BR GAAP

BOVESPA: VALE3, VALE5
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LATIBEX: XVALO, XVALP

PERFORMANCE OF COMPANHIA VALE DO RIO DOCE IN THE FIRST QUARTER OF 2004

Except where otherwise indicated, the operational and financial information in this press release is for the Parent Company and calculated in accordance with generally accepted accounting principles in Brazil (Brazilian GAAP). With the exception of information relating to investments and the behavior of markets, it is based on quarterly financial statements reviewed by the company's external auditors.

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Rio de Janeiro, May 12, 2004 - Companhia Vale do Rio Doce (CVRD) reported net earnings of R$ 954 million in the first quarter of 2004 (1Q04), corresponding to R$ 2.48 per share – 20.5% higher than in the previous quarter, and 18.0% less than in 1Q03.

Gross operating revenues was R$ 2.731 billion, 8.5% more than in the first quarter of 2003 and 5.0% less than in 4Q03. Consolidated exports were US$ 1.012 billion, 26.7% higher than in 1Q03. Net exports (exports less imports) were US$ 864 million, or 14% of Brazil's total trade surplus for the first three months of the year.

EBITDA recorded in the first quarter was R$ 1.342 billion, the third-highest quarterly EBITDA in CVRD's history, and EBITDA margin (EBITDA as a percentage of net revenues) was 51.5%, higher than the full year 2003 (48.7%), 2002 (48.3%), 2001 (51.0%) and 2000 (48.3%).

Sales of iron ore and pellets were 43.256 million tons, 18.9% more than in 1Q03. The volume of general cargo (other than iron ore and pellets) transported for clients on CVRD's railroads (the Vitória-Minas railroad and the Carajás railroad) totaled 4.0 net ton-kilometers (ntk), 16.8% more than in 1Q03.

SELECTED FINANCIAL INDICATORS

			R$ million
	1Q03	4Q03	1Q04
Gross Operating Revenues	2,518	2,877	2,731
Gross Margin (%)	48.4	44.7	43.4
EBITDA	1,148	1,239	1,342
EBITDA Margin (%)	47.5	44.3	51.5
Net Earnings	1,164	792	954
ROE (annualized) (%)	19.4	30.2	27.9
Investments (US$ million) *	197.9	400.6	306.0

*including acquisitions
ROE = return on equity = LTM net earnings / equity

EARNINGS GUIDANCE

CVRD does not provide guidance in the form of quantitative forecasts about future financial performance. The Company aims to release the maximum amount of information about its vision for the various markets in which it operates, explaining its strategic directives and execution; thereby, providing capital market participants with sufficient information to form their own expectations with regard to medium and long-term performance.

BUSINESS OUTLOOK

The global economy has continued to experience a synchronized recovery, which began in the third quarter of 2003. The fastest growth is observed in China, the other emerging markets in Asia and in the United States and slower growth rates are observed in the Euro Zone, where consumption remains subdued. In Japan, economic growth, stimulated by exports and investment, continues to exceed expectations, and in Latin America, particularly in Brazil, there are signs that recovery is underway.

According to data from the International Iron and Steel Institute (IISI), global steel production increased 8.7% in 1Q04, compared to 1Q03. Excluding China, production increased 3.9%, which is much higher than the average growth rate observed in the period 1993/2003 of 1.5%. Chinese steel production grew 26.5% in 1Q04, compared to 1Q03, representing a significant increase in that country's steel production rate vis-à-vis the growth rate observed at the end of last year, which amounted to 21.2%.

Chinese iron ore imports in 1Q04 reached a record 50.7 million tons, 48.2% higher than the volume recorded in 1Q03, bringing the total quantity imported in the 12 months to April, to 164.6 million tons. Japan imported 34.7 million tons in the quarter, an increase of 4.1% compared to 1Q03.

The global macroeconomic scenario remains favorable for continued expansion in the demand for ores and metals, which benefits the Company's performance.

