4Q08 Earnings Presentation

March 30, 2009



Forward-looking Statements

Certain of the statements contained herein are forward-looking statements based on based on Management's current estimates regarding future performance that may result in material differences regarding future results, performance and events. In fact, actual results, performances or events may differ materially from those expressed or implied by the forward-looking statements, as a result of several factors, such as the general and economic conditions in Brazil and other countries, interest rate and exchange rate levels, future rescheduling or prepayment of debt denominated in foreign currencies, protectionist measures in the US, Brazil and other countries, changes in laws and regulations and general competitive factors (on a global, regional or national basis).



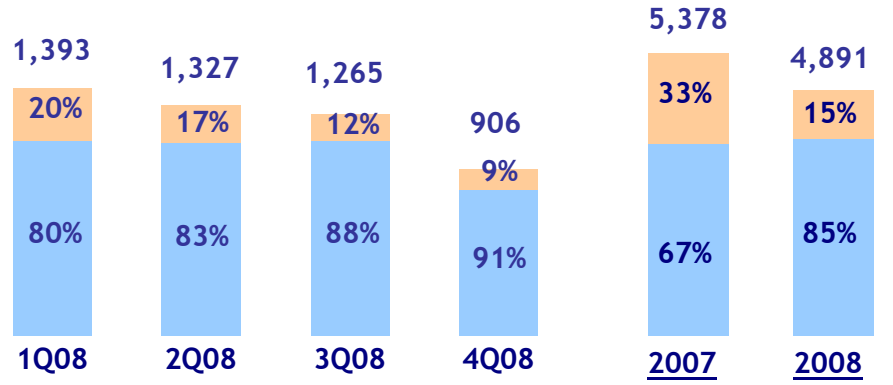
Main Highlights - 2008

- Net revenue reached R$14.0 billion in 2008, 22% up on the previous year, a Company's record. Net revenue in the 4Q08 was at R$3.4 billion, 12% more than in the 4Q07.
- EBITDA amounted to R$6.6 billion in 2008, 35% higher than in 2007 and yet another record, and the 4Q08 EBITDA achieved R$1.5 billion, a 20% year-on-year improvement.
- The 2008 EBITDA margin reached a substantial 47%, 5 p.p. more than the year before, while the 4Q08 margin reached 45%, 3 p.p. up on the 4Q07. CSN has consistently recorded EBITDA margins of above 40% for almost 8 years.
- Annual net income totaled R$5.8 billion, a new Company record and virtually double the 2007 figure. Fourth-quarter net income stood at R$3.9 billion, also a historical record and more than seven times the amount reported in the 4Q07.
- On December 30, 2008, the Company concluded the alienation of 40% of NAMISA to the Japanese-Korean consortium Big Jump Energy Participações. This transaction, one of the largest in the mining sector in recent times, increased cash by R$7.3 billion (US$3.08 billion) and had a R$4.0 billion impact on the 4Q08 results.
- Iron ore sales totaled 18 million tonnes in 2008, another Company record, 73% more than in 2007.
- In 2008, parent-company and consolidated sales of flat steel on the domestic market accounted for 92% and 85% of total sales volume, respectively. Consolidated sales to the domestic market totaled 4.16 million tonnes, 15% higher than in 2007.
- CSN's annual market share of the domestic flat steel (hot-rolled, cold-rolled, galvanized and tin plate) increased to 39%, 5 p.p. up on 2007. The Company's market share of the galvanized steel market for the construction, home appliances/OEM and distribution sectors stood at more than 80%.

