



**Companhia Vale do Rio Doce**  
**Diretoria de Controle - DICT**



**Financial Statements - 06/30/2007**

**BR GAAP**

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**Gerência Geral de Controladoria - GECOL**

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**A-QUARTERLY INFORMATION**

(A free translation of the original in Portuguese relating to the Quarterly information prepared in thousands in accordance with the requirements of Accounting Practices Generally Accepted in Brazil)

**1- BALANCE SHEET**

Balances in

In thousands of reais

	Notes	Consolidated		Parent Company	
		06/30/07	03/31/07	06/30/07	03/31/07
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		3,652,203	8,326,983	159,915	192,617
Accounts receivable from customers		8,103,943	8,123,929	1,984,284	6,019,501
Related parties		42,633	63,068	491,444	1,693,752
Inventories	5.6	6,812,292	6,838,024	1,277,158	1,228,229
Taxes to recover or offset	5.7	1,047,236	1,037,704	445,463	526,713
Deferred income tax and social contribution		1,134,512	903,650	748,164	654,902
Other		948,187	1,046,412	263,380	211,673
		<b>21,741,006</b>	<b>26,339,770</b>	<b>5,369,808</b>	<b>10,527,387</b>
<b>Non-current assets</b>					
<b>Long-term receivables</b>					
Related parties		2,112	343	3,411,061	354,680
Loans and financing		241,362	240,585	112,611	110,940
Deferred income tax and social contribution		672,420	1,613,155	210,963	286,101
Judicial deposits		1,067,339	958,198	663,351	636,080
Taxes to recover or offset	5.7	564,950	636,440	219,976	222,954
Advances to energy suppliers		1,078,036	1,011,455	-	-
Provisions for derivatives	5.20	753,863	322,226	637,908	313,389
Prepaid expenses		562,929	603,540	901	15,735
Outros		299,084	243,490	97,001	84,060
		<b>5,242,095</b>	<b>5,629,432</b>	<b>5,353,772</b>	<b>2,023,939</b>
<b>Investments</b>	5.9	<b>1,565,287</b>	<b>1,942,366</b>	<b>57,110,000</b>	<b>55,065,376</b>
<b>Intangibles</b>	5.10	<b>12,728,559</b>	<b>11,514,663</b>	<b>12,301,305</b>	<b>11,499,478</b>
<b>Property, plant and equipment</b>	5.11	<b>86,665,943</b>	<b>79,832,426</b>	<b>26,050,475</b>	<b>25,974,479</b>
<b>Deferred charges</b>		<b>128,809</b>	<b>145,951</b>	<b>-</b>	<b>-</b>
		<b>101,088,598</b>	<b>93,435,406</b>	<b>95,461,780</b>	<b>92,539,333</b>
		<b>128,071,699</b>	<b>125,404,608</b>	<b>106,185,360</b>	<b>105,090,659</b>
<b>Liabilities, and stockholders' equity</b>					
<b>Current liabilities</b>					
Short-term debt	5.12	561,151	2,503,185	-	2,085,499
Current portion of long-term debt	5.12	1,581,371	1,651,271	517,243	611,979
Payable to suppliers and contractors		3,983,169	5,096,952	1,461,824	1,294,361
Related parties		52,735	44,488	4,205,078	2,989,046
Payroll and related charges		933,990	749,102	407,075	262,652
Pension Plan		223,546	221,854	86,784	76,274
Dividends and interest on stockholders' equity		1,642,379	3,189,095	1,549,691	3,189,095
Taxes and contributions		2,716,930	1,777,952	116,503	75,856
Other		1,422,612	1,157,343	370,339	465,698
		<b>13,117,883</b>	<b>16,391,242</b>	<b>8,714,537</b>	<b>11,050,460</b>
<b>Non-current liabilities</b>					
<b>Long-term liabilities</b>					
Long-term debt	5.12	36,272,832	45,585,892	9,015,804	13,882,448
Related parties		664	676	31,017,190	31,958,659
Provisions for contingencies	5.13	2,541,840	2,420,727	1,579,315	1,511,962
Deferred income tax and social contribution		9,010,261	3,449,256	-	-
Pension Plan		3,890,810	4,054,194	538,420	560,170
Provision for asset retirement obligations	5.14	1,431,999	1,374,165	643,628	626,589
Provisions for derivatives	5.20	1,362,727	1,415,710	68,452	67,546
Other		2,377,782	1,781,918	1,510,177	1,240,661
		<b>56,888,915</b>	<b>60,082,538</b>	<b>44,372,986</b>	<b>49,848,035</b>
<b>Deferred income</b>		<b>46,746</b>	<b>1,848</b>	<b>-</b>	<b>-</b>
<b>Minority interest</b>		<b>4,920,318</b>	<b>4,736,816</b>	<b>-</b>	<b>-</b>
<b>Stockholders' equity</b>					
Paid-up capital	5.15	28,000,000	19,492,401	28,000,000	19,492,401
Revenue reserves		22,034,004	24,699,763	22,034,004	24,699,763
Resources linked to the future mandatory conversion in shares	5.16	3,063,833	-	3,063,833	-
		<b>53,097,837</b>	<b>44,192,164</b>	<b>53,097,837</b>	<b>44,192,164</b>
		<b>128,071,699</b>	<b>125,404,608</b>	<b>106,185,360</b>	<b>105,090,659</b>

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

(A free translation of the original in Portuguese relating to the Quarterly information prepared in thousands in accordance with the requirements of Accounting Practices Generally Accepted in Brazil)

## 2- STATEMENT OF INCOME

Periods ended

In thousands of reais

Notes	Quarter				Consolidated	Parent Company	
	2Q/07	1Q/07	2Q/06	06/30/07	Accumulated 06/30/06	Accumulated 06/30/07	Accumulated 06/30/06
<b>Operating revenues</b>	9.1 e 2						
Ore and metals	15,245,460	13,920,184	7,251,574	29,165,644	13,403,378	9,294,055	7,791,323
Transport services	952,034	807,377	895,968	1,759,411	1,599,612	952,478	902,429
Sales of aluminum-related products	1,492,048	1,432,302	1,544,296	2,924,350	2,596,848	91,651	20,889
Sales of steel products	333,445	331,625	381,832	665,070	730,741	-	-
Other products and services	174,044	137,422	56,995	311,466	81,210	59,606	38,215
	<b>18,197,031</b>	<b>16,628,910</b>	<b>10,130,665</b>	<b>34,825,941</b>	<b>18,411,789</b>	<b>10,397,790</b>	<b>8,752,856</b>
Value Added taxes	(388,422)	(379,547)	(350,794)	(767,969)	(666,646)	(556,423)	(479,643)
<b>Net operating revenues</b>	<b>17,808,609</b>	<b>16,249,363</b>	<b>9,779,871</b>	<b>34,057,972</b>	<b>17,745,143</b>	<b>9,841,367</b>	<b>8,273,213</b>
<b>Cost of products and services</b>	9.1 e 2						
Ores and metals	(5,548,458)	(5,585,696)	(2,815,494)	(11,134,154)	(5,413,640)	(5,262,072)	(4,435,139)
Transport services	(576,223)	(512,073)	(426,850)	(1,088,296)	(879,814)	(368,108)	(342,789)
Aluminum-related products	(833,872)	(773,254)	(761,378)	(1,607,126)	(1,362,055)	(52,157)	(89,553)
Steel products	(300,981)	(310,695)	(308,211)	(611,676)	(587,117)	-	-
Other products and services	(149,942)	(65,109)	(38,789)	(215,051)	(52,806)	(19,800)	(15,403)
	<b>(7,409,476)</b>	<b>(7,246,827)</b>	<b>(4,350,722)</b>	<b>(14,656,303)</b>	<b>(8,295,432)</b>	<b>(5,702,137)</b>	<b>(4,882,884)</b>
<b>Gross profit</b>	<b>10,399,133</b>	<b>9,002,536</b>	<b>5,429,149</b>	<b>19,401,669</b>	<b>9,449,711</b>	<b>4,139,230</b>	<b>3,390,329</b>
<b>Gross margin</b>	<b>58.4%</b>	<b>55.4%</b>	<b>55.5%</b>	<b>57.0%</b>	<b>53.3%</b>	<b>42.1%</b>	<b>41.0%</b>
<b>Operating expenses</b>							
Selling and Administrative	5.21	(566,962)	(601,864)	(511,794)	(1,168,826)	(947,587)	(414,099)
Research and development		(305,396)	(239,050)	(222,030)	(544,446)	(378,088)	(235,122)
Other operating expenses	5.21	(332,394)	(81,624)	(175,902)	(414,018)	(364,727)	(244,775)
		<b>(1,204,752)</b>	<b>(922,538)</b>	<b>(909,726)</b>	<b>(2,127,290)</b>	<b>(1,680,402)</b>	<b>(893,996)</b>
<b>Operating profit before financial results and results of equity investments</b>		<b>9,194,381</b>	<b>8,079,998</b>	<b>4,519,423</b>	<b>17,274,379</b>	<b>7,759,309</b>	<b>2,496,333</b>
<b>Results of equity investments</b>							
Gain on investments accounted for by the equity method	5.9	18,535	34,626	75,422	53,161	152,196	12,101,854
Provision for losses		-	-	-	-	-	16,618
Exchange variation in stockholders' equity and goodwill of companies abroad		(588,982)	(24,542)	(446)	(613,524)	(22,869)	(5,521,606)
		<b>(570,447)</b>	<b>10,084</b>	<b>74,976</b>	<b>(560,363)</b>	<b>129,327</b>	<b>6,596,866</b>
Amortization of goodwill	5.10	(364,511)	(262,654)	(132,256)	(627,165)	(170,197)	(622,740)
		<b>(934,958)</b>	<b>(252,570)</b>	<b>(57,280)</b>	<b>(1,187,528)</b>	<b>5,974,126</b>	<b>4,111,198</b>
<b>Financial results, net</b>	5.19	<b>(47,014)</b>	<b>(208,342)</b>	<b>(466,405)</b>	<b>(255,356)</b>	<b>(725,459)</b>	<b>(33,925)</b>
<b>Non-operating income</b>	5.21	<b>1,260,766</b>	-	<b>736,866</b>	<b>1,260,766</b>	<b>756,192</b>	<b>19,326</b>
<b>Income before income tax and social contribution</b>		<b>9,473,175</b>	<b>7,619,086</b>	<b>4,732,604</b>	<b>17,092,261</b>	<b>7,749,172</b>	<b>12,489,630</b>
<b>Income tax and social contribution</b>	5.8	<b>(3,195,630)</b>	<b>(2,074,729)</b>	<b>(593,102)</b>	<b>(5,270,359)</b>	<b>(1,178,436)</b>	<b>(503,273)</b>
<b>Income before minority interests</b>		<b>6,277,545</b>	<b>5,544,357</b>	<b>4,139,502</b>	<b>11,821,902</b>	<b>6,570,736</b>	<b>10,937,163</b>
<b>Minority interests</b>		<b>(435,705)</b>	<b>(449,034)</b>	<b>(234,405)</b>	<b>(884,739)</b>	<b>(481,077)</b>	-
<b>Net income for the period</b>		<b>5,841,840</b>	<b>5,095,323</b>	<b>3,905,097</b>	<b>10,937,163</b>	<b>10,937,163</b>	<b>6,089,659</b>
<b>Number of shares outstanding at the end of the period (in thousands)</b>		<b>2,416,195</b>	<b>2,416,195</b>	<b>2,430,062</b>	<b>2,416,195</b>	<b>2,430,062</b>	<b>2,416,195</b>
<b>Net earnings per share outstanding at the end of the period (R\$)</b>		<b>2.42</b>	<b>2.11</b>	<b>1.61</b>	<b>4.53</b>	<b>2.51</b>	<b>4.53</b>

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

(a) Includes 15,147,728 and 28,291,020 preferred and common shares, respectively, linked to issue of Notes, mandatory convertible (vide note 5.16).

(A free translation of the original in Portuguese relating to the Quarterly information prepared in accordance with the requirements of Accounting Practices Generally Accepted in Brazil)

### 3- STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

Balances in

In thousands of reais

	Retained earnings								Total	
	Paid-up capital	Expansion/ Investments	Treasury stock	Depletion	Unrealized income	Legal	Fiscal incentives	Proceeds related to invoice mandatorilly convertible in shares		Retained earnings
<b>December 31, 2005</b>	<b>14,000,000</b>	<b>8,462,996</b>	<b>(131,300)</b>	-	<b>236,167</b>	<b>1,399,413</b>	<b>83,365</b>	-	-	<b>24,050,641</b>
Capital Increase	5,492,401	-	-	-	-	-	-	-	-	5,492,401
Net income for the year	-	-	-	-	-	-	-	-	13,431,005	13,431,005
Realization of reserves	-	-	-	-	(113,667)	-	-	-	113,667	-
Treasury stock	-	-	(659,007)	-	-	-	-	-	-	(659,007)
Interim dividends	-	-	-	-	-	-	-	-	(29,185)	(29,185)
Stockholder's remuneration proposed	-	-	-	-	-	-	-	-	(3,189,095)	(3,189,095)
Appropriation to revenue reserves	-	9,645,367	-	-	-	671,550	9,475	-	(10,326,392)	-
<b>December 31, 2006</b>	<b>19,492,401</b>	<b>18,108,363</b>	<b>(790,307)</b>	-	<b>122,500</b>	<b>2,070,963</b>	<b>92,840</b>	-	-	<b>39,096,760</b>
Treasury stock	-	-	81	-	-	-	-	-	-	81
Net income for the period	-	-	-	-	-	-	-	-	5,095,323	5,095,323
<b>March 31, 2007</b>	<b>19,492,401</b>	<b>18,108,363</b>	<b>(790,226)</b>	-	<b>122,500</b>	<b>2,070,963</b>	<b>92,840</b>	-	<b>5,095,323</b>	<b>44,192,164</b>
Treasury stock	-	-	-	-	-	-	-	-	-	-
Net income for the period	-	-	-	-	-	-	-	-	5,841,840	5,841,840
Capitalization of reserves	8,507,599	(7,672,690)	-	-	-	(751,545)	(83,364)	-	-	-
Proceeds related to invoice mandatorilly convertible in shares	-	-	-	-	-	-	-	3,063,833	-	3,063,833
	<b>28,000,000</b>	<b>10,435,673</b>	<b>(790,226)</b>	-	<b>122,500</b>	<b>1,319,418</b>	<b>9,476</b>	<b>3,063,833</b>	<b>10,937,163</b>	<b>53,097,837</b>
<b>June 30, 2007</b>										

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

(A free translation of the original in Portuguese relating to the Quarterly information prepared in thousands in accordance with the requirements of Accounting Practices Generally Accepted in Brazil)

#### 4- STATEMENT OF CASH FLOWS

Periods ended

In thousands of reais

	Quarter				Consolidated	Parent Company	
	2Q/07	1Q/07	2Q/06	06/30/07	Accumulated 06/30/06	06/30/07	Accumulated 06/30/06
<b>Cash flows from operating activities:</b>							
Net income for the period	5,841,840	5,095,323	3,905,097	10,937,163	6,089,659	10,937,163	6,089,659
Adjustments to reconcile net income for the period with cash provided by operating activities:							
Results of equity investments	934,958	252,570	57,280	1,187,528	40,870	(5,974,126)	(4,111,198)
Sale of assets	(1,260,766)	-	(736,866)	(1,260,766)	(756,192)	(1,256,941)	(19,326)
Depreciation, amortization and depletion	1,015,200	805,021	445,923	1,820,221	866,252	671,262	465,626
Deferred income tax and social contribution	(505,096)	(328,286)	95,560	(833,382)	19,010	(74,010)	(67,953)
Financial expenses and monetary and exchange rate variations on assets and liabilities, net	(1,600,034)	228,093	64,191	(1,371,941)	(589,677)	(3,787,263)	(452,305)
Minority interest	435,705	449,034	234,405	884,739	481,077	-	-
Disposal of property, plant and equipment	435,063	81,218	60,059	516,281	78,712	420,463	33,464
Amortization of goodwill in the cost of products sold	-	51,416	94,090	51,416	186,077	51,366	183,974
Net losses (gains) on derivatives	(297,869)	(166,846)	107,435	(464,715)	265,116	(803,650)	25,707
Dividends/interest on stockholders' equity received	45,469	-	93,786	45,469	95,113	1,596,961	826,113
Other	(167,457)	342,542	(24,506)	175,085	(2,488)	306,274	62,886
	<b>4,877,013</b>	<b>6,810,085</b>	<b>4,396,454</b>	<b>11,687,098</b>	<b>6,773,529</b>	<b>2,087,499</b>	<b>3,036,647</b>
<b>Decrease (increase) in assets:</b>							
Accounts receivable	(617,857)	360,078	(895,971)	(257,779)	(403,515)	(105,113)	(205,264)
Inventories	(139,301)	(181,494)	89,591	(320,795)	(98,766)	(100,755)	(109,505)
Advances to energy suppliers	(66,581)	(66,942)	(66,786)	(133,523)	(134,348)	-	-
Other	318,355	(775,705)	210,128	(457,350)	(193,942)	354,922	163,256
	<b>(505,384)</b>	<b>(664,063)</b>	<b>(663,038)</b>	<b>(1,169,447)</b>	<b>(830,571)</b>	<b>149,054</b>	<b>(151,513)</b>
<b>Increase (decrease) in liabilities:</b>							
Suppliers and contractors	1,449,432	(844,892)	242,012	604,540	(599,956)	(227,949)	(368,940)
Payroll and related charges and Other	193,620	(362,015)	109,629	(168,395)	(132,081)	(87,185)	(138,242)
Taxes and contributions	294,370	(68,022)	267,800	226,348	(61,616)	37,372	479
Other	1,067,176	(760,551)	(147,612)	306,625	(433,122)	708,348	(376,093)
	<b>3,004,598</b>	<b>(2,035,480)</b>	<b>471,829</b>	<b>969,118</b>	<b>(1,226,775)</b>	<b>430,586</b>	<b>(882,796)</b>
<b>Net cash provided by operating activities</b>	<b>7,376,227</b>	<b>4,110,542</b>	<b>4,205,245</b>	<b>11,486,769</b>	<b>4,716,183</b>	<b>2,667,139</b>	<b>2,002,338</b>
<b>Cash flows from investing activities:</b>							
Loans and advances receivable	51,768	13,000	(180,756)	64,768	(154,985)	353,882	83,684
Guarantees and deposits	(65,772)	(73,143)	(28,305)	(138,915)	(80,069)	(115,573)	(59,413)
Additions to investments	(65,675)	(31,570)	-	(97,245)	(112,081)	(1,494,443)	(3,140,402)
Additions to property, plant and equipment	(3,381,047)	(2,439,298)	(2,434,198)	(5,820,345)	(4,133,333)	(1,763,210)	(2,926,093)
Proceeds from disposal of property, plant and equipment/investments	1,302,233	-	970,440	1,302,233	1,018,793	1,944,595	63,702
Net cash used in acquisitions and increase of funds to subsidiaries, net of the cash to subsidiary	(2,077,016)	(4,327,053)	-	(6,404,069)	-	-	-
<b>Net cash used in investing activities</b>	<b>(4,235,509)</b>	<b>(6,858,064)</b>	<b>(1,672,819)</b>	<b>(11,093,573)</b>	<b>(3,461,675)</b>	<b>(1,074,749)</b>	<b>(5,978,522)</b>
<b>Cash flows from financing activities:</b>							
Short-term debt additions	3,614,521	1,301,038	4,033,271	4,915,559	5,646,259	1,926,762	3,079,366
Short-term debt repayments	(5,264,614)	(744,480)	(4,087,908)	(6,009,094)	(5,545,716)	(599,119)	(3,176,972)
Long-term debt	180,363	14,132,541	27,965	14,312,904	3,118,664	16,259,207	5,923,127
Issue of notes convertible, in share's common	2,481,454	-	-	2,481,454	-	-	-
Issue of notes convertible, in share's preferred	1,119,448	-	-	1,119,448	-	-	-
Repayments:							
Related parties	-	-	-	-	-	(47,529)	-
Financial institutions	(7,850,098)	(13,271,198)	(449,775)	(21,121,296)	(1,188,871)	(17,505,910)	(418,608)
Interest on stockholders' equity paid to stockholders	(2,096,572)	(121,452)	(1,377,591)	(2,218,024)	(1,432,346)	(1,669,057)	(1,392,300)
Treasure stock	-	81	(53,797)	81	(53,797)	81	(53,797)
<b>Net cash provided by (used in) financing activities</b>	<b>(7,815,498)</b>	<b>1,296,530</b>	<b>(1,907,835)</b>	<b>(6,518,968)</b>	<b>544,193</b>	<b>(1,635,565)</b>	<b>3,960,816</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(4,674,780)</b>	<b>(1,450,992)</b>	<b>624,591</b>	<b>(6,125,772)</b>	<b>1,798,701</b>	<b>(43,175)</b>	<b>(15,368)</b>
Cash and cash equivalents, beginning of the period	8,326,983	9,777,975	3,877,362	9,777,975	2,703,252	203,090	131,467
<b>Cash and cash equivalents, end of the period</b>	<b>3,652,203</b>	<b>8,326,983</b>	<b>4,501,953</b>	<b>3,652,203</b>	<b>4,501,953</b>	<b>159,915</b>	<b>116,099</b>
Cash paid during the period for:							
Short-term interest	(83,337)	(18,153)	(8,170)	(101,490)	(16,045)	(76,521)	(9,488)
Long-term interest	(788,129)	(444,827)	(164,077)	(1,232,956)	(383,220)	(1,375,910)	(194,715)
Income tax and social contribution	(2,981,336)	(890,400)	(101,492)	(3,871,736)	(533,428)	(963,739)	(386,892)
<b>Non-cash transactions:</b>							
Additions to property, plant and equipment - interest capitalization	(187,307)	(78,223)	88,562	(265,530)	(131,606)	(215,878)	(139,156)
Transfer of advance for future capital increase to investments	-	-	-	-	-	(13,560)	(253,720)
Compensated income tax and social contribution	(611,795)	(262,172)	(77,646)	(873,967)	(159,724)	(670,242)	(51,509)

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



## 5- NOTES TO THE QUARTERLY INFORMATION AT JUNE 30, 2007 AND 2006

Expressed In thousands of *reais*

### 5.1- Operations

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

### 5.2- Presentation of Quarterly information

The quarterly information has been prepared in conformity with accounting practices followed in Brazil, based on corporate legislation, as well as the rules and guidelines issued by the Comissão de Valores Mobiliários - CVM (Brazilian Securities Commission).