The measures taken by the Chinese economic authorities to reduce growth rates – restricting both the supply of and demand for credit – are extremely healthy, because the sooner China seeks to correct its excess demand situation, the lower is the probability of a crisis in the future, which would have an adverse effect on global demand for mineral products.

These measures discourage investments with a low expected rate of return. Such unproductive investments would contribute to lower China's capacity for future economic growth, jeopardizing the buoyancy of demand for ores and metals. According to IMF estimates, one third of the GDP growth in China since 1978, when reforms were first introduced, is explained by productivity gains. Therefore, in preventing the waste of resources, the Chinese government is focused on the preservation of the economy's growth dynamics, and consequently the vigor of the demand for mineral products.

CVRD's commercial relationship with China with respect to the sale of iron ore is conducted via long-term contracts with the largest and most modern steel producers in that country. Long-term contracts help to minimize fluctuations in sales during down-cycles and allow customized solutions to be developed that generate value to the Company's clients.

According to the long-term contracts in force, CVRD's iron ore sales, excluding those of Caemi, to the Chinese market should increase from the level of 25.7 million tons in 2003, to approximately 55 million tons in 2008, implying an estimated average annual growth rate of 16.4% during the period 2003-2008.

The Sossego mine, in Carajás, is undergoing its copper concentrate production ramp-up phase, with the first shipment expected between the end of June and the beginning of July 2004. Sossego has a nominal production capacity of 140,000 tons a year, on average, of copper in concentrate equivalent.

The startup of the Sossego operation, CVRD’s first copper project and the only greenfield copper project to be completed in 2004 in the world, constitutes an important milestone in the development of CVRD's non-ferrous mineral businesses and creates a new platform for the creation of shareholder value.

RECENT RELEVANT EVENTS

In April, CVRD entered into new long-term contracts with clients, distributed dividends to its shareholders and was successful in its initiative to purchase electricity via auction. Both Alunorte and GIIC obtained various international certifications, which is consistent with the Company´s focus on corporate social responsibility.

- **Long-term contracts for the supply of iron ore and pellets**

CVRD and China Steel Corporation (CSC), one of the largest steel producers in Asia, have signed a contract for the supply of 600 thousand tons of pellets a year from 2005 to 2011. CSC has been a client of CVRD since 1979 and in addition to buying pellets, currently purchases some 2.4 million tons a year of iron ore, also under a long-term contract.

CVRD also signed a contract with Usiminas, one of the largest steelmakers in Latin America, for the supply of five million tons a year of iron ore for five years. The volume covered by this contract represents approximately 90% of Usiminas’ current iron ore consumption.

In 2003 and in the beginning of 2004, CVRD entered into several long-term contracts with important steelmakers, such as Arcelor, Baosteel and Corus. These contracts minimize future iron ore sales volatility and allow for the development of customized solutions that create value for our clients.

- **Dividends and debenture remuneration**

On April 30, the first minimum dividend installment was paid to CVRD’s shareholders, in the amount of R$ 2.06 (US$ 0.70 as of April 30) per share, in accordance with the minimum dividend payment proposal for 2004, as announced to the market. The total disbursement by CVRD amounted to US$ 268.3 million.

On April 1, CVRD paid its first remuneration payment on debentures issued by the Company and distributed to shareholders before its privatization in 1997, of R$ 0.0120628 per debenture, amounting to a total disbursement by the Company of US$ 1.6 million.

- **Electricity auction**

Albras was successful in its initiative to purchase electricity via an auction for a period of 20 years. The electricity bought will supply its needs starting in June 2004. The base purchase price is R$ 53.00 per MWh, indexed to the IGPM, which is the general price index published by Fundação Getulio Vargas. In addition to the base price, the electricity supplier will have a stake on the portion of the primary aluminum price, at the London Metal Exchange (LME), which exceeds US$ 1,450 per ton. According to the structure of the operation, Albras will make a prepayment for the purchase of this electricity of R$ 1.2 billion.

