

MATERIAL FACT

Belo Horizonte, November 6th 2006, Usinas Siderúrgicas de Minas Gerais S.A. – USIMINAS (BOVESPA: USIM3, USIM5, USIM6; OTC: USNZY; Latibex: XUSI), in compliance with the terms of § 4th of art. 157 of Law n. 6404/76 and of art. 2nd of CVM Instruction n. 358/02, communicates that it has been informed of the following transaction:

Today, a new Shareholders' Agreement (hereinafter called "New Agreement") was signed with duration of 15 (fifteen) years in substitution of the shareholders' agreement previously in effect ("Original Agreement"). The signatories of the New Agreement are the members of the Original Agreement, Companhia Vale do Rio Doce ("CVRD"), and Nippon Steel Corporation ("NSC"). It may be mentioned that Nippon Steel Corporation already participated indirectly in the referred control group through Nippon Usiminas Co., Ltd. ("Nippon"), and CVRD already had shareholder participation in the Company, although it was not signatory to the Original Agreement. Shareholders Selenium Holdings S/A (Bradesco) and Johannes Bernardus Sleumer withdraw from the Usiminas control group.

On the same occasion, the shareholders conducted internal movements of purchase and sale of shares implying in modification of the number of shares retained by each shareholder and in the corresponding percentages of participation referred to in the New Agreement.

A total of 71,700,091 shares are tied to the New Agreement, corresponding to 63.86% of the total number of ordinary shares of Usiminas, distributed among three groups of shareholders and one shareholder without group, observing the following proportion:

Shareholder	Number of Tied Shares	Percentage of Total Tied Shares
Nippon	24,215,509	33.77%
NSC	1,917,211	2.67%
MC Development	1,346,405	1.88%
Metal One	168,722	0.24%
Carlos Loureiro	109,229	0.15%
Nippon Group	27,757,076	38.71%
Votorantim	12,982,292	18.11%
Camargo Corrêa	12,982,292	18.11%
V/C Group	25,964,584	36.21%
<i>Caixa dos Empregados da Usiminas (CEU) (Usiminas Employee Pension Fund)</i>	11,369,823	15.86%
CEU Group	11,369,823	15.86%
CVRD (without group)	6,608,608	9.22%
Total	71,700,091	100.00%

The control group also informed that the signing of the New Agreement does not characterize change in the control of the Company for legal purposes.

Belo Horizonte, November 6, 2006.

Paulo Penido Pinto Marques
CFO and Investor Relations Director