As part of the quarterly information, the Company presents as complementary information the calculation of the earnings before financing results, equity results, income tax and social contribution, depreciation and amortization – LAJIDA (EBITDA)

Although the EBITDA, as defined before, does not provide valuation for operational cash flow for Brazilian accounting principles, it is often used by financial analysts on valuation of our business and Management uses this indicator to measure our operational performance.

### 5.3- Principles and Practices of Consolidation

The consolidated quarterly information shows the balances of assets and liabilities on 06/30/07 and 03/31/07 and the operations of the Parent Company, its direct and indirect subsidiaries and its jointly-controlled companies of the periods ended 03/30/07 and 03/31/07 and 06/30/06. The principal figures of the subsidiaries and jointly-controlled companies included in the consolidation are presented in Attachment I. Since December 31, 2006 there have been no changes in the consolidation practices followed by CVRD.

### 5.4- Significant Accounting Policies

- (a) The financial statements that are being presented have been prepared following the principles, methods and criteria on a consistent basis in relation to those adopted in the closing of the year ended 31/12/2006; and
- (b) In preparing the condensed consolidated financial statements, the Company is required to use estimates to account for certain assets, liabilities, and transactions. Therefore the consolidated financial statements include various estimates concerning the selection of useful lives of property, plant and equipment, provisions for losses on assets, contingent liabilities, operational provisions and other similar evaluations. Actual results may vary from the estimates.

### 5.5- Acquisitions and disposals

- (a) In June 2007, the company sold through a primary and secondary public offering 25,213,664 common shares, representing 57.84% of total capital, from Log-In Logística Intermodal S.A. for R\$347,478 thousand and a gain on sale of R\$300,924 and gain on capital of R\$115,607. Now the Company holds 36.37% of total capital and total capital of this entity which is recognized as an equity investee.
- (b) In May 2007, the company sold in a public offering 13,802,499 Usiminas shares not subject to the shareholders' agreement and received total proceeds of R\$1,475,484 generating a gain of R\$839,428. The company remained with 6,608,608 which are bound by the current shareholders agreement of Usiminas.
- (c) In May 2007, the company acquired 6.25% of EBM for R\$466,781. In this occasion was celebrated an agreement that grants us during the next 30 years the control of EBM, including the right to dividends. In exchange, CVRD will pay a total of US\$ 61 million (equivalent to R\$116,444 in 06/30/07) in 2007 and 29 annual portions of US\$ 48 million (equivalent to R\$92,640 in 06/30/07).
- (d) On 01/03/07, the company finalized the process of acquisition of Inco with the acquisition of the additional participation of 12.27% for R\$4 billion. The total acquisition reached the amount of R\$36 billion. The special meeting of shareholders of Inco, was approved the amalgamation of Inco with Itabira Canada Inc. (Itabira Canada), a wholly owned indirect subsidiary of CVRD. Pursuant to the amalgamation, Inco will become a wholly owned subsidiary of CVRD and change its name to "CVRD Inco Limited" (CVRD Inco).

To improve comparability presents, the consolidated statement of income if the acquisition had been made on the second semester of 2006.





### Summarized Consolidated Statement of Income of CVRD and CVRD Inco (unaudited)

	Quarter			Accumulated		
	2Q/06			06/30/06		
	CVRD	CVRD INCO	Total	CVRD	CVRD INCO	Total
<b>Net operating revenues</b>	<b>9,779,871</b>	<b>3,968,780</b>	<b>13,748,651</b>	<b>17,745,143</b>	<b>6,629,803</b>	<b>24,374,946</b>
Cost of products and services	(4,350,722)	(2,380,393)	(6,731,115)	(8,295,432)	(4,166,860)	(12,462,292)
<b>Gross profit</b>	<b>5,429,149</b>	<b>1,588,387</b>	<b>7,017,536</b>	<b>9,449,711</b>	<b>2,462,943</b>	<b>11,912,654</b>
Operating expenses	(909,726)	(286,610)	(1,196,336)	(1,690,402)	(479,979)	(2,170,381)
<b>Operating profit before financial results and results of equity investments</b>	<b>4,519,423</b>	<b>1,301,777</b>	<b>5,821,200</b>	<b>7,759,309</b>	<b>1,982,964</b>	<b>9,742,273</b>
Results of equity investments	(57,280)	-	(57,280)	(40,870)	-	(40,870)
Financial results, net	(466,405)	(595,098)	(1,061,503)	(725,459)	(581,914)	(1,307,373)
Non-operating income	736,866	-	736,866	756,192	-	756,192
<b>Income before income tax and social contribution</b>	<b>4,732,604</b>	<b>706,679</b>	<b>5,439,283</b>	<b>7,749,172</b>	<b>1,401,050</b>	<b>9,150,222</b>
Income tax and social contribution	(593,102)	(220,974)	(814,076)	(1,178,436)	(458,291)	(1,636,727)
<b>Income before minority interests</b>	<b>4,139,502</b>	<b>485,705</b>	<b>4,625,207</b>	<b>6,570,736</b>	<b>942,759</b>	<b>7,513,495</b>
Minority interests	(234,405)	(52,509)	(286,914)	(481,077)	(92,061)	(573,138)
<b>Net income for the period</b>	<b>3,905,097</b>	<b>433,196</b>	<b>4,338,293</b>	<b>6,089,659</b>	<b>850,698</b>	<b>6,940,357</b>

(e) In April 2007, Vale acquired 100% of AMCI Holdings Australia Pty – AMCI HÁ, a private company held in Australia, which operates and controls coal assets through joint ventures, for R\$1,328,268.

(f) In March 2007, Vale acquired the remaining 18% interest in Ferro Gusa held by Nucor do Brasil S.A. for R\$40,584. As a result CVRD now owns 100% of Ferro Gusa's shares

#### 5.6- Inventories

	Consolidated		Parent Company	
	06/30/07	03/31/07	06/30/07	03/31/07
<b>Finished products</b>				
. Iron ore and pellets	892,339	844,938	536,376	461,304
. Manganese and ferroalloys	215,315	214,340	-	-
. Aluminum products	239,276	324,412	-	-
. Copper	16,960	34,363	16,960	34,363
. Nickel, co-products and sub products Inco	3,144,044	3,143,296	-	-
. Steel products	81,369	89,704	-	-
. Other	180,717	146,283	4,601	4,491
	<b>4,770,020</b>	<b>4,797,336</b>	<b>557,937</b>	<b>500,158</b>
<b>Spare parts and maintenance supplies</b>	<b>2,042,272</b>	<b>2,040,688</b>	<b>719,221</b>	<b>728,071</b>
	<b>6,812,292</b>	<b>6,838,024</b>	<b>1,277,158</b>	<b>1,228,229</b>

#### 5.7- Taxes to recover or offset

	Consolidated		Parent Company	
	06/30/07	03/31/07	06/30/07	03/31/07
Income tax	216,049	162,027	5,529	13,447
Value-added tax - ICMS	623,179	630,702	476,786	473,729
PIS and COFINS	655,767	639,505	125,913	126,231
INSS	30,353	28,682	27,949	25,972
Others	86,838	213,228	29,262	110,288
<b>Total</b>	<b>1,612,186</b>	<b>1,674,144</b>	<b>665,439</b>	<b>749,667</b>
Current	1,047,236	1,037,704	445,463	526,713
Non-current	564,950	636,440	219,976	222,954
	<b>1,612,186</b>	<b>1,674,144</b>	<b>665,439</b>	<b>749,667</b>



## 5.8- Income Tax and Social Contribution

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

	Consolidated				Parent Company		
	Quarter			Accumulated	Accumulated		
	2Q/07	1Q/07	2Q/06	06/30/07	06/30/07	06/30/06	
Income before income tax and social contribution	9,473,175	7,619,086	4,732,604	17,092,261	7,749,172	12,489,630	6,592,932
Results of equity investment	934,958	252,570	57,280	1,187,528	40,870	(5,974,126)	(4,111,198)
Results on sale of assets to be not subject taxation	-	-	(736,866)	-	(756,192)	-	(19,326)
	<b>10,408,133</b>	<b>7,871,656</b>	<b>4,053,018</b>	<b>18,279,789</b>	<b>7,033,850</b>	<b>6,515,504</b>	<b>2,462,408</b>
Income tax and social contribution at combined tax rates	34%	34%	34%	34%	34%	34%	34%
<b>Federal income tax and social contribution at statutory rates</b>	<b>(3,538,765)</b>	<b>(2,676,363)</b>	<b>(1,378,026)</b>	<b>(6,215,128)</b>	<b>(2,391,509)</b>	<b>(2,215,271)</b>	<b>(837,219)</b>
Adjustments to net income which modify the effect on the results for the period:							
Income tax benefit from interest on stockholders' equity	214,283	211,239	184,154	425,522	382,618	425,522	382,618
Fiscal incentives	73,138	106,869	97,977	180,007	167,405	83,931	4,780
Results of overseas companies taxed by aliquot less than the parent company	164,661	395,727	467,349	560,388	714,759	-	-
Reduced incentive aliquot	25,503	19,144	26,705	44,647	44,648	-	-
Other	(134,450)	(131,345)	8,739	(265,795)	(96,357)	153,351	(53,452)
<b>Income tax and social contribution on the result of the period</b>	<b>(3,195,630)</b>	<b>(2,074,729)</b>	<b>(593,102)</b>	<b>(5,270,359)</b>	<b>(1,178,436)</b>	<b>(1,552,467)</b>	<b>(503,273)</b>

The Company has certain tax incentives relative to the manganese operations in Carajás, bauxite in Oriximiná, potash operations in Rosario do Catete, alumina and aluminum operations in Barcarena and kaolin operations in Ipixuna and Mazagão. The incentives relative to manganese comprise partial exemption up to 2013. The incentive relating to alumina and potash comprise full income tax exemption on defined production levels, which expire in 2009 and 2013, respectively, while the partial exemption incentives relative to aluminum and kaolin expire in 2013 and Bauxite in 2008. 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.

CVRD also has tax incentives related to Goro Project in New Caledonia. These incentives include an income tax holiday during the construction phase of the project and throughout a 15-year period commencing in the first year in which commercial production, as defined by the applicable legislation, is achieved followed by a five-year, 50 per cent income tax holiday.

In addition, Goro qualifies for certain exemptions from indirect taxes such as import duties during the construction phase and throughout the commercial life of the project. Certain of these tax benefits, including the income tax holiday, are subject to an earlier phase out should the project achieve a specified cumulative rate of return. The Company is subject to a branch profit tax commencing in the first year in which commercial production is achieved, as defined by the applicable legislation. To date, there is not any net income for New Caledonia tax purposes. The benefits of this legislation are expected to apply with respect to any taxes otherwise payable once the Goro project is in operation.



5.9- Investments - Consolidated

	Investments		Quarter			Equity Results	
	06/30/07	03/31/07	2Q/07	1Q/07	2Q/06	06/30/07	06/30/06
	Usinas Siderúrgicas de Minas Gerais S.A. - USIMINAS (a)	308.661	949.761	-	-	59.473	-
Log-In - Logística Intermodal S/A.	176.687	-	(4.339)	-	-	(4.339)	-
Shandong Yankuang International Company Ltd.	41.095	47.240	(3.783)	7	-	(3.776)	-
Henan Longyu Resources Co. Ltd.	257.461	247.369	27.661	19.904	9.931	47.565	24.308
ThyssenKrupp CSA - Cia Siderúrgica (b)	277.088	225.898	-	-	-	-	-
Quadrem International Holdings Ltd. (b)	8.984	9.563	-	-	-	-	-
Jubilee Mines N.L ( b )	96.973	101.962	-	-	-	-	-
Lion Ore Mining International Ltd ( b )	58.697	59.086	-	-	-	-	-
Mirabela Nickel Ltd ( b )	52.682	19.991	-	-	-	-	-
Skye Resources Inc ( b )	146.183	150.413	-	-	-	-	-
Heron Resources Inc ( b )	16.442	17.502	-	-	-	-	-
Other	124.334	113.581	(1.004)	14.715	6.018	13.711	12.093
	<b>1.565.287</b>	<b>1.942.366</b>	<b>18.535</b>	<b>34.626</b>	<b>75.422</b>	<b>53.161</b>	<b>152.196</b>

(a) Investment accounted for the equity method until 2006, and at cost after it, this participation at market price on the balance sheet date is R\$847,276; and

(b) Investments at cost.



5.10- Intangible - Consolidated

	Intangible		Quarter			Goodwill amortization	
	06/30/07	03/31/07	2Q/07	1Q/07	2Q/06	06/30/07	06/30/06
<b>Intangible by segment</b>							
<b>Minério de ferro e pelotas (c)</b>							
Goodwill incorporated companies	4,546,311	4,676,205	(129,894)	(129,894)	(129,894)	(259,788)	(165,475)
Goodwill of Minerações Brasileiras Reunidas - MBR	345,774	-	(2,906)	-	-	(2,906)	-
Goodwill of Sociedade de Mineração Estrela do Apolo	25,684	25,684	-	-	-	-	-
Other companies (b)	12,161	15,187	(2,613)	(1,812)	(2,362)	(4,425)	(4,722)
	<b>4,929,930</b>	<b>4,717,076</b>	<b>(135,413)</b>	<b>(131,706)</b>	<b>(132,256)</b>	<b>(267,119)</b>	<b>(170,197)</b>
<b>Níquel</b>							
Goodwill of Inco Limited (c)	7,383,533	6,797,587	(229,098)	(130,948)	-	(360,046)	-
Other rights	415,096	-	-	-	-	-	-
	<b>7,798,629</b>	<b>6,797,587</b>	<b>(229,098)</b>	<b>(130,948)</b>	<b>-</b>	<b>(360,046)</b>	<b>-</b>
<b>Total</b>	<b>12,728,559</b>	<b>11,514,663</b>	<b>(364,511)</b>	<b>(262,654)</b>	<b>(132,256)</b>	<b>(627,165)</b>	<b>(170,197)</b>

(a) Merged companies (Caemi and Ferteco) - amortization of goodwill of incorporated operating companies is recorded in the cost of products sold of the Parent Company;

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

(c) Goodwill based on future results expectative (stated period of amortization of 10 years).



## 5.11- Property, Plant and Equipment

By business area:

	06/30/07			Consolidated
	Cost	Accumulated depreciation	Net	03/31/07
				Net
<b>Ferrous</b>				
In operation	27,414,862	(10,909,656)	16,505,206	16,737,928
Construction in Progress	6,978,944	-	6,978,944	6,134,827
	<b>34,393,806</b>	<b>(10,909,656)</b>	<b>23,484,150</b>	<b>22,872,755</b>
<b>Non - Ferrous</b>				
In operation	38,960,026	(2,571,603)	36,388,423	32,266,280
Construction in Progress	12,650,074	-	12,650,074	11,265,288
	<b>51,610,100</b>	<b>(2,571,603)</b>	<b>49,038,497</b>	<b>43,531,568</b>
<b>Logistics</b>				
In operation	7,041,503	(2,453,967)	4,587,536	4,268,130
Construction in Progress	329,193	-	329,193	247,027
	<b>7,370,696</b>	<b>(2,453,967)</b>	<b>4,916,729</b>	<b>4,515,157</b>
<b>Holdings</b>				
In operation	8,350,333	(3,225,271)	5,125,062	4,613,039
Construction in Progress	2,593,236	-	2,593,236	2,813,368
	<b>10,943,569</b>	<b>(3,225,271)</b>	<b>7,718,298</b>	<b>7,426,407</b>
<b>Corporate Center</b>				
In operation	1,412,072	(523,633)	888,439	825,688
Construction in Progress	619,830	-	619,830	660,851
	<b>2,031,902</b>	<b>(523,633)</b>	<b>1,508,269</b>	<b>1,486,539</b>
<b>Total</b>	<b>106,350,073</b>	<b>(19,684,130)</b>	<b>86,665,943</b>	<b>79,832,426</b>

## 5.12- Loans and Financing

Current

	Consolidated		Parent Company	
	06/30/07	03/31/07	06/30/07	03/31/07
Trade finance	388,908	2,335,576	-	2,085,499
Working capital	172,243	167,609	-	-
	<b>561,151</b>	<b>2,503,185</b>	<b>-</b>	<b>2,085,499</b>



Non-current

	Consolidated				Parent Company			
	Current liabilities		Long-term liabilities		Current liabilities		Long-term liabilities	
	06/30/07	03/31/07	06/30/07	03/31/07	06/30/07	03/31/07	06/30/07	03/31/07
<b>Foreign operations</b>								
Loans and financing in:								
U.S. dollars	440,397	411,771	13,698,910	22,603,862	343,494	294,218	1,346,458	6,140,298
Other currencies	35,014	7,105	582,388	27,272	7,257	7,105	22,298	27,272
Notes in U.S. dollars	-	-	13,048,878	13,890,261	-	-	-	-
Export securitization	134,453	159,800	446,772	502,637	-	-	-	-
Perpetual notes	-	-	165,669	175,328	-	-	-	-
Accrued charges	587,532	419,431	-	-	38,660	18,407	-	-
	<b>1,197,396</b>	<b>998,107</b>	<b>27,942,617</b>	<b>37,199,360</b>	<b>389,411</b>	<b>319,730</b>	<b>1,368,756</b>	<b>6,167,570</b>
<b>Local operations</b>								
Indexed by TJLP, TR, IGP-M and CDI	166,364	157,511	2,283,238	2,287,517	34,011	39,362	2,134,553	2,142,883
Basket of currencies	3,053	3,250	12,562	14,185	2,896	3,084	12,484	14,059
Loans in U.S. dollars	82,124	200,223	154,263	154,370	-	-	-	-
Non-convertible debentures	-	-	5,880,152	5,930,460	-	-	5,500,011	5,557,936
Accrued charges	132,434	292,180	-	-	90,925	249,803	-	-
	<b>383,975</b>	<b>653,164</b>	<b>8,330,215</b>	<b>8,386,532</b>	<b>127,832</b>	<b>292,249</b>	<b>7,647,048</b>	<b>7,714,878</b>
	<b>1,581,371</b>	<b>1,651,271</b>	<b>36,272,832</b>	<b>45,585,892</b>	<b>517,243</b>	<b>611,979</b>	<b>9,015,804</b>	<b>13,882,448</b>

(a) Foreign currency loans and financing were converted into *reais* at exchange rates effective on the quarterly information date, being US\$1.00 = R\$1.9262 in 06/30/07 (R\$2.0504 in 03/31/07).

(b) At June 30, 2007, the consolidated debt was secured as follows:

- Loans guaranteed by the Federal Government of R\$24,607 to which we gave counter-guarantees;
- Securitization program of R\$571,246;
- Other assets R\$789,917.

