

# **SIDERURGICA VENEZOLANA “SIVENSA”, S.A.**

<b>Authorized Capital</b>	<b>Bs. 141.190.196.480,00</b>
<b>Capital Subscribed to and Paid in</b>	<b>Bs. 97.660.626.680,00</b>

## **TO OUR SHAREHOLDERS**

Dear Shareholders:

The Board of Directors, at its ordinary meeting of June 26, 2007, agreed to advise the shareholders of Sivensa that, in order to: (i) carry out the investment plans for the operating subsidiaries, (ii) repay, at the end of this calendar year, the loan for US\$ 19 million obtained for the repurchase of 15% of the shares held by the creditor banks; and additionally, (iii) to propose at the next Annual Shareholders' Meeting to declare a major special dividend, in the amount and subject to payment conditions to be set and announced in due time, it has sold through the New York Stock Exchange, 2,633,337 ADRs of Ternium, out of the total 3,380,073 ADRs held in said company, equivalent to 1.686% of its capital stock. This transaction has been carried out over the last ten weeks, at an average price of 26.65 dollars per ADR.

The Board of Directors  
Caracas, 28 de junio de 2007