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Companhia Vale do Rio Doce
Form 6-K
May 08, 2009

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**United States
Securities and Exchange Commission
Washington, D.C. 20549
FORM 6-K
Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16
of the
Securities Exchange Act of 1934
For the month of
May 2009
Companhia Vale do Rio Doce
Avenida Graça Aranha, No. 26
20030-900 Rio de Janeiro, RJ, Brazil
(Address of principal executive office)**

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.)

(Check One) Form 20-F Form 40-F

(Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1))

(Check One) Yes No

(Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7))

(Check One) Yes No

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

(Check One) Yes No

(If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b). 82-____.)

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(A free translation into English from original previously issued in Portuguese, in thousands of Brazilian reais, in accordance with Brazilian accounting practices)

1- Balance Sheet

| Years ended December, 31 | Notes | In thousands of reais | | | |
|---|-------|-----------------------|--------------------|--------------------|--------------------|
| | | Consolidated | | Parent Company | |
| | | 03/31/09 | 12/31/08 | 03/31/09 | 12/31/08 |
| Assets | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 6.6 | 21,319,996 | 24,639,245 | 6,242,789 | 6,712,705 |
| Short term investments | | 7,447,998 | 5,393,796 | | |
| Accounts receivable from customers | | 6,778,538 | 7,932,810 | 6,842,343 | 9,827,072 |
| Related parties | | 345,532 | 27,914 | 1,906,134 | 2,242,343 |
| Inventories | 6.7 | 9,136,088 | 9,686,196 | 2,905,394 | 2,913,504 |
| Deferred income tax and social contribution | | 1,330,118 | 1,304,993 | 1,013,538 | 1,219,685 |
| Taxes to recover or offset | 6.8 | 3,948,197 | 4,886,239 | 2,669,792 | 3,311,610 |
| Others | | 2,409,189 | 2,187,547 | 1,076,710 | 999,569 |
| | | 52,715,656 | 56,058,740 | 22,656,700 | 27,226,488 |
| Non-current assets | | | | | |
| Related parties | | 25,300 | 156 | 4,689,193 | 4,728,219 |
| Loans and financing | | 204,445 | 179,529 | 130,594 | 128,607 |
| Prepaid expenses | | 551,381 | 632,032 | | |
| Judicial deposits | | 1,858,809 | 1,794,011 | 1,280,783 | 1,298,758 |
| Advances to energy suppliers | | 936,864 | 952,743 | | |
| Deferred income tax and social contribution | | 1,179,111 | 933,523 | 831,638 | 639,614 |
| Taxes to recover or offset | 6.8 | 1,318,451 | 1,067,226 | 161,934 | 189,813 |
| Provisions for derivatives | 6.23 | 153,136 | 84,014 | 3,456 | 4,829 |
| Others | | 394,623 | 414,024 | 406,714 | 242,825 |
| | | 6,622,120 | 6,057,258 | 7,504,312 | 7,232,665 |
| Investments | 6.10 | 2,854,889 | 2,442,426 | 94,480,089 | 90,682,288 |
| Intangibles | 6.11 | 10,590,977 | 10,727,565 | 8,248,869 | 8,385,484 |
| Property, plant and equipment | 6.12 | 115,170,636 | 110,493,482 | 39,571,240 | 38,711,866 |
| | | 128,616,502 | 123,663,473 | 142,300,198 | 137,779,638 |
| | | 187,954,278 | 185,779,471 | 172,461,210 | 172,238,791 |
| Liabilities, and stockholders equity | | | | | |
| Current liabilities | | | | | |
| Payable to suppliers and contractors | | 4,141,927 | 5,248,414 | 2,066,018 | 2,145,389 |
| Payroll and related charges | | 1,086,092 | 1,427,541 | 534,429 | 880,639 |

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| | | | | | |
|---|------|--------------------|--------------------|--------------------|--------------------|
| Current portion of long-term debt | 6.13 | 1,748,005 | 1,581,887 | 857,170 | 710,786 |
| Short-term debt | 6.13 | 1,093,758 | 1,088,022 | | |
| Related parties | | 171,204 | 162,055 | 7,680,034 | 9,580,611 |
| Taxes, contributions and royalties | | 249,727 | 187,936 | 27,699 | 56,272 |
| Provision for income tax | | 738,242 | 1,423,023 | 27,093 | |
| Pension Plan | | 240,360 | 239,074 | 88,679 | 85,965 |
| Ferrovias Norte Sul subconcession | | 954,646 | 933,912 | | |
| Provisions for derivatives | 6.23 | 6,246 | | | |
| Provision for asset retirement obligations | 6.15 | 88,979 | 112,795 | 57,266 | 43,946 |
| Proposed dividends and interest on stockholders equity | 6.21 | 4,834,040 | 4,834,040 | 4,834,040 | 4,834,040 |
| Others | | 2,484,643 | 1,400,338 | 1,481,350 | 643,101 |
| | | 17,837,869 | 18,639,037 | 17,653,778 | 18,980,749 |
| Non-current liabilities | | | | | |
| Pension Plan | 0 | 3,635,158 | 3,561,897 | 514,587 | 523,465 |
| Long-term debt | 6.13 | 42,526,571 | 42,693,864 | 11,791,801 | 11,602,665 |
| Related parties | | 125,057 | 124,704 | 36,922,911 | 38,143,999 |
| Provisions for contingencies | 6.14 | 2,984,338 | 2,988,774 | 1,692,372 | 1,730,489 |
| Deferred income tax and social contribution | | 8,456,142 | 8,039,401 | | |
| Provisions for derivatives | 6.23 | 1,423,160 | 1,345,200 | 1,166,157 | 1,083,681 |
| Provision for asset retirement obligations | 6.15 | 1,978,751 | 1,996,902 | 837,731 | 847,504 |
| Others | | 4,359,245 | 4,033,733 | 3,270,294 | 3,051,599 |
| | | 65,488,422 | 64,784,475 | 56,195,853 | 56,983,402 |
| Minority interest | | 6,016,408 | 6,081,319 | | |
| Stockholders equity | | | | | |
| Paid-up capital | 6.18 | 47,434,193 | 47,434,193 | 47,434,193 | 47,434,193 |
| Transaction cost of capital increase | | (160,771) | (160,771) | (160,771) | (160,771) |
| Resources linked to the future mandatory conversion in shares | 6.19 | 3,063,833 | 3,063,833 | 3,063,833 | 3,063,833 |
| Equity assessment adjust | | 229,909 | 7,945 | 229,909 | 7,945 |
| Cumulative translation Adjustments | | 4,969,788 | 5,982,074 | 4,969,788 | 5,982,074 |
| Revenue reserves | | 43,074,627 | 39,947,366 | 43,074,627 | 39,947,366 |
| | | 98,611,579 | 96,274,640 | 98,611,579 | 96,274,640 |
| | | 187,954,278 | 185,779,471 | 172,461,210 | 172,238,791 |

The additional information , notes and attachment I are an integral part of the quarterly information

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(A free translation into English from original previously issued in Portuguese, in thousands of Brazilian reais, in accordance with Brazilian accounting practices)

2- Statement of Income

| Years ended March, 31 | Notes | In thousands of reais | | | | |
|--|-------|-----------------------|-----------------------|--------------------|-------------------------|--------------------|
| | | 1Q/09 | Consolidated 4Q/08 | 1Q/08 | Parent Company 1Q/09 | 1Q/08 |
| Operating revenues | | | | | | |
| Ore and metals | | 10,831,690 | 14,193,294 | 11,947,151 | 6,957,687 | 5,261,508 |
| Sales of aluminum-related products | | 1,070,907 | 1,824,362 | 1,171,857 | 137,783 | 72,406 |
| Transport services | | 610,482 | 913,612 | 786,846 | 282,801 | 479,940 |
| Sales of steel products | | 169,915 | 303,718 | 320,189 | | |
| Other products and services | | 495,529 | 711,264 | 323,015 | 89,679 | 58,230 |
| | | 13,178,523 | 17,946,250 | 14,549,058 | 7,467,950 | 5,872,084 |
| Value Added taxes | | (262,683) | (563,293) | (424,318) | (172,810) | (316,983) |
| Net operating revenues | | 12,915,840 | 17,382,957 | 14,124,740 | 7,295,140 | 5,555,101 |
| Cost of products and services | | | | | | |
| Ores and metals | | (4,901,169) | (5,890,332) | (5,666,470) | (2,517,384) | (3,239,333) |
| Aluminum-related products | | (1,051,383) | (1,099,464) | (805,832) | (110,334) | (71,765) |
| Transport services | | (496,554) | (567,867) | (492,330) | (205,688) | (209,072) |
| Steel products | | (154,046) | (278,000) | (297,768) | | |
| Other products and services | | (263,615) | (275,217) | (249,123) | (50,010) | (10,246) |
| | | (6,866,767) | (8,110,880) | (7,511,523) | (2,883,416) | (3,530,416) |
| Gross profit | | 6,049,073 | 9,272,077 | 6,613,217 | 4,411,724 | 2,024,685 |
| Gross margin | | 46.8% | 53.3% | 46.8% | 60.5% | 36.4% |
| Operating expenses | | | | | | |
| Selling and Administrative | 6.24 | (574,490) | (1,716,477) | (599,849) | (272,342) | (293,179) |
| Research and development | | (441,229) | (717,979) | (331,006) | (268,101) | (185,447) |
| Impairment | | | (2,447,000) | | | |
| Other operating expenses | 6.24 | (884,515) | (1,625,642) | (357,463) | (350,826) | (88,678) |
| | | (1,900,234) | (6,507,098) | (1,288,318) | (891,269) | (567,304) |
| Operating profit before financial results, results of equity investments and impairment | | 4,148,839 | 2,764,979 | 5,324,899 | 3,520,455 | 1,457,381 |

| | | | | | | |
|---|------|--------------------|--------------------|--------------------|--------------------|------------------|
| Results of equity investments | 6.10 | 13,450 | (59,166) | 45,041 | 885,976 | 2,714,369 |
| Amortization of goodwill | 6.11 | | (350,819) | (389,150) | | (389,150) |
| | | 13,450 | (409,985) | (344,109) | 885,976 | 2,325,219 |
| Financial results, net | 6.22 | (361,256) | (2,343,368) | (1,233,190) | (217,288) | (675,548) |
| Resultado na venda de investimentos | 6.24 | | | 138,879 | | |
| Income before income tax and social contribution | | 3,801,033 | 11,626 | 3,886,479 | 4,189,143 | 3,107,052 |
| Income tax and social contribution | 6.9 | (757,982) | 2,464,973 | (669,883) | (1,038,240) | 73,891 |
| Current | | (1,157,050) | 2,027,865 | (1,207,728) | (1,091,415) | (278,431) |
| Deferred charges | | 399,068 | 437,108 | 537,845 | 53,175 | 352,322 |
| Minority interest | | 107,852 | (36,429) | (35,653) | | |
| Net income for the period | | 3,150,903 | 2,440,170 | 3,180,943 | 3,150,903 | 3,180,943 |
| Number of shares outstanding at the end of the period (in thousands) (a) | | 5,212,680 | 5,231,512 | 4,832,391 | 5,212,680 | 4,832,391 |
| Net earnings per share outstanding at the end of the period (R\$) | | 0.60 | 0.47 | 0.66 | 0.60 | 0.66 |

(a) Includes 30,341,144 and 56,582,040 preferred and common shares, respectively, linked to issue of convertible notes, (see note 6.19).

The additional information, notes and attachment I are an integral part of the quarterly information

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(A free translation into English from original previously issued in Portuguese, in thousands of Brazilian reais, in accordance with Brazilian accounting practices)

3- Statement of Changes in Stockholders' Equity

| | | In thousands of reais | | | | | | | | |
|-------|-----------------|-----------------------|--|--------------------------|------------------------------------|------------------------|------------------|-------------------|-------------------|-------------------|
| Notes | Paid-up capital | Transaction cost | Resources linked to mandatory conversion in shares | Equity assessment adjust | Cumulative translation Adjustments | Expansion/ Investments | Revenue reserves | | Fiscal incentives | Fiscal incentives |
| | | | | | | | Treasury stock | Unrealized income | | |
| | 28,000,000 | | 3,063,833 | | | 24,285,431 | (790,224) | 60,883 | 2,319,695 | 89,844 |
| | | | | | | | (1,658,266) | | | |
| | | | | | 5,982,074 | | | | | |
| 6.19 | 19,434,193 | (160,771) | | 7,945 | | | | | | |
| | | | | | | (580,124) | | | | |
| | | | | | | 15,178,507 | | (22,362) | 1,063,982 | |
| | 47,434,193 | (160,771) | 3,063,833 | 7,945 | 5,982,074 | 38,883,814 | (2,448,490) | 38,521 | 3,383,677 | 89,844 |
| 6.21 | | | | | | | (23,642) | | | |
| | | | | | (1,012,286) | | | | | |
| | | | | | 221,964 | | | | | |
| | 47,434,193 | (160,771) | 3,063,833 | 229,909 | 4,969,788 | 38,883,814 | (2,472,132) | 38,521 | 3,383,677 | 89,844 |

The additional information, notes and attachment I are an integral part of the quarterly information

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(A free translation into English from original previously issued in Portuguese, in thousands of Brazilian reais, in accordance with Brazilian accounting practices)

4- Statement of Cash Flows

| Years ended March, 31 | In thousands of reais | | | | |
|--|-----------------------|-----------------------|------------------|-------------------------|-------------------------|
| | 1Q/09 | Consolidated 4Q/08 | 1Q/08 | Parent Company 1Q/09 | Parent Company 1Q/08 |
| Cash flows from operating activities: | | | | | |
| Net income for the period | 3,150,903 | 2,440,170 | 3,180,943 | 3,150,903 | 3,180,943 |
| Adjustments to reconcile net income for the period with cash provided by operating activities: | | | | | |
| Results of equity investments | (13,450) | 409,985 | 344,109 | (885,976) | (2,325,219) |
| Sale of assets | | | (138,879) | | |
| Depreciation, amortization and depletion | 1,296,765 | 1,322,129 | 1,312,928 | 441,193 | 425,287 |
| Deferred income tax and social contribution | (399,068) | (437,108) | (537,845) | (53,175) | (352,322) |
| Monetary and exchange rate variations on assets and liabilities, net | 352,619 | 4,591,062 | (887,285) | (397,223) | (455,231) |
| Recoverable amount of assets | | 2,447,000 | | | |
| Minority interest | (107,852) | 36,429 | 35,653 | | |
| Disposal of property, plant and equipment | 162,431 | 28,050 | 127,820 | 70,773 | 29,986 |
| Net unrealized losses (gains) on derivatives | (43,775) | 1,327,148 | 534,025 | 61,984 | 57,370 |
| Dividends/interest on stockholders equity received | | 25,166 | | 94,924 | 106,292 |
| Others | (43,481) | 57,378 | 87,050 | 80,862 | (22,859) |
| | 4,355,092 | 12,247,409 | 4,058,519 | 2,564,265 | 644,247 |
| Decrease (increase) in assets: | | | | | |
| Accounts receivable | 1,007,191 | 3,433,595 | 377,318 | 2,988,598 | (242,762) |
| Inventories | 504,458 | (1,112,061) | 148,070 | 63,621 | 60,284 |
| Advances to energy suppliers | 15,879 | 15,879 | 60,915 | | |
| Others | (423,175) | (793,628) | (389,280) | 120,194 | (409,750) |
| | 1,104,353 | 1,543,785 | 197,023 | 3,172,413 | (592,228) |
| Increase (decrease) in liabilities: | | | | | |
| Suppliers and contractors | (728,025) | 836,353 | (13,259) | (79,371) | (166,956) |
| Payroll and related charges | (341,404) | 74,918 | (448,597) | (346,209) | (281,675) |
| Taxes and contributions | 312,207 | 207,523 | (1,393,645) | 776,486 | 35,550 |

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|--|--------------------|---------------------|--------------------|--------------------|--------------------|
| Others | (98,016) | (480,148) | (50,039) | 154,909 | (109,075) |
| | (855,238) | 638,646 | (1,905,540) | 505,815 | (522,156) |
| Net cash provided by operating activities | 4,604,207 | 14,429,840 | 2,350,002 | 6,242,493 | (470,137) |
| Cash flows from investing activities: | | | | | |
| Short term investments | (2,054,202) | (4,180,366) | | | |
| Loans and advances receivable | (65,384) | 19,507 | 36,486 | (49,902) | 41,609 |
| Guarantees and deposits | (51,728) | (166,473) | (61,215) | (21,496) | (47,231) |
| Additions to investments | (166,077) | (148,296) | (18,580) | (2,511,749) | (69,299) |
| Additions to property, plant and equipment | (3,682,753) | (9,023,863) | (3,107,620) | (1,647,821) | (1,051,181) |
| Proceeds from disposal of property, plant and equipment/investments | | | 370,501 | | |
| Net cash used in acquisitions and increase of funds to subsidiaries, net of the cash of subsidiary | (2,133,721) | | | | |
| Net cash used in investing activities | (8,153,865) | (13,499,491) | (2,780,428) | (4,230,968) | (1,126,102) |
| Cash flows from (used in) financing activities: | | | | | |
| Short-term debt additions | 356,101 | 120,322 | 1,628,814 | 266,974 | 389,902 |
| Short-term debt repayments | (401,719) | (312,534) | (1,300,570) | (2,958,488) | (1,129,163) |
| Long-term debt | 540,936 | 935,193 | 2,462,884 | 429,072 | 2,581,278 |
| Issue of convertible notes, in common shares | | | | | |
| Issue of convertible notes, in preferred shares | | | | | |
| Repayments: | | | | | |
| Related parties | (241,267) | | (213,975) | (4,795) | (5,059) |
| Financial institutions | | (181,422) | | (190,562) | (147,223) |
| Interest on stockholders' equity paid to stockholders and dividends | | (3,579,032) | | | |
| Treasury stock | (23,642) | (1,658,266) | 6 | (23,642) | 6 |
| Net cash provided by (used in) financing activities | 230,409 | (4,675,739) | 2,577,159 | (2,481,441) | 1,689,741 |
| Increase (decrease) in cash and cash equivalents | (3,319,249) | (3,745,390) | 2,146,733 | (469,916) | 93,502 |
| | 24,639,245 | 28,384,635 | 2,127,909 | 6,712,705 | 120,188 |

| | | | | | |
|---|-------------------|-------------------|------------------|------------------|----------------|
| Cash and cash equivalents, beginning of the period | | | | | |
| Cash and cash equivalents, end of the period | 21,319,996 | 24,639,245 | 4,274,642 | 6,242,789 | 213,690 |
| Cash paid during the period for: | | | | | |
| Short-term interest | (35,794) | (72,220) | (33,569) | (81,442) | (27,211) |
| Long-term interest | (647,133) | (743,816) | (494,244) | (641,357) | (758,458) |
| Income tax and social contribution | (335,254) | (976,508) | (2,930,050) | | (564,914) |
| Non-cash transactions: | | | | | |
| Additions to property, plant and equipment interest capitalization | (134,359) | (307,179) | (11,532) | (10,617) | (21,960) |
| Transfer of advance for future capital increase to investments | | | | (124,550) | (24,800) |
| Compensated income tax and social contribution | (9,792) | (64,843) | | | |

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(A free translation into English from original previously issued in Portuguese, in thousands of Brazilian reais, in accordance with Brazilian accounting practices)

5- Statement of Value Added

| Years ended March, 31 | In thousands of reais | | | |
|--|----------------------------------|----------------------------------|------------------------------------|------------------------------------|
| | Consolidated 03/31/09 | Consolidated 03/31/08 | Parent Company 03/31/09 | Parent Company 03/31/08 |
| Generation of Value Added | | | | |
| Gross revenue | | | | |
| Income from products and services | 13,188,983 | 14,571,376 | 7,474,223 | 5,889,665 |
| Other income | | | | |
| Revenue for the construction of own assets | 2,673,312 | 2,025,756 | 1,724,470 | 1,051,181 |
| Allowance for doubtful accounts | (10,460) | (22,318) | (6,273) | (17,581) |
| Less: Acquisition of products | (387,715) | (643,838) | (43,956) | (405,457) |
| Outsourced services | (1,880,905) | (1,219,558) | (609,469) | (893,443) |
| Materials | (3,755,813) | (4,004,187) | (2,589,068) | (2,056,177) |
| Fuel oil and gas | (598,331) | (842,656) | (208,557) | (337,099) |
| Energy | (414,293) | (457,704) | (124,002) | (118,658) |
| Other costs | (1,889,788) | (1,252,386) | (982,924) | (606,077) |
| Gross Value Added | 6,924,990 | 8,154,485 | 4,634,444 | 2,506,354 |
| Depreciation, amortization and depletion | (1,296,765) | (1,312,928) | (441,193) | (425,287) |
| Net Value Added | 5,628,225 | 6,841,557 | 4,193,251 | 2,081,067 |
| Received from third parties | | | | |
| Financial revenue | 1,087,530 | 443,035 | 713,867 | 505,102 |
| Results of equity investment | 13,450 | (344,109) | 885,976 | 2,325,219 |
| Total Value Added to be distributed | 6,729,205 | 6,940,483 | 5,793,094 | 4,911,388 |
| Personnel | 1,333,233 | 1,115,135 | 571,542 | 416,329 |
| Taxes, rates and contribution | 3,413,364 | 2,833,442 | 2,984,670 | 1,333,939 |
| Taxes paid recovered | (2,509,229) | (1,900,915) | (1,845,176) | (1,200,473) |
| Third party capital | 1,448,786 | 1,676,225 | 931,155 | 1,180,650 |
| Stockholders remuneration | | | | |
| Stockholders | 3,150,903 | 3,180,943 | 3,150,903 | 3,180,943 |
| Retained earnings | | | | |
| Minority interest | (107,852) | 35,653 | | |
| Distribution of Value Added | 6,729,205 | 6,940,483 | 5,793,094 | 4,911,388 |

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(A free translation into English from original previously issued in Portuguese, in thousands of Brazilian reais, in accordance with Brazilian accounting practices)

6- Notes to the Financial Statements at March 31, 2009 and 2008

(In thousands of Brazilian reais, except as otherwise stated)

6.1- Operations

Companhia Vale do Rio Doce (Vale, Company) is a publicly limited liability company whose predominant activities are mining, processing and sale of iron ore, pellets, copper concentrate and potash, as well as logistic services, power generation and mineral research and development. In addition, through its direct and indirect subsidiaries and jointly controlled companies, also operates in nickel, copper, precious metals, cobalt (by product), manganese and ferroalloys, kaolin, coal, steel, and aluminum-related products.

