

NATIONAL STEEL CO
Form 6-K
May 05, 2006

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 May, 2006

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)

FEDERAL PUBLIC SERVICE

External Disclosure

**CVM BRAZILIAN SECURITIES AND EXCHANGE
COMMISSION****STANDARD FINANCIAL STATEMENTS**

December 31, 2005

Accounting Practices

**COMMERCIAL, INDUSTRY & OTHER TYPES OF
COMPANY**

Adopted in Brazil

REGISTRATION WITH CVM SHOULD NOT BE CONSTRUED AS AN EVALUATION OF THE COMPANY. COMPANY MANAGEMENT IS RESPONSIBLE FOR THE INFORMATION PROVIDED.

01.01 - IDENTIFICATION

1 - CVM CODE 00403-0	2 - COMPANY NAME COMPANHIA SIDERÚRGICA NACIONAL	3 - CNPJ (Corporate Taxpayer s ID) 33.042.730/0001-04
4 - NIRE (Corporate Registry ID) 15910		

01.02 - HEAD OFFICE

1 - ADDRESS R. SÃO JOSÉ, 20/ GR.1602 PARTE		2 - DISTRICT CENTRO		
3 - ZIP CODE 22010-020	4 CITY RIO DE JANEIRO		5 - STATE RJ	
6 - AREA CODE 21	7 - TELEPHONE 2215-4901	8 - TELEPHONE -	9 - TELEPHONE -	10 - TELEX
11 - AREA CODE 21	12 - FAX 2215-7140	13 - FAX -	14 FAX -	
15 - E-MAIL <u>invrel@csn.com.br</u>				

01.03 - INVESTOR RELATIONS OFFICER (Company Mailing Address)

1- NAME BENJAMIN STEINBRUCH				
2 - ADDRESS AV. BRIGADEIRO FARIA LIMA, 3400 20° ANDAR		3 - DISTRICT ITAIM BIBI		
4 - ZIP CODE 04538-132	5 CITY SÃO PAULO		6 - STATE SP	
7 - AREA CODE 11	8 - TELEPHONE 3049-7100	9 - TELEPHONE -	10 - TELEPHONE -	11 - TELEX
12 - AREA CODE 11	13 - FAX 3049-7519	14 - FAX -	15 FAX -	
15 - E-MAIL <u>invrel@csn.com.br</u>				

01.04 - REFERENCE AND AUDITOR INFORMATION

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YEAR	1 DATE OF THE FISCAL YEAR BEGINNING	2 DATE OF THE FISCAL YEAR END
1 Last	01/01/2005	12/31/2005
2 Next to last	01/01/2004	12/31/2004
3 Last but two	01/01/2003	12/31/2003
09 - INDEPENDENT ACCOUNTANT DELOITTE TOUCHE TOHMATSU AUDITORES INDEPENDENTES		10 - CVM CODE 00385-9
11. TECHNICIAN IN CHARGE JOSÉ CARLOS MONTEIRO		12 TECHNICIAN S CPF (INDIVIDUAL TAXPAYER S ID) 443.201.918-20

01.05 - CAPITAL

Number of Shares (in thousands)	1 12/31/2005	2 12/31/2004	3 12/31/2003
Paid-in Capital			
1 Common	272,068	286,917	71,729,261
2 Preferred	0	0	0
3 Total	272,068	286,917	71,729,261
Treasury Stock			
4 Common	13,886	10,024	0
5 Preferred	0	0	0
6 Total	13,886	10,024	0

01.06 COMPANY PROFILE

1 - TYPE OF COMPANY Commercial, Industrial and Others
2 STATUS Operational
3 - NATURE OF OWNERSHIP Private National
4 - ACTIVITY CODE 106 Metallurgy and Steel Industry
5 - MAIN ACTIVITY MANUFACTURING, TRANSF. AND TRADING OF STEEL PRODUCTS
6 - CONSOLIDATION TYPE Total

01.07 - COMPANIES NOT INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

1 - ITEM	2 - CNPJ (Corporate Taxpayer s ID)	3 - COMPANY NAME
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01.08 - CASH DIVIDENDS

1 - ITEM	2 - EVENT	3 - APPROVAL	4 - TYPE	5 - DATE OF PAYMENT	6 - TYPE OF SHARE	7 - AMOUNT PER SHARE
01	AGO	04/29/2005	Dividend	06/14/2005	ON	7.3517000000
02	AGO	04/29/2005	Interest on Own Capital	06/14/2005	ON	0.8675400000
03	Proposal		Interest on Own Capital		ON	1.0047300000
04	Proposal		Dividend		ON	4.1237700000

01.09 INVESTOR RELATIONS OFFICER

1 DATE	2 SIGNATURE
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02.01 BALANCE SHEETS - ASSETS (in thousands of Reais)

