

NATIONAL STEEL CO
Form 6-K
September 26, 2013

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16 of the
Securities Exchange Act of 1934

For the month of September, 2013
Commission File Number 1-14732

COMPANHIA SIDERÚRGICA NACIONAL

(Exact name of registrant as specified in its charter)

National Steel Company

(Translation of Registrant's name into English)

Av. Brigadeiro Faria Lima 3400, 20º andar
São Paulo, SP, Brazil
04538-132

(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports
under cover Form 20-F or Form 40-F. Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby
furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

*Appraisal
Report*

SP-0126/13

*COMPANHIA
METALÚRGICA
PRADA*

REPORT: *SP-0126/13-02* **BASE DATE:** *August 31, 2013*

REQUESTING COMPANY: **COMPANHIA SIDERÚRGICA NACIONAL**, hereinafter referred to as **CSN**.
A corporation, with headquarters at Avenida Brigadeiro Faria Lima, nº 3.400, 15º andar (parte), 19º e 20º andares, Itaim Bibi, in the city and state of São Paulo, inscribed in the roll of corporate taxpayers (CNPJ/MF) under no. 33.042.730/0001-04.

OBJECT: **Net Assets of COMPANHIA METALÚRGICA PRADA**, hereinafter referred to as **PRADA**.
A privately-held corporation, with headquarters at Rua Eng. Francisco Pit Brito, nº 138, Santo Amaro, in the city and state of São Paulo, inscribed in the roll of corporate taxpayers (CNPJ/MF) under no. 56.993.900/0001-31.

PURPOSE: To determine the value of **prada** 's net assets (assets and liabilities), for the purpose of their partial spin-off and merger by **CSN**, pursuant to Articles 226 and 229 of Law 6404/76 (Brazilian Corporate Law).

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1. INTRODUCTION

APSYS CONSULTORIA E AVALIAÇÕES LTDA., hereinafter referred to as APSIS, with headquarters at Rua da Assembleia, nº 35, 12º andar, in the city and state of Rio de Janeiro, inscribed in the roll of corporate taxpayers (CNPJ/MF) under no. 08.681.365/0001-30, was designated by CSN to verify the value of **PRADA**'s net assets, which will be partially spun-off for the purpose of their merger by CSN, pursuant to Articles 226 and 229 of Law 6404/76 (Corporate Law).

When preparing this report, we used data and information provided by third parties, in the form of documents and oral interviews with the client. The estimates used in this process are based on documents and information, including but not limited to:

§ Analytical Balance Sheet of PRADA on August 31, 2013.

§ PRADA's Bylaws

APSYS has recently appraised the following firms for publicly-held companies for a variety of reasons:

§ AMÉRICA LATINA LOGÍSTICA DO BRASIL S/A

§ BANCO PACTUAL S/A

§ CIMENTO MAUÁ S/A

§ ESTA-EMPRESA SANEADORA TERRITORIAL AGRÍCOLA S/A.

§ ESTÁCIO PARTICIPAÇÕES S/A

§ GERDAU S/A

§ HOTÉIS OTHON S/A

§ L.R. CIA. BRAS. PRODS. HIGIENE E TOUCADOR S/A

§ LIGHT SERVIÇOS DE ELETRICIDADE S/A

§ LOJAS AMERICANAS S/A

§ MPX ENERGIA S/A

§ PETRÓLEO BRASILEIRO S/A – PETROBRAS

§ REPSOL YPF BRASIL S/A

§ TAM TRANSPORTES AÉREOS MERIDIONAL S/A

§ ULTRAPAR PARTICIPAÇÕES S/A

The APSIS team responsible for this project comprised the following professionals:

§ AMILCAR DE CASTRO
Commercial Officer

§ ANA CRISTINA FRANÇA DE SOUZA
Vice-President
Civil Engineer, Postgraduate studies in Accounting (CREA/RJ 1991103043)

§ ANTONIO LUIZ FEIJÓ NICOLAU
Executive Officer

§ DANIEL GARCIA
Project Manager

§ ERIVALDO ALVES DOS SANTOS FILHO
Accountant (CRC/RJ-100990/O-1)

§ LUCILIA NICOLINI
Accountant (CRC/SP-107639/O-6)

§ LUIZ PAULO CESAR SILVEIRA
Vice-President
Mechanical Engineer, Master in Business Administration (CREA/RJ 1989100165)

§ MARCIA APARECIDA DE LUCCA CALMON
Technical Officer (CRC/SP-143169/O-4)

§ MÁRCIA MOREIRA FRAZÃO DA SILVA
Executive Officer (CRC/RJ-106548/O-3)

§ RENATA POZZATO CARNEIRO MONTEIRO
Vice-President

§ RICARDO DUARTE CARNEIRO MONTEIRO
Chief Executive Officer
Civil Engineer, Postgraduate studies in Economic Engineering (CREA/RJ 1975102453)

§ SERGIO FREITAS DE SOUZA
Executive Officer
Economist (CORECON/RJ 23521-0)

2. PRINCIPALS AND RESERVATIONS

The following information is important and should be read carefully.

This report has been drawn up in strict compliance with the fundamental principles listed below:

- § The consultants have no direct or indirect interest in the companies involved or in the operation, nor is there any other relevant circumstance that could constitute a conflict of interest.
- § APSIS' professional fees have no relation whatsoever to the conclusions of this report.
- § To the best of the consultants' knowledge and belief, the analysis, opinions and conclusions expressed in this Report are based on true and accurate data, investigations, research and surveys.
- § The information received from third parties is deemed to be accurate as its sources are cited in this Report.
- § For projection purposes, we have assumed there are no liens or encumbrances of any nature, judicial or extra-judicial, on the companies in question, other than those listed in this Report.
- § This Report presents all the limiting conditions, if any, imposed by the adopted methodologies that may affect the analyses, opinions and conclusions of said Report.
- § The Report was prepared by APSIS and no one apart from its own consultants was involved in preparing its analyses and corresponding conclusions.
- § APSIS assumes total responsibility for the appraisal material, including implicit content, for the exercise of its functions, especially that established in laws, codes or internal regulations.
- § This Report has been drawn up in accordance with the criteria and recommendations established by the Brazilian Standards Bureau (ABNT), the Uniform Standards of Professional Appraisal Practice (USPAP) and the International Valuation Standards Council (IVSC), as well as requirements imposed by different bodies such as the Accounting Pronouncements Committee (CPC), the Ministry of Finance, the Central Bank, Banco do Brasil, the Brazilian Securities and Exchange Commission (CVM), the Superintendence of Private Insurance (SUSEP), Income Tax Regulations (RIR) and the Brazilian Committee of Business Appraisers (CBAN), among others.
- § The controlling company and management of the companies involved did not direct, limit, place difficulties upon or practice any acts that could have jeopardized access to, as well as the use or knowledge of the information, goods, documents or working methods that were important to the conclusions of this Report.

3. DISCLAIMER

§ When preparing this Report, APSIS made use of data and information from historical accounting registers audited by third parties or unaudited, furnished in writing by the company's management or obtained from cited sources. Consequently, APSIS has assumed that the data and information obtained for this Report is true and consistent and therefore accepts no responsibility in relation to its veracity or otherwise.

§ The scope of this work does not include auditing the company's financial statements or reviewing the work of its auditors. Consequently, APSIS is not expressing any opinion on the financial statements of the requesting company.

§ We accept no responsibility for any losses suffered by the requesting company and its subsidiaries, partners, officers, creditors or other parties, resulting from the use of the data or information supplied by the company and presented in this Report.

§ Our work was developed exclusively for the use of the requesting company and its partners for the purpose described above.

4. APPRAISAL METHODOLOGY

Examination of the already mentioned supporting documentation, in order to verify good bookkeeping in line with the legal, regulatory, normative and structural provisions governing the material, in accordance with accounting practices adopted in Brazil.

We examined PRADA's accounting books and all other necessary documents for the preparation of this Report, which was based on PRADA's balance sheet on August 31, 2013 (Exhibit 1).

In the opinion of the appraisers, PRADA's assets and liabilities have been duly recorded.

5. APPRAISAL OF PRADA'S NET ASSETS

PRADA's accounting books and all other necessary documents for the preparation of this Report were duly examined.

