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VALLEY OF THE RIO DOCE CO
Form 6-K
May 16, 2002

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FORM 6-K

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 or 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934

For MAY 16, 2002

Companhia Vale do Rio Doce
(Exact name of Registrant as specified in its charter)

Valley of the Doce River Company
(Translation of Registrant's name into English)

Federative Republic of Brazil
(Jurisdiction of incorporation or organization)

Avenida Graca Aranha, No. 26
20005-900 Rio de Janeiro, RJ, Brazil
(Address of principal executive offices)

[Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:]

FORM 20-F

FORM 40-F

[Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the +Commission pursuant to rule 12g3-2(b) under the Securities Exchange Act of 1934.]

YES

NO

[If "Yes " is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):] Not applicable

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Companhia Vale do Rio Doce

TABLE OF CONTENTS

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This Form 6-K contains the following:

| Item ----- | Sequential Page Number ----- |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|
| 1. Management Discussion and Analysis of the Operating Results for the Three Months Ended March 31, 2002 Compared with Three Months Ended March 31, 2001..... | 4 |
| 2. Index to Consolidated Financial Statements..... | 66 |
| 3. Press Release entitled "Companhia Vale Do Rio Doce First (Brazilian GAAP)Quarter Performance in 2002" dated May 15, 2002 | 84 |
| 4. Press Release entitled "Companhia Vale Do Rio Doce First (US GAAP) Quarter Performance in 2002" dated May 15, 2002 | 106 |

This Report on Form 6-K is incorporated by reference into the registration statement on Form F-4, filed by Companhia Vale Do Rio Doce on March 21, 2002, and into the prospectus that forms part of that registration statement.

Item 1

CONTENTS

| PART I | PAGE |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|------|
| 1- Management's Discussion and Analysis of the Operating Results for Three Months Ended March 31, 2002 Compared with Three Months Ended March 31, 2001 | 03 |
| 1.1- General Aspects | 03 |
| 1.2- Comments on the Consolidated Results | 04 |
| 1.2.1- Consolidated Gross Revenue | 04 |
| 1.2.2- Cost of Products and Services | 05 |
| 1.3- Comments on the Parent Company Results | 05 |
| 1.3.1- Gross Revenues | 05 |
| 1.3.2- Cost of Products and Services | 07 |
| 1.3.3- Result of Shareholdings | 07 |
| 1.3.4- Operating Expenses | 09 |
| 1.3.5- Net Financial Result | 09 |

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| | | |
|--------------------------------------------------------------|----------------------------------------------------------------------------|----|
| | 1.3.6- Discontinued Operations - 2001 | 09 |
| | 1.3.7- Cash Flow | 09 |
| | 1.3.8- Income Tax and Social Contribution | 09 |
| PART II | | |
| QUARTERLY INFORMATION AND NOTES TO THE QUARTERLY INFORMATION | | |
| 2- | Balance Sheet | 10 |
| 3- | Statement of Income | 11 |
| 4- | Statement of Changes in Stockholders' Equity | 12 |
| 5- | Statement of Cash Flows (Additional Information) | 13 |
| 6- | Notes to the Quarterly Information at March 31, 2002 and 2001 | 14 |
| | 6.1- Operations | 14 |
| | 6.2- Presentation of Quarterly Information | 14 |
| | 6.3- Significant Accounting Policies | 14 |
| | 6.4- Cash and Cash Equivalents | 14 |
| | 6.5- Accounts Receivable from Customers | 15 |
| | 6.6- Transactions with Related Parties | 15 |
| | 6.7- Inventories | 15 |
| | 6.8- Deferred Income Tax and Social Contribution | 16 |
| | 6.9- Investments | 17 |
| | 6.10- Property, Plant and Equipment | 20 |
| | 6.11- Loans and Financing | 21 |
| | 6.12- Securitization Program | 22 |
| | 6.13- Contingent Liabilities | 23 |
| | 6.14- Environmental and Site Reclamation and Restoration Costs | 24 |
| | 6.15- Pension Plan - VALIA | 24 |
| | 6.16- Capital | 25 |
| | 6.17- American Depositary Receipts (ADR) Program | 26 |
| | 6.18- Treasury Stock | 26 |
| | 6.19- Financial Results | 27 |
| | CVRD | 1 |
| | 6.20- Financial Instruments - Derivatives | 27 |
| | 6.21- Exchange Rate Exposure | 29 |
| | 6.22- Subsequent Events | 29 |
| PART III | | |
| 7- | Other Information the Company Deems Relevant | 30 |
| | 7.1- Net Accumulated Income in R\$ Million | 30 |
| | 7.2- Factors Affecting the Net Income in the Last 12 months in R\$ Million | 30 |
| | 7.3- Business Performance Ratios | 31 |
| | 7.4- Segment and Geographic Information | 31 |
| | 7.5- Share Performance on Stock Exchanges (Unaudited) | 33 |
| | 7.6- Capital Expenditures (Unaudited) | 34 |
| | 7.7- Operations for the Period Ended March (Unaudited) | 34 |
| | 7.8- Changes in Prices (Unaudited) | 35 |
| | 7.9- Iron Ore and Pellet Sales (Main Markets) (Unaudited) | 36 |
| | 7.10- Shareholding Interests Organizational Chart at 03/31/02 | 37 |
| | 7.11- Information about ZAGAlA (Unaudited) | 38 |

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| | | |
|-------|-----------------------------------------------------------------------------------------------------|----|
| 7.12- | Information about RDE (Unaudited) | 38 |
| 8- | Attachment I - Equity Investment Information | 39 |
| 8.1- | Aluminum Area - ALBRAS (Adjusted and Unaudited) | 39 |
| 8.2- | Aluminum Area - ALUNORTE (Adjusted and Unaudited) | 40 |
| 8.3- | Aluminum Area - ALUVALE (Adjusted and Unaudited) | 41 |
| 8.4- | Aluminum Area - MRN (Adjusted and Unaudited) | 42 |
| 8.5- | Aluminum Area - VALESUL (Adjusted and Unaudited) | 43 |
| 8.6- | Pelletizing Affiliates - HISPANOBRAS (Adjusted and Unaudited) | 44 |
| 8.7- | Pelletizing Affiliates - ITABRASCO (Adjusted and Unaudited) | 45 |
| 8.8- | Pelletizing Affiliates - KOBRASCO (Adjusted and Unaudited) | 46 |
| 8.9- | Pelletizing Affiliates - NIBRASCO (Adjusted and Unaudited) | 47 |
| 8.10- | Pelletizing Affiliates - SAMARCO (Adjusted and Unaudited) | 48 |
| 8.11- | Iron Ore Area - FERTECO (Adjusted and Unaudited) | 49 |
| 8.12- | Manganese and Ferro Alloys Area - SIBRA (Adjusted and Unaudited) | 50 |
| 8.13- | Manganese and Ferro Alloys Area - CPFL (Adjusted and Unaudited) | 51 |
| 9- | Report of Independent Accountants | 52 |
| 10- | Members of the Board of Directors, Audit Committee, Chief Executive Officer and Executive Directors | 53 |
| 2 | CVRD | |

PART I

Expressed in thousands

- 1- MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE OPERATING RESULTS FOR THREE MONTHS ENDED MARCH 31, 2002 COMPARED WITH THREE MONTHS ENDED MARCH 31, 2001
- 1.1- General Aspects
- (a) The Company's segments of business are mining, logistics and energy, as follows:
- . Ferrous minerals: includes iron ore and pellets as well as manganese and ferro-alloys;
 - . Non-ferrous minerals: includes gold, kaolin, potash and copper;
 - . Logistics: includes railroads, ports and maritime terminals and shipping;
 - . Energy: includes electric power generation; and
 - . Shareholdings: includes interests in producers of aluminum, steel and fertilizers.
- (b) The variations of the main currencies and indexes at 03/31/02 and 03/31/01 in terms of percentages in relation to the real, which impacted the results of the Company and its subsidiaries, jointly controlled companies and affiliates, were as follows:

(DELTA)% Currencies / Indexes

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| Period | U.S. DOLLAR | YEN | GOLD | IGPM | TJLP | US\$ x R\$ | US\$ |
|----------|-------------|-------|-------|------|------|------------|------|
| 03/31/02 | 0.1 | (1.1) | 7.7 | 0.5 | 2.4 | 2.3236 | 1 |
| 03/31/01 | 10.6 | 0.2 | (5.8) | 1.4 | 2.2 | 2.1616 | 1 |

About 63% of the Company's gross revenue at 03/31/02 and 61% of the consolidated revenue is derived from exports and, additionally, part of domestic sales are denominated in U.S. dollars, while the costs are in mainly incurred in reais. Consequently, fluctuations in the exchange rate between the two currencies have a significant impact on the operating cash flows;

Approximately 95% of the short-term and long-term loans of the Company at 03/31/02 are denominated in U.S. dollars. As a result, exchange rate fluctuations have a significant impact on the financial expenses (Notes 6.11 and 6.19);

CVRD

3

1.2- Comments on the Consolidated Results

1.2.1- Consolidated Gross Revenue

The following table shows sales volume and revenues by products and services at 03/31/02:

| | In thousands of metric tons (except gold) | In millions of reais |
|-----------------------------|-------------------------------------------------|-------------------------|
| Iron ore | 32,566 | 1,157,520 |
| Pellets | 5,840 | 507,124 |
| | ----- | ----- |
| | 38,406 | 1,664,644 |
| Railroad transportation | 15,892 | 206,168 |
| Sea transportation | 16,840 | 40,144 |
| Port services | 6,008 | 59,134 |
| Gold (kg) | 3,591 | 79,932 |
| Manganese and Ferrou Alloys | 312 | 176,557 |
| Potash | 113 | 37,794 |
| Steel | 430 | 259,661 |
| Aluminum | 2,268 | 229,331 |
| Kaolin | 63 | 24,436 |
| Other products and services | - | 22,751 |

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 2,800,552
 =====

03/31/02 - R\$ 2,800,552 / US\$ 1,176,667

[THE FOLLOWING TABLES WERE REPRESENTED BY PIE CHARTS IN THE PRINTED MATERIALS.]

PER MARKET

| From Brazil ----- | From Abroad ----- |
|----------------------|----------------------|
| R\$ 1,694,639 | R\$ 364,708 |
| US\$ 712,016 | US\$ 153,231 |
| EM 74% | R\$ 741,205 |
| | US\$ 311,420 |
| | IM 26% |

PER PRODUCT

| | |
|------------------------------|-----|
| Manganese, potash and others | 9% |
| Iron ore | 42% |
| Pellets | 18% |
| Steel | 9% |
| Aluminum | 8% |
| Transport | 11% |
| Gold | 3% |

4

CVRD

1.2.2- Consolidated Cost of Products and Services

By category

| | 03/31/02 ----- |
|----------------------------|--------------------|
| Personnel | 192,830 |
| Material | 264,889 |
| Oil and gas | 127,351 |
| Outsourced services | 182,170 |
| Energy | 112,432 |
| Others | 141,115 |
| | ----- |
| Sub total | 1,020,787 |
| Acquisition of products | 262,951 |
| Depreciation and depletion | 246,297 |
| | ----- |
| Total | 1,530,035 ===== |

1.3- Comments on the Parent Company Results

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The net income of the Company for 03/31/02 was R\$ 633,138, a 4% decrease on the R\$ 659,978 on 03/31/01, reducing the earnings per share to R\$ 1.65 on 03/31/02 from R\$ 1.71 on 03/31/01.

The decrease of 1.8% in the gross margin (44.8% on 03/31/02, against 46.6% on 03/31/01) was due to cost of products and services increase of 20.8% (from R\$ 705,326 on 03/31/01 to R\$ 852,078 on 03/31/02), while gross revenue rose 16,4% (from R\$ 1,374,923 on 03/31/01 to _____ R\$ 1,600,803 on 03/31/02). In the first quarter of 2002, the market of pellets decreased in terms of sales' volumes. This decrease was monetarily offset by the valorization of the US dollar against the real, due to exports.

1.3.1- Gross Revenues

Gross revenues increased 16,4% (from R\$ 1,374,923 on 03/31/01 to R\$ 1,600,803 on 03/31/02). This reflects the strengthening of the U.S. dollar against the real as well as a growth in iron ore and gold sales volume, offset in part by a decrease in the volumes of other products and services sold. The increase in iron ore sales is due to the acquisition of mining operations formerly belonging to Samitri in May 2001. However, these events also resulted in a decrease in gross revenue from railroad transport and port services since CVRD ceased to sell these services to Socoimex and absorbed related costs.

CVRD

5

The following table shows sales volume and revenues by products and services:

| | In thousands of metric tons (except gold) | | | (DELTA) % | In |
|-------------------------|----------------------------------------------|----------|--------|-----------|----------|
| | 03/31/02 | 03/31/01 | | | 03/31/02 |
| External market | | | | | |
| Iron ore | 21,916 | 17,373 | 26.1 | 751,434 | |
| Pellets | 2,563 | 3,045 | (15.8) | 174,914 | |
| | 24,479 | 20,418 | 19.9 | 926,348 | |
| Internal market | | | | | |
| Iron ore | 8,463 | 9,173 | (7.7) | 237,887 | |
| Pellets | 721 | 584 | 23.5 | 70,540 | |
| | 9,184 | 9,757 | (5.9) | 308,427 | |
| Total | | | | | |
| Iron ore | 30,379 | 26,546 | 14.4 | 989,321 | |
| Pellets | 3,284 | 3,629 | (9.5) | 245,454 | |
| | 33,663 | 30,175 | 11.6 | 1,234,775 | |
| Railroad transportation | 13,258 | 16,611 | (20.2) | 187,918 | |

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| | | | | |
|-----------------------------|-------|-------|---------|-----------|
| Port services | 5,517 | 9,355 | (41.0) | 42,454 |
| Gold (kg) | 3,591 | 3,367 | 6.7 | 79,932 |
| Manganese | - | 161 | (100.0) | - |
| Potash | 113 | 133 | (15.0) | 37,794 |
| Other products and services | - | - | - | 17,930 |
| | | | | ----- |
| | | | | 1,600,803 |
| | | | | ===== |

Operating Revenue 03/31/02 - R\$ 1,600,803 / US\$ 675,586

[THE FOLLOWING TABLES WERE REPRESENTED BY PIE CHARTS IN THE PRINTED MATERIALS.]

PER MARKET

| | | |
|------|---------|---------------|
| | IM 37% | EM 63% |
| R\$ | 320,180 | R\$ 1,006,280 |
| US\$ | 134,525 | US\$ 425,794 |
| R\$ | | |
| R\$ | 274,343 | |
| US\$ | 115,267 | |

PER PRODUCT

| | |
|-------------------|-----|
| Potash and others | 4% |
| Iron ore | 62% |
| Pellets | 15% |
| Transport | 14% |
| Gold | 5% |

PER CURRENCIES*

| | |
|------|-----|
| R\$ | 17% |
| US\$ | 83% |

(*) Part of sales to the internal market are in U.S. dollars.

6

CVRD

1.3.2- Cost of Products and Services

The increase of 20.8% in the cost of products and services (from R\$ 705,326 on 03/31/01 to R\$ 852,078 on 03/31/02).The incorporation of Samitri also contributed to the increase of cost of products and services. The following table shows each component of the cost of products and services, and the change between periods :

By category

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| | Denominated | | 03/31/02 | 03/31/01 |
|-------------------------------------|-------------|---------|----------|----------|
| | R\$ | US\$ | | |
| Personnel | 122,249 | - | 122,249 | 96,777 |
| Material | 52,414 | 61,282 | 113,696 | 91,677 |
| Oil and gas | 55,888 | 23,952 | 79,840 | 74,257 |
| Outsourced services | 127,221 | 1,155 | 128,376 | 94,847 |
| Energy | 27,388 | - | 27,388 | 18,257 |
| Others | 27,551 | 35,360 | 62,911 | 46,147 |
| Subtotal | 412,711 | 121,749 | 534,460 | 421,947 |
| Acquisition of iron ore and pellets | 5,292 | 138,009 | 143,301 | 168,057 |
| Depreciation and depletion | 149,898 | - | 149,898 | 111,217 |
| Amortization of goodwill | 24,419 | - | 24,419 | 4,107 |
| Total | 592,320 | 259,758 | 852,078 | 705,327 |
| | 70% | 30% | 100% | |

1.3.3- Result of Shareholdings

The results of shareholdings by business area are as follows:

| Business Area | 03/31/02 | 03/31/01 |
|-------------------------------|----------|----------|
| Ferrous | | |
| .. Iron ore and pellets | 151,354 | 103,079 |
| .. Manganese and ferro-alloys | 20,191 | (18,765) |
| Non-ferrous | 4,817 | (4,223) |
| Logistics | (75,883) | 37,341 |
| Investments | | |
| .. Steel | (8,713) | 168,119 |
| .. Pulp and paper | 6,832 | 3,943 |
| .. Aluminum | 65,111 | 17,313 |
| .. Fertilizers | 3,759 | 1,362 |
| Others | (15,563) | - |
| | 151,905 | 308,169 |

The numbers reported per area do not necessarily reflect the individual results of each company, but rather the amounts effectively applicable to the business area.

Equity earnings, decreasing from a gain of R\$ 308,169 on 03/31/01 to R\$ 151,905 on 03/31/02. This variation was due to a combination of the following factors:

Ferrous

(a) Iron ore and pellets

- .. ITACO - An improved equity result of R\$ 30,456 (a gain of R\$ 51,333 on 03/31/02 against a gain of R\$ 20,877 on 03/31/01). In operational terms, iron ore sales volume increased by 39.7% (14,266 thousand tons in 2002 against 10,213 thousand tons in 2001).

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- .. KOBRASCO - An improved equity result of R\$ 7,516 (a gain of R\$ 1,524 on 03/31/02 versus a loss of R\$ 5,992 on 03/31/01), due to the reduced negative effects of exchange rate variation on debt in 2002 compared with 2001 and an increase in the average sale price of

CVRD

7

- 2.9% (US\$ 31.69 per ton on 03/31/02 against US\$ 30.79 per ton on 03/31/01), offset in part by a 12.7% decrease in sales volume (856 thousand tons on 03/31/02 against 981 thousand tons on 03/31/01).
- .. NIBRASCO - A reduction in the equity result of R\$ 3,701 (a loss of R\$ 2,174 on 03/31/02 against a gain of R\$ 1,527 on 03/31/01), caused by a 50.2% fall in sales volume (1,000 thousand tons in 2002 against 2,010 thousand tons in 2001), while the average sales price remained virtually stable (US\$ 30.39 per ton on 03/31/02 versus US\$ 30.31 per ton on 03/31/01).
- .. RDE - A reduction in the equity result of R\$ 39,454 (a gain of R\$ 34,103 on 03/31/02 against a gain of R\$ 73,557 on 03/31/01), due basically to a lesser appreciation of the dollar against the real (a positive exchange rate variation of R\$ 3,058 on 03/31/02 versus a positive exchange rate variation of R\$ 64,940 on 03/31/01).
- .. SAMARCO - A positive equity result of R\$ 25,200 (a gain of R\$ 29,048 on 03/31/02 against a gain of R\$ 3,848 on 03/31/01), due to a reduction of negative effects at the exchange rate variation on debt. In operational terms, sales volume fell by 2.9% (3,301 thousand tons on 03/31/02 against 3,399 thousand tons on 03/31/01) and the average sales price fell by 1.2% (US\$ 28.48 per ton on 03/31/02 against US\$ 28.83 per ton on 03/31/01).
- .. FERTECO - A positive equity result of R\$ 29,051 was recorded in 2002. The company was acquired in April 2001.

(b) Manganese and Ferro-alloys

- .. RDME - A reduction in the equity result of R\$ 6,482 (a loss of R\$ 2,277 on 03/31/02 versus a gain of R\$ 4,205 on 03/31/01), due basically to the smaller appreciation of the French franc against the real as of 03/31/02.
- .. SIBRA - A better result from shareholding interest of R\$ 39,107 (a gain of R\$ 33,296 on 03/31/02 versus a loss of R\$ 5,811 on 03/31/01), due to a 31.8% increase in manganese and ferroalloy sales of, respectively, 31.8% (278 thousand tons on 03/31/02 against 211 thousand tons on 03/31/01) and 16.0% (29 thousand tons on 03/31/02 against 25 thousand tons on 03/31/01), respectively, as well as a 32.0% increase in the average price of manganese (US\$ 55.11 per ton on 03/31/02 against US\$ 41.74 per ton on 03/31/01), offset partly by a 23.5% fall in the price of ferroalloys (US\$ 445.67 per ton on 03/31/02 against US\$ 582.53 per ton on 03/31/01),
- .. URUCUM - An improved equity result of R\$ 6,943 (a gain of R\$ 8,685 on 03/31/02 against a gain of R\$ 1,742 on 03/31/01), due mainly to an increase of 167.6% in manganese sales (91 thousand tons on 03/31/02 against 34 thousand tons on 03/31/01).

Non-ferrous

- .. PARA PIGMENTOS - A positive equity result of R\$ 5,001 on 03/31/02 against

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a loss of R\$ 4,243 on 03/31/01, due to goodwill amortization.

Logistics

- .. DOCENAVE - A reduction in the equity result of R\$ 21,622 (a gain of R\$ 17,495 on 03/31/02 against a gain of R\$ 39,117 on 03/31/01), due to the lesser appreciation of the dollar against the real and a 30.0% decrease in average freight rates (US\$ 5.69 per ton carried on 03/31/02 against US\$ 8.13 per ton carried on 03/31/01).
- .. DOCEPAR - A negative equity result of R\$ 50,735 was recorded mainly due to fiscal contingency.
- .. FCA - R\$ 30,767 of amortization of goodwill was booked on 03/31/02, along with R\$ 6.041 as a provision for losses, the latter arising from the negative effects of exchange rate variation on debt. In 2001, the provision was constituted starting in the third quarter. CVRD's interest in FCA is held through its subsidiary Tacuma.

Shareholdings

(a) Steel

- .. CSI - A reduction in the equity result of R\$ 35,442 (a gain of R\$ 617 on 03/31/02 against a gain of R\$ 36,059 on 03/31/01), caused by the lesser appreciation of the dollar against the real (positive exchange rate variation of R\$ 617 on 03/31/02 versus a positive variation of R\$ 38,019 on 03/31/01).
- .. CSN - An equity result of R\$ 107,522 was recorded on 03/31/01 due to unwinding the cross shareholdings between CVRD and CSN carried out in March 2001.
- .. CST - A better equity result of R\$ 9,146 (a loss of R\$ 2,638 on 03/31/02 against a loss of R\$ 11,784 on 03/31/01), due mainly to the effect of devaluation of the real on indebtedness.

8

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(b) Aluminum

- .. ALBRAS - A better equity result of R\$ 39,480 (a gain of R\$ 38,731 on 03/31/02 against a loss of R\$ 749 on 03/31/01), due to reduced negative effects of exchange rate variation on the company's debt. In operational terms, the average aluminum sales price fell 13.9% (US\$ 1,319.81 per ton on 03/31/02 compared with US\$ 1,532.90 per ton on 03/31/01) and sales volume fell by 2.2% (88 thousand tons on 03/31/02 against 90 thousand tons on 03/31/01).
- .. ALUNORTE - A better equity result of R\$ 25,203 (a gain of R\$ 4,526 on 03/31/02 against a loss of R\$ 20,677 on 03/31/01), due to reduced negative effects of exchange rate variation on the company's debt. Operationally, the average sales price of alumina fell 18.7% (US\$ 161.55 per ton on 03/31/02 versus US\$ 198.83 per ton on 03/31/01) and sales volume increased 17.6% (427 thousand tons on 03/31/02 versus 363 thousand tons on 03/31/01).
- .. MRN - A reduction in the equity result of R\$ 5,091 (a gain of R\$ 9,776 on

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03/31/02 against a gain of R\$ 14,867 on 03/31/01), due to a decrease in sales volume of 18.5% (1,781 thousand tons on 03/31/02 compared with 2,185 thousand tons on 03/31/01).

- .. VALESUL - A reduction in the equity result of R\$ 979 (a gain of R\$ 3,415 on 03/31/02 against a gain of R\$ 4,394 on 03/31/01), caused by a decrease of 18.3% in the average sales price (US\$ 1,720.97 per ton on 03/31/02 against US\$ 2,107.06 per ton on 03/31/01), offset partly by a 31.3% rise in sales volume (21 thousand tons on 03/31/02 versus 16 thousand tons on 03/31/01)
- .. ALUVALE - A reduction in the equity result (own operations) of R\$ 2,520 (a gain of R\$ 8,477 on 03/31/02 against a gain of R\$ 10,997 on 03/31/01).
- .. ITACO - A reduction in the equity result of R\$ 8,295 (a gain of R\$ 186 on 03/31/02 against a gain of R\$ 8,481 on 03/31/01), due to a 47% fall in bauxite sales volume. The average sales prices of aluminum, alumina and bauxite, fell, respectively, by 13.4%, 25.7% and 31.2%.

1.3.4- Operating Expenses

The operating expenses decreased R\$ 7,322 (R\$ 184,666 on 03/31/01 against R\$ 191,988 on 03/31/02), basically due to an increase of administrative expenses, partially offset by a decrease in other operating expenses since contingent liabilities registered R\$ 36 millions of expenses on March, 2001 against R\$ 2 millions of income on March, 2002.

1.3.5- Net Financial Result

The net financial result increased R\$ 338,027 (R\$ 388,357 on 03/31/01 compared to R\$ 50,330 on 03/31/02), mainly due to the exchange rate variations on the net Company debt (Note 6.19).

1.3.6- Discontinued Operations - 2001

The result reflects basically gains on sale of the Company's interest in Bahia Sul of R\$ 230,384.

1.3.7- Cash Flow

The operating cash flow measured by EBITDA (earnings before interest, income tax, depreciation, amortization and depletion) was R\$ 727,811 on 03/31/02, reflecting an increase of 5.5% over 2001, which was R\$ 689.975 (item 7.4).

1.3.8- Income Tax and Social Contribution

Income tax and social contribution was a credit of R\$ 31,374 (credit of R\$ 66,840 on 03/31/01), after recognizing the benefit from paying interest on stockholders' equity of R\$ 107,680 on 03/31/02 (R\$ 112,196 on 03/31/01) (Note 6.8).

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QUARTERLY INFORMATION AND NOTES TO THE QUARTERLY INFORMATION

(A free translation of the original in Portuguese relating to the financial statements prepared in accordance with the requirements of Brazilian Corporate Law)

| 2- BALANCE SHEET | In thousands of reais | | |
|------------------------------------------------|-----------------------|------------|------------|
| | Notes | 03/31/02 | 12/31/01 |
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 6.4 | 1,260,372 | 645,346 |
| Accounts receivable from customers | 6.5 | 961,100 | 919,855 |
| Related parties | 6.6 | 1,356,024 | 1,010,878 |
| Inventories | 6.7 | 415,021 | 447,517 |
| Taxes recoverable | - | 97,907 | 96,289 |
| Deferred income tax and social contribution | 6.8 | 638,759 | 613,375 |
| Others | - | 256,986 | 256,911 |
| | | 4,986,169 | 3,990,171 |
| Long-term receivables | | | |
| Related parties | 6.6 | 1,424,072 | 1,356,055 |
| Loans and financing | - | 262,436 | 298,540 |
| Deferred income tax and social contribution | 6.8 | 297,262 | 296,677 |
| Judicial deposits | 6.13 | 539,226 | 516,268 |
| Others | - | 38,889 | 39,153 |
| | | 2,561,885 | 2,506,693 |
| Permanent assets | | | |
| Investments | 6.9 | 8,518,246 | 8,347,468 |
| Property, plant and equipment | 6.10 | 7,764,886 | 7,580,877 |
| | | 16,283,132 | 15,928,345 |
| | | 23,831,186 | 22,425,209 |
| Liabilities and stockholders' equity | | | |
| Current liabilities | | | |
| Short-term debt | 6.11 | 1,774,835 | 927,409 |
| Current portion of long-term debt | 6.11 | 356,672 | 386,866 |
| Payable to suppliers and contractors | - | 446,208 | 522,805 |
| Related parties | 6.6 | 678,482 | 715,579 |
| Provision for interest on stockholders' equity | - | 316,569 | - |
| Interest on stockholders' equity - 2001 | - | 783,837 | 784,003 |
| Payroll and related charges | - | 102,488 | 118,212 |
| Pension Plan | 6.15 | 63,896 | 64,506 |
| Others | - | 126,016 | 103,568 |
| | | 4,649,003 | 3,622,948 |
| Long-term liabilities | | | |
| Long-term debt | 6.11 | 3,359,584 | 3,325,614 |
| Related parties | 6.6 | 2,086,651 | 2,053,601 |
| Deferred income tax and social contribution | 6.8 | 81,692 | 87,097 |
| Provisions for contingencies | 6.13 | 903,816 | 893,726 |

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| | | | |
|----------------------|------|------------|------------|
| Pension Plan | 6.15 | 425,580 | 429,325 |
| Others | - | 241,971 | 246,335 |
| | | ----- | ----- |
| | | 7,099,294 | 7,035,698 |
| | | ----- | ----- |
| Stockholders' equity | | | |
| Paid-up capital | 6.16 | 4,000,000 | 4,000,000 |
| Capital reserves | - | 443,684 | 443,684 |
| Revenue reserves | - | 7,639,205 | 7,322,879 |
| | | ----- | ----- |
| | | 12,082,889 | 11,766,563 |
| | | ----- | ----- |
| | | 23,831,186 | 22,425,209 |
| | | ===== | ===== |

The additional information, notes and attachment I are an integral part of these statements.

CVRD

11

(A free translation of the original in Portuguese relating to the quarterly information prepared in accordance with the requirements of Brazilian Corporate Law)

| 3- STATEMENT OF INCOME | In thousands of reais | | |
|-------------------------------|-----------------------|-----------|-----------|
| | Notes | 03/31/02 | 03/31/01 |
| | ----- | ----- | ----- |
| Operating revenues | | | |
| Sales of ore and metals | | | |
| Iron ore and pellets | | 1,234,775 | 993,847 |
| Gold | | 79,932 | 57,463 |
| Others | | 37,784 | 54,143 |
| | | ----- | ----- |
| | | 1,352,491 | 1,105,453 |
| Railroad and port services | | 230,372 | 259,414 |
| Others | | 17,940 | 10,056 |
| | | ----- | ----- |
| | | 1,600,803 | 1,374,923 |
| Value Added taxes | | (56,548) | (54,171) |
| | | ----- | ----- |
| Net operating revenues | | 1,544,255 | 1,320,752 |
| | | ----- | ----- |
| Cost of products and services | | | |
| Ore and metals | | (673,324) | (522,759) |
| Railroad and port services | | (88,192) | (98,892) |
| Others products and services | | (90,562) | (83,675) |
| | | ----- | ----- |
| | | (852,078) | (705,326) |
| | | ----- | ----- |
| Gross profit | | 692,177 | 615,426 |
| Gross margin | | 44.8% | 46.6% |
| Operating expenses | | | |
| Selling | | (28,172) | (24,981) |
| Administrative | | (98,751) | (56,074) |
| Research and development | | (21,257) | (19,592) |

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| | | | |
|-------------------------------------------------------------------------------------|------|-----------|-----------|
| Other operating expenses, net | | (43,808) | (84,019) |
| | | ----- | ----- |
| | | (191,988) | (184,666) |
| | | ----- | ----- |
| Operating profit before financial result and result of investment participations | | 500,189 | 430,760 |
| Result of investment participations | 6.9 | | |
| Gain on investments accounted for by the equity method | | 284,115 | 298,000 |
| Amortization of goodwill | | (66,188) | (25,691) |
| Provision for losses | | (66,750) | 25,454 |
| Others | | 728 | 10,406 |
| | | ----- | ----- |
| | | 151,905 | 308,169 |
| Financial result, net | 6.19 | | |
| Financial expenses (income) | | (73,799) | (57,266) |
| Monetary and exchange rate variation, net | | 23,469 | (331,091) |
| | | ----- | ----- |
| | | (50,330) | (388,357) |
| | | ----- | ----- |
| Operating profit | | 601,764 | 350,572 |
| Discontinued operations | | - | 242,566 |
| | | ----- | ----- |
| Income before income tax and social contribution | | 601,764 | 593,138 |
| Income tax and social contribution | 6.8 | 31,374 | 66,840 |
| | | ----- | ----- |
| Net income for the period | | 633,138 | 659,978 |
| | | ===== | ===== |
| Number of shares outstanding at the end of the period (in thousands) | | 383,839 | 385,032 |
| | | ===== | ===== |
| Net earnings per share outstanding at the end of the period (R\$) | | 1.65 | 1.71 |
| | | ===== | ===== |

The additional information, notes and attachment I are an integral part of these statements.

12

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(A free translation of the original in Portuguese relating to the quarterly information prepared in accordance with the requirements of Brazilian Corporate Law)

4- STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

In thousand

| | Capital | Capital reserves | Revenue reserves | Retained earnings |
|----------------------------------------|-----------|------------------|------------------|-------------------|
| | ----- | ----- | ----- | ----- |
| On December 31, 2000 | 3,000,000 | 740,887 | 6,824,704 | - |
| Treasury shares | - | - | (57,528) | - |
| Capitalization of reserves | 1,000,000 | (300,629) | (699,371) | - |
| Provision for pension plan liabilities | - | - | - | (22,160) |

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| | | | | |
|------------------------------------------------|-----------|---------|-----------|-------------|
| Result on exchange of shares | - | 3,426 | - | - |
| Net income for the year | - | - | - | 3,050,710 |
| Proposed appropriations: | | | | |
| Interest on stockholder's equity | - | - | - | (1,773,476) |
| Appropriation to revenue reserves | - | - | 1,255,074 | (1,255,074) |
| | ----- | ----- | ----- | ----- |
| On December 31, 2001 | 4,000,000 | 443,684 | 7,322,879 | - |
| | ----- | ----- | ----- | ----- |
| Treasury shares | - | - | (243) | - |
| Net income for the period | - | - | - | 633,138 |
| Provision for interest on stockholders' equity | - | - | - | (316,569) |
| | ----- | ----- | ----- | ----- |
| On March 31, 2002 | 4,000,000 | 443,684 | 7,322,636 | 316,569 |
| | ===== | ===== | ===== | ===== |

The additional information, notes and attachment I are an integral part of these statements.

