditor report and the corrective measures adopted

Management is aware of the independent auditor's recommendations report and believes that the reported deficiencies do not impact the Company's activities and financial statements. Regarding the weaknesses described on item 5.3.d above, Management is currently supporting the Human Resources Committee so that such improvements can become effective as soon as possible.

5.4. Inform if, in relation to the last fiscal year, there were significant changes in the principal market risks to which the issuer is exposed or in the risk management policy adopted

In regard to the risks exhibited in items 4.1, 5.1 and 5.2, the Company believes there were no significant changes in the risks showed when compared to the previous fiscal year.

There is no expectation of reduction or increase in the Company's exposure to these risks. The Company seeks to hedge itself against currency fluctuations, performing swap transactions, always in compliance with the guidelines established in its Financial Policy.

5.5 Provide other information as the issuer may deem significant

No information deemed significant.

6. History of the issuer

6.1. In relation to the issuer's incorporation, inform:

- a) *Date:* 04/09/1954
- b) *Nature:* Joint Stock Company
- c) *Country of incorporation:* Brazil

6.2. Inform the issuer's duration

Undetermined

6.3. Brief History of the issuer

History Cycles of the Company

FOUNDATION (1956-1958)

In an optimistic background created by the Development Plan of president Juscelino Kubitschek - JK, the Company is founded on April 25, 1956. In June 1957, the Lanari-Horikoshi agreement consolidated the Japanese interest in the company, which received the financial investment of the governments of Minas Gerais, Brazil, and Japan. On August 16, 1958, JK thrust in the initial stake for the construction of the plant in Ipatinga, then a village with 300 inhabitants.

CONSTRUCTION (1959-1962)

Ipatinga lacks the infrastructure required to shelter the 10 thousand workers estimated for the construction works of the Company, which prepares an urbanization plan for the city and creates conditions to receive both the employees and the civil construction workers. On October 26, 1962, president João Goulart lights the first blast furnace and launches the plant, then with capacity to produce 500 thousand tons of iron annually.

SOCIAL INVESTMENT (1965)

The year is a benchmark for the social friendly operation of the Company. On May 1, 1965, the Company lays the foundation of Márcio Cunha Hospital. In the same year the population of Ipatinga receives the facilities of a pulmonology center, a preventive medicine center, three policlinics with dental offices, an emergency room - located inside the plant - and one childcare clinic.

1st EXPANSION CYCLE (1969-1974)

Brazil experiences a strong economic growth period and the Company commences its first expansion cycle, which boosts the production capacity to 1.4 million tons p.a. In 1970, with the foundation of Usiminas Mecânica, it starts to serve both the civil construction and mechanics sectors. Next year the Research Site starts to develop its own projects and operates in technology transfer. In 1974, with the inauguration of blast furnace 3, the annual production capacity reaches 3.5 million tons of steel p.a.

BEATING RECESSION (1980)

The Company reacts to the financial crisis the Country is going through with an internal economy program, applying a new system of smart, more flexible management, thus improving the use of physical, financial and human resources. The Company changes its central office to the new building main office, in the region of Pampulha, in Belo Horizonte.

ENVIRONMENTAL INVESTMENT (1984)

The Company pioneers in the State of Minas Gerais the Project Xerimbabo, which means “pet” in tupi, whose objective is to develop courses, seminars and exhibits focusing on environmental education.

PRIVATIZATION AND MODERNIZATION (1991)

On October 24, 1991, the Company becomes the first state-owned company to be privatized by the National Privatization Program. Next it receives investments of US\$ 2.1 billion in technological updates to increase and optimize the production and boost the environmental protection. In November of that year, the company's shares start to be trade on BM&FBOVESPA S.A. - Bolsa de Valores, Mercadorias e Futuros.

MERGER AND PIONEERING (1993-1996)

Companhia Siderúrgica Paulista (Cosipa), one of the Country's largest plants, with principal place of business in Cubatão (SP), is acquired by the Company, which invests in technological update, environmental recovery and safety. Still in 1993, electrolytic galvanization is launched at the Ipatinga plant, with investment of US\$ 228 million. In 1996, the Ipatinga plant becomes the first company in Brazil and the second in the world to receive the certification of ISO 14001 concerning respect to environment and environmental protection.

RESTRUCTURING (1998-2001)

The current ownership of Usiminas is the result of a corporate restructuring that took place between 1998 and 2001 and involved Usiminas and Cosipa, through which Usiminas became the single shareholder of Cosipa. The restructuring consisted of reallocation of assets and liabilities between Usiminas and Cosipa, so that at the end of the process the former Usiminas could merge with the former Cosipa, which changed its designation and principal place of business, thus creating the current Usiminas, and the principal assets of the former Cosipa were transferred to the new company, Cosipa.

It was centralized in Usiminas the right to use the Terminal of Cubatão and the correlated activities, the right to use the oxygen plant and explore gases generated in the steelworks process developed in Cubatão, as well as assumption of short-term indebtedness, in addition to the issue, by Cosipa, of debentures convertible into shares, which were subscribed for by Usiminas and converted into shares in October 2001, with its subsequent growing interest from 32% to 93% of the total capital of Cosipa.

In 1999, following investment of US\$ 852 million, the company launches the Country's most modern cold roll laminating line - Cold Roll Laminating 2, with yearly production capacity of 1 million tons. In the same year, Unigal Ltda. ("Unigal"), a steel plate galvanizing company is created for the manufacture of automobiles, home appliances, civil construction, among other.

INTEGRATION (2005-2006)

Usiminas executed public offer for the acquisition of remaining shares issued by Cosipa, withheld by its minority shareholders, held through auction in BOVESPA and finished on March 18, 2005 with the purpose of annulling the registration of public-traded company of Cosipa. The registration of public-traded company held by Cosipa was annulled on April 5, 2005.

With capital going private, Cosipa commences to be the Company's wholly-owned subsidiary. Also in 2005, the company discloses partnership with Grupo Techint and interest of 14.2% in the steel company Ternium, thus forming a company with installed capacity of 12 million tons/p.a. In November 2006, shareholders execute a new agreement, which strengthens the control group and reaffirms the commitment towards the continuous improvement of its production process.

RECENT INVESTMENTS (2007-2015)

In order to optimize the business, Usiminas carried out, over the last 7 years, a number of investments in its several unities to improve the quality of its products, its production mix and to optimize the production and flow of own iron ore.

In 2008, Usiminas acquired its iron ore mines, which consisted of a reserve of 2.6 billion tons of iron ore in the region of Serra Azul - MG, one of the biggest ore-producing states in Brazil. In order to flow that ore, the company also acquired, in the same year, a land in Baía de Sepetiba/RJ for transportation of iron ore for export and possible alternative for the Company's future port installations.

Still in 2008, Usiminas acquired Zamproga, until then the biggest independent ore distributor and the greatest manufacturer of welded pipes in Brazil, thus increasing its distribution network especially in the south of the country.

In 2009, Usiminas consolidated all of its steel processing and distributing companies into a single company, thus creating Soluções Usiminas.

The year of 2009 was also marked by the merger of the former Cosipa, for the purpose of a synergy and optimization gain of human and financial resources.

On March 18, 2009, Usiminas announced the release of a new brand, starting up the great reformulation in the architecture of its business. The new brand integrated the self-renewal process of Usiminas, commenced in 2008 with the implementation of a distinguished management model and renewal of the Company's business structure.

Still in 2009, the Company consolidated the group of its performance areas into four Business Units: Mining, Metallurgy, Steelworks, Steel Transformation, and Capital Assets.

The most outstanding happening in the year of 2010 was the completion of two important investments. Coke Oven 3, in Ipatinga, became operational to increase own generation of coke, contributing to the reduction in the costs of Usiminas. CLC, an accelerated cooling equipment of Thick Plates, brought to the product of Usiminas a new technology that lead it to a new quality level. Such equipment allowed promising markets (such as those of oil and gas) to access the products of Usiminas, in product categories that could not be met by the company before.

Still in 2010, Mineração Usiminas S.A. (MUSA) was created, through partnership with Sumitomo Corporation and, subsequently, that company executed several agreements to optimize its product production and flow. The company also executed an agreement with MMX to use the Port in the region of Itaguaí, which will allow MUSA to have a port exportation capacity as it increases its production level. In 2011, the company entered into cooperation and joint mining agreements, aiming to increase its production capacity, with MMX, MBL and Ferrous, in addition to having acquired the former contentious area.

Great investments were made in the year of 2011, such as the new Hot Roll Galvanizing Line in Ipatinga, which increased the production capacity of the highest added value product of the company, and the foundry line of Usiminas Mecânica.

The year of 2012 was marked by the entry of Ternium/Tenaris, replacing Votorantim and Camargo Correa in the control group consisting of shareholders Nippon Steel & Sumitomo Metal Corporation (new designation to Nippon Steel Corporation) and Previdência Usiminas, which executed a new Shareholders' Agreement until 2031. The Company strengthened itself to regain competitiveness by making efforts focused on key areas of four business, commercial and industrial.

In 2012, a great cycle of investments in Metallurgy had come to an end. In the last five years, around R\$ 11 billion were invested in the modernization of our metallurgical units and in the increase of laminating and galvanization capacity for the production of higher added value steel. The Company finished its new Hot Strip Mill 2 (HSM 2). With investments in the amount of R\$ 2.5 billion paid up since 2007, the equipment, installed in the Cubatão plant (SP), is one of the most modern in the world, with production capacity of 2.3 million tons/p.a. of hot-rolled steels. By doing that, the company increases its offer of products focused on more added value markets, such as the spare part, oil and gas, machinery and equipment industries, among others. Additionally, the Company started to strongly perform in the search of more efficient industrial processes and more integration with customers, seeking control of costs and CAPEX and adapting them to the challenging context that the industrial sector faces.

In Mineração Usiminas the investments in total were R\$ 554.8 million in 2012, mainly related to the Project Friáveis.

The year of 2013 was marked by the recovery of good results in the Company's operating cash generation, which strengthened its competitiveness by making efforts focused on key areas of four business, commercial and industrial. The Company worked over the year in the industrial processes, continuously seeking operational stability, efficiency, and cost reduction, with rigid discipline of controls.

The investments in 2013 totaled R\$ 981 million, 40% less compared to the year of 2012, in line with the Company's strategy of optimizing its CAPEX. The principal investments in 2013 were: the Project Friáveis, expansion of the production capacity in Mineração Usiminas; new Pickling line No.3, in the Cubatão plant; and the reform of Coke Oven No. 2 in the Ipatinga plant.

On December 20, 2013 the shareholding of Usiminas in the capital of Automotiva Usiminas S.A. ("Automotiva") was fully sold to Aethra Sistemas Automotivos S.A. The sale of Automotiva is in line with the Company's strategy to prioritize, in its portfolio, the transactions directly associated with its principal activities, seeking to maximize its competitive positioning.

In Mineração Usiminas, in 2013 investments reached R\$ 317.3 million, mostly regarding the Project Friáveis. The year 2013 was marked by the beginning of the operations of the Iron Ore Treatment Installation (ITM), designated Samambaia, as an integral part of the expansion plan of Mineração Usiminas, which estimates for 2014 the beginning of the operation of ITM Flotação, where it will reach the total annual production capacity of 12 million tons.

Also, it was the beginning of the exploration of the mining rights leased of MBL, which borders those of Mineração Usiminas S.A., in the region of Serra Azul (MG), which increases the company's access to its reserves. The leasing is to last 30 years or until depletion of the reserves.

The investments in 2014 totaled R\$ 1.1 billion, 13.1% higher compared to the year of 2013. The main investments were related to maintenance CAPEX, reform of Coke Oven No. 2 in the Ipatinga plant and the conclusion of the Project Friáveis in the Mining unit. 87% of the total investments in 2014 were designated to the Steel unit, 8% to the Mining unit, 4% to the Steel Transformation unit and 1% to the Capital Assets unit.

The Mining unit highlight in 2014 was the startup of the Iron Ore Treatment Installation (ITM) designated Flotação, that will recover Pellet Feed from natural thin iron ore, thin iron ore dam and thick reject from existing ITM's and is part of the expansion plan for Mineração Usiminas, that estimates for 2015 the consolidation of basic engineering with the Compact Project, for adapting to the new iron ore world market scenario.

Mineração Usiminas invested in 2014 R\$ 94.3 million, mainly related to the projects of dam heightening and logistics flow, with the objective of adapting the current operation to the production levels estimated with the startup of the new plants of Project Friáveis.

In 2015, investments totalled R\$784.1 million, 29.4% lower when compared with 2014, result result of the Company's strategy of strict CAPEX control. The main investments were with sustaining CAPEX and with the Coke Plant II revamp in Ipatinga. In 2015, approximately 79% were applied to the Steel Unit, 15% to the Mining, 5% to the Steel Transformation and 1% to the Capital Goods Unit.

Total CAPEX in 2016 was R\$225.2 million, 71.3% lower when compared with 2015, as a result of the Company's strategy of strong control over CAPEX spending. The main investments made were with sustaining CAPEX. Out of the total invested in 2016, approximately 79% were applied to the Steel Unit, 15% to the Mining Unit, 3% to the Steel Processing Unit and 3% to the Capital Goods Unit.

6.4. Date of Registration with CVM

04/11/1994

6.5. Indicate if the issuer filed any petition for bankruptcy, provided that it is based on relevant value, or for judicial or out-of-court reorganization

There was no petition for bankruptcy in the last 3 fiscal years.

6.7. Provide other information as the issuer may deem relevant

In addition to the information above, the Company believes there is no additional relevant information that must be provided in this item 6 of the Reference Form.

7. Atividades do emissor

7.1. Describe briefly the activities developed by the issuer and its subsidiaries

According to its values, vision and corporate identity, the Company consolidates the group of its operations in four major business units:

1. Mining;
2. Steel production;
3. Steel transformation;
4. Capital assets.

In the **mining** business unit there is allocation of the mineral assets of the mine of Serra Azul, located in the Iron Quadrilateral of Minas Gerais, and one back-up area situated in the Port of Itaguaí, in the State of Rio de Janeiro. The business unit also has interest of the Company in MRS Logística S.A. ("MRS"), a concessionaire that controls, operates and monitors the South-east Network of the Federal Railway Network.

The **steel production** activity counts on the plant of Ipatinga (MG) and Cubatão (SP) and Unigal Ltda., *Joint-venture* between the Company (70% interest) and Nippon Steel & Sumitomo Metal Co. (30% interest), which processes hot-dip galvanized coils. Galvanized steel is especially used in the automotive, household appliance, and civil construction industries. Until February 2011, the activities of a subsidiary of the Company accounted for 14.25% of the total capital. The Company sold its total interest in the company Ternium in February 2011. Two private mixed use marine terminals also belong to the Steel business unit: the Private Terminal of Praia Mole (TPPM), in Espírito Santo, in which the Company participates as jointly-owned assets, and the Private Marine terminal of Cubatão (TMPC), in São Paulo, both situated outside the Organized Ports of Vitória and Santos, respectively.

The business unit of **steel transformation** encompasses the companies Soluções em Aço Usiminas S.A. ("Soluções Usiminas") and Rios Unidos Logística e Transportes de Aço Ltda. ("Rios Unidos").

Soluções Usiminas (SU) was consolidated in 2009 and 2010 from the steel processing and distribution industries Fasal, Rio Negro, Dufer, and Zamproгна NSG, and the industrial assets of Usiminas, Usial and Usicorte. The capital of Soluções Usiminas is divided among the Company (68.9%), Metal One Corporation (20%) and the Sleumer family (11.1%). The company is specialized in the production of products and rendering of services from flat steels and in its distribution.

The Company operates in the **capital assets** sector through Usiminas Mecânica S.A. ("Usiminas Mecânica"), one of the biggest Brazilian companies, which provides high added value products, such as industrial equipment and metallic structures, blanks and forged steel, several assemblies, railway cars, casted for a number of industry sectors.

For more information about the activities of the Company's subsidiaries, please refer to 9.1., letter "c" of this Reference Form.

7.2. In relation to each operational sector disclosed in the last year-end financial statements or, if any, in the consolidated financial statements, indicate the traded products and services, revenue from the sector and its percentage of the Company's net revenue, and profit or loss of the segment and its percentage.

a) Traded products and services

In the **Steel** Business Unit, Usiminas produces and trades the following flat rolled steel products: plates, thick plates, hot-rolled products, cold-rolled products (uncoated products), electro-galvanized and hot-dip galvanized products (coated products).

Plates: Primary products resulting from the continuous casting of carbon steel (from ultra-low to high content) and/or micro bonded steel, of thickness ranging from 210mm to 250mm, and width ranging from 700 to 2,000 millimeters and minimum height of 2,450 millimeters. The plates are basic inputs for the production of flat products. However, they can also be sold to clients.

Heavy plates: Products resulting from hot rolling of steel plates, whether followed or not by thermal treatment, ensuring a wide range of mechanical properties, so that mechanical resistance limit values of 1000 MPa may be reached. As for dimensions, thickness may range from 6.0 to 150.0 millimeters, width from 900 to 3,900 millimeters, and height from 2,400 to 18,000 millimeters. The heavy plates may be provided under the condition of conventional rolling, controlled rolling or controlled rolling followed by accelerated cooling (TMCP). Those produced by conventional rolling may be supplied with thermal treatment, such as normalization, quenching and tempering. Those products may be applied in infrastructure businesses, civil construction (including bridges, hangars, and buildings), maritime platforms, large-diameter pipes, agricultural and mining tools, and power plants.

Hot-rolled steels/Hot strips: Those products may be traded as coils or sheets and may reach high levels of mechanical resistance. In relation to thickness, they may contain materials from 1.5 to 20.0 mm and, as for width: between 715 and 2,050 mm. The principal consuming sectors are spare parts, small and large diameter tubes, civil construction, heavy structures, machinery and equipment, railway and highway equipment, agricultural tools and components of electrical and electronic appliances.

Cold-rolled steels: Those products are traded as coils and sheets and may have high level of mechanical resistance. In dimensional terms, they may be supplied with thickness ranging from 0.20 to 3.0 millimeters and width between 750 and 1,860 millimeters. Thin sheets and cold-rolled coils are applied in the automotive and spare part sector, packages, small-diameter tubes, as well as products of the civil and furniture sectors.

Galvanized products: Consist of cold-rolled zinc-coated coils (or zinc-iron alloy). Galvanization consists of superficial coating of iron with metallic zinc, of one or more sides, applied through hot-dip (hot-dip galvanized) or electrolytic (electro-galvanized) process. The galvanized products are especially applied in automotive vehicles, civil construction (tiles, partition walls, gutter pipes etc.), electric appliances, electronic articles, storage tanks, and agricultural equipment. Hot-dip galvanized and electro-galvanized products are produced in the plant of Ipatinga.

Galvanization is one of the cheapest and most efficient processes to protect steel against the corrosion caused by the exposure to water and atmospheric humidity. The Company produces galvanized sheets and coils in continuous processing lines through hot-dip, with thickness ranging from 0.40 millimeters to 3.00 millimeters and width between 700 millimeters and 1,830 millimeters and, in the electrolytic galvanization line, with thickness between 0.40 and 2.00 millimeters and width between 700 millimeters and 1,650 millimeters. Both processes result in highly adherent zinc-coated products, capable of being processed in almost all types of bending machines and stamping press. Automobile manufacturers, consumer appliance and construction industry use the products processed in the stamping press (leading the process of drawing

formation in steel). The aggregate value of the galvanizing process allows the Company's plants get a higher profit margin with its galvanized products.

In the Business Unit of **Capital Assets**, Usiminas counts on Usiminas Mecânica, which ranks among the country's biggest companies of capital assets. The Company operates with Metallic Structures, and in the Naval and Offshore, Oil & Gas, Industrial Equipment, Industrial Assemblies, Casting and Railway cars sectors.

In the Business Unit of **Steel Transformation**, Soluções Usiminas operates in the distribution and service markets as well as in the production of small-diameter tubes, offering its high added value products to its clients. The Company has capacity of processing more than 2 million tons of steel a year in its 10 industrial units, strategically distributed in the States of Rio Grande do Sul, São Paulo, Minas Gerais, Rio de Janeiro and Pernambuco. In addition to the cutting services of the steel products, Soluções Usiminas produces Forged Products and Blanks for a number of economic sectors, such as Automotive, Spare Parts, Civil Construction, Distribution, Electric Appliances, Machinery and Equipment, Household Appliances, among others. Please find below a description of those items.

Stamped Products: Stamped products mainly consist of cold-rolled and electro-galvanized sheets and coils, cut and stamped in special formats. Stamped products include automotive parts and frameworks (chassis). The stamped products represent another market niche considered highly profitable for Usiminas.

Blanks: Are thick hot- or cold-rolled or electro-galvanized sheets, or coils, cut in special formats (blanks), stamped and automotive parts and engineering services, produced and processed in the services and distribution centers of the Company.

Still in the **Steel transformation** Business, Soluções Usiminas industrializes coils and sheets supplied by Usiminas in products such as several blanks, soldered sets, cylinders, welded tubes. On top of that, the company renders services such as transversal and longitudinal cut, laser welding, cleaning and others, and distributes coils and sheets supplied by Usiminas.

In the Business Unit of **Mining**, Mineração Usiminas holds mineral assets with potentially mineable reserves estimated in 2.6 billion tons. In 2016, the sales of Mineração Usiminas totaled 3.2 million tons of iron ore, 75% of which to Usiminas and 25% to other clients.

Other Products: Consist of "special products and services" generated in the steel production process or in the support process of steel production. It is worth mentioning the following products: casted, forged, non-rolled products (such as sludge and slag), carbo chemicals (benzene-toluene-xylene – BTX, ammonia, bitumen, naphthalene and tar), services of new rolling of plates and assets disposed of (such as old engines, non-ferrous scrap iron, deactivated equipment). Casting of the Company in Ipatinga is the greatest casting in South America when it comes to size of parts on demand for own use and for external clients and other metallurgical companies. Casted parts are produced as designed for a number of machines of hydroelectric power, mining and metallurgical plants, paper mills, among others, in steel, casted iron and other metals. Finally, the Company produces forged bars in Ipatinga.

b) Revenue resulting from the sector and its percentage of the issuer's net revenue and c) profit or loss resulting from the sector and their percentage of the issuer's net profits

The tables below show the revenue resulting from each Business Unit and its percentage of the Company's net revenue, as well as of the operational profit or loss resulting from each Business Unit.

At December 31, 2016

In thousand reais	Mining	Steel production	Steel transformation	Capital assets	Adjustments	Consolidated company
Net Revenue from Sales	366,144	7,518,356	1,853,499	568,273	(1,852,072)	8,454,200
Domestic market	292,301	6,608,912	1,852,875	567,250	(1,852,072)	7,469,266
Foreign market	73,843	909,444	624	1,023	-	984,934
Cost of Products Sold	(295,546)	(7,080,057)	(1,730,622)	(529,212)	1,668,559	(7,966,87)
Gross Profit	70,598	438,299	122,877	39,061	(183,513)	487,322
<u>(Operating (Expenses) Revenues</u>	182,465	(877,140)	(103,235)	(59,163)	5,298	(851,775)
Operating Profit (Loss) before Financ.	253,063	(483,841)	19,642	(20,102)	(178,215)	(364,453)
EBITDA	45,516	614,535	48,806	11,755	(60,237)	660,375
EBITDA MARGIN	12.43%	8.17%	2.63%	2.07%	3.25%	7.81%
Percentage of Consolidated Net Revenue	3.55%	72.95%	17.98%	5.51%		

At December 31, 2015

In thousand reais	Mining	Steel production	Steel transformation	Capital assets	Adjustments	Consolidated company
Net Revenue from Sales	401,511	9,174,416	1,924,758	868,596	(2,183,711)	10,185,570
Domestic market	401,511	7,088,469	1,918,921	840,107	(2,183,711)	8,065,297
Foreign market	-	2,085,947	5,837	24,489	-	2,120,273
Cost of Products Sold	(354,074)	(9,135,885)	(1,872,886)	(742,222)	2,092,049	(10,013,018)
Gross Profit	47,437	38,531	51,872	122,374	(91,662)	172,552
<u>(Operating (Expenses) Revenues</u>	(2,463,984)	(1,219,404)	(154,055)	(64,405)	4,508	(3,897,340)
Operating Profit (Loss) before Financ.	(2,416,547)	(1,180,873)	(102,183)	57,969	(87,154)	(3,724,788)
EBITDA	(88,803)	282,254	(17,045)	86,885	28,181	291,472
EBITDA MARGIN	-22.12%	3.08%	-0.89%	10.00%	-1.29%	2.86%
Percentage of Consolidated Net Revenue	3.25%	74.17%	15.56%	7.02%		

At December 31, 2014

In thousand reais	Mining	Steel production	Steel transformation	Capital assets	Adjustments	Consolidated company
Net Revenue from Sales	742,988	10,928,650	2,340,952	794,278	(3,065,239)	11,741,629
Domestic market	617,278	9,326,927	2,332,918	786,156	(3,065,239)	9,998,040
Foreign market	125,710	1,601,723	8,034	8,122	-	1,743,589
Cost of Products Sold	(502,857)	(10,076,472)	(2,271,112)	(715,897)	2,861,474	(10,704,864)
Gross Profit	240,131	852,178	69,840	78,381	(203,765)	1,036,765
<u>(Operating (Expenses) Revenues</u>	(92,277)	(259,861)	(112,759)	(53,640)	4,740	(513,797)
Operating Profit (Loss) before Financ.	147,854	592,317	(42,919)	24,741	(199,025)	522,968
EBITDA	277,060	1,545,551	(3,730)	50,023	(5,833)	1,863,071
EBITDA MARGIN	37.29%	14.14%	-0.16%	6.30%	-3.17%	15.87%
Percentage of Consolidated Net Revenue	5.02%	73.81%	15.81%	5.36%		

7.3. In relation to the products and services corresponding to the operational sectors disclosed in item 7.2. , describe:

Mining

a) Characteristics of the production process

The production process consists of extraction (excavation, perforation and handling) and processing (crushing, cleaning, concentration) of iron ore. The technology used in its extraction process is national, originated from its predecessor, J.Mendes, now acquired, and continuously improved by the Company, always in line with the sustainability of its business and its expansion projects. The yearly production capacity is 12.0 million tons of iron ore. Mining machines, equipment and facilities are covered by the Company's corporate insurance policy. Preventive maintenances are performed from time to time by the company in compliance with its plans and safety policies.

b) Characteristics of the distribution process

In the year 2016, 74.9% of the total sales volume was sold to the Plants of Ipatinga – MG and Cubatão – SP, which belong to Usiminas, and the remaining part, destined to the domestic market, sold without intervention of third parties, commissioners or dealers. In 2015, the total amount sold to the plants belonging to Usiminas was 92.6% and, in 2014, it was 73.1%.

The distribution process is mainly performed through highway transportation contracted with independent carriers and transportation companies of the Company until the railway terminals situated in Itaúna and Sarzedo, State of Minas Gerais. The responsibility for the other distribution phases is defined according to the commercial contract, which occurs through railway transportation until the plants belonging to Usiminas or until the port terminals, when they are destined to the external market.

c) Characteristics of the operation markets

With the moderate growth rate of the world economy in 2016, the price of iron ore did not show significant average variation, the internal demand for iron ore accompanied the decline of the Brazilian industrial production that impacted the consumption of steel that registered an expressive diminution. Given this scenario and adjusting its production to the current demand, in 2016, Mineração Usiminas produced 2.8 million tons of iron ore.

The year of 2015 presented a significant fall in the iron ore price, due to the decrease in the expectations related to global GDP growth, as a consequence of the slowdown in civil construction in China, combined with the significant increase in the capability of iron ore production, especially with new volumes from Australia. After on year of decreases in the price, in 2015, an additional decline of 40% in the price of iron ore (62% Fe, CFR China). Given this scenario, in 2015, Mineração Usiminas produced 3.9 million tons of iron ore.

In 2014, China, which is the world's largest importer of iron ore, obtained a consumption 5% higher compared to 2013, and the import of raw materials by Asian country increased 13.3% over the previous year. However, the global supply also increased, especially with new volumes from Australia, which exported 21% more compared to 2013. The Brazilian product exports in 2014 advanced 5% over the previous year, reaching a volume of 346 million tons, mainly due to new projects of large mining. The increase in world supply and austerity in credit and funding resources in China resulted in a reduction of almost half the price of iron ore in the international market. This year, were produced by Mineração Usiminas 6.1 million tons of iron ore.

The extraction of ore takes place in mineral concession areas authorized by DNPM²⁶, both in own or third parties' mining areas.

d) Possible seasonality

None.

e) Principal supplies and raw materials

The principal supplies and raw materials acquired are fuels (diesel fuel, gasoline), whose market is regulated by ANP - Petroleum National Agency, while explosives for civilian use are regulated by the Ministry of Defense.

i) Description of the relations maintained with the suppliers, including whether they are controlled or regulated by government, with indication of the bodies and the corresponding applicable law

The company has executed long- and short-term contracts with fuel suppliers that do not belong to the companies of Usiminas in order to serve all units of the Companies of Usiminas, negotiating better prices due to the volume consumed. In regard to the explosives, the company has also executed long- and short-term contracts with suppliers that do not belong to the companies of Usiminas in order to supply most of its supplies, and acquires a minor part of several suppliers available in the market. The supplies are subject to specific regulation. The fuel markets (diesel fuel, gasoline) are regulated by ANP – Petroleum National Agency (ANP Resolution No. 12, of March 21, 2007), and the explosives for civilian use are regulated by the Ministry of Defense (Decree No. 3665, of November 20, 2000).

ii) Possible dependence on a few suppliers

The supply of the supplies and raw materials the Company needs is contracted with a diffused base of suppliers. Therefore, the Company is not limited to a few suppliers to acquire those supplies and raw materials.

iii) Possible volatility in its prices

There is no important volatility in the prices of the supplies and raw materials acquired by the Company, except the fuels influenced by variations related to the behavior of the price of petroleum in the international market.

Steel production

a) Characteristics of the production process

The Plants of Ipatinga and Cubatão are integrated. Please find below a brief summary of the steel production process.

²⁶ National Department of Mineral Production

- Raw material yards

The principal raw materials used in the production of steel in integrated plants are charcoal, iron ore, limestone, dolomite and manganese. Iron ore and charcoal are stored in raw material yards. Next, they are homogenized, sifted and calibrated for usage in the coke furnace and in the blast furnaces.

- Coke furnace

The mixture of charcoals (high, medium and low volatile charcoals and soft charcoals) is crushed and heated in vertical furnaces for removal of their volatile components. This distillation process transforms charcoal into coke, which is the fuel of the blast furnaces, thus providing heat and acting as a reducer. Such process also produces gas as byproduct, used by the plants in the burning of their furnaces, as well as a fuel source for their own generators.

- Sintering Plant

After the homogenization and sifting processes, the iron ore powder and the charcoal powders are mixed together with other materials (coke breeze, limestone, dolomite, dunite and anthracite) and processed to create agglomerate called sinter. Those raw materials are mixed and arranged in rolling mats, whose initial part has ignition furnaces that starts the combustion of coke and anthracite of the mixture. Next, through air suction, the combustion of the mixture is kept until it is totally burned, when also the particles resulting from the mixture of iron ore fine and other additions go through a superficial fusion, agglomerate and form a cake. After it is crushed and sifted, this cake will produce lump sinter in appropriate dimensions for usage in the blast furnaces, together with iron ore pellets and coke.

- Blast furnace

The blast furnace is loaded with sinter, coke, lump ore and pellets. During the process, the air is blown by special compressors, passes through a heat process in heat regenerators and is blown into the blast furnace through special vents, promoting the combustion of coke and injected charcoal. That combustion especially generates the reducing gas carbon monoxide, which will react with oxygen of iron oxides (found in sinter, pellet and lump ore) in the upper part of the blast furnace, absorbing oxygen, generating carbon dioxide and releasing the metal iron. In the lower part of the blast furnace, where coke and injected charcoal are burnt, iron and other impurities are casted in two phases, pig iron (which basically consists of iron and carbon) and slag, which mainly consists of oxides, calcium and magnesium. The compound mainly formed by iron and around 4% of carbon that it absorbs in contact with coke is called pig iron, which is the principal raw material for the steel manufacturing.

- Steel Mill

In the steel mill, liquid pig iron, together with steel scrap, in addition to other additives in small volume such as manganese, nickel and aluminum ores, after being loaded into the converter, pass through oxygen blowing that starts the combustion of carbon of pig iron, thus reducing its content in the iron-carbon alloy and generating heat to cast the scraps and other additives. The alloy with less than 2% of carbon is called steel. Generally, that carbon content is from 0.0030 to 0.15%. In addition to the blowing into the converter, there are other supplementary metallurgical processes, such as desulphurization, degasification and desilication, performed in specific equipment and pans, according to the metallurgical and mechanical characteristics intended for the end product. In the steel mills, there is the continuous casting, in which liquid iron is put for solidification over roller tables with special cooling systems. Since the entire process is cooled, there is fast and superficial solidification of steel, thus forming plates with thickness from 200 to 250 millimeters, and then they are deburred and stored. This way, liquid pig iron is converted into steel, which may be then refined according to the standard specifications or the requirements of the clients. When it is ready, the steel is converted into plates that will be rolled or sold as semi-finished products.

- Hot Rolling Line

In the hot rolling line, the plates are heated again and then processed in the blooming mills, thus generating sketches. Through this process it is obtained hot rolling with a thickness range from 6.0 to 152.0 millimeters, width from 900 to 3,900 millimeters, and height from 6,00 to 50,000 meters.

- Pickling Line

In the pickling line, the hot-rolled coils pass through a cleaning process for removal of oxides generated due to the high temperature of the rolling process through a chemical process. The resulting material may be sold for specific usage (such as rerolling) or used as raw material in the cold roller.

- Cold Rolling Line

After the pickling process, the material passes through the cold strip roller, which reduces the thickness to thicknesses of up to 0.2 mm; subsequently, this material is sent to annealing and hardening rollers for adjustment of mechanical property, flatness and superficial rugosity. In this case, the resulting product is cold-rolled coils.

- Coating Lines (Galvanization)

There are three galvanization lines at the Company: 2 by hot-dip and 1 by electroplating. In the electrolytic galvanization line, the already annealed and hardened material resulting from cold rolling is received and processed in Zn bath, which is put through electroplating in one or both sides of the sheet. The end product of that line is therefore a cold rolled material with zinc coating in one or both faces, designated electro-galvanized. On its turn, in the Unigal's hot-dip galvanization lines, the full-hard cold rolled material passes through annealing process and then is dipped in a casted zinc bath.

When it goes out of the pot with liquid zinc, it receives, before its solidification, nitrogen jet, which must adjust the coating thickness. Since this is an immersion process, this type of galvanization only allows coating in both faces of the sheet.

- Maintenance

The metallurgical plant is subject to scheduled maintenance from time to time. Rollers and coating lines generally are maintained on a semiannual or weekly basis, while blast furnaces and other important operational equipment are maintained on a monthly, semiannual or yearly basis.

- Unigal

Unigal Ltda. performs the galvanization of the cold rolled coil through hot-dip process, with generation of zinc-coated coil.

- Insurances

The insurance policies kept by the Company and some subsidiaries offer coverage deemed sufficient by Management. On December 31, 2016, the Company and some of its subsidiaries had insurance policies for buildings, goods and raw materials, equipment, machinery, real estates, objects, utensils and facilities that form the insured establishments and the corresponding premises of the Company, Usiminas Mecânica, Unigal and Usiroll, whose value at risk was US\$15.2 billion (December 31, 2013 – US\$22.3 billion), an insurance policy of operational risks (*All Risks*) with maximum indemnity limit of US\$ 600 million per claim. On December 31, 2016 and 2015, the maximum deductible amount for material damages was US\$7.5 million and, for coverage of loss of profits (loss of revenue), the maximum deductible was 30 days (delay time). This insurance is to terminate on June 30, 2017.

In the year of 2016, the plants of Ipatinga and Cubatão produced 3.1 million tons of crude steel, 37.2% less than the production of crude steel in the year of 2015. In 2015, the production in those plants was 5.0 million tons of crude steel, 17.3% less than the production of crude steel in the year of 2014, which was 6.1 million tons.

Rated capacities of production of Usiminas are distributed according to the following table:

Line	Nominal Capacity (thousand ton/year)	
	Plant of Ipatinga	Plant of Cubatão
Heavy plates	1,000	1,000
Hot-rolled laminates	3,600	4,400
Cold-rolled laminates	2,500	1,200
Plates	5,000	4,500
Galvanized	360	-
Electro-galvanized	1,050	-

b) Characteristics of the distribution process

Usiminas currently counts on a logistic structure that is made up of thirteen distribution centers and eight customer deposits, in addition to two ports. Such structures are almost entirely situated in the South-east and South regions, which are strategic areas for the efficient service of the principal clients. Together with the quality of its products and services, the service structure has allowed the company to stand out as the biggest supplier of flat steels for the principal consuming sectors of the country.

To serve the domestic market with assistance guarantee at the level of service agreed upon, the company strategically explores both Brazilian railway and railroad networks, as well as growing use of coastal trade to serve North and Northeast markets of the country. Both in flow and supply operations, Usiminas counts on services rendered by two great railway companies, MRS Logística S.A. and VLI, this one with FCA – Ferrovia Centro Atlântico and Vitória-Minas Railway, and with around 26 railroad carriers, including Rios Unidos, a company of Usiminas group.

To serve the external market, the company counts on the structure of two marine terminals. Exports of products produced in the Plant of Cubatão are paid up directly through the Cubatão Terminal, while products produced in the Plant of Ipatinga are exported through the Praia Mole Terminal.

c) Characteristics of the operation markets

The principal focus of the metallurgical business of Usiminas is the domestic market. In the year of 2016, the total sales amounted to 3.6 million tons, 87% of which destined to the domestic market, which corresponds to 3.2 million tons of products. Such movement originates from the strategy of seeking higher sales profitability. The foreign market is also important for the company and becomes more relevant in times of weakened domestic market. The main destinations for the exportations of Usiminas in 2016 were Argentina, Germany, USA, and Taiwan.

In the domestic market, Usiminas trades a varied range of products for the Automotive, Industrial, White Goods and Civil Construction sectors. Among them, the Automotive sector points out as focus and accounted for with 34% of revenues and 31% of Usiminas sales volume. In addition, Usiminas vigorously operates in the steel distribution market, through Soluções Usiminas, of clients that are partners of Rede Usiminas and of sales to the other distributing clients. Usiminas allocated 35% of its sales for this segment in 2016.

Usiminas Regional Distribution of Sales

Description	2014	2015	2016
Domestic market	100%	100%	100%
São Paulo	45%	42%	41%
Minas Gerais	22%	24%	22%
Rio Grande do Sul	11%	9%	9%
Rio de Janeiro	4%	6%	3%
Paraná/Santa Catarina	7%	6%	7%
North/Northeast	8%	10%	16%
Mid-West /ES	3%	3%	3%

Usiminas Sectorial Distribution of Sales (%):

Description	2014	2015	2016
Markets	100%	100%	100%
Automotive	30%	29%	31%
Industrial	19%	19%	15%
White Goods	7%	8%	9%
Distribution	36%	36%	35%
Civil Construction	8%	9%	9%

**Does not include plates*

The Brazilian market of flat steels consumed 10.4 million tons in 2016, out of which 91% of the volume was supplied by the local plants and 9% by imports. The comparison with the previous year shows decrease of 11% after another decrease of 18% in 2015. The decline in consumption in 2016 comes from the reduction in industrial significantly lower than expected in the projections made at the beginning of the year.

With the devaluation of the Brazilian Real at less attractive levels to imports, these reached 964 thousand tons, with a 50% reduction compared to the volume of 2015. China remained the main source of imports (64% of the total), followed by Korea (15 %). Another challenge the local metallurgical company faced is indirect steel imports of 3.4 million tonnes, from which it is estimated that about 2.4 million tonnes would correspond to flat steel contained in imported final products. It is also estimated that 80% of these indirect imports of flat steel are destined to the machinery and equipment sectors, and vehicles and auto parts.

Despite the challenges, the environment for steel production tends to have benefits in the medium term for the recovery of confidence and the stronger resumption of the industrial investments, especially in infrastructure. The depreciation of the Real against the Dollar is expected to benefit the Brazilian Industry with positive impacts in the demand for steel.

d) Possible seasonality

Historically, in the months of December, January and February there is a slightly smaller demand due to pauses and blanket vacations that occur in several companies consuming steel.

Considering this seasonality, the sales planning of the companies of Usiminas seeks to consider the compatibility of those variables while seeking to maintain the production stable, offsetting internal fluctuations with exportations to other markets.

Physical Sales (thousand tons)

Market	1Q16	2Q16	3Q16	4Q16	2016
Domestic market	758	784	814	821	3,177
Foreign market	145	115	145	71	476
TOTAL	903	899	959	892	3,653

Seasonality of markets in accumulated sales throughout the year:

Domestic market	24%	25%	26%	26%	100%
Foreign market	30%	24%	30%	15%	100%
Total Share	25%	25%	26%	24%	100%

Market shares in relation to the total sold in the period:

Domestic market	84%	87%	85%	92%	87%
Foreign market	16%	13%	15%	8%	13%
TOTAL	100%	100%	100%	100%	100%

Physical Sales (thousand tons)

Market	1Q15	2Q15	3Q15	4Q15	2015
Domestic market	1,106	850	571	882	3,589
Foreign market	151	424	427	323	1,325
TOTAL	1,257	1,275	1,179	1,205	4,916

Seasonality of markets in accumulated sales throughout the year:

Domestic market	31%	24%	21%	25%	100%
Foreign market	11%	32%	32%	24%	100%
Total Share	26%	26%	24%	25%	100%

Market shares in relation to the total sold in the period:

Domestic market	88%	67%	64%	73%	73%
Foreign market	12%	33%	36%	27%	27%
TOTAL	100%	100%	100%	100%	100%

Physical Sales (thousand tons)					
Market	1Q14	2Q14	3Q14	4Q14	2014
Domestic market	1,268	1,236	1,064	1,005	4,572
Foreign market	169	220	337	242	968
TOTAL	1,437	1,456	1,401	1,247	5,541

Seasonality of markets in accumulated sales throughout the year:

Domestic market	28%	27%	23%	22%	100%
Foreign market	17%	23%	35%	25%	100%
Total Share	26%	26%	25%	23%	100%

Market shares in relation to the total sold in the period:

Domestic market	88%	85%	76%	81%	83%
Foreign market	12%	15%	24%	19%	17%
TOTAL	100%	100%	100%	100%	100%

e) Principal supplies and raw materials, informing:

i) Description of the relations maintained with the suppliers, including whether they are controlled or regulated by government, with indication of the bodies and the corresponding applicable law

in relation to the Energy resources (electrical energy and gas), Usiminas maintains a long-term relation with the strategic suppliers in order to maintain the supply of electrical energy and other energy resources. Those suppliers are evaluated by their performance in complying with the contracts and delivering the products.

The electrical energy supply nowadays is executed in the free energy market, which allows the purchase of energy from any generator and/or energy trader, the local distributor being in charge of delivering the product.

On the other hand, the natural gas supply is executed only by the local concessionaire, which is entitled to supply the product in its concession region. Such scenario may be changed with the new gas law that is about to change the gas market to a market similar to that of electrical energy.

The electrical energy supply is regulated by the Federal Government through ANEEL (Brazilian Electricity Regulatory Agency) and controlled by other bodies/entities, such as: ONS (National System Operator), CCEE (Chamber of Commerce of Electrical Energy), among others.

The natural gas supply is regulated by state bodies which define the rates of the product. The other energy resources are not regulated, however, the suppliers are tied up to a single producer.

With regards to Charcoal, Usiminas has executed long-term contracts with strategic suppliers to provide part of its supply chain related to solid fuels. Such suppliers are evaluated for their contractual and global financial performance, as well as flexibility in delivery. Since they are imported raw materials, safety stocks are maintained to reduce the risk of destocking caused by occasional logistic impacts.

As for green petroleum coke, the supply is basically executed by a national supplier and periodically by foreign suppliers of several sources.

In relation to metals and other supplies, we try to keep a long-term relation with the suppliers, esteeming the good relation and continuity of supply. We incessantly search for new agents in the market in order to maintain the competition healthy and take advantage of the opportunities. All suppliers are continuously evaluated and we always strategically plan the best purchase. We evaluate the suppliers for their capacity to serve the volume of Usiminas, quality/performance of the materials, environmental controls and labor conditions. In general, the suppliers have stocks of materials in their plants to serve the Company.

Usiminas has always remained open to new suppliers and we have no supply issues with our partners.

ii) Possible dependence on a few suppliers

In relation to Energy Sources (electrical energy and gas), the electrical energy supply has no dependence on a single supplier; however, the consuming unit must execute contracts of usage of the electrical system with the local distributor in case it is linked to the distribution network or with ONS, in case it is linked to the basic network. Currently Usiminas has supply contract with CEMIG until 2019.

As for the supply of the other energy resources, although there is more than one supplier, there is a great dependence on a single producer; namely, Petrobrás.

In relation to Charcoal/Coke, there is no explicit dependence on any specific supplier. However, we intend to develop long-standing relations. We have a wide range of suppliers with materials of superior quality that we try to favor in our acquisition base.

With respect to metals and other supplies, in some specific cases we have only one supplier, but these are not the majority. The materials bought are always materials approved by the technical area and developed jointly. There is a continuous investment in the homologation of new suppliers and products. Most of the disbursement is concentrated on few materials and generally they have few supply options.

iii) Possible volatility in its prices

In relation to Energy Sources (electrical energy and gas), the prices of the electrical energy contracts are negotiated among the parties and readjusted on a yearly basis with indexes checking inflation (IGP-M and IPCA). As for the rates for using the system, they are regulated by ANEEL and adjusted on a yearly basis.

The rates charged for the other energy resources highly depend on the prices of refineries of Petrobrás, reason why their volatility is related to the readjustments performed by Petrobrás to the distributors.

In relation to Charcoal, the prices are readjusted on a semiannual, quarterly or monthly basis, according to the marketing characteristics and the contracts with the suppliers.

Concerning metals and other supplies, we have volatility in the prices of most of the materials bought. The prices of many of them are linked to the prices of the international market. Now and then we make "hedge" to reduce this effect and have a better budgetary foreseeability. We always seek negotiations with more extended term and fixed prices whenever applicable.

Steel transformation

a) Characteristics of the production process

The production process of the steel transformation sector occurs as follows:

Soluções Usiminas performs two principal activities, (i) transforms the products flat steels into coils and thick plates into regular or figured sheets, cylinders, blanks, welded tubes, among others and (ii) stores and distributes the products supplied by the steel production unit, as needed by different clients.

The sector of steel transformation aggregates:

Soluções Usiminas is the biggest center of services in flat steel of Brazil and represents convenience to the clients because of the steel management, from acquisition to delivery, always in compliance with the most demanding standards of quality and specifications.

Soluções Usiminas has own insurance policy for its equipment, buildings and other assets.

b) Characteristics of the distribution process

The steel transformation sector has regional service centers analyzing the needs of every client and offering customized products, such as processed flat steels (several cuts), scheduled Just-in-time deliveries, fractionation of deliveries, among others. The benefits to the clients are: flexibility, lower lead time, reduction of stocks, availability of room in their plants, among others.

Soluções Usiminas has capacity to process more than 2 million tons of steel p.a. in its 10 sites in São Paulo, Minas Gerais, Rio Grande do Sul, Rio de Janeiro e Pernambuco. It serves the following sectors: automotive, civil construction, distribution, electric appliances, machinery and equipment, household appliances, among others. Thus, Usiminas strengthens its presence in the several sectors consuming steel by increasing the portfolio of products and services and better understanding their needs.

At Soluções Usiminas, the distribution process is principally executed by highway transportation.

c) Characteristics of the operation markets

As described in this item for the steel production sector.

d) Possible seasonality

As described in this item for the steel production sector.

e) Principal supplies and raw materials

i) Description of the relations maintained with the suppliers, including whether they are controlled or regulated by government, with indication of the bodies and the corresponding applicable law

At Soluções Usiminas, the principal raw material in the production process consists of steel coils, acquired almost entirely from the supplier Usiminas, situated in the same country.

The suppliers operating the steel transformation sector are companies of Usiminas and that, therefore, foster a good relation among the production units and the corresponding suppliers. The supplies described above are subject to the same authorities and regulation described in item 7.5 of this Reference Form.

ii) Possible dependence on a few suppliers

At Soluções Usiminas, the principal supplies are acquired from the suppliers of Usiminas, situated in the same country. Soluções Usiminas does not significantly depend on suppliers that do not belong to Usiminas, and is not subject to important risks of supply.

iii) Possible volatility in its prices

At Soluções Usiminas, the principal supplier is its controlling company (Usiminas). Occasional volatilities in the prices of the goods are related to the oscillation in the price of the products that the Company sells or in the price of the raw materials and other supplies used in the production process.

Capital assets

a) Characteristics of the production process

Subsidiary of the Company in the sector of capital assets, Usiminas Mecânica ranked among the greatest companies of capital assets of Brazil. The company operates in the following business areas: Metallic Structure and Bridges, Industrial Equipment, Industrial Assemblies, Blanks and Stamping, Casting and Railway Cars.

The production process in the sector of capital assets starts from the technical specification and drawings of the equipment, bridges, structures and so on, until their final assembly, which is presumed cuts of sheets, special welding, tests, assemblies in the factory and, in the event they are contracted, transportation and assembly *in loco*.

Among the numberless markets in which the company operates, nowadays the focus is on the following sectors:

1. Metallic Structures and Bridges: Engineering, Supply and Assemblies of Metallic Structures for plants and industrial buildings in the areas of civil construction, mining, refineries and metallurgy, including projects of airport facilities, railway, port and airport infrastructure;
2. Naval/Offshore: Equipment for the E&P³⁰ area - Petrobrás, process modules for FPSOs, components for fixed platforms, blocks of small and medium sized ships (up to 200 tons), Plets, Plems;
3. Oil & gas: Medium and large sized equipment (up to 250 tons) for petrochemical industries, refineries, fertilizer factories and industrial plants;
4. Metallurgy and Mining: Integrated solutions and turnkey projects, such as vacuum degasification systems, coke furnaces;
5. Energy: Equipment and components for generation of hydroelectric, thermoelectric and aeolic plants;
6. Industrial Assembly: electromechanical assembly services, systems and constructions for plants and industrial units of mining, steel production and oil & gas sectors;

³⁰ Exploration and Production

7. Cars: Engineering and Supply of cable car/GDU type railway cars, PEE, Telescopes FTT (Cellulose), Platforms and others. Capacity of up to 3,000 cars/p.a. Supplies to all great railway operators in Brazil, with emphasis on VALE, MRS, FCA, ALL, being 220 units for Vale and 218 units for MRS;

8. Casting: Total capacity of 25,000 tons/p.a., being 2,000 tons for large dimension parts (up to 80 tons each one), and other 23,000 tons for parts of up to 3 tons each on, through automated system focused on the railway (bogies, sleepers), automotive/agricultural sectors (parts for harvesters, tractors).

b) Characteristics of the distribution process

The distribution in this sector occurs as soon as the goods are manufactured and delivered through railway, highway and maritime routes. The transportations are principally rendered by several outsourced companies that do not belong to the companies of Usiminas. Rios Unidos, one of the companies of Usiminas, also renders transportations to Usiminas Mecânica in volume not relevant. The sales of Usiminas Mecânica are performed through own commercial area, being two sales office, one at the main place of business of the company, in Belo Horizonte/MG, and the other in São Paulo capital.

c) Characteristics of the operation markets, specially

As described in this item for the steel production sector.

d) Possible seasonality

The sales of Usiminas Mecânica are linked to the demand for infrastructure and capital assets and, therefore, they depend on the economy performance and there is no important seasonability.

e) Principal supplies of raw materials, informing:

i. Description of the relations maintained with the suppliers, including whether they are controlled or regulated by government, with indication of the bodies and the corresponding applicable law

The principal raw material is steel and the principal suppliers are companies of Usiminas (subsidiary of Usiminas Mecânica), which adopt market practices in the commercial relations, which are subject to CVM regulations, for instance, periodic independent audits, responsible for evaluating the suitability of the accounting practices in relation to those relations and the financial statements. Since the supplies are acquired almost entirely from companies that belong to Usiminas, the applicable authority and legislation are the same applicable to the Company, as described in item 7.5. below.

ii. Possible dependence on a few suppliers

The sector of capital assets especially depends on companies that belong to Usiminas for the supply of the principal raw material, which is steel. For the principal supplies other than steel, such as electrode and paint, there are no dependencies on a few suppliers.

iii. Possible volatility in its prices

The possible volatilities of the goods prices are related to the possible oscillation in the price of the products that Usiminas sells in the market. That is because the commercial relations of Usiminas Mecânica with its holding company are the same as the conditions seen in the market.

7.4. Identify whether there are clients responsible for more than 10% of the issuer's total net revenue

The Company did not have any client with participation higher than 10% of its total net revenue in the last three fiscal years.

7.5. Describe the relevant effects of the state regulation on the Company's activities and specifically comment on:

a) need for governmental authorizations for performing activities and history of relation with the public administration to get such authorizations

Brazilian Environmental Legislation

The Brazilian legislation, starting with the Brazilian Constitution, defines the ecologically balanced environment as a right of everyone, defining nature as an asset for common use of the people and essential to the quality of life, imposing responsibility to the Public Power and the citizen for its defense and preservation. Therefore, the legal system encompasses countless control instruments through which every possible and regular intervention on the environment considered can be verified.

Activities deemed as of significant intervention on the environment encompass exploration of the metallurgical industry (and commercialization of its products), which must comply with legal precepts, administrative rules and previously established rites. Also, obtaining environmental licenses for the business localization, installation and operation is vital for its regular operation.

To license enterprises whose environmental impacts exceed the municipal limits, as in the case of a metallurgical plant, the competence is delegated to the body of the state public power. Therefore, in the States of São Paulo and Minas Gerais, where the industrial plants of Usiminas are situated, the state authorities audit the plants of Ipatinga and Cubatão, requiring their compliance with the same environmental standards related to their operation licenses.

In case of mining, since the area to be mined is within the limits of a Federation State, the state bodies are also in charge of granting applicable environmental licenses.

Licenses abide by similar and sequential criteria and they are granted for high impact activities, mandatorily followed by the presentation of studies and reports (EIA/RIMA). Also, licenses are to validate the place (Previous License), installation of the enterprise (Installation License) and operation (Operation License). There are additional licenses to be obtained in specific situation, such as, for instance, the license for vegetal suppression, in cases such activity is proved to be required, and the granting, which is the license for usage of water resources.

Environmental Licenses

The production process of Metallurgical Plants results in emission of gaseous, liquid and solid wastes that may affect the environment, in addition to the use of environmental assets. Each State in which the companies of Usiminas operate is in charge of issuing the corresponding environmental licenses and the control of potentially polluting activities.

The companies of Usiminas are duly licensed or under process of license revaluation (which, according to the terms of the legislation, is the same of valid license) and they are fully authorized to operate.

As in the metallurgical plants, mining activities also demand Previous Environmental (LP), Installation (LI) and Operation (LO) licenses, each one of them with an expiry date that may vary, namely: LP not more than 5 years, LI not more than 6 years, and LO with a minimum of 4 years and maximum of 10 years.

As for the back-up area adjacent to Port of Itaguaí, USIMINAS has been granted in 2010 specific license for environmental remediation of the area (LAR – Environmental Remediation License n. IN002873), and the subsequent certificates of LAR of restrictions (CA IN022706) in 2013. It is currently in regular process for obtaining the license to operate being issued by INEA (State Environmental Institute of Rio de Janeiro) for the activities of environmental and geotechnical monitoring, hydraulic barrier operation and station treatment implanted in place according to the LAR IN002873.

Considering that this area had been bought through a judicial auction and belonged to the bankrupt state of Cia Industrial Ingá. The 850 m² land concentrated one of the greatest environmental liabilities of the State of Rio de Janeiro and, thanks to its privileged location, this is a strategic area for the Company, since it will be rendered available for the iron ore cargo with destination to exportation and as a possible alternative for future port installations of the Company.

It is worth mentioning that not only obtainment, but also the maintenance of the licenses are subject to the compliance with certain specific conditions, permanently monitored by the environmental authorities.

In relation to the plant of Ipatinga, the state environmental authorities encompass: State Department of Environment and Sustainable Development - SEMAD, which are connected to State Foundation of Environment – FEAM, the State Forest Institute – IEF and the Water Management Institute - IGAM and the State Council of Environmental Policy - COPAM and, in relation to the plant of Cubatão, the Department of Environment of the State of São Paulo (SMA) and CETESB³¹.

The plant of Ipatinga currently has operation license for its industrial plant, with validity period until February 17, 2013. Renewal of the operation license within the legal term was required, and so the enterprise remains licensed until the manifestation of the Environmental Body. In 2008, Usiminas obtained the operation license to execute a thermoelectric energy generation plant, with validity period until October 8, 2016.

In August 2006, Usiminas obtained before COPAM the Installation License (LI No. 113/2006) to implement Coke Furnace No. 3 in the plant of Ipatinga, with production capacity of 750,000 tons of coke p.a. Operation License for Coke furnace 3 was obtained, with validity period until 08/19/2014.

The conditions of this Operation license will be fulfilled within its validity period. On July 18, 2006, TAC³² with the State Prosecution Service of Minas Gerais, containing obligations already entered as conditions in the installation license referred to above, was signed. TAC was amended in October 2009 and the terms for complying with the clauses and conditions, which were also renegotiated with the competent Environmental Body, were extended.

In 2014 two clauses agreed in 2009 were renegotiated with the prosecution, replacing the form of compliance with previously established.

³¹ Companhia de Tecnologia de Saneamento Ambiental

³² Conduct Adjustment Declaration

The plant of Cubatão is duly licensed by CETESB and has 1 Renewable Operation License encompassing all of its activities, with validity period until December 13, 2013. Renewal of the operation license within the legal term was required, and so the enterprise remains licensed until the manifestation of the competent Environmental Body, due to 08/04/2017.

Federal Technical Registration

In the federal instance, in order to ensure the control and check of the potentially polluting activities and activities using natural resources, the activities of Usiminas are registered as potentially polluting and using natural resources with IBAMA. Therefore, Usiminas holds Registration Certificate – CR, issued by IBAMA, valid for both plants.

Authorization for the Mining Activities Development

Mining activities are subject to restrictions provided for by the Brazilian Federal Constitution and by the Mining Code (Decree Law No. 227, of February 28, 1967) and are subject to laws, rules and other applicable regulations, especially the ones edited by the National Department of Mineral Production - DNPM.

Among the requirements applied, it is worth mentioning the ones related to (i) the manner the mineral deposits are explored; (ii) to the employees' health and safety; (iii) to the protection and restoration of environment; (iv) to the pollution prevention; and (v) to the promotion of health and safety of the local communities where the mines are located. The Mining Code also imposes certain requirements on notification and submission of reports.

According to Decree No. 97,632, of April 10, 1989, the ventures destined to exploration of mineral resources must be submitted for the competent environment body's approval, together with the recovery plan of degraded area, environmental impact study - EIA and the environment impact report – RIMA. Possible deficiency in the environmental recovery may be deemed crime under Law No. 9,605, of February 12, 1998, which provides for criminal and administrative sanctions due to procedures and activities that affect the environment, and makes other provisions. The Company obtained all necessary authorizations and is in full performance with the obligations before DNPM.