The terms obtained will preserve Albras' highly competitive position in the global aluminum industry.

- **Corporate social responsibility**

GIIC, a joint venture between CVRD and The Gulf Investment Corporation, has received the ISO 9000 certification for the quality of its pellets and the ISO 14001 certification for excellence in environmental protection.

Alunorte, the alumina refinery controlled by CVRD, received three international certifications: the ISO 9001, for quality in alumina production, the ISO 14001, for excellence in environmental protection, and the OHSAS 18001, for health and safety in the workplace.

All of CVRD´s iron ore and manganese mines, its maritime terminals; Tubarão´s pelletizing plants, RDME, Albras and now Alunorte and GIIC have the ISO 14001 for excellence in environmental protection. Moreover, Albras has additional certifications for corporate social responsibility, quality, health and safety in the workplace.

Social responsibility, including environmental protection, social initiatives, the health and safety of its employees, is a priority for CVRD, which considers such responsibility a crucial factor to maintain its long-term competitiveness.

SALES REVENUES AND VOLUMES

Sales volumes of iron ore and pellets in 1Q04, 43.256 million tons, was 18.9% higher than in 1Q03, and 3.4% lower than in 4Q03. The year-on-year increase was due to the consolidation of Ferteco, which mines contributed 4.854 million tons, and to the strong demand for these products. At the same time, there was a fall in sales volumes from 4Q03 to 1Q04 due to seasonal factors.

Mining production tends to be lower in the first quarter of each year, due to the rainy season, reducing the total of shipments. The rains also increase the risk of accidents on the railroads, although Vitoria a Minas railroad and Carajás railroad have accident rates among the lowest in the world. Certainly there is a production and sales growth trend along the year.

CVRD's iron ore production was 2.6 million tons lower in 1Q04 than in 4Q03. There were accidents on the Carajás and MRS Logística railroads, and delays by suppliers in delivery of railcars for transport of iron ore – both contributing to difficulties in shipments.

Iron ore fines volume was 75.4% of all shipments; lumps were 9.9%, and pellets 14.7%.

About 74% of CVRD's shipments of iron ore and pellets in 1Q04 went directly to exports. China continued to be the main consumer market, buying 5.8 million tons, or 18.1% of the total volume exported by CVRD. The second-largest destination country was Germany, with 4.6 million tons, followed by Japan with 4.0 million tons, France with 2.3 million tons and South Korea with 1.7 million tons. Of the 11.2 million tons sold in the domestic market, 4.9 million tons went to the palletizing joint ventures for processing into pellets, almost all of the production of which goes to the export market.

Sales of potash were 138 thousand tons, 12.7% less than in the first quarter of 2003, and 18.3% less than in the last quarter of 2003, in spite of high demand. Lower sales reflected lower production in this quarter due to works on expansion – which should increase the mine's nominal capacity from 600,000 tons/year to 850,000 tons/year in 2005.

SALES VOLUME			
			thousand tons
	1Q03	4Q03	1Q04
Iron Ore and Pellets	36,391	44,797	43,256
Iron Ore	31,307	38,134	36,901
Fines	28,157	33,263	32,610
Lumps	3,150	4,871	4,291
Pellets	5,084	6,663	6,355
Potash	158	169	138
Port Services	5,624	5,761	5,635