1-CODE	2- DESCRIPTION	3 12/31/2005	4 12/31/2004	5 12/31/2003
1	Total Assets	24,545,954	25,724,002	24,310,782
1.01	Current Assets	5,545,203	6,440,179	5,507,669
1.01.01	Cash Equivalents	73,034	47,411	69,027
1.01.02	Credits	1,772,853	1,696,794	1,740,091
1.01.02.01	Domestic Market	697,396	752,225	695,978
1.01.02.02	Foreign Market	1,146,408	1,011,376	1,142,383
1.01.02.03	Allowance for Doubtful Accounts	(70,951)	(66,807)	(98,270)
1.01.03	Inventories	1,396,406	1,560,071	642,435
1.01.04	Others	2,302,910	3,135,903	3,056,116
1.01.04.01	Marketable Securities	1,422,761	1,909,866	2,124,144
1.01.04.02	Recoverable Corporate Income Tax and Social Contribution	25,168	12,744	75,407
1.01.04.03	Deferred Income Tax	358,950	360,946	241,194
1.01.04.04	Deferred Social Contribution	80,843	48,426	61,737
1.01.04.05	Dividends Receivable	140,924	28,727	117,219
1.01.04.06	Prepaid Expenses	27,269	30,413	38,456
1.01.04.07	Prepaid Income Tax	0	497,195	92,524
1.01.04.08	Others	246,995	247,586	305,435
1.02	Long-Term Assets	1,686,801	1,531,697	3,162,132
1.02.01	Sundry Credits	26,084	29,804	27,066
1.02.01.01	Loans ELETROBRÁS	26,084	29,804	27,066
1.02.02	Credit with Related Parties	195,436	117,227	1,285,434
1.02.02.01	Affiliates	0	0	0
1.02.02.02	Subsidiaries	195,436	117,227	1,285,434
1.02.02.03	Other Related Parties	0	0	0
1.02.03	Others	1,465,281	1,384,666	1,849,632
1.02.03.01	Deferred Income Tax	410,391	442,482	636,448
1.02.03.02	Deferred Social Contribution	81,952	87,486	72,456
1.02.03.03	Judicial Deposits	641,327	560,465	481,122
1.02.03.04	Securities Receivable	79,172	44,472	44,595
1.02.03.05	Marketable Securities	125,639	125,652	154,458
1.02.03.06	Recoverable PIS/PASEP	27,334	25,209	55,031
1.02.03.07	Prepaid Expenses	35,685	44,878	48,110
1.02.03.08	Investment Available for Sale	0	0	248,691
1.02.03.09	Others	63,781	54,022	108,721
1.03	Permanent Assets	17,313,950	17,752,126	15,640,981
1.03.01	Investments	5,098,885	5,450,044	2,879,772
1.03.01.01	In Affiliates	0	0	0
1.03.01.02	In Subsidiaries	5,098,885	5,450,044	2,879,772
1.03.01.03	Other Investments	0	0	0
1.03.02	Property, Plant and Equipment	12,020,165	12,092,187	12,430,298
1.03.02.01	In Operation, Net	11,524,199	11,824,377	12,246,545
1.03.02.02	In Construction	352,025	139,074	67,750

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1.03.02.03	Land	143,941	128,736	116,003
1.03.03	Deferred	194,900	209,895	330,911

02.02 BALANCE SHEETS - LIABILITIES (in thousands of Reais)

1- CODE	2- DESCRIPTION	3 12/31/2005	4 12/31/2004	5 12/31/2003
2	Total Liabilities	24,545,954	25,724,002	24,310,782
2.01	Current Liabilities	5,300,857	6,231,577	4,551,745
2.01.01	Loans and Financings	979,704	1,208,793	2,279,335
2.01.02	Debentures	661,920	44,943	89,152
2.01.03	Suppliers	1,149,504	557,090	432,791
2.01.04	Taxes and Contributions	305,526	956,069	799,413
2.01.04.01	Salaries and Social Contributions	59,903	55,432	91,805
2.01.04.02	Taxes Payable	119,143	639,144	546,047
2.01.04.03	Deferred Income Tax	93,000	192,274	118,795
2.01.04.04	Deferred Social Contribution	33,480	69,219	42,766
2.01.05	Dividends Payable	1,324,087	2,268,517	717,608
2.01.06	Provisions	40,341	15,051	8,177
2.01.06.01	Contingencies	40,341	15,051	8,177
2.01.07	Debt with Related Parties	0	0	0
2.01.08	Others	839,775	1,181,114	225,269
2.01.08.01	Accounts Payable - Subsidiaries	687,347	1,038,379	183,491
2.01.08.03	Others	152,428	142,735	41,778
2.02	Long-Term Liabilities	12,709,907	12,647,884	12,316,105
2.02.01	Loans and Financings	6,587,731	6,635,135	5,880,015
2.02.02	Debentures	286,176	900,000	1,566,550
2.02.03	Provisions	5,356,011	4,619,722	3,509,206
2.02.03.01	Contingencies	3,193,064	2,323,709	1,087,060
2.02.03.02	Deferred Income Tax	1,590,402	1,688,245	1,780,990
2.02.03.03	Deferred Social Contribution	572,545	607,768	641,156
2.02.04	Debt with Related Parties	0	0	0
2.02.05	Others	479,989	493,027	1,360,334
2.02.05.01	Allowance for Loss on Investments	77,833	90,412	68,437
2.02.05.02	Debt with Related Parties	99,116	107,031	1,006,489
2.02.05.03	Provisions for Pension Fund	223,400	200,568	136,715
2.02.05.04	Others	79,640	95,016	148,693
2.03	Future Income	0	0	0
2.05	Shareholders Equity	6,535,190	6,844,541	7,442,932
2.05.01	Paid-In Capital	1,680,947	1,680,947	1,680,947
2.05.02	Capital Reserve	0	17,319	17,319
2.05.03	Revaluation Reserve	4,518,054	4,763,226	5,008,072
2.05.03.01	Own Assets	4,517,701	4,763,226	5,008,072
2.05.03.02	Subsidiaries/Affiliates	353	0	0
2.05.04	Profit Reserve	336,189	383,049	736,594
2.05.04.01	Legal	336,189	336,189	249,391
2.05.04.02	Statutory	0	0	0
2.05.04.03	For Contingencies	0	0	0
2.05.04.04	Unrealized Income	0	0	0
2.05.04.05	Profit Retentions	0	0	0