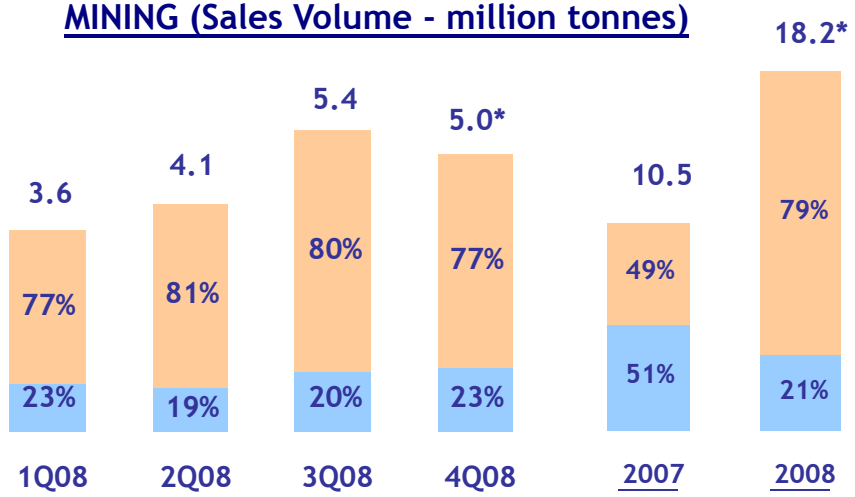


Net Revenue and Sales by Market

STEEL (Sales Volume-thousand tonnes)

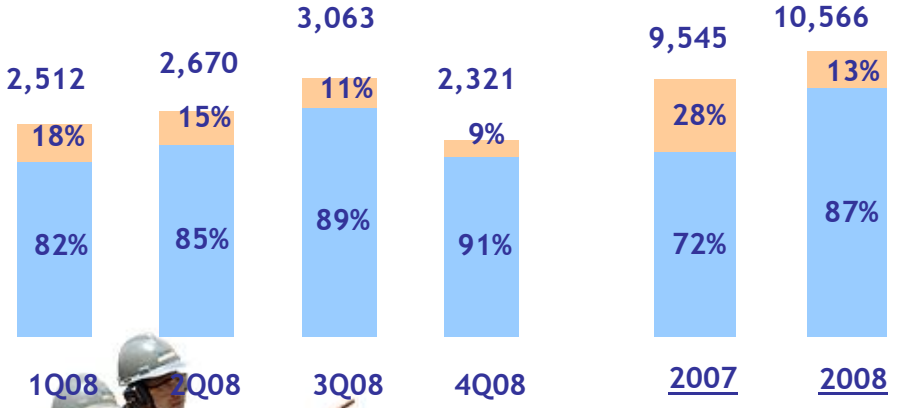


MINING (Sales Volume - million tonnes)

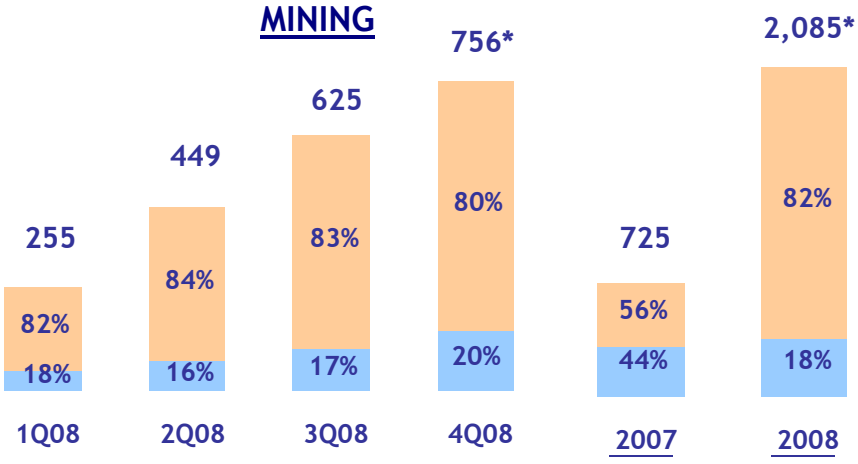


Net Revenue (R$ MM)