IRON ORE AND PELLET SALES BY DESTINATION			
			million tons
FOREIGN MARKET	1Q03	4Q03	1Q04
ASIA			
China	5.4	6.4	5.8
South Korea	1.6	2.0	1.7
Philippines	0.4	0.7	0.8
Japan	3.9	4.0	4.0
Taiwan	0.4	0.5	0.7
Others	-	-	0.4
Total	**11.7**	**13.6**	**13.4**
EUROPE			
Germany	3.5	5.2	4.6
Spain	0.8	1.0	0.9
France	1.4	2.3	2.3
Italy	1.2	1.3	1.5
United Kingdom	0.5	0.9	0.5
Others	3.0	4.7	3.5
Total	**10.4**	**15.4**	**13.3**
THE AMERICAS			
Argentina	0.8	0.9	0.9
United States	1.0	0.7	1.0
Other	0.8	0.9	1.3
Total	**2.6**	**2.5**	**3.2**
Others			
Bahrain	0.5	0.8	1.0
Others	1.0	1.5	1.2
Total	**1.5**	**2.3**	**2.2**
TOTAL	**26.2**	**33.8**	**32.1**
DOMESTIC MARKET	1Q03	4Q03	1Q04
Steel Mills	5.1	6.4	6.3
Pelletizing Joint Ventures	5.0	4.6	4.9
Total	**10.1**	**11.0**	**11.2**
TOTAL	**36.3**	**44.8**	**43.3**

The volume of general cargo (cargo other than iron ore and pellets) carried by our railroads (the Vitória a Minas railroad and the Carajás railroad) totaled 4.0 billion ntk, in line with 4Q03, and 16.8% more than in 1Q03. This reflects the increase in our fleet of locomotives and railcars, and the fact that there is pent-up demand for this type of service. Steel products were 52% of the cargo we transported for clients in the quarter, agricultural products 27%, fuel 10%, containers 2% and other products 9%.

RAILROAD TRANSPORTATION OF GENERAL CARGO			
			ntk million
	1Q03	4Q03	1Q04
Vitória a Minas Railroad	2,727	3,233	3,062
Carajás Railroad	662	808	897
Total	**3,389**	**4,041**	**3,959**

Gross operational revenue was R$ 2.731 billion, 8.5% more than in the first quarter of 2003, and 5.0% less than in 4Q03. 83% of the revenue was denominated or indexed to the US dollar.

Revenue from sales of iron ore was R$ 1.697 billion, 62.1% of total revenue. This was 9.3% more than in 1Q03, and 6.2% less than in 4Q03. Revenue from sales of pellets was R$ 595 million, 21.8% of total revenue: 20.0% higher than in the first quarter of 2003, and 4.5% less than in 4Q03.

Revenue from logistics services, at R$ 332 million, was similar to its levels in 1Q03 and 4Q03, and provided 12.2% of the Company's total revenues. Revenue from rail transport was R$ 261 million, and revenue from port services was R$ 71 million.

GROSS REVENUES BY PRODUCT						
						R$ million
	1Q03	%	4Q03	%	1Q04	%
Iron Ore	**1,553**	**61.7**	**1,808**	**62.9**	**1,697**	**62.1**
Domestic Market	411	16.3	374	13.0	428	15.7
Export Market	1,142	45.3	1,434	49.9	1,269	46.5
Pellets	**496**	**19.7**	**623**	**21.7**	**595**	**21.8**
Domestic Market	90	3.6	120	4.2	115	4.2
Export Market	406	16.1	503	17.5	480	17.6
Pelletizing Plants Operation Services	**29**	**1.1**	**41**	**1.4**	**36**	**1.3**
Railroad Transport	**259**	**10.3**	**249**	**8.7**	**261**	**9.6**
Port Services	**68**	**2.7**	**77**	**2.7**	**71**	**2.6**
Potash	**73**	**2.9**	**72**	**2.5**	**65**	**2.4**
Others	**40**	**1.6**	**7**	**0.2**	**6**	**0.2**
Total	**2,518**	**100.0**	**2,877**	**100.0**	**2,731**	**100.0**

NET EARNINGS OF R$ 954 MILLION

CVRD's net earnings in 1Q04 was R$ 954 million, 20.5% more than in the previous quarter, and 18.1% less than in 1Q03.

