

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

USINAS SIDERÚRGICAS DE MINAS GERAIS S.A. - USIMINAS

CNPJ/MF 60.894.730/0001-05

NIRE 313.000.1360-0

Publicly-held Company

NOTICE TO THE MARKET

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

Initially, we inform that we make reference to the Official Letter nº 224/2018/CVM/SEP/GEA-2, received on July 24th, 2018 (“Official Letter”), which is transcribed below:

Official Letter nº 224/2018/CVM/SEP/GEA-2

Rio de Janeiro, July 24th, 2018.

To

Mr. Alberto Akikazu Ono

Officer of Relations with Investors of

USINAS SIDERURGICAS DE MINAS GERAIS SA

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Subject: Request of clarification on the news disclosed in the media.

Dear Officer,

1. We report to the news disclosed in the newspaper Valor Econômico on July 23, 2018, entitled "Justice determines immediate removal of Board member of Usiminas", containing the following information:

"The Labor Justice determined on this Monday the immediate removal of the Board member Luiz Carlos de Miranda Faria,

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elected in February as representative of the workers to the board of directors of Usiminas.

The measure is a response to the public civil action filed by the Labor Public Prosecutors' Office (MPT) of Minas Gerais, that requires the payment of fine in the amount of R\$ 105 million due to irregularities in the election of Faria.

In today's decision, the substitute labor judge Frederico Alves Bizzotto da Silveira, of the 3rd Labor Lower Court of Coronel Fabriciano, wrote that there are evidences in the documentation provided by the MPT in the action of "indications of irregularities in the conduct of Mr. Luiz Carlos de Miranda Faria" as director of Usiminas.

The judge emphasizes that Faria, by taking the position in the board of directors of the steel industry, breached an agreement by which he undertook to not take "administrative positions or of representation of professional category of the base of representation of Sindipa", the Union of the Metal Workers of Ipatinga, led by him between 2001 and 2013.

For the judge, the continuity of Faria in the board, as well as of the alternate Edilio Ramos Veloso, "may cause damages to the free representation of the workers in the board of directors of Usiminas" and "prevent and/or hinder the parity of weapons in the collective bargaining negotiations effected between the professional and the economic category considering the evident power of interference of the defendants."

The Justice also determines a fine of R\$ 500 thousand to Faria if there is no removal from the collegiate body and scheduled the initial hearing for August 21.

The company affirmed through a note that it was not summoned and therefore has had no access to the decision. "The company reiterates the total integrity of the process of election of the representative of the employees to the board of directors, that strictly followed the rules and was fully conducted by a commission formed by representatives of the company and of the unions", stated the company.

"Usiminas understands, moreover, that the representative of the employees elected in the process meets all the requirements of the Brazilian Corporation Law to occupy the position of director of the company", added the company. The Valor tried to reach Faria but was not able to contact him.

Usiminas recently suffered another setback related to this action. The company alleged that the Labor Justice was not competent to judge the case, but its writ of mandamus was denied. (emphasis added).

2. On this regard, we request your manifestation on the truth of the statements disclosed in the news, and, in the affirmative case, we request you to inform the reasons for which you understood the matter was not a Material Fact, in the terms of CVM Instruction n° 358/02.

3. Such manifestation shall include a copy of this Official Letter and be sent to the IPE System, category "Notice to the Market", type "Clarifications on questionings from CVM/B3". The compliance with this request of manifestation by means of a Notice to the Market does not

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exempt eventual assessment of responsibility for the untimely disclosure of Material Fact, in the terms of CVM Instruction n° 358/02.

4. We emphasize that, pursuant to art. 3 of CVM Instruction n° 358/02, that it is incumbent on the Officer of Relations with Investors is responsible to disclose and inform CVM and, as applicable, the Stock Exchange and the entity of the over the counter market in which the securities issued by the company are admitted to trading, any material act or fact related to its business, as well as to ensure its full and immediate disclosure, simultaneously to all markets in which the securities are admitted to trading.

5. We also remind you the obligation provided in the sole paragraph of article 4 of CVM Instruction n° 358/02, to inquire the administrators and the controlling shareholders of the Company, as well as any other people with access to material acts or facts, so as to investigate if they have knowledge of information that should be disclosed to the market with the purpose to find out if they had knowledge of information that should have been be disclosed to the market.

*6. By order of the Superintendence of Relations with Companies – SEP, we alert that this administrative authority, in the use of its legal assignments and, based on item II, of article 9, of Law n° 6.385/1976, and in article 7 together with article 9 of CVM Instruction n° 452/2007, may determine the application of punitive fine, in the amount of one thousand Reais (R\$ 1,000.00), without prejudice to the other administrative sanctions, for not complying with the present Official Letter, **up to July 25, 2018.***

Yours,

*Document signed electronically by **Guilherme Rocha Lopes, Manager**, on 07/24/2018, at 02:00 p.m., based in art. 6, § 1, of Decree n° 8.539, of October 8, 2015.*

On this respect, Usiminas informs, in complementation to the Notices to the Market dated of 07.16.2018 and 07.17.2018, that, on 07.24.2018, it was notified by the 3rd Labor Court of Coronel Fabriciano – MG about the proposition, by the Labor Public Prosecutors' Office in Coronel Fabriciano ("MPT"), of the public civil action questioning the election of Mr. Luiz Carlos Miranda for the position of representative of the employees of the Board of Directors of Usiminas.

On this respect, the Company informs that the judge in matter granted partially request of the MPT in the referred action for anticipation of the effects of the relief, determining, among other measures, that Mr. Luiz Carlos Miranda abstains immediately from exercising every and all functions directly or indirectly related to the position of representative of the workers in the Board of Directors of Usiminas, under penalty of fine of five hundred thousand Reais (R\$ 500,000.00) for each infraction.

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Incidentally, it should be noted that the Company's notification of the proposition of the public civil action by the MPT and of the abovementioned judicial decision occurred after receiving the Official Letter.

In addition, the mentioned decision of anticipation of the effects of the relief does not affect in any way the regular functioning of Usiminas' Board of Directors and also does not imply any relevant effect on the conduct of its business and activities or on the financial or equity situation of the Company.

The Company clarifies that the negative decision in Writ of Mandamus, referred in the news transcribed in the Official Letter, was not rendered in the scope of the public civil action promoted by the MPT, but in judicial action proposed before the Labor Court in which the plate was the third most voted in the last election for representative of the employees of the Board of Directors questions the result of the election.

The Company shall maintain its shareholders and the market in general duly informed in relation to the matter purpose of this Notice, and will proceed with the disclosures of information as established in the Brazilian Corporation Law and in the rules issued by CVM.

Belo Horizonte, July 25th, 2018.

Alberto Ono

Finance and Investors Relations Vice-President Officer