CVRD

13

(A free translation of the original in Portuguese)

| 5- STATEMENT OF CASH FLOWS (ADDITIONAL INFORMATION) | In thousands of reais | |
|-----------------------------------------------------|-----------------------|-----------|
| | 03/31/02 | 03/31/01 |
| | ----- | ----- |
| Cash flows from operating activities: | | |
| Net income for the year | 633,138 | 659,978 |
| Adjustments to reconcile net income for the year | | |
| with cash provided by operating activities: | | |
| Result of investment participations | (151,905) | (308,169) |
| Depreciation, amortization and depletion | 144,733 | 119,597 |
| Deferred income tax and social contribution | (31,374) | (66,840) |
| Provision for contingencies | (1,814) | 36,345 |
| Discontinued operations | - | (242,566) |
| Net monetary and exchangerate variations on assets | | |
| and liabilities | (27,454) | 358,392 |
| Loss on disposal of property, plant and equipment | 2,562 | 1,408 |
| Dividends/interest on stockholders' equity received | 37,873 | 82,378 |
| Others | (12,932) | (7,595) |
| | ----- | ----- |
| | 592,827 | 632,928 |
| | ----- | ----- |
| Decrease(increase) in assets: | | |
| Accounts receivable | (41,813) | 513,076 |
| Inventories | 32,496 | (15,694) |
| Others | (2,880) | 24,622 |
| | ----- | ----- |
| | (12,197) | 522,004 |
| | ----- | ----- |
| Increase (decrease) in liabilities: | | |
| Suppliers and contractors | (76,597) | (37,068) |
| Payroll and related charges and others | (15,724) | (17,483) |
| Others | 21,670 | 17,269 |
| | ----- | ----- |

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| | | |
|----------------------------------------------------------------------------|-----------|-------------|
| | (70,651) | (37,282) |
| | ----- | ----- |
| Net cash provided by operating activities | 509,979 | 1,117,650 |
| | ----- | ----- |
| Cash flows from investing activities: | | |
| Loans and advances receivable | (391,518) | (209,089) |
| Guarantees and deposits | (22,366) | (16,895) |
| Additions to investments | (2,153) | (55,153) |
| Additions to property, plant and equipment | (321,746) | (215,617) |
| Proceeds from disposal of property, plant and equipment and investments | 623 | 1,146 |
| | ----- | ----- |
| Net cash used in investing activities | (737,160) | (495,608) |
| | ----- | ----- |
| Cash flows from financing activities: | | |
| Short-term debt | 856,712 | 845,938 |
| Long-term debt | 171,312 | 107,208 |
| Repayments: | | |
| Related parties | (69,087) | (410,218) |
| Financial institutions | (116,320) | (111,447) |
| Interest on stockholders' equity paid | (167) | (1,279,205) |
| Treasury shares | (243) | - |
| | ----- | ----- |
| Net cash used in financing activities | 842,207 | (847,724) |
| | ----- | ----- |
| Increase (decrease) in cash and cash equivalents | 615,026 | (225,682) |
| Cash and cash equivalents, beginning of the period | 645,346 | 1,569,185 |
| | ----- | ----- |
| Cash and cash equivalents, end of the period | 1,260,372 | 1,343,503 |
| | ===== | ===== |
| Cash paid during the period for: | | |
| Short-term interest | (9,409) | (11,967) |
| Long-term interest net of capitalization | (72,484) | (90,358) |
| Incometax and social contribution paid | - | (81,731) |
| Non-cash transactions: | | |
| Change in treasury stocks - CVRD | - | 2,805 |
| Conversion of loans into investments | 45,993 | - |

14

CVRD

(A free translation of the original in Portuguese relating to the quarterly information prepared in accordance with the requirements of Brazilian Corporate Law)

6- NOTES TO THE QUARTERLY INFORMATION AT MARCH 31, 2002 AND 2001

Expressed in thousands

6.1- Operations

Companhia Vale do Rio Doce - CVRD is a publicly traded corporation whose predominant activities are mining, processing and sale of iron ore, pellets, gold and potash, as well as port and railroad transportation services and power generation. In addition, through its direct and indirect subsidiaries and jointly controlled companies, CVRD operates in logistics, geological studies and technological research services, steel and aluminum.

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6.2- Presentation of Financial Statements

The quarterly information have been prepared according to the accounting principles provided for in Brazilian corporate legislation as well as the rules and guidelines issued by the Comissao de Valores Mobiliarios - CVM (Brazilian Securities Commission) and IBRACON - Instituto dos Auditores Independentes do Brasil (Brazilian Independent Auditors Institute).

In order to provide better information to the market, the Company is presenting Statements of Cash Flow. The disclosure of this statement is stimulated by CVM according to the rule 01/00 from 01/31/00.

Certain amounts and classifications in the 2001 quarterly information have been adjusted to the criteria used on 03/31/02 for better comparability.

6.3- Significant Accounting Policies

- (a) The Company adopts the accrual basis of accounting;
- (b) Assets and liabilities that are realizable or due more than twelve months after the balance sheet date are classified as long-term;
- (c) Marketable securities classified as cash and cash equivalents are stated at cost plus accrued income earned through the balance sheet date;
- (d) Inventories are stated at average purchase or production cost, and imports in transit at the cost of each item, not exceeding market or realizable value;
- (e) Assets and liabilities in foreign currencies are translated at exchange rates in effect at the balance sheet date, and those in local currency are restated based on contractual indexes;
- (f) Investments in subsidiaries, jointly controlled companies and affiliated companies are accounted for by the equity method, based on the stockholders' equity of the investees, and when applicable increased/decreased by goodwill and negative goodwill to be amortized and provision for losses. Other investments are recorded at cost, less provision for unrealized losses when applicable;
- (g) Property, plant and equipment, including interest incurred during the construction period of large-scale projects, are recorded at historic cost (increased by monetary restatement up to 1995) and depreciated by the straight-line method, at rates that take into consideration the useful lives of the assets. Depletion of mineral reserves is based on the relation obtained between production and estimated capacity.

6.4- Cash and Cash Equivalents

| | 03/31/02 | 12/31/01 |
|-------------------------------------------|-----------|----------|
| | ----- | ----- |
| Marketable securities related to CDI (*) | 931,263 | 292,264 |
| Fixed-yield bond investments (funds) | 133,320 | 163,153 |
| Government securities (NBC-E, NTN-D, LFT) | 194,556 | 188,923 |
| Others | 1,233 | 1,006 |
| | ----- | ----- |
| | 1,260,372 | 645,346 |
| | ===== | ===== |

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(*) For part of these investments the Company, contracted swap operations with financial institutions, related to interest rate and/or currency variations.

14

CVRD

6.5- Accounts Receivable from Customers

| | 03/31/02 | 03/31/01 |
|----------------------------------|----------|----------|
| | ----- | ----- |
| Domestic | 360,666 | 359,782 |
| Export | 638,965 | 600,928 |
| | ----- | ----- |
| | 999,631 | 960,710 |
| Allowance for doubtful accounts | (22,436) | (22,432) |
| Allowance for ore weight credits | (16,095) | (18,423) |
| | ----- | ----- |
| | 961,100 | 919,855 |
| | ===== | ===== |

6.6- Transactions with Related Parties

Derived from sales and purchases of products and services or from loans under normal market conditions, with maturities up to the year 2010, as follows:

| | Assets | |
|----------------------------------------------------------|-----------|-----------|
| | 03/31/02 | 12/31/01 |
| | ----- | ----- |
| Subsidiaries | | |
| Rio Doce International Finance Ltd. | 1,076,263 | 674,665 |
| Itabira Rio Doce Company Limited - ITACO | 417,609 | 397,896 |
| Mineracao Tacuma Ltda. | 392,907 | 215,364 |
| CVRD Overseas Ltd. | 105,019 | 76,107 |
| Docepar S.A. | 68,950 | 65,917 |
| SIBRA Eletrosiderurgica Brasileira S.A. | 23,461 | 58,076 |
| Brasilux S.A. | 50,410 | 56,302 |
| Vale do Rio Doce Aluminio S.A. - ALUVALE | 22,783 | 32,378 |
| Others | 162,947 | 121,083 |
| | ----- | ----- |
| | 2,320,349 | 1,697,788 |
| | ----- | ----- |
| Jointly controlled companies | | |
| ALUNORTE - Alumina do Norte do Brasil S.A. | 708,046 | 741,346 |
| Ferrovias Centro-Atlantica S.A. | 7,445 | 176,999 |
| Salobo Metais S.A. | 164,777 | 163,777 |
| Companhia Coreano-Brasileira de Pelotizacao - KOBRASCO | 80,413 | 80,437 |
| Companhia Hispano-Brasileira de Pelotizacao - HISPANOBAS | 38,665 | 47,809 |
| Companhia Nipo-Brasileira de Pelotizacao - NIBRASCO | 48,993 | 45,789 |
| Companhia Italo-Brasileira de Pelotizacao - ITABRASCO | 37,741 | 41,001 |
| Others | 137,977 | 108,569 |
| | ----- | ----- |
| | 1,224,057 | 1,405,727 |

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| | | |
|------------------------------------------------------------------------|-----------|-----------|
| Affiliates | 35,357 | 36,607 |
| | ----- | ----- |
| | 3,579,763 | 3,140,122 |
| | ===== | ===== |
| Represented by: | | |
| Commercial balances (sales and purchases of products and services) (*) | 799,667 | 773,189 |
| Short-term financial balances | 1,356,024 | 1,010,878 |
| Long-term financial balances | 1,424,072 | 1,356,055 |
| | ----- | ----- |
| | 3,579,763 | 3,140,122 |
| | ===== | ===== |

(*) Included in "Accounts receivable from customers" and "Payable to suppliers and contractors."

6.7- Inventories

| | 03/31/02 | 12/31/01 |
|--------------------------------------|----------|----------|
| | ----- | ----- |
| Finished products | | |
| . Iron ore and pellets | 116,908 | 167,430 |
| . Manganese | 1,442 | 2,516 |
| . Gold | 15,546 | 11,509 |
| . Others | 23,240 | 17,451 |
| | ----- | ----- |
| | 157,136 | 198,906 |
| Spare parts and maintenance supplies | 257,885 | 248,611 |
| | ----- | ----- |
| | 415,021 | 447,517 |
| | ===== | ===== |

CVRD

15

6.8- Deferred Income Tax and Social Contribution

Income of the Company is subject to the normal tax system. The balances of deferred assets and liabilities are presented as follows:

| | Deferred asset | |
|------------------------------------------------------------|----------------|----------|
| | 03/31/02 | 12/31/01 |
| | ----- | ----- |
| Tax loss carryforward | 207,904 | 224,388 |
| Temporary differences: | | |
| . Pension Plan | 167,131 | 168,288 |
| . Contingent liabilities | 253,907 | 243,311 |
| . Provision for losses on assets | 242,515 | 191,977 |
| . Provision for losses on derivative financial instruments | 26,580 | 25,911 |
| . Others | 37,984 | 56,177 |
| | ----- | ----- |
| | 936,021 | 910,051 |

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| | | |
|------------------------------------------------------------|---------|--------|
| Inflationary profit | - | |
| Capital reserve - special monetary restatement - Law 8,200 | - | |
| Accelerated depreciation | - | |
| Long-term sales | - | |
| Total | 936,021 | 910,05 |
| Short-term | 638,759 | 613,37 |
| Long-term | 297,262 | 296,67 |
| | 936,021 | 910,05 |

The realization of tax credits arising from temporary differences occurs at the time of effective payment of the provisions made, in accordance with tax law.

In addition to the credits recorded, the Company has a lawsuit pending claiming an additional 51.83% monetary restatement for tax purposes applied to the months of January and February 1989 ("Plano Verao" monetary plan). A favorable ruling has already been obtained for compensation of credits corresponding to 42.72% instead of the 51.83% requested. The amount of these credits covered by the ruling total approximately R\$ 405,000, and the accounting effects have not yet been recognized in the quarterly information.

The amounts reported as income tax and social contribution which affected income for the period are as follows:

| | |
|---------------------------------------------------------------------------------|----------|
| | 03/31/0 |
| Income before income tax and social contribution | 601,76 |
| (-) Result of investment participations | (151,90) |
| (-) Provision for losses on investments | (66,75) |
| Income tax and social contribution at combined tax rates | 383,10 |
| Federal income tax and social contribution at statutory rates | 34 |
| Adjustments to net income which modify the effect on the result for the period: | (130,25) |
| . Income tax benefit from interest on stockholders' equity | 107,68 |
| . Fiscal incentives | 17,86 |
| . Revision of prior period tax return | 37,03 |
| . Others | (94) |
| Income tax and social contribution | 31,37 |

16

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6.9- Investments

Partici- Adju-
pation stockhold
% eq

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| | ----- | ----- |
|---------------------------------------------------------------------|----------|--------|
| Subsidiaries | | |
| Florestas Rio Doce S.A. (c) | 99.85 | 93 |
| Itabira Internacional Servicos e Comercio Lda. (a, c, h) | 99.99 | 760 |
| Navegacao Vale do Rio Doce S.A. - DOCENAVE (c) | 100.00 | 368 |
| Rio Doce Europa Servicos e Comercio - RDE (a, c, i) | 99.80 | 2,313 |
| S.A. Mineracao da Trindade - SAMITRI (d) | 100.00 | |
| SIBRA Eletrosiderurgica Brasileira S.A. (c, d, e, m) | 99.21 | 242 |
| Vale do Rio Doce Aluminio S.A. - ALUVALE (c, f, j, m) | 94.74 | 891 |
| Ferteco Mineracao S.A. (c, d, l, m) | 100.00 | 215 |
| Others (c) | | |
| | | |
| Jointly controlled companies | | |
| Companhia Coreano-Brasileira de Pelotizacao - KOBRASCO (b, c, m) | 50.00 | 16 |
| Companhia Hispano-Brasileira de Pelotizacao - HISPANOBRAS (b, c, m) | 50.89 | 85 |
| Companhia Italo-Brasileira de Pelotizacao - ITABRASCO (b, c, m) | 50.90 | 60 |
| Companhia Nipo-Brasileira de Pelotizacao - NIBRASCO (b, c, m) | 51.00 | 78 |
| Companhia Siderurgica de Tubarao - CST (b, d, e) | 22.85 | 2,843 |
| Companhia Siderurgica Nacional - CSN (c, k) | - | |
| Minas da Serra Geral S.A. - MSG (b, c) | 51.00 | 53 |
| Samarco Mineracao S.A. (b, c, m) | 50.00 | 510 |
| Others (b, c) | | |
| | | |
| Affiliated companies | | |
| Ferrobán - Ferrovias Bandeirantes S.A. (c) | 18.74 | |
| Fertilizantes Fosfatados S.A. - FOSFERTIL (c, e) | 10.96 | 511 |
| Usinas Siderurgicas de Minas Gerais S.A. - USIMINAS (d, e) | 11.46 | 3,631 |
| | | |
| Investments at cost | | |
| | | |
| Provision for losses | | |
| CELMAR S.A. - Industria de Celulose e Papel (c) | | |
| Companhia Ferroviaria do Nordeste (c) | | |
| DOCEPAR S.A. (c) | | |
| Ferrovia Centro-Atlantica S.A. (c, g) | | |
| Others | | |
| | | |
| Amortization of goodwill | | |
| | | |
| Others | | |
| | | |
| Total | | |
| | ----- | Invest |
| | 03/31/02 | 12/ |

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| | | |
|---------------------------------------------------------------------|-----------|------|
| Subsidiaries | | |
| Florestas Rio Doce S.A. (c) | 93,700 | 9 |
| Itabira Internacional Servicos e Comercio Lda. (a, c, h) | 760,436 | 75 |
| Navegacao Vale do Rio Doce S.A. - DOCENAVE (c) | 368,115 | 35 |
| Rio Doce Europa Servicos e Comercio - RDE (a, c, i) | 2,309,339 | 2,21 |
| S.A. Mineracao da Trindade - SAMITRI (d) | 771,805 | 79 |
| SIBRA Eletrosiderurgica Brasileira S.A. (c, d, e, m) | 524,669 | 50 |
| Vale do Rio Doce Aluminio S.A. - ALUVALE (c, f, j, m) | 844,565 | 78 |
| Ferteco Mineracao S.A. (c, d, l, m) | 1,242,372 | 1,21 |
| Others (c) | 314,072 | 31 |
| | 7,229,073 | 7,03 |
| Jointly controlled companies | | |
| Companhia Coreano-Brasileira de Pelotizacao - KOBRASCO (b, c, m) | 8,304 | |
| Companhia Hispano-Brasileira de Pelotizacao - HISPANOBRAS (b, c, m) | 43,499 | 4 |
| Companhia Italo-Brasileira de Pelotizacao - ITABRASCO (b, c, m) | 30,657 | 2 |
| Companhia Nipo-Brasileira de Pelotizacao - NIBRASCO (b, c, m) | 40,128 | 4 |
| Companhia Siderurgica de Tubarao - CST (b, d, e) | 501,091 | 50 |
| Companhia Siderurgica Nacional - CSN (c, k) | - | |
| Minas da Serra Geral S.A. - MSG (b, c) | 27,354 | 2 |
| Samarco Mineracao S.A. (b, c, m) | 255,019 | 22 |
| Others (b, c) | 97,438 | 9 |
| | 1,003,490 | 97 |
| Affiliated companies | | |
| Ferrobarragem - Ferrovias Bandeirantes S.A. (c) | - | |
| Fertilizantes Fosfatados S.A. - FOSFERTIL (c, e) | 56,100 | 5 |
| Usinas Siderurgicas de Minas Gerais S.A. - USIMINAS (d, e) | 416,176 | 41 |
| | 472,276 | 47 |
| Investments at cost | 3,889 | |
| | 8,708,728 | 8,48 |
| Provision for losses | | |
| CELMAR S.A. - Industria de Celulose e Papel (c) | (59,246) | (5) |
| Companhia Ferroviaria do Nordeste (c) | (35,156) | (3) |
| DOCEPAR S.A. (c) | (95,675) | (3) |
| Ferrovia Centro-Atlantica S.A. (c, g) | - | (|
| Others | (405) | |
| | (190,482) | (13) |
| Amortization of goodwill | - | |
| Others | - | |
| Total | 8,518,246 | 8,34 |

(a) Equity in companies located abroad is converted into local currency at rates in effect on the quarterly information date. The calculation of the equity method adjustment comprises the difference due to exchange rate variations, as well as participation in results;

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- (b) Notwithstanding the stockholdings, the classification as a jointly controlled company results from the degree of control exercised by the Company, which is shared with other partners;
- (c) Companies whose quarterly information were not reviewed by independent accountants;

CVRD

17

- (d) Goodwill and negative goodwill on investments are as follows:

Goodwill

SIBRA Eletrosiderurgica Brasileira S.A. (included R\$ 27,984 of goodwill on CPFL)
Caemi Mineracao e Metalurgia S.A. (indirectly through ITACO)
Ferteco Mineracao S.A. (indirectly through Zagaia)
S.A. Mineracao da Trindade - SAMITRI (merged on October 1, 2001)
Mineracao SOCOIMEX S.A. (merged on August 31, 2000)
Others

Negative goodwill

Companhia Siderurgica de Tubarao - CST

Goodwill was amortized as follows:

Ferrovias Centro-Atlantica S.A. (c, g)
Para Pigmentos S.A. (c)
SIBRA Eletrosiderurgica Brasileira S.A. (c, e)
Caemi Mineracao e Metalurgia S.A. (indirectly through ITACO)
Others (a, c, i)

- (e) Investments in companies that were listed on stock exchanges on 03/31/02:

Companhia Siderurgica de Tubarao - CST
Fertilizantes Fosfatados S.A. - FOSFERTIL
SIBRA Eletrosiderurgica Brasileira S.A. (preferred shares only)

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Usinas Siderurgicas de Minas Gerais S.A. - USIMINAS

The market value of these investments does not necessarily reflect the value that could be realized from selling a representative group of shares. The other investments refer to companies that have no shares listed on stock exchanges;

(f) Indirect holdings through ALUVALE:

| | Participa- tion % | Adjusted stockholders' equity | Investme | |
|---------------------------------------------------|-------------------------|-------------------------------------|----------|-------|
| | | | 03/31/02 | 12/31 |
| ALBRAS - Aluminio Brasileiro S.A. (c, m) | 51.00 | 299,202 | 152,592 | 113, |
| ALUNORTE - Alumina do Norte do Brasil S.A. (c, m) | 44.96 | 573,946 | 258,046 | 239, |
| Mineracao Rio do Norte S.A. (c, m) | 40.00 | 594,895 | 237,959 | 242, |
| Valesul Aluminio S.A. (c, m) | 54.51 | 231,170 | 126,008 | 122, |
| Own operations | | | 69,960 | 64, |
| | | | 844,565 | 783, |

(g) The investment of CVRD in Ferrovia Centro-Atlantica S.A. is held through its subsidiary Mineracao Tacuma S.A.;

18

CVRD

(h) Indirect holdings through Itabira Internacional Servicos e Comercio Lda.:

| | Investments | | Resu |
|--------------------------------------------------------|-------------|----------|-------|
| | 03/31/02 | 12/31/01 | 03/31 |
| California Steel Industries, Inc. - CSI (a, c) | - | - | |
| CVRD Overseas Ltd. (a, c) | - | - | |
| Gulf Industrial Investment Co. - GIIC (a, c) | - | - | |
| Rio Doce Manganese Europe - RDME (a, c) | - | - | |
| Siderar Sociedad Anonima Industrial y Comercial (a, c) | - | - | |
| Vale do Rio Doce Aluminio S.A. - ALUVALE (c) | - | - | |
| Itabira Rio Doce Company Limited - ITACO (a) | - | - | |
| Other participations (a) | - | - | |
| Itabira Internacional Servicos e Comercio Lda. (a) | 760,436 | 759,005 | 1, |
| | 760,436 | 759,005 | 1, |

In July 2001, Itabira Rio Doce Company Limited - ITACO was sold to Rio Doce International Finance Ltd., a wholly owned subsidiary of Rio Doce Servicos e Comercio - RDE;

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(i) Indirect holdings through Rio Doce Europa Servicos e Comercio - RDE:

| | Participa- tion % | Adjusted stockholders' equity | ----- 03/31/02 ----- | Invest 12/ ----- ----- ----- |
|--------------------------------------------------------------|-------------------------|-------------------------------------|----------------------------|------------------------------------------|
| Caemi Mineracao e Metalurgia S.A. (d) | 16.82 | 941,141 | 662,492 | 66 |
| California Steel Industries, Inc. - CSI (a, c) | 50.00 | 505,630 | 252,815 | 25 |
| CVRD Overseas Ltd. (a) | 100.00 | 196,901 | 196,901 | 17 |
| Camelback Corporation (a,c) | 100.00 | 115,971 | 115,971 | 11 |
| Gulf Industrial Investment Co. - GIIC (a, c) | 50.00 | 154,262 | 77,131 | 8 |
| Itabira Rio Doce Company Limited - ITACO (a, c, j) | 99.99 | 1,029,918 | 1,029,815 | 97 |
| Rio Doce Manganese Europe - RDME (a, c) | 100.00 | 79,332 | 79,332 | 8 |
| Siderar Sociedad Anonima Industrial y Comercial (a, c) | 4.85 | 718,536 | 34,849 | 3 |
| Vale do Rio Doce Aluminio S.A. - ALUVALE (c, j, m) | 5.26 | 891,456 | 46,891 | 4 |
| Other participations (a) | | | 31,466 | 2 |
| Own operations (a) | | | (218,324) | (25) |
| | | | ----- | ----- |
| | | | 2,309,339 | 2,21 |
| Amortization of goodwill - Caemi Mineracao e Metalurgia S.A. | | | - | |
| | | | ----- | ----- |
| | | | 2,309,339 | 2,21 |
| | | | ===== | ===== |

- (j) The consolidated shareholding in Vale do Rio Doce Aluminio S.A. - ALUVALE is 100%, the subsidiary Itabira Rio Doce Company Limited - ITACO owns 5.26% of the capital;
- (k) In March 2001, CVRD withdrew from CSN by unwinding the cross-participation relationship between the companies;
- (l) CVRD's participation in Ferteco Mineral S.A. is held through its subsidiary Zagaia Participacoes S.A.;
- (m) Attachment I presents additional information about the companies in the areas of aluminum, pellets and manganese and ferro-alloys.

CVRD

19

6.10- Property, Plant and Equipment

(a) By business area:

| | ----- 03/31/02 ----- | | | ----- Cos ----- |
|---------------------------|----------------------------|--------------------------------------|--------------|-----------------------|
| | Cost ----- | Accumulated depreciation ----- | Net ----- | |
| Ferrous - Northern System | | | | |
| Mining | 1,592,258 | (755,405) | 836,853 | 1,536,43 |
| Railroads | 2,679,655 | (1,007,093) | 1,672,562 | 2,658,19 |
| Ports | 514,629 | (242,609) | 272,020 | 514,24 |

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| | | | | |
|---------------------------|------------|-------------|-----------|-----------|
| Construction in progress | 386,827 | - | 386,827 | 384,78 |
| | 5,173,369 | (2,005,107) | 3,168,262 | 5,093,65 |
| Ferrous - Southern System | | | | |
| Mining | 2,543,794 | (1,497,489) | 1,046,305 | 2,478,38 |
| Railroads | 3,039,752 | (1,857,867) | 1,181,885 | 3,027,18 |
| Ports | 560,319 | (430,303) | 130,016 | 559,11 |
| Construction in progress | 407,447 | - | 407,447 | 386,50 |
| | 6,551,312 | (3,785,659) | 2,765,653 | 6,451,19 |
| Pelletizing | 606,595 | (439,011) | 167,584 | 604,91 |
| Construction in progress | 447,747 | - | 447,747 | 388,27 |
| | 1,054,342 | (439,011) | 615,331 | 993,18 |
| Energy | 190,128 | (15,145) | 174,983 | 190,12 |
| Construction in progress | 203,357 | - | 203,357 | 149,22 |
| | 393,485 | (15,145) | 378,340 | 339,34 |
| Total ferrous | 13,172,508 | (6,244,922) | 6,927,586 | 12,877,38 |
| Non-ferrous | | | | |
| Potash | 111,653 | (37,936) | 73,717 | 110,23 |
| Gold | 605,464 | (428,469) | 176,995 | 614,65 |
| Research and projects | 41,349 | (21,479) | 19,870 | 41,96 |
| Construction in progress | 55,177 | - | 55,177 | 57,61 |
| | 813,643 | (487,884) | 325,759 | 824,46 |
| Logistics | 902,354 | (522,882) | 379,472 | 901,44 |
| Construction in progress | 73,430 | - | 73,430 | 50,79 |
| | 975,784 | (522,882) | 452,902 | 952,24 |
| Corporate | 89,712 | (43,642) | 46,070 | 87,50 |
| Construction in progress | 12,569 | - | 12,569 | 12,97 |
| | 102,281 | (43,642) | 58,639 | 100,48 |
| Total | 15,064,216 | (7,299,330) | 7,764,886 | 14,754,57 |

(b) By classification of asset:

| | 03/31/02 | | | |
|--------------------|-----------|--------------------------|-----------|----------|
| | Cost | Accumulated depreciation | Net | Cost |
| Land and buildings | 1,490,747 | (642,999) | 847,748 | 1,483,83 |
| Installations | 4,150,147 | (2,619,567) | 1,530,580 | 4,165,37 |
| Equipment | 910,348 | (550,620) | 359,728 | 892,91 |
| Railroads | 5,158,847 | (2,731,840) | 2,427,007 | 5,137,43 |
| Mineral rights | 433,826 | (165,444) | 268,382 | 428,80 |
| Others | 1,333,747 | (588,860) | 744,887 | 1,216,04 |

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| | | | | |
|--------------------------|------------|-------------|-----------|-----------|
| | ----- | ----- | ----- | ----- |
| Construction in progress | 13,477,662 | (7,299,330) | 6,178,332 | 13,324,39 |
| | 1,586,554 | - | 1,586,554 | 1,430,17 |
| | ----- | ----- | ----- | ----- |
| Total | 15,064,216 | (7,299,330) | 7,764,886 | 14,754,57 |
| | ===== | ===== | ===== | ===== |

The average annual depreciation rates are 3% for buildings, from 2% to 10% for installations, from 10% to 20% for equipment, and from 1% to 4% for railroads. Mineral reserve depletion is calculated annually as a function of the volume of ore extracted in relation to the proven and probable reserves.

20

CVRD

Depreciation, amortization and depletion of property, plant and equipment have been allocated to cost of production and services and to administrative expenses as follows:

| | | |
|---------------------------------|----------|----------|
| | 03/31/02 | 03/31/01 |
| | ----- | ----- |
| Cost of production and services | 139,456 | 115,359 |
| Administrative expenses | 5,277 | 4,238 |
| | ----- | ----- |
| | 144,733 | 119,597 |
| | ===== | ===== |

6.11- Loans and Financing

Short-term

| | | |
|---------------|-----------|----------|
| | 03/31/02 | 03/31/01 |
| | ----- | ----- |
| Trade finance | 1,774,835 | 927,409 |
| | ===== | ===== |

The average annual interest rates on short-term loans and financing on 03/31/02 and 2000 were, respectively, 2.43% and 5.51%.

Long-term

| | | | |
|--------------------------------------------|---------------------|----------|-----------|
| | Current liabilities | | Long-term |
| | 03/31/02 | 12/31/01 | 03/31/02 |
| | ----- | ----- | ----- |
| Foreign operations Loans and financing in: | | | |
| U.S. dollars | 265,303 | 281,641 | 1,801,544 |
| Yen | 18,964 | 19,166 | 61,833 |
| Other currencies | 535 | 545 | 1,070 |
| Notes in U.S. dollars | - | - | 1,161,800 |
| Accrued charges | 28,807 | 46,222 | - |
| | ----- | ----- | ----- |
| | 313,609 | 347,574 | 3,026,247 |
| | ----- | ----- | ----- |

Local operations

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| | | | |
|----------------------------------|---------|---------|-----------|
| Indexed by TJLP, TR(*) and IGP-M | 9,707 | 8,928 | 61,514 |
| Basket of currencies | 26,716 | 26,765 | 55,658 |
| Loans in U.S. dollars | 1,770 | 1,768 | 210,156 |
| Non-convertible debentures | - | - | 6,009 |
| Accrued charges | 4,870 | 1,831 | - |
| | ----- | ----- | ----- |
| | 43,063 | 39,292 | 333,337 |
| | ----- | ----- | ----- |
| | 356,672 | 386,866 | 3,359,584 |
| | ===== | ===== | ===== |

(*) TR - Reference Rate

- (a) Foreign currency loans and financing were converted into reais at exchange rates effective on the quarterly information date, with US\$ 1.00 equal to R\$ 2.3236 on 03/31/02 (R\$ 2.3204 on 12/31/01) and (Y) 1.00 equal to R\$ 0.017520 on 03/31/02 (R\$ 0.017707 on 12/31/01);
- (b) Of the total loans and financing, R\$ 654,511 are guaranteed by the federal government (with full counter-guarantees) and R\$ 90,888 have third-party guarantees.
- (c) Amortization of principal and finance charges incurred on long-term loans and financing obtained abroad and domestically mature as follows as of 03/31/02:

| | |
|-------------|-----------|
| 2003 | 1,047,531 |
| 2004 | 1,455,598 |
| 2005 | 333,833 |
| 2006 | 174,684 |
| 2007 onward | 347,938 |
| | ----- |
| | 3,359,584 |
| | ===== |

CVRD

21

- (d) Long-term external and domestic loans and financing were subject to annual interest rates on 03/31/02 as follows:

| | |
|------------|-----------|
| Up to 3% | 838,941 |
| 3.1 to 5% | 1,254,152 |
| 5.1 to 7% | 235,540 |
| 7.1 to 9% | 98,677 |
| 9.1 to 11% | 1,175,011 |
| Over 11% | 113,935 |
| | ----- |
| | 3,716,256 |
| | ===== |

- (e) The estimated market values of long-term loans and financing calculated to present value based on available interest rates as of 03/31/02 are close to their market values;

- (f) The loans and financing, by currencies/index in:

[THE FOLLOWING TABLE WAS REPRESENTED BY A PIE CHART IN THE PRINTED MATERIALS.]

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| | |
|----------------------|-----|
| Basket of currencies | 2% |
| Yen | 1% |
| Others | 2% |
| Dollar | 95% |

R\$ 5,491,091

6.12 - Securitization Program

On September 29, 2000, CVRD finalized the financial conditions for a US\$ 300 securitization program based on existing and future receivables generated by its subsidiary CVRD Overseas Ltd.. This transaction, relating to exports of iron ore and pellets to six of CVRD's major customers in Europe, the United States and Asia, was structured by Bank of America Securities LLC, and is divided into three tranches as follows:

| Tranches ----- | Amount (US\$ million) ----- | Maturity ----- | Grace Period (years) ----- | Yield to ----- |
|-------------------|-----------------------------------|-------------------|----------------------------------|-------------------|
| 1 | 25 | 10/15/2007 | 2 | |
| 2 (insured) | 125 | 10/15/2007 | 2 | Lib |
| 3 | 150 | 10/15/2010 | 3 | |

The balance of this operation on 03/31/02 totals R\$ 706,111 (R\$ 9,031 in current liabilities and R\$ 697,080 in long-term liabilities) and is included in related party liabilities to the subsidiary CVRD Overseas Ltd. (Note 6.6).