An extraordinary item - amortization of goodwill of Samitri - was recorded in this quarter, in a non-recurrent and non-cash amount of R$ 183 million, related to the period October 2001 – December 2003. This investment was previously being amortized under a linear 10 year period, based on the projections of future profitability assumed at the time. After revising the projections, we decided to adopt the new five year amortization period to reflect correctly the situation of the investment. Going forward – during the next 30 months - we will be posting amortization of around R$ 40 million per quarter on this investment, instead of the R$ 20 million that we were posting previously.

There was an increase of R$ 228 million in cost of goods sold (COGS), which can be partially explained by the consolidation of Ferteco, starting in September 2003, which contributed R$ 209 million to COGS, and by the intensification of operations in the São Luis palletizing plant, adding R$ 48 million to COGS.

Expenses with outsourced services grew by 120% or R$ 156 million yoy. From this total, R$ 83 million are explained by the consolidation of Ferteco that registers in this line the freight paid to MRS Logística to transport part of its iron ore production. Besides that, we saw higher production input prices and higher maintenance and equipment renewal at the mines and plants in order to increase productivity.

Electricity costs and expenses with personnel also showed growth due to tariffs readjustments and to a 17% raise in salaries since July 2003, respectively.

COGS BREAKDOWN

R$ million

	1Q03	%	4Q03	%	1Q04	%
Personnel	120	9.6	185	12.0	150	10.2
Material	211	16.9	243	15.7	231	15.6
Fuel Oil and Gases	139	11.1	180	11.6	160	10.8
Contracted Services	130	10.4	300	19.4	288	19.5
Energy	24	1.9	51	3.3	44	3.0
Acquisition of products	386	31.0	249	16.1	283	19.2
Depreciation and Amortization	150	12.0	230	14.9	245	16.6
Others	87	7.0	110	7.1	75	5.1
Total	**1,248**	**100.0**	**1,548**	**100.0**	**1,476**	**100.0**

Other factors contributing to lower profit in 1Q04 than in 1Q03 were:

(i) Monetary variation recorded in 1Q03 was a positive R$ 279 million since we saw an appreciation of 5.37% of the real against the US dollar between December 31,2002 and March 31, 2003, against a negative R$ 69 million recorded in 1Q04, due to a depreciation of 0.67% of the real against the US dollar between December 31, 2003 and March 31, 2004.

(ii) An increase of R$ 25 million in expenditure on research and development, as the volume of mineral exploration increased, specially for copper and manganese ore; and

(iii) An increase of R$ 15 million in administrative expenses.

On the other hand, we saw the following positive contributions to net earnings:

(i) An increase of R$ 191 million in net operating revenue;

(ii) A reduction of R$ 157 million in provisions for income tax;

(iii) An increase of R$ 175 million in income from equity from the results of affiliates and joint ventures. The main elements in the improvement in equity from the results of affiliates and joint ventures were: (a) the impact of the depreciation of the real against the US dollar in 1Q04 on the stockholders' equity of Docenave, CSI and Itaco, and an increase in the volume of iron ore and pellets sold by Itaco; (b) the increase since September 2003 in our percentage holding in Caemi – which also increased its volumes of iron ore sold; and (c) increases in prices and volumes of manganese and ferro-alloys sold by RDM.

(iv) A reduction of R$ 47 million in selling expenses - explained by the end of commissions on export sales; and

(v) A reduction of R$ 21 million in other operational expenses, influenced by the register of R$ 28 million in provisions for losses of ICMS credit in 1Q03, which was not verified in 1Q04.

