

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

VALLEY OF THE RIO DOCE CO
Form 6-K
August 20, 2002

United States
Securities and Exchange Commission
Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer
Pursuant To Rule 13a-16 or 15d-16
of the
Securities Exchange Act of 1934

For the month of August 2002

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

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

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

Form 20-F Form 40-F

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

Yes No

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

Companhia Vale do Rio Doce

TABLE OF CONTENTS

This Form 6-K contains the following:

Sequential

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

Item -----	Page Number -----
1. Press Release entitled "Performance of Companhia Vale do Rio Doce in the Second Quarter of 2002," dated August 14, 2002.....	1
2. Condensed Consolidated Financial Information as of and for the month ended June 30, 2002	21

BR
GAAP

[LOGO]

Companhia
Vale do Rio Doce

Press Release 2Q02

BOVESPA:VALE3, VALE5
NYSE: RIO, RIOPR
LATIBEX: XVALO, XVALP

PERFORMANCE OF COMPANHIA VALE DO RIO DOCE IN THE
SECOND QUARTER OF 2002

The financial and operational information released in this report, unless otherwise indicated, were calculated in accordance with the generally accepted accounting principles in Brazil (Brazilian GAAP).

www.cvrld.com.br

Rio de Janeiro, 14 August 2002 - In the second quarter of 2002 (2Q02) Companhia Vale do Rio Doce (CVRD) obtained a net earnings of R\$ 85 million, corresponding to earnings per share of R\$ 0.22. Earnings accumulated in the first half amounted to R\$ 718 million, equivalent to R\$ 1.87 per share. Revenues, margins, cash generation and sales presented an excellent performance, with some new records being achieved.

The volatility in the exchange rate between the Real (BRL) and the US Dollar (USD) was the fundamental factor in reducing net earnings in the quarter, from R\$ 633 million in 1Q02 to R\$ 85 million in 2Q02, producing foreign exchange losses (monetary variation) of R\$ 997 million.

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

The depreciation of the BRL causes different impacts over time on CVRD's earnings. In the short term, the negative impact on net liabilities in foreign currency has an unfavourable effect on earnings. However, due to the asymmetry between revenues and expenses - most of the Company's revenues are denominated in USD, 82% in 2Q02, while the majority of costs are denominated in BRL, 68% in 2Q02 - the impact on cash flow is very positive, more than compensating for the initial unfavourable effect on earnings. Normally, this reversion tends to take approximately two quarters.

In this quarter, the negative effect on net

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

earnings was much sharper. The appreciation of the USD against the BRL between the end of 1Q02 and the last day of 2Q02 - the figure needed to calculate the negative accounting effect on earnings in the quarter - amounted to 22.4%. On the other hand, the fall in the average exchange rate from 1Q02 to 2Q02, which is what affects the behaviour of cash flow in BRL, was only 5%. Therefore, the exchange rate trajectory during 2Q02 was detrimental to CVRD financial performance.

The Company's operating result was very good. Gross operating revenues totalled R\$ 1.843 billion in the quarter, the highest in CVRD's history, slightly above the previous record of R\$ 1.840 billion achieved in 3Q01, despite the limited positive impact of the USD appreciation and the iron ore price decline. Contrasting with this scenario, 3Q01 revenues were benefited by a 11.1% USD appreciation relatively to the previous quarter and an iron ore price rise.

Cash generation, as measured by EBITDA (earnings before interest, tax, depreciation and amortization) amounted to R\$ 864 million, was the second best quarterly result in the Company's history. The highest ever quarterly EBITDA, R\$ 986 million, was

2

[LOGO] Comphania
Vale do Rio Doce

BR GAAP 2Q02

achieved in 3Q01. It should be pointed out that CVRD made a provision of R\$ 54 million, fully recognised in 2Q02, for the retrospective effect of a lowering of iron ore and pellet prices, which had a negative effect on revenues, margins, cash generation and earnings.

EBITDA margin, the ratio between EBITDA and net revenues, amounted to 49%, again confirming CVRD's excellent capacity for transforming revenues into operating profit. EBITDA margin in 2Q02 was slightly higher than the average for the previous 17 quarters (1Q98 to 1Q02), of 48.7%.

The volume of iron ore and pellets shipped by the Parent Company constituted a quarterly record of 36.330 million tons, exceeding the previous record of 34.769 million obtained in 3Q01 by 4.5%. Sales volume of the above mentioned products in the first half of the year, 70 million tons, is also a new historical record.

The amount of general cargo transported for clients on CVRD's railroads (Vitoria a Minas - EFVM and Carajas - EFC) also constituted a new quarterly record of 3.730 billion net ton kilometres (ntk).

CVRD's consolidated exports in the first half of 2002 amounted to US\$ 1.865 billion. It was a significant contribution to Brazil's trade surplus and ratifies CVRD position as the leading Brazilian exporter.

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

Capital expenditures carried out in the second quarter amounted to US\$ 215.6 million. Of this total, US\$ 114.7 million was dedicated to various projects and US\$ 50.4 million was spent acquiring full control of the Salobo copper project. The purchase of partners' stakes in the Sossego and Salobo projects will allow full exploitation of the synergies existing within the Carajas region and improved value generation for the Company's shareholders. During the first half, CVRD's capital expenditure totalled US\$ 373.2 million.

Various important steps were taken in the execution of the Company's strategy, especially in regard to the aluminum, copper and electricity businesses.

RELEVANT EVENTS

Strategy execution

Two important transactions took place in the implementation of CVRD's strategy in the aluminum businesses, whose focus is the exploitation of opportunities in the bauxite and alumina segments.

The first was the purchase, for R\$ 118.9 million, of a 12.6% stake in Alunorte by Aluvale, a wholly owned subsidiary of the Company, which thus now holds 62.1% of the common shares and 19.1% of the preferred shares in Alunorte, corresponding to 57% of the total share capital. Among other implications, this means that CVRD will be able to capture greater value in the future expansion of this alumina refinery.

The second transaction was the acquisition, for R\$ 6.4 million, of total control in Mineracao Vera Cruz (MVC). MVC has significant bauxite reserves located in an area adjoining CVRD's own reserves in the Paragominas region, in the state of Para. The geographical location of MVC's mineral resources significantly increases flexibility in the use of the Company's logistics infrastructure.

In the non-ferrous segment, CVRD acquired full control of the Salobo copper project for US\$ 50.4 million and entered into a joint venture with Antofagasta Plc, one of the largest copper producers in the Americas, for mineral exploration in the south of Peru, an area with significant mineral resource potential.

In June, the Company ceased extraction activities at the Igarape Bahia gold reserve in Carajas. As a consequence, CVRD's estimated gold production for 2002 is 320,000 troy ounces, compared to the 514,400 troy ounces produced in 2001. However, concurrently, there is an ongoing pre-feasibility study for the development of Igarape Bahia Phase IV. From the middle of 2004, it is estimated that this new

3

[LOGO] Comphania
Vale do Rio Doce

BR GAAP 2Q02

phase will produce 36,000 tons of copper concentrate and 83,600 troy ounces of gold annually. The estimated capex for the development of Igarape Bahia Phase IV is US\$ 54 million.

CVRD has obtained the concession for the construction and operation of the Estreito hydroelectric power plant which will have a capacity of 1,087 MW. CVRD's stake in the consortium that made the winning bid at the concession

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

auction is 30% and the Estreito plant will be the Company's tenth hydroelectric power project, two of which, Igarapava and Porto Estrela, are already in operation.

The Company is in the process of negotiating the sale of the assets of Florestas Rio Doce to Bahia Sul Celulose S.A. and Aracruz Celulose S.A., concluding the strategy of divesting out of the paper and pulp sector.

Bond issues

Vale Overseas, a wholly owned subsidiary of CVRD, has begun the offer to swap bonds guaranteed by the Company, which fall due in 2007, with a coupon of 8.625%, political risk insurance and a total face value of US\$ 300 million, series A (old issue) for series B bonds (new issue). The new issue represent the same debt with exactly identical characteristics. However, the new issue do not carry restrictions on their purchase by retail investors and are registered with the SEC (Securities and Exchange Commission) under the terms of the US Securities Act of 1933, which will improve the liquidity of these bonds in the secondary market.

Authorization was requested from the CVM (Brazilian Securities and Exchange Commission) on June 28, 2002, to register shareholders debentures issued by CVRD and distributed to its shareholders in April 1997, in the context of the privatization program. Registration of these debentures will allow them to be traded on Brazilian markets.

The Chicago Board Options Exchange (CBOE) and Pacific Exchange have begun trading in options on RIO, the ADR representing the common shares of CVRD. These options constitute a risk transfer vehicle, and it is hoped that they will help to reduce volatility in the Company's share price.

Iron ore and pellet prices

Between the end of May and the beginning of June, CVRD concluded iron ore and pellet price negotiations with European and Japanese clients for 2002 (April 2002 to March 2003 in the case of Japan). Reflecting the performance of the steel industry in 2001, prices were down, by between 1% (iron ore fines from the Southern System to Europe) and 5.5% (blast furnace pellets to Europe). The impact of this drop in prices in the first half of the year is fully recognised in the results for 2Q02.