The appraisers concluded that the value of PRADA's net assets, which will be partially spun-off for the purpose of their merger by CSN was fourteen million, two hundred seventy thousand, three hundred and forty-one reais and twenty-four centavos (R\$14,270,341.24), on August 31, 2013, as shown in the adjacent table:

| CIA METALÚRGICA PRADA | PRO FORMA ACCOUNTING STATEMENTS | | |
|---------------------------------------------|----------------------------------------|-----------------------|------------------------|
| STATEMENT OF FINANCIAL POSITION | BALANCES ON | NET ASSETS TO | PRO FORMA |
| (R\$) | 8/31/2013 | BE SPUN-OFF | BALANCES |
| | | | AFTER |
| | | | SPIN-OFF |
| CURRENT ASSETS | 396,805,772.56 | 19,318,583.92 | 377,487,188.64 |
| Cash and cash equivalents | 9,949,533.25 | | 9,949,533.25 |
| Trade accounts receivable | 143,431,395.08 | 19,306,681.77 | 124,124,713.31 |
| Securities receivable | 37,630,981.17 | | 37,630,981.17 |
| Payable to employees | 370,003.95 | | 370,003.95 |
| Advances | 4,017.02 | | 4,017.02 |
| Taxes recoverable | 7,044,880.58 | | 7,044,880.58 |
| Inventories | 197,245,498.37 | | 197,245,498.37 |
| NON-CURRENT ASSETS | 360,174,804.06 | 82,913,358.62 | 277,261,445.44 |
| LONG-TERM ASSETS | 86,949,795.33 | 27,047,592.62 | 59,902,202.71 |
| Compulsory loans | 203,027.95 | | 203,027.95 |
| Amounts receivable | 25,632,580.82 | | 25,632,580.82 |
| Guarantees and deposits | 8,248,074.18 | | 8,248,074.18 |
| Securities receivable | 25,573,733.40 | | 25,573,733.40 |
| Deferred taxes | 315,472.92 | 70,686.56 | 244,786.36 |
| Deferred income tax and social contribution | 26,976,906.06 | 26,976,906.06 | - |
| PERMANENT ASSETS | 273,225,008.73 | 55,865,766.00 | 217,359,242.73 |
| INVESTMENTS | 133,733,118.58 | 55,865,766.00 | 77,867,352.58 |
| Investment in Usiminas | 55,865,766.00 | 55,865,766.00 | - |
| Goodwill from investments - CBL | 138,728,006.25 | | 138,728,006.25 |
| Impairment - CBL | (60,860,653.67) | | (60,860,653.67) |
| PROPERTY, PLANT AND EQUIPMENT | 137,855,398.48 | | -137,855,398.48 |
| INTANGIBLE ASSETS | 1,636,491.67 | | - 1,636,491.67 |
| TOTAL ASSETS | 756,980,576.62 | 102,231,942.54 | 654,748,634.08 |
| CURRENT LIABILITIES | 309,056,742.39 | 82,961,601.30 | 226,095,141.09 |
| Trade accounts payable | 266,871,157.82 | 82,907,903.57 | 183,963,254.25 |
| Payroll and related charges | 11,912,341.88 | | 11,912,341.88 |
| Taxes payable | 5,958,245.43 | | 5,958,245.43 |
| Advances | 2,809,221.37 | | 2,809,221.37 |
| Accounts payable | 1,519,421.74 | 53,697.73 | 1,465,724.01 |
| Other liabilities | 1,182,929.32 | | 1,182,929.32 |
| Provisions | 3,745,294.83 | | 3,745,294.83 |
| Contingent liabilities | 15,058,130.00 | | 15,058,130.00 |

| | | | |
|------------------------------------------|-----------------------|-----------------------|-----------------------|
| NON-CURRENT LIABILITIES | 199,060,018.61 | 5,000,000.00 | 194,060,018.61 |
| LONG-TERM LIABILITIES | 199,060,018.61 | 5,000,000.00 | 194,060,018.61 |
| Advance on future capital increase - CSN | 5,000,000.00 | 5,000,000.00 | - |
| Accounts payable | 8,092,591.29 | | 8,092,591.29 |
| Provisions | 185,967,427.32 | | 185,967,427.32 |
| SHAREHOLDERS' EQUITY | 248,863,815.62 | 14,270,341.24 | 234,593,474.38 |
| Capital stock | 769,845,140.74 | 1,000.00 | 769,844,140.74 |
| Capital reserves | 24,378,829.49 | | 24,378,829.49 |
| Comprehensive income | 14,269,341.24 | 14,269,341.24 | - |
| Accrued income/ losses | (559,629,495.85) | | (559,629,495.85) |
| TOTAL LIABILITIES | 756,980,576.62 | 102,231,942.54 | 654,748,634.08 |

6. CONCLUSION

Following the examination of the previously mentioned documents and based on APSIS's own studies, the appraisers concluded that the value of PRADA's net assets, which will be partially spun-off for the purpose of their merger by CSN was **fourteen million, two hundred seventy thousand, three hundred and forty-one reais and twenty-four centavos (R\$14,270,341.24)**, on August 31, 2013.

Having concluded Report **SP-0126/13-02**, consisting of nine (9) written pages and two (2) exhibits, APSIS Consultoria e Avaliações Ltda. (CRC/RJ-005112/O-9), a company specializing in the appraisal of goods, legally represented by its executive officers, is available to clarify any doubts that may arise.

São Paulo, September 10, 2013.

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MARCIA APARECIDA DE LUCCA CALMON

Executive Officer (CRC/SP-143169/O-4)

DANIEL GARCIA

Project Manager

7. EXHIBITS

1. SUPPORTING DOCUMENTATION

RIO DE JANEIRO - RJ

Rua da Assembleia, nº 35, 12º andar

Centro, CEP 20011-001

Tel.: + 55 (21) 2212-6850 Fax: + 55 (21)
2212-6851

SÃO PAULO - SP

Av. Angélica, nº 2.503, Conj. 42

Consolação, CEP 01227-200

Tel.: + 55 (11) 3666-8448 Fax: + 55 (11)
3662-5722

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EXHIBIT 1**COMPANHIA METALÚRGICA PRADA****(Amounts
in R\$)****Balance on 8/31/2013****10000000****ASSETS****11000000 CURRENT ASSETS****11010000 CASH AND CASH EQUIVALENTS****11010200 TRANSACTION ACCOUNTS**

| | | |
|----------|------------------------------------------------|----------|
| 11010201 | BANCO BRADESCO-TRANSACTION ACCOUNT | 4,322.15 |
| 11010203 | BANCO DO BRASIL RJ-TRANSACTION ACCOUNT | 9,055.39 |
| 11010208 | BANCO ITAÚ-TRANSACTION ACCOUNT | 150 |
| 11010211 | BANCO SAFRA-TRANSACTION ACCOUNT | 1,921.84 |
| 11010213 | CAIXA ECONÔMICA FEDERAL-VR-TRANSACTION ACCOUNT | 3,741.76 |
| 11010225 | BANCO FIBRA-TRANSACTION ACCOUNT | 482.66 |
| 11010228 | BANCO SANTANDER-TRANSACTION ACCOUNT | 6,526.96 |

TOTAL TRANSACTION ACCOUNTS**26,200.76****11010400 BANK RECONCILIATION**

| | | |
|----------|-------------------------------------|--------------|
| 11010401 | BANCO BRADESCO-RECONCILIATION | 1,297.23 |
| 11010403 | BANCO DO BRASIL RJ-RECONCILIATION | -2,000.00 |
| 11010408 | BANCO ITAÚ-RECONCILIATION | 3,731,435.68 |
| 11010428 | BANCO SANTANDER-VR-RECONCILIATION | 73,731.84 |
| 11010470 | (-) PROV. BANK GUARANTEE COMMISSION | -87,874.43 |

TOTAL BANK RECONCILIATION**3,716,590.32****110110 CASH EQUIVALENTS (UP TO 90 D)****11011000 FINANCIAL INVESTMENTS**

| | | |
|----------|-------------------------------------|--------------|
| 11011003 | THIRD-PARTY FUNDS-DOMESTIC CURRENCY | 6,206,742.17 |
|----------|-------------------------------------|--------------|

TOTAL CASH EQUIVALENTS (UP TO 90 D)**6,206,742.17****TOTAL CASH EQUIVALENTS (UP TO 90 D)****6,206,742.17****TOTAL CASH AND CASH EQUIVALENTS****9,949,533.25****11050000 TRADE ACCOUNTS RECEIVABLE****11050100 CLIENTS - THIRD-PARTIES**

| | | |
|----------|--------------------------------------------|----------------|
| 11050101 | DOMESTIC CLIENTS | 167,391,781.11 |
| 11050102 | FOREIGN CLIENTS | 323,147.60 |
| 11050125 | CLIENTS - ADJUSTMENTS RECOGNIZED IN PROFIT | -24,618,731.31 |

TOTAL CLIENTS - THIRD PARTIES**143,096,197.40****11050200 CLIENTS - DOMESTIC SUBSIDIARIES AND AFFILIATES**

| | | |
|----------|------------------------------------------------------|---------------|
| 11050217 | TRADE ACCOUNTS RECEIVABLE- CIA. SIDERÚRGICA NACIONAL | 19,306,681.77 |
| 11050221 | TRADE ACCOUNTS RECEIVABLE- CIA METALÚRGICA PRADA | 0 |
| 11050225 | TRADE ACCOUNTS RECEIVABLE- NACIONAL MINÉRIO S/A | 12,485.56 |
| 11050236 | INVESTEES- ADJUSTMENTS RECOGNIZED IN PROFIT | -3,679,471.66 |

