

NATIONAL STEEL CO
Form 6-K/A
November 14, 2016

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K/A

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

For the month of November, 2016
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

**CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL
PREVIOUSLY ISSUED IN PORTUGUESE**

ITR - Quarterly Financial Information - March 31,
2016 – CIA SIDERURGICA NACIONAL

Version: 1

Table of Contents

Company Information	
Capital Breakdown	1
Parent Company Financial Statements	
Balance Sheet – Assets	2
Balance Sheet – Liabilities	3
Statement of Income	4
Statement of Comprehensive Income	5
Statement of Cash Flows	6
Statement of Changes in Shareholders' Equity	
1/1/2016 to 03/31/2016	8
1/1/2015 to 03/31/2015	9
Statement of Value Added	10
Consolidated Financial Statements	
Balance Sheet - Assets	11
Balance Sheet - Liabilities	12
Statement of Income	13
Statement of Comprehensive Income	14
Statement of Cash Flows	15
Statement of Changes in Shareholders' Equity	
1/1/2016 to 03/31/2016	17
1/1/2015 to 03/31/2015	18
Statement of Value Added	19
Comments on the Company's Consolidated Performance	20
Notes to the quarterly financial information	33
Reports and Statements	
Unqualified Independent Auditors' Review Report	77

**CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL
PREVIOUSLY ISSUED IN PORTUGUESE**

ITR - Quarterly Financial Information - March 31,
2016 - CIA SIDERURGICA NACIONAL

Version: 1

Company Information / Capital Breakdown

Number of Shares	Current Quarter
(Units)	03/31/2016
Paid-in Capital	
Common	1,387,524,047
Preferred	0
Total	1,387,524,047
Treasury Shares	
Common	30,391,000
Preferred	0
Total	30,391,000

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ITR - Quarterly Financial Information - March 31,
2016 - CIA SIDERURGICA NACIONAL

Version: 1

**Parent Company Statements / Balance Sheet - Assets
(R\$ thousand)**

<i>Code</i>	<i>Description</i>	Current Quarter	YDT Previous
		03/31/2016	Year 12/31/2015
1	Total assets	43,534,593	45,605,526
1.01	Current assets	7,950,527	8,842,440
1.01.01	Cash and cash equivalents	1,155,182	1,885,199
1.01.02	Financial investments	764,132	763,599
1.01.02.02	Financial investments measured at amortized cost	764,132	763,599
1.01.03	Trade receivables	2,422,426	2,467,523
1.01.04	Inventories	2,834,277	2,850,744
1.01.08	Other current assets	774,510	875,375
1.02	Non-current assets	35,584,066	36,763,086
1.02.01	Long-term receivables	4,484,392	4,510,431
1.02.01.06	Deferred taxes	3,199,630	3,228,961
1.02.01.09	Other non-current assets	1,284,762	1,281,470
1.02.02	Investments	22,042,470	23,323,565
1.02.03	Property, plant and equipment	8,995,809	8,866,348
1.02.04	Intangible assets	61,395	62,742

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PREVIOUSLY ISSUED IN PORTUGUESE**

ITR - Quarterly Financial Information - March 31,
2016 – CIA SIDERURGICA NACIONAL

Version: 1

**Parent Company Statements / Balance Sheet – Liabilities
(R\$ thousand)**

<i>Code</i>	<i>Description</i>	YDT	
		Current Quarter 03/31/2016	Previous Year 12/31/2015
2	Total liabilities	43,534,593	45,605,526
2.01	Current liabilities	4,016,450	4,272,372
2.01.01	Payroll and related taxes	128,882	141,496
2.01.02	Trade payables	738,848	742,364
2.01.03	Taxes payable	66,023	5,814
2.01.04	Borrowings and financing	2,536,813	2,879,073
2.01.05	Other payables	456,961	411,699
2.01.06	Provisions	88,923	91,926
2.01.06.01	Provision for tax, social security, labor and civil risks	88,923	91,926
2.02	Non-current liabilities	32,274,950	33,668,407
2.02.01	Borrowings and financing	29,552,923	31,109,017
2.02.02	Other payables	109,836	126,450
2.02.04	Provisions	2,612,191	2,432,940
2.02.04.01	Provision for tax, social security, labor and civil risks	589,243	564,372
2.02.04.02	Other provisions	2,022,948	1,868,568
2.02.04.02.03	Provision for environmental liabilities and decommissioning of assets	261,629	259,115
2.02.04.02.04	Pension and healthcare plan	514,367	514,367
2.02.04.02.05	Provision for losses on investments	1,246,952	1,095,086
2.03	Consolidated Shareholders' equity	7,243,193	7,664,747
2.03.01	Issued capital	4,540,000	4,540,000
2.03.02	Capital reserves	30	30
2.03.04	Earnings reserves	2,464,701	2,464,701
2.03.04.01	Legal reserve	442,531	442,531
2.03.04.02	Statutory reserve	2,151,920	2,151,920
2.03.04.04	Earnings reserves to realize	109,226	109,226
2.03.04.09	Treasury shares	-238,976	-238,976
2.03.05	Profit/Losses	-836,690	0
2.03.08	Other comprehensive income	1,075,152	660,016

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PREVIOUSLY ISSUED IN PORTUGUESE**

ITR - Quarterly Financial Information - March 31,
2016 - CIA SIDERURGICA NACIONAL

Version: 1

**Parent Company Statements / Statements of Income
(R\$ thousand)**

Code	Description	Current	YTD Previous
		Quarter	Year
		1/1/2016 to 03/31/2016	1/1/2015 to 03/31/2015
3.01	Net revenue from sales and/or services	1,977,640	3,058,032
3.02	Cost of sales and/or services	-1,638,396	-2,189,432
3.03	Gross profit	339,244	868,600
3.04	Operating expenses/income	-878,674	1,014,030
3.04.01	Selling expenses	-168,633	-145,918
3.04.02	General and administrative expenses	-123,260	-84,564
3.04.04	Other operating income	2,840	3,722
3.04.05	Other operating expenses	-102,542	-201,760
3.04.06	Equity in income of affiliates	-487,079	1,442,550
3.05	Profit before finance income (costs) and taxes	-539,430	1,882,630
3.06	Finance income (costs)	-267,878	-2,028,355
3.06.01	Finance income	18,429	494,693
3.06.02	Finance costs	-286,307	-2,523,048
3.06.02.01	Net exchange difference on financial instruments	1,043,124	-1,659,972
3.06.02.02	Finance costs	-1,329,431	-863,076
3.07	Profit (loss) before taxes on income	-807,308	-145,725
3.08	Income tax and social contribution	-29,382	537,781
3.09	Profit (loss) from continuing operations	-836,690	392,056
3.11	Profit (loss) for the year	-836,690	392,056
3.99	Earnings per share - (R\$/share)		
3.99.01	Basic earnings per share		
3.99.01.01	Common shares	0.61651	0.28887
3.99.02	Diluted earnings per share		
3.99.02.01	Common shares	0.61651	0.28887

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ITR - Quarterly Financial Information - March 31,
2016 - CIA SIDERURGICA NACIONAL

Version: 1

**Parent Company Statements / Statement of Comprehensive Income
(R\$ thousand)**

Code	Description	YTD	
		Current Quarter 01/01/2016 to 3/31/2016	Previous Year 01/01/2015 to 03/31/2015
4.01	Profit for the year	-836,690	392,056
4.02	Other comprehensive income	415,136	663,013
4.02.01	Actuarial (losses) gains on defined benefit plan from investments in subsidiaries	85	125
4.02.02	Cumulative translation adjustments for the year	-183,286	76,771
4.02.03	Available-for-sale assets	32,355	97,135
4.02.04	Income tax and social contribution on available-for-sale assets	-203	026
4.02.05	Available-for-sale assets from investments in subsidiaries	0	68,699
4.02.06	Impairment of available-for-sale assets	0	8,417
4.02.07	Income tax and social contribution on impairment of available-for-sale assets	0	-2,862
4.02.08	(Losses) gains on cash flow hedge accounting	534,423	27,645
4.02.09	Income tax and social contribution on cash flow hedge accounting	0	45,399
4.02.10	Realization of cash flow hedge reclassified to the income statement	12,697	0
4.02.11	(Losses) gains on net investment hedge	18,864	0
4.03	Comprehensive income for the year	-421,557	755,069

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PREVIOUSLY ISSUED IN PORTUGUESE**

ITR - Quarterly Financial Information - March 31,
2016 – CIA SIDERURGICA NACIONAL

Version: 1

**Parent Company Statements / Statement of Cash Flows – Indirect Method
(R\$ thousand)**

Code	Description	YTD	
		Current Quarter 01/01/2016 to 3/31/2016	Previous Year 01/01/2015 to 3/31/2015
6.01	Net cash generated by operating activities	-470,360	1,180,407
6.01.01	Cash generated from operations	-744,785	1,498,010
6.01.01.01	Profit (loss) for the year	-836,690	392,056
6.01.01.02	Charges on borrowings and financing	630,953	815,393
6.01.01.03	Charges on loans and financing granted	-8,470	-4,970
6.01.01.04	Depreciation, depletion and amortization	135,525	206,329
6.01.01.05	Equity in income (losses) of affiliates	487,079	-1,442,550
6.01.01.06	Deferred income tax and social contribution	29,331	-694,546
6.01.01.07	Provision for tax, social security, labor, civil and environmental risks	21,868	125,346
6.01.01.08	Inflation adjustment and exchange differences, net	-1,221,066	2,084,988
6.01.01.10	Impairment of available-for-sale assets	0	8,417
6.01.01.11	Residual value of permanent assets written off	7,590	3,842
6.01.01.12	Other provisions	9,095	3,705
6.01.02	Changes in assets and liabilities	274,425	-317,603
6.01.02.01	Trade receivables - third parties	-23,251	-66,978
6.01.02.02	Trade receivables - related parties	87,172	38,075
6.01.02.03	Inventories	14,092	161,598
6.01.02.04	Receivables - related parties / Dividends	8,748	-1,943
6.01.02.05	Recoverable taxes	14,263	57,644
6.01.02.06	Judicial deposits	9,326	-4,310
6.01.02.07	Dividends received - related parties	815,035	0
6.01.02.09	Trade payables	-21,070	-103,692
6.01.02.10	Payroll and related taxes	1,446	23,241
6.01.02.11	Taxes in installments - REFIS	63,419	123,552
6.01.02.13	Payables to related parties	0	9,690
6.01.02.15	Interest paid	-671,713	-557,310
6.01.02.16	Interest received	0	12
6.01.02.19	Other	-23,042	2,818
6.02	Net cash used in investing activities	-122,169	-420
6.02.01	Investments / Advances for future capital increase	-7,231	-7,847
6.02.02	Purchase of property, plant and equipment	-236,057	-304,379

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6.02.03	Cash reduction of subsidiaries and joint ventures	0	486,758
6.02.04	Capital increase in subsidiary	-2,200	0
6.02.05	Intercompany loans granted	0	-11,938
6.02.06	Intercompany loans received	0	75
6.02.07	Exclusive funds	123,852	-163,089
6.02.08	Financial Investments, net of redemption	-533	0
6.03	Net cash used in financing activities	-131,019	-1,151,777
6.03.01	Borrowings and financing, net of transaction cost	-26,006	389,450
6.03.02	Borrowings and financing - related parties	40,239	0
6.03.03	Amortization of principal on borrowings and financing	-100,410	-535,978
6.03.04	Amortization of principal on borrowings and financing - related parties	0	-349,912
6.03.05	Payments of dividends and interests on shareholder's equity	0	-549,829
6.03.06	Treasury shares	0	-9,390
6.03.07	Forfeiting capitalization / drawee Risk	76,338	15,136
6.03.08	Forfeiting amortization / drawee Risk	-121,180	-111,254
6.04	Exchange differences on translating cash and cash equivalents	-6,469	49,459
6.05	Increase (decrease) in cash and cash equivalents	-730,017	77,669
6.05.01	Cash and equivalents at the beginning of the year	1,885,199	3,146,393
6.05.02	Cash and equivalents at the end of the year	1,155,182	3,224,062

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ITR - Quarterly Financial Information - March 31,
2016 - CIA SIDERURGICA NACIONAL

Version: 1

**Parent Company Financial Statements / Statement of Changes in Equity - 1/1/2016 to 03/31/2016
(R\$ thousand)**

Code	Description	Paid-in capital	Capital reserve, granted options and treasury shares
5.01	Opening balances	4,540,000	302
5.03	Adjusted opening balances	4,540,000	302
5.05	Total comprehensive income	0	0
5.05.01	Profit for the year	0	0
5.05.02	Other comprehensive income	0	0
5.05.02.04	Translation adjustments for the year	0	0
5.05.02.06	Actuarial gains on defined benefit pension plan, net of taxes	0	0
5.05.02.07	Available-for-sale assets, net of taxes	0	0
5.05.02.08	Loss on Cash Flow Hedge Accounting, net of taxes	0	0
5.05.02.09	Realization on Cash Flow Hedge Accounting, reclassified to statement of income	0	0
5.05.02.10	Loss on net investment hedge accounting	0	0
5.07	Closing balance	4,540,000	302

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ITR - Quarterly Financial Information - March 31,
2016 - CIA SIDERURGICA NACIONAL