SHORT TERM PROSPECTS

The increased risk aversion prevailing in the world financial market reflects the suspicion generated by the cases of corporate fraud and doubts about the strength of the global economic recovery.

Recent statistics on economic activity in the US and Europe suggest that recovery in the global economy is likely to take place more slowly than we had expected at the time of publishing CVRD's first quarterly results earlier this year, on May 15, 2002.

In Brazil, uncertainty in world financial markets magnified the effects of the uncertainties about the future of macro-economic policy under the next government. This combination produced a high degree of financial assets price volatility. It is hoped, as a result of the new agreement with the IMF, that involves a credit line of US\$ 30 billion, will produce positive effects on the markets and, consequently, on the Brazilian economy.

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

[LOGO] Comphania
Vale do Rio Doce

BR GAAP 2Q02

The 3.1% drop in global steel output (ex-China) in 2001 and the expansion of industrial production in 2002, were the main factors behind the recovery of the steel products markets this year. The average price of steel products rose significantly: the Steel Price Index (CRUspi), computed by CRU, showed a rise of 32% between the end of last year and the beginning of August this year. Global production of crude steel, according to data from the International Institute for Steel and Iron (IISI), grew 3.9% in the first half of 2002, compared to the same period in 2001. In the second quarter of 2002, this growth accelerated, production increasing by 5.7% over the first quarter.

This scenario is reflected positively in the demand for iron ore and pellets. China continues to be the principal driving force behind the growth in seaborne demand for iron ore: its imports amounted to 51 million tons in the first half of 2002 (1H02) compared to 41.9 million in 1H01, an increase of 21.9%. In Japan, where the economy is still undergoing a fragile recovery, iron ore inventories are down and import levels remained constant in 1H02, totalling 63 million tons. Higher steel prices have stimulated a recovery in the global demand for pellets.

The prospects for continuing increase in Chinese imports, driven by a fast growing GDP and replacement of domestically produced iron ore for the imported product, combined with the fact that steel prices are expected to remain at current levels, leads us to expect good sales performance for iron ore and pellets of CVRD in the second half of 2002, consolidating the movement saw in the 1H02.

On the other hand, given the current and expected short term demand evolution for aluminum, we cannot anticipate a price recovery for the next few months. Inventories on the London Metal Exchange (LME) continue to accumulate and prices have reacted negatively to the turbulence in global financial markets, converging to US\$ 1,300 per ton, compared to the 2001 average of US\$ 1,453 and US\$ 1,378 in the first seven months of 2002. In the case of alumina, demand from China provides support for prices at their current level. For new contracts, the alumina price has remained at around 11% of the aluminum price on the LME. Gold prices have remained consistently above the level of US\$ 300 per troy ounce, and its resiliency may be associated to the asset price volatility in global financial markets.

Despite the slow growth in the Brazilian economy, demand for logistics services has been very strong, given the deficiencies that exist in Brazil's cargo transport infrastructure. CVRD has been able to exploit opportunities in the market, especially in the transport of grains and cement, as well as inter-modal transportation. For instance, the winning of new contacts has made it feasible to expand the Company's railroad activities in the transportation of products for the car industry from 4Q02 onwards.

REVENUES AND SALES VOLUME

Sales volume of iron ore and pellets in 2Q02 reached a record level of 36.330 million tons, exceeding the previous record of 34.769 million tons recorded in 3Q01. It is worth pointing out that since 3Q01, the sales of iron ore from Samitri's mines have been fully incorporated into the Parent Company's sales figures. Shipments in the second quarter were up 7.9% on the previous quarter and 16.5% on 2Q01. Sales volume by the Parent Company encompasses all pellet and iron ore shipments, including the sales of pellet feed to the pellet joint ventures (Nibrasco, Itabrasco, Hispanobras and Kobrasco).

Accumulated sales volume in the first half of the year amounted to 70 million

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

tons, 14.1% higher than in the same period a year earlier. 1H02 sales volumes set a historical record as well.

In 2Q02, sales of iron ore fines accounted for 78.9% of shipments, lumps 10% and pellets 11.1%. Sales of pellets increased the most, up 23.1% on the previous quarter. The Parent Company bought 3.050 million tons of pellets for resale to customers from the pellet joint ventures, compared to 1.769 million tons in 1Q02 and 2.847 million on 2Q01.

Sales of iron ore to China of 5 million tons were up 13.6% on the previous quarter and 78.6% up on 2Q01. The CVRD increased penetration into the Chinese, the fastest growing market in the world, is a

5

[LOGO] Comphania

BR GAAP 2Q02

Vale do Rio Doce

consequence of a successful marketing policy, supported by a diversified portfolio of high quality products. For Japan, volumes shipped of 4.3 million tons were up 16.2% on 1Q02 and 4.9% on 2Q01. Another important source of sales expansion was from Brazilian steel mills, where sales volume was up 13.7% qoq and up 18.4% yoy.

SALES OF IRON ORE AND PELLETS - PARENT COMPANY

	thousand tons					
	1Q 01	2Q 01	3Q 01	4Q 01	1Q 02	2Q 02
Iron Ore and Pellets	30,175	31,189	34,769	33,815	33,663	36,330
Iron Ore	26,546	27,038	30,996	29,983	30,379	32,289
Fines	23,512	24,226	27,617	26,044	27,016	28,648
Lump	3,034	2,812	3,379	3,939	3,363	3,641
Pellets	3,629	4,151	3,773	3,832	3,284	4,041

Consolidated sales volume of iron ore and pellets, calculated according to managerial criteria, amounted to 40.901 million tons, compared to 38.034 million in 1Q02. Pellet sales were up 19.6% and iron ore sales up 4.5%. Ferteco, a wholly owned subsidiary of CVRD, saw its iron ore shipments rise by 17.6% qoq and that of pellets increase by 78.4% qoq. A detailed description of the method used to calculate consolidated sales volume, according to managerial criteria, is to be found on CVRD's website, www.cvrld.com.br, under investor relations, frequently asked questions.

CONSOLIDATED SALES OF IRON ORE AND PELLETS - Economic Concept

	thousand tons		
Iro Ore	2Q 01	1Q 02	2Q 02
Parent Company	21,486	25,815	26,673
Samitri	1,657	--	--
Samarco *	217	336	275
Urucum *	123	233	230
Ferteco *	3,395	2,503	2,943

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

MBR *	--	1,384	1,509
QCM *	--	68	67
Total	26,878	30,339	31,697

Pellets	2Q 01	1Q 02	2Q 02
Parent Company + JVs	6,174	5,266	6,178
Samarco *	1,205	1,315	1,443
Ferteco *	661	619	1,104
GIIC *	431	412	338
QCM *	--	83	141
Total	8,471	7,695	9,204
Total	35,349	38,034	40,901

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

The transportation of general cargo (products other than iron ore and pellets) for customers on CVRD's railroads, amounted to 3.730 billion net ton kilometres (ntk), a quarterly record, surpassing the previous record of 3.468 billion ntk in 1Q02. Ferrovia Centro-Atlantica (FCA) also registered its best performance in terms of general cargo transportation since its operation was taken over by CVRD at the beginning of 2000: 2.712 billion ntk.

6

[LOGO] Comphania BR GAAP 2Q02
 Vale do Rio Doce

In addition to transportation records, CVRD's railroads have been significantly improving productivity. At EFVM, ntk per active locomotive, per day, rose from 0.87 million in 2Q01 to 0.95 million in 2Q02. Simultaneously fuel consumption fell. EFVM's trains transported, on average, 300 ntk per litre of fuel consumed in 2Q02, compared to 280 in 2Q01. Maximization of asset utilization and operational cost reductions are contributing to increase returns on existing assets.

GENERAL CARGO RAILROAD TRANSPORTATION

	million ntk					
	1Q 01	2Q 01	3Q 01	4Q 01	1Q 02	2Q 02
EF Vitoria a Minas	2,643	2,890	2,844	2,791	2,803	2,880
EF Carajas	356	543	494	423	665	850
Total Parent Company	2,999	3,433	3,338	3,214	3,468	3,730
Ferrovia Centro Atlantica	1,962	2,236	2,167	1,993	2,257	2,712

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

Total	4,961	5,669	5,505	5,207	5,725	6,442
-------	-------	-------	-------	-------	-------	-------

CVRD's ports handled 7.007 million tons, an increase of 27% on the previous quarter.

Gold sales have been falling due to the exhaustion of the Igarape Bahia mine, amounting to 111,854 troy ounces in the quarter. From the third quarter of 2002, gold will be produced only from the mines of Fazenda Brasileiro and Itabira. However, CVRD's gold production will rise strongly when operations begin at the copper mines in Carajas. Annual production of 950,000 troy ounces is estimated for 2007, by which time all the copper projects should be fully operational.

Potash shipments increased substantially, up by 69.9% qoq and 27.2% yoy.