TOTAL CLIENTS - DOMESTIC SUBSIDIARIES**15,639,695.67****11050900 ALLOWANCE FOR DOUBTFUL ACCOUNTS**

| | | |
|----------|-----------------------------------------------|----------------|
| 11050901 | ESTIMATED DOUBTFUL ACCOUNT LOSSES | -43,410.38 |
| 11050902 | ESTIMATED DOUBTFUL ACCOUNT LOSSES - ALLOWANCE | -15,261,087.61 |

TOTAL ALLOWANCE FOR DOUBTFUL ACCOUNTS**-15,304,497.99**

| | |
|-----------------------------------------------------|-----------------------|
| TOTAL TRADE ACCOUNTS RECEIVABLE | 143,431,395.08 |
| 11100000 OTHER RECEIVABLES | |
| 11100100 SECURITIES RECEIVABLE | |
| 11100118 OTHER SECURITIES RECEIVABLE | 2,072,001.26 |
| 11100126 OTHER ACCOUNTS (R) | 1,859,542.04 |
| 11100153 INTERCOMPANY LOANS - PRINCIPAL C | 34,650,211.23 |
| 11100154 INTERCOMPANY LOANS - MI CHARGES | 4,535,809.73 |
| 11100165 IRRF IN DOMESTIC CURRENCY - INVESTEES | 800,437.01 |
| 11100190 PROV.FOR LOSSES FROM SECURITIES RECEIVABLE | -2,072,001.26 |
| TOTAL SECURITIES RECEIVABLE | 41,846,000.01 |
| 11100300 CONSIGNMENT | |
| 11100302 UNEARNED PROFIT - SALES ON CONSIGNMENT | -4,215,018.84 |
| TOTAL CONSIGNMENT | -4,215,018.84 |
| TOTAL OTHER RECEIVABLES | 37,630,981.17 |
| 11150000 EMPLOYEE EXPENSES | |
| 11150100 EMPLOYEES | |
| 11150102 ADVANCES FOR DOMESTIC TRAVELS | 3,470.00 |
| 11150103 ADVANCES FOR TRAVELS ABROAD | 171,084.96 |
| 11150107 ADVANCES FOR EXPENSES | 6,638.03 |
| 11150137 RESTAURANT AND DINING HALL | 0.01 |
| 11150142 OTHER EMPLOYEE EXPENSES | 157,632.21 |
| 11150148 BASIC-NEEDS GROCERY PACKAGE | 31,178.74 |
| TOTAL EMPLOYEES | 370,003.95 |
| TOTAL EMPLOYEE EXPENSES | 370,003.95 |
| 11200000 DEBT CURRENT ACCOUNTS | |
| 11200100 INVESTEES | |
| 11200135 C/A CIA. SIDERÚRGICA NACIONAL | 11,902.15 |
| TOTAL INVESTEES | 11,902.15 |
| 11200400 OTHER ACCOUNTS | |
| 11200491 OTHER C/C | 85,773.59 |
| TOTAL OTHER ACCOUNTS | 85,773.59 |
| TOTAL DEBT CURRENT ACCOUNTS | 97,675.74 |
| 11250000 ADVANCES IN CASH | |
| 11250100 TRADE ACCOUNTS PAYABLE | |
| 11250101 ADVANCES TO DOMESTIC SUPPLIERS | -527.77 |
| 11250102 ADVANCES TO SUPPLIERS ABROAD | 4,544.79 |
| TOTAL TRADE ACCOUNTS PAYABLE | 4,017.02 |
| TOTAL ADVANCES IN CASH | 4,017.02 |
| 11350000 OTHER LONG-TERM RECEIVABLES | |
| 11350200 RECOVERABLE TAXES | |
| 11350201 RECOVERABLE IPI - SHORT TERM | 1,773,609.86 |
| 11350202 RECOVERABLE ICMS TAX - SHORT TERM | 1,478,199.86 |
| 11350203 TAXES IN TRANSFER-PREMISES | 145,177.63 |

| | | |
|------------------------------------------|----------------------------------|---------------------|
| 11350205 | IRRF ON SERVICES RENDERED | 0 |
| 11350206 | IRRF ON FINANCIAL OPERATIONS | 47,171.23 |
| 11350212 | RECOVERABLE PIS | 333,945.78 |
| 11350215 | RECOVERABLE COFINS | 917,848.31 |
| 11350223 | IRPJ/IRRF TO OFFSET | 113,077.69 |
| 11350224 | CSLL TO OFFSET | 829,287.44 |
| 11350227 | WITHHOLDING PIS / PASEP | 323.09 |
| 11350228 | WITHHOLDING COFINS | 1,491.21 |
| 11350229 | WITHHOLDING CSLL | 0 |
| 11350234 | ICMS ON BORROWING OF MATERIALS | 1,320.00 |
| 11350236 | ICMS - FIXED ASSETS | 198,393.88 |
| 11350238 | PIS-LAW 10637 | 0.01 |
| 11350243 | PIS TO OFFSET | 3,714.32 |
| 11350244 | COFINS TO OFFSET | 90,722.30 |
| 11350249 | ICMS ON IMPORTS | 13,807.14 |
| 11350257 | RECOVERABLE ICMS TAX SUSTITUTION | 25.95 |
| TOTAL RECOVERABLE TAXES | | 5,948,115.70 |
| 11350500 CONSIGNMENT - TAXES | | |
| 11350501 | TAXES ON CONSIGNMENT | 1,096,764.88 |
| TOTAL CONSIGNMENT - TAXES | | 1,096,764.88 |
| TOTAL OTHER LONG-TERM RECEIVABLES | | 7,044,880.58 |

COMPANHIA METALÚRGICA PRADA(Amounts
in R\$)

| | Balance on 8/31/2013 |
|--------------------------------------------------------------|-----------------------------|
| 11400000 INVENTORIES | |
| 11400100 FINISHED PRODUCTS | |
| 11400101 FINISHED PRODUCTS | 39,235,107.95 |
| 11400106 INVENTORIES ADJUSTMENT RECOGNIZED IN REVENUE | 19,226,986.52 |
| TOTAL FINISHED PRODUCTS | 58,462,094.47 |
| 11400200 INVENTORY TRANSFER | |
| 11400201 INVENTORY TRANSFER | 353,923.82 |
| TOTAL INVENTORY TRANSFER | 353,923.82 |
| 11400300 PRODUCTS FOR SALE | |
| 11400301 MATERIAL FOR RESALE | 2,238,677.55 |
| TOTAL PRODUCTS FOR SALE | 2,238,677.55 |
| 11400400 PRODUCTS IN PROCESS | |
| 11400401 PROD. AND SERVICES IN PROCESS | 25,060,212.58 |
| 11400402 PROD. AND SERVICES IN PROCESS - WIP | 1,763,426.08 |
| 11400499 PROD. AND SERVICES IN PROCESS - ANALYSIS | () |
| TOTAL PRODUCTS IN PROCESS | 26,823,638.66 |
| 11400600 RAW MATERIAL | |
| 11400601 OTHER RAW MATERIAL | 95,585,722.82 |
| 11400607 STEEL SCRAP | 46,106.83 |
| TOTAL RAW MATERIAL | 95,631,829.65 |
| 11400700 STOREROOMS | |
| 11400701 STOREROOMS | 9,559,879.86 |
| 11400702 PRODUCTION INPUTS AND SUPPLIES | 431,479.65 |
| 11400703 FUEL GASES AND LUBRICANTS | 55,634.18 |
| 11400704 PACKAGE MATERIAL | 151,172.35 |
| 11400705 OTHER MAINTENANCE AND CONSUMPTION MATERIALS | 7,816,193.19 |
| 11400790 INVENTORIES IN PROGRESS TRANSFERRED TO PP&E | -1,971,035.53 |
| TOTAL STOREROOMS | 16,043,323.72 |
| 11401000 IMPORTS IN PROGRESS | |
| 11401018 IMPORTS IN PROGRESS | 206,541.56 |
| TOTAL IMPORTS IN PROGRESS | 206,541.56 |
| 11401100 THIRD-PARTY MATERIAL IN COMPANY'S POSSESSION | |
| 11401103 INCORP. SERV. - THIRD-PARTY MATERIALS | 271,509.36 |
| TOTAL THIRD-PARTY MATERIAL IN COMPANY'S POSSESSION | 271,509.36 |
| 11401300 PROVISION FOR INVENTORY LOSS | |
| 11401301 (-)PROVISION FOR INVENTORY LOSS | -2,786,040.42 |
| TOTAL PROVISION FOR INVENTORY LOSS | -2,786,040.42 |
| TOTAL INVENTORIES | 197,245,498.37 |
| 11500000 PREPAID EXPENSES | |
| 11500100 PREPAID EXPENSES | |
| 11500101 TAXES AND FEES | 581,983.70 |
| 11500122 MEAL VOUCHER | () |
| 11500123 TRANSPORTATION VOUCHER | () |

