

(Free Translation: For reference only – Original in Portuguese)

USINAS SIDERÚRGICAS DE MINAS GERAIS S.A. - USIMINAS

Publicly Traded Company
CNPJ/MF 60.894.730/0001-05
NIRE 313.000.1360-0

NOTICE TO THE MARKET

Usinas Siderúrgicas de Minas Gerais S.A. – USIMINAS (“Usiminas” or “Company”) hereby, in addition to the Notice to the Market dated as 08.24.2017, informs that, on this date, executed with its controlled company Mineração Usiminas S.A. – MUSA the amendment to the ore supply agreement currently in force among Usiminas and MUSA (“*Offtake Agreement*”), which bases were set forth in Term Sheet approved by the Board of Directors on 08.24.2017.

Pursuant the amendment referred, the average volume of ore that the Company is obliged to purchase (*take or pay*) from 2018 to the end of 2021 was reduced from 4.0 million tons to 2.3 million annual tons without payment of any compensation to MUSA due to such reduction. From 2022, Usiminas and MUSA will define, by mutual consent, the volumes of ore that shall be purchase annually by the Company.

The amendment to the *Offtake Agreement* also provides a change in the way the price of the ore is fixed, in order to, among other aspects involved, exclude the logistic cost related to the Cubatão Plant, which has not received MUSA iron ore since the beginning of 2016. Are also included in the referred amendment more objective clauses for the payment of bonuses and penalties, as well as the adoption of standardized criteria for measuring the quality and grain size of the ore supplied by MUSA, in line with current market practices.

In addition, Usiminas and MUSA also executed, on this date, a Settlement Agreement regulating certain conditions related to the supply of ore from MUSA to Usiminas in the years 2016 and 2017. According to such instrument, Usiminas is exempt from paying the difference between the volume of ore previously foreseen in the *Offtake Agreement* and the volume actually purchased by the Company in the years 2016 and 2017.

Belo Horizonte, December 5th, 2017.

Ronald Seckelmann

Vice President of Finance and Relations with Investors