STEEL



MINING



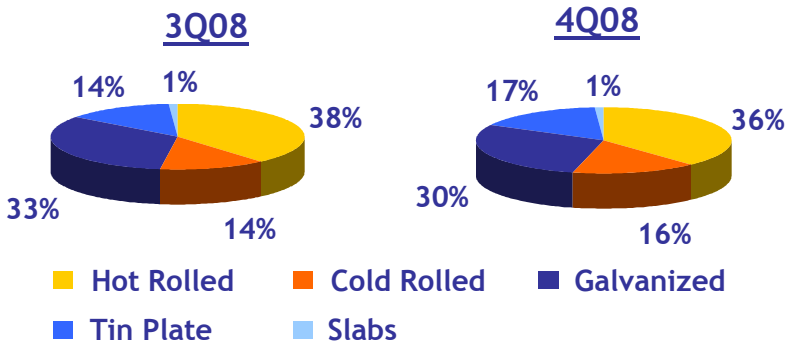


Domestic Market Export Market

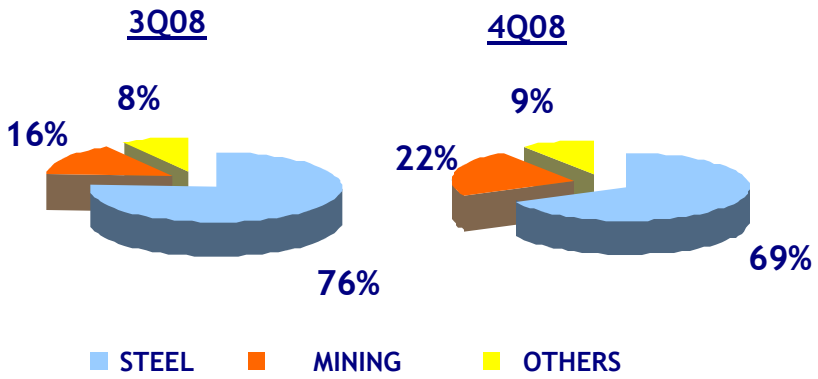
* CSN consolidated sales include 100% of NAMISA sales until 30 Nov 2008 and 60% since 01 Dec 2008 due to NAMISA alienation

