

January 18, 2012
Nippon Steel Corporation

Nippon Steel Completes Purchase of Part of Usiminas Shares
and New Shareholders Agreement Takes Effect

On November 27, 2011, Nippon Steel Corporation (President: Shoji Muneoka, “**NSC**”) executed an agreement between it and Caixa dos Empregados da Usiminas (Pension Fund of the Employees of Usiminas, “**CEU**”) to purchase part of Usiminas ordinary shares subject to the then existing shareholders agreement of Usinas Siderúrgicas de Minas Gerais S.A. – Usiminas (“**Usiminas**”) held by CEU and a new shareholders agreement of Usiminas (the “**New SHA**”). NSC announced today that on January 16, 2012 (Brazilian time), it completed the purchase of such Usiminas ordinary shares from CEU and the New SHA took effect. Usiminas is an equity method affiliate of NSC.

Usiminas will be managed by new controlling shareholders holding approximately 63.86% of its ordinary shares which consist of Nippon Group (NSC, Nippon Usiminas Co., Ltd. (a subsidiary of NSC, “**NU**”) and Mitsubishi Group (Mitsubishi Corporation do Brasil S.A., and Metal One Corporation)), Ternium Group (*1) and CEU.

After the New SHA took effect, the meeting of the Board of Directors of Usiminas was held on January 17 (Brazilian time). The Board appointed three individuals as its new members and Julián Alberto Eguren, who had served as Chief Executive Officer of Ternium Mexico S.A. de C.V., was appointed as the new Chief Executive Officer of Usiminas, replacing Wilson Nélio Brumer.

Usiminas will celebrate its 50 years’ anniversary this year since its commencement of operation in 1962 with financial and technical cooperation from Japan. During this period, Usiminas has grown to be a foremost steel company in South America in terms of production scale and technological level. In recent years, Usiminas is expected to have further development through its investment such as high quality thick plate production facilities for capturing growing steel demand in energy industry, expansion of production capacity of steel sheets for automotive industry and new hot strip mill in Cubatão. Moreover, Usiminas will increase its competitiveness and expand its production capacity through plans for expanding iron ore mining business and improvement of its energy efficiency, which are now under planning phases.

Business environment surrounding Usiminas continues to be severe, due to increased prices of raw materials, more global competition, and appreciation of the currency. Under the new management structure, in cooperation with Ternium Group, global leading steel companies, NSC will work for even higher competitiveness and corporate values of Usiminas, as an important base for NSC's global strategy, together with its employees, represented by CEU, through the combination of supports by both NSC and Ternium in respective expertise.

(*1) "Ternium Group"

(Affiliates of Ternium S.A. which are the members of controlling shareholders and synonymous with "T/T Group" in the Attachment below)

Ternium Investments S.à r.l., Confab Industrial S.A., Siderar S.A.I.C., and Prosid Investments S.C.A.

(*2) Composition of controlling shareholders

	Registered ONs (%)	All ONs (%)
NSC	6.39%	4.08%
NU	37.18%	23.74%
NSC Group	43.57%	27.83%
Mitsubishi Group	2.54%	1.62%
Nippon Group	46.12%	29.45%
Ternium Group	43.31%	27.66%
CEU	10.57%	6.75%
Controlling Shareholders	100.00%	63.86%
Non-Controlling Shareholders	—	36.14% (i)

(i) : NSC also holds ordinary shares among Non-Controlling Shareholders, representing approximately 1.33% of ordinary shares, other than above shares within Controlling Shareholders.

(ii) : Each percentile number is rounded at second decimal place. Total numbers will not necessarily be arithmetic totals.

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References: Outline of Usinas Siderúrgicas de Minas Gerais S.A. - Usiminas

1. Head office :Belo Horizonte, MG, Brazil
Steel works :Ipatinga, MG, Brazil and Cubatão, SP, Brazil
2. CEO :Julián Alberto Eguren
3. Capital :R\$ 12,150 million
4. Net sales :R\$ 12,962 million (2010, consolidated)
5. Net income :R\$ 1,584 million (2010, consolidated)
6. Production :7.3 million tons of crude steel (2010)
7. Start of operation :October 1962 (Founded in January 1958)

[Attachment]