6.2- Summary of Significant Accounting Policies and Presentation of Interim Financial Statements

These Interim Financial Statements have been prepared according to the principles, methods and criteria that are uniform to those adopted in the prior year ended December, 31 2008, except with regard to the goodwill amortization described as follow:

According to CPC 13 First-time adoption of Law 11638 and Provisional Act 449/08, the goodwill on expected future results resulting from the acquisition of other company will no longer be amortized as from 2009 and therefore will no longer be presented anymore in line goodwill amortization in the statement of income.

In preparing the interim financial statements, Vale is required to use estimates to account for certain assets, liabilities, and transactions. Therefore the Company's interim financial statements include various estimates concerning the selection of useful lives of property, plant and equipment, provisions for losses on assets, contingent liabilities, operational provisions and other similar evaluations. Actual results may vary from the estimates;

The rights and obligations in foreign currencies are stated according to prevailing exchange rates at the time of the financial statements, and US\$1.00 is equivalent to R\$2,3152 on March 31, 2009 (US\$1.00 is equivalent to R\$1,7491 on March 31, 2008), for monetary items.

For non-monetary items stated at cost, the Company applies the exchange rate at the date of the transaction or the average monthly exchange rate, and for non-monetary items stated at fair value the Company applies the exchange rate at the date of determining the value. Rights and obligations in the domestic currency, when applicable, are adjusted for inflation according to contractual terms;

These Interim Financial Statements have been prepared in conformity with Brazilian accounting practices, based on Corporate law, (as amended by Law 11.638), Provisional Act 449, as well as the rules and guidelines issued by Brazilian Securities Commission CVM.

For better comparability with 2009 interim financial statements, 2008 interim financial statements presented already reflect the effects of the adjustments required by new accounting practices effective for fiscal years beginning January 1, 2008, recognized and fully presented in only one specific column in the 2008 annual financial statements.

The effects of adjustments in the comparative periods presented herein: in 1Q08, increase of R\$928,048 and in 4Q08, reduction of R\$8,009,266, resulting from the adoption of CPC 01 Impairment of assets and CPC 02 Effects of changes in exchanges rates and currency translation of financial statements.

In the comparative statement of income, in parent company these adjustments were reflected in Investments in subsidiaries, and in consolidated in lines Investments in subsidiaries (1Q08 Increase of R\$105,071 and 4Q08 reduction of R\$671,568), financial income (1Q08 Increase of R\$822,977 and 4Q08 reduction of R\$4,890,698) and impairment of intangible assets (4Q08 Reduction of R\$2,447,000).

As supplemental information to the interim financial statements, the Company presents the calculation of income before financial income, results of equity investments, income tax and social contribution, depreciation, amortization and depletion LAJIDA (EBITDA). Although the EBITDA, as defined before, does not provide a measure of operating cash flow according to Brazilian accounting practices, it is often used by financial analysts in evaluating business, and the Company's Management uses this indicator to measure operating performance.

Table of Contents**6.3- Consolidation Principles and Practices**

The consolidated interim financial statements reflect the balances of assets and liabilities as of March 31, 2009 and December 31, 2008 and operations of quarterly periods ended on March 31, 2009, December 31, 2008 and March 31, 2008 of the Parent Company, its direct and indirect subsidiaries and its jointly-controlled companies. Overseas operations are translated into the report currency for financial statements in Brazil to record equity investments, full or proportional consolidation of financial statements.

Vale's participation in hydroelectric projects is made through consortium agreements under which the Company's share in assets and liabilities of the business is proportional to its share in the generated power. The Company does not have joint responsibility for any liability. Since there is no legal entity related to the project, there are no separate financial statements, income tax return, net income or stockholder's equity. Brazilian legislation clearly provides that there is no separate entity under a consortium agreement. Accordingly, the Company recognizes its proportional share of costs and its undivided share in assets related to hydroelectric projects.

6.4- Acquisitions and Divestments

In March 2009, the Company acquired from Cement Argos the company Diamond Coal Ltd., which owns thermal coal assets in Colombia by R\$ 694,560.

In March 2009, 50% of Teal Minerals Incorporated, Joint Venture with African Rainbow Minerals Limited, was acquired by R\$ 225,676.

In February 2009, the acquisition of Green Mineral Resources, company owner of mineral rights of Project Regina (Canada) and Project Colorado (Argentina) from Rio Tinto, was concluded by the amount of R\$ 1,994,695.

As regards the three acquisitions above, the difference between the acquisition value and the equity was fully allocated to PP&E based on the difference between the market value of assets and its net book value. All these allocations were based on internal management research and are subject to revision. For Diamond Coal this allocation was R\$ 443,459, for Teal Minerals was R\$ 254,095 and for Green Minerals was R\$ 1,744,589.

In January 2009, the Company entered into a purchase and sale agreement with Rio Tinto PLC to acquire iron ore assets (Brazil) by US\$750.000 thousands. This acquisition was not concluded and is under approval by the Administrative Council for Economic Defense - CADE.

In February 2008, the Company sold its interests of 4.83% in common shares of Jubilee Mines N.L., held by Vale Inco, by R\$ 231,788 obtaining a gain of R\$ 138,879.

6.5- Cash and Cash Equivalents

| | Consolidado | | Controladora | |
|--|--------------------|-------------------|---------------------|------------------|
| | 03/31/09 | 12/31/08 | 03/31/09 | 12/31/08 |
| Cash and bank accounts | 1,434,896 | 1,813,975 | 67,195 | 59,408 |
| Marketable securities linked to the interbank deposit certificate rate | 7,085,878 | 5,489,646 | 5,805,179 | 4,221,837 |
| Time deposits / Overnight | 12,799,222 | 17,335,624 | 370,415 | 2,431,460 |
| | 21,319,996 | 24,639,245 | 6,242,789 | 6,712,705 |

6.6- Short-Term investments

| | 03/31/09 | 12/31/08 |
|------------------|-----------------|-----------------|
| Time deposit (*) | 7,447,998 | 5,393,796 |

(*) Represent application with due date over 90 days.

Table of Contents**6.7- Related Parties**

Throughout the Company's operations, it enters into transactions between related parties due from the sale and purchase of products and services including the leasing of pelletization plants, loans under normal market conditions, marketing of raw material and rail transport services.

The related parties operations are mainly as mentioned above, were as follows:

| | Consolidated Assets | | | |
|------------------------|--------------------------------|--------------------------------|------------------|--------------------------------|
| | 03/31/09 | | 12/31/08 | |
| | Customers | Related party Asset | Customers | Related party Asset |
| Baovale Mineração S.A | 549 | 1,580 | 1,693 | |
| DOCENAVE | 12,523 | 9,537 | 7,931 | 116 |
| HISpanoBRAS | 2,962 | 24,131 | 34,765 | 7,577 |
| ITABRASCO | 1,069 | 5 | 796 | |
| KOBRASCO | 763 | | 229 | 19 |
| Mineração Rio do Norte | 251 | 27,854 | 544 | 360 |
| MRS Logística | 640 | 90,789 | 1 | 1 |
| Minas da Serra Geral | | | 10,024 | 1 |
| NIBRASCO | 10,725 | | 584 | 11,044 |
| Samarco Mineração S.A | 8,877 | 190,626 | 42,129 | |
| USIMINAS | 23,639 | | 89,890 | |
| Others | 33,663 | 26,310 | 72,411 | 8,952 |
| Total | 95,661 | 370,832 | 260,997 | 28,070 |
| Registered as: | | | | |
| Current | 95,661 | 345,532 | 260,997 | 27,914 |
| Non-current | | 25,300 | | 156 |
| | 95,661 | 370,832 | 260,997 | 28,070 |

| | Consolidated Liabilities | | | |
|------------------------|-------------------------------------|--------------------------------|------------------|--------------------------------|
| | 03/31/09 | | 12/31/08 | |
| | Suppliers | Related party Asset | Suppliers | Related party Asset |
| Baovale Mineração S.A | 24,488 | | 23,240 | |
| DOCENAVE | 9,398 | 12 | 15,249 | 50,910 |
| HISpanoBRAS | | 39,222 | 46,183 | 27,537 |
| ITABRASCO | 10,125 | 15,608 | 17,841 | 8,074 |
| KOBRASCO | 43,886 | 2,782 | 52,898 | |
| Mineração Rio do Norte | 29,305 | | 167,998 | 124,638 |
| MRS Logística | 103,916 | 124,638 | 8,068 | 6,724 |
| Minas da Serra Geral | | 15,630 | 23,023 | 58,365 |
| NIBRASCO | 27,762 | 30,771 | | |
| Samarco Mineração S.A | | | 442 | 5,766 |

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| | | | | |
|--------------|----------------|----------------|----------------|----------------|
| USIMINAS | 8 | 14,657 | | |
| Others | 30,508 | 52,941 | 48,370 | 4,745 |
| Total | 279,396 | 296,261 | 403,312 | 286,759 |

Registered as:

| | | | | |
|-------------|----------------|----------------|----------------|----------------|
| Current | 279,396 | 171,204 | 403,312 | 162,055 |
| Non-current | | 125,057 | | 124,704 |
| | 279,396 | 296,261 | 403,312 | 286,759 |

**Parent Company
Assets**

| | 03/31/09 | | 12/31/08 | |
|-----------------------|------------------|------------------------|------------------|------------------------|
| | Customers | Related party Asset | Customers | Related party Asset |
| ALUNORTE | 41,985 | 101,046 | | |
| Baovale Mineração S.A | 1,098 | 3,160 | 3,385 | 2,075 |
| CPBS | 386 | 132,898 | 200 | 1 |
| CVRD OVERSEAS | 98,534 | 231 | 1,183,999 | 234 |
| FCA | 48,355 | 55,862 | 61,499 | 30,096 |
| ITACO | 6,163,755 | 4,397,189 | 7,857,418 | 4,442,125 |
| KOBRASCO | 1,523 | | 1,588 | |
| MRS Logística | 1,016 | 51,913 | 893 | 17,356 |
| NIBRASCO | 21,869 | | 20,377 | 46,713 |
| MBR | 1,890 | 753,354 | 9,520 | 678,437 |
| RDM | 5,584 | 179,309 | 7,020 | 596,950 |
| SALOBO | 1,722 | 233,555 | 1,933 | 233,555 |
| Samarco Mineração S.A | 17,754 | 381,251 | 1,168 | 378,236 |
| Others | 127,008 | 305,559 | 294,609 | 544,784 |
| Total | 6,532,479 | 6,595,327 | 9,443,609 | 6,970,562 |

Registered as:

| | | | | |
|-------------|------------------|------------------|------------------|------------------|
| Current | 6,532,479 | 1,906,134 | 9,443,609 | 2,242,343 |
| Non-current | | 4,689,193 | | 4,728,219 |
| | 6,532,479 | 6,595,327 | 9,443,609 | 6,970,562 |

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| | Parent Company Liabilities | | | |
|-----------------------|---------------------------------------|--------------------------------|------------------|--------------------------------|
| | 03/31/09 | | 12/31/08 | |
| | Suppliers | Related party Asset | Suppliers | Related party Asset |
| ALUNORTE | | | | |
| Baovale Mineração S.A | 48,977 | | 46,481 | |
| CPBS | 52,219 | 65,852 | 98 | 80,244 |
| CVRD OVERSEAS | 5 | 750,385 | 5 | 789,629 |
| FCA | 11,244 | 39,564 | 12,741 | 56,705 |
| ITACO | 44,525 | 43,399,189 | 29,867 | 46,252,192 |
| KOBRASCO | 87,771 | 1,735 | 35,681 | 12,485 |
| MRS Logística | 156,632 | | 224,181 | |
| NIBRASCO | 56,658 | 31,424 | 46,986 | 138,801 |
| MBR | 55,097 | | 28,429 | 21,541 |
| RDM | | 23,450 | | 53,952 |
| SALOBO | 2,000 | | | |
| Samarco Mineração S.A | | | | |
| Others | 51,487 | 291,346 | 194,058 | 319,061 |
| Total | 566,615 | 44,602,945 | 618,527 | 47,724,610 |
| Registered as: | | | | |
| Current | 566,615 | 7,680,034 | 618,527 | 9,580,611 |
| Non-current | | 36,922,911 | | 38,143,999 |
| | 566,615 | 44,602,945 | 618,527 | 47,724,610 |

| | Consolidated | | | |
|---|---------------------|-----------------|-----------------------|-----------------|
| | Income | | Expense / Cost | |
| | 03/31/09 | 12/31/08 | 03/31/09 | 12/31/08 |
| Baovale Mineração S.A. | | | | 4,584 |
| Companhia Coreano-Brasileira de Pelotização | | | | |
| KOBRASCO | | | 42,534 | 35,534 |
| Companhia Hispano-Brasileira de Pelotização | | | | |
| HISPANOBRÁS | 4,626 | 46,169 | 51,120 | 1,215 |
| Companhia Ítalo-Brasileira de Pelotização | | | | |
| ITABRASCO | | 47,731 | 46,653 | 6,876 |
| Companhia Nipo-Brasileira de Pelotização | | | | |
| NIBRASCO | | | 67,779 | 18,520 |
| Mineração Rio do Norte S.A | | | | 71,454 |
| MRS Logística S.A. | 2,288 | | 2,148 | 97,273 |
| Samarco Mineração S.A. | 15,518 | 62,456 | 38,701 | |
| Usinas Siderúrgicas de Minas Gerais S.A. | | | | |
| USIMINAS | 108,982 | 291,384 | 224,915 | |
| Outras empresas | 7,915 | 15,562 | 34,592 | 24,842 |

139,329 463,302 508,442 260,298

| | Parent Company | | | |
|---|-----------------------|------------------|-----------------------|-----------------|
| | Income | | Expense / Cost | |
| | 03/31/09 | 12/31/08 | 03/31/09 | 12/31/08 |
| ALBRAS Alumínio Brasileiro S.A. | 15,066 | 18,029 | 2,870 | |
| ALUNORTE Alumina do Norte do Brasil S.A. | 124,450 | 163,625 | 76,820 | 13,152 |
| Baovale Mineração S.A. | | | | 9,168 |
| Companhia Portuária Baía de Sepetiba CPBS | | | | 54,275 |
| CVRD Overseas Ltd. | 837,542 | 1,941,101 | 536,575 | 3,378 |
| Ferrovias Centro Atlântica S.A. | 45,174 | 40,668 | 37,080 | 4,548 |
| Ferro Gusa Carajas | | | 14,564 | |
| Companhia Hispano-Brasileira de Pelotização | | | | |
| HISPANOBRÁS | 8,366 | 94,718 | 107,327 | 2,475 |
| Companhia Ítalo-Brasileira de Pelotização | | | | |
| ITABRASCO | | 22,042 | 97,342 | 14,002 |
| Companhia Coreano-Brasileira de Pelotização | | | | |
| KOBRASCO | 35 | | 86,399 | 71,068 |
| MRS Logística S.A. | 3,145 | 6,105 | 9,504 | 166,278 |
| Companhia Nipo-Brasileira de Pelotização | | | | |
| NIBRASCO | 129 | | 139,045 | 37,795 |
| Samarco Mineração S.A. | 31,037 | 124,882 | 77,401 | |
| Usinas Siderúrgicas de Minas Gerais S.A. | | | | |
| USIMINAS | 89,381 | 231,978 | 192,212 | |
| Vale Energia S.A. | | | | 19,108 |
| Vale Manganês S.A. | 6,730 | 18,196 | 17,817 | 1,105 |
| Vale International S.A. | 5,440,832 | 5,368,500 | 3,348,504 | 23,127 |
| Outras empresas | 14,002 | 9,400 | 17,301 | 31,906 |
| | 6,615,889 | 8,039,244 | 4,760,761 | 451,385 |

Table of Contents**6.8- Inventories**

| | Consolidated | | Parent Company | |
|---|---------------------|------------------|-----------------------|------------------|
| | 03/31/09 | 12/31/08 | 03/31/09 | 12/31/08 |
| Finished products | | | | |
| Nickel (co-products and sub products) | 3,293,959 | 3,537,362 | 48,812 | 32,967 |
| Iron ore and pellets | 1,788,567 | 1,917,318 | 1,597,986 | 1,677,421 |
| Manganese and ferroalloys | 522,339 | 518,104 | | |
| Aluminum products | 355,545 | 364,526 | 13,758 | 21,670 |
| Copper | 70,384 | 59,869 | 44,350 | 59,869 |
| Steel products | 39,689 | 55,207 | | |
| Other | 231,139 | 272,202 | 28,098 | 39,494 |
| | 6,301,622 | 6,724,588 | 1,733,004 | 1,831,421 |
| Spare parts and maintenance supplies | 2,834,466 | 2,961,608 | 1,172,390 | 1,082,083 |
| | 9,136,088 | 9,686,196 | 2,905,394 | 2,913,504 |

On March 31, 2009, the Company recorded of R\$60,160 and R\$40,492 to adjust nickel and steel inventories to their respective realizable values.

6.9- Recoverable Taxes

| | Consolidated | | Parent Company | |
|----------------------|---------------------|------------------|-----------------------|------------------|
| | 03/31/09 | 12/31/08 | 03/31/09 | 12/31/08 |
| Income tax | 3,267,253 | 3,957,450 | 1,842,935 | 2,580,956 |
| Value-added tax ICMS | 663,016 | 732,710 | 516,921 | 537,697 |
| PIS and COFINS | 1,226,922 | 1,057,033 | 418,836 | 327,922 |
| Others | 109,457 | 206,272 | 53,034 | 54,848 |
| Total | 5,266,648 | 5,953,465 | 2,831,726 | 3,501,423 |
| Current | 3,948,197 | 4,886,239 | 2,669,792 | 3,311,610 |
| Non-current | 1,318,451 | 1,067,226 | 161,934 | 189,813 |
| | 5,266,648 | 5,953,465 | 2,831,726 | 3,501,423 |

6.10- Deferred Income Tax and Social Contribution

Income taxes in Brazil comprise the taxation on income and the social contribution on profit. The statutory effective rate applicable in the periods presented is 34%. In other countries where we have operations, the applicable tax rate varies from 1.67% to 40%.

The amounts of income tax and social contribution recognized in income for the period are presented as follows:

| | Consolidated | | | Parent Company | |
|--|---------------------|--------------|--------------|-----------------------|--------------|
| | 1Q/09 | 4Q/08 | 1Q/08 | 1Q/09 | 1Q/08 |
| Income before income tax and social contribution | 3,801,033 | 11,626 | 3,886,479 | 4,189,143 | 3,107,052 |
| Results of equity investment | (13,450) | 409,985 | 344,109 | (885,976) | (2,325,219) |

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| | | | | | |
|--|--------------------|--------------------|--------------------|--------------------|------------------|
| New practices adjustments | | 7,337,698 | (822,977) | | |
| | 3,787,583 | 7,759,309 | 3,407,611 | 3,303,167 | 781,833 |
| Income tax and social contribution at combined tax rates | 34% | 34% | 34% | 34% | 34% |
| Federal income tax and social contribution at statutory rates | (1,287,778) | (2,638,165) | (1,158,588) | (1,123,077) | (265,823) |
| Adjustments that affects the basis of taxes: | | | | | |
| Income tax benefit from interest on stockholders equity | | 445,988 | 295,611 | | 295,611 |
| Fiscal incentives | 63,472 | (24,701) | 43,319 | 40,847 | 11,033 |
| Results of overseas companies taxed by different rates wich diference than the parent company rate | 721,943 | 586,429 | 667,016 | | |
| Reduced incentive rate | (486,640) | 3,698,259 | (477,540) | | |
| Benefit IR and CSL on Goodwill | 47,128 | 47,128 | 47,128 | 47,128 | 47,128 |
| Others | 183,893 | 350,035 | (86,829) | (3,138) | (14,058) |
| Income tax and social contribution | (757,982) | 2,464,973 | (669,883) | (1,038,240) | 73,891 |

The Company has tax incentives related to our manganese, alumina, aluminium and kaolin operations in the state of Pará, this last operation in the state of Amapá and potash in the state of Sergipe. Tax incentives related to manganese comprise partial exemption up to 2013. Tax incentives related to alumina and potash comprise full exemption of income tax on production levels defined up to 2009 and 2013, respectively, while the partial tax exemption of incentives related to aluminum and kaolin expires in 2013. An amount equal to the tax savings shall be recognized in a reserve account in shareholders equity and may not be paid as dividends.

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The Company also has tax incentives related to The Goro Project, in New Caledonia (The Goro Project). These tax incentives include temporary full exemption of income tax during the construction phase of the project and also for a 15-year period beginning in the first year of commercial production, as defined by the applicable law, followed by a 5-year period with 50% of temporary tax incentives. Besides, Goro Project also qualifies for certain exemptions of indirect taxes such as import tax during the construction phase and during all the commercial life of the project. Some of these tax benefits, including temporary tax incentives, are subject to an earlier phase out in case the project achieves a specified cumulative rate of return. We are subject to a taxation on part of the income commencing in the first year in which commercial production is achieved, as defined by the applicable law. To date, we have not recorded any taxable income for New Caledonian tax purposes. The benefits of this legislation are expected to apply with respect to taxes payable once the Goro project is in operation.

The Company is subject to examination by tax authorities for up to five years regarding our operations in Brazil, ten years for Indonesia, and five and six years for Canada, except for Newfoundland which has no limit.