Version: 1

**Parent Company Statements / Statement of Changes in Shareholders' Equity - 1/1/2015 to
12/31/2015
(R\$ thousand)**

Code	Description	Paid-in capital	granted options and treasury shares	Earnings reserves accumulated	Retained earnings comprehensive income Shareholders' equity	Other Shareholders' equity
5.01	Opening balances	4,540,000	30	1,131,298	25,696,468	0
5.03	Adjusted opening balances	4,540,000	30	1,131,298	25,696,468	0
5.04	Capital transactions with shareholders	0	0	-284,390	0	-284,390
5.04.04	Treasury shares acquired	0	0	-9,390	0	-9,390
5.04.06	Dividends	0	0	-275,000	0	-275,000
5.05	Total comprehensive income	0	0	0	392,056	363,013
5.05.01	Profit for the period	0	0	0	392,056	392,056
5.05.02	Other comprehensive income	0	0	0	0	363,013
5.05.02.04	Translation adjustments for the period	0	0	0	0	176,771
5.05.02.06	Actuarial gains on defined benefit plan, net of taxes	0	0	0	0	125,125
5.05.02.07	Available-for-sale assets, net of taxes	0	0	0	0	468,363
5.05.02.08	Loss on hedge accounting, net of taxes	0	0	0	0	-282,246
5.07	Closing balances	4,540,000	30	846,908	392,056	363,153

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ITR – Quarterly Financial Information - March 31,
2016 – CIA SIDERURGICA NACIONAL

Version: 1

**Parent Company Statements / Statement of Value Added
(R\$ thousand)**

Code	Description	Current Quarter	YTD Prior Year
		1/1/2016 to 3/31/206	01/01/2015 to 3/31/2015
7.01	Revenues	2,447,647	3,723,968
7.01.01	Sales of products and services	2,458,864	3,669,030
7.01.02	Other revenues	45	61,531
7.01.04	Allowance for (reversal of) doubtful debts	-11,262	-6,593
7.02	Raw materials acquired from third parties	-1,703,711	-2,485,835
7.02.01	Cost of sales and services	-1,446,531	-1,950,754
7.02.02	Materials, electric power, outside services and other	-254,572	-525,191
7.02.03	Impairment/recovery of assets	-2,608	-1,473
7.02.04	Other	0	-8,417
7.02.04.01	Impairment of available-for-sale assets	0	-8,417
7.03	Gross value added	743,936	1,238,133
7.04	Retentions	-135,525	-206,329
7.04.01	Depreciation, amortization and depletion	-135,525	-206,329
7.05	Wealth created	608,411	1,031,804
7.06	Value added received as transfer	-651,339	2,634,817
7.06.01	Equity in income of affiliates	-487,079	1,442,550
7.06.02	Finance income	18,429	494,693
7.06.03	Other	-182,689	697,574
7.06.03.01	Other and exchange gains	-182,689	697,574
7.07	Wealth for distribution	-42,928	3,666,621
7.08	Wealth distributed	-42,928	3,666,621
7.08.01	Personnel	309,192	329,522
7.08.01.01	Salaries and wages	239,994	251,291
7.08.01.02	Benefits	49,640	60,889
7.08.01.03	Severance pay fund (FGTS)	19,558	17,342
7.08.02	Taxes, fees and contributions	379,073	-277,119
7.08.02.01	Federal	358,043	-319,590
7.08.02.02	State	21,030	40,155
7.08.02.03	Municipal	0	2,316
7.08.03	Remuneration on third-party capital	105,497	3,222,162
7.08.03.01	Interest	1,329,594	862,664
7.08.03.02	Leases	2,822	2,608

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7.08.03.03	Other	-1,226,919	2,356,890
7.08.03.03.01	Other and exchange losses	-1,226,919	2,356,890
7.08.04	Remuneration on Shareholders capital	-836,690	392,056
7.08.04.03	Retained earnings (accumulated losses)	-836,690	392,056

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2016 - CIA SIDERURGICA NACIONAL

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**Consolidated Financial Statements / Balance Sheet - Assets
(R\$ thousand)**

<i>Code</i>	<i>Description</i>	Current Quarter 03/31/2016	YTD Previous Year 12/31/2015
1	Total assets	45,935,024	48,649,974
1.01	Current assets	13,697,372	16,430,691
1.01.01	Cash and cash equivalents	5,540,940	7,861,052
1.01.02	Financial investments	764,132	763,599
1.01.02.02	Financial investments measured at amortized cost	764,132	763,599
1.01.03	Trade receivables	1,816,106	1,578,277
1.01.04	Inventories	4,494,832	4,941,314
1.01.08	Other current assets	1,081,362	1,286,449
1.02	Non-current assets	32,237,652	32,219,283
1.02.01	Long-term receivables	4,853,541	4,890,948
1.02.01.06	Deferred taxes	3,262,494	3,307,027
1.02.01.09	Other non-current assets	1,591,047	1,583,921
1.02.02	Investments	4,084,727	3,998,227
1.02.03	Property, plant and equipment	17,880,257	17,871,599
1.02.04	Intangible assets	5,419,127	5,458,509

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**Consolidated Financial Statements / Balance Sheet – Liabilities
(R\$ thousand)**

<i>Code</i>	<i>Description</i>	Current Quarter 03/31/2016	YTD Previous Year 12/31/2015
2	Total liabilities	45,935,024	48,649,974
2.01	Current liabilities	4,819,168	5,325,571
2.01.01	Payroll and related taxes	245,177	256,840
2.01.02	Trade payables	1,235,417	1,293,008
2.01.03	Taxes payable	708,138	700,763
2.01.04	Borrowings and financing	1,459,777	1,874,681
2.01.05	Other payables	1,046,262	1,073,017
2.01.06	Provisions	124,397	127,262
2.01.06.01	Provision for tax, social security, labor and civil risks	124,397	127,262
2.02	Non-current liabilities	32,796,957	34,588,740
2.02.01	Borrowings and financing	30,561,057	32,407,834
2.02.02	Other payables	148,318	131,284
2.02.03	Deferred taxes	508,363	494,851
2.02.04	Provisions	1,579,219	1,554,771
2.02.04.01	Provision for tax, social security, labor and civil risks	730,862	711,472
2.02.04.02	Other provisions	848,357	843,299
2.02.04.02.03	Provision for environmental liabilities and asset retirement obligations	333,989	328,931
2.02.04.02.04	Pension and healthcare plan	514,368	514,368
2.03	Consolidated Shareholders' equity	8,318,899	8,735,663
2.03.01	Issued capital	4,540,000	4,540,000
2.03.02	Capital reserves	30	30
2.03.04	Earnings reserves	2,464,701	2,464,701
2.03.04.01	Legal reserve	442,531	442,531
2.03.04.02	Statutory reserve	2,151,920	2,151,920
2.03.04.04	Earnings reserves to realize	109,226	109,226
2.03.04.09	Treasury shares	-238,976	-238,976
2.03.05	Profit/Losses	-836,690	0
2.03.08	Other comprehensive income	1,075,152	660,016

2.03.09

Non-controlling interests

1,075,706

1,070,916

Page 11 of 77

**CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL
PREVIOUSLY ISSUED IN PORTUGUESE**

ITR – Quarterly Financial Information - March 31,
2016 – CIA SIDERURGICA NACIONAL

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**Consolidated Financial Statements / Statements of Income
(R\$ thousand)**

Code	Description	Current Quarter 01/01/2016 to 03/31/2016	YTD Previous Year 01/01/2015 to 03/31/2015
3.01	Net revenue from sales and/or services	3,843,803	4,010,252
3.02	Cost of sales and/or services	-2,917,758	-3,025,533
3.03	Gross profit	926,045	984,719
3.04	Operating expenses/income	-692,113	-225,734
3.04.01	Selling expenses	-450,421	-300,830
3.04.02	General and administrative expenses	-160,111	-109,845
3.04.04	Other operating income	22,272	5,962
3.04.05	Other operating expenses	-148,832	-219,499
3.04.06	Equity in income of affiliates	44,979	398,478
3.05	Profit before finance income (costs) and taxes	233,932	758,985
3.06	Finance income (costs)	-943,014	-869,700
3.06.01	Finance income	243,154	56,136
3.06.02	Finance costs	-1,186,168	-925,836
3.06.02.01	Net exchange difference on financial instruments	-318,240	-65,243
3.06.02.02	Finance costs	-867,928	-860,593
3.07	Profit (loss) before taxes on income	-709,082	-110,715
3.08	Income tax and social contribution	-122,210	502,517
3.09	Profit (loss) from continuing operations	-831,292	391,802
3.11	Consolidated profit (loss) for the year	-831,292	391,802
3.11.01	Attributed to controlling Shareholders	-836,690	392,056
3.11.02	Attributed to non-controlling Shareholders	5,398	-254
3.99	Earnings per share - (R\$/share)		
3.99.01	Basic earnings per share		
3.99.01.01	Common shares	0,61651	0.28887
3.99.02	Diluted earnings per share		
3.99.02.01	Common shares	0,61651	0.28887

**CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL
PREVIOUSLY ISSUED IN PORTUGUESE**

ITR - Quarterly Financial Information - March 31,
2016 - CIA SIDERURGICA NACIONAL

Version: 1

**Consolidated Financial Statements / Statement of Comprehensive Income
(R\$ thousand)**

Code	Description	Current Quarter 01/01/2016 to 03/31/2016
4.01	Consolidated profit for the year	-831,29
4.02	Other comprehensive income	415,13
4.02.01	Actuarial gains on defined benefit plan from investments in subsidiaries	8
4.02.02	Actuarial gains (losses) on defined benefit pension plan	0
4.02.03	Income tax and social contribution on actuarial (losses) gains on defined benefit pension plan	0
4.02.04	Cumulative translation adjustments for the year	-183,28
4.02.05	Available-for-sale assets	32,35
4.02.06	Income tax and social contribution on available-for-sale assets	0
4.02.07	Impairment of available-for-sale assets	0
4.02.08	Income tax and social contribution on impairment of available-for-sale assets	0
4.02.09	Gain (loss) on cash flow hedge accounting	534,42
4.02.10	Income tax and social contribution on cash flow hedge accounting	0
4.02.11	Realization of cash flow hedge accounting reclassified to income statement	12,69
4.02.12	Gain (loss) on net investment hedge	18,86
4.03	Consolidated comprehensive income for the year	-416,15
4.03.01	Attributed to controlling Shareholders	-421,55
4.03.02	Attributed to non-controlling Shareholders	5,39

**CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL
PREVIOUSLY ISSUED IN PORTUGUESE**

ITR – Quarterly Financial Information - March 31,
2016 – CIA SIDERURGICA NACIONAL

Version: 1

**Consolidated Financial Statements / Statement of Cash Flows – Indirect Method
(R\$ thousand)**

Code	Description	YTD	
		Current Quarter 01/01/2016 to 3/31/2016	Previous Year 01/01/2015 to 3/31/2015
6.01	Net cash generated by operating activities	-939,450	1,738,124
6.01.01	Cash generated from operations	-235,161	2,268,532
6.01.01.01	Profit (loss) for the year attributable to controlling Shareholders	-836,690	392,056
6.01.01.02	Profit (loss) for the year attributable to non-controlling Shareholders	5,398	-254
6.01.01.03	Charges on borrowings and financing	747,647	803,433
6.01.01.04	Charges on loans and financing granted	-12,913	-5,025
6.01.01.05	Depreciation, depletion and amortization	321,944	273,502
6.01.01.06	Equity in income (losses) of affiliates	-44,979	-398,478
6.01.01.07	Deferred taxes	69,681	-716,476
6.01.01.08	Provision for tax, social security, labor, civil and environmental risks	16,525	124,830
6.01.01.09	Inflation adjustments and exchange differences, net	-379,360	1,767,227
6.01.01.10	Gain on derivatives	362	1,125
6.01.01.11	Impairment of available-for-sale assets	0	8,417
6.01.01.12	Residual value of permanent assets written off	12,966	3,985
6.01.01.13	Gain on repurchase of debt securities	-146,214	0
6.01.01.14	Other provisions	10,472	14,190
6.01.02	Changes in assets and liabilities	-704,289	-530,408
6.01.02.01	Trade receivables - third parties	-219,640	-190,889
6.01.02.02	Trade receivables - related parties	-8,407	-9,701
6.01.02.03	Inventories	443,691	190,195
6.01.02.05	Recoverable taxes	62,152	33,391
6.01.02.06	Judicial deposits	4,098	-5,535
6.01.02.08	Trade payables	-59,340	-20,832
6.01.02.09	Payroll and related taxes	14,283	33,168
6.01.02.10	Taxes in installments - REFIS	39,744	173,390
6.01.02.11	Payables to related parties	508	1,709
6.01.02.13	Interest paid	-932,279	-726,040
6.01.02.14	Interest received	0	12
6.01.02.16	Other	-49,099	-9,276
6.02	Net cash used in investing activities	-887,053	413,490
6.02.02	Purchase of property, plant and equipment	-329,832	-338,026
6.02.03	Capital reduction on joint venture	0	466,758
6.02.04	Receipt/payment in derivative transactions	-556,682	304,401

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6.02.06	Purchase of intangible assets	-6	-105
6.02.07	Intercompany loans granted	0	-11,938
6.02.08	Intercompany loans received	0	75
6.02.09	Short-term investment, net of redeemed amount	-533	-7,675
6.03	Net cash used in financing activities	-438,466	-1,948,973

Page 14 of 77

**CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL
PREVIOUSLY ISSUED IN PORTUGUESE**

ITR - Quarterly Financial Information - March 31,
2016 – CIA SIDERURGICA NACIONAL

Version: 1

6.03.01	Capitalization net of transactions cost	-26,770	391,156
6.03.02	Amortization of principal on borrowings and financing - related parties	-215,756	-1,597,317
6.03.04	Payments of dividends and interests on shareholder's equity	0	-549,829
6.03.05	Treasury shares	0	-9,390
6.03.06	Buyback of debt securities	-151,098	-87,475
6.03.07	Forfeiting capitalization / drawee Risk	76,338	15,136
6.03.08	Forfeiting amortization / drawee Risk	-121,180	-111,254
6.04	Exchange differences on translating cash and cash equivalents	-55,143	182,123
6.05	Decrease in cash and cash equivalents	-2,320,112	384,764
6.05.01	Cash and equivalents at the beginning of the year	7,861,052	8,686,021
6.05.02	Cash and equivalents at the end of the year	5,540,940	9,070,785

**CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL
PREVIOUSLY ISSUED IN PORTUGUESE**

ITR – Quarterly Financial Information - March 31,
2016 – CIA SIDERURGICA NACIONAL

Version: 1

**Consolidated Financial Statements / Statement of Changes in Equity - 1/1/2016 to 03/31/2016
(R\$ thousand)**

Code	Description	Paid-in capital	Capital reserve, granted options and treasury shares	Earnings reserve	Retained earnings (accumulated losses)	Other comprehensive income	Shareholders' equity	Non-con i
5.01	Opening balances	4,540,000	302,464,701		0	660,016	7,664,747	1,
5.03	Adjusted opening balances	4,540,000	302,464,701		0	660,016	7,664,747	1,
5.05	Total comprehensive income	0	0	0	-836,690	415,136	-421,554	
5.05.01	Profit for the year	0	0	0	-836,690	0	-836,690	
5.05.02	Other comprehensive income	0	0	0	0	415,136	415,136	
5.05.02.04	Translation adjustments for the year	0	0	0	0	-183,286	-183,286	
5.05.02.06	Actuarial gains on defined benefit pension plan, net of taxes	0	0	0	0	85	85	
5.05.02.07	Available-for-sale assets, net of taxes	0	0	0	0	32,353	32,353	
5.05.02.08	Gain (loss) on Cash Flow Hedge Accounting	0	0	0	0	534,423	534,423	

5.05.02.09	Realization of cash flow hedge reclassified to statement of income	0	0	0	0	12,697	12,697	
5.05.02.10	Loss on net investment hedge accounting	0	0	0	0	18,864	18,864	
5.06	Internal changes in shareholders' equity	0	0	0	0	0	0	
5.06.04	Non-controlling interests in subsidiaries	0	0	0	0	0	0	
5.07	Closing balance	4,540,000	302,464,701	-836,690		1,075,152	7,243,193	1,

**CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL
PREVIOUSLY ISSUED IN PORTUGUESE**

ITR - Quarterly Financial Information - March 31,
2016 - CIA SIDERURGICA NACIONAL

Version: 1

Consolidated Financial Statements / Statement of Changes in Equity - 1/1/2015 to 03/31/2015

(R\$ thousand)

Code	Description	Paid-in capital	Retained earnings (accumulated amortizations and treasury shares)	Share premium
5.01	Opening balances	4,540,000	1,131,298	0
5.03	Adjusted opening balances	4,540,000	1,131,298	0
5.04	Capital transactions with shareholders	0	-284,390	0
5.04.04	Treasury shares acquired	0	-9,390	0
5.04.06	Dividend	0	-275,000	0
5.05	Total comprehensive income	0	392,056	0
5.05.01	Profit for the period	0	392,056	0
5.05.02	Other comprehensive income	0	0	0
5.05.02.04	Translation adjustments for the period	0	0	0
5.05.02.06	(Actuarial (losses) gains on defined benefit pension plan, net of taxes	0	0	0
5.05.02.07	Available-for-sale assets, net of taxes	0	0	0
5.05.02.08	(Loss) gain on hedge accounting, net of taxes	0	0	0
5.07	Closing balances	4,540,000	846,908	0

**CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL
PREVIOUSLY ISSUED IN PORTUGUESE**

ITR – Quarterly Financial Information - March 31,
2016 – CIA SIDERURGICA NACIONAL

Version: 1

Consolidated Financial Statements / Statement of Value Added

(R\$ thousand)

Code	Description	YTD	
		Current Quarter 01/01/2016 to 3/31/2016	Previous Year 01/01/2015 to 3/31/2015
7.01	Revenues	4,382,180	4,752,234
7.01.01	Sales of products and services	4,395,407	4,698,184
7.01.02	Other revenues	260	61,898
7.01.04	Allowance for (reversal of) doubtful debts	-13,487	-7,848
7.02	Raw materials acquired from third parties	-2,866,929	-3,325,485
7.02.01	Cost of sales and services	-2,176,870	-2,632,493
7.02.02	Materials, electric power, outside services and other	-695,249	-683,759
7.02.03	Impairment/recovery of assets	5,190	-816
7.02.04	Other	0	-8,417
7.02.04.01	Impairment of available-for-sale assets	0	-8,417
7.03	Gross value added	1,515,251	1,426,749
7.04	Retentions	-321,944	-273,502
7.04.01	Depreciation, amortization and depletion	-321,944	-273,502
7.05	Wealth created	1,193,307	1,153,247
7.06	Value added received as transfer	-417,837	2,234,942
7.06.01	Equity in income of affiliates	44,979	398,478
7.06.02	Finance income	243,154	56,136
7.06.03	Other	-705,970	1,780,328
7.06.03.01	Other and exchange gains	-705,970	1,780,328
7.07	Wealth for distribution	775,470	3,388,189
7.08	Wealth distributed	775,470	3,388,189
7.08.01	Personnel	550,726	463,793
7.08.01.01	Salaries and wages	442,503	367,509
7.08.01.02	Benefits	78,933	76,047
7.08.01.03	Severance pay fund (FGTS)	29,290	20,237
7.08.02	Taxes, fees and contributions	571,774	-176,470
7.08.02.01	Federal	516,872	-257,857
7.08.02.02	State	49,502	75,959
7.08.02.03	Municipal	5,400	5,428
7.08.03	Remuneration on third-party capital	484,262	2,709,064
7.08.03.01	Interest	868,089	860,186

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7.08.03.02	Leases	5,011	3,962
7.08.03.03	Other	-388,838	1,844,916
7.08.03.03.01	Exchange losses	-388,838	1,844,916
7.08.04	Remuneration on Shareholders' capital	-831,292	391,802
7.08.04.03	Retained earnings (accumulated losses)	-836,690	392,056
7.08.04.04	Non-controlling interests in retained earnings	5,398	-254

1Q16 Earnings Release

Companhia Siderúrgica Nacional (CSN) (BM&FBOVESPA: CSNA3) (NYSE: SID) announces today its consolidated results for the first quarter of 2016 (1Q16), which are presented in Brazilian Reais and in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and with Brazilian accounting practices, which are fully convergent with international accounting norms, issued by the Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities and Exchange Commission (CVM), pursuant to CVM Instruction 485 of September 1, 2010. All comments presented herein refer to the Company's 1Q16 consolidated results and comparisons refer to the fourth quarter of 2015 (4Q15) and the first quarter of 2015 (1Q15), unless otherwise stated. The Real/U.S. Dollar exchange rate was R\$3.5583 on March 31, 2016 and R\$3.9048 on December 31, 2015

Steel Sales (thousand t)	1,407	1,130	1,246	10%	(11%)
- Domestic Market	63%	57%	52%	(5%)	(11%)
- Overseas Subsidiaries	34%	37%	42%	5%	8%
- Exports	6%	6%	6%	0%	0%
Iron Ore Sales (thousand t)¹	5,442	6,656	8,295	25%	52%
- Domestic Market	1%	7%	13%	6%	12%
- Exports	99%	93%	87%	(6%)	(12%)
Consolidated Results (R\$ Million)					
Net Revenue	4,010	3,678	3,844	5%	(4%)
Gross Profit	985	767	926	21%	(6%)
Adjusted EBITDA ²	911	686	733	7%	(20%)
Adjusted Net Debt ³	19,979	26,499	26,654	1%	33%
Adjusted Cash Position	12,251	8,862	6,472	(27%)	(47%)
Net Debt / Adjusted EBITDA	4.8x	8.2x	8.7x	0.5x	3.9x

¹ Iron ore sales volumes include 100% of the stake in NAMISA until November 2015 and 100% of the stake in Congonhas Minérios as of December 2015.

² Adjusted EBITDA is calculated based on net income/loss, before depreciation and amortization, income taxes, the net financial result, results from investees, and other operating income (expenses) and includes the proportional share of the EBITDA of the jointly-owned investees MRS Logística and CBSI, as well as the Company's 60% in Namisa, 33.27% in MRS and 50% in CBSI until November 2015 and stakes of 100% in Congonhas Minérios, 37.27% in MRS and 50% in CBSI as of December 2015.

³ Adjusted Net Debt and Adjusted Cash and Cash Equivalents included 33.27% of the stake in MRS, 60% of the interest in Namisa and 50% of the stake in CBSI until November 2015. As of December 2015, they included 100% of Congonhas Minérios, 32.27% of MRS and 50% of CBSI, excluding Forfeiting and drawee risk operations.

BM&FBovespa (CSNA3): R\$7.15/share Market Cap BM&FBovespa: R\$9.92 billion
NYSE (SID): US\$1.97/ADR (1 ADR = 1 share) Market Cap NYSE: US\$2.73 billion
Total no. of shares = 1,387,524,047

IPCA (%)	7.00	5.62
Commercial Dollar (EoP - R\$)	3.70	3.90
SELIC Target (EoP - %)	13.00	11.75
GDP (%)	(3.86)	0.50
Industrial Production (%)	(5.95)	0.74
Source: FOCUS BACEN		

Base: 05/06/2016

CSN's Consolidated Results

- **Net revenue** totaled R\$3,844 million in 1Q16, 5% up on 4Q15 and 4% down on the same period last year. Regarding 4Q15, the increase was due to the higher sales volume in the steel and mining segments, offsetting the decrease in the average steel and mining prices, which suffered the additional impact of BRL appreciation. Compared with 1Q15, the reduction was a result of lower sales volume in the steel segment.
- **COGS** amounted to R\$2,918 million, in line with the previous quarter and 4% less than in 1Q15. The year-on-year reduction was mainly due to lower steel and mining segments unit costs.
- First-quarter **gross profit** came to R\$926 million, 21% more than in 4Q15, while the gross margin widened by 3p.p. to 24%. In comparison with 1Q15, gross profit fell by 6% and the gross margin narrowed by 1p.p., from 25% to 24%.
- **Selling, general and administrative expenses** totaled R\$611 million in 1Q16, 12% and 49% up on 4Q15 and 1Q15, respectively, chiefly due to higher freight (related to distribution costs), due to the increase in iron sales and the higher CIF sales model, and personnel expenses.
- **Other operating income (expenses)** was a net expense of R\$127 million in 1Q16, versus expense of R\$214 million in 1Q15. Most of the amount in question referred to expenses with labor provisions and judicial deposits. The positive result registered in 4Q15

was due to the Business Combination effect in the mining segment.

- **The proportional net financial result** was negative by R\$968 million in 1Q16, due to: i) financial expenses (excluding the exchange variation) of R\$890 million; ii) the negative exchange variation result of R\$329 million; and iii) financial revenue of R\$251 million.

Financial Result - IFRS	(870)	(183)	(943)
(+) Financial Result of Joint-Venture	500	(48)	(25)
(+) Namisa	520	(34)	-
(+) MRS	(20)	(15)	(25)
(=) Proporcional Financial Result¹	(370)	(231)	(968)
Financial Revenues	63	289	251
Financial Expenses	(433)	(531)	(1.219)
Financial Expenses (ex-exchange rates variation)	(878)	(483)	(890)
Result with Exchange Rate Variation	445	(48)	(329)
Monetary and Exchange Rate Variation	(482)	245	949
Hedge Accounting	428	(140)	(566)
Notional Amount of Derivatives Contracted	500	(153)	(713)
Others	-	12	-

¹ The proportional financial result considered stakes of 60% in Namisa, 33.27% in MRS and 50% in CBSI until November 2015 and stakes of

100% in Congonhas Minérios, 37.27% in MRS and 50% in CBSI as of December 2015.

- CSN's **equity result** was a positive R\$45 million in 1Q16, versus a negative R\$55 million in 4Q15 and a positive R\$398 million in 1Q15, chiefly due to MRS's equity result in the 1Q16 and 4Q15, and Namisa's equity result in the 1Q15. The table below presents a breakdown of this item:

Namisa	396	(58)	-	-	-
MRS Logística	15	29	61	111%	302%
CBSI	(2)	(1)	1	-	-
TLSA	(8)	(8)	(7)	(10%)	(8%)
Arvedi Metalfer BR	-	(8)	-	-	-
Eliminations	(4)	(9)	(11)	18%	173%
Share of profits (losses) of investees	398	(55)	45	-	(89%)

- CSN recorded a first-quarter **net loss** of R\$831 million, versus net income of R\$2,371 million in 4Q15 and net income of R\$392 million in 1Q15. The worsening in this result, compared with 4Q15, is explained by the gains registered with the conclusion of the mining segment Business Combination last quarter. Regarding 1Q15, the lower result was due to the exchange rate variation result and taxes payment.

Profit (loss) for the Period	392	2,371	(831)	-	-
(-) Depreciation	264	308	310	1%	17%
(+) Income Tax and Social Contribution	(503)	527	122	(77%)	-
(+) Finance Income	870	183	943	416%	8%
EBITDA (ICVM 527)	1,023	3,389	544	(84%)	(47%)
(+) Other Operating Income (Expenses)	214	(2,913)	127	-	(41%)
(+) Share of Profit (Loss) of Investees	(398)	55	(45)	-	(89%)
(-) Proportionate EBITDA of Joint Ventures	73	155	107	(31%)	48%
Adjusted EBITDA	911	686	733	7%	(20%)

- Adjusted EBITDA** amounted to R\$733 million in 1Q16, 7% up on the previous quarter, but 20% down on 1Q15, accompanied by an adjusted EBITDA margin of 18.1%, 1.1 p.p. more than in 4Q15, but 3.4% less than in 1Q15.

¹ The adjusted EBITDA margin is calculated as the ratio between Adjusted EBITDA and Adjusted Net Income, which considers stakes of 60% in Namisa, 33.27% in MRS and 50% in CBSI until November 2015 and stakes of 100% in Congonhas Minérios, 37.27% in MRS and 50% in CBSI as of December 2015.

