

NATIONAL STEEL CO  
Form 6-K  
March 27, 2018

---

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

---

**FORM 6-K**

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

**For the month of March, 2018**  
**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

---

**São Paulo, March 26, 2018**

## **4Q17 and 2017 Earnings Release**

Companhia Siderúrgica Nacional (CSN) (BM & FBOVESPA: CSNA3) (NYSE: SID) **announces today its results for the year 2017 and the fourth quarter of 2017 (4Q17)** in Brazilian Reais, and its consolidated financial statements, which are presented in accordance with International Financial Reporting Standards (IFRS), issued by the *International Accounting Standards Board* (IASB) and with the accounting practices adopted in Brazil, which are fully convergent with international accounting standards, 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. The comments presented herein refer to the Company's fourth quarter of 2017 (4Q17) and 2017 consolidated results and comparisons refer to the third quarter of 2017 (3Q17), fourth quarter of 2016 (4Q16) and 2016. The Real/U.S. Dollar exchange rate was R\$ 3.3080 on December 31, 2017 and R\$ 3.1680 on September 30, 2017.

### **2017 financial and operating highlights**

- **Generation of EBITDA adjusted of R\$ 4,645MM**, an increase of 14% over 2016, with EBITDA margin of 23.8%, 1.3 p.p. higher than in the previous year, due to better performance in the steel and mining segments.
- **Steel segment EBITDA adjusted reached R\$ 2,116 million**, 12% up on 2016, with a 14% increase in steel prices in domestic and foreign markets.
- **Higher flat rolled production** of 15% in 2017.
- **Mining EBITDA adjusted reached R\$ 1,947MM**, 11% up on 2016, with highlight for the higher average price in 2017.
- **Leverage reduction of 0.66x**, closing the year at 5.66x against 6.34x in 2016, due to higher EBITDA adjusted generation.
- **Financial cycle narrowing by 11 days** in despite the 8% evolution in net revenue, working capital in the order of R\$ 2,919MM.
- **Reduction in General and Administrative Expenses** of 20% year-over-year.

- **Reduction in Financial Expenses** (ex-variation) of R\$ 541 million in the year.
- **Net Income of R\$ 111MM in 2017, compared to a loss of R\$ 853MM in the previous year.**

#### **4Q17 financial and operating Highlights**

- **Generation of EBITDA of R\$ 1,203MM**, with EBITDA margin of 22.9%.
- **EBITDA from steel operations reached R\$ 713MM**, with adjusted EBITDA margin of 20.8%, the best quarter of the last three years, 7.1 p.p. higher than in 3Q17 and average steel price 4% higher.
- **Mining segment Adjusted EBITDA reached R\$ 351MM**, accompanied by margin of 29.8%, considering lower Platts average (-8%) and higher freight (+23%), when compared to the previous quarter.
- **Higher iron ore third party sales** of 26%, compared to the previous quarter.

For more information, visit our website: [www.csn.com.br/ir](http://www.csn.com.br/ir)

---

<b>Steel Sales (thousand ton.)</b>	<b>1,187</b>	<b>1,301</b>	<b>1,253</b>	<b>4,858</b>	<b>4,922</b>	<b>6%</b>	<b>(4%)</b>	<b>1%</b>
- Domestic Market	735	802	770	2,784	2,841	5%	(4%)	2%
- Subsidiaries Abroad	400	425	401	1,815	1,768	0%	(6%)	(3%)
- Export Trade	52	74	82	258	313	59%	12%	21%
<b>Iron Ore Sales (thousand ton.)</b>	<b>9,191</b>	<b>7,953</b>	<b>9,561</b>	<b>36,983</b>	<b>32,576</b>	<b>4%</b>	<b>20%</b>	<b>(12%)</b>
- Domestic Market	1,264	1,321	1,236	4,120	5,211	(2%)	(6%)	26%
- Foreign market	7,927	6,632	8,325	32,863	27,365	5%	26%	(17%)
<b>Consolidated Results (R \$ million)</b>								
Net Revenue	4,519	4,810	4,993	17,149	18,525	10%	4%	8%
Gross Profit	1,349	1,213	1,413	4,509	4,928	5%	17%	9%
Adjusted EBITDA <sup>1</sup>	1,249	1,213	1,203	4,075	4,645	(4%)	(1%)	14%
Adjusted Net Debt <sup>2</sup>	25,831	25,717	26,268	25,831	26,268	2%	2%	2%
Cash / Cash Equivalents <sup>2</sup>	5,762	4,358	4,328	5,762	4,328	(25%)	(1%)	(25%)
Net Debt / Adjusted EBITDA	6.34x	5.48x	5.66x	6.32x	5.66x	(0.68x)	0.17x	(0.66x)

<sup>1</sup> Adjusted EBITDA is calculated based on net income/loss, plus depreciation and amortization, income tax, net financial result, results from investees and other operating revenue (expenses), and includes the proportionate share of EBITDA of the jointly-owned subsidiaries MRS Logística and CBSI. Adjusted EBITDA includes 60% stake in Namisa, 33.27% in MRS and 50% in CBSI until November/15 and 100% in Congonhas Minérios, 37.27% in MRS and 50% in CBSI as of December/15.