RESULT FROM SHAREHOLDINGS BY BUSINESS AREA

R$ million

Business Area	1Q03	4Q03	1Q04
Ferrous Minerals	**51**	**204**	**275**
Iron Ore and Pellets	34	4	217
Manganese and Ferro-Alloys	16	200	58
Non-Ferrous Minerals	**24**	**(49)**	**6**
Logistics	**(40)**	**(146)**	**20**
Steel	**65**	**85**	**118**
Aluminum	**221**	**96**	**90**
Others	**15**	**(41)**	**2**
Total	**335**	**148**	**510**

EBITDA: R$ 1.342 BILLION

CVRD's cash flow in 1Q04 as measured by EBITDA was R$ 1.342 billion, 16.9% more than in 1Q03, and 8.3% more than in the fourth quarter of 2003. EBITDA margin was 51.5%, a considerable increase on the EBITDA margins of 47.5% in 1Q03 and 44.3% in 4Q03.

The main factors that resulted in 1Q04 EBITDA being R$ 194 million higher than 1Q03 are:

(i) Increase of R$ 191 million in net sales revenue;

(ii) Increase of R$ 109 million in dividends received – with increases principally in the payments received from MRN, CST and Usiminas, which paid R$ 62 million, R$ 46 million and R$ 36 million, respectively;

(iii) Increase of R$ 95 million in depreciation and amortization, influenced by the consolidation of Ferteco and by the change in the method of accounting for goodwill amortization in Samitri;

(iv) Reduction of selling expenses by R$ 47 million; and

(v) Reduction of other operational expenses by R$ 21 million.

On the other hand, there were: increases of R$ 228 million in cost of goods sold, of R$ 25 million in research and development expenses, and of R$ 15 million in administrative expenses.

EBITDA CALCULATION			
			R$ million
	1Q03	4Q03	1Q04
Net Operating Revenues	2,417	2,798	2,608
COGS	(1,248)	(1,548)	(1,476)
Sales Expenses	(51)	(64)	(5)
Administrative Expenses	(89)	(124)	(104)
Research & Development	(38)	(95)	(63)
Other Operational Expenses	(106)	(74)	(85)
EBIT	**885**	**893**	**876**
Depreciation and Amortization	161	244	256
Dividends Received	102	102	211
EBITDA	**1,148**	**1,239**	**1,342**

DEBT – COMMITTED CREDIT LINES

CVRD is to use committed credit line instruments with the aim of improving the efficiency of its cash management and alleviating debt-refinancing risks during moments of instability in financial markets. To this end, US$500 million in global committed credit line facilities have been established with the main commercial banks, US$ 400 million of which can be used over a period of up to one year after the date of disbursement, with a repayment period of up to one year, and US$ 100 million, which can be used for a period of up to 24 months, with a repayment period of 36 months after the contract is signed. These credit lines will be made available to CVRD although the Company does not intend to use them unless liquidity becomes excessively tight.

The establishment of committed credit line facilities is consistent with the best financial management practices and contributes to achieve a decoupling from the sovereign risk.

The Company redeemed the CVRD 2004 bond at the beginning of April, which had a face value of US$ 300 million and a coupon of 10% *per annum*. At the same time, it obtained a syndicated loan of US$ 300 million, with a tenor of seven years and an average term of 4.25 years, at the cost of the six-month Libor rate plus 0.7% a year.

Our discussion of debt is in accordance with generally accepted accounting principles in the Unites States of America (US GAAP).

CVRD's total debt at 31 March 2004 amounted to US$ 4.244 billion, an increase on the position reported at the end of 2003, of US$ 4.028 billion. This increase was the result of raising funds ahead of schedule, for 2004, to take advantage of the favorable conditions in financial markets at the beginning this year. For example, in January, the Company issued a 30-year bond, with a coupon of 8.25% a year, and a yield to maturity of 8.35% a year, with a face value of US$ 500 million.

Short-term debt registered a decrease of US$ 304 million in relation to the position at the end of December 2003, while long-term debt increased US$ 520 million. The average term of the Company's debt at the end of 1Q04 was 6.32 years, more than double of that registered at the end of 2002, without any significant increase in average debt cost, which remains below 7% a year.

Net debt decreased US$ 200 million, from US$ 3.443 billion at the end of December 2003 to US$ 3.243 billion at the end of March 2004.