SALES OF LOGISTICS SERVICES, GOLD AND POTASH - PARENT COMPANY

	thousand tons					
	1Q 01	2Q 01	3Q 01	4Q 01	1Q 02	2Q 02
Gold (troy ounces)	108,253	114,780	144,215	141,444	115,455	111,854
Potash	133	151	124	95	113	192
Logistics	25,966	24,613	21,306	20,204	18,775	21,919
Railroads	16,611	16,042	14,078	13,640	13,258	14,912
Ports	9,355	8,571	7,228	6,564	5,517	7,007

Gross operating revenues amounted to R\$ 1.843 billion, 81.9% of which were denominated in USD. External markets accounted for 61.4% of sales. Among them, Europe accounted for 27.1% of revenues generated in 2Q02, China for 10.3%, Japan for 8.1% and the rest of Asia for 3.6%.

Iron ore accounted for 61.1% of total revenues, pellets 15.2%, railroad transportation for 11.1% and port services 3.7%.

GROSS REVENUES BY PRODUCT - PARENT COMPANY

	million R\$					
	2Q 01	%	1Q 02	%	2Q 02	%
Iron Ore	871	54.6%	989	61.8%	1,127	61.2%
Pellets	300	18.8%	246	15.4%	281	15.2%
Gold	73	4.6%	80	5.0%	89	4.8%
Railroads	220	13.8%	188	11.7%	204	11.1%
Ports	61	3.8%	42	2.6%	68	3.7%
Potash	50	3.1%	38	2.4%	62	3.4%
Others	19	1.2%	18	1.1%	12	0.7%
Total	1,594	100.0%	1,601	100.0%	1,843	100.0%

[LOGO] Comphania
Vale do Rio Doce

BR GAAP 2Q02

GROSS REVENUES BY DESTINATION - PARENT COMPANY

	2Q 02	million R\$ %
Foreign Market		
Latin America	65	3.5
United States	92	5.0
Europe	499	27.1
Middle East	69	3.7
Japan	150	8.1
China	189	10.3
Asia. except Japan and China	67	3.6
Domestic Market	712	38.6
Total	1,843	100.0

SECOND QUARTER EARNINGS

Net earnings in 2Q02 were strongly hit by monetary variation associated with the depreciation of the BRL against the USD to the tune of R\$ 997 million.

Compared to 2Q01, when earnings came to R\$ 546 million, the main factor to affect earnings was the increase in negative monetary variation of R\$ 814 million.

Results of investment participation contributed favourably to earnings in 2Q02, up R\$ 169 million on 2Q01, chiefly due to the result of an increase of R\$ 361 million in equity income. This item amounted to R\$ 626 million in 2Q02, of which R\$ 596 million derived from the iron ore and pellets division, R\$ 66 million from manganese and ferro-alloys and R\$ 63 million from steel assets. The aluminum businesses contributed for a loss of R\$ 127 million, mainly because of the effect of the depreciation of the Real against the Dollar on the foreign currency denominated debt of Albras and Alunorte. Despite the low aluminum prices, the operational performance of all aluminum companies improved. For example, EBITDA generated by Albras in 2Q02, of R\$ 150.4 million, was up 10% yoy, and 41.9% qoq.

RESULTS OF EQUITY INVESTMENTS - BY BUSINESS AREA

	million R\$		
Business Area	2Q 01	1Q 02	2Q 02
Ferrous Minerals			
Iron Ore and Pellets	151	155	528
Manganese and Ferro-Alloys	2	16	46
Non-Ferrous Minerals	(5)	5	(41)
Logistics	24	(76)	(57)
Steel	18	(9)	58
Pulp and Paper / Fertilizers	8	11	(1)
Aluminum	39	65	(127)
Others	1	(15)	1
Total	238	152	407

Net operating revenues raised R\$ 222 million compared to 2Q01, while the cost of

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

goods sold (COGS) saw an increase of R\$ 162 million, adversely affecting the quarterly result. This was due primarily to an increase in depreciation and amortization of R\$ 54 million, payment of demurrage (fines for delayed

8

[LOGO] Comphania
Vale do Rio Doce

BR GAAP 2Q02

shipments) of R\$ 31 million, the result of sharply increased activity at the port of Tubarao and an increase of R\$ 30 million in material costs, the consequence of increased activity within the Company.

COST OF GOODS SOLD

	million R\$					
	2Q 01	%	1Q 02	%	2Q 02	%
Personnel	105	13.0%	123	14.4%	131	13.5%
Materials	86	10.6%	114	13.4%	116	11.9%
Fuel	72	8.9%	80	9.4%	91	9.4%
Electrical Energy	22	2.7%	27	3.2%	30	3.1%
Outsourced Services	101	12.5%	128	15.0%	119	12.2%
Acquisition of Products	257	31.7%	143	16.8%	250	25.7%
Depreciation and Depletion	110	13.6%	173	20.3%	164	16.9%
Others	57	7.0%	64	7.5%	71	7.3%
Total	810	100.0%	852	100.0%	972	100.0%

EBITDA EVOLUTION

EBITDA in 2Q02 amounted to R\$ 864 million, up 18.7% on the previous quarter and 11.6% higher than the same period a year earlier. This was the second highest figure in CVRD's history, and 46.2% higher than the EBITDA average of R\$ 591 million over the previous 17 quarters (1Q98 to 1Q02). EBITDA margin amounted to 49%, in line with previous quarterly results.

Compared to EBITDA obtained in 2Q01, of R\$ 774 million, the main source of improvement was in net sales growth up by R\$ 222 million. On the other hand, the increase in COGS of R\$ 163 million was the most important factor in restricting growth in this variable.

EBITDA COMPOSITION

	million R\$
Net Revenues	2Q 02 1,762
Cost of Goods Sold	(972)
Selling Expenses	(35)

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

General & Administrative Expenses	(95)
Research & Development Expenses	(32)
Other Operating Revenues / Expenses	(77)
Adjustment for Exceptional Non-Cash Items	121
Depreciation, Depletion and Amortization	141
Dividends Received	52
EBITDA	864

CAPITAL EXPENDITURES

Investments made in 2Q02 amounted to US\$ 215.6 million. This figure included US\$ 50.4 million of the acquisition costs of the 50% stake owned by Anglo American plc in the Salobo copper project, and US\$ 114.7 million which was allocated to other projects.

Capital expenditures for the first half amounted to US\$ 373.2 million.

9

[LOGO] Comphania
Vale do Rio Doce

BR GAAP 2Q02

Most of the expenditure on projects was in the area of ferrous minerals, totalling US\$ 58.6 million. Of particular note were: the US\$ 21.4 million spent on the purchase of locomotives for iron ore transportation, work on the construction of Pier III at the Ponta da Madeira maritime terminal (US\$ 5.6 million) and US\$ 24.0 million on the Sao Luis pellet plant and its supporting infrastructure.

US\$ 27.3 million were invested in the construction and the environmental licensing of eight hydroelectric power projects. By the end of August construction will begin on the Capim Branco I and II hydroelectric power plants.

Logistics projects absorbed US\$ 19.6 million, the largest investment of US\$ 7.7 million being spent on the purchase of transtainers and portainers for the Vila Velha Terminal (TVV) and US\$ 3.8 million on the enlarging of the Praia Mole Terminal, both in the state of Espirito Santo. US\$ 2.2 million was spent on enlarging the capacity of the grain handling facilities at the port of Tubarao and US\$ 2.9 million spent on increasing transportation capacity, warehousing and general cargo handling facilities in the Northern System.

Investment of US\$ 7.7 million was carried out in Mineracao Serra do Sossego, in developing the copper mine. Capital expenditure on enlarging the potash mine at Taquari-Vassouras amounted to US\$ 1.5 million. This brownfield project involves total investment of US\$ 67.5 million from 2002 to 2005, to increase production capacity from 600 to 850,000 tons a year by 3Q05. This is an investment with a high expected rate of return, in a product whose sales produce strong cash generation, which will increase CVRD's share in a market that is growing by an average of 6% a year.

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

Mineral exploration continues to focus on the discovery of world class mineral deposits. Investment in 2Q02 quarter amounted to US\$ 8.3 million. Most of the expenditure for this year is allocated to the exploration of copper, gold, nickel, kaolin and platinum group metals. US\$ 2.7 million was spent on information technology and US\$ 0.9 million on environmental protection.

