

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

=====

FORM 6-K

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

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

For MAY 16, 2002

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

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

Federative Republic of Brazil
(Jurisdiction of incorporation or organization)

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

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

FORM 20-F

FORM 40-F

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

YES

NO

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

=====

Companhia Vale do Rio Doce

TABLE OF CONTENTS

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

This Form 6-K contains the following:

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

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

Item 1

CONTENTS

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

2 CVRD

PART I

Expressed in thousands

1- MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE OPERATING RESULTS FOR THREE MONTHS ENDED MARCH 31, 2002 COMPARED WITH THREE MONTHS ENDED MARCH 31, 2001

1.1- General Aspects

(a) The Company's segments of business are mining, logistics and energy, as follows:

- . Ferrous minerals: includes iron ore and pellets as well as manganese and ferro-alloys;
- . Non-ferrous minerals: includes gold, kaolin, potash and copper;
- . Logistics: includes railroads, ports and maritime terminals and shipping;
- . Energy: includes electric power generation; and
- . Shareholdings: includes interests in producers of aluminum, steel and fertilizers.

(b) The variations of the main currencies and indexes at 03/31/02 and 03/31/01 in terms of percentages in relation to the real, which impacted the results of the Company and its subsidiaries, jointly controlled companies and affiliates, were as follows:

(DELTA)% Currencies / Indexes

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

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

CVRD

3

1.2- Comments on the Consolidated Results

1.2.1- Consolidated Gross Revenue

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

 2,800,552
 =====

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

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

PER MARKET

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

PER PRODUCT

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

4

CVRD

1.2.2- Consolidated Cost of Products and Services

By category

	03/31/02 -----
Personnel	192,830
Material	264,889
Oil and gas	127,351
Outsourced services	182,170
Energy	112,432
Others	141,115

Sub total	1,020,787
Acquisition of products	262,951
Depreciation and depletion	246,297

Total	1,530,035 =====

1.3- Comments on the Parent Company Results

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

1.3.1- Gross Revenues

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

CVRD

5

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

				1,600,803
				=====

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

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

PER MARKET

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

PER PRODUCT

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

PER CURRENCIES*

R\$	17%
US\$	83%

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

6

CVRD

1.3.2- Cost of Products and Services

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

By category

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

	Denominated		03/31/02	03/31/01
	R\$	US\$		
Personnel	122,249	-	122,249	96,777
Material	52,414	61,282	113,696	91,677
Oil and gas	55,888	23,952	79,840	74,250
Outsourced services	127,221	1,155	128,376	94,840
Energy	27,388	-	27,388	18,250
Others	27,551	35,360	62,911	46,140
Subtotal	412,711	121,749	534,460	421,940
Acquisition of iron ore and pellets	5,292	138,009	143,301	168,050
Depreciation and depletion	149,898	-	149,898	111,210
Amortization of goodwill	24,419	-	24,419	4,100
Total	592,320	259,758	852,078	705,320
	70%	30%	100%	

1.3.3- Result of Shareholdings

The results of shareholdings by business area are as follows:

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

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

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

Ferrous

(a) Iron ore and pellets

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

CVRD

7

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

(b) Manganese and Ferro-alloys

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

Non-ferrous

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

Logistics

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

Shareholdings

(a) Steel

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

8

CVRD

(b) Aluminum

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

1.3.4- Operating Expenses

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

1.3.5- Net Financial Result

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

1.3.6- Discontinued Operations - 2001

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

1.3.7- Cash Flow

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

1.3.8- Income Tax and Social Contribution

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

QUARTERLY INFORMATION AND NOTES TO THE QUARTERLY INFORMATION

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

CVRD

11

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

12

CVRD

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

4- STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

In thousand

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

CVRD

13

(A free translation of the original in Portuguese)

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

14

CVRD

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

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

Expressed in thousands

6.1- Operations

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

6.2- Presentation of Financial Statements

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

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

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

6.3- Significant Accounting Policies

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

6.4- Cash and Cash Equivalents

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

14

CVRD

6.5- Accounts Receivable from Customers

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

6.6- Transactions with Related Parties

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

6.7- Inventories

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

CVRD

15

6.8- Deferred Income Tax and Social Contribution

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

	Deferred asset	
	03/31/02	12/31/01
	-----	-----
Tax loss carryforward	207,904	224,388
Temporary differences:		
. Pension Plan	167,131	168,288
. Contingent liabilities	253,907	243,311
. Provision for losses on assets	242,515	191,977
. Provision for losses on derivative financial instruments	26,580	25,911
. Others	37,984	56,177
	-----	-----
	936,021	910,055