(c) Amortization of principal and financing charges incurred on long-term loans and financing obtained abroad and domestically maturing as follows, as of 06/30/07:

	Consolidated		Parent Company	
2008	1,411,397	4%	1,192,865	13%
2009	965,440	3%	351,574	4%
2010	4,703,055	13%	1,844,015	20%
2011	6,438,835	17%	264,143	4%
2012 onward	22,208,295	61%	5,363,207	59%
No due date (perpetual notes and debentures)	545,810	2%	-	-
	<b>36,272,832</b>	<b>100%</b>	<b>9,015,804</b>	<b>100%</b>

(d) In October 2006, the Company took a US\$14.6 billion bridge loan, whose original term was 2-years, used to finance the Inco acquisition. Still in December 2006, the Company concluded three transactions with total estimated value of US\$12.3 billion, completing a significant part of the take out of the initial bridge loan, as follows:

One of these transactions, in November, 2006, the Company issued a US\$3.75 billion 10-year and 30-year notes. One of US\$1.25 billion notes due in January 2017 bear a coupon rate of 6.25% per year, payable semi-annually and other of US\$2.50 billion notes due in 2036 bear a coupon rate of 6.875% per year, payable semi-annually.

The other transaction involved the issue on December 20, 2006 of non-convertible debentures in the amount of R\$5.5 billion, in two series. The first series, due on November 20, 2010, R\$1.5 billion, will be remunerated at 101.75% of the accumulated variation of the Brazilian CDI interest rate, payable semi-annually while the second series, due on November 20, 2013, R\$4.0 billion, will be remunerated at the Brazilian CDI interest rate plus 0.25% per year, also payable semi-annually. These debentures can be traded at a secondary market, through the Sistema Nacional de Debentures (SND).

The other transaction, closed in December, 2006, was a pre-export finance transaction of US\$6.0 billion, defining the final allocation among the members of a bank syndicate. The transaction includes a US\$5.0 billion tranche, five-year maturity, at Libor plus 0.625% per year, and a US\$1.0 billion tranche, seven-year maturity, at Libor plus 0.75% per year.

In the subsequent period, in April, 27 2007 the Company liquidated in advance, the remaining balance of US\$2.25 billion of the bridge loan through cash and cash equivalents and export contracts.

### 5.13- Contingent Liabilities

At the Quarterly information dates the contingent liabilities of the Company were:

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

	Consolidated		Parent Company	
	06/30/07	03/31/07	06/30/07	03/31/07
a) Tax contingencies	2,293,250	2,265,957	1,451,206	1,425,052
(-) Judicial deposits	(1,026,835)	(1,101,792)	(770,650)	(756,050)
	<b>1,266,415</b>	<b>1,164,165</b>	<b>680,556</b>	<b>669,002</b>
b) Civil contingencies	608,110	584,863	409,553	389,292
(-) Judicial deposits	(225,867)	(223,476)	(211,292)	(209,067)
	<b>382,243</b>	<b>361,387</b>	<b>198,261</b>	<b>180,225</b>
c) Labor contingencies	845,083	843,669	681,881	644,881
d) Environmental contingencies	48,099	51,506	18,617	17,854
<b>Total accrued liabilities</b>	<b>2,541,840</b>	<b>2,420,727</b>	<b>1,579,315</b>	<b>1,511,962</b>
		<b>06/30/07</b>		<b>06/30/07</b>
<b>Balance in the beginning of the period</b>		2,420,727		1,511,962
Provisions net from reversals		40,757		58,635
Payment		(24,757)		(21,478)
Monetary update		32,548		47,021
Increase (decrease) of judicial deposits		72,565		(16,825)
<b>Balance at the end of period</b>		<b>2,541,840</b>		<b>1,579,315</b>

The Company and its subsidiaries are party to labor, civil, tax and other suits and has been contesting these matters both administratively and in court. When applicable, these are backed by judicial deposits. Provisions for losses are estimated and restated monetarily by management based on the opinions of the legal department and outside counsel.

#### a) Tax Contingencies:

The major suits are:

- Value-Added Tax on Sales and Services (ICMS) – The contingent figure refers to the credit right of differential rate regarding the transfer of assets between company branches;
- Services Tax (ISS) – The major claims are regarding local tax collecting dispute;
- Tax for Social Security Financing (COFINS) – The major contingencies refer to the increase of rate from 2% to 3% between 1999 and 2000 of merged companies;
- Import Duty (II) – The provision made is related to the Fiscal classification of equipment importation of merged companies;
- Additional Compensation to harbour workers (AITP) – Figures regarding the collection of compensation to public harbour workers equalized to Private Harbour;
- Income Tax and Social Contribution – Essentially regarding a fiscal loss compensation and negative bases of social contribution disputing the over the limit of 30% of taxable earnings and monetary variation of asset from merged companies; and



- Others – Regarding dispute of tax credit compensations and base of calculation of Finance Compensation by Exploration of Mineral Resources - CFEM.

#### b) Civil Contingencies:

The civil actions principally related 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, accidents and return of land.

#### c) Labor Contingencies:

Labor and social security - related actions principally comprise claims for (i) payment of time spent traveling from their residences to the work-place, (ii) additional health and safety related payments and (iii) disputes about the amount of indemnities paid upon dismissal and the one-third extra holiday pay.

In addition to the contingencies for which we have made provisions we have possible losses totaling R\$3,318,315 (R\$2,236,341 parent company) based on the advice of our legal counsel, no provision is maintained.

(b) Guarantees given to jointly controlled companies are as follows:

Affiliate	Amount of guarantee		Denominated currency	Purpose	Final maturity	Counter guarantees
	06/30/07	03/31/07				
SAMARCO	3,553	5,770	US\$	Debt guarantee IFC	2008	None

(c) The company provides a guarantee covering certain termination payments to the supplier under an electricity supply agreement entered in October 2004 for Goro nickel-cobalt development project in New Caledonia. The amount of the termination payments guaranteed depends upon a number of factors. If Goro defaults under the contract, the termination payment will reach up to an amount of 135 million of euros. Once the supply of electricity under the contract to the project begins the guaranteed amounts will decrease over the life of the contract.

Additionally, in connection with a special tax-advantage lease financing related with this project the Company provides certain guarantees pursuant to which the Company guarantee in certain events of default, payments up to a maximum amount of US\$100 million.

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

(d) Upon privatization of the Company in 1997, issued a non-convertible debentures (Debentures) to the stockholders of record, including the federal government. The maturity dates of these Debentures were established to guarantee that pre-privatization stockholders, including the federal government, would share with any future benefits from the Company mineral resources.

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

In April 2007, we made available payment related to debentures in the amount of R\$12,037.

### 5.14- Provision for asset retirement obligations

On 06/30/07, the consolidated provision for asset retirement obligations amounted to R\$1,431,999 (R\$643,628 in the parent company), which was accounted for in "Provision for asset retirement obligations" in non-current liabilities and R\$64,208 (R\$54,197 in the parent company) classified in "Other" in current liabilities.

### 5.15- Paid-up Capital

On July 26, 2007 our Board of Directors approved a forward-stock split proposal which involves the exchange of each share, common or preferred class A, by two post-split shares. The split also involves the maintenance of the current American Depositary Receipt ratio at 1/1. The split has to be approved by an Extraordinary General Shareholders Meeting to be called soon.

At the Extraordinary Shareholders' Meeting held on 04/27/07 the Capital Stock was increased to R\$28 billion, corresponding to 2,459,657,058 shares, being R\$17,074,400 million divided into 1,499,898,858 common shares and R\$10,925,600, divided into 959,758,200 preferred Class "A", including six (6) special Class shares, all without par value. The Capital increase is due through the expansion/ investment reserve in amount of R\$7,672,690, capitalization in part of the Legal reserve in the amount of R\$751,545, and capitalization of the fiscal incentives reserve in the amount of R\$83,364 without new stock issue.



On 05/22/06 the Company split the capital stock approved at the Extraordinary Shareholders' Meeting held on 04/27/2006. Each existing share, both common and preferred, became two shares. After the split the capital of the Company in the amount of R\$19,5 billion, corresponds to 2,459,657,058 shares, being 1,499,898,858 common shares and 959,758,200 preferred Class "A", including six special class shares without par value (Golden share). The share/ADR proportion was maintained at 1/1, therefore, each common and preferred share will continue to be represented by one ADR.

For comparative purposes, the effects of the split were considered retroactively in the calculation of net income per share presented in the statement of income.

Preferred shares have the same rights as common shares, except for the right to elect the members of the Board of Directors. They have priority to a minimum annual dividend of 6% on the portion of capital represented by this class of share or 3% of the book net equity value of the share, whichever is greater.

The members of the Board of Directors and Executive Board together own 62,463 common shares and 301,684 preferred shares.

### 5.16- Notes Mandatory Convertible

In June, 2007, the Company issued R\$3,600,902 through mandatory convertible notes with expiration in 2010. The notes, paid coupon of 5,50% a.a quarterly and the right to receive the participation of the additional equivalent for the distribution in cash paid to the ADS's holders. This notes were classified as a capital instrument, mainly because of the fact that there is no option, from the part the part of the company or from the part of the holders, to liquidate, totally or part this operation with financial resources, being the conversion mandatory.

The notes of R\$2,481,454 are represented by a maximum of 28,291,020 common shares and the notes of R\$1,119,448 by a maximum of 15,147,728 preferred shares. All the shares currently in treasure stock.

In alignment with the international practices and after concluded analysis, it was concluded that the Mandatory convertible notes are similar as equity notes and recognized as a specific part of the equity, net of financial changes.

### 5.17- Treasury Stock

On 06/19/07 CVRD finalized the issuance of convertible notes in treasury stock, as described in notes 5.16.

On 06/21/06 The Board of Directors approved, under the terms of Subparagraph XXXII of Article 14 of the Bylaws and based on Article 30 of Law 6404/76 and CVM Instructions 10 of 02/14/80 and 268 of 11/13/97, a buy-back program of its preferred shares, during a maximum term of 180 days, involving the acquisition of up to 47,986,763 preferred shares, corresponding to 5% of its outstanding preferred shares on May 31, 2006.

Until 12/21/06, due date of buy-back program 15,149,600 preferred shares have been acquired.

On 06/30/07, the Company had 28,291,020 common shares and 15,170,644 preferred shares, which are held in treasury in the amount of R\$790,226.

Class	Shares		Unit acquisition cost			Average quoted market price	
	Quantity		Average	Low	High	06/30/07	
	06/30/07	03/31/07				06/30/07	03/31/07
Preferred	15,170,644	15,170,644	43.45	41.13	45.15	66.04	59.97
Common	28,291,020	28,291,020	4.63	3.34	8.68	78.30	70.57
	<b>43,461,664</b>	<b>43,461,664</b>					

### 5.18- Distribution to Stockholder's

On 04/30/2007, CVRD paid R\$1,669,058 to stockholders, being in the form of interest on stockholders' equity a amount of R\$621,650 and R\$1,047,408 in form of dividends.



5.19- Financial Result

Consolidated

	2Q/07			1Q/07			Quarter 2Q/06		
	Financial expenses	Monetary and exchange rate variation on liabilities	Total	Financial expenses	Monetary and exchange rate variation on liabilities	Total	Financial expenses	Monetary and exchange rate variation on liabilities	Total
Foreign debt	(437,176)	300,876	(136,300)	(512,462)	435,973	(76,489)	(123,118)	76,420	(46,698)
Local debt	(292,132)	272,831	(19,301)	(265,932)	106,603	(159,329)	(41,444)	(100,574)	(142,018)
Related parties	809	(26)	783	(3,676)	(69)	(3,745)	(1,911)	(7)	(1,918)
	<b>(728,499)</b>	<b>573,681</b>	<b>(154,818)</b>	<b>(782,070)</b>	<b>542,507</b>	<b>(239,563)</b>	<b>(166,473)</b>	<b>(24,161)</b>	<b>(190,634)</b>
Labor, tax and civil contingencies	(49,166)	(4,869)	(54,035)	(32,155)	(9,082)	(41,237)	(56,236)	(7,771)	(64,007)
Derivatives, net of gain/losses (interest and currencies)	558,366	(14,902)	543,464	341,484	(5,635)	335,849	3,244	27	3,271
Derivatives, net of gain/losses (gold, aluminum, alumina, copper, nickel and platinum)	(314,476)	42,035	(272,441)	(174,638)	57,590	(117,048)	(110,679)	1,634	(109,045)
CPMF	(67,622)	-	(67,622)	(113,858)	-	(113,858)	(42,486)	-	(42,486)
Other	(418,722)	(997,025)	(1,415,747)	(643,060)	104,587	(538,473)	(184,189)	(49,334)	(233,523)
	<b>(1,020,119)</b>	<b>(401,080)</b>	<b>(1,421,199)</b>	<b>(1,404,297)</b>	<b>689,967</b>	<b>(714,330)</b>	<b>(556,819)</b>	<b>(79,605)</b>	<b>(636,424)</b>
	Financial income	Monetary and exchange rate variation on assets	Total	Financial income	Monetary and exchange rate variation on assets	Total	Financial income	Monetary and exchange rate variation on assets	Total
Related parties	6,001	1	6,002	(3,294)	5,610	2,316	5,050	(1,443)	3,607
Marketable securities	70,824	56	70,880	55,245	23	55,268	55,001	(9,289)	45,712
Other	103,696	1,193,607	1,297,303	238,604	209,800	448,404	44,713	75,987	120,700
	<b>180,521</b>	<b>1,193,664</b>	<b>1,374,185</b>	<b>290,555</b>	<b>215,433</b>	<b>505,988</b>	<b>104,764</b>	<b>65,255</b>	<b>170,019</b>
Financial income (expenses), net	<b>(839,598)</b>	<b>792,584</b>	<b>(47,014)</b>	<b>(1,113,742)</b>	<b>905,400</b>	<b>(208,342)</b>	<b>(452,055)</b>	<b>(14,350)</b>	<b>(466,405)</b>

	06/30/07			Accumulated 06/30/06		
	Financial expenses	Monetary and exchange rate variation on liabilities	Total	Financial expenses	Monetary and exchange rate variation on liabilities	Total
Foreign debt	(949,638)	736,849	(212,789)	(239,079)	318,679	79,600
Local debt	(558,064)	379,434	(178,630)	(78,577)	54,596	(23,981)
Related parties	(2,867)	(95)	(2,962)	(4,575)	(132)	(4,707)
	<b>(1,510,569)</b>	<b>1,116,188</b>	<b>(394,381)</b>	<b>(322,231)</b>	<b>373,143</b>	<b>50,912</b>
Labor, tax and civil contingencies	(81,321)	(13,951)	(95,272)	(113,146)	(21,516)	(134,662)
Derivatives, net of gain/losses (interest and currencies)	899,850	(20,537)	879,313	4,833	459	5,292
Derivatives, net of gain/losses (gold, aluminum, alumina, copper, nickel and platinum)	(489,114)	99,625	(389,489)	(269,949)	51,860	(218,089)
CPMF	(181,480)	-	(181,480)	(90,942)	-	(90,942)
Other	(1,061,782)	(892,439)	(1,954,221)	(292,455)	(205,028)	(497,483)
	<b>(2,424,416)</b>	<b>288,886</b>	<b>(2,135,530)</b>	<b>(1,083,890)</b>	<b>198,918</b>	<b>(884,972)</b>
	Financial income	Monetary and exchange rate variation on assets	Total	Financial income	Monetary and exchange rate variation on assets	Total
Related parties	2,707	5,611	8,318	5,841	(1,439)	4,402
Marketable securities	126,069	79	126,148	124,027	(61,818)	62,209
Other	342,300	1,403,408	1,745,708	83,003	9,899	92,902
	<b>471,076</b>	<b>1,409,098</b>	<b>1,880,174</b>	<b>212,871</b>	<b>(53,358)</b>	<b>159,513</b>
Financial income (expenses), net	<b>(1,953,340)</b>	<b>1,697,984</b>	<b>(255,356)</b>	<b>(871,019)</b>	<b>145,560</b>	<b>(725,459)</b>





	2Q/06							
	Interest rates (libor)	Currencies	Gold	Products by aluminum area	Copper	Nickel	Platinum	Total
Gains / (losses) unrealized on 03/31/06	(6,361)	2,325	(126,624)	(511,982)	-	-	-	(642,642)
Financial settlement	2,692	-	8,253	61,861	-	-	-	72,806
Financial expenses, net	1,358	1,886	(11,688)	(98,991)	-	-	-	(107,435)
Monetary variations, net	10	17	(1,235)	2,869	-	-	-	1,661
<b>Gains / (losses) unrealized on 06/30/06</b>	<b>(2,301)</b>	<b>4,228</b>	<b>(131,294)</b>	<b>(546,243)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(675,610)</b>

	Consolidated 06/30/07							
	Interest rates (libor)	Currencies	Gold	Products by aluminum area	Copper	Nickel	Platinum	Total
Gains / (losses) unrealized on 12/31/06	13,188	(33,350)	(115,138)	(679,454)	(638,410)	34,593	(41,922)	(1,460,493)
Financial settlement	(1,942)	(157,453)	33,797	137,397	213,768	21,025	7,251	253,843
Financial expenses, net	5,071	894,779	529	(90,457)	(324,570)	(3,761)	(16,876)	464,715
Monetary variations, net	(770)	(19,767)	10,010	69,209	66,918	2,250	5,221	133,071
<b>Gains / (losses) unrealized on 06/30/07</b>	<b>15,547</b>	<b>684,209</b>	<b>(70,802)</b>	<b>(563,305)</b>	<b>(682,294)</b>	<b>54,107</b>	<b>(46,326)</b>	<b>(608,864)</b>

	06/30/06							
	Interest rates (libor)	Currencies	Gold	Products by aluminum area	Copper	Nickel	Platinum	Total
Gains / (losses) unrealized on 12/31/05	(8,769)	1,725	(107,561)	(493,542)	-	-	-	(608,147)
Financial settlement	3,679	-	16,817	124,838	-	-	-	145,334
Financial expenses, net	2,196	2,637	(48,026)	(221,923)	-	-	-	(265,116)
Monetary variations, net	593	(134)	7,476	44,384	-	-	-	52,319
<b>Gains / (losses) unrealized on 06/30/06</b>	<b>(2,301)</b>	<b>4,228</b>	<b>(131,294)</b>	<b>(546,243)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(675,610)</b>

	Parent Company 06/30/07				
	Interest rates (libor)	Currencies	Gold	Copper	Total
Gains / (losses) unrealized on 12/31/06	-	5,064	(68,941)	46,227	(17,650)
Financial settlement	-	(215,026)	13,105	(3,383)	(205,304)
Financial expenses, net	-	864,616	(1,458)	(59,508)	803,650
Monetary variations, net	-	(16,746)	7,066	(1,560)	(11,240)
<b>Gains / (losses) unrealized on 06/30/07</b>	<b>-</b>	<b>637,908</b>	<b>(50,228)</b>	<b>(18,224)</b>	<b>569,456</b>

	06/30/06				
	Interest rates (libor)	Currencies	Gold	Copper	Total
Gains / (losses) unrealized on 12/31/05	(5)	1,725	(63,408)	-	(61,688)
Financial settlement	-	-	10,074	-	10,074
Financial expenses, net	5	2,637	(28,349)	-	(25,707)
Monetary variations, net	-	(134)	4,116	-	3,982
<b>Gains / (losses) unrealized on 06/30/06</b>	<b>-</b>	<b>4,228</b>	<b>(77,567)</b>	<b>-</b>	<b>(73,339)</b>

Final maturity dates for the above instruments are as follows:

Gold	December 2008
Interest rates (LIBOR)	December 2011
Currencies	December 2011
Aluminum products	December 2008
Copper concentrate	December 2008
Nickel	April 2009
Platinum	December 2008



## 5.21- Selling, Administrative, Other Operating Expenses and Non Operating Income

	Quarter				Consolidated		Parent Company	
	2Q/07			1Q/07			Accumulated	
	2Q/07	1Q/07	2Q/06	06/30/07	06/30/06	06/30/07	06/30/06	
<b>Administrative</b>								
Personnel	163,783	206,128	142,299	369,911	279,584	144,684	146,844	
Services of technical consulting	44,161	69,008	33,179	101,867	71,615	49,308	40,937	
Advertising and publicity	40,592	31,827	54,536	72,419	81,296	66,600	79,656	
Depreciation	71,986	69,101	53,240	141,087	105,298	103,286	77,644	
Travel expenses	9,201	9,408	13,509	18,609	24,214	11,504	20,575	
Rents and taxes	37,913	41,870	15,001	79,783	25,052	13,622	11,852	
Community aborigine	2,653	5,826	4,120	8,479	8,183	8,479	8,182	
Other	94,818	112,136	64,750	218,256	116,299	35,971	25,221	
<b>Sales</b>	101,855	56,560	131,160	158,415	236,046	10,729	3,188	
<b>Total</b>	<b>566,962</b>	<b>601,864</b>	<b>511,794</b>	<b>1,168,826</b>	<b>947,587</b>	<b>444,183</b>	<b>414,099</b>	