CAPITAL EXPENDITURES* - 2Q 02

By Business Area	US\$ million	%	By Category	US\$ million	%
Ferrous Minerals	91.6	55.4%	Equity Investments	7.8	4.7%
Logistics	25.2	15.3%	Maintenance	29.0	17.6%
Non Ferrous Minerals	18.5	11.2%	Projects	114.7	69.5%
Energy	27.5	16.6%	Mineral Exploration	8.3	5.0%
Others	2.4	1.5%	Environmental Protection	0.9	0.5%
			Information Technology	2.7	1.6%
			Technological Research	1.7	1.0%
Total	165.2	100.0%	Total	165.2	100.0%

* acquisitions not included

10

[LOGO] Comphania
Vale do Rio Doce

BR GAAP 2Q02

SELECTED FINANCIAL INDICATORS

	2Q 01	Q 02	million R\$ 2Q 02
Gross Revenues	1,593	1,601	1,843
Gross Margin (%)	47.4	44.8	44.8
Net Income	546	633	85
Net Income per Share (R\$)	1.42	1.65	0.22
EBITDA	774	728	864
EBITDA Margin (%)	50.3	47.2	49.0
ROE annualized (%)	21.6	21.0	11.8
Investments (US\$ million) *	124	158	165

* acquisitions not included

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

FINANCIAL STATEMENT

	2Q 01	1Q 02	million R\$ 2Q02
Gross Operating Revenues	1,593	1,601	1,843
Value Added Tax	(53)	(57)	(81)
Net Operating Revenues	1,540	1,544	1,762
Cost of Goods Sold	(810)	(852)	(972)
Gross Income	730	692	790
Gross Margin (%)	47.4	44.8	44.8
Result of Investment Participation	238	152	407
Equity Income	265	284	626
Goodwill Amortization	(27)	(66)	(104)
Provision for Losses	-	(67)	(115)
Others		1	-
Operating Expenses	(219)	(178)	(237)
Selling	(28)	(28)	(35)
General & Administrative	(69)	(90)	(94)
Research and Development	(21)	(22)	(31)
Others	(101)	(38)	(77)
Financial Results	(301)	(65)	(1,146)
Financial Expenses	(138)	(121)	(201)
Financial Revenues	21	32	52
Monetary Variation	(184)	24	(997)
Operating Income	448	601	(186)
Discontinued Operations	56	-	-
Income Taxes	42	31	272
Net Income	546	632	86
Net Income per Share (R\$)	1.42	1.65	0.22

11

[LOGO] Comphania
Vale do Rio Doce

BR GAAP 2Q02

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

EQUITY INCOME				
				million R\$
COMPANY/PARTICIPATION	%	2Q 01	1Q 02	2Q 02
DOCENAVE	100.00	25	17	34
ALUVALE	94.74	29	62	(133)
FLORESTAS RIO DOCE	99.85	3	3	2
RDE	99.80	81	34	220
ITACO	99.99	65	72	486
URUCUM	100.00	4	8	13
TERM, VILA VELHA	99.89	3	-	-
NORPEL	99.90	-	1	1
M, ANDIRA (SOSSEGO)	99.50	(1)	-	-
PARA PIGMENTOS	75.50	-	5	(5)
SAMITRI	100.00	23	-	-
VALEPONTOCOM	100.00	-	(16)	-
SIBRA	99.23	20	33	23
ZAGAIA (FERTECO)	100.00	(3)	29	19
BELEM	99.99	-	2	(2)
MSE	99.99	-	-	1
KSG	99.99	-	-	1
BRASAMERICAN LIMITED	99.70	-	1	7
BRASILUX	100.00	-	-	20
Total from SUBSIDIARIES		249	251	687
MSG	51.00	2	1	2
CST	22.85	(1)	(3)	(29)
NIBRASCO	51.00	7	(2)	3
FOSFERTIL	11.12	1	4	1
HISPANOBRAS	50.89	3	3	1
ITABRASCO	50.90	9	1	3
NOVA ERA SILICON	49.00	1	1	-

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

USIMINAS	11.46	3	1	(26)
KOBRASCO	50.00	(4)	2	(9)
FERROBAN	3.75	(5)	(4)	-
SAMARCO	50.00	-	29	(10)
BAOVALE	50.00	-	-	3
Total from AFFILIATES		16	33	(61)
Total from EQUITY INCOME		265	284	626

12

[LOGO] Comphania
Vale do Rio Doce

BR GAAP 2Q02

COMPANY/PARTICIPATION	%	2Q 01	1Q 02	2Q 02
PROVISION FOR LOSSES				
KOBRASCO	50.00	-	-	(16)
CIA, FERROV, NORDESTE	30.00	-	(2)	(2)
DOCEPAR	100.00	-	(59)	(5)
FCA	45.65	-	(6)	(20)
PARA PIGMENTOS	75.50	-	-	(35)
FERROBAN	3.75	-	-	(4)
MRS	17.26	-	-	(33)
Total from PROVISION FOR LOSSES		0	(67)	(115)
GOODWILL AMORTIZATION				
FCA	45.65	-	(31)	(18)
PARA PIGMENTOS	75.50	(4)	-	-
CPFL	92.96	-	(1)	(1)
SIBRA	99.23	(19)	(19)	(19)
MINERACAO MATO GROSSO	100.00	(2)	-	-
USIMINAS	11.46	(2)	-	-
CAEMI	16.85	-	(13)	(14)
BELEM	99.99	-	(2)	(3)
MRS	17.26	-	-	(14)

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

FERTECO	100.00	-	-	(35)
Total from GOODWILL AMORTIZATION		(27)	(66)	(104)
Gain on assets disposal and dividends		-	1	-
Total		238	152	407

EQUITY PARTICIPATION ON DOCENAVE	%	2Q 01	1Q 02	2Q 02
NAVEDOCE/Seamar	100.00	7	-	(2)
Own operations	100.00	(5)	15	(34)
NAVEDOCE/Seamar (G/L Foreign Exchange)	100.00	23	2	70
Total Docenave		25	17	34

EQUITY PARTICIPATION ON ALUVALE	%	2Q 01	1Q 02	2Q 02
ALUNORTE	57.58	(7)	5	(64)
MRN	40.00	22	10	3
ALBRAS	51.00	5	39	(95)
VALESUL	54.51	9	3	9
Equity on Alunorte		-	1	2
Own operations		2	7	5
Total Aluvale		31	65	(140)

13

[LOGO] Comphania
Vale do Rio Doce

BR GAAP 2Q02

EQUITY PARTICIPATION ON ITACO US\$ million	%	2Q 01	1Q 02	2Q 02
CSI	50.00	(2)	-	6
RDL	100.00	-	2	3
RDME	100.00	(1)	(1)	2
Caemi	16.85	-	3	(13)
Aluvale	5.26	(1)	1	(3)
GIIC (GULF)	50.00	1	2	1
CVRD Overseas	100.00	6	10	20

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

Own operations	(1)	13	27
G/L Exchange	22	1	108
Total Itaco	24	31	151

EQUITY PARTICIPATION ON ZAGAIA	%	2Q 01	1Q 02	2Q 02
Ferteco	100.00	2	29	19
MRS	10.89	-	-	(21)
Own operations		(5)	-	(8)
Total Zagaia		(3)	29	(10)

BALANCE SHEET

	2Q 01	1Q 02	million R\$ 2Q 02
Assets			
Current Assets	5,449	4,986	4,552
Long Term Assets	2,511	2,562	3,241
Permanent Assets	13,591	16,283	17,032
Total	21,551	23,831	24,825
Liabilities and Stockholders' Equity			
Current Liabilities	4,222	4,649	4,167
Long Term Liabilities	6,154	7,099	8,532
Shareholders' Equity	11,175	12,083	12,126
Capital	4,000	4,000	5,000
Reserves	7,175	8,083	7,126
Total	21,551	23,831	24,825

14

[LOGO] Comphania BR GAAP 2Q02
Vale do Rio Doce

IRON ORE AND PELLETS SALES - PARENT COMPANY

	thousand tons		
FOREIGN MARKET	2Q 01	1Q 02	2Q 02

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

ASIA			
China	2.8	4.4	5.0
South Korea	1.6	2.1	1.1
Philippines	0.2	0.6	0.5
Japan	4.1	3.7	4.3
Taiwan	0.2	0.4	0.4
Others	-	-	-
Total	8.9	11.2	11.3
EUROPE			
Germany	2.3	3.4	3.4
Spain	0.8	0.8	0.7
France	1.3	1.3	1.5
Italy	1.5	1.0	2.2
United Kingdom	0.4	0.7	0.4
Others	2.2	2.9	3.2
Total	8.5	10.1	11.4
AMERICAS			
Argentina	0.5	0.4	0.6
United States	0.5	0.9	1.0
Others	0.5	0.3	0.5
Total	1.5	1.6	2.1
AFRICA/MIDDLE EAST / AUSTRALASIA			
Bahrain	0.8	0.8	0.5
Others	1.5	0.8	0.7
Total	2.3	1.6	1.2
TOTAL	21.2	24.5	26.0
DOMESTIC MARKET			
Steel Mills	4.9	5.1	5.8
Affiliated Pelletizing Companies	5.0	4.0	4.6
Total	9.9	9.1	10.4

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

TOTAL 31.1 33.6 36.4

15

[LOGO] Comphania BR GAAP 2Q02
Vale do Rio Doce

IRON ORE AND PELLETS - FINANCIAL INDICATORS - NON AUDITED

million R\$

HISPANOBRAS	2Q 01	1Q 02	2Q 02
Sales (thousand tons)	896	907	835
Foreign Market	336	487	355
Domestic Market	560	420	480
Net Operating Revenues	64	67	59
Cost of Goods Sold	(54)	(58)	(56)
Financial Results	1	1	6
Net Earnings	5	5	2
Gross Margin (%)	15.6	13.4	5.1
EBITDA	13	11	5
EBITDA Margin (%)	20.3	16.4	8.5
NIBRASCO	2Q 01	1Q 02	2Q 02
Sales (thousand tons)	2,169	1,000	2,257
Foreign Market	559	407	686
Domestic Market	1,610	593	1,571
Net Operating Revenues	151	71	164
Cost of Goods Sold	(126)	(70)	(144)
Financial Results	1	(2)	(4)
Net Earnings	13	(4)	13
Gross Margin (%)	16.6	1.4	12.2
EBITDA	21	5	26
EBITDA Margin (%)	13.9	7.0	15.9
Gross Debt (in US\$ million)			
- Short Term	5	4	2
- Long Term	2	2	2
Total	7	6	4
ITABRASCO	2Q 01	1Q 02	2Q 02
Sales (thousand tons)	775	877	702
Foreign Market	579	644	533
Domestic Market	196	233	169
Net Operating Revenues	57	66	50
Cost of Goods Sold	(45)	(57)	(48)
Financial Results	2	(1)	9
Net Earnings	18	2	5
Gross Margin (%)	21.1	13.6	4.0
EBITDA	11	8	3
EBITDA Margin (%)	19.3	12.1	6.0
Gross Debt (in US\$ million)			