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

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

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

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

16

CVRD

6.9- Investments

Partici- Adju-
pation stockhold
% eq

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

CVRD

17

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

Goodwill

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

Negative goodwill

Companhia Siderurgica de Tubarao - CST

Goodwill was amortized as follows:

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

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

Usinas Siderurgicas de Minas Gerais S.A. - USIMINAS

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

(f) Indirect holdings through ALUVALE:

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

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

18

CVRD

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

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

(j) The consolidated shareholding in Vale do Rio Doce Aluminio S.A. - ALUVALE is 100%, the subsidiary Itabira Rio Doce Company Limited - ITACO owns 5.26% of the capital;

(k) In March 2001, CVRD withdrew from CSN by unwinding the cross-participation relationship between the companies;

(l) CVRD's participation in Ferteco Mineral S.A. is held through its subsidiary Zagaia Participacoes S.A.;

(m) Attachment I presents additional information about the companies in the areas of aluminum, pellets and manganese and ferro-alloys.

CVRD

19

6.10- Property, Plant and Equipment

(a) By business area:

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

(b) By classification of asset:

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

20

CVRD

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

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

6.11- Loans and Financing

Short-term

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

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

Long-term

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

Local operations

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

(*) TR - Reference Rate

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

2003	1,047,531
2004	1,455,598
2005	333,833
2006	174,684
2007 onward	347,938

	3,359,584
	=====

CVRD

21

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

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

	3,716,256
	=====

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

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

R\$ 5,491,091

6.12 - Securitization Program

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

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

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

22 CVRD

6.13 - Contingent Liabilities

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

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

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

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

Marketable securities are related to guarantees of civil claims.

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

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

The breakdown of guarantees by currency is:

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

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

CVRD

23

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

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

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

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

6.14 - Environmental and Site Reclamation and Restoration Costs

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

6.15 - Pension Plan - VALIA

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

24

CVRD

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

(a) Benefit Plan

Defined Benefit Plan - " BD"

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

Mixed-Benefit Plan - " Vale Mais"

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

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

The contributions of the sponsors are as follows:

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

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

(b) Actuarial liability

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

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

(c) Subsidiaries and affiliated companies

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

6.16 - Capital

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

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

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

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

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

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

6.17- American Depositary Receipts (ADR) Program

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

6.18- Treasury Stock

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

26

CVRD

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

6.19- Financial Result

The amounts included in the income statement are as follows:

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

6.20 - Financial Instruments - Derivatives

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

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

Interest Rate Risk

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

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

CVRD

27

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

Type	03/31/02				03/31/01	
	Notional value (in US\$ thousand)	Rate range	Unrealize gain (loss) (in R\$ thousand)	Final maturity	Notional value (in US\$ thousand)	Rate range
Cap	1,350	5.0 - 8.0%	6,866	Aug/05	1,325	5.0 - 8.0%
Floor	1,000	5.0 - 6.5%	(46,242)	Aug/05	975	5.0 - 6.5%
Swap	125	5.5 - 7.5%	(19,171)	Oct/07	125	5.5 - 7.5%
Total			(58,547)			

Exchange Rate Risk

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

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

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

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

Commodities Price Risk

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

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

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

Total (4,637)
=====

28 CVRD

6.21 - Exchange Rate Exposure

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

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

(*) Proportional to the percentage of participation

6.22- Subsequent Events

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

CVRD

29

PART III

7- OTHER INFORMATION THE COMPANY DEEMS RELEVANT

7.1 Net Accumulated Income (in R\$ Million)

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

2000	

1st Quarter	639
2nd Quarter	1,101
3rd Quarter	1,600
4th Quarter	2,133
2001	

1st Quarter	660
2nd Quarter	1,206
3rd Quarter	2,412
4th Quarter	3,051
2002	

1st Quarter	633
2nd Quarter	
3rd Quarter	
4th Quarter	

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

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

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

30

CVRD

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

7.3 - Business Performance Ratios

Capital Ratios

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

Profitability and Other Ratios

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

Note:

The income statement data has been annualized.