Debt

The adjusted amounts of EBITDA, Debt and Cash included the stakes of 60% in Namisa, 33.27% in MRS and 50% in CBSI until November 2015 and the stakes of 100% in Congonhas Minérios, 37.27% in MRS and 50% in CBSI, as of December 2015, as well as financial investments used as collateral for exchange operations on the BM&FBovespa. On March 31, 2016, consolidated net debt totaled R\$26,654 million, while the net debt/EBITDA ratio, was 8.67x based on LTM adjusted EBITDA.

Foreign Exchange Exposure

Net foreign exchange exposure generated by the difference in dollar-denominated assets and liabilities, contracted derivatives and hedge accounting booked by CSN totaled US\$115 million on March 31, 2016. The derivatives contracted form a long USD position achieved through the purchase of NDFs (Non-Deliverable Forwards). The hedge accounting adopted by CSN correlates the projected export flows in dollars with part of the future debt maturities in the same currency. As a result, the exchange variation of part of dollar-denominated debt is temporarily recorded under shareholder's equity, being transferred to the income statement when the dollar revenue from these exports is received.

Cash and cash equivalents overseas	1,625	1,288
Accounts Receivables	170	321
Total Assets	1,795	1,610
Borrowings and Financing	(4,569)	(4,466)
Accounts Payable	(20)	(7)
Other Liabilities	(25)	(6)
Total Liabilities	(4,615)	(4,479)

Foreign Exchange Exposure	(2,820)	(2,870)
Notional Amount of Derivatives Contracted, Net	1,435	1,435
Cash Flow Hedge Accounting	1,558	1,549
Net Foreign Exchange Exposure	173	115

¹As of the conclusion of the Business Combination, through asset transfers to Congonhas Minérios, CSN has been consolidating 100% of the new Company's cash. As a result, a proportional view of foreign exchange exposure is no longer necessary.

²Proportional foreign exchange exposure includes the 60% stake in Namisa and excludes the stake in MRS.

³IFRS foreign exchange exposure on March 31, 2015 includes the 100% stake in Congonhas Minérios and excludes the stake in MRS.

Capex

CSN invested R\$330 million in 1Q16 in the following projects:

- Investments in the new clinker kiln in Arcos/MG, which will permit the Cement segment to reach competitive margins and scale gains in the Southeast region as a result of the clinker production self-sufficiency.
- Revamp of the coke batteries, reducing imported coke needs and improving the fuel rate.
- Other projects designed to improve the environmental performance of the Presidente Vargas Plant and current investments in other operations.

Of total investments, R\$54 million went to spare parts and R\$155 million to current investments.

Steel	121	130	119
Mining	116	97	62
Cement	90	218	139
Logistics	11	19	10
Others	-	-	-
Total Investment IFRS	338	464	330

Working Capital

In order to calculate working capital, CSN adjusts its assets and liabilities as shown below:

- Accounts Receivable: Excludes Dividends Receivable, Advances to Employees and Other Credits (Note 5 of the financial statements).
- Inventories: Includes Estimated Losses and excludes Spare Parts which is not part of the cash conversion cycle, and will be subsequently booked under Fixed Assets when consumed. (Note 6 of the financial statements);
- Recoverable Taxes: Composed only of Income (IRPJ) and Social Contribution (CSLL) Taxes included in Recoverable Taxes (Note 7 of the financial statements);
- Taxes Payable: Composed of Taxes Payable under Current Liabilities plus Taxes in Installments (Note 13 of the financial statements);
- Advances from Clients: Subaccount of Other Liabilities recorded under Current Liabilities (Note 13 of the financial statements);
- Suppliers: Includes Forfeiting and Drawee Risk (Note 11 of the financial statements).

As a result, working capital applied to the Company's business totaled R\$3,077 million in 1Q16, R\$90 million less than in 4Q15, chiefly due to the R\$472 million reduction in inventories, while accounts receivable increased by R\$245 million. On a same comparison basis, the average receivable period increased by 6 days, while payment periods and inventory turnover fell by 4 and 14 days, respectively.

Assets	5,145	5,869	5,664	(205)	519
Accounts Receivable	1,901	1,501	1,746	245	(155)
Inventories Turnover	3,107	4,092	3,621	(472)	514
Advances to Taxes	137	276	298	22	161
Liabilities	2,306	2,703	2,587	(115)	281
Suppliers	1,556	1,671	1,542	(129)	(14)
Salaries and Social Contribution	214	257	245	(12)	31
Taxes Payable	512	725	733	8	221
Advances from Clients	24	51	67	16	43
Working Capital	2,839	3,166	3,077	(90)	238
Receivables	36	30	36	6	-
Supplier Payment	46	52	48	(4)	2
Inventory Turnover	92	127	113	(14)	21
Cash Conversion Cycle	82	105	101	(4)	19

Results by Segment

The Company maintains integrated operations in five business segments: steel, mining³, logistics, cement and energy. The main assets and/or companies comprising each segment are presented below²:

¹ Namisa's former assets.

² As of 2013, the Company ceased the proportional consolidation of its jointly-owned subsidiaries Namisa, MRS and CBSI. For the purpose of preparing and presenting the information by business segment, Management opted to maintain the proportional consolidation of its jointly-owned subsidiaries, as historically presented. For the reconciliation of CSN's consolidated results, these companies' results are eliminated in the "corporate/elimination expenses" column.

³ In order to report the Company's 2015 results, after the combination of CSN's mining assets (Casa de Pedra, Namisa and Tecar), the consolidated result includes all this new company's information.

Net Revenue	2,809	777	50	303	11
Domestic Market	1,500	151	50	303	11
Foreign Market	1,309	626	-	-	-
Cost of Goods Sold	(2,300)	(585)	(36)	(214)	(101)
Gross Profit	509	192	14	89	1
Selling, General and Administrative Expenses	(255)	(24)	(8)	(24)	(18)
Depreciation	166	114	3	56	1
Proportional EBITDA of Jointly Controlled Companies	-	-	-	-	-
Adjusted EBITDA	420	283	9	121	8

Net Revenue	2,579	907	62	331	10
Domestic Market	1,473	88	62	331	10
Foreign Market	1,106	819	-	-	-
Cost of Goods Sold	(2,267)	(598)	(42)	(207)	(89)
Gross Profit	312	309	20	124	1
Selling, General and Administrative Expenses	(267)	(22)	(5)	(23)	(21)
Depreciation	178	105	3	50	1
Proportional EBITDA of Jointly Controlled Companies	-	-	-	-	-
Adjusted EBITDA	222	392	19	151	0

Steel

According to preliminary figures from the World Steel Association (WSA), global crude steel production totaled 386 million tonnes in 1Q16, 3.5% down on the same period last year, while the Brazilian Steel Institute (IABr) estimates a 12.3% reduction in domestic output to 7.4 million tonnes (also preliminary figures). Domestic production of rolled products came to 5.1 million tonnes, 17.5% less than in 1Q15, while apparent consumption fell by 29.3% to 4.3 million tonnes, with domestic sales of 4.0 million tonnes and imports of 368,000 tonnes. On the other hand, exports increased by 17.1% in the same period, reaching 3.3 million tonnes.

In 2016, the IABr estimates an 8.8% decline in apparent consumption to 19.4 million tonnes, with domestic sales of 17.4 million tonnes and imports of 1.1 million tonnes.

According to INDA (the Brazilian Steel Distributors' Association), 1Q16 steel purchases and sales by distributors fell by 18.3% and 13.0% over 1Q15 to 761,000 and 776,000 tonnes, respectively. Inventories closed the quarter at 906,800 tonnes, in line with the previous month, representing 3.1 months of sales.

Automotive

According to ANFAVEA (the Auto Manufacturers' Association), vehicle production totaled 482,000 units in 1Q16, 28% down on 1Q15. In the same period, new car, light commercial vehicle, truck and bus licensing fell by 29% to 481,000 units. The association estimates a reduction in vehicle sales of up to 7.5% in 2016 over 2015, to 2.37 million units, while FENABRAVE (the Vehicle Distributors' Association) expects a 6% reduction in vehicle sales.

Construction

According to SECOVI-SP (the São Paulo Residential Builders' Association), during 1Q16 the residential real estate launches in the city of São Paulo totaled 2,856 units, 30% up on the 1,418 units launched in the 1Q15.

According to ABRAMAT (the Construction Material Manufacturers' Association), sales of building materials in 1Q16 fell by 17.3% over the same period last year. The association revised its 2016 estimate to a real decline of 4.5%.

Home Appliances

According to the Brazilian Institute of Geography and Statistics (IBGE), home appliance production accumulated until march 2016 fell by 22% over the same period in 2015, while output in the last 12 months dropped by 20% over the same period a year before, reflecting the low level of business and consumer confidence.

Results from CSN's Steel Operations

The parent company's slab production totaled 836,000 tonnes in 1Q16, 21% and 29% down on 4Q15 and 1Q15, respectively. It is worth noting that no slabs were purchased from third parties in 1Q16, versus 64,000 tonnes acquired in 4Q15. Flat rolled steel production came to 746,000 tonnes, 22% and 27% less than in 4Q15 and 1Q15, respectively.

Total Slabs (UPV + Third Parties)	1,184	1,062	836	(21%)	(29%)
Crude Steel Production	1,115	998	835	(16%)	(25%)
Third Parties Slabs	69	64	0	-	-
Total Rolled Products	1,020	952	746	(22%)	(27%)

- Total steel product sales volume came to 1,246 thousand tonnes in 1Q16, 10% up on 4Q15. Of this total, 52% went to the domestic market, 42% were sold by our subsidiaries abroad and 6% went to exports.
- First-quarter **domestic** steel sales totaled 650,000 tonnes, 1% up on 4Q15, 611,000 tonnes of which flat steel and 38,000 tonnes long steel.
- First-quarter **foreign** sales amounted to 597,000 tonnes, 23% up on 4Q15. Of this total, the overseas subsidiaries sold 520,000 tonnes, 204,000 of which by LLC, 216,000 by SWT and 100,000 by Lusosider, while direct exports came to 78,000 tonnes.
- In the first quarter, CSN increased its share of coated products as a percentage of total sales volume, following the

strategy of adding more value to its product mix. **Domestic** sales of coated products such as galvanized items and tin plate accounted for 46% of flat steel sales, versus 45% in 4Q15. In the **foreign market**, the share of coated products moved up from 69% of flat steel sales to 77% in 1Q16.

- **Net revenue** totaled R\$2,809 million in 1Q16, 9% up on 4Q15, chiefly due to the increase in domestic sales volume and sales by subsidiaries abroad. In 1Q16, average net revenue per tonne remained in line with 1Q15, totaling R\$2,196.
- **COGS** came to R\$2,300 million in 1Q16, a slight 1% increase over 4Q15.
- The parent company's **production cost** reached R\$1,343 million in 1Q16, 21% down on 4Q15, chiefly due to the decrease in the consumption of imported raw material as a result of the extinguishing of blast furnace 2 and the startup of coke batteries, thus reducing the fuel rate, in addition to the lower electricity consumption and a downturn in maintenance expenses.

- **Slab production costs** came to R\$1,064/t, in line with 4Q15. In US dollars, however, the cost fell by 1.4%, from US\$276/t, in 4Q15, to US\$272/t. As a result, CSN maintained its position among those steel companies with the lowest slab costs in the world.

- **Adjusted EBITDA** amounted to R\$420 million in 1Q16, 89% up on the R\$222 million recorded in 4Q15, accompanied by an increase of 6p.p. in the margin, which widened from 9%, in 4Q15, to 15%.

Mining

In 1Q16, the seaborne iron ore market was positively impacted by the greater availability of credit and the recovery of construction activities in China, led by investments in new real estate projects. The improvement in demand led to higher prices and healthier margins for the local steel producers, as well as encouraging the build-up of inventories. In addition, seasonal factors, such as higher rainfall in Australia and Brazil, as well as the rigorous Chinese winter, played an important role in reducing the iron ore supply base. As a result, iron ore prices moved up by 3.5% over the previous quarter, averaging US\$48.30/dmt (Platts, 62% Fe, N. China).

Results from CSN's Mining Operations

- In 1Q16, **iron ore production** totaled 7,326 thousand tonnes, 2% and 23% up on 4Q15 and 1Q15, respectively.
- First-quarter **iron ore purchases** came to 617,000 tonnes, 58% down on 4Q15, but 7% up on 1Q15, chiefly due to the reduced availability of iron ore from small and medium-sized producers in this quarter.
- **Iron ore sales** came to 8,295,000 tonnes¹ in 1Q16, 11% and 21% up on 4Q15 and 1Q15, respectively, thanks to an improved sales performance in the domestic market. Shipped iron ore volume totaled 6,988 thousand tonnes, 12% down on 4Q15, but 11% more than in 1Q15. Almost 1,047,000 tonnes from Congonhas Minérios were sold to UPV.

Iron Ore Production ¹	5,938	7,218	7,326	1%	23%
Third Parties Purchase	543	1,481	617	(58%)	14%
Total Production + Purchase	6,481	8,698	7,943	(9%)	23%
UPV Transfer and Sale	1,428	1,257	1,047	(17%)	(27%)
Third Parties Sales Volume	5,442	6,202	7,248	17%	33%
Total Sales + Transfer	6,870	7,459	8,295	11%	21%

Shipped Volume	6,282	7,939	6,988	(12%)	11%
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- **Net revenue** from mining operations totaled R\$777 million in 1Q16, 14% down on 4Q15, but 18% more than in 1Q15. The quarter-on-quarter decline was due to the reduction in the FOB price, which did not occur in 1Q15. FOB unit revenue came to US\$28/t in 1Q16, 23% less than in 4Q15.
- In the first quarter, mining segment **COGS** came to R\$585 million, in line with 4Q15 and 3% more than in 1Q15, due to the higher volume of iron ore sold in the quarter. In 1Q16, Casa de Pedra recorded a Chinese delivery cash cost excluding depreciation of US\$31.2/wmt, 6% down on 4Q15.
- **Adjusted EBITDA** stood at R\$283 million in 1Q16, 28% down on the R\$392 million recorded in 4Q15, while the adjusted EBITDA margin narrowed by 7 p.p., from 43%, in 4Q15, to 36%.