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2.05.04.06	Special For Non-Distributed Dividends	0	0	0
2.05.04.07	Other Profit Reserves	0	46,860	487,203

02.02 BALANCE SHEETS - LIABILITIES (in thousands of Reais)

1- CODE	2- DESCRIPTION	3 12/31/2005	4 12/31/2004	5 12/31/2003
2.05.04.07.01	From Investments	637,611	487,203	487,203
2.05.04.07.02	Treasury Stock	(637,611)	(440,343)	0
2.05.05	Retained Earnings	0	0	0

03.01 STATEMENTS OF INCOME (in thousands of Reais)

1- CODE	2- DESCRIPTION	3 01/01/2005 to 12/31/2005	4 01/01/2004 to 12/31/2004	5 01/01/2003 to 12/31/2003
3.01	Gross Revenue from Sales and/or Services	10,147,678	10,128,511	7,283,930
3.02	Deductions from Gross Revenue	(1,973,701)	(1,994,019)	(1,113,726)
3.03	Net Revenue from Sales and/or Services	8,173,977	8,134,492	6,170,204
3.04	Cost of Goods and/or Services Sold	(4,448,925)	(4,063,033)	(3,439,429)
3.04.01	Depreciation and Amortization	(759,235)	(686,655)	(609,822)
3.04.02	Others	(3,689,690)	(3,376,378)	(2,829,607)
3.05	Gross Income	3,725,052	4,071,459	2,730,775
3.06	Operating Income/Expenses	(1,147,019)	(1,078,363)	(1,693,975)
3.06.01	Selling	(268,396)	(264,712)	(251,813)
3.06.01.01	Depreciation and Amortization	(8,359)	(7,882)	(5,484)
3.06.01.02	Others	(260,037)	(256,830)	(246,329)
3.06.02	General and Administrative	(211,146)	(240,958)	(219,545)
3.06.02.01	Depreciation and Amortization	(15,759)	(21,914)	(19,828)
3.06.02.02	Others	(195,387)	(219,044)	(199,717)
3.06.03	Financial	(310,515)	(831,703)	(1,068,661)
3.06.03.01	Financial Income	252,249	116,154	38,442
3.06.03.02	Financial Expenses	(562,764)	(947,857)	(1,107,103)
3.06.03.02.01	Amortization of Deferred Exchange Variation	0	(103,179)	(130,339)
3.06.03.02.02	Exchange and Monetary Variation, net	923,530	540,752	1,213,391
3.06.03.02.03	Financial Expenses	(1,486,294)	(1,385,430)	(2,190,155)
3.06.04	Other Operating Income	28,711	70,762	39,126
3.06.05	Other Operating Expenses	(10,984)	(235,942)	(198,555)
3.06.06	Equity Pick-up	(374,689)	424,190	5,473
3.07	Operating Income	2,578,033	2,993,096	1,036,800
3.08	Non-Operating Income	(6,292)	(17,694)	26,905
3.08.01	Income	4	6	60,940
3.08.02	Expenses	(6,296)	(17,700)	(34,035)
3.09	Income before Taxes and Participation	2,571,741	2,975,402	1,063,705
3.10	Provision for Income Tax and Social Contribution	(953,861)	(784,110)	(134,818)
3.11	Deferred Income Tax	260,878	(46,295)	129,951
3.12	Statutory Interests/Contributions	0	0	0
3.12.01	Participations	0	0	0
3.12.02	Contributions	0	0	0
3.13	Reversal of Interest on Own Capital	0	0	0
3.15	Income/Loss for the Year	1,878,758	2,144,997	1,058,838
	No. SHARES, EX-TREASURY (in thousands)	258,182	276,893	71,729,261
	EARNINGS PER SHARE	7.27687	7.74666	0.01476
	LOSS PER SHARE			

