



Attn: Trading and Market Making/Legal and Compliance/Operations/Systems
UNIFORM PRACTICE ADVISORY (UPC # 127-2004) November 16, 2004

Acesita S.A. – American Depositary Receipts
Representing Ordinary & Preferred Shares (OTC:ACABY & ACAHY)

Concurrent with a 1-10,000 reverse stock split of the ordinary & preferred shares of Acesita S.A., the outstanding ADRs (ACABY & ACAHY respectively) have undergone a ratio change from 1 ADR representing 5000 ordinary (2:1) to 2 ADRs representing 1 ordinary share (2:1).

The ratio change was effective November 16, 2004 and should not have resulted in a price adjustment to ACABY or ACAHY.

Questions regarding the split of the ordinary shares should be directed to the Agent: Bank of New York.

Questions regarding this notice should be directed to: Market Integrity Department, 203.375.9609.

Tara Petta
Associate Director