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

7.4- Segment and Geographic Information

The Company's business areas are as follows:

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

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

Logistics - activities related to railroads and ports together with investments

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

CVRD

31

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

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

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

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

32

CVRD

7.5- Share Performance on Stock Exchanges (Unaudited)

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

[GRAPHIC OMITTED]

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

CVRD

33

7. 6- Capital Expenditures (Unaudited)

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

7.7- Operations for the period ended March (Unaudited)

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

34

CVRD

7.8- Changes in Prices (Unaudited)

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

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

CVRD

35

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

Exports by System

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

Companies of the CVR
 Holding in Total St

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

Aceralia CS	49.11		CSN

Itabrasco**			
CVRD	50.90		
Ilva	49.10		Sh

Nibrasco**			
CVRD	51.00		Docenave
Nippon Steel	25.39		CVRD
Japanese Group	23.61		

		___ Subsidiary	
		___ Affiliated	
		___ Other Participations	
		___ Consortium	

Kobrasco**			Navedoce *
CVRD	50.00		Docenave
POSCO	50.00		

Kobin**			Seamar *
Kobrasco	100.00		Navedoce

GIIC *			
ITACO	50.00		
Gulf Invest. Co.	50.00		

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

CVRD

51

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

7.11- Information About ZAGAIA (Unaudited)

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

7.12- Information About RDE (Unaudited)

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

38

CVRD

P A R T III

8- EQUITY INVESTEE INFORMATION

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

Information	2002							
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total	1st Quarter	2nd Quarter	
Quantity sold - external market	MT (thousand)	84	-	-	-	84	87	
Quantity sold - internal market	MT (thousand)	4	-	-	-	4	3	
Quantity sold - total	MT (thousand)	88	-	-	-	88	90	
Average sales price - external market	US\$	1,318.33	-	-	-	1,318.33	1,530.02	1,46
Average sales price - internal market	US\$	1,352.12	-	-	-	1,352.12	1,606.92	1,52
Average sales price - total	US\$	1,319.81	-	-	-	1,319.81	1,532.90	1,47
Long-term indebtedness, gross	US\$	524,095	-	-	-	524,095	527,685	496
Short-term indebtedness, gross	US\$	72,938	-	-	-	72,938	176,879	167

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

CVRD

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

40

CVRD

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

CVRD

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

42

CVRD

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

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

Quantity sold - external

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

CVRD

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

Information

2002

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

44

CVRD

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

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

Quantity sold - external

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

CVRD

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

Information		2002						
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total	1st Quarter	2nd Quarter
Quantity sold - external market	MT (thousand)	407	-	-	-	407	806	
Quantity sold - internal market - CVRD	MT (thousand)	584	-	-	-	584	1,169	
Quantity sold - internal market - Others	MT (thousand)	9	-	-	-	9	35	
Quantity sold - total	MT (thousand)	1,000	-	-	-	1,000	2,010	
Average sales price - external market	US\$	30.25	-	-	-	30.25	30.16	
Average sales price - internal market	US\$	30.49	-	-	-	30.49	30	
Average sales price - total	US\$	30.39	-	-	-	30.39	30.31	
Long-term indebtedness, gross	US\$	3,600	-	-	-	3,600	6,000	
Short-term indebtedness, gross	US\$	2,484	-	-	-	2,484	2,619	
Total indebtedness, gross	US\$	6,084	-	-	-	6,084	8,619	
Stockholders' equity	R\$	78,682	-	-	-	78,682	122,313	113,000
Net operating revenues	R\$	70,936	-	-	-	70,936	122,876	151,000
Cost of products	R\$	(70,397)	-	-	-	(70,397)	(107,077)	(125,000)
Other expenses/revenues	R\$	144	-	-	-	144	(10,534)	(8,000)
Depreciation, amortization and depletion	R\$	4,217	-	-	-	4,217	4,086	4,000
EBITDA ----->	R\$	4,900	-	-	-	4,900	9,351	21,000
Depreciation, amortization and depletion	R\$	(4,217)	-	-	-	(4,217)	(4,086)	(4,000)
EBIT ----->	R\$	683	-	-	-	683	5,265	17,000
Other expenses - non cash	R\$	(2,548)	-	-	-	(2,548)	-	-
Net financial result	R\$	(2,463)	-	-	-	(2,463)	902	-
Income before income tax and social contribution	R\$	(4,328)	-	-	-	(4,328)	6,167	17,000
Income tax and social contribution	R\$	66	-	-	-	66	(3,172)	(4,000)
Net income	R\$	(4,262)	-	-	-	(4,262)	2,995	13,000