Brazilian tax loss carry-forwards have no expiration date though offset is restricted to 30% of annual taxable income.

6.11- Investments

| | Investments | | Equity Results | | |
|--|--------------------|------------------|-----------------------|-----------------|---------------|
| | 03/31/09 | 12/31/08 | 1Q/09 | 4Q/08 | 1Q/08 |
| Investments carried at market value (a) | | | | | |
| Usinas Siderúrgicas de Minas Gerais S.A. USIMINAS (c) | 594,775 | 384,373 | | | |
| ThyssenKrupp CSA Cia Siderúrgica | 1,197,045 | 1,034,766 | | | |
| Mirabela Nickel Ltd | 30,609 | 19,042 | | | |
| Skye Resources (b) | | | | (82,859) | |
| Hudbay Minerals Inc. | 37,198 | 20,040 | | | |
| Heron Resources Inc | 6,520 | 4,609 | | | |
| Outros | 33,471 | 31,878 | | | |
| | 1,899,618 | 1,494,708 | | (82,859) | |
| Investments valued by equity method of accounting | | | | | |
| Henan Longyu Energy Resources Co. Ltd. | 449,759 | 411,007 | 42,418 | 35,287 | 37,666 |
| Korea Nickel Corp. | 56,611 | 49,168 | 3,140 | 4,387 | (1,778) |
| Log-In Logística Intermodal S/A. | 218,775 | 220,623 | 4,800 | 18,913 | 9,214 |
| Shandong Yankuang International Company Ltd | 9,503 | 57,859 | (15,929) | (32,824) | 76 |
| Vale Soluções em Energia | 119,877 | 98,243 | | | |
| Zhuhai YPM Pellet e Co.,Ltd. | 19,993 | 29,881 | (9,888) | 5,761 | |
| Others | 80,753 | 80,937 | (11,091) | (7,831) | (137) |
| | 955,271 | 947,718 | 13,450 | 23,693 | 45,041 |
| | 2,854,889 | 2,442,426 | 13,450 | (59,166) | 45,041 |

(a) Investments
valued at market

value, or equivalent, as of September 2008, with adjustments reflected in the evaluation group of assets in equity.

- (b) Mentally ill investment in 2008.
- (c) Seeing in April of 2009 (subsequent period), for R\$ 594,775, with profit of R\$ 287.814.

6.12- Intangible

| | Consolidated | | | |
|---|------------------------|------------------------|------------------------------------|------------------------------------|
| | Intangible 03/31/09 | Intangible 12/31/08 | Goodwill amortization (*) 4Q/08 | Goodwill amortization (*) 1Q/08 |
| Intangible by segment | | | | |
| Iron ore and pellets | | | | |
| Goodwill of Minerações Brasileiras Reunidas MBR (Includes goodwill Caemi) (b) | 4,060,415 | 4,060,415 | (138,612) | (138,612) |
| Goodwill other companies (a, b) | 5,513 | 5,513 | (251) | (1,018) |
| | 4,065,928 | 4,065,928 | (138,863) | (139,630) |
| Nickel | | | | |
| Goodwill of Inco Limited (a, b) | 3,337,782 | 3,469,403 | (206,810) | (247,784) |
| Coal | | | | |
| Goodwill of Vale Australia (a, b) | 172,471 | 171,477 | (5,146) | (1,736) |
| Total goodwill | 7,576,181 | 7,706,808 | (350,819) | (389,150) |
| | | | | End amortization |
| Other rights | | | | |
| Right of use of the actions of the EBM | 672,688 | 678,676 | | May 2037 |
| Subconcessão Ferrovia Norte Sul FNS | 1,678,277 | 1,660,552 | | December 2037 |
| Other rights Vale Inco | 649,032 | 666,730 | | September 2046 |

| | | |
|---|-------------------|-------------------|
| Other | 14,799 | 14,799 |
| Total Other rights | 3,014,796 | 3,020,757 |
| Total Intangible | 10,590,977 | 10,727,565 |
| Intangible not recorded at the parent company | (2,342,108) | (2,342,081) |
| Total parent company | 8,248,869 | 8,385,484 |

(a) Goodwill not recorded in the parent company; and

(b) Paid agios for expectation of future yield.

(*) The amortization of agio was ceased in December of 2008 (vide note 6,2).

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The main changes in intangibles caption during the quarter ended in March 31, 2009, which changed the balance of R\$10,727,565 as of December 31, 2008 to R\$10,590,977, as of March 31, 2009, are as follows: Amortization: -R\$5,988 and exchange and monetary variation: -R\$130,600.

6.13- Property, Plant and Equipment

| | Average depreciation rates | Consolidated | | | Parent Company | | | 12/31/08 | 12/31/08 |
|----------------------------------|----------------------------|--------------------------|---------------------|--------------------|--------------------|--------------------------|---------------------|-------------------|-----------------|
| | | 03/31/09 | 12/31/08 | 03/31/09 | 12/31/08 | 03/31/09 | 12/31/08 | | |
| | Cost | Accumulated depreciation | Net | Net | Cost | Accumulated depreciation | Net | Net | |
| nd | 0.00% | 582,304 | | 582,304 | 425,380 | 264,553 | 264,553 | 170,2 | |
| Buildings | 3.63% | 9,315,036 | (2,224,344) | 7,090,692 | 6,885,492 | 3,492,961 | (934,213) | 2,439,3 | |
| Installations | 3.73% | 29,509,719 | (9,628,402) | 19,881,317 | 19,371,051 | 13,623,503 | (4,109,780) | 9,494,8 | |
| Equipment | 7.34% | 14,467,690 | (4,353,922) | 10,113,768 | 9,587,114 | 4,920,262 | (1,676,495) | 2,915,5 | |
| Information technology equipment | 20.00% | 2,137,400 | (1,169,842) | 967,558 | 946,278 | 1,701,727 | (956,642) | 720,5 | |
| Railroads | 3.09% | 12,416,389 | (4,332,967) | 8,083,422 | 7,557,718 | 10,543,891 | (3,872,897) | 6,224,0 | |
| General | | | | | | | | | |
| Trucks | 3.26% | 32,410,332 | (3,521,800) | 28,888,532 | 25,733,852 | 1,971,809 | (382,934) | 1,444,7 | |
| Others | 7.27% | 11,043,127 | (2,751,181) | 8,291,946 | 8,651,644 | 3,100,002 | (1,475,705) | 1,870,6 | |
| | | 111,881,997 | (27,982,458) | 83,899,539 | 79,158,529 | 39,618,708 | (13,408,666) | 26,210,042 | 25,279,9 |
| Construction progress | | 31,271,097 | | 31,271,097 | 31,334,953 | 13,361,198 | | 13,361,198 | 13,431,9 |
| Total | | 143,153,094 | (27,982,458) | 115,170,636 | 110,493,482 | 52,979,906 | (13,408,666) | 39,571,240 | 38,711,8 |

6.14- Loans and Financing**Current**

| | Consolidated | |
|-----------------|------------------|------------------|
| | 03/31/09 | 12/31/08 |
| Trade finance | 937,054 | 957,708 |
| Working capital | 156,704 | 130,314 |
| | 1,093,758 | 1,088,022 |

Refers to short-term financing for export, denominated in US dollars, with average interest rate of 2.24% p.a.

Non-current

| | Consolidated | | | | Parent Company | | | |
|--|---------------------|----------|-------------|----------|---------------------|----------|-------------|----------|
| | Current liabilities | | Non-current | | Current liabilities | | Non-current | |
| | 03/31/09 | 12/31/08 | 03/31/09 | 12/31/08 | 03/31/09 | 12/31/08 | 03/31/09 | 12/31/08 |

Foreign operations

Loans and financing in:

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| | | | | | | | | |
|---|------------------|------------------|-------------------|-------------------|----------------|----------------|----------------|------------------|
| U.S. dollars | 712,194 | 568,272 | 14,915,344 | 15,287,466 | 383,038 | 379,971 | 857,713 | 1,046,044 |
| Other currencies | 35,987 | 54,195 | 379,756 | 389,935 | 7,361 | 7,744 | 14,681 | 15,443 |
| Notes in U.S. dollars (Fixed interests) | | | 15,064,036 | 15,214,572 | | | | |
| Export securitization (*) | 129,036 | 128,938 | 314,514 | 348,461 | | | | |
| Perpetual notes | | | 193,069 | 194,487 | | | | |
| Accrued charges | 390,780 | 506,528 | | | 5,153 | 23,876 | | |
| | 1,267,997 | 1,257,933 | 30,866,719 | 31,434,921 | 395,552 | 411,591 | 872,394 | 1,061,487 |

Local operations

| | | | | | | | | |
|------------------------------------|------------------|------------------|-------------------|-------------------|----------------|----------------|-------------------|-------------------|
| Indexed by TJLP, TR, IGP-M and CDI | 119,624 | 101,959 | 5,273,938 | 4,878,506 | 101,233 | 75,760 | 5,027,799 | 4,645,061 |
| Basket of currencies | 3,258 | 1,888 | 9,230 | 8,501 | 3,258 | 3,288 | 9,230 | 10,139 |
| Loans in U.S. dollars | | | 382,378 | 385,501 | | | 382,378 | 385,978 |
| Non-convertible debentures | | | 5,994,306 | 5,986,435 | | | 5,500,000 | 5,500,000 |
| Accrued charges | 357,126 | 220,107 | | | 357,127 | 220,147 | | |
| | 480,008 | 323,954 | 11,659,852 | 11,258,943 | 461,618 | 299,195 | 10,919,407 | 10,541,178 |
| | 1,748,005 | 1,581,887 | 42,526,571 | 42,693,864 | 857,170 | 710,786 | 11,791,801 | 11,602,665 |

(*) Debt securities collateralized by future receivables arising from certain exports sales.

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The long-term portion as of March 31, 2009 matures as follows:

| | Consolidated | | Parent Company | |
|--|---------------------|-------------|-----------------------|-------------|
| 2010 | 5,277,460 | 12% | 1,774,477 | 15% |
| 2011 | 6,678,254 | 16% | 389,621 | 3% |
| 2012 | 2,969,972 | 7% | 312,916 | 3% |
| 2013 | 6,280,137 | 15% | 4,244,938 | 36% |
| 2014 onwards | 20,633,373 | 49% | 5,069,849 | 43% |
| No due date (Perpetual notes and non-convertible debentures) | 687,375 | 1% | | 0% |
| | 42,526,571 | 100% | 11,791,801 | 100% |

As of March 31, 2009, annual interest rates on long-term debt were as follows:

| | Consolidated | Parent Company |
|----------------------------|---------------------|-----------------------|
| Up to 3% | 12,066,680 | 1,250,170 |
| 3.1% to 5% | 2,817,334 | 371,845 |
| 5.1% to 7%(*) | 14,246,821 | 757,875 |
| 7.1% to 9%(*) | 5,380,668 | 1,420,948 |
| 9.1% to 11% | 208,834 | 12,538 |
| Over 11% (*) | 8,835,595 | 8,835,595 |
| Variable (Perpetual notes) | 718,644 | |
| | 44,274,576 | 12,648,971 |

(*) Includes non-convertible debentures and other Brazilian-reais denominated loans where interest is equal to the accumulated variation by CDI and TJLP (Brazilian interbank certificate of deposit and Long-term interest rate) plus spread. For these operations the Company has contracted

derivatives to hedge the Company's exposure against the variations of floating debt denominated in reais. The contract value for these operations is R\$10,745, where R\$8,656 has an original interest rate above 11%. After the hedge contract the average cost of these operations is equivalent to 4.97%.

The percentage variations related applied to the debt in each quarter ended were as follows:

| | 03/31/09 | 12/31/08 | 03/31/08 |
|--|----------|----------|----------|
| TJLP Long-Term Interest Rate (effective rate) | 1.5 | 1.5 | 1.5 |
| IGP-M General Price Index Market | (0.9) | 1.2 | 2.4 |
| Devaluation of Real against United States Dollar | 0.9 | (18.1) | 1.3 |

On January 28, 2008 the Company entered into a transaction with BNDES to finance working capital in the amount of R\$2 billion with final maturity in 2018.

In 2008, Vale entered into agreements with Banco Nacional de Desenvolvimento Econômico e Social (BNDES), the Brazilian National Development Bank and with Japanese agencies, granting long-term financials, Japan Bank for International Cooperation (JBIC) and Nippon Export and Investment Insurance (NEXI) for the financing of the mining, logistics and power generation projects to be developed under Vale's investment program for 2008-2012. Until March 31, 2009 the Vale had drawn down US\$498 million under the credit facility granted by BNDES.

Additionally Vale has credit lines available with bank syndicates, which operates as a short-term liquidity buffer that allow a more efficient cash management. Under revolving credit facilities, amounts drawn and repaid can be disbursed again at the option of the Borrower. On March 31, 2009, the total amount available under revolving credit lines was of US\$1.900 million, being US\$1,150 million granted to Vale International and Vale Inco. Until March 31, 2009, neither Vale International nor Vale Inco had drawn any advance amount under these facilities.

Vale Inco has drawn US\$99 million by way of credit notes.

As of March 31, 2009, the US-dollar denominated fixed interest notes of R\$15,064,036 (December 31, 2008 R\$15,214,572) and other debt of R\$27,965,626 (December 31, 2008 R\$27,757,380) are not securitized. The export securitization of R\$449,178 (December 31, 2008 R\$477,497) is collateralized by future receivables from certain export sales by the subsidiary CVRD Overseas Ltd. Loans from international lenders in the amount of R\$105,060 (December 31, 2008 R\$135,075) are guaranteed by Brazilian Federal Government, to which the Company has provided guarantees in the same amount. The remaining long-term debt of R\$690,676 (December 31, 2008 R\$691,227) is collateralized mainly by receivables from the subsidiaries.

Some long-term debt instruments have financial coverage. The main financial coverage relates to certain ratios that must be maintained, such as debt versus EBITDA and interest coverage. The Company is in full compliance with financial coverage required until March 31, 2009 and December 31, 2008.

Table of Contents**6.15- Contingent Liabilities**

The Company and its subsidiaries are parties to labor, civil, tax and other suits and have been contesting these matters both administratively and in court. When applicable, these are backed by judicial deposits. Provisions for losses are estimated and restated monetarily and backed by management backed by the opinion of the Legal Department and its external counsels.

In addition the provisions recorded, there are other contingent liabilities, split between taxes, labor and civil claims, which could result in a possible loss in the amount of R\$6,625,623 (R\$3,498,438 for the parent Company). However, based on the opinion of our lawyers, there is no need for the record a provision.

On the Financial Statements the contingent liabilities of the Company were:

Contingent Liabilities

Provisions for contingencies net from judicial deposits, considered by management and its legal counsel as sufficient to cover losses from any type of lawsuit, are as follows:

| | Consolidated | | Parent Company | |
|---|---------------------|------------------|-----------------------|------------------|
| | 03/31/09 | 12/31/08 | 03/31/09 | 12/31/08 |
| I) Tax contingencies | 2,260,302 | 2,298,815 | 1,188,466 | 1,203,224 |
| (-) Judicial deposits | (1,112,709) | (1,082,510) | (938,681) | (861,791) |
| | 1,147,593 | 1,216,305 | 249,785 | 341,433 |
| II) Civil contingencies | 715,428 | 687,120 | 501,977 | 474,778 |
| (-) Judicial deposits | (38,670) | (43,728) | | |
| | 676,758 | 643,392 | 501,977 | 474,778 |
| III) Labor contingencies | 1,125,861 | 1,097,432 | 929,064 | 905,029 |
| IV) Environmental contingencies | 34,126 | 31,645 | 11,546 | 9,249 |
| Total accrued liabilities | 2,984,338 | 2,988,774 | 1,692,372 | 1,730,489 |
| | 03/31/09 | 12/31/08 | 03/31/09 | 12/31/08 |
| Balance at the beginning of the period | 2,988,774 | 3,188,888 | 1,730,489 | 1,978,529 |
| Provisions, net of reversals | (14,647) | (1,234,379) | (4,685) | (746,500) |
| Payment | (6,253) | (29,893) | (6,220) | (29,893) |
| Monetary update | 41,605 | 567,520 | 49,678 | 384,951 |
| Judicial deposits | (25,141) | 496,638 | (76,890) | 143,402 |
| Balance at the end of period | 2,984,338 | 2,988,774 | 1,692,372 | 1,730,489 |

I) Tax Contingencies:

The major suits are:

Value-Added Tax on Sales and Services (ICMS) The contingent figures refers to the right of credit and differential rates regarding the transfer of assets between company branches;

Services Tax (ISS) The major claims are related to disputes on the location of tax collection;

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Tax for Social Security Financing (COFINS) The major contingencies relate to merged companies and refer to the increase of the rate from 2% to 3% between 1999 and 2000;

Import Duty (II) The provision made is related to the Fiscal classification of equipment imported by merged companies;

Additional Compensation to Harbor Workers (AITP) Amounts regarding the collection of compensation amounts for public harbor workers transferred to private harbor;

Income Tax and Social Contribution It refers essentially to the dispute on tax loss compensation and negative bases of social contribution above the limit of 30% of taxable income and monetary adjustment of assets from merged companies; and

Others Regarding disputes on tax credit compensation and the basis of calculation of Financial Compensation by Exploration of Mineral Resources CFEM.

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II) Civil Contingencies:

The civil lawsuits are mainly related to claims made against us by contractors in connection with losses allegedly incurred by them as a result of several economic plans, accidents and return of land.

III) Labor Contingencies:

Labor and social security contingencies it refers mainly to claims for (a) payment of time spent traveling from their residences to the work-place, (b) additional health and safety related payments, and (c) disputes about the amount of indemnities paid upon dismissal and one-third extra holiday pay.

Other commitments

- (a) In March 31, 2009, upon the acquisition of interest in TEAL, the Company provided guarantees in the amount of US\$43,506 thousand in connection with credit facilities in US dollars granted to this Company expiring August 31, 2009.
- (b) In connection with the Girardin Financing, the Company provides certain guarantees on behalf of Goro Níquel S.A. (Goro) pursuant to which we guaranteed payments due by Goro of up to a maximum amount of US\$100 millions (maximum amount) in case of contractual default. We also provided an additional guarantee covering the payments due from Goro of: (a) amounts exceeding the maximum amount in connection with the indemnity and (b) certain other amounts payable by Goro under a lease agreement covering certain assets.

Sumic Nickel Netherlands B.V. Sumic, a 21% shareholder of Goro, has a put option to sell to Vale Inco 25%, 50%, or 100% of its share in Goro. The put option can be exercised if the defined cost of the initial Goro project exceeds US\$4,200 thousands at project rates and an agreement cannot be reached on how to proceed with the project.

The Company provides a guarantee covering certain termination payments due in New Caledonia from Goro to the supplier under an electricity supply agreement (ESA) entered into in October 2004 for the Goro nickel-cobalt project. The amount of the termination payments guaranteed depends upon a number of factors, including whether any termination of the ESA is as a result of a default by Goro and the date on which an early termination of the ESA were to occur. If Goro terminates the agreement under the ESA prior to the anticipated start date for supply of electricity to the project, the termination payment, which currently is at its maximum, would be \$145 million. Once the supply of electricity under the ESA to the project begins, the guaranteed amounts will decrease over the life of the ESA.

The Company expects such guarantees to be not executed and therefore no provisions for losses have been made.

- (c) At the time of our privatization in 1997, the Company issued debentures to its then-existing stockholders, including the Brazilian Government. The terms of the debentures, were set to ensure that the pre-privatization stockholders, including the Brazilian Government would participate in possible future financial benefits that could be obtained from exploiting certain mineral resources.

A total of 388,559,056 Debentures were issued at a par value of R\$0.01 (one cent) each, whose value will be adjusted based on the variation in the General Market Price Index (IGP-M), as set forth in the indenture.

The debenture holders are entitled to receive semi-annual payments (in March and September) equivalent to a percentage of the net revenue derived from certain mineral resources owned in May 1997 and included in the Issue Deed.

In March, 31, 2009, the Company paid interest on debentures in the amount of R\$7,879 (R\$8,640 in March, 31, 2008).

6.16- Provision for asset retirement obligations

| | Consolidated | | Parent Company | |
|--|---------------------|------------------|-----------------------|-----------------|
| | 03/31/09 | 12/31/08 | 03/31/09 | 12/31/08 |
| Provisions in the beginning of year | 2,109,697 | 1,913,350 | 891,450 | 914,995 |
| Accretion expense | 12,865 | 69,069 | 3,547 | 28,582 |
| Liabilities settled in the current period | (7,392) | (2,433) | | (2,014) |
| Revisions in estimated cash flows | (17,702) | 16,058 | | (50,113) |
| Cumulative translation adjustment | (29,738) | 113,653 | | |
| Provisions in the end of year | 2,067,730 | 2,109,697 | 894,997 | 891,450 |
| Current | 88,979 | 112,795 | 57,266 | 43,946 |
| Non-current | 1,978,751 | 1,996,902 | 837,731 | 847,504 |
| | 2,067,730 | 2,109,697 | 894,997 | 891,450 |

Table of Contents**6.17- Pension Plan**

The following information summarize the costs related to pension plans, which include the allowance for additional pension support and health care plan.

Allowance for additional pension support and health care plan refer to the Company's responsibility to support retirements, pensions and health assistance in connection with the termination of some employees, which occurred between 1987 and 1989.