Mining Activities

As detailed in item 9.1., letter "b", of this Reference Form, the mining activity is subject to regulation of the National Department of Mineral Production – DNPM, which to date has conceded to Mineração Usiminas 25 (twenty-five) mining concessions grouped, 01 (one) concession recently published and 16 (sixteen) mining applications, totaling 42 (forty-two) mining rights of company ownership. Mineração Usiminas has also leased 06 (six) leased concessions of Mineração Brasileiras Ltda - MBL.

Despite the fact that the Company is already registered as mining company with DNPM since the 70's, it is only with the acquisition of J. Mendes, which occurred in February 2008, that it effectively commenced to have administrative proceedings before this body.

Grant for Water Use

On February 29, 2012, IGAM³³ renewed the granting of right to use the state public water of Piracicaba River, through granting of water, a volume of 3m³/s being observed, with validity period of 5 years.

According to DAEE Ordinance No. 1678, the Department of Waters and Electrical Energy has renewed the concession right of use of water, keeping the authorization for the Plant of Cubatão to collect water in the following points: Rio Quilombo, Fonte do Brites, Fonte de Morrão, Rio Mogi and Canal Mogi until May 20, 2015, the last two used only for industrial use.

Law No. 9,433, of January 08, 1997, allows the charge for the use of water as an instrument of the National Policy of Water Resources. Both plants (Ipatinga and Cubatão) currently have already paid for the water.

b) environmental policy of the Company and costs incurred for compliance with the environmental regulation and, if that is the case, of other environmental practices, including the compliance with international standards of environmental protection

The Company, in its operations, adopts as a guideline the development of activities in line with the environment through integrated, sustainable practices to decrease the environmental impacts of its operations. Therefore, it preventively considers the creation of solid wastes, atmospheric emissions and noises, rational use of water, energy and supplies, as well as the disposal of water effluents.

The Company was the first company in the Brazilian metallurgical sector – second in the world – to achieve ISO 14001 Certification. All products traded fulfilled the rigorous requirements of the European Directives ROHS and ELV, “green stamps,” global references.

Still in 2016, the Company won the Caminhos do Vale Program award in the Best Sustainable Partner Project category on 7th edition of the Hugo Werneck Prize for Sustainability & Love of Nature, the country's largest environmental award, organized by Revista Ecológico.

Climate Opportunities

The emissions of CO₂ in steel production, calculated through the methodology established by the WorldSteel Association (Data Collection System), presented a value in 2016 of 7.169.227 tons of CO₂ equivalent, with the emissions distributed according to the table below:

Types of emissions	Tons of CO ₂ equivalent per year	
	Ipatinga plant	Cubatão plant
Direct (sources controlled by organization)	6,417,476	272,892
Indirect (consumption of electricity acquired from SIN)	632,366	161,537
Indirect by other sources (third-party activity)	-337,718	22,673
Total	6,712,124	457,102

Usiminas maintains and seeks to maximize actions that contribute to mitigating greenhouse gas emissions, such as the internal reuse gases produced in the steelmaking process, the internal generation of the electricity needed to power industrial processes, the deployment energy efficiency projects, and the management and monitoring of critical consumption by operational areas, focusing on process performance.

³³ Instituto Mineiro de Gestão das Águas

Solid wastes and recycling

In 2016, the volume of wastes generated totaled 2.87 million of tons. 47% less than the volume of the previous year, mainly due to the shutdown of the primary areas of Cubatão plant.

The Company's work continued on the use of steel mill blast furnace slag in the cement industry. Additionally, the company is collaborating with a university to enhance the use of slag in agriculture. Other highlights were the consolidation of the internal recycling of the steel mills' fines slurry in sintering, which used to be disposed of in landfills, and the Caminhos do Vale (Valley Paths) Program, carried out together with the cities of Santana do Paraíso, Ipatinga, Coronel Fabriciano, and Marliéria, MG with the objective to use blast furnace slag on these cities' secondary roads, improving accessibility to rural communities.

Control of Atmospheric Emissions, Emissions of Effluents and Noises

The Company preventively acts to reduce the atmospheric emissions, emissions of effluents and noises.

To do so it has a program monitoring the emissions, which is consisted of equipment of constant emissions installed in the principal chimneys and isokinetic monitoring, both to control the emissions from dust removal systems and processes of combustion of industrial plants. The quality of air of the region is controlled by continuous monitoring stations situated around the industrial plants.

Likewise, disposed water effluents are monitored routinely in compliance with the requirements described in the legislation in force.

The Company has industrial water treatment systems and treatment stations of water effluents that treat waters used in the several processes, such as oily, galvanic, acid and organic effluents. It counts on water recirculation centers, indirect ones that basically consist of cooling towers, and direct ones, which consist of treatments for removing contaminants. The recirculation system allows a high recirculation rate of water in the steel production activity.

In 2016, the average freshwater recirculation rate in the Steel Unit at the steel mills was 95.6%.

Monitoring of noise is performed from time to time in 16 points around the industrial plant of Ipatinga, according to the requirements in force in the State.

Energy Efficiency

In 2016, the proportion of energy acquired and generated was of 75% and 25%, respectively, according to the table below:

Electrical energy	Ipatinga's plant	Cubatão plant
Electrical energy acquired	13,130,368	3,356,010
Electrical energy generated	5,362,455	18,544
Total	18,492,823	3,374,554

In the steel industry, in 2016 there was a reduction in total direct energy consumption by approximately 42% when compared to 2015, mainly due to the shutdown of the primary areas in Cubatão plant.

Environmental Commitment

The environment certifications, green stamps and the constant technological investments to develop the use of the natural resources confirm the Company's commitment towards the environment. The social and environmental, preservation, maintenance and area recovery projects confirm the Company's commitment towards environmental questions.

Xerimbabo: Created in 1984, the Xerimbabo project of Environmental Education reached its 32st years. In these three decades over 2.4 million people – mostly teacher and students, participate in its programs.

In 2016, the project received 17,582 visitors for 12 days and maintained two approaches that go together in Xerimbabo communication with the public: environmental and cultural.

Fishing Support Program: it helps, since 2006, fishermen from communities near the Plant of Cubatão (SP) by sponsoring materials, equipment and offering trainings to the artisanal fisher folk of the region for generating income through fishing.

Permanent Preservation Area - APP: The Plant of Ipatinga occupies around 10 km² and is situated beside Parque Estadual do Rio Doce, a core zone of the Biosphere Reserve of the Atlantic Forest acknowledged by Unesco.

The Cubatão Plant area is located in the Serra do Mar State Park buffer zone. There is an area registered as archaeological heritage in the Permanent Preservation Area, to which access is restricted. Scientific research has been done at Morro do Casqueirinho, which is home to an archaeological heritage site ("sambaquis" and "caieira"). The archaeological program was completed in 2015, noting the historical heritage has been preserved and that access to the area is restricted as a preventive measure. A forthcoming e-book is expected to be published in 2016 to disseminate the information collected at that archaeological site, with references to the history of occupation of Cubatão and of the Baixada Santista region.

Green Area Recovery Program: Since its foundation, the Company develops in Ipatinga actions to implant, reorganize and preserve green areas of the Company, with the cultivation and supply of molts, in addition to the preventive measure against fire through the technique of clearing around a wood to prevent the spreading of fire. In 2016, 56,319 m² of such technique was applied, 8,247 molts of several specimens were cultivated.

In total, 20,749 seedlings produced in the Usiminas were donated to several entities during activities of the Ipatinga plant throughout the year. Among the highlights:

- 5,000 units assigned to the 9th Ipatinga District Attorney's Office for the implementation of the Mapa da Mina Project;
- 5,027 units assigned to the social campaigns;
- 2,500 units assigned to the City hall of Ipatinga (MG), destined to the project of recovery of springs of the in the city.

To preserve water resources, the Company has included in the program of green areas the *Programa Mata Ciliar*, whose objective is to recuperate the range of riparian forests in the left margin of Piracicaba and Doce Rivers. Project developed in partnership with Fundação Relictos, local NGO, and the State Institute of Forests (IEF), has covered an extension of 22 km, thus forming an area of 186 hectares, which encompasses the cities of Coronel Fabriciano, Ipatinga and Santana do Paraíso, in Minas Gerais. Between 1996 and 2011, around 400 thousand of molts of native specimens typical of original primary riparian forest were planted, in order to recover the quality of waters of those rivers, maintain the stability of the river beds, and eliminate one of the principal causes of silting. The results obtained by implanting Programa Mata Ciliar indicated the improvement of the local conditions of Piracicaba and Doce Rivers, in addition to fomenting the

development of actions aiming to preserve those important water fountains for the region of the Valley of Steel. Currently the actions developed consist of maintenance and preservation of the native forest.

Volunteer project "Plante uma Vida": The "Plante uma Vida" volunteer project is part of the environmental and sustainability actions carried out at the Cubatão plant. In total, 122 employees participated in the 2016 event, and 21 Atlantic Forest native plant species were used, among which Canjerana, Guanadi, Guabiroba, Jequetibá branco, Embaúba, Cedro/Cedro-rosa, Grumixama, Cereja do Rio Grande, Uvaia, Ingá de Metro, Ingá Feijão, Mirindiba, Dedaleiro, Araçá, Aldrago, Jerivá, Aroeira Mansa, Pau Cigarra and Ipê-amarelo-do-brejo. The seedlings are now part of the plant's green area, which covers an area of more than 1 million m², divided into natural areas, such as the Casqueirinho and Tapera hills, and woodland and garden areas.

RPPN Lagoa Silvana: On the initiative of Usiminas, in August, 2014 it recognized the Private Natural Heritage Reserve - RPPN Lagoa Silvana. With 255.86 hectares, this area was recorded in the Real Estate Registry registry office in the city of Caratinga, in perpetuity representing an important step towards the conservation of biodiversity and benefit of future generations.

RPPN USIPA: In 2016, an area of 204.13 hectares located in Ipatinga (MG), owned by Usiminas, was recognized as a Private Natural Heritage Reserve (RPPN), contributing to the maintenance of the Atlantic Forest Biome. The creation of RPPN USIPA is the result of an agreement between Usiminas and the State Public Prosecutor, which considered its ecological importance for the region in order to justify its perpetual preservation. In this area is the Zoobotanical Park with its nursery of seedlings, where are grown the seedlings used to maintain the program to recover green areas of the Ipatinga plant.

Environmental Development Indexes

Materials

The table below presents the principal supplies and raw materials used in steel production in the year of 2016.

Main raw materials from	Quantity (Kt)	
	Ipatinga	Cubatão
Steel and Aluminum	9	0
Anthracite	126	1
Fluxes	1,007	5
Coal	1,575	26
Coke	0	0
Petroleum coke	380	2
Minerals	4,261	15
Total	7,357	50

In 2016, the steel making used approximately 1.9 million tons of recycled material in its production process.

Main raw materials from recycling	Quantity (Kt)	
	Ipatinga	Cubatão
Sinter - RAF / degraded	716,75	2,77
Thin granular ores	96,69	0,36
Carepa	113,81	1,08
Blast powder collector	26,73	0,15
Dusting powder	1,96	0
Slurry	9,34	0,5
Blast furnace sludge	7,26	0
Industrial Recycling	182,34	1,2
Scrap type C	43,88	0,14
Coke grinding / extinction	20,89	0

Calcined dolomite mud	11,87	0
Small sinter	0	0,3
Small coke	50,09	0,52
Stained inner plate	0	0
Scrap metal B	0	0,33
Scrap metal	0	0,67
Scrap metal	0	0,44
Scrap iron	0	0,29
Sucata de aço consumo aciaria	330,01	0
Cleaning pig scrap	29,77	0
Scrap beneficiated - steel / pig iron	121,17	0
Scrap steel - purchased	76,16	0
Cast iron -acquired	26,7	0
TOTAL (t)	1.865,40	8,76

Water resources

The Company's operations require consumption of great volumes of water, used as solvent, catalyzer, cleaning and cooling agents and in the dispersion of pollutants. Most of the water used circulates again in the facilities and part of it is returned to the rivers after being processed.

The Company captures water from rivers near its Plants. Since it is authorized by legal bodies, the company captures water from Quilombo (for human consumption only) and Mogi (industrial use) Rivers, both in São Paulo, and Piracicaba River, in Minas Gerais.

The main volumes of water used in steel production and the water recirculation rate are presented in the table below:

Water consumption	Ipatinga	Cubatão
Surface freshwater (m³/year)	0	9,641,998
Surface freshwater (m³/year)	42,056,640	8,270,532
Recirculated water (m³/year)	851,822,400	185,827,500
Recirculated water (%)	95.3	95.8

In 2016, the total water consumption in the steel industry was in the order of 59,9 million cubic meters. Despite this high consumption the average rate of freshwater recirculation in steel mills amounted to 95.5% as a result of internal projects developed to maximize the reuse of wastewater and its rational use.

Effluents

All effluents of the steel production activity pass through a rigorous treatment before being returned to the environment, through a process that includes decantation, flocculation and filtration phases.

Thus, the Company complies with the federal, state, and municipal standards where it operates.

In 2016, 46.6 million cubic meters of water were disposed of through the sewers of the Plants of Ipatinga (MG) and Cubatão (SP). The volume was disposed of in Piracicaba River (Ipatinga) and in the Estuary (Cubatão).

Atmospheric Emissions

Because they are major operations and potential sources of impact on air quality in the regions where they operate, Usiminas' steel and mining activities are monitored systematically, and effective, operating, and maintenance controls are deployed in the various sources of emissions.

The steel production unit measures from time to time its atmospheric emissions. In 2016 the parameters NOx, SOx and MP (Particulate Matter), and the results are presented in the following table in tons p.a.

Issues (t/year)	Ipatinga	Cubatão
NOx	9,235	338
SOx	12,181	52
Fugitive emissions	3	-
Particulate material (PM)	6,817	50

Wastes

In the steel production activity, the generated volume was 2.86 million tons in 2016. Out of which, around 71.4 thousand tons were hazardous wastes, which received specific treatment procedure with co-processing and disposition in appropriate and licensed industrial embankments.

The Company acts through the Special Sales sector and integrated to the Environmental Management system, in the sale of carbo chemical products (co-product) and wastes generated, except those used in the process. The offer of wastes in the market foment partnerships with investors, universities and companies by making it possible to apply a tailing of a given business as input of another organization and fomenting studies of reuse and environmental impact.

Data of waste generation and destination 2016 are presented as follows:

Waste (t/year)	Ipatinga	Cubatão
Generation	2,623,748,61	241,990,54
Hazardous Waste	44,307,00	27,095,93
Non-hazardous waste	2,579,441,61	214,894,60
Internal Recycling		
Storage	1,054,233,37	123,953,32
Marketing	11,692,50	2,682,15
Reuse (marketing + internal recycling)	1,557,822,74	115,355,06

Environmental Investments

Usiminas has always invested in the Environment, and, in 2016, it was no different. The investments were in engineering, maintenance and process improvement, education, and environmental management projects. The main 2016 highlights were investments made in equipment maintainance and operational expenses related to minimize environmental impacts in the amount of approximately R\$69 million.

In Ipatinga, we highlight the investment made in the reform of the of Coke Plant No. 02. In Cubatão, we highlight the adequacy of the slab beneficiation plant. With the temporary shutdown of the primary processes in Cubatão, some investments, such as the optimization of the sintering dedusting system, were discontinued.

The revamping and start-up of Coke Oven Battery #3, with the stoppage of Battery #4 at Ipatinga and Coke Battery #2, are among the largest investments.

c) dependence on patents, brands, licenses, granting, franchises, royalty contracts important for the development of the Company's activities.

Technology - In 2011, Usiminas started manufacturing high resistance thick steel plates with limits equal to or higher than 490 N/mm², as a result of the retention, exclusive in Brazil, of the technology Continuous on Line Control Process (CLC). The technology transfer contract was executed in 2009 with Nippon Steel & Sumitomo Metal Corporation and remains in force during the effective date of the patents.

In addition to Nippon Steel & Sumitomo Metal Corporation, Usiminas also organizes partnerships with research institutions and universities for development and research of products that are of the Company's interest. Except the ones described above, the Company has no substantial dependence on third parties' intellectual property.

Brands - As commented in item 9, letter "b", of this Reference Form, the brands held by the Company are restricted to the corporate identities of its companies. Although Usiminas does not depend on brands it held for its activities to be developed, such intangible asset is fundamental for the external perception of quality and values of Usiminas and is highly important for the Company and its corporate identity. According to INPI³⁴ rules, the brand Usiminas is highly noticeable, reason why no other company may register the name Usiminas as company in the same branch our brand operates. This same rule applies to many other countries in the world, which implies a virtually null risk of granting or possession of such name by third parties.

Mineral Rights - Mineração Usiminas depends on granting of mineral rights to develop its mining activities, as mentioned in the item above and in item 9.1., letter "b", which, therefore, significantly depend on mining concessions of which it is a holder.

Usiminas has Aneel's authorization to operate, under the self-generation electric power regime, the following thermoelectric plants:

- Ipatinga thermoelectric power plant, located in the city of Ipatinga, state of Minas Gerais - authorizing resolution No. 4,966, dated December 9, 2014, valid until December 2044;
- Usiminas thermoelectric power plant, located in the city of Ipatinga, state of Minas Gerais - authorizing resolution 258, of May 14, 2012, valid until May 2032;
- Usiminas 2 thermoelectric power plant, located in the city of Ipatinga, state of Minas Gerais - authorizing resolution 686 of September 19, 2006, valid until November 2039;

³⁴ National Institute of Industrial Property

- Cosipa thermal power plant, located in the city of Cubatão, state of São Paulo - authorizing resolution no. 199, of April 9, 2002, valid until April 2032;
- Cosipa II thermoelectric plant, located in the municipality of Cubatão, state of São Paulo - authorizing resolution No. 4.498, dated January 21, 2014, valid until January 2044. "

7.6. In relation to the countries from which the Company obtain relevant revenues, identify:

a) the revenue from the clients assigned to the host country of the Company and its percentage of the total net revenue of the Company

The total net revenue from the clients in the host country of the Company was R\$ 6.6 billion in 2016, which accounts for 87.94% of the total net revenue of the Company in the periods.

b) revenue from the clients assigned to each foreign country and its percentage of the total net revenue of the Company

The revenues assigned to each foreign country in the last three fiscal years are as follows:

Country	Revenue in thousand R\$	% of total net revenue
Argentina	326,841	36%
Germany	172,357	19%
Denmark	136,716	15%
Mexico	51,491	6%
United Kingdom	41,108	5%
Taiwan	39,012	4%
Belgium	36,362	4%
USA	31,317	3%
Switzerland	23,988	3%
United Arab Emirates	15,510	2%
China	13,042	1%
Uruguay	10,383	1%
Portugal	4,506	0%
Chile	899	0%
Others	3,032	0%
Net Revenue from foreign countries	906,564	12%
Net Revenue host country	6,608,990	88%
Total Net Revenue	7,515,554	100%

c) total revenue from foreign countries and its percentage of total net revenue of the Company

As informed in the item above, the total revenue from foreign countries in 2016 was R\$ 907 million accounting 12.06% of the total net revenue in the same periods, respectively.

7.7. In relation to the foreign countries disclosed in item 7.6, inform to which extent the Company is subject to the regulation of those countries and how being so affects its business.

The Company's exportations are focused on the markets of Latin America, USA and Asia, and its products are internationally renowned.

Recently the protection of the steel industry in the United States initiated an antidumping and CVD investigation for hot-rolled and cold rolled steels, against many countries, including Brazil.

There is one antidumping proceeding against Usiminas (also against other Brazilian plants), filed by Canada over the hot-rolled steel products. Such proceeding started in 2001 and, since then and every 5 years, it has been renewed under the allegation that Brazil, since it is a great hot-rolled steel producer, could focus its sales on that same Canadian market if the case was terminated.

There is a protectionist movement in the world nowadays, however Usiminas seeks to alternative markets to export its products.

7.8. In relation to environmental policies, indicate:

a) if the issuer discloses social and environmental information

The company publishes social and environmental information at its Sustainability Report.

b) methodology adopted in the preparation of information

The methodology used to prepare the Sustainability Report is the Global Reporting Initiative ("GRI").

c) whether the information is audited or revised by independent entity

The Sustainability Report is not audited or revised by independent entity.

d) the world wide web webpage where this information is available

The Company published its Sustainability Report of 2015 on the Company's website www.usiminas.com and on the website of CVM – Brazilian Securities Commission www.cvm.gov.br.

7.9. Other Information that the Company deems relevant.

The company received the following awards in the year of 2016

- Best Sustainable Partner Project of the 7th edition of the Hugo Werneck Prize for Sustainability & Love for Nature.
- Recognition of John Deere, the world leader in agricultural machine manufacturing, for being the first steelmaker outside the United States to join the company's select Hall of Fame.
- Award granted by Toyota during the Global Suppliers Convention 2016, an annual event that recognizes the best suppliers of the Japanese automobile manufacturer worldwide.

- Recognition as one of the best Investor Relations companies in Latin America, in the mining and steel industry, by the specialized publication Institutional Investor Magazine.
- Award Melhores Empresas that Communicate with Journalists 2016, by Revista Negócios da Comunicação.
- Tribute to the Mercado Comum magazine in the 8th Minas Gerais Entrepreneurial Performance Award - Tradition and Perpetuity category, for its 60 years of Usiminas foundation.
- Recognition for the 60th anniversary of Usiminas' foundation by the Instituto Brasileiro de Executivos de Finanças de Minas Gerais (IBEF / MG).
- Apimec-SP Gold Assiduity Seal 13 years, received during the public meeting with investors, market analysts and associates of Apimec-SP.
- Best Awards of the Year 2016, organized by the Secretaria de Estado de Esportes (SEESP), with support from the Secretaria de Estado de Educação (SEE). Second largest supporter of sports projects through the Minas Gerais Sports Incentive Law - ICMS Corrente.
- One of the first Brazilian companies to obtain the recommendation for ISO 9001: 2015 certification, a new version of the quality management standard.

8. Extraordinary business

8.1 Indicate the acquisition or disposal of any relevant asset that is not related to the normal business operation of the issuer for the last 3 fiscal years

The Company has not purchased in the last 3 fiscal years any relevant asset that is not related to the normal operation of the company's business.

8.2 Indicate significant changes in the conduct of business of the issuer for the last 3 fiscal years

The Company's Executive Board, in a meeting held on May 18th, 2015, decided to temporarily interrupt operations in Blast Furnaces #1 at the Cubatão plant and #1 at the Ipatinga plant, from May 31st and June 4th, 2015, respectively.

Pig iron production will be reduced by approximately 120 thousand tons per month. Such adjustment intends to adapt the production to the current steel market demand and will bring opportunities of cost reduction and competitiveness improvement during the current market scenario.

8.3 Identify significant contracts by issuer and its subsidiaries not directly related to its operating activities for the last 3 fiscal years

In the last 3 fiscal years, the Company or its subsidiaries did not execute any significant contract that is not related to their operating activities.

8.4 Provide other information as issuer may deem significant

There is no relevant information additional to what has already been disclosed in the other items.

9. Relevant assets

9.1. Material fixed assets for the development of Company activities, indicating:

a) Fixed assets, including those rented or leased, identifying location.

Type of Property	Property Address	City	UF	Total Area (Thousand m²)	Built Area (Thousand m²)
EDIFÍCIO SEDE	RUA PROF. JOSÉ VIEIRA DE MENDONÇA, 3011	BELO HORIZONTE	MG	72	45
FEITOSA I, II, III	IPATINGA	IPATINGA	MG	10,579.00	0
LAGOA SILVANA	BR 458	CARATINGA	MG	6,120.00	0,1
TERRENO POÇO REDONDO	SANTANA DO PARAÍSO	SANTANA DO PARAÍSO	MG	2,276.00	0
ENTREPOSTO CAPITÃO EDUARDO	CIDADE INDUSTRIAL	SANTA LUZIA	MG	79	6
USINA INTENDENTE CÂMARA	RODOVIA BR 381, KM 210	IPATINGA	MG	10,500.00	1100
CENTRO DE SERVIÇOS - TAUBATÉ – SP	AV. PROJETADA 1, S/Nº - B. PIRACANGAGUA	DIST. PIRACANGAGUA	SP	191.4	5,6
AEROPORTO	SANTANA DO PARAÍSO	SANTANA DO PARAÍSO	MG	703	0
USINA JOSÉ BONIFÁCIO DE ANDRADA	ESTRADA DE PIAÇAGUERA, KM6	CUBATÃO	SP	10,000.00	781
TERMINAL DE CUBATÃOESTRADA DE PIAÇAGUERA, KM 6CUBATÃO SP194,00,0TERMINAL DE TRANSBORDO UTINGA	AVENIDA DOS ESTADOS, N 3001	SANTO ANDRÉ	SP	124	6
TERRENOS SANTANA DO PARAISO (PARTE)	SANTANA DO PARAISO	SANTANA DO PARAISO	MG	5,352.01	0
PORTO ITAGUAÍ/SEPETIBA	ITAGUAÍ	ITAGUAÍ	RJ	968	0
EDIFÍCIO SEDE	RUA PROF. JOSÉ VIEIRA DE MENDONÇA, 3011	BELO HORIZONTE	MG	72	45

b) Patents, trademarks, licenses, concessions, franchises and technology transfer agreements, informing: duration; covered territory; events that could lead to loss of rights to such assets; possible consequences from the loss of such rights to the Company

Patents

Description of Patents	i) Duration	ii) Territory
Manufacturing process of heavy plates in the standard state directly from hot rolling	7/24/2017	In the country
Colling system for hot coils.	5/25/2018	In the country
Adjustable leveling system for sintering machines	3/18/2020	In the country
Process for obtaining black glass and dark ceramic as of Steelmaking slag	10/18/2020	In the country
Material for application in cracks and voids of refractory coatings, process and application of the material and equipment for the application of the material	12/28/2020	In the country
Equipment for the evaluation of the resistance of refractories to oxidation	3/14/2021	In the country
Deflector skirt for Targeting of liquid effluent from torpedo cars	5/13/2021	In the country
System for continuous measurement of temperature of liquid metal using optical process	9/26/2021	In the country
Equipment for inspection of Blast Furnace walls in operation	8/16/2022	In the country
Structural steel with high resistance to atmospheric corrosion with low copper content	8/15/2022	In the country
Equipment for boiling and saturation of refractory material to testing of mass density and apparent porosity.	11/18/2022	In the country
Upper valve extractor device and porous plug in steel pans of Aciaria	6/25/2023	In the country
Support Adapter bracket of rotary pincers for moving coils of machine wire using two hooks "C"	3/20/2023	In the country

System for determination of the weight of pig iron in car torpedo	4/23/2023	In the country
Device for withdrawal of short plates of the shafts of the machines of Casting	09/07/2023	In the country
System for measuring the temperature of the buffering mass of the Blast Furnace running bore	09/07/2023	In the country
Cold rolled steel for the manufacture of formed parts with high mechanical resistance and its production process.	7/14/2023	In the country
Improvement of the system of centralization of tips of coils and oil injection in the process of welding by inlaying of ends of rolled steel coils	09/04/2023	In the country
Metallic and adjustable platform for rail transport of coils of variable weight and dimensions	6/13/2023	In the country
Stabilizer for vertical hydraulic pumps type QL	2/25/2024	In the country
Improvement of profile of zinc-plated steel used as formwork built into concrete forming mixed slab	8/26/2024	In the country
Improvement in magnetic cleaning device of oil-water emulsion	12/01/2024	In the country
Device to extract the scraper blade support in welding of metal strips machine	12/26/2025	In the country
Process of exchange of the protective converter case with use racket platform	09/02/2025	In the country
Blow lance Surface Cleaning Device	1/14/2027	In the country
Process and device for vertical movement converter	9/16/2028	In the country
Device for continuous temperature measurement of liquid steel in the distributor with infrared pyrometer and optical fiber	06/06/2026	EUA
Device for continuous temperature measurement of liquid steel in the distributor with infrared pyrometer and optical fiber	06/06/2026	EPO - France
Device for continuous temperature measurement of liquid steel in the distributor with infrared pyrometer and optical fiber	06/06/2026	EPO - Germany
Device for continuous temperature measurement of liquid steel in the distributor with infrared pyrometer and optical fiber	06/07/2026	Japan
Composition and method for inhibiting the severity of post-surgical adhesions	9/23/1930	USA
Composition and method for inhibiting the severity of post-surgical adhesions	9/23/1930	USA
Composition and method for inhibiting the severity of post-surgical adhesions	3/19/2029	Germany
Composition and method for inhibiting the severity of post-surgical adhesions	3/19/2029	Switzerland
Composition and method for inhibiting the severity of post-surgical adhesions	3/19/2029	Switzerland
Composition and method for inhibiting the severity of post-surgical adhesions	3/19/2029	England

ii) Events that could lead to losing the rights to such assets.

The invention patent is valid for 20 years and the utility model patent for 15 years, according to Brazilian law. The privilege or rights over the subject matter of the patent letter ends after this period, when it becomes public domain. There are no defaults or disputes involving the Company that may culminate in loss of the aforementioned patent rights.

iii) Possible consequences to issuer from the loss of such rights

The licensing or sale of Usiminas patents provide benefits in two ways: (a) royalties from the sale of the licensed patent, where sales to third parties occur; (b) or discount on the purchase of inputs provided by partners in the development of the patented subject matter.

Regarding current patents owned by the Company, in the case of loss of rights over these patents, the Company would not suffer significant financial impact, since the amounts involved are not material. However, the Company would no longer have the right to prevent third parties from using / producing / trading the product under patent.

Trademarks

The Company and its subsidiaries, affiliates and companies under common control currently use 8 registered and disclosed trademarks; namely : Usiminas, Usiminas Mecânica, Unigal, Saúde Usiminas, Previdência Usiminas, Instituto Cultural Usiminas, Soluções Usiminas and Mineração Usiminas. These trademarks are owned by the Company and were registered under the relevant categories related to activities performed by the Company and its subsidiaries affiliates and companies under common control.

The Company also owns the following trademarks:

Mark	Registration Number	Class	Nature (figurative, nominative or mixed)	Status	Date of Deposit/Registration
CANAL ABERTO	812990293	11:10	Nominative	Filed	12/1/1986
COS-EP 400 RC	813732891	06 : 20 - 30	Nominative	Filed	9/14/1987
COS EEP CC TI	816301778	06 : 20 - 30	Nominative	Filed	8/8/1991
COS EEP CC T2	816301786	06 : 20 - 30	Nominative	Filed	8/8/1991
COSIPIPO	816760497	06 : 20 - 30	Nominative	Record	6/24/1992
USIGALVE-EEP	817554483	06 : 20 - 30	Nominative	Record	9/28/1993
USIGALVE-EEP-PC	817554491	06 : 20 - 30	Nominative	Record	9/28/1993
USIGALVE-PLUS-EEP	817554505	06 : 20 - 30	Nominative	Record	9/28/1993
USIGALVE-N	818327243	06 : 20 - 30	Nominative	Record	2/6/1995
USIFIRE	818327251	06 : 20 - 30	Nominative	Record	2/6/1995
AEROPORTO DA USIMINAS	819846252	NCL(8) 39	Mixed	Record	1/21/1997
COSEL	819740934	06 : 20 - 30	Nominative	Filed	3/14/1997
COS EEP	819740942	06 : 20 - 30	Nominative	Filed	3/14/1997
USICIVIL	819896896	1,677083333	Nominative	Extinct	3/14/1997
USICIVIL	819896900	37 : 05 - 40	Nominative	Extinct	3/14/1997
USIBRAS	819955280	06 : 20 - 30	Nominative	Extinct	6/9/1997
INTERAÇÃO	820431990	0,465277778	Mixed	Filed	12/22/1997
USICORT	821885715	NCL(8) 06	Nominative	Extinct	7/15/1999
USILIGHT	822125889	NCL(8) 06	Nominative	Record	10/8/1999
USILIGHT	822185164	0,805555556	Mixed	Filed	10/8/1999
USICORT	822185334	06 : 20 - 30	Mixed	Filed	10/15/1999
USISAMPLE	826576931	NCL(8) 09	Mixed	Filed	4/23/2004
USI-ABRA-L	827346492	NCL(8) 06	Nominative	Filed	3/8/2005
USI-AR-400-L	827357621	NCL(8) 06	Nominative	Filed	3/30/2005
USI-AR-360-L	827357630	NCL(8) 06	Nominative	Filed	3/30/2005
USI-AR-360-VO-Q	827357648	NCL(8) 06	Nominative	Filed	3/30/2005
USI-AR-360-Q	827357656	NCL(8) 06	Nominative	Filed	3/30/2005
USIMINAS	827441339	NCL(9) 06	Mixed	Filed	4/7/2005
USISAMPLE	900875089	NCL(9) 09	Nominative	Filed	4/24/2008
USIMINAS	901437085	NCL(9) 06	Mixed	Filed	2/4/2009
USIMINAS	901572365	NCL(9) 06	Nominative	Record	4/14/2009
UNIGAL	901861480	NCL(9) 06	Mixed	Filed	8/13/2009
UNIGAL	906828848	NCL(10)06	Mixed	Grant of the request	10/1/2013
Automotiva Usiminas	901861456	NCL(9) 12	Mixed	Record	8/13/2009
DUFER USIMINAS	901861499	NCL(9) 06	Mixed	Rejection	8/13/2009
Fasal Usiminas	901861596	NCL(9) 06	Mixed	Rejection	8/13/2009

UMSA	818591838	0,315972222	Nominative	Record	5/18/1995
UMSA	818591854	37:05 – 25-40	Nominative	Record	5/18/1995
UMSA	818591846	37:40 – 41 – 42	Nominative	Record	5/18/1995
UMSA	818591862	0,270833333	Nominative	Record	5/18/1995
UMSA	818591889	07:25 - 30	Nominative	Record	5/18/1995
UMSA	818591897	0,805555556	Nominative	Record	5/18/1995
USIMINAS MECÂNICA	818623942	37:05 – 25 – 40	Mixed	Record	6/14/1995
USIMINAS MECÂNICA	818623950	1,580555556	Figurative	Record	6/14/1995
USIMINAS	903863642	NCL(9)06	Mixed	Record	7/18/2011
USIMINAS	901572454	NCL(9)06	Figurative	Record	4/14/2009
SINCRON	830751211	NCL(9)06	Nominative	Record	8/4/2010
CICLO	830751181	NCL(9)06	Nominative	Request Overwritten	8/4/2010
EZULT	830751190	NCL(9)06	Nominative	Record	8/4/2010
SETTER	830751203	NCL(9)06	Nominative	Record	8/4/2010
RAVUR	830751351	NCL(9)06	Nominative	Record	8/6/2010
ARPER	830763724	NCL(9)06	Nominative	Record	8/6/2010
EFFOR	830763708	NCL(9)06	Nominative	Filed	8/6/2010
ARCTOS	830763716	NCL(9)06	Nominative	Record	8/6/2010
KORAGE	830763732	NCL(9)06	Nominative	Record	8/6/2010
Rios Unidos	6789110	1,597222222	Nominative	Record	8/16/1977
TESMAF	810105764	1,597222222	Nominative	Extinct	4/29/1981
TESMAF	811245861	1,677083333	Nominative	Extinct	7/26/1983
USISAÚDE	828721483	NCL(8)36	Mixed	Record	8/1/2006
USISAÚDE	902214527	NCL(9)36	Mixed	Filed	12/21/2009
COSIPA	2472902	01:10 -75 -85	Nominative	Extinct	6/20/1956
COSIPA	2178362	NCL(8)01	Nominative	Extinct	2/4/1959
COSIPA	7535759	0,256944444	Mixed	Extinct	6/21/1968
COSIPA	6126456	01:85 – 90	Mixed	Canceled due to transfer	6/21/1968
COSIPA	4095120	0,065972222	Nominative	Extinct	2/16/1971
COS – AR	810901293	06:10 – 20 – 30	Nominative	Record	7/2/1982
COS – AR – COR	811363767	06:10 –20 – 30	Nominative	Record	11/10/1983
COS – COR	812944828	06:20 – 30	Nominative	Record	10/30/1986
COS – RD	812944810	06:20 – 30	Nominative	Record	10/30/1986
COS – FIT	817751750	0,270833333	Nominative	Record	3/30/1994
COSIPA	817965726	1,677083333	Nominative	Record	7/28/1994
COSIPA	817965700	38:20 - 40	Nominative	Record	7/28/1994
COSIPA	817965718	36:70	Nominative	Record	7/28/1994
COSIPA	817965769	38:20 - 40	Mixed	Record	7/28/1994
COSIPA	817965734	1,580555556	Nominative	Record	7/28/1994
COSIPA	817965742	1,677083333	Mixed	Record	7/28/1994
COSIPA	817965750	36:70	Mixed	Record	7/28/1994
COSIPA	817965777	1,580555556	Mixed	Record	7/28/1994
COS ALLOY	818443340	06:20 – 30	Nominative	Record	4/10/1995
COS – COR II	818443359	0,270833333	Nominative	Record	4/10/1995
COSIPA	818501626	38:20 - 40	Mixed	Record	6/9/1995
COSIPA	818501634	01:85 - 90	Mixed	Record	6/9/1995
COSIPA	818501588	1,580555556	Mixed	Record	6/9/1995
COSIPA	818501896	1,677083333	Mixed	Record	6/9/1995
COSIPA	818501600	36:70	Mixed	Record	6/9/1995
COSIPA	818501618	06:10 -20 - 30	Mixed	Record	6/9/1995
COSIPA	818501596	1,677083333	Mixed	Record	6/9/1995

COSAÚDE	819068560	1,677083333	Nominative	Record	3/13/1996
COS CF 500	819083372	06:20 – 30	Nominative	Record	3/28/1996
COSIPA	823254992	NCL(7) 16	Mixed	Record	5/15/2001
COSIPA	823255000	NCL(7) 39	Mixed	Record	5/15/2001
COSIPA NA ESCOLA	823254950	NCL(7) 41	Mixed	Record	5/15/2001
COSIPA	823255018	NCL(7)40	Mixed	Record	5/15/2001
COSIPA	823255026	NCL(7) 35	Mixed	Record	5/15/2001
COSIPA	823255034	NCL(7) 42	Nominative	Record	5/15/2001
COSIPA	823255042	NCL(7) 42	Mixed	Record	5/15/2001
COSIPA NA ESCOLA	823254933	NCL(7) 35	Nominative	Record	5/15/2001
COSIPA NA ESCOLA	823254941	NCL(7) 41	Nominative	Record	5/15/2001
COSIPA	823255050	NCL(7) 01	Mixed	Record	5/15/2001
COSIPA	823254984	NCL(7) 06	Mixed	Record	5/15/2001
COSIPA	823254976	NCL(7) 36	Mixed	Record	5/15/2001
COSIPA NA ESCOLA	823254968	NCL(7) 35	Mixed	Record	5/15/2001
CHAPA	823470199	NCL(7) 16	Nominative	Record	7/26/2011
INTERAÇÃO COSIPA	826204252	NCL(8) 16	Nominative	Record	3/12/2004
Projeto Mantiqueira	900077271	NCL(8) 41	Mixed	Record	11/9/2006
Projeto Mantiqueira	900252480	NCL(9) 41	Nominative	Record	3/27/2007
SOLUÇÕES EM AÇO USIMINAS	840101740	NCL (10)35	Mixed	Record	4/24/2012
SOLUÇÕES EM AÇO USIMINAS	840101759	NCL (10)40	Mixed	Record	4/24/2012
MINERAÇÃO USIMINAS	904792200	NCL (10) 06	Mixed	On merit examination	5/10/2012
USIPREV	904738833	NCL (10) 36	Mixed	Record	4/23/2012
PREVIDÊNCIA USIMINAS EMPREGADOS DA USIMINAS	904771814	NCL (10) 36	Mixed	Record	5/4/2012
PREVIDÊNCIA USIMINAS	904801152	NCL (10) 36	Mixed	Record	5/15/2012
SIDERBRITA	908569980	NCL (10) 19	Mixed	Publication of registration application for opposition	11/10/2014
SIDERBRITA	908570120	NCL (10) 19	Nominative	Publication of registration application for opposition	11/10/2014
SIDERBRITA PLUS	908570317	NCL (10) 19	Mixed	Publication of registration application for opposition	11/10/2014
SIDERBRITA PLUS	908570392	NCL (10) 19	Nominative	Publication of registration application for opposition	11/10/2014
AÇOCARD	840743696	NCL (10) 35	Mixed	Awaiting examination of merit	12/18/2013
AÇOCARD	840743700	NCL (10) 36	Mixed	Awaiting examination of merit	12/18/2013

i) Duration

In Brazil, the acquisition of a trademark is only possible through trademark registration validly issued by the National Institute of Intellectual Property ("INPI"), where the holder is guaranteed the right to exclusive use throughout the country for 10 years from the date of concession of registration, renewable for equal and successive periods. During the registration process, the applicant has only an expectation of the right to use the trademarks applied for, to identify its products and services.

ii) Events that could lead to losing the rights to such assets.

The Company is not aware of any event that may cause the loss of its intellectual property and trademarks.

iii) Possible consequences to issuer from the loss of such rights

The possible loss of rights over the trademarks registered by the Company and companies of Usiminas would cause the end of the right to their exclusive use in Brazil and it would face difficulties to prevent third parties from using identical or similar trademarks to market its products. In addition, if the Company or companies of Usiminas prove not to be the legitimate owners of the trademarks they use, there would be the possibility of suffering from litigation at criminal and civil levels for improper use of trademark and infringement of third party rights. As discussed above, the trademark "Usiminas" is one of the most valuable assets of the Company, which is why, notwithstanding loss of corporate identity, the loss of right to the trademark would have a material adverse impact on its business.

Mining concessions

Mining companies in Brazil can only explore and extract mineral resources according to their mining concessions provided by the National Department of Mineral Production - DNPM, autarchy of the Ministry of Mines and Energy of the Brazilian government. DNPM grants mineral research permits to the applicant for an initial period of three years. These permits are renewable as per discretionary decision of DNPM for a further period of one to three years, provided that the applicant demonstrates that the extension is necessary for the proper completion of the research activity. Local research activities must begin within 60 days from the official publication of the exploration license. After completing the activities of mineral exploration at the site, the company must submit a (positive or negative) final report to DNPM. If the geological survey reveals the existence of mineral deposits that are economically exploitable, the applicant company has one year (which may be extended by DNPM) from the approval of the final research report by DNPM to submit Economic Exploitation Plan (PAE), which shall contain a project descriptive memorandum, detailing the mining method to be adopted, the sizing of equipment, the economics involved and other legal requirements of the Mining Code. After approval of the PAE by DNPM, and its publication in the Brazilian Federal Gazette ("DOU"), the entrepreneur must submit Installation License, provided by the competent environmental agency, in a period of 180 days. When the mining concession is published, the dealer shall require the issuance of tenure of the deposit, which identifies the boundaries of the concession in the field, and start mining activities within at most six months. DNPM provides grant for an indefinite period lasting until depletion of the mineral deposit. The extracted minerals that are specified in the mining concession belong to the mining concessionaire. With the prior approval of DNPM, the concessionaire can transfer it to an unrelated party that is qualified to possess the mining concession. The entrepreneur must submit, on an annual basis, the Annual Mining Report, where data on mining, production, sale and collection of taxes and the Financial Compensation for Exploiting Mineral Resources - CFEM shall be presented. Failure to present the RAL - Annual Mining Report can result in penalties provided for in the mining code.

The Company and Mineração Usiminas have several mining titles, including requirements for research, exploration permits and mining concessions, namely:

Description of authorizations from DNPM	(i) Validity	(ii) Territory
Mining concession in the city of Itatiaiuçu/Itaúna - Case DNPM # 830.300/79	Undetermined	National
Mining concession in the city of Itatiaiuçu - Case DNPM # 800.540 /75	Undetermined	National
Mining concession in the city of Itatiaiuçu - Case DNPM # 006.274 /59	Undetermined	National
Mining concession in the city of Itatiaiuçu - Case DNPM # 002.579 /53	Undetermined	National
Mining concession in the city of Itatiaiuçu - Case DNPM # 000.441 /53	Undetermined	National
Mining concession in the city of Itatiaiuçu/Itaúna - Case DNPM # 805.221/77	Undetermined	National
Mining concession in the city of Itaúna/Mateus Leme - Case DNPM # 815.055/73	Undetermined	National
Mining concession in the city of Itaúna - Case DNPM # 831.056/81	Undetermined	National
Mining concession in the city of Itaúna - Case DNPM # 830.373/78	Undetermined	National
Mining concession in the city of Itatiaiuçu - Case DNPM # 000.268 /63	Undetermined	National

Mining concession in the city of Itatiaiuçu - Case DNPM # 800.743 /74	Undetermined	National
Mining concession in the city of Itatiaiuçu - Case DNPM # 802.804 /71	Undetermined	National
Mining request in the city of Itatiaiuçu/Mateus Leme - Case DNPM # 803.154/78	Undetermined	National
Mining concession in the city of Mateus Leme - Case DNPM # 815.054/73	Undetermined	National
Mining concession in the city of Mateus Leme - Case DNPM # 001.681/59	Undetermined	National
Mining concession in the city of Itatiaiuçu - Case DNPM # 001.005 /60	Undetermined	National
Mining concession in the city of Mateus Leme - Case DNPM # 000.288/63	Undetermined	National
Mining concession in the city of Itatiaiuçu - Case DNPM # 831.153 /80	Undetermined	National
Mining concession in the city of Itatiaiuçu - Case DNPM # 830.301 /79	Undetermined	National
Mining concession in the city of Itatiaiuçu - Case DNPM # 830.342 /82	Undetermined	National
Mining concession in the city of Mateus Leme - Case DNPM # 814.668/73	Undetermined	National
Mining request in the city of Igarapé/Itatiaiuçu/Mateus Leme - Case DNPM # 830.049/79	Undetermined	National
Mining concession in the city of Mateus Leme - Case DNPM # 830.473/81	Undetermined	National
Mining concession in the city of Itatiaiuçu - Case DNPM # 007.716 /57	Undetermined	National
Mining concession in the city of Itatiaiuçu - Case DNPM # 005.797 /59	Undetermined	National
Mining request in the city of Itatiaiuçu - Case DNPM # 831.143 /03	01/08/2009	National
Mining request in the city of Itatiaiuçu - Case DNPM # 833.867 /06	20/06/2011	National
Mining request in the city of Itatiaiuçu - Case DNPM # 831.755 /07	20/06/2011	National
Search Permit in the city of Rio Manso – Case DNPM # 832.649/10 / Extension of requested license	23/09/2014	National
Search Permit in the city of Rio Manso – Case DNPM # 832.652/10 / License extended	05/02/2018	National
Search Permit in the city of Rio Manso – Case DNPM # 832.657/10 / Extension of requested license	03/10/2014	National
Search Permit in the city of Rio Manso – Case DNPM # 832.659/10 / License extended	06/04/2017	National
Search Permit in the city of Rio Manso – Case DNPM # 832.648/10 / License extended	05/02/2018	National
Search Permit in the city of Rio Manso – Case DNPM # 832.656/10 / Extension of requested license	23/09/2014	National
Search Permit in the city of Rio Manso – Case DNPM # 832.658/10 / License extended	05/02/2018	National
Search Permit in the city of Rio Manso – Case DNPM # 832.653/10 / License extended	05/02/2018	National
Search Permit in the city of Rio Manso – Case DNPM # 832.669/10 / License extended	05/02/2018	National
Search Permit in the city of Rio Manso – Case DNPM # 832.669/10	27/06/2017	National
Search Permit in the city of Rio Manso – Case DNPM # 832.671/10 / License extended	05/02/2018	National
Request for Research in the Municipality of São Joaquim de Bicas - Case DNPM # 832.715 / 10	Undetermined	National
Application Lavra in the municipality of Itatiaiuçu / Itaúna - Case DNPM # 830.364 / 88	23/02/1997	National
Application Lavra in the municipality of Itatiaiuçu / Mateus Leme - Case DNPM # 830.443 / 83	28/02/1989	National
Application Lavra in the municipality of Itatiaiuçu - Case DNPM # 830.106 / 85	13/11/1987	National
Application Lavra in the municipality of Itatiaiuçu / Mateus Leme - Case DNPM # 831.075 / 85	25/07/1989	National
Concession Lavra in the municipality of Itatiaiuçu / Mateus Leme - Case DNPM # 830.149/ 81	Undetermined	National
Application Lavra in the municipality of Igarapé/Mateus Leme - Case DNPM # 803.274/78	16/05/2011	National
Application Lavra in the municipality of Igarapé/Itatiaiuçu/Mateus Leme - Case DNPM # 830.035/03	04/08/2008	National
Application Lavra in the municipality of Igarapé/Itatiaiuçu - Case DNPM # 805.218/77	10/12/1988	National
Application Lavra in the municipality of Brumadinho/Igarapé - Case DNPM # 830.343/82	03/08/1991	National
Application Lavra in the municipality of Brumadinho/Igarapé - Case DNPM # 834.338/94	22/03/2009	National
Application Lavra in the municipality of Brumadinho/Igarapé - Case DNPM # 831.182/88	28/09/2004	National
Application Lavra in the municipality of Brumadinho/Igarapé - Case DNPM # 830.410/82	10/02/1990	National
Request for Research in the Municipality of Itatiaiuçu - Case DNPM # 833.399/2011	Undetermined	National
Search Permit in the city of Marliéria – Case DNPM # 831.962/2012	02/10/2018	National
Search Permit in the city of Marliéria – Case DNPM # 831.963/2012	17/03/2019	National
Search Permit in the city of Marliéria – Case DNPM # 831.964/2012	20/11/2017	National
Search Permit in the city of Marliéria – Case DNPM # 831.965/2012	20/11/2017	National
Search Permit in the city of Cláudio – Case DNPM # 830.414/2014	29/10/2018	National
Search Permit in the city of Cláudio – Case DNPM # 830.415/2014	29/10/2018	National
Application Lavra in the municipality of Itatiaiuçu - Case DNPM # 831.390/2015	Undetermined	National

ii) Events that could lead to losing the rights to such assets.

The Company is not aware of any event that may cause the loss of its mines.

iii) Possible consequences of the loss of such rights to the issuer

In the case of loss of concessions from DNPM, Mineração Usiminas would have its mining activities paralyzed in the respective areas. A complete halt of the ventures would only occur after the loss of all concessions in the name of the company, and the risk of losing the concessions is very low, resulting from the noncompliance with all obligations to DNPM, and even then, only after opening an administrative proceeding against the holder, against which appeal is permitted.

The loss of all concessions, which is highly unlikely, as mentioned above, may impact the cost of iron ore for the company, since this amount of iron ore to be compensated, would likely be purchased in the market at a unit cost that is higher than its own production cost.

c) The companies in which issuer has ownership interest and in respect to them inform:

Corporate Name	Headquarters	Has registration with CVM	Controlada/ Coligada	Subsidiary / Affiliate	Book Value of Interest (PL)			Market Value of interest	Appreciation or (devaluation) of interest, according to the book value			Appreciation or devaluation of interest according to the market value	Dividends received		
					12/31/2016	12/31/2015	12/31/2014		12/31/2016	12/31/2015	12/31/2014		12/31/2016	12/31/2015	12/31/2014
Codeme Engenharia S.A.	Betim – MG	No	Affiliate	30.77	61,944	61,152	52,327	N/A	792	8,825	4,402	N/A	-	-	2,356
Cosipa Commercial Ltd.	Ilhas Cayman	No	Subsidiary	100	-	11,455	25,353	N/A	(11,455)	(13,898)	(6,847)	N/A	-	-	-
Cosipa Overseas Ltd.	Ilhas Cayman	No	Subsidiary	100	-	-	592	N/A	-	(592)	(15,415)	N/A	-	-	14,916
MetForm S.A.	Betim - MG	No	Affiliate	30.77	-	10,836	13,239	N/A	(10,836)	(2,403)	1,254	N/A	-	623	700
Mineração Usiminas S.A.	B. Horizonte MG	No	Subsidiary	70	3,047,638	2,896,565	3,907,515	N/A	151,073	(1,010,950)	(162,519)	N/A	51,008	19,832	354,908
MRS Logística S.A.	Rio de Janeiro	1794-9	Affiliate	0.28	9,511	8,639	7,958	N/A	872	681	196	N/A	294	230	848
Soluções em Aço Usiminas SA	B. Horizonte MG	No	Subsidiary	68.88	650,840	694,526	724,090	N/A	(43,686)	(29,564)	(32,371)	N/A	-	-	-
Unigal Ltda	B. Horizonte MG	No	Jointly-controlled	70	573,284	552,947	600,075	N/A	20,337	(47,128)	(36,663)	N/A	83,999	98,000	164,499
Usiminas Commercial Ltd.	Ilhas Cayman	No	Subsidiary	100	20,603	55,422	61,761	N/A	(34,819)	(6,339)	9,537	N/A	-	-	-
Usiminas Europa S.A.	Dinamarca	No	Subsidiary	100	864,794	1,928,884	1,929,453	N/A	(1,064,090)	(569)	187,108	N/A	-	65,400	80,738
Usiminas International Ltd	Luxemburgo	No	Subsidiary	100	33,881	42,939	33,097	N/A	(9,058)	9,842	(1,579)	N/A	-	-	-
Usiminas Mecânica S.A.	B. Horizonte MG	No	Subsidiary	99.99	532,745	579,126	542,901	N/A	(46,381)	36,225	8,646	N/A	40,286	9,710	2,777
Usiminas Participações e Logística S/A	São Paulo - SP	No	Subsidiary	16.7	62,851	60,150	57,206	N/A	2,701	2,944	1,926	N/A	5,124	2,556	5,263
Usiroll – Usiminas Court Tec. Em Acabamento Superficial Ltda	Ipatinga - MG	No	Jointly-controlled	50	8,831	8,550	9,842	N/A	281	(1,292)	1,099	N/A	500	-	-

Note: N/A = Not Applicable. Shares issued by the company are not traded in organized markets.

(i) Activities of Subsidiaries

Codeme Engenharia S.A. – with main place of business in Betim, Estado de Minas Gerais, it manufactures and assembles steel constructions, especially industrial buildings, commercial sheds and multi-storey buildings. Codeme has plants in Betim (Minas Gerais) and Taubaté (São Paulo).

Cosipa Commercial Ltd. - Headquartered on the Cayman Islands, it was organized in April 2006, aiming to optimize fundraising in foreign markets for Usiminas.

Cosipa Overseas Ltd. - Headquartered on the Cayman Islands, it was organized in February 1994 with the objective of optimizing the operations of foreign trade of Usiminas, to facilitate purchases of imported raw materials and the export of steel products, besides being an instrument of fundraising in the international market for financing the investments of the Company.

MetForm S.A. - With main place of business in Betim, Minas Gerais, and its business purpose is the manufacturing of steel roofing, galvanized steel decks and accessories, with or without painting. Metform has plants in Betim (Minas Gerais) and Taubaté (São Paulo).

Mineração Usiminas S.A. - With main place of business in Belo Horizonte, Minas Gerais, it is a partnership between the Company (70%) and Sumitomo Group (30%), whose main purpose is the extraction and processing of iron ore in the form of pellet feed, sinter feed and pellets. Most of its production, which is extracted from mines in the Serra Azul region, Iron Quadrangle of the state, is intended to be consumed by steel plants of the Company. MUSA holds a 50% interest in the jointly-controlled subsidiary Modal Terminal de Granéis Ltda. ("Modal"), with main place of business in Itaúna, Minas Gerais, whose business purpose is the operation of road and rail cargo terminals, storage and handling of ore and steel products and cargo road transportation. It has a 22.22% interest in the associated company Terminal de Cargas Sarzedo Ltda. ("Terminal Sarzedo") with main place of business in Sarzedo, Minas Gerais, whose main activities are cargo storage, road and rail terminal operation, warehousing and related services. It also holds a 22.22 % interest in the associated company Terminal de Cargas Paraopeba Ltda. ("Terminal Paraopeba") with main place of business in Sarzedo, Minas Gerais, its principal activities being the storage and handling of cargo in general, the administration and operation of road and rail cargo terminal and cargo road transportation. In addition, it controls Usiminas Participações e Logísticas S.A. ("UPL") with main place of business in São Paulo, Capital, whose business purpose is exclusively to directly hold shares and other securities issued by MRS Logística S.A. In 2011, MUSA acquired interest in Mineração Ouro Negro S.A. ("Mineração Ouro Negro") and merged with it in September 2012.

MRS Logística S.A. - Headquartered in the city of Rio de Janeiro, MRS provides rail transportation and logistics services in Southeastern Brazil. Usiminas interest in MRS represents a strategic investment to optimize the supply of raw materials, transportation of finished products and third-party cargo transportation, mainly related to the operation of the Company's marine terminals.

Rios Unidos Logística e Transportes de Aço Ltda. - established in Guarulhos, State of São Paulo, and its main business purpose is to cargo road transportation.

Soluções Usiminas S.A. - With main place of business in Belo Horizonte, Minas Gerais State, it operates in the markets of distribution, services and small diameter pipes across Brazil, offering its customers high value-added products. The Company is capable of processing more than 2 million tons of steel a year in its 09 industrial units, strategically distributed in the states of Rio Grande do Sul, São Paulo, Minas Gerais, Espírito Santo and Pernambuco. It serves various economic sectors, such as Automotive, Spare Parts, Civil Construction, Distribution, Electric and Electronic Products, Machinery and Equipment and Home Appliances, among other.

Unigal Ltda. - With main place of business in Belo Horizonte, Minas Gerais, it is a joint venture established in 1998 by the Company (70%) and Nippon Steel & Sumitomo Metal Corporation (30%), with the goal of transforming cold-rolled coils into hot-dip galvanized coils, primarily to serve the automotive industry. Unigal, whose factory is located in Ipatinga, Minas Gerais, has an installed galvanizing capacity of 1,030 tons of steel per year.

Usiminas Commercial Ltd. - Headquartered on the Cayman Islands, it was organized in April 2006, aiming to optimize fundraising in foreign markets for Usiminas.

Usiminas Europa A/S – created in 2005, with main place of business in Copenhagen, Denmark, its main business purpose is to hold investments in wholly-owned subsidiaries Usiminas Galvanized Steel ApS (“Usiminas Galvanized”) and Usiminas Electrogalvanized Steel ApS (“Usiminas Electrogalvanized”), whose main activity is to promote foreign trade with customers of galvanized steel and electrogalvanized steel produced by Usiminas, respectively.

Usiminas International Ltd. - Headquartered in the Principality of Luxembourg, it was established in 2001 with the purpose of holding the Company's investments.

Usiminas Mecânica S.A. - With main place of business in Belo Horizonte, Minas Gerais, it is a capital assets company engaging in various sectors, such as Metallic Structures, Naval and Offshore, Oil and Gas, Industrial Equipment, Industrial Assemblies and Foundry and Railway Wagons.

Usiminas Participações e Logística S.A. - With main place of business in São Paulo, Capital, whose business purpose is exclusively to directly hold shares and other securities issued by MRS Logística S/A.

Usiroll Usiminas Court. Tecnologia em Acabamento Superficial Ltda. - With main place of business in Ipatinga, Minas Gerais State, it is dedicated to the provision of services, especially for grinding cylinders and rollers.