	Quarter				Consolidated		Parent Company	
	2Q/07			1Q/07			Accumulated	
	2Q/07	1Q/07	2Q/06	06/30/07	06/30/06	06/30/07	06/30/06	
<b>Other operating expenses (income), net</b>								
Provisions for contingencies	101,455	19,919	44,334	121,374	75,354	57,186	10,795	
Provision for loss on ICMS credits	3,573	12,949	13,935	16,522	28,793	(22,249)	-	
Provision for profit sharing	85,079	223,475	78,441	308,554	140,890	199,392	108,000	
Fundação Vale do Rio Doce - FVRD	14,271	12,047	2,573	26,318	5,871	14,268	5,290	
Recoverable taxes - PIS na COFINS	-	(317,221)	-	(317,221)	-	(317,221)	-	
Other	128,016	130,455	36,619	258,471	113,819	108,003	120,690	
<b>Total</b>	<b>332,394</b>	<b>81,624</b>	<b>175,902</b>	<b>414,018</b>	<b>364,727</b>	<b>39,379</b>	<b>244,775</b>	

	Quarter				Consolidated		Parent Company	
	2Q/07			1Q/07			Accumulated	
	2Q/07	1Q/07	2Q/06	06/30/07	06/30/06	06/30/07	06/30/06	
<b>Non operating results</b>								
Gain on sale of assets								
Usiminas	839,428	-	-	839,428	-	839,428	-	
Gulf Investment Co. - GIIC	-	-	736,866	-	736,866	-	-	
Log-In	416,531	-	-	416,531	-	416,531	-	
Nova Era Silicon - NES	-	-	-	-	19,326	-	19,326	
Others	4,807	-	-	4,807	-	982	-	
<b>Total</b>	<b>1,260,766</b>	<b>-</b>	<b>736,866</b>	<b>1,260,766</b>	<b>756,192</b>	<b>1,256,941</b>	<b>19,326</b>	





## 6- ATTACHMENT I - STATEMENT OF INVESTMENTS IN SUBSIDIARIES AND JOINTLY-CONTROLLED COMPANIES

Period ended June 30, 2007

In thousands of reais

	Participation (%)		Assets				Liabilities and stockholders' equity				Accounting information			
			Non-current assets		Current		Non-current assets		Current		Statement of income		Statement of income	
			Total	Voting	Circulante	Long-term	Investments, property plant and equipment and deferred charges	Current	Long-term, deferred income and minority interest	Adjusted stockholders' equity	Net revenues	Cost of products and services	Operating income (expenses)	Non-operating result
<b>Subsidiaries (a)</b>														
ALBRAS - Alumínio Brasileiro S.A.	51.00	51.00	494,910	1,497,386	1,062,862	411,772	981,827	1,661,559	1,355,493	(883,440)	(37,712)	(5,152)	(164,800)	264,389
ALUNORTE - Alumina do Norte do Brasil S.A.	57.03	61.74	805,702	80,182	4,438,474	399,418	1,158,537	3,766,403	1,340,013	(813,609)	(26,220)	(38)	(62,007)	438,139
Brasilux S.A.	100.00	100.00	3,904	30,567	-	12,776	-	21,695	-	-	(952)	-	-	(952)
Companhia Paulista de Ferro Ligas	100.00	100.00	69,166	172,386	1,627	138,677	98,338	6,164	-	-	4,937	(104)	(3,007)	1,826
Companhia Portuária Baía de Sepetiba - CPBS	100.00	100.00	293,362	6,062	168,915	164,117	32	304,190	181,348	(55,748)	1,833	-	(43,234)	84,199
CVRD Inco	100.00	100.00	9,212,851	396,012	50,531,623	5,328,241	43,017,073	11,795,172	13,875,814	(5,289,622)	(3,495,271)	(486,583)	(2,737,007)	1,867,331
CVRD International S.A.	100.00	100.00	6,554,321	56,206,793	45,790,968	4,876,704	52,082,409	51,592,969	9,474,370	(7,078,622)	5,402,281	508	(177,080)	7,621,457
CVRD Overseas Ltd.	100.00	100.00	546,246	446,772	879,549	1,330,966	38,659	502,942	1,379,077	(988,701)	(73,538)	-	-	316,838
Docepar S.A.	100.00	100.00	2,204	307,499	149	29,521	263,274	17,057	-	-	(12,473)	-	(43)	(12,516)
Ferro Gusa Carajás S.A.	100.00	100.00	105,740	1,387	338,975	52,600	1,145	392,357	83,255	(75,962)	39,226	-	-	46,519
Ferrovia Centro - Atlântica S.A.	100.00	100.00	349,835	115,198	1,494,442	160,409	1,927,793	(128,727)	370,168	(320,484)	(17,102)	-	(9,816)	22,766
Florestas Rio Doce S.A.	99.90	100.00	16,645	27,796	3,695	14,869	9,069	24,198	-	-	668	-	(227)	441
Log-In Intermodal S/A.	36.37	36.37	562,068	7,946	93,432	124,633	53,651	485,162	159,350	(105,727)	(35,649)	3,358	(13,833)	7,499
Mineração Tacumã Ltda.	100.00	100.00	133	-	1,661,114	17,005	1,788,341	(144,099)	-	-	22,360	-	-	22,360
Minerações Brasileiras Reunidas S.A. - MBR	92.99	92.99	1,211,676	92,796	4,374,717	635,673	977,363	4,066,153	1,966,762	(1,025,025)	389,332	904	(286,493)	1,045,480
Rio Doce Manganês S.A.	100.00	100.00	461,721	95,624	357,940	248,472	268,848	397,965	293,439	(241,358)	(56,069)	(11,645)	(519)	(16,152)
Rio Doce Manganês Europe - RDME	100.00	100.00	202,400	180	55,640	69,268	1,932	187,020	196,120	(164,184)	(42,858)	120	(3,200)	(14,002)
Rio Doce Manganês Norway AS	100.00	100.00	99,258	11,824	57,903	84,443	41,702	42,840	84,695	(58,763)	(19,261)	-	(5,563)	1,108
Salobo Metais S.A.	100.00	100.00	2,541	-	911,638	1,755	614,359	298,065	-	-	-	-	-	-
Urucum Mineração S.A.	100.00	100.00	77,753	32,043	61,369	23,623	118,238	29,304	45,755	(35,187)	(22,513)	(6,085)	317	(17,713)
Vale Overseas Ltd.	100.00	100.00	250,196	11,073,050	-	250,196	11,073,050	-	-	-	-	-	-	-
Valesul Alumínio S.A.	100.00	100.00	202,145	79,043	517,153	103,727	32,157	662,457	286,219	(208,628)	(17,861)	2,756	(11,733)	50,753
<b>Jointly-controlled companies (a)</b>														
California Steel Industries, Inc.	50.00	50.00	793,747	22,226	468,050	344,406	288,929	650,688	1,330,141	(1,258,166)	(110,296)	-	(14,025)	(52,346)
Companhia Coreano-Brasileira de Pelotização - KOBRASCO	50.00	50.00	185,145	30,805	251,699	245,570	87,338	134,741	360,827	(299,600)	2,843	-	(24,775)	39,295
Companhia Hispano-Brasileira de Pelotização - HISPANOBRÁS	50.89	51.00	184,416	47,317	104,900	134,290	52,678	149,665	380,862	(283,208)	(38,560)	-	(21,296)	37,798
Companhia Ítalo-Brasileira de Pelotização - ITABRASCO	50.90	51.00	195,969	59,526	109,832	182,582	64,905	117,840	337,992	(294,354)	3,038	-	(17,456)	29,220
Companhia Nipo-Brasileira de Pelotização - NIBRASCO	51.00	51.11	255,299	66,985	252,204	324,520	62,554	187,414	556,486	(486,862)	(35,024)	-	(14,287)	20,313
Minas da Serra Geral S.A. - MSG	50.00	50.00	19,215	26,495	76,187	2,164	19,889	99,844	12,588	(5,039)	(437)	18	(1,688)	5,442
Mineração Rio do Norte S.A.	40.00	40.00	143,706	537,595	926,404	554,769	227,077	825,859	534,666	(275,081)	5,536	(1,250)	(22,898)	240,973
MRS Logística S.A.	41.50	37.86	686,992	294,871	1,654,825	718,781	744,833	1,173,074	1,017,350	(544,498)	(73,585)	(5,524)	(133,879)	259,864
Samarco Mineração S.A.	50.00	50.00	772,526	290,600	2,691,912	904,016	1,832,910	1,018,112	1,224,691	(502,934)	(80,081)	(25)	(132,014)	509,637
Baovale Mineração S.A.	50.00	100.00	85,047	26	52,587	49,702	-	87,958	(572)	(2,130)	15,348	-	(1,695)	10,951

### Observações:

(a) The amounts above represent the total presented in the quarterly informations of this companies on June 30, 2007, adjusted and unaudited.

Additional information of the main investee companies are available on the CVRD website [www.cvrd.com.br](http://www.cvrd.com.br), investor relations.





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(Convenience Translation into English from the Original Previously Issued in Portuguese)

## REPORT OF THE INDEPENDENT AUDITORS ON SPECIAL REVIEW

To the Shareholders and Board of Directors of  
Companhia Vale do Rio Doce  
Rio de Janeiro – RJ

1. We have carried out a special review of the Quarterly Financial Information (ITR) of Companhia Vale do Rio Doce (“Company”), holding company and consolidated, in respect of the quarter and semester ended June 30, 2007, prepared in accordance with the accounting practices followed in Brazil and under the responsibility of the Company’s management, comprising the balance sheets, the statements of income and changes in shareholders’ equity and the comments on the Company’s performance.
2. Except as mentioned in paragraph 3, our special review was carried out in accordance with the specific procedures established by the Institute of Independent Auditors of Brazil (IBRACON), in conjunction with the Federal Accounting Council, and consisted mainly of: (a) inquiries and discussion with the officers responsible for the Company’s and its investees’ accounting, financial and operational areas about the procedures adopted for preparing the Quarterly Financial Information (ITR), and (b) review of the information and subsequent events which have, or may have, relevant effects on the Company’s and its investees’ financial positions and operations.
3. The financial statements for the quarter and semester ended June 30, 2007, of certain subsidiaries, jointly-owned and associated companies, in which there are relevant investments, have not been reviewed by independent auditors. Accordingly, the conclusions resulting from our review do not cover: R\$22,225,990 thousand of these investments of the holding Company on June 30, 2007, and R\$921,979 thousand and R\$2,922,221 thousand of the income generated for the quarter and semester then ended, respectively; total assets of R\$ 36,595,750 thousand equivalent to 29% of the Company’s consolidated total assets on that date, net income in the amounts of R\$6,922,023 thousand and R\$13,313,414 thousand equivalent to 39% and 39% of the Company’s consolidated sales and services net income for the quarter and semester then ended, respectively.
4. Based on our special review, except for the effects of the adjustments, if any, which might have been required if the financial statements of the subsidiaries, jointly-owned and associated companies mentioned in paragraph 3 had been reviewed by independent auditors, we are not aware of any relevant adjustment 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 the obligatory Quarterly Financial Information (ITR).






5. Our special review was conducted for the purpose of issuing our report on the Quarterly Financial Information (ITR) referred to in paragraph 1, taken as a whole. The statement of cash flows, holding company and consolidated, are presented as additional information, and are not a required part of the Quarterly Financial Information. Such statements have been subjected to the review procedures described in paragraph 2 and we are not aware of any material adjustment that should be made to such statements for them to be adequately presented in relation to the Quarterly Financial Information.
6. We have previously reviewed the balance sheets, holding company and consolidated, as of March 31, 2007 and the income statements for the quarter and semester ended June 30, 2006 presented for comparative purposes, over which we issued special reviews reports dated May 3, 2007 and August 2, 2006, respectively, including a qualification regarding the financial statements of certain subsidiaries, jointly-owned and associated companies, which have not been reviewed by independent auditors.

Rio de Janeiro, July 31, 2007

  
DELOITTE TOUCHE TOHMATSU  
Auditores Independentes

  
Marcelo Cavalcanti Almeida  
Accountant



## B- ADDITIONAL INFORMATION

### 8- CASH GENERATION (NOT REVIEWED BY INDEPENDENT AUDITORS)

The operating cash generation measured by EBITDA (earnings before financial results, results of equity investments, interest, income tax and depreciation, amortization and depletion more dividends received) was R\$19,191,485 in 06/30/07, against R\$8,906,751 in 06/30/06, an increase of 115%.

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

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

#### EBITDA

	Quarter			Accumulated	
	2Q/07	1Q/07	2Q/06	06/30/07	06/30/06
<b>Operating profit - EBIT</b>	<b>9,194,381</b>	<b>8,079,998</b>	<b>4,519,423</b>	<b>17,274,379</b>	<b>7,759,309</b>
Depreciation / amortization of goodwill	1,015,200	856,437	540,013	1,871,637	1,052,329
	<b>10,209,581</b>	<b>8,936,435</b>	<b>5,059,436</b>	<b>19,146,016</b>	<b>8,811,638</b>
Dividends received	45,469	-	93,786	45,469	95,113
<b>EBITDA (LAJIDA)</b>	<b>10,255,050</b>	<b>8,936,435</b>	<b>5,153,222</b>	<b>19,191,485</b>	<b>8,906,751</b>
Depreciation / amortization of goodwill	(1,015,200)	(856,437)	(540,013)	(1,871,637)	(1,052,329)
Dividends received	(45,469)	-	(93,786)	(45,469)	(95,113)
Equity Results	(934,958)	(252,570)	(57,280)	(1,187,528)	(40,870)
Resultado não operacional	1,260,766	-	736,866	1,260,766	756,192
Financial results, net	(47,014)	(208,342)	(466,405)	(255,356)	(725,459)
Income tax and social contribution	(3,195,630)	(2,074,729)	(593,102)	(5,270,359)	(1,178,436)
Minority interests	(435,705)	(449,034)	(234,405)	(884,739)	(481,077)
<b>Net income</b>	<b>5,841,840</b>	<b>5,095,323</b>	<b>3,905,097</b>	<b>10,937,163</b>	<b>6,089,659</b>

#### Consolidated EBITDA by segment

Segments	Quarter			EBITDA Accumulated	
	2Q/07	1Q/07	2Q/06	06/30/07	06/30/06
Ferrous minerals	4,086,223	3,906,759	3,656,493	7,992,982	6,595,519
Non-ferrous minerals	5,187,757	4,076,544	339,293	9,264,301	456,182
Logistics	425,577	355,164	333,346	780,741	568,110
Holdings					
Aluminum	598,091	656,982	771,774	1,255,073	1,208,036
Steel	70,448	10,593	135,247	81,041	201,898
Others	(113,046)	(69,607)	(82,931)	(182,653)	(122,994)
	<b>10,255,050</b>	<b>8,936,435</b>	<b>5,153,222</b>	<b>19,191,485</b>	<b>8,906,751</b>



## 9- MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE OPERATING RESULTS FOR THE JUNE 30, 2007

As a result of the analysis some general aspects must be considered, as follows:

On 06/30/07, about 94% of the consolidated gross revenue and 51% of consolidated total cost are linked to the U.S. dollar. Consequently, fluctuations in the exchange rate variation between the two currencies have a significant impact on the operating results.

Approximately 73% of consolidated short-term and long-term loans on 06/30/07 are denominated in U.S. dollars. As a result, exchange rate fluctuations have a significant impact on the financial expenses and income.

The average dollar rate fell 6.7% between periods (R\$2.0452 on 06/30/07 against R\$2.1927 in 06/30/06), partially offset by price increases, and exchange rate between of the periods fell 11.0% (R\$1.9262 in 06/30/07 against R\$2.1643 in 06/30/06).

In 2007, iron ore prices increased by 9.5% and pellets prices increased by 5.3%.

### The consolidated Trade Balance was:

	Quarter			In US\$ million	
	2Q/07	1Q/07	2Q/06	06/30/07	06/30/06
Exports	3,920	2,441	2,543	6,361	4,825
Imports	(166)	(177)	(221)	(343)	(449)
	<b>3,754</b>	<b>2,264</b>	<b>2,322</b>	<b>6,018</b>	<b>4,376</b>



## 9.1- Comments on Consolidated Operating Results for the periods ended June 30, 2007 and June 30, 2006

### 9.1.1- Gross revenue

	In thousands of metric tons (except railroad transportation)					In thousands of reais				
	Quarter			Accumulated		Quarter			Accumulated	
	2Q/07	1Q/07	2Q/06	06/30/07	06/30/06	2Q/07	1Q/07	2Q/06	06/30/07	06/30/06
Iron ore	62,081	55,792	59,703	117,873	114,563	5,498,022	4,905,667	5,129,829	10,403,689	9,276,678
Pellets (*)	10,175	9,581	7,438	19,756	15,205	1,640,159	1,555,379	1,224,643	3,195,538	2,576,283
	<b>72,256</b>	<b>65,373</b>	<b>67,141</b>	<b>137,629</b>	<b>129,768</b>	<b>7,138,181</b>	<b>6,461,046</b>	<b>6,354,472</b>	<b>13,599,227</b>	<b>11,852,961</b>
Manganese	219	83	198	302	347	40,698	13,113	25,581	53,811	50,450
Ferroalloys	111	124	144	235	270	263,850	288,144	274,665	551,994	506,158
						<b>304,548</b>	<b>301,257</b>	<b>300,246</b>	<b>605,805</b>	<b>556,608</b>
Copper	119	93	105	212	175	525,972	305,476	447,328	831,448	689,066
Finished copper	33	38	-	71	-	473,277	454,955	-	928,232	-
Potash	162	161	121	323	224	78,482	66,887	49,377	145,369	98,265
Kaolin	325	269	305	594	626	109,666	105,327	100,151	214,993	206,478
Nickel	68	71	-	139	-	6,339,691	5,973,019	-	12,312,710	-
Precious metals	18	22	-	40	-	211,204	192,551	-	403,755	-
Cobalt (t)	583	580	-	1,163	-	64,439	59,666	-	124,105	-
						<b>7,802,731</b>	<b>7,157,881</b>	<b>596,856</b>	<b>14,960,612</b>	<b>993,809</b>
Railroad transportation (millions of TKU) (**)	11,335	9,328	10,374	20,663	18,709	788,375	616,762	688,756	1,405,137	1,223,593
Port services	7,121	7,046	7,781	14,167	13,970	120,199	127,373	127,014	247,572	232,668
Boat services	-	-	-	-	-	10,305	12,960	12,670	23,265	25,585
Maritime transportation	-	-	-	-	-	33,155	50,282	67,528	83,437	117,766
						<b>952,034</b>	<b>807,377</b>	<b>895,968</b>	<b>1,759,411</b>	<b>1,599,612</b>
Aluminum	155	134	125	289	249	879,645	836,662	736,242	1,716,307	1,387,339
Alumina	766	700	867	1,466	1,357	529,255	510,962	743,806	1,040,217	1,079,874
Bauxite	1,228	1,239	1,056	2,467	2,164	83,148	84,678	64,248	167,826	129,635
						<b>1,492,048</b>	<b>1,432,302</b>	<b>1,544,296</b>	<b>2,924,350</b>	<b>2,596,848</b>
Steel	-	-	-	-	-	333,445	331,625	381,832	665,070	730,741
Pig iron	55	75	71	130	71	36,459	46,106	42,769	82,565	42,769
Coal	698	-	-	698	46	81,464	-	-	81,464	9,054
Other products and services	-	-	-	-	-	56,121	91,316	14,226	147,437	29,387
						<b>507,489</b>	<b>469,047</b>	<b>438,827</b>	<b>976,536</b>	<b>811,951</b>
						<b>18,197,031</b>	<b>16,628,910</b>	<b>10,130,665</b>	<b>34,825,941</b>	<b>18,411,789</b>

(\*) Includes revenues derived from services provided to pelletizing joint ventures in the amounts of R\$16,497, R\$17,355, R\$16,799, R\$33,852 and R\$34,690 referring to the 2Q/07, 1Q/07, 2Q/06, 06/30/07 and 06/30/06, respectively.