04.01 STATEMENTS OF CHANGES IN FINANCIAL POSITION (in thousands of Reais)

1 - CODE	2 DESCRIPTION	3 01/01/2005 to 12/31/2005	4 - 01/01/2004 to 12/31/2004	5 - 01/01/2003 to 12/31/2003
4.01	Sources	5,111,253	7,470,349	5,040,441
4.01.01	Of Operations	2,118,719	2,589,275	989,144
4.01.01.01	Income/Loss for the Year	1,878,758	2,144,997	1,058,838
4.01.01.02	Amounts not Affecting Working Capital	239,961	444,278	(69,694)
4.01.01.02.01	Long-term exchange and monetary variations	(1,010,185)	(411,321)	(974,307)
4.01.01.02.02	Equity Pick-up	374,708	(424,190)	(5,473)
4.01.01.02.03	Permanent Assets Write-off	8,527	15,374	15,941
4.01.01.02.04	Depreciation / Depletion / Amortization	783,353	716,451	635,134
4.01.01.02.05	Deferred Exchange Variation Amortization	0	103,180	130,339
4.01.01.02.06	Deferred Income Tax and Social Contribution	(95,442)	52,804	(104,703)
4.01.01.02.07	Provision for PIS/COFINS/CPMF contingencies	164,140	132,972	112,871
4.01.01.02.08	Provision for Pension Fund	22,832	63,853	70,720
4.01.01.02.09	Others	(7,972)	195,155	49,784
4.01.02	From Shareholders	0	0	0
4.01.03	From Third Parties	2,992,534	4,881,074	4,051,297
4.01.03.01	Increase in long-term loans and financing	1,937,650	2,730,685	2,672,288
4.01.03.02	Issuance of Debentures	0	0	900,000
4.01.03.03	Decrease in Other Receivables	184,240	1,495,898	90,495
4.01.03.04	Increase from Other Liabilities Income tax/ social contribution	702,545	578,293	253,998
4.01.03.05	Investments for sale	0	0	0
4.01.03.06	Subsidiaries proposed dividends	168,099	28,727	124,875
4.01.03.07	Others	0	47,471	9,641
4.02	Applications	5,075,509	8,217,671	4,898,443
4.02.01	Investments	204,089	1,905,718	121,986
4.02.02	Property, Plant and Equipment	654,930	378,788	766,459
4.02.03	Deferred	45,361	44,561	94,348
4.02.04	Interest on Own Capital and Dividends	1,324,087	2,303,045	1,223,438
4.02.05	Treasury Stock	864,375	440,343	0
4.02.06	Transf. of loan and financing to short-term	1,545,619	2,003,709	1,033,273
4.02.07	Increase in Long-Term Assets	273,116	197,733	1,399,435
4.02.08	Decrease in Other Long-Term Liabilities	163,932	943,774	259,504
4.02.09	Deferred Income Tax and Social Contribution	0	0	0
4.02.10	Others	0	0	0
4.03	Increase/Decrease in the Working Capital	35,744	(747,322)	141,998
4.04	Changes in Current Assets	(894,976)	932,510	1,250,329
4.04.01	Current Assets at the Beginning of the Year	6,440,179	5,507,669	4,257,340
4.04.02	Current Assets at the End of the Year	5,545,203	6,440,179	5,507,669
4.05	Changes in Current Liabilities	(930,720)	1,679,832	1,108,331
4.05.01		6,231,577	4,551,745	3,443,414

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	Current Liabilities at the Beginning of the Year			
4.05.02	Current Liabilities at the End of the Year	5,300,857	6,231,577	4,551,745

05.01 STATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY FROM 01/01/2005 TO 12/31/2005 (in thousands of Reais)

1 - CODE	2 - DESCRIPTION	3 CAPITAL STOCK	4 CAPITAL RESERVES	5 REVALUATION RESERVES	6 PROFIT RESERVES	7 - ACCRUED PROFIT/LOSS	8 - TOTAL SHAREHOLDER S EQUITY
5.01	Opening Balance	1,680,947	17,319	4,763,226	383,049	0	6,844,541
5.02	Adjustments of Previous Years	0	0	0	0	0	0
5.03	Increase/Decrease in Capital Stock	0	0	0	0	0	0
5.04	Realization of Reserves	0	0	(245,172)	0	245,525	353
5.04.01	Of Own Assets Net of Income Tax and						
	Social Contribution	0	0	(245,525)	0	0	(245,525)
5.04.02	Re-Valuation of Own Assets	0	0	0	0	245,525	245,525
	Re-Valuation of Assets of Subsidiaries						
5.04.03	Net of Income Tax and						
	Soc.Contibution	0	0	353	0	0	353
5.05	Treasury Stock	0	(17,319)	0	(684,471)	(162,585)	(864,375)
5.06	Income/Loss for the Year	0	0	0	0	1,878,758	1,878,758
5.07	Allocations	0	0	0	637,611	(1,961,698)	(1,324,087)
5.07.01	Legal Reserve	0	0	0	0	(1,324,087)	(1,324,087)
5.07.02	Interim Dividends	0	0	0	637,611	(637,611)	0
5.08	Others	0	0	0	0	0	0
5.09	Ending Balance	1,680,947	0	4,518,054	336,189	0	6,535,190

05.02 STATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY FROM 01/01/2004 TO 12/31/2004 (in thousands of Reais)

1 - CODE	2 DESCRIPTION	3 CAPITAL STOCK	4 CAPITAL RESERVES	5 REVALUATION RESERVES	6 PROFIT RESERVES	7 - ACCRUED PROFIT/LOSS	8 - TOTAL SHAREHOLDER EQUITY
5.01	Opening Balance	1,680,947	17,319	5,008,072	736,594	0	7,442,932
5.02	Adjustments of Previous Years	0	0	0	0	0	0
5.03	Increase/Decrease in Capital Stock	0	0	0	0	0	0
5.04	Realization of Reserves	0	0	(244,846)	0	244,846	0
5.05	Treasury Stock	0	0	0	(440,343)	0	(440,343)
5.06	Income/Loss for the Year	0	0	0	0	2,144,997	2,144,997
5.07	Allocations	0	0	0	86,798	(2,389,843)	(2,303,045)
5.07.01	Legal Reserve	0	0	0	86,798	(86,798)	0
5.07.02	Dividends Deliberated	0	0	0	0	(35,000)	(35,000)
5.07.03	Proposed Dividends and Interest on Own Capital	0	0	0	0	(2,268,045)	(2,268,045)
5.07.04	Investment Reserve	0	0	0	0	0	0
5.08	Others	0	0	0	0	0	0
5.09	Ending Balance	1,680,947	17,319	4,763,226	383,049	0	6,844,541