Sales Volume by Product and Market Segment

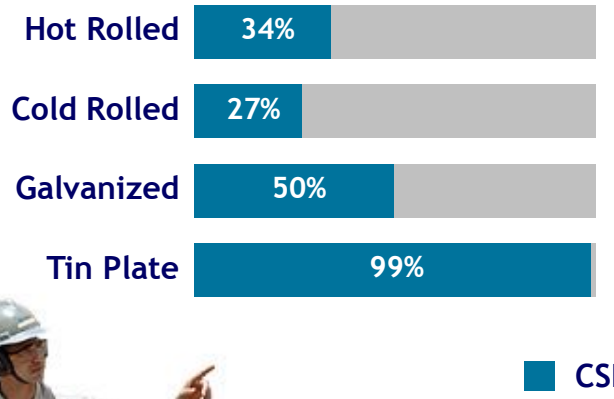
Sales by Product



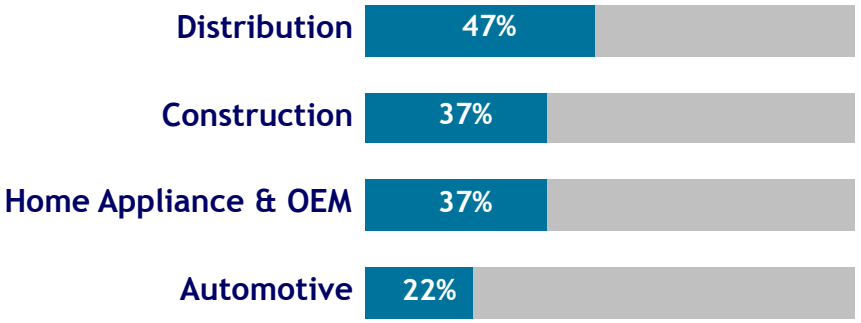
Net Revenue by Segment



Market Share by Product 4Q08



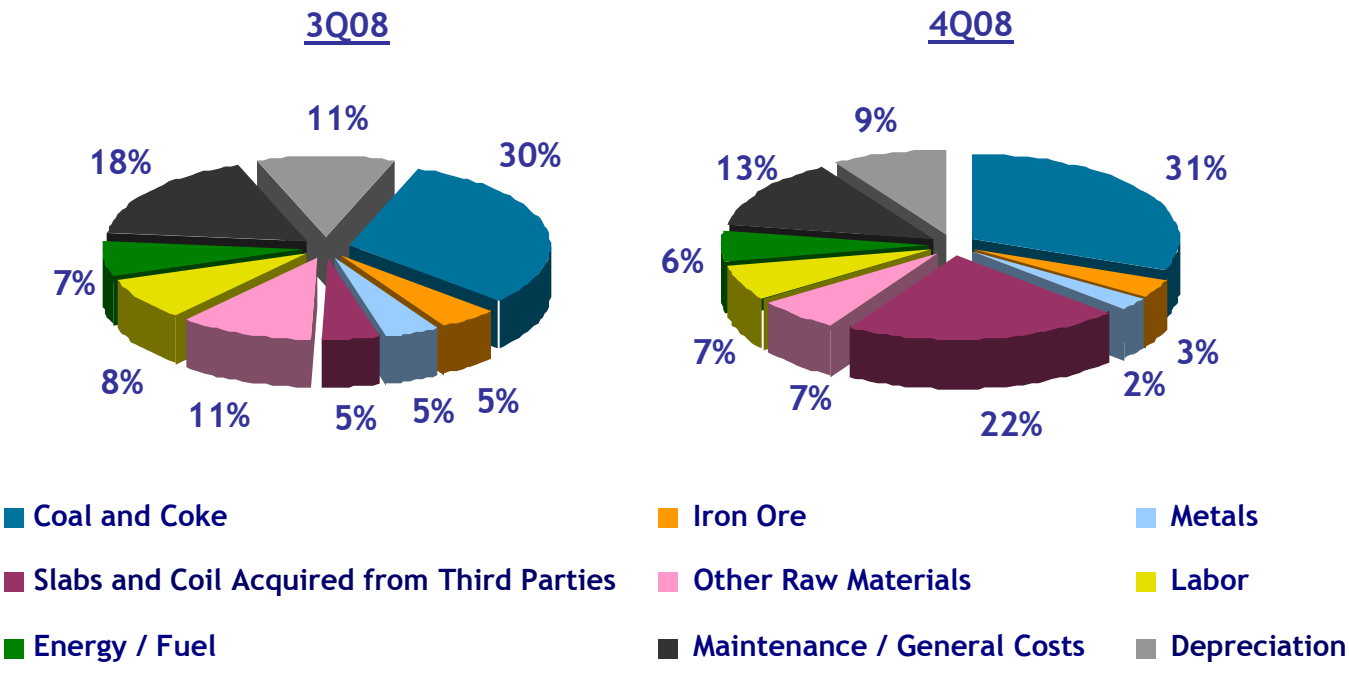
Market Share by Segment 4Q08





Steel - Production Costs

PARENT COMPANY



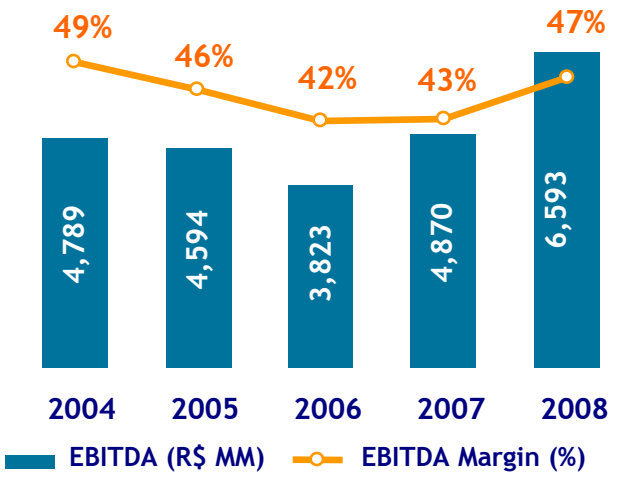
✓COAL: 4Q08 average cost ~ R$ 585/t

✓ COKE: 4Q08 average cost ~ R$ 1,650/t

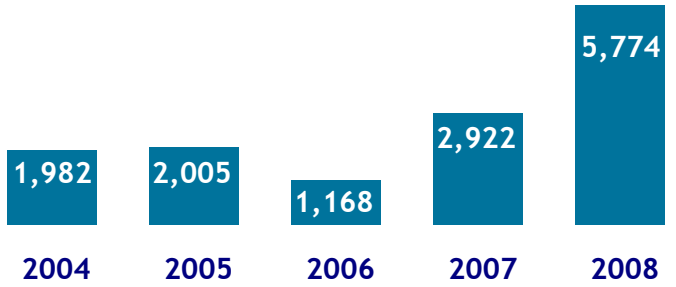


Consolidated Results

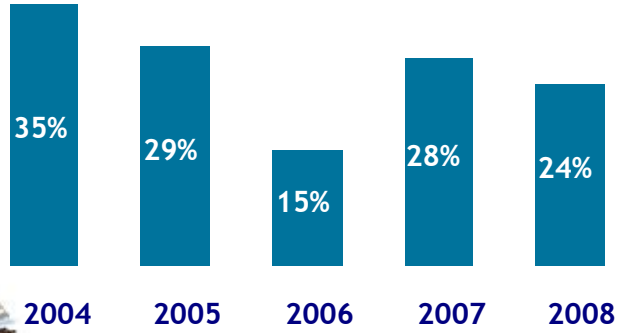
EBITDA (R$ MM) and EBITDA Margin (%)



