



GERDAU CELEBRATES 110 YEARS AND ANNOUNCES NEW NAME FOR GERDAU AMERISTEEL AND GERDAU MACSTEEL

TAMPA, FL May 17, 2011 – Gerdau, a leader in long steel production in the Americas and one of the largest suppliers of special steels in the world, celebrates 110 years of existence today. On this date, the company is celebrating with its 45,000 employees, in their respective countries, a successful track record focused on the quality of its products and services and on excellence of its management processes.

"For more than a century now, we have grown and diversified our business along steel's value chain with profit in every year, always striving for efficiency in our operations and continuous improvement of services for our customers. A pursuit of excellence and passion in everything we do, besides a strong commitment to people and with the environment, is what makes up our corporate culture. This is what drives Gerdau and gives us the energy to celebrate our first 110 years," said Gerdau's Chief Executive Officer (CEO), André B. Gerdau Johannpeter.

Gerdau's history began in 1901 as a small nail factory in Porto Alegre, Brazil, called Pontas de Paris. Today, the company has industrial operations in 14 countries in the Americas, Europe, and Asia, with an installed capacity exceeding 25 million metric tons of steel per year. Gerdau is also the largest recycler in Latin America and it transforms millions of tons of scrap into steel around the world every year.

Also, as part of its anniversary celebration, Gerdau is introducing a new brand and visual identity that positions the Company for continued growth. The new logo has undergone a subtle revitalization and become lighter and more modern. In addition, the long steel and special steel operations of Gerdau in North America, Gerdau Ameristeel and Gerdau Macsteel, will now be known as Gerdau.



"We saw this anniversary as an opportunity to consolidate the image of the Gerdau brand across the globe and particularly for North America, which has always been an important market for our company," Johannpeter said.

As part of the global branding efforts, descriptors were developed to differentiate between the parent company and the business operations that will now be called Gerdau. The descriptor for the long steel operations in North America, previously Gerdau Ameristeel, will be Gerdau Long Steel North America. Gerdau Special Steel North America is the descriptor for the company's special steel operations, previously known as Gerdau Macsteel.

"The new brand is a positive development that will improve our business opportunities in North America," said Mario Longhi, president and CEO of Gerdau Long Steel North America. "We will

continue to manufacture our products at our facilities and leverage our global resources to service the needs of our customers.”

The anniversary and the brand change come at an exciting time for Gerdau, as the company recently announced plans to invest \$320 million to expand its special bar quality steel production capacity in North America by 400,000 metric tons through 2014. Also, studies are being conducted to build a new special steel mill with an installed capacity between 700,000 and 800,000 metric tons.

“Gerdau is already a North American market leader in SBQ and this rebranding initiative helps to highlight the fact that we are part of a global company with a long and rich heritage,” said Guilherme Gerdau Johannpeter, vice president of Gerdau Special Steel North America. “This heritage is distinguished by the excellence of our production processes, the quality of our products and the passion of our people.”

Though the new brand launches today, changes will occur gradually over the next 12 to 18 months. Marketing materials, including road signs, product tags, purchase orders and order confirmations, will be replaced during that time. Among the immediate changes are new website addresses, www.gerdau.com/longsteel, which will replace www.gerdauameristeel.com and www.gerdau.com/specialsteel, which will replace www.gerdaumacsteel.com.

History with many achievements: growth in Brazil and abroad

110 years ago, João Gerdau and his son Hugo laid the foundation of the nail factory in Porto Alegre (Brazil). From there, a successful business legacy was built marked by the entrepreneurial spirit of the following generations of the Johannpeter family. Today the company's management includes members of the fourth and fifth generation of the family.

In 1946, Curt Johannpeter, Hugo's son-in-law, took over the company and led it through a decisive phase of business expansion—the beginning of steel production. In 1948 it acquired the Riograndense mill, also located in Porto Alegre (Brazil), to ensure the supply of raw material. The new plant anticipated the mini-mill concept, a model based on the use of scrap and regional sales, which has kept its operating costs more competitive.

The first step in the internationalization process occurred in Uruguay with the acquisition of Laisa in 1980. This move was followed with the purchase of Courtice Steel located in the province of Ontario (Canada) in 1989. Over the next years, the expansion of the business outside Brazil resulted in the entry of markets in Chile, Argentina, United States, Colombia, Spain, Peru, Mexico, Venezuela, Dominican Republic, Guatemala, and India.

For the next five years (2011-2015), as previously announced, Gerdau will invest R \$10.8 billion (\$6.6 billion USD) to meet the rising global demand for steel.

About Gerdau

Gerdau is the leading producer of long steel in the Americas and one of the largest suppliers of special long steel in the world. It has over 45,000 employees and industrial operations in 14 countries with operations in the Americas, Europe, and Asia, which together represent an installed capacity of over 25 million metric tons of steel per year. It is the largest recycler in Latin America and around the world it transforms millions of metric tons of scrap into steel every year.

Gerdau is listed on the stock exchanges of São Paulo, New York, and Madrid and has around 140,000 shareholders.

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