

**Mineração Usiminas - Additional information about the joint venture with Sumitomo**

**USINAS SIDERÚRGICAS DE MINAS GERAIS S.A. - USIMINAS**

CNPJ/MF 60.894.730/0001-05

NIRE 313.000.1360-0

Publicly Traded Company

**NOTICE TO MARKET**

Usinas Siderúrgicas de Minas Gerais S.A. – USIMINAS (“Usiminas” or “Company”) announces the conclusion of the formalization of the joint venture with Sumitomo Corporation (“Sumitomo”), subject of the Material Fact as of 12/28/10. Thus the Company adds value to its business unit “Mining and Logistics” bringing in a strategic partner with renowned iron ore commercialization expertise and knowledge of the international market. Sumitomo now holds the equivalent of 30% of the voting and total capital of Mineração Usiminas S.A. (“MUSA”), controlled by Usiminas, which will remain majoritarian with 70%. This transaction is part of the strategy defined by Usiminas in the upstream integration of its operations, aiming higher competitiveness and shareholders value creation.

The total amount injected in MUSA’s cash by Sumitomo was US\$ 1.26 billion, equivalent to approximately R\$ 2.14 billion. Sumitomo is further obliged to pay to MUSA an additional amount of up to US\$ 674 million, conditioned to future events.

As a result of this capitalization MUSA’s Shareholders’ Equity will be approximately R\$ 4.15 billion.

The accounting effect in Usiminas will happen through Shareholders’ Equity as “a capital transaction”, resulting in gains of approximately R\$ 890 million.

Usiminas’ iron ore mines, acquired in 2008, have a current production capacity of 7.0 million tons/year, double the capacity of the time of the acquisition. The proceeds derived from this transaction will be used according to MUSA’s Capacity Expansion Plan which foresees the production of 29 million tons in 2015. The expected amount of R\$ 4.1 billion will be invested in industrial facilities, equipments, dams, load out terminals, etc.

In a meeting held on November 12, 2010 the Board of Directors of Usiminas approved investments in MUSA in the amount of R\$ 550 million, related to the first stage of the Expansion Plan. This investment will allow the Company to reach the production capacity of 12 million annual tons in the second half of 2012.

Belo Horizonte, December 29, 2010.

**Ronald Seckelmann**

Finance and Investor Relations Vice-President