| | |
|-------------------------------------------------------------------|-----------------------|
| 11500135 PREPAID EXPENSES - USE OF LICENSE | 449,803.70 |
| TOTAL PREPAID EXPENSES | 1,031,787.40 |
| TOTAL PREPAID EXPENSES | 1,031,787.40 |
| TOTAL CURRENT ASSETS | 396,805,772.50 |
| 12000000 LONG-TERM RECEIVABLES | |
| 12010000 OBLIGATIONS, RESERVE REQUIREMENT FUNDS | |
| 12010100 RESERVE REQUIREMENTS | |
| 12010101 ELETROBRAS | 993,215.68 |
| 12010102 PROVISION FOR LOSS- ELETROBRAS | -790,187.73 |
| TOTAL RESERVE REQUIREMENTS | 203,027.95 |
| TOTAL OBLIGATIONS, RESERVE REQUIREMENT FUNDS | 203,027.95 |
| 12200000 AMOUNTS RECEIVABLE - LONG TERM | |
| 12200200 ADVANCES FOR FUTURE CAPITAL INCREASE | |
| 12200220 ADVANCES FOR FUTURE CAPITAL INCREASE - CBL | 25,436,182.67 |
| TOTAL ADVANCES FOR FUTURE CAPITAL INCREASE | 25,436,182.67 |
| 12200700 GOODS IN POSSESSION OF THIRD-PARTIES/SUBSIDIARIES | |
| 12200702 GOODS IN LOAN FOR USE AGREEMENT WITH CSN | 196,398.15 |
| TOTAL GOODS IN POSSESSION OF THIRD-PARTIES/SUBSIDIARIES | 196,398.15 |
| TOTAL TRADE ACCOUNTS RECEIVABLE - LONG TERM | 25,632,580.82 |
| 12250000 SECURITY AND DEPOSITS | |
| 12250100 JUDICIAL AND ADMINISTRATIVE | |
| 12250301 JUDICIAL DEPOSITS - LABOR | 6,367,465.39 |
| 12250302 JUDICIAL DEPOSITS - TAX | 1,666,593.45 |
| 12250303 JUDICIAL DEPOSITS - CIVIL | 145,148.98 |
| 12250304 JUDICIAL DEPOSITS- ENVIRONMENTAL | 68,866.36 |
| TOTAL JUDICIAL AND ADMINISTRATIVE | 8,248,074.18 |
| TOTAL SECURITY AND DEPOSITS | 8,248,074.18 |
| 12350000 SECURITIES RECEIVABLE | |
| 12350100 SECURITIES RECEIVABLE | |
| 12350112 PROVISION FOR LOSS FROM SECURITIES RECEIVABLE FROM CBL | -4,999,982.40 |
| 12350153 INTERCOMPANY LOAN | 30,573,715.80 |
| TOTAL SECURITIES RECEIVABLE | 25,573,733.40 |
| 12360000 OTHER INVESTMENTS | |
| 12360100 OTHER INVESTMENTS | |
| 12360101 INVESTMENTS FOR SALE | 145,595.25 |
| 12360190 PROVISION FOR LOSS IN INVESTMENTS FOR SALE | -145,595.25 |
| TOTAL OTHER INVESTMENTS | 0 |
| 12400000 OTHER RECEIVABLES | |
| 12400300 TAXES, CONTRIB. AND FEES TO OFFSET | |
| 12400313 FIXED ASSET ICMS - INAL | 298,112.60 |
| 12400314 PIS ON FIXED ASSET ACQUISITION | 4,256.80 |
| 12400315 COFINS ON FIXED ASSET ACQUISITION | 13,103.40 |
| TOTAL TAXES, CONTRIB. AND FEES TO OFFSET | 315,472.92 |
| TOTAL OTHER RECEIVABLES | 315,472.92 |

| | |
|----------------------------------------------------|----------------------|
| 12470000 DEFERRED IRPJ (LONG TERM) | |
| 12470100 DEFERRED IRPJ (LONG TERM) | |
| 12470101 DEFERRED IRPJ (LONG TERM) | 104,769,225.32 |
| 12470103 IRPJ-CVM INSTR. 349/01 | 6,560,127.30 |
| 12470104 (-)FISCAL ASSET IR-CVM INSTR. 349/01 | -6,560,127.30 |
| 12470110 IRPJ - DEFERRED LIABILITIES (-) | -5,457,341.00 |
| 12470111 IRPJ-DEFERRED ASSETS - CONTRA ACCOUNT (-) | -79,475,923.98 |
| TOTAL DEFERRED IRPJ (LONG TERM) | 19,835,960.34 |
| 12480000 DEFERRED CSLL (LONG TERM) | |
| 12480100 DEFERRED CSLL (LONG TERM) | |
| 12480101 DEFERRED CSLL (LONG TERM) | 40,642,781.92 |
| 12480103 CSLL- CVM INSTR. 349/01 | 2,361,645.84 |
| 12480104 (-)FISCAL ASSETS CSLL-CVM INSTR. 349/01 | -2,361,645.84 |
| 12480110 CSLL - DEFERRED LIABILITIES (-) | -1,964,642.70 |
| 12480111 CSLL-DEFERRED ASSETS - CONTRA ACCOUNT (-) | -31,537,193.44 |
| TOTAL DEFERRED CSLL (LONG TERM) | 7,140,945.72 |
| TOTAL LONG TERM RECEIVABLES | 86,949,795.33 |

COMPANHIA METALÚRGICA PRADA**(Amounts
in R\$)**

| | Balance on 8/31/2019 |
|-----------------------------------------------------------------|-----------------------------|
| 13000000 PERMANENT ASSETS | |
| 13010000 INVESTMENTS | |
| 13010100 STATED AT EQUITY METHOD | |
| 13010199 INVESTMENT - GOODWILL ON CBL | 138,728,006. |
| TOTAL STATED AT EQUITY METHOD | 138,728,006. |
| 13010400 PROVISION FOR INVESTMENT LOSSES | |
| 13010434 (-) IMPAIRMENT - CBL | -60,860,653. |
| TOTAL PROVISION FOR INVESTMENT LOSSES | -60,860,653. |
| 13011000 STATED AT ACQUISITION COST | |
| 13011005 CIA TELEFONICA BRASILEIRA | 742. |
| 13011007 UNIÃO DE BANCOS BRASILEIROS S/A | 5,516. |
| 13011020 PROVISION FOR LOSS - STATED AT ACQUISITION COST | -6,259. |
| 13011022 USIMINAS | 135,417,509. |
| 13011023 USIMINAS - INVESTMENT ADJUSTMENT | -79,551,743. |
| TOTAL STATED AT ACQUISITION COST | 55,865,766. |
| TOTAL INVESTMENTS | 133,733,118. |
| 13050000 PROPERTY, PLANT AND EQUIPMENT | |
| 13050100 OPERATING ASSETS | |
| 13050101 FURNITURE AND FIXTURES | 3,488,204. |
| 13050102 EQUIPMENT AND PREMISES | 101,746,805. |
| 13050103 BUILDINGS | 76,936,917. |
| 13050104 VEHICLES | 162,297. |
| 13050105 HARDWARE | 6,286,950. |
| 13050107 SUPPORT LAND | 13,159,486. |
| 13050112 PROVISION FOR PP&E WRITTEN OFF | -3,756,721. |
| 13050113 LEASEHOLD IMPROVEMENT | 1,335,666. |
| 13050115 STOREROOM - SPARE PARTS | 833,648. |
| 13050116 INDUSTRIAL LAND | 153,022. |
| 13050118 STOREROOM - SPARE PARTS PL-34 | 216,771. |
| 13050190 INVENTORIES IN PROGRESS - CURRENT MOVEMENT | 1,971,035. |
| TOTAL OPERATING ASSETS | 202,534,084. |
| 13050200 PROPERTY, PLANT AND EQUIPMENT AMORTIZATION | |
| 13050201 (-) ACCUMULATED DEPRECIATION ON FURNITURE AND FIXTURES | -2,599,430. |
| 13050202 (-) ACCUMULATED DEPRECIATION ON EQUIPMENT AND PREMISES | -39,462,039. |
| 13050203 (-) ACCUMULATED DEPRECIATION ON BUILDINGS | -16,246,577. |
| 13050204 (-) ACCUMULATED DEPRECIATION ON VEHICLES | -121,464. |
| 13050205 (-) ACCUMULATED DEPRECIATION ON HARDWARE | -5,466,277. |
| 13050213 (-) ACCUMULATED DEPRECIATION ON LEASEHOLD IMPROVEMENTS | -1,314,528. |
| TOTAL PROPERTY, PLANT AND EQUIPMENT AMORTIZATION | -65,210,317. |
| 13050300 CURRENT WORKS | |
| 13050301 CONSTRUCTION IN PROGRESS | 219. |
| 13050306 PROPERTY, PLANT AND EQUIPMENT EXPENSES NOT RECOGNIZED | 764,298. |
| TOTAL CURRENT WORKS | 764,518. |