(ii) reasons for the acquisition and maintenance of stake in subsidiary / associated company:

In addition to the reasons described in the above item, the Company acquired / formed or holds interests in subsidiaries or associated companies listed above, in order to separate assets for exploration of different segments and market opportunities, with the consequent expansion of its branch activity, according to the activity performed by each of the companies above.

9.2. Other Information that the Company deems relevant.

The Company believes that there is no other relevant information to be provided in this item 9 of the Reference Form.

10. Comments of the directors

10.1. Management's discussion and analysis

a) General financial and equity conditions

In 2016, Usiminas recognized adjusted EBITDA of R\$660.4 million compared to R\$291.5 million in 2015, primarily due to the better performance of the Steel Metallurgy, Mining and Steel Transformation Business Units. Adjusted EBITDA margin in 2016 reached 7.8% compared to 2.9% in 2015. Consolidated net debt was R\$4.7 billion at December 31, 2016, a decrease of 20.1% in comparison with the net debt of R\$5.9 billion at December 31, 2015, representing 24% of the invested capital. Consolidated gross debt (borrowings and debentures) was R\$6.9 billion compared to R\$7.9 billion in 2015, a decrease of 12.0%, primarily due to the debt amortization in the period and the average exchange gain of 16.5% in the year, with a positive effect on the debt portion denominated in foreign currency. The breakdown of debt by maturity was 1% in the short term and 99% in the long term, following the renegotiation of approximately 92% of the Company's total debt, which resulted in a total repayment term of 10 years, of which three years of grace period for the repayment of the principal, and adjustment of the debt repayment profile to short, medium and long-term prospects. In 2016, current liquidity ratio (Current assets / Current liabilities) was 3.66 compared to 1.53 in 2015, also because of the renegotiation of debt.

In 2015, Adjusted EBITDA was R\$291.5 million, against R\$1.9 billion in 2014, due to lower sales volume and prices of steel and iron ore affecting its main units of business, the Steel Unit and Mining Unit. The Capital Goods Unit was the exception, reaching an EBITDA of R\$86.8 million, a 73.7% growth comparing both periods. As of December 31, 2015, consolidated net debt was R\$5.9 billion, representing 28% of invested capital (net debt plus shareholders' equity). Consolidated gross debt was R\$7.9 billion, against R\$6.7 billion in 2014, a 17.7% increase, mainly due to the strong currency devaluation of 47.0% in the period, which directly impacted the Dollar debt portion, which corresponded to 47% of total debt on 12/31/15. Debt composition by maturity was 24% in the short term and 76% in the long term. Usiminas duly obtained the waivers from its lender for the breach of covenants on 12/31/15.

The year of 2014 represented for Usiminas a year of consolidation of various initiatives aimed at increasing its profitability and reduce its debt level. Usiminas applied continued efforts to reduce costs and increase efficiency in plants, managing inventories and further striving to meet the demands of its customers. The Consolidated adjusted EBITDA totaled R\$1,863 billion, showing an increase of 3.1% when compared to the year 2013, which was R\$1,806 billion. This is due mainly to the improved performance of the Steel unit, which although it has had a lower sales volume, it had a higher average price which compensated for the lower contribution of mining, impacted by the significant decrease of iron ore prices in the international market. The Net debt, defined as gross financial debt less cash and cash equivalents, at the end of 2014 totaled R\$ 3.8 billion. The net debt/EBITDA ratio in 12/31/2014 was 2.1 times while in 12/31/2013 was 1.9 times. The index of current ratio (current assets/current liabilities) in 12/31/2014 reached 1.73 times, slightly lower than 12/31/2013 which was of 1.86.

b) Capital structure and possibility of redemption of shares or units of interest

The total liabilities of the company, comprising the total obligations with third parties increased in 2015 due to a lower cash generation and the negative effects of the foreign exchange devaluation impacting its foreign exchange debt. The relationship between equity and debt, net of cash and securities, can be summarized below:

In thousand of R\$ Real	2015	2014	2013
Total Liabilities	11,063,111	12,764,475	11,722,447
Cash and cash equivalents and securities	2,257,454	2,024,457	2,851,903
Total Net Liabilities (A)	8,805,657	10,740,018	8,870,544
Equity (B)	15,191,634	14,993,857	18,761,615
Ratio (A)/(B)	58%	72%	47%

i. events of redemption

The Company's articles of incorporation contain no provision regarding redemption and so the provisions to be applied are that of the partnership by shares.

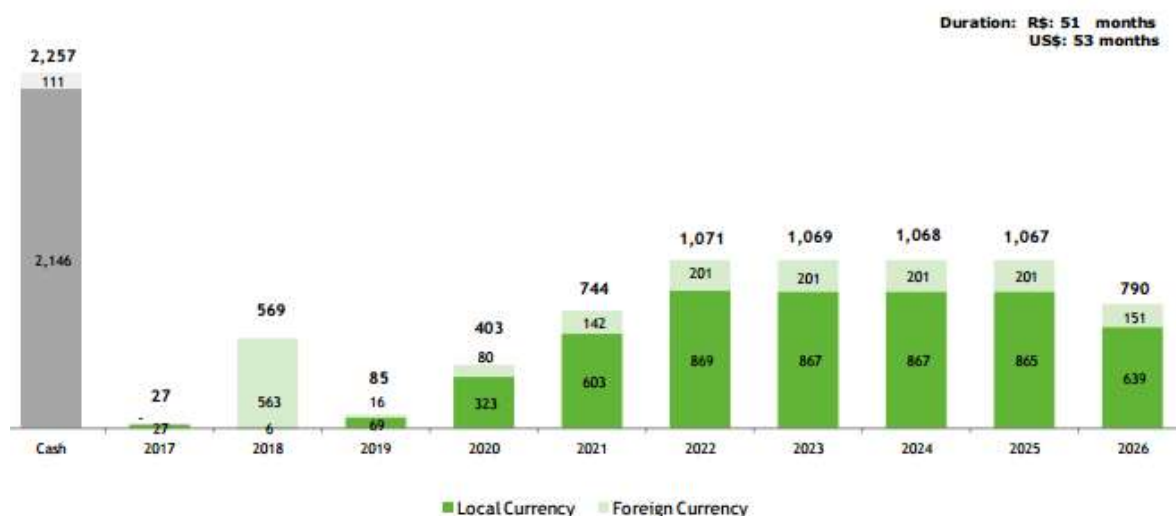
ii. redemption price calculation method

In the case of redemption, the company will adopt a formula in compliance with current legal provisions.

c) Ability to pay in relation to financial commitments assumed

In 12/31/2016, the company had in cash R\$ 2.3 billion (R\$ 2.0 billion in 12/31/2015 and R\$2.9 billion in 12/31/2014). Its debt shows an average 4 years in 2015 (2 years in 2015 and 3 years 2014). The concentration of short-term debt in 12/31/2016 is 1.0% of the total debt (24.3% in 2015 and 24.6% in 2014). This new composition is the result of the conclusion of debt renegotiation of approximately 92% of the Company's total debt, which obtained a total tenor of ten years, of which three years are grace period for principal payment, thereby adjusting its debt profile to the short, medium and long term outlooks.

During the year of 2016, some important actions that were being implemented by the Company were completed. These actions focused on adaptation of financial disbursements, prioritization of operating cash generation, and strict management of working capital and capital investments. Of one the completed actions was the Company's Capital increase, through issuance of new ordinary and preferred shares in the amount of R\$1,050,294,935.04.



d) Sources of working capital and capital expenditure financing

The sources of financing for working capital and for investment in non-current assets are operating cash generation, development bank credit lines, bank loans and financing with public and private institutions/banks, and issuance of debt securities.

e) Sources of financing for working capital and investments in non-current assets to be used to cover liquidity shortfalls

As described in the item above, the Company seeks in its Strategic Plan, thought management of cash flow, working capital and investments, sources to maintain a cover level of operating cash.

f) Levels of indebtedness and the characteristics of such debts, including:

Usiminas' Companies had, on 12/31/2016, loans and financing in the amount of R\$ 5.9 billion (R\$ 6.8 billion on 12/31/2016 and R\$ 5.6 billion on 12/31/2014) and R\$ 998 million debentures (R\$ 1.0 billion on 12/31/2015 and R\$ 1.0 million on 12/31/2014).

i. Relevant loan and financing contracts

Following the renegotiation in September 2016, the main financing operations are:

- Several loan agreements with the BNDES and Finape for the purpose of financing the investments of the Company, with maturities until 2026. On 12/31/2016 the debt balance of these operations was R\$456.0 million (on 12/31/2015 it was R\$ 658.0 million and on 12/31/2014 it was R\$ 888.0 million).
- Loan Contracts with the JBIC and commercial Japanese Banks for financing the construction of Thermoelectric Power Plant of Ipatinga, Coke ovens in Ipatinga, Hot Strip Mill Plant in Cubatao, with maturities until 2026. On 12/31/2016 the debt balance of these operations was R\$ 1.0 billion (on 12/31/2014 R\$ 1.3 billion and on 12/31/2013 R\$ 1.3 billion).

- Export and Industrial Credit Notes and Industrial with Banco do Brasil for operating capital financing, with maturities until 2020. The Credit Notes were settled in September 2016 and there are no outstanding balances of these operations at the end of 2016 (R \$ 2.5 billion in 2015 and R \$ 2.9 billion in 2014).
- On 1 October, 2013 the subsidiaries of the Company based in Denmark acquired \$124.2 million of debt securities maturing in 2016 and \$220.2 million of debt securities maturing in 2018, issued by the companies; Cosipa Commercial Ltda. and Usiminas Commercial Ltda., both controlled by the Company. This operation allows a better allocation of resources of the Company, in addition to reducing its leverage gross and reducing financial disbursements designed until the expiration of the above-mentioned titles. On December 30, 2014 the Company exercised a clause of early redemption (*Early Redemption*) of the title of debt maturing in 2016 and thus repurchased all of the securities issued. The early redemption was also done with the objective of reducing the gross leverage and the financial disbursements projected. In June 2016, the Company liquidated the debt securities issued by Cosipa Commercial Ltda with maturity in 2016, mentioned above. On 12/31/2016 the debt balance of these operations was R\$ 582.0 million (12/31/2015 R\$ 698.0 million and 12/31/2014 it was R\$ 474.0 million). On January 12, 2017, the Company and its subsidiary Usiminas Commercial Ltd. announced the completion of the "Consent Request" made to Eurobond holders ("Notes"), with original maturity in 2018 and issued in the amount of US\$ 400,000 thousand, to temporarily agree with the Company's non-compliance with its obligations regarding restrictions on the offering of guarantees established in Indenture, signed on January 18, 2008 with the Bank of New York, as the Indenture.
- Issuance of debentures in the amount of R\$1.0 billion maturing in 2026 and interest rate of 3% p.a. + 100% of CDI, with the aim of meeting the company's investment plans. As of December 31, 2016, the outstanding balance of this operation was R\$ 998.0 million (R\$ 1.0 billion in 2015 and R\$ 1.0 billion in 2014).
- Working capital loan contracts with ITAU BBA maturing in 2026. In 2016, the debt balance with these operations was R\$ 673.0 million (R\$ 935.0 million in 2015 and R\$ 360.0 million in 2014).
- Working capital loan contracts with Banco do Brasil maturing in 2026. In 2016, the debt balance with these operations was R\$ 2.4 billion. There are no balances of this contract in 2015 and 2014, since this debt was recognized in September 2016 due to the renegotiation mentioned in item c) above.
- Working capital loan contracts with Bradesco maturing in 2026. In 2016, the debt balance with these operations was R\$ 544 million. There are no balances of this contract in 2015 and 2014, since this debt was recognized in September 2016 due to the renegotiation mentioned in item c) above.

ii. Other long-term relationships with financial institutions

On May 22, 2014, Management decided to hire a new revolving line of credit (*Revolving Credit Facility*), whose total value is of R\$ 300 million and duration of 3 years.

iii. Subordination between the debts

On 12/31/2016, the Company has only a subordinated debt, which is the issue of debentures in the amount of R\$1.0 billion maturing in 2026, according to item related in subitem f.i above.

iv. Any restrictions imposed on the issuer, in particular, in relation to debt limits and acquisition of new debt, the distribution of dividends, the alienation of assets, the issuance of new securities and the disposal of controlling interest

The financial contracts mentioned in item (i) require the fulfilment of restrictive clauses (covenants) based on certain financial ratios, calculated on the consolidated financial statements of the Company.

Net debt / EBITDA:

- less than or equal to 4.5x as of June 30, 2019 and December 31, 2019;
- less than or equal to 3.5x as of June 30, 2020 and December 31, 2020;
- less than or equal to 3.0x as of June 30, 2021 and December 31, 2021; and
- less than or equal to 2.5x in semi-annual measurements determined as of June 30 and December 31 of the subsequent years.

EBITDA / Financial expenses:

- minimum of 2.0x as of June 30, 2019, December 31, 2019 and in semi-annual measurements determined as of June 30 and December 31 of the subsequent years.

Regarding non-financial covenants established in debt instruments, including limitations of expansion capex, limitations for obtaining new loans, and change in the control group, the Company has monitoring controls and, for the year ended December 31 2016, has not identified any breaches of these covenants.

At December 31, 2015, the Company, anticipating non-compliance with some of these covenants, especially Total Debt to Ebitda Ratio and Net Debt to Ebitda Ratio, with respect to its debt agreements, obtained a waiver from its creditors and, consequently, their consent to the non-performance of the related compliance tests in December 2015. Further testing will be performed for some of the agreements in March, June and December 2016. Therefore, these debt agreements were not classified as past due at December 31, 2015.

g) Limits for use of the funds already contracted

On December 31, 2016, the Company had no amount available from the BNDES, since the fully cancellation was requested and one of the conditions of the renegotiation requires the Company not to obtain new debt inflow.

On 12/31/2015 the Company still had the amount of R\$ 305 million (R\$ 266 million in 2014) available with the BNDES to fulfill the additional disbursements of investments in progress, which can be used when necessary. Such lines may only be used for capital investments that are part of the BNDES loan regulations.

h) Significant changes in each item in the financial statements

Assets	12/31/2016	AV (%) 2016	12/31/2015	AV (%) 2015	12/31/2014	AV (%) 2014	Horizontal Analysis 2016 x 2015	Horizontal Analysis 2015 x 2014
Circulante								
Cash and cash equivalents	719,870	3%	800,272	3%	2,109,812	7%	-10%	-62%
Securities	1,537,584	6%	1,224,185	4%	742,091	2%	26%	65%
Trade accounts receivable	1,179,212	4%	1,428,421	5%	1,246,694	4%	-17%	15%
Inventories	2,604,306	10%	2,748,417	10%	3,516,751	12%	-5%	-22%
Recoverable Taxes	238,600	1%	377,198	1%	358,418	1%	-37%	5%
Dividends receivable	2,463	0%	2,357	0%	12,641	0%	4%	-81%
Derivative financial instruments	44,669	0%	152,560	1%	65,392	0%	-71%	133%
Other accounts receivable	93,774	0%	161,432	1%	193,412	1%	-42%	-17%
Total current assets	6,420,478	24%	6,894,842	25%	8,245,211	27%	-7%	-16%
Noncurrent assets								
Deferred income tax and social contribution	3,120,368	12%	3,281,063	12%	2,018,129	7%	-5%	63%
Amounts receivable from related companies	3,842	0%	4,412	0%	22,383	0%	-13%	-80%
Inventories	-	0%	-	0%	54,942	0%	n/a!	-100%
Judicial Deposits	660,229	3%	597,392	2%	566,408	2%	11%	5%
Derivative financial instruments	100,670	0%	559,654	2%	252,027	1%	-82%	122%
Recoverable Taxes	164,242	1%	81,263	0%	95,835	0%	102%	-15%
Other accounts receivable	215,932	1%	173,844	1%	170,088	1%	24%	2%
Investments in subsidiaries, jointly controlled and associated companies	1,126,176	4%	1,084,311	4%	1,145,787	4%	4%	-5%
Property, plant and equipment	13,748,890	52%	14,743,629	53%	15,535,573	51%	-7%	-5%
Intangible assets	693,918	3%	337,922	1%	2,377,679	8%	105%	-86%
Total noncurrent assets	19,834,267	76%	20,863,490	75%	22,238,851	73%	-5%	-6%
Total assets	26,254,745	100%	27,758,332	100%	30,484,062	100%	-5%	-9%

Liabilities and Equity	12/31/2016	AV (%) 2016	12/31/2015	AV (%) 2015	12/31/2014	AV (%) 2014	Horizontal Analysis 2016 x 2015	Horizontal Analysis 2015 x 2014
Current Liabilities								
Suppliers, contractors and freight	846,377	3%	1,187,274	4%	1,671,540	5%	3%	-29%
Loans and financing	62,157	0%	1,850,392	7%	1,655,799	5%	-97%	12%
Debentures	5,551	0%	61,109	0%	50,092	0%	-91%	22%
Advances in payment from customers	35,806	0%	40,799	0%	110,179	0%	-12%	-63%
Forfeiting	356,970	1%	587,458	2%	615,561	2%	-63%	-5%
Salaries and social charges	197,076	1%	278,149	1%	280,284	1%	-29%	-1%
Taxes payable	58,447	0%	85,547	0%	94,206	0%	-32%	-9%
Tax payable in installments	8,529	0%	8,191	0%	7,560	0%	4%	8%
Income Tax and social contribution payable	7,538	0%	6,151	0%	22,743	0%	23%	-73%
Dividends and interest on shareholders' equity (JSCP) payable	22,001	0%	142	0%	30,937	0%	15394%	-100%
Derivative financial instruments	48,577	0%	199,657	1%	94,045	0%	-76%	112%
Other accounts payable	103,215	0%	191,054	1%	136,480	0%	-46%	40%
Total current liabilities	1,752,244	7%	4,495,923	16%	4,769,426	16%	-61%	-6%
Non Current Liabilities								
Loans and financing	5,864,416	22%	4,958,032	18%	3,979,775	13%	18%	25%
Debentures	992,184	4%	999,181	4%	998,549	3%	-1%	0%
Amounts payable to related companies	153,269	1%	162,957	1%	-	N/A	-6%	n/a
Taxes payable in installments	9,050	0%	9,582	0%	9,972	0%	-6%	-4%
Provision for contingencies	607,863	2%	557,455	2%	475,859	2%	9%	17%
Provision for environmental remediation	143,042	1%	127,103	0%	85,143	0%	13%	49%
Post-employment Benefits	1,342,727	5%	1,153,379	4%	1,187,788	4%	16%	-3%
Derivative financial instruments	102,413	0%	203,845	1%	182,216	1%	-50%	12%
Other accounts payable	95,903	0%	97,018	0%	33,719	0%	-1%	188%
Total noncurrent liabilities	9,310,867	30%	8,268,552	30%	6,953,021	23%	13%	19%
Total liabilities	11,063,111	42%	12,764,475	46%	11,722,447	38%	-13%	9%
Equity								
Capital	13,200,295	50%	12,150,000	44%	12,150,000	40%	9%	0%
Income reserves	309,445	1%	327,191	1%	318,851	1%	-5%	3%
Income reserves	0	0%	620,039	2%	3,831,060	13%	-100%	-84%
Equity valuation adjustments	26,000	0%	311,748	1%	419,753	1%	-92%	-26%
Controlling shareholders' equity	13,535,740	52%	13,408,978	48%	16,719,664	55%	1%	-20%
Non-controlling shareholders	1,655,894	6%	1,584,879	6%	2,041,951	7%	4%	-22%
Total equity	15,191,634	58%	14,993,857	54%	18,761,615	62%	1%	-20%
Total liabilities and equity	26,254,745	100%	27,758,332	100%	30,484,062	100%	-5%	-9%

Below, significant changes are shown that represent more than 2% of the group to which they belong and which have varied more than 5% in the comparison between the periods.

Analysis of the Consolidated Balance Sheet of the year 2016 in comparison with the year 2015

CURRENT ASSETS

Cash and cash equivalents and marketable securities

The increase of R\$233 million in 2016 was mainly due to the capitalization of R\$1.05 billion by the Company, which was partially used in the Company's operations in the second quarter, payment of interest and some debts that were not included in the renegotiation.

Trade receivables

The decrease in trade receivables by R\$249 million was mainly due to the shorter payment term of sales, which reduced the average of 43 days in 2015 to 32 days in 2016, and to the increase in the provision for impairment of trade receivables.

Inventories

Inventories decreased by 5%, which is equivalent to R\$144 million, as a result of the reduction in production, primarily due to the interruption of activities in Cubatão's basic areas, and also a reduction in sales, due to a lower demand for products in stock.

Derivative financial instruments

The balance of derivative financial instruments presented a reduction of 71%, from R\$153 million at December 31, 2015 to R\$45 million at December 31, 2016. This decrease was mainly due to the settlement of swap contracts in 2016, in conformity with the Company's debt renegotiation plan. In addition, in 2016 the U.S. dollar underwent a depreciation of 17% in relation to the Brazilian real compared to an appreciation 47% in 2014, resulting in a reduction in the mark-to-market valuation of swap instruments, aiming at reducing cash flow volatility.

NON-CURRENT ASSETS

Deferred income tax and social contribution

The decrease of R\$161 million in deferred taxes was due to the decrease in temporary differences. We would highlight the variation of R\$122 million in temporary differences on impairment of assets and the decrease of R\$64 million related to the temporary difference on the take-or-pay arrangement with MRS. The other variations were dispersed.

Judicial deposits

The balance of judicial deposits increased by 11% in comparison with the prior year, from R\$597 million in 2015 to R\$660 million in 2016. This variation was mainly due to the monetary restatement of the deposits in the Steel Metallurgy business unit, and new deposits made in connection with labor claims.

Derivative financial instruments

The decrease in derivative financial instruments by R\$459 million was mainly due to the settlement of swap contracts in 2016, in conformity with the Company's debt renegotiation plan. In addition, in 2016 the U.S. dollar underwent a depreciation of 17% in relation to the Brazilian real, resulting in a reduction in the mark-to-market valuation of swap instruments, aiming at reducing cash flow volatility.

Property, plant and equipment

Property, plant and equipment had a decrease of 7%, which is equivalent to R\$995 million, primarily due to the depreciation in the year. In 2016, investments in capital expenditure were not significant (R\$225 million), and did not represent a material portion of the increase in assets.

Intangible assets

In 2016, the increase of R\$355 million in intangible assets mainly corresponded to the reversal of impairment in subsidiary Mineração Usiminas, in the amount of R\$357 million, considering the new projections for long-term investments and costs.

CURRENT LIABILITIES

Borrowings and debentures

The decrease in short-term borrowings of R\$1.8 billion mainly reflects the renegotiation of most of the contracts, extending the maturities of the principal installments through 2026, and transferring a significant portion of the debt from short to the long term, especially the contracts entered into with Banco do Brasil in the amount of R\$790 thousand, and with JBIC and Nippon Usiminas in the amount of R\$521 thousand. The decrease in debentures in the short term by R\$56 million refers to the lower amount of interest accrued in the year, due to the renegotiation of the related contract, which changed the interest payment terms from a semiannual to a quarterly basis.

Derivative financial instruments

The decrease of 76%, that is, R\$151 million in the derivative financial instruments was mainly due to the settlement of swap contracts in 2016, in conformity with the Company's debt renegotiation plan.

NON-CURRENT LIABILITIES

Borrowings and debentures

The increase in long-term borrowings by R\$906 million mainly reflects the renegotiation of most of the contracts, extending the maturities of the principal installments through 2026, and transferring a significant portion of the debt from short to the long term, especially the contracts entered into with Bradesco, in the amount of R\$545 thousand and with Banco do Brasil in the amount of R\$837 thousand. The decrease in debentures in the long term by R\$7 million refers to the new amount to be repaid related to the deferral of renegotiation expenses of this debt, from R\$819 thousand in 2015 to R\$7,816 thousand in 2016.

Provision for judicial proceedings

The provision for judicial proceedings increased by 9.04% in comparison with the prior year, from R\$557 million in 2015 to R\$608 million in 2016. This increase was mainly due to the monetary restatement of the amounts related to judicial proceedings involving the Steel Metallurgy business unit, and the filing of new labor claims involving employees, former employees and outsourced workers of the Cubatão Plant with sundry labor claims.

Derivative financial instruments

The decrease of 50%, that is, R\$101 million in derivative financial instruments was mainly due to the depreciation of the U.S. dollar by 17% in relation to the Brazilian real compared to an appreciation 47% in 2014, resulting in a reduction in the mark-to-market valuation of swap instruments, aiming at reducing cash flow volatility.

Analysis of the Consolidated Balance Sheet of the year 2015 in comparison with the year 2014

CURRENT ASSETS

Cash and Cash Equivalents and securities

The reduction of R\$ 800 million recorded in 2015, occurred mainly in function of loan interest payments in the order of R\$ 583 million, settlement of credit assignment operation in the amount of R\$ 594 million, and also by the decrease of cash generated by the Company's operations.

Trade Accounts Receivable

Accounts receivable from customers raised 15%, which is equivalent to R\$ 182 million, mainly due to the increase in the average collection period, from 27 days in 2014 to 36 days in 2015.

Inventory

Inventories presented a reduction of 22% equivalent to R\$ 768 million, as a result of a lower production volume and sales incurring in a reduction in the demand for inventories.

Derivative financial instruments

The increase of 133% in derivative financial instruments, from R\$ 65 million in 2014 to R\$ 153 million in 2015, occurred basically in function of the appreciation of the US Dollar against the Real by 47%, obtaining an increase in the mark-to-market instruments of swap, which aims to reduce the volatility of cash flow. In addition, a portion of the balance registered as noncurrent assets was transferred to current assets in 2015, following the normal flow of operations in consonance to the maturities.

NONCURRENT ASSETS

Deferred income tax and social contribution

Deferred taxes increased by R\$ 1,236 million, mainly due to the calculation of deferred taxes on temporary differences. It can highlight the variation of R\$ 465 million on the exchange variation on loans and financing (cash basis) and the temporary differences related to impairment loss.

Instrumentos financeiros derivativos

The increase in derivative financial instruments in the order of R\$ 308 million, occurred basically in function of the appreciation of the US Dollar against the Yen and Real, main indexes of the Company's swap operations. In addition, the Company contracted new swap operations with asset position in Dollar in the amount of US\$ 252 milhões, with the goal to reduce the volatility of cash flow.

CURRENT LIABILITIES

Suppliers, contractors and freight

The reduction in accounts payable to suppliers, contractors and freight by 29 %, moving from R\$ 1.7 billion on 2014 to R\$ 1.2 billion on 31 December 2015, was basically in accordance with the decline in the flow of operations of the Company.

Loans and financing

The increase in loans and financing in the short term in R\$ 195 million, is basically a result of foreign exchange variation in 2015. The detail on the main financing contracts that constitutes the debt is available on items 10.1 letter f.

Derivative financial instruments

The increase in derivative financial instruments in the order of 105 million occurred basically in function of the increase in the mark- to-market instruments of swap with liability position indexed in Yen due to the appreciation of this currency, which aims to reduce the foreign exchange exposure.

NONCURRENT LIABILITIES

Loans and financing

The increase in loans and financing in the long term in R\$ 798 million, is basically a result of foreign exchange variation in 2015, combined with accrued interest as demonstrated in the changes in loans and financing. The detail on the main financing contracts that constitutes the debt is available on items 10.1 letter f.

Provision for contingencies

Provision for contingencies increased by 17%, from R\$ 475.8 million in 2014 to R\$ 557.4 million in 2015 due to monetary restatement on judicial deposits in the Steel business unit and the addition of judicial demands related to a Mineral Resources Inspection Fee at Mineração Usiminas S.A..

Derivative financial instruments

Derivative financial instruments increased by R\$ 22 million basically in function of the increase in the mark-to-market instruments of swap with liability position indexed in Dollar and Yen, due to the appreciation of these currencies.

Statements of the years 2016, 2015 and 2014 and their variations

Results	12/31/2016	AV (%) 2016	12/31/2016	AV (%) 2016	12/31/2014	AV (%) 2014	Horizontal Analysis 2015 x 2014	Horizontal Analysis 2015 x 2014
Revenues from sale of goods and/or services	8.454.200	100%	10.185.570	100%	11.741.629	100%	-17%	-13%
Cost of goods and/or services sold	(7.966.878)	-94%	-10.013.018	-98%	-10.704.864	-91%	-20%	-6%
Gross profit	487.322	6%	172.552	2%	1.036.765	9%	182%	-83%
Operating income (expenses)	(708.914)	-8%	-3.897.340	-38%	-513.797	-4%	-82%	659%
Selling expenses	(272.731)	-3%	-258.141	-3%	-290.930	-2%	6%	-11%
General and administrative expenses	(354.218)	-4%	-440.121	-4%	-501.549	-4%	-20%	-12%
Other operating income (expenses)	(224.826)	-3%	-3.199.078	-31%	278.682	2%	-93%	-1248%
Result of equity pickup	142.861	2%	95.582	1%	183.780	2%	49%	-48%
Income (loss) before financial result and taxes	(221.592)	-3%	-3.629.206	-36%	706.748	6%	-94%	-614%
Financial result	(30.156)	0%	-1.245.693	-12%	-522.831	-4%	-98%	138%
Income (loss) before taxes on profit	(251.748)	-3%	-4.874.899	-48%	183.917	2%	-95%	-2751%
Income tax and social contribution	(325.095)	-4%	1.189.922	12%	24.562	0%	-127%	4745%
Consolidated net income (loss) for the period	(576.843)	-7%	-3.684.977	-36%	208.479	2%	-84%	-1868%

Analysis of consolidated results for the year 2016 compared to the year 2015

Sales and services revenue

In 2016, net revenue was R\$8.5 billion compared to R\$10.2 billion in 2015, that is, a decrease of 17.0% due to the lower sales volume of steel and iron ore, as a result of the market downturn faced by the Company's Business Units.

In 2016, the Steel Metallurgy Unit sold 3.7 million metric tons of steel products (4.9 million metric tons in 2015), and the Mining Unit sold 3.2 million metric tons of iron ore (3.8 million in 2015).

Cost of sales and services

In 2016, cost of sales was R\$8.0 billion compared to R\$10.0 billion in 2015, a decrease of 20% following the lower sales volume of steel and iron ore, as a result of the market downturn. The gross margin in 2016 was 5.8% compared to 1.7% in 2015.

Operating income and expenses

In 2016, selling expenses amounted to R\$272.7 million compared to R\$258.1 million in 2015, primarily due to the increase in the provision for impairment of trade receivables by R\$37.3 million, which was partially offset by lower distribution costs, lower expenses incurred in outsourced services and lower general expenses.

In 2016, general and administrative expenses amounted to R\$354.2 million compared to R\$440.1 million in 2015, representing a drop of 20% as a result of the decrease of 31.9% in own employees' expenses and 14.1% in general expenses.

In 2016, other operating expenses amounted to R\$224.8 million compared to R\$3.2 billion in 2015, primarily due to the reversal of the impairment in the Mining Unit of R\$357.5 million compared to an impairment of R\$2.6 billion in 2015 (of which R\$2.1 billion in the Mining Unit, R\$357.2 million in the Steel Metallurgy Unit and R\$56.7 million in the Steel Transformation Unit); lower expenses related to the restructuring of Steel Metallurgy and Mining businesses, of which R\$3.8 million in 2016 compared to R\$256.8 million in 2015; and

tax credits amounting to R\$176.3 million in 2016 (no event of this nature occurred in 2015). In 2016, these events were partially offset by higher expenses in unabsorbed costs related to equipment shutdown totaling R\$485 million compared to R\$164 million in 2015, and losses of R\$132 million on the sale of electric energy in 2016, in comparison with a profit of R\$65.4 million in 2015.

Equity in the results of associates and subsidiaries

In 2016, equity in the results of associates and subsidiaries was R\$142.9 million compared to R\$95.6 million in 2015, primarily due to the better performance of associates Unigal and MRS Logística.

Finance result

In 2016, net finance costs amounted to R\$30.2 million compared to R\$1.2 billion in 2015, due to the foreign exchange gain of 16.5% compared to a foreign exchange loss of 47.0% in 2015, which resulted in foreign exchange gains of R\$639.1 million in 2016 against foreign exchange losses of R\$1.1 billion in 2015, and monetary gains of R\$9.0 million in 2016 compared to monetary losses of R\$215 million in 2015. These events were offset by higher interest rates on borrowings totaling R\$493 million in 2016, in comparison with R\$255 million in 2015.

Analysis of consolidated results for the year 2015 compared to the year 2014

Revenue from sales of goods and services

Revenue from sales of goods and services totaled R\$ 10.2 billion in 2015 compared to R\$ 11.7 billion in 2014, in function of lower sales of steel and iron ore, due to market retraction faced by the Company's business units, with exception of the Capital Goods Unit, which had an increase in its net revenue by 9.4% in the period.

In the year of 2015, total sales volume of steel was 4.9 million tons (5.5 million tons in 2014) and total Iron ore sales volume was 3.8 million tons (5.6 million tons in 2014)

Cost of goods or services sold

Cost of goods or services sold was R\$ 10 billion in 2015 compared to R\$ 10.7 billion in 2014, a decline of 6.5% in function of a lower volume of sales in the Steel Unit and the reduction in the prices of in some raw material, among them iron ore prices.

Operating income and expenses

Operating income and expenses totaled R\$ 258.1 million in 2015 compared to R\$ 290.9 million in 2014, mainly due to lower costs of distribution, lower expenses with third-party services, partially compensated by higher provision for losses on doubtful accounts and general expenses. General and administrative expenses in 2015 were R\$440.1 million, against R\$501.5 million in 2014, a decrease of 12.2%, as a result of the decrease in own labor force expenses of 9.0%, in third party expenses of 7.9% and in general expenses of 22.1%. Other operating expenses and income were a negative R\$3.2 billion, against a positive R\$278.7 million in 2014, mainly in function of Impairment of assets accounted in the amount of 26 billion (R\$ 2.1 billion in the Mining Unit, R\$357.2 million in the Steel Unit, and R\$56.7 in the Steel Transformation Unit), the result of surplus electric energy of R\$65.4 million, against R\$378.8 million in 2014, and provision related to the

business restructuring in the Steel Unit and Mining Unit in the order of R\$ 258.7 million (labor force adjustments at the Cubatão plant and renegotiation of domestic freight contracts with MRS).

Financial Result

In the year of 2015, net financial expenses were R\$1.2 billion, against R\$522.8 million in 2014, in function of the strong depreciation of the Real against the Dollar of 47.0% in that year, generating higher foreign exchange losses, which were R\$1.1 billion in 2015, against R\$193.1 million in 2014.

Financial Result

In 2014, net financial expenses were R\$522.8 million, against R\$895.2 million in 2013, due to lower foreign exchange losses of R\$47.4 million and lower commissions on financing of R\$129.0 million. In addition, the year 2013 was impacted by the reverse operation of Hedge Accounting in R\$174.8 million. During the years of 2014 and 2013, loans and financing of Usiminas' Companies, at variable rates, were in Reais, U.S dollars, Yen and Euros.

10.2. The directors should comment on:

a) The results of operations of the issuer, in particular:

i. Description of any important components of revenue

The Company's revenue is generated mainly from the sale of steel products, such as thick plates, hot-rolled, cold-rolled, plates, galvanized, among others, carried out by our Steelmaking unit. The revenue not recurring with the sale of electricity impacted the results of the Company in the year 2014. Usiminas also presents in its consolidated financial statements, revenue from Mining units, processing of Steel and Capital Goods.

The revenue of these units stems mainly from:

Mining: The Sale of iron ore.

Steel-Processing: Processing and distribution of steel products.

Capital Goods: Manufacture of Metal Structures, Industrial Equipment, Foundry and Railway wagons and Services of Industrial Assemblies.

ii. Factors that materially affected operating results

The operating result of the Usiminas is affected mainly by demand that influences the volume sold and the prices of our main products. Also, exchange rates facilitate the imports of products and diminish our competitiveness.

In the year ended 31 December 2016, the consolidated net revenue of the Company reached R\$8.5 billion compared to R\$ 10.2 billion in 31 December, 2015, a decrease of 17.0% due to the lower sales volume of steel and iron ore, related to the market downturn faced by the Company. This revenue in the domestic market represented 88% and 12% in exports.

In the Steel Unit, net revenues in 2016 totaled R\$ 7.5 billion, 18.1% lower when compared to R\$ 9.2 billion in the year of 2015 due to the retraction in the market faced by the Company's Business Units and the lower volume of exports by 64.0%, reflecting the anti-dumping measures from some countries and the heavy competition from Chinese export. In The Mining Unit net revenue was R\$366.1 million, against R\$401.5 million in 2015, an 8.8% decrease, as a result of lower sales volume and the downfall in the iron ore price in the international market. The PLATTS reference price, adjusted for the period of price formation of Mineração Usiminas sales prices (Fe 62%, CFR China) was US\$54.4/t in 2016, against US\$58.5/t in 2015, a 7.0% decrease. In the Steel Processing Unit in 2016, net revenue was R\$1.85 billion, against R\$1.92 billion in 2015, a 3.7% decrease, due to lower sales and services volume, partially compensated by higher average price of 1% in the period. In the Unit of Capital Goods, in the year of 2016, net revenue accounted for was R\$568.3 million, against R\$868.6 million in 2015, a 34.6% decrease, mainly due to the reduced portfolio of projects for equipment, structures and assembly, as a consequence of market stagnation in the oil and gas and infrastructure sectors in the country.

In the year ended 31 December 2015, the consolidated net revenue of the Company reached R\$10.2 billion compared to R\$ 17.7 billion in 31 December, 2014. This revenue in the domestic market was lower than the year of 2014 by 19.3 %, and in the external market performance was higher than the year of 2014 by 21.6 %. The sales mix of the Steelmaking unit represented 73% in the domestic market and 27% in exports. In the Steel Unit, net revenues in 2015 totaled R\$ 92 billion, 16.1% lower when compared to R\$ 10.9 billion in the year of 2014 due to the lower volume of sales of steel in the domestic market and lower average price by 2.2%, partially offset by the higher volume of exports by 36.8%. In addition, there was a higher sales of lower value-added products in both markets. In the Mining unit, net revenues showed a reduction of 46 %, reaching R\$401.5 million, compared to R\$743 million in the year 2014, according to the fall in the average price of iron ore and the lower volume of sales. The PLATTS reference price adjusted for the period of sales price formation of Mining Unit (62% Fe, CFR China) was US\$103.6/t in 2014 and went to US\$58.5/t in 2015, a 43.5% decline. Such effects were partially compensated by the foreign exchange depreciation in 2015. In the Steel Processing Unit net revenue was R\$1.9 billion in 2015, against R\$2.3 billion in 2014, a 17.8% decrease due to lower sales and services volume, partially compensated by higher average price of 2.5% in the period. Net revenue accounted in the Capital Goods Unit for 2015 was R\$868.6 million, against R\$794.3 million, higher by 9.4% increase, mainly due to the increase in projects related to the industrial assembly segment.

In the year ended 31 December 2014, the consolidated net revenue of the Company reached R\$11.7 billion compared to R\$12.8 billion in 2013. This revenue in the domestic market was lower than the year of 2013 by 13.3 %, and in the external market performance was higher than the year of 2013 by 34.5 %. The sales mix of the Steelmaking unit represented 82.5% in the domestic market and 17.5% in exports. In the Mining unit, net revenues showed a reduction of 34.6 %, reaching R\$743.0 million, compared to R\$1.1 billion in the year 2013, according to the fall in the average price of iron ore and the lower volume of sales. At the Steel processing plant, net revenue was R\$2.3 billion, 5% lower than the year 2013 due to the lower volume of sales and services, partially offset by higher average price of 15.9% in the period. The Capital Goods unit net revenue was R\$794.3 million, 18.3% lower than in 2013, mainly as a result of the reduction in the volume of projects.

Income Statement per Business Units - Accumulated

R\$ milhões		Steel *	Mining	Steel Processing	Capital Goods	Elimination and Adjustment	Consolidated
2016	Net Revenue	7,518	366	1,853	568	(1,852)	8.454
	Domestic Market	6,609	292	1,853	567	(1,852)	7.469
	Exports	909	74	-	1	-	985
2015	Net Revenue	9,174	402	1,925	869	-2,184	10.186
	Domestic Market	7,088	402	1,919	840	-2,184	8.065
	Exports	2,086	-	6	28	-	2.120
2014	Net Revenue	10,929	743	2,341	794	-3,065	11.742
	Domestic Market	9,327	617	2,333	786	-3,065	9.998
	Exports	1,602	126	8	8	0	1.744

b) Variations in revenue attributable to changes in prices, exchange rates, inflation, changes in volumes and the introduction of new products and services

i. Sales Volumes

Indicators	2016	Var (%) 2016	2015	Var (%) 2015	2014	Var (%) 2014	Var. 2016/2015	Var. 2015/2014
Physical Sales of steel (t thousand)	3,652	100%	4,915	100%	5,541	100%		-11.30%
Domestic Market	3,176	87%	3,590	73%	4,572	83%		-21.50%
Exports	477	13%	1,325	27%	969	17%		36.80%
Sales of ore (t thousand)	3,207	100%	3,790	100%	5,623	100%		-32.60%
Domestic Market - Third-party	284	9%	279	7%	833	15%		-66.50%
Exports	520	16%	-	-	680	12%		-100%
Domestic Market - Usiminas	2,403	75%	3,511	93%	4,110	73%		-14.60%

In 2016, steel sales totaled 3.7 million metric tons compared to 4.9 million metric tons in 2015, a decrease of 25.7%. Domestic sales, which accounted for most of total sales, totaled 3.2 million metric tons in 2016, a reduction of 11.5% in comparison with the previous year, due to the strong demand decrease in Brazil. Exports totaled 477 thousand metric tons, a reduction of 64.0% in comparison with 2015, reflecting anti-dumping measures adopted in some countries and a strong competition with Chinese exports. In 2016, the share of sales in the domestic market grew, reaching 87% of total sales.

Iron ore sales totaled 3.2 million metric tons in 2016 compared to 3.8 million in 2015, a reduction of 15.4%, mainly due to the drop in steel consumption in Brazil, which was partially offset by exports of 520 thousand metric tons.

In 2015, the total volume of sales of steel products was 4.9 million of tons compared to 5.5 million of tons in 2014, a reduction of 11.3%. Domestic market, with a higher representativity, recorded a volume of 3.6 million tons in 2015, a decline of 21.5% compared to 2014, in function of a lower demand for the segments of distribution and automotive (declines of 15.5% and 27.7% respectively). Exports reached 1.3 million of tons, an increase of 36.8%, partially compensated by the decline in the sales for domestic market.

In 2015, the volume of sales of iron ore was 32.6% lower when compared to 2014 as a result of logistic restrictions to exports and steel consumption downfall in Brazil.

We highlight the sales volume of the Steel Industry in 2016 on the table below:

Detail of Physical Sales of Steel Product							
Thousand tons	2016		2015		2014		Var. 2016/2015
Physical sales total	3,652	100%	4,915	100%	5,541	100%	-26%
Heavy Plates	518	14%	890	18%	1,217	22%	-41%
Hot-rolled coils	975	27%	1,580	32%	1,863	34%	-38%
Cold-rolled	1,152	32%	1,125	23%	1,309	24%	2%
Electro-galvanized	96	3%	92	2%	108	2%	4%
Galvanized Hot Dip	824	23%	759	16%	770	14%	9%
Processed Products	-	0%	10	0%	56	1%	-
Plates	87	2%	459	9%	218	4%	-81%

The main destinations of exports in 2016 were:



ii. Sales Prices

In 2016, the average sales price of steel products underwent an increase. The net revenue per metric ton increased by 6.4% in comparison with 2015, as follows: a 0.9% increase in the average price of domestic sales and a 17.1% increase in the average price of foreign sales. As for the Mining Unit, in 2016, the net revenue per metric ton was 11% lower than the net revenue per metric ton in 2015, due to the drop in the average sales price of the iron ore in the foreign market. In 2016, adjusted price under the PLATTS assessment methodology for the period of composition of the sales price of Mineração Usiminas (62% Fe, CFR China) was US\$54.4/metric ton compared to US\$58.5/metric ton in 2015, a reduction of 7.0%.

In 2015 the average price of steel products showed a negative variation as result of the fierce competition between the local plants and the adverse business environment of the steel industry worldwide. Net revenue per ton decreased by 5.4% with a reduction of 2.2% in the average price in the domestic market and 7.6% in export. In addition, there was a higher sales of lower value-added products in both markets.

For the Mining unit in the year 2015 net revenues per ton decline 2.9% when compared to 2014, reflecting the decrease in the average price of iron ore and the lower volume of sales, partially compensated by the impact of the devaluation of the Brazilian currency in 2015. In the Mining unit, net revenues showed a reduction of 46 %, reaching R\$401.5 million, compared to R\$743 million in the year 2014, according to the fall in the average price of iron ore and the lower volume of sales. The PLATTS reference price adjusted for the period of sales price formation of Mining Unit (62% Fe, CFR China) was US\$103.6/t in 2014 and went to US\$58.5/t in 2015, a 43.5% decline.

In 2015, the average price of steel products showed a positive variation. Net revenue per ton increased by 8.7% compared to 2013 in function of the impact of the lower sales volume in the domestic market at 15.4 %, partially offset by higher average prices of 8.6% in the domestic market and a better mix of products in both markets. The stability of the Brazilian currency during most part of the year has made the price differential between the domestic steel and the landed imported in Brazil reach heights more attractive to imports.

For the Mining unit in the year 2014, the net revenue per ton was 21.5% lower than the year 2013, due to the drop in the average price of iron ore in the international market. The reference of PLATTS prices adjusted for the period of classification of sales prices of Mineração Usiminas (62% Fe, CFR China) went from US\$by 134.7/t in 2013 to US\$ 103.6/t in 2014. These effects were partially offset by the impact of the appreciation of the Dollar that averaged 9.0% in the comparison between the years.

c) Impacts of inflation, the variation of prices of the main raw materials and products, exchange rate, interest rate on the operating profit and the financial result of the issuer

Variations in the sales cost

In 2016, the cost of sales for the Steel Metallurgy Unit was R\$7.1 billion, a reduction of 22.5% in comparison with 2015, because of the lower volume sold by the steel segment. The average cost of sales per metric ton increased by 4.3% in comparison with 2015.

Fixed labor costs accounted for approximately 11% of the Company's cost of sales in 2016, and followed the increases established in the collective labor agreements entered into with the related employment categories. Expenses with electricity and utilities accounted for 7% of the Company's cost of sales in the year. Electricity has specific contracts that guarantee supply, and prices are adjusted based on the General Market Price Index (IGPM) or the Extended Consumer Price Index (IPCA), according to each contract. Other costs are influenced by local inflation rates.

Cost of goods or services sold was R\$ 10 billion in 2015 compared to R\$ 10.7 billion in 2014, a decline of 6.5% in function of a lower volume os sales in the Steel Unit and the reduction in the prices of in some raw material, among them iron ore prices. For the Steelmaking Industry, the cost of the Company's sales totaled R\$9.1 billion in 2014, 9.3% lower compared to 2014 in function of a lower volume os sales in the Steel Unit partially compensated by the operatins restructuring costs. The COGS per ton in 2015 was higher by 2.2% when compared to 2014. The fixed costs with labor represent approximately 11% of the Company's sales cost and follow the development of wage agreements of the categories and the variation of the INPC. The energy and utilities bills represent 7% Company's sales cost. The electrical energy has specific contracts to ensure power supply and prices which are adjusted by the index of price variation IGP-M or by the IPCA, according to each contract. The remaining costs are influenced by local inflation.

For the Steelmaking Industry, the cost of the Company's sales totaled R\$10.1 billion in 2014, 4.7% lower than in 2013. The COGS per ton in 2014 was higher by 7.0% when compared to 2013. There was no impact from the 6.4 % inflation, as measured by the IPCA, which impacted the costs in Brazilian Reais. Mainly; labor, outsourced services, energy, general expenses and the of 16.0% devaluation of the Brazilian Real (14.6% in

2013 and 8.9% in 2012), which has impacted the costs linked to the U.S Dollar. This was partially offset by a reduction in costs with iron ore and coal, the main raw materials used in the production process.

Exchange

In addition to what was above-mentioned, Usiminas Companies' operate internationally and are exposed to foreign exchange risks stemming from exposure to some currencies, especially in relation to U.S Dollar and, to a lesser extent, the Yen and the Euro. The exchange rate risk arises from assets and liabilities recognized and net investment in overseas operations. The financial policy of Usiminas companies' highlight that the derivative transactions has the objective of reducing their costs, reduce the volatility in cash flow, reduce foreign exchange exposure and avoid the mismatch between currencies. As a protective measure to reduce the effect of exchange rate variation, the Administration has adopted as policy to use log swap operations and Non Deliverable Forwards (NDF) and, in addition, have its assets tied to exchange indexing, as shown below:

In Thousands of Reais	2016	2015	2014
Cash and cash equivalents	103,130	143,256	432,188
Securities	8,146	160,976	741,779
Accounts receivable	87,334	176,207	432,995
Advances to suppliers	12,684	21,804	12,183
Foreign currency Assets	211,294	502,243	1,619,145
Loans and financing	(1,779,065)	(3,725,360)	(2,436,521)
Suppliers, contractors and freightetes	(167,613)	(471,048)	(483,388)
Advances from customers	(4,607)	(13,857)	(140,222)
Other	(16,786)	(15,763)	(8,025)
Liabilities in Foreign currency	(1,968,071)	(4,226,028)	(3,068,156)
Net Exposure	(1,756,777)	(3,723,785)	(1,449,011)

In 2016, 2015 and 2016 the exchange rate variation on the net liabilities position of the Company generated a revenue of R\$639 million, against losses of R\$ 1.1 billion in 2015 and R\$ 193 million in 2014.

Interest Rate

During the years 2016, 2015 and 2014, loans and financing of Usiminas Companies', at variable rates were denominated in Reais, U.S dollars, Yen and Euro.

Interest rates for the loans and financing can be demonstrated as follows:

In Thousands of Reais	2016	%	2015	%	2014	%
Loans and financing						
Pre-fixed	642,964	9	2,295,166	29	1,016,579	15
TJLP	379,880	5	413,518	5	618,078	9
Libor	1,065,773	15	1,306,185	17	1,260,972	19
CDI	3,735,406	54	2,551,219	33	2,525,280	38
Other	102,550	1	242,336	3	214,665	3
Total	5,926,573	86	6,808,424	87	5,635,574	84
Debentures						
CDI	997,735	14	1,060,290	13	1,048,641	16
Total of loans and financing and	6,924,308	100	7,868,714	100	6,684,215	100

In 2016, 2015 and 2014, the actual interest rates on loans and financing of the Company impacted their results negatively in the amount of R\$494 million, R\$ 256 million and R\$218million respectively.

Impact on the financial result

In Thousands of Reais	2016	2015	2014
Monetary effects (assets) basically on short-term investments restated by reference to CDI variation	126.554	137,555	116,309
Monetary restatement on judicial deposits	47.334	51,475	22,177
Monetary effects (liabilities), mainly on loans and financing indexed by CDI and TJLP	(273.797)	(352,754)	(258,520)
Foreign exchange gains and losses, net, arising from assets and liabilities denominated in foreign currency (loans and financing, suppliers, short-term investments and customers)	639.098	(1,072,090)	(193,118)

10.3. The directors should comment on the relevant effects that the events bellow have caused or are expected to cause in the financial statements of the issuer and its results:

a) Introduction or disposal of operating segment

The Company is comprised of four business units: Mining, Steel, steel Transformation and Capital Goods.

b) Constitution, acquisition or disposal of equity interest

i. Disposal of Rios Unidos' transportation operation

On April 22, 2015 the Company and its subsidiary Usiminas Mecânica S.A. signed a purchase and sale agreement with Grecco International Logistics S.A. ("Grecco") to transfer the totality of its shares in the capital of Transporte Itaquaquecetuba Ltda. ("Transport Itaquaquecetuba").

On September 30, 2015 Transporte Itaquaquecetuba Ltda received the spun-off portion of Rios Unidos Logística e Transportes de Aço Ltda. ("Rios Unidos") with asset and liabilities elements related to the transportation and storage of steel cargo activities.

On January 15, 2016 the transaction was concluded and Transportes Itaquaquecetuba in the amount of R\$ 18 million, which will occur in monthly installments for a maximum of five years.

c) Events or operations not usual

In order to reinforce the Company's cash position, Usiminas issued new ordinary (voting) and preferred (non-voting) shares, totaling R\$1,050,294,935.04. On 06/03/16, the Board of Directors approved the Capital Increase with the subscription of 39,292,918 preferred class "A" shares, identical to the share of this type, already issued, at the issuance price of R\$1.28 per share, totaling the amount of R\$50,294,935.04. On 07/19/16, at the General Extraordinary Shareholders Meeting, the Capital Increase was approved with the subscription of 200,000,000 ordinary shares issued at R\$5.00 per share, totaling the amount of R\$1,000,000,000.00. Thus, the Company's share capital turned to be R\$13,200,294,935.04, divided into 1,253,079,108 shares, being 705,260,684 ordinary, 547,740,661 preferred class "A" shares and 77,763 preferred class "B" shares, without nominal value.

On 09/12/16, the Company concluded the signing of all final documents related to the debt renegotiation and confirms that the signing of Definitive Instruments settles the conclusion of the Company's total debt restructuring with its creditors (representing approximately 92% of the Company's total debt), which, in the vision of Top Management, preserves its financial and operational capabilities, adjusting its debt profile to the short, medium and long term outlooks.

10.4 Reviews of directors on changes in accounting practices

a) Significant changes in accounting practices

New pronouncements, revisions and interpretations of standards not yet in force at December 31, 2016

The standards and interpretations issued which are significant for the Usiminas, but not yet adopted until the date of issuance of the Company's financial statements are presented below. The Usiminas companies intend to adopt these standards, if applicable, where applicable, as they go into effect.

IFRS 9 – Financial Instruments	IFRS 9 replaces the 'incurred loss' model in IAS 39 (CPC 38) with a forward-looking 'expected credit loss' (ECL) model. IFRS 9 contains a new classification and measurement approach for financial assets that reflects the business model in which assets are managed and their cash flow characteristics. The new standard maintains the existing guidance on the recognition and derecognition of financial instruments of IAS 39.	The adoption of IFRS 9 will be effective on or after January 1, 2018. The Company is currently evaluating the impact of IFRS 9 on its financial statements and disclosures.
IFRS 15 – Revenue from contracts with customers	IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including CPC 30 (IAS 18) Revenue, CPC 07 (IAS 11) Construction Contracts and IFRIC 13 Customer Loyalty Programmes.	The new standard is effective on or after January 1, 2018. Early adoption is being allowed, applying the approach of cumulative effects. The Company is currently evaluating the impact of IFRS 15 on its financial statements and disclosures.
IFRS 16 - Leases	IFRS 16 introduces a single, on-balance lease sheet accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and lease liability representing its obligation to make payments. There are optional for short-term leases and leases of low value items. Lessor accounting remains similar to the current standard – i.e. lessor continue to classify leases as finance or operating leases. IFRS 16 replaces existing leases guidance including CPC 06 (IAS 17) Leases and ICPC 03 (IFRIC 4, SIC 15 and SIC 27) Complementary Aspects.	The standard is effective for annual periods beginning on or after January 1, 2019. Early adoption is permitted for entities that apply IFRS 15 Revenue from Contracts with Customers at or before the date of initial application of IFRS 16.
Disclosure Initiative (Amendments to CPC 26 / IAS 7)	The amendments require additional disclosures that allow users of financial statements to understand and assess changes in liabilities arising from financing activities, both cash flow and other changes.	The amendments are effective for annual periods beginning on or after January 1, 2017. Early adoption is permitted only for financial statements in accordance with IFRS. The Company is currently evaluating the effects that CPC 26 / IAS 7 on its financial statements and disclosures.

Recognition of Deferred Tax Assets for Unrealized Losses (Amendments to CPC 32 / IAS 12)	The amendments clarify the accounting for deferred tax assets for unrealized losses on debt instruments measured at fair value.	The amendments are effective for annual periods beginning on or after January 1, 2017, with early adoption permitted only for financial statements in accordance with IFRS. The Company is currently evaluating the effects of CPC 32 / IAS 12 on its financial statements and disclosures.
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The Brazilian FASB (CPC) has not issued new standards or made changes to the effective standards related to all recently issued IFRS standards. Therefore, the early adoption of these new standards is not permitted for entities issuing their financial statements in accordance with accounting principles adopted in Brazil.

Restatements of comparative balances

For the purpose of the financial statement comparability, the Company reclassified balances related to the credit assignment operation (forfeiting) with foreign suppliers from the balance sheet within "Trade accounts payable, contractors and freight" to "Accounts payable - Forfeiting", in the balance sheet and cash flow as of December 31, 2015.

(a) Balance sheets

	Consolidated		
	12/31/2015		
	Originally issued	Reclassification	Restated
Total Assets	27,758,332	-	27,758,332
Trade accounts payable, contractors and freight	1,187,274	(366,703)	820,571
Accounts payable	587,458	366,703	954,161
Other accounts payable current and noncurrent	10,989,743	-	10,989,743
Total Liabilities	12,764,475	-	12,764,475
Total Shareholders' Equity	14,993,857	-	14,993,857
Total Liabilities and Shareholders' Equity	27,758,332	-	27,758,332

New pronouncements, revisions and interpretations of standards not yet in force at December 31, 2015

The standards and interpretations issued which are significant for the Usiminas, but not yet adopted until the date of issuance of the Company's financial statements are presented below. The Usiminas companies intend to adopt these standards, if applicable, where applicable, as they go into effect.

IFRS 9 – Financial Instruments	In July 2014, the IASB issued a final version of IFRS 9 – Financial Instruments, which reflects all phases of the project of financial instruments and supersedes IAS 39 – Financial Instruments: Recognition and Measurement. The standard introduces new requirements on the classification and measurement, impairment and hedge accounting. The statement also introduce new guidance in addition to the existing guidance regarding the recognition and derecognition of financial instruments in accordance with IAS 39.	The adoption of IFRS 9 will be effective on or after January 1, 2018. The Company is currently evaluating the impact of IFRS 9 on its financial statements and disclosures.
IFRS 15 – Revenue from contracts with customers	The IFRS 15 requires that the entity recognize its revenue based on amount that is expected to receive in exchange for the control of goods and services. The new standard supersedes significant parts of the existing IFRS for a more detailed guidance regarding the revenue recognition per IFRS as well as the Generally Accepted Accounting Principles in the United States ("U.S. GAAP"), when adopted.	The new standard is effective on or thereafter January 1, 2018. Early adoption is being allowed, applying the approach of cumulative effects. The Company is currently evaluating the impact of IFRS 15 on its financial statements and disclosures.

Additionally, the Company does not expect the following new standards or changes to currently existing standards to have a significant impact in the consolidated financial statements.

- IFRS 14 - *Regulatory Deferral Accounts* (Ativos e Passivos Regulatórios);
- Changes to CPC 19 / IFRS 11 - *Accounting for Aquisitions of Interests in Joint Operations*;
- Changes to CPC 27 / IAS 16 e CPC 04 / IAS 38 - *Acceptable Methods of Depreciation and Amortisation*;
- Changes to CPC 36 / IFRS 10 e CPC 18 / IAS 28 - *Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture*;
- Other updates to IFRSs issued from 2012 through 2014 – various standards;
- Changes to CPC 36 / IFRS 10, CPC 45 / IFRS 12 e CPC 18 / IAS 28 - *Investment Entities: Consolidation Exception*; e
- Changes to CPC 26 / IAS 1 - *Disclosure Initiative*.