22 CVRD

6.13 - Contingent Liabilities

At the quarterly information and financial statement dates the contingent liabilities of the Company were:

- (a) Provisions for contingencies and respective judicial deposits, considered by management and its legal counsel as sufficient to cover possible losses from any type of lawsuit, were as follows:

| | Judicial deposits | | Provisions for contingencie | |
|-----------------------|-------------------|-------------------|-----------------------------|-------------------|
| | 03/31/02 ----- | 12/31/01 ----- | 03/31/02 ----- | 12/31/01 ----- |
| Tax contingencies | 303,138 | 284,396 | 323,978 | 307,500 |
| Labor claims | 110,170 | 109,065 | 310,216 | 300,300 |
| Civil claims | 3,820 | 3,587 | 249,750 | 273,360 |
| Marketable securities | 117,980 | 113,838 | - | |
| Others | 4,118 | 5,382 | 19,872 | 12,550 |
| | ----- | ----- | ----- | ----- |
| Total | 539,226 | 516,268 | 903,816 | 893,720 |
| | ===== | ===== | ===== | ===== |

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The Company and its subsidiaries are parties to labor, civil, tax and other suits have been contesting these matters both administratively and in the courts. When necessary, these are backed by judicial deposits. Provisions for eventual losses are estimated and restated monetarily by management upon the advice of the legal department and outside counsel.

Tax contingencies relate principally to a legal process claiming unconstitutionality of the change in the calculation basis of PIS and COFINS social contribution introduced by Law 9,718/98.

Labor-related actions principally comprise employee claims in connection with disputes about the amount of indemnities paid upon dismissal.

Civil actions principally relate to claims made against the Company by contractors in connection with losses alleged to have been incurred as a result of various past government economic plans during which full indexation of contracts for inflation was not permitted.

Marketable securities are related to guarantees of civil claims.

- (b) Guarantees given to jointly controlled companies (normally in proportion to the Company's percentage of participation) are as follows:

| | 03/31/02 | 12/31/01 |
|--------------------------------------------------------|-----------|-----------|
| ALBRAS - Alumínio Brasileiro S.A. | 828,431 | 839,667 |
| ALUNORTE - Alumina do Norte do Brasil S.A. | 167,690 | 170,206 |
| Companhia Coreano-Brasileira de Pelotizacao - KOBRASCO | 92,981 | 92,852 |
| Ferrovias Centro-Atlantica S.A. | 287,114 | 270,991 |
| Salobo Metais S.A. | 167,069 | 165,504 |
| Sepetiba Tecon S.A. | 58,864 | 58,837 |
| Others | 2,647 | 5,383 |
| | 1,604,796 | 1,603,440 |

The breakdown of guarantees by currency is:

| | 03/31/02 | 12/31/01 |
|-------------|-----------|-----------|
| U.S. Dollar | 1,103,070 | 1,118,198 |
| Real | 501,726 | 485,242 |
| | 1,604,796 | 1,603,440 |

- (c) Upon privatization of the Company in 1997, debentures were issued to the then stockholders, including the federal government. The maturity dates of these debentures were established to guarantee that pre-privatization stockholders, including the federal government, would share any future benefits from subsequent mineral discoveries.

At present, the debentures cannot be traded. They may only be traded three

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months after March 2002 when the Company will be obliged to register the debentures with the CVM to allow their negotiation.

CVRD

23

According to the regulations of the Brazilian Central Bank, the pre-privatization stockholders who held their shares through American Depositary Receipts (ADRs) were not authorized to receive debentures or any other financial benefits related to same. The Company will present a new request to the Central Bank, but there is no guarantee that it will be granted.

The debenture holders are entitled to receive semi-annual payments equivalent to a percentage of the net revenues from determined mineral resources held by the Company in May 1997, as per the table below:

| Area | Mineral | |
|---------------------------------------------|---------------------------------------------|------------------------------------------|
| Southern System | Iron ore | 1.8% of net revenues from May 1997 |
| Northern System | Iron ore | 1.8% of net revenues from May 1997 |
| Pojuca, Andorinhas, Liberdade and Sossego | Gold and copper | 2.5% of net revenues |
| Igarape Bahia and Alemao | Gold and copper | 2.5% of net revenues from the production |
| Fazenda Brasileiro | Gold | 2.5% of net revenues from the production |
| Other areas, excluding Carajas/ Serra Leste | Gold | |
| Other areas owned as of May 1997 | Other minerals | 1% of net revenues beginning |
| All areas | Sale of mineral rights owned as of May 1997 | |

Based on current production levels and estimates for new projects, the forecast is to start payments referring to copper resources in 2004, iron ore in approximately 2012, and other types of minerals in later years. The obligation to make payment to the debenture holders will expire when the pertinent mineral resources are depleted.

- (d) The Company has commitments under a take-or-pay contract to acquire approximately 207,000 tons of aluminum per year from ALBRAS at market prices. This estimate is based on 51% of the estimated output of ALBRAS at a market price of US\$ 1,421.00 per ton on March 31, 2002, representing an annual commitment of R\$ 683,480 based on the final exchange rate of 03/31/02. The same applies to 537,272 tons of alumina per year produced by ALUNORTE, which at a market price of US\$ 172.21 per ton on March 31, 2002

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represents a yearly commitment of R\$ 214,990 on the same exchange rate mentioned. The effective take of ALBRAS was R\$ 139,493 and R\$ 149,970 in 03/31/02 and 03/31/01, respectively, and directly from ALUNORTE (net of the take assigned to ALBRAS), was R\$ 12,771 and R\$ 16,476 in 03/31/02 and 03/31/01, respectively.

6.14 - Environmental and Site Reclamation and Restoration Costs

Expenditures relating to ongoing compliance with environmental regulations are charged to production costs or capitalized as incurred. The Company manages its environmental policies according to the specifications of ISO 14,001 and maintains ongoing programs to minimize the environmental impact of its mining operations as well as to reduce the costs that will be incurred upon termination of activities at each mine. On March 31, 2002, the provision for environmental liabilities amounted to R\$ 62,899 (R\$ 65,675 on 03/31/01), which was accounted in "Others" in long-term liabilities.

6.15 - Pension Plan - VALIA

The Fundacao Vale do Rio Doce de Seguridade Social - VALIA is a non-profit entity, legally separate from the CVRD, founded in 1973 to provide supplementary social security benefits to the employees of the Company, its subsidiaries, affiliated companies and others that participate or may in the future participate in plans administered by the Foundation.

24

CVRD

The Company and various of its subsidiaries and affiliated companies are sponsors of VALIA, in the following benefit plans:

(a) Benefit Plan

Defined Benefit Plan - " BD"

A pure defined benefit plan, now being phased out, instituted in 1973 upon establishment of VALIA. This plan has been closed to new members and is maintained only for existing retired participants and their beneficiaries and a few residual active participants.

Mixed-Benefit Plan - " Vale Mais"

A mixed plan which offers programmable retirement income benefits of the defined contribution type, independent of government Social Security. It also includes a deferred severance benefit (vesting), as well as risk benefits: retirement for disability, death benefits and sick-leave assistance. This new plan has more modern, transparent and flexible rules that make it more attractive for employees and more economical for the sponsors.

" Vale Mais" was established in May 2000 and nearly 98.7% of the active participants migrated to this new plan.

The contributions of the sponsors are as follows:

- . Ordinary contribution - Destined to accrue the resources necessary to grant income benefits, sponsor contributions are matched equally by participants, up to 9% of their participation salaries, which may not

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exceed ten "plan reference units" (this limit was R\$1,383.86 in December 2001).

- . Extraordinary contribution - This can be made at any time, at the discretion of the sponsors.
- . Normal contribution - To fund the risk plan and administrative expenses, fixed by the actuary based on actuarial appraisals.
- . Special contribution - Destined to cover any special commitment that may arise.

During 2001, the Company made contributions to VALIA in the amount of R\$ 6,947 (R\$ 4,881 on 03/31/01) to fund the benefit plans it sponsors.

(b) Actuarial liability

This provision is the result of the Company's responsibility to provide supplementary pensions relating to the early retirement programs of 1987 and 1989, in the amount of R\$ 456,401 and an additional amount of R\$ 33,075 as required by CVM Deliberation 371. These liabilities were calculated by an independent actuary for the year 2001 and represent the current value of the benefits and pensions. Part is recorded in "Pension Plan" account in current liabilities - R\$ 63,896 (R\$ 64,506 on 12/31/01) and part in long-term liabilities - R\$ 425,580 (R\$ 429,325 on 12/31/01).

The actuarial assumptions and economics' hypothesis adopted in the actuarial calculations for the year 2001, were disclosed in the Financial Statements ended December 31, 2001.

(c) Subsidiaries and affiliated companies

Some subsidiary and affiliated companies that do not participate in the social security plan through VALIA also record their actuarial liabilities referring to the plans they sponsor as set forth in CVM Deliberation 371 of December 13, 2000.

6.16 - Capital

The Company's capital is R\$ 4 billion, corresponding to 388,559,056 book shares, of which 249,983,143 are common shares, 138,575,913 are preferred class "A" shares, the latter including one special preferred share ("Golden Share"), all with no par value. On April 29, 2002, the Extraordinary Stockholders' General Meeting approved a capital increase from R\$ 4 billion to R\$ 5 billion, without new shares issues, but through capitalization of reserves in the amount of R\$ 1 billion.

Preferred shares have the same rights as common shares, except for the right to elect the members of the Board of Directors. They have priority to a minimum annual dividend of 6% on the portion of capital represented by this class of share.

The special "Golden Share" created during the privatization in 1997 belongs to the Brazilian Government. This share gives it the right to a permanent veto of changes in the Company's name, headquarters location, nature as a mining enterprise, continuous operation of the integrated mining, transportation and loading systems and other matters determined in the Bylaws.

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On 03/31/02 the Company's capital is comprised as follows:

| Stockholders | Common | % | Preferred |
|---------------------------------------------------------------------|--------------------|------------|--------------------|
| Valepar S.A. | 105,443,070 | 42 | - |
| Brasilian Government (National Treasury / BNDES/ INSS / FPS) (b) | - | - | 5,075,341 |
| American Depositary Receipts - ADRs | 44,795,640 | 18 | 59,089,911 |
| Litel Participacoes S.A. (a) | 25,272,641 | 10 | - |
| BNDESPar | 11,672,271 | 5 | 1,251,980 |
| Clube de Investimentos dos Empregados da Vale - INVESTVALE | 10,735,369 | 4 | - |
| Foreign - institutional investors | 6,258,258 | 3 | 42,840,671 |
| Brazil - institutional investors | 33,335,998 | 13 | 15,092,702 |
| Brazil - retail investors | 7,754,726 | 3 | 15,220,557 |
| Treasury stock | 4,715,170 | 2 | 4,751 |
| Total | 249,983,143 | 100 | 138,575,913 |

(a) Litel is the corporate vehicle pursuant to which Previ, Petros, Funcef and Fundacao CESP, each of which is a Brazilian pension fund, hold common shares in CVRD and Valepar.

(b) The National Bank for Economic and Social Development (BNDES), in its own name and on behalf of the Brazilian Government, continued the privatization process started in 1997, as per the terms of the Privatization Rules, sold on 03/21/02 78,787,838 common shares of CVRD.

As of 03/31/02, the number of holders of record who are residents of Brazil was 32,770. These stockholders owned 235,624,631 shares, representing 66.6% of the capital stock.

Members of the Board of Directors and Executive Board, as a group, hold 17 common shares and 209 preferred shares.

6.17- American Depositary Receipts (ADR) Program

On 06/20/00, the Company obtained ADR registration (Level 2) from the United States Securities and Exchange Commission (SEC), beginning a process for its preferred shares to be traded on the New York Stock Exchange (NYSE). On 03/21/02, in connection with the sale of shares of BNDES and Government's shares, the common shares began to be traded on NYSE. Each ADR represents 1 (one) preferred Class "A" or common share, traded under the code "RIOPR" and "Rio", respectively.

6.18- Treasury Stock

The Board of Directors, under the terms of subparagraph XV from Article 13 of the Bylaws and based on Article 30 of Law 6,404/76 and CVM Instructions 10 of 02/14/80 and 268 of 11/13/97, approved the acquisition by the Company of its own shares to be held in treasury for later sale or cancellation.

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On October 24, 2001, an Extraordinary General Meeting authorized the acquisition of up to 19 million nominative book shares, with no par value, with 14 million being common shares and 5 million preferred shares, in order to hold in treasury for later sale or cancellation, without decreasing in capital stock. Up to 03/31/02, 4,715,170 common and 4,751 preferred shares had been acquired at a cost of R\$ 131,347, and had been held in treasury.

26

CVRD

| Class | Shares | | Unit acquisition cost | | |
|-----------|-----------|-----------|-----------------------|-------|------|
| | 03/31/02 | 12/31/01 | Average | Low | High |
| Preferred | 4,751 | 91 | 51.45 | 14.02 | 52.4 |
| Common | 4,715,170 | 4,715,170 | 27.80 | 20.07 | 52.0 |
| | 4,719,921 | 4,715,261 | | | |
| | ===== | ===== | | | |

6.19- Financial Result

The amounts included in the income statement are as follows:

| | 03/31/02 | 03/31/01 |
|-----------------------------------------------------|-----------|-----------|
| Financial expenses | | |
| Foreign debt | (52,465) | (61,387) |
| Local debt | (18,179) | (14,635) |
| Related parties, net | (14,485) | (7,090) |
| Others (*) | (20,715) | (13,220) |
| | (105,844) | (96,332) |
| Monetary and exchange rate variation on liabilities | 11,520 | (372,947) |
| Financial income | | |
| Marketable securities | 23,266 | 32,393 |
| Others | 8,779 | 6,673 |
| | 32,045 | 39,066 |
| Monetary and exchange rate variation on assets | 11,949 | 41,856 |
| Financial income (expenses), net | (50,330) | (388,357) |

(*) Includes net losses on derivative financial instruments (Note 6.20).

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6.20 - Financial Instruments - Derivatives

The main market risks the Company faces are related to interest rates, exchange rates and commodities prices. CVRD has a policy of managing risks through the use of derivatives instruments.

The Company's risk management follows policies and guidelines reviewed and approved by the Board of Directors and Executive Board. These policies and guidelines generally prohibit speculative trading and short selling and require diversification of transactions and counterparties. The policy of the Company is to settle all contracts financially without physical delivery of the products. The overall position of the portfolio is assessed and monitored daily to measure the financial results and the impact on cash flow. The credit limits and creditworthiness of counterparties are also reviewed periodically. The results of hedging are reported monthly to the Executive Board.

Interest Rate Risk

Interest rate risk derives from floating-rate debt, mainly from trade finance operations. The portion of floating-rate debt denominated in foreign currency is mainly subject to fluctuations in the LIBOR (London Interbank Offered Rate). The portion of floating-rate debt expressed in reais refers basically to the Brazilian long-term interest rate (TJLP), established by the Brazilian Central Bank. Since May 1998, CVRD has been using derivatives to limit its exposure to fluctuations in the LIBOR, through LIBOR's swap instruments based on fixed rates.

The interest rate derivatives portfolio consists mainly of options trades aiming to cap exposure to interest rate fluctuations, establishing upper and lower limits. Some operations are subject to knock-out provisions which, if triggered, eliminate the protection provided by the cap.

CVRD

27

The table below provides information regarding the interest rate derivatives portfolio for 03/31/02 and 03/31/01.

| Type | ----- | | 03/31/02 | | | ----- | |
|-------|-----------------------------------------|------------|-----------------------------------------------|-------------------|-----------------------------------------|------------|--|
| | Notional value (in US\$ thousand) | Rate range | Unrealize gain (loss) (in R\$ thousand) | Final maturity | Notional value (in US\$ thousand) | Rate range | |
| Cap | 1,350 | 5.0 - 8.0% | 6,866 | Aug/05 | 1,325 | 5.0 - 8.0% | |
| Floor | 1,000 | 5.0 - 6.5% | (46,242) | Aug/05 | 975 | 5.0 - 6.5% | |
| Swap | 125 | 5.5 - 7.5% | (19,171) | Oct/07 | 125 | 5.5 - 7.5% | |
| Total | | | ----- (58,547) ===== | | | | |

Exchange Rate Risk

Exchange rate risk comes from foreign currency debts. On the other hand, a substantial part of the Company's revenues are denominated or indexed in U.S. dollars, while the majority of costs are in reais. This provides a natural

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hedge against possible devaluations of Brazilian currency against the dollar. Events of this nature have an immediate negative impact on foreign currency debt, offset by the positive effect on future cash flows.

The Company adopts a strategy of monitoring market fluctuations and, if necessary, carrying out derivatives operations to cover risks related to these variations.

The portion of debt denominated in euros and Japanese yen is protected by derivatives to cover risks of exchange rate movements of these currencies.

The table below shows the exchange rate derivatives portfolio for 03/31/02 and 03/31/01. These operations are range forwards which were structured to ensure the purchase price of the following currencies:

| | | | | | 03/31/02 | | |
|-----------------|-------------------------------------------|------------------------|-------------------------------------------------|-------------------|--------------------------------------------|----|--|
| Type | Notional value (in US\$ million) | Rate range | Unrealize gain (loss) in R\$ thousand) | Final maturity | Notional value (in US\$ thousand) | | |
| Yen purchased | 5 | Yen 70 - 110 per US\$ | (9,278) | Apr/05 | 44 | Ye | |
| Euros purchased | 8 | E 1.10 - 1.30 per US\$ | (5,384) | Apr/05 | 12 | E | |
| Euros sold | 9 | E 0.90 - 1.20 per US\$ | 2 | May/02 | 4 | E | |
| Total | | | (14,660) | | | | |

Commodities Price Risk

The prices of iron ore, the Company's main product, are set in annual negotiations between producers and consumers and are notably stable over time. The Company does not enter into derivatives operations to hedge iron ore exposure.

The Company uses hedge instruments to manage its exposure to changes in the price of gold. These derivatives operations allow establishment of a minimum profit level for future gold output. The Company actively manages its open positions, with the results reported monthly to senior management to allow adjustment of targets and strategies in response to market conditions.

The following table shows the gold derivatives portfolio of the Company on 03/31/02 and 03/31/01.

| | | | | | | 03/31/02 | | |
|----------------|------------------|---------------------------|--------------------------------------------------|-------------------|------------------|----------|--|--|
| Type | Quantity (oz) | Price range US\$/oz | Unrealize gain (loss) (in R\$ thousand) | Final maturity | Quantity (oz) | U | | |
| Puts purchased | 509,000 | 270 - 350 | 18,577 | Dec/06 | 292,000 | 300 | | |
| Calls sold | 658,500 | 300 - 390 | (23,131) | Dec/06 | 769,800 | 300 | | |
| Puts hybrid | 10,000 | | 337 | Nov-05 | 175,000 | | | |
| Calls hybrid | 10,000 | | (420) | Nov-05 | 135,000 | | | |

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Total (4,637)
=====

28 CVRD

6.21 - Exchange Rate Exposure

The exchange rate exposure is predominantly in U.S. dollars.

| | Parent Company | |
|------------------------------------------|----------------|----------|
| | 03/31/02 | 12/31/01 |
| Assets | | |
| Current | | |
| Cash and banks and marketable securities | 196 | 508 |
| Others | 2,062 | 1,709 |
| | 2,258 | 2,217 |
| Long-term receivables | 922 | 1,238 |
| Investments | 2,593 | 2,524 |
| Total | 5,773 | 5,979 |
| Liabilities | | |
| Current | | |
| Short-term loans and financing | 2,120 | 1,304 |
| Others | 233 | 398 |
| | 2,353 | 1,702 |
| Long-term liabilities | | |
| Loans and financing | 3,292 | 3,271 |
| Others | 1,791 | 1,760 |
| | 5,083 | 5,031 |
| Total | 7,436 | 6,733 |
| Liabilities - R\$ | (1,663) | (754) |
| Liabilities - US\$ | (716) | (325) |

(*) Proportional to the percentage of participation

6.22- Subsequent Events

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On May 8, 2002, the Company through its subsidiaries Itabira Rio Doce Company Limited and Caulim do Brasil Investimentos S.A., and Anglo American plc (Anglo) concluded the terms of an acquisition and sale of shares' contract in order to transfer the total interest held by Anglo on Salobo Metais S.A.'s (Salobo) capital which corresponds to 44,172,369 shares, representing 50% of Salobo's capital stock, in the amount of US\$ 50,9 millions. The enforcement of the negotiation is subjected to certain conditions usually taken in this kind of transaction. With this acquisition, the Company will hold, directly or indirectly through its subsidiaries, 100% of Salobo's capital stock.

CVRD

29

PART III

7- OTHER INFORMATION THE COMPANY DEEMS RELEVANT

7.1 Net Accumulated Income (in R\$ Million)

[THE FOLLOWING TABLE WAS REPRESENTED BY A BAR CHART IN THE PRINTED MATERIALS.]

| | |
|-------------|-------|
| 2000 | |
| ---- | |
| 1st Quarter | 639 |
| 2nd Quarter | 1,101 |
| 3rd Quarter | 1,600 |
| 4th Quarter | 2,133 |
| 2001 | |
| ---- | |
| 1st Quarter | 660 |
| 2nd Quarter | 1,206 |
| 3rd Quarter | 2,412 |
| 4th Quarter | 3,051 |
| 2002 | |
| ---- | |
| 1st Quarter | 633 |
| 2nd Quarter | |
| 3rd Quarter | |
| 4th Quarter | |

7.2- Factors Affecting Net Income in the Last 12 Months (in R\$ Million)

[THE FOLLOWING TABLE WAS REPRESENTED BY A BAR CHART IN THE PRINTED MATERIALS.]

| Net income at 03/31/01 | Net operating revenue | Cost of products and services | Result of investment participations | Financial result | Operating expenses net | Discon opera |
|---------------------------|--------------------------|----------------------------------|-------------------------------------------|---------------------|---------------------------|-----------------|
| 660 | 223 | (147) | (156) | 338 | (7) | (2) |

30

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7.3 - Business Performance Ratios

Capital Ratios

- 1 - Capital assets to stockholders' equity (Permanent assets/Equity * 100) - (%)
- 2 - Capital assets to total liabilities (Permanent assets/Total liabilities * 100) - (%)
- 3 - Total liabilities to stockholders' equity (Total liabilities/Equity * 100) - (%)
- 4 - Short to total liabilities (Short-term liabilities/Total liabilities * 100) - (%)
- 5 - Stockholders' equity to total liabilities (Equity/Total liabilities *100) - (%)
- 6 - Capital assets to non-current funds (Permanent assets/(Equity + Long-term liabilities)) *100)
- 7 - Net Debt / Stockholders' equity (Net debt (a) / Equity)
- 8 - Net Debt (a) / Total Assets
- 9 - Leverage (Total Assets / Equity)

Profitability and Other Ratios

- 1 - Gross Margin (Gross profit / Net operating revenues * 100) - (%)
- 2 - Operating Margin (Operating income / Net operating revenues * 100) - (%)
- 3 - Net Margin (Net income / Net operating revenues * 100) - (%)
- 4 - Return on Assets (Net income (annualized) / Total assets *100) - ROA (%)
- 5 - Return on Equity (Net income (annualized) / Equity *100) - ROE (%)
- 6 - Total asset turnover (Net operating revenues (annualized) / Total assets)
- 7 - P/E (Price of preferred class A share / Earnings per share (annualized))
- 8 - Price /Book Value (Price of preferred class A share / Book value per share)
- 9 - Net income per outstanding share (Net income (annualized) / Number of shares outstanding)
- 10 - NOPLAT / Operating Income (%)
- 11 - EBITDA + Dividends received / Financial expenses on financing
- 12- EBITDA + Dividends Received / Operating Income (%)
- 13- Net Debt (a) / EBITDA + Dividends Received(annualized)
- 14- FCOL / Financial expenses on financing

Note:

The income statement data has been annualized.

- a) Net Debt = short and long-term debt, net of related party loans, less cash and cash equivalents; annualized with the income then ended.

7.4- Segment and Geographic Information

The Company's business areas are as follows:

Ferrous - mining of iron ore and manganese and production of pellets, as well as their commercialization and respective rail transport and port handling (both for the Northern and Southern Systems).

Non-ferrous - includes gold production, potash, geological prospecting and other non-ferrous minerals.

Logistics - activities related to railroads and ports together with investments

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in the area of maritime and rail transport and port services.

Investments - includes commercialization of aluminum products and investments in joint ventures and affiliates involved in the production of bauxite, alumina refining and aluminum smelting, as well as holdings in companies in the pulp and paper sector and in steel making.

CVRD

31

Corporate center - comprises the functional areas of control, finance, legal affairs, human resources, administration, information technology and investor relations.

Information presented to top management with respect to the performance of each segment is generally derived directly from the accounting records maintained in accordance with Brazilian corporate law together with certain minor inter-segment allocations, and is focused primarily on return on capital employed (ROCE), net operating profit less taxes (NOPLAT) as well as net income.

Information related to period ended 03/31/01 is as follows:

| | Ferrous | Non-ferrous | Logistics | Corporate Center | 03/31/ TOT |
|-------------------|---------|-------------|-----------|------------------|---------------|
| EBITDA | 622,611 | 31,475 | 70,949 | (35,060) | 689,9 |
| EBITDA % of total | 90.2% | 4.6% | 10.3% | (5.1%) | 100. |
| EBITDA margin % | 56.2% | 34.0% | 59.1% | - | 52. |

32

CVRD

7.5- Share Performance on Stock Exchanges (Unaudited)

The following table shows the high and low closing sale prices for the Preferred Class A Shares and Common Shares on the Sao Paulo Stock Exchange, and for the ADRs in the New York Stock Exchange (NYSE) (each ADR represents 1 preferred share class A).

[GRAPHIC OMITTED]

| | In reais | | | | | |
|-----------------------|-----------------------------|-------|---------------|-------|----------------------------|-------|
| | Preferred Class A Shares | | Common Shares | | ADRs - Preferred Shares | |
| | High | Low | High | Low | High | Low |
| 2001 First Quarter | 53.60 | 44.00 | 51.00 | 42.70 | 26.98 | 23.05 |

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| | | | | | | |
|----------------|-------|-------|-------|-------|-------|-------|
| Second Quarter | 58.60 | 49.05 | 54.00 | 46.50 | 25.70 | 22.05 |
| Third Quarter | 55.00 | 45.50 | 55.00 | 46.40 | 23.15 | 18.65 |
| Fourth Quarter | 54.00 | 53.52 | 53.40 | 52.60 | 23.61 | 21.35 |
| 2002 | | | | | | |
| First Quarter | 62.00 | 61.00 | 63.69 | 62.00 | 27.49 | 21.52 |

CVRD

33

7. 6- Capital Expenditures (Unaudited)

| | In thousands of reais | |
|---------------------------------------|-----------------------|----------------------|
| | ACTUAL UP TO 03/02 | APPROVED FOR 2002 |
| Ongoing Capital Expenditures | | |
| Replacement/Refurbishment/Improvement | 174,158 | 515,916 |
| Geological Research | 16,628 | 102,536 |
| Technological Research/Development | 4,366 | 37,750 |
| Environment | 541 | 1,293 |
| Informatics / Telecommunications | 10,884 | 109,644 |
| | 206,577 | 767,139 |
| Equity Investments | 340,317 | 649,755 |
| Direct Investments | 253,040 | 1,021,106 |
| Total Capital Expenditures | 799,934 | 2,438,000 |

7.7- Operations for the period ended March (Unaudited)

| | (Million metric tons) | | |
|-------------------------------------|-----------------------|------|-------|
| | 2002 | 2001 | VAR % |
| PRODUCTION/PURCHASE | | | |
| IRON ORE | 28.4 | 27.9 | 1.8 |
| PELLETS | 3.4 | 3.6 | (5.6) |
| POTASH | 0.1 | 0.1 | - |
| GOLD (thousand Kg) | 3.6 | 3.3 | 9.1 |
| RAILROAD OPERATIONS - GENERAL CARGO | | | |
| EFVM | 6.4 | 6.0 | 6.7 |
| FCA | 5.0 | 5.2 | (3.8) |
| EFC | 1.0 | 0.9 | 11.1 |
| EFVM - TKU | 2.7 | 2.6 | 3.8 |

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| | | | |
|----------------------|--------|--------|--------|
| FCA - TKU | 1.8 | 2.0 | (10.0) |
| EFC - TKU | 0.7 | 0.3 | 133.3 |
| PORT OPERATIONS | | | |
| TUBARAO | 4.0 | 4.0 | - |
| SAO LUIZ | 0.4 | 0.8 | (50.0) |
| DOCENAVE OPERATIONS | | | |
| BULK CARGO | 1,702 | 9,217 | (81.5) |
| GENERAL CARGO (TEUS) | 16,182 | 13,189 | 22.7 |
| MANOEVERS | 1,596 | 1,400 | 14.0 |

34

CVRD

7.8- Changes in Prices (Unaudited)

The following table sets forth the prices for the products of the Company and its subsidiary and jointly controlled companies for the periods indicated:

| | Asia Iron Ore (SSF) (US\$/ton) | Europe Iron Ore (SFCJ) (US\$/ton) | Gold (US\$/ounce) | Aluminum (US\$/ton) |
|-----------|-----------------------------------------|--------------------------------------------|----------------------|------------------------|
| | ----- | ----- | ----- | ----- |
| 2001 | | | | |
| March | 15.35 | 18.68 | 257.70 | 1,569.59 |
| June | 16.32 | 18.68 | 269.50 | 1,536.30 |
| September | 16.32 | 18.68 | 293.10 | 1,405.96 |
| December | 16.32 | 18.68 | 277.70 | 1,362.36 |
| 2002 | | | | |
| March | 16.32 | 18.68 | 299.00 | 1,405.40 |

CVRD

35

7.9- Iron Ore and Pellet Sales (Main Markets) (Unaudited)

| | 1998 | % | 1999 | % | 2000 | % | 2001 | % |
|----------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| FOREIGN MARKET | | | | | | | | |
| ASIA | | | | | | | | |
| CHINA | 5.7 | 6 | 7.3 | 8 | 9.2 | 8 | 14.9 | 12 |
| KOREA | 7.1 | 7 | 7.9 | 8 | 7.0 | 6 | 6.0 | 5 |
| PHILIPPINES | 0.9 | 1 | 1.6 | 2 | 1.4 | 1 | 1.2 | 1 |
| JAPAN | 17.3 | 17 | 16.9 | 17 | 17.5 | 15 | 17.1 | 13 |
| TAIWAN | 1.6 | 2 | 1.8 | 2 | 1.6 | 2 | 2.2 | 2 |
| OTHERS | 1.1 | 1 | 0.6 | - | 0.4 | - | 1.1 | 1 |

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| | | | | | | | | |
|-------------------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 33.7 | 34 | 36.1 | 37 | 37.1 | 32 | 42.5 | 34 |
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| EUROPE | | | | | | | | |
| GERMANY | 9.4 | 9 | 8.0 | 8 | 8.2 | 7 | 10.1 | 8 |
| SPAIN | 3.6 | 4 | 3.6 | 4 | 2.9 | 2 | 2.9 | 2 |
| FRANCE | 3.0 | 3 | 2.1 | 2 | 2.9 | 2 | 3.9 | 3 |
| ITALY | 6.1 | 6 | 5.0 | 5 | 4.8 | 4 | 5.1 | 4 |
| UNITED KINGDOM | 2.4 | 2 | 1.6 | 2 | 1.5 | 2 | 1.6 | 1 |
| OTHERS | 5.7 | 6 | 4.7 | 5 | 8.2 | 7 | 10.8 | 8 |
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| | 30.2 | 30 | 25.0 | 26 | 28.5 | 24 | 34.4 | 26 |
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| AMERICAS | | | | | | | | |
| ARGENTINA | 2.3 | 2 | 1.6 | 2 | 1.4 | 1 | 1.9 | 1 |
| UNITED STATES | 3.1 | 3 | 3.0 | 3 | 3.5 | 3 | 2.9 | 2 |
| OTHERS | 2.2 | 2 | 1.8 | 2 | 2.0 | 2 | 1.5 | 1 |
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| | 7.6 | 7 | 6.4 | 7 | 6.9 | 6 | 6.3 | 4 |
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| AFRICA/MID.EAST/OCEANIA | | | | | | | | |
| BAHREIN | 1.2 | 1 | 1.5 | 2 | 2.0 | 2 | 1.7 | 1 |
| OTHERS | 3.2 | 3 | 3.6 | 4 | 5.2 | 4 | 5.1 | 4 |
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| | 4.4 | 4 | 5.1 | 6 | 7.2 | 6 | 6.8 | 5 |
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| | 75.9 | 75 | 72.6 | 76 | 79.7 | 68 | 90.0 | 69 |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== |
| DOMESTIC MARKET | | | | | | | | |
| STEEL MILLS | 15.0 | 15 | 13.6 | 14 | 15.5 | 13 | 20.2 | 16 |
| PELLETING AFFILIATES | 8.6 | 10 | 10.1 | 10 | 21.6 | 19 | 19.7 | 15 |
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| | 23.6 | 25 | 23.7 | 24 | 37.1 | 32 | 39.9 | 31 |
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| TOTAL | 99.5 | 100 | 96.3 | 100 | 116.8 | 100 | 129.9 | 100 |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== |

Exports by System

| | 1998 | % | 1999 | % | 2000 | % | 2001 | % |
|-----------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| NORTHERN SYSTEM | 41.8 | 55 | 40.5 | 56 | 43.3 | 54 | 50.8 | 39 |
| SOUTHERN SYSTEM | 34.1 | 45 | 32.1 | 44 | 36.4 | 46 | 79.1 | 61 |
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| | 75.9 | 100 | 72.6 | 100 | 79.7 | 100 | 129.9 | 100 |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== |

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Companhia | Valepar 27.14%
 Vale do Rio Doce | Public 72.86%