CVRD

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

Information		2002						
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total	1st Quarter	2nd Quarter
Quantity sold - total	MT (thousand)	3,301	-	-	-	3,301	3,399	2,399
Average sales price - total	US\$	28.48	-	-	-	28.48	28.83	30.10
Long-term indebtedness, gross	US\$	92,788	-	-	-	92,788	166,257	132,000
Short-term indebtedness, gross	US\$	169,170	-	-	-	169,170	188,795	164,000
Total indebtedness, gross	US\$	261,958	-	-	-	261,958	355,052	296,000
Long-term indebtedness, net	US\$	92,788	-	-	-	92,788	126,810	132,000
Short-term indebtedness, net	US\$	154,260	-	-	-	154,260	170,389	142,000
Total indebtedness, net	US\$	247,048	-	-	-	247,048	297,199	274,000
Stockholders' equity	R\$	510,038	-	-	-	510,038	418,290	447,000
Net operating revenues	R\$	212,909	-	-	-	212,909	197,904	190,000
Cost of products	R\$	(108,837)	-	-	-	(108,837)	(95,771)	(80,000)
Other expenses/revenues	R\$	(18,632)	-	-	-	(18,632)	(18,514)	(19,000)
Depreciation, amortization and depletion	R\$	7,745	-	-	-	7,745	9,268	8,000
EBITDA ----->	R\$	93,185	-	-	-	93,185	92,887	98,000
Depreciation, amortization and depletion	R\$	(7,745)	-	-	-	(7,745)	(9,268)	(8,000)
EBIT ----->	R\$	85,440	-	-	-	85,440	83,619	90,000
Other expenses/revenues - non cash	R\$	(1,815)	-	-	-	(1,815)	(5,275)	(2,000)
Gain on investments accounted for by the equity method	R\$	2,213	-	-	-	2,213	(3,570)	(4,000)
Non-operating result	R\$	50	-	-	-	50	-	-
Net financial result	R\$	(15,237)	-	-	-	(15,237)	(63,754)	(45,000)
Income before income tax and social contribution	R\$	70,651	-	-	-	70,651	11,020	37,000
Income tax and social contribution	R\$	(12,555)	-	-	-	(12,555)	(3,324)	(7,000)
Net income	R\$	58,096	-	-	-	58,096	7,696	29,000

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

CVRD

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

50

CVRD

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

CVRD

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

9- OPINION OF INDEPENDENT ACCOUNTANTS

May 3, 2002

To the Board of Directors
Companhia Vale do Rio Doce

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

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

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

CVRD

52

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

BOARD OF DIRECTORS
Luiz Tarquinio Sardinha Ferro
Chairman

Erik Persson

Renato Augusto Zagallo Villela dos Santos

Executive Director of Human Resources and
Corporate Services
Carla Grasso

Marcus Roger
Director of Human Resources

Gerson Petterle

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

Murilo Ferreira
Director of ALUVALE

Dalton Nose
Director of Development

Edward Dias da Silva
Director of Energy

Paulo Eduardo Libanio
Director of Basic Metals Projects

Helcio Roberto Martins Guerra
Director of Industrial Minerals and Basic Metals

Roberto Moretzsohn
Director of Commercialization of Basic Metal

Marcelo Bastos
Director of Carajas' Operations

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

CVRD

54

Item 2

COMPANHIA VALE DO RIO DOCE
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

	Page

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

F-1

REPORT OF INDEPENDENT ACCOUNTANTS

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

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

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

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

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

PricewaterhouseCoopers
Auditores Independentes

Rio de Janeiro, Brazil
May 8, 2002

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

F-2

Condensed Consolidated Balance Sheets
Expressed in millions of United States dollars

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

F-3

Condensed Consolidated Balance Sheets
Expressed in millions of United States dollars

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

F-4

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

Three months ended March 31

2002 2001

Operating revenues, net of discounts, returns

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

Preferred Class A shares 138,575 134,917

See notes to consolidated financial information.