The Company reclassified balances related to the credit assignment operation (forfeiting) with suppliers for better presentation purpose. These balances were originally presented in the balance sheet within "Trade accounts payable, contractors and freight" and were reclassified into "Other accounts payable". Additionally, the Company reclassified the balances of "Payables to affiliates" into "Accounts payable" and "Trade accounts payable, contractors and freight", based on the nature of the transaction.

For comparability purposes, balances as of December 31, 2014 were reclassified s follows:

(a) Balance sheets

	Consolidated		
	Originally issued	Reclassification	12/31/2014 Restated
Total Assets	30,484,062	-	30,484,062
Trade accounts payable, contractors and freight	1,948,744	(277,204)	1,671,540
Payables to affiliates	338,357	(338,357)	-
Accounts payable	-	615,561	615,561
Other accounts payablecurrent and noncurrent	9,435,346	-	9,435,346
Total Liabilities	11,722,447	-	11,722,447
Total Shareholders' Equity	18,761,615	-	18,761,615

Throughout 2015 and 2014, the Company made several purchases of raw materials with domestic suppliers, mainly iron ore and fuel. These suppliers entered into factoring agreements with financial institutions through credit assignments agreements. The receivables are sold to the bank based on a non-recourse factoring agreement, in exchange for an interest rate ranging from 1% p.a. to 1.6% p.a. As of December 31, 2015, the liabilities related to such transactions amounted to R\$587,458 on both the company and the consolidated balance sheet (R\$615,561 as of December 31, 2014 on both the Company and the consolidated balance sheet). The average term of these credit assignments is 180 days.

The Brazilian FASB (CPC) has not issued new standards or made changes to the effective standards related to all recently issued IFRS standards. Therefore, the early adoption of these new standards is not permitted for entities issuing their financial statements in accordance with accounting principles adopted in Brazil.

New or revised pronouncements first-time adopted in 2014 and restatement of financial statements

The Company applied for the first time certain standards and revisions, in force for annual periods beginning January 1, 2014 or thereafter. The nature and impact of each of the new standards and revisions are described below:

Revised IAS 27	Upon issuance of standard IAS 27 (Separate Financial Statements) revised by the IASB in 2014, separate financial statements in accordance with IFRS now allow for the use of the equity method to assess investments in subsidiaries, affiliates and jointly-controlled entities. Thus, with the adoption of IAS 27, revised by the Company in 2014, the individual financial statements of the parent company are now in compliance with IFRS as from the current year, as well as the comparative information.
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The new standards and amendments described below have no significant impact on the Company's financial statements.

Revised CPC 39 – Offsetting of Financial Assets and Financial Liabilities	These revisions clarify the meaning of “currently enjoys the legally enforceable right to offsetting” and the criteria for non-simultaneous settlement mechanisms of clearing houses, applied on a retrospective basis.
Revised CPC 38 – Renewal of Derivatives and Continuation of Hedge Accounting	These revisions address the relief from accounting for discontinued hedges whenever the renewal of a derivative designated as a hedge instrument meet certain criteria and the retrospective application is required
IFRIC 21 Levies	IFRIC 21 clarifies that an entity recognizes a liability for a levy as the activity giving rise to the payment occurs, as set forth in the relevant legislation. In case of a levy originated when a minimum limit is reached, the interpretation clarifies that no liability should be expected before the specified minimum limit is reached.
Cycle 2011-2013 - Annual improvements	Upon the annual improvements - cycle 2011-2013, the IASB issued seven revised standards, including revised IFRS 1 – First-time Adoption of International Financial Reporting Standards. The revised IFRS 1 goes into effect immediately, thus for the periods beginning January 1, 2014, and clarifies in the Basis of Conclusions that an entity may opt to apply a current standard or a new standard which is not yet mandatory, allowing early adoption though, provided that one of standards is consistently applied over the periods presented in the financial statements issued for the first time in accordance with the IFRS standards.

The new or revised pronouncements described above have no significant impact on the Company.

New pronouncements, revisions and interpretations of standards not yet in force at December 31, 2014

IFRS 9 – Financial Instruments	In July 2014, the IASB issued a final version of IFRS 9 – Financial Instruments, which reflects all phases of the project of financial instruments and supersedes IAS 39 – Financial Instruments: Recognition and Measurement. The standard introduces new requirements on the classification and measurement, impairment and hedge accounting. The statement also introduce new guidance in addition to the existing guidance regarding the recognition and derecognition of financial instruments in accordance with IAS 39.	The adoption of IFRS 9 will be effective on or after January 1, 2018. The Company is currently evaluating the impact of IFRS 9 on its financial statements and disclosures.
IFRS 15 – Revenue from contracts with customers	The IFRS 15 requires that the entity recognize its revenue based on amount that is expected to receive in exchange for the control of goods and services. The new standard supersedes significant parts of the existing IFRS for a more detailed guidance regarding the revenue recognition per IFRS as well as the Generally Accepted Accounting Principles in the United States (“U.S. GAAP”), when adopted.	The new standard is effective on or thereafter January 1, 2018. Early adoption is being allowed, applying the approach of cumulative effects. The Company is currently evaluating the impact of IFRS 15 on its financial statements and disclosures.

The announcements, new or reviewed that had significant effects on the financial statements of the Company and, consequently, resulted in production of corresponding values, are the following:

b) Significant effects of changes in accounting practices

There was no change in the accounting practices adopted by the Company in the fiscal years ended December 31, 2016, 2015 and 2014.

c) Qualifications and emphases present in the auditor's report

The Company has no qualification in its Financial Statements related to the Financial Statements for 2016, 2015 and 2014.

Regarding the Financial Statements of December 31, 2016, the independent auditors' opinion presented the following emphasis " We draw attention to Note 17, which describes certain conditions that must be complied with by June 30, 2017 if early redemption of certain significant loans is to be avoided. Our conclusion is not qualified in respect of this matter. "

Regarding the Financial Statements of December 31, 2015, the opinion of the independent auditors presented the following emphasis: " Without qualifying our opinion, we draw attention to Note 1 in the financial statements, which describes the action plan defined by local management to equalize the financial obligations to the Company's cash generation, which reported a loss for the year ended December 31, 2015, and as of that date, the excess of its current liabilities over current assets. These conditions, along with the risk of not achieving the plan described, indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern."

The opinion of the independent auditors regarding the Financial Statements of December 31, 2014 did not present an emphasis.

10.5. The directors shall indicate and comment on critical accounting policies adopted by the issuer, by exploring, in particular, accounting estimates made by the administration on issues uncertain and relevant to the financial situation and the results, which require subjective or complex decisions such as: provisions, contingencies, revenue recognition, tax credits, assets of long-term, life of active non-circulating, pension plans, adjustments to conversion into foreign currency, costs of environmental recovery, criteria for testing of recovery of assets and financial instruments

Judgments

The preparation of the Company's financial statements requires management to make professional judgments, estimates and adopt assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, as well as the disclosure of contingent liabilities. Upon applying the Usiminas Companies' accounting practices, management made the following judgments that have most significant effect on the amounts recognized in the financial statements:

Segregation of interest and monetary variation related to short-term investments and local loans

The Company segregates the Extended Consumer Price Index (IPCA) of loans and financing and of short-term investments, the contracted index of which are the Interbank Deposit Certificate (CDI) and the Long-Term Interest Rate (TJLP). Therefore, the portion referring to IPCA is segregated of interest on loans and financing and of short-term investment yield, and included in account "Monetary effects", under Financial income (expense), see Note 31.

Classification of investment control

The Company classifies its investments under the terms provided for in CPC 18 (R2) - Investments in Affiliates, Subsidiaries and Joint Ventures and by CPC 19 (R2) - Investment in Joint Venture, the classification of which is subject to judgment in determining the control and significant influence of investments.

Estimates and assumptions

Key assumptions concerning sources of uncertainty in future estimates and other important sources of estimation uncertainty at the balance sheet, involving significant risk of causing a material adjustment to the carrying amount of assets and liabilities in the next financial year are discussed below.

Impairment of nonfinancial assets

Yearly, Usiminas Companies test goodwill for impairment as well as other long-term assets. The recoverable amounts of CGUs were determined based on calculations of the value in use and net sales price, based on estimates (Note 17). For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (i.e., cash-generating units - CGUs).

Income and social contribution taxes

Usiminas Companies are subject to income tax in various countries in which they operate. Significant judgment is required in determining the provision for income taxes in these countries. In many transactions, the final determination of the tax is uncertain. Usiminas Companies also recognize provisions due to events in which it is probable that additional tax amounts will be owed. The Company regularly reviews the deferred tax assets in terms of recoverability, considering historical profit generated and projected future taxable profits, according to technical feasibility studies.

Fair value of derivatives and other financial instruments

The fair value of financial instruments that are not traded in active markets is determined by using valuation techniques. Usiminas Companies use their professional judgment to choose various methods and define assumptions that are mainly based on market conditions existing at the balance sheet date.

Revenue recognition

Subsidiary Usiminas Mecânica uses the Percentage-of-Completion Method (PoC) to record the revenue from orders in transit agreed at a fixed price. The use of PoC method requires that the services performed up to the balance sheet date be estimated as a proportion of the total services contracted.

Retirement plan benefits

The current amount of liabilities deriving from retirement plans depends on a series of events that are determined based on actuarial calculations, which uses a number of assumptions. Among the assumptions used in determining the net cost (revenue) for the employees' retirement plans, the discount rate is also used. Usiminas Companies calculate the appropriate discount interest rate at year end, to determine the present value of estimated future cash outflows. Other significant assumptions for retirement plan obligations are partially based on current market conditions. Further information is disclosed in Note 24.

Provision for litigation

As described in Note 23, Usiminas Companies are parties to various legal and administrative proceedings. Provisions are set up for all litigation referring to legal proceedings that represent probable loss. Assessment of the likelihood of loss includes analysis of available evidence, including the opinion of internal and external legal advisors of Usiminas Companies.

Provision for environmental restoration

As part of its mining activities, the Company recognizes in the consolidated financial statements a provision to cover environmental restoration obligations. Upon determining the provision amount, assumptions and estimates are made in relation to the discount rates, at the cost expected for restoration and at the time expected for such costs.

Rates of useful lives of PP&E

Depreciation of property, plant and equipment is calculated by the straight-line method according to the useful lives of assets. The useful life is based on reports of engineers of Usiminas Companies and external advisors, reviewed on an annual basis.

10.6. The directors shall describe the relevant items not disclosed in the financial statements of the issuer, indicating:

a) The assets and liabilities held by the issuer, directly or indirectly, that do not appear on its balance sheet (off-balance sheet items), such as:

i. Operating market leases, assets and liabilities

The company has the following operational leases agreement:

- Contract with the MRC Railway Logistics DZSS-FC Ltda, in the value of R\$ 29 million, with debt of R\$ 11 million, relating to the lease of wagons platforms, with maturity on 03/01/2017.
- Mineração Usiminas S.A. (MUSA) has a contract with the MBL – Materiais Básicos Ltda., signed in July 2011, the contract value is estimated at US\$ 300 million for the lease of mineral rights in the area of Sierra Azul, Minas Gerais. The lease duration is 30 years, counted from October 15, 2012, date on which the lease was authorized by the National Department of Mineral Production (DNPM) or until exhaustion of mineral reserves.

ii. Portfolios of receivables downloaded on which the entity keep risks and responsibilities, indicating their respective liabilities

There are none.

iii. Contracts for future purchase and sale of products and services

The Company has the following operational contracts relevant to future purchases:

Contracts for the Supply of Iron Ore

The main supplier of iron ore to Usiminas in 2016 was Mineração Usiminas S/A – MUSA. The contract between the parts from January 2011 until December 2048, with the obligation of a 4 million tons of iron ore consume per year. In 2016 the obligation was renegotiated to the volume of 2.1 million of tons of sinter feed ny market conditions, and the company has fulfilled the obligation.

In addition to the volume contratec with Mineração Usiminas – MUSA to suply the Company's demand for iron ore, Usiminas negotiated spot purchases with third parties, highlighting Vallourec, Itaminas and Vale.

In addition, Usiminas maintained in 2016 an agreement for the transportation of ore with VLI in the amount of approximately R\$ 175 million.

Contracts for the Supply of Coal and coke

The mineral coal* used in steelmaking activities comes only from abroad due to the lack of coal with the ideal specifications to be used in the steelmaking process in Brazil.

Usiminas has signed long-term contracts and *spot* purchases of imported coal and national coke (CVP) in the calendar year of 2016, corresponding to approximately 2.3 million tons, equivalent to 100% of the volume of coal provided for the supply of the activities of the two steel mills (in Ipatinga and Cubatao) until December 2016. The purchase of coke in the national and international market, coal injection (PCI) and the anthracite are computed in the data.

Among the main suppliers of coal, anthracite and coke in the year of 2016, stand out Jellinbah, Blackhawk (ex-Patriot), Xcoal, Contura (ex-Alpha Coal) and Petrobrás Distribuidora, responsible for approximately 80% of the supply of coal and CVP to Usiminas in that period.

In 2016, the approximate total amount of coal purchases, anthracite and PCI totaled R\$ 615 million, and for the purchases of FMC (Coke) the approximate value was R\$ 132 million.**

In 2016, Usiminas did not purchase any imported metallurgical coke cargo, because with the current production scenario the Ipatinga plant is self-sufficient in coke.

* Mineral Coal = coal for coking coal injection (PCI) and anthracite for sintering.

** FOB values without taxes and financial charges.

Contracts for the Supply of Electrical Energy

In June 2007, the Company signed with the CEMIG GT an electricity supply contract for the period starting 01/01/10 to 12/31/14, of approximately 320 MW average annual.

At the end of 2009, the Company initiated the renegotiation of the contract to review the contractual conditions and extend the contract's deadline for 10 years (January 01, 2010 to 31 December 2019).

As a result of this renegotiation, there were signed two new documents: the first is a contract with the CEMIG GT in that Usiminas buys about 320 MW annual average for the period 2010 to 2012, reducing to 120 MW the annual average from 2013 to 2019. The second document is a "supplier" term in that Cemig GT leases to the Company part of its purchase agreement signed with the Santo Antonio Energia S. A - SAESA. By this second document, Usiminas receives from SAESA, from 2013 until 2019, the average amount of 200 MW per year.

For the years 2013 and 2014 there is also a supply of energy in the volume of 20 MW average with the company CPFL Energia.

For the years from 2017 to 2030 a energy supply agreement was signed between White Martins and Usiminas with Intervention of Cemig GT. The assignment term was the result of a commercial agreement made in the negotiation of the TOP of the cryogenic contract of the Cubatão Plant. The contract volume of 65,408 average MW is required to withdraw 32 average MW (48.92% of the contracted energy) with exclusive use of the Cubatão Plant.

Except for the term of assignment made between White Martins and Usiminas with Cemig GT's intervention, the other mentioned contracts have 100% take or pay, ie, there is an obligation to consume the entire contracted amount, however, any surpluses are resold in the market. These contracts amount to approximately R\$ 6.4 billion for the period from 01/01/2010 to 12/31/2030.

Gas Supply Contract with the COMGAS

USIMINAS and COMGAS concluded on 05/13/2002 the contract for the supply of firm natural gas for its plant in Cubatao. This contract was renewed until 05/31/2016 with the supply forecast of 312.500M³/day of natural gas for consumption in processes and blast furnaces. In the 2016 R\$ 83 million were spent with this contract (values without recoverable taxes).

Gas Supply Contract with the Gasmig

USIMINAS and Gasmig have three contracts for the supply of natural gas to the Ipatinga Plant.

The contract has hired an annual volume of 236.900M³ /day to be used in the processes. It was signed in 09/21/2010 and renewed until 08/31/2017. In 2016 the Company spent R\$ 74 million on this contract (values without recoverable taxes).

The contract signed for thermoelectric supply has hired a volume of 40.000M³ /day. It was concluded in 12/22/2014 and is valid until 08/31/2017. In 2016 the Company spent R\$ 13 million on this contract (values without recoverable taxes).

In addition to these, there is the interruptible contract for injection in blast furnaces, when necessary, with a volume of 256,000 m³/day. It was signed on 12/07/2010 and it is renewed automatically. However, to replace this contract, USIMINAS has signed successive purchases of short term natural gas directly from Gasmig or through auctions held by PETROBRAS to distributors, in varying amounts. In 2016 the Company spent R\$ 18 million with natural gas for use in blast furnaces through short-term contracts.

Service Contract with MRS

Mineração Usiminas has contract with MRS Logística S.A. to rail transport services of iron ore in the period from 01/01/2011 to 11/30/2026. This contract was renociated, eliminating the take or pay conditions, which generated an obligation of payment of R\$ 315.5 million as indemnity, the payment will occur in 10 annually installments in the amount of R\$ 31.5 million starting on January 30, 2017. For accounting purposes this indemnity was recorded at the amount of R\$ 163.0 million, equivalent to the present value of that payment flow mentioned, on December 31, 2016 this amount was equivalent to R\$ 184.1 million

Gas Supply Contract with the White Martins

Usiminas and White Martins held several contracts for the supply of industrial gases to all companies of the Usiminas group.

For the Ipatinga's Plant the contract signed on April 04, 1996 is valid for 21.5 years, with an estimated value of R\$ 2.8 billion. This contract refers to the supply of gases to be used in the production of steel and it's under renovation process for another 15 years. The gas plant in Ipatinga was made up of WM and Usiminas equipment, and in the negotiation, Usiminas equipment was sold to WM for R\$ 70 million. Transaction completed in 2016

For the Cubatão's Plant there are two contracts to the supply of gases to be used in the steel production process, signed on August 13, 2000 and September 1, 2009 and valid for 21.5 and 23 years respectively. The estimated value for both contracts is R\$ 1 billion. Due to the shutdown of the primary areas in Cubatão, the gas supply contract for the blast furnaces had its closure anticipated and an adjustment was made in the gas contract for the entire plant.

The Usiminas's group holds a corporate contract for bottled gas supply, liquid and gas. This contract was signed in October 10, 2009 and remained effective until November 09, 2015. In October 2015, Usiminas settled a new partnership with WM for continuity of gas supply to all companies at Usiminas group valid for the next 5 years. The estimated value for the supply of bottled gases is R\$ 18 million.

v. Uncompleted construction contracts

The Company has various contracts related to investments in its mills and in Mineração Usiminas, which aggregate the amount of R\$35,4 million.

v. Contracts of future receipts of funding

None.

b) other items not disclosed in the financial statements

None.

10.7. In relation to each of the items not disclosed in the financial statements listed in item 10.6, the directors should comment on:

a) How such items change or could change the revenues, expenses, operating income, financial expenses or other items in the financial statements of the issuer

The costs of the contract for operating leases referenced above are appropriate for the monthly operating results of the Company for the term of the contract.

The costs of supply contracts are added to the result as they are used in the production process.

The sales revenue related to contracts of Usiminas Mecânica, are added to the result as the development of each built item.

b) Nature and purpose of operation

The purpose of the Company to maintain these contracts is to ensure that supplies needed for the production process.

c) The nature and amount of obligations and rights in favor of the issuer as a result of the operation.

As mentioned in item 10.6.

10.8. The directors shall indicate and comment on the main elements of a business plan from the issuer, specifically expanding on the following topics:

a) Investments

i. Description of quantity and level of quality of the investments in progress and of planned investments

The total volume of investments of Usiminas and of the subsidiaries in the year of 2016 was R\$225 million (R\$784 million in 2015), being:

Main investments of the Company concluded in 2016:

Repair of the Top of the Coke Plant 3: Repair from the top of the Coke Plant 3 to ensure safe standards of operation, avoiding the drastic reduction of the life-span of the furnace coke 3. Start of operation: April / 2016

Replacement of the Hydraulic Diesel Locomotives: Replacement of the Hydraulic Diesel Locomotives (LDH) 50t, Serie 500, at Ipatinga's plant for a new Electric Diesel Locomotive 90t. Estimate to start operations in 1st semester of 2016.

Ipatinga - LTQ - Reforming of the grinding of cylinders nº3: Complete retrofitting of the Retifica of Cylinders n.3 of Hot Rolling Mill, aiming at maintaining the capacity of Usiminas to supply floor plates to the market. Start of operation: September / 2016

Cubatão - Adequacy of the slab beneficiation patio from the steelworks: Adequate the facilities of the courtyard of processing of slag from the steel mill in compliance with the technical requirements (No. 1,7,8, 9 and 13) contained in the operating license; Establish a healing courtyard of steel slag in compliance with the technical requirements (Nos. 1, 7, 8, 9 and 13) contained in the operating license. Start of Operation: May / 2016

Internal Logistics Plant Cubatão: Adequacy of the premises of the Plant of Cubatao for handling and storage of coils with dimensions of up to 2050mm wide , 2100mm in outer diameter and 35 ton of maximum weight. Start of Operation: August/2016

Dredging of Critical Points "A" and "B" of the Channel of Piaçaguera: Removal of sediment characterized as non-contaminated deposited at the bottom of the channel of Piaçaguera which gives access to the Port terminals of Usiminas in Cubatao/SP, to minimize the risks to navigation. Estimate to start operations in 1st Start of Operation: April/2016

Plates Logistics in Cubatão: Adequacy of area 06, area 07 and shed B26 for receiving, handling and storage of plates. Start of Operation: April/2016

Cubatão 362kV circuit breaker change from the Cubatão Power Plant Main Substation: Replacement of 5 362kV circuit breakers from the Cubatão Main Substation due to inability to withstand current system short circuit levels. Start of operation: March / 2016

The investments foreseen for 2017, according to the Company's business plan, focus on the operational maintenance and adequacy of the facilities of the mills to meet environmental and safety standards, in the reform of the blast furnaces, steelworks (Usina de Ipatinga), electrical rooms and implementation of automation and industrial management systems aiming to improving productivity.

Main investments in progress of the Company

Blast Furnace 3 - Replacement of Staves: Acquisition and exchange of 32 stave coolers in the levels b1 (10 staves), B2 (3 staves), B3 (6 Staves), S1 (4 Staves) e S2 (9 Staves) and acquisition of 4 spare staves for levels B3 (2 Staves) and S1 (2 Staves) for blast furnace #3 at Ipatinga's plant. Maintenance of the safety and physical integrity of workers in the AF3 area; Maintenance of the thermal stability of the AF3 and operational control. Stimated start of operations in the first half of 2018.

Ipatinga - Recovery of the regenerator combustion chamber HS8: Emergency repair of the refractory in the hot air exit region and in the regenerator ceramic burner 8. The first two rows of the ceramic burner and one side wall of the refractory Internal, hot air ring. Benefits: Avoid interruption of operation of HS8, which would jeopardize the operation of AF3. Increased regenerator life, elimination of the risk of regenerator loss due to refractory drop of the repaired region. Stimated of start of operation in the second half of 2017.

Ipatinga - Steelworks - Replacement of Rolling Bridge L8: Continuous casting of steel mill 2: Replacement of the handling crane for liquid steel pans in the machining 2 loading machine for continuous casting machines. The new bridge will have a capacity of 260 t. Stimated start of operations in the first half of 2017.

Ipatinga - Continuous Casting 1, 2 and 3 - Replacement of Beam Shed Beams EF: Replacement (fabrication + assembly) of 9 bearing beams in the EF span of the Steelworks 2 of the Ipatinga plant. Stimated start of operations in the first half of 2018.

Ipatinga - Steelworks - Converter 5 - Replacement of the housing and cooling of the ring: Replacement of the casing of the Converter 5 and installation of air cooling system for the ring aiming Operational continuity of the Steelworks; Maintenance of productive capacity; Security of persons; Increased service life with the installation of the air cooling system for the ring. Stimated start of operations in the first half of 2017.

Ipatinga - Steelworks 02 - Installation of Front Gate in Converters 4 and 5: Design, manufacture and installation of front gates to converters 4 and 5, aiming for greater safety and better dedusting efficiency. Stimated of start of operation in the first half of 2017.

Ipatinga - Installing Powder Injection System: The project consists of the injection of desulphurizing agents (CaO) in the pots of the Steelworks 02. For this, it will be necessary to adapt the existing system (previously used to add another Material) in order to make it suitable for receiving, storing and injecting powder directly into liquid steel. Stimated start of operations in the first half of 2017.

Ipatinga - LTQ - Thickness Gauge Replacement and Train Output Profile Finisher: New thickness gauge and fixed and mobile x-ray profile ensuring the operational continuity of LTQ providing an improvement in process control. Stimated of start of operation in the second half of 2017.

Ipatinga - LCG - New Thickness, Crown and Length Meter at FM Output: New thickness gauge, crown and length of FM output to maintain Usiminas' productive capacity and the application of new technology, bringing significant gains in the warranty of Quality of products. Stimated of start of operation in the second half of 2017.

Ipatinga - AF 3 - Electrical Room 3 (1st floor) - Maintenance and replacement of MT / BT panels and trains: The upgrade of the Electric Room 3 (1st floor) of the Furnace 3 of the Ipatinga Power Plant consists of replacing the medium panels Voltage and low voltage, in order to increase the reliability and operation of the substation. In addition, transformers that are already at the end of life, cable / duct reassembling, air conditioning / positive pressurization installation, detection system and fire alarm, as well as gate and overhead installations of the room. Stimated of start of operation in the second half of 2017.

Ipatinga - Reform of the Carbochemical substation: Reform of the substation of the carbochemical products and electrical room of the lighting of the tar plant and technological update of the electric panels aiming at the safety of the employees in compliance with the current technical and safety standards (NR 10 / ABNT NBR 14039: 2005), better process control and operational continuity. Stimated of start of operation in the second half of 2018.

Ipatinga - Coal Patio - Substation 2: Great electrical repair of the electric room 2 of the Coal Patio, including: civil suitability floor, channels and cable ducts, electrical design, exchange of panels of 3.45kV and protection system, project Of calculation memory with relay adjustments and selectivity study, installation of microprocessor relays with network communication with PLC for the medium panels. Purchase of withdrawable medium and high voltage circuit breakers. Recruitment of labor to execute the assembly of panels and trafos. Stimated of start of operation in the second half of 2017.

Ipatinga - Adequacy of the electric room 6 and the electrical installations of the pans preparation area - Steelworks 2: Adequate the Electric Room 6 and area of the galley preparation pot of the Steelworks # 2 of Ipatinga Power Plant to the current technical and safety standards , Since the equipment and facilities of the area are in disagreement with NR10 (Norma Regulamentadora 10 of the Ministry of Labor) and ABNT standards for electrical installations. Stimated of start of operation in the second half of 2018.

Ascarel - STEP 2: Substitution and destination of 80 PCB transformers (Ascarel) at the Cubatão Plant, 2nd stage, in compliance with the commitment signed with CETESB and the Public Prosecutor's Office (TAC) and State Law 12288 (SP) . Stimated start of operations in the first half of 2018.

Cubatão - Optimization of the Steam System: Acquisition of a New 20t / h Boiler - At the Cubatão Plant there are 4 boilers of 77t / h + 2 of 100t / h for steam production at 42kgf / cm² at 440°C Power the turbo blowers and turbo generators. Part of this steam is distributed to the process (15 kgf / cm² at 230 ° C). With the shutdown of the primary areas the demand for steam to process significantly reduced from 90t / h to 20t / h. This demand is being met through the boilers of 77t / h. These equipment were oversized for the new demand and have high operating costs and low efficiency. Stimated start of operations in the first half of 2017.

Cubatão - AVCB - Santos: Adequacy of the facilities necessary for the certification of the Inspection Auto of the Military Fire Brigade of the State of São Paulo in the areas of the Cubatão Plant located within the municipality of Santos / SP, as indicated in State Decree nº 46.076 , Dated August 31, 2001. Stimated of the beginning of operations in the first half of 2017.

ii. Sources of financing of investments

The investments are made with Usiminas' resources and/or through resources captured in the market, when the investment analysis indicates it as a need.

iii. Relevant divestments in progress and planned divestitures

In the year 2016 there were no relevant in progress and planned divestments.

b) Provided it has been already disclosed, it indicates the purchase of plants, equipment, patents, or other assets that should materially influence the productive capacity of the issuer

In the year 2016 there were no acquisitions of plants, equipment, patents, or other relevant assets that should materially influence the productive capacity of the company.

c) New products and services

i. Description of researches in progress that have been already released

The development of; steel with high resistance for the automotive industry, including steel cold-rolled and coated steels, along with the development of its engineering application. Development of steel for shipbuilding and offshore platforms and its engineering application. Development of special steel for large diameter pipes for gas and oil pipelines. Support for the industrial Development of steel for ballistic purposes. Development of engineering application steel for the civil construction industry. Development of steel coated with zinc alloy with improved characteristics of resistance to atmospheric corrosion. Development of steel with special metallic coating to adapt to heat and its application in engineering. Development of new products hot dip galvanized. Development of new methods and experimental techniques aiming to support both to the development of new products and its use by customers.

ii. Total amounts spent by the issuer in research for development of new products or services

In 2016, the Company invested approximately R\$ 6.3 million in the research of activities listed above.

iii. Projects in development already disclosed

The business strategy of a company can be measured by its ability to generate new products that are aligned with the needs of the market. With Usiminas it is no different, which has required a constant monitoring of the market and its demands, as well as a careful observance of the competition. In this context, Usiminas has been a leading company, always seeking to develop products that fully meet the requirements of an increasingly demanding market. In the year 2016, Usiminas had a relevant expansion in its portfolio of products involving all lines.

In the case of thick plates produced by Accelerated Cooling, the most important it is SINCRO WHS 800 T, 80 kgf / mm² resistance grade steel, for the manufacture of road cranes and implements, which have excellent weldability, as well as excellent performance cut and fold. Add to this the SINCRO WHS 1000 T which belongs to the resistance limit of 100 kgf / mm² and is intended for applications where significant equipment weight reduction and excellent toughness performance at low temperatures are required. Product suitable for civil construction, industrial machinery and equipment. Originally sold for the renovation of the Hercílio Luz-SC bridge. For the naval sector, indicated for the construction of ships probes, oil tankers and FPSO's, Usiminas launched SINCRO NAVAL UHHW, steel of high mechanical resistance and high tenacity, destined to applications of welding of high efficiency. With regard to the products of the hot strip line, we highlight the completion of the development of steel dual phase 800 steel, intended for the manufacture of structural parts of automobiles, such as chassis and suspension. The product has high energy absorption capacity, which makes it particularly suitable for applications such as spars and parts of the suspension. Usiminas has launched three new high mechanical strength steels for the automotive and auto parts sectors: FB 580, DP 1000 EF > 20% and DP 1200. For the construction sector Civil and white-line, the newly developed Chromatized Electrogalvanized Steel becomes as an important alternative in the manufacture of items that do not require painting. This steel has as a differential the use of trivalent chromium (Cr 3+), fully meeting the most demanding environmental standards in the world.

10.9. Factors that influenced the relevant operational performance, and that were not identified or commented on other items.

During the year of 2016, some important actions that were being implemented by the Company were completed. These actions focused on adaptation of financial disbursements, prioritization of operating cash generation, and strict management of working capital and capital investments.

One of the completed actions was the Company's capital increase, through issuance of new common and preferred shares, in the amount of R\$ 1,050,294,935.04. On June 03, 2016, the Board of Directors approved the capital increase with the subscription of 39,292,918 class "A" preferred shares, identical to the existing shares of this kind and class, at the issue price of R\$ 1.28 per share, amounting to R\$ 50,295,000. On July 19, 2016, at the Special Shareholders' Meeting, the capital increase was homologated with the subscription of 200,000,000 common shares at the issuance price of R\$5.00 per share, totalizing the amount of R\$1,000,000,000.00. Thus, since July 2016, the Company's capital was increased by R\$ 13,200,295 thousand divided into 1,253,079,108 shares, and 705,260,684 are common shares, 547,740,661 Class A preferred shares, and 77,763 Class B1 preferred shares, book-entry and with no par value.

Another completed action was the debt restructuring. On September 12, 2016, the Company concluded the signing of all of the definitive debt restructuring documents, which marked the conclusion of the process of financial restructuring with its creditors (representing approximately 92% of the Company's total indebtedness) which - in Management's view - preserves its financial and operational capacity, adapting its debt profile to the short-, medium- and long-term perspectives.

On May 18, 2015 the Executive Board decided to temporarily interrupt operations in a blast furnaces at the Ipatinga plant -MG. In addition, the Mining Unit, due to the successive falls in the international price of iron ore reduced its level of production and negotiated the suspension of the transportation contract with MRS Logística S.A., which imposed conditions on take or pay.

In this context, in October 2015, Management decided to temporarily interrupt the primary activities at the plant of Cubatão/SP. The intermittent activities in the plant include the decommissioning of the sintering process, coke plants, ovens (of which one had already been decommissioned in May 2015) and steel works, as well as all activities related to equipment on the referred areas. The referred intermittent activities aim to reposition Usiminas on a new scale of production and increase its competitiveness on a context of an increasingly difficult steel making market. Under such circumstances, the plan of Cubatão is no longer producing plates, well as its port related activities. The production line of thick laminated steel continues temporarily interrupted.

In 2015 the Company recorded an impairment loss for its mining segment amounting to R\$ 2.1 billion, as a reflect of the worsening of the expectations about the future price of iron ore.

On February 17, 2016 the Company signed a "Private Instrument of Mutual Assumption of Negative Covenant and Other Covenants" ("Standstill Agreement") with its main financial creditors, namely, Banco do Brasil S.A., Banco Bradesco S.A., Itaú Unibanco S.A., Banco Santander (Brasil) S.A. e Banco Nacional de Desenvolvimento Econômico e Social – BNDES. It was also executed a similar Private Instrument with the Japanese financial creditors, namely, the Japan Bank for International Cooperation – JBIC, The Bank of Tokyo Mitsubishi UFJ Ltd., Mizuho Bank Ltd. e Sumitomo Mitsui Banking Corporation.

11. Projections

The Company has the right to not provide the information relating to item 11 of Annex 24 of CVM Ruling No. 480/09 because it does not have the practice of disclosing operating and financial projections.

12. Annual shareholders' meeting and management

12.1. Describe the management structure of issuer, as set forth in its articles of incorporation and by-laws, stating:

a) *Attributions of each board and committee*

The Company is managed by the Board of Directors, currently composed of 11 members (and their respective deputy members), and the Executive Board, currently consisting of the Chief Executive Officer and 3 Statutory Vice Chief Executive Officers. The Company management is further supported by Committees set up by the Board of Directors. The attributions of each board are detailed below:

Executive Board

The Executive Board is in charge of defining the Company's primary organization, establishing the guidelines for its executive officers and performing the acts necessary to meet the Company purposes, actively and passively, in accordance legal or statutory provisions applicable. The Executive Board's role is to guarantee the high quality of products and services offered to Usiminas' customers, as well as its competitiveness, promoting the social and economic and environmental sustainability of the regions where it operates. Its members are elected by the Board of Directors for a term of office of 2 years, their reelection being permitted. The Statutory Executive Board is divided as follows: Chief Executive Officer, Commercial Vice Chief Executive Officer, Financial and Investor Relations Vice Chief Executive Officer, Industrial Vice Executive Officer, Technology and Quality Vice Executive Officer, Vice Executive Officer of Subsidiaries and Vice Executive Officer of Corporate Planning.

The Executive Board must, through voting by the majority of its members:

a) approve the Company's primary organization and Internal Regulation; b) issue standards and regulations to maintain the high quality of its services, meeting the provisions of these Articles of Incorporation and the By-laws; c) keep general control over execution of its deliberations, and to assess the results of Company activities; d) authorize, subject to the attributions of the Board of Directors in items (i) to (l) and (y) of article 13 above, all acts related to disposals, acquisitions or encumbering of the Company's property, plant and equipment items, borrowings, financing and other financial obligations, granting of guarantees, entering into contracts and realization of capital expenditures, including and especially acquisition, disposal, exchange and lease of assets and real estate not in use in its plants; e) prepare, for submission to the Board of Directors, annual and multiannual budgets, expansion and modernization projects and investment plans; f) approve salary tables, staffing and compensation plans and staffing table; g) prepare the Annual Management Report, the Financial Statements and other documents and submit them to the Board of Directors, and further in the Annual Shareholders' Meeting; h) propose to the Board of Directors opening, transfer or closing of offices, branches, premises or other establishments in Brazil or abroad; and i) make decisions on other matters not included in its members' respective responsibilities, or in the responsibilities of the Annual Shareholders' Meeting or of the Board of Directors.

Board of Directors

The Company's Board of Directors is in charge of setting the Company business general guidelines and deciding on strategic matters. The Company ensures to its employees the right to take a seat in the Board of Directors under its Bylaws.

The assignments of the Board of Directors are the following: a) elect and depose members of the Executive Board, and set their assignments under these Articles of Incorporation; b) inspect the executive officers' management, examine, at any time, the Company's books and papers, and request information on contracts and acts involving or that could involve the Company; c) resolve on convening the Annual Shareholders Meeting, under the law; d) give opinion on the Management Report and the Executive Board accounts; e) set the general guidelines of the Company business, establishing the Executive Board key guidelines, including as regards the technical aspects of production, selling, personnel and financial management, and expansion, as well as assure strict compliance therewith; f) set the criteria to control the Company's business performance; g) approve annual and multiannual budgets, expansion projects and investment programs, as well as follow up on their execution and performance; h) approve the Company's administrative structure and establish its salary policy; i) authorize acquisition or disposal by the Company of interest in other companies, regardless of the transaction amount, as well as guide Usiminas representatives while voting in annual shareholders meetings and meetings of the relevant bodies of the companies in which the Company holds interest, as regards (i) disposal or encumbering of property, plant and equipment items of companies in which the Company holds interest, whose book value exceeds R\$ 50,000,000.00 (fifty million reais), either through a single transaction or a series of combined or related transactions, (ii) investments to be made by the Company in which it holds an estimated interest exceeding R\$ 50,000,000.00 (fifty million reais), either through a single transaction or a series of combined or related transactions, (iii) loans and financing transactions of the company in which the Company holds interest exceeding R\$ 50,000,000.00 (fifty million reais), either through a single transaction or a series of combined or related transactions, (iv) merger, takeover or acquisition operations and other types of corporate reorganization involving the company in which the Company holds interest, regardless of their respective amounts; j) subject to item (k) of this article 13 from Company's Bylaws, approve disposal or encumbering of property, plant and equipment items, acquisition of property, plant and equipment items, taking of loans, financing and other financial obligations, granting of guarantees and entering into any contracts, whenever the amount of the assets disposed of, encumbered or acquired, of loans, financing and other financial obligations taken, of guarantees granted or

of contracts entered into exceeds R\$ 50,000,000.00 (fifty million reais), either through a single transaction or a series of combined or related transactions; k) approve taking or granting of loans or financing, granting of guarantees or approval of any act resulting in increase in the Company's indebtedness, in an amount exceeding 2/3 (two thirds) of the Company's equity; l) authorize any investment or capital expenditure in a projected amount exceeding R\$ 50,000,000.00 (fifty million reais), either through a single transaction or a series of combined or related transactions, as well as differences above 10% (ten percent) of the amount initially authorized by the Board of Directors; m) authorize participation in consortiums of any nature and enter into contracts involving a comprehensive strategic alliance; n) authorize negotiation by the Company of shares issued by it; o) authorize issue of nonconvertible unsecured debentures, as well as decide on opportunities to issue debentures, their subscription and placement manner, their type and time and interest payment conditions, profit sharing and debentures reimbursement premium, if any, and on time and conditions of their maturity, amortization and redemption, upon assignment by the Annual Shareholders' Meeting; p) set terms and conditions to issue and place commercial papers and other marketable securities, whose issue is not under the exclusive discretion of the Annual Shareholders' Meeting, provided that (i) such papers and securities are intended for primary or secondary public distribution, or (ii) are convertible or grant right to acquire or subscribe shares issued by the Company; q) approve the internal audit plan; r) approve appointment of the person in charge of the Internal Audit by the Executive Board, and such person must be an employee of Company, lawfully certified, and liaised with the Chairman of the Board of Directors; s) choose and dismiss independent auditors, as well as authorize their engagement for any other services not directly related to audit; t) establish tax incentive application policy; u) authorize opening, transfer or closing of offices, branches, premises or other establishments of the Company; v) approve the appointment of the general secretary, who must be a Company employee proposed by the Executive Board; x) resolve on distribution of dividends in the net income account in the annual or interim balance sheet and/or interest on equity, for approval by the Annual Shareholders' Meeting; y) approve any business or operation involving the Company or its subsidiaries on one hand and Related Parties on the other hand; z) decide on the creation, modification and/or termination of benefit plans that may affect the actuarial calculation of Previdência Usiminas (the new corporate name of Caixa dos Empregados da Usiminas); aa) approve the preparation and amendment of the Material Information Disclosure Policy, Securities Trading policy for securities issued by the Company, Financial Policy, Code of Conduct of the Company; and bb) approve By-laws on operational matters not provided for by the Articles of Incorporation.

The Board of Directors is regulated by an Internal Regulation.

Committees of the Board of Directors:

Currently, the Company's Board of Directors has twocommittees; namely Audit and Human Resources committees whose purpose is to support, guide and assist decision making by the Board as regards specific matters. Each committee has an Internal Regulation approved by the Board of Directors, which determines its rules, responsibilities and assignments.

The scope and responsibilities of each committee are the following:

Audit Committee: a) Verify whether the Company has an adequate set of internal controls to manage risks of processes, by analyzing existing controls, and conveying its conclusions and recommendations to the Board of Directors; b) Follow up on action plans proposed by the Internal Audit and approved by Management, by monitoring implementation of actions deemed material, assessing their effectiveness, and reporting its conclusions and recommendations to the Board of Directors; c) Compare the Company's accounting practices with those of other companies operating in the same industry, and recommend to the Board of Directors the implementation of any adjustments and improvements; d) Within timing compatible with the budget process, assess the Audit Plan and the Internal Audit budget for the following year, and convey its

conclusions and recommendations to the Board of Directors; e) Take part in the selection process for engagement of Independent Auditors, submitting its conclusions to the Board; f) Analyze and review the Quarterly Financial Information (ITR) and the Standardized Financial Statements (DFP) prior to their publication, and present its conclusions and recommendations to the Board; and g) Review the Company's procedures for analysis of questionings and internal and external whistleblowing as regards compliance with legal, ethical or corporate governance rules; and formally monitor the actions taken by the Company to address significant questionings and whistleblowing issues, submitting its conclusions and recommendations to the Board of Directors.

Human Resources Committee: a) Assist the Board in analyzing policies, structures and practices related to compensation of executive officers adopted by domestic and foreign companies, of size and industries similar to the Company's; b) Examine, discuss and prepare recommendations to the Board of Directors as regards policies on direct and indirect compensation of the Company management members; c) Analyze organizational structure proposals submitted by management, when such proposals imply the creation and/or elimination of positions in the Executive Board and/or significantly affect cost of labor, and submit such conclusions to the Board of Directors; d) Follow up on the overall development of the Company's executive officers career and the succession plan proposed by management, and submit its observations to the Board of Directors; and e) Monitor the performance of occupational health and safety indices of the Company, compare them to the indices of similar domestic and foreign companies, and convey its conclusion and recommendations to the Board of Directors.

Compliance Committee: The Compliance Committee is engaged in analyzing and resolving on all whistleblower issues received through *Canal Aberto* (Open Channel) that might expose acts of fraud, corruption, bribery, harassment etc. in Usiminas companies.

Reporting Committee: Usiminas' relationship with its external stakeholders is supported by a Reporting Committee created in 2011, having representatives of the following areas: Legal, Internal Audit, Accounting, Corporate Governance, Investor Relations and Corporate Communications area. The Committee's key assignments are: Review all information on the Company and its subsidiaries disclosed to third parties, such as press, Brazilian Securities and Exchange Commission (CVM), São Paulo Securities, Commodities & Futures Exchange (BM&FBOVESPA) and other regulatory bodies, especially the Reference Form, Annual Report, Press Releases, Earnings Releases, Material News Releases and Communications to the Market.

Ethics Committee: Formed by representatives of multidisciplinary areas of Usiminas. Its function is to ensure compliance with the Conduct Code of the Company, and keep it updated. It is also responsibility of the committee to manifest any question, suggestions or issues related to this form.

Supervisory Board

The Supervisory Board is a permanent board and its primary assignments are, subject to the legal provisions, to supervise the acts of management members, examine and give an opinion on the financial statements for the year and report its conclusions to the Company shareholders.

b) Date of setting up of supervisory board, if not a permanent board, and of committees

The Supervisory Board is a permanent board, under item 12.1(a) above.

The Audit and Human Resources Committees were set up on May 9, 2007.

The other committees were set up on the dates below:

- . Compliance, on June 29, 2009
- . Reporting, on September 11, 2011
- . Ethics committee, on February 22, 2011

c) Performance assessment criteria for each body or committee

Based on its Human Resources Committee's recommendations, the Board of Directors reviews the set of indicators and goals on an annual basis, in order to adjust them to the market practices, the global economic scenario, the interests of shareholders, and also for the purpose of encouraging the Company's sustainable performance in the long term.

The performance of members of the Executive Board is evaluated annually by the Board of Directors, supported by the Human Resources Committee's. Are considered the achievement of the qualitative indicators as well the fulfillment of global and individual goals. Members of others committees and members of the Board of Directors are not evaluated.

d) Executive board members, their assignments and individual powers

The Chief Executive Officer is individually responsible for: a) chairing the Executive Board meetings, wherein he will have the casting vote, in addition to his normal vote; b) representing the Company in acts requiring individual representation, in or out of court, being entitled to assign another executive officer for the function; c) coordinating and guiding the activities of all other executive board members, in their respective areas; d) assign to any executive officer special activities and tasks, regardless of those normally assigned to them; e) monitor the implementation of the resolutions made by the Board of Directors and the Executive Board.

The other members of the Executive Board are responsible for: fulfilling the assignments that the Law, the Articles of Incorporation and the Board of Directors give them, in order to perform the acts necessary for the Company's normal operations, guiding and supervising the specific activities under their responsibility, executing specific tasks assigned to them by the Chief Executive Officer.

12.2. Describe rules, policies and practices related to annual shareholders' meetings, detailing:

a) Convening periods

The Company adopts the convening periods for shareholders meetings set forth by the corporation law. The Corporation Law requires that all annual shareholders' meetings be convened upon three publications in the Federal Official Gazette or the Official Gazette of the State where the Company's head office is located, and in another largely circulated newspaper, edited in the Company head office. The publications are currently made in the Official Gazette of Minas Gerais State, the official communications medium of Minas Gerais State, and in the newspaper *Jornal Estado de Minas*, the first convening being made within at least 15 days from the shareholders' meeting, and the second convening made eight days prior to the meeting, as the case may be. Nonetheless, CVM may, in certain circumstances, determine that the first convening for

annual shareholders' meetings be made in up to 30 days prior to the date when the documents referring to the matters to be resolved are made available to shareholders.

b) Scope

The Company does not adopt differentiated practices or policies referring to the Annual Shareholders' Meeting set forth by the corporation law.

c) Addresses (physical or electronic) where the documents related to the annual shareholders' meeting will be available to shareholders for analysis

Electronic: www.cvm.gov.br, www.bmfbovespa.com.br, www.usiminas.com.

Physical: The Company's head office at Rua Prof. José Vieira de Mendonça 3011, in Belo Horizonte, Capital City of Minas Gerais State.

d) Identification and management of conflicts of interest

In addition to the general rules stipulated in the corporation law, the Company's Articles of Incorporation provide for in their article 13, item "y", that the Board of Directors is responsible for approving any business or operation involving, on one hand, the Company and its subsidiaries and, on the other hand, Related Parties, pursuant to the definition given in the first paragraph of the referred to article. In addition, item "vii" of article 3 of the Board of Directors Internal Regulation provides that the Board of Directors must establish, within its scope, the overall guidelines of the Company's business and decide on strategic matters, with a view of preventing and managing situations of conflict of interest or of diverging opinions, in a manner whereby the Company interests prevail at all times. Any conflicts of interest must be previously and formally stated, and the shareholder presenting the conflict must participate, discuss and vote the respective matter, in accordance with the Brazilian law. The nature and extension of the conflict of interest must be recorded in the meeting minutes

e) Request of power of attorneys by management for direct voting

The Company does not adopt differentiated practices and policies referring to request of power of attorneys by management for direct voting, other than those stipulated in the corporation law.

f) Formalities required for acceptance of power of attorneys granted by shareholders, stating whether the issuer accepts power of attorneys granted by shareholders via electronic means.

The Company does not adopt differentiated practices and policies referring to formalities for acceptance of power of attorneys stipulated in the corporation law. As provided for by Law 6404/76, any shareholder may be represented in the Annual Shareholders' Meeting by a proxy appointed less than 1 year before, who must be a shareholder, Company management member, attorney, financial institution or manager of investment funds representing the fund members. The Company requests that the shareholders represented by a proxy send a power of attorney 48 hours prior to the Annual Shareholders' Meeting, so that such representation authenticity may be verified. The Company does not accept power of attorneys granted by electronic means.

g) The formalities required for the remote voting statement to be accepted, in the event it is sent directly to the Company, indicating whether signatures or other documents are required by the issuer to be notarized or legalized by the consulate.

The stockholder who elects to exercise their right to vote on a remote basis by delivering the voting statement directly to the Company, must send it together with the documents listed below to Rua Prof. José Vieira de Mendonça, 3011, Belo Horizonte - MG, CEP 31310-260, to the attention of Secretaria de Governança [Governance Department]:

(i) a physical copy of the remote voting statement form related to the General Meeting duly completed, initialed and signed; and

(ii) a certified copy of the following documents:

a) individuals: proof of identity of the stockholder;

b) legal entities: (b.1) most recent version of the bylaws or restated articles of association and corporate documents evidencing the stockholder's legal representation; and (b.2) proof of identity of the legal representative.

c) investment funds: (c.1) the most recent version of the restated regulations of the fund; (c.2) bylaws or articles of association of the fund's manager, as the case may be, subject to the voting policy of the fund, and corporate documents evidencing the representation powers; and (c.3) proof of identity of the legal representative.

The Company does not require the notarization of signatures on the voting statements of stockholders in the Brazilian territory or the notarization of those of stockholders located abroad; in the latter case, however, a sworn translation is required.

Pursuant to article 21-U of CVM Instruction 481/2009, the Company will communicate to the stockholder, within 3 (three) days from the receipt of the voting statement, whether the documents received are sufficient for the vote to be considered valid.

The documents necessary for the exercise of the remote voting right must be received by the Company up to 7 (seven) days before the date of the General Meeting. Any voting statements received by the Company after that date will be disregarded.

h) In the event the Company makes available an electronic system to receive the voting statement or permits attendance on a remote basis.

The Company does not make available an electronic system to receive the voting statement or permit attendance on a remote basis.

i) Instructions for the stockholder or group of stockholders to include proposals for resolutions, slates or candidates for members of the Board of Directors and the Statutory Audit Board in the remote voting statement form.

If the stockholder intends to include proposals for resolutions, slates or candidates for members of the Board of Directors or the Statutory Audit Board in the remote voting statement form, it will be necessary to submit such proposals by means of a letter to be addressed to Rua Prof. José Vieira de Mendonça, 3011, Belo Horizonte, state of Minas Gerais, to the attention of Secretaria de Governança [Governance Department], together with the documents related to the proposal, or an email addressed to dri@usiminas.com, within the time limits established by current regulations.

j) If the company makes available online forums and webpages to receive and share comments from stockholders on the matters to be discussed in the meetings

The Company does not make available online forums and webpages to receive and share comments from stockholders on the matters to be discussed in the meetings.

k) Other information necessary for attending the meeting and exercising the right to vote on a remote basis

As an alternative to delivering the form directly to the Company, stockholders may also send the remote voting statement (provided that completion instructions are sent) to (i) their custody agents who provide this service, in the event of stockholders holding shares deposited in central securities depositories, or (ii) the department in charge of book-entry shares at Banco Bradesco, the institution engaged by the Company to provide the service related to book-entry shares, in the event shares are not deposited in central securities depositories.

12.3. Describe the rules, policies and practices regarding the board of directors:

a) Frequency of the meetings

The Company's board of directors ordinarily meets four times a year, following the previously set calendar and extraordinarily whenever deemed necessary to discuss the corporate interests. In the year of 2016 were held 17 meetings of the board of directors, 4 ordinaries and 13 extraordinary meets.

b) If any, the provisions in the shareholders' agreement setting forth restriction or link with the exercise of the voting rights by the board members.

The votes cast by the members of the Board of Directors appointed by the controlling shareholders are linked with the procedure described in item 15.5. of this Reference Form.

c) Rules on identification and management of conflicts of interests

The Board of Directors bylaws establish, among other obligations, that a particular interest or an interest conflicting with that of the Company shall be previously and formally declared. In this case, the member of the Board shall abstain from participating, discussing and voting in the respective meeting, and the nature and extent of the conflict shall be recorded in the minutes.

12.4. If any, describe the arbitration clause included in the bylaws for settlement of disputes among shareholders and between these and the issuing Company through arbitration:

Not applicable. No arbitration clause has been included in the bylaws for settlement of disputes among shareholders and between these and the Company through arbitration.