In the 2008 year-end financial statements, Vale disclosed that it expected to contribute R\$837,978 to its defined benefit plans in 2009. As of March, 31 2009, R\$186,065 had been contributed. The company does not expect significant changes in the estimates disclosed in 2008.

| | Consolidated 1Q/09 | | |
|--|---|--|---|
| | Overfunded pension plans | Underfunded pension plans | Underfunded other benefits |
| Service cost – benefits earned during the period | 3,570 | 25,452 | 9,873 |
| Interest cost on projected benefit obligation | 102,346 | 124,021 | 44,726 |
| Expected return on assets | (140,992) | (100,114) | |
| Amortization of initial transitory obligation | | 18,511 | (16,161) |
| Net periodic pension cost | (35,076) | 67,870 | 38,438 |
| | | 4Q/08 | |
| | Overfunded pension plans | Underfunded pension plans | Underfunded other benefits |
| Service cost – benefits earned during the period | 6,821 | 29,596 | 10,157 |
| Interest cost on projected benefit obligation | 185,355 | 121,593 | 48,310 |
| Expected return on assets | (308,701) | (131,044) | (11,383) |
| Amortization of initial transitory obligation | (4,799) | 20,490 | 9,107 |
| Net periodic pension cost | (121,324) | 40,635 | 56,191 |
| | | 1Q/08 | |
| | Overfunded pension plans | Underfunded pension plans | Underfunded other benefits |
| Service cost – benefits earned during the period | 3,411 | 29,544 | 10,953 |
| Interest cost on projected benefit obligation | 92,678 | 105,697 | 39,562 |
| Expected return on assets | (154,351) | (112,942) | |
| Amortization of initial transitory obligation | (1,664) | | (1,738) |
| Net periodic pension cost | (59,926) | 22,299 | 48,777 |

| | Parent Company 1Q/09 | | |
|--|---|--|---|
| | Overfunded pension plans | Underfunded pension plans | Underfunded other benefits |
| Service cost – benefits earned during the period | 3,570 | | 618 |
| Interest cost on projected benefit obligation | 102,346 | 12,957 | 5,391 |
| Expected return on assets | (140,992) | (7,561) | |
| Amortization of initial transitory obligation | | | 35 |
| Net periodic pension cost | (35,076) | 5,396 | 6,044 |
| | | | |
| | 4Q/08 | | |
| | Overfunded pension plans | Underfunded pension plans | Underfunded other benefits |
| Service cost – benefits earned during the period | 6,821 | | 1,051 |
| Interest cost on projected benefit obligation | 185,355 | 23,700 | 9,608 |
| Expected return on assets | (308,701) | (10,385) | |
| Amortization of initial transitory obligation | (4,799) | | |
| Net periodic pension cost | (121,324) | 13,315 | 10,659 |
| | | | |
| | 1Q/08 | | |
| | Overfunded pension plans | Underfunded pension plans | Underfunded other benefits |
| Service cost – benefits earned during the period | 3,411 | | 526 |
| Interest cost on projected benefit obligation | 92,678 | 11,850 | 4,804 |
| Expected return on assets | (154,351) | (5,192) | |
| Amortization of initial transitory obligation | (1,664) | | |
| Net periodic pension cost | (59,926) | 6,658 | 5,330 |

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6.18- Long-Term Incentives

In 2008, with the purpose of introducing a stockholders vision to some of the Company's executives, as well as improving the retention of these executives and reinforcing a sustainable performance culture, the Board of Directors approved a long-term incentive compensation plan, which was implemented with a three-year cycle.

Under the plan, the participants, restricted to certain executives, may elect to allocate part of their annual bonuses to the plan. That portion of the bonus allocated to the plan is in fact used by the executive to purchase Vale's preferred shares through a previously defined financial institution, at market conditions and with no benefit provided by Vale.

The shares purchased by each executive have no restrictions and may, at the participant's discretion, be sold at any time. However, in order to be entitled to the long-term incentive compensation plan to be provided by Vale, the amount of shares initially purchased by the executives on the plan's adoption must be held for a three-year period and the executive must retain their employment relationship with Vale during that period.

By meeting the two conditions described above (keeping the number of shares purchased and remaining a Vale employee over the three-year period), the participant becomes entitled to receive from Vale, at the end of each cycle, a cash payment equivalent to the total amount of the shares held, based on market quotations. As of March 31, 2009, 2,029,585 shares (711,005 shares as of December 31, 2008) were covered by said benefit.

The Company records the cost of this incentive in accordance with the Long-Term Compensation Plan, following the requirements of CVM Resolution 562/2008. The obligations are measured at fair value on each disclosure date, based on market quotations. Settlement costs incurred are recognized during the three-year vesting period.

Additionally, certain executives eligible to the long-term incentive have the opportunity to receive at the end of the three-year cycle an amount equal to the market value of a certain number of shares, based on an evaluation of their career and Vale's performance factor as measured by the indicator of total return to stockholders.

As of March 31, 2009, the amount accrued to support this plan is R\$41,294 (R\$ 17,212 as of December 31, 2008), fully recognized in the statement of income.

6.19- Paid-up Capital

In July 2008, the Company issued 256,926,766 common shares and 164,402,799 preferred shares through a global offering, which consisted of a registered offering in Brazil and an international offering.

On August 2008, through an additional offering, the Company issued 24,660,419 preferred shares. Following the issue, Vale's capital stock increased by R\$ 19,434,193 with corresponding transaction costs of R\$ 161 being recorded as contra entry. As a result, capital is now composed of 3,256,724,482 common shares and 2,108,579,618 preferred shares, totaling R\$ 47,434,193.

Class A 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 or 3% on the book net equity value of the share, whichever is greater.

As of March 31, 2009, the Company's capital is R\$ 47,434,193, corresponding to 5,365,304,100 shares, without par value.

The members of the Board of Directors and the Executive Board together own 158,535 common shares and 1,051,416 preferred shares.

The Board of Directors has the power, without requiring an amendment to the bylaws, to allow the issue of new shares (authorized capital) including through the capitalization of profits and reserves up to the authorized limit of 3,600,000,000 common shares and 7,200,000,000 preferred shares without par value.

6.20- Funds linked to future mandatory conversion into shares

As from May, 04 2009, Vale changed the code for negotiation of its ADR's negotiated in New York Stock Exchange (NYSE) from RIO e RIO-P to VALE and VALE-P, respectively.

On April 30, 2009 Vale paid additional interests to the holders of mandatory convertible notes from tranches VALE (former, RIO) and VALE P (former, RIO-P), in the amount of R\$ 1,073721 and R\$ 1,274361, respectively, translated into US dollars based on the Brazilian-real / US dollar exchange rate prevailing on April 30, 2009.

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In June, 2007, the Company issued mandatory convertible notes in the amount of R\$3,601,(net of R\$3,064 charges), with maturity in 2010. The notes, pay a coupon of 5.50% p.a. quarterly and are entitled to an additional remuneration equivalent to the cash distribution paid to ADS holders. These notes were classified as a capital instrument, mainly due to the fact that neither the Company nor the holders have the option to settle the operation, whether fully or partially, with cash, and the conversion is mandatory; consequently, they were recognized as a specific component of shareholders' equity, net of financial changes.

The funds linked to future mandatory conversion, net of interest, represented by a maximum of 56,582,040 common shares, are equivalent to R\$ 2,111 million, and those represented by a maximum of 30,295,456 preferred shares are equivalent to R\$ 926 million. All the shares are currently held in treasury (see note 6.21).

6.21- Treasury Stock

On October 16, 2008, the Board of Directors approved a new program to repurchase up to 69,944,380 common shares and up to 169,210,249 preferred shares, amounting to 5.5% and 8.5%, respectively, of the total number of outstanding shares of each class based on the shareholding position as of September 30, 2008. As of March 31, 2009, 18,415,859 common shares and 47,284,800 preferred shares had been acquired.

The objective of the program was to maximize the value of the Company for shareholders.

As of March 31, 2009, 152,623,603 shares were held in the treasury, totaling R\$ 2,472,132 as follows:

| Class | Shares | | Unit acquisition cost | | | Average quoted market price | |
|-----------|--------------------|--------------------|-----------------------|-------|-------|-----------------------------|----------|
| | Quantity | | Average | Low | High | 03/31/09 | 12/31/08 |
| | 03/31/09 | 12/31/08 | | | | | |
| Preferred | 77,625,704 | 76,854,304 | 23.56 | 21.02 | 27.96 | 27.80 | 37.99 |
| Common | 74,997,899 | 74,937,899 | 37.07 | 23.33 | 31.00 | 32.14 | 44.44 |
| | 152,623,603 | 151,792,203 | | | | | |

6.22- Compensation of Stockholders

On April 30, 2009, the Company paid its stockholders the amount of R\$2,734,500 in the form of dividends.

6.23- Financial Results

| | 1Q/09 | Consolidated 4Q/08 | 1Q/08 |
|------------------------------------|------------------|-----------------------|--------------------|
| Financial expenses | | | |
| Interest | (575,694) | (785,662) | (555,159) |
| Labor, tax and civil contingencies | (37,998) | (51,511) | (76,830) |
| Others | (103,384) | (155,656) | (470,501) |
| | (717,076) | (992,829) | (1,102,490) |
| Financial income | | | |
| Related parties | 169 | 158 | 1,344 |
| Financial statements | 275,555 | 495,148 | 53,719 |
| Others | 37,020 | 90,737 | 62,634 |
| | 312,744 | 586,043 | 117,697 |

| | | | |
|--|------------------|--------------------|--------------------|
| Derivatives | 43,775 | (1,327,148) | (534,025) |
| Monetary and exchange rate variation on assets: | | | |
| Cash and cash equivalents | (161,740) | 3,187,341 | (13,814) |
| Accounts receivable | (94,907) | 1,785,400 | 14,559 |
| Loans | 295,438 | (5,490,581) | 310,779 |
| Property, Plan and Equipment | (475,063) | 96,278 | (2,981) |
| Others | 435,573 | (187,872) | (22,915) |
| Net | (699) | (609,434) | 285,628 |
| Financial income (expenses), net | (361,256) | (2,343,368) | (1,233,190) |

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| | Parent Company | |
|--|-----------------------|--------------------|
| | 1Q/09 | 1Q/08 |
| Financial expenses | | |
| Interest | (757,196) | (733,586) |
| Labor, tax and civil contingencies | (36,167) | (68,657) |
| Others | (23,057) | (230,652) |
| | (816,420) | (1,032,895) |
| Financial income | | |
| Related parties | 72,110 | 51,912 |
| Financial statements | 154,837 | 20,126 |
| Others | 11,544 | 9,073 |
| | 238,491 | 81,111 |
| Derivatives | (61,984) | (57,370) |
| Monetary and exchange rate variation on assets: | | |
| Cash and cash equivalents | (29,001) | 3,437 |
| Accounts receivable | (23,750) | (32,005) |
| Loans | 21,347 | 50,718 |
| Others | 79,228 | (58,380) |
| Related parties | 374,801 | 369,836 |
| Net | 422,625 | 333,606 |
| Financial income (expenses), net | (217,288) | (675,548) |

6.24- Financial Instruments Derivatives**Risk Management Policy**

Vale's risk management strategy aims to provide an integrated approach regarding the risks we are exposed to. In order to do that, we evaluate not only the impact of market risk factors in our business (market risk), but also the risk that arises from third-party obligations within the Company (credit risk) and the ones inherent to our production processes (operational risk).

Traditional market risk measures, such as VaR (Value at Risk), are not enough to evaluate the Company exposures, once, in Vale's case, the main objective is to avoid a possible lack of cash to fulfill our future obligations and needs. The enterprise risk management approach, which encompasses several kinds of risks, as well as the correlations between market risk factors, aims to evaluate the impact that such risk events would bring, considering the natural hedges presented in the Company's portfolio. Therefore, when evaluating the risk inherent to Vale's business, one can observe the positive effect related to the diversified portfolio mix of commodities and currencies. This diversification benefit implies in a natural reduction of the Company overall risk levels. Any risk mitigation strategy will only be implemented, whenever necessary, if it contributes significantly for the reduction of the volatility on our cash flows beyond the levels initially observed and desired.

Vale considers that the effective management of risk is a key objective to support its growth strategy and financial flexibility. The risk reduction on Vale's future cash flow contributes to a better perception of the Company's credit

quality, improving its ability to access different markets and reducing the cost of funding. In furtherance of this objective, the board of directors has established an enterprise-wide risk management policy and a risk management executive committee.

The risk management policy determines that Vale should evaluate regularly its cash flow risk, as well as proposals for risk mitigation strategies. As already stated, these risk mitigation strategies, whenever considered necessary, should be put in place with the objective of reducing the risk of not performing the Company's obligations with third-parties and its shareholders.

The executive board is responsible for evaluating and approving the long term risk mitigation strategies previously recommended by the risk management executive committee.

The risk management committee is responsible for issuing opinion about the risk management principles and instruments, besides communicating periodically to the executive board about the risk management processes and the main risks that the Company is exposed to, as well as their impact in the cash flow.

The risk management policy and the risk management norms, that complement the normative of risk management governance model, explicitly prohibit speculative transactions with derivatives and require the diversification of operations and counterparties.

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Besides the risk management governance model, Vale has in place a well defined corporate governance structure. The recommendation and execution of the derivative transactions are implemented by different and independent areas. It is responsibility of the risk management department to define and propose to the risk management committee market risk mitigation strategies, consistent with Vale's and its wholly owned subsidiaries corporate strategy. It is responsibility of the finance department the execution of the risk mitigation strategies through the use of derivatives. The independence of the areas guarantees an effective control on these operations.

The monthly monitoring and measurement of our consolidated exposure and portfolio allow us to follow closely the financial results and the impact in the cash flow, and also guarantee that the initial goals will be achieved. The mark-to-market on the derivatives portfolio is reported weekly to management.

All derivatives positions were recognized in our balance sheet at fair value, and gains or losses in fair value were accrued in Vale's current earnings.

Considering the nature of Vale's business and operations, the main market risk factors which the Company is exposed are:

Interest rates;

Foreign exchange;

Products prices

Fair value computation methodology

Well-known market participants' valuation methodologies were used to compute the fair value of instruments. To evaluate the financial instruments, their present values were computed considering market curves that impact the instrument on the determination dates. The curves and prices used in the pricing for each group of instruments are detailed in the topic "market curves".

The pricing method considered in the case of European options is the *Black & Scholes* model, which is widely used among derivatives market participants for the option pricing. The derivative fair value in this model is a function of the volatility, spot price of the underlying, strike price, risk free rate and maturity. In the case of options where the financial result is a function of the average of the underlying price for a certain period of the time, called Asian options, we use the *Turnbull & Wakeman* model, also widely used to price this type of instrument. Besides the parameters used on the *Black & Scholes* model it is considered in this model the price averaging period.

In the case of swaps, the receiving leg and the paying leg present values are estimated discounting their cash flows using the interest rate of the currency they are denominated. The difference between the present values of the receiving leg and paying leg of the swap is the fair value.

The computation method for the swaps linked to TJLP follows the description enclosed in CETIP's formula book, which includes the TJLP forward curve definition. Therefore, TJLP is computed using the inflation target, published by Banco Central do Brasil, based on IPCA (Extended National Consumer Price Index) plus the Brazilian credit spread, which comprehends an international real interest rate and a Brazilian credit risk component, that is computed using the credit risk for the government bonds, for the medium and long term perspective.

The pricing for the commodities future settlement contracts (buy or sell) is computed using forward curves for each commodity. Normally, these curves are collected in the exchanges where these commodities are traded, among them, London Metals Exchange (LME) and COMEX or market price providers. When there is no price for a specific date, we use interpolations between the available periods.

Value at Risk computation methodology

The Value at Risk of the positions was measured using historical simulation approach. Different market risk factors that impact the prices of the derivatives included in our portfolio were identified and a two year sample of its historical daily returns was gathered.

The current positions of our derivatives were used to simulate their returns based on sample data and built a non parametric return distribution and consequently the value at risk for the portfolio considering one business day time horizon. The value at risk of the portfolio considers a 95% confidence level.

Sensitivity Analysis

In the topic sensitivity analysis , sensitivity analysis tables are presented for all the outstanding positions as of March 31st 2009. The scenarios defined for these analyses were:

Scenario I: expected considers the market curves as of March 31 2009;

Scenario II: unfavorable change of 25% considers a shock of 25% in the market curves used for the pricing in the expected scenario, negatively impacting the fair value of Vale s derivatives positions;

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Scenario III: favorable change of 25% considers a shock of 25% in the market curves used for the pricing in the expected scenario, positively impacting the fair value of Vale's derivatives positions;
 Scenario IV: unfavorable change of 50% considers a shock of 50% in the market curves used for the pricing in the expected scenario, negatively impacting the fair value of Vale's derivatives positions;
 Scenario V: favorable change of 50% considers a shock of 50% in the market curves used for the pricing in the expected scenario, positively impacting the fair value of Vale's derivatives positions;

Contracts subjected to margin calls

Vale has contracts subject to margin calls only for part of copper and nickel trades executed by its wholly-owned subsidiary Vale Inco Ltd. The total amount deposited in cash in March 2009 was R\$ 1.35 million, and it refers to positions that will mature in 2009.

Main positions definitions:

Hedge for the Real denominated debt indexed to CDI

CDI vs. USD fixed rate swap In order to reduce the cash flow volatility, Vale entered into swaps to convert Brazilian reais denominated debt instruments linked to CDI to USD. In those swaps Vale pays fixed rates in USD and receives payments linked to CDI.

CDI vs. USD floating rate swap In order to reduce the cash flow volatility, Vale entered into swaps to convert Brazilian reais denominated debt instruments linked to CDI to USD. In those swaps Vale pays floating rates in USD (Libor - London Interbank Offered Rate) and receives payments linked to CDI.

Those instruments were used to convert the cash flows of debentures issued in 2006 with a nominal value of R\$ 5.5 billion, NCE (Credit Export Notes) issued in 2008 with nominal value of R\$ 2 billion and property and services acquisition financing realized in 2006 and 2007 with nominal value of R\$ 1 billion.

Hedge for Real denominated debt indexed to TJLP

TJLP vs. USD fixed rate swap In order to reduce the cash flow volatility, Vale entered into swaps to convert loans with Banco Nacional de Desenvolvimento Econômico e Social (BNDES) linked to TJLP to USD. In those swaps Vale pays fixed rates in USD and receives payments linked to TJLP.

TJLP vs. USD floating rate swap In order to reduce the cash flow volatility, Vale entered into swaps to convert loans with BNDES linked to TJLP to USD. In those swaps Vale pays floating rates in USD and receives payments linked to TJLP.

Hedge for Euro denominated floating rate debt

Euro floating rate vs. USD floating rate swap In order to reduce the cash flow volatility, Vale entered into a swap to convert loans in Euros linked to Euribor to loans in USD linked to Libor. We used this instrument to convert the cash flow of a debt in Euros, with a notional amount of 19.1 million issued in 2003 by Vale. In those swaps Vale pays floating rates in USD (Libor) and receives floating rates in Euros (Euribor).

Hedge for the USD floating rate debt

USD floating rate vs. USD fixed rate swap In order to reduce the cash flow volatility, Vale Inco Ltd., Vale's wholly-owned subsidiary, entered into a swap to convert USD floating rate debt into USD fixed rate debt. Vale Inco used this instrument to convert the cash flow of a debt issued in 2004 with notional amount of USD 200 million. In those swaps Vale pays fixed rates in USD and receives floating rates in USD (Libor).

Foreign Exchange hedge From Coal Fixed Price Sales In order to reduce the cash flow volatility associated with a fixed price coal contract Vale used Australian Dollar forward purchase to hedge foreign exchange exposure and equalize production cost and revenues currencies.

Nickel Fixed Price Program In order to maintain the exposure to Nickel price fluctuations, Vale Inco Ltd., Vale's wholly-owned subsidiary entered into derivatives to convert to floating prices all contracts with clients that required a fixed price. It aims to guarantee that the prices of those operations would be the same of the average prices negotiated in LME in the date the product is delivered to the client. It normally involves buying Nickel forwards (Over-the-Counter) or futures (exchange negotiated). Those operations are usually reverted before the maturity in order to match the settlement dates of the commercial contracts in which the prices are fixed.

Nickel Purchase Protection Program This program was implemented in order to reduce the cash flow volatility due to the mismatch between the pricing of the purchased nickel (concentrate, cathode, sinter and others) and the pricing of the final product sold to our clients. The items purchased are raw materials utilized to produce refined Nickel. This program is usually implemented by the sale of nickel forward or future contracts at LME or over-the-counter operations.

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Hedge of Natural Gas Vale Inco Ltd., Vale's wholly-owned subsidiary entered into derivatives in order to minimize the impact of the Natural Gas price volatility in our costs. These transactions are usually implemented using swaps or by the purchase of forward contracts.

Copper Scrap Purchase Protection Program This program was implemented in order to reduce the cash flow volatility due to the quotational period mismatch between the pricing period of copper scrap purchase and the pricing period of final products sale to the clients, as the copper scrap combined with other raw materials or inputs of Vale's wholly-owned subsidiary, Vale Inco Ltd, to produce copper. This program usually is implemented by the sale of forwards or futures at LME or Over-the-Counter operations.

Bunker Oil Purchase Hedge Program In order to reduce the impact of bunker oil price fluctuation on Vale's freight hiring and consequently on Vale's Cash Flow, Vale implemented a hedge program that consists of forward purchases and swaps.

Embedded Derivatives

Energy purchase energy purchase agreement between Albrás, Vale's controlled subsidiary, and Eletronorte in which there is a clause that defines that a premium can be charged if aluminum prices trades in the range from US\$ 1,450/t until US\$ 2,773/t. This clause is considered an embedded derivative.

Raw material and intermediate products purchase Nickel concentrate and raw materials purchase agreements of Vale Inco Ltd, Vale's wholly-owned subsidiary, in which there are provisions based on nickel and copper future prices behavior. These provisions are considered embedded derivatives.

Foreign exchange and interest rate risk

Vale's cash flow is subjected to volatility of several different currencies against the US dollar. While most of our product prices are indexed to US dollars, representing around 94%, most of our costs, disbursements and investments are indexed to currencies different than the US dollar, mainly Brazilian reais and Canadian dollars.

Therefore, US dollar is the reference currency for Vale's obligations. Derivatives instruments may be used in order to reduce Vale's potential cash flow volatility arising from the currency mismatch. Vale's foreign exchange and interest rate derivative portfolio consists, basically, of interest rates swaps to convert floating cash flows in Brazilian reais to fix or floating US dollar cash flows, without any leverage.