<sup>2</sup> Adjusted Net Debt and Adjusted Cash Position account for 33.27% stake in MRS, 60% in Namisa and 50% in CBSI until November/15. As of December 15, these lines include the 100% stake in Congonhas Minérios, 37.27% in MRS and 50% in CBSI, and exclude *Forfeiting* and

Debtor Risk operations.

## CSN´s Consolidated Result

- **Net Revenue** in **2017** and in **4Q17** totaled R\$ 18,525 million and R\$ 4,993 million, 8% and 4% higher than those recorded in 2016 and 3Q17, respectively. The improvement in performance was due to the increase in steel product prices, while the increase in the mining segment was due to the higher price of iron ore.
- In **2017**, the **cost of goods sold** totaled R\$ 13,596 million, 8% up on 2016, due to the higher prices of coal (26%) and iron ore (22%). In **4Q17**, COGS totaled R\$ 3,580 million, remaining flat over the previous quarter.
- In **2017**, the **gross profit** totaled R\$ 4,928 million, 9% up on 2016. In **4Q17**, gross profit totaled R\$ 1,413 million, 17% higher than in 3Q17. Gross margin increased 3.1 p.p. when compared to 3Q17 and came to 28.3%, due to better steel prices.
- In **2017**, the **selling, general and administrative expenses** totaled R\$ 2,231 million, 1% up on 2016, below the growth of net revenue in the same comparison basis. **Selling expenses** increased 7%, while **general and administrative expenses** decreased 20%.
- In **2017**, the **other operating income and expenses** line reached a positive value of R\$ 177 million, mainly as a result of the gain recorded from the recognition of inflationary compensation from judicial discussions.
- In **2017**, the **net financial result** was negative by R\$ 2,464 million. The **financial expenses (ex-exchange variation)** fell sharply in the period, due to the fall in the Selic rate, **presenting a R\$ 541 million reduction**. In **4Q17**, net financial result was negative by R\$ 860 million, due to the appreciation of the U.S. dollar against the real (+4.4%) in the quarter, generating negative exchange variation in the amount of R\$ 427 million, partially offset by hedge accounting positions.

For more information, visit our website: [www.csn.com.br/ir](http://www.csn.com.br/ir)

2

---

<b>Financial Results</b>	<b>(677)</b>	<b>(278)</b>	<b>(860)</b>	<b>(2,522)</b>	<b>(2,464)</b>
<b>Financial income</b>	115	71	48	638	266
<b>Financial expenses</b>	(792)	(348)	(908)	(3,160)	(2,730)
<b>Financial Expenses (ex-exchange variation)</b>	(813)	(629)	(683)	(3,283)	(2,742)
<b>Result w/Exchange Variation</b>	21	280	(225)	123	12
Monetary and Exchange Variations	5	473	(427)	2,013	(107)
Hedge Accounting	17	(202)	202	(1,084)	91
Derivatives result	(2)	10	-	(807)	28

The Financial result includes stakes of 100% in CSN Mining, 37.27% in MRS and 50% in CBSI, as of December/15.

- CSN's **equity result** was positive by R\$ 109 million in **2017**, compared R\$ 65 million recorded in 2016. This result was chiefly influenced by the better results in MRS and a strong reduction in losses from equivalence in the TLSA.

MRS Logística	20	54	25	156	172	(54%)	25%	10%
CBSI	1	1	-	3	2	(100%)	(100%)	(33%)
TLSA	(35)	(11)	(2)	(52)	(21)	(82%)	(94%)	(60%)
Arvedi Metalfer BR	-	-	(5)	1	(4)	-	-	-
Eliminations	(9)	(6)	(8)	(43)	(39)	33%	(11%)	(9%)
<b>Share of profits (losses) of investees</b>	<b>(24)</b>	<b>38</b>	<b>11</b>	<b>65</b>	<b>109</b>	<b>(71%)</b>	<b>-</b>	<b>68%</b>

- In **4Q17**, the Company recorded **net income of R\$ 378 million**, against net income of R\$ 256 million in 3Q17. In **2017**, CSN registered **net income of R\$ 111 million**, compared to the net loss of R\$ 853 million recorded in 2016.