Companies of the CVR
 Holding in Total St

| ----- Ferrous ----- | ----- Manganese and Alloys ----- | ----- Non Ferrous Precious Metals, Base Metals and Industry Minerals ----- | ----- Railroads an Log ----- |
|-----------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| Iron Ore and Pellets | | | |
| ZAGAIA Participacoes CVRD 100.000 | Urucum Mineracao S.A. CVRD 100.00 | Docegeo CVRD 99.998 Others 0.002 | TVV-Terminal de Vila Velha S.A. CVRD 9 Min. Tacuma Employees |
| Ferteco ZAGAIA 100.000 | RDME* ITACO 100.00 | 24 Empresas de Mineracao CVRD 100.00 | Ferrovia Centro Atlantica Min. Tacuma VALIA KRJ CARMO CPP CSN Others |
| Ferteco International Ferteco 100.000 | SIBRA CVRD 99.21 Others .79 | PPSA CVRD 75.50 Mitsubishi 18.88 IFC 5.62 | Companhia Ferroviaria do No CVRD Taquari CSN Employees |
| Belem-Adm e Part. Ltda CVRD 99.99 Docepar 0.01 | CPFL SIBRA 93.59 CVRD 0.23 Others 6.17 | PPSA Overseas PPSA 100.00 | |
| Baovale Mineracao S.A. CVRD 50.00 Baoster 50.00 | Nova Era Silicon** CVRD 49.00 Mitsubishi 25.50 Kawasaki 22.52 Mizushima 2.98 | Salobo Metais** CVRD 50.00 Anglo-American 50.00 | |
| Minas da Serra Geral** CVRD 51.00 Kawasaki 24.50 Japanese Group 24.50 | | Mineracao Sossego Min. Andira 49.85 Camelback (Itaco) 50.15 | Ferroban Ferropasa CVRD Capmelissa Dasaiev (LAIF) Funcef Previ Others |
| CAEMI Amazon (Itaco) 16.82 Mitsui 43.37 Others 39.81 | | | |
| Samarco Mineracao S/A CVRD 50.00 BHP Brasil 50.00 | | | CSN Aceros S.A. * ITACO CSN Panama |
| Hispanobras** CVRD 50.89 | | | Sepetiba Tecon CSN Aceros S.A. |

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| | | | |
|------------------|--------|--------------------------|------------|
| Aceralia CS | 49.11 | | CSN |
| ----- | | | |
| Itabrasco** | | | |
| CVRD | 50.90 | | |
| Ilva | 49.10 | | Sh |
| ----- | | | |
| Nibrasco** | | | |
| CVRD | 51.00 | | Docenave |
| Nippon Steel | 25.39 | | CVRD |
| Japanese Group | 23.61 | | |
| ----- | | | |
| | | ___ Subsidiary | |
| | | ___ Affiliated | |
| | | ___ Other Participations | |
| | | ___ Consortium | |
| ----- | | | |
| Kobrasco** | | | Navedoce * |
| CVRD | 50.00 | | Docenave |
| POSCO | 50.00 | | |
| ----- | | | |
| Kobin** | | | Seamar * |
| Kobrasco | 100.00 | | Navedoce |
| ----- | | | |
| GIIC * | | | |
| ITACO | 50.00 | | |
| Gulf Invest. Co. | 50.00 | | |
| ----- | | | |

* Companies with head offices abroad
 ** Holding linked to a Stockholders Agreement

CVRD

51

| Holdings | Timber, Pulp & Paper | Energy | Others |
|----------------------------------|-------------------------|--------------------------|----------------|
| Bauxite, Alumina and Aluminum | | | |
| Aluvale | Florestas Rio Doce | Consortium Igarapava | Rio Doce |
| CVRD 94.74 | CVRD 99.85 | Usina Hidreletrica | International* |
| ITACO 5.26 | Others 0.15 | CVRD 38.15 | CVRD |
| | | Cia Mineira Metais 23.93 | |
| | | CSN 17.92 | |
| | | CEMIG 14.50 | Rio Doce Asia |
| Albras | Celmar | Min. Morro Velho 5.50 | Rio Doce |
| Aluvale 51.00 | CVRD 85.00 | | International |
| NAAC 49.00 | Nissho Iwai 15.00 | | |
| | | Consortium | |
| Valesul** | | Porto Estrela | Rio Doce Europ |
| Aluvale 54.51 | | Usina Hidreletrica | S.'a.r.l. * |
| Billiton 45.49 | | CVRD 33.3333 | CVRD |
| | Steel | CEMIG 33.3333 | Others |
| | | Coteminas 33.3333 | |
| Alunorte ** | | | |
| Aluvale 45.58 | CST** | | Rio Doce |
| Norsk Hydro 32.28 | CVRD 22.85 | Consortium Aimores | International |
| MRN 12.62 | Acesita/Usinor 37.29 | Usina Hidreletrica | Rio Doce Europ |

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| | | | | | | |
|---------------------|-------|-----------------------|--------|-----------------------|-------|----------------|
| NAAC | 4.49 | Kawasaki | 7.91 | CVRD | 51.00 | ----- |
| CBA | 3.62 | Others | 31.95 | CEMIG | 49.00 | ----- |
| JAIC | 1.41 | ----- | ----- | ----- | ----- | Itabira Rio Do |
| ----- | ----- | ----- | ----- | ----- | ----- | Company Ltd. - |
| Min. Rio do Norte** | | California Steel* | | Consortium Candonga | | RDIF |
| Aluvale | 40.00 | Rio Doce Ltd. | 50.00 | Usina Hidreletrica | | ----- |
| Billiton | 14.80 | Kawasaki | 50.00 | CVRD | 50.00 | ----- |
| Alcan | 12.00 | ----- | ----- | EPP | 50.00 | Rio Doce Ameri |
| CBA | 10.00 | ----- | ----- | ----- | ----- | ITACO |
| Alcoa | 8.58 | ----- | ----- | ----- | ----- | ----- |
| Reynolds | 5.00 | Usiminas | | Consortium Funil | | ----- |
| Norsk Hydro | 5.00 | CVRD | 11.46 | Usina Hidreletrica | | Rio Doce Ltd. |
| Abalco | 4.62 | Nippon Usiminas | 9.45 | CVRD | 51.00 | Rio Doce Ameri |
| ----- | ----- | Previ | 8.02 | CEMIG | 49.00 | ----- |
| ----- | ----- | CIU | 4.95 | ----- | ----- | ----- |
| Min. Vera Cruz | | Others | 66.12 | ----- | ----- | CVRD Overseas |
| Aluvale | 36.00 | ----- | ----- | Consortium Capim | | ITACO |
| Paraibuna | 42.88 | ----- | ----- | Branco I e II - Usina | | ----- |
| Fina Emp. Part. | 21.12 | ----- | ----- | Hidreletrica | | ----- |
| ----- | ----- | Siderar (*) | | CVRD | 48.42 | CVRD Finance |
| ----- | ----- | Itabira Rio Doce | 4.85 | CEMIG | 21.05 | CVRD Overseas |
| ----- | ----- | Usiminas | 5.32 | Suzano | 17.90 | ----- |
| Fertilizers | | Sidertubes S/A | 50.21 | Votorantim | 12.63 | ----- |
| ----- | ----- | ISA (employees) | 9.95 | ----- | ----- | CVRD Europe Tr |
| ----- | ----- | Others | 29.67 | ----- | ----- | Energy B.V. - |
| ----- | ----- | ----- | ----- | ----- | ----- | CVRD |
| ----- | ----- | ----- | ----- | Consortium | | ----- |
| ----- | ----- | ----- | ----- | Foz do Chapeco | | ----- |
| ----- | ----- | e-Business | | Usina Hidreletrica | | Brasilux |
| Fosfertil | | ----- | ----- | CVRD | 40.00 | CVRD |
| CVRD | 10.96 | ----- | ----- | Foz do Chapeco | | ----- |
| Fertifos | 55.35 | Valepontocom | | Energia S.A. | 60.00 | ----- |
| Others | 33.69 | CVRD | 98.20 | ----- | ----- | Rio Doce Comer |
| ----- | ----- | Others | 1.80 | ----- | ----- | Internacional |
| ----- | ----- | ----- | ----- | Consortium | | CVRD |
| ----- | ----- | ----- | ----- | Santa Isabel | | ----- |
| ----- | ----- | Solostrata S/A | | Usina Hidreletrica | | ----- |
| ----- | ----- | Valepontocom | 100.00 | CVRD | 43.85 | Itabira Intern |
| ----- | ----- | ----- | ----- | Billiton | 20.60 | Servicos e Com |
| ----- | ----- | ----- | ----- | Alcoa | 20.00 | RDCI Aps |
| ----- | ----- | ----- | ----- | Votorantin | 10.00 | Others |
| ----- | ----- | Multistrata S/A | | C. Correa Cimentos | 5.55 | ----- |
| ----- | ----- | Valepontocom | 100.00 | ----- | ----- | ----- |
| ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| ----- | ----- | Infostrata S/A | | ----- | ----- | ----- |
| ----- | ----- | Valepontocom | 100.00 | ----- | ----- | ----- |
| ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| ----- | ----- | Quadrem Int. Holdings | | ----- | ----- | ----- |
| ----- | ----- | LTD | | ----- | ----- | ----- |
| ----- | ----- | ITACO | 9.00 | ----- | ----- | ----- |
| ----- | ----- | Others | 91.00 | ----- | ----- | ----- |
| ----- | ----- | ----- | ----- | ----- | ----- | ----- |

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7.11- Information About ZAGAIA (Unaudited)

| Statement of Income | In thousands of | |
|----------------------------------------------------------------------|-----------------|-------|
| | 03/ | ----- |
| Operating revenues | | ----- |
| Value-added taxes | | ----- |
| Net operating revenues | | ----- |
| Cost of products and services | | ----- |
| Gross profit | | ----- |
| Gain on investments accounted for by the equity method | | 2 |
| Operating income (expenses) | | ----- |
| Selling | | ----- |
| Administrative | | ----- |
| Financial expenses | | ----- |
| Financial income | | ----- |
| Other operating expenses, net | | ----- |
| Net income for the period | | 2 |
| Number of shares outstanding at the end of the period (in thousands) | | 1,27 |
| Net earnings per share outstanding at the end of the period (R\$) | | 0 |

7.12- Information About RDE (Unaudited)

| Statement of Income | In thousands of | |
|--------------------------------------------------------|-----------------|-------|
| | 03/31/02 | 03/ |
| | ----- | ----- |
| Operating revenues | - | ----- |
| Value-added taxes | - | ----- |
| Net operating revenues | - | ----- |
| Cost of products and services | - | ----- |
| Gross profit | - | ----- |
| Gain on investments accounted for by the equity method | 91,780 | 7 |

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| | | |
|----------------------------------------------------------------------|---------|-------|
| Operating income (expenses) | | |
| Selling | - | |
| Administrative | - | |
| Financial expenses | - | |
| Financial income | - | |
| Other operating expenses, net | - | |
| | ----- | ----- |
| | - | |
| | ----- | ----- |
| Operating profit | 91,780 | 7 |
| Non operating income (expenses), net | - | |
| | ----- | ----- |
| Income before income tax and social contribution | 91,780 | 7 |
| Income tax and social contribution | - | |
| | ----- | ----- |
| Net income for the period | 91,780 | 7 |
| | ===== | ===== |
| Number of shares outstanding at the end of the period (in thousands) | 1,000 | |
| | ===== | ===== |
| Net earnings per share outstanding at the end of the period (R\$) | 91.7800 | 73 |
| | ===== | ===== |

38

CVRD

P A R T III

8- EQUITY INVESTEE INFORMATION

8.1 - Aluminum Area - ALBRAS (Adjusted and Non-Audited)

| Information | 2002 | | | | | | |
|---------------------------------------|----------------|----------------|----------------|----------------|-------|----------------|----------------|
| | 1st Quarter | 2nd Quarter | 3rd Quarter | 4th Quarter | Total | 1st Quarter | 2nd Quarter |
| Quantity sold - external market | MT (thousand) | 84 | - | - | - | 84 | 87 |
| Quantity sold - internal market | MT (thousand) | 4 | - | - | - | 4 | 3 |
| Quantity sold - total | MT (thousand) | 88 | - | - | - | 88 | 90 |
| Average sales price - external market | US\$ | 1,318.33 | - | - | - | 1,318.33 | 1,530.02 |
| Average sales price - internal market | US\$ | 1,352.12 | - | - | - | 1,352.12 | 1,606.92 |
| Average sales price - total | US\$ | 1,319.81 | - | - | - | 1,319.81 | 1,532.90 |
| Long-term indebtedness, gross | US\$ | 524,095 | - | - | - | 524,095 | 527,685 |
| Short-term indebtedness, gross | US\$ | 72,938 | - | - | - | 72,938 | 176,879 |

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| | | | | | | | | |
|--------------------------------------------------|------|-----------|---|---|---|-----------|-----------|-------|
| Total indebtedness, gross | US\$ | 597,033 | - | - | - | 597,033 | 704,564 | 663 |
| Long-term indebtedness, net | US\$ | 524,095 | - | - | - | 524,095 | 527,685 | 496 |
| Short-term indebtedness, net | US\$ | 30,082 | - | - | - | 30,082 | 130,373 | 126 |
| Total indebtedness, net | US\$ | 554,177 | - | - | - | 554,177 | 658,058 | 622 |
| Stockholders' equity | R\$ | 299,202 | - | - | - | 299,202 | 189,460 | 198 |
| Net operating revenues | R\$ | 273,853 | - | - | - | 273,853 | 277,094 | 307 |
| Cost of products | R\$ | (170,834) | - | - | - | (170,834) | (161,707) | (176) |
| Other expenses/revenues | R\$ | (12,562) | - | - | - | (12,562) | (12,828) | (9) |
| Depreciation, amortization and depletion | R\$ | 15,555 | - | - | - | 15,555 | 19,149 | 15 |
| EBITDA -----> | R\$ | 106,012 | - | - | - | 106,012 | 121,708 | 136 |
| Depreciation, amortization and depletion | R\$ | (15,555) | - | - | - | (15,555) | (19,149) | (15) |
| EBIT -----> | R\$ | 90,457 | - | - | - | 90,457 | 102,559 | 121 |
| Non-operating result | R\$ | (746) | - | - | - | (746) | 582 | (|
| Net financial result | R\$ | (11,141) | - | - | - | (11,141) | (119,075) | (114) |
| Income before income tax and social contribution | R\$ | 78,570 | - | - | - | 78,570 | (15,934) | 7 |
| Income tax and social contribution | R\$ | (2,627) | - | - | - | (2,627) | 14,467 | 1 |
| Net income | R\$ | 75,943 | - | - | - | 75,943 | (1,467) | 9 |

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8.2 - Aluminum Area - ALUNORTE (Adjusted and Non-Audited)

| Information | | 2002 | | | | | | |
|---------------------------------------|---------------|-------------|-------------|-------------|-------------|--------|-------------|-------------|
| | | 1st Quarter | 2nd Quarter | 3rd Quarter | 4th Quarter | Total | 1st Quarter | 2nd Quarter |
| Quantity sold - external market | MT (thousand) | 222 | - | - | - | 222 | 170 | |
| Quantity sold - internal market | MT (thousand) | 205 | - | - | - | 205 | 193 | |
| Quantity sold - total | MT (thousand) | 427 | - | - | - | 427 | 363 | |
| Average sales price - external market | US\$ | 148.20 | - | - | - | 148.20 | 195.23 | 18 |
| Average sales price - | | | | | | | | |

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| | | | | | | | | |
|--------------------------------------------------|------|-----------|---|---|---|-----------|-----------|-------|
| internal market | US\$ | 175.94 | - | - | - | 175.94 | 202.01 | 19 |
| Average sales price - total | US\$ | 161.55 | - | - | - | 161.55 | 198.83 | 19 |
| Long-term indebtedness, gross | US\$ | 455,061 | - | - | - | 455,061 | 434,772 | 424 |
| Short-term indebtedness, gross | US\$ | - | - | - | - | - | 43,410 | 47 |
| Total indebtedness, gross | US\$ | 455,061 | - | - | - | 455,061 | 478,182 | 471 |
| Long-term indebtedness, net | US\$ | 455,061 | - | - | - | 455,061 | 405,254 | 394 |
| Short-term indebtedness, net | US\$ | (60,110) | - | - | - | (60,110) | - | - |
| Total indebtedness, net | US\$ | 394,951 | - | - | - | 394,951 | 405,254 | 394 |
| Stockholders' equity | R\$ | 573,946 | - | - | - | 573,946 | 433,497 | 417 |
| Net operating revenues | R\$ | 164,875 | - | - | - | 164,875 | 149,709 | 188 |
| Cost of products | R\$ | (135,765) | - | - | - | (135,765) | (106,856) | (128) |
| Other expenses/revenues | R\$ | (7,377) | - | - | - | (7,377) | (4,729) | (6) |
| Depreciation, amortization and depletion | R\$ | 12,802 | - | - | - | 12,802 | 12,904 | 12 |
| EBITDA -----> | R\$ | 34,535 | - | - | - | 34,535 | 51,028 | 65 |
| Depreciation, amortization and depletion | R\$ | (12,802) | - | - | - | (12,802) | (12,904) | (12) |
| EBIT -----> | R\$ | 21,733 | - | - | - | 21,733 | 38,124 | 52 |
| Non-operating result | R\$ | (4) | - | - | - | (4) | 749 | - |
| Net financial result | R\$ | (10,936) | - | - | - | (10,936) | (97,766) | (75) |
| Income before income tax and social contribution | R\$ | 10,793 | - | - | - | 10,793 | (58,893) | (24) |
| Income tax and social contribution | R\$ | (726) | - | - | - | (726) | 15,653 | 7 |
| Net income | R\$ | 10,067 | - | - | - | 10,067 | (43,240) | (16) |

40

CVRD

8.3 - Aluminum Area - ALUVALE (Adjusted and Non-Audited)

| Information | 2002 | | | | | | |
|---------------------------------|---------------|-------------|-------------|-------------|-------|-------------|-------------|
| | 1st Quarter | 2nd Quarter | 3rd Quarter | 4th Quarter | Total | 1st Quarter | 2nd Quarter |
| Quantity sold - external market | MT (thousand) | - | - | - | - | - | - |
| Quantity sold - internal | | | | | | | |

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| | | | | | | | | |
|--------------------------------------------------------|---------------|---------|---|---|---|---------|---------|-----|
| market | MT (thousand) | - | - | - | - | - | - | - |
| Quantity sold - total | MT (thousand) | - | - | - | - | - | - | - |
| Average sales price - external market | US\$ | - | - | - | - | - | - | - |
| Average sales price - internal market | US\$ | - | - | - | - | - | - | - |
| Average sales price - total | US\$ | - | - | - | - | - | - | - |
| Short-term indebtedness, gross | US\$ | - | - | - | - | - | - | 310 |
| Total indebtedness, gross | US\$ | - | - | - | - | - | - | 310 |
| Stockholders' equity | R\$ | 891,456 | - | - | - | 891,456 | 724,927 | 754 |
| Net operating revenues | R\$ | 288 | - | - | - | 288 | 323 | |
| Cost of products | R\$ | (22) | - | - | - | (22) | - | |
| Other expenses/revenues | R\$ | 4,571 | - | - | - | 4,571 | 3,650 | |
| Depreciation, amortization and depletion | R\$ | - | - | - | - | - | - | 8 |
| EBITDA -----> | R\$ | 4,837 | - | - | - | 4,837 | 3,981 | |
| Depreciation, amortization and depletion | R\$ | - | - | - | - | - | - | (8) |
| EBIT -----> | R\$ | 4,837 | - | - | - | 4,837 | 3,973 | |
| Gain on investments accounted for by the equity method | R\$ | 57,892 | - | - | - | 57,892 | (2,165) | 27 |
| Net financial result | R\$ | 4,917 | - | - | - | 4,917 | 3,155 | 3 |
| Income before income tax and social contribution | R\$ | 67,646 | - | - | - | 67,646 | 4,963 | 32 |
| Income tax and social contribution | R\$ | (2,723) | - | - | - | (2,723) | 3,870 | (2) |
| Net income | R\$ | 64,923 | - | - | - | 64,923 | 8,833 | 29 |

CVRD

8.4 - Aluminum Area - MRN (Adjusted and Non-Audited)

| Information | 2002 | | | | | | |
|---------------------------------|-------------|-------------|-------------|-------------|-------|-------------|-------------|
| | 1st Quarter | 2nd Quarter | 3rd Quarter | 4th Quarter | Total | 1st Quarter | 2nd Quarter |
| Quantity sold - external market | 485 | - | - | - | 485 | 581 | |
| Quantity sold - internal market | | | | | | | |

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| | | | | | | | | |
|--------------------------------------------------------|---------------|----------|---|---|---|----------|----------|------|
| market | MT (thousand) | 1,296 | - | - | - | 1,296 | 1,604 | 1 |
| Quantity sold - total | MT (thousand) | 1,781 | - | - | - | 1,781 | 2,185 | 2 |
| Average sales price - external market | US\$ | 20.56 | - | - | - | 20.56 | 22.70 | 2 |
| Average sales price - internal market | US\$ | 19.39 | - | - | - | 19.39 | 20.08 | 2 |
| Average sales price - total | US\$ | 19.46 | - | - | - | 19.46 | 21.39 | 2 |
| Long-term indebtedness, gross | US\$ | 95,892 | - | - | - | 95,892 | 700 | |
| Short-term indebtedness, gross | US\$ | 14,436 | - | - | - | 14,436 | 1,456 | 1 |
| Total indebtedness, gross | US\$ | 110,328 | - | - | - | 110,328 | 2,156 | 1 |
| Stockholders' equity | R\$ | 594,895 | - | - | - | 594,895 | 522,722 | 577 |
| Net operating revenues | R\$ | 76,448 | - | - | - | 76,448 | 86,629 | 124 |
| Cost of products | R\$ | (39,697) | - | - | - | (39,697) | (38,030) | (58) |
| Other expenses/revenues | R\$ | (569) | - | - | - | (569) | (2,192) | (2) |
| Depreciation, amortization and depletion | R\$ | 304 | - | - | - | 304 | 11,199 | 11 |
| EBITDA -----> | R\$ | 36,486 | - | - | - | 36,486 | 57,606 | 74 |
| Depreciation, amortization and depletion | R\$ | (304) | - | - | - | (304) | (11,199) | (11) |
| EBIT -----> | R\$ | 36,182 | - | - | - | 36,182 | 46,407 | 63 |
| Gain on investments accounted for by the equity method | R\$ | (3,403) | - | - | - | (3,403) | (5,540) | (2) |
| Non-operating result | R\$ | (13) | - | - | - | (13) | (79) | |
| Net financial result | R\$ | (1,804) | - | - | - | (1,804) | 225 | (1) |
| Income before income tax and social contribution | R\$ | 30,962 | - | - | - | 30,962 | 41,013 | 59 |
| Income tax and social contribution | R\$ | (6,522) | - | - | - | (6,522) | (3,845) | (4) |
| Net income | R\$ | 24,440 | - | - | - | 24,440 | 37,168 | 54 |

42

CVRD

8.5 - Aluminum Area - VALESUL (Adjusted and Non-Audited)

| Information | 2002 | | | | | | | |
|-------------|-------------|-------------|-------------|-------------|-------|-------------|-------------|-------------|
| | 1st Quarter | 2nd Quarter | 3rd Quarter | 4th Quarter | Total | 1st Quarter | 2nd Quarter | 3rd Quarter |

Quantity sold - external

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| | | | | | | | | |
|--------------------------------------------------|---------------|----------|---|---|---|----------|----------|------|
| market | MT (thousand) | 9 | - | - | - | 9 | 2 | |
| Quantity sold - internal market | MT (thousand) | 12 | - | - | - | 12 | 14 | |
| Quantity sold - total | MT (thousand) | 21 | - | - | - | 21 | 16 | |
| Average sales price - external market | US\$ | 1,467.44 | - | - | - | 1,467.44 | 1,733.37 | 1,58 |
| Average sales price - internal market | US\$ | 1,906.21 | - | - | - | 1,906.21 | 2,155.46 | 2,04 |
| Average sales price - total | US\$ | 1,720.97 | - | - | - | 1,720.97 | 2,107.06 | 1,88 |
| Long-term indebtedness, gross | US\$ | 1,868 | - | - | - | 1,868 | 2,568 | 2 |
| Short-term indebtedness, gross | US\$ | 685 | - | - | - | 685 | 33,619 | 9 |
| Total indebtedness, gross | US\$ | 2,553 | - | - | - | 2,553 | 36,187 | 11 |
| Long-term indebtedness, net | US\$ | 1,868 | - | - | - | 1,868 | 2,568 | 2 |
| Short-term indebtedness, net | US\$ | 668 | - | - | - | 668 | 33,174 | 1 |
| Total indebtedness, net | US\$ | 2,536 | - | - | - | 2,536 | 35,742 | 4 |
| Stockholders' equity | R\$ | 231,170 | - | - | - | 231,170 | 190,016 | 205 |
| Net operating revenues | R\$ | 77,727 | - | - | - | 77,727 | 59,652 | 98 |
| Cost of products | R\$ | (63,576) | - | - | - | (63,576) | (40,859) | (68 |
| Other expenses/revenues | R\$ | (3,223) | - | - | - | (3,223) | (5,104) | (11 |
| Depreciation, amortization and depletion | R\$ | 3,332 | - | - | - | 3,332 | 3,510 | 3 |
| EBITDA -----> | R\$ | 14,260 | - | - | - | 14,260 | 17,199 | 22 |
| Depreciation, amortization and depletion | R\$ | (3,332) | - | - | - | (3,332) | (3,510) | (3 |
| EBIT -----> | R\$ | 10,928 | - | - | - | 10,928 | 13,689 | 19 |
| Non-operating result | R\$ | 55 | - | - | - | 55 | 49 | (1 |
| Net financial result | R\$ | (597) | - | - | - | (597) | (3,079) | 3 |
| Income before income tax and social contribution | R\$ | 10,386 | - | - | - | 10,386 | 10,659 | 21 |
| Income tax and social contribution | R\$ | (4,122) | - | - | - | (4,122) | (2,597) | (5 |
| Net income | R\$ | 6,264 | - | - | - | 6,264 | 8,062 | 15 |

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8.6 - Pelletizing Affiliates - HISPANOBRAS (Adjusted and Non-Audited)

Information

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| | | 1st Quarter | 2nd Quarter | 3rd Quarter | 4th Quarter | Total | 1st Quarter | 2nd Quarter |
|--------------------------------------------------|---------------|----------------|----------------|----------------|----------------|----------|----------------|----------------|
| Quantity sold - external market | MT (thousand) | 487 | - | - | - | 487 | 312 | 312 |
| Quantity sold - internal market - CVRD | MT (thousand) | 420 | - | - | - | 420 | 520 | 520 |
| Quantity sold - total | MT (thousand) | 907 | - | - | - | 907 | 832 | 832 |
| Average sales price - external market | US\$ | 31.33 | - | - | - | 31.33 | 30.80 | 30.80 |
| Average sales price - internal market | US\$ | 31.43 | - | - | - | 31.43 | 30.57 | 30.57 |
| Average sales price - total | US\$ | 31.38 | - | - | - | 31.38 | 30.65 | 30.65 |
| Stockholders' equity | R\$ | 85,476 | - | - | - | 85,476 | 73,036 | 73,036 |
| Net operating revenues | R\$ | 67,353 | - | - | - | 67,353 | 52,089 | 52,089 |
| Cost of products | R\$ | (57,628) | - | - | - | (57,628) | (44,565) | (44,565) |
| Other expenses/revenues | R\$ | (737) | - | - | - | (737) | (502) | (502) |
| Depreciation, amortization and depletion | R\$ | 2,458 | - | - | - | 2,458 | 2,377 | 2,377 |
| EBITDA -----> | R\$ | 11,446 | - | - | - | 11,446 | 9,399 | 9,399 |
| Depreciation, amortization and depletion | R\$ | (2,458) | - | - | - | (2,458) | (2,377) | (2,377) |
| EBIT -----> | R\$ | 8,988 | - | - | - | 8,988 | 7,022 | 7,022 |
| Non-operating result | R\$ | (1,465) | - | - | - | (1,465) | (1,471) | (1,471) |
| Net financial result | R\$ | 854 | - | - | - | 854 | 2,460 | 2,460 |
| Income before income tax and social contribution | R\$ | 8,377 | - | - | - | 8,377 | 8,011 | 8,011 |
| Income tax and social contribution | R\$ | (3,362) | - | - | - | (3,362) | (2,161) | (2,161) |
| Net income | R\$ | 5,015 | - | - | - | 5,015 | 5,850 | 5,850 |

44

CVRD

8.7 - Pelletizing Affiliates - ITABRASCO (Adjusted and Non-Audited)

| Information | 2002 | | | | | | | |
|-------------|----------------|----------------|----------------|----------------|-------|----------------|----------------|----------------|
| | 1st Quarter | 2nd Quarter | 3rd Quarter | 4th Quarter | Total | 1st Quarter | 2nd Quarter | 3rd Quarter |

Quantity sold - external

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| | | | | | | | | |
|--------------------------------------------------|---------------|----------|---|---|---|----------|----------|------|
| market | MT (thousand) | 644 | - | - | - | 644 | 497 | |
| Quantity sold - internal market - CVRD | MT (thousand) | 233 | - | - | - | 233 | 278 | |
| Quantity sold - total | MT (thousand) | 877 | - | - | - | 877 | 775 | |
| Average sales price - external market | US\$ | 31.16 | - | - | - | 31.16 | 31.13 | 3 |
| Average sales price - internal market | US\$ | 31.90 | - | - | - | 31.90 | 31.29 | 3 |
| Average sales price - total | US\$ | 31.35 | - | - | - | 31.35 | 31.19 | 3 |
| Long-term indebtedness, gross | US\$ | - | - | - | - | - | - | |
| Short-term indebtedness, gross | US\$ | 18,023 | - | - | - | 18,023 | 503 | |
| Total indebtedness, gross | US\$ | 18,023 | - | - | - | 18,023 | 503 | |
| Stockholders' equity | R\$ | 60,230 | - | - | - | 60,230 | 46,768 | 65 |
| Net operating revenues | R\$ | 65,575 | - | - | - | 65,575 | 48,950 | 56 |
| Cost of products | R\$ | (56,551) | - | - | - | (56,551) | (45,783) | (44) |
| Other expenses/revenues | R\$ | (1,020) | - | - | - | (1,020) | (1,086) | (1) |
| Depreciation, amortization and depletion | R\$ | 327 | - | - | - | 327 | 288 | |
| EBITDA -----> | R\$ | 8,331 | - | - | - | 8,331 | 2,369 | 11 |
| Depreciation, amortization and depletion | R\$ | (327) | - | - | - | (327) | (288) | |
| EBIT -----> | R\$ | 8,004 | - | - | - | 8,004 | 2,081 | 10 |
| Non-operating result | R\$ | (2,494) | - | - | - | (2,494) | (12) | 6 |
| Net financial result | R\$ | (637) | - | - | - | (637) | 2,770 | 1 |
| Income before income tax and social contribution | R\$ | 4,873 | - | - | - | 4,873 | 4,839 | 19 |
| Income tax and social contribution | R\$ | (2,412) | - | - | - | (2,412) | (3,288) | |
| Net income | R\$ | 2,461 | - | - | - | 2,461 | 1,551 | 18 |

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8.8 - Pelletizing Affiliates - KOBRASCO (Adjusted and Non-Audited)

| Information | 2002 | | | | | | |
|-------------|-------------|-------------|-------------|-------------|-------|-------------|-------------|
| | 1st Quarter | 2nd Quarter | 3rd Quarter | 4th Quarter | Total | 1st Quarter | 2nd Quarter |
| | | | | | | | |

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| | | | | | | | | |
|--------------------------------------------------------|---------------|----------|---|---|---|----------|----------|------|
| Quantity sold - external market | MT (thousand) | 436 | - | - | - | 436 | 561 | |
| Quantity sold - internal market - CVRD | MT (thousand) | 420 | - | - | - | 420 | 420 | |
| Quantity sold - internal market - Others | | - | - | - | - | - | - | |
| Quantity sold - total | MT (thousand) | 856 | - | - | - | 856 | 981 | 1 |
| Average sales price - external market | US\$ | 31.31 | - | - | - | 31.31 | 30.04 | 3 |
| Average sales price - internal market | US\$ | 32.08 | - | - | - | 32.08 | 31.80 | 3 |
| Average sales price - total | US\$ | 31.69 | - | - | - | 31.69 | 30.79 | 3 |
| Long-term indebtedness, gross | US\$ | 149,583 | - | - | - | 149,583 | 128,282 | 128 |
| Short-term indebtedness, gross | US\$ | - | - | - | - | - | - | |
| Total indebtedness, gross | US\$ | 149,583 | - | - | - | 149,583 | 128,282 | 128 |
| Long-term indebtedness, net | US\$ | 149,583 | - | - | - | 149,583 | 128,282 | 128 |
| Short-term indebtedness, net | US\$ | - | - | - | - | - | - | |
| Total indebtedness, net | US\$ | 149,583 | - | - | - | 149,583 | 128,282 | 128 |
| Stockholders' equity | R\$ | 16,608 | - | - | - | 16,608 | 39,224 | 32 |
| Net operating revenues | R\$ | 63,984 | - | - | - | 63,984 | 61,210 | 70 |
| Cost of products | R\$ | (50,027) | - | - | - | (50,027) | (46,868) | (56) |
| Other expenses/revenues | R\$ | (1,109) | - | - | - | (1,109) | (734) | |
| Depreciation, amortization and depletion | R\$ | 2,248 | - | - | - | 2,248 | 2,225 | 2 |
| EBITDA -----> | R\$ | 15,096 | - | - | - | 15,096 | 15,833 | 15 |
| Depreciation, amortization and depletion | R\$ | (2,248) | - | - | - | (2,248) | (2,225) | (2) |
| EBIT -----> | R\$ | 12,848 | - | - | - | 12,848 | 13,608 | 13 |
| Other expenses - non cash | R\$ | (2,984) | - | - | - | (2,984) | - | |
| Gain on investments accounted for by the equity method | R\$ | 57 | - | - | - | 57 | 316 | |
| Non-operating result | R\$ | 31 | - | - | - | 31 | 12 | |
| Net financial result | R\$ | (3,811) | - | - | - | (3,811) | (32,118) | (23) |
| Income before income tax and social contribution | R\$ | 6,141 | - | - | - | 6,141 | (18,182) | (10) |
| Income tax and social contribution | R\$ | (3,093) | - | - | - | (3,093) | 6,198 | 3 |
| Net income | R\$ | 3,048 | - | - | - | 3,048 | (11,984) | (6) |