13050700 IMPORTS IN PROGRESS - PROPERTY, PLANT AND EQUIPMENT

| | |
|------------------------------------------------------------------|---------------------|
| 13050701 IMPORTS IN PROGRESS - PROPERTY, PLANT AND EQUIPMENT | -232,887. |
| TOTAL IMPORTS IN PROGRESS - PROPERTY, PLANT AND EQUIPMENT | -232,887. |
| TOTAL PROPERTY, PLANT AND EQUIPMENT | 137,855,398. |

13090000 INTANGIBLE ASSETS**13090200 INTANGIBLE ASSETS IN AMORTIZATION**

| | |
|------------------------------------------------|-------------------|
| 13090201 SOFTWARE | 1,784,850. |
| TOTAL INTANGIBLE ASSETS IN AMORTIZATION | 1,784,850. |

13090300 ACCUMULATED AMORTIZATION

| | |
|---------------------------------------|------------------|
| 13090301 (-) A.A. SOFTWARE | -148,358. |
| TOTAL ACCUMULATED AMORTIZATION | -148,358. |

13090400 GOODWILL ON MERGER

| | |
|-----------------------------------------------|--------------|
| 13090404 GOODWILL ON MERGER - PRADA | 87,876,946. |
| 13090407 GOODWILL ON MERGER. - ONOMATOPEIA | 11,243,691. |
| 13090498 TAX INCENTIVE- CVM INSTR. 349/01 | -32,717,013. |
| 13090499 PROVISION FOR CVM INSTRUCTION 349/01 | -63,509,497. |

TOTAL GOODWILL ON MERGER**2,894,125.****13090500 GOODWILL AMORTIZATION ON MERGER**

| | |
|--------------------------------------------------------|-------------|
| 13090506 GOODWILL AMORTIZATION ON MERGER - PRADA | -1,464,615. |
| 13090508 GOODWILL AMORTIZATION ON MERGER - ONOMATOPEIA | -1,429,510. |

TOTAL GOODWILL AMORTIZATION ON MERGER**-2,894,125.****TOTAL INTANGIBLE ASSETS****1,636,491.****TOTAL PERMANENT ASSETS****273,225,008.****TOTAL ASSETS****756,980,576.**

COMPANHIA METALÚRGICA PRADA(Amounts
in R\$)**Balance on 08/31/2013****20000000****LIABILITIES****21000000 CURRENT LIABILITIES****21150000 TRADE ACCOUNTS PAYABLE****21150100 TRADE ACCOUNTS PAYABLE - THIRD PARTIES**

| | | |
|----------|-------------------------------|--------------|
| 21150101 | DOMESTIC SUPPLIERS | -8,968,534.4 |
| 21150102 | FOREIGN SUPPLIERS | -43,726.0 |
| 21150103 | ACCOUNTS PAYABLE TO EMPLOYEES | -96,735.0 |
| 21150104 | TAXES | -47,809.6 |
| 21150105 | ENTITIES | -7,017.0 |
| 21150106 | FINANCIAL INSTITUTIONS | -36,899.4 |

TOTAL TRADE ACCOUNTS PAYABLE - THIRD PARTIES**-9,200,721.6****21150200 TRADE ACCOUNTS PAYABLE - INVESTEES**

| | | |
|----------|-----------------------------------|----------------|
| 21150201 | SUPPLIER CSN CIMENTOS | -2,711.6 |
| 21150203 | SUPPLIER MRS LOGISTICA S/A | -13,431.6 |
| 21150209 | SUPPLIER CIA.SIDERÚRGICA NACIONAL | -255,131,762.3 |
| 21150244 | SUPPLIER RIMET | -39,506.3 |

TOTAL TRADE ACCOUNTS PAYABLE - INVESTEES**-255,187,412.0****21159900****OFFSET**

| | | |
|----------|--------------------------------------|--------------|
| 21159998 | INCOME TAX PAYMENT OFFSET - SERVICES | -1,122,602.6 |
| 21159999 | INCOME TAX PAYMENT OFFSET - PRODUCTS | -1,360,421.5 |

TOTAL**OFFSET****-2,483,024.1****TOTAL TRADE ACCOUNTS PAYABLE****-266,871,157.8****21200000 PAYROLL, FEES AND RELATED CHARGES****21200100****PAYROLL**

| | | |
|----------|---------------------------------------|--------------|
| 21200108 | PAYROLL PAYABLE | -35,378.9 |
| 21200109 | PROVISION FOR VACATION PAY | -6,582,270.1 |
| 21200110 | PROVISION - DISCOUNTS IN VACATION PAY | -81,227.7 |
| 21200111 | PROVISION FOR CHRISTMAS BONUS | -2,646,329.1 |
| 21200112 | ADVANCES FOR CHRISTMAS BONUS | 65,977.0 |

TOTAL**PAYROLL****-9,279,228.9****21200300 SOCIAL CONTRIBUTION PAYABLE**

| | | |
|----------|--------------------------------------------------------|------------|
| 21200314 | WITHHOLDING INSS - LAW 9711 | -61,059.1 |
| 21200316 | INSS SERVICE RENDERING-CO-OPERATIVE-LAW | -8,276.5 |
| 21200317 | INSS SELF-EMPLOYED INDIVIDUALS-SUPPLEMENTARY LAW 84/96 | -5,556.0 |
| 21200319 | FGTS PAYABLE - SHORT TERM | -313,436.5 |
| 21200321 | TRADE UNION CONTRIBUTIONS - EMPLOYEES - SHORT TERM | -624.4 |
| 21200323 | SENAI - SHORT TERM | -44,676.7 |
| 21200324 | SESI - SHORT TERM | -56,116.0 |

| | | |
|------------------------------------------------|------------------------------------------|----------------------|
| 21200325 | WORKPLACE ACCIDENT INSURANCE-SAT | -116,186.2 |
| 21200326 | INSS - COMPANY - SHORT TERM | -799,014.2 |
| 21200327 | INSS - TRANSFER TO EMPLOYEE - SHORT TERM | -328,941.6 |
| 21200328 | SOCIAL SECURITY ACCIDENT FACTOR | -899,225.2 |
| TOTAL SOCIAL CONTRIBUTION PAYABLE | | -2,633,112.9 |
| TOTAL PAYROLL, FEES AND RELATED CHARGES | | -11,912,341.8 |

21300000**TAXES
PAYABLE****21300100 TAXES PAYABLE**

| | | |
|----------|-------------------------------------------------|--------------|
| 21300101 | IPI - INDUSTRIALIZED PRODUCTS TAXES PAYABLE | -1,614,198.8 |
| 21300102 | CSLL, COFINS AND PIS - WITHHOLDING TAX | -8,291.4 |
| 21300104 | IRRF - SERVICES RENDERED | -5,074.4 |
| 21300108 | ICMS PAYABLE | -7,774,410.2 |
| 21300109 | ICMS -LAW 1423/89 - RATE DIFFERENTIAL | -2,991.9 |
| 21300110 | ISS PAYABLE - SHORT TERM | -2,988.0 |
| 21300112 | ICMS - TAX SUBSTITUTION | -23,784.4 |
| 21300113 | PIS PAYABLE - SHORT TERM | -623,096.8 |
| 21300115 | COFINS PAYABLE - SHORT TERM | -2,846,401.8 |
| 21300126 | ISS WITHHELD FROM THIRD PARTIES - ARAUCÁRIA | -133.7 |
| 21300127 | ISS WITHHELD FROM THIRD PARTIES - SÃO PAULO | -18,370.3 |
| 21300129 | ISS WITHHELD FROM THIRD PARTIES - INAL PIRACICA | -679.3 |
| 21300131 | ISS WITHHELD FROM THIRD PARTIES - INAL MOGI DAS | -2,743.0 |
| 21300133 | ISS WITHHELD FROM THIRD PARTIES - INAL DUQUE DE | -210.7 |
| 21300134 | ISS WITHHELD FROM THIRD PARTIES - INAL RECIFE | -1,465.8 |
| 21300135 | ISS WITHHELD FROM THIRD PARTIES - INAL CONTAGEM | -23. |
| 21300137 | ICMS - TAX SUBSTITUTION | -9,285.6 |
| 21300142 | TAXES - ADJUSTMENTS FROM RECOGNITION OF REVENUE | 7,531,993.8 |
| 21300143 | ISS WITHHELD FROM THIRD PARTIES - INAL JUIZ DE | -766.8 |
| 21300150 | ISS WITHHELD FROM THIRD PARTIES - UBERLÂN | -8,641.1 |
| 21300151 | ISS WITHHELD FROM THIRD PARTIES - PELOTAS | -13,580.0 |
| 21300155 | ISS WITHHELD FROM THIRD PARTIES - BEBEDOU | -290.5 |
| 21300157 | IRRF-EMPLOYEES | -248,416.8 |
| 21300161 | ISS WITHHELD FROM THIRD PARTIES - MAUÁ | -34. |