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

- Short Term	-	18	17
- Long Term	-	-	-
Total	-	18	17

16

[LOGO] Comphania BR GAAP 2Q02
Vale do Rio Doce

IRON ORE AND PELLETS - FINANCIAL INDICATORS - NON AUDITED

			million R\$
KOBRASCO	2Q 01	1Q 02	2Q 02
Sales (thousand tons)	1,012	856	1,012
Foreign Market	523	436	534
Domestic Market	489	420	478
Net Operating Revenues	70	64	72
Cost of Goods Sold	(56)	(50)	(67)
Financial Results	(24)	(4)	(78)
Net Earnings	(7)	3	(49)
Gross Margin (%)	20.0	21.9	6.9
EBITDA	16	15	9
EBITDA Margin (%)	22.9	23.4	12.5
Gross Debt (in US\$ million)			
- Short Term	-	-	-
- Long Term	128	150	143
Total	128	150	143
SAMARCO	2Q 01	1Q 02	2Q 02
Sales (thousand tons)	2,919	3,301	3,436
Average Price (US\$/ton)	30.00	28.48	28.78
Net Operating Revenues	191	213	239
Cost of Goods Sold	(81)	(109)	(115)
Financial Results	(45)	(15)	(96)
Net Earnings	29	58	(19)
Gross Margin (%)	57.6	48.8	51.9
EBITDA	98	93	114
EBITDA Margin (%)	51.3	43.7	47.7
Gross Debt (in US\$ million)			
- Short Term	164	169	180
- Long Term	133	93	87
Total	297	262	267
FERTECO	2Q 01	1Q 02	2Q 02
Sales (thousand tons)	3,955	3,259	4,777
Foreign Market	598	2,470	3,434
Domestic Market	4,553	789	1,343
Net Operating Revenues	159	127	195
Cost of Goods Sold	(122)	(70)	(128)
Financial Results	(19)	(5)	(44)
Net Earnings	18	29	(10)
Gross Margin (%)	23.3	44.9	34.4
EBITDA	44	52	63
EBITDA Margin (%)	27.7	40.9	32.3
Gross Debt (in US\$ million)			

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

- Short Term	86	55	58
- Long Term	101	94	88
Total	187	149	146

17

[LOGO] Comphania BR GAAP 2Q02
Vale do Rio Doce

IRON ORE AND PELLETS - FINANCIAL INDICATORS - NON AUDITED

			million R\$
GIIC*	2Q 01	1Q 02	2Q 02
Sales (thousand tons)	862	823	676
Net Operating Revenues	34,425	34,372	27,228
Cost of Goods Sold	(29,905)	(29,486)	23,,737)
Gross Profit	4,520	4,886	3,491
Other Income	482	112	79
S G & A	(1,181)	(1,102)	(2,028)
Net Income	3,821	3,896	1,542
* financial indicators according to IASC (International Accounting Standards Committee).			
ITACO	2Q 01	1Q 02	2Q 02
Sales (thousand tons)			
Iron Ore	9,765	14,266	16,650
Pellets	2,449	1,800	2,513
Manganese	368	246	250
Bauxite	152	140	407
Alumina	34	33	106
Aluminum	43	43	53
Net Operating Revenues	348,161	390,094	473,753
Cost of Goods Sold	(321,506)	(346,965)	(434,940)
Equity Income	1,088	16,744	(46,637)
Net Income	10,117	24,743	(37,427)

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

EBITDA 25,327 37,493 32,833

18

[LOGO] Comphania BR GAAP 2Q02
Vale do Rio Doce

MANGANESE AND FERRO-ALLOYS - FINANCIAL INDICATORS - NON AUDITED

SIBRA	2Q 01	1Q 02	million R\$
			2Q 02
Sales - Ferro-alloys (thousand tons)	24	29	31
Foreign Market	9	10	15
Domestic Market	15	19	16
Average Price (US\$/ton)	489.44	445.67	439.85
Sales - Manganese (thousand tons)	339	278	265
Foreign Market	337	242	213
Domestic Market	2	36	52
Average Price (US\$/ton)	46.54	55.11	47.75
Net Operating Revenues	58	62	60
Cost of Goods Sold	(25)	(32)	(36)
Financial Results	(4)	(2)	(5)
Net Earnings	20	34	22
Gross Margin (%)	56.9	48.4	40.0
EBITDA	35	31	21
EBITDA Margin (%)	60.3	50.0	35.0
Gross Debt (in US\$ million)			
- Short Term	24	24	23
- Long Term	51	25	21
Total	76	49	44
CPFL	2Q 01	1Q 02	2Q 02
Sales (thousand tons)	37	37	37

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

Foreign Market	20	13	17
Domestic Market	17	24	20
Average Price (US\$/ton)	583.02	517.01	569.36
Net Operating Revenues	45	39	47
Cost of Goods Sold	(30)	(27)	(34)
Financial Results	1	1	1
Net Earnings	2	10	10
Gross Margin (%)	33.3	30.8	27.7
EBITDA	3	11	9
EBITDA Margin (%)	6.7	28.2	19.1
Gross Debt (in US\$ million)			
- Short Term	9	7	6
- Long Term	10	4	4
Total	20	11	9

19

[LOGO] Comphania
Vale do Rio Doce

BR GAAP 2Q02

ALUMINUM - SELECTED FINANCIAL INDICATORS - ADJUSTED AND NON AUDITED

MRN	2Q 01	1Q 02	million R\$ 2Q 02
Sales (thousand tons)	2,832	1,781	2,610
Foreign Market	886	485	790
Domestic Market	1,946	1,296	1,820
Average Price (US\$/ton)	21.08	19.80	16.31
Net Operating Revenues	124	76	111
Cost of Goods Sold	(58)	(40)	(61)
Financial Results	(2)	(2)	(32)
Net Earnings	55	24	8
Gross Margin (%)	53.2	47.4	45.0
EBITDA	75	46	59
EBITDA Margin (%)	60.5	60.5	53.2
Gross Debt (in US\$ million)			
- Short Term	1	14	19
- Long Term	-	96	90
Total	1	110	109
ALUNORTE	2Q 01	1Q 02	2Q 02

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

Sales (thousand tons)	407	427	410
Foreign Market	212	222	175
Domestic Market	195	205	235
Average Price (US\$/ton)	192.33	161.55	165.72
Net Operating Revenues	188	165	174
Cost of Goods Sold	(129)	(136)	(135)
Financial Results	(76)	(11)	(198)
Net Earnings	(17)	10	(142)
Gross Margin (%)	31.4	17.6	22.4
EBITDA	65	35	49
EBITDA Margin (%)	34.6	21.2	28.2
Gross Debt (in US\$ million)			
- Short Term	47	-	-
- Long Term	425	455	455
Total	472	455	455
ALBRAS	2Q 01	1Q 02	2Q 02
Sales (thousand tons)	92	88	110
Foreign Market	88	84	108
Domestic Market	4	4	2
Average Price (US\$/ton)	1,470.68	1,319.81	1,332.13
Net Operating Revenues	308	274	366
Cost of Goods Sold	(176)	(171)	(224)
Financial Results	(114)	(11)	(333)
Net Earnings	9	76	(186)
Gross Margin (%)	42.9	37.6	38.8
EBITDA	137	106	150
EBITDA Margin (%)	44.5	38.7	41.0
Gross Debt (in US\$ million)			
- Short Term	167	73	49
- Long Term	496	524	507
Total	663	597	555

[LOGO] Comphania 20
Vale do Rio Doce BR GAAP 2Q02

ALUMINUM - SELECTED FINANCIAL INDICATORS - ADJUSTED AND NON AUDITED

			million R\$
VALESUL	2Q 01	1Q 02	2Q 02
Sales (thousand tons)	26	21	23
Foreign Market	9	9	12
Domestic Market	17	12	11
Average Price (US\$/ton)	1,882.41	1,720.97	1,663.20
Net Operating Revenues	99	78	93
Cost of Goods Sold	(68)	(64)	(72)
Financial Results	4	(1)	1

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

Net Earnings	16	6	15
Gross Margin (%)	31.3	17.9	22.6
EBITDA	22	14	24
EBITDA Margin (%)	22.2	17.9	25.8
Gross Debt (in US\$ million)			
- Short Term	10	1	1
- Long Term	2	2	1
Total	12	3	2

