



**Attn: Trading and Market Making/Legal and Compliance/Operations/Systems**  
**UNIFORM PRACTICE ADVISORY (UPC # 056-2005) June 14, 2005**

**Paranapanema S.A. – American Depositary Receipts (OTC:PNPPY)**

Concurrent with a 1-2000 Reverse Stock Split of the preferred shares of Paranapanema S.A., the outstanding ADR (PNPPY) has undergone a ratio change from 1 ADR representing 4000 preferred shares (1:4000) to 1 ADR representing 2 preferred shares (1:2).

The ratio change was effective June 9, 2005 and should not result in a price adjustment to PNPPY.

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  
Director