¹ *Production and sales volumes include the 100% stake in NAMISA until November 2015 and the 100% interest in Congonhas in December 2015.*

² *As of December 2015, Congonhas Minérios began selling iron ore to the Presidente Vargas Plant.*

Logistics

According to the ANTT (National Ground Transport Agency), the Brazilian rail container transport concessionaires transported 897,000 tonnes in 2016, 1.3% down on 1Q15.

Results from CSN's Logistic Operations

Railway Logistics: In 1Q16, **net revenue** came to R\$303 million, generating **EBITDA** of R\$121 million and an **EBITDA margin** of 40%

Port Logistics: In the first quarter, Sepetiba Tecon handled 143,000 tonnes of steel products, in addition to 12,000 tonnes of general cargo and approximately 39,000 containers handled. First-quarter **net revenue** stood at R\$50 million, generating **EBITDA** of R\$9 million, accompanied by an **EBITDA margin** of 19%.

Containers Volume (thousand units)	39	39	39	-	-
Steel Products Volume (thousand t)	141	261	143	(45%)	2%
General Cargo Volume (thousand t)	73	2	12	368%	(84%)

Cement

According to the IBGE's Monthly Industrial Survey (PIM-PF), Brazil's cement production fell by 17.0% in 1Q16 over 1Q15, handling with the construction industry performance.

Preliminary figures from SNIC (the Cement Industry Association) indicate domestic cement sales of 13.9 million tonnes in 1Q16, 14.7% less than in the same quarter the year before. For 2016 as a whole SNIC estimates respective annual declines of 12% to 15% in sales and 9% to 11% in apparent consumption.

Results of CSN's Cement Operations

In 1Q16, **cement sales** amounted to 571,000 tonnes, 15% up on 4Q15, while **net revenue** came to R\$114 million. **EBITDA** totaled R\$8 million, accompanied by an **EBITDA margin** of 7%, due to the ramp-up of the new operations in Arcos, Minas Gerais.

Total Production	493	564	531	(6%)	8%
Total Sales	525	496	571	15%	8%

Energy

According to the Energy Research Company (EPE), Brazilian electricity consumption totaled 121 TWh until March 2016, 4.2% less than the same period in 2015. Consumption in the industrial and residential segments fell by 7.5% and 2.5%, respectively, when the commercial segment decline 3.2%.

Results from CSN's Energy Operations

In 1Q16, **net revenue** from energy operations totaled R\$68 million, **EBITDA** stood at R\$15 million and the **EBITDA margin** came to 23%.

Capital Market

CSN's shares appreciated by 78.8% in 1Q16, while the Ibovespa increased by 15.5% in the same period. Daily traded volume on the BM&FBovespa averaged R\$41.1 million. On the New York Stock Exchange (NYSE), CSN's American Depositary Receipts (ADRs) moved up by 101.9%, versus the Dow Jones' 1.5% appreciation. On the NYSE, daily traded volume of CSN's ADRs averaged US\$2.7 million.

Number of shares in thousand	1,387,524
Market Capitalization	
Closing price (R\$/share)	7.15

Closing price (US\$/ADR)	1.97
Market Capitalization (R\$ million)	9,921
Market Capitalization (US\$ million)	2,733
Total return including dividends and interest on equity	
CSNA3	78.8%
SID	101.9%
Ibovespa	15.5%
Dow Jones	1.5%
Volume	
Average daily (thousand shares)	7,251
Average daily (R\$ Thousand)	41,089
Average daily (thousand ADRs)	1,791
Average daily (US\$ Thousand)	2,725

Source: Bloomberg

(Expressed in thousands of reais – R\$, unless otherwise stated)

1. DESCRIPTION OF BUSINESS

Companhia Siderúrgica Nacional “CSN”, also referred to as the Company or Parent Company, is a publicly-held company incorporated on April 9, 1941, under the laws of the Federative Republic of Brazil (Companhia Siderúrgica Nacional, its subsidiaries, joint ventures, joint operations and associates are collectively referred to herein as the “Group”). The Company’s registered office is located in São Paulo, SP, Brazil.

CSN is listed on the São Paulo Stock Exchange (BM&F BOVESPA) and on the New York Stock Exchange (NYSE). Accordingly, the Company reports its information to the Brazilian Securities Commission (CVM) and the U.S. Securities and Exchange Commission (SEC).

The Group's main operating activities are divided into five (5) operating segments as follows:

- **Steel:**

The Company's main industrial facility is the Presidente Vargas steelworks ("UPV"), located in the city of Volta Redonda, State of Rio de Janeiro. This segment consolidates the operations related to the production, distribution and sale of flat steel, long steel, metallic containers and galvanized steel. In addition to the facilities in Brazil, CSN has operations in the United States, Portugal and Germany, all of them are in line with the plan to achieve new markets and perform excellent services for final consumers. Its steel has been used in home appliances, civil construction and automobile industries.

- **Mining:**

The production of iron ore is developed in the city of Congonhas, State of Minas Gerais.

Iron ore is sold basically in the international market, especially in Europe and Asia. The prices charged in these markets are historically cyclical and subject to significant fluctuations over short periods of time, driven by several factors related to global demand, strategies adopted by the major steel producers, and the foreign exchange rate. All these factors are beyond the Company's control. The ore transportation is accomplished by Terminal de Carvão e Minérios do Porto de Itaguai - TECAR, a solid bulk terminal, one of the four terminals that compose the Port of Itaguai, located in Rio de Janeiro. Imports of coal and coke are held through this terminal and directed to the steel industry of CSN.

From November 30, 2015 the Company has transferred its mining assets, together with its logistical infrastructure, which includes the mine Casa de Pedra and the right to operate the terminal TECAR, to its subsidiary Congonhas Minérios S.A. In the new structure Congonhas Minérios S.A. has taken control over Nacional Minérios S.A. (NAMISA) through a business combination transaction.

The Company's mining activities also comprises tin exploitation, which is based in the State of Rondônia, this facility is engaged to supply the needs of UPV, with the excess of these raw materials being sold to subsidiaries and third parties.

- **Cement:**

CSN entered in the cement market boosted by the synergy between this new activity and its existing businesses. Next to the Presidente Vargas Steelworks (UPV) in Volta Redonda (RJ), it is installed a new business unit: CSN Cimentos, which produces CP-III type of cement by using slag produced by the UPV blast furnaces in Volta Redonda. It also explores limestone and dolomite at the Arcos unit, located in the State of Minas Gerais, to satisfy the needs of UPV as of the cement plant.

- **Logistics**

Railroads:

CSN has interests in three railroad companies: MRS Logística S.A., which manages the former Southeast Railway System of Rede Ferroviária Federal S.A. (“RFFSA”), Transnordestina Logística S.A. (“TLSA”) and FTL - Ferrovia Transnordestina Logística S.A. (“FTL”), which operate the former Northeast Railway System of RFFSA, in the States of Maranhão, Piauí, Ceará, Rio Grande do Norte, Paraíba, Pernambuco and Alagoas, with TLSA being responsible for the rail links of Missão Velha-Salgueiro, Salgueiro-Trindade, Trindade-Eliseu Martins, Salgueiro-Porto de Suape and Missão Velha-Porto de Pecém (Railway System II) and FTL being responsible for the rail links of São Luiz-Mucuripe, Arrojado-Recife, Itabaiana-Cabedelo, Paula Cavalcante-Macau and Propriá-Jorge Lins (Railway System I).

Ports:

In the State of Rio de Janeiro, by means of its subsidiaries Sepetiba Tecon S.A. and Congonhas Minérios S.A., the Company operates the Container Terminal (Tecon) and the solid bulk terminal (Tecar), respectively, both located at the Itaguaí Port. Established in the harbor of Sepetiba, the mentioned port has a privileged highway, railroad and maritime access.

Tecon is responsible for the shipments of CSN’s steel products, movement and storage of containers, consolidation and deconsolidation of cargo; The Tecar’s port terminal is engaged to the iron ore shipment overseas and to the landing of coal, petroleum, coke, sulfur and zinc concentrate for our own operation and for third parties.

- **Energy:**

Since the energy supply is fundamental in CSN's production process, the Company owns and operates facilities to generate electric power for guaranteeing its self-sufficiency.

The "note 24 - Segment Information" details the financial information per each of CSN's business segment.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.a) Basis of preparation

The consolidated condensed interim financial statements have been prepared and are being presented in accordance with the International Accounting Standards (IAS 34 – Interim Financial Reporting) issued by the International Accounting Standards Board (IASB), which correlate in Brazil is the CPC 21 (R1) (Interim Financial Statements and Consolidated Interim Financial Statements) issued by the CPC (Accounting Pronouncements Committee) and approved by CVM (Brazilian Securities Commission). All the relevant information required in the financial statements and only these information, are being highlighted and correspond to those used for the Company's management.

The significant accounting policies applied in these condensed interim financial statements are consistent with the policies described in Note 2 to the Company's financial statements for the year ended December 31, 2015, filed with the CVM.

These condensed interim financial statements do not include all requirements of annual or full financial statements and, accordingly, should be read together with the Company's financial statements for the year ended December 31, 2015.

Therefore, in these condensed interim financial statements the following notes were not repeated, either due to redundancy or to relevance in relation to those already presented in the annual financial statements:

Note 02 - Summary of significant accounting policies

Note 03 – Business Combination

Note 09 – Investments

Note 27 - Employee benefits

Note 29 – Commitments

Page 33 of 77

The consolidated and parent company interim financial statements for the period ended March 31, 2016 are being restated as detailed in note 2.e, which were approved by the Board of Directors on November 14, 2016.

2.b) Basis of presentation

The consolidated condensed interim financial statements are presented in Brazilian reais (R\$), which is the mainly Company's functional currency and the Group's presentation currency.

Transactions in foreign currencies are translated into the functional currency using the exchange rates in effect at the dates of the transactions or valuation on which items are remeasured. The asset and liability balances are translated at the exchange rate in effect at the end of the reporting period. As of March 31, 2016, US\$1 is equivalent to R\$3.5589 (R\$3.9048 as of December 31, 2015), €1 is equivalent to R\$4.0539 (R\$4.2504 as of December 31, 2015).

2.c) Basis of consolidation

The accounting practices were treated uniformly in all the consolidated companies. The consolidated condensed interim financial statements for the period ended March 31, 2016 and the year ended December 31, 2015 include the following direct and indirect subsidiaries and jointly controlled entities, as well as the exclusive funds as described below:

- Companies**

Companies	Equity interests (%)		Core business
	03/31/2016	12/31/2015	
Direct interest in subsidiaries: full consolidation			
CSN Islands VII Corp.	100.00	100.00	Financial transactions
CSN Islands IX Corp.	100.00	100.00	Financial transactions
CSN Islands XI Corp.	100.00	100.00	Financial transactions
CSN Islands XII Corp.	100.00	100.00	Financial transactions
CSN Minerals S.L.U.	100.00	100.00	Equity interests
CSN Export Europe, S.L.U.	100.00	100.00	Financial transactions and Equity interests
CSN Metals S.L.U.	100.00	100.00	Equity interests and Financial transactions
CSN Americas S.L.U.	100.00	100.00	Equity interests and Financial transactions
CSN Steel S.L.U.	100.00	100.00	Equity interests and Financial transactions
TdBB S.A (*)	100.00	100.00	Equity interests
Sepetiba Tecon S.A.	99.99	99.99	Port services
Mineração Nacional S.A.	99.99	99.99	Mining and Equity interests
Companhia Florestal do Brasil	99.99	99.99	Reforestation
Estanho de Rondônia S.A.	99.99	99.99	Tin Mining
Cia Metalic Nordeste	99.99	99.99	Manufacture of containers and distribution of steel products
Companhia Metalúrgica Prada	99.99	99.99	Manufacture of containers and distribution of steel products
CSN Gestão de Recursos Financeiros Ltda. (*)	99.99	99.99	Management of funds and securities portfolio
Congonhas Minérios S.A.	87.52	87.52	Mining and Equity interests
CSN Energia S.A.	99.99	99.99	Sale of electric power
FTL - Ferrovia Transnordestina Logística	89.79	89.79	Railroad logistics

S.A. Nordeste Logística S.A.	99.99	99.99	Port services
Indirect interest in subsidiaries: full consolidation			
Companhia Siderúrgica Nacional LLC	100.00	100.00	Steel
CSN Europe Lda.	100.00	100.00	Financial transactions, product sales and Equity interests
CSN Ibéria Lda.	100.00	100.00	Financial transactions, product sales and Equity interests
Lusosider Projectos Siderúrgicos S.A.	99.94	99.94	Equity interests and product sales
Lusosider Aços Planos, S.A.	99.99	99.99	Steel and Equity interests
CSN Acquisitions, Ltd. (1)		100.00	Financial transactions and Equity interests
CSN Resources S.A.	100.00	100.00	Financial transactions and Equity interests
CSN Holdings (UK) Ltd (1)		100.00	Financial transactions and Equity interests
CSN Handel GmbH (2)	-	87.52	Financial transactions, product sales and Equity interests
Companhia Brasileira de Latas	100.00	100.00	Sale of cans and containers in general and Equity interests
Companhia de Embalagens Metálicas MMSA	99.67	99.67	Production and sale of cans and related activities
Companhia de Embalagens Metálicas - MTM	99.67	99.67	Production and sale of cans and related activities
CSN Steel Holdings 1, S.L.U.	100.00	100.00	Financial transactions, product sales and Equity interests
CSN Productos Siderúrgicos S.L.	100.00	100.00	Financial transactions, product sales and Equity interests
Stalwerk Thüringen GmbH	100.00	100.00	Production and sale of long steel and related activities
CSN Steel Sections UK Limited (*)	100.00	100.00	Sale of long steel
CSN Steel Sections Polska Sp.Z.o.o	100.00	100.00	Financial transactions, product sales and Equity interests
CSN Asia Limited	100.00	100.00	Commercial representation
Namisa International Minérios SLU	87.52	87.52	Financial transactions, product sales and Equity interests
Namisa Europe, Unipessoal Lda.	87.52	87.52	Equity interests, product and iron ore sales
CSN Mining GmbH (3)	87.52	87.52	Financial transactions, product sales and Equity interests
Namisa Asia Limited	87.52	87.52	Commercial representation
Direct interest in joint operations: proportionate consolidation			
Itá Energética S.A.	48.75	48.75	Electric power generation

CGPAR - Construção Pesada S.A.	50.00	50.00	Mining support services and Equity interests
Consórcio da Usina Hidrelétrica de Igarapava	17.92	17.92	Electric power consortium
Direct interest in joint ventures: equity method			
MRS Logística S.A.	18.64	18.64	Railroad transportation
Aceros Del Orinoco S.A.	31.82	31.82	Dormant company
CBSI - Companhia Brasileira de Serviços de Infraestrutura	50.00	50.00	Equity interests and product sales and iron ore
Transnordestina Logística S.A.	56.92	56.92	Railroad logistics
Indirect interest in joint ventures: equity method			
MRS Logística S.A.	16.30	16.30	Railroad transportation
Direct interest in associates: equity method			
Arvedi Metalfer do Brasil S.A.	20.00	20.00	Metallurgy and Equity interests

(*) They are Dormant Companies therefore they do not appear in the note 9.a, where is disclosed business information under the equity method.