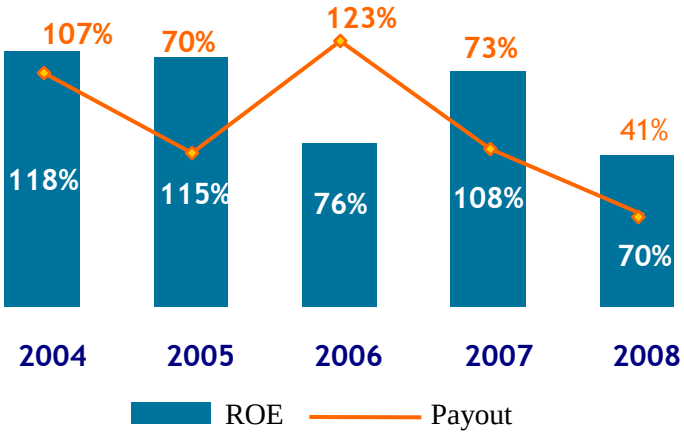
Net Income (R$ MM)



Return on Capital Employed



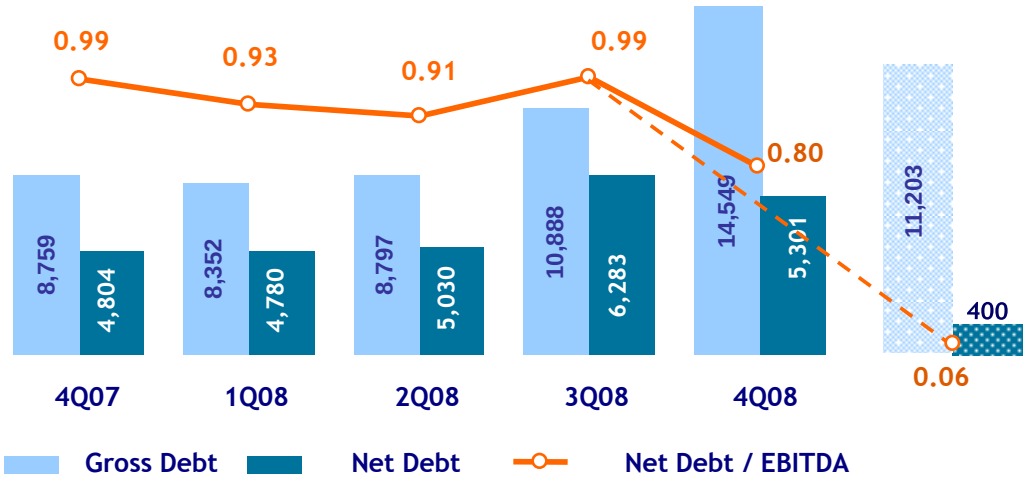
Return on Equity & *Payout Ratio* %





Debt Trends and Amortization Schedule

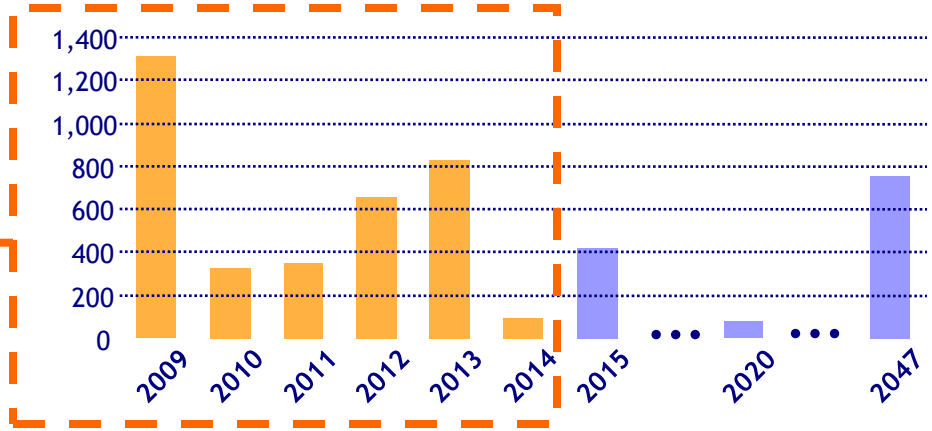
Debt Trends (R$ million) and Net Debt/EBITDA (x)



Average Maturity of CSN's principal debt ~ 8.6 years.