From another perspective, Vale has also an exposure to interest rates risks over loans and financings. The US dollar floating rate debt in the portfolio consists mainly of loans including export pre-payments, commercial banks and multilateral organizations loans. In general, our US dollars floating rate debt is mainly subject to changes in the Libor (London Interbank Offer Rate in US dollars). To mitigate the impact of the interest rate volatility on the cash flow, Vale takes advantage of natural hedges allowed by the positive correlation of metal prices and US dollar floating rates. When natural hedges are not present, we may opt to realize the same effect using financial instruments.

The Real denominated debt subject to floating interest rates are debentures, Banco Nacional de Desenvolvimento Econômico e Social (BNDES) loans and property and services acquisition financing in the Brazilian market. These debts are mainly linked to CDI and TJLP.

On March 31st, 2009, the total amount of real denominated debt converted through swaps into US dollars was US\$ 4.6 billion, with an average cost in dollars of 4.97% after the swaps transactions were implemented and maturity between November 2010 and December 2027, with semi-annual interest payments¹.

These swap transactions have settlement dates similar to the interest and principal payment dates, taking into account the liquidity restrictions of the market. At each settlement date, the results on the swap transactions partially offset the impact of the US dollar / Brazilian reais exchange rate in our obligations, contributing to a stable flow of cash disbursements in US dollars for the interest and/or principal payment of our real denominated debt.

In the event of an appreciation (depreciation) of the Brazilian reais against US dollar, the negative (positive) impact on our Real denominated debt obligations (interest and/or principal payment) measured in US dollars will be almost totally offset by a positive (negative) effect from the swap transaction, regardless of the US dollar / Brazilian Reais exchange rate on the payment date.

On the first quarter of 2009, Vale paid an interest amount equivalent to R\$ 147 million related to Real denominated debt that were converted into US dollars through the use of swap transactions. However, the Company has received

R\$ 49 million on the settlement of the swaps, offsetting the US dollar / Brazilian reais exchange rate variation impact in our debt service.

- ¹ With the exception of a US\$559 million debt with monthly and quarterly interest and amortization payments.

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The tables below shows March 31st 2009 derivative positions with the following information: notional amount, initial cost, fair value, value at risk, gains or losses in the period and fair value for the remaining years of the operations per each group of instruments. The instruments total at risk (VaR) is not necessarily the sum of values at risk of its components, as it considers the combined variations effect of its own risk factors.

| Flow | Notional (\$ million) | | Average Index rate | Unrealized Gain/Loss (R\$ million) | | VaR Realized (R\$ million) | | Unrealized Gain/Loss by year (R\$ million) * | | | | | |
|---|-----------------------|-----------|-----------------------|---------------------------------------|--------------|-------------------------------|------------|--|-------|------|------|------|-------|
| | 31-mar-09 | 31-dez-08 | | 31-mar-09 | 31-dez-08 | 31-mar-09 | 31-dez-08 | 2009 | 2010 | 2012 | 2013 | 2014 | 2015 |
| Swap CDI vs. fixed rate swap | | | | | | | | | | | | | |
| Receivable | R\$ 7,519 | R\$ 7,531 | CDI 101.14% | 8,610 | 8,463 | 66 | 0.6 | 16 | (720) | (68) | | | (162) |
| Payable | USD 3,670 | USD 3,672 | USD + 5,60% | (9,545) | (9,338) | (34) | 320 | | | | | | |
| Net | | | | (935) | (875) | 32 | 320 | | | | | | |
| Swap CDI vs. floating rate swap | | | | | | | | | | | | | |
| Receivable | R\$ 792 | R\$ 792 | CDI 102.26% | 838 | 834 | 28 | 0.3 | | (29) | | | | (64) |
| Payable | USD 430 | USD 430 | Libor + 3,88% | (931) | (1,057) | (12) | 33 | | | | | | |
| Net | | | | (93) | (223) | 16 | 33 | | | | | | |
| Swap TJLP vs. fixed rate swap | | | | | | | | | | | | | |
| Receivable | R\$ 1,163 | R\$ 518 | TJLP + TJLP 1,60% | 1,109 | 436 | 19 | 8.7 | | | (9) | (21) | | (133) |
| Payable | USD 577 | USD 304 | USD + 3,76% | (1,272) | (580) | (20) | 47 | | | | | | |
| Net | | | | (163) | (144) | (1) | 48 | | | | | | |
| Swap TJLP vs. floating rate swap | | | | | | | | | | | | | |
| Receivable | R\$ 643 | R\$ 645 | TJLP + TJLP 0,95 % | 580 | 503 | 4 | 8.2 | | | (64) | | | (26) |
| Payable | USD 376 | USD 378 | Libor- 1,13 % | (671) | (572) | (3) | 26 | | | | | | |
| Net | | | | (91) | (69) | 1 | 24 | | | | | | |

* We do not have portion of fair values to be settled in the years 2011, 2016, 2017 and

2018.

In order to reduce cash flow volatility associated with a financing from KfW Bankengruppe indexed to Euribor, Vale entered into a swap where the cash flows in Euros are converted into cash flows in US dollars.

| Flow | Notional (\$ million) | | Average Index rate | Unrealized Gain/Loss (R\$ million) | Realized Gain/Loss (R\$ million) | VaR (R\$ million) | Unrealized Gain/Loss by year (R\$ million) | | | |
|---|-----------------------|-----------|--------------------|------------------------------------|----------------------------------|-------------------|--|------|------|-----|
| | 31-mar-09 | 31-dez-08 | | | | | 2009 | 2010 | 2011 | |
| EUR floating rate vs. USD floating rate swap | | | | | | | | | | |
| Receivable | 7 | 7 | EUR | Euribor + 0,875 % | 23 | 24 | 0.4 | 1.3 | 1.1 | 1.1 |
| Payable | USD 8 | USD 8 | USD | Libor + 1,0425 % | (19) | (19) | 0.0 | | | |
| Net | | | | | 4.0 | 5.0 | 0.4 | | | |

In order to reduce the cash flow volatility associated to changes on the US interest rate, Vale entered into a floating to fix interest rate.

| Flow | Notional (\$ million) | | Average Index rate | Unrealized Gain/Loss (R\$ million) | Realized Gain/Loss (R\$ million) | VaR (R\$ million) | Unrealized Gain/Loss by year (R\$ million) | | | | |
|------------|-----------------------|-----------|--------------------|------------------------------------|----------------------------------|-------------------|--|------------|------|------|-------|
| | 31-mar-09 | 31-dez-08 | | | | | 2009 | 2010 | 2011 | | |
| Receivable | | | USD | 3M LIBOR | 463 | 466 | 1.7 | 0.3 | (12) | (11) | (6.3) |
| Payable | USD 200 | USD 200 | USD | 4,795%a.a. | (492) | (498) | (5.5) | 1.0 | | | |
| Net | | | | | (29) | (32) | (3.8) | 1.0 | | | |

In order to reduce the cash-flow volatility associated with the foreign exchange exposure from coal fixed price sales, Vale forward purchased Australian Dollars.

| Flow | Notional (USD) | | Average rate | Unrealized Gain/Loss (R\$ million) | Realized Gain/Loss (R\$ million) | VaR (R\$ million) | Unrealized Gain/Loss by year (R\$ million) | | | |
|---------|----------------|-----------|------------------------|------------------------------------|----------------------------------|-------------------|--|------|------|-----|
| | 31-mar-09 | 31-dez-08 | | | | | 2009 | 2010 | 2011 | |
| Forward | 125,000 | | Buy/ Sell (AUD/USD) | 0.66 | 6.1 | | 2.7 | 2.6 | 2.8 | 0.7 |

Commodities price risk

Vale is also exposed to several market risks associated to global commodities prices volatilities.

Nowadays, derivatives transactions included in the portfolio related to commodities prices and/or input costs comprehend nickel, copper, natural gas and bunker oil derivatives and all have the same purpose of mitigating Vale's cash flow volatility.

Nickel The Company has a long position on future contracts in the London Metal Exchange (LME), with the purpose of maintaining its exposure to nickel price variation, regarding the fact that, in some cases, the commodity is sold at a fixed price to some customers. Vale has also short positions on the futures market in the LME, in order to minimize the risk of mismatch between the pricing on the costs of intermediate products and finished goods.

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| Flow | Notional (ton) | | Buy/ Sell | Average Strike (USD/ton) | Unrealized Gain/Loss (R\$ million) | | Realized Gain/Loss (R\$ million) | | VaR (R\$ million) | | | Unrealized Gain/Loss by year (R\$ million) | | |
|------|----------------|-----------|--------------|--------------------------------|--|-----------|--|-----------|----------------------|------|------|--|--|--|
| | 31-mar-09 | 31-dez-08 | | | 31-mar-09 | 31-dez-08 | 31-mar-09 | 31-mar-09 | 2009 | 2010 | 2011 | | | |

Nickel Fixed Price Sales Hedge Program

| | | | | | | | | | | | |
|---------|-------|--------|---|-----------|-------|-------|------|----|------|------|-------|
| Futures | 8,994 | 10,140 | B | 15,269.06 | (111) | (117) | (48) | 14 | (89) | (22) | (0.4) |
|---------|-------|--------|---|-----------|-------|-------|------|----|------|------|-------|

Nickel Purchase Hedge Program

| | | | | | | | | | | | |
|---------|-------|-------|---|----------|-----|------|-----|----|-----|--|-----|
| Futures | 5,940 | 4,944 | S | 9,775.64 | 4.3 | (16) | 4.4 | 11 | 4.3 | | 0.0 |
|---------|-------|-------|---|----------|-----|------|-----|----|-----|--|-----|

In addition to the contracts mentioned above, Vale has long positions of nickel and copper raw materials which have a price definition based on a commodity index, which implies, in practice, that this contract is treated as an embedded derivative.

| Flow | Notional (ton) | | Buy/ Sell | Average Strike (USD/ton) | Unrealized Gain/Loss (R\$ million) | | Realized Gain/Loss (R\$ million) | | VaR (R\$ million) | | | Unrealized Gain/Loss by year (R\$ million) | | |
|------|----------------|-----------|--------------|--------------------------------|--|-----------|--|-----------|----------------------|------|------|--|--|--|
| | 31-mar-09 | 31-dez-08 | | | 31-mar-09 | 31-dez-08 | 31-mar-09 | 31-mar-09 | 2009 | 2010 | 2011 | | | |

For Customer Raw Material Contracts

| | | | | | | | | | | | | |
|---------------|-------|-------|---|-----------|--------------|------------|------------|------------|-------|--|--|--|
| Nickel | | | | | | | | | | | | |
| Forwards | 4,741 | 6,213 | B | 10,271.45 | 1.9 | 9.0 | 1.5 | 3.0 | 1.9 | | | |
| Copper | | | | | | | | | | | | |
| Forwards | 4,741 | 6,213 | | 3,486.37 | (2.0) | | 3.5 | | (2.0) | | | |
| Total | | | | | (0.1) | 9.0 | 5.0 | 3.0 | | | | |

For Nickel Concentrate Customer Sales

| | | | | | | | | | | | |
|---------|-------|-------|---|-----------|-----|----|----|-----|-----|--|--|
| Forward | 3,117 | 3,966 | B | 10,557.22 | 3.5 | 42 | 47 | 3.2 | 3.5 | | |
|---------|-------|-------|---|-----------|-----|----|----|-----|-----|--|--|

Aluminum The table below presents the aluminum embedded derivatives position originated from the energy supply contract between Albras and Alunorte.

| Flow | Notional (ton) | | Buy/ Sell | Average Strike (USD/ton) | Unrealized Gain/Loss (R\$ million) | | Realized Gain/Loss (R\$ million) | | VaR (R\$ million) | | | Unrealized Gain/Loss by year (R\$ million) | | |
|------|----------------|-----------|--------------|--------------------------------|--|-----------|--|-----------|----------------------|------|------|--|--|--|
| | 31-mar-09 | 31-dez-08 | | | 31-mar-09 | 31-dez-08 | 31-mar-09 | 31-mar-09 | 2009 | 2010 | 2011 | | | |

| | | | | | | | | | | | |
|------|---------|---------|---|-------|------|-------|--|-----|------|------|------|
| Call | 200,228 | 200,228 | B | 2,773 | 3.0 | 3.0 | | 1.2 | (16) | (55) | (17) |
| Call | 200,228 | 200,228 | S | 1,450 | (91) | (116) | | 12 | | | |

Total (88) (113) 11

Copper Vale Inco Ltd., Vale's wholly-owned subsidiary, makes use of hedging to protect the price mismatch between the date of copper scrap purchase and the date of selling the finished good. The table below illustrates March open positions.

| Flow | Notional (ton) | | Buy/ Sell | Average Strike (USD/ton) | Unrealized Gain/Loss (R\$ million) | | Realized Gain/Loss (R\$ million) | | VaR (R\$ million) | Unrealized Gain/Loss by year (R\$ million) | | |
|---------|----------------|-----------|--------------|--------------------------------|--|-----------|---|-----------|-------------------------|---|------|------|
| | 31-mar-09 | 31-dez-08 | | | 31-mar-09 | 31-dez-08 | 31-mar-09 | 31-mar-09 | | 2009 | 2010 | 2011 |
| Futures | 147 | 136 | S | 3,525.02 | (0.2) | 0.6 | 0.5 | 0.1 | (0.2) | | | |

Natural gas Vale uses natural gas swap contracts to minimize the impact of price fluctuation of this input cost in the cash flow.

| Flow | Notional (Giga Joule) | | Buy/ Sell | Average Strike (USD/GJ) | Unrealized Gain/Loss (R\$ million) | | Realized Gain/Loss (R\$ million) | | VaR (R\$ million) | Unrealized Gain/Loss by year (R\$ million) | | |
|----------|-----------------------|-----------|--------------|-------------------------------|--|-----------|---|-----------|-------------------------|---|------|------|
| | 31-mar-09 | 31-dez-08 | | | 31-mar-09 | 31-dez-08 | 31-mar-09 | 31-mar-09 | | 2009 | 2010 | 2011 |
| Forwards | 963,000 | 1,773,000 | S | 7.62 | (6.1) | (4.4) | (4.6) | 0.5 | (6.1) | | | |

Bunker Oil Vale uses forward purchase and swaps to mitigate the impact of changes of bunker oil prices in the cash flow.

| Flow | Notional (ton) | | Buy/ Sell | Average Strike (USD/ton) | Unrealized Gain/Loss (R\$ million) | | Realized Gain/Loss (R\$ million) | | VaR (R\$ million) | Unrealized Gain/Loss by year (R\$ million) | | |
|---------|----------------|-----------|--------------|--------------------------------|--|-----------|---|-----------|-------------------------|---|------|------|
| | 31-mar-09 | 31-dez-08 | | | 31-mar-09 | 31-dez-08 | 31-mar-09 | 31-mar-09 | | 2009 | 2010 | 2011 |
| Forward | 125,000 | | B | 273 | (1.4) | | (0.2) | 4.1 | (2.3) | 0.8 | | |

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Values in R\$ million

| Program | Instrument | Impact description | Scenario I | Scenario II | Scenario III | Scenario IV | Scenario V |
|---|--|---|-------------------|--------------------|---------------------|--------------------|-------------------|
| Hedge for the Real denominated debt indexed to CDI | CDI vs. USD fixed rate swap | USD/BRL fluctuation | (934.8) | (3,179.3) | 1,309.6 | (5,423.7) | 3,554.1 |
| | | USD interest rate inside Brazil variation | (934.8) | (1,083.9) | (791.7) | (1,239.5) | (654.1) |
| | CDI vs. USD floating rate swap | USD/BRL fluctuation | (93.1) | (326.5) | 140.3 | (559.9) | 373.7 |
| Hedge for the Real denominated debt indexed to TJLP | TJLP vs. USD fixed rate swap | USD interest rate inside Brazil variation | (93.1) | (134.1) | (55.2) | (178.5) | (20.0) |
| | | USD/BRL fluctuation | (163.0) | (481.7) | 155.6 | (800.4) | 474.3 |
| | | USD interest rate inside Brazil variation | (163.0) | (223.6) | (108.0) | (290.4) | (57.7) |
| | TJLP vs. USD floating rate swap | Brazilian interest rate fluctuation | (163.0) | (246.8) | (66.0) | (319.7) | 47.2 |
| | | USD/BRL fluctuation | (90.7) | (258.9) | 77.5 | (427.1) | 245.7 |
| Hedge for Euro denominated floating rate debt | EUR floating rate vs. USD floating rate swap | USD interest rate inside Brazil variation | (90.7) | (157.3) | (32.3) | (233.8) | 19.0 |
| | | Brazilian interest rate fluctuation | (90.7) | (163.0) | (2.7) | (223.0) | 105.4 |
| | | EUR/USD fluctuation | 3.5 | (2.2) | 9.1 | (7.9) | 14.8 |
| | | Euribor variation | 3.5 | 3.4 | 3.5 | 3.4 | 3.5 |
| Hedge for the USD denominated floating rate debt | USD floating rate vs. USD fixed rate swap | USD Libor variation | 3.5 | 3.4 | 3.5 | 3.4 | 3.5 |
| | | USD Libor variation | (28.9) | (29.3) | (28.5) | (29.8) | (28.1) |
| Bunker Oil Hedge | Bunker Oil forward | Bunker Oil price fluctuation | (1.4) | (20.9) | 18.0 | (40.3) | 37.5 |
| Foreign Exchange Hedge Program on Coal Fixed | Australian dollar forwards | USD/AUD fluctuation | 6.1 | (13.3) | 25.5 | (32.8) | 45.0 |

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| | | | | | | | | |
|---|---|-------------------------------------|---------|---------|--------|---------|-------|--|
| Price Sales | | | | | | | | |
| Nickel purchase fixed price program | Purchase of nickel future/forward contracts | Nickel price fluctuation | (111.2) | (162.6) | (59.8) | (213.9) | (8.4) | |
| Nickel purchase protection program | Sale of nickel future/forward contracts | Nickel price fluctuation | 4.3 | (29.0) | 37.6 | (62.3) | 70.9 | |
| Hedge of natural gas | Purchase of natural gas forward contracts | Natural gas price fluctuation | (6.1) | (7.6) | (4.5) | (9.1) | (3.0) | |
| Copper scrap purchase protection | Sale of copper future/forward contracts | Copper price fluctuation | (0.2) | (0.5) | 0.2 | (0.9) | 0.5 | |
| Embedded derivatives - Intermediate products purchase forward | Embedded derivatives - Intermediate products purchase | Nickel price fluctuation | 3.5 | (6.4) | 13.4 | (16.3) | 23.3 | |
| Embedded derivatives - Raw material purchase | Embedded derivatives - Raw material purchase | Nickel and copper price fluctuation | (0.1) | (12.6) | 12.3 | (25.0) | 24.7 | |
| Embedded derivatives - Energy purchase | Embedded derivatives - Energy purchase - Aluminum Options | Aluminum price fluctuation | (88.3) | (197.6) | (25.9) | (318.0) | (5.0) | |

Credit risk on financial trades and financial institutions ratings

Derivatives transactions are executed with financial institutions that we consider to have a very good credit quality. The exposure limits to financial institutions are proposed annually for the Executive Risk Committee and approved by the Executive Board. The financial institutions credit risk tracking is performed making use of a credit risk valuation methodology which considers, among other information, published ratings provided by international rating agencies. In the table below, we present the ratings in foreign currency published by Moody's e S&P agencies for the most important financial institutions that we had outstanding trades as of March 31st. 2009.

| Parent Company | Vale's Counterparty | Moody's* | S&P* |
|------------------------------|------------------------------|----------|------|
| Banco do Brasil S.A. | Banco do Brasil S.A. | A1 | BBB- |
| Banco Bradesco S.A. | Banco Bradesco S.A. | A1 | BBB |
| Citigroup Inc. | Citigroup Inc. | A3 | A |
| Banco Votorantim S.A. | Banco Votorantim S.A. | Baa1 | BB + |
| HSBC Holdings plc | HSBC Holdings plc | Aa2 | AA- |
| JP Morgan Chase & Co. | JP Morgan Chase & Co. | Aa3 | A+ |
| Banco Santander S.A. (Spain) | Banco Santander S.A. (Spain) | Aa1 | AA |
| HSBC Holdings plc | HSBC Bank Brasil S.A. | A1 | BBB- |
| Banco Itaú Unibanco S.A. | Banco Itaú Unibanco S.A. | A1 | BBB |
| JP Morgan Chase & Co. | JP Morgan Chase Bank NA | Aa1 | AA- |

| | | | |
|------------------|-----------------------------------|------|----|
| Standard Bank | Standard Bank of South África Ltd | Baa1 | |
| BNP Paribas | BNP Paribas | Aa1 | AA |
| Mitsui Co. Ltd** | Mitsui Bussan | A2 | A+ |

* For brazilian
Banks we used
local long term
deposit rating

** Parent Company
rating

Table of Contents**Market Curves**

To build the curves used on the pricing of the derivatives we used public data from BM&F, Central Bank of Brazil, London Metals Exchange (LME) and proprietary data from Thomson Reuters, Bloomberg L.P. and Enerdata.