(1) Company liquidated in January 2016;

(2) Company incorporated by CSN Mining GmbH (subsidiary with indirect interest) on January 2016;

(3) New corporate name of Namisa Handel GmbH, amended in February 2016;

- **Exclusive funds**

Exclusive funds	Equity interests (%)		Core business
	03/31/2016	12/31/2015	
Direct interest: full consolidation			
Diplic - Private credit balanced mutual fund		100.00	Investment fund
Caixa Vértice - Private credit balanced mutual fund	100.00	100.00	Investment fund
BB Steel - Private credit balanced mutual fund	100.00	100.00	Investment fund
VR1 - Private credit balanced mutual fund	100.00	100.00	Investment fund

2.d) Restatement of accounting balances

- **Forfaiting**

Trough out the financial year 2015 the Company purchased raw materials from its suppliers located abroad through a foreign trade operation called Forfaiting, in which the financial institution makes the payment in cash to exporter by the net values of the securities (discount rate and other possible expenses already deducted), allowing the Company to finance imported goods by an yearly interest rate from 1.25% to 3.28%, maturing in 12 months.

- **Drawee risk**

During the financial year 2015 the Company carried out transactions denominated drawee risk, the transaction occurs when the financial institution engaged by the Company anticipates to suppliers the debt securities, so then subsequently receives from the Company on the maturity date those anticipated values

The Company reclassified the balances of forfeiting transactions and drawee risk with commercial suppliers originally presented in cash flow on March 2015, as follows:

a) Statements of cash flows at March 31, 2015

	Originally Reported	Reclassifications	Restated
Cash generated by operating activities			
Profit for the year attributable to the controlling shareholders	392,056		
Trade payables	(118,373)	97,541	
Paid Interests	(724,617)	(1,423)	
Others	2,092,940		
Net cash generated by operating activities	1,642,006	96,118	
Cash used in investing activities	413,490		
Cash generated by financing activities			
Forfeiting funding / drawee risk		15,136	
Forfeiting amortization / drawee risk		(111,254)	
Others	(1,852,855)		
Net cash used in financing activities	(1,852,855)	(96,118)	
Exchange rate changes on cash and cash equivalents	182,123		
Increase in cash and cash equivalents	384,764		

	Originally Reported	Reclassifications	Parent C 03 Restated ca
Cash generated by operating activities			
Profit for the year	392,056		
Trade payables	(201,233)	97,541	
Paid Interests	(555,887)	(1,423)	
Others	1,449,353		
Net cash generated by operating activities	1,084,289	96,118	
Cash used in investing activities	(420)		
Cash generated by financing activities			
Forfaiting funding / drawee risk		15,136	
Forfaiting amortization / drawee risk		(111,254)	
Others	(1,055,659)		
Net cash used in financing activities	(1,055,659)	(96,118)	
Exchange rate changes on cash and cash equivalents	49,459		
Increase in cash and cash equivalents	77,669		

b) Statement of income and statement of comprehensive income at March 31, 2015

The Company has not restated the others statements of March 2015 since the changes in those tables were not material.

2.e) Restatement of the Quarterly Financial Information for the three-month period ended March 31, 2016

The Company voluntarily restated its financial statements for the fiscal year ended December 31, 2015 due to a change in the interpretation of the application of the Technical Pronouncement CPC 15/ IFRS 3 in the period after the publication of these financial statements, as required by the accounting pronouncement CPC23/IAS8.

The change in the interpretation of the CPC/IFRS was identified by reassessing the events triggered by the inquiries made by the *Securities Exchange Commission* (SEC) on the accounting procedure for the presentation of the non-controlling interests of the subsidiary Congonhas Minérios in the Company's consolidated financial statements.

The restatement did not change the Company's consolidated results, as well as net equity, and was only a relocation between line items. The adjustments that generated the restatement of the financial statements for the fiscal year ended December 31, 2015, the initial balances for the three-month period ended March 31, 2016, are detailed in those restated financial statements.

The tables below show the impacts in the balances as of December 31, 2015 and March 31, 2016 between line items of our shareholders' equity:

	As presented	Reclassifications	December, 31 2015 Restated
Issued capital	4,540,000		4,540,000
Capital reserves	30		30
Earnings reserves	2,104,804	359,897	2,464,701
Legal reserve	424,536	17,995	442,531
Statutory reserve	1,895,494	256,426	2,151,920
Earnings reserves to realize	23,750	85,476	109,226
Treasury shares	(238,976)		(238,976)
Other comprehensive income	1,019,913	(359,897)	660,016
Shareholder's equity attributed to controlling interest	7,664,747		7,664,747
Non-controlling interest	1,070,916		1,070,916
Total shareholders's equity	8,735,663		8,735,663

	As presented	Reclassifications	March, 31 2016 Restated
Issued capital	4,540,000		4,540,000
Capital reserves	30		30
Earnings reserves	2,104,804	359,897	2,464,701
Legal reserve	424,536	17,995	442,531
Statutory reserve	1,895,494	256,426	2,151,920
Earnings reserves to realize	23,750	85,476	109,226
Treasury shares	(238,976)		(238,976)
Loss for the period	(836,690)	-	(836,690)
Other comprehensive income	1,435,049	(359,897)	1,075,152
Shareholder's equity attributed to controlling interest	7,243,193		7,243,193
Non-controlling interest	1,075,706		1,075,706
Total shareholders's equity	8,318,899		8,318,899

3. CASH AND CASH EQUIVALENTS

	03/31/2016	Consolidated 12/31/2015	03/31/2016	Parent Company 12/31/2015
Current				
Cash and cash equivalents				
Cash and banks	666,948	434,014	26,453	37,003
Short-term investments				
In Brazil:				
Government securities	59,915	165,520	22,921	164,311
Private securities	273,750	945,420	189,108	570,284
	333,665	1,110,940	212,029	734,595
Abroad:				
<i>Time deposits</i>	4,540,327	6,316,098	916,700	1,113,601
Total short-term investments	4,873,992	7,427,038	1,128,729	1,848,196
Cash and cash equivalents	5,540,940	7,861,052	1,155,182	1,885,199

The funds available in the Group and parent company set up in Brazil are basically invested in investment funds, classified as exclusive and its financial statements were consolidated within CSN the financial statements, consolidated and parent company. The funds include repurchase agreements backed by private and public securities, with pre-fixed income, with immediate liquidity.

Private securities are short-term investments in Bank Deposit Certificates (CDBs) with yields pegged to the Interbank Deposit Certificate (CDI) fluctuation, and government securities are basically repurchase agreements backed by National Treasury Notes and National Treasury Bills. The funds are managed by BNY Mellon Serviços Financeiros S.A. DTVM, BB Gestão de Recursos DVTM and Caixa Econômica

Federal and their assets collateralize possible losses on investments and transactions carried out. The investment in those funds was consolidated.

A significant part of the funds of the Company and its foreign subsidiaries is invested in time deposits in banks considered by the administration as top rated banks and the returns are based on fixed interest rates.

4. SHORT-TERM INVESTMENTS

The Company has investments in Public and Private securities managed by its exclusive funds that have been qualified as a margin deposits for the forward dollar contracts traded at BM&F Bovespa in the period and detailed in note 12 (b). The carrying amount of these financial investments totaled R\$ 764,132 (R\$ 763,599 on December 31, 2015). These investments have pre-fixed yield and immediate liquidity.

5. TRADE RECEIVABLES

	03/31/2016	Consolidated 12/31/2015	03/31/2016	Parent Company 12/31/2015
Trade receivables				
Third parties				
Domestic market	946,045	772,617	512,785	425,108
Foreign market	889,451	818,562	199,576	250,588
	1,835,496	1,591,179	712,361	675,696
Allowance for doubtful debts	(165,188)	(151,733)	(123,764)	(112,502)
	1,670,308	1,439,446	588,597	563,194
Related parties (Note 17 b)	75,241	61,366	1,064,915	1,140,172
	1,745,549	1,500,812	1,653,512	1,703,366
Other receivables				
Dividends receivable (Note 17 b) (*)	27,623	27,817	747,033	737,668
Advances to employees	35,229	40,190	21,606	24,465
Other receivables	7,705	9,458	275	2,024
	70,557	77,465	768,914	764,157
	1,816,106	1,578,277	2,422,426	2,467,523

(*) Refers mainly to dividends receivable from Congonhas Minérios S.A. totaling R\$694,080 to be paid on November 30, 2016.

In accordance with Group' internal sales policy the Group performs operations relating to assignment of receivables without co-obligation in which, after assigning the customer's trade notes/bills and receiving the amounts from each transaction closed, CSN settles the trade receivables and becomes entirely free of the credit risk on the transaction. This transaction totals R\$299,737 as of March 31, 2016 (R\$232,275 as of December 31, 2015), less the trade receivables.

The breakdown of gross trade receivables from third parties is as follows:

	Consolidated		Parent Company	
	03/31/2016	12/31/2015	03/31/2016	12/31/2015
Current	1,339,503	1,049,033	428,160	423,801
Past-due up to 180 days	328,092	353,443	178,716	118,488
Past-due over 180 days	167,901	188,703	105,485	133,407
	1,835,496	1,591,179	712,361	675,696

The movements in the Group's allowance for doubtful debts are as follows:

	Consolidated		Parent Company	
	03/31/2016	12/31/2015	03/31/2016	12/31/2015
Opening balance	(151,733)	(127,223)	(112,502)	(93,536)
Estimated losses	(17,897)	(35,631)	(14,216)	(26,288)
Recovery of receivables	4,442	11,121	2,954	4,504
Incorporation of CSN Cimentos and assets' drop down to Congonhas				2,818
Closing balance	(165,188)	(151,733)	(123,764)	(112,502)

6. INVENTORIES

	Consolidated		Parent Company	
	03/31/2016	12/31/2015	03/31/2016	12/31/2015
Finished goods	1,402,385	1,912,868	989,852	1,078,554
Work in progress	1,023,012	1,007,630	765,813	746,614
Raw materials	926,034	1,062,557	583,460	563,119
Storeroom supplies	973,667	962,078	516,295	489,816
Iron ore	256,229	95,461	15,411	6,912
Advances to suppliers	10,313	12,147	6,386	6,191
Provision for losses	(96,808)	(111,427)	(42,940)	(40,462)
	4,494,832	4,941,314	2,834,277	2,850,744

The movements in the provision for inventory losses are as follows:

	Consolidated		Parent Company	
	03/31/2016	12/31/2015	03/31/2016	12/31/2015
Opening balance	(111,427)	(112,581)	(40,462)	(88,056)
Reversal / (losses) for slow-moving and obsolescence (note 22)	14,619	1,154	(2,478)	15,835
Drop down of assets to Congonhas				31,759
Closing balance	(96,808)	(111,427)	(42,940)	(40,462)

7. OTHER CURRENT AND NON-CURRENT ASSETS

The groups of other current and non-current assets is comprised as follows:

	Current		Consolidated Non-current		Current
	03/31/2016	12/31/2015	03/31/2016	12/31/2015	
Judicial deposits (note 15)			324,444	328,542	
Credits with the PGFN (1)			88,859	87,761	
Recoverable taxes (2)	933,627	996,679	446,826	445,926	687,038
Prepaid expenses	82,669	119,456	22,707	28,119	49,284
Actuarial asset - related party (note 17 b)			107,622	114,433	
Derivative financial instruments (note 12 I)		118,592			
Exclusive funds					
Securities held for trading (note 12 I)	10,861	10,778			10,728
Iron ore inventory (3)			144,499	144,499	
Northeast Investment Fund – FINOR			10,888	10,888	
Other receivables (note 12 I)			11,249	6,877	
Loans with related parties (note 17 b)			386,128	373,214	464
Other receivables from related parties (note 17 b)	11,263	9,420	33,145	29,020	26,996
Others	42,942	31,524	14,680	14,642	
	1,081,362	1,286,449	1,591,047	1,583,921	774,510

(1) Refers to the excess of judicial deposit originated by the 2009 REFIS (Tax Debt Refinancing Program).

(2) Refers mainly to taxes on revenue (PIS/COFINS) and State VAT (ICMS) recoverable and income tax and social contribution for offset.

(3) Long-term iron ore inventories that will be used after the construction of the processing plant, which will produce pellet feed, expected to start operating in the second half of 2017.