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

CONTENTS

PART I	PAGE
1- Management's Discussion and Analysis of the Operating Results for Six Months Ended June 30, 2002 Compared with Six Months Ended June 30, 2001	03
1.1- General Aspects	03
1.2- Comments on the Consolidated Results	04
1.2.1- Consolidated Gross Revenue	04
1.2.2- Consolidated Cost of Products and Services	05
1.3- Comments on the Parent Company Results	05
1.3.1- Gross Revenues	05
1.3.2- Cost of Products and Services	07
1.3.3- Result of Shareholdings	07
1.3.4- Operating Expenses	09
1.3.5- Net Financial Result	09
1.3.6- Discontinued Operations - 2001	09
1.3.7- Cash Flow	10
1.3.8- Income Tax and Social Contribution	10

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

PART II

QUARTERLY INFORMATION AND NOTES TO THE QUARTERLY INFORMATION

2-	Balance Sheet	11
3-	Statement of Income	12
4-	Statement of Changes in Stockholders' Equity	13
5-	Statement of Cash Flows (Additional Information)	14
6-	Notes to the Quarterly Information at June 30, 2002 and 2001	15
6.1-	Operations	15
6.2-	Presentation of Quarterly Information	15
6.3-	Significant Accounting Policies	15
6.4-	Cash and Cash Equivalents	15
6.5-	Accounts Receivable from Customers	16
6.6-	Transactions with Related Parties	16
6.7-	Inventories	16
6.8-	Deferred Income Tax and Social Contribution	17
6.9-	Investments	18
6.10-	Property, Plant and Equipment	21
6.11-	Loans and Financing	22
6.12-	Securitization Program	23
6.13-	Contingent Liabilities	24
6.14-	Environmental and Site Reclamation and Restoration Costs	25
6.15-	Pension Plan - VALIA	26
6.16-	Capital	26
6.17-	American Depositary Receipts (ADR) Program	27
6.18-	Treasury Stock	27
6.19-	Financial Result	28
		1
6.20-	Financial Instruments - Derivatives	28
6.21-	Exchange Rate Exposure	30
6.22-	Other Net Operating Expenses	30
6.23-	Subsequent Events	30

PART III

7-	Other Information the Company Deems Relevant	32
7.1-	Net Accumulated Income in R\$ Million	32
7.2-	Factors Affecting the Net Income in the Last 12 months in R\$ Million	32
7.3-	Business Performance Ratios	33
7.4-	Segment and Geographic Information	33
7.5-	Share Performance on Stock Exchanges (Unaudited)	35
7.6-	Capital Expenditures (Unaudited)	35
7.7-	Operations for the Period (Unaudited)	36
7.8-	Changes in Prices (Unaudited)	36
7.9-	Iron Ore and Pellet Sales (Main Markets) (Unaudited)	37
7.10-	Shareholding Interests Organizational Chart at 06/30/02	38
7.11-	Information about FERTECO (Unaudited)	39
7.12-	Information about RDIF (Unaudited)	40
8-	Attachment I - Equity Investment Information	41
8.1-	Aluminum Area - ALBRAS (Adjusted and Unaudited)	41
8.2-	Aluminum Area - ALUNORTE (Adjusted and Unaudited)	42

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

8.3-	Aluminum Area - ALUVALE (Adjusted and Unaudited)	43
8.4-	Aluminum Area - MRN (Adjusted and Unaudited)	44
8.5-	Aluminum Area - VALESUL (Adjusted and Unaudited)	45
8.6-	Pelletizing Affiliates - HISPANOBRAS (Adjusted and Unaudited)	46
8.7-	Pelletizing Affiliates - ITABRASCO (Adjusted and Unaudited)	47
8.8-	Pelletizing Affiliates - KOBRASCO (Adjusted and Unaudited)	48
8.9-	Pelletizing Affiliates - NIBRASCO (Adjusted and Unaudited)	49
8.10-	Pelletizing Affiliates - SAMARCO (Adjusted and Unaudited)	50
8.11-	Iron Ore Area - FERTECO (Adjusted and Unaudited)	51
8.12-	Manganese and Ferro Alloys Area - SIBRA (Adjusted and Unaudited)	52
8.13-	Manganese and Ferro Alloys Area - CPFL (Adjusted and Unaudited)	53
9-	Report of Independent Accountants	54
10-	Members of the Board of Directors, Audit Committee, Chief Executive Officer and Executive Directors	55

2

PART I

Expressed in thousands

- 1- MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE OPERATING RESULTS FOR SIX MONTHS ENDED JUNE 30, 2002 COMPARED WITH SIX MONTHS ENDED JUNE 30, 2001
- 1.1- General Aspects
- (a) The Company's segments of business are mining, logistics and energy, as follows:
- o Ferrous minerals: includes iron ore and pellets as well as manganese and ferro-alloys;
 - o Non-ferrous minerals: includes gold, kaolin, potash and copper;
 - o Logistics: includes railroads, ports and maritime terminals and shipping;
 - o Energy: includes electric power generation; and
 - o Shareholdings: includes interests in producers of aluminum, steel and fertilizers.
- (b) The variations of the main currencies and indexes at 06/30/02 and 06/30/01 in terms of percentages in relation to the real, which impacted the results of the Company and its subsidiaries, jointly controlled companies and affiliates, were as follows:

Period	(DELTA)% Currencies/Indexes					Parit
	U.S. DOLLAR	YEN	GOLD	IGPM	TJLP	US\$ x R\$

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

06/30/02	22.6	34.3	14.7	3.5	4.8	2.8444
06/30/01	17.9	8.2	(1.8)	4.3	4.5	2.3049

About 62% of the Company's gross revenue at 06/30/02 and 67% of the consolidated revenue is derived from exports and, additionally, part of domestic sales are denominated in U.S. dollars, while the costs are in mainly incurred in reais. Consequently, fluctuations in the exchange rate between the two currencies have a significant impact on the operating cash flows;

Approximately 95% of the short-term and long-term loans of the Company at 06/30/02 are denominated in U.S. dollars. As a result, exchange rate fluctuations have a significant impact on the financial expenses (Notes 6.11 and 6.19);

3

1.2- Comments on the Consolidated Results

1.2.1- Consolidated Gross Revenue

The following table shows sales volume and revenues by products and services at 06/30/02:

	In thousands of metric tons (except gold)	In thousands of reais
	-----	-----
Iron ore	67,329	2,777,536
Pellets	13,080	1,076,886
	-----	-----
	80,409	3,854,422
Railroad transportation	25,081	425,408
Sea transportation	34,730	94,769
Port services	13,758	152,831
Gold (kg)	7,071	168,565
Manganese and Ferrou Alloys	505	392,239
Potash	305	99,685
Steel	942	682,419
Aluminum	1,865	842,853
Kaolin	179	73,664
Other products and services	-	26,009

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

6,812,864
=====

06/30/02 - R\$6,812,864/US\$2,791,228

PER MARKET		PER PRODUCT		
-----		-----		
EM Brazil...	80%	R\$4,551,715	Iron Ore	40%
		US\$1,864,837	Pellets	17%
IM From			Aluminium	12%
Abroad.....	20%	R\$871,601	Steel	10%
		US\$357,095	Transport	10%
			Manganese, Potash	
		R\$1,389,548	and others	9%
		US\$569,296	Gold	2%

4

1.2.2- Consolidated Cost of Products and Services

By category

	06/30/02

Personnel	461,796
Material	726,807
Oil and gas	373,980
Outsourced services	455,702
Energy	254,928
Acquisition of products	695,222
Others	428,827

Sub total	3,397,262
Depreciation and depletion	526,100

Total	3,923,362
	=====

1.3- Comments on the Parent Company Results

The net income of the Company for the first semester of 2002 was R\$ 718,388 (net income of R\$ 633,138 in the first quarter and R\$ 85,250 in the second quarter) a 40.4% decrease on the R\$ 1,205,898 in the first semester of 2001, reducing the earnings per share to R\$ 1.87 on 06/30/02 from R\$ 3.13 on 06/30/01. We point out that the result of year 2001 includes gain on sales of investments, basically Bahia Sul, in the amount of R\$ 298,972.

The decrease of 2.3% in the gross margin (44.8% on 06/30/02, against 47.1% on 06/30/01) was due to cost of products and services increase of 20.4% (from R\$ 1,515,092 on 06/30/01 to R\$ 1,824,537 on 06/30/02), while gross revenue rose 16.0% (from R\$ 2,969,114 on 06/30/01 to R\$ 3,444,193 on 06/30/02). The market of

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

pellets decreased 5.8% in terms of sales volumes. This decrease was monetarily offset by the valorization of the US dollar against the real, due to 82% of Company's revenues are denominated in US dollar.

1.3.1- Gross Revenues

Gross revenues increased 16.0% (from R\$ 2,969,114 on 06/30/01 to R\$ 3,444,193 on 06/30/02). This reflects the strengthening of the U.S. dollar against the real as well as a growth in iron ore, gold and potash sales volume, offset in part by a decrease in the volumes of other products and services sold. The increase in iron ore sales is due to mining operations previously belonging to Samitri, since May 2001. However, these events also resulted in a decrease in gross revenue from railroad transport and port services since CVRD ceased to sell these services to that Company and absorbed related costs.