12.5. In relation to each officer and members of the supervisory board of the issuing company, indicate the following in a table format:

1) Board of Directors - Full Members

a. name	Ichiro Sato
b. date of birth	19/02/1964
c. occupation	Businessman
d. CPF or passport number	TR5017172
e. elective position	Effective Member of the Board of Directors
f. election date	03/23/2017
g. date of Investiture	04/01/2017
h. term of office	until the 2018 annual Shareholders' Meeting
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	Yes
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	No
l. number of consecutive terms	-
m. information about:	---
i. major professional experiences during the last 5 years:	---
• company name and activity sector	1. Nippon Steel Corporation 2. Nippon Steel & Sumitomo Metal Corporation Steelmaking and steel fabrication / Engineering / Chemicals / New materials / System solutions
• position	1. July 2011 to September 2012: Head of Division, Administrative Division, Kimitsu Works 2. October 2012 to March 2012: Head of Division, Administrative Division, Kimitsu Works April 2014 to July 2015: Head of Division, Human Resources Division August 2015 to August 2016: Head of Division, Global Business Support Center, Global Business Development Sector From September 2016: Head of Division, Global Business Development Division, Global Business Development Sector

• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	No
ii. indication of all management positions that it holds in other companies or third sector organizations	From September 2016: Director, Members of the Board, Nippon Usiminas.
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Kazuhiro Egawa
b. date of birth	24/02/1959
c. occupation	Businessman
d. CPF or passport number	TK7729457
e. elective position	Effective Member of the Board of Directors
f. election date	03/23/2017
g. date of Investiture	04/01/2017
h. term of office	Until the 2018 Annual Shareholders Meeting
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	Yes
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	No
l. number of consecutive terms	-

m. information about:	
i. major professional experiences during the last 5 years:	
<ul style="list-style-type: none"> company name and activity sector 	1. Nippon Steel Corporation 2. Nippon Steel & Sumitomo Metal Corporation 3. Nippon Steel & Sumitomo Metal Southeast Asia Pte. Ltd. Steelmaking and steel fabrication / Engineering / Chemicals / New materials / System solutions
<ul style="list-style-type: none"> position 	1. April 2012 to September 2012: Executive Counsellor, General Manager, Global Marketing Division October 2012 to March 2013: Executive Counsellor, General Manager, Head of Division, Global Marketing Administration & Planning Division. General Manager, Head of Division, Flat Products Global Marketing Division, Flat Products Unit April 2013 to March 2015: Executive Officer April 2015 to March 2016: Executive Officer, Southeast Asia & India up to April 2016: Managing Executive Officer, Southeast Asia & India 3. April 2015 to March 2016: Managing Director up to April 2016: Managing Director
<ul style="list-style-type: none"> if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities 	None
ii. indication of all management positions that it holds in other companies or third sector organizations	From March 2013: Director, NS BlueScope Pte Ltd. (on process to resign) From March 2013: Director, NS BlueScope Lysaght Singapore Pte Ltd. (on process to resign) From March 2015: Director, The Japanese Chamber of Commerce & Industry in Singapore (on process to resign) From May 2015: Director, Japanese Association in Singapore (on process to resign)
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Wanderley Rezende de Souza
b. date of birth	05/24/1961
c. occupation	Economist
d. CPF or passport number	634.466.267-00
e. elective position	Effective Member of the Board of Directors
f. election date	10/27/2016
g. date of Investiture	10/27/2016
h. term of office	Until the 2018 Annual Shareholders Meeting
i. Other positions or functions practice at the issuer	Member of the Audit and Human Recourses Committees
j. indication if it was elected by the controlling shareholder or not	Yes
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	Yes, it is an independent member since it does not fulfill any of the hypotheses of commitment of its independence provide and suggested in item 13.16 of the Circular Letter/CVM /SEP/nº01/2017, that makes reference to item 2.2.1 of the Brazilian Code of Corporate Governance, as well as any other hypotheses that resemble the situations described there.
l. number of consecutive terms	1
m. information about:	---
i. major professional experiences during the last 5 years:	The present effective member of the Board of Directors was appointed as member of the Human Resources and Audit Committees on 10/27/2016 for a term until the 2018 ASM.
• company name and activity sector	1. Caixa de Previdência dos Funcionários do Banco do Brasil – PREVI Activity sector: Supplementary pension plan 2. Sete Brasil Participações S.A. Activity sector: oil and gas 3. Usinas Siderúrgicas de Minas Gerais – Usiminas Activity sector: Steel industry
• position	1. From July 1999 to January 2012: Executive Manager 2. From July 2012 to December 2013: Executive Manager 3. From April 2014 to October 2014: Member of the Board of Directors From April 2016 to October 2016: Member of the Fiscal Council Since October 2016: Member of the Board of Directors
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's	Usiminas – issuer No

securities	
ii. indication of all management positions that it holds in other companies or third sector organizations	None
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Oscar Montero Martinez
b. date of birth	08/03/1960
c. occupation	Industrial Engineer
d. CPF or passport number	AAD960333
e. elective position	Effective Member of the Board of Directors
f. election date	04/28/2016
g. date of Investiture	04/28/2016
h. term of office	Until the 2018 Annual Shareholders Meeting
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	Yes
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	No
l. number of consecutive terms	1
m. information about:	---
i. major professional experiences during the last 5 years:	---

• company name and activity sector	1. Ternium México S.A. de C.V., Tenigal S. de R.L. de C.V., Ternium USA Inc., Acerus S.A. de C.V., APM, S.A. de C.V., Ternium Gas México S.A. de C.V., Ferropak Servicios S.A. de C.V., Ferropak Servicios S.A. de C.V., IMSA Monclova S.A. de C.V., Las Encinas S.A. de C.V., Acedor S.A. de C.V., Ferropak Comercial S.A. de C.V., Treasury Services S.A. de C.V.; 2. Consorcio Minero Benito Juárez Peña Colorada, S.A. de C.V. 3. Ternium S.A.
• position	1. Member of the Board of Directors 2. Alternate Member of the Board of Directors 3. General Officer of Planning and Operations
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	Not informed
ii. indication of all management positions that it holds in other companies or third sector organizations	Not informed
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Guilherme Poggiali Almeida
b. date of birth	01/22/1979
c. occupation	Lawyer
d. CPF or passport number	045.496.266-58
e. elective position	Effective Member of the Board of Directors
f. election date	04/28/2016

g. date of Investiture	04/28/2016
h. term of office	Until the 2018 Annual Shareholders Meeting
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	Yes
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	No
l. number of consecutive terms	None
m. information about:	
i. major professional experiences during the last 5 years:	
• company name and activity sector	1. Manucci Advogados – prestação de serviços 2. Usinas Siderúrgicas de Minas Gerais – USIMINAS
• position	1. Partner 2. General Counsel, General Manager of Legal Department and Commercial legal manager
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	Usiminas - Issuer No
ii. indication of all management positions that it holds in other companies or third sector organizations	N/A
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Elias de Matos Brito
b. date of birth	07/28/1965
c. occupation	Counter
d. CPF or passport number	816.669.777-72
e. elective position	Chairman of the Board of Directors
f. election date	04/28/2016
g. date of Investiture	04/28/2016
h. term of office	Until the 2018 Annual Shareholders Meeting
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	Yes
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	Yes - Independence criteria set forth in Novo Mercado Listing Regulation.
l. number of consecutive terms	1
m. information about:	---
i. major professional experiences during the last 5 years:	---
• company name and activity sector	<ol style="list-style-type: none"> 1. Brookfield Incorporações S. A., Companhia de Seguros Aliança da Bahia, HRT Participações em Petróleo S. A., e PROFARMA S. A. 2. 18ª Vara Cível da Capital – RJ, na 2ª Vara Empresarial da Capital – RJ, e na 1ª Vara Cível da Barra da Tijuca – RJ 3. Associação dos Peritos do Estado do Rio de Janeiro 4. Exato Assessoria Contábil Ltda.
• position	<ol style="list-style-type: none"> 1. Member of the Fiscal Council 2. Legal Expert 3. Officer 4. Partner
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	No

ii. indication of all management positions that it holds in other companies or third sector organizations	Not informed
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Rita Rebelo Horta de Assis Fonseca
b. date of birth	01/07/1970
c. occupation	Economist
d. CPF or passport number	790.197.496-68
e. elective position	Effective Member of the Board of Directors
f. election date	04/28/2016
g. date of Investiture	04/28/2016
h. term of office	Until the 2018 Annual Shareholders Meeting
i. Other positions or functions practice at the issuer	Effective Member of the Human Resources Committee
j. indication if it was elected by the controlling shareholder or not	Yes
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	No
l. number of consecutive terms	4
m. information about:	---
i. major professional experiences during the last 5 years:	The present effective member of the Board of Directors was appointed, for the third mandate, as effective member of the Human Resources Committee on 05/25/2016, for a term until the 2018 ASM.
• company name and activity sector	1. Usinas Siderúrgicas de Minas Gerais S.A – USIMINAS 2. FEMCO – Fundação Cosipa de Seguridade Social

	3. Caixa dos Empregados da Usiminas 4. Previdência Usiminas
• position	1. Superintendent in the Corporate Planning, M & A and Investments sectors and Member of the Audit Committee 2. Finance Officer and CEO 3. Finance Officer 4. CEO
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	Usiminas - issuer
ii. indication of all management positions that it holds in other companies or third sector organizations	Not applies.
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Gesner José de Oliveira Filho
b. date of birth	05/17/1956
c. occupation	Economist
d. CPF or passport number	013.784.028-47
e. elective position	Effective Member of the Board of Directors
f. election date	04/28/2016
g. date of Investiture	05/05/2016
h. term of office	Until the 2018 Annual Shareholders Meeting

i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	No
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	Yes – Listing Regulation Guidelines on the New Market segment by BM&FBOVESPA
l. number of consecutive terms	0
m. information about:	---
i. major professional experiences during the last 5 years:	
• company name and activity sector	<ol style="list-style-type: none"> EAESP/FGV – Fundação Getulio Vargas – Educação GO Associados Consultoria Empresarial S/S Ltda. – Consultoria International organizations (Unctad/ONU, Banco Mundial, OMC e OCDE) – International organizations
• position	<ol style="list-style-type: none"> Teacher at the Planning and Economic Analysis Applied to Administration – PAE; Managing Partner. Specialist consultant and in special projects and in arbitration proceedings in the Economic studies, regulation in Infrastructure, evaluation and economic rebalancing Protection of competition, sanitation and Environmental solutions, trade defense, Macrossetorial and business; Antitrust and regulation specialist
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	Not applicable
ii. indication of all management positions that it holds in other companies or third sector organizations	GO Associados Consultoria Empresarial S/S Ltda.: Partner and Director
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Ricardo Antonio Weiss
b. date of birth	06/17/1955
c. occupation	Engineer
d. CPF or passport number	010.673.308-79
e. elective position	Effective Member of the Board of Directors
f. election date	04/28/2016
g. date of Investiture	05/05/2016
h. term of office	Until the 2018 Annual Shareholders Meeting
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	No
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	Yes – Listing Regulation Guidelines on the New Market segment by BM&FBOVESPA
l. number of consecutive terms	None
m. information about:	---
i. major professional experiences during the last 5 years:	
• company name and activity sector	<ol style="list-style-type: none"> 1. W Consultoria e Participações Ltda. – Consulting 2. T4U Holdings Brasil - Telecommunication infrastructure 3. Log-In Logística Integrada – Logistics 4. M. Dias Branco – Food 5. Coteminas – Textile 6. Unigel – Chemical 7. Columbia S.A. – Logistics 8. OHG Mining – Mining investments 9. Grupo Camargo Corrêa – Construction
• position	<ol style="list-style-type: none"> 1. Founder and CEO, strategy and management consultant; 2. Independent Board Member; 3. Chairman of the Board; 4. Independent Board Member; 5. Independent Board Member; 6. Independent Board Member; 7. Independent Board Member; 8. Managing Partner; 9. Director and Consultant

• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	Not applicable
ii. indication of all management positions that it holds in other companies or third sector organizations	He is currently a founding partner and Managing Director of "W Consultoria e Participações", an independent advisor for "Usiminas", "Log-In Logística Intermodal" and "Coteminas". He is also "Unigel" advisory board member and FIESP Supreme Economic Council member.
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Francisco Augusto da Costa e Silva
b. date of birth	09/06/1948
c. occupation	Lawyer
d. CPF or passport number	092.297.957-04
e. elective position	Effective Member of the Board of Directors
f. election date	04/28/2016
g. date of Investiture	04/28/2016
h. term of office	Until the 2018 Annual Shareholders Meeting
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	No
k. if is an independent member and, if so, what was the criteria	Yes - Independence criteria set forth in the Listing Regulations of

used by the issuer to determine the independence	BM&FBOVESPA.
I. number of consecutive terms	None
m. information about:	---
i. major professional experiences during the last 5 years:	
• company name and activity sector	<ol style="list-style-type: none"> 1. Bocater, Camargo, Costa e Silva, Rodrigues Advogados – Law Firm; 2. 2. Cielo S.A. - Technology 3. 3. PUC-RJ – Education 4. COPPEAD – Education 5. Câmara de Arbitragem do Mercado da BM&FBOVESPA – Arbitration
• position	<ol style="list-style-type: none"> 1. Managing Partner 2. Member of the Board of Directors 3. Member of the Development Council 4. Member of the Advisory Council 5. Arbitrator
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	No
ii. indication of all management positions that it holds in other companies or third sector organizations	Member of the Supervisory Board of the Securities analyst of APIMEC
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Luiz Carlos de Miranda Faria
b. date of birth	09/29/1954
c. occupation	Lawyer
d. CPF or passport number	153.159.836-68
e. elective position	Effective Member of the Board of Directors
f. election date	04/28/2016
g. date of Investiture	04/28/2016
h. term of office	Until the 2018 Annual Shareholders Meeting
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	No
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	Yes – Listing Regulation Guidelines on the New Market segment by BM&FBOVESPA
l. number of consecutive terms	None
m. information about:	---
i. major professional experiences during the last 5 years:	
• company name and activity sector	1. Força Sindical de Minas Gerais 2. Prefeitura de Belo Horizonte
• position	1. Director 2. Assessor
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	No.
ii. indication of all management positions that it holds in other companies or third sector organizations	
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

2) Board Of Directs - Alternate Member

a. name	Hironobu Nose
b. date of birth	09/09/1962
c. occupation	Businessman
d. CPF or passport number	TR5282782
e. elective position	Alternate Member of the Board of Directors
f. election date	04/28/2016
g. date of Investiture	04/28/2016
h. term of office	until the 2018 Annual Shareholders' Meeting
i. Other positions or functions practice at the issuer	Coordinator of the Audit Committee
j. indication if it was elected by the controlling shareholder or not	Yes
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	No
l. number of consecutive terms	None
m. information about:	---
i. major professional experiences during the last 5 years:	The present alternate member of the Board of Directors was appointed as Coordinator of the Audit Committee on 05/25/2016, for a term until the 2018 ASM.
• company name and activity sector	Nippon Steel & Sumitomo Metal Corporation Steelmaking and steel fabrication / Engineering / Chemicals / New materials / System solutions
• position	up to April 2013: Group Manager / Environmental Relations Dept. April 2013 to January 2016: General Manager, General Administration Div., Kamaishi Works, Bar & Wire Rod Unit. January 2016 to March 2016 : General Manager, Overseas Business Development Div. From April 2016: President, Nippon Steel & Sumitomo Metal Empreendimentos Siderúrgicos Ltda. From Setembro 2016: President, Nippon Steel Brasil Investimento Ltda.
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	No

ii. indication of all management positions that it holds in other companies or third sector organizations	None
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Hirohiko Maeke
b. date of birth	05/26/1957
c. occupation	Businessman
d. CPF or passport number	TK0437339
e. elective position	Alternate Member of the Board of Directors
f. election date	04/28/2016
g. date of Investiture	04/28/2016
h. term of office	until the 2018 Annual Shareholders' Meeting
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	Yes
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	No
l. number of consecutive terms	2
m. information about:	---
i. major professional experiences during the last 5 years:	---
• company name and activity sector	1. Sumitomo Metal Industries, Ltd. 2. Nippon Steel & Sumitomo Metal Corporation

	Steelmaking and steel fabrication / Engineering / Chemicals / New materials / System solutions
• position	<p>1. Up to September 2012: General Manager, Head of Legal Department,</p> <p>2. October 2012 to February 2014: General Manager, Head of Legal Division</p> <p>March 2014 to March 2016: General Manager, Overseas Business Development Div.</p> <p>From April 2016: Executive Counsellor</p>
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	No
ii. indication of all management positions that it holds in other companies or third sector organizations	None
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Yuichi Akiyama
b. date of birth	07/02/1967
c. occupation	Businessman
d. CPF or passport number	TK0064607
e. elective position	Alternate member of Board of Director

f. election date	03/23/2017
g. date of Investiture	04/01/2017
h. term of office	Until the 2018 Annual Shareholders Meeting
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	Yes
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	No
l. number of consecutive terms	-
m. information about:	
i. major professional experiences during the last 5 years:	
• company name and activity sector	1. Nippon Steel Corporation 2. Nippon Steel & Sumitomo Metal Corporation Steelmaking and steel fabrication / Engineering / Chemicals / New materials / System solutions
• position	1. Up to September 2012: Manager, Overseas Business Development Division, 2. October 2012 from July 2014: Senior Manager, Overseas Business Development Division From July 2014: General Manager, Overseas Business Development Division
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	None
ii. indication of all management positions that it holds in other companies or third sector organizations	From September 2016: Director, Members of the Board, Nippon Usiminas
n. description of any of the following events that have occurred during the last 5 years:	---

i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Simone Galante Alves
b. date of birth	08/11/1968
c. occupation	Lawyer
d. CPF or passport number	952.915.717-72
e. elective position	Alternate Member of the Board of Directors
f. election date	04/28/2016
g. date of Investiture	04/28/2016
h. term of office	Until the 2018 Annual Shareholders Meeting
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	No
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	
l. number of consecutive terms	None
m. information about:	---
i. major professional experiences during the last 5 years:	
• company name and activity sector	<ol style="list-style-type: none"> Galante Alves Sociedade de Advogados, atualmente em parceria com VM&L Sociedade de Advogados Large national and international companies
• position	<ol style="list-style-type: none"> Laywer and Owner Assessor e internal consultant
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	Not informed

ii. indication of all management positions that it holds in other companies or third sector organizations	Not informed
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Pablo Daniel Brizzio
b. date of birth	01/25/1970
c. occupation	Industrial engineer
d. CPF or passport number	AAB751477
e. elective position	Alternate Member of the Board of Directors
f. election date	04/28/2016
g. date of Investiture	04/28/2016
h. term of office	Until the 2018 Annual Shareholders Meeting
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	Yes
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	No
l. number of consecutive terms	1
m. information about:	
i. major professional experiences during the last 5 years:	
• company name and activity sector	Ternium S.A.

• position	Since 2010: Chief Financial Officer
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	No
ii. indication of all management positions that it holds in other companies or third sector organizations	Not Informed
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Mario Giuseppe Antonio Galli
b. date of birth	05/07/1951
c. occupation	Major in Philosophy
d. CPF or passport number	YA0314245
e. elective position	Alternate Member of the Board of Directors
f. election date	04/28/2016
g. date of Investiture	04/28/2016
h. term of office	Until the 2018 Annual Shareholders Meeting
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	Yes
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	No
l. number of consecutive terms	3

m. information about:	
i. major professional experiences during the last 5 years:	
• company name and activity sector	1. Techint Group 2. Comitê de Comunicação da Associação Mundial do Aço 3. Tenaris 4. Tenaris Confab Hastes de Bombeio 5. Ternium Brasil S.A.
• position	1. Corporate Communication Officer 2. Chairman (2009 – 2011) 3. Corporate Communications Officer 4. Executive Officer 5. Member of the Board of Directors
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	Not Informed
ii. indication of all management positions that it holds in other companies or third sector organizations	None
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Gileno Antonio de Oliveira
b. date of birth	09/10/1957
c. occupation	Engineer
d. CPF or passport number	441.159.206-10

e. elective position	Alternate Member of the Board of Directors
f. election date	04/28/2016
g. date of Investiture	04/28/2016
h. term of office	Until the 2018 Annual Shareholders Meeting
i. Other positions or functions practice at the issuer	General Manager of Industrial Engineering
j. indication if it was elected by the controlling shareholder or not	Yes
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	No
l. number of consecutive terms	2
m. information about:	
i. major professional experiences during the last 5 years:	
• company name and activity sector	1. Usinas Siderúrgicas de Minas Gerais – Usiminas 2. Previdência Usiminas 3. Associação Brasileira de Metalurgia e Minerais - ABM
• position	1. Metallurgical Engineer in the Cold Rolling Mill, Manager of the Technical Division of Cold Rolling and Steelmaking, Superintendent of the Cold Rolling, General Manager of Process Engineering and General Manager of Industrial Engineering 2. Chairman of the Deliberative Board 3. Member of the Board of Directors
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	Usiminas – issuer No
ii. indication of all management positions that it holds in other companies or third sector organizations	Not applies
n. description of any of the following events that have	---

occurred during the last 5 years:	
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Derci Alcântara
b. date of birth	12/31/1955
c. occupation	Business Administrator
d. CPF or passport number	179.207.520-00
e. elective position	Alternate Member of the Board of Directors
f. election date	04/28/2016
g. date of Investiture	05/05/2016
h. term of office	Until the 2018 Annual Shareholders Meeting
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	No
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	Yes – Listing Regulation Guidelines on the New Market segment by BM&FBOVESPA
l. number of consecutive terms	0
m. information about:	---
i. major professional experiences during the last 5 years:	
• company name and activity sector	1. Peabirus Capital 2. BCNH (Bank Case New Holland)
• position	1. Parter 2. CEO
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or	Not applicable

kind of issuer's securities	
ii. indication of all management positions that it holds in other companies or third sector organizations	(i) Board of Directors member at Grupo Solpanamby; (ii) Board of Directors member at SLC Land Co (iii) Partner Peabirus Capital
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Sonia Julia Sulzbeck Villalobos
b. date of birth	06/06/1963
c. occupation	Administrator
d. CPF or passport number	022.306.678-82
e. elective position	Alternate Member of the Board of Directors
f. election date	04/28/2016
g. date of Investiture	05/05/2016
h. term of office	Until the 2018 Annual Shareholders Meeting
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	No
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	Yes – Listing Regulation Guidelines on the New Market segment by BM&FBOVESPA
l. number of consecutive terms	0
m. information about:	---
i. major professional experiences during the last 5 years:	
• company name and activity sector	1. Lanin Partners Ltd. – Funds Management 2. Larrain Vial S.A. – Funds Management

• position	1. Founder, Partner and Manager 2. Latin America Manager
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	Not applicable
ii. indication of all management positions that it holds in other companies or third sector organizations	(i) Lanin Partners Ltd.: Founder, Partner and Manager (ii) Villalobos Consultoria Ltda.: Partner and Manager
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Durval José Soledade Santos
b. date of birth	12/13/1948
c. occupation	Lawyer
d. CPF or passport number	263.032.307-25
e. elective position	Alternate member of the Board of Directors
f. election date	04/28/2016
g. date of Investiture	04/28/2016
h. term of office	until the 2018 Annual Shareholders' Meeting
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	No
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	Yes - Independence criteria set forth in the Listing Regulations of BM&FBOVESPA.

l. number of consecutive terms	None
m. information about:	---
i. major professional experiences during the last 5 years:	---
• company name and activity sector	<ol style="list-style-type: none"> 1. Portinvest – Participações S.A. – Port 2. TGSC – Terminal de Granéis de Santa Catarina – Port 3. Porto Novo Participações S.A. – ports 4. SATI RJ Participações S.A. – Port 5. Forjas Taurus S.A. – light arms 6. LBR Lácteos Brasil S.A. – Lacteis products
• position	<ol style="list-style-type: none"> 1. Member of the Board of Directors 2. Member of the Board of Directors 3. Member of the Board of Directors, currently he is Chairman of the Board of Directors 4. Member of the Board of Directors, currently he is Chairman of the Board of Directors 5. Member of the Board of Directors 6. Member of the Board of Directors
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	No
ii. indication of all management positions that it holds in other companies or third sector organizations	Former President of Escola da Gente.
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Jorge Malta
b. date of birth	05/26/1958
c. occupation	Maintenance mechanic
d. CPF or passport number	290.387.586-34
e. elective position	Alternate Member of the Board of Directors
f. election date	04/28/2016
g. date of Investiture	04/28/2016
h. term of office	Until the 2018 Annual Shareholders Meeting
i. Other positions or functions practice at the issuer	Maintenance mechanic
j. indication if it was elected by the controlling shareholder or not	No
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	Yes – Listing Regulation Guidelines on the New Market segment by BM&FBOVESPA
l. number of consecutive terms	0
m. information about:	---
i. major professional experiences during the last 5 years:	
• company name and activity sector	Usinas Siderúrgicas de Minas Gerais S.A. – USIMINAS – Steel
• position	Maintenance mechanic
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	Usiminas – Issuer
ii. indication of all management positions that it holds in other companies or third sector organizations	
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

3) Fiscal Council – Effective members

a. name	Masato Ninomiya
b. date of birth	11/17/1948
c. occupation	Lawyer
d. CPF or passport number	806.096.277-91
e. elective position	Effective Member of the Fiscal Council
f. election date	04/27/2017
g. date of Investiture	04/27/2017
h. term of office	Until the 2018 Annual Shareholders' Meeting
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	Yes
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	No
l. number of consecutive terms	18
m. information about:	---
i. major professional experiences during the last 5 years:	---
• company name and activity sector	ADVOCACIA MASATO NINOMIYA S/C – Provision of Service
• position	Founding partner
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	None
ii. indication of all management positions that it holds in other companies or third sector organizations	None
n. description of any of the following events that have occurred	---

during the last 5 years:	
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Paulo Frank Coelho da Rocha
b. date of birth	03/09/1971
c. occupation	Lawyer
d. CPF or passport number	151.450.238-04
e. elective position	Effective Member of the Fiscal Council
f. election date	04/27/2017
g. date of Investidure	04/27/2017
h. term of office	Until the 2018 Annual Shareholders' Meeting
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	Yes
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	No
l. number of consecutive terms	6
m. information about:	---
i. major professional experiences during the last 5 years:	---
• company name and activity sector	1. Demarest e Almeida – Prestação de Serviços 2. Cravath, Swaine & Moore
• position	1. Partner 2. Foreign Associate

• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	No
ii. indication of all management positions that it holds in other companies or third sector organizations	Member of the International Bar Association, do Advisory Board do "Working Group on Legal Opinions" da American Bar Association; and of the Câmara de Comércio Brasil-Estados Unidos
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Lúcio de Lima Pires
b. date of birth	03/19/1971
c. occupation	Counter
d. CPF or passport number	812.099.596-15
e. elective position	Effective Member of the Fiscal Council
f. election date	04/27/2017
g. date of Investiture	04/27/2017
h. term of office	Until the 2018 Annual Shareholders' Meeting
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	Yes
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	No
l. number of consecutive terms	6

m. information about:	---
i. major professional experiences during the last 5 years:	---
• company name and activity sector	Previdência Usiminas Activity Sector: Closed Complementary Pension Plan
• position	Controlling Manager
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	No
ii. indication of all management positions that it holds in other companies or third sector organizations	Not applies.
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Paulo Roberto Evangelista de Lima
b. date of birth	02/26/1957
c. occupation	Business Administrator
d. CPF or passport number	117.512.661-68
e. elective position	Effective Member of the Fiscal Council
f. election date	04/27/2017
g. date of Investiture	04/27/2017

h. term of office	Until the 2018 annual Shareholders' Meeting
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	No
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	Yes - Independence criteria set forth in Novo Mercado Listing Regulation.
l. number of consecutive terms	1
m. information about:	---
i. major professional experiences during the last 5 years:	---
• company name and activity sector	1. Banco do Brasil S.A. 2. Banco de Brasília 3. CELESC – Centrais Elétricas de Santa Catarina 4. Caixa de Assistência dos Funcionários do Banco do Brasil – Cassi 5. Cecrisa Revestimentos Cerâmicos S.A. 6. Usinas Siderúrgicas de Minas Gerais – Usiminas 7. JL Rodrigues, Calos Átila e Consultores Associados S.S.
• position	1. From July 2010 to January 2012: Director of Risk Management From August 2010 to January 2012: Member of the Board of Directors of Banco do Brasil Securities From August 2007 to January 2012: Member of the Technology Committee From July 2010 to January 2012: Coordinator of the Risk Committee of Banco do Brasil 2. From January 2013 to October 2014: President; Member of the Board of Directors; Chairman of the Board of Directors of Cartão BRB S.A. and Coordinator of the Technology Committee 3. Since May 2008: Member of the Board of Directors; Coordinator of the Legal and Audit Committee 4. Since February 2010: Fiscal Council Member 5. Since September 2016: Fiscal Council Member 6. Since November 2016: Fiscal Council Member 7. Since March 2015: Partner
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	Not informed
ii. indication of all management positions that it holds in other companies or third sector organizations	From September 2007 to January 2012: Member of the Supervision Committee of the Credit Guarantee Fund; From July 2010 to January 2012: Member of the Risk Committee of the Brazilian Federation of Banks - Febraban; From December 2007 to January 2012: Full Member of the Febraban Compliance Committee.
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.

ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Domenica Eisenstein Noronha
b. date of birth	
c. occupation	Economist
d. CPF or passport number	090.448.297-93
e. elective position	Effective Member of the Fiscal Council
f. election date	04/27/2017
g. date of Investiture	04/27/2017
h. term of office	Until the 2017 Annual Shareholders Meeting
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	No
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	Yes – Listing Regulation Guidelines on the New Market segment by BM&FBOVESPA
l. number of consecutive terms	0
m. information about:	---
i. major professional experiences during the last 5 years:	
• company name and activity sector	1. Tempo Capital Gestão de Recursos Ltda. 2. Banco Morgan Stanley 3. Fibria Celulosa S.A. 4. Embratel Participações S.A. 5. Usinas Siderúrgicas de Minas Gerais - Usiminas
• position	1. Since October 2010: Managing Partner 2. 1999 to 2010: Executive Director - Responsible for Corporate Finance Execution in Latin America 3. February 2016 to April 2016: Member of the Fiscal Council 4. April 2012 to August 2014: Member of the Fiscal Council 5. April 2015 to April 2016: Member of the Fiscal Council
• if the company is part of (i) the economic group of the issuer, or	Usiminas – issuer

(ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	Not informed
ii. indication of all management positions that it holds in other companies or third sector organizations	Not informed
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

4) Fiscal Council – Alternate members

a. name	Aurea Christine Tanaka
b. date of birth	12/11/1972
c. occupation	Lawyer
d. CPF or passport number	181.789.838-85
e. elective position	Alternate Member of the Fiscal Council
f. election date	04/27/2017
g. date of Investiture	04/27/2017
h. term of office	Until the 2018 annual Shareholders' Meeting
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	Yes
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	No
l. number of consecutive terms	2
m. information about:	---
i. major professional experiences during the last 5 years:	---
• company name and activity sector	ADVOCACIA MASATO NINOMIYA S/C – Provision of Service

• position	Lawyer
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	No
ii. indication of all management positions that it holds in other companies or third sector organizations	None
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Mario Roberto Villanova Nogueira
b. date of birth	09/10/1963
c. occupation	Lawyer
d. CPF or passport number	112.981.928-03
e. elective position	Alternate Member of the Fiscal Council
f. election date	04/27/2017
g. date of Investiture	04/27/2017
h. term of office	Until the 2018 annual Shareholders' Meeting
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	Yes
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	No

l. number of consecutive terms	6
m. information about:	---
i. major professional experiences during the last 5 years:	---
• company name and activity sector	1. Demarest e Almeida – Provision of Service 2. Faculdade de Economia, Administração e Contabilidade da Universidade de São Paulo
• position	1. Partner 2. Invited Teacher
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	No
ii. indication of all management positions that it holds in other companies or third sector organizations	Officer of Instituto Brasileiro de Estudos das Relações de Concorrência, de Consumo e de Comércio Internacional (IBRAC)
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Ely Tadeu Parente da Silva
b. date of birth	07/21/1965
c. occupation	Accountant
d. CPF or passport number	587.729.016-91
e. elective position	Alternate Member of the Fiscal Council
f. election date	04/27/2017
g. date of Investiture	04/27/2017

h. term of office	Until the 2018 annual Shareholders' Meeting
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	Yes
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	No
l. number of consecutive terms	4
m. information about:	---
i. major professional experiences during the last 5 years:	---
• company name and activity sector	Previdência Usiminas – Sector of Activity: Closed Complementary Pension Plans
• position	Benefits Director
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	No
ii. indication of all management positions that it holds in other companies or third sector organizations	Not applies
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Charles Rene Lebarbenchon
b. date of birth	10/28/1969
c. occupation	Lawyer
d. CPF or passport number	769.387.609-00

e. elective position	Alternate Member of the Fiscal Council
f. election date	04/27/2017
g. date of Investiture	04/27/2017
h. term of office	Until the 2018 annual Shareholders' Meeting
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	No
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	Yes - Independence criteria set forth in Novo Mercado Listing Regulation.
l. number of consecutive terms	---
m. information about:	---
i. major professional experiences during the last 5 years:	---
• company name and activity sector	1. Gasparino, Fabro, Lebarbenchon, Roman, Sachet e Marchiori Sociedade de Advogados 2. Brazpeixes S.A. 3. AES Eletropaulo 4. Eternit S.A. 5. SICOOB Advocacia 6. BIC Banco 7. Instituto de Previdência OABPrev-SC 8. Gaspart S.A.
• position	1. Partner 2. 2015: Member of the Board of Directors 3. 2014 to 2016: Effective Member of the Board of Directors 2012 to 2014: Alternate Member of the Board of Directors 4. 2013 to 2014: Coordinator of the Fiscal Council 5. 2013 to 2015: Member of the Fiscal Council 6. Alternate member of the Fiscal Council 7. 2011 to 2012: Member of the Deliberative Council 2009 to 2012: Director of Benefits 8. 2009 to 2012: Member of the Board of Directors
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct	Not Informed

or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	
ii. indication of all management positions that it holds in other companies or third sector organizations	Not Informed
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Maurício Rocha Alves de Carvalho
b. date of birth	
c. occupation	Engineer
d. CPF or passport number	709.925.507-00
e. elective position	Alternate Member of the Fiscal Council
f. election date	04/27/2017
g. date of Investiture	04/27/2017
h. term of office	Until the 2018 annual Shareholders' Meeting
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	No
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	
l. number of consecutive terms	-
m. information about:	---
i. major professional experiences during the last 5	---

years:	
• company name and activity sector	1. Intersmart Distribuidora de Equipamentos de TI 2. Grendene S.A. 3. SLC Agrícola 4. Mills S.A. 5. Sonae Sierra Brasil 6. Tupy S.A. 7. Embraer S.A.
• position	1. 2009 to 2014: Member of the Board of Directors 2011 to 2014: Chairman of the Finance Committee 2. 2012 to 2015: Member of the Fiscal Council 3. 2013 to 2016: Member of the Fiscal Council 4. 2011 to 2014: Member of the Fiscal Council 5. 2012 to 2013: Member of the Fiscal Council 6. 2010 to 2012: Member of the Fiscal Council 7. From 2016: Member of the Fiscal Council
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	Not informed
ii. indication of all management positions that it holds in other companies or third sector organizations	Not informed
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

5) Executives Board

a. name	Sergio Leite de Andrade
b. date of birth	09/10/1953
c. occupation	Engineer

d. CPF or passport number	233.336.777-68
e. elective position	Chief Executive Officer, Vice-President of Technology and Quality, Commercial Vice President Officer
f. election date	03/23/2017
g. date of Investiture	03/23/2017
h. term of office	Until the Board of Officers of the Company is definitively appointed by the Board of Directors.
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	Yes
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	N/A
l. number of consecutive terms	None
m. information about:	---
i. major professional experiences during the last 5 years:	---
• company name and activity sector	Usinas Siderúrgicas de Minas Gerais S.A.- USIMINAS – Siderurgia
• position	Metallurgical Engineer, Heavy Plate Integrated Control Engineer, Head of the Steel Shop Metallurgical Unit and Slabbing Mill, Head of the Standardization Unit for Heavy Plates, Hot and Cold Rolled Coils, Superintendent of the Research and Development Center; President, Quality Commission; and Superintendent of Marketing. He held the posts of Vice-President/Director of Business and Vice-president/Director of Steel Making of the Company.
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	Usiminas – Issuer
ii. indication of all management positions that it holds in other companies or third sector organizations	None
n. description of any of the following events that have occurred during the last 5 years:	---

i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Ronald Seckelmann
b. date of birth	02/26/1956
c. occupation	Business Administrador
d. CPF or passport number	894.486.428-49
e. elective position	Finance and Investor Relations Vice-President Officer and Subsidiaries Vice-President Officer
f. election date	09/25/2014
g. date of Investiture	09/25/2014
h. term of office	Until the Board of Officers of the Company is definitively appointed by the Board of Directors.
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	Yes
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	N/A
l. number of consecutive terms	Finance and Investor Relations Vice-President Officer – 3 Subsidiaries Vice-President Officer - None
m. information about:	---
i. major professional experiences during the last 5 years:	---
• company name and activity sector	1. Cargill Agrícola S.A. 2. Alcoa Alumínio S.A. 3. Cia. Vidraria Santa Marina S.A. 4. Igaras Papéis e Embalagens S.A 5. Klabin S.A.

	6. Bertin S.A. 7. Usinas Siderúrgicas de Minas Gerais S.A.- USIMINAS – Siderurgia
• position	1. Financial Analyst 2. Controllership Division Manager 3. Chief Planning and Control Officer 4. Chief Administrative and Financial Officer 5. Chief Financial and Investor Relations Officer 6. Vice CEO and Chief Financial and Control Officer 7. Chief Financial and Investor Relations Officer and Vice CEO for Subsidiaries
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	Usiminas – Issuer
ii. indication of all management positions that it holds in other companies or third sector organizations	None
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Tulio Cesar do Couto Chipoletti
b. date of birth	04/27/1957
c. occupation	Industrial Engineer
d. CPF or passport number	920.859.118-20
e. elective position	Industrial Vice-President Officer
f. election date	10/24/2014

g. date of Investiture	10/24/2014
h. term of office	Until the Board of Officers of the Company is definitively appointed by the Board of Directors.
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	Yes
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	N/A
l. number of consecutive terms	None
m. information about:	---
i. major professional experiences during the last 5 years:	---
• company name and activity sector	<ol style="list-style-type: none"> 1. Confab Industrial S.A 2. Soluções em Aço Usiminas S.A.
• position	<ol style="list-style-type: none"> 1. Manager of Design Engineering, Engineering Manager of the Plant of Pindamonhangaba, Manager of the Plant in Sao Caetano do Sul, Senior Executive - Director of the Division of Tubes, Vice President of Tubes and Area Manager of Brazil 2. President
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	A Soluções em Aço Usiminas S.A. is part of the same economic group of the issuer.
ii. indication of all management positions that it holds in other companies or third sector organizations	-
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

a. name	Takahiro Mori
b. date of birth	10/03/1957
c. occupation	Administrator
d. CPF or passport number	702.586.956-25
e. elective position	Corporate Planning Vice-President Officer
f. election date	06/03/2016
g. date of Investiture	06/03/2016
h. term of office	Until the 2018 annual Shareholders' Meeting
i. Other positions or functions practice at the issuer	Holds no other position or job at the Company
j. indication if it was elected by the controlling shareholder or not	Yes
k. if is an independent member and, if so, what was the criteria used by the issuer to determine the independence	N/A
l. number of consecutive terms	None
m. information about:	---
i. major professional experiences during the last 5 years:	---
• company name and activity sector	1. Nippon Steel & Sumitomo Metal Corporation – Steel
• position	1. Head of Personnel Department of Kimitsu Works; Senior Manager of Human Resources Div.; Head of Plate, Rail and Shape Dept., Global Marketing Div.; Head of Hot-rolled Sheet Dept., Global Marketing Div.; Assistant General Manager, Global Marketing Div.; General Manager, Corporate Planning Div.; Head of Div., Flat Products Global Marketing Div.; Executive Officer, Vice Head of Unit, Flat Products Unit
• if the company is part of (i) the economic group of the issuer, or (ii) is controlled by the issuer's shareholder which holds a direct or indirect equity equal to or higher than 5% of one same class or kind of issuer's securities	Usiminas - Issuer
ii. indication of all management positions that it holds	-

in other companies or third sector organizations	
n. description of any of the following events that have occurred during the last 5 years:	---
i. any criminal conviction	There is no criminal conviction.
ii. any conviction in CVM administrative proceedings and penalties applied	There is no conviction in CVM's administrative proceedings.
iii. any unappealable conviction in the legal or administrative spheres, which has suspended or prevented it from exercise any professional or business activity	There is no unappealable conviction in the legal and administrative spheres.

12.6 In relation to each person who served as a member of the board of directors or member of the fiscal council in the last fiscal year, indicate, in table format the percentage of participation in the meetings held in the same period that have occurred after the investiture date.

Board of directors	Total number of meetings	% of participation
Elias de Matos Brito	17	100%
Francisco Augusto da Costa e Silva	12	83%
Fumihiko Wada	11	90%
Gesner José Oliveira Filho	11	100%
Guilherme Poggiali Almeida	12	100%
José Oscar Costa de Andrade	5	100%
Luiz Carlos de Miranda Faria	12	91%
Marcelo Gasparino da Silva	5	100%
Mauro Rodrigues da Cunha	5	100%
Nobuhiko Takamatsu	7	100%
Oscar Montero Martinez	17	88%
Paulo Penido Pinto Marques	10	100%
Ricardo Antonio Weiss	11	100%
Rita Rebelo Horta de Assis Fonseca	17	94%
Roberto Caiuby Vidigal	5	100%
Wanderley Rezende de Souza	3	100%
Yoichi Furuta	17	100%

Fiscal council	Total number of meetings	% of participation
Masato Ninomiya	6	100%
Lúcio de Lima Pires	6	100%
Paulo Frank Coelho da Rocha	6	100%
Domenica Eisenstein Noronha	4	100%
Julio Sérgio de Souza Cardozo	4	100%
Wanderley Rezende de Souza	2	100%
Wagner Mar	2	100%

12.7. Provide the information mentioned in item 12.6 about the members of the statutory committees, as well as of the audit, risk, financial and remuneration committees, even if such committees or structures are not statutory.

Audit Committee

Name	Date of birth	Profession	CPF or passport number	Elected office held	Date of election	Date of inauguration	Term of office	Other positions or jobs held at the appointing company
Glauco Sabatini Bodini	14/12/1976	Engineer	269.843.058-37	Full Member	May 25, 2016	May 25, 2016	Up to the annual shareholders meeting of 2018	Full Member of Audit Committee.
Wanderley Rezende de Souza	24/05/1961	Economist	634.466.267-00	Full Member	October 27, 2016	October 27, 2016	Up to the annual shareholders meeting of 2018	Full Member of the Board of Directors and full Member of Audit Committee.
Marcelo Hector Barreiro	13/06/1969	Economist	227.374.438-22	Full Member	May 25, 2016	May 25, 2016	Up to the annual shareholders meeting of 2018	Holds no other position or job at the Company
Hironobu Nose	09/09/1962	Economist	238.640.728-40	Full Member	May 25, 2016	May 25, 2016	Up to the annual shareholders meeting of 2018	Alternate Member of the Board of Directors

Human Resources Committee

Name	Age	Profession	CPF or passport number	Elected office held	Date of election	Date of inauguration	Term of office	Other positions or jobs held at the appointing company
Rodrigo Piña	27/09/1972	Industrial Engineer	-	Coordinator	May 25, 2016	May 25, 2016	Up to the annual shareholders meeting of 2018	Holds no other position or job at the Company
Osamu Nakagawa	24/09/1964	Business man	232.083.388-99	Full Member	May 25, 2016	May 25, 2016	Up to the annual shareholders meeting of 2018	Holds no other position or job at the Company
Glauco Sabatini Bodini	14/12/1976	Engineer	269.843.058-37	Full Member	May 25, 2016	May 25, 2016	Up to the annual shareholders meeting of 2018	Full Member of Audit Committee.
Rita Rebelo Horta de Assis Fonseca	07/01/1970	Economist	790.197.496-68	Full Member	May 25, 2016	May 25, 2016	Up to the annual shareholders meeting of 2018	Effective Member of the Board of Directors
Wanderley Rezende de Souza	24/05/1961	Economist	634.466.267-00	Full Member	October 27, 2016	October 27, 2016	Up to the annual shareholders meeting of 2018	Full Member of the Board of Directors and full Member of Audit Committee.

We found no formal document evidencing the inauguration of members of this committee; therefore, the Company considers the date of election for this purpose.

12.8. In relation to each person who served as a member of the committees in the last fiscal year, indicate, in table format the percentage of participation in the meetings held in the same period that have occurred after the investiture date.

Human Resources Committee	Total number of meetings	% of participation
Rodrigo Piña	4	100%
Paulo Penido Pinto Marques	4	100%
Tatsuya Miyahara	3	100%
Rita Rebelo Horta de Assis Fonseca	4	100%
Osamu Nakagawa	1	100%
Glauco Sabatini Bodini	1	100%

Audit Committee	Total number of meetings	% of participation
Takaaki Hirose	3	100%
Paulo Penido Pinto Marques	4	100%
Claudio Gabriel Gugliuzza	3	100%
Hironobu Nose	2	100%
Yoichi Furuta	1	100%
Marcelo Hector Barreiro	2	100%
Glauco Sabatini Bodini	2	100%

12.9. Report the existence of marital relation, stable union or kinship up the second degree between:

a) Directors and members of the issuer's Supervisory Board

Not applicable. There is no marital relation, stable union or kinship up the second degree between directors and members of the Company's Supervisory Board.

b) Directors and members of the issuer's Supervisory Board and (ii) directors of direct or indirect subsidiaries of the issuer

Not applicable. There is no marital relation, stable union or kinship up the second degree between directors and members of the issuer's Supervisory Board and (ii) the directors of direct or indirect subsidiaries of the Company

c) Directors and members of the issuer's Supervisory Board or its direct or indirect subsidiaries and (ii) direct or indirect controlling of the issuer

Not applicable. There is no marital relation, stable union or kinship up the second degree between directors and members of the issuer's Supervisory Board or of its direct and indirect subsidiaries and (ii) direct or indirect controlling companies of the Company

d) Directors and members of the issuer's Supervisory Board and (ii) directors of direct and indirect controlling companies of the issuer

Not applicable. There is no marital relation, stable union or kinship up the second degree between directors and members of the issuer's Supervisory Board and (ii) directors of direct and indirect controlling companies of the Company.

12.10. Inform the subordination, provision of service, or control relationships maintained, over the 3 last fiscal years, among the administrators of the issuer and:

a) company, directly or indirectly, controlled by the issuer, with exception to the ones of which the issuer holds, directly or indirectly, the totality of the capital stock

(i) The alternate member of the Board of Directors Simone Galante Alves has a Service Provision Agreement of Real Estate Regularization with Mineração Usiminas S.A., a controlled entity of the Company.

(ii) The alternate member of the Board of Directors Hironobu Nose has a relation of subordination by occupying the position of Member of the Board of Directors of Unigal Ltda, a controlled entity of the Company.

b) Direct or indirect control of the issuer

(i) The effective member of the Board of Directors Oscar Montero Martinez has an employment relationship with different subsidiaries of Ternium S.A.. He occupies the position of Planning Director of Ternium S.A., and is a member of the Board of Directors of several subsidiaries of Ternium;

(ii) The effective member of the Board of Directors Guilherme Poggiali Almeida is a partner of the law firm Manucci Advogados, and has a contract for the provision of legal services with certain companies of the Ternium Group, since June 2015.

(iii) The alternate member of the Board of Directors Simone Galante Alves is a partner of the law firm Valle & Leal Sociedade de Advogados ("VLM"), and provides legal services for the Companies of the Group Ternium;

(iv) The alternate member of the Board of Directors Pablo Daniel Brizzio has an employment relationship with different subsidiaries of the Ternium S.A.. He occupies the position of Chief Financial Officer of Ternium S.A., and is a member of certain corporate bodies of different subsidiaries of Ternium S.A.;

(v) The alternate member of the Board of Directors Mario Guiseppe Antonio Galli has an employment relationship with certain subsidiaries of Tenaris S.A. He occupies the position of Corporate Communications Director of Tenaris S.A., and is member of the Board of Directors of Ternium Brasil S.A and Officer of Tenaris Confab Hastes de Bombeio S.A.;

(vi) The effective member of the Board of Directors Kazuhiro Egawa has a relation of subordination with Group NSSMC, occupying the following positions: (a) Executive Officer of Nippon Steel & Sumitomo Metal Corporation, from January 01, 2014 to March 31, 2016; (b) Managing Executive Officer of Nippon Steel & Sumitomo Metal Corporation, since April 01, 2016; (c) Director of NS BlueScope Pte. Ltd., from January 01, 2014 to June 01, 2017; (d) Director of NS BlueScope Lysaght Singapore Pte. Ltd., from January 01, 2014 to June 01, 2017; and (e) Managing Director of Nippon Steel & Sumitomo Metal Southeast Asia Pte. From April 01, 2015 to May 16, 2017.

(vii) The effective member of the Board of Directors Ichiro Sato has a relation of subordination with Group NSSMC, occupying the following positions: (a) General Manager of Nippon Steel & Sumitomo Metal Corporation, from January 01, 2014 to March 31, 2017; (b) President of Blazers Sports Club Co. Ltd., from April 01, 2014 to June 30, 2015; and (c) Director of Nippon Usiminas Co. Ltd., since September 01, 2016. He also has a Service Rendering Contract as Executive Counselor of Nippon Steel & Sumitomo Metal Corporation, since April 01, 2017.

(viii) The alternate member of the Board of Directors Hironobu Nose has a relation of subordination with Group NSSMC, occupying the following positions: (a) General Manager of Nippon Steel & Sumitomo Metal Corporation, since January 01, 2014; and (b) President of Nippon Steel & Sumitomo Metal Empreendimentos Siderurgicos Ltda., since March 28, 2016.

(ix) The alternate member of the Board of Directors Hirohiko Maeke has a relation of subordination with Group NSSMC, occupying the position of General Manager of Nippon Steel & Sumitomo Metal Corporation, from January 01, 2014 to March 31, 2016. He also has a Service Rendering Contract as Executive Counselor of Nippon Steel & Sumitomo Metal Corporation, since April 01, 2016.

(x) The alternate member of the Board of Directors Yuichi Akiyama has a relation of subordination with Group NSSMC, occupying the following positions: (a) General Manager of Nippon Steel & Sumitomo Metal Corporation, since January 01, 2014; and (b) Director of Nippon Usiminas Co. Ltd., since April 01, 2016.

(xi) The effective member of the Fiscal Council Masato Ninomiya has a Service Rendering Contract with Nippon Steel & Sumitomo Metal Empreendimentos Siderúrgicos Ltda, since January 01, 2014.

(xii) The alternate member of the Fiscal Council Aurea has a Service Rendering Contract with Nippon Steel & Sumitomo Metal Empreendimentos Siderúrgicos Ltda, since January 01, 2014.

(xiii) The effective member of the Board of Directors Rita Rebelo Horta de Assis Fonseca occupies the position of Chief Executive Officer of Previdência Usiminas.

(xiv) The alternate member of the Board of Directors Gileno Antônio Oliveira occupies the position of Chairman of the Advisory Board of Previdência Usiminas.

(xv) The effective member of the Fiscal Council Lúcio de Lima Pires occupies the position of Manager of Controllershship of Previdência Usiminas.

(xvi) The alternate member of the Fiscal Council Ely Tadeu Parente da Silva occupied the position of Manager of Compliance at Previdência Usiminas until June 13, 2016 and occupies the position of Officer of Benefits of Previdência Usiminas since June 14, 2016.

(xvii) The Officer of Corporate Planning Takahiro Mori has a relation of subordination with Group NSSMC occupying the following positions: (a) General Manager of Nippon Steel & Sumitomo Metal Corporation, from January 01, 2014 to March 31, 2014; (b) Executive Officer of Nippon Steel & Sumitomo Metal Corporation from April 01, 2014 to March 31, 2016; (c) Vice Chairman of The Siam United Steel (1995) Co., Ltd. from January 01, 2014 to April 21, 2014; (d) Chairman of The Siam United Steel (1995) Co., Ltd. from April 21, 2014 to April 24, 2016; (e) Director of WISCO-NIPPON STEEL Tinsplate Co., Ltd., from April 01, 2014 to March 31, 2016; (f) Director of Jamshedpur Continuous Annealing & Processsing Company Privte Ltd., from July 24, 2015 to April 26, 2016; (g) Director of Unipres Corporation, from June 24, 2015 to June 22, 2016; and (g) Chairman of Nippon Steel & Sumikin Salas Vietnam Company Ltd., from January 01, 2014 to August 15, 2016. He also maintains a Service Rendering Contract as Advisor of Nippon Steel & Sumitomo Metal Corporation, from April 01, 2016 to March 31, 2017 – Although the advisory contract formally lasted through the end of March, 2017, it

became inactive (no service rendered and no payment made) after Mr. Mori took office as Vice President of Usiminas on June 3, 2016.

c) If it is relevant, supplier, client, debtor or creditor of the issuer, of its subsidiary or controlling companies or controlled companies of any of these persons

There is no relation of relevant subordination between the supplier, client, debtor or creditor of the issuer, of its controlled or controlling entities or subsidiaries of any of the persons related in the item above

12.11. Describe the provisions of any agreements, including insurance policies, which provide for the payment or reimbursement of expenses incurred by the directors, arising from compensation for damage caused to third parties or to the issuer, penalties imposed by state agents, or agreements aimed at resolving administrative or legal proceedings, due to the exercise of their functions:

The Company has Civil Liability Insurance for Directors and Officers (D&O), which covers any financial convictions imputed against the Company's directors by virtue of in-court or out-of-court lawsuits that arose during their term of office, related to the exercise of their functions at the Company, including any defense costs.

12.12. Describe the good corporate governance practices:

The Company guarantees the control and monitoring of good Corporate Governance practices with the support of two mechanisms: the Internal Audit Office that acts preemptively to ensure risk control and reduction; and the Open Channel created in 2009 to receive complaints from customers, suppliers, investors and employees on irregularities in the Company's operations. Accordingly, Usiminas operates cohesively and with transparency, which ensures greater safety and reliability in the Company's operations

12.13. Additional reportable information

Additionally to the information provided above, the Company believes that there is no additional relevant information that should be provided in this

13. Compensation of Managers

13.1. Describe the policy or practice of compensation of the board of directors, statutory and non-statutory directors, supervisory board, statutory, audit, risk, financial and compensation committees, addressing the following aspects:

a) Objectives of the policy or practice of compensation

The Board of Directors, based on the recommendation of its Human Resources Committee, annually reviews the compensation for the members of the Board of Directors and the Statutory Officers. The compensation policy is based on market practices, which take into account the creation of value for the Company, its shareholders and other stakeholders, determined by meeting the quantitative and qualitative targets linked to the overall performance of the Company. Your goal is to properly recognize the contribution of each member of the Board of Directors, Statutory and Non-statutory Officers in view of the achievement of strategic objectives, in line with best market practices.

There is no compensation for the members of the Committees of Usiminas.

b) Composition of compensation, stating:

i. Description of the compensation elements and objectives of each:

For Statutory Officers: the total value of the fixed and variable annual compensation is determined by decision of the Board of Directors, on the recommendation of its Human Resources Committee, as the market study submitted annually. Fixed compensation is paid monthly throughout the year. The variable compensation linked to the achievement of quantitative and qualitative goals related to the overall performance of the Company is paid as a bonus after final determination of performance parameters based on the audited balance sheet and approved by the Board of Directors. The Company also has a plan of share-based compensation to its Statutory Officers. Additionally, it has automobile and driver benefits, medical and dental plans, life insurance and private pension plans, presented as direct and indirect benefits (fixed compensation) in the compensation tables of item 13.2.

For Board of Directors members: fixed compensation according to budget approved at the Annual General Meeting. There is no variable compensation practice.

For Supervisory Board members: a monthly compensation of active members is fixed at ten percent (10%) of the value of the fixed compensation average paid to Statutory Officers of the Company, pursuant to paragraph 3 of Article 162 of Law No. 6404/76. There is no variable compensation practice.

ii. The proportion of each element in total compensation - according to the above

Fiscal Year Ended 12/31/2014 and Fiscal Year Ended 12/31/2015

For Statutory Officers: the composition of total compensation, assuming the achievement of 100% of the goals that define the variable compensation, as set out in the annual plan (target value) is:

- For Chief Executive Officer: 33.33% related to fixed remuneration, 33.33% referring to variable remuneration and 33.34% referring to stock-based compensation.
- For Vice President: 36.92% related to fixed remuneration, 36.92% referring to variable remuneration and 26.16% referring to stock-based compensation.
- To the Boards of Directors and Supervisory Board, fixed compensation is set at 100%

Fiscal Year ended 12/31/2016

For Statutory Officers: The composition of total compensation, assuming 100% of the targets that define the variable compensation, as established in the annual plan (target value) is:

- For Chief Executive Officer 40.00% referring to fixed remuneration, 20.00% for variable remuneration and 40.00% for stock-based compensation.
- For Vice President: 45.28% related to fixed remuneration, 22.64% referring to variable remuneration and 32.08% referring to stock-based compensation.
- To the Boards of Directors and Supervisory Board, fixed compensation is set at 100%

iii. Calculation methodology and adjustment of each compensation element

Fixed Compensation - the methodology used for calculation/adjustment of the fixed compensation of the Company management (Board of Directors and Statutory Officers) is based on the review of market practices and prevailing economic conditions. This methodology ensures that the policy adopted by the Company is competitive and is in line with the market and the interests of the shareholders of Usiminas.

Variable Compensation (Statutory Officers) - the methodology applicable to the variable compensation is based on the establishment of economic, financial, quantitative and qualitative indicators linked to the Company's overall performance in compliance with collective and individual targets. Annually, the Board of Directors, on the recommendation of its Human Resources Committee, revises the set of indicators and targets in order to adapt them to market practices, the global economic situation, the interests of shareholders and also, aiming to encourage the sustainable performance of the Company in the long term. Additionally, the Company has share-based compensation plan, as detailed in Section 13.4.

iv. Reasons for the compensation composition

The Company believes that the compensation of its executives composes by fixed and variable portions meets market principles and allows the evaluation of its executives' performance in line with the Company's overall performance, that with the share-based compensation share, the company creates a sense of identity, commitment and results orientation for its executives.

v. The existence of unpaid members by the issuer and the reason for that fact

There are no members that are not remunerated by the issuer in the Statutory and Non-Statutory Offices, Board of Directors and Fiscal Council. The members of the Usiminas Committees receive no remuneration for this purpose.

c) Key performance indicators that are taken into consideration in determining each compensation element

The fixed compensation takes into account market values obtained by specialized consultants, in accordance with best market practices.

The short-term variable compensation takes into consideration quantitative and qualitative indicators, determined annually based on market studies and situational aspects of the global economy. Examples of quantitative indicators are: EBITDA Margin, Cost of Production, among others. Qualitative indicators are linked to the specific contribution of each director to the Company's results.

The long-term variable compensation takes into account the strategic objectives of the Company in accordance with the best market practices, in connection with the Company performance against the financial market.

d) How compensation is structured to reflect the evolution of performance indicators

The Company understands that the compensation policy linked to the fulfillment of quantitative and qualitative targets (as explained in the previous section) allows an adequately measurement of evolution of each of its interests based on performance indicators to which weights are assigned for performance evaluation and determination of variable compensation. The relative weighting of each performance indicator is allocated annually by the Board of Directors, on the recommendation of its Human Resources Committee which takes into account economic factors such weighting distributed in groups of indicators of the Usiminas Group, indicators of the Business Units and Individual Indicators that will add value to the Company.

e) How the policy or practice of compensation is aligned with the issuer's interests in the short, medium and long term

The compensation policy is aligned:

Short term: compensation is based on monitoring the market base salary of each position according to similar companies operating in its area of expertise, ensuring adequate compensation.

Medium term: aligned with performance targets set annually for each business and aimed at leveraging the overall performance of the Company. The targets are reset annually.

Long term: as of 2011 the Company adopted the Plan for Granting Stock Options issued by the Company. The plan aims to align the long-term interests in view of the potential appreciation of stocks in the search of results by the Company. The Stock Option Plan issued by the Company was approved at the Extraordinary General Meeting of 4/14/2011.

f) *Existence of compensation supported by subsidiaries or direct or indirect parent companies*

Some officers receive compensation paid by Controllers of the Company, as detailed in section 13.15.

g) *Any compensation or benefit related to the occurrence of certain corporate events, such as the transfer of equity control of the issuer*

No compensation or benefit is related to the occurrence of certain corporate events, such as the sale of Company equity control.

13.2. Regarding compensation recognized in the last 3 fiscal years and planned for the current fiscal year, the Board of Directors, the Statutory Officers and the Supervisory Board, prepare a table with the following content:

Fiscal year ended 12/31/2014

Amounts in reais														
Board	Number of Members	Fixed Annual Compensation				Variable Compensation					Post-Employment Benefits	Benefits Generated by Expiry of Mandate	Share-based Compensation (***)	Total
		Salary or Management Fees (*)	Direct and Indirect Benefits	Compensation for Participation in Committees	Others (**)	Bonuses (****)	Profit Sharing	Compensation for Participation in Meetings	Committees	Others (**)				
Statutory Officers	6,50	7.966.157,52	1.769.694,16	N/A	3.032.894,29	8.310.243,18	N/A	N/A	N/A	1.662.048,64	N/A	N/A	5.511.776,61	28.252.814,40
Board of Directors	9,25	4.890.136,64	-	N/A	745.590,48	-	N/A	N/A	N/A	-	N/A	N/A	-	5.635.727,12
Supervisory Board	5,00	616.372,40	-	N/A	123.274,50	-	N/A	N/A	N/A	-	N/A	N/A	-	739.646,90
Total	20,75	13.472.666,56	1.769.694,16	N/A	3.901.759,27	8.310.243,18	N/A	N/A	N/A	1.662.048,64	N/A	N/A	5.511.776,61	34.628.188,42

* Refers to fees

** Refers to social charges payable by the company

*** The amount of share-based compensation refers to the cost of the benefit of the plan to grant stock options of the Company, calculated on the fair value of the options granted according to the Black-Scholes model.

**** Corresponds to the bonuses paid in 2014, calculated on the performance evaluation for the fiscal year 2013.

The number of members on each board corresponds to the annual average number of members on each board determined monthly, with two decimal places.

Total compensation accounted for in 2014, including provision of variable compensation with social charges payable in 2015, amounted to R\$ 36.4 million.

Fiscal year ended 12/31/2015

Amounts in reais														
Board	Number of Members	Fixed Annual Compensation				Variable Compensation					Post-Employment Benefits	Benefits Generated by Expiry of Mandate	Share-based Compensation (***)	Total
		Salary or Management Fees	Direct and Indirect Benefits	Compensation for Participation in Committees	Others (**)	Bonus	Profit Sharing	Compensation for Participation in Meetings	Committees	Others (**)				
Statutory Officers	5.00	6,833,814.53	1,042,922.59	N/A	1,716,962.83	2,121,091.44	N/A	N/A	N/A	336,784.59	N/A	N/A	2,788,054.88	14,839,630.86
Board of Directors	8.17	3,735,388.29	0.00	N/A	571,773.34	-	N/A	N/A	N/A	-	N/A	N/A	N/A	4,307,161.63
Supervisory Board	5.00	579,559.25	0.00	N/A	115,911.85	-	N/A	N/A	N/A	-	N/A	N/A	N/A	695,471.10
Total	18.17	11,148,762.07	1,042,922.59	N/A	2,404,648.02	2,121,091.44	N/A	N/A	N/A	336,784.59	N/A	N/A	2,788,054.88	19,842,263.59

* Refers to fees

** Refers to social charges payable by the company

*** The amount of share-based compensation refers to the cost of the benefit of the plan to grant stock options of the Company, calculated on the fair value of the options granted according to the Black-Scholes model.

**** Corresponds to the bonuses paid in 2015, calculated on the performance evaluation for the fiscal year 2014.

The number of members on each board corresponds to the annual average number of members on each board determined monthly, with two decimal places.

Total compensation accounted for in 2015, including provision of variable compensation with social charges payable in 2016, amounted to R\$ 27.4 million.

