

USINAS SIDERÚRGICAS DE MINAS GERAIS S/A - USIMINAS
CNPJ/MF Corporate Taxpayers' ID 60,894,730/0001-05
NIRE 313,000,1360-0
Publicly Traded Company

NOTICE TO SHAREHOLDERS

PAYMENT OF INTEREST ON CAPITAL AND DIVIDENDS

We hereby inform our shareholders that the Board of USINAS SIDERÚRGICAS DE MINAS GERAIS S/A – USIMINAS, at a meeting held on August 13, 2008, “ad referendum” of the General Shareholders Meeting, approved a proposal to distribute to shareholders holding shares on August 20, 2008, according to the Bylaws and the law in effect, an amount of R\$ 528.229 million, being: (i) R\$ 383.002 million as interest on capital, intermediates, already accrued for in June 2008. Each common share will be entitled to **R\$ 0.73964** and each preferred share to **R\$ 0.81360**; (ii) R\$ 145.227 million as dividends, intermediates. Each common share will be entitled to **R\$ 0.28046**, and each preferred share to **R\$ 0.30850**, which will be added to the calculation of the minimum mandatory dividend. A withholding tax of 15% will be deducted from the amount related to interest on net equity, in compliance with the legal exceptions.

The shares will be negotiated “ex-rights” as of August 21, 2008.
The payment date will be as of September 2, 2008.

Supplemental Information

Shareholders who have bank accounts at BRADESCO or OTHER BANKS and that communicated this fact will receive credit automatically on the first date of payment and will receive a credit notice. All other shareholders whose addresses are on file and who did not inform their bank account information will receive by mail a form called NOTICE FOR RECEIPT – PROCEEDS OF BOOK ENTRY SHARES. To receive the credit, these shareholders should go to any Bradesco branch and bring the form, the RG identity card and the CPF individuals' taxpayer identity card. Shareholders who do not receive the CREDIT NOTICE or the NOTICE FOR RECEIPT should go to any BRADESCO branch to receive this credit and update their personal file information. The credit related to shares held by the Brazilian Clearing and Depository Corporation (CBLC) will be made to that entity and the member brokerage houses will transfer it to the respective shareholders.

Additional information can be obtained from the Investor Relations Department at (55 31) 3499-8856 or email investidores@usiminas.com.br

Belo Horizonte, August 13, 2008

PAULO PENIDO PINTO MARQUES
Chief Financial Officer and Investor Relations Director