Guarantees provided to affiliates and non-consolidated joint ventures amounted to US$ 260 million, a reduction on the figure registered at the end of December last year, of US$ 283 million.

Due to the strong expansion in adjusted accumulated EBITDA in the last 12 months, which reached US$ 2.373 billion, the debt leverage indicator, Total Debt/adjusted EBITDA, fell for the second quarter running to 1.79x. The ratio of Total Debt /Enterprise Value at the end of 1Q04 was 18.1%.

There was an improvement in interest coverage, as measured by the ratio LTM adjusted EBITDA /LTM interest paid. This metric increased from 11.51x at the end of 2003, to 11.69x in 1Q04.

All the Company's debt indicators - leverage, interest coverage and average maturity profile - reveals the financial strength of the balance sheet, with the availability of committed credit lines, if needed, providing an additional guarantee to its creditors.

DEBT INDICATORS – US GAAP

US$ million

	1Q03	4Q03	1Q04
Gross Debt	3,314	4,028	4,244
Net Debt	2,030	3,443	3,243
Gross Debt / LTM Adjusted EBITDA (x)	1.82	1.89	1.79
LTM Adjusted EBITDA / LTM Interest Expenses (x)	8.45	11.51	11.69
Gross Debt / EV[6] (x)	0.27	0.16	0.18

Enterprise Value = market capitalization + Net Debt

CAPITAL EXPENDITURE

In the first quarter of 2004 CVRD's *capital expenditure* was of the order of US$ 306 million, or 20% of the US$ 1.536 billion budgeted for the whole of 2004.

Our investment in organic growth (growth capex) was US$ 237 million, and our expenditure on maintenance of existing operations (stay-in-business capex) was US$ 69 million.

Of the growth capex, US$ 11 million was spent on mining exploration, 91% in Brazil and 9% outside Brazil (the latter mainly in Chile, Peru, Gabon, Angola and Mongolia). Our prospecting is for copper, nickel, gold, kaolin, bauxite, manganese and metals of the platinum group.

The following figures show details of CVRD's principal current projects:

Area	Project	Budget US$ million 1Q04	Budget US$ million 2004	Status
Ferrous Minerals	Expansion of Carajás iron ore mines to 70 Mt pa – Northern System	24	76.4	Carajás already set to produce 70 million tons in 2004.
	Expansion of Carajás iron ore mines to 85 Mt pa – Northern System	2	28.8	This project will add 15 million tons a year to CVRD's production capacity, and is scheduled for completion in 2006. Completion of the Phase II of the Pier III at the Marine Terminal of Ponta da Madeira is scheduled for completion in July 2005 .
	Expansion of iron ore mine at Brucutu Phase I – Southern System	2	37.3	Brucutu is not a modular project and should produce 4 million tons this year. Phase I of the project will be completed in 2006, when nominal production capacity might reach 12 million tons a year.
	Expansion of iron ore mine at Fábrica Nova – Southern System	3	31.1	First phase scheduled for completion in 2005, when the mine will have a nominal production capacity of 10 million tons a year. Start-up for the second phase is scheduled for 2007, when the mine is expected to reach production of 15 million tons a year.
	Expansion of iron ore mines at Itabira – Southern System	4	13.2	Expansion of production capacity and modernization of operations at the Itabira mines in order to increase production capacity by 3 million tons a year, increasing nominal production capacity to 46 million tons a year. Completion is expected for 2006.
Non-ferrous Minerals	Expansion of potash mine at Taquari-Vassouras	16	21.2	Approximately 65% of the work related to capacity expansion has already been carried out. During March, mining activities were shut down in order to increase the capacity of the shaft through which production is moved out of the underground mine (allowing the extra potash production to be moved, with the capacity expansion scheduled for completion in 3Q05).
Aluminum	Paragominas I	2	83.2	Environmental licenses were obtained for the mine's development and for the construction of a 230 kilometer mineral pipeline which will transport the bauxite to Alunorte's refinery. Start-up of operations is scheduled for the beginning of 2006, with production capacity of 4.5 million tons of bauxite a year.
Logistics	Purchases of locomotives and railcars– EFVM/EFC	75	182.0	In 1Q04, the Company received delivery of 1,133 railcars - 735 for the transportation of iron ore and 398 for general cargo, as well as 8 locomotives. Total deliveries programmed for 2004 amount to 2,011 railcars and 18 locomotives.
Power Generation	Aimorés hydroelectric plant	11	19.0	The plant is located on the Rio Doce, in the state of Minas Gerais, and will have a generation capacity of 330MW, with start-up scheduled for July 2005.
	Candonga hydroelectric plant	2	3.5	The work on the plant has already been completed. The reservoir is being filled which will be completed by May and commercial operations will begin in June. By August, all the turbines will be generating electricity. The plant will have a generating capacity of 140MW.
	Capim Branco I & II hydroelectric plants	6	33.6	Both plants are located on the Araguari river, in the state of Minas Gerais and will have a capacity of 240MW and 210MW, respectively. The start-up of both plants is scheduled for 2006.