Fiscal year ended 12/31/2016

Amounts in reais														
Board	Number of Members	Fixed Annual Compensation				Variable Compensation					Post-Employment Benefits	Benefits Generated by Expiry of Mandate	Share-based Compensation (***)	Total
		Salary or Management Fees	Direct and Indirect Benefits	Compensation for Participation in Committees	Others (**)	Bonus	Profit Sharing	Compensation for Participation in Meetings	Committees	Others (**)				
Statutory Officers	5,00	6,115,480.93	519,642.83	N/A	1,521,797.20	-	N/A	N/A	N/A	-	N/A	N/A	907,148.77	9,064,069.73
Board of Directors	10,67	3,838,126.59	3,152.03	N/A	579,605.99	-	N/A	N/A	N/A	-	N/A	N/A	N/A	4,420,884.61
Supervisory Board	5,00	622,993.55	-	N/A	112,117.96	-	N/A	N/A	N/A	-	N/A	N/A	N/A	735,111.51
Total	20,67	10,576,601.07	522,794.86	N/A	2,213,521.15	-	N/A	N/A	N/A	-	N/A	N/A	907,148.77	14,220,065.85

* Refers to fees

** Refers to social charges payable by the company

*** The amount of share-based compensation refers to the cost of the benefit of the plan to grant stock options of the Company, calculated on the fair value of the options granted according to the Black-Scholes model.

**** Corresponds to the bonuses paid in 2016, calculated on the performance evaluation for the fiscal year 2015.

The number of members on each board corresponds to the annual average number of members on each board determined monthly, with two decimal places.

Total compensation accounted for in 2016, including provision of variable compensation with social charges payable in 2016, amounted to R\$ 14,2 million.

As approved at the Annual General Meeting held on April 28, 2016, the overall maximum amount of management compensation provided for the period between the Annual General Meeting (AGM) AGM 2016 and 2015 is R\$ 19.3 million.

Estimated Remuneration for the fiscal year ending 12/31/2017

Amounts in reais														
Board	Number of Members	Fixed Annual Compensation				Variable Compensation					Post-Employment Benefits	Benefits Generated by Expiry of Mandate	Share-based Compensation (***)	Total
		Salary or Management Fees	Direct and Indirect Benefits	Compensation for Participation in Committees	Others (**)	Bonus	Profit Sharing	Compensation for Participation in Meetings	Committees	Others (**)				
Statutory Officers	5,00	6,548,608.60	1,592,673.24	N/A	1,833,610.41	3,274,304.30	N/A	N/A	N/A	654,860.86	N/A	N/A	212,080.00	14,116,137.41
Board of Directors	11,00	3,900,000.00	-	N/A	780,000.00	-	N/A	N/A	N/A	-	N/A	N/A	N/A	4,680,000.00
Supervisory Board	5,00	654,860.86	-	N/A	130,972.17	-	N/A	N/A	N/A	-	N/A	N/A	N/A	785,833.03
Total	21,00	11,103,469.46	1,592,673.24	N/A	2,744,582.58	3,274,304.30	N/A	N/A	N/A	654,860.86	N/A	N/A	212.080,00	19,581,970,44

* Refers to fees

** Refers to social charges payable by the company

*** The amount of share-based compensation refers to the cost of the benefit of the plan to grant stock options of the Company, calculated on the fair value of the options granted according to the Black-Scholes model.

The number of members on each board corresponds to the annual average number of members on each board determined monthly, with two decimal places.

As approved at the Annual General Meeting held on February 16, 2017, the overall maximum amount of management compensation provided for the period between the Annual General Meeting (AGM) AGM 2017 and 2018 is R\$ 19.8 million.

The amounts mentioned in the table "Estimated Remuneration for the fiscal year ending 12/31/2017" were approved at the Annual Shareholders' Meeting held on 04/27/2017.

13.3. The variable compensation for the last three fiscal years and planned for the current fiscal year of the Board of Directors, the Statutory Officers and the Supervisory Board, prepare a table with the following content:

	<u>Statutory Officers</u>	<u>Board of Directors (**)</u>	<u>Supervisory Board (**)</u>
Fiscal year ended 12/31/2014			
Number of members (***)	6,50	9,25	5,00
Bonus			
Minimum amount provided for in the compensation plan	None. It is related to the achievement of targets.	N/A	N/A
Maximum amount provided for in the compensation plan (*)	R\$ 45,500,000.00	N/A	N/A
Amount provided for in the compensation plan - if the targets established are met	R\$ 8,310,243.18	N/A	N/A
Amount effectively recognized (****)	-	N/A	N/A
Profit sharing			
Minimum amount provided for in the compensation plan	N/A	N/A	N/A
Maximum amount provided for in the compensation plan	N/A	N/A	N/A
Amount provided for in the compensation plan - if the targets established are met	N/A	N/A	N/A
Amount effectively recognized	N/A	N/A	N/A

N/A = not applicable, since no such payments were made.

(*) Variable Compensation is always paid based on targets exceeded, on a continuous scale starting at zero. The total annual funds were defined in the Ordinary General Meeting on April 25, 2014, amounting to R\$ 45,5 million in 2014.

(**) Variable Compensation is not paid to the Supervisory Board and to the Board of Directors.

(***) The number of members of each body corresponds to the annual average of the number of members of each body determined monthly, with two decimal places.

(****) Relates to bonus paid in 2014, based on the performance evaluation in 2013.

- Determination of the amounts corresponding to the period from January to December, said amount relates to the period between the Meetings.

Fiscal year ending 12/31/2015	<u>Statutory Officers</u>	<u>Board of Directors (**)</u>	<u>Supervisory Board (**)</u>
Number of members	5.00	8.17	5.17
Bonus			
Minimum amount provided for in the compensation plan	None. It is related to the achievement of targets.	N/A	N/A
Maximum amount provided for in the compensation plan (*)	R\$ 45,500,000.00	N/A	N/A
Amount provided for in the compensation plan - if the targets established are met	R\$ 2,121,091.44	N/A	N/A
Amount effectively recognized (****)	-	N/A	N/A
Profit sharing			
Minimum amount provided for in the compensation plan	N/A	N/A	N/A
Maximum amount provided for in the compensation plan	N/A	N/A	N/A
Amount provided for in the compensation plan - if the targets established are met	N/A	N/A	N/A
Amount effectively recognized	N/A	N/A	N/A

N/A = not applicable, since no such payment was made.

(*) O pagamento da Remuneração Variável ocorre sempre a partir da superação das metas estabelecidas, numa escala contínua a partir de zero. O valor destinado a Remuneração variável está incluso na verba total anual definida em Assembleia Geral Ordinária, que no caso de 2014 é de R\$ 45,5 milhões.

(**) Para o Conselho Fiscal e o Conselho de Administração, não é paga Remuneração Variável.

(***) o número de membros de cada órgão corresponde à média anual do número de membros de cada órgão apurado mensalmente, com duas casas decimais. Todos os membros são remunerados.

(****) Corresponde ao bônus pago em 2014, calculado com base na avaliação de desempenho do exercício de 2013.

- Determination of the amounts corresponding to the period from January to December, said amount relates to the period between the Meetings.

Fiscal year ending 12/31/2016	<u>Statutory Officers</u>	<u>Board of Directors (*)</u>	<u>Supervisory Board (**)</u>
Number of members	5,00	11,00	5,00
Bonus			
Minimum amount provided for in the compensation plan	None. It is related to the achievement of targets.	N/A	N/A
Maximum amount provided for in the compensation plan (*)	R\$19,301,310.00	N/A	N/A
Amount provided for in the compensation plan - if the targets established are met	None. It is related to the achievement of targets.	N/A	N/A
Amount effectively recognized	N/A	N/A	N/A
Profit sharing			
Minimum amount provided for in the compensation plan	N/A	N/A	N/A
Maximum amount provided for in the compensation plan	N/A	N/A	N/A
Amount provided for in the compensation plan - if the targets established are met	N/A	N/A	N/A
Amount effectively recognized	N/A	N/A	N/A

N/A = not applicable, since no such payment was made.

(*) Variable Compensation is always paid based on targets exceeded, on a continuous scale starting at zero. The total annual funds were defined in the Ordinary General Meeting.

(**) Variable Compensation is not paid to the Supervisory Board and to the Board of Directors.

The number of members of each body corresponds to the annual average of the number of members of each body determined monthly, with two decimal places.

- Determination of the amounts corresponding to the period from January to December, said amount relates to the period between the Meetings.

Variable compensation for the year 2017

Fiscal year ending 12/31/2017	<u>Statutory Officers</u>	<u>Board of Directors (*)</u>	<u>Supervisory Board (**)</u>
Number of members	5.00	11.00	5.00
Bonus			
Minimum amount provided for in the compensation plan	The amount for bonus compensation for 2016 has not been defined.	N/A	N/A
Maximum amount provided for in the compensation plan (*)	R\$19,766,417.00	N/A	N/A
Amount provided for in the compensation plan - if the targets established are met	The amount for bonus compensation for 2016 has not been defined.	N/A	N/A
Amount effectively recognized	R\$ 3,274,403.30	N/A	N/A
Profit sharing			
Minimum amount provided for in the compensation plan	N/A	N/A	N/A
Maximum amount provided for in the compensation plan	N/A	N/A	N/A
Amount provided for in the compensation plan - if the targets established are met	N/A	N/A	N/A
Amount effectively recognized	N/A	N/A	N/A

N/A = not applicable, since no such payment was made.

(*) Variable Compensation is always paid based on targets exceeded, on a continuous scale starting at zero. The total annual funds were defined in the Ordinary General Meeting.

(**) Variable Compensation is not paid to the Supervisory Board and to the Board of Directors.

The number of members of each body corresponds to the annual average of the number of members of each body determined monthly, with two decimal places.

- Determination of the amounts corresponding to the period from January to December, said amount relates to the period between the Meetings.

13.4. Shares based compensation plan for the Board of Directors and the Statutory Officers, in force in the last fiscal year and planned for the current fiscal year.

The Company stock option plan was approved at the Extraordinary General Meeting on April 14th, 2011. In 2011, Statutory Officers, other Officers and General Managers of the Company were eligible for the stock option plan.

For fiscal year 2014 the stock option plan, approved on April 14th, 2011 is still in force.

a) General terms and conditions

The general plan rules are formally approved by the shareholders. Once approved, the plan is managed by the Board of Directors, supported by the Human Resources Committee for this purpose. The Board of Directors and the Human Resources Committee are advised on technical and operating aspects by the human resources, legal and financial areas of Usiminas, or external consultants. Only the Board of Directors has decision-making powers on the plan, within the limits approved by the shareholders.

All executives and employees are potentially eligible for the plan. However, those actually elected to receive grants must be approved by the Board of Directors, on the recommendation of the Human Resources Committee.

The plan has annual grants of options (programs), subject to the rules and especially the authorized capital (number of shares) by the shareholders. All annual programs shall be approved by the Board of Directors.

b) The main objectives of the plan

- Alignment of interests between executives and shareholders
- Encourage sustainable value creation
- Attraction and retention of key professionals for the business
- Competitiveness with market practices

c) How the plan contributes to these objectives

The plan is considered as the link between the Management goals and those of the Company.

d) As the plan is included in the issuer's compensation policy

The plan is an integral part of Usiminas' total compensation strategy, and it is an important element to maintain the the Company's competitiveness on the market, as well as a tool to attract and retain key professionals for the business.

e) How the plan aligns the short-, medium- and long-term interests of managers and the issuer

The stock option plan grants the right to buy Usiminas shares at a price (the exercise price of the options) and time (grace period for purchase of shares) determined. The predetermined price aligns the interests of share valuation and timing of release to ensure solid purchase decisions in search of medium- and long-term results.

f) Maximum number of shares covered

The maximum total number of shares subject to be granted to all eligible employees is 50,689,310 preferred shares (USIM5), representing 5% of the total capital of Usiminas in 5 programs to be carried out from 2011 to 2016.

g) Maximum number of options to be granted

The maximum number of options granted in each year to the total eligible managers was as follows:

2011 Grant - 1,638,515 options, representing 0.162% of total shares issued by the Company.

2012 Grant - 1,740,556 options, representing 0.172% of total shares issued by the Company.

2013 Grant - 1,784,802 options, representing 0.176% of total shares issued by the Company.

2014 Grant - 1,197,493 options, representing 0.118% of total shares issued by the Company.

In 2016 and 2015 there was no granting of options.

h) Conditions for acquisition of shares

The Option shall be exercised through the acquisition or subscription of the underlying shares against payment to the Company corresponding to the value corresponding to the Exercise Price pursuant to the Option Agreement.

i) Criteria for determining the purchase or exercise price

The Board of Directors sets the exercise price ("Exercise Price") of each option at the time the exemption is granted, which is equivalent to the weighted average closing price of the Preferred Shares applicable on BM&FBOVESPA - Bolsa de Valores, Mercadorias e Futuros S.A. ("BM & FBovespa") in the month prior to the date of grant of the options.

j) Criteria for determining the exercise period

The Board of Directors may set a time from which the Option will be exercisable ("Grace Period") and may also provide that the Option will be exercisable in installments. Unless decided otherwise by the Board of Directors, (i) one third (1/ 3) of the options will become exercisable one year after the date of grant, (ii) one third (1/ 3) of the options will be exercisable two years after the date of grant and (iii) one third (1/ 3) of the options will become exercisable three years after the date of grant.

The Board of Directors may determine the maximum period subsequent to grant date during which the Option may be exercised ("Exercise Period"), and the Options may not be exercised after seven (7) years from the date of grant.

k) Form of settlement

The exercise price for each share subject to the option will be paid in cash in full on the date chosen by the employee exercising the option, i.e., the execution of the Purchase and Sale Agreement between the elected employee and Usiminas or the signature of the respective subscription list, as appropriate.

l) Restrictions on transfer of shares

During the Exercise Period, Participants are prohibited from selling the options granted to them or create any burden on these options.

m) Criteria and events that, when found, will cause the suspension, amendment or termination of the plan

The suspension, amendment or termination of the plan takes place before the termination of employment relationship between the Company and the party eligible to the stock-based compensation to the Company program as same criteria/events described in the item below.

n) Effects of the withdrawal of the issuer's manager on his rights under the share-based compensation plan

- (a) Termination Without Cause - In case of termination of the Participants by the Company or its Subsidiaries, upon termination of his employment contract without cause or dismissal from his position as manager not motivated by events that, in case of an employment relationship, would be a termination for cause under the labor law, the Participants may exercise their options now exercisable within thirty (30) days as from the respective Date of Termination, after which all Options granted to the Participants will be automatically canceled and cease to have any effect.
- (b) Termination for Cause - In case of the Participants' termination for cause by the Company or its Subsidiaries, upon termination of the employment contract for cause or dismissal from his position as manager motivated by events that, in case of an employment relationship, would be a termination for cause under the labor law, all non-exercised options, whether exercisable or not, will be extinguished by operation of law and canceled on the respective Date of Termination or the date of the event giving rise the termination or removal of the Participant, whichever occurs first.
- (c) Voluntary Termination - In the event of voluntary termination of any Company's or its Subsidiaries' Participants, the Participants may exercise their options now exercisable within thirty (30) days of the respective Date of Termination, after which all Options granted to the Participants will be automatically canceled and cease to have any effect.
- (d) Termination by Retirement - In the event of Retirement, the Participants may exercise their options now exercisable within thirty (30) days of the respective Date of Termination, after which all Options granted to the Participants will be automatically canceled and cease to have any effect.
- (e) Death - On the death of a Participant, the right to exercise all options granted to the Participant will be anticipated and their heirs or successors, by legal or testamentary succession, may exercise them during the period of twelve (12) months subsequent to the date of Termination, after which all Options granted to the Participant will be automatically canceled and cease to have any effect.
- (f) Termination for Permanent Disability - If a Participant is on continuous and authorized leave caused by permanent disability, the right to exercise all options granted to the Participant will be accelerated and these may be exercised within 12 (twelve) months after the Date of Termination, after which all Options granted to the Participant will be automatically canceled and cease to have any effect.
- (g) Withdrawal After Disposal of Company's Controlling Equity - In case of disposal, whether direct or indirect, of controlling stock of Usiminas, the Participant who, in the first twelve (12) months following the disposal of Usiminas' controlling equity, is terminated without cause or removed from a manager position not motivated by events that, in case of an employment relationship, would be a termination for cause under the labor law, shall be entitled to the early exercise of all options granted to him and can exercise them within 30 days following the Date of Termination, at the end of which all Options granted to the Participant will be automatically canceled and cease to have any effect.

13.5. Stock-based compensation recognized in P&L for the last 3 fiscal years and planned for the current fiscal year, the Board of Directors and the Statutory Officers.

The Company recognizes expenses from the plans to grant stock options pursuant to the Accounting Standards CPC 10 (R1) and ICPC05 options, guiding the determination and registration according to the grace period in which the option becomes exercisable.

Share-based compensation for fiscal years ended 2014, 2015 and 2016

2014 Program

	Statutory Officers	Board of Directors*
Number of members:	5	1
Grants of stock purchase options		
Grant Date:	11/27/2014	11/27/2014
Number of options granted:	1,197,493	79,506
Deadline for options to become exercisable:	Total of 3 years, with the possibility of advancing 33% per year, after the first year as of the grant (0/33/33/33).	Total of 3 years, with the possibility of advancing 33% per year, after the first year as of the grant (0/33/33/33)
Maximum deadline for the exercise of options:	7 years from date of grant	7 years from date of grant
Term of restriction for the transfer of shares:	Not Applicable	Not Applicable
Weighted average exercise price:	R\$ 6.14	R\$ 6.14
Fair value of options on the date of grant:	R\$ 2.85	R\$ 2.85
Potential dilution in case of exercise of all options granted:	0.1181% of the entire capital of Usiminas.	0.0078% of the entire capital of Usiminas.

* Grant in view of Company employment status and not as Board member.

2015 Program

There was no granting of options in the year of 2015.

2016 Program

There was no granting of options in the year of 2016.

Movement of options granted for the last 3 fiscal years

		Statutory Officers	Board of Directors	Total
Fiscal year ended 2014				
a	Outstanding options at the beginning of the fiscal year	2,798,084	163,451	2,961,535
	2013 Grant Program (voluntary subscription)	56,120	-	56,120
b	2014 Grant Program	1,197,493	79,506	1,276,999
c	Options lost during the fiscal year	(1,622,274)	-	(1,622,274)
d	Options exercised during the fiscal year	-	-	-
	Outstanding options at the end of the fiscal year	2,429,423	242,957	2,672,380
Fiscal year ended 2015				
a	Outstanding options at the beginning of the fiscal year	2,429,423	242,957	2,672,380
	2015 Grant Program	-	-	-
b	Options lost during the fiscal year	-	-	-
c	Options exercised during the fiscal year	-	-	-
d	Options expired during the fiscal year	-	-	-
	Outstanding options at the end of the fiscal year	2,429,423	242,957	2,672,380
Fiscal year ended 2016				
a	Outstanding options at the beginning of the fiscal year	2,429,423	242,957	2,672,380
	2016 Grant Program	(824.894)	-	(824.894)
b	Options lost during the fiscal year	-	-	-
c	Options exercised during the fiscal year	-	-	-
d	Options expired during the fiscal year	-	-	-
	Outstanding options at the end of the fiscal year	1.604.529	242.957	1.847.486
	Outstanding exercisable options	1.351.691	216.455	1.568.146
	Outstanding non-exercisable options	252.838	26.502	279.340

The expenses for Board of Directors members recognizes in 2014, 2015 and 2016 fiscal years and the amount estimated for 2017 are informed in 13.2 item.

13.6. Options outstanding of the Board of Directors and the Statutory Officers at the end of the last fiscal year.

Related to the 2014 Program

	Statutory Officers	Board of Directors*
• Board		
• Number of members	7	10,33
• Number of members with options	5	1
• in relation to non-exercisable options		
i. quantity	798,329	53,004
ii. date on which they will become exercisable	11/28/2015, 11/28/2016 and 11/28/2017 (33%/33%/33%)	11/28/2015, 11/28/2016 and 11/28/2017 (33%/ 33%/33%)
iii. maximum deadline for the exercise of options	11/27/2021	11/27/2021
iv. term of restriction for the transfer of shares	Not Applicable	Not Applicable
v. weighted average exercise price	R\$ 6,14	R\$ 6,14
vi. Fair value of the options on the last day of the fiscal year	**	**
• in relation to exercisable options		
i. quantity	399.164	26.502
ii. maximum deadline for the exercise of options	11/27/2021	11/27/2021
iii. term of restriction for the transfer of shares	Not Applicable	Not Applicable
iv. weighted average exercise price	R\$ 6,14	R\$ 6,14
v. Fair value of the options on the last day of the fiscal year	**	**
vi. fair value of all options on the last day of the fiscal year	**	**

* Received in connection with the Company employment status and not as Board member.

** The company did not determine the fair value of the options on the last day of the fiscal year.

*** O número de membros de cada órgão corresponde à média anual do número de membros de cada órgão apurado mensalmente, com duas casas decimais. Todos os membros efetivos são remunerados.

Related to the 2015 Program

There was no granting of options in the year of 2015.

Related to the 2016 Program

There was no granting of options in the year of 2016.

13.7 Options exercised and shares delivered relating to stock-based compensation of the Board of Directors and the Statutory Officers for the past 3 fiscal years.

In the fiscal years of 2014, 2015 and 2016, stock options were not exercised.

13.8 Summary of information necessary for understanding the data disclosed in items 13.6 to 13.8, and the explanation of the pricing of shares and options, including at least:

The key assumptions used in accordance with the Black-Scholes pricing model of granting programs were as follows:

2014 Grant

	Year 1	Year 2	Year 3
Fair value on the date of grant	R\$ 2,66	R\$ 2,85	R\$ 3,02
Share price at the time	R\$ 5,70	R\$ 5,70	R\$ 5,70
Exercise price	R\$ 6,14	R\$ 6,14	R\$ 6,14
Volatility of the share price	43,41%	43,41%	43,41%
Grace period (3 years)	33% after year 1	33% after year 2	33% after year 3
Estimated dividends	0%	2.94%	0%
Risk-free rate of return	12,10% p.a.	12,11% p.a.	12,12% p.a.
Adjusted duration	4 years	4.5 years	5 years

2015 Grant

There was no granting of options in the year of 2015.

2016 Grant

There was no granting of options in the year of 2016.

i. Method used and the assumptions made to incorporate the effects of expected early exercise

Black-Scholes methodology. There is no early exercise of options, vesting is 33% per year after the 1st, 2nd and 3rd years of the grant date of the plan.

ii. Method of determining the expected volatility

To calculate the adjusted volatility, the adjusted history of 36 months preceding the grant was considered.

iii. *If any other option feature was incorporated into the fair value measurement*

There was no other feature incorporated into the fair value measurement.

13.9. State the number of shares or units of interest directly or indirectly held in Brazil or abroad, and other securities convertible into shares or units of interest issued by the issuer, its direct or indirect controlling members, controlled by or under common control companies, members of the board, the statutory officers or supervisory board, grouped by board, at the close of the last fiscal year

Number of securities at 12/31/2016

Company	Security	Board of Directors (*)	Statutory Officers	Supervisory Board (*)
Usiminas	Common share	0	2	0
Usiminas	Class A preferred share	76.042	43.789	500

* The balance of shares includes the effective and deputy members of the board of Directors and of the Supervisory Board.

** The options granted and not exercised are not included in the above table.

- All effective members of the Statutory Board, Board of Directors and Fiscal are remunerated

13.10. Pension plans in effect granted to the members of the Board of Directors and Statutory Officers.

Retirement plans in force granted to members of the Board of Directors and Statutory Officers							
Board	No. Members	Plan Name	Amount of managers who meet conditions retirement	Conditions to retire in advance	Updated Value of accumulated contributions in the pension plan until the end of the last fiscal year, deducting the portion related to the contributions made directly by managers	Total accumulated value of contributions made during the last fiscal year, deducting the portion related to the contributions made directly by managers	Possibility of early withdrawal and applicable conditions
Board of Directors	0	N/A	N/A	N/A	0	0	N/A
Statutory Officers (**)	3	USIPREV	1	None of the managers	R\$ 2,016,528.42	R\$ 277,787.68	None of the Management members (*)
<p>(*) Early redemption may be required only by participants who have ceased their employment relationship and are not yet in their benefit payout phase. Withdrawal corresponds to 100% of the participant's reserve balance plus a percentage applicable on the sponsoring employer's account balance, ranging from 10 to 80% of the employer's portion reserve depending on the time of enrollment with the plan (10% vested after 3 full years, increased by 10% every year up to 80% as from 10 years of enrollment).</p> <p>(**) Mr. Ascanio Merrighi de Figueiredo Silva composed the Statutory Board of Usiminas from 05/26/2016 to 06/10/2016, with contributions made by the company from 06 to 09/2016. The reported amount of the contributions accumulated in the plan refers to Dec/2016.</p>							

- All effective members of the Statutory Board, Board of Directors and Fiscal are remunerated

13.11. In the form of a table, indicate for the past 3 fiscal years, for the Board of Directors, Statutory Officers or the Supervisory Board: board, number of members, value of highest individual income, lowest individual income and average individual income.

The information presented in this item is in agreement with the data reported in item 13.2.

Amounts in reais

	Statutory Officers			Board of Directors			Supervisory Board		
	12/31/2016	12/31/2015	12/31/2014	12/31/2016	12/31/2015	12/31/2014	12/31/2016	12/31/2015	12/31/2014
Number of members		5,00	6,50		8,92	9,25		5,00	5,00
Value of the highest income (real)	2,256,000.00	5,072,757.05	7,897,449.74	900,000.00	899,865.60	2,093,440.12	124,806.72	139,758.28	147,929.40
Value of the lowest income (real)	996,084.00	1,915,926.95	3,301,490.86	300,000.00	389,169.60	331,038.00	124,806.72	138,651.52	147,929.40
Average income (real)	1,248,067.20	2,967,926.17	4,346,586.71	360,000.00	483,046.17	609,267.80	124,806.72	139,094.22	147,929.40

Comments:

(a) The number of members on each board corresponds to the annual average number of members on each board, monthly determined, with two decimal places.

(b) The value of the smallest annual individual income was calculated with the exclusion of members who held the position for less than 12 months.

- All effective members of the Statutory Board, Board of Directors and Fiscal are remunerated

13.12. Describe contractual arrangements, insurance policies or other instruments which are mechanisms of remuneration or compensation for management in the event of dismissal or retirement, indicating the financial consequences for the issuer

Two Executive Board members have in their contracts non-competition clauses that forbid the performance of duties in the flat steel industries in Brazil, for a 12 month period, after the employment termination. Due to this restriction, the Company agreed to pay a compensation amount in favor of those Executives equivalent to 12 times the value of the monthly compensation to one of them, and 3 times the monthly compensation per year as an Executive member of the Company to the other one.

13.13. Compared to the last 3 fiscal years, indicate the percentage of total compensation of each body recognized in the issuer relating to members of the Board of Directors, Statutory Officers or the Supervisory Board who are directly or indirectly related to the controlling shareholders, as defined in accounting rules on this matter.

Board	Fiscal year ended (2016)	Fiscal year ended (2015)	Fiscal year ended (2014)
Board of Directors	40%	74%	80%
Supervisory Board	51%	53%	60%
Statutory Officers	6%	21%	62%

13.14. Compared to the last 3 fiscal years, indicate the amounts recognized in the issuer's P&L as compensation to members of the board of directors, the statutory officers or supervisory board, grouped by board, for any reason other than the position they hold, such as commissions and consulting or advisory services.

Amounts in reais

Board	Fiscal year ended (2016)	Fiscal year ended (2015)	Fiscal year ended (2014)
Board of Directors	81,845.98	205,604.93	198,395.29
Supervisory Board	-	-	-
Statutory Officers	-	-	-

13.15. Compared to the last 3 fiscal years, indicate the amounts recognized in the majority shareholders' P&L, whether direct or indirect, companies under common control and subsidiaries of the issuer, as compensation for members of the Board of Directors, Statutory Officers or the Supervisory Board of the Issuer, grouped by body, specifying that such amounts were paid to these individuals.

Amounts in reais

	2016	2015	2014
Board of Directors	27.243.870,72	43,319,775.26	37,597,071.07
Supervisory Board	637.217,22	505,913.71	463,408.61
Statutory Officers	803.177,00	-	-

Values converted to real at the exchange rate ruling on 05/24/2016.

No amounts were paid by subsidiaries or companies under common control.

13.16 Other Information that the Company deems significant.

Management members abroad will be entitled to exercise total stock options granted according to the Company's stock option plan, within no longer than 30 (thirty) days as from the end of their employment relationship. (Clause 10.1 of the stock option plan will not be applied), as approved by the Board of Directors.

14. Human Resources

14.1. Describe the Human Resources of the issuer, providing the following information:

a) Number of employees (total, by groups based on activity and geographic location)

At the end of 2016 the Usiminas companies had 13,049 employees. Of these, 8,522 employees belong to the Company and 4,527 belong to its subsidiaries and affiliates.

Of total own staff, 88% is located in the Southeast region of Brazil, where Ipatinga/MG and Cubatão/SP plants are located, besides Unigal and Usiminas Mecânica, both located in Ipatinga/MG.

Number of employees by type of employment

	2016	2015	2014
Executive Board	16	14	17
Management	203	282	303
Senior	2,122	2,615	3,019
Intermediate	1,728	2,226	2,388
Administrative	314	426	507
Operational	8,666	13,075	13,991
TOTAL	13,049	18,638	20,225

Number of employees by region

	2016	2015	2014
Southern Region	339	332	449
Southeast Region	11,529	14,637	19,196
Midwest Region	0	26	0
Northeast Region	309	57	28
Northern Region	872	3,586	552
TOTAL	13,049	18,638	20,225

b) Number of outsourced employees (total, by groups based on activity and geographic location)

The number of outsourced employees in Usiminas companies for the fiscal year ended December 31, 2016 was 7,962. For the fiscal year ended December 31, 2015 the number was 11,397, and for the year ended December 31, 2014 was 17,507.

The Company does not currently have a structure of information to contractors, where it is possible to find such information by groups based on activity performed and by geographic location.

c) Turnover rate

The Company turnover rate for the fiscal year ended December 31, 2016 was 19,3%.

d) Exposure to the issuer liabilities and labor contingencies

For information about liabilities and labor contingencies of the Company, refer to section 4.3 to 4.7 of this Reference Form.

14.2. Comment on any relevant changes occurred with respect to the figures disclosed in item 14.1 above

The Usiminas companies ended the year 2016, considering the active employees, with 5,589 less employees in their own staff compared to the year 2015. The main reasons for this reduction are related to the temporary shutdown of the primary areas of the Usina de Cubatão - Usiminas (approximate reduction of 2,400 employees) and the completion of Usiminas Mecânica projects in the Northern region of the country (reduction of approximately 2,700 employees).

14.3. Describe the policy for the compensation of issuer's employees, stating:

a) Policy on salaries and variable compensation

The Company's compensation policy aims to ensure the competitiveness of salaries, benefits and short-term incentives, as well as the attraction and retention of Human Resources needed to achieve strategic business results, always based on similar market values.

The salary reference is the midline of a given market comprised of companies: of the same segment, of the high technology sector, and of the same size, considering sales and number of employees. Periodical review is performed to ensure the level of competitiveness of salaries paid.

Profit Sharing Plans

Usiminas has developed and maintains a profit sharing plan in order to allow employees obtain financial gains and, from the business viewpoint, leverage the Company's results.

The program meets all the requirements of Laws No. 10101/2000 and 12832/13, regulating the issue, one of its strengths being the direct negotiation with an employee committee, elected by and from among them, to set and engage in goals to be met in each year. The labor union is entitled to appoint a representative as a member of the committee and also participates in the whole negotiation process.

The program considers, in addition to the financial goals of each business, the operating targets and thus are closer to the worker, allowing each of them to know what can actually be done to leverage the Usiminas results and therefore improve their income.

b) Benefits Policy

A benefit policy ensures benefits and facilities to all employees of Usiminas companies in order to provide them safety and well-being, both internally and externally. A benefit package is offered to its employees, including medical, hospital and dental care, food vouchers, transportation, daycare, education and participation in professional development, group life insurance and pension plan program.

Pension Plans

The Company offers its employees pension plans administered by Usiminas Previdência, formerly Caixa dos Empregados da Usiminas - CAIXA, and the associated Fundação Cosipa de Seguridade Social - FEMCO.

Administrative Rulings No. 165, published in the Federal Official Gazette of 3/30/2012, and Administrative Ruling No. 273, published in the Federal Official Gazette of 5/30/2012, the National Supervisory Office for Pension Funds - PREVIC approved the merger of FEMCO into Previdência Usiminas, effective on June 30, 2012, maintaining the rights and obligations of the Sponsors, Participants and Beneficiaries in relation to their benefit plans.

The primary purpose of these plans is to provide additional income to the benefits granted by the INSS. Plan participants are also employees of other sponsoring companies, including employees of Previdência Usiminas. Contributions to the plans mentioned are made by their sponsors and employees, based on the specific rules of each benefit plan.

Usiminas sponsors four complementary pension plans for its employees, namely: two defined benefit plans called Benefit Plan 1 - PB1 and Defined Benefit Plan - PBD; a defined contribution: Mixed Social Security Benefit Plan No. 1 - COSIPREV; and variable contribution plan: Benefit Plan 2 - USIPREV, the latter being only open to new members.

At December 31, 2016 Previdência Usiminas administrated net assets of R\$ 8.9 billion (R\$ 8.2 billion in 2014) and had 37,145 participants, 16,895 active employees and 20,250 beneficiaries (39,166 participants, 19,351 active employees and 19,815 beneficiaries), ranking, in relation to the value of investments, 15th among closed-end pension funds, and 7th place in the ranking of private entities, presented by the Brazilian Association of Closed-end Supplementary Pension Entities - ABRAPP.

The usual contributions, and those intended for the Benefit Risk and Administrative Expenses held by the Company Previdência Usiminas during the year ended December 31, 2016 for the four benefit plans totaled R\$ 19.5 million (R\$ 33.2 million at December 31, 2015). The consolidated accounts for the year 2016 to all the Sponsors for the four benefit plans contributions totaled R\$29.9 million (R\$ 45.0 million for the year 2015).

The Defined Benefit Plan PB1 was established in 1972, and is sponsored by the following entities: the Company, Usiminas Mecânica S/A, Fundação São Francisco Xavier, Cooperativa de Crédito de Livre Admissão do Vale do Aço LTDA - SICOOB Vale do Aço, Cooperativa de Consumo dos Empregados da Usiminas LTDA - CONSUL, Associação dos Empregados do Sistema Usiminas - AEU and Previdência Usiminas with respect to its employees. Since November 1996, the Plan has been closed for new enrollments.

The Company contributed R\$185.4 million during the year ended December 31, 2016 (R\$154.2 million in 2015) as a special contribution related to an insufficient technical reserve (past service) determined at the end of 1994 (amortization plan, approved by the then Brazilian Supplementary Pension Plan Secretariat (SPC), linked to the Ministry of Social Security, which establishes monthly payments during 19 years, as from January 2002).

At December 31, 2016, PB1 had 9,086 participants, 9,085 retirees and 1 active employees (9,146 at December 31, 2015, with 9,141 retirees and 5 active employees).

At December 31, 2016, the PB1 plan had net assets of R\$ 4.9 billion (R\$ 4.5 billion at December 31, 2015).

In August 1998, Benefits 2 plan - USIPREV was instituted, which is now offered to employees of the sponsoring companies. This plan also allowed the migration of the participants from the former PB1 plan, and in that year, approximately 80.4% of the participants migrated to USIPREV plan. In addition to the Sponsors mentioned in PB1, USIPREV is also sponsored by: Unigal Ltda., Automotiva Usiminas S.A. (in process of Sponsorship withdrawal), Mineração Usiminas S.A., Soluções em Aço Usiminas S.A., and Rios Unidos Logística e Transporte de Aço Ltda.

At December 31, 2016, USIPREV had 16,976 participants, 1,931 retirees and 15,045 active employees (18,322 at December 31, 2015, with 1,796 retirees and 16,526 active employees).

At December 31, 2016, the USIPREV plan had net assets of R\$ 1.8 billion (R\$ 1.6 billion at December 31, 2015).

The defined benefit plan - PBD was established in 1975 and, since December 2000, has been closed to new participants. Sponsors of PBD are Usiminas and Previdência Usiminas. Companhia Ferro e Aço Vitória - COFAVI, former sponsor of PBD, is in bankruptcy proceedings. There are several lawsuits against the entity resulting from this situation. It is noteworthy that there is no joint liability among the sponsors of this plan. Also during the year 2016, only with regard to the defined benefit plan - PBD, the Company paid the debt, duly contracted, amounting to R\$ 25.8 million (R\$ 24.9 million in 2015), for adjustment of the present value reserve to cover the expenses with the fund relating to past services. The remaining balance of the debt at December 31, 2016 amounted to R\$ 313.0 million (R\$ 284.2 million at December 31, 2015).

At December 31, 2016, the PBD plan had 7,865 participants, 7,829 retirees and 36 active employees (7,950 at December 31, 2015, with 7,873 retirees and 77 active employees).

At December 31, 2016, the PBD plan had net assets worth R\$ 1.4 billion (R\$ 1.4 billion at December 31, 2015).

In December 2000, the COSIprev Plan was created. This plan, similarly to USIPREV plan, also allowed participants to migrate from of the former PBD plan in 2001. Approximately 81% of the participants migrated to COSIprev.

COSIprev is sponsored by Usiminas, Usiminas Mecânica S.A., Soluções em Aço Usiminas S.A., Mineração Usiminas and Previdência Usiminas itself for its employees.

At December 31, 2016, the COSIprev plan had 3,218 participants, 1,405 retirees and 1,813 active employees (3,748 at December 31, 2015, with 1,005 retirees and 2,743 active employees).

At December 31, 2016, the COSIprev plan net assets amounted to R\$ 734 million (R\$ 682 million at December 31, 2015).

c) Characteristics of share-based compensation of non-employee directors

In fiscal year 2011 the Annual and Extraordinary General Meeting of April 14, 2011 approved the Plan for Granting Company Stock Options.

The plan is an integral part of the total compensation of the Usiminas strategy and an important element to maintaining the competitiveness of the company practices in the market, as well as attraction and retention of professional who are key for the business.

The general plan rules were formally approved by the shareholders. The Board of Directors and Committee are advised on technical and operational aspects of human resources, legal and financial areas of Usiminas, or external consultants. Only the Board of Directors has decision-making powers on the plan, within the limits approved by the shareholders.

All executives and employees are potentially eligible for the plan. However, those actually elected to receive grants must be approved by the Board of Directors, as from executive board's initial recommendation to the Human Resources Committee.

The plan has annual grants of options (program), complying with the rules and especially the authorized capital (number of shares) by the shareholders. All annual programs shall be approved by the Board of Directors.

There are two events for options grant:

- 1) A quantity of share options related to the performance of the employee and the Company, which is measure in his annual variable compensation (bonus). The employee receives the options without any obligation of buying Company shares.
- 2) An extra amount of stock options is allowed to the eligible employees. They can apply a part (maximum of 50%) of their annual bonus received in the previous year to buy Company shares. The plan grants a quantity of stock options in relation to quantity of shares acquired. The relationship between shares acquired and stock options grant depends on the percentage of the bonus applied (maximum 1:2,5). The exercise price of these options and period to exercise them are the same of point 1.

The exercise price for each individual year is approved by the Board of Directors using the previous month average weighted price to the date of grant. The option life is 7 years and the vesting is defined in 3-year time, 33% per year from the date of grant.

14.4. Description of the relationships between the issuer and trade unions, indicating whether there have been stoppages or strikes in the last three fiscal years

Usiminas relationship with the various unions that make up its base always guided by transparency, respect for freedom of association, ethics and constant dialogs. The Company maintains regular dialog channels, so that any conflicts or deadlocks are resolved through negotiations. Monthly meetings with the various unions representing each base are held at each base, as a channel to address daily issues and resolve them.

Four base dates are adopted for the negotiation of collective bargaining agreement with the unions, namely: May, August, September and November. The dialog occurs with 26 different union associations in 5 states of Brazil.

On these occasions of formal negotiation, Usiminas is signatory to collective bargaining agreements negotiated directly between the company and its unions, and also of collective labor conventions, negotiated between the trade unions and their respective unions.

Always guided by transparency, professionalism and ethics, Usiminas developed and applies a Code of Business Conduct, developed with the involvement of employees, which deals with the participation in unions, highlighting:

a - Usiminas values the role of unions as organizations representing the interests of its employees.

b - The Company recognizes the right of employees to freedom of association and respect of union membership, not practicing any kind of discrimination against unionized employees.

There was no stoppages or strikes in the last three fiscal years.

15. Control

15.1/2. Identify the shareholder or group of controlling shareholders, indicating for each: (a) name; (b) nationality; (c) Individual / Corporate Taxpayer's ID ("CPF/CNPJ"); (d) number of shares held, by class and type; (e) percentage held in relation to the relevant class or kind; (f) percentage held in relation to total capital; (g) whether it is part of the shareholders' agreement and

In a table, list containing the information of the shareholders or groups of shareholders acting together or representing the same interest, with interest equal to or exceeding 5% of the same class or type of shares that are not listed in item 15.1:

Shareholder	Corporate Taxpayer ID ("CNPJ")	Nationality	Legal Representative	Legal Representative's CPF/CNPJ	Participates in a Shareholders Agreement	Controlling shareholder	Date of last amendment	Common share	% Participation in same type / class	Class A preferred shares	% Participation in same type / class	Class B preferred shares	% Participation in same type / class	% in relation to total capital	Shareholder
Ternium Investiments S.à.r.l	12.659.927/0001-17	Luxembourgian	Simone Galante Alves	952.915.717-72	Yes	Yes	07/19/2016	198,766,651	28.18	6,987,367	1.28	-	-	16.42	6,987,367
Siderar S.A.I.C.	05.722.544/0001-80	Argentinean	Simone Galante Alves	952.915.717-72	Yes	Yes	07/19/2016	14,601,097	2.07	513,281	0.09	-	-	1.21	513,281
Previdência Usiminas	16.619.488/0001-70	Brazilian	-	-	Yes	Yes	07/19/2016	34,109,762	4.84	-	-	-	-	2.72	0
Nippon Steel & Sumitomo Metal Corporation	05.473.413/0001-07	Japonesa	Hironobu Nose	238.640.728-40	Yes	Yes	07/19/2016	100,351,191	14.23	307,926	0.06	-	-	8.03	307,926
Prosid Investiments S.C.A.	14.759.342/0001-02	Uruguayan	-	-	Yes	Yes	07/19/2016	29,202,198	4.14	1,026,563	0.19	-	-	2.41	1,026,563
Metal One Corporation	05.733.199/0001-80	Japonesa	Eiji Homae	238.541.848-75	Yes	Yes	07/19/2016	759,248	0.11	-	-	-	-	0.06	0
Nippon Usiminas Co. Ltd.	05.527.337/0001-75	Japonesa	Hironobu Nose	238.640.728-40	Yes	Yes	07/19/2016	119,969,788	17.01	2,830,832	0.52	-	-	9.08	2,830,832
Mitsubishi Corporation do Brasil S.A.	61.090.619/0001-29	Brazilian	-	-	Yes	Yes	07/19/2016	7,449,544	1.06	-	-	-	-	0.59	0
Confab Industrial S.A.	60.882.628/0001-90	Brazilian	-	-	Yes	Yes	07/19/2016	36,502,746	5.18	1,283,203	0.23	-	-	3.02	1,283,203
Companhia Siderúrgica Nacional ("GROUP")	33.042.730/0001-04	Brazilian	-	-	No	Ni	07/19/2016	100,084,935	14.19	108,678,122	19.84	-	-	16.66	108,678,122
Treasury stock	-	-	-	-	-	-	-	2,526,656	0.36	23,705,728	4.33	-	-	2.09	23,705,728
Other	-	-	-	-	-	-	-	60,936,868	8.63	402,407,639	73.46	77,763	100	36.99	402,485,402
Total								705,260,684	100	547,740,661	100	77,763	100	100	547,818,424

For the controlling shareholders, the table above shows the total number of shares linked and non-linked to the Company's control block.

(h) if the shareholder is a legal entity, a list containing the information referred to in subitems "a" to "d" about their direct and indirect majority shareholders, including individual controlling shareholders, yet such information is treated as confidential by operation of the legal business or by the law of the country where the partner or majority shareholder are appointed or domiciled.

Nippon Usiminas CO., LTD.

Shares in units

Base Date: 12/31/2016

Shareholder	Nationality	Corporate Taxpayer ID ("CNPJ")	Common shares		Total	
			Quantity	%	Quantity	%
Nippon Steel & Sumitomo Metal Corporation - NSSMC	Japanese	Not enrolled	300,914	100.00	300,914	100.00
Total			300,914	100.00	300,914	100.00

Nippon Steel & Sumitomo Metal Corporation (NSSMC) is a publicly-traded Company listed on the Tokyo Stock Exchange - Japan. It is the parent company of the Nippon Steel Group, whose main business is the production of steel, in addition to meeting the Engineering, Construction, Chemical, Systems Technology and other sectors, through various other subsidiaries. Nippon Steel & Sumitomo Metal Corporation's major shareholders are as follows:

Main shareholders	%
Japan Trustee Services Bank, Ltd. (Trust Account)	4.20%
The Master Trust Bank of Japan, Ltd. (Trust Account)	2.80%
Nippon Life Insurance Company	2.60%
Sumitomo Corporation	1.90%
Mizuho Bank, Ltd.	1.70%
Sumitomo Mitsui Banking Corporation	1.50%
Meiji Yasuda Life Insurance Company	1.50%
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1.40%
STATE STREET BANK WEST CLIENT-TREATY 505234	1.20%
Japan Trustee Services Bank, Ltd. (Trust Account 7)	1.20%

Mitsubishi Corporation do Brasil S.A. - CNPJ 61.090.619/0001-29

Mitsubishi Corporation do Brasil S.A., whose major shareholders are Mitsubishi Corporation with 87.43% stake in the capital, and Mitsubishi International Corporation (US), with a 12.57% stake in the capital. Mitsubishi International (US) major and sole shareholder is Mitsubishi Corporation with a 100% stake in the capital of the former.

Metal One Corporation

SHARES IN UNITS

Basic Date: 12/31/2015

Shareholder	Nationality	Corporate Taxpayer ID ("CNPJ")	Common shares		Total	
			Quantity	%	Quantity	%
Mitsubishi Corporation	Japanese	Not Enrolled	1,200,000	60.00	1,200,000	60.00
Sojitz Corporation	Japanese	Not Enrolled	800,000	40.00	800,000	40.00
Total			2,000,000	100.00	2,000,000	100.00

The major shareholders of Mitsubishi Corporation are listed above. Sojitz Corporation's major shareholders are as follows:

Main shareholders	%
Japan Trustee Services Bank, Ltd.	11.19%
ICHIGO TRUST PTE LTD.	8.81 %
CHASE MANHATTAN BANK GTS CLIENTS ACCOUNT ESCROW	5.06%
The Master Trust Bank of Japan, Ltd.	3.51%
JPMCB NA ITS LONDON CLIENTS AC MORGAN STANLEY AND CO INTERNATIONAL LIMITED	3.03%
Trust & Custody Service Bank, Ltd.	1.83%
STATE STREET BANK AND TRUST COMPANY 505103	1.24%
JP MORGAN CHASE BANK 385151	1.23%
BBH FOR GMO INTERNATIONAL EQUITY FUND	1.12%
STATE STREET BANK AND TRUST COMPANY 505225	1.02%

Confab Industrial S.A. - CNPJ 60.882.628/0001-90

SHARES IN UNITS

Basic Date: 12/31/2016

Shareholder	Common shares		Total	
	Quantity	%	Quantity	%
Siderca S.A.I.C.(1)	167,308,639	31.32	167,308,639	31.32
Tenaris Investments S.à rl. (2)	366,886,058	68.68	366,886,058	68.68
Total	534,194,697	100.00	534,194,697	100.00

(1) Argentinean Siderca S.A.I.C.'s major shareholders are Luxembourgian Tenaris Investments S.à rl, and Uruguayan Tenaris Global Services S.A., both wholly owned subsidiaries of Tenaris S.A., who own approximately 97.49% and 2.51%, respectively, of the issued shares of Siderca S.A.I.C.

(2) Tenaris Investments S.à rl. is a Luxembourgian company owned by Tenaris S.A who own approximately 100% of its shares.

Tenaris S.A. is a publicly-traded company listed on the New York Stock Exchange (NYSE) - United States of America, on the Buenos Aires Stock Exchange - Argentina, on the Milan Stock Exchange (MTA) - Italy, and on the Mexico Stock Exchange - Mexico. Tenaris S.A. is the parent company of the Tenaris Group, which, through various subsidiaries mainly engaged in the production and supply of steel pipes and the service provision to the global energy industry, as well as to certain industrial applications.

Tenaris S.A. is controlled by Luxembourg-based corporation San Faustin S.A., ("San Faustin"), which indirectly owns through its wholly-owned subsidiary Techint Holdings S.à rl approximately 60.5% of the shares of Tenaris S.A.

Rocca & Partners Stichting Administratiekantoor Aandelen San Faustin, a Dutch private foundation ("RP STAK"), owns shares of San Faustin sufficient to control San Faustin. No individual or group of individuals controls RP STAK.

PROSID INVESTMENTS S.A.

CNPJ 14.759.342/0001-02

Prosid Investments S.A. (former name: Prosid Investments SCA) is a Uruguayan company, whose major shareholder is Siderar S.A.I.C. with 99.99% equity.

SIDERAR S.A.I.C.

CNPJ 05.722.544/0001-80

Siderar S.A.I.C. is a publicly-traded company based in Argentina and listed on the Buenos Aires Stock Exchange - Argentina. Siderar S.A.I.C. major shareholders are Ternium International España, SLU, a wholly-owned Spanish subsidiary of Ternium Investments S.à r.l., which owns approximately 60.94% of the shares of Siderar S.A.I.C., and the Administración Nacional de la Seguridad Social (ANSeS), an Argentinean government entity which owns approximately 26.03% of the shares of Siderar S.A.I.C. The controlling equity of Ternium Investments S.à r.l. is broken down below:

TERNIUM INVESTMENTS S.À R.L.

CNPJ 12.659.927/0001-17

Ternium Investments S.à R. L. is a Luxembourg-based limited liability company whose sole shareholder is Ternium S.A., which owns 100% of equity interest.

Ternium S.A. is a publicly-traded company listed on the New York Stock Exchange (NYSE) - United States of America. Ternium S.A. is the parent company of the Ternium Group, which, through various subsidiaries, engages mainly in the production of flat and long steel, with production centers located in Argentina, Colombia, the United States of America, Guatemala and Mexico. Ternium S.A. is a subsidiary of San Faustin, which indirectly holds, through its wholly-owned subsidiary Techint Holdings S.à rl based in Luxembourg, approximately 62% of the shares of Ternium S.A.

RP STAK holds San Faustin shares in a sufficient number to control San Faustin. No individual or group of individuals controls RP STAK.

Previdência Usiminas

Usiminas employees' pension fund existing and organized in accordance with the laws of the Federative Republic of Brazil.

15.3. In a table, describe how capital is held, as decided at the last general meeting of shareholders:

Date of last meeting	In units		
	Amount held by individual shareholders	Amount held by legal entity shareholders	Amount held by institutional investors
04/27/2017	49,149	518	390

Outstanding shares

Outstanding shares corresponding to all issuer's shares, except those owned by the majority shareholder, related parties, the issuer's management and treasury stock.

	Quantity	%
Shares		
Common	161,021,801	22.83%
Preferred	511,043,693	93.29%
Class A Preferred shares	510,965,930	93.29%
Classe B Preferred shares	77,763	100.00%
Total	672,065,494	53.63%

15.4. Description of the economic group issuer is inserted in, indicating:

a) Direct and indirect controlling shareholders and/or shareholders holding equity interest equal to or above 5%

As indicated in item 15.1 of this Reference Form, the Company is controlled by: (i) Nippon Group, comprised of: Nippon Usiminas Co. Ltd., Nippon Steel & Sumitomo Metal Corporation (new name for Nippon Steel Corporation), Metal One Corporation and Mitsubishi Corporation do Brasil S.A.; (ii) T/T Group, comprised of: Confab Industrial S.A., Prosid Investments S.C.A., Siderar S.A.I.C and Ternium Investments S.à.r.l.; and (iii) Previdência Usiminas.

(i) *Nippon Group:*

Nippon Usiminas Co., Ltd., a company organized and existing under the laws of Japan, with main place of business in 6-1, Otemachi 1-chome, Chiyoda-ku, Tokyo 100-0004, registered with the Corporate Taxpayer's ID ("CNPJ/MF") under No. 005.527.337/0001-75, comprised of Japanese companies and Japanese government institutions with the specific purpose of owning Usiminas stock.

Nippon Steel & Sumitomo Metal Corporation (new name for Nippon Steel Corporation), a company organized and existing under the laws of Japan, with main place of business in Marunouchi Park Bldg., 2-6-1, Marunouchi, Chiyoda Ward, 100-8071, Tokyo, Japan, registered with CNPJ under No. 005.473.413/0001-07, part of Nippon Steel & Sumitomo Metal Corporation Group, owner of 89.35% of the ordinary shares of Nippon Usiminas. The principal shareholders with interest in the capital stock of NSSMC are: Japan Trustee Service Bank, Ltd. (3.9%), The Master Trust Bank of Japan (3.2%), Sumitomo Corporation (2.8%), Nippon Life Insurance Company (2.7%) and Mizuho Bank, Ltd. (1.9%), as described in item 15.1 of this Reference Form.

Mitsubishi Corporation do Brasil Ltda., a limited Brazilian company, registered with CNPJ/MF under No. 061.090.619/0001-29, with its main place of business located at Av. Paulista, No. 1294, 23º andar - sala 221 - Bela Vista, in the City of São Paulo, State of São Paulo, is a wholly-owned subsidiary of Mitsubishi Corporation.

Metal One Corporation, a company organized and existing under the laws of Japan, registered with CNPJ/MF under No. 005.733.199/0001-80, with main place of business at 23-1, 3- chome, Shiba, Minato-ku, Tokyo 105-0014, Japan, is an affiliate of Mitsubishi Corporation.

(ii) *T/T Group:*

Confab Industrial S.A., a Brazilian company, with its main place of business located at Rua Manoel Coelho No. 303, 7º andar, Conjunto 72, Centro São Caetano do Sul, 09510-100, São Paulo - SP, Brazil, registered with CNPJ/MF under No. 60.882.628/0001-90, controlled by Tenaris S.A., company organized and existing under the laws of Luxembourg, through companies Tenaris Investiments S.à.r.l and Siderca S.A.I.C;

Prosid Investments S.C.A., company organized and existing under the laws of Uruguay, with main place of business in La Cumparsita 1373, 2º andar, Montevideo 11200, Uruguay, registered with CNPJ/MF under No. 14.759.342/0001-02, and controlled by Siderar S.A.I.C.;

Siderar S.A.I.C., publicly-held entrepreneurial company organized and existing under the laws of Argentina, listed on the Stock Exchange of Buenos Aires – Argentina, with main place of business in Carlos M. Della Paolera 299, 16º andar, C1001AAF, Buenos Aires, Argentina, registered with CNPJ/MF under No. 05.722.544/0001-80, controlled by Ternium S.A., company organized and existing under the laws of Luxembourg; and

Ternium Investments S.à r.l., company organized and existing under the laws of Luxembourg, with main place of business at No. 29, avenue de la Porte-Neuve, L-2227 Luxembourg, the Grand Duchy of Luxembourg, registered with *CNPJ/MF* under No. 12.659.927/ 0001-17, and a wholly-owned subsidiary of Ternium S.A.

Tenaris S.A. and Ternium S.A. are controlled by San Faustin S.A., company organized and existing under the laws of Luxembourg, which indirectly holds through its Luxembourg wholly-owned subsidiary, Techint Holdings S.à r.l., approximately 60.5% of stock issued by Tenaris S.A. and 62% of stock issued by Ternium S.A.

(iii) *Previdência Usiminas:*

Previdência Usiminas, a Brazilian company, registered with *CNPJ/MF* under No. 16.619.488/0001-70, with its main place of business located at Rua Prof. Vieira de Mendonça, No. 3011, 1º andar, CEP 31310-260, in the City of Belo Horizonte, State of Minas Gerais.

b) Subsidiaries and affiliates

Corporate Name	Company	Participation in the total capital of the Company at 03/31/2015
Codeme Engenharia S.A.	Affiliate	30.77%
Cosipa Commercial Ltd.	Subsidiary	100%
Cosipa Overseas Ltd.	Subsidiary	100%
Fasal Trading Brasil S.A. (*)	Jointly-controlled	50%
Metalcentro Ltda.	Subsidiary	100%
MetForm S.A.	Affiliate	31%
Mineração Usiminas S.A.	Subsidiary	70%
Modal Terminal de Graneis Ltda. (*)	Jointly-controlled	50%
MRS Logística S.A.	Affiliate	11%
Rios Unidos Logística e Transportes de Aço Ltda.	Subsidiary	100%
Soluções em Aço Usiminas S.A.	Subsidiary	69%
Paraopeba Cargo Terminal	Affiliate	22%
Sarzedo Cargo Terminal	Affiliate	22%
Unigal Ltda. (*)	Jointly-controlled	70%
Usiminas APS	Subsidiary	100%
Usiminas Commercial Ltd.	Subsidiary	100%
Usiminas Denmark	Subsidiary	100%
Usiminas Electroalvanized Steel ApS	Subsidiary	100%
Usiminas Europa S.A	Subsidiary	100%
Usiminas Galvanized Steel ApS	Subsidiary	100%
Usiminas International Ltd.	Subsidiary	100%
Usiminas Mecânica S.A.	Subsidiary	100%
Usiminas Participações e Logística S.A.	Subsidiary	100%
Usiroll Usiminas Court Tecnologia em Acabamento Superficial Ltda. (*)	Jointly-controlled	50%

(*) As of January 2013, these companies started to be presented by the equity method in the consolidated financial statements of the Company.

c) Interest of issuer in the group's companies

The company holds no interest in other companies of the group besides those described above.

d) Interests of companies of the group in issuer

There is no interest by any of the companies of the group to which the Company belongs to besides those described above.

e) Companies under common control

The Company holds no interest in companies under common control. As disclosed by the controlling shareholders, NSSMC Group and T/T Group, the main companies in which they have participation, as well as participation in the companies of the Usiminas Group, are as follow:

Acedor, S.A. de C.V.	Nippon Steel & Sumitomo Metal (Thailand) Co., Ltd.
Aceros Transformados de Panamá, S.A.	Nippon Steel & Sumitomo Metal Australia Pty. Limited
Al Ghurair Iron & Steel L.L.C. (AGIS)	Nippon Steel & Sumitomo Metal U.S.A., Inc.
AM/NS Calvert LLC	NS BlueScope Coated Products (NSBS)
Baoji-SMI Petroleum Steel Pipe Corporation	NS Solutions Corporation
Baosteel-NSC Automotive Steel Sheets Co., Ltd. (BNA)	NS United Kaiun Kaisha, Ltd.
China Steel Sumikin Vietnam Joint Stock Company (CSVC)	Osaka Steel Co., Ltd.
Companhia Nipo-Brasileira de Pelotizacao	Osaka Titanium Technologies Co., Ltd.
Consortio Minero Benito Juarez Peña Colorada S.A.de C.V.	Peña Colorada Servicios S.A. de C.V.
Corporativo Grupo Imsa S.A. de C.V.	Pennsylvania Extruded Tube Company (PEXCO)
East Asia United Steel Corporation	Procesadora de Materiales Industriales S.A
Exiros B.V.	Prosid Investments S.A.
Ferrasa Panamá, S.A.	PT Pelat Timah Nusantara Tbk
Ferrasa S.A.S.	PT. Indonesia Nippon Steel Pipe (INP)
Ferropak Comercial S.A. de C.V.	PT. Krakatau Nippon Steel Sumikin (KNSS)
Ferropak Servicios S.A. de C.V.	PT. Pelat Timah Nusantara Tbk (LATINUSA)
Galvacer America Inc	Ring-Techs Guangzhou Co., Ltd.
Galvamet America Corp	Safal Steel (Proprietary) Limited
Geostr Corporation	Sanko Metal Industrial Co., Ltd
Godo Steel, Ltd.	Sanyo Special Steel Co., Ltd.
Guangzhou Nippon Steel & Sumikin Pipe Co., Ltd. (GYA)	Sanyu Co., Ltd.
Guangzhou Pacific Tinplate Co., Ltd.	Servicios Integrales Nova de Monterrey S.A. de C.V.
Huizhou Sumikin Forging Co., Ltd.	Seymour Tubing, Inc. (STI)
Hylsa S.A. de C.V.	Siam Tinplate Co., Ltd. (STP)
I/N Kote L.P.	Siderar S.A.I.C.
I/N Tek L.P.	SMI Amtek Crankshaft Private Limited
Impeco S.A.	Soluciones Integrales de Gestión S.A.
International Crankshaft Inc. (ICI)	Standard Steel, LLC
Jamshedpur Continuous Annealing & Processing Company Private Limited (JCAPCPL)	SUMCO Corporation
Japan Casting & Forging Corporation	Sumitomo Precision Products Co., Ltd.
Krosaki Harima Corporation	Suzuki Garphyttan AB
Kyoei Steel Ltd.	Technology & Engineering Services S.A.
Las Encinas S.A. de C.V.	Técnica Industrial S.A. de C.V.
Midland Rolling Mills Limited (MRM)	Tenigal S. de R.L. de C.V.