(\*\*) The Company carried through its railroad system 8,269, 6,610, 7,962, 14,879 and 14,132 million of TKUs of general cargo and 3,066, 2,718, 2,412, 5,784 and 4,577 million of TKUs of iron ore for third parties in 2Q/07, 1Q/07, 2Q/06, 06/30/07 and 06/30/06, respectively.

Sales volume and revenues by products and services:

The 89.2% gross revenue increase, from R\$18,411,789 in 06/30/06 to R\$34,825,941 in 06/30/07 was due to:

- Consolidation of INCO, started of 4Q/06; and
- Increase of prices of iron ore and products by aluminum area;

The above effects were partially offset by:

- The devaluation of the average dollar compared with the real in 6.7 %.

### Gross consolidated revenue by segment

	Holdings					Quarter				Accumulated					
	Ferrous Minerals	Non - Ferrous Minerals	Logistics	Aluminum	Other	2Q/07	%	1Q/07	%	2Q/06	%	06/30/07	%	06/30/06	%
<b>External market</b>															
Latin America	425,377	86,707	10,467	103,390	-	625,941	3	544,646	3	491,198	5	1,170,587	3	894,105	5
Canada	37,360	596,077	-	212,774	-	846,211	5	974,071	6	164,792	2	1,820,282	5	328,856	2
United States (USA)	119,654	1,449,126	-	93,229	345,711	2,007,720	11	1,943,062	12	671,110	7	3,950,782	11	1,197,022	7
Germany	641,778	279,965	-	1,222	-	922,965	5	832,641	5	716,065	7	1,755,606	5	1,332,244	7
Belgium	136,187	31,287	-	170,709	-	338,183	2	378,315	2	321,949	3	716,498	2	623,318	3
France	356,121	86,915	-	-	-	443,036	2	364,907	2	276,966	3	807,943	2	498,888	3
England	209,153	362,072	-	20,252	-	591,477	3	587,072	4	197,582	2	1,178,549	3	363,361	2
Italia	237,662	36,783	-	3,477	-	277,922	2	286,763	2	280,908	3	564,685	2	538,506	3
Europe, except for Germany, Belgium, France, England and Italia	463,360	348,521	-	382,056	-	1,193,937	7	809,107	5	899,874	9	2,003,044	6	1,511,917	8
Middle East/Africa/Oceania	338,396	47,219	-	30,314	81,464	497,393	3	415,262	2	606,604	6	912,655	3	1,019,060	6
China	2,298,485	943,087	-	-	-	3,241,572	18	2,645,635	16	1,850,157	18	5,887,207	17	3,344,894	18
South Korea	258,169	592,183	-	-	-	850,352	5	934,495	6	172,063	2	1,784,847	5	465,929	3
Japan	627,744	1,289,288	-	306,430	-	2,223,462	12	1,879,706	11	863,720	9	4,103,168	12	1,700,527	9
Taiwan	77,279	1,213,652	-	-	-	1,290,931	7	1,359,700	8	78,175	1	2,650,631	8	189,681	1
Ásia, other than China, South Korea, Japan and Taiwan	143,954	176,414	986	-	-	321,354	2	440,873	3	445,081	4	762,227	2	548,217	3
	<b>6,370,679</b>	<b>7,539,296</b>	<b>11,453</b>	<b>1,323,853</b>	<b>427,175</b>	<b>15,672,456</b>	<b>87</b>	<b>14,396,255</b>	<b>87</b>	<b>8,036,244</b>	<b>81</b>	<b>30,068,711</b>	<b>86</b>	<b>14,556,525</b>	<b>80</b>
<b>Brazil</b>	<b>1,114,533</b>	<b>307,854</b>	<b>930,958</b>	<b>171,035</b>	<b>195</b>	<b>2,524,575</b>	<b>13</b>	<b>2,232,655</b>	<b>13</b>	<b>2,094,421</b>	<b>19</b>	<b>4,757,230</b>	<b>14</b>	<b>3,855,264</b>	<b>20</b>
<b>Total</b>	<b>7,485,212</b>	<b>7,847,150</b>	<b>942,411</b>	<b>1,494,888</b>	<b>427,370</b>	<b>18,197,031</b>	<b>100</b>	<b>16,628,910</b>	<b>100</b>	<b>10,130,665</b>	<b>100</b>	<b>34,825,941</b>	<b>100</b>	<b>18,411,789</b>	<b>100</b>

### 9.1.2- Cost of products and services

By nature	Denominated in		Quarter			Accumulated	
	R\$	US\$	2Q/07	1Q/07	2Q/06	06/30/07	06/30/06
Personnel	425,661	476,849	902,510	963,910	403,940	1,866,420	776,355
Material	793,824	418,861	1,212,685	1,155,540	813,058	2,368,225	1,524,832
Oil and gas	492,488	291,255	783,743	679,461	530,903	1,463,204	987,198
Outsourced services	726,033	427,596	1,153,629	996,571	930,713	2,150,200	1,795,714
Energy	402,978	78,159	481,137	462,009	338,239	943,146	642,018
Raw Material	5,550	1,345,719	1,351,269	1,482,813	553,791	2,834,082	1,077,629
Depreciation and depletion	487,683	454,471	942,154	734,600	391,861	1,676,754	759,489
Amortization of goodwill	-	-	-	51,416	94,090	51,416	186,077
Others	259,742	322,607	582,349	720,507	294,127	1,302,856	546,120
<b>Total</b>	<b>3,593,959</b>	<b>3,815,517</b>	<b>7,409,476</b>	<b>7,246,827</b>	<b>4,350,722</b>	<b>14,656,303</b>	<b>8,295,432</b>
	<b>49%</b>	<b>51%</b>					

The 77% increase in the cost of products and services (R\$14,656,302 on 06/30/07 against R\$8,295,432 on 06/30/06) resulting from inclusion of CVRD Inco (R\$5,289,622 on 06/30/07) and is due to increase in sales volumes and changes in the prices of materials, oil, energy and services which comprise production cost during the period.

### 9.1.3- Selling expenses and administrative expenses

Selling expenses decreased by 33%, from R\$236,048 on 06/30/06 to R\$158,415 on 06/30/07. Administrative expenses increased by 42% from R\$711,540 on 06/30/06 to R\$1,010,411 on 06/30/07, basically due to personnel agreements and expenses with professional services, infrastructure and support.

### 9.1.4- Research and development

Research and development increased by 44%, from R\$378,088 on 06/30/06 to R\$544,446 on 06/30/07, reflecting CVRD expansion plan to diversify production and expansion of production to meet world demand.

### 9.1.5- Other operating expenses

Other operating expenses increased by R\$49,291, from R\$364,727 on 06/30/06 to R\$414,018 on 06/30/07.

### 9.1.6- Net financial results

The net financial result had a change of R\$470,103 (expense of R\$255,356 on 06/30/07 compared to expense of R\$725,459 on 06/30/06) due to exchange rate variation effect over the foreign debt, that more than offset the increase of financial expenses.

### **9.1.7- Income tax and social contribution**

Income tax and social contribution reflect an expense of R\$5,270,359 on 06/30/07 compared with an expense of R\$1,178,436 on 06/30/06, mainly caused by increase of taxable income.

## **9.2- Comments on the Parent Company Results for the periods ended June 30, 2007 and June 30, 2006**

### **9.2.1- Gross revenue**

The 18,8% increase in gross revenue (R\$10,397,790 on 06/30/07 against R\$8,752,856 on 06/30/06) is the result of the 10% increase in sales of iron ore and also for the increase of prices. This effect, over the company's revenue, was compensated in part by the 6% average appreciation of the real against the U. S. dollar.

### **9.2.2- Cost of products and services**

Cost of products and services sold to 06/30/07 was R\$5,702,136 on 06/30/07 against R\$4,882,884 on 06/30/06 representing a 17% increase. The main factors are, higher volumes sold of products in general, contracts readjustments and the increase of assets reflecting increase of expenses related to depreciation.

### **9.2.3- Gross margin**

The gross margin increased by 1.1% (42.1% on 06/30/07 against 41.0% on 06/30/06) mainly due to increase of prices.

### **9.2.4- Results of shareholdings**

The results of equity investments had increased R\$1,862,928 of R\$4,111,198 in 06/30/06 against R\$5,974,126 in 06/30/2007, and are strongly impacted by the effect of the variation of the debts, that had influenced of positive form in function of the valuation of the Real, against dollar, in the six months period ended in June 30, 2007 of 10 % and 7.5 % in the six months ended in June 30, 2006. This effect is substantially compensated with the exchange loss in the investments abroad.

Operationally, volumes and average selling prices increased in iron ore, pellets and aluminum areas and nickel. This increase was partially compensated by decrease in average selling prices and volume in manganese and ferroalloys.

### **9.2.5- Selling expenses and administrative expenses**

Selling expenses increased by R\$7,541, from R\$3,188 on 06/30/06 to R\$10,729 on 06/30/07, while administrative expenses increased by 5.49%, from R\$410,911 on 06/30/06 to R\$433,454 on 06/30/07, basically due to personnel agreement and expenses with professional services, infrastructure and support.

### **9.2.6- Research and development**

Research and development increased by 6,20%, from R\$235,122 on 06/30/06 to R\$249,706 on 06/30/07, reflecting CVRD expansion plan to diversify production and expansion of production to meet world demand.

### **9.2.7- Other operating expenses (income)**

Other operating expenses decreased by R\$284,155 from R\$244,775 expense on 06/30/06 to R\$39,380 income on 06/30/07.

### **9.2.8- Net financial results**

The net financial results on 06/30/07 had an impact of R\$1,807,768 (income of R\$1,773,843 on 06/30/07 compared to expense of R\$33,925 on 06/30/06) basically due to exchange rate variation effect of the Real against the dollar over the foreign debt.

### **9.2.9- Income tax and social contribution**

Income tax and social contribution reflect an expense of R\$1,552,467 on 06/30/07 compared with an expense of R\$503,273 on 06/30/06, mainly caused by increase of taxable income.



## 10- BOARD OF DIRECTORS, FISCAL COUNCIL, ADVISORY COMMITTEES AND EXECUTIVE OFFICERS

### Board of Directors

Sérgio Ricardo Silva Rosa

#### Chairman

Mário da Silveira Teixeira Júnior

#### Vice-President

Caio Marcelo de Medeiros Melo

Francisco Augusto da Costa e Silva

Hiroshi Tada

João Batista Cavaglieri

Jorge Luiz Pacheco

José Ricardo Sasserón

Oscar Augusto de Camargo Filho

Renato da Cruz Gomes

Sandro Kohler Marcondes

### Advisory Committees of the Board of Directors

#### Controlling Committee

Antonio José de Figueiredo Ferreira

Luiz Carlos de Freitas

Paulo Roberto Ferreira de Medeiros

#### Executive Development Committee

João Moisés de Oliveira

José Ricardo Sasserón

Oscar Augusto de Camargo Filho

#### Strategic Committee

Roger Agnelli

Gabriel Stoliar

Luciano Siani Pires

Mário da Silveira Teixeira Júnior

Oscar Augusto de Camargo Filho

Sérgio Ricardo Silva Rosa

#### Finance Committee

Fabio de Oliveira Barbosa

Ivan Luiz Modesto Schara

Luiz Maurício Leuzinger

Wanderlei Viçoso Fagundes

#### Governance and Sustainability Committee

Jorge Luiz Pacheco

Renato da Cruz Gomes

Ricardo Simonsen

### Fiscal Council

Marcelo Amaral Moraes

#### Chairman

Aníbal Moreira dos Santos

Bernard Appy

José Bernardo de Medeiros Neto

### Executive Officers

Roger Agnelli

#### Chief Executive Officer and Investor Relations

Carla Grasso

#### Executive Officer for Human Resources and Corporate Services

Eduardo de Salles Bartolomeo

#### Executive Officer for Logistics

Fabio de Oliveira Barbosa

#### Chief Financial Officer

Gabriel Stoliar

#### Executive Officer for Planning and Business Development

José Carlos Martins

#### Executive Officer for Ferrous Minerals

José Lancaster

#### Executive Officer for Copper, Coal and Aluminum

Murilo de Oliveira Ferreira

#### Executive Officer for Nickel Business Marketing and Sales Copper and Aluminum

Tito Botelho Martins

#### Executive Officer for Corporate Affairs and Energy

Marcus Vinicius Dias Severini

#### Chief Officer of Accounting and Control Department

Vera Lúcia de Almeida Pereira Elias

#### Chief Accountant

CRC-RJ - 043059/O-8



## EQUITY INVESTEE INFORMATION – 06/30/2007

### Aluminum Area - Albras (Adjusted and Unaudited)

Information		2007					2006				
		As of and for the three-month periods ended				Total	Período de três meses findos em				Total
		March 31	June 30	September 30	December 31		31 de março	30 de junho	30 de setembro	31 de dezembro	
Quantity sold - external market	MT (thousand)	108	123	-	-	231	104	106	106	110	426
Quantity sold - internal market	MT (thousand)	7	6	-	-	13	5	4	6	6	21
<b>Quantity sold - total</b>	MT (thousand)	<b>115</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>244</b>	<b>109</b>	<b>110</b>	<b>112</b>	<b>116</b>	<b>447</b>
Average sales price - external market	US\$	2,688.76	2,727.00	-	-	2,708.87	2,292.06	2,571.71	2,436.23	2,520.38	2,458.32
Average sales price - internal market	US\$	2,500.55	2,689.00	-	-	2,587.45	1,823.50	2,422.20	2,427.20	2,360.51	2,243.23
<b>Average sales price - total</b>	US\$	<b>2,677.30</b>	<b>2,724.78</b>	<b>-</b>	<b>-</b>	<b>2,702.40</b>	<b>2,266.96</b>	<b>2,565.04</b>	<b>2,374.43</b>	<b>2,535.22</b>	<b>2,447.52</b>
Long-term indebtedness, gross	US\$	319,272	311,912	-	-	311,912.00	396,392	355,867	341,202	316,308	316,308
Short-term indebtedness, gross	US\$	3,501	-	-	-	-	102,178	51,175	14,722	29,681	29,681
<b>Total indebtedness, gross</b>	US\$	<b>322,773</b>	<b>311,912</b>	<b>-</b>	<b>-</b>	<b>311,912</b>	<b>498,570</b>	<b>407,042</b>	<b>355,924</b>	<b>346,354</b>	<b>345,989</b>
<b>Stockholders' equity</b>	R\$	<b>1,593,343</b>	<b>1,661,559</b>	<b>-</b>	<b>-</b>	<b>1,661,559</b>	<b>1,276,663</b>	<b>1,402,623</b>	<b>1,579,741</b>	<b>1,397,170</b>	<b>1,397,170</b>
Net operating revenues	R\$	654,600	700,893	-	-	1,355,493	559,428	629,748	614,126	532,134	2,335,436
Cost of products	R\$	(419,374)	(464,066)	-	-	(883,440)	(363,070)	(380,791)	(404,832)	(341,004)	(1,489,697)
Other expenses / revenues	R\$	(23,417)	(34,666)	-	-	(58,083)	(22,224)	(23,484)	(32,285)	(22,911)	(100,904)
Depreciation, amortization and depletion	R\$	18,427	39,204	-	-	57,631	16,593	16,862	16,858	19,720	70,033
<b>EBITDA</b>	R\$	<b>230,236</b>	<b>241,365</b>	<b>-</b>	<b>-</b>	<b>471,601</b>	<b>190,727</b>	<b>242,335</b>	<b>193,867</b>	<b>187,939</b>	<b>814,868</b>
Depreciation, amortization and depletion	R\$	(18,427)	(39,204)	-	-	(57,631)	(16,593)	(16,862)	(16,858)		
<b>EBIT</b>	R\$	<b>211,809</b>	<b>202,161</b>	<b>-</b>	<b>-</b>	<b>413,970</b>	<b>174,134</b>	<b>225,473</b>	<b>177,009</b>	<b>168,219</b>	<b>744,835</b>
Net financial result	R\$	34,420	(19,200)	-	-	15,220	32,906	(69,509)	47,589	(144,263)	(133,277)
<b>Income before income tax and social contribution</b>	R\$	<b>246,229</b>	<b>182,961</b>	<b>-</b>	<b>-</b>	<b>429,190</b>	<b>207,040</b>	<b>155,964</b>	<b>224,598</b>	<b>23,956</b>	<b>611,558</b>
Income tax and social contribution	R\$	(50,055)	(114,746)	-	-	(164,801)	(61,501)	(30,003)	(47,476)	(20,557)	(159,537)
<b>Net income</b>	R\$	<b>196,174</b>	<b>68,215</b>	<b>-</b>	<b>-</b>	<b>264,389</b>	<b>145,539</b>	<b>125,961</b>	<b>177,122</b>	<b>3,399</b>	<b>452,021</b>

**Aluminum Area - Alunorte (Adjusted and Unaudited)**

Information		2007					2006				
		As of and for the three-month periods ended				Total	Período de três meses findos em				Total
		March 31	June 30	September 30	December 31		31 de março	30 de junho	30 de setembro	31 de dezembro	
Quantity sold - external market	MT (thousand)	699	769	-	-	1,468	478	783	793	928	2,982
Quantity sold - internal market	MT (thousand)	244	252	-	-	496	243	219	273	223	958
<b>Quantity sold - total</b>	MT (thousand)	<b>943</b>	<b>1,021</b>	-	-	<b>1,964</b>	<b>721</b>	<b>1,002</b>	<b>1,066</b>	<b>1,151</b>	<b>3,940</b>
Average sales price - external market	US\$	344.85	349.61	-	-	347.55	297.29	345.53	317.55	327.54	324.66
Average sales price - internal market	US\$	309.77	311.69	-	-	310.90	265.70	306.45	285.59	297.04	287.98
<b>Average sales price - total</b>	US\$	<b>335.77</b>	<b>340.25</b>	-	-	<b>337.97</b>	<b>286.64</b>	<b>336.99</b>	<b>309.37</b>	<b>321.39</b>	<b>315.74</b>
Long-term indebtedness, gross	US\$	527,944	558,388	-	-	558,388	604,404	574,598	549,595	549,572	549,572
Short-term indebtedness, gross	US\$	-	-	-	-	-	52,195	6	-	-	-
<b>Total indebtedness, gross</b>	US\$	<b>527,944</b>	<b>558,388</b>	-	-	<b>558,388</b>	<b>656,599</b>	<b>574,604</b>	<b>549,595</b>	<b>549,572</b>	<b>549,572</b>
<b>Stockholders' equity</b>	R\$	<b>3,602,210</b>	<b>3,766,403</b>	-	-	<b>3,766,403</b>	<b>2,322,341</b>	<b>2,746,186</b>	<b>3,105,248</b>	<b>3,182,496</b>	<b>3,182,496</b>
Net operating revenues	R\$	670,033	669,980	-	-	1,340,013	452,157	741,522	718,052	791,383	2,703,114
Cost of products	R\$	(383,541)	(430,068)	-	-	(813,609)	(293,362)	(385,448)	(432,281)	(449,446)	(1,560,537)
Other expenses / revenues	R\$	(15,470)	(21,684)	-	-	(37,154)	(11,465)	(14,683)	(16,358)	(22,098)	(64,604)
Depreciation, amortization and depletion	R\$	27,145	31,041	-	-	58,186	19,344	20,020	28,412	31,179	98,955
<b>EBITDA</b>	R\$	<b>298,167</b>	<b>249,269</b>	-	-	<b>547,436</b>	<b>166,674</b>	<b>361,411</b>	<b>297,825</b>	<b>351,018</b>	<b>1,176,928</b>
Depreciation, amortization and depletion	R\$	(27,145)	(31,041)	-	-	(58,186)	(19,344)	(20,020)	(28,412)	(31,179)	(98,955)
<b>EBIT</b>	R\$	<b>271,022</b>	<b>218,228</b>	-	-	<b>489,250</b>	<b>147,330</b>	<b>341,391</b>	<b>269,413</b>	<b>319,839</b>	<b>1,077,973</b>
Net financial result	R\$	40,691	(29,795)	-	-	10,896	(36,657)	(3,387)	(20,486)	(156,556)	(217,086)
<b>Income before income tax and social contribution</b>	R\$	<b>311,713</b>	<b>188,433</b>	-	-	<b>500,146</b>	<b>110,673</b>	<b>338,004</b>	<b>248,927</b>	<b>163,283</b>	<b>860,887</b>
Income tax and social contribution	R\$	(37,767)	(24,240)	-	-	(62,007)	(23,582)	(65,483)	(41,201)	(89,949)	(220,215)
<b>Net income</b>	R\$	<b>273,946</b>	<b>164,193</b>	-	-	<b>438,139</b>	<b>87,091</b>	<b>272,521</b>	<b>207,726</b>	<b>73,334</b>	<b>640,672</b>

