

USINAS SIDERÚRGICAS DE MINAS GERAIS S.A. – USIMINAS

CNPJ/MF 60.894.730/0001-05

Publicly-held Company

NOTICE TO THE MARKET

Usinas Siderúrgicas de Minas Gerais S.A. – USIMINAS hereby informs the market that it has received, on the present date, the Official Letter No. 408/2017/CVM/SRE/GER-1, issued by the Registry Superintendence of the Brazilian Securities and Exchange Commission (CVM), which reads as follows (free translation below):

*“Official Letter No. 408/2017/CVM/SRE/GER-1
Rio de Janeiro, November 28th, 2017.*

(...)

Re: Communication of CVM Collegiate Decision – CVM Process nº 19957.000115/2017-80

Dear Sir,

- 1. We refer to the appeal sent to CVM on 01/03/2017 (document 0209479) by Companhia Siderúrgica Nacional, CSN Cimentos S.A. and DIPLIC - Multimarket Investment Fund (jointly called "CSN" or "Appellant"), minority shareholders of Usinas Siderúrgicas de Minas Gerais S.A. ("Usiminas" or "Company"), filed, pursuant to item I of CVM Deliberation 463/03 ("CVM Deliberation 463"), against the decision of this Superintendence ("Appeal"), within the scope of CVM Procedure No. 2014-12918 ("Complaint Process", document 0210042), related to the complaint on the need to file a tender offer for the disposal of control of Usiminas.*
- 2. Such appeal was submitted to CVM's Collegiate through Memorandum No. 2/2017-CVM/SRE/GER-1 which, at a meeting held on 10/24/2017, resolved on the following terms (copy of the extract of the Minutes is attached):*

**"APPEAL OF COMPANHIA SIDERÚRGICA NACIONAL (AND OTHERS)
AGAINST DECISION OF SRE ON COMPLAINT PROCESS – DISPOSAL OF**

**CORPORATE INTEREST OF USINAS SIDERÚRGICAS DE MINAS GERAIS S.A.
- PROC. SEI 19957.000115/2017-80**

Reg. nº 0547/17

Rapporteur: DGB

President Marcelo Barbosa declared that he was impeded and left the room during the examination of the case.

This is an appeal filed by Companhia Siderúrgica Nacional, CSN Cimentos S.A. and DIPLIC - Fundo de Investimento Multimercado (jointly, "CSN" or "Appellant"), as minority shareholders of Usinas Siderúrgicas de Minas Gerais S.A. ("Usiminas or Company"), against a decision of the Superintendence of Securities Registry (SRE), which analyzed the complaint made by CSN regarding the need to hold a Public Offer for Acquisition of Shares ("OPA") for the disposal of control, as provided for on Article 254-A of Law No. 6,404/76, due to the transaction that took place on January 17, 2012, on which Confab Industrial S.A., Prosid Investimentos S.C.A., Siderar S.A.I.C and Ternium Investiments S.àr.1 (jointly, "T/T Group") acquired common shares issued by Usiminas, thereby forming the Company's controlling group ("Transaction").

In a complaint filed on 11.10.2014, CSN alleged that the sale of the previously shared control of Usiminas to the T/T Group had occurred in a "veiled" way by means of a set of transactions with the intention of dissimulating the transfer of control, namely, (i) the execution of a purchase and sale agreement of Usiminas shares; (ii) change of wording of the Company's shareholders agreement; and (iii) collusion between the T/T Group and the Usiminas Employee Group ("CEU") and between the T/T Group and the Nippon Group, based on a "tacit agreement of control".

In a decision rendered on 12.02.2016, SRE emphasized that the conditions of the Transaction, including the premium paid by the T/T Group for the acquisition of the shares and the reduction of CEU's stake in Usiminas's controlling group, had already been evaluated by the area when the transaction was analyzed within the scope of the CVM process No. RJ2011/13706, and it was not enough for the technical area to conclude that it resulted in the sale of Usiminas' control. In fact, in SRE's view, the changes in the control group resulting from the acquisition of shares by the T/T Group would only import on a lack of CEU's influence within the scope of the shareholder agreement.

In its appeal against SRE's decision, CSN reiterated several of the arguments raised in its complaint, claiming, however, that SRE would not have properly conducted the

investigation of the complaint presented by the Appellant, having limited itself to an analysis of law in a context in which the factual elements would be fundamental to the real understanding of the Transaction, which would firstly be seen as a "sharing of power", but which in reality would have been conducted in a way to "disguise" the transfer of control to the T/T Group.

After reviewing CSN's appeal, SRE concluded by maintaining its initial understanding that the entrance of the T/T Group into the Company's controlling group would not lead to the need to carry out the OPA for disposal of control, as provided for on Article 254-A of Law No. 6,404/76.

Initially, the Rapporteur Director Gustavo Borba dismissed the preliminary of violation to ample defense and to the adversary system for not perceiving any procedural damage or insufficient investigation in the process conducted by SRE. On the merits, Gustavo Borba concluded that the new conditions adjusted in the shareholders' agreement executed between the members of the Usiminas controlling group and the allegations made by CSN regarding the factual context that followed the Transaction would not show, with the minimum of security, a situation of transfer of the Company's control to T/T Group.

In such sense, the Director emphasized that the new conditions of the Company's shareholders agreement would not have modified the balance of power within the controlling group, so as to place the T/T Group in a differentiated position, but would only demonstrate the lack of CEU's influence, as recognized by SRE. Likewise, with respect to the factual circumstances raised by the Appellant, Gustavo Borba understood that the notorious corporate conflicts between the Nippon and T/T Groups that followed the Transaction would demonstrate the absence of harmony between the parties, rejecting the Appellant thesis that the assumption of control by the T/T Group would have relied on the informal endorsement of the Nippon Group. For these reasons, Director Gustavo Borba voted for the dismissal of the appeal, with the consequent full maintenance of the decision of the SRE.

The Collegiate, unanimously, followed the understanding of the Director Rapporteur Gustavo Borba."

3. In view of the foregoing, and because there is no further matter to be dealt with in the above-mentioned Process, we hereby inform you of its closure.

4. In need of further clarification, please contact Mr. Gustavo Luchese Unfer on phone number (21) XXXX-XXXX.

Sincerely,

RAUL DE CAMPOS CORDEIRO

Manager of Records-1

DOV RAWET

Superintendent of Securities Registry

c.c. SEP

Annex: Minutes of CVM's Collegiate Decision of 10/24/2017."

Belo Horizonte, November 28th, 2017.

Ronald Seckelmann

Vice President of Finance and Investor Relations