1. Commodities**Aluminum**

| Maturity | Price (USD/ton) | Maturity | Price (USD/ton) | Maturity | Price (USD/ton) |
|-----------------|----------------------------|-----------------|----------------------------|-----------------|----------------------------|
| SPOT | 1,355.00 | MAR10 | 1,498.00 | FEB11 | 1,630.50 |
| APR09 | 1,360.25 | APR10 | 1,511.75 | MAR11 | 1,642.00 |
| MAY09 | 1,374.50 | MAY10 | 1,523.00 | APR11 | 1,653.50 |
| JUN09 | 1,386.25 | JUN10 | 1,534.25 | MAY11 | 1,665.00 |
| JUL09 | 1,398.00 | JUL10 | 1,548.00 | JUN11 | 1,676.00 |
| AUG09 | 1,413.00 | AUG10 | 1,559.50 | JUL11 | 1,687.00 |
| SEP09 | 1,424.75 | SEP10 | 1,571.00 | AUG11 | 1,698.00 |
| OCT09 | 1,439.25 | OCT10 | 1,584.50 | SEP11 | 1,709.00 |
| NOV09 | 1,450.75 | NOV10 | 1,596.00 | OCT11 | 1,720.00 |
| DEC09 | 1,461.50 | DEC10 | 1,607.50 | NOV11 | 1,731.00 |
| JAN10 | 1,475.50 | JAN11 | 1,619.00 | DEC11 | 1,742.00 |
| FEB10 | 1,486.75 | | | | |

Nickel

| Maturity | Price (USD/ton) | Maturity | Price (USD/ton) | Maturity | Price (USD/ton) |
|-----------------|----------------------------|-----------------|----------------------------|-----------------|----------------------------|
| SPOT | 9,773.00 | JAN10 | 10,003.92 | OCT10 | 10,193.60 |
| MAY09 | 9,811.44 | FEB10 | 10,023.89 | nov/10 | 10,212.89 |
| JUN09 | 9,837.77 | MAR10 | 10,043.87 | DEC10 | 10,232.18 |
| JUL09 | 9,862.10 | APR10 | 10,068.22 | jan/11 | 10,256.29 |
| AUG09 | 9,890.33 | MAY10 | 10,087.51 | FEB11 | 10,275.58 |
| SEP09 | 9,912.92 | JUN10 | 10,106.80 | mar/11 | 10,294.87 |
| OCT09 | 9,939.01 | jul/10 | 10,130.91 | APR11 | 10,303.11 |
| NOV09 | 9,958.98 | AUG10 | 10,150.20 | MAY11 | 10,307.08 |
| DEC09 | 9,978.95 | SEP10 | 10,169.49 | | |

Copper

| Maturity | Price (USD/lb) | Maturity | Price (USD/lb) | Maturity | Price (USD/lb) |
|-----------------|---------------------------|-----------------|---------------------------|-----------------|---------------------------|
| MAY09 | 1.85 | JUN09 | 1.85 | JUL09 | 1.86 |

Bunker Oil

| Maturity | Price (USD/ton) | Maturity | Price (USD/ton) | Maturity | Price (USD/ton) |
|-----------------|----------------------------|-----------------|----------------------------|-----------------|----------------------------|
| SPOT | 256.50 | SEP09 | 266.50 | FEB10 | 291.25 |
| APR09 | 256.50 | OCT09 | 278.00 | MAR10 | 291.25 |
| MAY09 | 258.50 | NOV09 | 278.00 | APR10 | 302.00 |
| JUN09 | 261.00 | DEC09 | 278.00 | MAY10 | 302.00 |
| JUL09 | 266.50 | JAN10 | 291.25 | JUN10 | 302.00 |
| AUG09 | 266.50 | | | | |

Alumínio Volatility

| Maturity | Vol (%a.a.) | Maturity | Vol (%a.a.) | Maturity | Vol (%a.a.) |
|-----------------|--------------------|-----------------|--------------------|-----------------|--------------------|
| VOLSPOT | 33.60 | VOL9M | 28.26 | VOL4Y | 22.89 |
| VOL1M | 32.26 | VOL1Y | 27.50 | VOL5Y | 22.24 |
| VOL3M | 31.03 | VOL2Y | 24.96 | VOL7Y | 22.24 |
| VOL6M | 29.37 | VOL3Y | 23.69 | VOL10Y | 22.24 |

Table of Contents**2. Rates****USD-Brazil Interest Rate**

| Maturity | Rate (%) a.a.) | Maturity | Rate (%) a.a.) | Maturity | Rate (%) a.a.) |
|-----------------|---------------------------|-----------------|---------------------------|-----------------|---------------------------|
| 31/03/2009 | 1.12% | 01/04/2010 | 2.37% | 01/04/2014 | 4.98% |
| 01/06/2009 | 1.12% | 01/10/2010 | 2.87% | 02/01/2015 | 5.38% |
| 01/07/2009 | 1.23% | 02/01/2012 | 3.90% | 04/01/2016 | 5.84% |
| 01/10/2009 | 1.66% | 01/04/2013 | 4.48% | 02/01/2018 | 7.00% |
| 04/01/2010 | 2.04% | | | | |

US Interest Rate

| Maturity | Rate (%) a.a.) | Maturity | Rate (%) a.a.) | Maturity | Rate (%) a.a.) |
|-----------------|---------------------------|-----------------|---------------------------|-----------------|---------------------------|
| USD1D | 0.3301 | USD9M | 1.2318 | USD4Y | 2.0096 |
| USD1M | 0.9780 | USD1Y | 1.2389 | USD5Y | 2.2570 |
| USD2M | 1.3829 | USD2Y | 1.4240 | USD7Y | 2.6334 |
| USD3M | 1.5610 | USD3Y | 1.7177 | USD10Y | 2.9712 |
| USD6M | 1.2666 | | | | |
| TJLP | | | | | |

| Maturity | Rate (%) a.a.) | Maturity | Rate (%) a.a.) | Maturity | Rate (%) a.a.) |
|-----------------|---------------------------|-----------------|---------------------------|-----------------|---------------------------|
| 31/03/2009 | 6.25% | 01/01/2011 | 8.03% | 01/10/2012 | 8.78% |
| 01/04/2009 | 6.25% | 01/04/2011 | 8.17% | 01/01/2013 | 8.82% |
| 01/07/2009 | 7.29% | 01/07/2011 | 8.31% | 01/04/2013 | 8.84% |
| 01/10/2009 | 7.44% | 01/10/2011 | 8.46% | 01/07/2013 | 8.86% |
| 01/01/2010 | 7.56% | 01/01/2012 | 8.57% | 01/10/2013 | 8.86% |
| 01/04/2010 | 7.67% | 01/04/2012 | 8.66% | 01/01/2014 | 8.86% |
| 01/07/2010 | 7.77% | 01/07/2012 | 8.73% | 01/04/2014 | 8.84% |
| 01/10/2010 | 7.89% | | | | |

BRL Interest Rate

| Maturity | Rate (%) a.a.) | Maturity | Rate (%) a.a.) | Maturity | Rate (%) a.a.) |
|-----------------|---------------------------|-----------------|---------------------------|-----------------|---------------------------|
| 31/03/2009 | 11.08% | 04/01/2010 | 9.69% | 01/07/2011 | 10.57% |
| 01/04/2009 | 11.08% | 01/04/2010 | 9.80% | 03/10/2011 | 10.67% |
| 04/05/2009 | 11.08% | 01/07/2010 | 9.99% | 02/01/2012 | 10.73% |
| 01/06/2009 | 10.53% | 01/10/2010 | 10.15% | 02/04/2012 | 10.90% |
| 01/07/2009 | 10.23% | 03/01/2011 | 10.29% | 02/01/2013 | 11.27% |
| 01/10/2009 | 9.82% | 01/04/2011 | 10.46% | 02/01/2014 | 11.56% |

3. Currencies**EURO**

| Maturity | EUR/USD | Maturity | EUR/USD | Maturity | EUR/USD |
|-----------------|----------------|-----------------|----------------|-----------------|----------------|
| EURSPOT | 1.3259 | EUR9M | 1.3274 | EUR4Y | 1.3319 |
| EUR1M | 1.3258 | EUR1Y | 1.3281 | EUR5Y | 1.3314 |
| EUR3M | 1.3260 | EUR2Y | 1.3313 | EUR7Y | 1.3254 |
| EUR6M | 1.3265 | EUR3Y | 1.3318 | EUR10Y | 1.3054 |

AUD

| Maturity | AUD/USD | Maturity | AUD/USD | Maturity | AUD/USD |
|-------------------|--|-----------------|----------------|-----------------|----------------|
| AUDSPOT | 0.6913 | AUD9M | 0.6815 | AUD4Y | 0.6255 |
| AUD1M | 0.6897 | AUD1Y | 0.6777 | AUD5Y | 0.6368 |
| AUD3M | 0.6874 | AUD2Y | 0.6629 | AUD7Y | 0.5903 |
| AUD6M | 0.6842 | AUD3Y | 0.6430 | AUD10Y | 0.5598 |
| Currencies | Ending rates as of March 31, 2009 | | | | |
| EUR/USD | 1.3252 | USD/CAD | 1.2602 | USD/BRL | 2.3152 |

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Summary the movement of our derivatives according to the period present as follows:

| | Currencies\ | | Consolidated 1Q/09 Products by aluminum | | | | | |
|--|------------------------------|---|---|------|--------------|---------------|----------|--------------------|
| | Interest rates (libor) | Bunker Oil and Natural Gas (*) | Gold | area | Copper | Nickel | Platinum | Total |
| Gains / (losses) unrealized on 12/31/08 | (1,336,013) | (4,358) | | | 626 | 79,185 | | (1,260,560) |
| Payments (receipt) financial | (45,396) | 4,787 | | | (491) | (8,857) | | (49,957) |
| Financial expenses, net | 77,614 | (7,931) | | | (321) | (29,476) | | 39,886 |
| Monetary variations, net | 2,758 | 35 | | | (6) | (761) | | 2,026 |
| Gains / (losses) unrealized on 03/31/09 | (1,301,037) | (7,467) | | | (192) | 40,091 | | (1,268,605) |

| | Currencies\ | | 4Q/08 Products by aluminum | | | | | |
|--|------------------------------|---|-------------------------------------|----------|------------|---------------|----------|--------------------|
| | Interest rates (libor) | Bunker Oil and Natural Gas (*) | Gold | area | Copper | Nickel | Platinum | Total |
| Gains / (losses) unrealized on 06/30/08 | 323,059 | (3,341) | (18,637) | (86,194) | (75,419) | 73,435 | (3,479) | 209,424 |
| Payments (receipt) financial | (121,140) | 2,334 | 19,226 | (58,772) | (62,697) | 77,242 | 1,142 | (142,665) |
| Financial expenses, net | (1,518,403) | (2,620) | 2,177 | 155,150 | 153,089 | (87,965) | 3,208 | (1,295,364) |
| Monetary variations, net | (19,529) | (731) | (2,766) | (10,184) | (14,347) | 16,473 | (871) | (31,955) |
| Gains / (losses) unrealized on 12/31/08 | (1,336,013) | (4,358) | | | 626 | 79,185 | | (1,260,560) |

1Q/08

Currencies\

| | Interest rates (libor) | Bunker Oil and Natural Gas (*) | Products by aluminum | | | | | Total |
|--|---------------------------|--------------------------------|----------------------|------------------|------------------|---------------|-----------------|---------------|
| | | | Gold | area | Copper | Nickel | Platinum | |
| Gains / (losses) unrealized on 12/31/07 | 1,118,546 | (10,802) | (64,608) | (172,569) | (332,222) | 73,557 | (42,722) | 569,180 |
| Payments (receipt) financial | (49,048) | 1,289 | 20,087 | 42,333 | 104,343 | 777 | 15,822 | 135,603 |
| Financial expenses, net | (24,256) | 3,966 | (13,982) | (305,976) | (202,236) | (61,044) | (27,448) | (630,976) |
| Monetary variations, net | 7,151 | 1,189 | 726 | 1,804 | 3,301 | (2,388) | 253 | 12,036 |
| Gains / (losses) unrealized on 03/31/08 | 1,052,393 | (4,358) | (57,777) | (434,408) | (426,814) | 10,902 | (54,095) | 85,843 |

(*) The R\$1,415 of the total amount refers to bunker oil classified as Hedge Accounting.

| | Parent Company 1Q/09 | | | |
|--|------------------------------------|------|--------|--------------------|
| | Currencies\ Interest rates (libor) | Gold | Copper | Total |
| Gains / (losses) unrealized on 12/31/08 | (1,078,850) | | | (1,078,850) |
| Payments (receipt) financial | (21,867) | | | (21,867) |
| Financial expenses, net | (61,934) | | | (61,934) |
| Monetary variations, net | (50) | | | (50) |
| Gains / (losses) unrealized on 03/31/09 | (1,162,701) | | | (1,162,701) |

| | 1Q/08 | | | |
|---|------------------------------------|----------|----------|-----------|
| | Currencies\ Interest rates (libor) | Gold | Copper | Total |
| Gains / (losses) unrealized on 12/31/07 | 1,064,547 | (45,256) | (1,923) | 1,017,368 |
| Payments (receipt) financial | (48,584) | 13,962 | 314 | (34,308) |
| Financial expenses, net | (22,342) | (9,861) | (35,246) | (67,449) |
| Monetary variations, net | 10,636 | 464 | (1,021) | 10,079 |

| | | | | |
|--|------------------|-----------------|-----------------|----------------|
| Gains / (losses) unrealized on 03/31/08 | 1,004,257 | (40,691) | (37,876) | 925,690 |
|--|------------------|-----------------|-----------------|----------------|

The due dates of the consolidated financial instruments are as follows:

| | |
|------------------------------------|---------------|
| Currencies\ Interest rates (LIBOR) | December 2019 |
| Fuel Oil | April 2010 |
| Natural Gas | October 2009 |
| Copper | July 2009 |
| Nickel | May 2011 |

Table of Contents**6.25- Selling, Administrative, Other Operating Expenses and Non Operating Income**

| | 1Q/09 | Consolidated 4Q/08 | 1Q/08 | Parent Company 1Q/09 | 1Q/08 |
|--|----------------|-------------------------------|----------------|---------------------------------|----------------|
| Administrative | | | | | |
| Personnel | 159,907 | 207,244 | 171,207 | 88,445 | 96,584 |
| Services (consulting, infrastructure and others) | 84,253 | 229,185 | 84,967 | 37,555 | 37,371 |
| Advertising and publicity | 31,999 | 94,472 | 34,348 | 26,829 | 32,646 |
| Depreciation | 88,759 | 69,909 | 79,818 | 71,231 | 64,291 |
| Travel expenses | 13,065 | 16,424 | 10,841 | 5,161 | 7,327 |
| Rents and taxes | 23,560 | 37,275 | 9,392 | 8,000 | 7,252 |
| Community aborigine | 4,942 | 4,569 | 5,826 | 4,608 | 4,968 |
| Others | 38,559 | 116,865 | 60,294 | 20,733 | 24,954 |
| Sales (*) | 129,446 | 940,534 | 143,156 | 9,780 | 17,786 |
| Total | 574,490 | 1,716,477 | 599,849 | 272,342 | 293,179 |

(*) Represents the effects of fluctuations in commodity prices of copper on its receivables, expenses with offices abroad and provision for claims settlement.

| | 1Q/09 | Consolidated 4Q/08 | 1Q/08 | Parent Company 1Q/09 | 1Q/08 |
|--|--------------|-------------------------------|--------------|---------------------------------|--------------|
| Other operating expenses (income), net | | | | | |
| Provisions for contingencies | | 161,685 | (8,697) | | |
| Provision for loss on ICMS credits | 73,213 | 62,935 | 49,124 | 65,504 | 34,411 |
| Provision for profit sharing Fundação Vale do Rio Doce | 67,517 | 16,269 | 47,667 | 33,138 | 26,010 |
| FVRD | 12,656 | 26,086 | 13,195 | 12,656 | 13,195 |
| Recoverable taxes PIS and COFINS | (66,326) | (70,471) | (63,879) | (66,326) | (63,879) |
| Provision for material / inventories | | 141,665 | | | |
| Adjust the value of realization of stock | 112,535 | 334,021 | | | |
| Low assets intangibles | | 144,117 | | | 0 |
| MRS fees adjustment | | 286,073 | | | |

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| | | | | | |
|------------------|----------------|------------------|----------------|----------------|---------------|
| Disconnection | 91,782 | 32,547 | | 2,622 | |
| Stopped of plant | 140,128 | | | 140,128 | |
| Idle capacity | 235,424 | | | 171,887 | |
| Others | 217,586 | 490,715 | 320,053 | (8,783) | 78,941 |
| Total | 884,515 | 1,625,642 | 357,463 | 350,826 | 88,678 |

| Resultado na venda de investimentos | 1Q/09 | Consolidated 4Q/08 | 1Q/08 | Parent Company 1Q/09 | 1Q/08 |
|--|--------------|-------------------------------|--------------|---------------------------------|--------------|
| Jubilee Mines N.L. | | | 138,879 | | |

Table of Contents**7- Attachment I Statement of Investments in Subsidiaries and Jointly-Controlled Companies**

| Participation (%) | | In millions of reais Accounting information - (to review) | | | | | | | | Statement |
|----------------------|--------|--|------------|---|--|---|------------------------------------|-----------------|--|-----------|
| | | Assets Non-current | | | Liabilities and stockholders equity Non-current | | | | | |
| Total | Voting | Circulante | Long-term | Investments, property plant and equipment and deferred charges | Current | Exigível a longo prazo e Participações de minoritários | Adjusted stockholders equity | Net revenues | Cost of products and services | Op in |
| 51.00 | 51.00 | 524,366 | 1,410,612 | 1,071,574 | 494,317 | 597,166 | 1,915,069 | 361,771 | (377,260) | (|
| 57.03 | 61.74 | 1,046,010 | 257,244 | 5,346,653 | 397,565 | 1,957,876 | 4,294,466 | 644,011 | (705,018) | (|
| 100.00 | 100.00 | 4,716 | 38,936 | | 6,053 | | 37,599 | | | (|
| 61.48 | 100.00 | 158,363 | 66,803 | 97,983 | 37,694 | 49,279 | 236,176 | 45,316 | (32,404) | (|
| 100.00 | 100.00 | 158,849 | 104,018 | 1,419 | 152,224 | 115,852 | (3,790) | | | (|
| 100.00 | 100.00 | 197,243 | 8,121 | 190,999 | 180,686 | 773 | 214,904 | 56,152 | (24,676) | (|
| 100.00 | 100.00 | 2,317,089 | 314,514 | 1,559,515 | 1,834,334 | 46,466 | 2,310,318 | 1,151,592 | (847,905) | (|
| 100.00 | 100.00 | 20,884 | 287,820 | 150 | 35,238 | 278,392 | (4,776) | | | (|
| 100.00 | 100.00 | 13,432 | | 908,036 | 13,413 | 213,495 | 694,560 | | | (|
| 100.00 | 100.00 | 259,588 | 118,676 | 1,683,105 | 167,245 | 1,994,695 | (100,571) | 153,900 | (166,306) | (|
| 100.00 | 100.00 | 23,608 | 2,443 | 1,753,792 | 965,010 | | 814,833 | 8,006 | (3,810) | (|
| 99.90 | 100.00 | 10,407 | 16,868 | 3,716 | 5,283 | 4,638 | 21,070 | | | (|
| 100.00 | 100.00 | 59,190 | | 2,897,356 | 21,645 | 967,247 | 1,967,654 | | | (|
| 100.00 | 100.00 | 444 | | 1,689,270 | 18,501 | 1,788,341 | (117,128) | | | (|
| 92.99 | 92.99 | 281,477 | 75,432 | 6,685,414 | 953,535 | 1,406,145 | 4,682,643 | | (38,959) | 1 |
| 86.17 | 85.57 | 89,324 | 52,879 | (6,281) | 58,839 | 166,273 | (89,190) | 26,203 | (20,186) | (|
| 100.00 | 100.00 | 191,874 | | 59,463 | 38,166 | 7,398 | 205,773 | 72,724 | (34,254) | (|
| 100.00 | 100.00 | 274,782 | | 1,427,810 | 19,423 | 1,266,016 | 417,153 | | | (|
| 100.00 | 100.00 | 272,300 | 11,642 | 55,386 | 55,450 | 121,443 | 162,435 | 25,210 | (5,201) | (|
| 100.00 | 100.00 | 497,091 | 255,984 | 2,163,532 | 182,097 | 1,766,392 | 968,118 | 309,493 | (171,024) | (|
| 100.00 | 100.00 | 7,383,546 | 453,647 | 52,986,134 | 3,530,271 | 43,175,990 | 14,117,066 | 2,042,327 | (2,198,067) | (6 |
| 100.00 | 100.00 | 30,790,841 | 62,905,348 | 55,924,295 | 10,034,046 | 60,971,021 | 78,615,417 | 7,774,510 | (6,064,633) | (1 |
| 100.00 | 100.00 | 1,222,075 | 123,156 | 351,207 | 423,330 | 187,831 | 1,085,277 | 138,756 | (65,241) | (|
| 100.00 | 100.00 | 405,196 | (803) | 93,279 | 207,127 | 15,321 | 275,224 | 57,375 | (58,118) | (|
| 100.00 | 100.00 | 255,597 | 13,324,516 | | 255,600 | 13,324,514 | (1) | | | (|
| 100.00 | 100.00 | 180,120 | 89,230 | 515,486 | 97,605 | 39,557 | 647,674 | 59,818 | (61,642) | (|

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| | | | | | | | | | |
|-------|--------|-----------|---------|-----------|-----------|-----------|-----------|---------|-----------|
| 50.00 | 100.00 | 49,185 | 26 | 61,767 | 25,213 | | 85,765 | 8,720 | (1,178) |
| 50.00 | 50.00 | 717,200 | | 611,630 | 86,151 | 551,733 | 690,946 | 339,830 | (308,091) |
| 50.00 | 50.00 | 220,783 | 23,611 | 243,008 | 67,789 | 113,789 | 305,824 | 70,241 | |
| 50.89 | 51.00 | 192,954 | 49,166 | 133,318 | 106,432 | 46,236 | 222,770 | 276 | (1) |
| 50.90 | 51.00 | 128,401 | 56,902 | 192,351 | 9,584 | 86,514 | 281,556 | 12,961 | |
| 51.00 | 51.11 | 116,962 | 65,375 | 385,458 | (19,948) | 61,894 | 525,849 | 29,536 | (1) |
| 50.00 | 50.00 | 56,759 | 23,791 | 58,728 | 22,128 | 19,898 | 97,252 | 4,544 | (2,456) |
| 40.00 | 40.00 | 201,964 | 640,250 | 877,528 | 614,397 | 443,560 | 661,785 | 229,025 | (121,426) |
| 41.50 | 37.86 | 905,299 | 519,408 | 2,886,206 | 953,217 | 1,738,954 | 1,618,742 | 460,678 | (279,625) |
| 50.00 | 50.00 | 1,473,469 | 404,416 | 3,599,024 | 2,575,194 | 2,111,015 | 790,700 | 600,154 | (218,224) |
| 50.00 | 50.00 | 150,541 | | 756,611 | 233,836 | 222,491 | 450,825 | | |

Observances:

- (a) Includes direct and indirect participation.