**Aluminum Area - MRN (Adjusted and Unaudited)**

Information		2007					2006				
		As of and for the three-month periods ended				Total	Período de três meses findos em				Total
		March 31	June 30	September 30	December 31		31 de março	30 de junho	30 de setembro	31 de dezembro	
Quantity sold - external market	MT (thousand)	1,386	1,356	-	-	2,742	1,127	890	755	730	3,502
Quantity sold - internal market	MT (thousand)	3,350	2,969	-	-	6,319	2,428	3,503	4,187	3,466	13,584
<b>Quantity sold - total</b>	<b>MT (thousand)</b>	<b>4,736</b>	<b>4,325</b>	<b>-</b>	<b>-</b>	<b>9,061</b>	<b>3,555</b>	<b>4,393</b>	<b>4,942</b>	<b>4,196</b>	<b>17,086</b>
Average sales price - external market	US\$	33.35	32.47	-	-	32.91	26.63	27.25	27.74	32.08	28.16
Average sales price - internal market	US\$	27.04	27.04	-	-	27.04	21.93	24.09	23.89	26.02	24.13
<b>Average sales price - total</b>	<b>US\$</b>	<b>28.89</b>	<b>28.74</b>	<b>-</b>	<b>-</b>	<b>28.82</b>	<b>23.42</b>	<b>24.73</b>	<b>24.48</b>	<b>27.07</b>	<b>24.96</b>
Long-term indebtedness, gross	US\$	38,936	35,488	-	-	35,488	63,679	53,198	97,980	39,017	39,017
Short-term indebtedness, gross	US\$	204,362	223,553	-	-	223,553	181,130	198,347	254,834	188,589	188,589
<b>Total indebtedness, gross</b>	<b>US\$</b>	<b>243,298</b>	<b>259,041</b>	<b>-</b>	<b>-</b>	<b>259,041</b>	<b>244,809</b>	<b>251,545</b>	<b>352,814</b>	<b>227,606</b>	<b>227,606</b>
<b>Stockholders' equity</b>	<b>R\$</b>	<b>715,623</b>	<b>825,859</b>	<b>-</b>	<b>-</b>	<b>825,859</b>	<b>639,994</b>	<b>722,075</b>	<b>812,631</b>	<b>584,885</b>	<b>584,885</b>
Net operating revenues	R\$	284,926	249,740	-	-	534,666	181,384	237,433	262,593	244,540	925,950
Cost of products	R\$	(142,081)	(133,000)	-	-	(275,081)	(110,949)	(138,709)	(156,616)	(115,128)	(521,402)
Other expenses / revenues	R\$	(5,183)	(5,832)	-	-	(11,015)	(5,227)	(7,517)	1,719	(8,956)	(19,981)
Depreciation, amortization and depletion	R\$	27,234	27,984	-	-	55,218	26,127	44,013	26,115	10,091	96,255
<b>EBITDA</b>	<b>R\$</b>	<b>164,896</b>	<b>138,892</b>	<b>-</b>	<b>-</b>	<b>303,788</b>	<b>91,335</b>	<b>135,220</b>	<b>133,811</b>	<b>130,547</b>	<b>480,822</b>
Depreciation, amortization and depletion	R\$	(27,234)	(27,984)	-	-	(55,218)	(26,127)	(44,013)	(26,115)	(10,091)	(96,255)
<b>EBIT</b>	<b>R\$</b>	<b>137,662</b>	<b>110,908</b>	<b>-</b>	<b>-</b>	<b>248,570</b>	<b>65,208</b>	<b>91,207</b>	<b>107,696</b>	<b>120,456</b>	<b>384,567</b>
Net financial result	R\$	4,991	10,310	-	-	15,301	6,534	3,266	(5,033)	2,522	6,974
<b>Income before income tax and social contribution</b>	<b>R\$</b>	<b>142,653</b>	<b>121,218</b>	<b>-</b>	<b>-</b>	<b>263,871</b>	<b>71,742</b>	<b>94,473</b>	<b>102,663</b>	<b>122,978</b>	<b>391,541</b>
Income tax and social contribution	R\$	(12,368)	(10,530)	-	-	(22,898)	(10,718)	(12,393)	(12,986)	(9,777)	(45,559)
<b>Net income</b>	<b>R\$</b>	<b>130,285</b>	<b>110,688</b>	<b>-</b>	<b>-</b>	<b>240,973</b>	<b>61,024</b>	<b>82,080</b>	<b>89,677</b>	<b>113,201</b>	<b>345,982</b>

**Aluminum Area - Valesul (Adjusted and Unaudited)**

Information		2007					2006				
		As of and for the three-month periods ended				Total	Período de três meses findos em				Total
		March 31	June 30	September 30	December 31		31 de março	30 de junho	30 de setembro	31 de dezembro	
Quantity sold - external market	MT (thousand)	9	10	-	-	19	9	10	12	9	40
Quantity sold - internal market	MT (thousand)	10	16	-	-	26	13	14	13	13	53
<b>Quantity sold - total</b>	MT (thousand)	<b>19</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>45</b>	<b>22</b>	<b>24</b>	<b>25</b>	<b>22</b>	<b>93</b>
Average sales price - external market	US\$	2,828.64	2,902.69	-	-	2,828.64	2,545.22	2,804.50	2,690.63	3,232.00	2,808.19
Average sales price - internal market	US\$	4,037.71	4,068.49	-	-	4,037.71	2,572.31	2,816.29	3,399.23	2,812.62	2,898.53
<b>Average sales price - total</b>	US\$	<b>3,512.03</b>	<b>3,652.13</b>	<b>-</b>	<b>-</b>	<b>3,512.03</b>	<b>2,561.23</b>	<b>2,811.38</b>	<b>3,059.10</b>	<b>2,984.18</b>	<b>2,859.67</b>
Long-term indebtedness, gross	US\$	-	-	-	-	-	406	297	198	101	101
<b>Total indebtedness, gross</b>	US\$	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>406</b>	<b>297</b>	<b>198</b>	<b>101</b>	<b>101</b>
<b>Stockholders' equity</b>	R\$	<b>279,134</b>	<b>662,457</b>	<b>-</b>	<b>-</b>	<b>662,457</b>	<b>272,975</b>	<b>304,467</b>	<b>311,827</b>	<b>246,741</b>	<b>246,741</b>
Net operating revenues	R\$	146,650	139,569	-	-	286,219	126,199	150,351	145,322	144,178	566,050
Cost of products	R\$	(100,019)	(108,609)	-	-	(208,628)	(99,779)	(105,077)	(117,223)	(116,416)	(438,495)
Other expenses / revenues	R\$	(7,436)	(6,773)	-	-	(14,209)	(4,336)	(7,018)	(6,700)	(10,362)	(28,416)
Depreciation, amortization and depletion	R\$	3,765	3,662	-	-	7,427	3,764	3,810	3,748	3,672	14,994
<b>EBITDA</b>	R\$	<b>42,960</b>	<b>27,849</b>	<b>-</b>	<b>-</b>	<b>70,809</b>	<b>25,848</b>	<b>42,066</b>	<b>25,147</b>	<b>21,072</b>	<b>114,133</b>
Depreciation, amortization and depletion	R\$	(3,765)	(3,662)	-	-	(7,427)	(3,764)	(3,810)	(3,748)	(3,672)	(14,994)
<b>EBIT</b>	R\$	<b>39,195</b>	<b>24,187</b>	<b>-</b>	<b>-</b>	<b>63,382</b>	<b>22,084</b>	<b>38,256</b>	<b>21,399</b>	<b>17,400</b>	<b>99,139</b>
Net financial result	R\$	(503)	(392)	-	-	(895)	3,476	(1,073)	983	31	3,417
<b>Income before income tax and social contribution</b>	R\$	<b>38,692</b>	<b>23,795</b>	<b>-</b>	<b>-</b>	<b>62,487</b>	<b>25,560</b>	<b>37,183</b>	<b>22,382</b>	<b>17,431</b>	<b>102,556</b>
Income tax and social contribution	R\$	(6,298)	(5,434)	-	-	(11,733)	(6,960)	(5,691)	(15,022)	(6,206)	(33,879)
<b>Net income</b>	R\$	<b>32,394</b>	<b>18,361</b>	<b>-</b>	<b>-</b>	<b>50,754</b>	<b>18,600</b>	<b>31,492</b>	<b>7,360</b>	<b>11,225</b>	<b>68,677</b>

**Pellets Area – Hispanobras (Adjusted and Unaudited)**

Information		2007					2006				
		As of and for the three-month periods ended					As of and for the three-month periods ended				
		March 31	June 30	September 30	December 31	Total	31 de março	30 de junho	30 de setembro	31 de dezembro	Total
Quantity sold - external market	MT (thousand)	565	504	-	-	1,069	524	623	613	439	2,199
Quantity sold - internal market	MT (thousand)	800	620	-	-	1,420	450	450	680	595	2,175
<b>Quantity sold - total</b>	MT (thousand)	<b>1,365</b>	<b>1,124</b>	-	-	<b>2,489</b>	<b>974</b>	<b>1,073</b>	<b>1,293</b>	<b>1,034</b>	<b>4,374</b>
Average sales price - external market	US\$	69.26	77.40	-	-	73.10	71.62	67.87	68.98	69.08	69.31
Average sales price - internal market	US\$	72.97	79.73	-	-	75.92	71.92	69.95	73.14	72.66	72.10
<b>Average sales price - total</b>	US\$	<b>71.43</b>	<b>78.69</b>	-	-	<b>74.71</b>	<b>71.76</b>	<b>68.74</b>	<b>71.17</b>	<b>71.14</b>	<b>70.70</b>
Short-term indebtedness, gross	US\$	6,213	9,338	-	-	9,338	7,869	19,915	30,362	-	-
<b>Total indebtedness, gross</b>	US\$	<b>6,213</b>	<b>9,338</b>	-	-	<b>9,338</b>	<b>7,869</b>	<b>19,915</b>	<b>30,362</b>	-	-
<b>Stockholders' equity</b>	R\$	<b>167,293</b>	<b>149,665</b>	-	-	<b>149,665</b>	<b>134,669</b>	<b>141,567</b>	<b>157,623</b>	<b>143,698</b>	<b>143,698</b>
Net operating revenues	R\$	205,706	175,156	-	-	380,862	154,557	161,378	199,759	158,256	673,950
Cost of products	R\$	(164,230)	(145,097)	-	-	(309,327)	(111,049)	(143,872)	(160,731)	(124,476)	(540,128)
Other expenses / revenues	R\$	(2,313)	(3,659)	-	-	(5,972)	(4,297)	(3,361)	(11,113)	(4,124)	(22,895)
Depreciation, amortization and depletion	R\$	2,146	1,744	-	-	3,890	1,345	1,641	1,869	1,501	6,356
<b>EBITDA</b>	R\$	<b>41,309</b>	<b>28,144</b>	-	-	<b>69,453</b>	<b>40,556</b>	<b>15,786</b>	<b>29,784</b>	<b>31,157</b>	<b>117,283</b>
Depreciation, amortization and depletion	R\$	(2,146)	(1,744)	-	-	(3,890)	(1,345)	(1,641)	(1,869)	(1,501)	(6,356)
<b>EBIT</b>	R\$	<b>39,163</b>	<b>26,400</b>	-	-	<b>65,563</b>	<b>39,211</b>	<b>14,145</b>	<b>27,915</b>	<b>29,656</b>	<b>110,927</b>
Net financial result	R\$	(3,060)	(3,412)	-	-	(6,472)	(3,590)	(2,899)	1,730	(886)	(5,645)
<b>Income before income tax and social contribution</b>	R\$	<b>36,103</b>	<b>22,988</b>	-	-	<b>59,091</b>	<b>35,621</b>	<b>11,246</b>	<b>29,645</b>	<b>28,770</b>	<b>105,282</b>
Income tax and social contribution	R\$	(12,506)	(8,787)	-	-	(21,293)	(12,821)	(4,347)	(13,589)	(10,868)	(41,625)
<b>Net income</b>	R\$	<b>23,597</b>	<b>14,201</b>	-	-	<b>37,798</b>	<b>22,800</b>	<b>6,899</b>	<b>16,056</b>	<b>17,902</b>	<b>63,657</b>

**Pellets Area – Itabasco (Adjusted and Unaudited)**

Information		2007					2006				
		As of and for the three-month periods ended				Total	Período de três meses findos em				Total
		March 31	June 30	September 30	December 31		31 de março	30 de junho	30 de setembro	31 de dezembro	
Quantity sold - external market	MT (thousand)	589	701	-	-	1,290	661	820	905	822	3,208
Quantity sold - internal market	MT (thousand)	283	657	-	-	940	148	300	203	144	795
<b>Quantity sold - total</b>	MT (thousand)	<b>872</b>	<b>1,358</b>	-	-	<b>2,230</b>	<b>809</b>	<b>1,120</b>	<b>1,108</b>	<b>966</b>	<b>4,003</b>
Average sales price - external market	US\$	75.72	74.48	-	-	75.05	71.43	70.93	70.81	70.65	70.93
Average sales price - internal market	US\$	71.33	73.81	-	-	73.06	73.37	70.07	66.32	68.38	69.06
<b>Average sales price - total</b>	US\$	<b>73.53</b>	<b>74.16</b>	-	-	<b>73.91</b>	<b>71.78</b>	<b>70.70</b>	<b>69.99</b>	<b>70.01</b>	<b>70.56</b>
Short-term indebtedness, gross	US\$	-	-	-	-	-	7,650	5,965	1,770	-	-
<b>Total indebtedness, gross</b>	US\$	-	-	-	-	-	<b>7,650</b>	<b>5,965</b>	<b>1,770</b>	-	-
<b>Stockholders' equity</b>	R\$	<b>143,226</b>	<b>117,480</b>	-	-	<b>117,480</b>	<b>118,837</b>	<b>128,128</b>	<b>142,494</b>	<b>127,231</b>	<b>127,231</b>
Net operating revenues	R\$	136,746	201,246	-	-	337,992	127,497	173,161	169,197	146,323	616,178
Cost of products	R\$	(111,373)	(171,403)	-	-	(282,776)	(96,392)	(152,141)	(138,049)	(120,367)	(506,949)
Other expenses / revenues	R\$	2,557	(7,720)	-	-	(5,163)	(2,394)	(2,103)	(5,027)	(6,337)	(15,861)
Depreciation, amortization and depletion	R\$	(1,325)	4,645	-	-	3,320	934	1,387	(968)	3,393	4,746
<b>EBITDA</b>	R\$	<b>26,605</b>	<b>26,768</b>	-	-	<b>53,373</b>	<b>29,645</b>	<b>20,304</b>	<b>25,153</b>	<b>23,012</b>	<b>98,114</b>
Depreciation, amortization and depletion	R\$	1,325	(4,645)	-	-	(3,320)	(934)	(1,387)	968	(3,393)	(4,746)
<b>EBIT</b>	R\$	<b>27,930</b>	<b>22,123</b>	-	-	<b>50,053</b>	<b>28,711</b>	<b>18,917</b>	<b>26,121</b>	<b>19,619</b>	<b>93,368</b>
Result of equity investments	R\$	-	-	-	-	-	-	-	-	(498)	(498)
Net financial result	R\$	(2,229)	(1,148)	-	-	(3,377)	(1,619)	(4,029)	(2,211)	(1,039)	(8,898)
<b>Income before income tax and social contribution</b>	R\$	<b>25,701</b>	<b>20,975</b>	-	-	<b>46,676</b>	<b>27,092</b>	<b>14,888</b>	<b>23,910</b>	<b>18,082</b>	<b>83,972</b>
Income tax and social contribution	R\$	(9,706)	(7,751)	-	-	(17,457)	(9,957)	(5,597)	(9,545)	(7,374)	(32,916)
<b>Net income</b>	R\$	<b>15,995</b>	<b>13,224</b>	-	-	<b>29,220</b>	<b>17,135</b>	<b>9,291</b>	<b>14,365</b>	<b>10,708</b>	<b>51,056</b>

Pellets Area – Kobrasco (Adjusted and Unaudited)

Information		2007					2006				
		As of and for the three-month periods ended				Total	Período de três meses findos em				Total
		March 31	June 30	September 30	December 31		31 de março	30 de junho	30 de setembro	31 de dezembro	
Quantity sold - external market	MT (thousand)	323	83	-	-	406	525	616	421	670	2,232
Quantity sold - internal market	MT (thousand)	895	1,120	-	-	2,015	797	510	760	516	2,583
<b>Quantity sold - total</b>	MT (thousand)	<b>1,218</b>	<b>1,203</b>	-	-	<b>2,421</b>	<b>1,322</b>	<b>1,126</b>	<b>1,181</b>	<b>1,186</b>	<b>4,815</b>
Average sales price - external market	US\$	70.85	71.00	-	-	70.88	73.32	71.38	71.02	70.27	71.44
Average sales price - internal market	US\$	71.75	72.00	-	-	71.89	73.75	71.27	71.85	72.17	72.39
<b>Average sales price - total</b>	US\$	<b>71.51</b>	<b>72.00</b>	-	-	<b>71.75</b>	<b>73.58</b>	<b>71.33</b>	<b>71.55</b>	<b>71.10</b>	<b>71.95</b>
Long-term indebtedness, gross	US\$	54,837	54,837	-	-	54,837	26,298	24,627	34,352	55,146	55,146
<b>Total indebtedness, gross</b>	US\$	<b>54,837</b>	<b>54,837</b>	-	-	<b>54,837</b>	<b>26,298</b>	<b>24,627</b>	<b>34,352</b>	<b>55,146</b>	<b>55,146</b>
<b>Stockholders' equity</b>	R\$	<b>115,240</b>	<b>134,741</b>	-	-	<b>134,741</b>	<b>133,031</b>	<b>153,874</b>	<b>166,361</b>	<b>95,446</b>	<b>95,446</b>
Net operating revenues	R\$	183,621	177,206	-	-	360,827	213,329	176,976	183,214	181,424	754,943
Cost of products	R\$	(154,038)	(145,562)	-	-	(299,600)	(155,620)	(143,717)	(151,467)	(157,604)	(608,408)
Other expenses / revenues	R\$	(3,380)	(3,743)	-	-	(7,123)	(1,928)	(1,974)	(9,269)	(10,949)	(24,124)
Depreciation, amortization and depletion	R\$	2,760	2,760	-	-	5,520	2,377	1,938	1,965	3,596	9,876
<b>EBITDA</b>	R\$	<b>28,963</b>	<b>30,661</b>	-	-	<b>59,624</b>	<b>58,158</b>	<b>33,223</b>	<b>24,443</b>	<b>16,467</b>	<b>132,287</b>
Depreciation, amortization and depletion	R\$	(2,760)	(2,760)	-	-	(5,520)	(2,377)	(1,938)	(1,965)	(3,596)	(9,876)
<b>EBIT</b>	R\$	<b>26,203</b>	<b>27,901</b>	-	-	<b>54,104</b>	<b>55,781</b>	<b>31,285</b>	<b>22,478</b>	<b>12,871</b>	<b>122,411</b>
Net financial result	R\$	4,983	4,983	-	-	9,966	7,656	837	(2,213)	(1,010)	5,270
<b>Income before income tax and social contribution</b>	R\$	<b>31,186</b>	<b>32,884</b>	-	-	<b>64,070</b>	<b>63,437</b>	<b>32,122</b>	<b>20,265</b>	<b>11,861</b>	<b>127,681</b>
Income tax and social contribution	R\$	(11,392)	(13,383)	-	-	(24,775)	(22,114)	(11,280)	(7,778)	(7,374)	(48,546)
<b>Net income</b>	R\$	<b>19,794</b>	<b>19,501</b>	-	-	<b>39,295</b>	<b>41,323</b>	<b>20,842</b>	<b>12,487</b>	<b>4,487</b>	<b>79,135</b>