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8.9 - Pelletizing Affiliates - NIBRASCO (Adjusted and Non-Audited)

| Information | | 2002 | | | | | | |
|--------------------------------------------------|---------------|----------------|----------------|----------------|----------------|----------|----------------|----------------|
| | | 1st Quarter | 2nd Quarter | 3rd Quarter | 4th Quarter | Total | 1st Quarter | 2nd Quarter |
| Quantity sold - external market | MT (thousand) | 407 | - | - | - | 407 | 806 | |
| Quantity sold - internal market - CVRD | MT (thousand) | 584 | - | - | - | 584 | 1,169 | |
| Quantity sold - internal market - Others | MT (thousand) | 9 | - | - | - | 9 | 35 | |
| Quantity sold - total | MT (thousand) | 1,000 | - | - | - | 1,000 | 2,010 | |
| Average sales price - external market | US\$ | 30.25 | - | - | - | 30.25 | 30.16 | |
| Average sales price - internal market | US\$ | 30.49 | - | - | - | 30.49 | 30 | |
| Average sales price - total | US\$ | 30.39 | - | - | - | 30.39 | 30.31 | |
| Long-term indebtedness, gross | US\$ | 3,600 | - | - | - | 3,600 | 6,000 | |
| Short-term indebtedness, gross | US\$ | 2,484 | - | - | - | 2,484 | 2,619 | |
| Total indebtedness, gross | US\$ | 6,084 | - | - | - | 6,084 | 8,619 | |
| Stockholders' equity | R\$ | 78,682 | - | - | - | 78,682 | 122,313 | |
| Net operating revenues | R\$ | 70,936 | - | - | - | 70,936 | 122,876 | |
| Cost of products | R\$ | (70,397) | - | - | - | (70,397) | (107,077) | |
| Other expenses/revenues | R\$ | 144 | - | - | - | 144 | (10,534) | |
| Depreciation, amortization and depletion | R\$ | 4,217 | - | - | - | 4,217 | 4,086 | |
| EBITDA -----> | R\$ | 4,900 | - | - | - | 4,900 | 9,351 | |
| Depreciation, amortization and depletion | R\$ | (4,217) | - | - | - | (4,217) | (4,086) | |
| EBIT -----> | R\$ | 683 | - | - | - | 683 | 5,265 | |
| Other expenses - non cash | R\$ | (2,548) | - | - | - | (2,548) | - | |
| Net financial result | R\$ | (2,463) | - | - | - | (2,463) | 902 | |
| Income before income tax and social contribution | R\$ | (4,328) | - | - | - | (4,328) | 6,167 | |
| Income tax and social contribution | R\$ | 66 | - | - | - | 66 | (3,172) | |
| Net income | R\$ | (4,262) | - | - | - | (4,262) | 2,995 | |

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8.10 - Pelletizing Affiliates - SAMARCO (Adjusted and Non-Audited)

| Information | | 2002 | | | | | | |
|-----------------------------------------------------------|---------------|----------------|----------------|----------------|----------------|-----------|----------------|----------------|
| | | 1st Quarter | 2nd Quarter | 3rd Quarter | 4th Quarter | Total | 1st Quarter | 2nd Quarter |
| Quantity sold - total | MT (thousand) | 3,301 | - | - | - | 3,301 | 3,399 | 2,399 |
| Average sales price - total | US\$ | 28.48 | - | - | - | 28.48 | 28.83 | 30.12 |
| Long-term indebtedness, gross | US\$ | 92,788 | - | - | - | 92,788 | 166,257 | 132,257 |
| Short-term indebtedness, gross | US\$ | 169,170 | - | - | - | 169,170 | 188,795 | 164,795 |
| Total indebtedness, gross | US\$ | 261,958 | - | - | - | 261,958 | 355,052 | 297,052 |
| Long-term indebtedness, net | US\$ | 92,788 | - | - | - | 92,788 | 126,810 | 132,810 |
| Short-term indebtedness, net | US\$ | 154,260 | - | - | - | 154,260 | 170,389 | 142,389 |
| Total indebtedness, net | US\$ | 247,048 | - | - | - | 247,048 | 297,199 | 275,199 |
| Stockholders' equity | R\$ | 510,038 | - | - | - | 510,038 | 418,290 | 447,290 |
| Net operating revenues | R\$ | 212,909 | - | - | - | 212,909 | 197,904 | 190,904 |
| Cost of products | R\$ | (108,837) | - | - | - | (108,837) | (95,771) | (80,771) |
| Other expenses/revenues | R\$ | (18,632) | - | - | - | (18,632) | (18,514) | (19,514) |
| Depreciation, amortization and depletion | R\$ | 7,745 | - | - | - | 7,745 | 9,268 | 8,268 |
| EBITDA -----> | R\$ | 93,185 | - | - | - | 93,185 | 92,887 | 98,887 |
| Depreciation, amortization and depletion | R\$ | (7,745) | - | - | - | (7,745) | (9,268) | (8,268) |
| EBIT -----> | R\$ | 85,440 | - | - | - | 85,440 | 83,619 | 90,619 |
| Other expenses/revenues - non cash | R\$ | (1,815) | - | - | - | (1,815) | (5,275) | (2,275) |
| Gain on investments accounted for by the equity method | R\$ | 2,213 | - | - | - | 2,213 | (3,570) | (4,570) |
| Non-operating result | R\$ | 50 | - | - | - | 50 | - | - |
| Net financial result | R\$ | (15,237) | - | - | - | (15,237) | (63,754) | (45,754) |
| Income before income tax and social contribution | R\$ | 70,651 | - | - | - | 70,651 | 11,020 | 37,020 |
| Income tax and social contribution | R\$ | (12,555) | - | - | - | (12,555) | (3,324) | (7,324) |
| Net income | R\$ | 58,096 | - | - | - | 58,096 | 7,696 | 29,696 |

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8.11 - Iron Ore Area - FERTECO (Adjusted and Non-Audited)

| Information | | 2002 | | | | | | |
|--------------------------------------------------------|---------------|------------------------|----------------|----------------|----------------|----------|------------------------|----------------|
| | | 1st Quarter (*) | 2nd Quarter | 3rd Quarter | 4th Quarter | Total | 1st Quarter (*) | 2nd Quarter |
| Quantity sold - external market | MT (thousand) | 2,470 | - | - | - | 2,470 | - | 3 |
| Quantity sold - internal market | MT (thousand) | 789 | - | - | - | 789 | - | |
| Quantity sold - total | MT (thousand) | 3,259 | - | - | - | 3,259 | - | 4 |
| Average sales price - external market | US\$ | 16.91 | - | - | - | 16.91 | - | 1 |
| Average sales price - internal market | US\$ | 12.98 | - | - | - | 12.98 | - | |
| Average sales price - total | US\$ | 15.96 | - | - | - | 15.96 | - | 1 |
| Long-term indebtedness, gross | US\$ | 94,359 | - | - | - | 94,359 | - | 101 |
| Short-term indebtedness, gross | US\$ | 55,244 | - | - | - | 55,244 | - | 86 |
| Total indebtedness, gross | US\$ | 149,603 | - | - | - | 149,603 | - | 187 |
| Long-term indebtedness, net | US\$ | 94,359 | - | - | - | 94,359 | - | 101 |
| Short-term indebtedness, net | US\$ | 27,626 | - | - | - | 27,626 | - | 85 |
| Total indebtedness, net | US\$ | 121,985 | - | - | - | 121,985 | - | 186 |
| Stockholders' equity | R\$ | 215,058 | - | - | - | 215,058 | - | 225 |
| Net operating revenues | R\$ | 126,846 | - | - | - | 126,846 | - | 158 |
| Cost of products | R\$ | (85,388) | - | - | - | (85,388) | - | (121) |
| Other expenses/revenues | R\$ | 2,894 | - | - | - | 2,894 | - | 5 |
| Depreciation, amortization and depletion | R\$ | 7,273 | - | - | - | 7,273 | - | 2 |
| EBITDA -----> | R\$ | 51,625 | - | - | - | 51,625 | - | 44 |
| Depreciation, amortization and depletion | R\$ | (7,273) | - | - | - | (7,273) | - | (2) |
| EBIT -----> | R\$ | 44,352 | - | - | - | 44,352 | - | 42 |
| Gain on investments accounted for by the equity method | R\$ | 9 | - | - | - | 9 | - | |
| Non-operating result | R\$ | (216) | - | - | - | (216) | - | |
| Net financial result | R\$ | (4,575) | - | - | - | (4,575) | - | (19) |
| Income before income tax and social contribution | R\$ | 39,570 | - | - | - | 39,570 | - | 23 |
| Income tax and social contribution | R\$ | (10,519) | - | - | - | (10,519) | - | (5) |
| Net income | R\$ | 29,051 | - | - | - | 29,051 | - | 17 |

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8.12 - Manganese and Ferro Alloys Area - SIBRA (Adjusted and Non-Audited)

| Information | | 2002 | | | | | | |
|-----------------------------------------------------|---------------|----------------|----------------|----------------|----------------|---------|----------------|----------------|
| | | 1st Quarter | 2nd Quarter | 3rd Quarter | 4th Quarter | Total | 1st Quarter | 2nd Quarter |
| Quantity sold - external market - ferro alloy | MT (thousand) | 10 | - | - | - | 10 | 10 | |
| Quantity sold - internal market - ferro alloy | MT (thousand) | 19 | - | - | - | 19 | 15 | |
| Quantity sold - total | MT (thousand) | 29 | - | - | - | 29 | 25 | |
| Quantity sold - external market - manganese | MT (thousand) | 242 | - | - | - | 242 | 189 | |
| Quantity sold - internal market - manganese | MT (thousand) | 36 | - | - | - | 36 | 22 | |
| Quantity sold - total | MT (thousand) | 278 | - | - | - | 278 | 211 | |
| Average sales price - external market - ferro alloy | US\$ | 465.60 | - | - | - | 465.60 | 650.08 | 57 |
| Average sales price - internal market - ferro alloy | US\$ | 434.86 | - | - | - | 434.86 | 538.29 | 44 |
| Average sales price - total | US\$ | 445.67 | - | - | - | 445.67 | 582.53 | 48 |
| Average sales price - external market - manganese | US\$ | 52.99 | - | - | - | 52.99 | 39.41 | 4 |
| Average sales price - internal market - manganese | US\$ | 69.56 | - | - | - | 69.56 | 61.44 | 24 |
| Average sales price - total | US\$ | 55.11 | - | - | - | 55.11 | 41.74 | 4 |
| Long-term indebtedness, gross | US\$ | 24,720 | - | - | - | 24,720 | 41,322 | 51 |
| Short-term indebtedness, gross | US\$ | 24,465 | - | - | - | 24,465 | 35,241 | 24 |
| Total indebtedness, gross | US\$ | 49,185 | - | - | - | 49,185 | 76,563 | 75 |
| Long-term indebtedness, net | US\$ | 23,800 | - | - | - | 23,800 | 41,046 | 51 |
| Short-term indebtedness, net | US\$ | 18,512 | - | - | - | 18,512 | 32,774 | 19 |
| Total indebtedness, net | US\$ | 42,312 | - | - | - | 42,312 | 73,820 | 70 |
| Stockholders' equity | R\$ | 242,845 | - | - | - | 242,845 | 135,167 | 155 |

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|-----------------------------------------------------------|-----|----------|---|---|---|----------|----------|------|
| Net operating revenues | R\$ | 62,105 | - | - | - | 62,105 | 44,719 | 58 |
| Cost of products | R\$ | (31,569) | - | - | - | (31,569) | (28,943) | (25) |
| Other expenses/revenues | R\$ | (2,024) | - | - | - | (2,024) | (20,865) | (3) |
| Depreciation, amortization and depletion | R\$ | (2,186) | - | - | - | (2,186) | - | (5) |
| EBITDA -----> | R\$ | 26,326 | - | - | - | 26,326 | (5,089) | 24 |
| Depreciation, amortization and depletion | R\$ | 2,186 | - | - | - | 2,186 | - | 5 |
| EBIT -----> | R\$ | 28,512 | - | - | - | 28,512 | (5,089) | 29 |
| Gain on investments accounted for by the equity method | R\$ | 9,061 | - | - | - | 9,061 | 4,922 | 1 |
| Non-operating result | R\$ | (234) | - | - | - | (234) | (481) | (2) |
| Net financial result | R\$ | (1,784) | - | - | - | (1,784) | (5,272) | (4) |
| Income before income tax and social contribution | R\$ | 35,555 | - | - | - | 35,555 | (5,920) | 24 |
| Income tax and social contribution | R\$ | (1,994) | - | - | - | (1,994) | - | (4) |
| Net income | R\$ | 33,561 | - | - | - | 33,561 | (5,920) | 20 |

50

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8.13 - Manganese and Ferro Alloys Area - CPFL (Adjusted and Non-Audited)

| Information | | 2002 | | | | | | |
|------------------------------------------|---------------|----------------|----------------|----------------|----------------|--------|----------------|----------------|
| | | 1st Quarter | 2nd Quarter | 3rd Quarter | 4th Quarter | Total | 1st Quarter | 2nd Quarter |
| Quantity sold - external market | MT (thousand) | 13 | - | - | - | 13 | 18 | |
| Quantity sold - internal market | MT (thousand) | 24 | - | - | - | 24 | 16 | |
| Quantity sold - total | MT (thousand) | 37 | - | - | - | 37 | 34 | |
| Average sales price - external market | US\$ | 568.10 | - | - | - | 568.10 | 475.61 | 59 |
| Average sales price - internal market | US\$ | 489.47 | - | - | - | 489.47 | 598.83 | 57 |
| Average sales price - total | US\$ | 517.01 | - | - | - | 517.01 | 533.34 | 58 |
| Long-term indebtedness, gross | US\$ | 3,932 | - | - | - | 3,932 | 7,707 | 10 |
| Short-term indebtedness, gross | US\$ | 6,682 | - | - | - | 6,682 | 12,853 | 9 |
| Total indebtedness, gross | US\$ | 10,614 | - | - | - | 10,614 | 20,560 | 19 |
| Long-term indebtedness, net | US\$ | - | - | - | - | - | - | |

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|--------------------------------------------------------|------|----------|---|---|---|----------|----------|------|
| Short-term indebtedness, net | US\$ | 2,363 | - | - | - | 2,363 | 12,343 | 7 |
| Total indebtedness, net | US\$ | 2,363 | - | - | - | 2,363 | 12,343 | 7 |
| Stockholders' equity | R\$ | 138,780 | - | - | - | 138,780 | 110,615 | 112 |
| Net operating revenues | R\$ | 38,973 | - | - | - | 38,973 | 36,776 | 44 |
| Cost of products | R\$ | (27,073) | - | - | - | (27,073) | (26,004) | (30) |
| Other expenses/revenues | R\$ | (2,192) | - | - | - | (2,192) | (4,884) | (12) |
| Depreciation, amortization and depletion | R\$ | (1,046) | - | - | - | (1,046) | (56) | |
| EBITDA -----> | R\$ | 8,662 | - | - | - | 8,662 | 5,832 | 2 |
| Depreciation, amortization and depletion | R\$ | 1,046 | - | - | - | 1,046 | 56 | |
| EBIT -----> | R\$ | 9,708 | - | - | - | 9,708 | 5,888 | 2 |
| Gain on investments accounted for by the equity method | R\$ | 71 | - | - | - | 71 | (93) | |
| Non-operating result | R\$ | (966) | - | - | - | (966) | (164) | |
| Net financial result | R\$ | 1,220 | - | - | - | 1,220 | (497) | 1 |
| Income before income tax and social contribution | R\$ | 10,033 | - | - | - | 10,033 | 5,134 | 2 |
| Income tax and social contribution | R\$ | - | - | - | - | - | - | |
| Net income | R\$ | 10,033 | - | - | - | 10,033 | 5,134 | 2 |

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(A free translation of the original opinion in Portuguese expressed on quarterly information prepared in accordance with the accounting principles prescribed by Brazilian Corporate Law)

9- OPINION OF INDEPENDENT ACCOUNTANTS

May 3, 2002

To the Board of Directors
Companhia Vale do Rio Doce

- 1 We have carried out limited reviews of the Quarterly Financial Information - ITR of Companhia Vale do Rio Doce for the quarters ended March 31, 2002 and 2001. This financial information is the responsibility of the Company's management.
- 2 Except as mentioned in paragraph three, our limited reviews were carried out in accordance with the specific procedures established by the Brazilian Institute of Accountants - IBRACON, in conjunction with the Federal Accounting Board, and consisted mainly of: (a) inquires and discussion with the officers responsible for the Company's accounting, financial and operational areas about the procedures adopted for preparing the Quarterly Financial Information - ITR, and (b) review of the

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information and subsequent events which have, or may have, relevant effects on the Company's financial position and operations.

- 3 The financial statements at March 31, 2002 and 2001, of subsidiary, jointly-owned and associated companies, in which there are relevant investments, have not been reviewed by independent accountants. Thus, the conclusions resulting from our reviews do not cover the amounts of R\$ 6,088,805 thousand (2001 - R\$ 6,322,860 thousand) of these investments and R\$ 284,115 thousand (2001 - R\$ 308,169 thousand) of the income produced by these investments for quarters then ended.
- 4 Based on our limited reviews, except for the effects of any adjustments which might have been required if the financial statements of the subsidiary, jointly-owned and associated companies mentioned in paragraph 3 had been reviewed by independent accountants, we are not aware of any relevant adjustments which should be made to the Quarterly Financial Information - ITR, referred to in paragraph 1, for it to be in accordance with the rules issued by the Brazilian Securities Commission - CVM specifically applicable to the preparation of obligatory Quarterly Financial Information - ITR.
- 5 The Quarterly Financial Information - ITR also contains accounting and financial information relating to the quarter ended December 31, 2001. We examined this information at the time of its preparation, together with the audit of the financial statements at that date, on which we expressed our opinion, without qualification, dated March 22, 2002.

PricewaterhouseCoopers
Independent Accountants
CRC-SP-160-S-RJ

Douglas H. Woods
Partner
Accountant CRC-SP-101.652/O-0-S-RJ

CVRD

52

10- MEMBERS OF THE BOARD OF DIRECTORS, AUDIT COMMITTEE, CHIEF EXECUTIVE OFFICER
AND EXECUTIVE DIRECTORS

BOARD OF DIRECTORS
Luiz Tarquinio Sardinha Ferro
Chairman

Erik Persson

Renato Augusto Zagallo Villela dos Santos

Executive Director of Human Resources and
Corporate Services
Carla Grasso

Marcus Roger
Director of Human Resources

Gerson Petterle

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| | |
|-----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|
| Francisco Valadares Povoá | Director of Supplies |
| Joao Moises Oliveira | Adriana Ferreira Director of Information Technology |
| Jose Marques de Lima | Joao Luiz Fonseca Director of Information Technology Development |
| Octavio Lopes Castello Branco Neto | |
| Renato da Cruz Gomes | Eustaquio Lott VALIA |
| Romeu do Nascimento Teixeira | |
| Audit Committee | Executive Director of the Iron Ore Area Armando de Oliveira Santos Neto |
| Claudio Bernardo Guimaraes de Moraes | |
| Eliseu Martins | Eduardo Marcos de Barros Faria Director of Commercialization |
| Marcos Fabio Coutinho | Joaquim Martino Ferreira Director of the Northern System |
| Pedro Carlos de Mello | |
| Viveiros Ricardo Wiering de Barros | Jose Francisco Martins Director of the Southern System |
| Chief Executive Officer Roger Agnelli | Marconi Tarbes Vianna Director of Manganese and Alloys |
| Director of Legal Affairs Paulo Francisco de Almeida Lopes | Executive Director of Logistics Area Guilherme Rodolfo Laager |
| Executive Director of Control and Planning and Acting Executive Director of Finance Gabriel Stoliar | Francisco Nuno Director of Operational Planning |
| Otto de Souza Marques Junior Director of Control | Jayme Nicolato Correa Director of Operations |
| Tito Botelho Martins Junior Director of Finance and Treasury Department | Mauro Dias Director of Commercialization |
| Eduardo Beauclair Director of Strategic Planning and Budget | Carlos Ebner Director of Logistics Business Development |
| Orlando Lima Director of Management Performance | |
| Reinaldo Castanheira Director of Investments' Performance | |
| Rogério Caporali Director of Technical Services | |

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Executive Director of the Shareholdings Area and
Businesses Development and Acting Executive Director of
Non-Ferrous Area
Antonio Miguel Marques

Murilo Ferreira
Director of ALUVALE

Dalton Nose
Director of Development

Edward Dias da Silva
Director of Energy

Paulo Eduardo Libanio
Director of Basic Metals Projects

Helcio Roberto Martins Guerra
Director of Industrial Minerals and Basic Metals

Roberto Moretzsohn
Director of Commercialization of Basic Metal

Marcelo Bastos
Director of Carajas' Operations

Eduardo de Carvalho Duarte Otto de Souza Marques
Gerente Geral de Controladoria Diretor de Controle
Contador CRC-RJ 57439

CVRD

54

Item 2

COMPANHIA VALE DO RIO DOCE
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

| | Page |
|----------------------------------------------------------------------------------------------------------|------|
| | ---- |
| Report of PricewaterhouseCoopers Auditores Independentes..... | F-2 |
| Consolidated Balance Sheets as of March 31, 2002 and December 31, 2001... | F-3 |
| Consolidated Statements of Income for the Three-month periods ended March 31, 2002 and 2001 | F-5 |
| Consolidated Statements of Cash Flows for the Three-month periods ended March 31, 2002 and 2001 | F-6 |
| Consolidated Statements of Changes in Stockholders' Equity for | |

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the Three-month periods ended March 31, 2002 and 2001..... F-7

Notes to the Consolidated Financial Information..... F-8

F-1

REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors
and Stockholders of Companhia Vale do Rio Doce

We have reviewed the accompanying unaudited condensed consolidated balance sheet of Companhia Vale do Rio Doce and subsidiaries as of March 31, 2002, and the unaudited condensed consolidated statements of income and cash flows for the three-month periods ended March 31, 2002 and 2001. These financial statements are the responsibility of the Company's management. The unaudited financial information of certain affiliates, the investments in which total US\$454 million at March 31, 2002 and equity in earnings total US\$26 million and US\$17 million for the three-month periods then ended, and that of the majority-owned shipping and ferrous alloy subsidiaries, which statements reflect total assets of US\$494 million at March 31, 2002 and total revenues of US\$71 million and US\$127 million for the three-month periods then ended, were reviewed by other independent accountants whose reports thereon have been furnished to us.

We conducted our reviews in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the United States of America, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the condensed consolidated interim financial statements referred to above for them to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the consolidated balance sheet of Companhia Vale do Rio Doce and subsidiaries as of December 31, 2001, and the related consolidated statements of income, shareholders' equity, and cash flows for the year then ended (not presented herein). In our report dated March 28, 2002, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of December 31, 2001, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

PricewaterhouseCoopers
Auditores Independentes

Rio de Janeiro, Brazil
May 8, 2002

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F-2

Condensed Consolidated Balance Sheets
Expressed in millions of United States dollars

| | March 31, 2002 ----- (Unaudited) | December 31, 2001 ----- |
|---------------------------------------------------------------------------------------|-------------------------------------------|-------------------------------|
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | 2,008 | 1,117 |
| Accounts receivable | | |
| Related parties | 112 | 106 |
| Unrelated parties | 502 | 443 |
| Loans and advances to related parties | 113 | 160 |
| Inventories | 322 | 323 |
| Deferred income tax | 294 | 265 |
| Others | 215 | 224 |
| | ----- | ----- |
| | 3,566 | 2,638 |
| Property, plant and equipment, net | 3,857 | 3,813 |
| Investments in affiliated companies and joint ventures and other investments | 1,245 | 1,227 |
| Provision for losses on equity investments | (2) | (9) |
| Goodwill on acquisition of consolidated subsidiaries | 539 | 540 |
| Loans and advances | | |
| Related parties | 574 | 555 |
| Unrelated parties | 102 | 100 |
| Other assets | 605 | 658 |
| | ----- | ----- |
| TOTAL | 10,486 | 9,522 |
| | ===== | ===== |

F-3

Condensed Consolidated Balance Sheets
Expressed in millions of United States dollars

| | March 31, 2002 ----- (Unaudited) | (Continued) December 31, 2001 ----- |
|--------------------------------------|-------------------------------------------|----------------------------------------------|
| Liabilities and stockholders' equity | | |

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| | | |
|--------------------------------------------------|---------|---------|
| Current liabilities | | |
| Suppliers | 287 | 296 |
| Payroll and related charges | 83 | 85 |
| Interest attributed to stockholders | 476 | 340 |
| Current portion of long-term debt | | |
| Related parties | - | 22 |
| Unrelated parties | 306 | 274 |
| Short-term debt | 931 | 589 |
| Loans from related parties | 147 | 168 |
| Others | 134 | 147 |
| | ----- | ----- |
| | 2,364 | 1,921 |
| | ----- | ----- |
| Long-term liabilities | | |
| Employees postretirement benefits | 184 | 187 |
| Long-term debt | | |
| Related parties | - | 156 |
| Unrelated parties | 2,549 | 2,014 |
| Loans from related parties | 2 | 21 |
| Provisions for contingencies (Note 8) | 483 | 452 |
| Unrealized loss on derivative instruments | 33 | 40 |
| Others | 83 | 86 |
| | ----- | ----- |
| | 3,334 | 2,956 |
| | ----- | ----- |
| Minority interests | 11 | 5 |
| | ----- | ----- |
| Stockholders' equity | | |
| Preferred class A stock - 600,000,000 | | |
| no-par-value shares authorized and | | |
| 138,575,913 issued | 820 | 820 |
| Common stock - 300,000,000 no-par-value | | |
| shares authorized and 249,983,143 issued | 1,479 | 1,479 |
| Treasury stock -4,751 (2001 - 91) preferred and | | |
| 4,715,170 (2001 - 4,715,170) common shares | (88) | (88) |
| Additional paid-in capital | 498 | 498 |
| Other cumulative comprehensive income | (3,467) | (3,465) |
| Appropriated retained earnings | 3,207 | 3,212 |
| Unappropriated retained earnings | 2,328 | 2,184 |
| | ----- | ----- |
| | 4,777 | 4,640 |
| | ----- | ----- |
| TOTAL | 10,486 | 9,522 |
| | ===== | ===== |

F-4

Condensed Consolidated Statement of Operations
Expressed in millions of United States dollars
(except number of shares and per-share amounts)

Three months ended March 31

2002 2001

Operating revenues, net of discounts, returns

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| | | |
|----------------------------------------------------------------------------|---------|---------|
| and allowances | | |
| Iron ore and pellets | 666 | 580 |
| Gold | 34 | 28 |
| Other metals | 100 | 94 |
| | ----- | ----- |
| | 800 | 702 |
| Revenues from transportation services | 111 | 191 |
| Aluminum products | 68 | 83 |
| Other products and services | 8 | 29 |
| | ----- | ----- |
| | 987 | 1,005 |
| Value-added tax | (34) | (30) |
| | ----- | ----- |
| Net operating revenues | 953 | 975 |
| | ----- | ----- |
| Operating costs and expenses | | |
| Cost of ores and metals sold | (407) | (362) |
| Cost of transportation services | (59) | (129) |
| Cost of aluminum products | (65) | (79) |
| Others | (6) | (32) |
| | ----- | ----- |
| | (537) | (602) |
| Selling, general and administrative expenses | (59) | (40) |
| Research and development | (9) | (10) |
| Employee profit sharing plan | (9) | (10) |
| Others | (46) | (22) |
| | ----- | ----- |
| | (660) | (684) |
| | ----- | ----- |
| Operating income | 293 | 291 |
| | ----- | ----- |
| Non-operating income (expenses) | | |
| Financial income | 33 | 48 |
| Financial expenses | (62) | (84) |
| Foreign exchange and monetary gains (loss) | (3) | (199) |
| Gain on sale of investments | - | 277 |
| | ----- | ----- |
| | (32) | 42 |
| | ----- | ----- |
| Income before income taxes, equity results and minority interests | 261 | 333 |
| | ----- | ----- |
| Income taxes | | |
| Current | (7) | (8) |
| Deferred | (12) | 30 |
| | ----- | ----- |
| | (19) | 22 |
| | ----- | ----- |
| Equity in results of affiliates and joint ventures.. | 29 | 7 |
| Change in provision for losses on equity investments | 5 | (9) |
| Minority interests | (1) | 1 |
| | ----- | ----- |
| Net income | 275 | 354 |
| | ===== | ===== |
| Basic earnings per Common and Preferred Class A Share | 0.72 | 0.92 |
| | ----- | ----- |
| Weighted average number of shares outstanding (thousands of shares) | | |
| Common shares | 245,268 | 249,983 |

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Preferred Class A shares 138,575 134,917

See notes to consolidated financial information.

Condensed Consolidated BStatement of Cash Flows
Expressed in millions of United States dollars

| | Three months ended March 31 | |
|----------------------------------------------------------------------------------------|-----------------------------|-------------------------|
| | ----- 2002 ----- | ----- 2001 ----- |
| Cash flows from operating activities: | | |
| Net income | 275 | 354 |
| Adjustments to reconcile net income with cash provided by operating activities: | | |
| Depreciation, depletion and amortization | 66 | 67 |
| Equity in results of affiliates and joint ventures, net of dividends received | (4) | 79 |
| Change in provision for losses on equity investments | (5) | 9 |
| Deferred income taxes | 12 | (30) |
| Provisions for contingencies | 23 | 18 |
| Loss on disposals of property, plant and equipment | 31 | 28 |
| Gain on sale of investments | -- | (277) |
| Pension plan | 3 | 9 |
| Foreign exchange and monetary (gains) losses | (1) | 215 |
| Others | (2) | (4) |
| Decrease (increase) in assets: | | |
| Accounts receivable | (66) | (46) |
| Inventories | 1 | -- |
| Others | 9 | 111 |
| Increase (decrease) in liabilities: | | |
| Suppliers | (9) | 25 |
| Payroll and related charges | (2) | (1) |
| Others | (16) | (22) |
| Net cash provided by operating activities | ----- 315 ----- | ----- 535 ----- |
| Cash flows from investing activities: | | |
| Loans and advances receivable | | |
| Related parties | | |
| Additions | (23) | (57) |
| Repayments | 3 | 60 |
| Others | 1 | -- |
| Guarantees and deposits | (10) | (8) |
| Additions to investments | (1) | (27) |
| Additions to property, plant and equipment | (145) | (114) |
| Proceeds from disposals of property, plant and equipment | -- | 1 |
| Net cash used in investing activities | ----- (175) ----- | ----- (145) ----- |
| Cash flows from financing activities: | | |

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| | | |
|-------------------------------------------------------------------------------|-------|-------|
| Short-term debt, net issuances | 377 | 312 |
| Loans | | |
| Related parties | | |
| Additions | 12 | 11 |
| Repayments | (15) | (15) |
| Long-term debt | | |
| Related parties | 10 | -- |
| Others | 442 | 53 |
| Repayments of long-term debt | | |
| Related parties | (15) | (14) |
| Others | (61) | (73) |
| Interest attributed to stockholders | -- | (639) |
| Treasury stock | -- | 1 |
| | ----- | ----- |
| Net cash used in financing activities | 750 | (364) |
| | ----- | ----- |
| Increase in cash and cash equivalents | 890 | 26 |
| Effect of exchange rate changes on cash and cash equivalents | 1 | (61) |
| Cash and cash equivalents, beginning of period ... | 1,117 | 1,211 |
| | ----- | ----- |
| Cash and cash equivalents, end of period | 2,008 | 1,176 |
| | ===== | ===== |
| Cash paid during the period for: | | |
| Interest on short-term debt | (6) | (6) |
| Interest, net of interest capitalized of \$5 in 2002 and \$2 in 2001 | (35) | (49) |
| Income tax | -- | (46) |
| Non-cash transactions | | |
| Special pension plan contribution in shares of CSN | -- | 249 |
| Exchange of loans receivable for investments | 20 | 35 |

See notes to consolidated financial information

F-6

Condensed Consolidated Statement of Changes in Stockholders' Equity
Expressed in millions of United States dollars
(except number of shares and per-share amounts)

| | Three months ended March 31 | |
|-------------------------------------------------------|--------------------------------|----------------|
| | 2002 | 2001 |
| | Shares (Unaudited) | |
| | ----- | ----- |
| Preferred class A stock (including one special share) | | |
| Balance March 31, 2002 and 2001 | 138,575,913 | 820 709 |
| | ----- | ----- |
| Common stock | | |
| Balance March 31, 2002 and 2001 | 249,983,143 | 1,479 1,279 |
| | ----- | ----- |
| Treasury stock | | |
| Balance January 1 | (4,715,261) | (88) (61) |

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| | | | |
|-----------------------------------------------------|-------------|---------|---------|
| Acquisitions in 2002 | (4,660) | -- | 1 |
| | ----- | ----- | ----- |
| Balance March 31, 2002 and 2001 | (4,719,921) | (88) | (60) |
| | ----- | ----- | ----- |
| Additional paid-in capital | | | |
| Balance March 31, 2002 and 2001 | | 498 | 498 |
| Other cumulative comprehensive income | | | |
| Amounts not recognized as net periodic pension cost | | | |
| Balance January 1 | | -- | (100) |
| Excess of additional minimum liability | | -- | 151 |
| Tax effect on above | | -- | (51) |
| | | ----- | ----- |
| Balance March 31, 2002 and 2001 | | -- | -- |
| | | ----- | ----- |
| Cumulative translation adjustments | | | |
| Balance January 1 | | (3,475) | (2,972) |
| Change in the period | | (2) | (380) |
| | | ----- | ----- |
| Balance March 31, 2002 and 2001 | | (3,477) | (3,352) |
| | | ----- | ----- |
| Unrealized gain on available-for-sale security | | | |
| Balance January 1 | | -- | 24 |
| Change in the period | | -- | 1 |
| | | ----- | ----- |
| Balance March 31, 2002 and 2001 | | -- | 25 |
| | | ----- | ----- |
| Adjustments relating to investments in affiliates | | | |
| Balance January 1 | | 10 | 8 |
| Change in the period | | -- | 1 |
| | | ----- | ----- |
| Balance March 31, 2002 and 2001 | | 10 | 9 |
| | | ----- | ----- |
| Total other cumulative comprehensive income | | (3,467) | (3,318) |
| | | ----- | ----- |
| Appropriated retained earnings | | | |
| Balance January 1 | | 3,212 | 3,537 |
| Transfer to retained earnings | | (5) | (338) |
| | | ----- | ----- |
| Balance March 31, 2002 and 2001 | | 3,207 | 3,199 |
| | | ----- | ----- |
| Retained earnings | | | |
| Balance January 1 | | 2,184 | 1,647 |
| Net income | | 275 | 354 |
| Interest attributed to stockholders | | | |
| Preferred class A stock (\$0.35 per share in | | | |
| March 2002 and \$0.40 in December 2001) | | (49) | (54) |
| Common stock (\$0.35 per share in March 2002 | | | |
| and \$0.40 in December 2001) | | (87) | (99) |
| Appropriation from reserves | | 5 | 338 |
| | | ----- | ----- |
| Balance March 31, 2002 and 2001 | | 2,328 | 2,186 |
| | | ----- | ----- |
| Total stockholders' equity | 383,839,135 | 4,777 | 4,493 |
| | ===== | ===== | ===== |
| Comprehensive income is comprised as follows: | | | |
| Net income | | 275 | 354 |
| Amounts not recognized as net periodic pension cost | | -- | 100 |
| Cumulative translation adjustments | | (2) | (380) |
| Unrealized gain on available-for-sale security ... | | -- | 1 |
| Adjustments relating to investments in affiliates | | -- | 1 |
| | | ----- | ----- |
| Total comprehensive income | | 273 | 76 |

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See notes to consolidated financial information

F-7

Notes to the Condensed Consolidated Financial Information
Expressed in millions of United States dollars, unless otherwise stated

1 The Company and its operations

Companhia Vale do Rio Doce CVRD is a limited liability company, duly organized and existing under the laws of the Federative Republic of Brazil. Our operations are carried out through CVRD and its subsidiary companies, joint ventures and affiliates, and mainly consist of mining, non-ferrous metal production and logistics, as well as pulp and paper, aluminum and steel activities. Further details of our operations and those of our joint ventures and affiliates are described in Note 9.