TOTAL TAXES PAYABLE**-5,673,886.6****21300200 LIABILITIES AND TAXES IN INSTALLMENTS**

| | | |
|----------|------------------------------------|------------|
| 21300214 | INSTALLMENT PAYMENT - LAW 11941/09 | -284,358.8 |
|----------|------------------------------------|------------|

TOTAL LIABILITIES AND TAXES IN INSTALLMENTS**-284,358.8****TOTAL TAXES PAYABLE****-5,958,245.4****21350000****ADVANCES****21350100 ADVANCES FROM THIRD PARTY CLIENTS**

| | | |
|----------|-----------------------|--------------|
| 21350101 | ADVANCES FROM CLIENTS | -2,809,221.3 |
|----------|-----------------------|--------------|

TOTAL ADVANCES FROM THIRD PARTY CLIENTS**-2,809,221.3****TOTAL****AVANCES****-2,809,221.3****21400000****PAYABLES**

| | |
|---------------------------------------------------------|---------------------|
| 21400100 CURRENT ACCOUNTS-INVESTEES | |
| 21400113 C/C CSN | -53,625.7 |
| TOTAL CURRENT ACCOUNTS-INVESTEES | -53,625.7 |
| 21400200 CURRENT ACCOUNTS - INVESTOR | |
| 21400201 C/C CSN | -7 |
| TOTAL CURRENT ACCOUNTS - INVESTOR | -7 |
| 21400400 OTHER ACCOUNTS | |
| 21400410 ACCOUNTS PAYABLE | -294,313.4 |
| 21400440 PERSONAL DEVEL. FUND - AC. SESI | -157,579.0 |
| 21400441 PERSONAL DEVEL. FUND - SENAI | -1,079.9 |
| 21400442 PIS-SOCIAL INTEGRATION PROGRAM | |
| 21400443 FNDE-TRANSFER TO EMPLOYEES | -97,036.8 |
| 21400445 GROUP LIFE INSURANCE | -104,289.6 |
| 21400448 HEALTHCARE PLAN | |
| 21400451 VIDALINK DRUGSTORE | -24,378.4 |
| 21400452 TRADE UNION MONTHLY PAYMENT | -22,775.6 |
| TOTAL OTHER ACCOUNTS | -701,452.9 |
| 21400600 CONSIGNATION | |
| 21400601 AMOUNTS TO BE WRITTEN OFF - CONSIGNED PRODUCTS | -764,271.0 |
| TOTAL CONSIGNATION | -764,271.0 |
| TOTAL ACCOUNTS PAYABLE | -1,519,421.7 |

COMPANHIA METALÚRGICA PRADA

(Amounts
in R\$)

Balance c

21450000 OTHER LIABILITIES
21450300 EMPLOYEE PROFIT SHARING
 21450303 EMPLOYEE PROFIT SHARING
TOTAL EMPLOYEE PROFIT SHARING
TOTAL OTHER LIABILITIES

21500000
PROVISIONS
21500400 RENOVATIONS AND MAINTENANCES
 21500403 PROVISION FOR CONSUMABLES AND SERVICES
TOTAL RENOVATIONS AND MAINTENANCES
21500500 OTHER PROVISIONS
 21500506 PROVISION FOR SERVICES RENDERED
 21500511 FREIGHT PROVISIONS
TOTAL OTHER PROVISIONS
TOTAL
PROVISIONS

21510000 CONTINGENT LIABILITIES - SHORT TERM
21510200 PROVISIONS FOR CONTINGENCIES
 21510201 LABOR
 21510202 CIVIL
TOTAL PROVISIONS - FOR CONTINGENCIES
TOTAL CONTINGENT LIABILITIES - SHORT TERM

TOTAL CURRENT LIABILITIES

22000000 LONG-TERM LIABILITIES
22060000 CURRENT ACCOUNTS / LOANS
22060300 ADVANCES FOR FUTURE CAPITAL INCREASE
 22060301 ADV. FOR FUTURE CAPITAL INCREASE - CSN
TOTAL ADVANCES FOR FUTURE CAPITAL INCREASE
TOTAL CURRENT ACCOUNTS / LOANS

22100000
PAYABLES
22100100
TAXES
 22100117 DEFERRED ICMS - TAX INCENTIVES
TOTAL
TAXES
22100200 LIABILITIES AND TAXES IN INSTALLMENT
 22100215 INSTALLMENT PAYMENT - LAW 11.941/09
TOTAL LIABILITIES AND TAXES IN INSTALLMENT