Additional information of the main operational investee companies are available on the Vale website www.vale.com, investor relations.

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8- Report of the Independent Accountants

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Tohmatsu
Av. Pres. Wilson, 231
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(Convenience Translation into English from the Original Previously Issued in Portuguese)

INDEPENDENT ACCOUNTANTS REVIEW REPORT

To the Shareholders and Board of Directors of

Companhia Vale do Rio Doce

Rio de Janeiro RJ

1. We have reviewed the accounting information included in the accompanying interim financial statements of Companhia Vale do Rio Doce (the Company) and subsidiaries for the quarter ended March 31, 2009, consisting of the individual (Company) and consolidated balance sheets, the related statements of income, changes in shareholders' equity (Company), cash flows, and value added, the performance report and the related notes, prepared under the responsibility of its Management. The reviews of certain investees' financial statements for the quarter ended March 31, 2009, whose investments were assessed under the equity method, were conducted under the responsibility of other independent auditors. Accordingly, the conclusions of our review as regards the Company's investments as of March 31, 2009, in the amount of R\$14,117,066 thousand and the generated losses for the quarter then ended, in the amount of R\$409,644 thousand, and total consolidated assets of R\$60,762,553 thousand as of March 31, 2009 and consolidated net revenues for the quarter then ended, in the amount of R\$2,042,327 thousand, are exclusively based on the reports of those other auditors.
2. Except for the matter mentioned in paragraph 3, our review was conducted in accordance with specific standards established by the Brazilian Institute of Independent Auditors (IBRACON), together with the Brazilian Federal Accounting Council (CFC), and consisted, principally, of: (a) inquiries of and discussions with certain officials of the Company and its investees who have responsibility for accounting, financial and operating matters about the criteria adopted in the preparation of the interim financial statements; and (b) review of the information and subsequent events that had or might have had material effects on the financial position and results of operations of the Company and its investees.
3. The financial statements for the quarter ended March 31, 2009 of certain investees, in which the Company has material investments accounted for under the equity method, were not reviewed by independent accountants. Accordingly, the conclusions of our review do not encompass: R\$15,112,031 thousand of these investments of the Company as of March 31, 2009, R\$175,848 thousand in generated losses for the quarter then ended; consolidated assets of R\$14,716,816 thousand as of March 31, 2009, and consolidated net revenues for the quarter then ended in the amount of R\$1,267,019 thousand.

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4. Based on our limited review and the report of other independent accountants, except for the effects of possible adjustments that might be required had the financial statements of the investees mentioned in paragraph 3 been reviewed by independent accountants, we are not aware of any material modifications that should be made to the financial statements referred to in paragraph 1 for them to be in conformity with Brazilian accounting practices and standards established by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of interim financial statements.
5. We have previously audited the balance sheets, holding company and consolidated, as of December 31, 2008, presented for comparative purposes, and issued our unqualified opinion, dated February 19, 2009, sharing the responsibility in respect of the audits, by other independent auditors, of the financial statements of certain investees (holding company - investments of R\$14,405 million; consolidated total assets of R\$62,619 million). Additionally, we have reviewed the statements of income, cash flows and value added, holding company and consolidated, for the quarter ended March 31, 2008, presented for comparison purposes, and issue our review report dated April 24, 2008, sharing the responsibility in respect of the reviews, by other independent auditors (holding company - generate gains in equity method of R\$604,103 thousand; consolidated net revenues of R\$4,189,022 thousand) and including a qualification regarding the financial statements of certain investees, which have not been reviewed by independent auditors (holding company - generated loss in equity method of R\$651,440 thousand; consolidated net revenues of R\$3 94,401 thousand).
6. As mentioned in note 6.2, in view of the changes in Brazilian accounting practices in 2008, the statements of income, cash flows and value added for the quarter ended March 31, 2008, presented for comparative purposes, have been adjusted and are being restated as set forth in NPC 12 Accounting Policies, Changes in Accounting Estimates and Errors, as approved by CVM Resolution 506/06.
7. The accompanying interim financial statements have been translated into English for the convenience of readers outside Brazil.

Rio de Janeiro, May 6, 2009

DELOITTE TOUCHE TOHMATSU
Auditores Independentes

Marcelo Cavalcanti Almeida
Engagement Partner

Table of Contents**B- Additional Information****9- Cash generation (to review)**

Consolidated operating cash generation measured by EBITDA (earnings before financial results, equity in subsidiaries, income taxes, depreciation, amortization and depletion, increased by dividends received) was R\$5,445,604 as of March 31, 2009 against R\$6,637,827 as of March 31, 2008, representing a decrease of 3.7%.

EBITDA is not a BR GAAP measure and does not represent the expected cash flow for the reporting periods and, therefore, should not be considered as an alternative measure to net income (loss), as an indicator of operating performance or as an alternative to cash flow as a liquidity source.

Our definition of EBITDA may not be comparable with EBITDA as defined by other companies.

EBITDA Consolidated

| | 1Q/09 | (to review) 4Q/08 | 1Q/08 |
|---|------------------|------------------------------|------------------|
| Operating profit EBIT | 4,148,839 | 2,764,979 | 5,324,899 |
| Depreciation / amortization of goodwill | 1,296,765 | 1,322,129 | 1,312,928 |
| Impairment | | (2,447,000) | |
| | 5,445,604 | 1,640,108 | 6,637,827 |
| Dividends received | | 25,166 | |
| E BITDA (LAJIDA) | 5,445,604 | 1,665,274 | 6,637,827 |
| Depreciation / amortization of goodwill | (1,296,765) | (1,322,129) | (1,312,928) |
| Dividends received | | (25,166) | |
| Impairment | | 2,447,000 | |
| Equity Results | 13,450 | (409,985) | (344,109) |
| Profit on sale of investment | | | 138,879 |
| Financial results, net | (361,256) | (2,343,368) | (1,233,190) |
| Income tax and social contribution | (757,982) | 2,464,973 | (669,883) |
| Minority interests | 107,852 | (36,429) | (35,653) |
| Net income | 3,150,903 | 2,440,170 | 3,180,943 |

Consolidated EBITDA by segment

| Segments | 1Q/09 | (to review) 4Q/08 | 1Q/08 |
|----------------------|------------------|------------------------------|------------------|
| Ferrous minerals | 5,196,299 | 5,712,493 | 3,400,034 |
| Non-ferrous minerals | 128,341 | (4,553,907) | 2,999,993 |
| Logistics | 120,993 | 528,768 | 313,360 |
| Steel | (32,523) | (157,009) | 21,602 |
| Others | 32,494 | 134,929 | (97,162) |
| | 5,445,604 | 1,665,274 | 6,637,827 |

Table of Contents**10- Management's Discussion and Analysis of the Operational Performance in March 31, 2009 (to review)**

In analyzing this information, some general aspects should be considered, as follows:

On March 31, 2009, about 94% of consolidated gross revenue and 46% of consolidated total costs are linked to currencies other than Brazilian reais. As a result, exchange rate fluctuations have a significant impact on financial income (expenses).

The average dollar rate increased by 33.0% between periods (R\$2.311291 as of March 31, 2009 against R\$1.737908 as of March 31, 2008). And the final rate increased by 32.4% (R\$2.3152 as of March 31, 2009 against R\$1.7491 as of March 31, 2008).

The Consolidated Trade Balance performance was as follows:

| | In US\$ million (to review) | | |
|---------|--------------------------------|--------------|--------------|
| | 1Q/09 | 4Q/08 | 1Q/08 |
| Exports | 3,339 | 4,387 | 3,014 |
| Imports | (271) | (336) | (276) |
| | 3,068 | 4,051 | 2,738 |

10.1- Consolidated**10.1.1- Sales**

| | In thousands of metric tons (except railroad transportation) | | | In thousands of reais (to review) | | |
|---|---|---------------|---------------|-----------------------------------|-------------------|------------------|
| | 1Q/09 | 4Q/08 | 1Q/08 | 1Q/09 | 4Q/08 | 1Q/08 |
| Iron ore | 49,993 | 46,477 | 64,789 | 7,265,680 | 7,936,499 | 5,200,468 |
| Pellets (*) | 3,342 | 8,757 | 9,856 | 869,536 | 2,865,503 | 1,434,914 |
| | 53,335 | 55,234 | 74,645 | 8,135,216 | 10,802,002 | 6,635,382 |
| Manganese | 128 | 61 | 146 | 34,159 | 53,612 | 69,161 |
| Ferroalloys | 53 | 53 | 123 | 178,748 | 394,759 | 503,757 |
| | | | | 212,907 | 448,371 | 572,918 |
| Copper | 110 | 113 | 93 | 248,026 | 246,349 | 388,341 |
| Finished copper | 33 | 55 | 35 | 297,810 | 405,563 | 491,050 |
| Nickel | 59 | 71 | 66 | 1,477,030 | 1,917,536 | 3,278,585 |
| Potash | 105 | 34 | 158 | 150,492 | 50,868 | 111,458 |
| Kaolin | 179 | 242 | 263 | 91,013 | 101,503 | 92,710 |
| Precious metals | 25 | 22 | 19 | 188,953 | 136,924 | 270,225 |
| Cobalt (t) | 636 | 863 | 740 | 30,243 | 84,178 | 106,482 |
| | | | | 2,483,567 | 2,942,921 | 4,738,851 |
| Railroad transportation (millions of TKU) (**) | 8,360 | 8,083 | 8,272 | 513,055 | 747,603 | 664,485 |
| Port services | 3,929 | 6,647 | 5,880 | 73,922 | 138,433 | 94,476 |
| Boat services | | | | 23,505 | 24,129 | 21,709 |

| | | | | | | |
|-----------------------------|-------|-------|-------|-------------------|-------------------|-------------------|
| Maritime transportation | | | | | 3,447 | 6,176 |
| | | | | 610,482 | 913,612 | 786,846 |
| Aluminum | 127 | 134 | 136 | 450,073 | 742,158 | 628,740 |
| Alumina | 1,257 | 1,362 | 833 | 567,342 | 978,611 | 481,803 |
| Bauxite | 665 | 1,164 | 993 | 53,492 | 103,593 | 61,314 |
| | | | | 1,070,907 | 1,824,362 | 1,171,857 |
| Steel | 79 | 151 | 233 | 169,915 | 303,718 | 320,189 |
| Pig iron | 35 | | 78 | 24,896 | | 51,961 |
| Coal | 976 | 1,032 | 1,005 | 309,493 | 457,360 | 125,721 |
| Other products and services | | | | 161,140 | 253,904 | 145,333 |
| | | | | 665,444 | 1,014,982 | 643,204 |
| | | | | 13,178,523 | 17,946,250 | 14,549,058 |

(*) Includes sales of providing services to subsidiaries of control shared in the amounts of \$4,348, R\$4,605, R\$20,226, referring to the 1Q/09, 4Q/08, e 1Q/08, respectively.

(**) The Company carried through its railroad system of 5.072, 5.936, 5.747 millions of TKUs of general cargo and 3,288, 2,147, 2,525 millions of TKUs of iron ore for third parties in 1Q/09, 4Q/08 e 1Q/08,

respectively.

The fall of 9.4% in the Sales, from R\$14,549,058 on March 31, 2008 to R\$13.178.523 on March 31, 2009 is due primarily to the reduction of volumes sold.

Table of Contents**Consolidated sales by segment**

| | Ferrous Minerals | Non-Ferrous Minerals | Logistics | Holdings | | 1Q/09 | % | (to review) | | 1Q/08 |
|--|------------------|----------------------|----------------|------------------|----------------|-------------------|------------|-------------------|------------|-------------------|
| | | | | Aluminum | Others | | | 4Q/08 | % | |
| Internal market | | | | | | | | | | |
| Latin America | 83,048 | 1,054 | | 18,881 | | 102,983 | 1 | 618,952 | 3 | 489,522 |
| Canada | 21,783 | 253,354 | | 206,368 | 21,781 | 503,286 | 4 | 648,111 | 4 | 728,853 |
| United States (USA) | 18,540 | 405,745 | | 60,011 | 209,371 | 693,667 | 5 | 1,100,627 | 6 | 1,534,538 |
| Germany | 350,441 | 128,640 | | | | 479,081 | 4 | 1,246,667 | 7 | 943,566 |
| Belgium | 62,408 | 13,254 | | 92,048 | 80 | 167,790 | 1 | 403,054 | 2 | 311,951 |
| France | 63,959 | 24,051 | | 1,948 | | 89,958 | 1 | 297,220 | 2 | 278,201 |
| England | 255,990 | 156,534 | | 2,595 | 8,507 | 423,626 | 3 | 445,744 | 2 | 509,926 |
| Italy | 156,283 | 22,607 | | | | 178,890 | 1 | 546,981 | 3 | 316,846 |
| Europe, except for Germany, Belgium, France, England and Italy | 68,423 | 169,352 | | 325,337 | | 563,112 | 4 | 1,431,229 | 8 | 1,017,470 |
| Middle East/Africa/Oceania | 232,239 | 20,050 | | 52,669 | | 304,958 | 2 | 960,761 | 5 | 354,042 |
| China | 5,277,465 | 430,300 | | 30,549 | 10,164 | 5,748,478 | 44 | 2,266,277 | 13 | 2,434,458 |
| South Korea | 537,862 | 49,475 | | | | 587,337 | 5 | 1,058,175 | 6 | 453,203 |
| Japan | 597,495 | 166,100 | | 178,076 | 191,396 | 1,133,067 | 9 | 3,080,726 | 17 | 1,528,349 |
| Taiwan | 118,616 | 189,192 | | | | 307,808 | 2 | 286,699 | 2 | 454,313 |
| China, other than China, South Korea, Japan and Taiwan | | 210,420 | | | 111,296 | 321,716 | 2 | 888,434 | 5 | 843,824 |
| Total | 7,844,552 | 2,240,128 | | 968,482 | 552,595 | 11,605,757 | 88 | 15,279,657 | 85 | 12,199,062 |
| Oil | 613,966 | 244,377 | 605,296 | 109,127 | | 1,572,766 | 12 | 2,666,593 | 15 | 2,349,996 |
| Total | 8,458,518 | 2,484,505 | 605,296 | 1,077,609 | 552,595 | 13,178,523 | 100 | 17,946,250 | 100 | 14,549,058 |

10.1.2- Cost of products and services

| | Denominated in | | 1Q/09 | (to review) | |
|----------------------------|----------------|------------------|-----------|-------------|----------|
| | R\$ | Other currencies | | 4Q/08 | 1Q/08 |
| Personnel | 528,291 | 5 51,881 | ,080,172 | ,198,838 | 9 51,118 |
| Material | 632,522 | 844,313 | 1,476,835 | 1,674,770 | ,556,440 |
| Oil and gas | 421,934 | 1 76,397 | 5 98,331 | 9 38,981 | 8 42,656 |
| Outsourced services | 610,131 | 3 43,351 | 9 53,482 | ,343,693 | ,128,949 |
| Energy | 210,174 | 2 00,311 | 4 10,485 | 5 47,647 | 4 54,916 |
| Raw Material | 98,122 | 2 89,593 | 3 87,715 | 6 62,885 | 6 43,838 |
| Depreciation and depletion | 588,907 | 6 17,849 | ,206,756 | ,248,215 | ,231,975 |
| Others | 592,316 | 1 60,675 | 7 52,991 | 4 95,851 | 7 01,631 |

| | | | | | |
|--------------|-----------------|------------------|-----------------|-----------------|-----------------|
| | 3 | | 6 | 8 | 7 |
| Total | ,682,397 | 3,184,370 | ,866,767 | ,110,880 | ,511,523 |
| | 54% | | 46% | | |

The 8.59% decrease in cost of products and services (R\$7,511,923 as of March 31, 2008 against R\$6,866,767 on March 31, 2009) was due to variations in volumes sold and in the cost of energy.

10.1.3- Selling and administrative expenses

The Selling expenses decreased 9.6%, of R\$143,156 on March 31, 2008 to R\$129,446 on March 31, 2009, due primarily to reduction of doubtful debt provision and third party outsourced services, while administrative expenses decreased 2.5%, from R\$456,693 at March 31, 2008 to R\$445,044 on March 31, 2009. This reduction reflects the adaptation by the Company to the present market conditions.

10.1.4- Research and development

Research and development expenses increased by 33.3%, from R\$331,006 as of March 31, 2008 to R\$441,229 as of March 31, 2009, reflecting Vale's plan to diversify and expand the production to meet global demand.

10.1.5- Other operating expenses

Other operating expenses increased R\$527,052, from R\$357,463 as March 31, 2008 to R\$884,515 on March 31, 2009, basically due to idle capacity, shutdown of plants and employee termination costs.

10.1.6- Net financial results

Net financial results varied R\$871,934 (R\$361,256 as of March 31, 2009 against R\$1,233,190 as of March 31, 2008), reflecting the effects of the appreciation of US dollar against Brazilian reais on debt.

10.1.7- Income tax and social contribution

Income and social contribution tax expenses presented an expense of R\$757,982 as of March 31, 2009 compared to R\$669,883 as of March 31, 2008, mainly due to a decrease in taxable income and the shareholders remuneration paid integrally in form of dividends, without application of interest on shareholders equity payment.

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10.2- Parent Company

10.2.1- Sales

The 27.2% increase in revenue (R\$7,467,950 as of March 31, 2009 against R\$5,872,084 as of March 31, 2008) was derived from the appreciation of American dollars against the real and increase in average product prices in Brazilian reais, partially compensated by the fall of selling volumes.

10.2.2- Cost of products and services

Cost of products and services sold as of March 31, 2009 was R\$2,883,416, against R\$3,530,416 as of March 31, 2008, representing a 18.3% decrease. The main factor is less volume sold.

10.2.3- Gross margin

Gross margin increased from 36.4% as of March 31, 2008 to 60.5% as of March 31, 2009, mainly due to dollar valuation against Brazilian real and the price adjustment.

10.2.4- Equity Results

Equity in subsidiaries decreased by R\$1,439,243 from R\$2,325,219 as of March 31, 2008 to R\$885,976 as of March 31, 2009 mainly due to the reduction of operational results of affiliates for the period.

10.2.5- Selling and administrative expenses

The selling expenses decreased 45%, by R\$17,786 as of March 31, 2008 to R\$9,780 as of March 31, 2009, due primarily to reduction of doubtful debt provision, while administrative expenses decreased by 4.6% from R\$275,393 as of March 31, 2008 to R\$262,562 as of March 31, 2009, due to primarily the reduction of Salary expenses and outsourced services, and adaptation by the Company to the present market conditions.

10.2.6- Research and development

Research and development increased by 44.6%, from R\$185,447 as of March 31, 2008 to R\$268,101 as of March 31, 2009, reflecting Vale's plan to diversify production.

10.2.7- Other operating expenses/ income

Other operating expenses increased by R\$262,148, from expense of R\$88,678 as of March 31, 2008 to expense of R\$350,826 as of March 31, 2009, due basically the idle capacity and shutdown of plants.

10.2.8- Net financial results

Net financial results changed R\$458,260 (R\$675,548 as of March 31, 2008 against R\$217,289 as of March 31, 2009) basically due to the appreciation of US dollar against Brazilian Real on intercompany debt.

10.2.9- Income tax and social contribution

Income tax and social contribution revenue totaled R\$73,891 as of March 31, 2009 compared to an expense of R\$1,038,240 as of March 31, 2008, mainly due to a increase in taxable income and no usage of benefit of interest on shareholders equity.