The main consolidated operating subsidiaries are as follows:

| Subsidiary | % ownership | Head office location | Principal activity |
|---------------------------------------------|-------------|----------------------|--------------------|
| Ferteco Mineracao S.A. - FERTECO | 100 | Brazil | Iron ore and pell |
| Para Pigmentos S.A. | 80 | Brazil | Kaolin |
| SIBRA - Eletrosiderurgica Brasileira S.A. | 98 | Brazil | Ferrous alloys |
| Navegacao Vale do Rio Doce S.A. - DOCENAVE | 100 | Brazil | Shipping |
| Vale do Rio Doce Aluminio S.A. - ALUVALE | 100 | Brazil | Aluminum |
| Itabira Rio Doce Company Ltd. - ITACO | 100 | Cayman Island | Trading |
| Rio Doce International Finance Ltd. - RDIF | 100 | Bahamas | International fin |
| CELMAR S.A. - Industria de Celulose e Papel | 85 | Brazil | Pulp |
| Florestas Rio Doce S.A. | 100 | Brazil | Pulp |
| Rio Doce Manganese Europe - RDME | 100 | France | Ferrous alloys |
| Urucum Mineracao S.A. | 100 | Brazil | Iron ore |

2 Basis of consolidation

All majority-owned subsidiaries where we have both share and management control are consolidated with elimination of all significant intercompany accounts and transactions. Investments in unconsolidated affiliates and joint ventures are reported at cost less amortized goodwill plus our equity in undistributed earnings or losses. Included in this category are certain joint ventures in which we have majority ownership but, by force of shareholders' agreements, do not have effective management control. We provide for losses on equity investments with negative stockholders' equity and for other than temporary decreases in market value below carrying value where applicable.

3 Summary of significant accounting policies

Our condensed consolidated interim financial information as of March 31, 2002 and for the periods of three months ended March 31, 2002 and 2001 is unaudited. However, in our management's opinion, such consolidated

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financial information includes all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of the results for interim periods. The results of operations for the three month period ended March 31, 2002 are not necessarily indicative of the results to be expected for the full fiscal year ending December 31, 2002.

This condensed interim financial information should be read in conjunction with our consolidated financial statements for the year ended December 31, 2001.

4 Recently issued accounting pronouncement

In accordance with SFAS 142 "Goodwill and Other Intangible Assets", as from January 1, 2002 (or immediately for acquisitions after June 30, 2001):

- o Goodwill relative to consolidated subsidiaries is no longer amortized, but is aggregated to reporting units and subject at least annually to testing for impairment, considering the reporting unit as a whole.

F-8

- o Goodwill relative to affiliates and joint ventures is no longer amortized but is allocated to the respective investment and included in the measurement of the gain or loss on sale, or the loss arising from an other than temporary decline in the value of the investment.
- o Goodwill charged against earnings for the three months ended March 31, 2001 totaled \$10 relating to subsidiaries and \$3 relating to equity investees which were classified as other operating expenses and equity in results of affiliates and joint ventures, respectively.

SFAS 144 "Accounting for the Impairment or Disposal of Long-Lived Assets" has been applied as from January 1, 2002 and the provisions thereof are applied prospectively.

5 Income tax

Income taxes in Brazil comprise federal income tax and social contribution, which is an additional federal tax. The statutory enacted tax rates applicable in the periods presented are as follows:

| | Three months ended March 31 - % | |
|-------------------------|---------------------------------|----------------|
| | 2002 | 2001 |
| Federal income tax | 25.00 | 25.00 |
| Social contribution (*) | 9.00 | 9.00 to 12.00 |
| Composite tax rate | 34.00 | 34.00 to 37.00 |
| | ===== | ===== |

(*) From February 1, 2000 to December 31, 2002 the social contribution rate is 9% and as from January 1, 2003 it will be 8%.

The amount reported as income tax benefit in this consolidated financial information is reconciled to the statutory rates as follows:

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| | Three months ended March 31 | |
|-----------------------------------------------------------------------------------------------|-----------------------------|-------|
| | 2002 | 2001 |
| | ----- | ----- |
| Income before income taxes, equity results and minority interests | 261 | 333 |
| | ===== | ===== |
| Federal income tax and social contribution expense at statutory enacted rates | (89) | (113) |
| Adjustments to derive effective tax rate: | | |
| Tax benefit on interest attributed to stockholders | 46 | 52 |
| Exempt foreign income | 17 | 6 |
| Tax incentives | 7 | 28 |
| Valuation allowance reversal (provision) | 9 | 18 |
| Other non-taxable gains | (3) | 9 |
| Adjustment to reflect expected annual effective tax rate | (6) | 22 |
| | ----- | ----- |
| Federal income tax and social contribution expense in consolidated statements of income | (19) | 22 |
| | ===== | ===== |

In 2000, we obtained approval of certain tax incentives relative to our iron ore and manganese operations in Carajas. The incentives comprise full income tax exemption on defined production levels up to 2005 and partial exemption up to 2013. An amount equal to the tax saving must be appropriated to a reserve account within stockholders' equity and may not be distributed in the form of cash dividends.

F-9

6 Inventories

| | March 31, 2002 | December 31, 2001 |
|--------------------------------------------|-------------------|----------------------|
| | ----- | ----- |
| Finished products | | |
| Iron ore | 94 | 110 |
| Gold | 7 | 5 |
| Manganese | 26 | 27 |
| Ferrous alloys | 27 | 28 |
| Others | 24 | 16 |
| Spare parts and maintenance supplies | 144 | 137 |
| | ----- | ----- |
| | 322 | 323 |
| | ===== | ===== |

7 Investments

| | March 31, 2002 | | | Inve |
|------------------------------|----------------|-----------------------------------|----------------|-------|
| | ----- | ----- | | ----- |
| Participation in capital (%) | (1)Net equity | (1)Net income loss for the period | March 31, 2002 | D |
| | ----- | ----- | ----- | 3 |
| voting total | | | | |

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| | | | | | |
|--------------------------------------------------------|-------|-------|-----|------|-------|
| ----- | | | | | |
| Investments in affiliated companies and joint ventures | | | | | |
| Steel | | | | | |
| Usinas Siderurgicas de Minas Gerais S.A - | 22.99 | 11.46 | 288 | 28 | 33 |
| USIMINAS (2) | | | | | |
| Companhia Siderurgica Nacional - CSN (3) | - | - | - | - | - |
| Companhia Siderurgica de Tubarao - CST (4) ... | 20.51 | 22.85 | 48 | (30) | 11 |
| California Steel Industries Inc. - CSI | 50.00 | 50.00 | 194 | (2) | 97 |
| Paper and pulp | | | | | |
| Celulose Nipo-Brasileira S.A. - CENIBRA (3) .. | - | - | - | - | - |
| Bahia-Sul Celulose S.A - BSC (3) | - | - | - | - | - |
| Aluminum and bauxite | | | | | |
| Mineracao Rio do Norte S.A. - MRN | 40.00 | 40.00 | 364 | 9 | 145 |
| Valesul Alumínio S.A. - VALESUL | 54.51 | 54.51 | 95 | 3 | 52 |
| Alumínio Brasileiro S.A. - ALBRAS | 51.00 | 51.00 | 17 | 30 | 9 |
| Alumina do Norte do Brasil S.A. - ALUNORTE ... | 50.30 | 44.96 | 168 | 10 | 100 |
| Pellets | | | | | |
| Companhia Nipo-Brasileira de Pelotizacao - | | | | | |
| NIBRASCO | 51.11 | 51.00 | 31 | (1) | 16 |
| Companhia Hispano-Brasileira de Pelotizacao - | | | | | |
| HISPANOBRAS | 51.00 | 50.89 | 36 | 3 | 18 |
| Companhia Coreano Brasileira de Pelotizacao - | | | | | |
| KOBRASCO | 50.00 | 50.00 | 5 | 1 | 3 |
| Companhia Italo-Brasileira de Pelotizacao - | | | | | |
| ITABRASCO | 51.00 | 50.90 | 27 | 1 | 14 |
| Gulf Industrial Investment Company - GIIC | 50.00 | 50.00 | 66 | 4 | 33 |
| SAMARCO Mineracao S.A | 50.00 | 50.00 | 454 | 22 | 269 |
| Others | | | | | |
| Fertilizantes Fosfaltados S.A. - | | | | | |
| FOSFERTIL (5) | 10.96 | 10.96 | 263 | 14 | 29 |
| Caemi Mineracao e Metalurgia S.A | 50.00 | 16.82 | 398 | 5 | 289 |
| Salobo Metais S.A (6) | 50.00 | 50.00 | 44 | - | 22 |
| Ferrovias Centro-Atlantica S.A - FCA | 20.00 | 45.65 | - | (6) | - |
| Others | | | | | 69 |
| | | | | | ----- |
| | | | | | 1,209 |
| Investments at cost | | | | | |
| SIDERAR (market value \$11 in 2002 and 2001) .. | 4.85 | 4.85 | | | 15 |
| Unrealized holding gains on equity security .. | | | | | (4) |
| MRS Logistica S.A | 17.19 | 9.76 | | | 25 |
| Others | | | | | - |
| | | | | | ----- |
| | | | | | 1,245 |
| | | | | | ===== |
| Change in provision for losses on equity investments: | | | | | |
| Alumínio Brasileiro S.A. - ALBRAS | | | | | |
| Cia Ferroviaria do Nordeste | | | | | |

(1) Based on US GAAP financial information.

(2) Value based on quoted market price at March 31, 2002 is \$36 compared to net book value of \$33

(3) Investments sold in 2001

(4) Value based on quoted market price at March 31, 2002 is \$81 compared to net book value of \$11

(5) Value based on quoted market price at March 31, 2002 is \$ 31 compared to net book value of \$2

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(6) Development stage enterprise

F-10

Goodwill which is no longer amortized as from January 1, 2002 in accordance with SFAS 142, included in the above investments is as follows:

| Investee | March 31 2002 | December 31 2001 |
|--------------------------------------------------|------------------|---------------------|
| | ----- | ----- |
| ----- | | |
| Alumina do Norte do Brasil S.A. - ALUNORTE | 24 | 24 |
| Samarco Mineracao S.A | 41 | 41 |
| Caemi Mineracao e Metalurgia S.A | 223 | 223 |
| | ----- | ----- |
| | 288 | 288 |
| | ===== | ===== |

Information with respect to other major affiliates' financial position and results of operations is as follows:

| | CAEM | | ALLNORTE | | ALBRAS | |
|-----------------------------|-------------------|----------------------|-------------------|----------------------|-------------------|----------------------|
| | March 31, 2002 | December 31, 2001 | March 31, 2002 | December 31, 2001 | March 31, 2002 | December 31, 2001 |
| | ----- | ----- | ----- | ----- | ----- | ----- |
| Balance Sheet | | | | | | |
| Current assets | 385 | 398 | 123 | 159 | 163 | 158 |
| Noncurrent assets | 724 | 729 | 554 | 509 | 510 | 510 |
| Current liabilities | (303) | (307) | (86) | (95) | (207) | (219) |
| Noncurrent liabilities | (408) | (427) | (423) | (431) | (449) | (463) |
| | ----- | ----- | ----- | ----- | ----- | ----- |
| Stockholders' equity | 398 | 393 | 168 | 142 | 17 | (14) |
| | ===== | ===== | ===== | ===== | ===== | ===== |
| Our participation | 16.82% | 16.82% | 44.96% | 45.58% | 51.00% | 51.00% |
| | ----- | ----- | ----- | ----- | ----- | ----- |
| Investments | 66 | 66 | 76 | 65 | 9 | (7) |
| | ===== | ===== | ===== | ===== | ===== | ===== |

| | CAEM | | ALLNORTE | | ALBRAS | |
|-----------------------------------------|-------|-------|----------|-------|--------|-------|
| | 2002 | 2002 | 2001 | 2002 | 2001 | |
| | ----- | ----- | ----- | ----- | ----- | ----- |
| Statement of Operations | | | | | | |
| Net sales | 163 | 69 | 74 | 115 | 137 | |
| Costs and expenses | (149) | (59) | (102) | (85) | (146) | |
| Income (loss) before income taxes | 14 | 10 | (28) | 30 | (9) | |
| Income taxes | (9) | - | 7 | - | 4 | |
| Equity in results of affiliates ... | - | - | - | - | - | |
| | ----- | ----- | ----- | ----- | ----- | ----- |
| Net income (loss) | 5 | 10 | (21) | 30 | (5) | |

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| | ===== | ===== | ===== | ===== | ===== |
|-------------------------------------|--------|--------|--------|--------|--------|
| Our participation | 16.82% | 44.96% | 50.27% | 51.00% | 51.00% |
| Participation in results | 1 | 5 | (10) | 15 | (3) |
| Change in provision for losses..... | - | - | - | (6) | - |
| | ----- | ----- | ----- | ----- | ----- |
| Equity in results | 1 | 5 | (10) | 9 | (3) |
| | ===== | ===== | ===== | ===== | ===== |

The provision for losses on equity investments of \$2 and \$9 at March 31, 2002 and December 31, 2001, respectively, relates to our investments in affiliates which have reported negative stockholders' equity in their financial statements prepared in accordance with US GAAP and in circumstances where we have assumed commitments to fund our share of the accumulated losses, if necessary, through additional capital contributions or other means. Accordingly we (a) first reduce the value of the investment to zero and (b) subsequently provide for our portion of negative equity. The provision is comprised as follows:

F-11

| | Cia Ferroviaria do Nordeste ----- | ALBRAS ----- | TOTAL ----- |
|-------------------------------|--------------------------------------------|-----------------|----------------|
| Provision at January 1, 2001 | (6) | (15) | (21) |
| Change in provision - results | (6) | (3) | (9) |
| | ----- | ----- | ----- |
| | (12) | (18) | (30) |
| Payment of capital | 7 | - | 7 |
| Translation adjustment | 1 | 2 | 3 |
| | ----- | ----- | ----- |
| Provision at March 31, 2001 | (4) | (16) | (20) |
| | ===== | ===== | ===== |
| Provision at January 1, 2002 | (2) | (7) | (9) |
| Change in provision - results | (1) | 6 | 5 |
| | ----- | ----- | ----- |
| | (3) | (1) | (4) |
| Payment of capital | 1 | - | 1 |
| Translation adjustment | - | 1 | 1 |
| | ----- | ----- | ----- |
| Provision at March 31, 2002 | (2) | - | (2) |
| | ===== | ===== | ===== |

Dividends received from investees aggregated \$25 and \$86 in three month periods ended March 31, 2002 and 2001, respectively.

8 Commitments and contingencies

- (a) At March 31, 2002, we had extended guarantees for borrowings obtained by affiliates and joint ventures in the amount of \$703, of which \$485 is denominated in United States dollars and the remaining \$218 in local currency. These guarantees include \$357 relative to ALBRAS and \$72 relative to ALUNORTE.

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- (b) We are defendants in numerous legal actions in the normal course of business. Based on the advice of our legal counsel, management believes that the provision made against contingent losses is sufficient to cover probable losses in connection with such actions.

The provision for contingencies and the related judicial deposits are composed as follows:

| | March 31, 2002 | | December 31, 2001 | |
|-----------------------|--------------------------------|----------------------|--------------------------------|----------------------|
| | Provision for contingencies | Judicial deposits | Provision for contingencies | Judicial deposits |
| Labor claims | 152 | 50 | 147 | 50 |
| Civil claims | 118 | 55 | 123 | 53 |
| Tax - related actions | 207 | 139 | 177 | 131 |
| Others | 6 | 2 | 5 | 1 |
| | --- | --- | --- | --- |
| | 483 | 246 | 452 | 235 |
| | === | === | === | === |
| Current | - | - | - | - |
| Long-term | 483 | 246 | 452 | 235 |
| | --- | --- | --- | --- |
| | 483 | 246 | 452 | 235 |
| | === | === | === | === |

Labor -related actions principally comprise employee claims for (i) payment of time spent travelling from their residences to the work-place, (ii) additional payments for alleged dangerous or unhealthy working conditions and (iii) various other matters, often in connection with disputes about the amount of indemnities paid upon dismissal.

Civil actions principally relate to claims made against us by contractors in connection with losses alleged to have been incurred by them as a result of various past government economic plans during which full indexation of contracts for inflation was not permitted.

Tax-related actions principally comprise our challenges of changes in basis of calculation and rates of certain revenue taxes and of the tax on financial movements - CPMF.

We continue to vigorously pursue our interests in all the above actions but recognize that probably we

F-12

will incur some losses in the final instance, for which we have made provisions.

Our judicial deposits are made as required by the courts for us to be able to enter or continue a legal action. When judgment is favorable to us, we receive the deposits back; when unfavorable, the deposits are delivered to the prevailing party.

Contingencies settled in the three months period ended March 31, 2002 and 2001 aggregated \$5 and \$ 2, respectively, and additional provisions aggregated \$23 and \$18 in the three months periods ended March 31, 2002 and 2001, respectively.

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- (c) We are defendants in two actions seeking substantial compensatory damages brought by the Municipality of Itabira, State of Minas Gerais, which we believe are without merit. Due to the remote likelihood that any loss will arise therefrom no provision has been made in the financial statements with respect to these two actions.
- (d) We are committed under a take-or-pay agreement to take delivery of approximately 207,000 metric tons per year of aluminum from ALBRAS at market prices. This estimate is based on 51% of ALBRAS expected production and, at a market price of \$1,421.00 per metric ton at March 31, 2002, represents an annual commitment of \$294. We are also committed to take-or-pay 537,272 metric tons per year of alumina produced by ALUNORTE which at a market price of \$172.21 per metric ton at March 31, 2002, represents an annual commitment of \$93. Actual take from ALBRAS was \$60 and \$69 during the three month periods ended March 31, 2002 and 2001, respectively, and direct from ALUNORTE (net of take ceded to ALBRAS) was \$5 and \$8 during the three month periods ended March 31, 2002 and 2001 respectively.
- (e) We and BNDES entered into a contract, known as the Mineral Risk Contract, in March 1997, relating to prospecting authorizations for mining regions where drilling and exploration are still in their early stages. The Mineral Risk Contract provides for the joint development of certain unexplored mineral deposits in approximately two million identified hectares of land in the Carajas region, as well as proportional participation in any financial benefits earned from the development of such resources. Iron ore and manganese deposits already identified and subject to development are specifically excluded from the Mineral Risk Contract.
- (f) At the time of our privatization in 1997, we issued shareholder revenue interests known in Brazil as "debentures" to our then-existing shareholders, including the Brazilian Government. The terms of the "debentures", which are more fully described in our consolidated financial statements for the year ended December 31, 2001, were set to ensure that our pre-privatization shareholders, including the Brazilian Government, would participate alongside us in potential future financial benefits that we are able to derive from exploiting our mineral resources.
- (g) At March 31, 2002 we have provided \$27 for environmental liabilities. Such provisions relate to site restoration at mines already closed or which are expected to be closed in the next two years.

We use various judgments and assumptions when measuring our environmental liabilities. Changes in circumstances, law or technology may affect our estimates and we periodically review the amounts accrued and adjust them as necessary. Our accruals do not reflect unasserted claims because we are currently not aware of any such issues. Also the amounts provided are not reduced by any potential recoveries under cost sharing, insurance or indemnification arrangements because such recoveries are considered uncertain.

F-13

9 Segment and geographical information

Consolidated net income and principal assets are reconciled as follows:

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| | Holdings | | | | | | Eliminations |
|----------------------------------------------------------------------------------------------------------------|----------|-------------|----------|----------------|----------|-------|--------------|
| | Ferrous | Non ferrous | Logistic | Pulp and paper | Aluminum | Steel | |
| RESULTS | | | | | | | |
| Revenues - Export | 949 | 44 | 10 | - | 68 | - | (377) |
| Revenues - Domestic | 216 | 17 | 81 | 1 | - | - | (22) |
| Cost and expenses | (856) | (48) | (55) | - | (62) | - | 392 |
| Interest revenue | 41 | - | 3 | - | 1 | - | (12) |
| Interest expense | (70) | (2) | (1) | - | - | (1) | 12 |
| Depreciation | (53) | (6) | (6) | (1) | - | - | - |
| Pension plan | (3) | - | - | - | - | - | - |
| Equity | 17 | - | (3) | - | 25 | (5) | - |
| Income taxes | (17) | - | (1) | - | (1) | - | - |
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| Net income | 224 | 5 | 28 | - | 31 | (6) | (7) |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== |
| Sales classified by geographic destination: | | | | | | | |
| Export market | | | | | | | |
| Latin America | 64 | - | 5 | - | 7 | - | (25) |
| United States | 89 | 13 | 3 | - | - | - | (40) |
| Europe | 393 | 29 | 2 | - | 61 | - | (143) |
| Middle East | 43 | - | - | - | - | - | (4) |
| Japan | 113 | 1 | - | - | - | - | (52) |
| Asia, other than Japan | 247 | 1 | - | - | - | - | (113) |
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| Domestic market | 949 | 44 | 10 | - | 68 | - | (377) |
| | 216 | 17 | 81 | 1 | - | - | (22) |
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| | 1,165 | 61 | 91 | 1 | 68 | - | (399) |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== |
| Assets : | | | | | | | |
| Property, plant and equipment, | | | | | | | |
| net | 3,196 | 287 | 280 | 94 | - | - | - |
| Capital expenditures | 130 | 3 | 9 | 3 | - | - | - |
| Investments in affiliated companies and joint ventures and other investments, net provision for | 718 | 28 | 39 | - | 306 | 152 | - |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== |
| losses | | | | | | | |
| Capital employed | 2,619 | 293 | 285 | 50 | (13) | 24 | 413 |
| NOPLT | 241 | 6 | 56 | - | 5 | - | (7) |
| ROCE | 9% | 2% | 20% | - | - | - | - |

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| | Holdings | | | | | | |
|--------------------------------------------------------------------------------------------------------------------------|----------|----------------|----------|----------------------|----------|---------|-------------|
| | Ferrous | Non ferrous | Logistic | Pulp and paper | Aluminum | Steel | Elimination |
| RESULTS | | | | | | | |
| Revenues - Export | 780 | 41 | 59 | 20 | 84 | - | (306) |
| Revenues - Domestic | 251 | 19 | 95 | 4 | - | - | (42) |
| Cost and expenses | (921) | (53) | (112) | 147 (1) | (77) | 109 (2) | 348 |
| Interest revenue | 49 | - | 1 | 1 | 2 | - | (5) |
| Interest expense | (83) | (3) | (2) | - | - | (1) | 5 |
| Depreciation | (53) | (5) | (7) | (2) | - | - | - |
| Pension plan | (7) | (1) | (1) | - | - | - | - |
| Equity and provision for losses | 7 | - | (19) | 8 | (5) | 7 | - |
| Income taxes | 20 | - | - | - | 2 | - | - |
| Net income | 43 | (2) | 14 | 178 | 6 | 115 | - |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== |
| Sales classified by geographic destination: | | | | | | | |
| Export market | | | | | | | |
| Latin America | 53 | - | - | - | 8 | - | (21) |
| United States | 53 | 28 | 27 | 14 | 16 | - | (22) |
| Europe | 300 | 5 | 22 | 6 | 48 | - | (103) |
| Middle East | 37 | 6 | 2 | - | - | - | (2) |
| Japan | 131 | 1 | 5 | - | 12 | - | (64) |
| Asia, other than Japan | 206 | 1 | 3 | - | - | - | (94) |
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| Domestic market | 780 | 41 | 59 | 20 | 84 | - | (306) |
| | 251 | 19 | 95 | 4 | - | - | (42) |
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| | 1,031 | 60 | 154 | 24 | 84 | - | (348) |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== |
| Assets : | | | | | | | |
| Property, plant and equipment, net | 2,849 | 292 | 356 | 135 | - | - | - |
| Capital expenditures | 99 | 14 | 1 | - | - | - | - |
| Investments in affiliated companies and joint ventures and other investments, net provision for losses | 479 | 28 | 164 | 184 | 240 | 207 | - |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== |
| Capital employed | 2,778 | 275 | 352 | 142 | (11) | (1) | 14 |
| NOPLT | 334 | 12 | 37 | 5 | 9 | - | - |
| ROCE | 12% | 4% | 11% | 4% | - | - | - |

(1) - Includes \$170 profit on sale of Bahia - BSC Sul Celulose S.A.

(2) - Includes \$107 profit on sale of Companhia Siderurgica Nacional - CSN

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For more information on segments see the segment disclosures included in our consolidated financial statements for the year ended December 31, 2001.

10 Derivative financial instruments

Volatility of interest rates, exchange rates and commodity prices are the main market risks to which we are exposed - all three are managed through derivative operations. These have the exclusive aim of reducing exposure to risk. We do not use derivatives for speculation purposes.

We monitor and evaluate our derivative positions on a regular basis and adjust our strategy in response to market conditions. We also periodically review the credit limits and credit worthiness of our counter-parties in these transactions. In view of the policies and practices established for operations with derivatives, management considers the occurrence of non-measurable risk situations as unlikely.

F-15

As from January 1, 2001 we adopted SFAS 133 "Accounting for Derivative Financial Instruments and Hedging Activities", as amended by SFAS 137 and SFAS 138, and began to recognize all derivatives on our balance sheet at fair value. Accordingly we recognized an initial transition adjustment of \$3 as a charge in our statement of income relative to net unrealized losses on contracts open as of December 31, 2000. Subsequently to January 1, 2001 all derivatives have been adjusted to fair market value at each balance sheet date and the change included in current earnings.

For the three month periods ended March 31, 2002 and 2001 the movement of unrealized and realized gains or losses on derivative financial instruments is as follows:

| | Net Gains | | |
|--------------------------------------------------------------|--------------|---------------------------|--------------|
| | Gold | Interest rates (libor) | Currencies |
| | ---- | ----- | ----- |
| Initial unrealized gains and losses at January 1, 2001 | 9 | (8) | (4) |
| Change in the period | 10 | (13) | (4) |
| (Gains) and losses realized in the period | (3) | 1 | 1 |
| Unrealized gains and (losses) at March 31, 2001 | ----- 16 | ----- (20) | ----- (7) |
| | ===== | ===== | ===== |
| Unrealized gains and losses at January 1, 2002 | 7 | (36) | (4) |
| Change in the period | (10) | 18 | (2) |
| (Gains) and losses realized in the period | 1 | (7) | - |
| Unrealized gains and (losses) at March 31, 2002 | ----- (2) | ----- (25) | ----- (6) |
| | ===== | ===== | ===== |

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Realized and unrealized gains and losses are included in our income statement under the following captions:

Gold - other operating costs and expenses;
Interest rates - financial expenses;
Currencies - foreign exchange and monetary losses, net.

Final maturity dates for the above instruments are as follows:

| | |
|------------------------------|---------------|
| Gold | December 2005 |
| Interest rates (libor) | October 2007 |
| Currencies | April 2005 |

(a) Interest Rate and Exchange Rate Risk

Interest rate risks mainly relate to that part of the debt borrowed at floating rates. The foreign currency debt is largely subject to fluctuations in the London Interbank Offered Rate - LIBOR. That portion of local currency denominated debt that is subject to floating rates is linked to the Long Term Interest Rate - TJLP, fixed quarterly by the Brazilian Central Bank. Since May 1998, we have used derivative instruments to protect ourselves against fluctuations in the LIBOR rate.

There is an exchange rate risk associated with our foreign currency denominated debt. On the other hand, a substantial proportion of our revenues are denominated in, or automatically indexed to, the U.S. dollar, while the majority of costs are expressed in reais. This provides a natural hedge against any devaluation of the Brazilian real against the U.S. dollar. When events of this nature occur, the immediate negative impact on foreign currency denominated debt is offset over time by the positive effect of devaluation on future cash flows.

With the advent of a floating exchange rate regime in Brazil in January 1999, we adopted a strategy of monitoring market fluctuations, using derivatives to protect against specific risks from exchange rate

F-16

variation. From time to time we enter into foreign exchange derivative swap transactions seeking to change the characteristics of our real-denominated cash investments to US dollar-indexed instruments. The extent of such transactions depends on our perception of market and currency risk, but is never speculative in nature. All such operations are marked-to-market at each balance sheet date and the effect included in financial income or expense. During the three months ended March 31, 2002 and 2001 our use of such instruments was not significant.

(b) Commodity Price Risk

We also use derivative instruments to manage exposure to changing gold prices. Derivatives allow the fixing of an average minimum profit level for future gold production. However, they may also have the effect of eliminating potential gains on certain price increases in the spot market for gold. We manage our contract positions actively, and the results are reviewed at least monthly, allowing adjustments to targets and strategy to be made in response to changing market conditions.

In the case of gold derivatives, our policy has been to settle all contracts through cash payments or receipts, without physical delivery of

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product.

Our affiliates Albras and Alunorte manage the risk of fluctuating aluminum prices using derivatives, allowing an average minimum profit level for future production and ensuring stable cash generation. However, they may also have the effect of eliminating potential gains on certain price increases in the spot market for aluminum. We account for both affiliates using the equity method.

In December 2000, we introduced a new risk management system to evaluate, measure and manage the market risk associated with our financial activities, using the value-at-risk - VAR method. VAR incorporates a variety of risk factors which affect our results, including commodity prices, interest and exchange rate volatilities, as well as the correlation between all these variables.

11 Long-term Debt

On March 8, 2002, we issued \$300 of 8.625% Enhanced Guaranteed Notes due March 8, 2007.

In March 2002, the BNDES sold shares it held in CVRD and at March 31, 2002 was no longer considered a related party.

12 Subsequent events

- (a) On May 8, 2002 we signed a purchase agreement to acquire the remaining 50% of Salobo Metais S.A.'s outstanding common stock for \$51. The acquisition is still subject to the implementation of the usual conditions in this type of transaction.
- (b) On April 29, 2002 an increase in capital of \$235, without issue of new shares, was approved by the shareholders as a result of a transfer from appropriated retained earnings.

F-17

Item 3

logo BR GAAP logo Companhia
Vale do Rio Doce

BOVESPA: vale3, vale5,
NYSE: RIO, RIOPR
LATIBEX: XVALO, XVALP

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Press Release 1Q02

COMPANHIA VALE DO RIO DOCE
FIRST QUARTER PERFORMANCE IN 2002

The results of CVRD reported in this press release refer to the Parent Company only and were calculated according to general accepted accounting principles in Brazil (Brazilian GAAP).

Rio de Janeiro, May 15, 2002 - For the first quarter of 2002, Companhia Vale do Rio Doce (CVRD) has presented a very solid performance, reporting net earnings of R\$ 738 million. Net earnings including exceptional non recurrent items as provisions for losses on equity investments, was R\$ 633 million, the equivalent of R\$ 1.65 per share.

Gross operating revenues totalled R\$ 1.601 billion and cash generation, as measured by EBITDA (earnings before interest, tax, depreciation and amortization), amounted to R\$ 728 million. EBITDA margin, the ratio between EBITDA and net revenue, was 47.2%, confirming CVRD's capacity for converting revenues into operating profit and reflecting its operational excellence. These results were obtained in a scenario of appreciation of the Brazilian real against the US dollar and were not positively affected by non recurrent items, as capital gains from asset sales. The exchange rate volatility contributed negatively to the revenue, EBITDA and net income generation.