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

See notes to consolidated financial information

F-6

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

=====

See notes to consolidated financial information

F-7

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

1 The Company and its operations

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

The main consolidated operating subsidiaries are as follows:

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

2 Basis of consolidation

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

3 Summary of significant accounting policies

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

4 Recently issued accounting pronouncement

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

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

F-8

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

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

5 Income tax

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

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

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

F-9

6 Inventories

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

7 Investments

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

Investments in affiliated companies and joint ventures					
Steel					
Usinas Siderurgicas de Minas Gerais S.A -	22.99	11.46	288	28	33
USIMINAS (2)					
Companhia Siderurgica Nacional - CSN (3)	-	-	-	-	-
Companhia Siderurgica de Tubarao - CST (4) ...	20.51	22.85	48	(30)	11
California Steel Industries Inc. - CSI	50.00	50.00	194	(2)	97
Paper and pulp					
Celulose Nipo-Brasileira S.A. - CENIBRA (3) ..	-	-	-	-	-
Bahia-Sul Celulose S.A - BSC (3)	-	-	-	-	-
Aluminum and bauxite					
Mineracao Rio do Norte S.A. - MRN	40.00	40.00	364	9	145
Valesul Alumínio S.A. - VALESUL	54.51	54.51	95	3	52
Alumínio Brasileiro S.A. - ALBRAS	51.00	51.00	17	30	9
Alumina do Norte do Brasil S.A. - ALUNORTE ...	50.30	44.96	168	10	100
Pellets					
Companhia Nipo-Brasileira de Pelotizacao -					
NIBRASCO	51.11	51.00	31	(1)	16
Companhia Hispano-Brasileira de Pelotizacao -					
HISPANOBRAS	51.00	50.89	36	3	18
Companhia Coreano Brasileira de Pelotizacao -					
KOBRASCO	50.00	50.00	5	1	3
Companhia Italo-Brasileira de Pelotizacao -					
ITABRASCO	51.00	50.90	27	1	14
Gulf Industrial Investment Company - GIIC	50.00	50.00	66	4	33
SAMARCO Mineracao S.A	50.00	50.00	454	22	269
Others					
Fertilizantes Fosfaltados S.A. -					
FOSFERTIL (5)	10.96	10.96	263	14	29
Caemi Mineracao e Metalurgia S.A	50.00	16.82	398	5	289
Salobo Metais S.A (6)	50.00	50.00	44	-	22
Ferrovia Centro-Atlantica S.A - FCA	20.00	45.65	-	(6)	-
Others					69

					1,209
Investments at cost					
SIDERAR (market value \$11 in 2002 and 2001) ..	4.85	4.85			15
Unrealized holding gains on equity security ..					(4)
MRS Logistica S.A	17.19	9.76			25
Others					-

					1,245
					=====
Change in provision for losses on equity investments:					
Alumínio Brasileiro S.A. - ALBRAS					
Cia Ferroviaia do Nordeste					

(1) Based on US GAAP financial information.

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

(3) Investments sold in 2001

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

(6) Development stage enterprise

F-10

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

Investee	March 31 2002	December 31 2001
	-----	-----

Alumina do Norte do Brasil S.A. - ALUNORTE	24	24
Samarco Mineracao S.A	41	41
Caemi Mineracao e Metalurgia S.A	223	223
	-----	-----
	288	288
	=====	=====

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

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

F-11

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

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

8 Commitments and contingencies

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

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

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

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

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

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

F-12

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

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

F-13

9 Segment and geographical information

Consolidated net income and principal assets are reconciled as follows:

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

10 Derivative financial instruments

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

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

F-15

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

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

Final maturity dates for the above instruments are as follows:

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

(a) Interest Rate and Exchange Rate Risk

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

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

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

F-16

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

(b) Commodity Price Risk

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

product.