05.03 STATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY FROM 01/01/2003 TO 12/31/2003 (in thousands of Reais)

1 - CODE	2 DESCRIPTION	3 CAPITAL STOCK	4 CAPITAL RESERVES	5 REVALUATION RESERVES	6 PROFIT RESERVES	7 - ACCRUED PROFIT/LOSS	8 - TOTAL SHAREHOLDER EQUITY
5.01	Opening Balance	1,680,947	10,485	2,514,209	702,588	0	4,908,229
5.02	Adjustments of Previous Years	0	0	0	0	0	0
5.03	Increase/Decrease in Stock Capital	0	0	0	0	0	0
5.04	Realization of Reserves	0	6,834	2,493,863	0	198,607	2,699,304
5.04.01	Of Own Assets, net of income tax and social contribution	0	0	(198,607)	0	198,607	0
5.04.02	Re-valuation of own assets, net of income tax and social contribution	0	0	2,693,114	0	0	2,693,114
5.04.03	Reversion of own assets re-valuation reserve	0	0	(644)	0	0	(644)
5.04.04	Debentures on the market	0	6,834	0	0	0	6,834
5.05	Treasury Stock	0	0	0	0	0	0
5.06	Income/Loss for the Year	0	0	0	0	1,058,838	1,058,838
5.07	Allocations	0	0	0	34,006	(1,257,445)	(1,223,439)
5.07.01	Legal Reserve	0	0	0	52,942	(52,942)	0
5.07.02	Deliberated Dividends	0	0	0	(506,139)	0	(506,139)
5.07.03	Proposed Dividends and Interest on Own Capital	0	0	0	0	(717,300)	(717,300)
5.07.04	Reserve for Investments	0	0	0	487,203	(487,203)	0
5.08	Others	0	0	0	0	0	0
5.09	Ending Balance	1,680,947	17,319	5,008,072	736,594	0	7,442,932

06.01 CONSOLIDATED BALANCE SHEETS ASSETS (in thousands of Reais)

1-CODE	2- DESCRIPTION	3 12/31/2005	4 12/31/2004	5 12/31/2003
1	Total Assets	24,447,710	24,704,648	22,522,205
1.01	Current Assets	8,164,081	8,608,514	6,775,380
1.01.01	Cash Equivalents	135,185	109,485	224,915
1.01.02	Credits	1,366,047	1,140,136	1,114,111
1.01.02.01	Foreign Market	879,153	914,870	935,143
1.01.02.02	Export Market	588,098	311,853	323,407
1.01.02.03	Allowance for Doubtful Accounts	(101,204)	(86,587)	(144,439)
1.01.03	Inventories	1,907,462	2,276,027	891,807
1.01.04	Others	4,755,387	5,082,866	4,544,547
1.01.04.01	Marketable Securities	3,709,753	3,561,720	3,654,757
1.01.04.02	Recoverable Corporate Income Tax and Social Contribution	32,428	21,454	78,760
1.01.04.03	Deferred Income Tax	405,034	440,589	251,609
1.01.04.04	Deferred Social Contribution	98,105	77,090	65,486
1.01.04.05	Prepaid Expenses	40,445	39,372	54,799
1.01.04.06	Prepaid Income Tax	38,429	529,270	93,036
1.01.04.07	Others	431,193	413,371	346,100
1.02	Long-Term Assets	2,063,043	1,783,244	1,964,670
1.02.01	Sundry Credits	26,425	30,145	27,407
1.02.01.01	Loans ELETROBRÁS	26,425	30,145	27,407
1.02.02	Credit with Related Parties	63,258	25,968	26,695
1.02.02.01	Affiliates	0	0	0
1.02.02.02	Subsidiaries	63,258	25,968	26,695
1.02.02.03	Other Related Parties	0	0	0
1.02.03	Others	1,973,360	1,727,131	1,910,568
1.02.03.01	Deferred Income Tax	447,679	475,970	650,401
1.02.03.02	Deferred Social Contribution	95,459	99,572	77,493
1.02.03.03	Judicial Deposits	672,996	589,203	502,367
1.02.03.04	Securities Receivable	202,718	204,241	44,719
1.02.03.05	Recoverable PIS/PASEP	28,010	25,455	55,203
1.02.03.06	Prepaid Expenses	92,275	81,114	82,502
1.02.03.07	Investment Available for Sale	254,262	90,159	169,335
1.02.03.08	Marketable Securities	0	0	248,691
1.02.03.09	Others	179,961	161,417	79,857
1.03	Permanent Assets	14,220,586	14,312,890	13,782,155
1.03.01	Investments	270,745	292,649	241,783
1.03.01.01	In Affiliates	0	0	0
1.03.01.02	In Subsidiaries	269,449	291,815	241,566
1.03.01.03	Other Investments	1,296	834	217
1.03.02	Property, Plant and Equipment	13,638,200	13,666,804	13,134,055
1.03.02.01	In Operation, Net	13,051,394	13,318,102	12,929,118
1.03.02.02	In Construction	424,038	198,713	77,596
1.03.02.03	Land	162,768	149,989	127,341