8. INVESTMENTS

The information related to the description of activities of subsidiaries, jointly controlled entities, associates and other investments did not have changes in relation to that disclosed in the Company's financial statements as of December 31, 2015 and, accordingly, the Company decided not to repeat it in the condensed interim financial statements as of March 31, 2016.

- **Reduce of financial leverage**

With the primary goal of reducing financial leverage, the Company's Management is focused on a plan of disposal of assets and believes that a portion of these assets will be sold within 12 months as from December 31, 2015; however, it is not possible to confirm that the sale is highly probable for any of the considered assets, within these 12 months period. The Company considers several sales scenarios that vary according to different macroeconomic and operating assumptions. In this context, the Company did not segregate and not reclassified these assets in the financial statements as discontinued operations in accordance with the CPC 31 (IFRS 5).

8.a) Direct equity interests in subsidiaries, joint ventures, joint operations, associates and other investments

Companies	Number of shares held by CSN in units		% Direct equity interest	Participation in		
	Common	Preferred		Assets	Liabilities	Shareholders' (equity
Investments under the equity method						
Subsidiaries						
CSN Islands VII Corp.	20,001,000		100.00	7,184,904	7,405,377	(220,473)
CSN Islands IX Corp.	3,000,000		100.00	2,120		2,120
CSN Islands X Corp.	(*)					
CSN Islands XI Corp.	50,000		100.00	2,763,610	2,690,617	72,993
CSN Islands XII Corp.	1,540		100.00	2,537,268	3,563,746	(1,026,478)
CSN Minerals S.L.U.	3,500		100.00	4,880,911	277	4,880,634
CSN Export Europe, S.L.U.	3,500		100.00	996,055	8,939	987,116
CSN Metals S.L.U.	16,504,020		100.00	1,116,163	6,265	1,109,898
CSN Americas S.L.U.	3,500		100.00	1,943,149	1,671	1,941,478
CSN Steel S.L.U.	22,042,688		100.00	2,845,517	1,748,748	1,096,769
Sepeitaba Tecon S.A.	254,015,052		99.99	395,731	130,343	265,388
Mineração Nacional S.A.	65,020,211		99.99	500,839	164,885	335,954
Estanho de Rondônia S.A.	108,655,326		99.99	33,088	13,772	19,316
Cia Metalic Nordeste	92,459,582		99.99	176,950	46,542	130,408
Companhia Metalúrgica Prada	313,651,399		99.99	758,147	568,898	189,249
CSN Cimentos S.A.	(**)					
Congonhas Minérios S.A.	158,419,480		87.52	12,934,361	5,640,853	7,293,508
CSN Energia S.A.	43,149		99.99	71,419	18,968	52,451
FTL - Ferrovia Transnordestina Logística S.A.	353,190,644		89.79	513,512	184,330	329,182
Companhia Florestal do Brasil	35,454,849		99.99	32,239	476	31,763
Nordeste Logística	99,999		99.99	100		100
				39,686,083	22,194,707	17,491,376
Joint-venture e Joint-operation						
Nacional Minérios S.A.	(**)					
Itá Energética S.A.	253,606,846		48.75	294,923	44,530	250,393

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MRS Logística S.A.	26,611,282	2,673,312	18.64	1,478,659	891,808	586,851
CBSI - Companhia Brasileira de Serviços de Infraestrutura	1,876,146		50.00	14,414	13,454	960
CGPAR - Construção Pesada S.A.	50,000		50.00	50,370	38,254	12,116
Transnordestina Logística S.A.	22,761,085	1,397,545	56.92	4,290,979	3,026,922	1,264,057
Fair Value allocated to TLSA due to control loss						659,105
				6,129,345	4,014,968	2,773,482
Associates						
Arvedi Metalfer do Brasil	27,239,971		20.00	54,402	53,363	1,039
				54,402	53,363	1,039
Classified as available-for-sale						
Usiminas						482,426
Panatlântica						21,601
						504,027
Other investments						
Profits on subsidiaries' inventories						(39,425)
Others						65,019
						25,594
Total investments						20,795,518
Classification of investments in the balance sheet						
Investments in assets						22,042,470
Investments with negative equity						(1,246,952)
						20,795,518

(*) Company extinguished in 2015;

(**) Company incorporated in 2015;

The number of shares, the carrying amounts of assets, liabilities and shareholders' equity, and the amounts of profit or loss for the period refer to the equity interests held by CSN in those companies.

8.b) Changes of investments balances in subsidiaries, joint ventures, joint operations, associates and other investments

	Consolidated		Parent Company	
	03/31/2016	12/31/2015	03/31/2016	12/31/2015 restated
Opening balance of investments	3,998,227	13,665,453	23,323,565	24,199,129
Opening balance of loss provisions			(1,095,086)	(1,088,559)
Investment balance of Namisa 11/30/15		(10,160,981)		
Capital increase/acquisition of shares		3,575	10,828	490,842
Acquisition of Congonhas Minérios shares - 4.16%				2,732,605
Capital reduction		(466,758)		(546,796)
Dividends (1)	193	(54,464)	(824,726)	(3,985,128)
Comprehensive income (2)	32,443	(967,447)	(131,984)	(409,767)
Comprehensive income - Business Combination				1,584,779
Equity (3)	53,864	1,192,034	(487,079)	6,328,769
Incorporation of subsidiary - CSN Cimentos				(1,061,005)
Transfer of shares - Namisa and MRS		786,800		(6,173,113)
Transfer of assets - Casa de Pedra and Tecar				156,723
Others		15		
Closing balance of investments	4,084,727	3,998,227	22,042,470	23,323,565
Balance of provision for investments			(1,246,952)	(1,095,086)
Total	4,084,727	3,998,227	20,795,518	22,228,479

(1) In 2016 refers to the allocation of dividends from subsidiaries CSN Energia, Itá Energética, CSN Minerals and CSN Export.

(2) Refers to the mark-to-market of investments classified as available for sale and translation to the reporting currency of the foreign investments (the functional currency of which is not the Brazilian Reais) and actuarial gain/loss reflecting the investments measured by equity method.

(3) The table below shows the reconciliation of the equity in results of affiliated companies included on investment balance with the amount disclosed in the income statement and it is due to the elimination of the results of the CSN's transactions with these companies:

	03/31/2016	Consolidated 03/31/2015
Equity income of affiliates and joint ventures		
Nacional Minérios S.A.		396,481
MRS Logística S.A.	61,210	15,060
CBSI - Companhia Brasileira de Serviços de Infraestrutura	1,416	(1,976)
Transnordestina	(6,987)	(7,569)
Arvedi Metalfer do Brasil		1,268
Others	(1,775)	
	53,864	403,264
Eliminations		
To cost of sales	(13,462)	(7,919)
To net revenues		668
To taxes	4,577	2,465
Equity in results	44,979	398,478

8.c) Joint ventures and joint operations financial information

The balances of the balance sheets and income statements of joint venture and joint operation are presented as follows and refer to 100% of the companies' profit/loss:

	<i>Joint-Venture</i>		<i>Joint-Operation</i>		
Equity interest (%)	MRS	CBSI	Transnordestina	Itá	CGPAR
	Logística		Logística	Energética	
	34.94%	50.00%	56.92%	48.75%	50.00%
Balance sheet					
Current assets					
Cash and cash equivalents	446,584	28	17,777	15,434	9,518
Advances to suppliers	9,783	666	75,237	313	55
Other current assets	649,104	23,720	89,490	21,770	47,844
Total current assets	1,105,471	24,414	182,504	37,517	57,417
Non-current assets					
Advances to suppliers					
Other non-current assets	674,019	168	256,272	41,647	15,698
Investments, PP&E and intangible assets	6,153,486	4,245	7,099,943	525,807	27,624
Total non-current assets	6,827,505	4,413	7,356,215	567,454	43,322
Total Assets	7,932,976	28,827	7,538,719	604,971	100,739
Current liabilities					
Borrowings and financing	786,707		43,752		9,511
Other current liabilities	762,374	24,408	290,520	88,997	55,946
Total current liabilities	1,549,081	24,408	334,272	88,997	65,457
Non-current liabilities					
Borrowings and financing	2,664,076		4,763,654		10,571
Other non-current liabilities	571,375	2,500	220,001	2,347	480
Total non-current liabilities	3,235,451	2,500	4,983,655	2,347	11,051
Shareholders' equity	3,148,444	1,919	2,220,792	513,627	24,231
Total liabilities and shareholders' equity	7,932,976	28,827	7,538,719	604,971	100,739

Equity interest (%)	<i>Joint-Venture</i>			<i>Joint-Operation</i>	
	MRS Logística	CBSI	Transnordestina Logística	Itá Energética	CGPAR
	34.94%	50.00%	56.92%	48.75%	50.00%
Statements of Income					
Net revenue	749,218	33,017		42,466	32,013
Cost of sales and services	(514,726)	(27,601)		(23,016)	(23,245)
Gross profit	234,492	5,416		19,450	8,768
Operating (expenses) income	83,055	(2,250)	(7,656)	(12,895)	(3,696)
Finance income (costs), net	(65,690)	(334)	(4,620)	551	(281)
Profit before income tax and social contribution	251,857	2,832	(12,276)	7,106	4,791
Current and deferred income tax and social contribution	(87,621)			(2,410)	(1,764)
Profit / (loss) for the period	164,236	2,832	(12,276)	4,696	3,027

9. PROPERTY, PLANT AND EQUIPMENT

The information related to property, plant and equipment has not changed significantly compared to the disclosed in the Company's financial statements on December 31, 2015

	Land	Buildings and Infrastructure	Machinery. equipment and facilities	Furniture and fixtures	Construction in progress	Other (*)
Balance at December 31, 2015	264,289	2,696,126	11,109,272	38,986	3,199,386	563,540
Cost	264,289	3,436,458	18,638,117	183,086	3,199,386	811,535
Accumulated depreciation		(740,332)	(7,528,845)	(144,100)		(247,995)
Balance at December 31, 2015	264,289	2,696,126	11,109,272	38,986	3,199,386	563,540
Effect of foreign exchange differences	(3,242)	(10,389)	(44,919)	(226)	(2,264)	(1,496)
Acquisitions		89	22,785	237	289,441	17,280
Capitalized interest (notes 23 and 27)					57,661	
Write-offs (note 22)			(6,178)	(2)		(6,786)
Depreciation		(27,946)	(268,969)	(1,496)		(9,201)
Transfers to other asset categories			58,831	42	(57,084)	(1,789)
Others			822		3,457	
Balance at March 31, 2016	261,047	2,657,880	10,871,644	37,541	3,490,597	561,548
Cost	261,047	3,418,499	18,608,626	181,682	3,490,597	819,860
Accumulated depreciation		(760,619)	(7,736,982)	(144,141)		(258,312)
Balance at March 31, 2016	261,047	2,657,880	10,871,644	37,541	3,490,597	561,548

	Land	Buildings and Infrastructure	Machinery, equipment and facilities	Furniture and fixtures	Construction in progress	Parent Other (*)
Balance at December 31, 2015	83,350	869,071	6,103,720	17,679	1,723,327	69,201
Cost	83,350	1,025,848	10,677,122	118,301	1,723,327	159,914
Accumulated depreciation		(156,777)	(4,573,402)	(100,622)		(90,713)
Balance at December 31, 2015	83,350	869,071	6,103,720	17,679	1,723,327	69,201
Acquisitions			11,372	99	212,862	11,724
Capitalized interest (notes 23 and 27)					32,730	
Write-offs (note 22)			(7)	(2)		(7,581)
Depreciation		(6,026)	(125,824)	(734)		(1,594)
Transfers to other asset categories			27,008		(27,008)	
Others			(15)		2,456	1
Balance at March 31, 2016	83,350	863,045	6,016,254	17,042	1,944,367	71,751
Cost	83,350	1,025,846	10,715,489	117,997	1,944,367	170,778
Accumulated depreciation		(162,801)	(4,699,235)	(100,955)		(99,027)
Balance at March 31, 2016	83,350	863,045	6,016,254	17,042	1,944,367	71,751

(*) Refer basically to railway assets such as courtyards, tracks and leasehold improvements, vehicles, hardware, mines, ore deposits, and spare part inventories.

The breakdown of the projects that make up the work in progress is as follows:

Project description	Start date	Completion date	Consolidado	
			03/31/2016	12/31/2015
Logistics			43,784	35,457

	Current investments for maintenance of current operations.				43,784	35,457
Mining						
	Expansion of Casa de Pedra Mine capacity production.	2007	2016/2017 (1)		740,149	709,945
	Expansion of TECAR export capacity.	2009	2020 (2)		403,882	390,920
	Current investments for maintenance of current operations.				311,479	302,764
					1,455,510	1,403,629
Steel						
	Equipment supply for use in the steel operation.	2008	2016		93,493	105,697
	Expansion of the service center/Mogi.	2013	2015/2016 (3)		15,022	14,950
	Current investments for maintenance of current operations.			(4)	453,514	375,579
					562,029	496,226
Cement						
	Construction of cement plants.	2011	2016 (5)		1,420,913	1,254,897
	Current investments for maintenance of current operations.				8,361	9,177
					1,429,274	1,264,074
Total of construction in progress					3,490,597	3,199,386

(1) Estimated completion date of the Central Plant Step 1;

(2) Estimated completion date of phase 60 Mtpa;

(3) Estimated completion date of Mogi Service Center;

(4) Refers substantially to the reforming of batteries for coke ovens;

(5) Estimated completion date of the unit Arcos / Minas Gerais.

The estimated useful lives are as follows:

		Consolidated			Parent Company	
	03/31/2016	12/31/2015		03/31/2016	12/31/2015	
<i>In Years</i>						
Buildings	43	43		43	43	
Machinery, equipment and facilities	18	18		18	18	
Furniture and fixtures	11	11		11	11	
Others	14	14		11	11	

9.a) Depreciation and amortization expense:

Additions to depreciation, amortization and depletion for the period were distributed as follows:

		Consolidated			Parent Company	
	03/31/2016	03/31/2015		03/31/2016	03/31/2015	
Production costs	303,911	258,876		131,468	202,412	
Sales expenses	2,274	2,300		1,810	1,778	
General and Administrative Expenses	3,651	3,322		2,247	2,139	
	309,836	264,498		135,525	206,329	
Other operating expenses (*)	12,108	9,004				
	321,944	273,502		135,525	206,329	

(*) Refers to the depreciation of unused equipment and to the amortization of intangible assets, see note 22.