Excluding Equity Swap reclassification and the proportional recognition of NAMISA´s anticipation as operating liabilities.

Amortization Schedule (US$ MM)

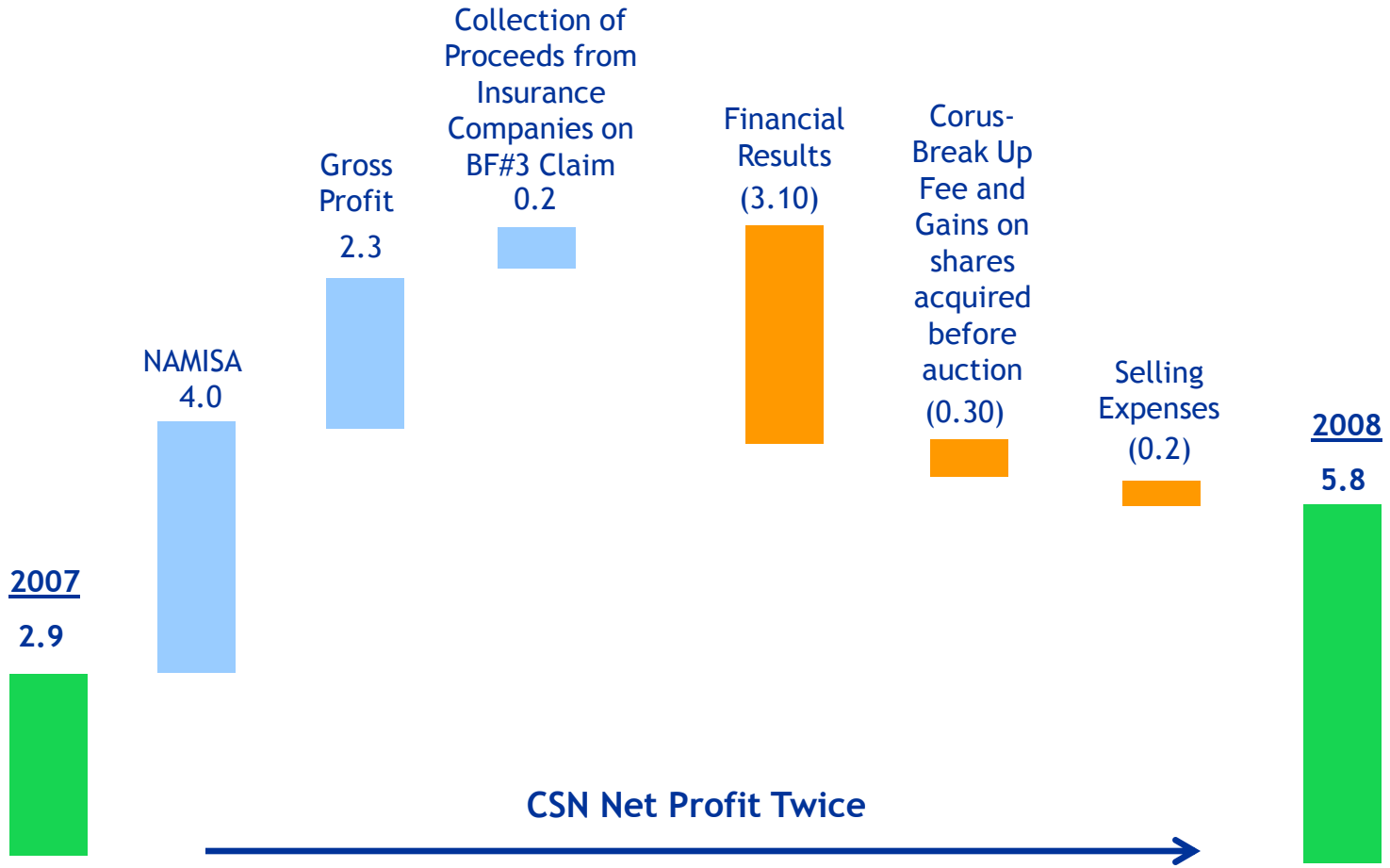


Cash balance and cash equivalents are sufficient to pay most part of principal debt amounts by 2014.