22100300

PAYABLES

22100307 ACCOUNTS PAYABLE

TOTAL ACCOUNTS PAYABLE

TOTAL ACCOUNTS PAYABLE

22200000

PROVISIONS

22200300 PROVISION FOR LOSSES FROM INVESTMENTS

22200346 PLI - CBL

TOTAL PROVISION FOR LOSSES FROM INVESTMENTS

TOTAL

PROVISIONS

TOTAL LONG-TERM LIABILITIES

2423 EQUITY AND NON-CONTROLLING INTEREST

24

EQUITY

24010000 CAPITAL STOCK

24010100 PAID-IN SHARES

24010101 COMMON SHARES

TOTAL PAID-IN SHARES

TOTAL CAPITAL STOCK

24050000

RESERVES

24050100 CAPITAL STOCK

24050108 SPECIAL GOODWILL RESERVE ON MERGER

TOTAL CAPITAL RESERVES

24050300

PROFIT

24050305 PROFIT RETENTION

TOTAL PROFIT RESERVE

TOTAL

RESERVES

240800 COMPREHENSIVE INCOME

24081600 GAINS AND LOSSES FROM AVAILABLE-FOR-SALE FINANCIAL ASSETS

24081602 GAINS AND LOSSES FROM AVAILABLE-FOR-SALE FINANCIAL ASSETS-USIMINAS

24081690 DEFERRED SOCIAL CONTRIBUTION

24081695 DEFERRED INCOME TAX

TOTAL LOSSES FROM AVAILABLE-FOR-SALE FINANCIAL ASSETS

TOTAL COMPREHENSIVE INCOME

24100000 RETAINED EARNINGS OR ACCUMULATED LOSSES

24100100 FROM PRIOR YEARS

24100101 RETAINED EARNINGS/ ACCUMULATED LOSSES

TOTAL PRIOR-YEAR RETAINED EARNINGS/ ACCUMULATED LOSSES

24100300 CURRENT YEAR

24100301 LOSSES FOR THE YEAR

TOTAL RETAINED EARNINGS OR ACCUMULATED LOSSES

TOTAL

EQUITY

TOTAL EQUITY AND NON-CONTROLLING INTEREST

-2

**TOTAL
LIABILITIES**

-7

COMPANHIA METALÚRGICA PRADA(Amounts
in R\$)**Balance on 8/31/2013**

| | |
|----------------------------------------------------------------------|------------------------|
| 30000000 PROFIT/LOSS FOR THE YEAR | |
| 3RAIRCS PROFIT/LOSS BEFORE INCOME TAX AND SOCIAL CONTRIBUTION | |
| 3RO OPERATING RESULT | |
| 3LB GROSS PROFIT | |
| 31000000 GROSS REVENUE FROM SALES | |
| 31010000 DOMESTIC SALES | |
| 31010100 PRODUCT SALES | |
| 31010101 STEEL PRODUCTS | -937,868,309.92 |
| 31010103 STEEL PRODUCTS - REVENUE RECOGNITION | 18,989,581.17 |
| TOTAL PRODUCT SALES | -918,878,728.75 |
| 31010200 SUB-PRODUCT SALES | |
| 31010201 SUB-PRODUCTS | -2,355.40 |
| TOTAL SUB-PRODUCT SALES | -2,355.40 |
| 31010500 SERVICE SALES | |
| 31010501 SERVICE SALES | -5,270,043.16 |
| TOTAL SERVICE SALES | -5,270,043.16 |
| 31010900 PRODUCTS FOR SALE | |
| 31010901 MAT. FOR RESALE | -11,510,420.88 |
| TOTAL PRODUCTS FOR SALE | -11,510,420.88 |
| TOTAL DOMESTIC SALES | -935,661,548.19 |
| TOTAL GROSS REVENUE FROM SALES | -935,661,548.19 |
| 32000000 DEDUCTIONS FROM GROSS REVENUE | |
| 32010000 DEDUCTIONS FROM GROSS REVENUE - DOMESTIC MARKET | |
| 32010100 TAXES ON SALES | |
| 32010101 IPI | 42,611,562.59 |
| 32010102 ICMS | 134,452,906.86 |
| 32010106 ICMS - TAX OUTSOURCING | 102,615.18 |
| 32010107 IPI - REVENUE RECOGNITION | -907,761.17 |
| 32010108 ICMS - REVENUE RECOGNITION | -2,414,294.20 |
| TOTAL TAXES ON SALES | 173,845,029.26 |
| 32010200 CONTRIBUTIONS ON SALES | |
| 32010201 PIS | 15,075,666.66 |
| 32010202 COFINS | 69,440,865.12 |
| 32010203 PIS - REVENUE RECOGNITION | -298,350.15 |
| 32010204 COFINS - REVENUE RECOGNITION | -1,374,218.32 |
| TOTAL CONTRIBUTIONS ON SALES | 82,843,963.31 |
| 32010300 CANCELLED SALES | |
| 32010301 CANCELLED SALES - DM | 2,774,419.83 |
| TOTAL CANCELLED SALES | 2,774,419.83 |

| | | |
|--------------------------------------------------------------|--------------------------------------------|------------------------|
| 32010400 | | |
| REBATES | | |
| 32010401 | REBATES ON SALES - DM | 491,803.92 |
| TOTAL | | |
| REBATES | | 491,803.92 |
| TOTAL DEDUCTIONS FROM GROSS REVENUE - DOMESTIC MARKET | | 259,955,216.32 |
| TOTAL DEDUCTIONS FROM GROSS REVENUE | | 259,955,216.32 |
| 3RL NET REVENUE | | -675,706,331.87 |
| 41 COST OF GOODS SOLD AND SERVICES RENDERED | | |
| 41000000 COST OF GOODS SOLD AND SERVICES RENDERED | | |
| 41010000 DOMESTIC MARKET COST | | |
| 41010100 COST OF STEEL PRODUCTS | | |
| 41010101 | STEEL PRODUCTS | 625,122,150.54 |
| TOTAL COST OF STEEL PRODUCTS | | 625,122,150.54 |
| 41010500 COST OF SERVICES RENDERED | | |
| 41010501 | SERVICES RENDERED | 2,940,978.72 |
| TOTAL COST OF SERVICES RENDERED | | 2,940,978.72 |
| 41010900 PRODUCTS FOR SALE | | |
| 41010901 | MAT. FOR RESALE | 10,916,912.15 |
| TOTAL PRODUCTS FOR SALE | | 10,916,912.15 |
| TOTAL DOMESTIC MARKET COST | | 638,980,041.41 |
| TOTAL OF GOODS SOLD AND SERVICES RENDERED | | 638,980,041.41 |
| 4100000B EXPENSES IN THE PERIOD | | |
| 41999999 DISTRIBUTION AND PORT EXPENSES | | |
| 42010104 | MRS - RAILWAY TRANSPORT FOR THE COMPANY | 441,687.24 |
| TOTAL DISTRIBUTION AND PORT EXPENSES | | 441,687.24 |
| 410603 COST VARIATIONS | | |
| 42060300 STOREROOM PRICE DIFFERENCES /PM | | |
| 42060301 | STOREROOM PRICE DIFFERENCES | 29,933,923.60 |
| 42060302 | STOREROOM MATERIAL LEDGER DIFFERENCES | -29,419,817.74 |
| 42060303 | STOREROOM LOWER LEVEL PRICE DIFFERENCES | -29,087.68 |
| 42060304 | STOREROOM STANDARD REVISION DIFFERENCE | 2,260,486.78 |
| 42060305 | INVENTORY TRANSFER DIFFERENCE | 1,863,135.61 |
| 42060309 | STOREROOM VARIATION - SCRAP | 186,587.29 |
| 42060391 | WIP PRICE DIFFERENCES - SERVICES | -193,094.04 |
| 42060392 | WIP PRICE DIFFERENCES - MATERIALS | 92,464.96 |
| TOTAL STOREROM PRICE DIFFERENCES/PM | | 4,694,598.78 |
| 42060310 PROCESSING PRODUCT PRICE DIFFERENCES | | |
| 41090319 | PROCESSING COST VARIATIONS | -157,058.42 |
| 42060311 | PROCESSING PRODUCT PRICE DIFFERENCES | -40,191,824.83 |
| 42060312 | PROCESSING PROD. MAT. LEDGER DIF. | 54,478,035.25 |
| 42060313 | PROC. PROD. LOWER LEVEL PRICE DIF. | 7,152.97 |
| 42060314 | PROC. PROD. STANDARD REVISION DIF. | -1,058,492.77 |
| 42060315 | INVENTORY TRANSFER DIFFERENCE | -4,054,640.93 |
| 42060319 | PROCESSING PRODUCT VARIATION - SCRAP | 11,745.50 |
| 42060333 | LOWER LEVEL PRICE DIF. - THIRD PARTIES (PR | -10,671,037.90 |
| 42060351 | PRICE DIF. - STOREROOM (PRD) | -37,424.32 |
| 42060354 | MATERIAL LEDGER DIF. - STOREROOM (PR | -16,863.49 |
| TOTAL PROCESSING PROD.PRICE DIF. | | -1,690,408.94 |

42060320 FINISHED PROD. PRICE DIFFERENCES

| | | |
|-------------------------------------------------|------------------------------------------------|---------------------|
| 41090329 | FINISHED PRODUCT COST VARIATIONS | 1,289,401.04 |
| 42060321 | FINISHED PRODUCT PRICE DIFFERENCES | -69,989,432.50 |
| 42060322 | FINISHED PRODUCT MATERIAL LEDGER DIFFERENCES | 29,071,528.79 |
| 42060323 | FINISHED PRODUCT LOWER LEVEL PRICE DIFFERENCES | -41,236.67 |
| 42060324 | FINISHED PRODUCT STANDARD REVISION DIF. | 32,287,143.93 |
| 42060325 | INVENTORY TRANSFER DIFFERENCES | 7,801,537.76 |
| 42060329 | FINISHED PRODUCT VARIATION - SCRAP | 1,803,717.17 |
| TOTAL FINISHED PRODUCT PRICE DIFFERENCES | | 2,222,659.52 |