1.03.03	Deferred	311,641	353,437	406,317
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06.02 CONSOLIDATED BALANCE SHEETS - LIABILITIES (in thousands of Reais)

1- CODE	2- DESCRIPTION	3 12/31/2005	4 12/31/2004	5 12/31/2003
2	Total Liabilities	24,447,710	24,704,648	22,522,205
2.01	Current Liabilities	4,819,657	6,163,662	4,542,518
2.01.01	Loans and Financings	758,976	1,684,571	2,297,619
2.01.02	Debentures	705,517	87,884	89,152
2.01.03	Suppliers	1,261,690	760,467	518,859
2.01.04	Taxes and Contributions	452,689	1,061,570	833,281
2.01.04.01	Salaries and Social Contributions	85,385	79,407	103,998
2.01.04.02	Taxes Payable	240,824	720,670	566,815
2.01.04.03	Deferred Income Tax	93,000	192,274	119,462
2.01.04.04	Deferred Social Contribution	33,480	69,219	43,006
2.01.05	Dividends Payable	1,324,087	2,268,517	717,608
2.01.06	Provisions	45,881	17,149	8,177
2.01.06.01	Contingences	45,881	17,149	8,177
2.01.07	Debts with Related Parties	0	0	0
2.01.08	Others	270,817	283,504	77,822
2.02	Long-term liabilities	13,149,531	11,807,922	10,553,809
2.02.01	Loans and Financings	6,908,495	5,621,644	5,004,092
2.02.02	Debentures	425,517	1,075,593	1,566,550
2.02.03	Provisions	5,428,624	4,735,338	3,661,109
2.02.03.01	Contingencies	3,265,677	2,439,300	1,201,102
2.02.03.02	Deferred Income Tax	1,590,402	1,688,270	1,818,851
2.02.03.03	Deferred Social Contribution	572,545	607,768	641,156
2.02.04	Debts with Related Parties	0	0	0
2.02.05	Others	386,895	375,347	322,058
2.02.05.01	Debt with Related Parties	28,324	28,324	27,531
2.02.05.02	Provision for Pension Fund	223,400	200,568	136,979
2.02.05.03	Others	135,171	146,455	157,548
2.03	Deferred Income	6,081	77,796	6,496
2.04	Minority Interests	0	0	0
2.05	Shareholders Equity	6,472,441	6,655,268	7,419,382
2.05.01	Paid-In Capital	1,680,947	1,680,947	1,680,947
2.05.02	Capital Reserve	0	17,319	17,319
2.05.03	Revaluation Reserve	4,518,054	4,763,226	5,008,072
2.05.03.01	Own Assets	4,517,701	4,763,226	5,008,072
2.05.03.02	Subsidiaries/Affiliates	353	0	0
2.05.04	Profit Reserve	273,440	193,776	713,044
2.05.04.01	Legal	336,189	336,189	249,391
2.05.04.02	Statutory	0	0	0
2.05.04.03	For Contingencies	0	0	0
2.05.04.04	Unrealized Income	0	0	0
2.05.04.05	Profit Retentions	0	0	0
2.05.04.06	Especial For Non-Distributed Dividends	0	0	0
2.05.04.07	Other Profit Reserves	(62,749)	(142,413)	463,653

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2.05.04.07.01	From Investments	637,611	487,203	487,203
2.05.04.07.02	Treasury Stock	(637,611)	(440,343)	0
2.05.04.07.03	Deferred Earnings	(62,749)	(189,273)	(23,550)
2.05.05	Retained Earnings	0	0	0

