

Siderúrgica Venezolana "SIVENSA" S.A.  
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## **SIVENSA APPROVES SETTING OFF ACCOUNTS**

CARACAS SEPTEMBER 27, 2006. At the Special Shareholders' Meeting held today, Sivensa's shareholders approved setting off accounts in the Shareholders' Equity Statement of Accounts as of September 30, 2005. With this approval, the accrued deficit presented at the closing of fiscal year 2005 has been eliminated.

Concurrently with the refinancing of Sidetur's debt, in May this year, the offsetting approved at today's shareholders' meeting represents a new step for the future restoration of dividend payments, as part of the integrated program for Sivensa's financial normalization.

*Siderúrgica Venezolana SIVENSA S.A. is a Venezuelan corporation that is made up of three business units: Sidetur, engaged mainly in the manufacturing of steel products for the construction, manufacturing and infrastructure industries; International Briquettes Holding, IBH, whose plants Venprecar and Orinoco Iron produce reduced iron briquettes to be used as high-quality raw material in the steel industry; and Vicson, which manufactures wire and wire products for the manufacturing, construction, agriculture and infrastructure sectors. Sivensa's partners are: Belgian company Bekaert Corporation in the Vicson division, and Venezuelan company CVG Ferrominera Orinoco in the IBH division.*