10. INTANGIBLE ASSETS

The information related to intangible assets did not have relevant changes in relation to that disclosed in the Company's financial statements as of December 31, 2015 and, accordingly, the Company decided not to repeat it in the condensed interim financial statements as of March 31, 2016.

	Goodwill	Customer relationships	Software	Trademarks and patents	Rights and licenses	Other
Balance at December 31, 2015	4,098,465	413,387	75,236	143,636	727,390	39
Cost	4,357,799	549,413	173,154	143,636	727,390	39
Accumulated amortization	(150,004)	(136,026)	(97,918)			
Adjustment for accumulated recoverable value	(109,330)					
Balance at December 31, 2015	4,098,465	413,387	75,236	143,636	727,390	39
Effect of foreign exchange differences		(18,361)	(37)	(6,640)		(18,361)
Acquisitions and expenditures			6			
Amortization		(11,491)	(2,841)			
Balance at March 31, 2016	4,098,465	383,535	72,364	136,996	727,390	37
Cost	4,357,799	524,084	170,930	136,996	727,390	37
Accumulated amortization	(150,004)	(140,549)	(98,566)			
Adjustment for accumulated recoverable value	(109,330)					
Balance at March 31, 2016	4,098,465	383,535	72,364	136,996	727,390	37

The estimated useful lives for the current year are as follows:

	03/31/2016	Consolidated 12/31/2015	03/31/2016	Parent Company 12/31/2015
Software	5	5	5	5
Customer relationships	13	13		

11. BORROWINGS, FINANCING AND DEBENTURES

As of March 31, 2016 the balances of borrowings, financing and debentures, which are carried at amortized cost, are as follows:

	Rates p.a. (%)	Consolidated				
		Current liabilities		Non-current liabilities		Current li
		03/31/2016	12/31/2015	03/31/2016	12/31/2015	03/31/2016
FOREIGN CURRENCY						
Prepayment (*)	1% to 3.5%	258,084	207,657	2,299,050	2,633,137	258,084
Prepayment (*)	3.51% to 8%	294,991	286,487	3,125,900	3,429,716	346,027
Perpetual bonds	7%	4,844	5,315	3,558,900	3,904,800	
Fixed rate notes (*)	4.14% to 10%	49,305	175,768	6,038,019	6,910,992	78,243
Intercompany (*)	Libor 6M to 3%					1,157,877
Forfeiting (**)	Libor + Spread	264,739	288,772			264,739
Others	1.2% to 8%	104,315	115,594	305,784	425,635	
		976,278	1,079,593	15,327,653	17,304,280	2,104,970
LOCAL CURRENCY						
BNDES/FINAME	1.3% + TJLP and fixed rate 2.5% to 6% + 1.5%	63,099	55,435	1,016,389	1,018,189	36,118
Debentures	110.8% to 113.7% of CDI	133,290	60,670	1,653,333	1,750,000	133,290
Prepayment (*)	109.5% to 116.5% CDI and fixed rate of 8%	185,725	522,418	5,460,000	5,200,000	115,780
CCB	112.5% and 113% CDI	88,538	92,976	7,200,000	7,200,000	88,538
Intercompany (*)	110.79% CDI					40,623
Drawee risk (**)		39,221	84,063			39,221
Others			6,229		12,107	
		509,873	821,791	15,329,722	15,180,296	453,570
Total borrowings and financing		1,486,151	1,901,384	30,657,375	32,484,576	2,558,540
Transaction costs and issue premiums		(26,374)	(26,703)	(96,318)	(76,742)	(21,727)
Total borrowings and financing + transaction costs		1,459,777	1,874,681	30,561,057	32,407,834	2,536,813

(*) The balances of prepaid related parties borrowings total R\$5,376,489 as of March 31, 2016 (R\$5,929,037 as of December 31, 2015) and the balances of Fixed Rate Notes and intercompany Bonds total R\$3,775,266 (R\$4,088,749 as of December 31, 2015), see note 17b.

(**) The balances of forfaiting and drawee risk operations totaled R\$ 303,960 at March 31, 2016 (R\$372,835 at December 31, 2015).

- **Maturities of borrowings, financing and debentures presented in non-current liabilities**

As of March 31, 2016, the breakdown of principal plus interest of long-term liabilities as borrowings, financing and debentures by its maturity date is presented as follows:

		Consolidated		Parent Company
2017	1,240,173	4%	2,963,632	10%
2018	5,691,969	19%	4,852,103	16%
2019	7,295,446	24%	5,555,468	19%
2020	7,952,690	26%	4,886,901	16%
2021	2,264,963	7%	2,933,977	10%
After 2021	2,653,234	9%	8,450,207	29%
Perpetual bonds	3,558,900	11%		
	30,657,375	100%	29,642,288	100%

- **Amortization and new borrowings, financing and debentures**

The table below shows the new funding transactions and redemption during the year:

	Consolidated		Parent Company	
	03/31/2016	12/31/2015	03/31/2016	12/31/2015
Opening balance	34,282,515	30,354,058	33,988,090	29,560,826
Funding transactions		978,206	40,239	2,694,533
Forfaiting funding / Drawee Risk	76,338	924,706	76,338	924,706
Repayment	(215,756)	(2,850,077)	(100,410)	(1,542,921)
Charges – payments	(121,180)	(1,146,306)	(121,180)	(1,146,306)
Forfaiting payments	(932,279)	(2,957,762)	(671,713)	(2,656,208)
Forfaiting charges		(7,064)		(7,064)
Provision of charges	803,347	3,052,164	661,722	2,996,662
Provision charges Forfaiting / Drawee Risk	1,961	2,032	1,961	2,032
Other (1)	(1,874,112)	5,932,558	(1,785,311)	3,161,830
Closing balance	32,020,834	34,282,515	32,089,736	33,988,090

(1) Includes interests, unrealized foreign exchange and monetary gains and losses.

In first quarter of 2016, the Group amortized loans as shown below:

- **Amortization**

	Transaction	Payment of principal	Consolidated Debt charges
Fixed Rate Notes		105,178	329,767
Debentures			88,118

Bank Credit Bill		268,831
Export Credit Note	65,000	211,380
Pre - Export Payment	34,032	25,114
BNDES/FINAME	8,517	8,310
Others	3,029	759
Total	215,756	932,279

12. FINANCIAL INSTRUMENTS

The information related to financial instruments did not have significant changes compared to what was disclosed in Company's financial statements as of December 31, 2015 and, accordingly, the Company decided not to repeat it fully in the condensed interim financial statements as of March 31, 2016.

I - Identification and measurement of financial instruments

The Company enters into transactions involving various financial instruments, mainly cash and cash equivalents, including short-term investments, marketable securities, trade receivables, trade payables, and borrowings and financing. The Company also enters into derivative transactions, especially exchange and interest rate swaps.

- **Classification of financial instruments**

					03/31/2016	
Consolidated	Notes	Available for sale	Fair value through profit or loss	Loans and receivables - effective interest rate	Other liabilities - amortized cost method	Balances
Assets						
Current						
Cash and cash equivalents	3			5,540,940		5,540,940
Short-term investments - margin deposit (*)	4			764,132		764,132
Trade receivables	5			1,745,549		1,745,549
Derivative financial instruments	7					
Trading securities	7		10,861			10,861
Total			10,861	8,050,621		8,061,482
Non-current						
Other trade receivables	7			11,249		11,249
Investments	8	504,027				504,027
Loans - related parties	7			386,128		386,128
Total		504,027		397,377		901,404
Total assets		504,027	10,861	8,447,998		8,962,886
Liabilities						
Current						
Borrowings and financing	11				1,486,151	1,486,151
Derivative financial instruments	13		40,027			40,027
Trade payables					1,235,417	1,235,417
Dividends and interest on capital					464,793	464,793
Total			40,027		3,186,361	3,226,388
Non-current						
Borrowings and financing	11				30,657,375	30,657,375
Total					30,657,375	30,657,375

Total liabilities **40,027** **33,843,736** **33,883,763**

(*) Short-term investments as collateral with foreign exchange transactions on the BM & F (derivatives)

- Fair value measurement**

The following table shows the financial instruments recognized at fair value through profit or loss using a valuation method:

Consolidated	03/31/2016		12/31/2015			
	Level 1	Level 2	Balances	Level 1	Level 2	Balances
Assets						
Current						
Financial assets at fair value through profit or loss						
Derivative financial instruments				118,592		118,592
Trading securities	10,861		10,861	10,778		10,778
Non-current						
Available-for-sale financial assets						
Investments	504,027		504,027	471,674		471,674
Total assets	514,888		514,888	482,452	118,592	601,044
Liabilities						
Current						
Financial liabilities at fair value through profit or loss						
Derivative financial instruments		40,027	40,027		26,257	26,257
Total liabilities		40,027	40,027		26,257	26,257

II – Investments in financial instruments classified as available-for-sale and measured at fair value through OCI

The Company has investments in common (USIM3) and preferred (USIM5) shares of Usiminas (“Usiminas Shares”), designated as available-for-sale financial assets. The Company adopts this designation because the nature of the investment is not comprised in any other categories of financial instruments (loans and receivables, held-to-maturity investments or financial assets at fair value through profit or loss). The asset is classified as a non-current asset in line item “investments” and is carried at fair value based on the quoted price on the stock exchange (BM&FBOVESPA). According to the Company’s policy, the gains and losses arising from changes in the price of shares are recorded directly in equity, as other comprehensive income.

As of March 31, 2016, there was no impairment recorded and the gain from the change in share price of the period was recorded in other comprehensive income (as of March 31, 2015, the impairment recorded amounted to R\$ 8,417):

Class of shares	Quantity	03/31/2016		12/31/2015		Variation in the quarter	
		Share price	Closing Balance	Share price	Closing Balance	Share price	Variation in the carrying amount
Common	71,390,300	4.09	291,986	4.02	286,989	0.07	4,997
Preferred	105,215,700	1.81	190,440	1.55	163,084	0.26	27,356
	176,606,000		482,426		450,073		32,353

As of March 31, 2016, the Company’s shareholding equity in USIMINAS was 14.13% in the common shares and 20.69% in preferred shares.

As of March 31, 2016 the carrying amount recorded in other comprehensive income for investments available for sale is R\$32,280 (R\$ (73) as of December 31, 2015).

III - Financial risk management

As of March 31, 2016, there were no changes in the financial risk management policies in relation to those disclosed in the Company's financial statements for the year ended December 31, 2015.

12.a) Foreign exchange and interest rate risks

- **Exchange rate risk**

The exchange rate risk arises from the existence of assets and liabilities generated in US dollars or Euros is called natural currency exposure. Net exposure is the result of offsetting the natural currency exposure by hedging instruments adopted by CSN.

The consolidated net exposure as of March 31, 2016 is as follows:

Foreign Exchange Exposure	(Amounts in US\$'000)	03/31/2016 (Amounts in €'000)
Cash and cash equivalents overseas	1,288,486	55,745
Trade receivables	314,526	10,029
Other assets	6,514	21,537
Total assets	1,609,526	87,311
Borrowings and financing	(4,465,939)	(96,641)
Trade payables	(7,435)	(6,301)
Other liabilities	(5,896)	(70,168)
Total liabilities	(4,479,270)	(173,110)
Foreign exchange exposure	(2,869,744)	(85,799)
Notional amount of derivatives contracted, net	1,435,000	
Cash flow hedge accounting	1,549,333	
Net Investment hedge accounting		96,000
Net foreign exchange exposure	114,589	10,201

- **Interest rate risk**

Risk arises from short and long term liabilities with fixed or post fixed interest rates and inflation rates.

Item 12 b) shows the derivatives and hedging strategies to protect exchange and interest rates risks.

12.b) Hedging instruments: derivatives and hedge accounting

CSN uses several instruments for protection of foreign currency risk and interest rate risk, as shown in the following topics:

- Portfolio of derivative financial instruments

Counterparties	Maturity	Functional Currency	Notional amount	Appreciation (R\$)		03/31/2016 Fair value (market) Amounts receivable / (payable)	Notional amount	Appreciation (R\$)	
				Asset position	Liability position			Asset position	Liability position
BM&FBovespa	2/5/2016	Dollar	1,435,000		(39,164)	(39,164)	1,435,000	110,075	
Total forward dollar			1,435,000		(39,164)	(39,164)	1,435,000	110,075	
BBVA		Dollar					39,450	154,017	(147,67)
BNPP	04/08/2016 to 06/02/2016	Dollar	36,550	130,145	(131,008)	(863)	18,700	73,007	(71,70)
Total dollar-to-euro swap			36,550	130,145	(131,008)	(863)	58,150	227,024	(219,37)
Itaú BBA		Real					150,000	189,760	(200,68)
HSBC		Real					185,000	233,125	(247,71)
Deutsche Bank		Real					10,000	12,579	(13,33)
Total Fixed rate-to-CDI interest rate swap							345,000	435,464	(461,72)
Itaú BBA		Real					30,000	33,396	(33,23)
HSBC		Real					120,000	133,508	(132,80)
Total interest rate- to-CDI swap							150,000	166,904	(166,03)
				130,145	(170,172)	(40,027)		939,467	(847,13)

During April 2016 the Company reassessed its hedging strategy to adapt it to the foreign exchange exposure of future payments and receipts to the US dollar. As a result, there was a readjustment of the volume in the portfolio of derivative financial instruments and of future dollar. In this context, the Company decided not to renew the future dollar operations that matured on May 2, 2016.

*Fixed rate- to-
CDI swap*