07.01 CONSOLIDATED STATEMENTS OF INCOME (in thousands of Reais)

1- CODE	2- DESCRIPTION	3 01/01/2005 to 12/31/2005	4 01/01/2004 to 12/31/2004	5 01/01/2003 to 12/31/2003
3.01	Gross Revenue from Sales and/or Services	12,283,464	12,250,641	8,291,700
3.02	Gross Revenue Deductions	(2,245,877)	(2,451,072)	(1,314,275)
3.03	Net Revenue from Sales and/or Services	10,037,587	9,799,569	6,977,425
3.04	Cost of Goods and/or Services Sold	(5,468,263)	(4,997,244)	(3,837,555)
3.04.01	Depreciation and Amortization	(870,314)	(781,572)	(651,419)
3.04.02	Others	(4,597,949)	(4,215,672)	(3,186,136)
3.05	Gross Income	4,569,324	4,802,325	3,139,870
3.06	Operating Income/Expenses	(1,687,355)	(1,996,306)	(2,091,381)
3.06.01	Selling	(577,226)	(503,433)	(553,004)
3.06.01.01	Depreciation and Amortization	(9,990)	(8,986)	(6,966)
3.06.01.02	Others	(567,236)	(494,447)	(546,038)
3.06.02	General and Administrative	(322,511)	(348,101)	(274,443)
3.06.02.01	Depreciation and Amortization	(43,791)	(47,518)	(30,812)
3.06.02.02	Others	(278,720)	(300,583)	(243,631)
3.06.03	Financial	(761,174)	(921,914)	(1,035,657)
3.06.03.01	Financial Income	523,876	190,511	55,799
3.06.03.02	Financial Expenses	(1,285,050)	(1,112,425)	(1,091,456)
3.06.03.02.01	Amortization of Deferred Exchange Variation	0	(112,616)	(133,008)
3.06.03.02.02	Exchange and Monetary Variation, net	132,480	341,566	914,744
3.06.03.02.03	Financial Expenses	(1,417,530)	(1,341,375)	(1,873,192)
3.06.04	Other Operating Income	55,836	122,795	80,543
3.06.05	Other Operating Expenses	(27,110)	(299,648)	(309,756)
3.06.06	Equity Pick-up	(55,170)	(46,005)	936
3.07	Operating Income	2,881,969	2,806,019	1,048,489
3.08	Non-Operating Income	(7,372)	(1,228)	29,982
3.08.01	Income	33,497	17,538	63,652
3.08.02	Expenses	(40,869)	(18,766)	(33,670)
3.09	Income before Taxes and participation	2,874,597	2,804,791	1,078,471
3.10	Provision for Income Tax and Social Contribution	(1,092,907)	(871,596)	(174,512)
3.11	Deferred Income Tax	223,592	48,593	127,054
3.12	Statutory Interest/Contributions	0	0	0
3.12.01	Participations	0	0	0
3.12.02	Contributions	0	0	0
3.13	Reversal of Interest on Own Capital	0	0	0
3.14	Minority Interests	0	0	0
3.15	Income/Loss for the Year	2,005,282	1,981,788	1,031,013
	No. SHARES, EX-TREASURY (in thousands)	258,182	276,893	71,729,261
	EARNINGS PER SHARE	7.76693	7.15723	0.01437
	LOSS PER SHARE	0	0	0

08.01 CONSOLIDATED STATEMENTS OF CHANGES IN FINANCIAL POSITION (in thousands of Reais)

1 - CODE	2 DESCRIPTION	3 01/01/2005 to 12/31/2005	4 - 01/01/2004 to 12/31/2004	5 - 01/01/2003 to 12/31/2003
4.01	Sources	6,282,164	7,416,217	7,046,948
4.01.01	Of Operations	2,438,181	3,156,931	1,679,327
4.01.01.01	Income/Loss for the Year	2,005,283	1,981,788	1,031,013
4.01.01.02	Amounts not Affecting Working Capital	432,899	1,175,143	648,314
4.01.01.02.01	Long-term monetary and exchange variations	(614,141)	(325,657)	(458,600)
4.01.01.02.02	Equity pick-up	55,170	46,005	(936)
4.01.01.02.03	Permanent assets write-off	34,616	17,841	17,288
4.01.01.02.04	Depreciation /Depletion/ Amortization	924,094	838,075	689,197
4.01.01.02.05	Deferred Exchange Variation Amortization	0	112,616	133,008
4.01.01.02.06	Deferred Income Tax and Social Contribution	(100,688)	49,018	(42,062)
4.01.01.02.07	Provision for PIS/COFINS/CPMF contingencies	133,350	132,972	112,871
4.01.01.02.08	Provision for Pension Fund	22,832	63,589	70,983
4.01.01.02.09	Deferred Income Variation	(23,402)	22,986	6,496
4.01.01.02.10	Others	1,068	217,698	120,069
4.01.02	Of Shareholders	0	0	0
4.01.03	Of Third parties	3,843,983	4,259,286	5,367,621
4.01.03.01	Increase in Long-Term loans and financing	2,947,967	2,918,565	3,583,168
4.01.03.02	Issuance of Debentures	0	0	900,000
4.01.03.03	Decrease in Other Receivables	102,408	327,092	620,907
4.01.03.04	Increase in Other Liabilities	793,608	618,506	234,482
4.01.03.05	Investments for sale	0	0	0
4.01.03.06	Others	0	395,123	29,064
4.02	Applications	5,382,592	7,204,227	4,312,521
4.02.01	Investments	81,690	139,821	112,227
4.02.02	Property, Plant and Equipment	888,587	1,374,996	733,749
4.02.03	Deferred	46,664	154,029	97,346
4.02.04	Interest on Own Capital and Dividends	1,324,087	2,303,045	1,223,438
4.02.05	Treasury Stock	864,375	440,343	0
4.02.06	Transf. of loans and financing to short term	1,643,503	2,205,871	1,077,317
4.02.07	Increase in Long-Term Assets	371,795	525,360	757,758
4.02.08	Decrease in Other Long-Term liabilities	161,891	60,762	310,686
4.02.09	Deferred Income Tax and Social Contribution	0	0	0
4.02.10	Others	0	0	0
4.03	Increase/Decrease in the Working Capital	899,572	211,990	2,734,427
4.04	Changes in Current Assets	(444,434)	1,833,134	2,744,761
4.04.01	Current Assets at the Beginning of the Year	8,608,514	6,775,380	4,030,619
4.04.02	Current Assets at the End of the Year	8,164,080	8,608,514	6,775,380
4.05	Changes in Current Liabilities	(1,344,005)	1,621,144	10,334
4.05.01	Current Liabilities at the Beginning of the Year	6,163,662	4,542,518	4,532,184