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11- Board of Directors, Fiscal Council, Advisory Committees and Executive Officers

Board of Directors

Sérgio Ricardo Silva Rosa
Chairman

Mário da Silveira Teixeira Júnior
Vice-President

Eduardo Fernando Jardim Pinto
Francisco Augusto da Costa e Silva
Jorge Luiz Pacheco
José Ricardo Sasseron
Ken Abe
Luciano Galvão Coutinho
Oscar Augusto de Camargo Filho
Renato da Cruz Gomes
Sandro Kohler Marcondes

Alternate

Deli Soares Pereira
Hidehiro Takahashi
João Moisés de Oliveira
Luiz Augusto Ckless Silva
Luiz Carlos de Freitas
Luiz Felix Freitas
Paulo Sérgio Moreira da Fonseca
Raimundo Nonato Alves Amorim
Rita de Cássia Paz Andrade Robles
Wanderlei Viçoso Fagundes

Advisory Committees of the Board of Directors

Controlling Committee

Luiz Carlos de Freitas
Paulo Ricardo Ultra Soares
Paulo Roberto Ferreira de Medeiros

Executive Development Committee

João Moisés de Oliveira
José Ricardo Sasseron
Oscar Augusto de Camargo Filho

Strategic Committee

Governance and Sustainability Committee

Jorge Luiz Pacheco
Renato da Cruz Gomes
Ricardo Simonsen

Fiscal Council

Marcelo Amaral Moraes
Chairman

Aníbal Moreira dos Santos
Antônio José de Figueiredo Ferreira
Bernard Appy

Alternate

Cícero da Silva
Marcus Pereira Aucélio
Oswaldo Mário Pêgo de Amorim Azevedo

Executive Officers

Roger Agnelli
Chief Executive Officer

Carla Grasso
Executive Officer for Human Resources and Corporate Services

Eduardo de Salles Bartolomeo
Executive Officer for Logistics, Engineering and Project Management

Fabio de Oliveira Barbosa
Chief Financial Officer and Investor Relations

José Carlos Martins
Executive Officer for Ferrous Minerals

Tito Botelho Martins
Executive Officer for Non Ferrous

Roger Agnelli
Mário da Silveira Teixeira Júnior
Oscar Augusto de Camargo Filho
Sérgio Ricardo Silva Rosa

Finance Committee

Fabio de Oliveira Barbosa
Ivan Luiz Modesto Schara
Luiz Maurício Leuzinger
Wanderlei Viçoso Fagundes

Marcus Vinícius Dias Severini

Chief Officer of Accounting and Control Department

Vera Lúcia de Almeida Pereira Elias
Chief Accountant
CRC-RJ 043059/O-8

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| Aluminum Area | | Equity Investee Information 03/31/2009 | | | | | | | | | |
|-------------------------------------|----------------------|--|-----------|-----------|-----------|--|------------------|------------------|------------------|------------------|------------------|
| | | Albras (Adjusted and Unaudited) | | | | | | | | | |
| Information | | 2009 | | | | 2008 | | | | | |
| | | As of and for the three-month periods ended | | | | As of and for the three-month periods ended | | | | | |
| | | September | | | | September December | | | | | |
| | | March 31 | 30 | 30 | 31 | Total | March 31 | June 30 | 30 | 31 | Total |
| Quantity sold external market | MT (thousand) | 107 | | | | 107 | 109 | 99 | 117 | 108 | 433 |
| Quantity sold internal market | MT (thousand) | 5 | | | | 5 | 7 | 6 | 7 | 6 | 25 |
| Quantity sold total | MT (thousand) | 112 | | | | 112 | 116 | 105 | 124 | 114 | 459 |
| Average sales price external market | US\$ | 1,388.35 | | | | 1,388.35 | 2,486.87 | 2,939.31 | 2,888.76 | 2,138.46 | 2,605.19 |
| Average sales price internal market | US\$ | 1,783.09 | | | | 1,783.09 | 2,307.59 | 2,640.89 | 2,625.72 | 1,989.17 | 2,389.40 |
| Average sales price total | US\$ | 1,405.98 | | | | 1,405.98 | 2,476.70 | 2,920.77 | 2,874.64 | 2,130.52 | 2,593.10 |
| Long-term indebtedness, gross | US\$ | 250,000 | | | | 250,000 | 283,333 | 300,521 | 266,666 | 250,000 | 250,000 |
| Short-term indebtedness, gross | US\$ | 155,748 | | | | 155,748 | 111,462 | 90,031 | 127,730 | 133,328 | 133,328 |
| Total indebtedness, gross | US\$ | 405,748 | | | | 405,748 | 394,795 | 390,552 | 394,396 | 383,328 | 383,328 |
| Stockholders equity | R\$ | 1,919,775 | | | | 1,919,775 | 1,762,743 | 1,871,810 | 1,908,042 | 1,974,698 | 1,974,698 |
| Net operating revenues | R\$ | 361,771 | | | | 361,771 | 507,262 | 513,302 | 583,876 | 556,610 | 2,161,050 |
| Cost of products | R\$ | (377,260) | | | | (377,260) | (389,192) | (370,909) | (431,517) | (445,146) | (1,636,764) |

| | | | | | | | | |
|---|-----|-----------------|-----------------|-----------------|----------------|----------------|---------------|----------------|
| Other expenses / revenues | R\$ | (29,997) | (29,997) | (33,556) | (34,060) | (30,689) | (36,839) | (135,144) |
| Depreciation, amortization and depletion | R\$ | 14,763 | 14,763 | 18,680 | 17,539 | 18,851 | 17,422 | 72,492 |
| EBITDA | R\$ | (30,723) | (30,723) | 103,194 | 125,872 | 140,521 | 92,047 | 461,634 |
| Depreciation, amortization and depletion | R\$ | (14,763) | (14,763) | (18,680) | (17,539) | (18,851) | (17,422) | (72,492) |
| EBIT | R\$ | (45,486) | (45,486) | 84,514 | 108,333 | 121,670 | 74,625 | 389,142 |
| Non recurrent intens (Write-down of assets) | R\$ | | | (6) | | (122) | (19,743) | (19,871) |
| Net financial result | R\$ | (3,175) | (3,175) | (116,210) | 63,342 | (72,234) | (23,765) | (148,867) |
| Non operational results | R\$ | | | | | | | |
| Income before income tax and social contribution | R\$ | (48,661) | (48,661) | (31,702) | 171,675 | 49,314 | 31,117 | 220,404 |
| Income tax and social contribution | R\$ | 17,915 | 17,915 | (14,510) | (62,608) | (13,082) | 18,084 | (72,116) |
| Net income | R\$ | (30,746) | (30,746) | (46,212) | 109,067 | 36,232 | 49,201 | 148,288 |

Table of Contents**Aluminum Area MRN (Adjusted and Unaudited)**

| Information | | 2009 | | | | 2008 | | | | |
|-------------------------------------|---------------|---|--------------|------------|----------------|---|----------------|----------------|----------------|----------------|
| | | As of and for the three-month periods ended | | | | As of and for the three-month periods ended | | | | |
| | | March 31 | September 30 | October 31 | November Total | March 31 | June 30 | September 30 | December 31 | Total |
| Quantity sold external market | MT (thousand) | 798 | | | 798 | 1,369 | 1,573 | 1,496 | 1,557 | 5,995 |
| Quantity sold internal market | MT (thousand) | 2,640 | | | 2,640 | 2,621 | 2,949 | 3,268 | 3,415 | 12,253 |
| Quantity sold total | MT (thousand) | 3,438 | | | 3,438 | 3,990 | 4,522 | 4,764 | 4,972 | 18,248 |
| Average sales price external market | US\$ | 35.19 | | | 35.19 | 61.52 | 34.93 | 34.71 | 36.96 | 41.47 |
| Average sales price internal market | US\$ | 30.96 | | | 30.96 | 53.89 | 31.24 | 31.96 | 33.35 | 36.87 |
| Average sales price total | US\$ | 31.94 | | | 31.94 | 56.51 | 32.52 | 32.83 | 35.16 | 38.56 |
| Long-term indebtedness, gross | US\$ | 84,258 | | | 84,258 | 46,151 | 115,231 | 96,970 | 90,306 | 90,306 |
| Short-term indebtedness, gross | US\$ | 180,491 | | | 180,491 | 245,429 | 221,143 | 225,894 | 163,251 | 163,251 |
| Total indebtedness, gross | US\$ | 264,749 | | | 264,749 | 291,580 | 336,374 | 322,864 | 253,557 | 253,557 |
| Stockholders equity | R\$ | 661,785 | | | 661,785 | 634,170 | 687,360 | 717,533 | 591,487 | 591,487 |
| Net operating revenues | R\$ | 229,025 | | | 229,025 | 206,543 | 220,647 | 242,896 | 377,298 | 1,047,384 |
| Cost of products | R\$ | (121,426) | | | (121,426) | (121,170) | (150,287) | (145,601) | (168,979) | (586,037) |
| | R\$ | (2,524) | | | (2,524) | (4,622) | (5,480) | (5,586) | 899 | (14,789) |

| | | | | | | | | |
|---|-----|----------------|----------------|----------------|---------------|----------------|----------------|----------------|
| Other expenses / revenues | | | | | | | | |
| Depreciation, amortization and depletion | R\$ | 27,563 | 27,563 | 28,386 | 28,305 | 28,322 | 28,016 | 113,029 |
| EBITDA | R\$ | 132,638 | 132,638 | 109,137 | 93,185 | 120,031 | 237,234 | 531,571 |
| Depreciation, amortization and depletion | R\$ | (27,563) | (27,563) | (28,386) | (28,305) | (28,322) | (28,016) | (113,029) |
| EB IT | R\$ | 105,075 | 105,075 | 80,751 | 64,880 | 91,709 | 209,218 | 446,558 |
| Net financial result | R\$ | (1,985) | (1,985) | (12,584) | 18,096 | (53,799) | (68,541) | (116,828) |
| Income before income tax and social contribution | R\$ | 103,090 | 103,090 | 68,167 | 82,976 | 37,910 | 140,677 | 329,730 |
| Income tax and social contribution | R\$ | (39,480) | (39,480) | (25,009) | (29,786) | (7,737) | (46,817) | (109,349) |
| Net income | R\$ | 63,610 | 63,610 | 43,158 | 53,190 | 30,173 | 93,860 | 220,381 |

Table of Contents**Aluminum Area Alunorte (Adjusted and Unaudited)**

| Information | | 2009 | | | | 2008 | | | | Total |
|-------------------------------------|---------------|---|--------------|------------|----------------|---|------------------|------------------|------------------|------------------|
| | | As of and for the three-month periods ended | | | | As of and for the three-month periods ended | | | | |
| | | March 31 | September 30 | October 31 | November Total | March 31 | June 30 | September 30 | December 31 | |
| Quantity sold external market | MT (thousand) | 1,225 | | | 1,225 | 814 | 832 | 975 | 1,336 | 3,957 |
| Quantity sold internal market | MT (thousand) | 216 | | | 216 | 235 | 258 | 301 | 250 | 1,044 |
| Quantity sold total | MT (thousand) | 1,441 | | | 1,441 | 1,049 | 1,090 | 1,276 | 1,586 | 5,001 |
| Average sales price external market | US\$ | 192.84 | | | 192.84 | 322.36 | 372.73 | 378.60 | 286.74 | 359.27 |
| Average sales price internal market | US\$ | 170.69 | | | 170.69 | 287.59 | 340.49 | 342.74 | 300.46 | 325.30 |
| Average sales price total | US\$ | 195.62 | | | 0.00 | 314.57 | 365.10 | 370.14 | 288.91 | 343.47 |
| Long-term indebtedness, gross | US\$ | 845,397 | | | 845,397 | 740,000 | 828,590 | 855,397 | 855,398 | 855,398 |
| Short-term indebtedness, gross | US\$ | 52,676 | | | 52,676 | 20,037 | | 28,951 | 31,124 | 31,124 |
| Total indebtedness, gross | US\$ | 898,073 | | | 898,073 | 760,037 | 828,590 | 884,348 | 886,522 | 886,522 |
| Stockholders equity | R\$ | 4,294 | | | 4,294 | 4,077,566 | 4,233,439 | 4,345,957 | 4,346,958 | 4,346,958 |
| Net operating revenues | R\$ | 643,619 | | | 643,619 | 574,017 | 660,565 | 789,345 | 1,033,795 | 3,057,722 |
| Cost of products | R\$ | (705) | | | (705) | (476,079) | (478,374) | (587,518) | (754,073) | (2,296,044) |
| | R\$ | (19,070) | | | (19,070) | (25,223) | (26,517) | (22,959) | (49,473) | (124,172) |

| | | | | | | | | |
|---|-----|-----------------|-----------------|-----------------|----------------|----------------|----------------|----------------|
| Other expenses / revenues | | | | | | | | |
| Depreciation, amortization and depletion | R\$ | 56,478 | 56,478 | 36,013 | 30,350 | 30,294 | 45,448 | 142,105 |
| EBITDA | R\$ | (23,991) | (23,991) | 108,728 | 186,024 | 209,162 | 275,697 | 779,611 |
| Depreciation, amortization and depletion | R\$ | (56,478) | (56,478) | (36,013) | (30,350) | (30,294) | (45,448) | (142,105) |
| EBIT | R\$ | (80,469) | (80,469) | 72,715 | 155,674 | 178,868 | 230,249 | 637,506 |
| Net financial result | R\$ | 43 | 43 | (108,077) | 33,026 | (57,123) | (227,185) | (359,359) |
| Non recurrent itens (Write-down of assets) | R\$ | | | | | | | |
| Income before income tax and social contribution | R\$ | (80,426) | (80,426) | (35,362) | 188,700 | 121,745 | 3,064 | 278,147 |
| Income tax and social contribution | R\$ | 28,075 | 28,075 | (7,679) | (32,826) | (9,227) | 12,761 | (36,971) |
| Net income | R\$ | (52,351) | (52,351) | (43,041) | 155,874 | 112,518 | 15,825 | 241,176 |

Table of Contents**Aluminum Area Valesul (Adjusted and Unaudited)**

| Information | | 2009 | | | | 2008 | | | | |
|--|---------------|---|--------------|------------|-----------------|---|-----------------|-----------------|-----------------|-----------------|
| | | As of and for the three-month periods ended | | | | As of and for the three-month periods ended | | | | |
| | | March 31 | September 30 | October 31 | November Total | March 31 | June 30 | September 30 | December 31 | Total |
| Quantity sold external market | MT (thousand) | 2 | | | 2 | 4 | 7 | 6 | 4 | 21 |
| Quantity sold internal market | MT (thousand) | 13 | | | 13 | 16 | 15 | 19 | 16 | 66 |
| Quantity sold total | MT (thousand) | 15 | | | 15 | 20 | 22 | 25 | 20 | 87 |
| Average sales price external market | US\$ | 2,392.81 | | | 2,392.81 | 2,653.70 | 2,846.14 | 2,679.23 | 2,818.91 | 2,861.40 |
| Average sales price internal market | US\$ | 2,133.06 | | | 2,133.06 | 3,786.95 | 4,168.23 | 3,321.93 | 2,575.30 | 3,695.60 |
| Average sales price total | US\$ | 2,167.50 | | | 2,167.50 | 3,560.30 | 3,747.56 | 3,148.89 | 2,624.02 | 3,494.25 |
| Stockholders equity | R\$ | 648 | | | 648 | 637,555 | 644,643 | 650,810 | 656 | 656 |
| Net operating revenues | R\$ | 59,818 | | | 59,818 | 100,607 | 115,282 | 134,658 | 100,820 | 451,367 |
| Cost of products | R\$ | (61,642) | | | (61,642) | (84,081) | (91,021) | (122,915) | (87,461) | (385,478) |
| Other expenses / revenues | R\$ | (6,948) | | | (6,948) | (10,741) | (10,754) | (9,585) | (11,768) | (42,848) |
| Depreciation, amortization and depletion | R\$ | 7,164 | | | 7,164 | 8,099 | 5,909 | 7,084 | 7,056 | 28,148 |
| EBITDA | R\$ | (1,608) | | | (1,608) | 13,884 | 19,416 | 9,242 | 8,647 | 51,189 |
| Depreciation, amortization | R\$ | (7,164) | | | (7,164) | (8,099) | (5,909) | (7,084) | (7,056) | (28,148) |

and depletion

| | | | | | | | | |
|---|-----|----------------|----------------|--------------|---------------|---------------|---------------|---------------|
| EBIT | R\$ | (8,772) | (8,772) | 5,785 | 13,507 | 2,158 | 1,591 | 23,041 |
| Net financial result | R\$ | 200 | 200 | (905) | (372) | 10,469 | 9,248 | 18,440 |
| Income before income tax and social contribution | R\$ | (8,572) | (8,572) | 4,880 | 13,135 | 12,627 | 10,839 | 41,481 |
| Income tax and social contribution | R\$ | | | (2,814) | (6,045) | (6,460) | (5,405) | (20,724) |
| Net income | R\$ | (8,572) | (8,572) | 2,066 | 7,090 | 6,167 | 5,434 | 20,757 |

Table of Contents**Pellets Area Hispanobras (Adjusted and Unaudited)**

| Information | | 2009 | | | | 2008 | | | | |
|-------------------------------------|---------------|---|--------------|------------|----------------|---|----------------|---------------|----------------|----------------|
| | | As of and for the three-month periods ended | | | | As of and for the three-month periods ended | | | | |
| | | March 31 | September 30 | October 31 | November Total | March 31 | June 30 | September 30 | December 31 | Total |
| Quantity sold external market | MT (thousand) | | | | | 404 | 400 | 618 | | 1,422 |
| Quantity sold internal market | MT (thousand) | | | | | 710 | 805 | 554 | 396 | 2,465 |
| Quantity sold total | MT (thousand) | | | | | 1,114 | 1,205 | 1,172 | 362 | 3,887 |
| Average sales price external market | US\$ | | | | | 71.45 | 203.07 | 227.18 | | 176.15 |
| Average sales price internal market | US\$ | | | | | 75.95 | 203.58 | 236.04 | 146.47 | 164.94 |
| Average sales price total | US\$ | | | | | 74.32 | 203.41 | 231.37 | 146.47 | 169.04 |
| Short-term indebtedness, gross | US\$ | | | | | 75,338 | 58,382 | 7,474 | | 7,474 |
| Total indebtedness, gross | US\$ | | | | | 75,338 | 58,382 | 7,474 | | |
| Stockholders equity | R\$ | 222.769 | | | 222.769 | 157,097 | 264,714 | 301 | 333,094 | 333,094 |
| Net operating revenues | R\$ | 276 | | | 276 | 144,995 | 409,554 | 274,225 | 113,968 | 942,742 |
| Cost of products | R\$ | | | | | (129,399) | (237,400) | (196,794) | (81,105) | (644,698) |
| Other expenses / revenues | R\$ | (17,175) | | | (17,175) | (4,226) | (5,218) | (3,828) | (14,393) | (27,665) |
| | R\$ | 21 | | | 21 | 1,832 | 2,106 | 2,341 | 1,980 | 8,259 |

Depreciation,
amortization
and depletion

| | | | | | | | | |
|---|-----|-----------------|-----------------|---------------|----------------|---------------|---------------|----------------|
| EBITDA | R\$ | (16,878) | (16,878) | 13,202 | 169,042 | 75,944 | 18,470 | 276,658 |
| Depreciation, amortization and depletion | R\$ | (21) | (21) | (1,832) | (2,106) | (2,341) | (1,980) | (8,259) |
| EBIT | R\$ | (16,899) | (16,899) | 11,370 | 166,936 | 73,603 | 18,470 | 270,379 |
| Net financial result | R\$ | 2,514 | 2,514 | 901 | (2,986) | 11,974 | 30,417 | 40,306 |
| Income before income tax and social contribution | R\$ | (14,385) | (14,385) | 12,271 | 163,950 | 85,577 | 48,887 | 310,685 |
| Income tax and social contribution | R\$ | 95 | 95 | (5,138) | (56,334) | (29,992) | (17,044) | (108,508) |
| Net income | R\$ | (14,290) | (14,290) | 7,133 | 107,616 | 55,585 | 31,843 | 202,177 |

Table of Contents**Pellets Area Samarco (Adjusted and Unaudited)**

| Information | | 2009 | | | | 2008 | | | | Total |
|--|------------------|---|---------|----------|------------------|---|------------------|------------------|------------------|------------------|
| | | As of and for the three-month periods ended | | | | As of and for the three-month periods ended | | | | |
| | | September | October | November | December | September | October | November | December | |
| March 31 | 30 | 30 | 31 | Total | March 31 | June 30 | September 30 | December 31 | Total | |
| Quantity sold Pellets | MT (thousand) | 2,141 | | | 2,141 | 3,010 | 4,327 | 5,519 | 3,413 | 16,269 |
| Quantity sold Iron ore | MT (thousand) | 714 | | | 714 | 168 | 140 | 154 | 202 | 664 |
| Average sales price Pellets | US\$ | 98.56 | | | 98.56 | 105.51 | 142.07 | 152.30 | 156.17 | 141.95 |
| Quantity sold Iron ore | US\$ | 62.56 | | | 62.56 | 47.61 | 98.95 | 73.86 | 85.18 | 76.08 |
| Long-term indebtedness, gross | US\$ | 769,734 | | | 769,734 | 799,634 | 799,597 | 799,666 | 799,726 | 799,726 |
| Short-term indebtedness, gross | US\$ | 698,816 | | | 698,816 | 591,496 | 845,623 | 987,132 | 783,013 | 783,013 |
| Total indebtedness, gross | US\$ | 1,468,550 | | | 1,468,550 | 1,391,130 | 1,645,220 | 1,786,798 | 1,582,739 | 1,582,739 |
| Stockholders equity | R\$ | 791,000 | | | 791,000 | 995,859 | 1,493,766 | 1,377,023 | 599,872 | 599,872 |
| Net operating revenues | R\$ | 600,154 | | | 600,154 | 576,988 | 1,033,109 | 1,387,256 | 1,248,950 | 4,246,303 |
| Cost of products | R\$ | (218,224) | | | (218,224) | (275,764) | (450,521) | (520,484) | (353,458) | (1,600,227) |
| Other expenses / revenues | R\$ | (133,437) | | | (133,437) | (76,574) | (160,350) | (89,263) | (156,344) | (482,531) |
| Depreciation, amortization and depletion | R\$ | 32,103 | | | 32,103 | 13,635 | 26,227 | 44,595 | 44,008 | 128,465 |
| EBITDA | R\$ | 280,596 | | | 280,596 | 238,285 | 448,465 | 822,104 | 783,156 | 2,292,010 |
| Depreciation, amortization | R\$ | (32,103) | | | (32,103) | (13,635) | (26,227) | (44,595) | (44,008) | (128,465) |

and depletion

| | | | | | | | | |
|---|-----|----------------|----------------|----------------|----------------|----------------|----------------|------------------|
| EBIT | R\$ | 248,493 | 248,493 | 224,650 | 422,238 | 777,509 | 739,148 | 2,163,545 |
| Net financial result | R\$ | (7,768) | (7,768) | 5,635 | 176,662 | (466,551) | (547,667) | (831,921) |
| Income before income tax and social contribution | R\$ | 240,725 | 240,725 | 230,285 | 598,900 | 310,958 | 191,481 | 1,331,624 |
| Income tax and social contribution | R\$ | (43,826) | (43,826) | (57,342) | (100,979) | (46,457) | (21,571) | (226,349) |
| Net income | R\$ | 196,899 | 196,899 | 172,943 | 497,921 | 264,501 | 169,910 | 1,105,275 |

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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
(Registrant)

Date: May 6, 2009

By: /s/ Roberto Castello Branco
Roberto Castello Branco
Director of Investor Relations