National Pipe Co., Ltd.	TENIGAL, S. de R.L. de C.V
National Pipe Company Limited (NPC)	Ternium Brasil S.A.
Nichia Steel Works, Ltd.	Ternium del Cauca S.A.S. (formerly Perfilamos del Cauca S.A.S.)
Nippon Coke & Engineering Co., Ltd.	Ternium Gas México S.A. de C.V.
Nippon Denko Co., Ltd.	Ternium Ingeniería y Servicios de Argentina S.A
Nippon EGALV Steel Sdn. Bhd. (N-EGALV)	Ternium Ingeniería y Servicios de México S.A. de C.V.
Nippon Steel & Sumikin Blast Furnace Slag Cement Co., Ltd.	Ternium Internacional Costa Rica S.A
Nippon Steel & Sumikin Bolten Corporation	Ternium Internacional de Colombia S.A.S.
Nippon Steel & Sumikin Bussan Corporation	Ternium Internacional El Salvador S.A. de C.V.
Nippon Steel & Sumikin Cement Co., Ltd	Ternium Internacional España S.L.U.
Nippon Steel & Sumikin Chemical Co., Ltd.	Ternium Internacional Guatemala S.A.
Nippon Steel & Sumikin Coated Sheet Corporation	Ternium Internacional Honduras S.A. de C.V
Nippon Steel & Sumikin Cold Heading Wire (Suzhou) Co., Ltd. (NSCh(suzhou))	Ternium Internacional Nicaragua S.A.
Nippon Steel & Sumikin Cold Heading Wire Indiana Inc. (NSCI)	Ternium Internacional S.A.
Nippon Steel & Sumikin Crankshaft LLC	Ternium Internationaal B.V.
Nippon Steel & Sumikin Drum Co., Ltd	Ternium International Ecuador S.A.
Nippon Steel & Sumikin Eco-Tech Corporation	Ternium International Inc.
Nippon Steel & Sumikin Engineering Co., Ltd.	Ternium International USA Corporation
Nippon Steel & Sumikin Finance Co., Ltd	Ternium Investments S.à.r.l.
Nippon Steel & Sumikin Galvanizing (Thailand) Co., Ltd. (NSGT)	Ternium Investments Switzerland AG
Nippon Steel & Sumikin Koutetsu Wakayama Corporation	Ternium Mexico S.A. de C.V
Nippon Steel & Sumikin Logistics Co., Ltd	Ternium Procurement S.A.
Nippon Steel & Sumikin Materials Co., Ltd.	Ternium S.A.
Nippon Steel & Sumikin Metal Products Co., Ltd.	Ternium Siderúrgica de Caldas S.A.S.
Nippon Steel & Sumikin Pipe (Thailand) Co., Ltd. (NSPCT)	Ternium Solutions A.G
Nippon Steel & Sumikin Pipe Co., Ltd	Ternium Treasury Services S.A.
Nippon Steel & Sumikin Pipe India Private Limited (NPI)	Ternium USA Inc.
Nippon Steel & Sumikin Pipe Mexico, S.A. DE C.V. (NPM)	The Siam United Steel (1995) Co., Ltd.
Nippon Steel & Sumikin Pipe Vietnam Co., Ltd (NPV)	The Siam United Steel (1995) Co., Ltd. (SUS)
Nippon Steel & Sumikin SG Wire Co., Ltd.	Topy Industries, Ltd.
Nippon Steel & Sumikin Shapes Corporation	Transamerica E. & I. Trading Corp.
Nippon Steel & Sumikin Stainless Steel Corporation	Unipres Corporation
Nippon Steel & Sumikin Stainless Steel Pipe Co., Ltd.	Vallourec & Sumitomo Tubos do Brasil Ltda. (VSB)
Nippon Steel & Sumikin Steel Processing (Thailand) Co., Ltd. (NSSPT)	Vietnam Steel Products, Ltd. (VSP)
Nippon Steel & Sumikin Steel Wire Co., Ltd	Western Tube & Conduit Corporation (WTC)
Nippon Steel & Sumikin Texeng Co., Ltd.	WISCO-NIPPON STEEL Tinplate Co., Ltd. (WIN Steel)
Nippon Steel & Sumikin Tubos do Brasil Ltda	WUXI NIPPON STEEL & SUMIKIN PIPE Co., Ltd. (WNSP)
Nippon Steel & Sumikin Welding Co., Ltd.	

15.5. In connection with any shareholders agreement filed at the headquarters of the issuer or to which the majority shareholder is a party to, regulating the exercise of voting rights or the transfer of Company shares, include:

I - Usiminas' Shareholders Agreement:

a) Parties

Confab Industrial S.A. ("Confab"), Prosid Investments S.C.A. ("Prosid"), Siderar S.A.I.C. ("Siderar") and Ternium Investments S.à R. L. ("Ternium Investments" and, together with Confab, Prosid and Siderar, the "Ternium/Tenaris Group"), Previdência Usiminas, Metal One Corporation ("Metal One"), Mitsubishi Corporation do Brasil, S.A. ("Mitsubishi"), Nippon Steel & Sumitomo Metal Corporation ("NSSMC") and Nippon Usiminas Co., Ltd. ("UN", and together with Metal One, Mitsubishi and NSSMC, the "NSSMC Group"), and as a consenting party, Usinas Siderúrgicas de Minas Gerais S.A. - Usiminas ("Usiminas" and "Shareholders Agreement").

b) Date of execution

January 16, 2012

c) Duration

The Shareholders Agreement will be valid until November 6, 2031 ("Termination Date"), subject to renewal for successive periods of five (5) years, unless shareholders representing more than ten percent (10%) of all shares addressed by the Shareholders Agreement ("Voting Shares") shares notify in writing about their decision not to renew this Agreement, no shorter than 180 (one hundred eighty) days after the termination Date or the date of expiry of any such additional period thereafter.

Notwithstanding the foregoing, from November 6, 2016 Previdência Usiminas, through delivery to all other signatories to the Shareholders Agreement and to Usiminas of prior notice in writing to that effect will have the option (but not the obligation), under and subject to the conditions set out in the Shareholders Agreement, to relieve all (but not less than all) of its Voting Shares addressed by such document.

d) Description of the terms relating to the exercise of voting rights and the power to control

The Shareholders' Agreement provides for the prior meeting between the representatives of their parties to determine the position to be expressed in the Usiminas' General Meeting or the Board of Directors Meeting ("Prior Meeting"). Matters submitted to the Prior Meeting are subject to approval by shareholders who in the aggregate own no less than sixty-five percent (65%) of total Voting Shares ("Ordinary Resolution"), and certain matters submitted to the Prior Meeting, as provided for in the Shareholders Agreement, may only be approved upon the affirmative vote of shareholders representing in the aggregate at least ninety percent (90%) of the total number of Voting Shares.

e) Description of the terms relating to the appointment of management

The Shareholders Agreement provides as follows regarding the appointment of Usiminas management:

(i) Board of Directors: While the NSSMC Group and the Ternium/Tenaris Group own at least twenty-five percent (25%) of the total number of Voting Shares each, (i) NSSMC and the Ternium Group/Tenaris will jointly indicate most members of the Board of Directors (i.e., no less than one half plus one of the total number of members of the Board of Directors to be elected by the shareholders at the General Meeting) and their respective deputies, and (ii) NSSMC and the Ternium/Tenaris Group individually appoint, any case, equal number of members of the Board of Directors (and their deputies); provided that NSSMC and the Ternium/Tenaris Group appoint, in any case, no less than three (3) members of the Board of Directors (and their deputies) each; also observing that the members of the Board of Directors appointed by NSSMC will include (and will not be added to) the member that NU has the right to elect in accordance with article 27 of Usiminas' articles of incorporation.

Additionally, while Previdência Usiminas holds ten percent (10%) or more of the total number of Voting Shares and (b) any person or group of persons entitled to elect one member of the Board in accordance with paragraph 1, article 12 of the Usiminas' articles of incorporation have exercised (or has submitted a written statement of what it intends to exercise), that right in a General Meeting that will elect members of the Board of Directors, then Previdência Usiminas shall appoint two (2) members of the Board of Directors (and their respective deputies). If, however, any person or group of persons have chosen (or have submitted written indication of what it intends to elect) a member of the Board of Directors, based on paragraph 1, article 12, then Previdência Usiminas shall appoint one (1) member of the Board of Directors (and the respective deputy). Nothing will prevent Previdência Usiminas from representing Usiminas employees or from electing a member of the Board of Directors on its behalf; provided, however, that the member(s) appointed by Previdência Usiminas will understand (and will not be added to any member Previdência Usiminas appoints on behalf of Usiminas employees.

The appointment of the Chairman of the Board of Directors shall be approved at the Prior Meeting by Ordinary Resolution, among the individuals appointed to be elected as members of the Board of Directors.

(ii) Officers: NSSMC and the Ternium/Tenaris Group will have the right to appoint by consensus the CEO of Usiminas, who, in his turn, shall appoint the other members of the Board for the same period (and the election of these members shall be approved at the Prior Meeting by Ordinary Resolution), observing that NSSMC and Ternium will have the right of each of them appointing one (1) member of the Board (whose election will not be subject to approval at the Prior Meeting).

f) Description of the terms relating to the transfer of shares and the preference for purchasing them

If any shareholder belonging to the NSSMC Group, the Ternium/Tenaris Group or Previdência Usiminas Group intends in good faith and receives a written offer to transfer the whole or any part of its Voting Shares to a third party (i.e., a person that is not an affiliate of such shareholder and/or does not belong to the same group as that of the shareholder), the mechanism for offering preemptive right, pursuant to the Shareholders Agreement, shall be observed. Additionally, if a change of control or bankruptcy event (as such terms are defined in the Shareholders Agreement) occurs in relation to one of the signatories to this agreement, unless the signatories agree otherwise in writing within thirty (30) days following the date on which they have been notified of the occurrence of the events in question, the provisions relating to the preemptive right shall apply *mutatis mutandis*.

g) Description of clauses that restrict or bind voting rights of members of the board

The Prior Meeting mechanism described under "Description of the clauses relating to the exercise of voting rights and the power of control"(15.5.1 (d)) above applies in relation to meetings of the Usiminas Board of Directors.

II - The Ternium/Tenaris Group Shareholders Agreement

a) Parties

Confab, Prosid, Siderar and Ternium Investments

b) Date of execution

January 16, 2012

c) Duration

The Ternium/Tenaris Group Shareholders Agreement of the shall be effective for the period the parties to such agreement remain as shareholders of Usiminas.

d) Description of the terms relating to the exercise of voting rights and the controlling power

The Ternium/Tenaris Group Shareholders Agreement provides that a prior meeting shall be held between the representatives of their parties to determine Ternium/Tenaris Group vote in Prior Meetings held under the provisions of the Shareholders Agreement described in item 15.5.1 above (hereinafter "Usiminas shareholders Agreement "). Furthermore, quorums and voting restrictions in Prior Meetings addressed by the Usiminas Shareholders Agreement apply, whenever appropriate, to the Ternium/Tenaris Group Shareholders Agreement. Finally, the Ternium/Tenaris Group Shareholders Agreement contemplates that the parties shall negotiate in good faith and shall make their best efforts to achieve consensus if any project or operation to be voted under the Ternium/Tenaris Group Shareholders Agreement and the Usiminas Shareholders Agreement may result (if passed) to the prejudice to any party.

e) Description of the clauses relating to the appointment of management

The Ternium/Tenaris Group Shareholders Agreement contains the following provisions for the appointment of Usiminas management:

(i) Board of Directors: The Ternium/Tenaris Group Shareholders Agreement provides that (A) Confab shall be entitled to appoint one (1) member to the Board of Directors of Usiminas, (B) Siderar and Ternium Investments shall be entitled to appoint, by consensus, one (1) member of the Board of Directors of Usiminas and (C) Ternium Investments shall have the right to appoint the remaining members of the Board of Directors to be appointed by the Ternium/Tenaris Group under the Usiminas Shareholders Agreement.

(ii) Supervisory Board: Ternium Investments shall have the right to appoint members of the Supervisory Board, following the appointment by the Ternium/Tenaris Group pursuant to the Usiminas Shareholders Agreement, and Confab and Siderar shall have veto right with respect to that appointment.

(iii) Officers: Should the Ternium/Tenaris Group have the right to appoint the CEO of Usiminas by consensus with Nippon Steel & Sumitomo Metal Corporation, such appointment shall be made by Ternium Investments.

f) Description of the clauses relating to the transfer of shares and the preemptive right

The Ternium/Tenaris Group Shareholders Agreement contains the following provisions for the transfer of Usiminas shares by members of Ternium/Tenaris Group:

(i) Put Option: according to the Ternium/Tenaris Group Shareholders Agreement, should a change of control occurs with respect to Ternium Investments, Confab and Siderar shall have the option to sell all of their Usiminas shares to Ternium Investments during twenty four (24) months after such change of control at a price per share equivalent to weighted average volume of trading price at closing for the last 12 months on the BM&FBovespa immediately prior to the date on which the change of control has occurred, plus a premium on said average established in the agreement.

(ii) Tag Along right: the Ternium/Tenaris Group Shareholders Agreement also provides that, if Ternium Investments intends to sell its Usiminas shares to any person other than an affiliate of Ternium Investments, Confab and Siderar shall have the option to include their Usiminas shares in this transaction and sell them for the same price and on other terms and conditions applicable to Ternium Investments.

g) Description of clauses that restrict or bind the voting rights of members of the board

The mechanism of prior meeting between representatives of the Ternium/Tenaris Group described under "Description of the clauses relating to the exercise of voting rights and the power of control" above shall apply in relation to meetings of the Usiminas' Board of Directors.

15.6. Relevant changes in the shareholdings of members of the control group and issuer managers

There were no significant changes in the shareholdings of members of the control group and directors of the Company in the last 3 financial years.

15.7. Main shareholder events that took place at the issuer's, controlling or affiliated companies

Regarding to this information for the last three fiscal years, see item 3.3.(b), 6.3. and 6.5 of this Reference Form.

15.7. Provide other information as issuer may deem significant

No further significant information.

16. Transactions with Related Parties

16.1. Describe the rules, policies and practices of the issuer as to Transactions with related parties, as defined by the accounting rules addressing the subject

The Company's corporate governance practices and those recommended and/or required by law, including those set out in the Rules of the Corporate Governance Level 1 of BM&FBOVESPA.

In addition to the obligations provided for by law, the Company adopts specific procedures for carrying out transactions with related parties. According to the Company's articles of incorporation, the Board of Directors approve any business or transaction involving, on one side, the Company or its controlled companies, and on the other hand, Related Parties. Still, if the Related Party is a member of the Board of Directors or shareholder who has no relationship with the Board of Directors, it shall not participate in the decision regarding the business or operation in question, and such circumstances shall be noted in the minutes of the Directors' Board meeting. For the purposes of the articles of incorporation, Related Parties are: a) Any shareholder of the Company who is a member of the controlling group or who holds shares representing more than five percent (5%) of the voting capital and total capital; b) any directors of the Company, whether a principal or deputy, or the shareholders mentioned in item "a" above, as well as their spouses and relatives up to second degree; c) any subsidiaries, parents, affiliates or companies under common control of any of the persons mentioned in items "a" and "b" above.

The articles of incorporation also provide that the Company shall not grant loans to its directors, members of the controlling group or to any person related to them, whether directly or indirectly.

Also the Company's bylaws of the Board of Directors state that, in case of conflict of interest, the board members shall: (i) declare such conflict; (ii) refrain from participating, discussing and voting on the matter; (iii) formally state the conflict in the minutes of the meeting.

Furthermore, the board members shall not: (i) perform any act using the company's assets, to the detriment of the company; (ii) receive, by virtue of their office, any direct or indirect personal advantage from third parties without an express authorization in the articles of incorporation or given by a general meeting; and (iii) take part in any corporate transaction involving a conflict of interest with the Company, or in related decisions made with other members of the board.

Finally, the Shareholders' Agreement establishes that the Company's transactions with related parties will not be taken at previous meetings of shareholders and should be freely voted by the Board of Directors as they consider appropriate without any binding or binding unified positioning of the previous shareholders controllers.

16.2. Report, in relation to transactions with related parties, that according to accounting standards should be disclosed in the issuer's individual or consolidated financial statements and which have been carried out in the last 3 fiscal years or are in effect in the current fiscal year:

Name Related Party	Relationship with the Issuer	Transaction Date	Object of the Contract	The issuer is creditor or debtor	Amount Involved in the Business (in Reais)	Existing balance	Amount of Related Party	Related Warranties and Insurance	Duration	Termination or revocation conditions	Nature and Reasons for the operation	Interest rate charged
CODEME ENGENHARIA S/A	Affiliate	1/1/2016	SALE OF STEEL PRODUCTS	CREDITOR	13,165,060.80	0.00	13,164,060.80	None	12/31/2016	None	Not a loan or guarantee	Not a loan or guarantee
CONFAB INDUSTRIAL S A	Controlling shareholder	1/1/2016	SALE OF STEEL PRODUCTS	CREDITOR	151,220,464.01	0.00	151,220,464.01	None	12/31/2016	None	Not a loan or guarantee	Not a loan or guarantee
EXIROS B.V	Other related parties	4/12/2013	CONSULTING SERVICES – PURCHASE DEPARTMENT	DEBTOR	23,640,760.00	12,478,755.83	23,640,760.00	None	5/31/2018	None	Not a loan or guarantee	Not a loan or guarantee
METFORM S/A	Affiliate	1/1/2016	SALE OF STEEL PRODUCTS	CREDITOR	12,326,974.13	0.00	12,326,974.13	None	12/31/2016	None	Not a loan or guarantee	Not a loan or guarantee
MINERACAO USIMINAS S A	Subsidiary	1/1/2016	MP - MINÉRIO	DEBTOR	276,919,500.00	0.00	276,919,500.00	None	12/31/2016	None	Not a loan or guarantee	Not a loan or guarantee
MINERACAO USIMINAS S A	Subsidiary	3/28/2016	MP - MINÉRIO	DEBTOR	39,644,220.00	0.00	39,644,220.00	None	12/31/2016	None	Not a loan or guarantee	Not a loan or guarantee
MINERACAO USIMINAS S A	Subsidiary	2/6/2017	MP - MINÉRIO	DEBTOR	441,352,147.50	376,082,773.22	441,352,147.50	None	12/31/2017	None	Not a loan or guarantee	Not a loan or guarantee
MINERACAO USIMINAS S A	Subsidiary	12/29/2011	SHARED SERVICE	CREDITOR	47,465,213.00	1,524,823.34	47,465,213.00	None	12/31/2016	None	Not a loan or guarantee	Not a loan or guarantee
MODAL TERMINAL DE GRANEIS	Jointly-controlled	1/1/2013	ORE TRANSPORTATION AT THE PORT	DEBTOR	41,000,000.00	9,314,966.58	41,000,000.00	None	12/31/2017	None	Not a loan or guarantee	Not a loan or guarantee
MRS LOGÍSTICA S/A	Affiliate	1/1/2011	PROVIDING ROAD TRANSPORTATION SERVICES	DEBTOR	1,071,819,600.00	300,223,796.17	1,071,819,600.00	None	11/30/2026	None	Not a loan or guarantee	Not a loan or guarantee
MRS LOGÍSTICA S/A	Affiliate	1/1/2011	PROVIDING ROAD TRANSPORTATION SERVICES	DEBTOR	78,624,000.00	0.00	78,624,000.00	None	11/30/2026	None	Not a loan or guarantee	Not a loan or guarantee
MRS LOGÍSTICA S/A	Affiliate	10/25/2012	PROVIDING ROAD TRANSPORTATION SERVICES	DEBTOR	148,013,496.00	8,128,702.76	148,013,496.00	None	11/30/2026	None	Not a loan or guarantee	Not a loan or guarantee
MRS LOGÍSTICA S/A	Affiliate	11/21/2014	PROVIDING ROAD TRANSPORTATION SERVICES	DEBTOR	226,202,202.00	70,096,795.71	226,202,202.00	None	12/31/2018	None	Not a loan or guarantee	Not a loan or guarantee
MRS LOGÍSTICA S/A	Affiliate	2/4/2016	PROVIDING ROAD TRANSPORTATION SERVICES	DEBTOR	4,600,000.00	0.00	4,600,000.00	None	6/1/2016	None	Not a loan or guarantee	Not a loan or guarantee
MRS LOGÍSTICA S/A	Affiliate	2/25/2016	PROVIDING ROAD TRANSPORTATION SERVICES	DEBTOR	4,600,000.00	0.00	4,600,000.00	None	6/1/2016	None	Not a loan or guarantee	Not a loan or guarantee
MRS LOGÍSTICA S/A	Affiliate	2/25/2016	PROVIDING ROAD TRANSPORTATION SERVICES	DEBTOR	4,600,000.00	0.00	4,600,000.00	None	5/31/2016	None	Not a loan or guarantee	Not a loan or guarantee
MRS LOGÍSTICA S/A	Affiliate	12/1/2016	PROVIDING ROAD TRANSPORTATION SERVICES	DEBTOR	4,000,000.00	0.00	4,000,000.00	None	5/31/2016	None	Not a loan or guarantee	Not a loan or guarantee
METAL ONE CORPORATION INDIA (P) LTD	Other related parties	1/1/2016	SALE OF STEEL PRODUCTS	CREDITOR	629,771.10	0.00	629,771.10	None	12/31/2016	None	Not a loan or guarantee	Not a loan or guarantee
METAL ONE DO BRASIL IND COM	Other related parties	1/1/2016	SALE OF STEEL PRODUCTS	CREDITOR	1,863,126.78	0.00	1,863,126.78	None	12/31/2016	None	Not a loan or guarantee	Not a loan or guarantee
METAL ONE SHIBAURA	Other related parties	1/1/2016	SALE OF STEEL PRODUCTS	CREDITOR	33,791,172.20	0.00	33,791,172.20	None	12/31/2016	None	Not a loan or guarantee	Not a loan or guarantee
NIPPON STEEL & SUMITOMO METAL CORPORATION	Controlling shareholder	3/24/2009	TECHNICAL CONSULTANCY - IPATINGA CLC	DEBTOR	16,352,032.15	5,835,032.60	16,352,032.15	None	3/24/2019	None	Not a loan or guarantee	Not a loan or guarantee

NIPPON STEEL & SUMITOMO METAL CORPORATION	Controlling shareholder	3/23/2009	ROYALTY - CLC IPA	DEBTOR	586,638,000.00	586,638,000.00	586,638,000.00	None	3/23/2027	None	Not a loan or guarantee	Not a loan or guarantee
NIPPON STEEL ENGINEERING	Controlling shareholder	2/28/2014	INVESTMENT – SUPPLY OF EQUIPAMENT	DEBTOR	7,047,113.18	0.00	7,047,113.18	None	8/31/2016	None	Not a loan or guarantee	Not a loan or guarantee
NIPPON STEEL ENGINEERING	Controlling shareholder	8/30/2016	INVESTMENT – SUPPLY OF EQUIPAMENT	DEBTOR	10,457,815.60	9,128,723.20	10,457,815.60	None	12/31/2017	None	Not a loan or guarantee	Not a loan or guarantee
NIPPON USIMINAS	Controlling shareholder	05/28/2007 Regenotiated 09/12/2016	LOAN AGREEMENT	DEBTOR	417,888,000.00	167,605,735.70	417,888,000.00	Mortgage at Ipatinga coke plant	15/09/2026	Contractual default	PP&E (financing of investment in	2,83% p.a + Libor
RIOS UNIDOS LOGISTICA E TRANSPORTES	Subsidiary	5/1/2011	EXTERNAL TRANSPORTATION OF PRODUCTS	DEBTOR	2,739,982.26	0.00	2,739,982.26	None	1/10/2016	None	Not a loan or guarantee	Not a loan or guarantee
RIOS UNIDOS LOGISTICA E TRANSPORTES	Subsidiary	3/30/2013	FRETE IRON ORE HIGHWAY FREIGHT	DEBTOR	7,451,312.40	0.00	7,451,312.40	None	3/31/2016	None	Not a loan or guarantee	Not a loan or guarantee
RIOS UNIDOS LOGISTICA E TRANSPORTES	Subsidiary	11/1/2014	EXTERNAL TRANSPORTATION OF PRODUCTS	DEBTOR	2,520,000.00	0.00	2,520,000.00	None	2/28/2016	None	Not a loan or guarantee	Not a loan or guarantee
RIOS UNIDOS LOGISTICA E TRANSPORTES	Subsidiary	7/28/2015	TRANSPORTATION SERVICES	DEBTOR	19,200,000.00	0.00	19,200,000.00	None	7/27/2016	None	Not a loan or guarantee	Not a loan or guarantee
RIOS UNIDOS LOGISTICA E TRANSPORTES	Subsidiary	12/1/2015	EXTERNAL TRANSPORTATION OF PRODUCTS	DEBTOR	5,892,304.79	2,551,758.72	5,892,304.79	None	12/31/2017	None	Not a loan or guarantee	Not a loan or guarantee
SIDERAR S A I C	Controlling shareholder	1/1/2016	SALE OF STEEL PRODUCTS	CREDITOR	88,761,516.23	0.00	88,761,516.23	None	12/31/2016	None	Not a loan or guarantee	Not a loan or guarantee
SOLUCOES EM ACO USIMINAS	Subsidiary	1/1/2016	SALE OF STEEL PRODUCTS	CREDITOR	1,956,828,278.51	0.00	1,956,828,278.51	None	12/31/2016	None	Not a loan or guarantee	Not a loan or guarantee
SOLUCOES EM ACO USIMINAS	Subsidiary	5/15/2012	TUBO DE AÇO DIN ST00 CC 3,75MM DN 2" 5,23 KG	DEBTOR	5,157,266.40	0.00	5,157,266.40	None	5/30/2016	None	Not a loan or guarantee	Not a loan or guarantee
TECHINT ENGENHARIA E CONSTRUÇÃO SA	Other related parties	8/29/2014	INVESTMENT - CIVIL ENGINEERING	DEBTOR	87,300,000.00	0.00	87,300,000.00	None	5/1/2016	None	Not a loan or guarantee	Not a loan or guarantee
TECHINT ENGENHARIA E CONSTRUÇÃO SA	Other related parties	6/4/2014	ENGINEERING SERVICES (PROJECTS)	DEBTOR	3,780,000.00	0.00	3,780,000.00	None	1/31/2016	None	Not a loan or guarantee	Not a loan or guarantee
TERMINAL DE CARGAS DE SAR	Affiliate	9/1/2011	TRANSPORTATION SERVICES	DEBTOR	91,443,200.00	0.00	91,443,200.00	None	2/10/2016	None	Not a loan or guarantee	Not a loan or guarantee
TERMINAL DE CARGAS DE SAR	Affiliate	2/10/2016	TRANSPORTATION SERVICES	DEBTOR	3,500,000.00	0.00	3,500,000.00	None	3/15/2016	None	Not a loan or guarantee	Not a loan or guarantee
TERMINAL DE CARGAS DE SAR	Affiliate	2/22/2016	TRANSPORTATION SERVICES	DEBTOR	2,568,000.00	0.00	2,568,000.00	None	5/31/2016	None	Not a loan or guarantee	Not a loan or guarantee
TERMINAL DE CARGAS DE SAR	Affiliate	9/8/2016	TRANSPORTATION SERVICES	DEBTOR	2,520,000.00	1,245,101.02	2,520,000.00	None	5/31/2017	None	Not a loan or guarantee	Not a loan or guarantee
TERNIUM INTERNACIONAL SA	Other related parties	1/1/2016	SALE OF STEEL PRODUCTS	CREDITOR	4,815,481.65	0.00	4,815,481.65	None	12/31/2016	None	Not a loan or guarantee	Not a loan or guarantee
TERNIUM INTERNACIONAL CORPORATION	USA Other related parties	1/1/2016	SALE OF STEEL PRODUCTS	CREDITOR	519,810.04	0.00	519,810.04	None	12/31/2016	None	Not a loan or guarantee	Not a loan or guarantee
TERNIUM MÉXICO AS DE CV	Other related parties	1/1/2016	SALE OF STEEL PRODUCTS	CREDITOR	648,578.86	0.00	648,578.86	None	12/31/2016	None	Not a loan or guarantee	Not a loan or guarantee
TERNIUM PROCUREMENT SA	Other related parties	1/1/2016	SALE OF STEEL PRODUCTS	CREDITOR	4,930,442.95	0.00	4,930,442.95	None	12/31/2016	None	Not a loan or guarantee	Not a loan or guarantee
UNIGAL LTDA	Jointly-controlled	1/3/2005	BENEFICIATION OF PRODUCTS	DEBTOR	2,000,000,000.00	0.00	2,000,000,000.00	None	5/19/2016	None	Not a loan or guarantee	Not a loan or guarantee
UNIGAL LTDA	Jointly-controlled	1/3/2005	BENEFICIATION OF PRODUCTS	DEBTOR	2,000,000,000.00	0.00	2,000,000,000.00	None	5/19/2016	None	Not a loan or guarantee	Not a loan or guarantee
UNIGAL LTDA	Jointly-controlled	8/1/2010	CYLINDER AND ROLLER GRINDING CGL I	DEBTOR	6,592,799.66	4,538,855.73	6,592,799.66	None	12/31/2017	None	Not a loan or guarantee	Not a loan or guarantee

UNIGAL LTDA	Jointly-controlled	11/27/2013	BENEFICIATION OF PRODUCTS	DEBTOR	1,240,000,000.00	0.00	1,240,000,000.00	None	5/19/2016	None	Not a loan or guarantee	Not a loan or guarantee
UNIGAL LTDA	Jointly-controlled	7/1/2016	BENEFICIATION OF PRODUCTS	DEBTOR	690,000,000.00	430,657,269.44	690,000,000.00	None	6/30/2018	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS COMMERCIAL	Subsidiary	1/18/2008	LOAN AGREEMENT	DEBTOR	880,516,000.00	1,199,219,840.00	880,516,000.00	None	1/17/2018	Contractual default	Working capital	4,1165% p.a.
USIMINAS ELETROGALVANIZED	Subsidiary	1/1/2016	SALE OF STEEL PRODUCTS	CREDITOR	5,651,269.05	0.00	5,651,269.05	None	12/31/2016	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS GALVANIZED	Subsidiary	1/1/2016	SALE OF STEEL PRODUCTS	CREDITOR	131,064,681.76	0.00	131,064,681.76	None	12/31/2016	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	1/1/2016	SALE OF STEEL PRODUCTS	CREDITOR	48,329,745.27	0.00	48,329,745.27	None	12/31/2016	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	4/1/2009	SUPPLY OF PARTS AND REPAIR SERVICES	DEBTOR	5,414,096.24	0.00	5,414,096.24	None	3/31/2029	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	4/1/2009	SUPPLY OF PARTS AND REPAIR SERVICES	DEBTOR	57,901,775.01	0.00	57,901,775.01	None	3/31/2029	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	4/1/2009	SUPPLY OF PARTS AND REPAIR SERVICES	DEBTOR	33,870,064.37	0.00	33,870,064.37	None	3/31/2029	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	4/1/2009	SUPPLY OF PARTS AND REPAIR SERVICES	DEBTOR	2,521,688.01	0.00	2,521,688.01	None	3/31/2029	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	4/1/2009	SUPPLY OF PARTS AND REPAIR SERVICES	DEBTOR	2,000,000.00	0.00	2,000,000.00	None	3/31/2029	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	4/1/2009	SUPPLY OF PARTS AND REPAIR SERVICES	DEBTOR	10,209,119.41	0.00	10,209,119.41	None	3/31/2029	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	4/1/2009	SUPPLY OF PARTS AND REPAIR SERVICES	DEBTOR	20,000,000.00	0.00	20,000,000.00	None	3/31/2029	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	4/1/2009	SUPPLY OF PARTS AND REPAIR SERVICES	DEBTOR	17,969,399.77	0.00	17,969,399.77	None	3/31/2029	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	4/1/2009	SUPPLY OF PARTS AND REPAIR SERVICES	DEBTOR	20,728,114.20	0.00	20,728,114.20	None	3/31/2029	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	5/25/2009	MECHANICAL WORKSHOP AND BOILER - CUBATÃO	DEBTOR	47,856,881.59	0.00	47,856,881.59	None	4/15/2029	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	5/25/2009	CARCAÇA MANCAL A12M050-0028 A	DEBTOR	22,277,848.82	0.00	22,277,848.82	None	4/15/2029	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	9/14/2009	MECHANICAL WORKSHOP AND BOILER _FACTORY 1	DEBTOR	9,731,677.05	0.00	9,731,677.05	None	4/15/2029	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	9/14/2009	MECHANICAL WORKSHOP AND BOILER _FACTORY 1	DEBTOR	12,768,322.95	0.00	12,768,322.95	None	4/15/2029	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	8/12/2013	GR.TROCA VIGAS DE ROLAMENTO LINHA "E"	DEBTOR	3,009,345.65	0.00	3,009,345.65	None	1/31/2016	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	9/26/2013	PANELA TT0502M80007 TRANSP ESCORIA 25T	DEBTOR	6,074,147.52	0.00	6,074,147.52	None	1/30/2016	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	10/25/2013	ELECTROMECHANICAL ASSEMBLY	DEBTOR	157,254,540.00	0.00	157,254,540.00	None	4/30/2016	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	2/1/2014	BOILER MATERIALS / MACHINING	DEBTOR	46,744,260.14	0.00	46,744,260.14	None	5/30/2017	None	Not a loan or guarantee	Not a loan or guarantee

USIMINAS MECANICA S A	Subsidiary	4/3/2014	BOILER MATERIALS / MACHINING	DEBTOR	6,407,000.00	0.00	6,407,000.00	None	4/30/2016	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	8/13/2014	INVESTMENT – EQUIPMENT SUPPLY	DEBTOR	7,777,320.00	0.42	7,777,320.00	None	5/15/2016	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	3/24/2015	BOILER MATERIALS / MACHINING	DEBTOR	3,989,900.00	0.00	3,989,900.00	None	3/5/2016	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	6/26/2015	BOILER MATERIALS / MACHINING	DEBTOR	2,386,807.62	0.00	2,386,807.62	None	4/24/2016	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	7/22/2015	BOILER MATERIALS / MACHINING	DEBTOR	3,979,177.87	3,979,177.87	3,979,177.87	None	8/30/2018	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	1/20/2016	BOILER MATERIALS / MACHINING	DEBTOR	3,471,990.00	138,370.39	3706,000.00	None	6/30/2018	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	6/17/2016	BOILER MATERIALS / MACHINING	DEBTOR	3,706,000.00	3,628,806.40	3706,000.00	None	6/30/2018	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	6/21/2016	BOILER MATERIALS / MACHINING	DEBTOR	10,844,023.34	4,823,357.31	10,844,023.34	None	7/30/2017	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	9/1/2016	INVESTMENT - ASSEMBLY SERVICES	DEBTOR	5,461,327.55	665,510.50	5,461,327.55	None	12/31/2017	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	10/15/2016	INVESTMENT - ASSEMBLY SERVICES	DEBTOR	9,182,866.24	949,306.71	9,182,866.24	None	4/15/2017	None	Not a loan or guarantee	Not a loan or guarantee
USIMINAS MECANICA S A	Subsidiary	11/7/2016	INVESTMENT - ASSEMBLY SERVICES	DEBTOR	1,438,436.18	67,546.52	1,438,436.18	None	5/15/2017	None	Not a loan or guarantee	Not a loan or guarantee
USIROLL USIMINAS COURT TE	Subsidiary	9/1/2003	CYLINDER LAM.TW TEXTUR/CHROMAT.C.USIROLL	DEBTOR	46,890,374.23	0.00	46,890,374.23	None	12/31/2019	None	Not a loan or guarantee	Not a loan or guarantee
USIROLL USIMINAS COURT TE	Subsidiary	10/1/2011	CYLINDER CHROMED TW <=300UN USIROLL	DEBTOR	32,688,397.00	0.00	32,688,397.00	None	9/30/2021	None	Not a loan or guarantee	Not a loan or guarantee
USIROLL USIMINAS COURT TE	Subsidiary	1/30/2013	CYLINDERS CHROMATIZATION UNTIL 300/MONTH	DEBTOR	4,851,199.00	0.00	4,851,199.00	None	9/30/2021	None	Not a loan or guarantee	Not a loan or guarantee
USIROLL USIMINAS COURT TE	Subsidiary	1/1/2016	BENEFICIATION OF PRODUCTS	DEBTOR	3,916,478.52	1,566,589.11	3,916,478.52	None	12/31/2025	None	Not a loan or guarantee	Not a loan or guarantee
USIROLL USIMINAS COURT TE	Subsidiary	1/1/2016	BENEFICIATION OF PRODUCTS	DEBTOR	15,068,719.00	5,790,396.28	15,068,719.00	None	12/31/2025	None	Not a loan or guarantee	Not a loan or guarantee

16.3. In relation to each one of the transactions or joint transactions mentioned in item 16.2 above which took place in the last fiscal year: a) identify the measures adopted to deal with conflicts of interest; and b) demonstrate the strictly arm's length character of the conditions agreed or the appropriate compensatory payment.

In case of conflict of interests, the Company adopts the rules mentioned in item 16.1 to address these conflicts.

Moreover, in accordance with the Brazilian Corporation Law, any member of the Board of Directors of the Company is prohibited from voting at any meeting or meetings of the Board of Directors or act in any business or transaction in which they have conflicting interests with the Company.

Company transactions and business with related parties follow market standards and are supported by relevant previous assessments of their conditions and the Company's strict interest in carrying out such assessments. The arm's length transactions between related parties are supported by appropriate documentation or other evidence held by the Company.

16.4. Provide other information as issuer may deem significant

No further significant information.

17. Capital

17.1. Capital composition

Date of authorization or approval	Capital value (Real)	Term of payment	Number of common shares (units)	Number of preferred shares (units)	Total number of shares (units)
07/19/2016	13,200,294,935.04	Paid-in capital	705,260,684	547,818,424	1,253,079,108

Capital by class of shares

Preferred Share Class	Number of shares (Units)
Class A Preferred	547,740,661
Class B Preferred	77,763

Authorized Capital

Date of authorization or approval	Capital value (Real)	Term of payment	Number of common shares (units)	Number of preferred shares (units)	Total number of shares (units)
07/19/2016	11,396,392	-	-	-	-

Except for Class B preferred shares, which may at any time and sole discretion of the shareholder be converted into Class A Preferred Shares, the Company has not issued securities or securities convertible into shares.

17.2. In relation to issuer's capital increases, state:

Resolution date	Corporate body that deliberate the increase	Data emissão	Issue date (Reais)	Type of increase	Common shares (number)	Preferred shares (number)	Total shares (number)	Subscription / Previous capital	Issue price	Quote factor
03/11/2016	Board of directors	-	64,882,317.00	Private subscription	-	50,689,310	50,689,310	100%	1.28	R\$ per unit

Capital by class of shares

Preferred Share Class

Number of shares (Units)

PNA

50,689,310

Criteria for determining the value of the issue

At the issuance price of R\$5,00 (five reais) per New Share, s admit the item III of first paragraph of article 170 of the Brazilian Corporate Law, based on the average of trading of the closing prices of the Company's class "A" preferred shares, in trading sessions of BM&FBOVESPA S.A. – Bolsa de Valores, Mercadorias e Futuros ("BM&FBOVESPA") held between the days 11.30.2015 and 03.01.2016.

Type of payment

In cash, in Brazilian reais, at the act of subscription.

04/18/2016	Extraordinary Shareholders' Meeting	-	1,000,000,000.00	Private subscription	200,000,000	-	200,000,000	100%	5.00	R\$ per unit
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Criteria for determining the value of the issue

At the issuance price of R\$5,00 (five reais) per New Share, which corresponds to the weighted average by the volume of each transaction ("VWAP") with common shares issued by the Company in BM&FBOVESPA S.A. – Bolsa de Valores, Mercadorias e Futuros ("BM&FBOVESPA") on the 90 (ninety) trading sessions prior to the Board of Directors meeting of March 11th, 2016 (trading sessions held between the days October 26th, 2015 and March 10th, 2016), applying a discount of 2.8% on the resulting value, as admit the item III of first paragraph of article 170 of the Brazilian Corporate Law.

Type of payment

In cash, in Brazilian reais, at the act of subscription.

There was no company's capital increase for the fiscal years ended December 31, 2014 and December 31, 2015.

17.3. Regarding splits, reverse splits and bonuses, inform in table form:

No splits, reverse splits and bonus shares were performed for the fiscal years ended December 31, 2016, December 31, 2015 and December 31, 2014.

17.4. In relation to the issuer's capital reductions, indicate:

There was no capital reduction for the last three fiscal years.

17.5. Provide other information the issuer deems significant

In 2014, 400 Class B preferred shares were converted into class A preferred shares. There is no further relevant information in addition to that disclosed above.

18. Securities

18.1. Describe the rights of each class and type of shares issued:

Share Type	Preferred Share Class	Tag Along%
Common	-	80.00

Dividend Rights

According to the Company's articles of incorporation and the Corporation Law, the Company shareholders are entitled to receive dividends or other distributions made in respect of shares of the Company in proportion to their equity interest. The Company's articles of incorporation provide for a mandatory minimum dividend of 25% of net income.

Voting Rights

Full

Description of Restricted Vote

None.

Convertibility

No

Condition for Convertibility and effects on capital

None.

Right to repayment of capital

Yes

Description of the Characteristics of repayment of capital

Withdrawal/Recess: The capital to be reimbursed by the Company in the cases provided by law shall be established based on the value of equity disclosed in the last balance sheet approved at the Company's General Meeting, pursuant to Article 45 of Law No. 6404 of December 15, 1976. Redemption: In accordance with the Brazilian Corporation Law, the Company's shares may be redeemed as decided by the shareholders at the Extraordinary General Meeting representing no less than 50% of capital.

Restriction to Circulation

Yes

Description of Restriction

Only those described in item 15.5.f of this Reference Form, concerning the shareholders agreement filed at the Company's headquarters.

Conditions for amendment to the rights guaranteed by such securities

In addition to the conditions described in item 15.5. and this Reference Form, according to the Corporation Law, or the Company's articles of incorporation or decisions made at a general meeting may deprive a shareholder of the right to: (i) profit sharing; (ii) participate, in case of Company liquidation, in the distribution of any remaining assets in proportion to their shareholding; (iii) oversee the management of the Company, pursuant to the Corporation Law; (iv) pre-emption upon future capital increases, except in certain circumstances set out in the Corporation Law and in the Company's articles of incorporation; and (v) withdraw from the company in the cases provided for in the Corporation Law.

Other significant characteristics

It behooves the Annual General Meeting to decide on the allocation of net income and dividend distribution. The articles of incorporation authorize the General Meeting to decide on the distribution of dividends due to pre-existing income reserves or retained earnings from previous years. The articles of incorporation further provide that the Company may prepare balance sheets for six-month periods or for shorter periods and that the Board of Directors may decide to distribute dividends, including interim dividends, to the retained earnings account disclosed in the last annual balance sheet. Under the Corporation Law, in the event of sale of a controlling equity in the Company, all holders of common shares are entitled to include their shares in a public offering of shares to be held by the acquirer of the controlling equity, and to receive at least 80% of the amount paid per share with voting rights, as an integral part of the controlling stock.

Share Type	Preferred Share Class	Tag Along%
Preferred	Class A	0.00

Dividend Rights

Holders of class A preferred are entitled to dividends 10% higher than those for common shares, and shall enjoy the same preemptive right as that of holders of Class B preferred shares, but only after meeting the preemptive right attached to Class B preferred shares. The preferred shares are entitled to participate, under the same conditions as those of common shares, any bonuses voted in the General Meeting.

Voting Rights

Without Right

Description of Restricted Vote

None.

Convertibility

No

Condition for Convertibility and effects on capital

None.

Right to repayment of capital

Yes

Description of the Characteristics of repayment of capital

Liquidation: The holders of class A preferred shares shall have priority in capital reimbursement, without any premium in the event of Company liquidation, but only after meeting the priority given to the class B preferred shares.

Withdrawal/Recess: The amount of reimbursement to be paid by the Company in the cases provided by law shall be established based on the value of equity disclosed in the last balance sheet approved at the shareholders meeting pursuant to Article 45 of Law No. 6404 of December 15, 1976.

Redemption: In accordance with the Brazilian Corporation Law, the Company's shares may be redeemed as decided by the shareholders at the Extraordinary General Meeting representing no less than 50% of capital.

Restricted Circulation

No

Description of Restriction

None.

Conditions for amendment to the rights guaranteed by such securities

In addition to the conditions described in item 15.5. of this Reference Form, in accordance with the Corporation Law neither the Company's articles of incorporation nor the decisions at a general meeting may deprive a shareholder of the right to: (i) profit sharing; (ii) participate, in case of Company liquidation, in the distribution of any remaining assets in proportion to their shareholding; (iii) oversee the management of the Company, pursuant to the Corporation Law; (iv) preemption upon future capital increases, except in certain circumstances set out in the Corporation Law and in the Company's articles of incorporation; and (v) withdraw from the company in the cases provided for in the Corporation Law.

Other significant characteristics

It behooves the Annual General Meeting of the Company to decide on the allocation of net income and dividend distribution. The Company's articles of incorporation authorize the General Meeting to decide on the distribution of dividends due to pre-existing income reserve or retained earnings from previous years. The articles of incorporation further provide that the Company may prepare balance sheets for six-month periods or for shorter periods and that the Board of Directors may decide to distribute dividends, including interim dividends, to the retained earnings account disclosed in the last annual balance sheet.

Share Type	Preferred Share Class	Tag Along%
Preferred	Class B	0.00

Dividend Rights

The holders of Class B preferred shares are entitled to dividends 10% higher than those for common shares, and have priority in capital reimbursement in the event of liquidation. The preferred shares are entitled to participate, under the same conditions as those of common shares, any bonuses voted in the General Meeting.

Voting Rights

Without Right

Description of Restricted Vote

None.

Convertibility

Yes

Condition for convertibility and effects on capital

i. Conditions: The class B preferred shares may, at any time and at the sole discretion of the holder of such shares, be converted into class A preferred shares. Preferred shares may not be converted into common shares. ii. Effects on Capital: Does not affect capital, except number of shares per class, in case of conversion of class B preferred shares into class A preferred shares.

Right to repayment of capital

Yes

Description of the Characteristics of repayment of capital

Liquidation: Holders of Class B preferred shares will have priority in capital reimbursement, without any premium in the event of Company liquidation.

Withdrawal/Recess: The amount of reimbursement to be paid by the Company, in the cases provided by law, shall be established based on the value of equity disclosed in the last balance sheet approved at the shareholders meeting pursuant to article 45 of Law No. 6404 of December 15, 1976.

Redemption: In accordance with the Brazilian Corporation Law, the Company's shares may be redeemed as decided by the shareholders at the Extraordinary General Meeting representing no less than 50% of capital. The redemption of the shares shall be paid with retained earnings, income reserves or capital reserves. Should the redemption do not cover total shares, a random selection shall be made.

Restriction to Circulation

No

Description of Restriction

None.

Conditions for amendment to the rights guaranteed by such securities

In addition to the conditions described in item 15.5. and this Reference Form according to the Corporation Law, or the Company's articles of incorporation or decisions made at a general meeting may deprive a shareholder of the right to: (i) profit sharing; (ii) participate, in case of Company liquidation, in the distribution of any remaining assets in proportion to their shareholding; (iii) oversee the management of the Company, pursuant to the Corporation Law; (iv) pre-emption upon future capital increases, except in certain circumstances set out in the Corporation Law and in the Company's articles of incorporation; and (v) withdraw from the company in the cases provided for in the Corporation Law.

Other significant characteristics

It behooves the Annual General Meeting of the Company to decide on the allocation of net income and dividend distribution. The Company's articles of incorporation authorize the General Meeting to decide on the distribution of dividends due to pre-existing income reserve or retained earnings from previous years. The articles of incorporation further provide that the Company may prepare balance sheets for six-month periods or for shorter periods and that the Board of Directors may decide to distribute dividends, including interim dividends, to the retained earnings account disclosed in the last annual balance sheet.

18.2. Describe, if applicable, the provisions limiting the voting rights of significant shareholders or that require them to make a public offer

There are no provisions limiting the voting rights of significant shareholders or requiring them to make a public offer.

18.3. Describe exceptions and conditions precedent related to equity or political rights provided for in the Company's articles of incorporation

The articles of incorporation provide for no exceptions and conditions precedent related to equity or political rights.

18.4. In a table, inform volume of trades as well as the highest and lowest quoted values of securities traded on stock exchanges or organized OTC market, in each quarter of the last 3 fiscal years:

Fiscal Year 12/31/2016

In the quarter	Security	Type	Class	Market	Administrative Entity	Financial Volume Traded (R\$)	Average of the Financial Volume Traded (R\$)	Highest Quoted Value (R\$)	Lowest Quoted Value (R\$)	Quote Factor
1Q2016	Shares	Common		Stock Exchange	BM&F Bovespa	49,409,174	3.69	5.35	2.85	R\$ per unit
2Q2016	Shares	Common		Stock Exchange	BM&F Bovespa	41,317,711	4.69	5.19	3.48	R\$ per unit
3Q2016	Shares	Common		Stock Exchange	BM&F Bovespa	80,480,834	7.62	9.90	4.90	R\$ per unit
4Q2016	Shares	Common		Stock Exchange	BM&F Bovespa	24,700,582	8.54	9.56	7.58	R\$ per unit
1Q2016	Shares	Preferred	PNA	Stock Exchange	BM&F Bovespa	1,763,963,984	1.24	2.24	0.81	R\$ per unit
2Q2016	Shares	Preferred	PNA	Stock Exchange	BM&F Bovespa	3,665,592,039	2.03	2.70	1.42	R\$ per unit
3Q2016	Shares	Preferred	PNA	Stock Exchange	BM&F Bovespa	6,487,220,401	3.29	4.30	1.93	R\$ per unit
4Q2016	Shares	Preferred	PNA	Stock Exchange	BM&F Bovespa	6,400,841,556	4.02	4.83	3.50	R\$ per unit
1Q2016	Shares	Preferred	PNB	Stock Exchange	BM&F Bovespa	17,200	1.71	2.16	1.03	R\$ per unit
2Q2016	Shares	Preferred	PNB	Stock Exchange	BM&F Bovespa	22,060	1.93	2.43	1.42	R\$ per unit
3Q2016	Shares	Preferred	PNB	Stock Exchange	BM&F Bovespa	58,764	3.51	4.10	1.82	R\$ per unit
4Q2016	Shares	Preferred	PNB	Stock Exchange	BM&F Bovespa	67,193	4.09	5.00	3.25	R\$ per unit

Fiscal Year 12/31/2015

In the quarter	Security	Type	Class	Market	Administrative Entity	Financial Volume Traded (R\$)	Average of the Financial Volume Traded (R\$)	Highest Quoted Value (R\$)	Lowest Quoted Value (R\$)	Quote Factor
1Q2015	Shares	Common		Stock Exchange	BM&F Bovespa	637,595,490	15.49	22.95	9.68	R\$ per unit
2Q2015	Shares	Common		Stock Exchange	BM&F Bovespa	151,022,800	16.26	19.76	13.26	R\$ per unit
3Q2015	Shares	Common		Stock Exchange	BM&F Bovespa	92,166,110	9.41	13.2	8.11	R\$ per unit
4Q2015	Shares	Common		Stock Exchange	BM&F Bovespa	11,286,010	6.94	9.31	4.02	R\$ per unit
1Q2015	Shares	Preferred	PNA	Stock Exchange	BM&F Bovespa	2,236,890,000	4.20	5.19	3.35	R\$ per unit
2Q2015	Shares	Preferred	PNA	Stock Exchange	BM&F Bovespa	2,461,530,000	5.12	6.97	4.12	R\$ per unit
3Q2015	Shares	Preferred	PNA	Stock Exchange	BM&F Bovespa	2,002,580,000	3.70	4.65	2.68	R\$ per unit
4Q2015	Shares	Preferred	PNA	Stock Exchange	BM&F Bovespa	1,691,890,000	2.49	3.73	1.45	R\$ per unit
1Q2015	Shares	Preferred	PNB	Stock Exchange	BM&F Bovespa	12,610	4.37	4.51	4.32	R\$ per unit
2Q2015	Shares	Preferred	PNB	Stock Exchange	BM&F Bovespa	126,020	5.05	6.44	4.26	R\$ per unit
3Q2015	Shares	Preferred	PNB	Stock Exchange	BM&F Bovespa	76,480	3.53	4.9	2.51	R\$ per unit
4Q2015	Shares	Preferred	PNB	Stock Exchange	BM&F Bovespa	2,410	2.74	3.02	2.62	R\$ per unit

Fiscal Year 12/31/2014

In the quarter	Security	Type	Class	Market	Administrative Entity	Financial Volume Traded (R\$)	Average of the Financial Volume Traded (R\$)	Highest Quoted Value (R\$)	Lowest Quoted Value (R\$)	Quote Factor
1Q2014	Shares	Common		Stock Exchange	BM&F Bovespa	317,303,211	10.05	12.74	7.94	R\$ per unit
2Q2014	Shares	Common		Stock Exchange	BM&F Bovespa	144,364,909	7.57	9.33	6.82	R\$ per unit
3Q2014	Shares	Common		Stock Exchange	BM&F Bovespa	171,007,909	7.25	8.48	6.64	R\$ per unit
4Q2014	Shares	Common		Stock Exchange	BM&F Bovespa	475,459,195	7.66	12.75	6.01	R\$ per unit
1Q2014	Shares	Preferred	PNA	Stock Exchange	BM&F Bovespa	4,896,811,913	11.09	-	8.52	R\$ per unit
2Q2014	Shares	Preferred	PNA	Stock Exchange	BM&F Bovespa	3,227,567,207	8.45	10.24	7.58	R\$ per unit
3Q2014	Shares	Preferred	PNA	Stock Exchange	BM&F Bovespa	3,566,814,098	7.94	9.00		R\$ per unit
4Q2014	Shares	Preferred	PNA	Stock Exchange	BM&F Bovespa	2,367,947,116	5.41	6.85		R\$ per unit
1Q2014	Shares	Preferred	PNB	Stock Exchange	BM&F Bovespa	-	-	0.00	0.00	R\$ per unit
2Q2014	Shares	Preferred	PNB	Stock Exchange	BM&F Bovespa	-	-	0.00	0.00	R\$ per unit
3Q2014	Shares	Preferred	PNB	Stock Exchange	BM&F Bovespa	2,728	6.69	6.82	6.82	R\$ per unit
4Q2014	Shares	Preferred	PNB	Stock Exchange	BM&F Bovespa	2,010	6.63	6.70	6.70	R\$ per unit

Source: Economática

Comment: Possible relevant fluctuations in the securities quotation should be analyzed taking into consideration the issuing of new securities related to bonuses and splits, as described on items 17.2 and 17.3.