COMPANHIA METALÚRGICA PRADA

**(Amounts
in R\$)**

42060340 SUB-PRODUCT PRICE DIFFERENCES

42060341 SUB-PRODUCT PRICE DIF. (PRD)

42060342 MATERIAL LEDGER DIF. - SUBPRODUCTS (PRY

42060343 LOWER LEVEL PRICE DIF. - SUBPRODUCTS P

TOTAL SUB-PRODUCT PRICE DIFFERENCES

TOTAL COST VARIATIONS

41090000 INVENTORY ADJUSTMENTS

41010198 UNDER INCORPORATION

41090101 INVENTORY ADJUSTMENT

TOTAL INVENTORY ADJUSTMENTS

TOTAL EXPENSES IN THE PERIOD

TOTAL COST OF GOODS SOLD AND SERVICES RENDERED

TOTAL GROSS PROFIT

4DROP OPERATING EXPENSES/INCOME

42010000 SELLING EXPENSES

42010100 DISTRIBUTION COST

42010101 FREIGHT - HIGHWAY - DOMESTIC MARKET

TOTAL DISTRIBUTION COST

42010200 PROV. FOR DOUBTFUL ACCOUNTS

42010201 PROV. FOR DOUBTFUL ACCOUNTS - PDA

42010202 ABSORPTION OF AMOUNTS

42010203 UNRECEIVED CREDITS

TOTAL PROV. FOR DOUBTFUL ACCOUNTS

42010300 PRIMARY COSTS - SALES

42010302 PAYROLL AND LABOR CHARGES

42010303 DEPREC. AND AMORT.

42010306 PRIMARY COSTS - SALES

42010307 SOCIAL SECURITY - INSS

42010308 BENEFITS

42010309 GOVERNMENT SEVERANCE INDEMNITY FUND FOR EMPLOYEES - FGTS

42010311 EMPLOYEES' PROFIT SHARING

TOTAL PRIMARY COSTS - SALES

42010400 OTHER SELLING EXPENSES

42010402 ADVERTISING

TOTAL OTHER SELLING EXPENSES

TOTAL SELLING EXPENSES

42020000 GENERAL AND ADMINISTRATIVE EXPENSES

42020100 ADMINISTRATIVE EXPENSES

42020101 G.A. EXPENSES - PRIMARY COSTS

42020102 MANAGEMENT FEES

42020103 PAYROLL AND LABOR CHARGES

42020104 DEPREC. AND AMORT.

42020105 SERVICES

42020106 DOMESTIC TRAVEL EXPENSES

42020108 PRIMARY COSTS - OTHER COMPANIES
42020109 SOCIAL SECURITY - INSS
42020110 BENEFITS
42020111 GOVERNMENT SEVERANCE INDEMNITY FUND FOR EMPLOYEES -FGTS
TOTAL ADMINISTRATIVE EXPENSES
42020200 OTHER ADMINISTRATIVE EXPENSES
46010101 EMPLOYEES' PROFIT SHARING
TOTAL OTHER ADMINISTRATIVE EXPENSES
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES
40DROP OTHER OPERATING EXPENSES/INCOME
42060000 OTHER OPERATING EXPENSES
42060100 OTHER EXPENSES
42060102 CONTRACTUAL FINES
42060113 INDEMNITIES
42060114 TAXES AND CONTRIBUTIONS
42060117 EQUIPMENT STOPPAGES
42060118 PROV. FOR INVENTORY LOSSES
42060190 NON-RECURRING EXPENSES
42060199 OTHER EXPENSES
TOTAL OTHER EXPENSES
42060200 EXPENSES WITH PROVISIONS
42060202 PROV. FOR CIVIL CONTINGENCIES
42060204 PROV. FOR LABOR CONTINGENCIES
42060207 REVERSAL OF PROV. FOR TAX CONTINGENCIES
42060208 REVERSAL OF PROV. FOR CIVIL CONTINGENCIES
42060210 REVERSAL OF PROV. FOR LABOR CONTINGENCIES
42060213 LABOR CONTINGENCIES PAID
42060214 CIVIL CONTINGENCIES PAID
42060215 TAX CONTINGENCIES PAID
42060232 JUDICIAL DEPOSITS
TOTAL EXPENSES WITH PROVISIONS
TOTAL OTHER OPERATING EXPENSES
33030000 OTHER OPERATING INCOME
33030102 CONTRACTUAL FINES
33030104 INDEMNIFICATION FOR DAMAGES CAUSED IN MATERIALS
33030105 LAWSUITS - ASSESSMENT
33030190 NON-RECURRING REVENUE
TOTAL OTHER OPERATING INCOME
4DRNOP NON-OPERATING EXPENSES/INCOME, NET
44010000 NON-OPERATING EXPENSES
44010100 EQUITY LOSSES
44010105 NET VALUE OF WRITTEN-OFF ASSETS
44010108 PROV. FOR PROBABLE LOSS IN THE REALIZATION OF PROPERTY, PLANT AND EQUIPMENT
TOTAL EQUITY LOSSES
TOTAL NON-OPERATING EXPENSES
35010000 NON-OPERATING INCOME
35010100
EQUITY
GAINS
35010101 REVENUE FROM ASSET TRANSACTIONS
TOTAL EQUITY GAINS

TOTAL NON-OPERATING INCOME
TOTAL NON-OPERATING EXPENSES/INCOME, NET
TOTAL OTHER OPERATING EXPENSES/INCOME

COMPANHIA METALÚRGICA PRADA
(Amounts in
R\$)

Balance on 8/31/2013

4RFL NET FINANCIAL RESULT

42030000 FINANCIAL EXPENSES

42031200 OTHER FINANCIAL CHARGES

| | | |
|----------|-------------------------------------------|------------|
| 42031201 | INTEREST ON ARREARS | 37,518.25 |
| 42031203 | COMPENSATORY FINES AND INTEREST | 200,647.20 |
| 42031206 | EXPENSES WITH FINANCIAL TRANSACTIONS | 2,921.79 |
| 42031208 | PROV. FOR LOSSES - ELETROBRAS | 28,996.85 |
| 42031212 | DISCOUNTS GRANTED | 27.08 |
| 42031214 | BANK EXPENSES | 103,231.78 |
| 42031216 | IOF TAX ON FINANCIAL TRANSACTIONS | 3,809.55 |
| 42031220 | OTHER FINANCIAL EXPENSES | 64,131.62 |
| 42031230 | BANK GUARANTEE COMMISSIONS | 107,297.92 |
| 42031233 | NON-DEDUCTIBLE FINES | 1,339.95 |
| 42031253 | PROV. FOR LETTER OF GUARANTEE COMMISSIONS | 45,303.57 |

TOTAL OTHER FINANCIAL CHARGES

595,225.56

TOTAL FINANCIAL EXPENSES

595,225.56

42040000 MONETARY/EXCHANGE LOSSES

420400 MONETARY LOSSES

42040300 MONET. VAR.-OTHER LIABILITIES

| | | |
|----------|--------------------------------------|------------|
| 42040301 | MONET. VAR. - TAXES | 73,744.23 |
| 42040303 | MONET. VAR. - NATIONAL SUPPLIERS | 407.91 |
| 42040305 | MONET. VAR. - ENTITIES | 0.01 |
| 42040306 | MONET. VAR. - FINANCIAL INSTITUTIONS | -15.06 |
| 42040312 | MONET. RESTATEMENT - CONTINGENCIES | 410,523.10 |

TOTAL MONET. VAR. - OTHER LIABILITIES

484,660.19

TOTAL MONETARY LOSSES

484,660.19

42050000 EXCHANGE LOSSES

42050500 EXCHANGE VARIATION - OTHER LIABILITIES

| | | |
|----------|-----------------------------------|----------|
| 42050503 | EXCHANGE VAR. - FOREIGN SUPPLIERS | 1,588.06 |
|----------|-----------------------------------|----------|

TOTAL EXCHANGE VAR. - OTHER LIABILITIES

1,588.06

TOTAL EXCHANGE LOSSES

1,588.06

TOTAL MONETARY/EXCHANGE LOSSES

486,248.25

33010000 FINANCIAL INCOME

33010100 FINANCIAL INVESTMENTS

| | | |
|----------|-----------------------------------|-------------|
| 33010102 | THIRD-PARTY FINANCIAL INVESTMENTS | -205,249.43 |
|----------|-----------------------------------|-------------|

TOTAL FINANCIAL INVESTMENTS

-205,249.43

33010200

OTHER

| | | |
|----------|----------------------------------|-------------|
| 33010211 | INTEREST ON BANK BALANCES | -3,423.14 |
| 33010215 | DISCOUNTS OBTAINED | -25,012.23 |
| 33010216 | INTEREST OBTAINED - CLIENTS | -145,921.71 |
| 33010217 | INTEREST AND FINES RECEIVABLE | -58,848.07 |
| 33010219 | RESTATEMENT OF JUDICIAL DEPOSITS | 845.21 |
| 33010252 | DIVIDENDS RECEIVED | -1,455.49 |

| | | |
|----------------------------------------------------------------|------------------------------------------|-----------------------|
| 33010253 | INTERCOMPANY CHARGES | -2,822,040.98 |
| 33010254 | INTEREST ON EQUITY - RECEIVED | -3,914.65 |
| TOTAL OTHER | | -3,059,771.06 |
| TOTAL FINANCIAL INCOME | | -3,265,020.49 |
| 33020000 MONETARY/EXCHANGE GAINS | | |
| 33020100 MONETARY GAINS | | |
| 33020103 | JUDICIAL DEPOSITS | -10,663.09 |
| 33020105 | JUD. DEP. RESTATEMENT - ONGOING LAWSUITS | 14,140.25 |
| TOTAL MONETARY GAINS | | 3,477.16 |
| TOTAL MONETARY/EXCHANGE GAINS | | 3,477.16 |
| TOTAL NET FINANCIAL RESULT | | -2,180,069.52 |
| 4PCC INTEREST IN SUBSIDIARIES AND ASSOCIATED COMPANIES | | |
| 33040100 GAINS AND LOSSES ON EQUITY METHOD | | |
| 33040187 | CIA. BRASILEIRA DE LATAS - CBL | -3,139,598.73 |
| TOTAL GAINS AND LOSSES ON EQUITY METHOD | | -3,139,598.73 |
| TOTAL INTEREST IN SUBSIDIARIES AND ASSOCIATED COMPANIES | | -3,139,598.73 |
| TOTAL OPERATING EXPENSES/INCOME | | 64,942,824.96 |
| TOTAL OPERATING PROFIT | | 24,514,897.42 |
| PROFIT/LOSS BEFORE INCOME TAX/SOCIAL CONTRIBUTION | | 24,514,897.42 |
| 37010101 PROFIT/LOSS FOR THE YEAR | | -24,514,897.42 |

