



Belo Horizonte, February 25, 2005

**Re: Payment of Dividends and Interest on Capital**

In a meeting held on February 24, 2005, the Board of Directors of USINAS SIDERÚRGICAS DE MINAS GERAIS SA – USIMINAS, determined payment to shareholders on March 1st, 2005 of dividends in complement to interest on capital, in according to its Bylaws and to existing Corporate Law. The dividends also refer to fiscal year 2004 and are in the amount of R\$ 2.93208 per ordinary share and R\$ 3.22529 per preferred share.

The shares will be traded ex-dividend on March 2, 2005.

Payment of the dividends will be effected as of April 5, 2005.

The payment of interest on capital, approved in the Board meeting held on Dec. 16, 2004, will also be effected on April 5, 2005 in the amount of R\$ 0.53880 per ordinary share and R\$ 0.59270 per preferred share to holders of shares on Dec. 29, 2004.

Very truly yours,

Paulo Penido Pinto Marques  
Direcor of Finance and Investor Relations  
Usinas Siderúrgicas de Minas Gerais - USIMINAS