

USINAS SIDERÚRGICAS DE MINAS GERAIS S.A. - USIMINAS
Corporate Taxpayer's ID (CNPJ/MF) 60,894,730/0001-05
NIRE 313,000,1360-0
Publicly Traded Company

MATERIAL FACT

Usinas Siderúrgicas de Minas Gerais S.A. – USIMINAS (“Usiminas” or “Company”), in compliance with paragraph no. 4 of article 157 of Law no. 6404/76 and with Instruction no. 358/02 of Brazil’s Securities and Exchange Commission (CVM), announces that it is currently negotiating, on exclusive terms, the acquisition of a controlling stake of Mineração J. Mendes Ltda., Somisa Siderúrgica Oeste de Minas Ltda. and Global Mineração Ltda., which explore the activity of iron ore in Minas Gerais’ “quadrilátero ferrífero” region.

Usiminas states that the negotiation is being oriented by market parameters and similar transactions and that such possible acquisition is in line with the Company’s long term strategy. The Company also states that it will, in any way, maintain the announced expansion plan and its payment capacity.

Belo Horizonte, January 11, 2008.

Paulo Penido Pinto Marques
CFO and Investor Relations Director