4.05.02	Current Liabilities at the End of the Year	4,819,657	6,163,662	4,542,518
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FEDERAL PUBLIC SERVICE		External Disclosure
CVM - BRAZILIAN SECURITIES AND EXCHANGE		
COMMISSION		
STANDARD FINANCIAL STATEMENTS	December 31, 2005	Accounting Practices
COMMERCIAL, INDUSTRY & OTHER TYPES OF		
COMPANY		Adopted in Brazil

00403 0 COMPANHIA SIDERÚRGICA NACIONAL 33.042.730/0001-04

09.01 - REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To
The Shareholders and Management of
Companhia Siderúrgica Nacional
Rio de Janeiro RJ

1. We have audited the individual (parent company) and consolidated balance sheets of Companhia Siderúrgica Nacional (a Brazilian Corporation) and its subsidiaries as of December 31, 2005, and the related statements of income, changes in stockholders' equity (parent company) and changes in financial position for the year then ended, prepared under the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements.
2. Our audit was conducted in accordance with auditing standards in Brazil, and comprised: (a) planning of the work, taking into consideration the significance of the balances, the volume of transactions and the accounting and internal control systems of the Company and its subsidiaries; (b) checking, on a test basis, the evidence and records that support the amounts and accounting information disclosed and; (c) evaluating the significant accounting practices followed and estimates made by management, as well as the presentation of the individual and consolidated financial statements taken as a whole.
3. In our opinion, the financial statements referred to in paragraph 1 present fairly, in all material respects the individual and consolidated financial position of Companhia Siderúrgica Nacional and its subsidiaries as of December 31, 2005, the result of their operations, the changes in stockholders' equity (parent company) and the changes in their financial position for the year then ended, in accordance with accounting practices followed in Brazil.
4. Our audits were conducted for the purpose of forming an opinion on the financial statements referred to in paragraph 1 above, taken as a whole. The Supplementary Information referring to the Statements of Cash Flow Statement and the Statement of Value-added, referring to the year ended on December 31, 2005, are disclosed for the purpose of allowing additional analyses and are not required as part of the financial statements. This information was audited according to the same audit procedures mentioned in paragraph 2 above and are fairly stated, in all material respects, in relation to the financial statements taken as a whole.

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5. The financial statements referring to the year ended December 31, 2004, as well as the Supplementary Information referring to the Statements of Cash Flow and the Statement of Value-added, referring to the year then ended, presented for comparison purposes, were examined by us, and our report dated February 23, 2005 had a qualification relating to the deferral of net liability foreign exchange variations taken place in the first quarter of 1999 and in 2001, by the Company and certain subsidiaries.

Rio de Janeiro, March 20, 2006.

DELOITTE TOUCHE TOHMATSU
Auditores Independentes
CRC n°. 2 SP 011609 S/RJ

José Carlos Monteiro
Accountant
CRC-RJ 362063/O

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FEDERAL PUBLIC SERVICE		External Disclosure
CVM - BRAZILIAN SECURITIES AND EXCHANGE		
COMMISSION		
STANDARD FINANCIAL STATEMENTS	December 31, 2005	Accounting Practices
COMMERCIAL, INDUSTRY & OTHER TYPES OF		
COMPANY		Adopted in Brazil

00403 0

**COMPANHIA SIDERÚRGICA
NACIONAL**

33.042.730/0001-04

10.01 - MANAGEMENT REPORT

1. MESSAGE FROM THE BOARD OF DIRECTORS / CHAIRMAN

The results achieved in 2005 were very positive, both in operating and in financial terms. Crude steel production reached 5.2 million tonnes and the consolidated sales of products with greater added value, for the first time, accounted for more than half of the total volume sold. Net income reached R\$ 2 billion and cash generation, based on the EBITDA concept, R\$ 4.6 billion. We distributed more than R\$ 2 billion in dividends and repurchased shares to a total of R\$ 864 million. Nevertheless, our debt did not increase. To the contrary, we extended its profile from 8.2 to 13.16 years and we anticipated the settlement of future commitments, such as borrowings from the BNDES that would fall due in 2011.

In 2005, CSN attained a 46% EBITDA margin, consolidating its position as one of the world's leaders in profitability of integrated steel mills. This unique competitive feature, coupled with the company's financial soundness, led us to close the year as the 8th most valuable steel mill in the world. It also enabled us to raise funds in excess of US\$ 1.2 billion in the capital market, including an issue of perpetual bonds to a total of US\$ 750 million which demonstrates the degree of trust foreign investors have in the company's free cash flow generation competence.

Our target now is to triple our size over the next four years. Our growth strategy includes investing in the mining area, by expanding the Casa de Pedra mine, which is due to start exporting iron ore in the second half of 2006; building steel mills in Brazil, to increase steel production capacity by 5 million tonnes; and acquiring steel rolling assets in the American and European markets, to add value to the operation carried out in Brazil with the sector's lowest cost.

One of our objectives is to consolidate the mining area, in order to transform our company into a competitive global player in terms of quality and price, attaining an estimated 5% of the transoceanic iron ore market as of early 2008.

Although our future is undeniably promising, we must focus on the present. After all, our expansion plans would not be viable if CSN were not a company that generates major profitability for its shareholders. From January 2003 to December 2005, our stock