5

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

	In thousands of metric tons (except gold)			(DELTA) %	In millions
	06/30/02	06/30/01		06/30/02	
External market					
Iron ore	44,562	35,060	27.1	1,574,904	
Pellets	5,907	6,588	(10.3)	394,403	
	50,469	41,648	21.2	1,969,307	
Internal market					
Iron ore	18,106	18,524	(2.3)	541,204	
Pellets	1,418	1,192	19.0	132,673	
	19,524	19,716	(1.0)	673,877	
Total					
Iron ore	62,668	53,584	17.0	2,116,108	
Pellets	7,325	7,780	(5.8)	527,076	
	69,993	61,364	14.1	2,643,184	
Railroad transportation	28,170	32,653	(13.7)	392,134	
Port services	12,524	17,926	(30.1)	109,934	
Gold (kg)	7,070	6,937	1.9	168,565	

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

Potash	305	284	7.4	99,685
Other products and services	-	197	(100.0)	30,691
				3,444,193
				3,444,193

Operating Revenue 06/30/02 - R\$3,444,193/US\$1,406,927

PER MARKET	PER PRODUCT	PER CURRENCIES*
EM.. 62% R\$2,137,872 US\$873,305	Iron Ore 62%	R\$.. 18%
	Pellets 15%	
	Transport 15%	US\$.. 82%
IM.. 38% US\$	Gold 5%	
R\$697,420	Potash and others 3%	
US\$284,891		
R\$		
R\$608.901		
US\$248,731		

4

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

6

1.3.2- Cost of Products and Services

The increase of 20.4% in the cost of products and services (from R\$ 1,515,092 at 06/30/01 to R\$ 1,824,537 at 06/30/02) is due principally to 17,0% increase in sales volume of iron ore (in function of Samitri's incorporation), the exchange rate variation of 32% of total costs and amortization of goodwill from Samitri in 2002. The following table shows each component of the cost of products and services, and the change between periods:

By category

	Denominated		06/30/02	06/30/01	(DELTA) %
	R\$	US\$			
Personnel	253,588	-	253,588	202,267	25.4
Material	155,146	75,041	230,187	178,550	28.9
Oil and gas	136,577	34,144	170,721	145,207	17.6
Outsourced services	237,444	9,893	247,337	195,243	26.7
Energy	57,289	-	57,289	39,621	44.6
Acquisition of iron ore and pellets	6,153	387,163	393,316	425,306	(7.5)
Others	52,808	81,793	134,601	103,718	29.8

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

Subtotal	899,005	588,034	1,487,039	1,289,912	15.3
Depreciation and depletion	288,660	-	288,660	216,963	33.0
Amortization of goodwill	48,838	-	48,838	8,217	494.4
	-----	-----	-----	-----	
Total	1,236,503	588,034	1,824,537	1,515,092	20.4
	=====	=====	=====	=====	
	68%	32%	100%		
	=====	=====	=====		

1.3.3- Result of Shareholdings

The results of shareholdings by business area are as follows:

Business Area	06/30/02	06/30/01
-----	-----	-----
Ferrous		
.. Iron ore and pellets	682,921	254,024
.. Manganese and ferro-alloys	61,672	(16,478)
Non-ferrous	(35,606)	(8,736)
Logistics	(133,435)	60,683
Investments		
.. Steel	48,512	186,915
.. Pulp and paper	4,783	11,555
.. Aluminum	(61,594)	55,835
.. Fertilizers	5,329	2,443
Others	(13,995)	-
	-----	-----
	558,587	546,241
	=====	=====

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

Equity earnings, increasing from a gain of R\$ 546,241 on 06/30/01 to R\$ 558,587 on 06/30/02. This variation was due to a combination of the following factors:

Ferrous

(a) Iron ore and pellets

ITABRASCO - A reduction in the equity result of R\$ 6,102 (gain of R\$ 4,047 at 06/30/02 against a gain of R\$ 10,149 at 06/30/01) due to a 4.5% decrease in the average sale price (US\$ 29.99 per ton at 06/30/02 against US\$ 31.41 per ton at 06/30/01) offset partly by an increase in sales volume of 1.9% (from 1,550 thousand tons at 06/30/01 to 1,579 thousand tons at 06/30/02).

7

.. ITACO - An improved equity result of R\$ 83,301 (a gain of R\$ 131,523 at 06/30/02 against a gain of R\$ 48,222 at 06/30/01), due to 37.6% higher iron ore sales volume (42,550 thousand tons in 2002 against 30,923 thousand tons in 2001) including sales to its subsidiary CVRD Overseas.

.. ITABIRA INTERNATIONAL - In 2002, R\$ 231,757 of exchange rate variation was booked.

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

- .. KOBRASCO - A reduction in the equity result of R\$ 13,809 (a loss of R\$ 23,126 at 06/30/02 versus a loss of R\$ 9,317 at 06/30/01), due to the increased negative effects of exchange rate variation on debt, a 2.2% reduction in the average sale price (US\$ 30.39 per ton at 06/30/02 against US\$ 31.07 per ton at 06/30/01) and a 6.3% fall in volume sold (1,868 thousand tons at 06/30/02 against 1,993 thousand tons at 06/30/01).
- .. NIBRASCO - A reduction in the equity result of R\$ 7,613 (a gain of R\$ 671 at 06/30/02 against a gain of R\$ 8,284 at 06/30/01), caused by a 22.1% fall in sales volume (3,257 thousand tons at 06/30/2002 against 4,179 thousand tons at 06/30/2001), offset partly by a 1.3% increase in the average sales price (US\$ 31.06 per ton at 06/30/02 versus US\$ 30.67 per ton at 06/30/01).
- .. RDE - An increased equity result of R\$ 99,049 (a gain of R\$ 253,880 at 06/30/02 against a gain of R\$ 154,831 at 06/30/01), due basically to the fall in the value of the real against the dollar (a positive exchange rate variation of R\$ 172,355 at 06/30/02 versus a positive exchange rate variation of R\$ 109,929 at 06/30/01).
- .. SAMARCO - The equity result remained virtually stable (a gain of R\$ 19,464 at 06/30/02 against a gain of R\$ 18,578 at 06/30/01). In operational terms, sales volume increased 6.6% (6,737 thousand tons at 06/30/02 against 6,318 thousand tons at 06/30/01) offset by a 2.5% fall in the average sales price (US\$ 28.63 per ton at 06/30/02 against US\$ 29.37 per ton at 06/30/01) and by the negative effects of exchange rate variation on debt.
- .. FERTECO - An increase in the equity result of R\$ 45,366 (a gain of R\$ 47,709 at 06/30/2002 against a gain of R\$ 2,343 at 06/30/2001). The company was acquired in April 2001.

(b) Manganese and Ferro-alloys

- .. RDME - An increase in the equity result of R\$ 25,573 (a gain of R\$ 33,137 at 06/30/02 versus a gain of R\$ 7,564 at 06/30/01), due basically to the fall in the exchange rate between the real and the euro in 2002.
- .. SIBRA - A better equity result of R\$ 42,818 (a gain of R\$ 56,662 at 06/30/02 versus a gain of R\$ 13,844 at 06/30/01), due to a 22.4% increase in ferroalloy sales (60 thousand tons at 06/30/02 against 49 thousand tons at 06/30/01) offset partly by a 16.6% fall in the price of ferroalloys (US\$ 448.03 per ton at 06/30/02 against US\$ 536.93 per ton at 06/30/01) as well as a 15.0% increase in the average manganese sales price (US\$ 51.39 per ton at 06/30/02 against US\$ 44.70 per ton at 06/30/01) also partly offset by a 1.3% decrease in manganese sales volume (543 thousand tons at 06/30/02 against 550 thousand tons at 06/30/01).
- .. URUCUM - An improved equity result of R\$ 9,754 (a gain of R\$ 11,253 at 06/30/02 against a gain of R\$ 1,499 at 06/30/01), due mainly to an increase of 140.3% in manganese sales (173 thousand tons at 06/30/02 against 72 thousand tons at 06/30/01).

Non-ferrous

- .. PARA PIGMENTOS - A provision for losses of R\$ 35,104 was booked on 06/30/02, due to the negative effects of exchange rate variation on debt, against a loss of R\$ 8,486 at 06/30/01, arising from amortization of goodwill.

Logistics

- .. DOCENAVE - A reduction in the equity result of R\$ 12,817 (a gain of R\$ 51,541 at 06/30/02 against a gain of R\$ 64,358 at 06/30/01), due to a 29.8%

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

decrease in average freight rates (US\$ 5.36 per ton at 06/30/02 versus US\$ 7.64 per ton at 06/30/01), offset partly by the appreciation of the dollar against the real.

- .. DOCEPAR - R\$ 50,735 basic refers to a provision for loss on tax assets.
- .. FCA - R\$ 49,285 of amortization of goodwill was booked on 06/30/02, along with R\$ 25,733 as a provision for losses, the latter arising from the negative effects of exchange rate variation on debt. In 2001, the provision was constituted starting in the third quarter. CVRD's interest in FCA is held through its subsidiary Tacuma.
- .. MRS - R\$ 14,286 of amortization of goodwill was booked on 06/30/02 along with R\$ 32,515 as a provision for losses, the latter arising from the negative effects of exchange rate variation on debt. This investment is held through Ferteco Mineracao S.A., Belem Administracoes e Participacoes Ltda. and Caemi Mineracao e Metalurgia S.A.