SELECTED FINANCIAL INDICATORS – MAIN SUBSIDIARIES AND AFFILIATES OF CVRD

Selected financial indicators for the main subsidiaries and affiliates are available on CVRD Quarterly Financial Statements, on the Company's website, www.cvrd.com.br, under "Investor Relations".

CONFERENCE CALL/WEBCAST

On 14 May, Friday, a conference call/ webcast will be held at 12:00 pm, local time (Rio de Janeiro), 11:00 am Eastern Standard Time, USA and 4:00 pm British Standard Time. Instructions to participate in this event are available on CVRD's website, www.cvrd.com.br, under "Investor Relations". A recording of the conference call/webcast will be available on the site for the 90 days following the conference call on 14 May 2004.

FINANCIAL STATEMENTS

R$ million

	1Q03	4Q03	1Q04
Gross Operating Revenues	2,518	2,877	2,731
Taxes	(101)	(79)	(123)
Net Operating Revenues	**2,417**	**2,798**	**2,608**
Cost of Goods Sold	(1,248)	(1,548)	(1,476)
Gross Earnings	**1,169**	**1,250**	**1,132**
Gross Margin (%)	48.4	44.7	43.4
Result from Shareholdings	**335**	**148**	**510**
Equity Income	418	415	595
Goodwill Amortization	(93)	(113)	(57)
Provision for Losses	10	(154)	(28)
Operational Expenses	**(285)**	**(357)**	**(440)**
Sales	(51)	(64)	(5)
Administrative	(89)	(124)	(104)
Research and Development	(38)	(95)	(63)
Other Operational Expenses	(106)	(74)	(85)
Non-Cash Item – Samitri´s Goodwill Amortization	-	-	(183)
Financial Result	**145**	**(261)**	**(205)**
Financial Expenses	(184)	(240)	(165)
Financial Revenues	50	51	29
Monetary Variation	279	(72)	(69)
Operating Profit	**1,364**	**781**	**997**
Income Tax and Social Contribution	(200)	11	(43)
Net Earnings	**1,164**	**792**	**954**
Earnings per share (R$)	**3.03**	**2.06**	**2.48**

BALANCE SHEET			
			R$ million
	03/31/03	12/31/03	03/31/04
Asset			
Current	4,788	3,949	3,827
Long Term	3,045	2,689	2,679
Fixed	20,080	23,604	24,495
Total	**27,913**	**30,242**	**31,001**
Liabilities			
Current	4,629	5,191	5,036
Long Term	9,991	10,111	10,543
Shareholders' Equity	13,293	14,940	15,422
Paid-up Capital	5,000	6,300	6,300
Reserves	8,293	8,640	9,122
Total	**27,913**	**30,242**	**31,001**