This is the first time that CVRD releases consolidated quarterly financial information in US GAAP. The US GAAP figures are being released simultaneously to Parent Company's quarterly financial statements in Brazilian GAAP. Consolidated adjusted net earnings, according to the US GAAP method, amounted to US\$ 304 million, and EBITDA totaled US\$ 444 million.

Sales volume of iron ore and pellets in the Parent Company amounted to 33.663 million tons, almost the same as 4Q01, despite an unfavourable seasonal effect, as the first quarter use to be the weaker quarter of the year. Consolidated sales reached 38.019 million tons.

Capital expenditures reached US\$ 157.6 million. Investment in greenfield (Sao Luis, Sossego, and hydroelectric power plants) and brownfield projects (Gongo Soco iron ore mine, Taquari-Vassouras potash mine, and pier III at Ponta da Madeira port) amounted to US\$ 81.1 million. The expected rate of return on these projects are much than the Company's weighted average cost of capital. Therefore, they will contribute in the near future to shareholder value creation.

1

2

RELEVANT EVENTS

On the completion of CVRD's global offering of common shares belonging to the Brazilian Federal Government and the BNDES, a US\$ 1.9 billion transaction, the Company's capital free float has risen to 58.5%. CVRD's common shares began trading on the New York Stock Exchange (NYSE) on March 21, 2002, as ADRs level III, with ticker symbol RIO. As consequence of this successful deal, there was a surge in liquidity of CVRD shares traded on BOVESPA and NYSE.

In March, CVRD successfully completed a US\$ 300 million 5-year bond issue with

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a spread of 455 basis points over US Treasuries. Despite the rise seen over the last few weeks in the Emerging Market Bond Index Brazil (EMBI Brazil), which reflects Brazilian sovereign debt spreads, bonds issued by CVRD continue to trade above their initial issue price, reflecting the confidence of capital markets in the Company's solid financial situation.

The construction works for development of the Sossego copper mine started this quarter. Sossego is expected to be commissioned in 2004 to produce 140,000 tons of copper concentrate and 3 tons of gold per year.

In May, CVRD acquired the stake owned by Anglo American plc in Salobo Metais for US\$ 50.9 million, so obtaining full ownership of the company. The pre-feasibility study for the Salobo copper project is due to be completed by the end of 2002.

The Sao Luis pellet plant was inaugurated in March and has a nominal production capacity of 6 million tpy. The plant is still in the experimental operational phase and is expected to begin commercial production in June this year, being a new cash generation source for the Company.

CVRD has signed a co-operation agreement with Nucor, the largest steelworks in the US, with a view to jointly exploiting opportunities in the production of metallics.

SHORT TERM PROSPECTS

There are growing indications of the start of a synchronized global recovery, with the exception of Japan, although it is expected to be lower than the recovery seen in 1999.

In the USA, Europe and Emerging Asia, leading indicators of economic activity, growing consumer and business confidence levels and the behavior of industrial output, all suggest that global economic conditions are on the road to recovery, which will have positive implications for ore and metal demand. In Brazil's case, despite the fact that economic recovery is proceeding more slowly than previously predicted, there is no doubt that it is nonetheless happening.

Global production of crude steel, as reported by the International Iron and Steel Institute (IISI), increased by 2.1% in 1Q02 compared to the same period in the previous year. The most notable growth was seen in Asia, where production expanded by 10.7%, more than compensating for the cutback in other regions, such as the European Union (- 5%) and North America (- 4.8%). Production in China was up by a substantial 26%, Taiwan 6.8%, and South Korea 2.9%, while production in Japan was down by 3.1%.

In 1Q02, imports by China, totaling 23.8 million tons, were up 21.9% yoy, helping to sustain strong demand for iron ore.

Signs of recovery in the demand for pellets began to appear earlier than expected, leading CVRD to alter its original production plans for 2002. Basically, it will no longer be necessary to shut down production at the Company's pellet plants over the next quarters to avoid accumulation of inventories, even with the Sao Luis pellet plant coming fully on stream in June this year.

The US Geological Survey leading indicator of non ferrous metals prices, which

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usually anticipates commodity prices three quarters ahead, has been showing rises in recent months, despite the growth in inventory levels. As a matter of fact, metals prices are already recovering since November 2001, but a stronger recovery is expected to take place in 2H02.

Persistently low nominal interest rates have led gold prices to appreciate significantly, and these are expected to remain around US\$ 300 per troy ounce for the short term.

SALES VOLUME AND REVENUES

Iron ore and pellet sales volume in 1Q02, despite the seasonality, which usually means that the first quarter is the weakest for the year, was very high. The Parent Company sold 33.663 million tons of iron ore and pellets, exceeding the volume sold in 1Q01 by 11.6% and practically the same as that sold in the previous quarter - 33.815 million tons. Parent Company sales volume covers its shipments of iron ore and pellets, including the sale of pellet feed to the pelletizing joint ventures (Nibrasco, Itabrasco, Hispanobras and Kobrasco).

Sales of ore fines accounted for 80.3% of iron ore and pellets shipments, lumps 10%, and pellets 9.7%. In the quarter, the Parent Company acquired 1.769 million tons of pellets from the pelletizing joint ventures, compared to 2.729 million in 4Q01.

Consolidated sales volumes of iron ore and pellets amounted to 38.019 million tons compared to 38.660 million tons in 4Q01 and 33.066 million tons in 1Q01. These sales affect the results of the Parent Company either directly or indirectly through equity income.

CONSOLIDATED SALES OF IRON ORE AND PELLETS

| | thousand tons | | |
|----------------------|--------------------------|--------------------------|--------------------------|
| | 1Q 01 | 4Q 01 | 1Q 02 |
| Iron Ore | ----- | ----- | ----- |
| Parent Company | 21,394 | 25,294 | 25,787 |
| Samitri* | 3,657 | -- | -- |
| Samarco * | 195 | 272 | 336 |
| Urucum * | 162 | 186 | 233 |
| Ferteco * | -- | 3,639 | 2,503 |
| MBR * | -- | -- | 1,384 |
| QCM * | -- | -- | 68 |
| Total | ----- 25,408 ===== | ----- 29,391 ===== | ----- 30,311 ===== |
| Pellets | 1Q 01 | 4Q 01 | 1Q 02 |
| Parent Company + JVs | 5,816 | 5,626 | 5,279 |
| Samarco * | 1,470 | 1,121 | 1,315 |
| Ferteco * | -- | 2,130 | 619 |
| GIIC * | 372 | 392 | 412 |
| QCM * | -- | -- | 83 |
| Total | ----- 7,658 ----- | ----- 9,269 ----- | ----- 7,708 ----- |
| Total | ----- 33,066 ===== | ----- 38,660 ===== | ----- 38,019 ===== |

* sales attributed in proportion to size of stake held by CVRD

JVs: Nibrasco, Itabrasco, Hispanobras and Kobrasco

Samitri: acquired on May 30, 2000 and consolidated into CVRD on October 1, 2001

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Samarco: acquired on May 30, 2000
 GIIC: acquired on October 9, 2000
 Ferteco: acquired on April 27, 2001
 MBR and QCM: Caemi acquired on December 07, 2001

4

If we were to disregard the volume attributed to CVRD's stake in Caemi - Mineracoes Brasileiras Reunidas (MBR) and Quebec Cartier Mining Company (QCM) - whose acquisition was concluded in December 2001, the volume shipped amounted to 36.484 million tons, up 10.3% in relation to 1Q01 and 5.6% lower than in 4Q01. The fall in volume shipped in 1Q02 compared to 4Q01, of 2.176 million tons, is explained by the 2.647 million ton drop in Ferteco's sales. The Parent Company, together with all the other subsidiaries and affiliates, as shown in the table above, presented a higher sales volumes compared to 4Q01.

Some 85% of iron ore and pellets shipments were exported. Sales of iron ore amounted to 30.311 million tons, while sales of pellets totalled 7.708 million tons.

Sales of manganese ore by subsidiaries Sibra and Urucum, amounted to 345,200 tons, compared to 306,700 tons in 4Q01. Shipments to international markets accounted for 88.2% of sales in 1Q02. Sales of ferro-alloys, by Sibra, CPFL, RDME and Urucum, totaled 96,700 tons, down 3.4% on 4Q01.

Sales of gold amounted to 115,400 ounces in 1Q02, compared to 141,100 in 4Q01 and 108,300 in 1Q01.

General cargo (products other than iron ore and pellets) transported by railroad, measured in net ton kilometres (ntk), amounted to 5.2 billion ntk (Vitoria a Minas 2.7 billion ntk, Carajas 665 million ntk and Centro-Atlantica 1.8 billion ntk). This performance was practically the same as in 4Q01 and 5.4% higher than 1Q01. General cargo handling in the ports and maritime terminals of CVRD was 12.7% down compared to 4Q01, but 9.1% higher than in 1Q01.

GENERAL CARGO RAILROAD TRANSPORTATION

| | million ntk | | |
|---------------------------|-------------|-------|-------|
| | 1Q 01 | 4Q 01 | 1Q 02 |
| EF Vitoria a Minas | 2,643 | 2,791 | 2,737 |
| EF Carajas | 356 | 423 | 665 |
| Total Parent Company | 2,999 | 3,214 | 3,402 |
| Ferrovia Centro Atlantica | 1,962 | 1,993 | 1,829 |
| Total | 4,961 | 5,207 | 5,231 |

The end of power rationing resulted in a recovery in alumina and aluminum sales. Alunorte sold 439,000 tons of alumina in 1Q02, up 8.4% in relation to the previous quarter and up 20.9% on 1Q01. Albras shipped 88,000 tons in 1Q02, 25.7% more than in 4Q01. Sales of Valesul amounted to 21,000 tons, compared to 16,000 tons in 4Q01.

Gross operating revenues amounted to R\$ 1.601 billion, 82.8% of which was

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either denominated in, or linked to, the US dollar. Exports accounted for 62.8% of sales. Besides the Brazilian market, the main markets for CVRD's products were Europe (25.9%) and Asia (23.7%).

Due to growing exports of iron ore to China, which were up 29.4% in relation to 4Q01 and 41.9% compared to 1Q01, the percentage of Parent Company revenue from sales to that country of 9.7% exceeded that to Japan, 7.7%. In volume terms, in 1Q02 China accounted for 13% of pellets and iron ore sales, compared to Japan's 11%, Germany's 10% and South Korea's 6%.

Iron ore sales rose as a percentage of total revenue, from 59.2% in 4Q01 to 61.8% in 1Q02. Pellet sales accounted for 15.4% of total revenues, while transportation represented 14.3%.

5

GROSS REVENUE - PARENT COMPANY

| | million R\$ | | | | | |
|-----------|-------------|-------|-------|-------|-------|-------|
| | 1Q 01 | % | 4Q 01 | % | 1Q 02 | % |
| | ----- | ---- | ----- | ---- | ----- | ---- |
| Iron Ore | 759 | 55,2 | 1.071 | 59,2 | 989 | 61,8 |
| Pellets | 235 | 17,1 | 305 | 16,9 | 246 | 15,4 |
| Gold | 57 | 4,1 | 99 | 5,5 | 80 | 5,0 |
| Railroads | 210 | 15,3 | 210 | 11,6 | 188 | 11,7 |
| Ports | 50 | 3,6 | 60 | 3,3 | 42 | 2,6 |
| Potash | 38 | 2,8 | 34 | 1,9 | 38 | 2,4 |
| Others | 26 | 1,9 | 31 | 1,6 | 18 | 1,1 |
| | ----- | ---- | ----- | ---- | ----- | ---- |
| Total | 1.375 | 100 | 1.810 | 100 | 1.601 | 100 |
| | ===== | ===== | ===== | ===== | ===== | ===== |

EARNINGS STABILITY

Net earnings on 1Q02, excluding non recurrent exceptional items, was R\$ 738 million. Such items, amounting to R\$ 76 million, include provisions for losses on equity investments (Docepar - R\$ 56 million, FCA - R\$ 37 million, Valepontocom - R\$ 15 million) and the reversion of provision for contingencies (R\$ 32 million).

1Q02 earnings were negatively affected by the volatility of the Real/US dollar exchange rate, through its impact on net operating revenues and monetary variation.

Net earnings including non recurrent exceptional items was R\$ 633 million, in line with the R\$ 639 million reached on 4Q01.

The results from subsidiaries and affiliates were up by R\$ 92 million, contributing R\$ 152 million to quarterly earnings. Iron ore and pellets companies generated a R\$ 151 million contribution to earnings, manganese and ferro-alloys contributed R\$ 20 million, and aluminum, R\$ 65 million, despite the fact that aluminum average prices on the London Metal Exchange remained below US\$ 1,400 per ton. Transportation companies contributed with a R\$ 76 million loss, mainly because of provisions for tax contingencies made in Docepar.

RESULTS OF EQUITY INVESTMENTS - BY BUSINESS AREA

| | million R\$ | | |
|---------------|-------------|-------|-------|
| | 1Q 01 | 4Q 01 | 1Q 02 |
| | ----- | ----- | ----- |
| Business Area | | | |

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| | | | |
|------------------------------|-------|-------|-------|
| ----- | ----- | ----- | ----- |
| Ferrous Minerals | | | |
| Iron Ore and Pellets | 103 | 10 | 151 |
| Manganese and Ferro-Alloys | (19) | 16 | 20 |
| Non-Ferrous Minerals | (4) | 47 | 5 |
| Transportation | 37 | (31) | (76) |
| Steel | 169 | (90) | (9) |
| Pulp and Paper / Fertilizers | 5 | (109) | 11 |
| Aluminum | 17 | 239 | 65 |
| Others | -- | (22) | (15) |
| | --- | -- | --- |
| Total | 308 | 60 | 152 |
| | === | == | === |

The cost of goods sold (COGS), of R\$ 852 million, was R\$ 64 million lower in relation to 4Q01, due mainly to the R\$ 52 million drop in the cost of pellet purchases and a R\$ 14 million drop in the price of fuel oil and gas.

6

COST OF GOODS SOLD

| | million R\$ | | | | | |
|----------------------------|-------------|-------|-------|-------|-------|-------|
| | 1Q 01 | % | 4Q 01 | % | 1Q 02 | % |
| | ----- | ---- | ----- | ---- | ----- | ---- |
| Personnel | 97 | 13.8 | 127 | 13.9 | 123 | 14.4 |
| Materials | 92 | 13.0 | 116 | 12.7 | 114 | 13.4 |
| Fuel | 74 | 10.5 | 94 | 10.3 | 80 | 9.4 |
| Electrical Energy | 18 | 2.6 | 29 | 3.2 | 27 | 3.2 |
| Outsourced Services | 95 | 13.5 | 137 | 15.0 | 128 | 15.0 |
| Acquisition of Products | 168 | 23.8 | 195 | 21.3 | 143 | 16.8 |
| Depreciation and Depletion | 115 | 16.3 | 154 | 16.8 | 173 | 20.3 |
| Others | 46 | 6.5 | 64 | 7.0 | 64 | 7.5 |
| | ----- | ----- | ----- | ----- | ----- | ----- |
| Total | 705 | 100 | 916 | 100 | 852 | 100 |
| | ===== | ===== | ===== | ===== | ===== | ===== |

Operational expenses were reduced by a significant R\$ 215 million in 1Q02, compared with 4Q01. As well as a cut in operational expenses of R\$ 178 million, sales & administrative expenses, and research & development costs were also down.

Monetary variation, reflecting the difference in the exchange rate between the end of 4Q01 and the end of 1Q02, amounted to R\$ 443 million and net operating revenues decreased R\$ 201 million.

EBITDA OF R\$ 728 MILLION

EBITDA generated in 1Q02 amounted to R\$ 728 million, 9.5% lower than the R\$ 804 million reported in 4Q01. Fluctuations in quarterly EBITDA tended to reflect the volatility in the Brazilian real/US dollar exchange rate. Average Real/US dollar exchange rate has moved from R\$ 2.5187/USD in 4Q01 to R\$ 2.3801/USD in 1Q02.

The drop in net operating revenues of R\$ 201 million, driven by the appreciation in the Brazilian real against the US dollar, was the main reason

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for the drop in EBITDA, compared with the previous quarter.

Dividends received from subsidiaries and affiliates amounted to R\$ 38 million, and non-cash adjustments for non-recurrent exceptional items amounted to R\$ 45 million.

Ferrous minerals accounted for 85% of EBITDA in the Parent Company, logistics 10% and non-ferrous minerals (gold and potash) 5%.

INVESTMENTS

Investments carried out in the first quarter of 2002 amounted to US\$ 157.6 million. The US\$ 81.1 million spent on projects accounted for 51.5% of this sum.

Disbursements on projects in the iron ore area amounted to US\$ 43.6 million. US\$ 15.5 million was invested in the construction of the Sao Luis pellet plant, US\$ 14.3 million on the infrastructure needed for its operation, and US\$ 10.7 million on iron ore logistics (locomotives, pier III at the port of Ponta da Madeira and enlargement of the stock yards).

Investments in hydroelectric power plants absorbed US\$ 22.3 million: US\$ 13.8 million on Aimores, US\$ 4.3 million on Candonga, US\$ 3.5 million on Funil and the remainder on other projects still in the development phase where construction has yet to begin (Capim Branco I & II and Foz do Chapeco).

7

Logistics projects required investments of US\$ 10 million, while production expansion of the potash mine absorbed US\$ 1.6 million.

US\$ 3.4 million of capital was injected into Mineracao Serra do Sossego to finance the development of the copper mine.

Investments in mineral prospecting amounted to US\$ 5 million, while US\$ 3.8 million was spent on information technology and US\$ 2.6 million on environmental protection measures.

CAPITAL EXPENDITURES - 1Q 02

| By Business Area | US\$ million | % | By Category | US\$ million | % |
|----------------------|--------------|--------|--------------------------|--------------|--------|
| ----- | ----- | ----- | ----- | ----- | ----- |
| Ferrous Minerals | 104.7 | 66.4% | Equity Investments | 3.1 | 2.0% |
| Transportation | 13.7 | 8.7% | Maintenance | 60.7 | 38.5% |
| Non Ferrous Minerals | 12.2 | 7.7% | Projects | 81.1 | 51.5% |
| Energy | 22.7 | 14.4% | Mineral Exploration | 5.0 | 3.2% |
| Others | 4.4 | 2.8% | Environmental Protection | 2.6 | 1.7% |
| | | | Information Technology | 3.8 | 2.4% |
| | | | Technological Research | 1.3 | 0.9% |
| | ----- | ----- | | ----- | ----- |
| Total | 157.6 | 100.0% | Total | 157.6 | 100.0% |
| | ===== | ===== | | ===== | ===== |

8

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SELECTED FINANCIAL INDICATORS

| | million R\$ | | |
|-------------------------------|-------------|-------|-------|
| | 1Q 01 | 4Q 01 | 1Q 02 |
| Gross Revenues | 1,375 | 1,809 | 1,601 |
| Gross Margin (%) | 46.6 | 48.9 | 44.8 |
| Net Income * | 660 | 639 | 633 |
| Net Income per Share (R\$) * | 1.71 | 1.66 | 1.65 |
| EBITDA | 689 | 804 | 728 |
| EBITDA Margin (%) | 52.2 | 46.1 | 47.2 |
| ROE annualized (%) | 24.2 | 25.9 | 21.0 |
| Gross Debt (US\$ million) | 2,172 | 2,000 | 2,566 |
| Net Debt (US\$ million) | 1,550 | 1,722 | 1,648 |
| Exports (US\$ million) | 382 | 428 | 427 |
| Investments (US\$ million) ** | 101 | 243 | 158 |

* net earnings including the effect of exceptional items, non recurrent

** not included acquisitions

NET INCOME

| | million R\$ |
|-------------------------------------------|-------------|
| | 1Q 02 |
| Excluding Exceptional Non Recurrent Items | 738 |
| Including Exceptional Non Recurrent Items | 633 |

9

FINANCIAL STATEMENT

| | million R\$ | | |
|------------------------------------|-------------|-------|-------|
| | 1Q 01 | 4Q 01 | 1Q 02 |
| Gross Operating Revenues | 1,375 | 1,809 | 1,601 |
| Value Added Tax | (54) | (64) | (57) |
| Net Operating Revenues | 1,321 | 1,745 | 1,544 |
| Cost of Goods Sold | (705) | (916) | (852) |
| Gross Income | 616 | 854 | 692 |
| Gross Margin (%) | 46.6 | 48.9 | 44.8 |
| Result of Investment Participation | 308 | 60 | 152 |
| Equity Income | 298 | 150 | 284 |
| Goodwill Amortization | (26) | (89) | (66) |
| Provision for Losses | 25 | (1) | (67) |
| Others | 11 | 0 | 1 |
| Operating Expenses | (185) | (407) | (192) |
| Selling | (25) | (33) | (28) |
| General & Administrative | (56) | (123) | (99) |

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| | | | |
|-----------------------------|-------|-------|-------|
| Research and Development | (20) | (30) | (22) |
| Others | (84) | (221) | (43) |
| Financial Results | (388) | 385 | (50) |
| Financial Expenses | (96) | (95) | (106) |
| Financial Revenues | 39 | 13 | 32 |
| Monetary Variation | (331) | 467 | 24 |
| | ----- | ----- | ----- |
| Operating Income | 351 | 867 | 602 |
| | ----- | ----- | ----- |
| Discontinued Operations | 242 | -- | -- |
| Income Taxes | 67 | (228) | 31 |
| | ----- | ----- | ----- |
| Net Income* | 660 | 639 | 633 |
| | ----- | ----- | ----- |
| Net Income per Share (R\$)* | 1.71 | 1.66 | 1.65 |
| | ===== | ===== | ===== |

* net earnings including the effect of exceptional items, non recurrent

BALANCE SHEET

| | million R\$ | | |
|--------------------------------------|-------------|--------|--------|
| | 1Q 01 | 4Q 01 | 1Q 02 |
| | ----- | ----- | ----- |
| Assets | | | |
| Current Assets | 4,673 | 3,990 | 4,986 |
| Long Term Assets | 1,989 | 2,506 | 2,562 |
| Permanent Assets | 13,134 | 15,928 | 16,283 |
| | ----- | ----- | ----- |
| Total | 19,796 | 22,425 | 23,831 |
| | ----- | ----- | ----- |
| Liabilities and Stockholders' Equity | | | |
| Current Liabilities | 3,244 | 3,623 | 4,649 |
| Long Term Liabilities | 5,654 | 7,036 | 7,099 |
| Shareholders' Equity | 10,898 | 11,767 | 12,083 |
| Capital | 3,000 | 4,000 | 4,000 |
| Reserves | 7,898 | 7,767 | 8,083 |
| | ----- | ----- | ----- |
| Total | 19,796 | 22,425 | 23,831 |
| | ===== | ===== | ===== |

10

SALES VOLUMES - PARENT COMPANY

| | thousand tons | | |
|----------------------|---------------|--------|--------|
| | 1Q 01 | 4Q 01 | 1Q 02 |
| | ----- | ----- | ----- |
| IRON ORE AND PELLETS | | | |
| Foreign Market | 20,418 | 24,154 | 24,479 |
| | ----- | ----- | ----- |
| Southern System | 7,978 | 11,548 | 13,628 |
| | ----- | ----- | ----- |
| Fines | 4,379 | 7,672 | 10,409 |
| Lump | 554 | 843 | 656 |
| Pellets | 3,045 | 3,033 | 2,563 |

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| | | | |
|-----------------------------|--------|--------|--------|
| Northern System | 12,440 | 12,606 | 10,851 |
| | ----- | ----- | ----- |
| Fines | 11,450 | 11,299 | 9,746 |
| Lump | 990 | 1,307 | 1,105 |
| Domestic Market | 9,757 | 9,661 | 9,184 |
| | ----- | ----- | ----- |
| Southern System | 8,504 | 8,751 | 8,296 |
| | ----- | ----- | ----- |
| Fines | 7,218 | 6,956 | 6,651 |
| Lump | 702 | 996 | 924 |
| Pellets | 584 | 799 | 721 |
| Northern System | 1,253 | 910 | 888 |
| | ----- | ----- | ----- |
| Fines | 465 | 117 | 210 |
| Lump | 788 | 793 | 678 |
| Iron Ore | 26,546 | 29,983 | 30,379 |
| | ----- | ----- | ----- |
| Fines | 23,512 | 26,044 | 27,016 |
| Lump | 3,034 | 3,939 | 3,363 |
| Pellets | 3,629 | 3,832 | 3,284 |
| | ----- | ----- | ----- |
| Total | 30,175 | 33,815 | 33,663 |
| | ===== | ===== | ===== |
| OTHER PRODUCTS AND SERVICES | 10 01 | 40 01 | 10 02 |
| | ----- | ----- | ----- |
| Gold (Kg) | 3,367 | 4,390 | 3,591 |
| | ----- | ----- | ----- |
| Foreign Market | 3,367 | 4,390 | 3,591 |
| Domestic Market | -- | -- | -- |
| Manganese | 161 | 202 | -- |
| | ----- | ----- | ----- |
| Foreign Market | 77 | 77 | -- |
| Domestic Market | 84 | 125 | -- |
| Potash | 133 | 95 | 113 |
| | ----- | ----- | ----- |
| Transportation Services | 25,966 | 20,204 | 18,775 |
| | ----- | ----- | ----- |
| Railroads | 16,611 | 13,640 | 13,258 |
| | ----- | ----- | ----- |
| Southern System | 15,223 | 12,078 | 11,574 |
| Northern System | 1,388 | 1,562 | 1,684 |
| | ----- | ----- | ----- |
| Port Services | 9,355 | 6,564 | 5,517 |
| | ----- | ----- | ----- |
| Southern System | 8,940 | 5,974 | 4,745 |
| Northern System | 415 | 590 | 772 |

11

IRON ORE AND PELLETS SALES - PARENT COMPANY

million tons

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| FOREIGN MARKET | 1Q 01 | 4Q 01 | 1Q 02 |
|-------------------------------------|-------|-------|-------|
| ASIA | | | |
| China | 3.1 | 3.4 | 4.4 |
| South Korea | 1.5 | 1.3 | 2.1 |
| Philippines | 0.4 | 0.5 | 0.6 |
| Japan | 4.3 | 4.4 | 3.7 |
| Taiwan | 0.8 | 0.6 | 0.4 |
| Others | 0.1 | 0.6 | -- |
| Total | 10.2 | 10.8 | 11.2 |
| EUROPE | | | |
| Germany | 2.2 | 2.9 | 3.4 |
| Spain | 0.6 | 1.0 | 0.8 |
| France | 0.6 | 1.1 | 1.3 |
| Italy | 1.2 | 1.4 | 1.0 |
| United Kingdom | 0.4 | 0.5 | 0.7 |
| Others | 2.0 | 3.4 | 2.9 |
| Total | 7.0 | 10.3 | 10.1 |
| AMERICAS | | | |
| Argentina | 0.5 | 0.5 | 0.4 |
| United States | 0.9 | 0.6 | 0.9 |
| Others | 0.3 | 0.2 | 0.3 |
| Total | 1.7 | 1.3 | 1.6 |
| AFRICA/MIDDLE EAST / AUSTRALASIA | | | |
| Bahrain | 0.3 | 0.3 | 0.8 |
| Others | 1.2 | 1.4 | 0.8 |
| Total | 1.5 | 1.7 | 1.6 |
| TOTAL | 20.4 | 24.1 | 24.5 |
| DOMESTIC MARKET | 1Q 01 | 4Q 01 | 1Q 02 |
| Steel Mills | 4.8 | 5.3 | 5.1 |
| Affiliated Pelletizing Companies | 5.0 | 4.4 | 4.0 |
| Total | 9.8 | 9.7 | 9.1 |
| TOTAL | 30.2 | 33.8 | 33.6 |
| ORIGIN | 1Q 01 | 4Q 01 | 1Q 02 |
| Northern System | 13.7 | 13.5 | 11.7 |
| Southern System | 16.5 | 20.3 | 21.9 |
| TOTAL | 30.2 | 33.8 | 33.6 |

AVERAGE PRICE OF IRON ORE AND PELLETS

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| DESTINATION | US\$/ton | | |
|----------------------------|----------|-------|-------|
| | 1Q 01 | 4Q 01 | 1Q 02 |
| Iron Ore - Foreign Market | 15.03 | 14.69 | 14.51 |
| Iron Ore - Domestic Market | 12.53 | 12.28 | 11.64 |
| Pellets | 29.21 | 29.17 | 28.81 |

12

EQUITY INCOME

| COMPANY/PARTICIPATION | % | million R\$ | | |
|---------------------------------|--------|-------------|------------|------------|
| | | 1Q 01 | 4Q 01 | 1Q 02 |
| DOCENAVE | 100.00 | 39 | (29) | 17 |
| ALUVALE | 94.74 | 8 | 222 | 62 |
| FLORESTAS RIO DOCE | 99.85 | 1 | 2 | 3 |
| RDE | 99.80 | 74 | (55) | 34 |
| ITACO | 99.99 | 77 | (133) | 72 |
| DOCEGEO | 99.99 | -- | -- | -- |
| RDI | 100.00 | -- | (1) | -- |
| TACUMA (FCA) | 100.00 | -- | -- | -- |
| URUCUM | 100.00 | 2 | (5) | 8 |
| TERM.VILA VELHA | 99.89 | -- | 1 | -- |
| NORPEL | 99.90 | -- | 1 | 1 |
| PARA PIGMENTOS | 75.50 | -- | -- | 5 |
| SAMITRI | 100.00 | 9 | -- | -- |
| VALEPONTOCOM | 100.00 | -- | -- | (16) |
| SIBRA | 99.21 | (6) | 51 | 33 |
| ZAGAIA (FERTECO) | 100.00 | -- | 50 | 29 |
| BELEM | 99.99 | -- | 9 | 2 |
| KSG | 99.99 | -- | 1 | -- |
| CELMAR | 85.00 | -- | (56) | -- |
| BRASAMERICAN LIMITED | 99.70 | -- | (2) | 1 |
| BRASILUX | 100.00 | -- | (2) | -- |
| Total from SUBSIDIARIES | | 204 | 54 | 251 |
| MSG | 51.00 | 1 | -- | 1 |
| CST | 22.85 | (12) | 27 | (3) |
| NIBRASCO | 51.00 | 2 | 2 | (2) |
| FOSFERTIL | 10.96 | 1 | 8 | 4 |
| HISPANOBRAS | 50.89 | 3 | 2 | 3 |
| ITABRASCO | 50.90 | 1 | 2 | 1 |
| NOVA ERA SILICON | 49.00 | -- | 2 | 1 |
| USIMINAS | 11.46 | -- | (2) | 1 |
| KOBRASCO | 50.00 | (6) | 7 | 2 |
| FERROBAN | 18.74 | (4) | (11) | (4) |
| CSN | -- | 108 | -- | -- |
| SAMARCO | 50.00 | -- | 59 | 29 |
| Total from AFFILIATES | | 94 | 96 | 33 |
| Total from EQUITY INCOME | | 298 | 150 | 284 |

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| | % | 1Q 01 | 4Q 01 | 1Q 02 |
|---------------------------------|--------|-------|-------|-------|
| | ----- | ----- | ----- | ----- |
| PROVISION FOR LOSSES | | | | |
| VALEPONTOCOM | 100.00 | -- | (18) | -- |
| KOBRASCO | 50.00 | -- | 19 | -- |
| CIA.FERROV.NORDESTE | 30.00 | -- | -- | (2) |
| DOCEPAR | 100.00 | 25 | -- | (59) |
| FCA | 45.65 | -- | 11 | (6) |
| PARA PIGMENTOS | 75.50 | -- | 46 | -- |
| CELMAR | 85.00 | -- | (59) | -- |
| | | ----- | ----- | ----- |
| Total from PROVISION FOR LOSSES | | 25 | -- | (67) |
| | | ===== | ===== | ===== |

13

| COMPANY/PARTICIPATION | % | 1Q 01 | 4Q 01 | 1Q 02 |
|---------------------------------------|--------|-------|-------|-------|
| | ----- | ----- | ----- | ----- |
| GOODWILL AMORTIZATION | | | | |
| FCA | 45.65 | -- | (9) | (31) |
| GIIC | 50.00 | -- | -- | -- |
| PARA PIGMENTOS | 75.50 | (4) | -- | -- |
| RDME | 100.00 | -- | (9) | -- |
| CPFL | 91.87 | -- | (3) | (1) |
| SIBRA | 99.21 | (20) | (19) | (19) |
| USIMINAS | 11.46 | (2) | (49) | -- |
| CAEMI | 16.82 | -- | -- | (13) |
| BELEM | 99.99 | -- | -- | (2) |
| Total from GOODWILL AMORTIZATION | | (26) | (89) | (66) |
| Gain on assets disposal and dividends | | 11 | 1 | 1 |
| | | ----- | ----- | ----- |
| Total | | 308 | 60 | 152 |
| | | ===== | ===== | ===== |

| EQUITY PARTICIPATION ON DOCENAVE | % | 1Q 01 | 4Q 01 | 1Q 02 |
|-------------------------------------------|--------|-------|-------|-------|
| | ----- | ----- | ----- | ----- |
| NAVEDOCE/Seamar | 100.00 | 7 | (12) | -- |
| Own operations | 100.00 | -- | 55 | 15 |
| NAVEDOCE/Seamar (G/L Foreign Exchange) | 100.00 | 32 | (73) | 2 |
| | | ----- | ----- | ----- |
| Total Docenave | | 39 | (30) | 17 |
| | | ===== | ===== | ===== |

| EQUITY PARTICIPATION ON ALUVALE | % | 1Q 01 | 4Q 01 | 1Q 02 |
|---------------------------------|-------|-------|-------|-------|
| | ----- | ----- | ----- | ----- |
| ALUNORTE | 45.58 | (21) | 65 | 5 |
| MRN | 40.00 | 15 | 40 | 10 |
| ALBRAS | 51.00 | (1) | 112 | 39 |
| VALESUL | 54.51 | 4 | 4 | 3 |
| Equity on Alunorte | | -- | 1 | 1 |
| Own operations | | 11 | 12 | 7 |
| | | ----- | ----- | ----- |
| Total Aluvale | | 8 | 234 | 65 |
| | | ===== | ===== | ===== |

| EQUITY INCOME ON ITACO | % | 1Q 01 | 4Q 01 | 1Q 02 |
|------------------------|--------|-------|-------|-------|
| US\$ million | ----- | ----- | ----- | ----- |
| CSI | 50.00 | (1) | -- | -- |
| RDL | 100.00 | 1 | 1 | 2 |
| RDA | 100.00 | -- | -- | -- |
| RDME | 100.00 | (2) | 4 | (1) |
| CSN Aceros | 62.50 | -- | (1) | -- |
| Caemi | 16.82 | -- | -- | 3 |
| Aluvale | 5.26 | -- | 5 | 1 |
| GIIC | 50.00 | 1 | 2 | 2 |
| CVRD Overseas | 100.00 | 5 | 11 | 10 |
| Quadrem | 9.00 | -- | (2) | -- |
| Own operations | | 6 | 57 | 13 |
| G/L Exchange | | 25 | (111) | 1 |
| | | ----- | ----- | ----- |
| Total Itaco | | 35 | (34) | 31 |
| | | ===== | ===== | ===== |
| | | | | |
| EQUIVALENCIA NA ZAGAIA | % | 1Q 01 | 4Q 01 | 1Q 02 |
| | ----- | ----- | ----- | ----- |
| Ferteco | 100.00 | -- | 42 | 29 |
| MRS | 10.48 | -- | 8 | -- |
| | | ----- | ----- | ----- |
| Total Zagaia | | 0 | 50 | 29 |
| | | ===== | ===== | ===== |

