

NATIONAL STEEL CO  
Form 6-K  
May 12, 2016

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**SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 6-K**

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

**For the month of May 12, 2016**  
**Commission File Number 1-14732**

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**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

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**São Paulo, May 12, 2016**

**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

<b>Steel Sales (thousand t)</b>	<b>1,407</b>	<b>1,130</b>	<b>1,246</b>	<b>10%</b>	<b>(11%)</b>
- Domestic Market	63%	57%	52%	(5%)	(11%)
- Overseas Subsidiaries	34%	37%	42%	5%	8%
- Exports	6%	6%	6%	0%	0%
<b>Iron Ore Sales (thousand t)<sup>1</sup></b>	<b>5,442</b>	<b>6,656</b>	<b>8,295</b>	<b>25%</b>	<b>52%</b>
- Domestic Market	1%	7%	13%	6%	12%
- Exports	99%	93%	87%	(6%)	(12%)
<b>Consolidated Results (R\$ Million)</b>					
Net Revenue	4,010	3,678	3,844	5%	(4%)
Gross Profit	985	767	926	21%	(6%)
Adjusted EBITDA <sup>2</sup>	911	686	733	7%	(20%)
Adjusted Net Debt <sup>3</sup>	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
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<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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.

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

<sup>1</sup> 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%
<b>Share of profits (losses) of investees</b>	<b>398</b>	<b>(55)</b>	<b>45</b>	<b>-</b>	<b>(89%)</b>

- 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.

<b>Profit (loss) for the Period</b>	<b>392</b>	<b>2,371</b>	<b>(831)</b>	<b>-</b>	<b>-</b>
(-) Depreciation	264	308	310	1%	17%
(+) Income Tax and Social Contribution	(503)	527	122	(77%)	-
(+) Finance Income	870	183	943	416%	8%
<b>EBITDA (ICVM 527)</b>	<b>1,023</b>	<b>3,389</b>	<b>544</b>	<b>(84%)</b>	<b>(47%)</b>
(+) Other Operating Income (Expenses)	214	(2,913)	127	-	-