In the quarter	Security	Type	Class	Market	Administrative Entity	Financial Volume Traded (US\$)	Average of the Financial Volume Traded (R\$)	Highest Quoted Value (US\$)	Lowest Quoted Value (US\$)	Volume Traded (R\$)
1Q2014	ADS level 1	Preferred	PNA	Stock Exchange	OTC	16,033,033	4.66	5.92	3.62	37,921,515
2Q2014	ADS level 1	Preferred	PNA	Stock Exchange	OTC	22,795,858	3.82	4.54	3.46	50,824,787
3Q2014	ADS level 1	Preferred	PNA	Stock Exchange	OTC	30,502,685	3.51	4.00	2.59	69,379,097
4Q2014	ADS level 1	Preferred	PNA	Stock Exchange	OTC	19,887,791	2.17	2.84	1.64	50,589,431
1Q2015	ADS level 1	Preferred	PNA	Stock Exchange	OTC	13,025,928	1.47	1.86	1.20	41,682,972
2Q2015	ADS level 1	Preferred	PNA	Stock Exchange	OTC	24,426,688	1.69	2.28	1.36	75,722,732
3Q2015	ADS level 1	Preferred	PNA	Stock Exchange	OTC	17,148,303	1.05	1.41	0.79	68,078,265
4Q2015	ADS level 1	Preferred	PNA	Stock Exchange	OTC	2,788,388	0.66	1.00	0.36	10,874,714
1Q2016	ADS level 1	Preferred	PNA	Stock Exchange	OTC	6,311,265	0.31	0.59	0.16	24,627,830
2Q2016	ADS level 1	Preferred	PNA	Stock Exchange	OTC	11,410,938	0.46	0.84	0.38	40,025,313
3Q2016	ADS level 1	Preferred	PNA	Stock Exchange	OTC	6,858,904	1.04	1.30	0.60	22,264,307
4Q2016	ADS level 1	Preferred	PNA	Stock Exchange	OTC	10,971,878	1.21	1.49	1.04	36,155,418

18.5. Describe issued securities other than shares:

<i>Debêntures de 6ª emissão da Companhia</i>	
<i>a) Identificação do valor mobiliário</i>	Debêntures não conversíveis em ações.
<i>b) Quantidade</i>	100.000 debêntures simples.
<i>c) Valor</i>	Valor nominal unitário na data da emissão de R\$ 10.000,00
<i>d) Data da emissão</i>	Debêntures emitidas em 30 de janeiro de 2013, conforme Escritura da 6ª Emissão Pública, Com Esforços Restritos de Colocação, de Debêntures Simples, Não Conversíveis em Ações, da Espécie Quirografária (Escritura de Emissão), datada de 21 de janeiro de 2013. Em 11 de fevereiro de 2016 foi celebrado o Primeiro Aditivo à Escritura de Emissão e em 09 de setembro de 2017, o Segundo Aditivo à Escritura de Emissão, que a altera para Escritura da 6ª Emissão Pública, Com Esforços Restritos de Colocação, de Debêntures Simples, Não Conversíveis em Ações, da Espécie Com Garantia Real, ora vigente.
<i>e) saldo devedor em aberto na data de encerramento do último exercício social</i>	Em 31 de dezembro de 2016 a Companhia tem registrado um saldo devedor de R\$ 998 milhões.
<i>f) restrições à circulação</i>	Não existem restrições à circulação.
<i>g) Conversibilidade em ações ou conferência de direito de subscrever ou comprar ações do emissor, informando:</i>	As debêntures não são conversíveis em ações, tampouco conferem aos seus titulares o direito de subscrever ou adquirir ações de emissão da Companhia.
<i>h) Possibilidade de resgate, indicando:</i>	<p>i) Hipóteses de Resgate (Pagamentos Extraordinários)</p> <p>A Emissora poderá, a qualquer tempo, realizar pagamentos extraordinários de valores devidos sob as Debêntures, bem como sob os demais Instrumentos Objeto da Renegociação, parcial ou integralmente, desde que a Emissora envie notificação aos Debenturistas com pelo menos 90 (noventa) dias de antecedência, indicando o valor total do pré-pagamento em Reais e a data de pré-pagamento.</p> <p>ii) Fórmula de cálculo do valor de resgate</p> <p>a) Os pagamentos antecipados deverão ser realizados aos Debenturistas e demais Credores da Renegociação de forma pro rata, sem que seja devido qualquer prêmio, tarifa ou penalidade pela Emissora, com a seguinte exceção:</p> <p>a. Mediante ocorrência de quaisquer pagamentos extraordinários nos termos do item h.i. "Hipóteses de Resgate", os Debenturistas farão jus ao pagamento da parcela do Valor Nominal Unitário (ou do saldo do Valor Nominal Unitário, conforme o caso), acrescida da Remuneração calculada pro rata temporis desde a Data de Integralização ou da última Data de Pagamento da Remuneração, conforme o caso, até a data em que o pagamento extraordinário aplicável efetivamente ocorrer, e de prêmio incidente sobre o Valor do Pagamento Antecipado Facultativo, a ser calculado de acordo com a tabela abaixo:</p>

PERÍODO (A CONTAR DA DATA DE EMISSÃO)	PRÊMIO
Entre 15 de setembro de 2016 e 15 de setembro de 2017.	2,00%
Entre 16 de setembro de 2017 e 15 de setembro de 2018.	1,80%
Entre 16 de setembro de 2018 e 15 de setembro de 2019.	1,60%
Entre 16 de setembro de 2019 e 15 de setembro de 2020.	1,40%
Entre 16 de setembro de 2020 e 15 de setembro de 2021.	1,20%
Entre 16 de setembro de 2021 e 15 de setembro de 2022.	1,00%
Entre 16 de setembro de 2022 e 15 de setembro de 2023.	0,80%
Entre 16 de setembro de 2023 e 15 de setembro de 2024.	0,60%
Entre 16 de setembro de 2024 e 15 de setembro de 2025.	0,40%
Entre 16 de setembro de 2025 e 15 de setembro de 2026.	0,20%

- b) Os pagamentos realizados para fins de liquidação antecipada das obrigações nos termos fixados serão obrigatoriamente utilizados na seguinte ordem, de forma que cada item somente será pago, caso haja recursos disponíveis após o cumprimento do item anterior: (i) primeiro, para o pagamento de multa e juros moratórios eventualmente aplicáveis se devidos até a data de liquidação antecipada; (ii) segundo, para o pagamento da Remuneração devida até a data de liquidação antecipada; e (iii) terceiro, para a amortização extraordinária de percentual do saldo do Valor Nominal Unitário das Debêntures.
- c) Para fins do item b acima, cada Pagamento Extraordinário Facultativo será operacionalizado como um evento genérico, correspondente a cada inciso do mesmo item. Para tal, as Partes se comprometem a (i) comunicar a CETIP, com 2 (dois) dias de antecedência, acerca da ocorrência de um Pagamento Extraordinário Facultativo; (ii) celebrar um aditamento a esta Escritura de Emissão mediante ocorrência de cada Pagamento Extraordinário Facultativo, para substituição do cronograma de amortização previsto no Segundo Aditivo da Escritura de Emissão, na mesma data em que o Pagamento Extraordinário Facultativo for realizado, caso aplicável, e alterar a Data de Vencimento em virtude do Pagamento Extraordinário Facultativo, em até 15 (quinze) dias da referida data, caso aplicável. O Agente Fiduciário fica autorizado a celebrar o aditamento de que trata o item (ii) acima independentemente de realização de qualquer AGD.
- d) A Emissora deverá fornecer ao Agente Fiduciário, com ao menos 15 (quinze) dias de antecedência à data do Pagamento Extraordinário Facultativo ("Notificação Pagamento Extraordinário Facultativo"): (i) a participação pro rata dos Debenturistas e o valor do Pagamento Extraordinário Facultativo correspondente à participação pro rata dos Debenturistas, na Escritura de Emissão, calculada conforme previsto no item seguinte; e (ii) a memória de cálculo dos valores referidos no subitem (i) anterior.
- e) A participação pro rata de cada Credor da Renegociação no Pagamento Extraordinário Facultativo será calculada com base no saldo devedor em aberto devido a cada Credor da Renegociação, em cada Instrumento Objeto da Renegociação, na data da Notificação Pagamento Extraordinário Facultativo. Para fins desse cálculo, os valores devidos pela Emissora em dólares norte-americanos serão convertidos para Reais pela Taxa de Câmbio do dia útil imediatamente anterior à data da notificação referida no item anterior.

i) Quanto aos valores mobiliários que são de dívida, indicar:

i) Vencimento, inclusive as condições de vencimento antecipado

As Debêntures terão prazo de vigência de 4.975 (quatro mil, novecentos e setenta e seis) dias contatos a partir de 30 de janeiro de 2013, vencendo, portanto, em 15 de setembro de 2026.

Hipóteses de Vencimento Antecipado

O Agente Fiduciário poderá declarar antecipadamente vencidas todas as obrigações relativas às Debêntures e exigir o imediato pagamento, pela Emissora, do saldo devedor do Valor Nominal Unitário das Debêntures, acrescido da Remuneração, devida desde a Data de Emissão, ou da última Data de Pagamento da Remuneração, conforme o caso, até a data do efetivo pagamento, calculada pro rata temporis, e demais encargos previstos na Escritura de Emissão, independentemente de aviso, interpelação ou notificação

judicial ou extrajudicial, na ciência da ocorrência de qualquer um dos seguintes eventos ("Evento de Vencimento Antecipado"):

- (i) não pagamento pela Emissora, na respectiva data de vencimento, de qualquer obrigação pecuniária devida nos termos da Escritura de Emissão ou de quaisquer outros contratos celebrados com quaisquer entidades do grupo econômico de cada Debenturista, dos Credores da Renegociação e/ou com os Bondholders, incluindo principal, juros, taxas, comissões, encargos, custos e despesas;
- (ii) não cumprimento, pela Emissora, na data em que tal cumprimento seja exigido, de qualquer obrigação não pecuniária no âmbito da Escritura de Emissão ou de quaisquer outros contratos celebrados com quaisquer entidades do grupo econômico de cada Debenturista, dos Credores da Renegociação e/ou com os Bondholders, exceto se tal descumprimento for sanado (a) no prazo de 7 (sete) dias, quando não exista prazo de cura específico estabelecido nos documentos correspondentes para o descumprimento em causa, ou (b) no prazo de cura estabelecido nos documentos correspondentes, ficando claro e acordado que em nenhum caso os prazos de cura referidos em (a) e (b) acima serão cumulativos;
- (iii) (a) declaração de vencimento antecipado ou inadimplemento, considerando eventual período de cura, de qualquer obrigação pecuniária da Emissora e/ou de quaisquer de suas Controladas Relevantes perante instituições financeiras, seja na qualidade de principal pagadora, mutuária ou garantidora; ou (b) declaração de vencimento antecipado ou inadimplemento de qualquer obrigação pecuniária da Emissora e/ou de quaisquer de suas Controladas Relevantes perante terceiros que não sejam instituições financeiras, seja na qualidade de principal pagadora, mutuária ou garantidora e considerado eventual período de cura, exceto, no caso deste item (b), se estiverem sendo contestados de boa-fé mediante ação ou procedimentos próprios;
- (iv) protesto legítimo de títulos contra a Emissora, ainda que na condição de garantidora, cujo valor individual ou agregado devido e não pago ultrapasse R\$ 5.000.000,00 (cinco milhões de reais) ou o equivalente em outras moedas, o qual deverá ser atualizado pela variação do IPCA, salvo se, no prazo de até 4 (quatro) dias contados da data do protesto, a Emissora tenha comprovado que tal protesto (a) foi efetuado por erro ou má-fé de terceiros; (b) foi cancelado; ou (c) teve sua exigibilidade suspensa por decisão judicial;
- (v) decisão ou sentença judicial, decisão administrativa ou arbitral, de natureza condenatória, cujos efeitos não tenham sido e não estejam suspensos, seja proferida contra a Emissora e/ou qualquer de suas Controladas Relevantes em valor total, individual ou agregado, igual ou superior a R\$ 50.000.000,00 (cinquenta milhões de reais), o qual deverá ser atualizado pela variação do IPCA, ou o seu equivalente em outras moedas ou que cause uma Mudança Adversa Relevante;
- (vi) decisão ou sentença judicial, decisão administrativa ou arbitral, de natureza condenatória, cujos efeitos não tenham sido e não estejam suspensos, que, de qualquer forma, a critério do Agente Fiduciário, afete ou prejudique o Aumento de Capital ou a disponibilidade dos recursos dele oriundos;
- (vii) (a) solicitação ou concordância, pela Emissora e/ou qualquer de suas Controladas Relevantes, com a nomeação de um síndico, custodiante, trustee, examinador, administrador judicial (em caso de falência), liquidante ou pessoa semelhante, para si próprio ou para toda ou parte substancial de sua propriedade, ou ainda solicitação ou concordância, pela Emissora e/ou qualquer de suas Controladas Relevantes, com a tomada de posse, por qualquer destes, de si próprio ou de toda ou parte substancial de sua propriedade; (b) cessão, pela Emissora e/ou por qualquer de suas Controladas Relevantes, de toda ou parte substancial de sua propriedade para o benefício de seus credores; (c) pedido de recuperação judicial pela Emissora e/ou por quaisquer de suas Controladas Relevantes, independentemente de deferimento do processamento da recuperação ou de concessão pelo juiz competente; (d) decretação de falência da Emissora ou de qualquer de suas Controladas Relevantes; (e) pedido de autofalência formulado pela Emissora e/ou por qualquer de suas Controladas Relevantes; (f) apresentação de proposta de plano de recuperação extrajudicial a qualquer credor ou classe de credores, independentemente de ter sido deferida ou obtida homologação judicial do referido plano pela Emissora ou por qualquer de suas Controladas Relevantes; (g) houver a liquidação, dissolução ou extinção da Emissora e/ou de qualquer de suas Controladas Relevantes; ou, ainda, (h) pedido de falência por quaisquer terceiros em face da Emissora e/ou de suas Controladas Relevantes não elidido no prazo legal;
- (viii) diretamente ou através de prepostos ou mandatários, a Emissora e/ou qualquer de suas Controladas Relevantes prestar ou fornecer ao Agente Fiduciário informações ou declarações incompletas ou que induzam a erro, inclusive por meio de documento público ou particular de qualquer natureza;

- (ix) cessão ou qualquer forma de transferência pela Emissora, no todo ou em parte, de qualquer obrigação relacionada a Escritura de Debêntures e/ou a qualquer dos demais Documentos da Renegociação;
- (x) descumprimento pela Emissora da destinação dos recursos obtidos na Emissão, nos termos do item 5.5 da Escritura de Emissão;
- (xi) descumprimento, pela Emissora, dos Covenants Financeiros nos termos do item 6.1(xviii) da Escritura de Emissão;
- (xii) descumprimento, pela Emissora, de sua obrigação de convidar o Agente Fiduciário para comparecimento à reunião de que trata o item (xix);
- (xiii) descumprimento, pela Emissora, dos mecanismos de Cash Sweep e/ou Pagamento da Distribuição em qualquer hipótese em que tais mecanismos devam ser exercidos;
- (xiv) caso a Emissora ou qualquer de suas subsidiárias discuta a eficácia ou, de qualquer forma, questione, ou tome alguma medida judicial, arbitral ou extrajudicial, visando questionar, anular, invalidar ou limitar a eficácia de quaisquer disposições, direitos, créditos e/ou garantias referentes a Escritura de Emissão, qualquer dos demais Documentos da Renegociação e/ou às operações contempladas em tais documentos;
- (xv) caso se verifique a invalidade, nulidade, suspensão, revogação, ineficácia, perda de caráter vinculante ou inexecutibilidade, por qualquer motivo, desde que não causado por atos praticados pelo Agente Fiduciário subsequentemente a 9 de setembro de 2016 e/ou de qualquer dos demais Documentos da Renegociação;
- (xvi) caso (a) qualquer ônus criado nos termos do Contrato de Garantia LTQ e LTF deixe de ser plenamente legal, válido, vinculante, eficaz e exequível, de acordo com os termos e condições estabelecidos no Contrato de Garantia LTQ e LTF, ou (b) a prioridade de qualquer ônus criado nos termos de tal Contrato de Garantia LTQ e LTF deixe de ser a indicada em tal Contrato de Garantia LTQ e LTF;
- (xvii) transformação em sociedade limitada, cisão, incorporação ou qualquer outra reorganização societária envolvendo a Emissora e/ou qualquer de suas Controladas Relevantes, exceto se previamente autorizado pelos Credores, se autorizado nos termos desta Escritura de Emissão ou se a operação de cisão ou reorganização societária: (1) (a) não implicar na alteração de controle da Emissora (conforme estabelecido nos itens (xx), (xxi) e (xxii) abaixo), (b) não afetar a capacidade de pagamento da Emissora com relação aos compromissos assumidos nesta Escritura de Emissão e (c) tiver como entidade sobrevivente a Emissora ou (2) (a) não afetar a capacidade de pagamento da Emissora com relação aos compromissos assumidos nesta Escritura de Emissão e (b) envolver tão somente Controladas Relevantes da Emissora, e não envolva a Emissora;
- (xviii) a atividade principal da Emissora e/ou de quaisquer de suas Controladas Relevantes deixe de ser a que consta em seus respectivos estatutos sociais em 9 de setembro de 2016, conforme o disposto no item 4.1 da Escritura de Emissão, e/ou qualquer alteração do objeto social da Emissora e/ou de quaisquer de suas controladas, que modifique substancialmente as atividades exercidas em 9 de setembro de 2016;
- (xix) distribuição, pela Emissora, de Dividendos, exceto pelo mínimo exigido por lei e/ou pelo estatuto social da Emissora em vigor em 9 de setembro de 2016 e observado o disposto no item 5.11.2 e seus subitens da Escritura de Emissão;
- (xx) houver transferência do controle acionário direto da Emissora, tal como definido no artigo 116 da Lei das Sociedades por Ações (Lei 6.404/76), inclusive por meio de reorganização societária, que resulte em a Emissora passar a ser controlada por pessoa ou entidade não pertencente ao seu atual grupo de controle;
- (xxi) se o Grupo NSC ou o Grupo T/T deixar de participar do bloco de controle da Emissora;

- (xxii) se o Grupo NSC deixar de ser titular de, pelo menos, 30% (trinta por cento) das ações ordinárias emitidas pela Emissora;
- (xxiii) redução de capital da Emissora e/ou recompra pela Emissora de suas próprias ações para cancelamento, exceto se tal redução de capital e/ou recompra de suas próprias ações para cancelamento forem previamente autorizadas pelos Debenturistas;
- (xxiv) não renovação, cancelamento, revogação ou suspensão das autorizações, concessões, outorgas e licenças, inclusive as ambientais, relevantes para o regular exercício das atividades desenvolvidas pela Emissora e/ou por qualquer de suas Controladas Relevantes, exceto se, dentro do prazo de 15 (quinze) dias a contar da data de tal não renovação, cancelamento, revogação ou suspensão, a Emissora comprove a existência de provimento jurisdicional autorizando a regular continuidade de suas atividades até a renovação ou obtenção da referida licença ou autorização;
- (xxv) desapropriação, confisco ou qualquer outra medida de qualquer entidade governamental que possa resultar na perda pela Emissora (ou por qualquer de suas Controladas Relevantes) de propriedade ou posse direta de parte substancial de seus ativos ou na incapacidade de gestão de seus negócios, desde que tal desapropriação, confisco ou medida, considerada individual ou agregadamente, possa impactar negativa e materialmente, a critério do Agente Fiduciário, a capacidade da Emissora de cumprir com suas obrigações previstas nos Documentos da Renegociação e nos demais Instrumentos Objeto da Renegociação;
- (xxvi) ocorrência de qualquer procedimento, medida ou ato de sequestro, arresto ou penhora de ativos da Emissora e/ou de quaisquer de suas Controladas Relevantes, que possa impactar em 15% do patrimônio líquido não consolidado da Emissora, exceto se tal procedimento for suspenso, sobrestado, revertido ou extinto no prazo de até 20 (vinte) dias contados de seu início;
- (xxvii) se qualquer agência de rating de primeira linha rebaixar o rating da Emissora na data de assinatura em virtude (a) de qualquer alteração na composição societária, que venha resultar na perda, transferência ou alienação do controle acionário pelos atuais controladores, ou (b) de disposição de ativos da Emissora que afete de forma comprovadamente negativa e relevante a sua capacidade de pagamento;
- (xxviii) suspensão da negociação ou do registro da negociação das Debêntures junto à CETIP não sanada no prazo de 20 (dias) dias;
- (xxix) nos demais casos previstos nos artigos 333 e 1.425 do Código Civil Brasileiro;
- (xxx) a Emissora der causa ao encerramento de sua(s) conta(s) de depósitos em qualquer estabelecimento bancário por força de instruções do Conselho Monetário Nacional e/ou do Banco Central do Brasil;
- (xxxi) a inclusão, em acordo societário, estatuto ou contrato social da Emissora, ou das empresas que a controlam, de dispositivo pelo qual seja exigido "quórum" especial para deliberação ou aprovação de matérias que limitem ou cerceiem o controle de qualquer dessas empresas pelos respectivos controladores, ou, ainda, a inclusão naqueles documentos, de dispositivo que importe em: (a) restrições à capacidade de crescimento da Emissora ou ao seu desenvolvimento tecnológico; (b) restrições de acesso da Emissora a novos mercados; ou (c) restrições ou prejuízo à capacidade de pagamento das obrigações financeiras decorrentes desta operação;
- (xxxii) alteração do exercício fiscal da Emissora;
- (xxxiii) não recebimento de recursos do caixa da MUSA, pela Emissora, e de forma satisfatória ao Agente Fiduciário, em montante mínimo de R\$ 700.000.000,00 (setecentos milhões de reais), até 30 de junho de 2017;
- (xxxiv) outorga ou constituição de quaisquer garantias, reais ou fidejussórias, em favor dos Bondholders, cujo índice de cobertura ultrapasse o índice de cobertura da dívida outorgada pela Emissora aos Bancos Brasileiros no âmbito dos Documentos da Renegociação (com exceção (a) dos documentos da Renegociação contratados com o BNDES; e (b) da operação de financiamento,

contratada com o Bradesco, denominada Mapa IV (Financiamento Imobiliário), emitida em 27 de abril de 2015;

(xxxv) não conclusão do processo de renegociação dos termos e condições de ao menos 50% (cinquenta por cento) dos Bonds em aberto, nos exatos termos mutatis mutandi da Escritura de Emissão (com exceção dos termos aplicáveis aos Bonds indicados no Anexo III) ou alternativa equivalente que não impacte o caixa da Emissora e que, de qualquer forma, não envolva nenhuma obrigação da Emissora que não seja subordinada legal e financeiramente às obrigações da Emissora assumidas nos termos da Escritura de Emissão, até 31 de dezembro de 2016;

(xxxvi) alteração de quaisquer termos e condições, pré-pagamento ou antecipação da data de vencimento de quaisquer das dívidas no âmbito dos Instrumentos Objeto da Renegociação, sem anuência prévia dos Debenturistas;

(xxxvii) não conclusão do registro do Contrato de Garantia LTQ e LTF no Cartório de Registro de Imóveis competente no prazo previsto no item 6.1(viii);

(xxxviii) descumprimento em fornecer garantias reais adicionais aos Debenturistas nos termos do Contrato de Garantia LTQ e LTF; e

(xxxix) violação de qualquer declaração e garantia prestada pela Emissora nos termos da Escritura de Emissão.

5.12.2. A ocorrência de quaisquer dos eventos indicados nos subitens (vii), (ix), (xv), (xvii), (xix) ou (xii) acima, não sanados nos respectivos prazos de cura, conforme aplicável, acarretará o vencimento antecipado automático das Debêntures, independentemente de qualquer consulta aos Debenturistas, aviso ou notificação, judicial ou extrajudicial. Neste caso, os Debenturistas poderão exigir, a seu exclusivo critério, o imediato pagamento, pela Emissora, de todos os valores devidos em relação às Debêntures.

Na ocorrência de qualquer dos demais eventos indicados nos subitens acima, não sanados nos respectivos prazos de cura, conforme aplicável, o Agente Fiduciário deverá convocar, dentro de 5 (cinco) dias úteis da data em que tomar conhecimento da ocorrência de qualquer dos referidos eventos, AGD para deliberar sobre a declaração do vencimento antecipado das Debêntures, observado o procedimento de convocação abaixo previsto. Na hipótese (i) de não instalação da AGD mencionada acima por falta de quórum, ou (ii) de não aprovado o exercício da faculdade prevista acima pelo quórum mínimo de deliberação, o Agente Fiduciário deverá declarar o vencimento antecipado das Debêntures nos termos da Escritura de Emissão.

Em caso de declaração do vencimento antecipado das Debêntures, a Emissora obriga-se a efetuar o pagamento do Valor Nominal Unitário das Debêntures em circulação, acrescido da Remuneração, calculada pro rata temporis desde a Data de Emissão ou da Data de Pagamento da Remuneração imediatamente anterior, conforme o caso, e de quaisquer outros valores eventualmente devidos pela Emissora nos termos da Escritura de Emissão, em até 5 (cinco) dias úteis contados (i) do recebimento, pela Emissora, de comunicação por escrito a ser enviada pelo Agente Fiduciário à Emissora por meio de carta protocolada no endereço constante da Cláusula Nona da Escritura de Emissão, ou por aviso de recebimento; ou (ii) da data da realização da AGD, caso a Emissora tenha sido intimada a comparecer à AGD, independentemente de ter comparecido ou assinado a ata da referida AGD.

ii. Juros

Sem prejuízo da Remuneração das Debêntures, ocorrendo impontualidade no pagamento pela Emissora de qualquer quantia devida aos titulares de Debêntures, incluindo, sem limitação, o pagamento da Remuneração devida nos termos da Escritura de Emissão, os débitos em atraso vencidos e não pagos pela Emissora ficarão, desde a data da inadimplência até a data do efetivo pagamento, sujeitos ainda a, independentemente de aviso, notificação ou interpelação judicial ou extrajudicial sobre os valores em atraso (i) multa convencional, irredutível e não compensatória, de 2% (dois por cento) e (ii) juros moratórios à razão de 1% (um por cento) ao mês, calculados pro rata temporis desde a data de inadimplemento até a data do efetivo pagamento.

iii. Garantia e, se real, descrição do bem objeto

Foi firmado um Aditivo ao Instrumento Particular de Escritura da 6ª Emissão Pública, Com Esforços Restritos de Colocação, de Debêntures Simples, Não Conversíveis em Ações, da Espécie Com Garantia Real, da Usinas Siderúrgicas de Minas Gerais S.A. – Usiminas, em que foi ofertado em Garantia Real, os Laminadores de Tiras a Quente (LTQ) e Tiras a Frio (LTF), por meio da Escritura Pública de Hipoteca lavrada no 14º Tabelionato de Notas da Comarca de São Paulo, Estado de São Paulo, sob o livro nº 4649 e página 137, em 09 de setembro de 2016, seguida da Escritura Pública de Aditamento, Retificação e Ratificação, lavrada em mesmas notas, sob o livro nº 4649 e página 281, em 27 de setembro de 2016 e foi levado ao registro, no Cartório de Registro de Imóveis da Comarca de Ipatinga, Estado de Minas Gerais em 17 de outubro de 2016.

iv. Na ausência de garantia, se o crédito é quirografário ou subordinado.

Não se aplica.

v. Eventuais restrições impostas ao emissor em relação:

- à distribuição de dividendos

A partir de 9 de setembro de 2016, conforme disposto no subitem (xix) acima, dos Eventos de Vencimento Antecipado, a Emissora não deverá declarar, pagar ou distribuir quaisquer Dividendos, ressalvado, no entanto, que a Emissora estará autorizada a declarar, pagar ou distribuir os dividendos mínimos exigidos por lei e/ou pelo estatuto social da Emissora em vigor em 9 de setembro de 2016, nos termos previstos na Escritura de Emissão.

- à alienação de determinados ativos

A Companhia não poderá alienar, ceder, vender, transferir, doar, emprestar, alugar para terceiros, arrendar para terceiros, prestar qualquer garantia, real ou fidejussória, empenhar, hipotecar, alienar fiduciariamente, constituir ônus ou gravame ou permitir a prestação de qualquer garantia, penhor, hipoteca, alienação fiduciária, constituição de ônus ou gravame sobre quaisquer de seus bens, direitos e/ou ativos (incluindo imóveis e ativos operacionais e não operacionais) em valor individual superior a R\$ 50.000.000,00 (cinquenta milhões de reais) ou agregado superior a R\$ 100.000.000,00 (cem milhões de reais) durante qualquer período de 3 (três) anos anterior ao evento em questão, exceto (a) pelos Ônus Permitidos; (b) pela venda de direitos creditórios contra a Eletrobras - Centrais Elétricas Brasileiras S.A. decorrentes de ações judiciais propostas pela Companhia Siderúrgica Paulista - COSIPA e pela Emissora; (c) pela alienação do edifício sede da Emissora, observadas as garantias existentes sobre tal imóvel, mediante aprovação prévia do Bradesco; (d) pela alienação total ou parcial de participação societária na Usiminas Mecânica S.A.; (e) pela cessão, alienação, transferência ou dação em pagamento de bens, direitos e/ou ativos para fins de cumprimento de acordos judiciais e extrajudiciais, incluindo termos de ajustamento de conduta, desde que não ultrapasse o valor individual de R\$ 50.000.000,00 (cinquenta milhões de reais) e agregado superior a R\$ 100.000.000,00 (cem milhões de reais) durante qualquer período de 3 (três) anos anterior ao evento em questão; (f) pela venda de produtos e subprodutos da indústria siderúrgica, energia elétrica, estoque e outras matérias primas no curso ordinário dos seus negócios; e (g) pelas operações de cessão de recebíveis performados, sem direito de regresso e em condições de mercado contratadas pela Emissora no curso ordinário de seus negócios observado o limite agregado de 20% (vinte por cento) do faturamento anual da Emissora, conforme as suas demonstrações financeiras auditadas não consolidadas referentes aos últimos 4 (quatro) trimestres; Poderá ocorrer a antecipação do vencimento se a Companhia dispuser de ativos de forma que afete negativa e relevantemente sua capacidade de pagamento, em revisão pela agência de *rating* da Emissão para grau de risco inferior a brA da Standard & Poors ou equivalentes pela Moody's America Latina ou Fitch Ratings.

- à contratação de novas dívidas

A Companhia não poderá contrair novos empréstimos, celebrar novas operações de financiamento ou operações de leasing financeiro, ou emitir novos títulos e valores mobiliários representativos de dívida, em cada caso de valor, individual ou agregado anual, igual ou superior a R\$ 50.000.000,00 (cinquenta milhões de reais), medido no momento em que essa dívida é contraída, exceto: (a) conforme previamente aprovado por escrito pelos Bancos Brasileiros, que envidarão seus melhores esforços para analisar tal solicitação em até 20 (vinte) dias contados de seu envio pela Emissora, sendo certo que o descumprimento de tal prazo não será interpretado como aprovação tácita por parte dos Bancos Brasileiros; e (b) pelo Endividamento Permitido. As restrições previstas neste subitem não serão aplicáveis quando o índice de Dívida Líquida / EBITDA da Emissora, após a contratação dessas dívidas, calculado com base nas últimas demonstrações financeiras trimestrais da Emissora disponíveis, for menor ou igual a 2,5x (duas vezes e meia) ("Teste"); observado, entretanto, que a Emissora deverá notificar o Agente Fiduciário sempre que incorrer em novo endividamento nos termos desta Cláusula com base no Teste, em até 7 (sete) dias contados da data em que tal novo endividamento ocorrer, com a comprovação do cálculo do Teste.

- à emissão de novos valores mobiliários

Conforme item imediatamente anterior ("à contratação de novas dívidas").

- à realização de operações societárias envolvendo o emissor, seus controladores ou controladas

Conforme item "Hipóteses de Vencimento Antecipado" e subitens (vii), (viii) e de (xvii) até (xxv), acima.

vi. o agente fiduciário, indicando os principais termos do contrato

Principais dados do Agente Fiduciário:

Pentágono S.A. Distribuidora de Títulos e Valores Mobiliários

Avenida das Américas, 4200, Bloco 08, Ala B, Salas 302, 303 e 304
22640-102 Rio de Janeiro – RJ

At.: Sr. Marco Aurélio Ferreira (Backoffice Financeiro) / Srtª. Nathalia Machado (Assuntos Jurídicos e Estruturação) / Srtª. Marcelle Santoro

Tel.: (21) 3385-4565

Fax: (21) 3385-4046

E-mail: operacional@pentagonotrustee.com.br / assembleias@pentagonotrustee.com.br

O contrato com o agente Pentágono S.A. Distribuidora de Títulos e valores Mobiliários tem início na data da escritura de emissão das debêntures (30 de janeiro de 2013), devendo permanecer no exercício de suas funções até a Data de Vencimento ou até sua efetiva substituição. Não há obrigações relevantes impostas à Companhia.

j. Condições para alteração dos direitos assegurados por tais valores mobiliários

Caso a Taxa DI não esteja disponível, quando da apuração da Remuneração, será aplicada na apuração de “TDI_k” a última Taxa DI aplicável que estiver disponível na data de apuração da Remuneração, não sendo devidas quaisquer compensações financeiras, tanto por parte da Emissora quanto por parte dos titulares de Debêntures, quando da divulgação da Taxa DI aplicável.

Na hipótese de extinção, limitação e/ou não divulgação da Taxa DI por mais de 10 (dez) dias consecutivos após a data esperada para sua apuração e/ou divulgação, ou no caso de impossibilidade de aplicação da Taxa DI às Debêntures por proibição legal, regulamentar ou judicial, o Agente Fiduciário deverá, no prazo máximo de 5 (cinco) dias contados (i) do primeiro dia útil em que a Taxa DI não tenha sido divulgada pelo prazo superior a 10 (dez) dias consecutivos ou (ii) do primeiro dia em que a Taxa DI não possa ser utilizada por proibição legal, regulamentar ou judicial, convocar AGDs (no modo e prazos previstos no artigo 124 da Lei das Sociedades por Ações) para deliberar em comum acordo com a Emissora e observada a Decisão Conjunta BACEN/CVM nº 13/03 e/ou regulamentação vigente aplicável, sobre o novo parâmetro de remuneração das Debêntures a ser aplicado. Até a deliberação desse novo parâmetro de remuneração, para cada dia do período em que ocorra a ausência de taxa para cálculo da Remuneração, a última Taxa DI divulgada será utilizada na apuração da Remuneração, não sendo devidas quaisquer compensações entre a Emissora e os titulares de Debêntures, quando da deliberação do novo parâmetro de remuneração para as Debêntures.

Caso a Taxa DI volte a ser divulgada antes da realização da AGD, a referida AGD não será realizada e a Taxa DI, a partir da data de sua validade, passará a ser novamente utilizada para o cálculo de quaisquer obrigações previstas na Escritura de Emissão, sendo certo que até a data de divulgação da Taxa DI, a última Taxa DI divulgada será utilizada para o cálculo de quaisquer obrigações previstas na Escritura de Emissão.

Caso, na AGD referida acima, não haja acordo sobre o novo parâmetro de remuneração, a mesma AGD deverá deliberar, por titulares de Debêntures representando no mínimo 66% (sessenta e seis por cento) das Debêntures em circulação, sobre proposta a ser elaborada pela Emissora sobre novo cronograma e taxa de remuneração.

Caso nem a alteração da taxa de remuneração, nem a proposta de cronograma e taxa de remuneração, previstos acima, sejam aprovados pela AGD referida em tais itens, a Emissora deverá resgatar a totalidade das Debêntures em circulação, com seu consequente cancelamento, no prazo de 60 (sessenta) dias contados da data da realização da respectiva AGD ou na Data de Vencimento, o que ocorrer primeiro, pelo Valor Nominal Unitário acrescido da Remuneração devida até a data do efetivo resgate, calculada pro rata temporis desde a Data de Emissão. Neste caso a Taxa DI a ser utilizada para o cálculo da Remuneração será a última Taxa DI disponível.

k. Outras características relevantes

Não existem outras características consideradas relevantes.

ADRs or ADSs

The Company maintains a program of ADR (American Depositary Receipts), also called ADS (American Depositary Shares): 144A common, 144A preferred A, common Level I and preferred Level I. In September 1994, there was a Global Offering in the amount of U.S. \$ 480,035,400.00 in American Depositary Shares, U.S. \$ 13.28 per ADS, to qualified institutional investors under Rule 144A, in the U.S. market, with ADS backed by preferred shares, traded on PORTAL. These ADS started to be backed by class A preferred shares on January 29, 1999. In September 2001, the ADS Level 1 was started, with securities traded on the OTC market (OTC - Over the Counter), backed by preferred shares A. In May 2007, there was beginning of the ADS 144A program backed by common shares, traded on PORTAL and in November 2007, the ADS Level 1 program backed by common shares traded over the counter (OTC - Over the Counter).

18.6. Indicate the Brazilian markets in which the issuer's securities are admitted to trading:

The shares of the Company are traded on BM&FBOVESPA, in Level 1 of Corporate Governance Practices segment of the BM&FBOVESPA; 4th issue debentures of the Company are listed for trading on the secondary market through the National Debenture System of CETIP S.A. - OTC - Derivatives and Assets and of BOVESPAFIX of BM&FBOVESPA. The 5th issue debenture was registered for trading also with CETIP and this debenture was settled in December 2010 by an amendment approved by the Meeting of Debenture Holders.

18.7. For each class and type of securities traded on foreign markets:

Besides ADSs as described in item 18.5 above, the Class A preferred shares and common shares of the Company are traded on Latibex, as detailed below.

Latibex

Since July 2005, the Company trades its class A preferred shares on the Stock Exchange of Madrid - Spain, through the international market for Latin American securities - Latibex, with the aim of facilitating access to the shares of the Company by the European financial community. Since inception through the end of fiscal 2011, the Company's shares are among the most actively traded on Latibex.

a) *Country*

In the United States "U.S.", American Depositary Receipts (ADRs), also called ADS (American Depositary Shares), are traded, representing common and preferred shares.

In Spain, the following securities are traded: class A preferred shares and common shares.

b) Market

In the USA: ADS 144A on PORTAL and ADS Level 1 on the OTC (Over the Counter) market

In Spain: Latibex - Market for Latin American Securities

c) Managing entity of the market in which the securities are admitted to trading

In USA: the managing entity of the securities mentioned in item 18.7 (a), ADS (Level 1) is OTC Markets.

In Spain: the managing entity of the securities mentioned in item 18.7 (a) is Bolsas Y Mercados Españoles - BME.

d) Date of admission to trading

In the USA:

ADS (144A) Preferred on 09/01/1994 (USNMY)

ADS (144A) Common 05/02/2007 - (USDML)

ADS (Level 1) Preferred A on 09/25/2001 (USNZY)

ADS (Level 1) Common, on 11/20/2007 (USDMY)

In Spain:

Preferred class A shares, on 07/05/2005 (XUSI)

Common Shares on 5/3/2007 (XUSIO)

e) Trading segment

In the United States: PORTAL (ADS 144A) and OTC market (ADS Level 1).

In Spain: No trading segment.

f) Date of beginning of listing in the trading segment

See item 18.7.(D) above.

g) Percentage of trading volume abroad in relation to the total trading volume of each class and type in the last fiscal year

In 2016:

USA: 51,481,186 ADSs representing preferred shares class A (USNZY) were traded, representing 0.79% of the total trading volume of the class A preferred shares.

Spain: 10,136,465 class A (XUSI) preferred shares, representing 0.15% of the total trading volume of the Class A preferred shares and 1,451,815 common shares (XUSIO), representing 4.26% of the total trading volume of the common shares traded.

In 2015:

USA: 41,624,874 ADSs representing preferred shares class A (USNZY) were traded, representing 1.93% of the total trading volume of the class A preferred shares.

Spain: 8,211,816 class A (XUSI) preferred shares, representing 0.38% of the total trading volume of the Class A preferred shares and 1,297,156 common shares (XUSIO), representing 2.5% of the total trading volume of the common shares traded.

In 2014:

USA: 34,536,313 ADSs representing preferred shares class A (USNZY) were traded, representing 2.07% of the total trading volume of the class A preferred shares.

Spain: 3,901,772 class A (XUSI) preferred shares, representing 0.23% of the total trading volume of the Class A common shares and 1,382,458 common shares (XUSIO), representing 1.11% of the total trading volume of the common shares were traded.

h) Proportion of overseas depositary receipts for each class and type of shares

Proportion of 1 certificate of deposit for each 1 share issued by the Company, for the type and class of share backing ADS.

i) Depositary Bank

In the U.S., BNY Mellon is the depositary bank for all securities.

In Spain, there is no depositary bank.

j) Custodian

Bradesco S/A Corretora de Títulos e Valores Mobiliários - for all securities backing the securities issued abroad.

18.8. Describe issued securities abroad:

SECUTIRY	BONDS USIMINAS COMMERCIAL	BONDS COSIPA COMMERCIAL
Identification of security	USD BONDS issued in Cayman Islands, jurisdiction in New York	USD BONDS issued in Cayman Islands, jurisdiction in New York
Quantity (Units)	400,000	200,000
Total value	400,000,000	200,000,000
Issuing date	01/18/2008	06/13/2006
Outstanding debt balance at the end of the last fiscal year	400,000,000.00	200,000,000.00
Restriction to outstanding units	There are no restrictions	There are no restrictions
Convertibility	Nonconvertible	Nonconvertible
Convertibility condition and effects on share capital	-	-
Possibility of Redemption	<p>Redemption and Repurchase Redemption at any Time at the Company's Option The notes will be redeemable, in whole, at any time, or in part, from time to time, at the option of the Company out of funds made available to it by Usiminas or otherwise made available to it upon not less than 30 nor more than 60 days' notice at a redemption price equal to the sum of:</p> <p>(1) 100% of the principal amount thereof, plus accrued and unpaid interest thereon to the redemption date, if any; plus</p> <p>(2) The Make-Whole Amount. For purposes of this provision:</p> <p>(1) the term "Make-Whole Amount" shall mean the excess, if any, of:</p> <p>(A) The aggregate present value as of the date of such redemption of each dollar of principal being redeemed and the amount of interest (exclusive of interest accrued to the redemption date) that would have been payable in respect of such dollar if such prepayment had not been made, determined by discounting, on a semiannual basis, such principal and interest at the Treasury Rate (determined on the business day preceding the date of such redemption) plus 0.50% from the respective dates on which such principal and interest would have been payable if such payment had not been made; over</p> <p>(B) The principal amount of the note being redeemed.</p> <p>(2) "Treasury Rate" means the yield to maturity at the time of computation of United States Treasury securities with a constant maturity, as compiled by and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two business days prior to the redemption date (or, if such Statistical Release is no longer published, any publicly available source or similar market data), equal to the then remaining maturity of the note being prepaid. If not maturity exactly corresponds to such maturity, yields for the published maturities occurring prior to and after such maturity most closely corresponding to such maturity shall be calculated pursuant to the immediately preceding sentence and the Treasury Rate shall be interpolated or extrapolated from such yields on a straight-line basis, rounding in each of such relevant periods to the nearest month.</p> <p>In the case of any partial redemption of notes, the notes to be redeemed will be selected by the trustee individually by lot not more than 60 days prior to the redemption date from the notes then outstanding not previously called for redemption. Notice relating to the notes that the Company selects for partial redemption will be provided as set forth under "—Notices." The notes will not be subject to any sinking fund.</p> <p>On October 1st, 2013, Usinas Siderúrgicas de Minas Gerais S.A. ("Usiminas"), acting through its Danish subsidiaries Usiminas Galvanized Steel A/S and Usiminas Electrogalvanized Steel A/S announced a cash Tender Offer for its 2 USD Bonds outstanding: (i) USIM 8.25% Notes due 2016 (U.S.\$ 200 million outstanding); and (ii) USIM 7.25% Notes due 2018 (U.S.\$ 400 million outstanding). The main objective of Usiminas with the deal was to better manage its offshore cash position. The deal announcement defined a cap of U.S.\$ 200 million for the Tender Offer with an expiration date on October 29th, 2013. A waterfall structure was inserted, in which the Company targeted first the shorter Bond (USIM 2016s), being the acceptance of the Tenders for USIM 2018s subject to the result of the</p>	

	first one. In this manner, only the USIM 2016's Bond (USD 200 MM) was fully redeemed.	
<i>Maturity, including the conditions of acceleration</i>	18/01/2018	13/06/2016
<i>Interests</i>	7.25	8.25
<i>Guarantee and, if security interest, description of the asset</i>	The Company shall not incur or permit to exist any Guarantee	The Company shall not incur or permit to exist any Guarantee
<i>Any restrictions imposed on the issuer in relation to:</i>	-	-
<i>Distribution of dividends</i>	The Company shall not declare or pay, directly or indirectly, any dividend or make any other distribution (by reduction of capital or otherwise), whether in cash, property, securities or a combination thereof, with respect to any shares of their Capital Stock or directly or indirectly redeem, purchase, retire or otherwise acquire for value any shares of any class of their Capital Stock or set aside any amount for any such purpose.	
<i>Disposal of certain assets</i>	The Company shall not incur or permit to exist any Lien on any property or assets (including stock or other securities) now owned or hereafter acquired by it or on any of its current or future income or revenues, except with respect to Debt described under Limitation on Indebtedness" and "Limitation on Creditors".	
<i>The contracting of new debts</i>	The Company shall not purchase, hold or acquire any shares, interests, participations or other equivalents (however designated) of corporate stock or other equity participations, including quotas in a Brazilian limited liability quota company (limitada) or partnership interests, whether general or limited, evidences of indebtedness or other securities of, make or permit to exist any loans or advances to, or make or permit to exist any Investment or any other interest in, any other person or engage in any transactions involving commodity options or futures contracts or similar transactions, except for (i) short-term investments in U.S. treasury securities and (ii) loans to Usiminas reflecting the on-lending of proceeds from the issuance of Debt as permitted hereunder.	
<i>Issuance of new securities</i>	There are no restrictions	
<i>Transactions with, any of its Affiliates</i>	The Company shall not engage in any transactions with, any of its Affiliates, except as set forth or permitted by in the indenture.	
<i>The trustee, indicating the main terms of the contract</i>	<p>The notes and the indenture contain provisions permitting the Company, the Guarantors and the trustee, without the consent of the holders of any notes issued under the indenture, to amend or modify such notes or the indenture, for certain enumerated purposes, such as to cure any ambiguity or inconsistency or to make any change that does not have a materially adverse effect on the rights of any holder of such notes.</p> <p>The notes and the indenture also contain provisions permitting the Company, the Guarantors and the trustee with the consent of the holders of not less than a majority in aggregate principal amount of the outstanding notes and affected thereby, to amend or modify such notes or the indenture, for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the indenture or of modifying in any manner the rights of holders of such notes; provided, that no such amendment or modification to such notes or the indenture may, without the consent of the holder of each such outstanding note affected thereby:</p> <p>(1) change the stated maturity or the principal of or interest on any such note, or reduce the principal amount of any such note or the rate of interest thereon, if any, or any premium or principal payable upon redemption thereof, or change any place of payment where, or change the currency in which, any such note or the interest, if any, thereon is payable, or impair the right to</p>	

	<p>institute suit for the enforcement of any such payment on or after the stated maturity, if any, thereof or the date any such payment is otherwise due and payable (or, in the case of redemption, on or after the redemption date);</p> <p>or</p> <p>(2)</p> <p>reduce the percentage in aggregate principal amount of such outstanding notes the consent of whose holders is required for any such amendment or modification to such notes or the indenture, or the consent of whose holders is required for any waiver (of compliance with certain provisions of the indenture, or certain defaults thereunder and their consequences) provided for in the indenture;</p> <p>or</p> <p>(3)</p> <p>amend or modify certain provisions of such notes or the indenture, pertaining to the waiver by holders of such notes of past defaults, amendments or modifications to such notes or the indenture, with the consent of holders of such notes and the waiver by holders of such notes of certain covenants, except to increase any specified percentage in aggregate principal amount required for any actions by holders of notes or to provide that certain other provisions of the notes or the indenture cannot be modified or waived without the consent of the holder of each such note affected thereby. After an amendment or change described in the preceding paragraph becomes effective, the trustee is required to mail to the holders of notes a notice provided to it by the Company and the Guarantors briefly describing the amendment. However, the failure to give notice to all holders of the notes, or any defect therein, will not impair or affect the validity of the amendment. In addition, a notice will be published in a leading daily newspaper of general circulation in Luxembourg or the website of the Luxembourg Stock Exchange, www.bourse.lu. The consent of the holders of the notes is not necessary to approve the particular form of any proposed amendment. It is sufficient if that consent approves the substance of the proposed amendment.</p>	
<i>Other significant characteristics</i>	-	-

18.9. Describe the public offerings made by the issuer or by third parties, including controlling shareholders, affiliates and subsidiaries for the securities of the issuer in the last 3 fiscal years:

There was no public offering of securities of the Company in the last three fiscal years.

18.10. Describe the public offerings of securities

There was no public offering of securities of the Company in the last three fiscal years.

18.11. Describe the public offerings made by the issuer regarding shares issued by third parties in the last 3 fiscal years:

The Company did not make public offers of shares issued by third parties.

18.12. Provide other information as issuer may deem relevant

Additionally to the information provided above, the Company believes that there is no additional relevant information that should be provided in this item 18 of the Reference Form.

19. Repurchase plans and treasury securities

19.1. Plans to repurchase shares of the issuer for the last 3 fiscal years:

There were no plans to repurchase shares in the last 3 fiscal years.

19.2 Movement of the securities held in the Treasury

Fiscal Year: 12/31/2016

Shares

Share Type	Preferred Share Class			
Common				
Operation	Quantity (units)	Total Amount	Weighted average price	
Opening Balance	2,526,656	69,132	27.36	
Acquisition	-	-	-	
Disposal	-	-	-	
Cancellation	-	-	-	
Closing Balance	2,526,656	69,132	27.36	

Share Type	Preferred Share Class			
Preferred	Preferred Class A			
Operation	Quantity (units)	Total Amount	Weighted average price	
Opening Balance	23,705,728	35,630	1.50	
Acquisition	-	-	-	
Disposal	-)	-	-	
Cancellation	-	-	-	
Closing Balance	23,705,728	35,630	1.50	

Fiscal Year: 12/31/2015

Shares

Share Type	Preferred Share Class			
Common				
Operation	Quantity (units)	Total Amount	Weighted average price	
Opening Balance	2,526,656	69,132	27.36	
Acquisition	-	-	-	
Disposal	-	-	-	
Cancellation	-	-	-	
Closing Balance	2,526,656	69,132	27.36	

Share Type	Preferred Share Class			
Preferred	Preferred Class A			
Operation	Quantity (units)	Total Amount	Weighted average price	
Opening Balance	23,757,728	35,630	1.50	
Acquisition	-	-	-	
Disposal	-	-	-	
Cancellation	-	-	-	
Closing Balance	23,705,728	35,630	1.50	

Fiscal Year: 12/31/2014

Shares

Share Type	Preferred Share Class		
Common			
Operation	Quantity (units)	Total Amount	Weighted average price
Opening Balance	2,526,656	69,132	27.36
Acquisition	-	-	-
Disposal	-	-	-
Cancellation	-	-	-
Closing Balance	2,526,656	69,132	27.36

Share Type	Preferred Share Class		
Preferred	Preferred Class A		
Operation	Quantity (units)	Total Amount	Weighted average price
Opening Balance	23,757,710	35,708	1.50
Acquisition	-	-	-
Disposal	(51,982)	(78)	(1.50)
Cancellation	-	-	-
Closing Balance	23,705,728	35,630	1.50

19.3. Other Information that the Company deems significant.

The Company does not use financial instruments for purposes of asset protection (hedge) involving fluctuations in prices of shares issued by it, including transactions associated with instruments as "Total Return Equity Swap" or similar operations.

20. Policy for security trading

20.1. Indicate whether the issuer has adopted policy for the trading of securities issued by it by controlling shareholders, whether direct or indirect, directors, board of directors members, supervisory board members and of any other bodies with technical or advisory functions, created by statutory provision, stating: (a) date of approval; (b) related persons; main characteristics; (d) periods in which trading is not allowed and description of the procedures adopted to monitor trading in such periods.

The Standard on Disclosure of Information and Trading of Securities issued by the Company ("Trading Policy") was approved at the Board meeting held on June 20, 2002.

According to the extract from said Standard, the underlined terms shall have the meanings ascribed to them below.

<u>Material Act or Fact:</u>	Any decision of controlling shareholder, of the general meeting or of the management bodies of the Company, or any other act or fact of political - administrative, technical, business or economic and financial nature related to the Company's business, which may significantly affect: <ul style="list-style-type: none"> (a) the price of Securities; (b) the decision of investors to purchase, sell or hold Securities; and (c) the decision of investors to exercise any rights attaching to the holder of Securities.
<u>Stock Exchanges:</u>	Stock Exchanges and/or entities of organized domestic or foreign market, in which the Securities are admitted to trading.
<u>CVM:</u>	Brazilian Securities and Exchange Commission.
<u>Investor Relations Officer:</u>	Administrator appointed by the Board of Directors of the Company for the performance of certain statutorily defined functions, who will also be responsible for the enforcement and monitoring of trading and disclosure policies established by the Company.
<u>Related Parties:</u>	In relation to the Company, jointly or individually, controlling shareholders, whether direct or indirect, Board of Directors members, Officers and members of the Supervisory Board.
<u>Securities:</u>	In its broadest sense, any shares, debentures, warrants, subscription receipts and rights and promissory notes issued by the Company and any securities related thereto.

I. Principles

1.1. The Related Parties should act before the Company and any third party, agents or not of the capital market, in compliance with the provisions of the Trading Policy and the principles of loyalty, integrity and truthfulness.

1.2. Related Parties should always take into consideration their role in relation to society in general, the Company and its employees, and regulators, whether national or foreign.

1.3. It is the duty of the Related Parties to allow access for all investors to Relevant Acts or Facts, being forbidden the use, in any way, for their own benefit or that of third parties, of any Privileged Information.

1.4. The Related Parties shall ensure that disclosure of information about the Company's business or its principal shareholders, if any, in the domestic or foreign market, is made complete and timely, and should also cover the correct and precise reality of the Relevant Act or Fact to be disclosed.

II. Trading Policy

2.1. The Related Parties shall refrain from trading Securities issued by the Company that they have, in the following cases:

- (a) prior to disclosure to the market of Relevant Act or Fact;
- (b) within the period of fifteen (15) days prior to the disclosure of the Quarterly Information, Annual Report and Financial Statements; and
- (c) in the period between the decision to increase or reduce capital, distribute dividends or bonus shares or issue other Securities, and the publication of the related notices or announcements.

2.1.1. The above prohibitions shall also apply to Related Parties who leave the Company prior to the public disclosure of the Relevant Act or Fact related to business or fact arising during their term of office and shall extend for a period of six (6) months after their leaving.

2.1.2. The prohibition of trading with Securities prior to the disclosure of Relevant Act or Fact shall also apply to any persons who have knowledge of such information, especially to people who have a commercial relationship with the Company, including independent auditors, securities analysts, consultants and institutions that are part of the distribution system.

2.2. While the operation is not disclosed, it is prohibited for the competent bodies of the Company to resolve on the acquisition or sale of shares issued by the Company: (i) if any agreement on the transfer of share control of the Company has been concluded, or if an option or mandate for this purpose has been granted; or (ii) if there is an intention to promote takeover, spin-off, merger, transformation or corporate reorganization involving the Company.

III. General Provisions

3.1. Compliance with the provisions of the Disclosure Policy does not dispense the Related Parties with compliance with any other obligations imposed by CVM or by any other law or regulatory standard.

3.2. Under paragraph 3 of article 17 of CVM Ruling No. 358, dated 01/03/2002 and the Company's Trading Policy, the Director of Investor Relations is responsible for enforcement and monitoring of the provisions of the Trading Policy.

3.3. Any changes to the provisions of the Trading Policy shall be communicated to the CVM and the Stock Exchanges.

20.2. Provide other information that the Company deems significant

Additionally to the information provided above, the Company believes that there is no additional relevant information that should be provided in this item 20 of the Reference Form.

21. Disclosure policy for securities

21.1. Describe internal rules, regulations or procedures adopted by the issuer to ensure that information required to be disclosed publicly is collected, processed and reported accurately and timely

In addition to the disclosure policy described below, the Company also has a Disclosure Committee, as described in item 12.1 of this Reference Form, which also evaluates the disclosure of the Company's information.

21.2. Describe the policy for the disclosure of material act or fact adopted by the issuer, indicating the procedures for maintaining confidentiality of undisclosed material information

The disclosure policy of the Company was approved at a meeting of the Board of Directors held on June 20, 2002 ("Disclosure Policy").

For purposes of the Company's Disclosure Policy, terms shall have the meanings assigned to them in item 20 of this Reference Form.

I. Principles

1.1. The Related Parties must act before the Company and any third party, agents or not of the capital market, in compliance with the requirements of the Disclosure Policy and the principles of loyalty, integrity and truthfulness.

1.2. Related Parties must always take into consideration their role in relation to society in general, the Company and its employees, and regulators, whether national or foreign.

1.3. It is the duty of the Related Parties to allow access for all investors to Relevant Acts or Facts, being forbidden the use, in any way, for their own benefit or that of third parties, any Privileged Information.

1.4. The Related Parties shall ensure that disclosure of information about the Company's business or its principal shareholders, if any, in the domestic or foreign market, is made complete and timely, and should also cover the correct and precise reality of the Relevant Act or Fact to be disclosed.

II. Disclosure Policy

2.1. The Director of Investor Relations shall perform the disclosure and communication to the CVM and the Stock Exchanges of any relevant act or fact occurred or related to the Company's business, as well as ensure the full and immediate disclosure, simultaneously in all markets in which such Securities are admitted to trading.

2.2. The Related Parties shall communicate to the Director of Investor Relations, to do this in accordance with the provisions of the Disclosure Policy, any relevant act or fact of which they are aware due to the exercise of their functions at the Company.

2.3. Disclosure of Relevant Act or Fact shall be made, whenever possible, before or after the close of trading on the Stock Exchanges. In case of impossibility of application of this provision because of the trading hours of the domestic and foreign markets, the hours of operation in the domestic market should prevail.

2.3.1. In case disclosure of Relevant Act or Fact during the operating hours of the Stock Exchanges, is mandatory, the Director of Investor Relations may, at the time of disclosure, request the suspension of trading of the Securities in such entities. The request referred to in this subsection shall only be carried out in Brazil if suspension is also observed by the foreign Stock Exchanges.

2.4. The disclosure referred to in item 2.1. shall be made through publication in newspapers of general circulation used by the Company and may be made in summary form, indicating the address on the Internet where complete information is available to all investors with the same content as that sent to the CVM and to the Stock Exchanges.

2.5. The Investor Relations Officer shall inform the CVM and the Stock Exchanges and disclose to the market, if applicable, any material act or fact that he may come to disclose abroad, due to application of standards or regulations of capital market regulators or foreign stock exchanges.

2.6. Related Parties that detect omission of the Director of Investor Relations in the disclosure of any Relevant Act or Fact will only be exempt from their personal responsibilities when immediately communicating the Material Act or Fact to CVM.

III. Communication of Shareholding

3.1. Members of the Board of Directors, Officers, members of the Supervisory Board and/or of any bodies with technical or advisory functions that come to be created by operation of the Company's bylaws, shall communicate to the CVM, the Company and the domestic Stock Exchanges the quantity, characteristics and manner of acquisition of the Securities and securities issued by parent companies or subsidiaries of the Company, which are publicly-traded companies, or related to them, they hold, as well as any subsequent changes in their positions.

3.1.1. In the communication addressed in the previous subsection, there shall also be indication of Securities that are owned by their spouse, partner, any dependent included in his income tax return and of companies controlled by them, whether directly or indirectly.

3.2. The communication referred to in this item III shall be made by the persons mentioned in subsection 3.1. (i) within thirty (30) days after the approval of the Disclosure Policy; (ii) immediately after taking office; and (iii) within a maximum period of ten (10) days after the end of the month in which there were changes in the positions held by them, stating the final position in the period.

IV. Exception to Immediate Disclosure

4.1. Material Acts or Facts may not be disclosed if the Controlling Shareholders or the Directors believe that their disclosure would jeopardize the legitimate interests of the Company.

4.2. If information concerning Material Acts or Facts mentioned in the previous subsection escape the control or atypical fluctuation in price or quantity of the Securities traded takes place, such Material Acts or Facts must be immediately disclosed by the Director of Investor Relations or directly by Controlling Shareholders or the Directors.

V. The Non-disclosure Policy

5.1. The Related Parties must maintain the confidentiality of privileged information to which they have access by virtue of their job or position, until its disclosure to the market, as well as must ensure that subordinates and others they trust do the same, being jointly liable in the event of noncompliance.

5.2. Related Parties must make people who will provide services to the Company, including independent auditors, securities analysts, consultants and distribution system institutions, observe the provisions of subsection 5.1.

VI. General Provisions

6.1. Compliance with the provisions of the Disclosure Policy does not dispense Related Parties with compliance with any other obligations imposed by the CVM or by any other law or regulatory standard.

6.2. Under paragraph 3 of article 17 of CVM Ruling No. 358, dated 01/03/2002 and the Disclosure Policy, the Director of Investor Relations will be responsible for enforcing and monitoring the provisions of the Disclosure Policy.

6.3. Any amendments to the Disclosure Policy shall be communicated to the CVM and the Stock Exchanges.

21.3. Inform the disclosure of information to managers responsible for implementation, maintenance, evaluation and monitoring of the policy

As indicated in subsection 6.2 of item 21.2. above, the Director of Investor Relations of the Company is primarily responsible for the enforcement and monitoring of the Disclosure Policy.

21.4. Provide other information as issuer may deem significant

The Company believes that there is additional significant information to be provided in this Item 21 of the Reference Form.