IRON ORE AND PELLETS - FINANCIAL INDICATORS - NON AUDITED

| | million R\$ | | |
|--------------------------|-------------|-------|-------|
| | 1Q 01 | 4Q 01 | 1Q 02 |
| | ----- | ----- | ----- |
| HISpanoBRAS | | | |
| Sales (thousand tons) | 832 | 998 | 907 |
| Foreign Market | 312 | 148 | 487 |
| Domestic Market | 520 | 850 | 420 |
| Average Price (US\$/ton) | 30.65 | 31.12 | 31.38 |
| | | | |
| Net Operating Revenues | 52 | 79 | 67 |
| Cost of Goods Sold | (45) | (64) | (58) |
| Financial Results | 2 | (5) | 1 |
| Net Earnings | 6 | 4 | 5 |
| Gross Margin (%) | 13.5 | 19.0 | 13.4 |
| EBITDA | 9 | 14 | 11 |
| EBITDA Margin (%) | 17.3 | 17.7 | 16.4 |
| | | | |
| NIBRASCO | | | |
| Sales (thousand tons) | 2,010 | 1,371 | 1,000 |
| Foreign Market | 806 | 432 | 407 |
| Domestic Market | 1,204 | 939 | 593 |
| Average Price (US\$/ton) | 30.31 | 27.90 | 30.39 |
| | | | |
| Net Operating Revenues | 123 | 99 | 71 |

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| | | | |
|--------------------------|-------|-------|-------|
| Cost of Goods Sold | (107) | (88) | (70) |
| Financial Results | 1 | 0 | (2) |
| Net Earnings | 3 | 7 | (4) |
| Gross Margin (%) | 13.0 | 11.1 | 1.4 |
| EBITDA | 9 | 17 | 5 |
| EBITDA Margin (%) | 7.3 | 17.2 | 7.0 |
| ITABRASCO | 1T 01 | 4T 01 | 1T 02 |
| | ----- | ----- | ----- |
| Sales (thousand tons) | 775 | 995 | 877 |
| Foreign Market | 497 | 700 | 644 |
| Domestic Market | 278 | 295 | 233 |
| Average Price (US\$/ton) | 31.19 | 31.90 | 31.35 |
| Net Operating Revenues | 49 | 80 | 66 |
| Cost of Goods Sold | (46) | (60) | (57) |
| Financial Results | 3 | (6) | (1) |
| Net Earnings | 2 | 4 | 2 |
| Gross Margin (%) | 6.1 | 25.0 | 13.6 |
| EBITDA | 2 | 16 | 8 |
| EBITDA Margin (%) | 4.1 | 20.0 | 12.1 |

16

IRON ORE AND PELLETS - FINANCIAL INDICATORS - NON AUDITED

| | million R\$ | | |
|----------------------------|-------------|-------|-------|
| | ----- | ----- | ----- |
| KOBRASCO | 1Q 01 | 4Q 01 | 1Q 02 |
| | ----- | ----- | ----- |
| Sales (thousand tons) | 981 | 1,068 | 856 |
| Foreign Market | 561 | 558 | 436 |
| Domestic Market | 420 | 510 | 420 |
| Average Price (US\$/ton) | 30.79 | 31.20 | 31.69 |
| Net Operating Revenues | 61 | 85 | 64 |
| Cost of Goods Sold | (47) | (67) | (50) |
| Financial Results | (32) | 41 | (4) |
| Net Earnings | (12) | 53 | 3 |
| Gross Margin (%) | 23.0 | 21.2 | 21.9 |
| EBITDA | 16 | 19 | 15 |
| EBITDA Margin (%) | 26.2 | 22.4 | 23.4 |
| Net Debt (in US\$ million) | | | |
| - Short Term | -- | -- | -- |
| - Long Term | 128 | 129 | 150 |
| | ----- | ----- | ----- |
| Total | 128 | 129 | 150 |
| | ===== | ===== | ===== |
| SAMARCO | 1T 01 | 4T 01 | 1T 02 |
| | ----- | ----- | ----- |
| Sales (thousand tons) | 3,399 | 2,571 | 3,301 |
| Average Price (US\$/ton) | 28.83 | 29.55 | 28.48 |
| Net Operating Revenues | 198 | 208 | 213 |
| Cost of Goods Sold | (96) | (103) | (109) |
| Financial Results | (64) | 51 | (15) |
| Net Earnings | 8 | 117 | 58 |
| Gross Margin (%) | 51.5 | 50.5 | 48.8 |

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| | | | |
|----------------------------|-------|-------|-------|
| EBITDA | 93 | 91 | 93 |
| EBITDA Margin (%) | 47.0 | 43.8 | 43.7 |
| Net Debt (in US\$ million) | | | |
| - Short Term | 170 | 167 | 154 |
| - Long Term | 127 | 109 | 93 |
| | ----- | ----- | ----- |
| Total | 297 | 276 | 247 |
| | ===== | ===== | ===== |
| | | | |
| FERTECO | 1T 01 | 4T 01 | 1T 02 |
| | ----- | ----- | ----- |
| Sales (thousand tons) | n.a | 4,352 | 3,259 |
| Foreign Market | n.a | 3,653 | 2,470 |
| Domestic Market | n.a | 699 | 789 |
| Average Price (US\$/ton) | n.a | 16.83 | 15.96 |
| | | | |
| Net Operating Revenues | n.a | 187 | 127 |
| Cost of Goods Sold | n.a | (139) | (85) |
| Financial Results | n.a | (7) | (5) |
| Net Earnings | n.a | 58 | 29 |
| Gross Margin (%) | n.a | 25.7 | 33.1 |
| EBITDA | n.a | 57 | 52 |
| EBITDA Margin (%) | n.a | 30.5 | 40.9 |
| Net Debt (in US\$ million) | | | |
| - Short Term | n.a | 52 | 28 |
| - Long Term | n.a | 94 | 94 |
| | ----- | ----- | ----- |
| Total | n.a | 146 | 122 |
| | ===== | ===== | ===== |

17

IRON ORE AND PELLETS - FINANCIAL INDICATORS - NON AUDITED

| | million R\$ | | |
|-----------------------------------------------------------------------------------------|-------------|----------|----------|
| | 1Q 01 | 4Q 01 | 1Q 02 |
| | ----- | ----- | ----- |
| GIIC* | | | |
| Sales (thousand tons) | 744 | 785 | 823 |
| Net Operating Revenues | 28,561 | 29,031 | 34,372 |
| Cost of Goods Sold | (26,112) | (23,004) | (29,486) |
| Gross Profit | 2,449 | 6,027 | 4,886 |
| Other Income | 610 | 244 | 112 |
| S G & A | (1,163) | (1,284) | (1,102) |
| Net Income | 1,896 | 4,987 | 3,896 |
| * financial indicators according to IASC (International Accounting Standards Committee) | | | |
| | | | |
| ITACO | 1Q 01 | 4Q 01 | 1Q 02 |
| | ----- | ----- | ----- |
| Sales (thousand tons) | | | |
| Iron Ore | 10,213 | 14,254 | 14,266 |
| Pellets | 2,128 | 1,727 | 1,800 |
| Manganese | 275 | 342 | 246 |
| Bauxite | 265 | 283 | 140 |
| Alumina | 36 | 57 | 33 |
| Aluminum | 43 | 32 | 43 |

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| | | | |
|------------------------|-----------|-----------|-----------|
| Net Operating Revenues | 344,642 | 381,037 | 390,094 |
| Cost of Goods Sold | (322,102) | (342,010) | (346,965) |
| Equity Income | 8,025 | 19,833 | 16,744 |
| Net Income | 10,055 | 81,692 | 24,743 |
| EBITDA | 33,453 | 26,799 | 37,493 |

18

MANGANESE AND FERRO-ALLOYS - FINANCIAL INDICATORS - NON AUDITED

| | million R\$ | | |
|--------------------------------------|-------------|--------|--------|
| | ----- | ----- | ----- |
| SIBRA | 1Q 01 | 4Q 01 | 1Q 02 |
| | ----- | ----- | ----- |
| Sales - Ferro-alloys (thousand tons) | 25 | 91 | 29 |
| Foreign Market | 10 | 10 | 10 |
| Domestic Market | 15 | 81 | 19 |
| Average Price (US\$/ton) | 582.53 | 314.01 | 445.67 |
| Sales - Manganese (thousand tons) | 211 | 314 | 278 |
| Foreign Market | 189 | 288 | 242 |
| Domestic Market | 22 | 26 | 36 |
| Average Price (US\$/ton) | 41.74 | 49.38 | 55.11 |
| Net Operating Revenues | 45 | 104 | 62 |
| Cost of Goods Sold | (29) | (64) | (32) |
| Financial Results | (5) | (14) | (2) |
| Net Earnings | (6) | 49 | 34 |
| Gross Margin (%) | 35.6 | 38.5 | 48.4 |
| EBITDA | (5) | 47 | 26 |
| EBITDA Margin (%) | (11.1) | 45.2 | 41.9 |
| Net Debt (in US\$ million) | | | |
| - Short Term | 33 | 24 | 18 |
| - Long Term | 41 | 24 | 24 |
| Total | 74 | 48 | 42 |
| | ===== | ===== | ===== |
| CPFL | 1Q 01 | 4Q 01 | 1Q 02 |
| | ----- | ----- | ----- |
| Sales (thousand tons) | 34 | 56 | 37 |
| Foreign Market | 18 | 13 | 13 |
| Domestic Market | 16 | 43 | 24 |
| Average Price (US\$/ton) | 533.34 | 338.37 | 517.01 |
| Net Operating Revenues | 38 | 42 | 39 |
| Cost of Goods Sold | (26) | (28) | (27) |
| Financial Results | 0 | 3 | 1 |
| Net Earnings | 5 | 9 | 10 |
| Gross Margin (%) | 31.6 | 33.3 | 30.8 |
| EBITDA | 6 | 0 | 9 |
| EBITDA Margin (%) | 15.8 | -- | 23.1 |
| Net Debt (in US\$ million) | | | |
| - Short Term | 12 | 6 | 2 |
| - Long Term | -- | -- | -- |
| Total | 12 | 6 | 2 |
| | ===== | ===== | ===== |

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19

ALUMINUM - SELECTED FINANCIAL INDICATORS - ADJUSTED AND NON AUDITED

| | million R\$ | | |
|----------------------------|-------------|----------|----------|
| | 1Q 01 | 4Q 01 | 1Q 02 |
| MRN | 1Q 01 | 4Q 01 | 1Q 02 |
| Sales (thousand tons) | 2,185 | 3,175 | 1,781 |
| Foreign Market | 581 | 992 | 485 |
| Domestic Market | 1,604 | 2,183 | 1,296 |
| Average Price (US\$/ton) | 21.39 | 21.67 | 19.46 |
| Net Operating Revenues | 87 | 154 | 76 |
| Cost of Goods Sold | (38) | (65) | (40) |
| Financial Results | -- | (4) | (2) |
| Net Earnings | 37 | 100 | 24 |
| Gross Margin (%) | 56.1 | 57.8 | 47.4 |
| EBITDA | 58 | 99 | 36 |
| EBITDA Margin (%) | 67.0 | 64.3 | 47.4 |
| ALUNORTE | 1Q 01 | 4Q 01 | 1Q 02 |
| Sales (thousand tons) | 363 | 405 | 427 |
| Foreign Market | 170 | 232 | 222 |
| Domestic Market | 193 | 173 | 205 |
| Average Price (US\$/ton) | 198.83 | 167.23 | 161.55 |
| Net Operating Revenues | 150 | 172 | 165 |
| Cost of Goods Sold | (107) | (140) | (136) |
| Financial Results | (98) | 126 | (11) |
| Net Earnings | (43) | 139 | 10 |
| Gross Margin (%) | 28.7 | 18.6 | 17.6 |
| EBITDA | 51 | 37 | 35 |
| EBITDA Margin (%) | 34.0 | 21.5 | 21.2 |
| Net Debt (in US\$ million) | | | |
| - Short Term | -- | -- | (60) |
| - Long Term | 405 | 425 | 455 |
| Total | 405 | 425 | 395 |
| ALBRAS | 1Q 01 | 4Q 01 | 1Q 02 |
| Sales (thousand tons) | 90 | 70 | 88 |
| Foreign Market | 87 | 66 | 84 |
| Domestic Market | 3 | 4 | 4 |
| Average Price (US\$/ton) | 1,532.90 | 1,282.77 | 1,319.81 |
| Net Operating Revenues | 277 | 232 | 274 |
| Cost of Goods Sold | (162) | (147) | 171 |
| Financial Results | (119) | 222 | (11) |
| Net Earnings | (1) | 220 | 76 |
| Gross Margin (%) | 41.5 | 36.6 | 162.4 |
| EBITDA | 122 | 90 | 106 |
| EBITDA Margin (%) | 44.0 | 38.8 | 38.7 |
| Net Debt (in US\$ million) | | | |
| - Short Term | 130 | 141 | 30 |
| - Long Term | 528 | 450 | 524 |

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| | | | |
|-------|-----------------------|-----------------------|-----------------------|
| Total | ----- 658 ===== | ----- 591 ===== | ----- 554 ===== |
|-------|-----------------------|-----------------------|-----------------------|

20

ALUMINUM - SELECTED FINANCIAL INDICATORS - ADJUSTED AND NON AUDITED

| | million R\$ | | |
|----------------------------|-------------|----------|----------|
| VALESUL | 1Q 01 | 4Q 01 | 1Q 02 |
| ----- | ----- | ----- | ----- |
| Sales (thousand tons) | 16 | 16 | 21 |
| Foreign Market | 2 | 5 | 9 |
| Domestic Market | 14 | 11 | 12 |
| Average Price (US\$/ton) | 2,107.06 | 1,757.16 | 1,720.97 |
| Net Operating Revenues | 60 | 67 | 78 |
| Cost of Goods Sold | (41) | (50) | (64) |
| Financial Results | (3) | (1) | (1) |
| Net Earnings | 8 | 7 | 6 |
| Gross Margin (%) | 31.5 | 25.4 | 17.9 |
| EBITDA | 17 | 14 | 14 |
| EBITDA Margin (%) | 28.5 | 20.9 | 17.9 |
| Net Debt (in US\$ million) | | | |
| - Short Term | 33 | 1 | 1 |
| - Long Term | 3 | 2 | 2 |
| ----- | ----- | ----- | ----- |
| Total | 36 | 3 | 3 |
| | ===== | ===== | ===== |

=====
 "This press release may contain statements that express management's expectations about future events or results rather than historical facts. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those projected in forward-looking statements, and CVRD cannot give assurance that such statements will prove correct. These risks and uncertainties include factors: relating to the Brazilian economy and securities markets, which exhibit volatility and can be adversely affected by developments in other countries; relating to the iron ore business and its dependence on the global steel industry, which is cyclical in nature; and relating to the highly competitive industries in which CVRD operates. For additional information on factors that could cause CVRD's actual results to differ from expectations reflected in forward-looking statements, please see CVRD's reports filed with the Comissao de Valores Mobiliarios and the U.S. Securities and Exchange."
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Item 4

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Press Release 1Q02

COMPANHIA VALE DO RIO DOCE
FIRST QUARTER PERFORMANCE IN 2002

The financial and operational information contained in this press release, except whether otherwise indicated, is based on consolidated figures, according to generally accepted accounting principles in the United States of America ("US GAAP"). The main subsidiaries of CVRD which form part of these consolidated figures are: RDME, Sibra, Ferteco, Urucum Mineracao, Para Pigmentos, Docenave, Aluvale, Florestas Rio Doce, Celmar, Rio Doce Europa, Itaco and CVRD Overseas.

Rio de Janeiro, May 15, 2002 - For the first quarter of 2002, Companhia Vale do Rio Doce (CVRD) has presented a very solid performance. Net earnings, excluding non-recurrent exceptional items, was US\$ 304 million. Net earnings, including non-recurrent exceptional items, was US\$ 275 million.

Gross revenues totaled US\$ 987 million and cash generation, as measured by EBITDA (earnings before interest, taxes, depreciation and amortization), amounted to US\$ 444 million. EBITDA margin, the ratio between EBITDA and net revenues, amounted to 46.6%, confirming CVRD's capacity for converting revenues into operating profit, given its operational excellence.

These results were obtained against the background of an appreciating Real - against the US dollar - which had an unfavourable influence on the behaviour of revenues, EBITDA and net earnings. At the same time, earnings were not boosted by any non-recurring factors, such as capital gains derived from the sale of assets.

As of March 31, 2002, the Company's cash holdings amounted to US\$ 2.008 billion, net debt being US\$ 1.778 billion. Net debt was equal to 1.03 times last twelve months EBITDA.

Iron ore and pellet shipments in the first quarter amounted to 38.019 million tons.

Capital expenditure by the Parent Company totalled US\$ 157.6 million. Investment in greenfield (Sao Luis, Sossego, and hydroelectric power plants) and brownfield projects (Gongo Soco iron ore mine, Taquari-Vassouras potash mine, and port facilities) amounted to US\$ 81.1 million.

RELEVANT EVENTS

On the completion of the global offering of CVRD's common shares belonging to the Brazilian Federal Government and the BNDES, a US\$ 1.9 billion transaction, the Company's capital free float rose to 58.5%, 69% of this being held by foreign investors. CVRD's common shares began trading on the New York Stock Exchange (NYSE) on March 21, 2002, in the form of ADRs level III, ticker code RIO. As consequence of this successful deal, there was a surge in liquidity of CVRD shares traded on Bovespa and NYSE.

In March, CVRD successfully completed a US\$ 300 million 5-year bond issue with a spread of 455 basis points over US Treasuries . Despite the rise seen over the last few weeks in the Emerging Market Bond Index Brazil (EMBI Brazil), which reflects Brazilian sovereign debt spreads, bonds issued by CVRD continue to trade above their initial issue price, reflecting the confidence of capital markets in the Company's solid financial situation.

The Sao Luis pellet plant was inaugurated in March and has a production capacity of 6 million tpy. The plant is still in the experimental operational phase, expected to begin commercial production in June this year, thus constituting a new cash generation platform for the Company.

The construction works for development of the Sossego copper mine started this quarter. Sossego is expected to be commissioned in 2004 to produce 140,000 tons of copper concentrate and 3 tons of gold per year.

In May, CVRD acquired the stake owned by Anglo American plc in Salobo Metais for US\$ 50.9 million, so obtaining full ownership of the company. The pre-feasibility study for the Salobo copper project is due to be completed by the end of 2002.

CVRD has signed a co-operation agreement with Nucor, the largest steelworks in the US, with a view to jointly exploiting opportunities in the production of metallics.

SHORT TERM PROSPECTS

There are growing indications of the start of a synchronized global recovery, with the exception of Japan, although it is expected to be slower than the recovery seen in 1999.

In the USA, Europe and Emerging Asia, leading indicators of economic activity, growing consumer and business confidence levels and the behavior of industrial output, all suggest that the global economy is on the road to recovery, which will have positive implications for ore and metal demand. In Brazil's case, despite the fact that economic recovery is proceeding more slowly than previously predicted, there is no doubt that it is nonetheless happening.

Global production of crude steel, as reported by the International Iron and Steel Institute (IISI), increased by 2.1% in 1Q02 compared to the same period in the previous year. The most notable growth was seen in Asia, where production expanded by 10.7%, more than compensating for the cutback in other regions, such as the European Union (-5%) and North America (-4.8%). Production in China was up by a substantial 26%, Taiwan 6.8%, and South Korea 2.9%, while production in Japan was down by 3.1%.

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1Q02 imports by China, totalled 23.8 million tons, and were up 21.9% yoy , helping to sustain the strong demand for iron ore.

Signs of recovery in the demand for pellets began to appear earlier than expected, leading CVRD to alter its original production plans for 2002. Basically, it will no longer be necessary to shut down production at the Company's pellet plants over the next quarters to prevent accumulation of inventories, even with the Sao Luis pellet plant coming fully on stream from the beginning of June this year.

The US Geological Survey leading indicator of non ferrous metals prices, which usually anticipates commodity prices three quarters ahead, has been showing rises in recent months, despite the growth in inventory levels. As a matter of fact, metals prices are already recovering since November 2001, but a stronger recovery is expected to take place in 2H02.

Persistently low nominal interest rates have led gold prices to appreciate significantly, and these are expected to remain around US\$ 300 per troy ounce for the short term.

SALES VOLUME AND REVENUES

Iron ore and pellet sales volume in 1Q02, counting the shipments of CVRD, its subsidiaries and affiliates, excluding inter-company transactions , such as the sale of pellet feed to the pellet joint ventures (Nibrasco, Itabrasco, Hispanobras, Kobrasco), amounted to 38.019 million tons in 1Q02. They were 15% higher yoy and 1.7% lower qoq. These sales affect the results of the Company either directly, or indirectly through equity income.

CONSOLIDATED SALES OF IRON ORE AND PELLETS

| | thousand tons | | |
|----------------------|---------------|--------|--------|
| Iron Ore | 1Q 01 | 4Q 01 | 1Q 02 |
| Parent Company | 21,394 | 25,294 | 25,787 |
| Samitri | 3,657 | - | - |
| Samarco * | 195 | 272 | 336 |
| Urucum * | 162 | 186 | 233 |
| Ferteco * | - | 3.639 | 2.503 |
| MBR * | - | - | 1.384 |
| QCM * | - | - | 68 |
| Total | 25,408 | 29,391 | 30,311 |
| | | | |
| Pellets | 1Q 01 | 4Q 01 | 1Q 02 |
| Parent Company + JVs | 5,816 | 5,626 | 5,279 |
| Samarco * | 1,470 | 1,121 | 1,315 |
| Ferteco * | - | 2,130 | 619 |
| GIIC * | 372 | 392 | 412 |
| QCM * | - | - | 83 |
| Total | 7,658 | 9,269 | 7,708 |
| Total | 33,066 | 38,660 | 38,019 |

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* sales attributed in proportion to size of stake held by CVRD
 JVs: Nibrasco, Itabrasco, Hispanobras and Kobrasco
 Samitri: acquired on May 30, 2000 and consolidated into CVRD on October 1, 2001
 Samarco: acquired on May 30, 2000
 GIIC: acquired on October 9, 2000
 Ferteco: acquired on April 27, 2001
 MBR and QCM: Caemi acquired on December 07, 2001

Some 85% of iron ore and pellets shipments were exported. Sales of iron ore amounted to 30.311 million tons, while sales of pellets came to 7.708 million tons.

Iron ore and pellet sales, computed according to US GAAP consolidation criteria, amounted to 36.716 million tons in 1Q02 against 37.986 million tons in 4Q01 and 34.433 million tons in 1Q01.

4

Sales of manganese ore in the quarter by subsidiaries Sibra and Urucum, amounted to 345,200 tons, compared to 306,700 tons in 4Q01. Shipments to international markets accounted for 88.2% of sales in 1Q02. Sales of ferro-alloys, by Sibra, CPFL, RDME and Urucum, totalled 96,700 tons, down 3.4% on 4Q01.

Sales of gold amounted to 115,400 ounces in 1Q02, compared to 141,100 in 4Q01 and 108,300 in 1Q01.

General cargo (products other than iron ore and pellets) transported by railroad, measured in net ton kilometres (ntk), amounted to 5.2 billion ntk (Vitoria a Minas 2.7 billion ntk, Carajas 665 million ntk and Centro-Atlantica 1.8 billion ntk). This performance was practically the same as in 4Q01 and 5.4% higher than 1Q01. General cargo handling in the ports and terminals of CVRD was 12.7% down compared to 4Q01, but 9.1% higher than that reported in 1Q01.

GENERAL CARGO RAILROAD TRANSPORTATION

| | million ntk | | |
|---------------------------|-------------|-------|-------|
| | 1Q 01 | 4Q 01 | 1Q 02 |
| EF Vitoria a Minas | 2,643 | 2,791 | 2,737 |
| EF Carajas | 356 | 423 | 665 |
| Total Parent Company | 2,999 | 3,214 | 3,402 |
| Ferrovia Centro Atlantica | 1,962 | 1,993 | 1,829 |
| Total | 4,961 | 5,207 | 5,231 |

Gross revenues in 1Q02 of US\$ 987 million were slightly lower than figure of US\$ 1.005 billion reported in the same quarter last year.

Sales of iron ore and pellets amounted to US\$ 666 million, 67% of total revenues, up 15% on 1Q01. Transportation services generated revenues of US\$ 111 million, down US\$ 80 million YoY. The cutback in activities at Docenave and the acquisition of Ferteco, which therefore ceased to be a client of CVRD, explains this fall in revenue. Another important change came as the result of the divestment of paper and pulp assets, with revenues from the sale of wood and pulp dropping from a previous US\$ 24 million in 1Q01 to US\$ 1 million in 1Q02.

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GROSS REVENUE BY PRODUCT

| | million US\$ | | |
|----------------------------|--------------|-------|-------|
| | 1Q 01 | 4Q 01 | 1Q 02 |
| Iron Ore | 465 | 504 | 542 |
| Pellets | 115 | 159 | 124 |
| Gold | 28 | 39 | 34 |
| Transportation | 191 | 144 | 111 |
| Aluminum | 83 | 60 | 68 |
| Manganese and Ferro-alloys | 74 | 114 | 73 |
| Potash | 19 | 13 | 16 |
| Kaolin | 1 | - | 11 |
| Wood and Pulp | 24 | - | 1 |
| Others | 5 | - | 7 |
| Total | 1,005 | 1,033 | 987 |

5

EARNINGS OF US\$ 304 MILLION

1Q02 net earnings amounted to US\$ 304 million, down 14.1% on that obtained in 1Q01, of US\$ 354 million.

The main reason for this fall was that in 1Q01, earnings were strongly boosted by capital gains from asset sales - CVRD's stakes in Bahia Sul and CSN. An increase of US\$ 43 million in income tax provision and a reduction of US\$ 22 million in net revenues also contributed to producing a lower result in 1Q02. On the other hand, the cost of goods sold (COGS) in 1Q02 was down US\$ 65 million, YoY.

1Q02 net earnings including exceptional non-recurrent items - provisions for tax contingencies at Docepar US\$ 24 million, provisions for losses in equity investments, FCA US\$ 13 million and Valepontocom US\$ 7 million and the reversion of provision for contingencies of US\$ 13 million - amounted to US\$ 275 million.

EBITDA OF US\$ 444 MILLION

EBITDA generated in 1Q02 amounted to US\$ 444 million, up 15.3% on 4Q01, but lower than that reported in 1Q01, of US\$ 489 million.

The drop of US\$ 61 million in dividends received from subsidiaries and affiliates, the rise of US\$ 19 million in sales and administrative expenses, mainly as a result of restructuring costs, and the US\$ 18 million fall in gross revenues, were the main factors behind the lower EBITDA in the first quarter, when compared with the same period a year earlier.

The EBITDA breakdown in 1Q02 by business area was as follows: ferrous minerals 78.6%, logistics 14.2%, aluminum 4.1%, non-ferrous minerals 2.7% and steel 0.4%. The contribution from steel came from dividends received from non-consolidated companies.

EBITDA BY BUSINESS AREA

million US\$

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| | 1Q 01 | 4Q 01 | 1Q 02 |
|----------------------|-------|-------|-------|
| Ferrous Minerals | 379 | 235 | 349 |
| Non-Ferrous Minerals | 17 | (7) | 12 |
| Logistics | 44 | 147 | 63 |
| Aluminum | 25 | 9 | 18 |
| Steel | 24 | 1 | 2 |
| Total | 489 | 385 | 444 |

CAPITAL EXPENDITURES

Capital expenditures of the Parent Company in 1Q02 amounted to US\$ 157.6 million. Project investments of US\$ 81.1 million, accounted for 51.5% of this sum.

Expenditure on projects in the area of iron ore amounted to US\$ 43.6 million. US\$ 15.5 million was invested in the construction of the Sao Luis pellet plant, US\$ 14.3 million on the infrastructure needed for its operation, and US\$ 10.7 million on iron ore logistics (locomotives, pier III at the port of Ponta da Madeira and enlargement of the stock yards).

Investment in hydroelectric power plants absorbed US\$ 22.3 million, US\$ 13.8 million on Aimores, US\$ 4.3 million on Candonga, US\$ 3.5 million on Funil and the remainder on other projects still in the development phase where construction has yet to begin (Capim Branco I & II and Foz do Chapeco).

6

Logistics projects absorbed US\$ 10 million and US\$ 1.6 million was spent on expanding production in the potash mine.

US\$ 3.4 million of capital was injected into Mineracao Serra do Sossego for financing the development of the copper mine.

Investment in mineral exploration amounted to US\$ 5 million, while US\$ 3.8 million was spent on information technology and US\$ 2.6 million on environmental protection.

CAPITAL EXPENDITURES - PARENT COMPANY - 1Q 02

| By Business Area | US\$ million | % | By Category | US\$ million |
|----------------------|--------------|--------|------------------------|--------------|
| Ferrous Minerals | 104.7 | 66.4% | Equity investments | 3.1 |
| Transportation | 13.7 | 8.7% | Maintenance | 60.7 |
| Non-Ferrous Minerals | 12.2 | 7.7% | Projects | 81.1 |
| Energy | 22.7 | 14.4% | Mineral exploration | 5.0 |
| Others | 4.4 | 2.8% | Environment | 2.6 |
| | | | Information Technology | 3.8 |
| | | | Technological Research | 1.3 |
| Total | 157.6 | 100.0% | Total | 157.6 |

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Mineracao Rio do Norte (MRN) and Alunorte, affiliated companies of CVRD, continued to invest in their capacity expansion projects, respective expenditure being US\$ 34.3 million and US\$ 39.4 million. MRN is expanding its bauxite production capacity from 11 million tpy to 16.3 million tons tpy while Alunorte is increasing capacity of its alumina refinery from 1.6 million tpy to 2.4 million tpy. Both MRN and Alunorte brownfield projects have low capex cost per ton, US\$ 34 and US\$ 347, respectively.

DEBT

Despite the investments carried out in 2001 and the dividend payment of US\$ 1.066 billion, the Company's net debt position fell slightly between 1Q01 and 1Q02, from US\$ 1.864 billion to US\$ 1.778 billion.

As of March 31, 2002, CVRD's total debt amounted to US\$ 3.786 billion. Net debt corresponded to 27% of asset book value and just 1.03 times EBITDA accumulated in the past twelve months. EBITDA in 1Q02 was 10.8 times interest paid, reflecting a very comfortable level of interest rate coverage.

SELECTED FINANCIAL INDICATORS

| | million US\$ | | |
|--------------------------------------------|--------------|-------|-------|
| | 1Q 01 | 4Q 01 | 1Q 02 |
| Gross Operating Revenues | 1,005 | 1,033 | 987 |
| Gross Margin (%) | 38.3 | 38.4 | 43.7 |
| Net Earnings* | 354 | 702 | 275 |
| Net Earnings per share (US\$)* | 0.92 | 1.82 | 0.72 |
| EBITDA | 489 | 385 | 444 |
| EBITDA Margin (%) | 50.2 | 38.8 | 46.6 |
| Gross Debt | 3.040 | 3.055 | 3.786 |
| Net Debt | 1.864 | 1.938 | 1.778 |
| Net Debt/(Net Debt + Shareholders' Equity) | 0.29 | 0.29 | 0.27 |

*including exceptional non-recurrent items

7

"This press release may contain statements that express management's expectations about future events or results rather than historical facts. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those projected in forward-looking statements, and CVRD cannot give assurance that such statements will prove correct. These risks and uncertainties include factors: relating to the Brazilian economy and securities markets, which exhibit volatility and can be adversely affected by developments in other countries; relating to the iron ore business and its dependence on the global steel industry, which is cyclical in

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nature; and relating to the highly competitive industries in which CVRD operates. For additional information on factors that could cause CVRD's actual results to differ from expectations reflected in forward-looking statements, please see CVRD's reports filed with the Comissao de Valores Mobiliarios and the U.S. Securities and Exchange."

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

COMPANHIA VALE DO RIO DOCE

By: /s/ Roberto Castello Branco

Name: Roberto Castello Branco

Title: Head of Investor Relations

Dated: May 16, 2002