**Pellets Area – Nibrasco (Adjusted and Unaudited)**

Information		2007					2006				
		As of and for the three-month periods ended					As of and for the three-month periods ended				
		March 31	June 30	September 30	December 31	Total	31 de março	30 de junho	30 de setembro	31 de dezembro	Total
Quantity sold - external market	MT (thousand)	658	1,091	-	-	1,749	743	880	1,102	1,105	3,830
Quantity sold - internal market - CVRD	MT (thousand)	1,298	495	-	-	1,793	707	968	745	1,022	3,442
Quantity sold - internal market - Others	MT (thousand)	35	-	-	-	35	34	35	35	35	139
<b>Quantity sold - total</b>	MT (thousand)	<b>1,991</b>	<b>1,586</b>	-	-	<b>3,577</b>	<b>1,484</b>	<b>1,883</b>	<b>1,882</b>	<b>2,162</b>	<b>7,411</b>
Average sales price - external market	US\$	69.98	73.82	-	-	72.38	73.36	70.39	70.88	69.39	70.82
Average sales price - internal market	US\$	67.80	68.15	-	-	67.89	67.69	67.54	65.43	67.51	67.10
<b>Average sales price - total</b>	US\$	<b>67.33</b>	<b>72.05</b>	-	-	<b>67.32</b>	<b>68.98</b>	<b>67.62</b>	<b>67.40</b>	<b>67.51</b>	<b>68.91</b>
Long-term indebtedness, gross	US\$	2,782	-	-	-	-	4,117	3,777	3,386	3,063	3,063
Short-term indebtedness, gross	US\$	-	26,989	-	-	26,989	-	-	-	-	-
<b>Total indebtedness, gross</b>	US\$	<b>2,782</b>	-	-	-	<b>26,989</b>	<b>4,117</b>	<b>3,777</b>	<b>3,386</b>	<b>3,063</b>	<b>3,063</b>
<b>Stockholders' equity</b>	R\$	<b>189,798</b>	<b>187,414</b>	-	-	<b>187,414</b>	<b>213,136</b>	<b>148,618</b>	<b>146,776</b>	<b>167,101</b>	<b>167,101</b>
Net operating revenues	R\$	301,046	255,440	-	-	556,486	271,602	301,480	294,146	324,567	1,191,795
Cost of products	R\$	(237,777)	(249,085)	-	-	(486,862)	(204,598)	(253,769)	(252,045)	(265,253)	(975,665)
Other expenses / revenues	R\$	(27,159)	(7,795)	-	-	(34,954)	(6,471)	(6,570)	(44,350)	(9,366)	(66,757)
Depreciation, amortization and depletion	R\$	(2,917)	8,775	-	-	5,858	2,066	2,386	2,081	2,196	8,729
<b>EBITDA</b>	R\$	<b>33,193</b>	<b>7,335</b>	-	-	<b>40,528</b>	<b>62,599</b>	<b>43,527</b>	<b>(168)</b>	<b>52,144</b>	<b>158,102</b>
Depreciation, amortization and depletion	R\$	2,917	(8,775)	-	-	(5,858)	(2,066)	(2,386)	(2,081)	(2,196)	(8,729)
<b>EBIT</b>	R\$	<b>36,110</b>	<b>(1,440)</b>	-	-	<b>34,670</b>	<b>60,533</b>	<b>41,141</b>	<b>(2,249)</b>	<b>49,948</b>	<b>149,373</b>
Net financial result	R\$	(404)	335	-	-	(69)	1,546	427	(729)	705	1,949
<b>Income before income tax and social contribution</b>	R\$	<b>35,706</b>	<b>(1,105)</b>	-	-	<b>34,601</b>	<b>62,079</b>	<b>41,568</b>	<b>(2,978)</b>	<b>50,653</b>	<b>151,322</b>
Income tax and social contribution	R\$	(13,008)	(1,280)	-	-	(14,288)	(26,115)	(14,491)	1,136	(30,328)	(69,798)
<b>Net income</b>	R\$	<b>22,698</b>	<b>(2,385)</b>	-	-	<b>20,313</b>	<b>35,964</b>	<b>27,077</b>	<b>(1,842)</b>	<b>20,325</b>	<b>81,524</b>



**Pellets Area – Samarco (Adjusted and Unaudited)**

Information		2007					2006				
		As of and for the three-month periods ended				Total	Período de três meses findos em				Total
		March 31	June 30	September 30	December 31		31 de março	30 de junho	30 de setembro	31 de dezembro	
Quantity sold - Pellets	MT (thousand)	3,003	3,742	-	-	6,745	2,324	3,798	3,648	4,302	14,072
Quantity sold - Iron ore	MT (thousand)	463	638	-	-	1,101	544	710	211	543	1,892
Average sales price - Pellets	US\$	77.51	82.38	-	-	79.53	85.51	68.19	74.83	75.39	77.30
Quantity sold - Iron ore	US\$	46.79	46.78	-	-	46.78	544.15	710.06	210.68	43.41	39.99
Long-term indebtedness, gross	US\$	737,926	817,457	-	-	817,457	38,211	33,752	435,093	500,712	500,712
Short-term indebtedness, gross	US\$	192,157	323,841	-	-	323,841	272,033	353,162	295,279	307,076	307,076
<b>Total indebtedness, gross</b>	US\$	<b>930,083</b>	<b>1,141,298</b>	-	-	<b>1,141,298</b>	<b>310,244</b>	<b>386,914</b>	<b>730,372</b>	<b>807,788</b>	<b>807,788</b>
<b>Stockholders' equity</b>	R\$	<b>970,015</b>	<b>1,018,112</b>	-	-	<b>1,018,112</b>	<b>976,700</b>	<b>899,037</b>	<b>767,495</b>	<b>905,515</b>	<b>905,515</b>
Net operating revenues	R\$	557,293	667,398	-	-	1,224,691	486,643	646,877	611,585	716,917	2,462,022
Cost of products	R\$	(233,161)	(269,773)	-	-	(502,934)	(179,434)	(210,635)	(219,222)	(253,698)	(862,991)
Other expenses / revenues	R\$	(39,119)	(152,413)	-	-	(191,532)	(92,607)	(52,989)	(59,947)	(163,902)	(368,057)
Depreciation, amortization and depletion	R\$	13,884	15,631	-	-	29,515	10,307	12,422	4,505	51,559	77,824
<b>EBITDA</b>	R\$	<b>271,129</b>	<b>260,843</b>	-	-	<b>559,740</b>	<b>224,909</b>	<b>395,675</b>	<b>336,921</b>	<b>350,876</b>	<b>1,308,798</b>
Depreciation, amortization and depletion	R\$	(13,884)	(15,631)	-	-	(29,515)	(10,307)	(12,422)	(4,505)	(51,559)	(77,824)
<b>EBIT</b>	R\$	<b>257,245</b>	<b>245,212</b>	-	-	<b>530,225</b>	<b>214,602</b>	<b>383,253</b>	<b>332,416</b>	<b>299,317</b>	<b>1,230,974</b>
Result of equity investments	R\$	4,856	6,120	-	-	10,976	9,533	8,868	706	5,562	24,669
Net financial result	R\$	73,965	26,485	-	-	100,450	15,056	(32,509)	(18,827)	12,840	(24,077)
<b>Income before income tax and social contribution</b>	R\$	<b>336,066</b>	<b>277,817</b>	-	-	<b>641,651</b>	<b>239,191</b>	<b>359,612</b>	<b>314,295</b>	<b>317,719</b>	<b>1,231,566</b>
Income tax and social contribution	R\$	(65,216)	(66,798)	-	-	(132,014)	(40,881)	(58,662)	(59,297)	(75,561)	(235,901)
<b>Net income</b>	R\$	<b>270,850</b>	<b>211,019</b>	-	-	<b>509,637</b>	<b>198,310</b>	<b>300,950</b>	<b>254,998</b>	<b>242,158</b>	<b>995,665</b>

**Manganese and Ferroalloys Area – RDM (Adjusted and Unaudited)**

Information		2007					2006				
		As of and for the three-month periods ended				Total	As of and for the three-month periods ended				Total
		March 31	June 30	September 30	December 31		31 de março	30 de junho	30 de setembro	31 de dezembro	
Quantity sold - external market - Ferroalloys	MT (thousand)	18	23	-	-	41	21	47	28	41	137
Quantity sold - internal market - Ferroalloys	MT (thousand)	37	39	-	-	76	31	40	43	43	157
<b>Quantity sold - total</b>	MT (thousand)	<b>55</b>	<b>62</b>	-	-	<b>117</b>	<b>52</b>	<b>87</b>	<b>71</b>	<b>84</b>	<b>294</b>
Quantity sold - external market - Manganese	MT (thousand)	100	288	-	-	388	206	187	252	286	931
Quantity sold - internal market - Manganese	MT (thousand)	42	53	-	-	95	56	36	50	36	178
<b>Quantity sold - total</b>	MT (thousand)	<b>142</b>	<b>341</b>	-	-	<b>483</b>	<b>262</b>	<b>223</b>	<b>302</b>	<b>322</b>	<b>1,109</b>
Average sales price - external market - Ferroalloys	US\$	1,014.22	1,054.70	-	-	1,036.93	713.33	804.68	881.75	567.76	735.53
Average sales price - internal market - Ferroalloys	US\$	867.78	1,017.69	-	-	944.71	744.32	717.48	776.44	826.00	768.65
<b>Average sales price - total</b>	US\$	<b>915.71</b>	<b>1,031.42</b>	-	-	<b>977.03</b>	<b>784.13</b>	<b>816.84</b>	<b>867.92</b>	<b>699.95</b>	<b>753.21</b>
Average sales price - external market - Manganese	US\$	62.71	60.66	-	-	61.22	47.52	48.06	45.31	48.28	47.29
Average sales price - internal market - Manganese	US\$	69.31	64.15	-	-	66.43	70.04	74.03	73.36	83.61	74.52
<b>Average sales price - total</b>	US\$	<b>64.66</b>	<b>61.20</b>	-	-	<b>62.17</b>	<b>784.13</b>	<b>816.84</b>	<b>867.92</b>	<b>52.23</b>	<b>51.59</b>
Long-term indebtedness, gross	US\$	82,007	91,690	-	-	91,690	98,757	93,131	93,262	94,873	94,873
<b>Total indebtedness, gross</b>	US\$	<b>82,007</b>	<b>91,690</b>	-	-	<b>91,690</b>	<b>98,757</b>	<b>93,131</b>	<b>93,262</b>	<b>94,873</b>	<b>94,873</b>
<b>Stockholders' equity</b>	R\$	<b>409,676</b>	<b>397,965</b>	-	-	<b>397,965</b>	<b>617,574</b>	<b>595,398</b>	<b>524,113</b>	<b>414,092</b>	<b>414,092</b>
Net operating revenues	R\$	125,425	168,014	-	-	293,439	132,476	170,117	158,951	164,808	626,352
Cost of products	R\$	(102,692)	(138,666)	-	-	(241,358)	(112,294)	(151,515)	(145,458)	(146,955)	(556,222)
Other expenses / revenues	R\$	(16,973)	(27,283)	-	-	(44,256)	(13,837)	(42,566)	(75,989)	(148,053)	(280,445)
Depreciation, amortization and depletion	R\$	9,321	10,632	-	-	19,953	6,826	7,515	8,361	8,983	31,685
<b>EBITDA</b>	R\$	<b>15,081</b>	<b>12,697</b>	-	-	<b>27,778</b>	<b>13,171</b>	<b>(16,449)</b>	<b>(54,135)</b>	<b>(121,217)</b>	<b>(178,630)</b>
Depreciation, amortization and depletion	R\$	(9,321)	(10,632)	-	-	(19,953)	(6,826)	(7,515)	(8,361)	(8,983)	(31,685)
<b>EBIT</b>	R\$	<b>5,760</b>	<b>2,065</b>	-	-	<b>7,825</b>	<b>6,345</b>	<b>(23,964)</b>	<b>(62,496)</b>	<b>(130,200)</b>	<b>(210,315)</b>
Net financial result	R\$	(10,667)	(12,791)	-	-	(23,458)	(20,760)	(10,950)	(7,278)	14,657	(24,331)
<b>Income before income tax and social contribution</b>	R\$	<b>(4,907)</b>	<b>(10,726)</b>	-	-	<b>(15,633)</b>	<b>(14,415)</b>	<b>(34,914)</b>	<b>(69,774)</b>	<b>(115,543)</b>	<b>(234,646)</b>
Income tax and social contribution	R\$	466	(985)	-	-	(519)	(1,924)	12,738	(1,511)	5,522	14,825
<b>Net income</b>	R\$	<b>(4,441)</b>	<b>(11,711)</b>	-	-	<b>(16,152)</b>	<b>(16,339)</b>	<b>(22,176)</b>	<b>(71,285)</b>	<b>(110,021)</b>	<b>(219,821)</b>

**Manganese and Ferroloys Area – Urucum (Adjusted and Unaudited)**

Information		2007					2006				
		As of and for the three-month periods ended				Total	Período de três meses findos em				Total
		March 31	June 30	September 30	December 31		31 de março	30 de junho	30 de setembro	31 de dezembro	
Quantity sold - external market - Iron ore	MT (thousand)	89	63	-	-	152	262	249	226	331	1,068
Quantity sold - internal market - Iron ore	MT (thousand)	17	24	-	-	41	21	22	20	14	77
<b>Quantity sold - total</b>	MT (thousand)	<b>106</b>	<b>87</b>	<b>-</b>	<b>-</b>	<b>193</b>	<b>283</b>	<b>271</b>	<b>246</b>	<b>345</b>	<b>1,145</b>
Quantity sold - external market - Manganese	MT (thousand)	9	7	-	-	16	3	42	28	11	84
Quantity sold - internal market - Manganese	MT (thousand)	52	69	-	-	121	28	16	21	30	95
<b>Quantity sold - total</b>	MT (thousand)	<b>61</b>	<b>76</b>	<b>-</b>	<b>-</b>	<b>137</b>	<b>31</b>	<b>58</b>	<b>49</b>	<b>41</b>	<b>179</b>
Quantity sold - external market - Ferroalloys	MT (thousand)	3	7	-	-	10	3	1	9	6	19
Quantity sold - internal market - Ferroalloys	MT (thousand)	-	-	-	-	-	4	-	-	1	5
<b>Quantity sold - total</b>	MT (thousand)	<b>3</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>10</b>	<b>7</b>	<b>1</b>	<b>9</b>	<b>7</b>	<b>24</b>
Average sales price - external market - Iron ore	US\$	33.85	-	-	-	33.85	32.66	35.50	35.42	35.77	34.87
Average sales price - internal market - Iron ore	US\$	25.35	23.63	-	-	24.34	26.19	29.91	27.95	26.71	27.80
<b>Average sales price - total</b>	US\$	<b>32.49</b>	<b>29.94</b>	<b>-</b>	<b>-</b>	<b>31.34</b>	<b>32.18</b>	<b>35.05</b>	<b>34.81</b>	<b>35.40</b>	<b>34.39</b>
Average sales price - external market - Manganese	US\$	82.67	75.86	-	-	79.69	131.67	42.90	98.79	64.36	59.19
Average sales price - internal market - Manganese	US\$	88.60	62.23	-	-	77.55	104.39	81.94	65.48	86.80	86.45
<b>Average sales price - total</b>	US\$	<b>87.73</b>	<b>20.25</b>	<b>-</b>	<b>-</b>	<b>77.80</b>	<b>107.03</b>	<b>53.67</b>	<b>84.51</b>	<b>80.78</b>	<b>77.56</b>
Average sales price - external market - Ferroalloys	US\$	1,061.33	853.71	-	-	916.00	785.33	872.00	695.89	950.50	799.68
Average sales price - internal market - Ferroalloys	US\$	-	-	-	-	-	527	-	-	52.00	432.00
<b>Average sales price - total</b>	US\$	<b>1,061.33</b>	<b>853.71</b>	<b>-</b>	<b>-</b>	<b>853.71</b>	<b>637.71</b>	<b>872.00</b>	<b>695.89</b>	<b>822.14</b>	<b>723.08</b>
Long-term indebtedness, gross	US\$	37,190	41,096	-	-	41,096	27,813	30,848	35,297	34,587	34,587
<b>Total indebtedness, gross</b>	US\$	<b>37,190</b>	<b>41,096</b>	<b>-</b>	<b>-</b>	<b>41,096</b>	<b>27,813</b>	<b>30,848</b>	<b>35,297</b>	<b>34,587</b>	<b>34,587</b>
<b>Stockholders' equity</b>	R\$	<b>38,132</b>	<b>29,304</b>	<b>-</b>	<b>-</b>	<b>29,304</b>	<b>48,298</b>	<b>52,597</b>	<b>55,899</b>	<b>47,017</b>	<b>47,017</b>
Net operating revenues	R\$	25,576	20,179	-	-	45,755	35,489	29,543	41,349	45,819	152,200
Cost of products	R\$	(15,213)	(19,974)	-	-	(35,187)	(20,094)	(16,092)	(25,183)	(28,215)	(89,584)
Other expenses / revenues	R\$	(14,093)	(5,554)	-	-	(19,647)	(7,566)	(2,646)	(7,480)	(12,378)	(30,070)
Depreciation, amortization and depletion	R\$	1,684	3,064	-	-	4,748	1,154	1,239	1,481	1,756	5,630
<b>EBITDA</b>	R\$	<b>(2,046)</b>	<b>(2,285)</b>	<b>-</b>	<b>-</b>	<b>(4,331)</b>	<b>8,983</b>	<b>12,044</b>	<b>10,167</b>	<b>6,982</b>	<b>32,546</b>
Depreciation, amortization and depletion	R\$	(1,684)	(3,064)	-	-	(4,748)	(1,154)	(1,239)	(1,481)	(1,756)	(5,630)
<b>EBIT</b>	R\$	<b>(3,730)</b>	<b>(5,349)</b>	<b>-</b>	<b>-</b>	<b>(9,079)</b>	<b>7,829</b>	<b>10,805</b>	<b>8,686</b>	<b>5,226</b>	<b>32,546</b>
Impairment	R\$	-	-	-	-	-	-	-	-	138	138
Net financial result	R\$	(4,735)	(4,216)	-	-	(8,951)	(5,797)	(3,314)	(2,889)	(4,544)	(16,544)
<b>Income before income tax and social contribution</b>	R\$	<b>(8,465)</b>	<b>(9,565)</b>	<b>-</b>	<b>-</b>	<b>(18,030)</b>	<b>2,032</b>	<b>7,491</b>	<b>5,797</b>	<b>820</b>	<b>16,140</b>
Income tax and social contribution	R\$	(420)	737	-	-	317	(751)	(3,192)	(2,495)	1,043	(5,395)
<b>Net income</b>	R\$	<b>(8,885)</b>	<b>(8,828)</b>	<b>-</b>	<b>-</b>	<b>(17,713)</b>	<b>1,281</b>	<b>4,299</b>	<b>3,302</b>	<b>1,863</b>	<b>10,745</b>

**Manganese and Ferroalloys Area – RDME (Adjusted and Unaudited)**

Information		2007					2006				
		As of and for the three-month periods ended					As of and for the three-month periods ended				
		March 31	June 30	September 30	December 31	Total	31 de março	30 de junho	30 de setembro	31 de dezembro	Total
Quantity sold - external market - Sinter	MT (thousand)	-	-	-	-	-	40	29	-	-	69
Quantity sold - external market - Manganese	MT (thousand)	43	55	-	-	98	132	143	200	73	548
Quantity sold - external market - Ferroalloys	MT (thousand)	45	36	-	-	81	51	42	34	41	168
Average sales price - external market - Sinter	US\$	-	-	-	-	-	111.02	116.69	-	-	-
Quantity sold - external market - Manganese	US\$	76.51	104.96	-	-	92.48	81.70	73.47	77.96	83.73	78.46
Average sales price - external market - Ferroalloys	US\$	749.38	790.86	-	-	767.82	625.41	676.90	701.15	784.83	692.52
Short-term indebtedness, gross	US\$	-	-	-	-	-	4,276	-	-	-	-
<b>Total indebtedness, gross</b>	US\$	-	-	-	-	-	<b>4,276</b>	-	-	-	-
<b>Stockholders' equity</b>	R\$	<b>191,179</b>	<b>187,020</b>	-	-	<b>187,020</b>	<b>185,492</b>	<b>189,000</b>	<b>193,649</b>	<b>201,425</b>	
Net operating revenues	R\$	101,120	95,000	-	-	196,120	121,378	104,875	107,989	109,830	444,072
Cost of products	R\$	(91,217)	(72,967)	-	-	(164,184)	(124,368)	(104,126)	(99,650)	(97,754)	(425,898)
Other expenses / revenues	R\$	(13,890)	(14,130)	-	-	(28,020)	(5,139)	(6,869)	(8,457)	(3,368)	(23,833)
Depreciation, amortization and depletion	R\$	3,438	9,370	-	-	12,808	3,051	5,105	10,611	(8,785)	10,131
<b>EBITDA</b>	R\$	<b>(549)</b>	<b>17,273</b>	-	-	<b>16,724</b>	<b>(5,078)</b>	<b>(1,015)</b>	<b>10,493</b>	<b>(77)</b>	<b>4,472</b>
Depreciation, amortization and depletion	R\$	(3,438)	(9,370)	-	-	(12,808)	(3,051)	(5,105)	(10,611)	8,785	(10,131)
<b>EBIT</b>	R\$	<b>(3,987)</b>	<b>7,903</b>	-	-	<b>3,916</b>	<b>(8,129)</b>	<b>(6,120)</b>	<b>(118)</b>	<b>8,708</b>	<b>(3,559)</b>
Gain/loss in translation of currency	R\$	(5,874)	(9,536)	-	-	(15,410)	(9,711)	9,791	4,840	(1,930)	-
Net financial result	R\$	215	476	-	-	691	(470)	13	128	393	-
<b>Income before income tax and social contribution</b>	R\$	<b>(9,646)</b>	<b>(1,157)</b>	-	-	<b>(10,803)</b>	<b>(18,310)</b>	<b>3,684</b>	<b>4,850</b>	<b>7,171</b>	<b>(3,559)</b>
Income tax and social contribution	R\$	(196)	(3,003)	-	-	(3,199)	(331)	(197)	(200)	(226)	-
<b>Net income</b>	R\$	<b>(9,842)</b>	<b>(4,160)</b>	-	-	<b>(14,002)</b>	<b>(18,641)</b>	<b>3,487</b>	<b>4,650</b>	<b>6,945</b>	<b>(3,559)</b>