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

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

11 Long-term Debt

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

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

12 Subsequent events

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

F-17

Item 3

logo BR GAAP logo Companhia
Vale do Rio Doce

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

www.cvrd.com.br

CVRD
Investor Relations:
Roberto Castello Branco
Andreia Reis
Daniela Tinoco
Barbara Geluda
Rafael Azevedo
Tel: (5521) 3814-4540
rio@cvrd.com.br

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

Press Release 1Q02

COMPANHIA VALE DO RIO DOCE
FIRST QUARTER PERFORMANCE IN 2002

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

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

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

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

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

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

1

2

RELEVANT EVENTS

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

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

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

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

SHORT TERM PROSPECTS

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

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

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

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

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

SALES VOLUME AND REVENUES

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

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

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

CONSOLIDATED SALES OF IRON ORE AND PELLETS

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

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

JVs: Nibrasco, Itabrasco, Hispanobras and Kobrasco

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

4

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

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

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

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

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

GENERAL CARGO RAILROAD TRANSPORTATION

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

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

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

5

GROSS REVENUE - PARENT COMPANY

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

EARNINGS STABILITY

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

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

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

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

RESULTS OF EQUITY INVESTMENTS - BY BUSINESS AREA

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

6

COST OF GOODS SOLD

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

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

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

EBITDA OF R\$ 728 MILLION

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

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

INVESTMENTS

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

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

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

7

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

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

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

CAPITAL EXPENDITURES - 1Q 02

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

8

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

SELECTED FINANCIAL INDICATORS

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

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

** not included acquisitions

NET INCOME

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

9

FINANCIAL STATEMENT

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

BALANCE SHEET

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

10

SALES VOLUMES - PARENT COMPANY

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

11

IRON ORE AND PELLETS SALES - PARENT COMPANY

million tons

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

AVERAGE PRICE OF IRON ORE AND PELLETS

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

12

EQUITY INCOME

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

13

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

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

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

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

IRON ORE AND PELLETS - FINANCIAL INDICATORS - NON AUDITED

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

16

IRON ORE AND PELLETS - FINANCIAL INDICATORS - NON AUDITED

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

17

IRON ORE AND PELLETS - FINANCIAL INDICATORS - NON AUDITED

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

18

MANGANESE AND FERRO-ALLOYS - FINANCIAL INDICATORS - NON AUDITED

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

19

ALUMINUM - SELECTED FINANCIAL INDICATORS - ADJUSTED AND NON AUDITED

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

20

ALUMINUM - SELECTED FINANCIAL INDICATORS - ADJUSTED AND NON AUDITED

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

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

Item 4

logo BR GAAP logo Companhia
 Vale do Rio Doce

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

www.cvrd.com.br

CVRD

Investor Relations:
Roberto Castello Branco
Andreia Reis
Daniela Tinoco
Barbara Geluda
Rafael Azevedo
Tel: (5521) 3814-4540
rio@cvrd.com.br

Press Release 1Q02

COMPANHIA VALE DO RIO DOCE
FIRST QUARTER PERFORMANCE IN 2002

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

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

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

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

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

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

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

RELEVANT EVENTS

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

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

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

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

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

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

SHORT TERM PROSPECTS

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

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

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

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

SALES VOLUME AND REVENUES

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

CONSOLIDATED SALES OF IRON ORE AND PELLETS

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

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

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

4

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

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

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

GENERAL CARGO RAILROAD TRANSPORTATION

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

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

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

GROSS REVENUE BY PRODUCT

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

5

EARNINGS OF US\$ 304 MILLION

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

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

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

EBITDA OF US\$ 444 MILLION

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

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

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

EBITDA BY BUSINESS AREA

million US\$

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

CAPITAL EXPENDITURES

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

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

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

6

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

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

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

CAPITAL EXPENDITURES - PARENT COMPANY - 1Q 02

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

DEBT

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

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

SELECTED FINANCIAL INDICATORS

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

*including exceptional non-recurrent items

7

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

Edgar Filing: VALLEY OF THE RIO DOCE CO - Form 6-K

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

SIGNATURES

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

COMPANHIA VALE DO RIO DOCE

By: /s/ Roberto Castello Branco

Name: Roberto Castello Branco

Title: Head of Investor Relations

Dated: May 16, 2002