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USINAS SIDERÚRGICAS DE MINAS GERAIS S.A. - USIMINAS

CNPJ/MF 60.894.730/0001-05

NIRE 313.000.1360-0

Publicly Traded Company

NOTICE TO THE MARKET

Usinas Siderúrgicas de Minas Gerais S.A. – USIMINAS (“Usiminas” or “Company”), by its Finances and Investors Relations Vice-President Officer undersigned, in attention to the clarification request sent by the Comissão de Valores Mobiliários (“Securities Commission - CVM”), hereby informs the following.

Initially, we inform that we make reference to the Notice nº 295/2016/CVM/SEP/GEA-2, received on August 24th, 2016 (“Notice”), which is transcribed below.

“Notice nº 295/2016/CVM/SEP/GEA-2

Rio de Janeiro, August 24th, 2016

To Mr.

Ronald Seckelmann

Investors Relations Officer

USINAS SIDERÚRGICAS DE MINAS GERAIS S.A.

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Matter: Request of clarification about article published in the press

Dear Mr. Officer,

1. We refer to the article published in the “Valor Econômico” website, in the section “Empresas” (Companies), on 08.24.2016, under the title “Controladores já discutem modelo de cisão da Usiminas” (Controlling Shareholders are already discussing the spin-off model of Usiminas), which contains the following information:

“After the capital increase of R\$ 1.05 billion and about to complete the renegotiation of its debt over R\$ 7 billion with nine creditor banks of the country and of Japan, Usiminas should move to the solution of another big problem: the corporate conflict between its two major shareholders of the controlling group.

There is almost a consensus among analysts and the controlling Shareholders that the most likely solution involves the spin-off of Usiminas. This way out had already been mooted in 2014, but now returned to the table with more force and more concrete measures, according to sources heard by Valor with knowledge of the negotiations.

(...)

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In accordance with the sources heard by Valor, Nippon Steel has already hired lawyers and a bank of foreign investments to carry out the divorce and everything indicates that Ternium goes on the same direction. The legal work are advanced in this direction and the plans would involve, besides the spin-off, the going private of one of the two new companies resulting from the split of assets.

The company's assets would be split between Nippon Steel and Ternium according to their proportion. Nippon would get Ipatinga plant, since it already have contracts with local partners and where it has more industrial affinities. Ternium, with the Cubatao (SP) unit, benefiting itself of the logistic side - a port and the proximity of the market of the greater São Paulo. By the operation, all the remaining shareholders would be with equivalent equity interests in the two companies resulting from spin-off.

According to the draft, Nippon Steel would continue, probably, with a leaner Usiminas and publicly traded on the exchange. In the operation, Nippon and "nipônicos" partners would acquire the portion of the Italian-Argentinean in Usiminas-Ipatinga, which would include other assets to be defined in separation.

Ternium, in its turn, would take over the control of the other spin-off company, Usiminas-Cubatao and potential other assets. This company would have closed capital, without shares listed on the market or in the differentiated levels of governance. According to the sources, Ternium already demonstrates for some time its dissatisfaction with regulatory issues and costs that Usiminas faces for be a listed company. Headquartered in Luxembourg, the company, however, is publicly traded on the New York Stock Exchange.

(...)

If the foreign partners decided to close Usiminas' capital before the spin-off - as had already been evaluated by the lawyers - the brazilian corporate law (Lei das S.A.) and the regulation of the Brazilian Securities Commission (CVM) would obligate an accomplishment of a Public Offering for Acquisition of Shares (OPA) for cancellation of the public traded company registration.

(...)

Therefore, in accordance with specialist in this type of operation, the best way to achieve the objectives of Ternium and of Nippon would be approving a spin-off of Usiminas prior to the accomplishment of the OPA. This operation, also according to the Brazilian Corporate Law, is subject only to the approval of the simple majority in Shareholders Meeting, decision that in which the controlling shareholders can vote, with appraisal right of dissenting shareholders.

2. *In this regard, we request your position, about the veracity of the information provided in the article (in special about the highlight stretch), and, if it is true, we ask statement about the measures that are being taken by the*

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Company in respect, as well as the reasons why it decided not to be matter of Material Fact, pursuant to CVM Instruction 358/02.

3. Such statement shall include the copy of this Notice and be forwarded through the system IPE, category: "Notice to the Market", type: "Clarifications on Inquiries CVM/BOVESPA.

4. We emphasize that, pursuant to article 3º of the CVM Instruction nº 358/02, complies with the Investor Relations Officer to disclose and inform CVM and, if applicable, the stock exchange and entity of the organized counter market in which the securities issued by the company are admitted to trading any relevant act or fact occurred or related to its business as well as ensure its wide and immediate dissemination, simultaneously in all markets where such securities are admitted to trading.

5. We also remind of the obligation referred to in sole paragraph of article. 4º of CVM Instruction 358/02, of inquiring managers and controlling shareholders, in order to verify if they would have knowledge of any information that should be disclosed to the market. Relevant fact occurred or related to its business as well as ensure its wide and immediate dissemination, simultaneously in all markets where such securities are admitted to trading.

*6. By order of the Superintendence of Corporate Relations - SEP we warn that it will be up to this administrative authority in the exercise of its statutory duties and, on the basis of section II of Article 9 of Law No. 6,385/1976, and Article 7 c/c of Article 9 of CVM Instruction 452/2007, to determine the application of injunction fine of R\$ 1,000.00 (one thousand reais), without prejudice to any possible verification of responsibility for noncompliance to this Notice, also sent e-mail within **one (1) business day.***

7. In case you have questions about this Notice, please contact the analyst Jairo Corrêa de Sá, by phone (21) 3554-8216 or email jairo@cvm.gov.br.

Best regards,

*Document digitally signed by **Guilherme Rocha Lopes**, Manager, on 08/24/2016, at 17:08PM, pursuant to article 1º, III, "b", of Law nº 11.419/2006."*

In this regard, Usiminas requested to the members of its Controlling Group to manifest about the Notice, having received the answers transcribe bellow:

(a) Previdência Usiminas: *"In compliance with the Notice of CVM No. 295/2016-CVM/SEP/GAE 2, Previdência Usiminas, part of the Shareholders' Agreement of Usinas Siderúrgicas de Minas Gerais – USIMINAS ("Company"), hereby, by its Chief Executive Officer, reiterates what was informed in response to the Notice of CVM 835/2015-SAE and 2371/2016-SAE, clarifying, more*

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specifically, that no proposal of split of the Company was submitted to this shareholder until the present date”.

(b) NSSMC Group: “In response to the request by your e-mail, NSSMC Group clarifies that at this point there is no relevant information related to the reported matters that needs or shall be publicly disclosed. We will keep the DRI of Usiminas duly informed about relevant facts, if any, that may arise or materialize from the control group discussions, with due regard for applicable laws and regulations”.

(c) T/T Group: “In response to your request, T/T Group clarifies that there is no decision or material fact that requires disclosure. In strict compliance with its obligations, T/T Group will keep the company and the market duly informed of any material fact that may result from negotiations with its partners in the Controlling Group”.

The Company also informs that will keep its shareholders and the market duly informed and will proceed with the disclosure of information as set forth in the Brazilian Corporate Law and the regulations issued by CVM.

Belo Horizonte, August 25th, 2016

Ronald Seckelmann

Vice President of Finances and Investors Relations