



SIDERÚRGICA VENEZOLANA "SIVENSA", S.A.

Authorized Capital: Bs.141.190.196, 48

Subscribed and Paid in Capital: Bs. 105.889.970,00

NOTICE

We hereby inform the beneficiaries of the dividend in kind approved by the Annual Shareholders Meeting of the Company held on November 30, 2007, which Final Trading Date with Rights was December 10, 2007 (the "Beneficiaries"), the following:

1° The Special Shareholders Meeting held on July 28, 2008 at 10:00 am (the "Special Shareholders Meeting") agreed to substitute the above-referred dividend in kind for (i) a cash dividend of One Hundred Twenty-Seven Million Six Hundred Ninety Thousand Eight Hundred Forty-Five Bolivars and Sixty-Three Cents (Bs. 127,690,845.63), at a ratio of Bs. 2.562499995 per share to be paid to the Beneficiaries; and (ii) a dividend in common shares of the Company, with a par value of Two Bolivars (Bs. 2.00) per share, in the amount of Six Million Two Hundred Twenty- Eight Thousand Eight Hundred Twenty-Two Bolivars (Bs. 6,228,822.00), at a ratio of one (1) share for each sixteen (16) shares held by each of the Beneficiaries, delegating upon the Board of Directors of the Company the power to determine the Effective Record Date for both the cash dividend and the share dividend referred to herein.

2° In order to proceed with the payment of the above-referred dividend in kind, the Special Shareholders Meeting agreed to increase the subscribed and paid in capital of the Company in the amount of Six Million Two Hundred Twenty-Eight Thousand Eight Hundred Twenty-Two Bolivars (Bs. 6,228,822.00), by issuing Three Million One Hundred Fourteen Thousand Four Hundred Eleven (3,114,411) new common shares, nominative and non-convertible to the bearer, with a par value of Two Bolivars (Bs. 2.00) per share, which shall be distributed among the Beneficiaries. Such increase shall be fully paid by capitalizing the remaining balance of the Company's account payable registered in the books of the Company in favor of the Beneficiaries (having deducted the cash dividend referred to herein above, which Effective Record Date was August 8, 2008).

3° The Venezuelan Securities and Exchange Commission (*Comisión Nacional de Valores*), by means of Resolution N° 156-2008, dated August 8, 2008, authorized:

(1) THE PUBLIC OFFER IN THE NATIONWIDE TERRITORY OF THREE MILLION ONE HUNDRED AND FOURTEEN THOUSAND FOUR HUNDRED AND ELEVEN (3,114,411) NEW COMMON SHARES WITH A PAR VALUE OF TWO BOLIVARS (BS. 2.00) EACH, RESULTING FROM THE SHARE DIVIDEND, EQUIVALENT TO ONE (1) NEW SHARE FOR EACH SIXTEEN (16) HELD, APPROVED BY THE SPECIAL SHAREHOLDERS MEETING OF SIDERÚRGICA VENEZOLANA "SIVENSA", S.A., HELD ON JULY 28, 2008, ESTABLISHING THE CAPITAL STOCK OF THE COMPANY AS A RESULT THEREOF IN THE AMOUNT OF ONE HUNDRED FIVE MILLION EIGHT HUNDRED EIGHTY-NINE THOUSAND NINE HUNDRED SEVENTY BOLIVARS (BS. 105,889,970.00), DIVIDED INTO FIFTY-TWO MILLION NINE HUNDRED FORTY-FOUR THOUSAND NINE HUNDRED EIGHTY-FIVE (52,944,985) NOMINATIVE COMMON SHARES WITH A PAR VALUE OF TWO BOLIVARS (BS. 2.00) EACH.

(2) TO EXEMPT SIDERÚRGICA VENEZOLANA "SIVENSA", S.A. FROM THE PREPARATION OF THE CORRESPONDING PROSPECT BECAUSE ALL THE NEW SHARES SHALL BE DISTRIBUTED EXCLUSIVELY AMONG THE BENEFICIARIES OF THE DIVIDEND IN KIND AGREED BY THE ANNUAL SHAREHOLDERS MEETING HELD ON NOVEMBER 30, 2007, THAT IS, AMONG THOSE SHAREHOLDERS REGISTERED AT THE CLOSING OF THE FINAL TRADING DATE WITH RIGHTS DETERMINED BY SUCH SHAREHOLDERS MEETING (12/10/07).

4° Having obtained the authorization from the Venezuelan Securities and Exchange Commission (*Comisión Nacional de Valores*), the Board of Directors of the Company, at its special meeting of August 14, 2008 and in exercise of the delegation conferred upon it by the Special Shareholders Meeting, determined the Effective Record Date for the dividend in common shares of the Company approved by such Shareholders Meeting. Such date is the following:

EFFECTIVE RECORD DATE FOR THE DIVIDEND IN COMMON SHARES AGREED BY THE SPECIAL SHAREHOLDERS MEETING HELD ON JULY 28, 2008	TUESDAY, AUGUST 19, 2008
---	---------------------------------

5° **MAIN ASPECTS OF THE PUBLIC OFFER:**

BENEFICIARIES All the shareholders of the Company registered in the Shareholders Book on December 10, 2007 (Final Trading Date of Transaction with Rights for the dividend in kind approved by the Annual Shareholders Meeting held on November 30, 2007 and which was substituted by the cash dividend and by the dividend in common shares approved by the Special Shareholders Meeting held on July 28, 2008).

FINAL TRADING DATE WITH RIGHTS December 10, 2007

EFFECTIVE RECORD DATE August 19, 2008

NUMBER OF SHARES Three Million One Hundred and Fourteen Thousand Four Hundred Eleven (3.114.411) new common shares, nominative and non convertible to the bearer, of which, Two Thousand Nine Hundred and Thirty Five (2.935) shares have been acquired by C.A. Inversiones Siderúrgicas "Inverside", a subsidiary fully owned by the Company, which shares shall be considered as treasury shares, subject to the applicable regime under the Venezuelan Capital Market Law.

PAR VALUE Two Bolivars (Bs. 2.00) per share

FORM OF PAYMENT By capitalizing the remaining balance of the Company's account payable registered in the books of the Company in favor of the beneficiaries of the dividend in kind approved by the Annual Shareholders Meeting held on November 30, 2007.

6° The securities offered through the Public Offer have not been or shall be registered under the US *Securities Act of 1933* and its amendments. In absence of the registration or of an applicable exemption from the registration requirements, they may not be offered or sold in the United States of America.

7° For any additional information, the shareholders may contact our Transfer Agent Planivensa, S.A., at its offices located at Avenida Venezuela, Torre América, Planta Libre, Urbanización Bello Monte, Caracas, Venezuela. Tel: (0212) 707.6469 through 71.

Caracas, August 15, 2008

THE BOARD OF DIRECTORS