Material Fact disclosed by Usiminas on January 17, 2012

Usinas Siderúrgicas de Minas Gerais S.A. – USIMINAS (“USIMINAS” or “Company”), pursuant to CVM Instruction N° 358/2002, hereby announces to the market that, on January 16th, 2012, received communication from its controlling shareholders Nippon Steel Corporation, Nippon Usiminas Co. Ltd., Metal One Corporation, Mitsubishi Corporation do Brasil S.A., Confab Industrial S.A., Prosid Investments S.C.A., Siderar S.A.I.C, Ternium Investments S.à.r.l. and Caixa dos Empregados da Usiminas, as described below:

“1. Pursuant to the applicable Brazilian capital markets rules, the undersigned hereby inform you as follows:

(a) On the date hereof, Confab Industrial S.A. (“**Confab**”), Prosid Investments S.C.A. (“**Prosid**”), Siderar S.A.I.C. (“**Siderar**”) and Ternium Investments S.à.r.l. (“**Ternium**”) and, together with Confab, Prosid and Siderar, (“**T/T Group**”) consummated the share purchase transactions contemplated under their share purchase agreements with each of VBC Energia S.A. (“**VBC**”), Votorantim Industrial S.A. (“**Votorantim**”) and Caixa dos Empregados da Usiminas (“**CEU**”) and the “**T/T SPAs**”) dated November 27, 2011, and acquired 139,741,296 ordinary shares of Usiminas, representing approximately 27.66% of Usiminas’ ordinary shares and approximately 13.78% of the corporate capital of Usiminas, for a price of R\$36.00 per share, amounting to a total of R\$ 5,030,686,656.00;

(b) On the date hereof, Nippon Steel Corporation (“**NSC**”) consummated the share purchase transaction contemplated in its share purchase agreement with CEU dated November 27, 2011, and acquired 8,527,440 ordinary shares of Usiminas, representing approximately 1.69% of Usiminas’ ordinary shares and approximately 0.84% of the corporate capital of Usiminas, for a price of R\$36.00 per share, amounting to a total of R\$306,987,840.00;

(c) On the date hereof, T/T Group, NSC, Nippon Usiminas Co., Ltd. (“**NU**”), Metal One Corporation (“**Metal One**”), Mitsubishi Corporation do Brasil S.A. (“**Mitsubishi**”) and CEU executed an Amended and Restated Shareholders Agreement (the “**New Amended SHA**”), on essentially identical terms to the Amended and Restated Shareholders Agreement dated November 27, 2011, but removing all conditions precedent to effectiveness of the agreement. The New Amended SHA amends, restates and entirely supersedes the Amended and Restated Shareholders Agreement dated as of November 6, 2006 (“**Original SHA**”) and shall govern the relations of the parties thereto as from the date hereof as shareholders and members of the control group of Usiminas. A copy of

the New Amended SHA will be delivered to Usiminas on January 17, 2012, for signing as an intervening party and filing at its head office for purposes of the provisions of Article 118 of Law No. 6,404/76; and

(d) The New Amended SHA also supersedes and derogates the Shareholders' Agreement of Usiminas dated February 18, 2011, among Mitsubishi, Metal One, NSC, NU, VBC and Votorantim, which was expressly terminated by the parties on the date hereof.

2. For your reference, the chart below indicates the composition of the voting capital of Usiminas among the parties to the New Amended SHA as of the date hereof following consummation of the transactions referred to in 1(a) and (b):

	Original SHA		New Amended SHA	
	Registered ONs (%)	All ONs (%)	Registered ONs (%)	All ONs (%)
NSC	3.75%	2.39%	6.39%	4.08%
NU	37.18%	23.74%	37.18%	23.74%
NSC and NU	40.93%	26.14%	43.57%	27.82%
Mitsubishi and Metal One	2.54%	1.62%	2.54%	1.62%
NSC, NU, Mitsubishi and Metal One	43.47%	27.76%	46.12%	29.44%
Ternium			26.26%	16.77%
Siderar			3.10%	1.98%
Prosid			6.20%	3.96%
Confab			7.75%	4.95%

We remain at your entire disposal to provide any further clarification that may be necessary”.

Additionally, in a meeting held on this date, the Board of Directors of the Company (i) appointed, pursuant to article 150 of Law 6.404/1976, in substitution of the Board members previously appointed by V/C Group, which presented their resignation, the following effective members to compose the Company's Board of Directors until 2012 General Meeting: Daniel Agustín Novegil, Roberto Caiuby Vidigal and Alcides José Morgante, which were appointed by T/T Group; and (ii) approved the indication of Mr. Julián Alberto Eguren as the Company's new Chief Executive Officer, in substitution to Mr. Wilson Nélio Brumer.