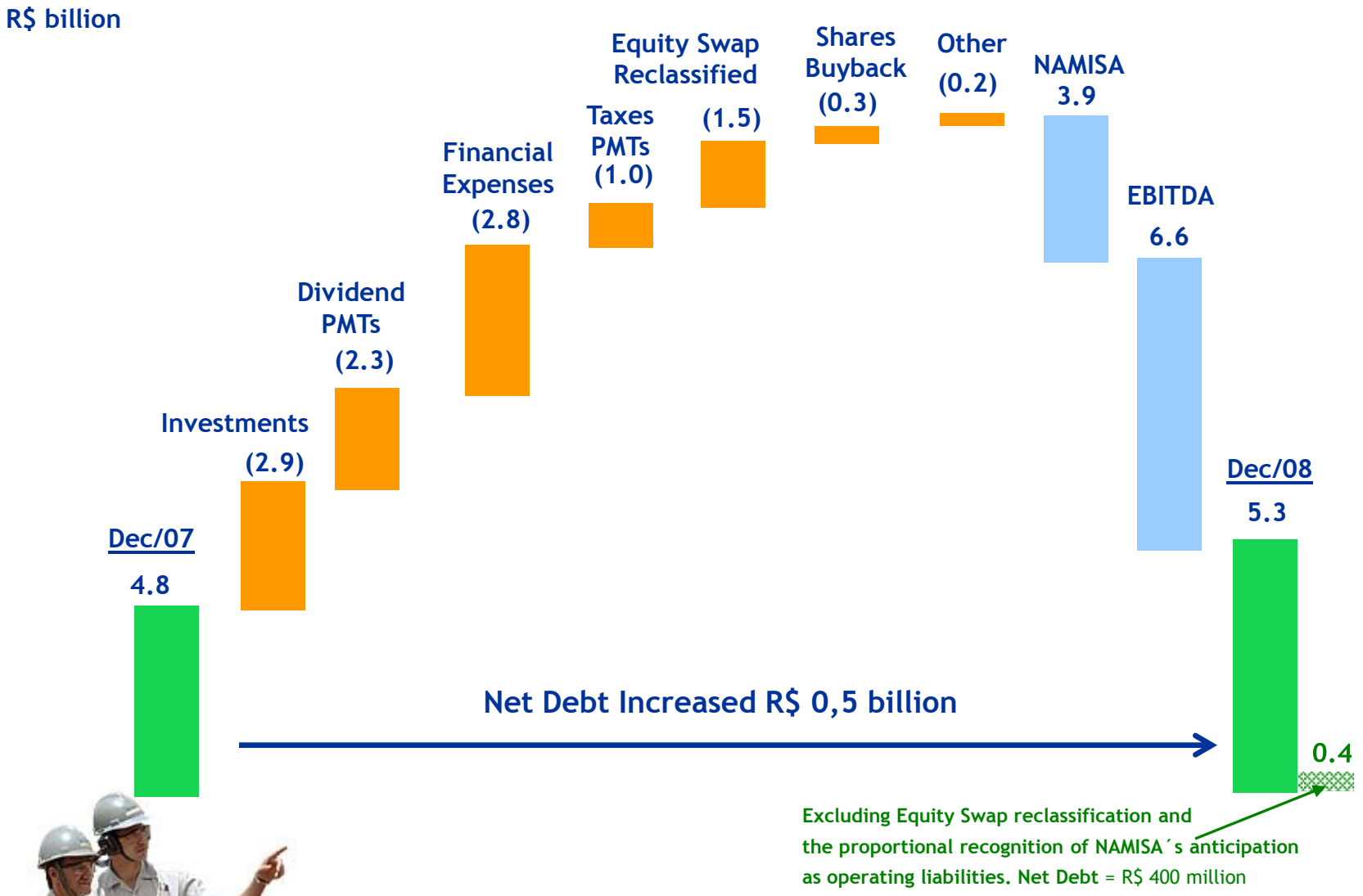
Consolidated Net Result 2008 x 2007

R$ billion



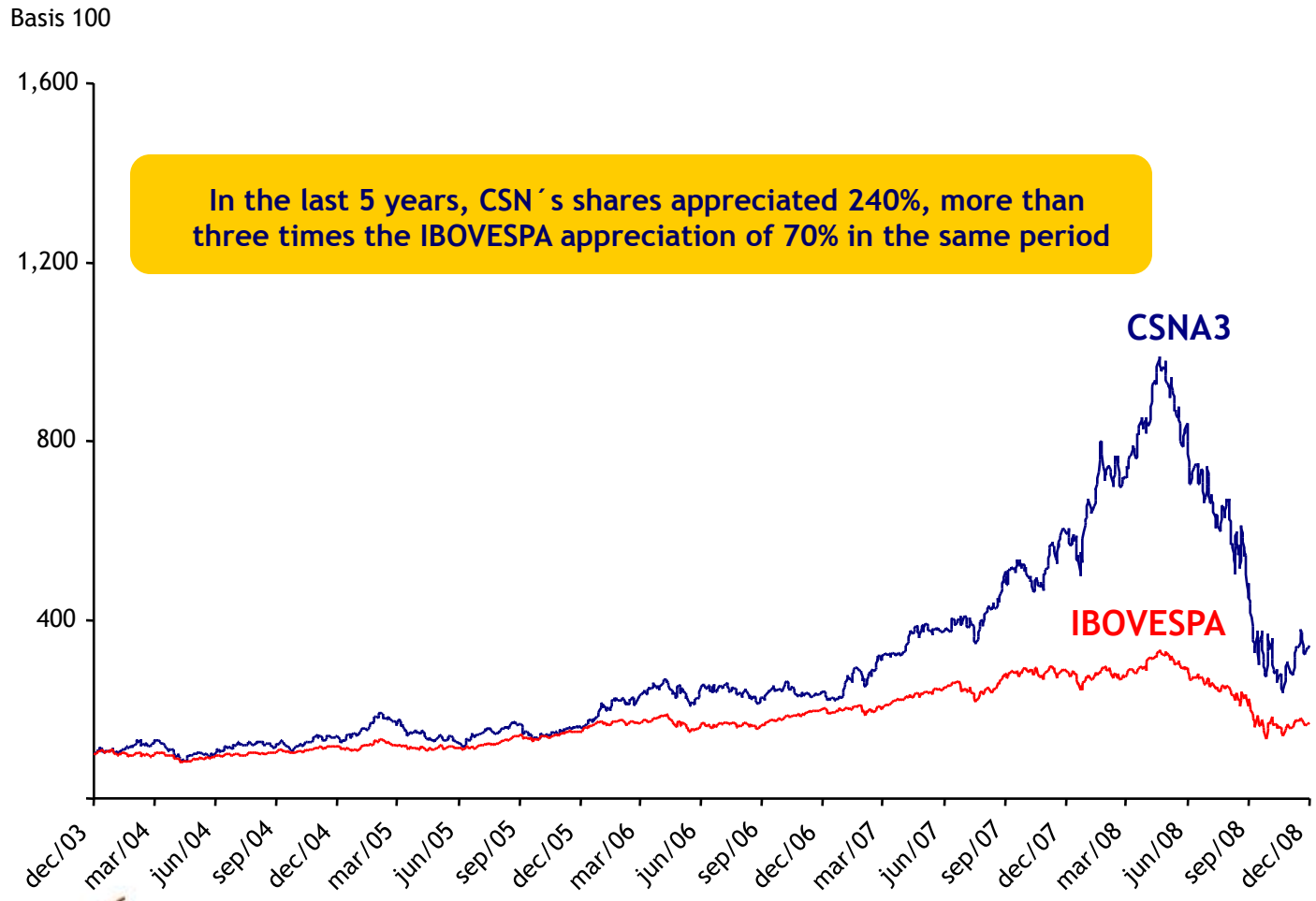


Net Debt Evolution - Dec/07 to Dec/08



CSN's shares performance

Performance: CSN x IBOVESPA





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