**Steel Area – CSI (Adjusted and Unaudited)**

Information		2007					2006				
		As of and for the three-month periods ended				Total	Período de três meses findos em				Total
		March 31	June 30	September 30	December 31		31 de março	30 de junho	30 de setembro	31 de dezembro	
<b>Quantity sold - total</b>	MT (thousand)	<b>432</b>	<b>444</b>	-	-	<b>876</b>	<b>490</b>	<b>526</b>	<b>505</b>	<b>409</b>	<b>1,930</b>
<b>Average sales price - total</b>	US\$	<b>728.68</b>	<b>755.59</b>	-	-	<b>728.68</b>	<b>648.47</b>	<b>664.44</b>	<b>757.55</b>	<b>757.21</b>	<b>704.37</b>
<b>Stockholders' equity</b>	R\$	<b>676,568</b>	<b>650,688</b>	-	-	<b>650,688</b>	<b>748,257</b>	<b>822,647</b>	<b>742,268</b>	<b>747,278</b>	<b>747,278</b>
Net operating revenues	R\$	663,250	666,891	-	-	1,330,141	697,818	763,666	829,503	665,732	2,956,719
Cost of products	R\$	(641,359)	(616,807)	-	-	(1,258,166)	(562,839)	(611,163)	(683,560)	(625,899)	(2,483,461)
Other expenses / revenues	R\$	(16,120)	(14,722)	-	-	(30,842)	(16,909)	(16,804)	(17,992)	(15,790)	(66,753)
Depreciation, amortization and depletion	R\$	15,415	14,596	-	-	30,011	15,231	16,647	14,794	14,436	61,109
<b>EBITDA</b>	R\$	<b>21,186</b>	<b>49,958</b>	-	-	<b>71,144</b>	<b>133,301</b>	<b>152,346</b>	<b>142,745</b>	<b>38,479</b>	<b>467,514</b>
Depreciation, amortization and depletion	R\$	(15,415)	(14,596)	-	-	(30,011)	(15,231)	(16,647)	(14,794)	(14,436)	(61,109)
<b>EBIT</b>	R\$	<b>5,771</b>	<b>35,362</b>	-	-	<b>41,133</b>	<b>118,070</b>	<b>135,699</b>	<b>127,951</b>	<b>24,042</b>	<b>406,505</b>
Gain/loss in translation of currency	R\$	(29,805)	(41,803)	-	-	(71,608)	(54,681)	(3,417)	4,693	(4,568)	(58,163)
Net financial result	R\$	(703)	(7,142)	-	-	(7,845)	(5,264)	(3,645)	(9,265)	5,992	(11,640)
<b>Income before income tax and social contribution</b>	R\$	<b>(24,737)</b>	<b>(13,583)</b>	-	-	<b>(38,320)</b>	<b>58,125</b>	<b>128,637</b>	<b>123,379</b>	<b>25,466</b>	<b>336,702</b>
Income tax and social contribution	R\$	(1,726)	(12,299)	-	-	(14,025)	(46,303)	(54,200)	(44,033)	(12,564)	(157,100)
<b>Net income</b>	R\$	<b>(26,463)</b>	<b>(25,882)</b>	-	-	<b>(52,346)</b>	<b>11,822</b>	<b>74,437</b>	<b>79,346</b>	<b>12,902</b>	<b>179,602</b>

**Logistics Area – Log-In Logística Intermodal S.A. (Adjusted and Unaudited)**

Information		2007					2006				
		As of and for the three-month periods ended				Total	Período de três meses findos em				Total
		March 31	June 30	September 30	December 31		31 de março	30 de junho	30 de setembro	31 de dezembro	
Maritime transport - external market											
Bulk transportation	MT (thousands)	-	-	-	-	-	695	857	-	940	2,492
General cargo (Containers-TEUS)	TEUS	9,624	8,727	-	-	18,351	5,404	7,561	6,928	10,641	30,534
Ports services	Operations	1,029	96	-	-	1,125	837	1,313	1,270	1,752	5,172
Maritime transport - internal market											
General cargo (Containers-TEUS)	TEUS	9,173	10,415	-	-	19,588	12,093	15,757	21,017	10,969	59,836
Ports services	Operations	745	69	-	-	814	937	549	526	-	2,012
Average sales price - external market											
Bulk transportation	US\$	-	-	-	-	-	10.23	6.98	-	-	9.55
General cargo (Containers-TEUS)	US\$	795.72	890.98	-	-	854	1,091.60	934.80	1,146.94	834.41	975.70
Ports services	US\$	3,328.00	3,409.11	-	-	3,347	3,168.98	3,026.39	3,631.31	-	2,172.82
Average sales price - internal market											
General cargo (Containers-TEUS)	US\$	1,268.00	1,502.54	-	-	1,393	838.58	838.99	734.22	1,281.00	883.14
Ports services	US\$	3,303.00	4,372.62	-	-	3,386	3,169.23	3,031.65	3,727.32	-	3,277.59
Long-term indebtedness, gross	US\$	-	-	-	-	-	-	-	-	16	16
Short-term indebtedness, gross	US\$	9	-	-	-	-	383	-	-	4,304	4,304
<b>Total indebtedness, gross</b>	US\$	<b>9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>383</b>	<b>-</b>	<b>-</b>	<b>4,320</b>	<b>4,320</b>
<b>Stockholders' equity</b>	R\$	<b>102,523</b>	<b>485,162</b>	<b>-</b>	<b>-</b>	<b>485,162</b>	<b>241,728</b>	<b>242,311</b>	<b>260,985</b>	<b>89,622</b>	<b>89,622</b>
Net operating revenues	R\$	78,232	81,118	-	-	159,350	61,372	67,205	63,300	74,519	266,396
Cost of products	R\$	(50,016)	(55,711)	-	-	(105,727)	(45,369)	(59,562)	(45,944)	(53,577)	(204,452)
Other expenses / revenues	R\$	(7,204)	(10,222)	-	-	(17,426)	(11,874)	(11,829)	(12,891)	19,222	(17,372)
Depreciation	R\$	2,463	1,673	-	-	4,136	2,292	2,273	606	613	5,784
<b>EBITDA</b>	R\$	<b>23,475</b>	<b>16,858</b>	<b>-</b>	<b>-</b>	<b>40,333</b>	<b>6,421</b>	<b>(1,913)</b>	<b>5,071</b>	<b>40,777</b>	<b>50,356</b>
Depreciation	R\$	(2,463)	(1,673)	-	-	(4,136)	(2,292)	(2,273)	(606)	(613)	(5,784)
<b>EBIT</b>	R\$	<b>21,012</b>	<b>15,185</b>	<b>-</b>	<b>-</b>	<b>36,197</b>	<b>4,129</b>	<b>(4,186)</b>	<b>4,465</b>	<b>40,164</b>	<b>44,572</b>
Exchange variation in stockholders' equity	R\$	-	-	-	-	-	(19,269)	1,693	9,435	-	(8,141)
Impairment	R\$	-	3,403	-	-	3,403	3	(8)	-	-	(5)
Net financial result	R\$	(1,326)	(16,897)	-	-	(18,223)	9,322	9,504	7,601	2,457	28,884
Minority interest	R\$	(1,367)	1,322	-	-	(45)	-	-	-	-	-
<b>Income before income tax and social contribution</b>	R\$	<b>18,319</b>	<b>3,013</b>	<b>-</b>	<b>-</b>	<b>21,332</b>	<b>(5,815)</b>	<b>7,003</b>	<b>21,501</b>	<b>42,621</b>	<b>65,310</b>
Income tax and social contribution	R\$	(5,418)	(8,415)	-	-	(13,833)	(4,282)	(6,420)	(2,826)	(16,361)	(29,889)
<b>Net income</b>	R\$	<b>12,901</b>	<b>(5,402)</b>	<b>-</b>	<b>-</b>	<b>7,499</b>	<b>(10,097)</b>	<b>583</b>	<b>18,675</b>	<b>26,260</b>	<b>35,421</b>

**Logistics Area – FCA (Adjusted and Unaudited)**

Information		2007					2006				
		As of and for the three-month periods ended				Total	Período de três meses findos em				Total
		March 31	June 30	September 30	December 31		31 de março	30 de junho	30 de setembro	31 de dezembro	
Quantity sold - internal market - Railroad Service	MT (thousand)	6,322	7,573	-	-	13,895	6,280	6,990	7,330	6,864	27,464
Average sales price - internal market - Railroad Service	R\$	25.53	27.57	-	-	26.64	23.69	34.64	26.58	25.31	25.88
<b>Stockholders' equity</b>	R\$	<b>(154,081)</b>	<b>(128,727)</b>	-	-	<b>(128,727)</b>	<b>(160,422)</b>	<b>(173,831)</b>	<b>(171,687)</b>	<b>(151,492)</b>	<b>(151,492)</b>
Net operating revenues	R\$	161,380	208,788	-	-	370,168	148,752	193,518	194,835	173,725	710,830
Cost of products	R\$	(157,361)	(163,123)	-	-	(320,484)	(166,997)	(182,527)	(172,656)	(178,523)	(700,703)
Other expenses / revenues	R\$	(6,622)	(13,617)	-	-	(20,239)	(15,749)	(30,007)	(19,737)	22,411	(43,082)
Depreciation, amortization and depletion	R\$	21,855	20,413	-	-	42,268	20,456	21,079	21,931	22,428	85,894
<b>EBITDA</b>	R\$	<b>19,252</b>	<b>52,461</b>	-	-	<b>71,713</b>	<b>(13,538)</b>	<b>2,063</b>	<b>24,373</b>	<b>40,041</b>	<b>52,939</b>
Depreciation, amortization and depletion	R\$	(21,855)	(20,413)	-	-	(42,268)	(20,456)	(21,079)	(21,931)	(22,428)	(85,894)
<b>EBIT</b>	R\$	<b>(2,603)</b>	<b>32,048</b>	-	-	<b>29,445</b>	<b>(33,994)</b>	<b>(19,016)</b>	<b>2,442</b>	<b>17,613</b>	<b>(32,955)</b>
Net financial result	R\$	881	2,256	-	-	3,137	(5,267)	5,607	8	2,582	2,930
<b>Income before income tax and social contribution</b>	R\$	<b>(1,722)</b>	<b>34,304</b>	-	-	<b>32,582</b>	<b>(39,261)</b>	<b>(13,409)</b>	<b>2,450</b>	<b>20,195</b>	<b>(30,025)</b>
Income tax and social contribution	R\$	(867)	(8,949)	-	-	(9,816)	-	-	-	-	-
<b>Net income</b>	R\$	<b>(2,589)</b>	<b>25,355</b>	-	-	<b>22,766</b>	<b>(39,261)</b>	<b>(13,409)</b>	<b>2,450</b>	<b>20,195</b>	<b>(30,025)</b>

**Nickels Area – INCO (Adjusted and Unaudited)**

Information		2007					2006				
		As of and for the three-month periods ended				Total	Período de três meses findos em				Total
		March 31	June 30	September 30	December 31		31 de março	30 de junho	30 de setembro	31 de dezembro	
Quantity sold - external market - Precious Metals	Kg (Thousands)	22	18	-	-	40	-	-	-	24	24
Average sales price - external market - Precious Metals	US\$	4,190	5,922	-	-	10,112.00	-	-	-	4,366.67	4,366.67
Quantity sold - internal market - Nickel	MT (thousand)	1	1	-	-	1	-	-	-	-	-
Quantity sold - external market - Nickel	MT (thousand)	70	67	-	-	137	-	-	-	73	73
<b>Quantity sold - total</b>		71	68								
Average sales price - internal market - Nickel	US\$	42,664	57,753	-	-	57,753.00	-	-	-	-	-
Average sales price - external market - Nickel	US\$	40,244	46,843	-	-	46,843.00	-	-	-	32,105.33	32,105.33
<b>Average sales price - total</b>											
Quantity sold - external market - Cobalt	MT (thousand)	1	-	-	-	1	-	-	-	1	1
Average sales price - external market - Cobalt	US\$	49,252	56,067	-	-	105,319.00	-	-	-	32,804.16	32,804.16
Quantity sold - external market - Cobre	MT (thousand)	38	33	-	-	71	-	-	-	41	41
Average sales price - external market - Cobre	US\$	5,732	7,198	-	-	12,930.00	-	-	-	7,317.98	7,317.98
<b>Long-term indebtedness, gross</b>	US\$	<b>1,668,684</b>	<b>1,782,563</b>	-	-	<b>1,782,563</b>	-	-	-	<b>1,644,952</b>	<b>1,644,952</b>
<b>Stockholders' equity</b>	R\$	<b>14,836,664</b>	<b>11,795,172</b>	-	-	<b>11,795,172</b>	-	-	-	<b>29,563,974</b>	<b>29,563,974</b>
Net operating revenues	R\$	6,742,785	7,133,029	-	-	13,875,814	-	-	-	6,024,804	6,024,804
Cost of products	R\$	(2,772,288)	(2,517,334)	-	-	(5,289,622)	-	-	-	(2,759,837)	(2,759,837)
Other expenses / revenues	R\$	(310,939)	(158,844)	-	-	(469,783)	-	-	-	(1,775,638)	(1,775,638)
Depreciation, amortization and depletion	R\$	258,148	(944,603)	-	-	(686,455)	-	-	-	267,298	267,298
<b>EBITDA</b>	R\$	<b>3,917,706</b>	<b>3,512,248</b>	-	-	<b>7,429,954</b>	-	-	-	<b>1,756,627</b>	<b>1,756,627</b>
Depreciation, amortization and depletion	R\$	(258,148)	944,603	-	-	686,455	-	-	-	(267,298)	(267,298)
<b>EBIT</b>	R\$	<b>3,659,558</b>	<b>4,456,851</b>	-	-	<b>8,116,409</b>	-	-	-	<b>1,489,329</b>	<b>1,489,329</b>
Result of equity investments	R\$	(141,341)	(803,266)	-	-	(944,607)	-	-	-	-	-
Net financial result	R\$	(571,189)	(1,509,692)	-	-	(2,080,881)	-	-	-	593,811	593,811
<b>Income before income tax and social contribution</b>	R\$	<b>2,947,028</b>	<b>2,143,893</b>	-	-	<b>5,090,921</b>	-	-	-	<b>2,083,140</b>	<b>2,083,140</b>
Income tax and social contribution	R\$	(1,176,414)	(1,560,594)	-	-	(2,737,008)	-	-	-	(797,857)	(797,857)
Minority interest	R\$	(186,893)	(299,690)	-	-	(486,583)	-	-	-	(163,454)	(163,454)
<b>Net income</b>	R\$	<b>1,583,721</b>	<b>283,609</b>	-	-	<b>1,867,330</b>	-	-	-	<b>1,121,829</b>	<b>1,121,829</b>



Ferrous Area - Minerações Brasileiras Reunidas S.A. (Adjusted and Unaudited)

Information		2007					2006				
		As of and for the three-month periods ended				Total	Período de três meses findos em				Total
		March 31	June 30	September 30	December 31		31 de março	30 de junho	30 de setembro	31 de dezembro	
Quantity sold - external market - Iron ore	MT (thousand)	10,510	11,866	-	-	22,376	10,339	12,504	12,413	12,028	47,282
Quantity sold - internal market - Iron ore	MT (thousand)	3,756	4,962	-	-	8,718	2,245	3,426	4,341	3,679	13,690
<b>Quantity sold - total</b>	<b>MT (thousand)</b>	<b>14,266</b>	<b>4,962</b>	-	-	<b>31,094</b>	<b>12,584</b>	<b>15,930</b>	<b>16,754</b>	<b>15,707</b>	<b>60,972</b>
Average sales price - external market - Iron ore	US\$	48.46	50.78	-	-	49.69	37.81	40.93	48.62	47.37	43.90
Average sales price - internal market - Iron ore	US\$	30.02	33.02	-	-	31.73	26.34	28.79	28.79	29.09	28.51
<b>Average sales price - total</b>	<b>US\$</b>	<b>43.61</b>	<b>45.54</b>	-	-	<b>44.65</b>	<b>35.76</b>	<b>38.36</b>	<b>43.48</b>	<b>43.09</b>	<b>40.44</b>
Long-term indebtedness, gross	US\$	-	-	-	-	-	124,115	122,261	101,245	64,271	64,271
Short-term indebtedness, gross	US\$	43,546	6,768	-	-	6,768	-	-	-	-	-
<b>Total indebtedness, gross</b>	<b>US\$</b>	<b>43,546</b>	<b>6,768</b>	-	-	<b>6,768</b>	<b>124,115</b>	<b>122,261</b>	<b>101,245</b>	<b>64,271</b>	<b>64,271</b>
<b>Stockholders' equity</b>	<b>R\$</b>	<b>3,452,826</b>	<b>4,066,153</b>	-	-	<b>4,066,153</b>	<b>2,478,585</b>	<b>3,087,124</b>	<b>3,887,582</b>	<b>4,209,798</b>	<b>4,209,798</b>
Net operating revenues	R\$	1,208,774	1,434,684	-	-	2,643,458	947,340	1,290,827	1,514,381	1,423,220	5,175,768
Cost of products	R\$	(497,641)	(643,115)	-	-	(1,140,756)	(411,230)	(472,369)	(506,758)	(525,076)	(1,915,433)
Other expenses / revenues	R\$	(105,580)	12,249	-	-	(93,331)	(88,731)	(103,740)	(110,932)	(71,883)	(375,286)
Depreciation, amortization and depletion	R\$	61,857	65,599	-	-	127,456	63,676	63,077	64,088	67,407	258,248
<b>EBITDA</b>	<b>R\$</b>	<b>667,410</b>	<b>869,417</b>	-	-	<b>1,536,827</b>	<b>511,055</b>	<b>777,795</b>	<b>960,779</b>	<b>893,668</b>	<b>3,143,297</b>
Depreciation, amortization and depletion	R\$	(61,857)	(65,599)	-	-	(127,456)	(63,676)	(63,077)	(64,088)	(67,407)	(258,248)
<b>EBIT</b>	<b>R\$</b>	<b>605,553</b>	<b>803,818</b>	-	-	<b>1,409,371</b>	<b>447,379</b>	<b>714,718</b>	<b>896,691</b>	<b>826,261</b>	<b>2,885,049</b>
Sale of assets	R\$	904	-	-	-	904	(75)	1,756	-	1,069	2,750
Gain on investments accounted for by the equity method	R\$	39,597	60,223	-	-	99,820	29,546	37,955	45,934	70,034	183,469
Amortização de ágio	R\$	(1,811)	(2,423)	-	-	(4,234)	-	-	-	(9,297)	(9,297)
Resultado não operacional	R\$	-	-	-	-	-	418	2,923	-	12	3,353
Net financial result	R\$	(76,096)	(97,791)	-	-	(173,887)	(58,936)	3,637	26,898	(20,484)	(48,885)
<b>Income before income tax and social contribution</b>	<b>R\$</b>	<b>568,147</b>	<b>763,827</b>	-	-	<b>1,331,974</b>	<b>418,332</b>	<b>760,989</b>	<b>969,523</b>	<b>867,595</b>	<b>3,016,439</b>
Income tax and social contribution	R\$	(135,995)	(150,499)	-	-	(286,494)	(82,699)	(152,451)	(169,064)	(139,692)	(543,906)
<b>Net income (loss)</b>	<b>R\$</b>	<b>432,152</b>	<b>613,328</b>	-	-	<b>1,045,480</b>	<b>335,633</b>	<b>608,538</b>	<b>800,459</b>	<b>727,903</b>	<b>2,472,533</b>