

Free Translation

USINAS SIDERÚRGICAS DE MINAS GERAIS S.A. - USIMINAS
A Publicly Traded Company - CNPJ 60.894.730/0001-05
NIRE 313.000.1360-0
MATERIAL FACT

In a meeting held on March 14th, the Board of Directors of Usiminas approved another stage of its investment plan: steel capacity expansion of five million tons/year.

The investments will be realized in two phases:

The first will be a 2.2 million ton-per-year capacity expansion at the Intendente Câmara Works in Ipatinga, Minas Gerais, focused on high value-added products, with start up of operations forecast for 2010/2011;

The second phase, an additional expansion of three million tons per year, is associated to the search for value aggregation in the international market and will be executed at a place and an operational start-up date to be defined opportunely.

These new investments, along with investments already underway to reduce costs and improve mix and quality, should amount to approximately US\$ 8.4 billion.

Belo Horizonte, March 14, 2007

Usinas Siderúrgicas de Minas Gerais S.A – USIMINAS