8

Shareholdings

(a) Steel

- .. CSI - An increase in the equity result of R\$ 61,468 (a gain of R\$ 119,379 at 06/30/02 against a gain of R\$ 57,911 at 06/30/01), caused by an 13.8% increase in sales volume and the appreciation of the dollar against the real (positive exchange rate variation of R\$ 101,066 at 06/30/02 versus a positive variation of R\$ 64,447 at 06/30/01).
- .. CSN - An equity result of R\$ 107,522 was recorded at 06/30/01 due to unwinding the cross shareholdings between CVRD and CSN carried out in March 2001.
- .. CST - A lower equity result of R\$ 19,662 (a loss of R\$ 32,352 at 06/30/02 against a loss of R\$ 12,690 at 06/30/01), due mainly to the increased negative effects of exchange rate variation on indebtedness, offset in part by an 3.4% increase in sales volume (2,447 thousand tons in 2002 against 2,355 thousand tons in 2001).

USIMINAS - A reduction in the equity result of R\$ 28,101 (a loss of R\$ 25,553 at 06/30/02 versus a gain of R\$ 2,548 at 06/30/01) caused mainly by the negative effects of exchange rate variation on indebtedness.

(b) Aluminum

- .. ALBRAS - A reduced equity result of R\$ 60,091 (a loss of R\$ 56,148 at 06/30/02 against a gain of R\$ 3,943 at 06/30/01), due to increased negative effects of exchange rate variation on the company's debt. In operational terms, the average aluminum sales price fell 11.6% (US\$ 1,326.67 per ton at 06/30/02 compared with US\$ 1,501.45 per ton at 06/30/01) and sales volume rose by 8.8% (198 thousand tons at 06/30/02 against 182 thousand tons at 06/30/01).
- .. ALUNORTE - A reduced equity result of R\$ 31,297 (a loss of R\$ 59,398 at 06/30/02 against a loss of R\$ 28,101 at 06/30/01), due to increased negative effects of exchange rate variation on the company's debt. Operationally, the average sales price of alumina fell 16.3% (US\$ 163.59 per ton at 06/30/02 versus US\$ 195.39 per ton at 06/30/01) while sales volume increased 8.7%

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

(837 thousand tons at 06/30/02 versus 770 thousand tons at 06/30/01).

- .. MRN - A reduction in the equity result of R\$ 23,920 (a gain of R\$ 12,893 at 06/30/02 against a gain of R\$ 36,813 at 06/30/01), due to a decrease in sales volume of 12.5% (4,391 thousand tons at 06/30/02 compared with 5,017 thousand tons at 06/30/01), average sales price fell 13.3% (US\$ 18.39 per ton at 06/30/02 against US\$ 21.22 per ton at 06/30/01), as well as the negative effects of the exchange variation on the Company's debt.
- .. VALESUL - A reduction in the equity result of R\$ 1,524 (a gain of R\$ 11,518 at 06/30/02 against a gain of R\$ 13,042 at 06/30/01), caused by a decrease of 14.1% in the average sales price (US\$ 1,690.23 per ton at 06/30/02 against US\$ 1,967.99 per ton at 06/30/01), while sales volume rose 4.8% (44 thousand tons at 06/30/02 versus 42 thousand tons at 06/30/01)
- .. ALUVALE - An increase in the equity result (own operations) of R\$ 3,212 (a gain of R\$ 16,125 at 06/30/02 against a gain of R\$ 12,913 at 06/30/01) basically due to financial result.
- .. ITACO - A reduction in the equity result of R\$ 3,809 (a gain of R\$ 13,416 at 06/30/02 against a gain of R\$ 17,225 at 06/30/01), due to a fall in the average sales prices of aluminum (12.2%), alumina (23.8%) and bauxite (21.5%), offset partly by higher sales volume for all three: aluminum (11.6%), alumina (98.6%) and bauxite (31.2%).

1.3.4- Operating Expenses

The operating expenses increased R\$ 35,687 (R\$ 379,020 on 06/30/01 against R\$ 414,707 on 06/30/02), basically due to an increase of administrative expenses.

1.3.5- Net Financial Result

The net financial result decreased R\$ 494,997 (R\$ 715,849 on 06/30/01 compared to R\$ 1,210,846 on 06/30/02), mainly due to the exchange rate variations on the net Company debt (Note 6.19).

1.3.6- Discontinued Operations - 2001

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

9

1.3.7- Cash Flow

The operating cash flow measured by EBITDA (earnings before interest, income tax, depreciation, amortization and depletion) was R\$ 1,592,461 on 06/30/02, reflecting an increase of 8.7% over 06/30/01, which was R\$ 1,464,677 (item 7.4).

1.3.8- Income Tax and Social Contribution

Income tax and social contribution was a credit of R\$ 303,859 (credit of R\$ 109,254 on 06/30/01), after recognizing the benefit from paying interest on stockholders' equity of R\$ 122,126 on 06/30/02 (R\$ 205,003 on 06/30/01) (Note 6.8).

10

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

QUARTERLY INFORMATION AND NOTES TO THE QUARTERLY INFORMATION

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

2- BALANCE SHEET

In thousands of reais

Assets	Notes	06/30/02	03/31/02
Current assets			
Cash and cash equivalents	6.4	521,835	1,260,372
Accounts receivable from customers	6.5	989,739	961,100
Related parties	6.6	1,687,540	1,356,024
Inventories	6.7	401,925	415,021
Taxes recoverable	-	111,465	97,907
Deferred income tax and social contribution	6.8	569,017	638,759
Others	-	270,114	256,986
		4,551,635	4,986,169
Long-term receivables			
Related parties	6.6	1,711,249	1,424,072
Loans and financing	-	296,237	262,436
Deferred income tax and social contribution	6.8	636,922	297,262
Judicial deposits	6.13	558,310	539,226
Others	-	38,587	38,889
		3,241,305	2,561,885
Permanent assets			
Investments	6.9	8,904,602	8,518,246
Property, plant and equipment	6.10	8,126,748	7,764,886
		17,031,350	16,283,132
		24,824,290	23,831,186
		=====	=====
Liabilities and stockholders' equity			
Current liabilities			
Short-term debt	6.11	1,668,905	1,774,835
Current portion of long-term debt	6.11	627,483	356,672
Payable to suppliers and contractors	-	518,574	446,208
Related parties	6.6	720,089	678,482
Provision for interest on stockholders' equity	-	359,194	316,569
Interest on stockholders' equity - 2001	-	6,747	783,837
Payroll and related charges	-	96,914	102,488
Pension Plan	6.15	64,533	63,896
Others	-	104,391	126,016

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

		-----	-----
		4,166,830	4,649,003
		-----	-----
Long-term liabilities			
Long-term debt	6.11	4,052,689	3,359,584
Related parties	6.6	2,690,581	2,086,651
Deferred income tax and social contribution	6.8	75,158	81,692
Provisions for contingencies	6.13	1,028,605	903,816
Pension Plan	6.15	429,493	425,580
Others	-	255,419	241,971
		-----	-----
		8,531,945	7,099,294
		-----	-----
Stockholders' equity			
Paid-up capital	6.16	5,000,000	4,000,000
Capital reserves	-	-	443,684
Revenue reserves	-	7,125,515	7,639,205
		-----	-----
		12,125,515	12,082,889
		-----	-----
		24,824,290	23,831,186
		=====	=====

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

11

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

3- STATEMENT OF INCOME

	Notes	From 04/01/02 to 06/30/02	F 01 to
	-----	-----	-----
Operating revenues			
Sales of ore and metals			
Iron ore and pellets		1,408,409	2,6
Gold		88,633	1
Others		61,901	
		-----	-----
		1,558,943	2,9
Railroad and port services		271,696	5
Others		12,751	
		-----	-----
		1,843,390	3,4
Value Added taxes		(81,613)	(1
		-----	-----
Net operating revenues		1,761,777	3,3
		-----	-----
Cost of products and services			

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

Ore and metals		(790,972)	(1,4
Railroad and port services		(90,977)	(1
Others products and services		(90,510)	(1
		-----	-----
		(972,459)	(1,8
		-----	-----
Gross profit		789,318	1,4
Gross margin		44.8%	
Operating expenses			
Selling		(35,254)	(
Administrative		(94,357)	(1
Research and development		(30,810)	(
Other operating expenses, net	6.22	(77,298)	(1
		-----	-----
		(237,719)	(4
		-----	-----
Operating profit before financial result and result of investment participations		551,599	1,0
Result of investment participations	6.9		
Gain on investments accounted for by the equity method		625,586	9
Amortization of goodwill		(103,526)	(1
Provision for losses		(115,378)	(1
Others		-	
		-----	-----
		406,682	5
Financial result, net	6.19		
Financial expenses (income)		(147,989)	(2
Monetary and exchange rate variation, net		(997,527)	(9
		-----	-----
		(1,145,516)	(1,2
		-----	-----
Operating profit		(187,235)	4
Discontinued operations		-	
		-----	-----
Income before income tax and social contribution		(187,235)	4
Income tax and social contribution	6.8	272,485	3
		-----	-----
Net income for the period		85,250	7
		=====	=====
Number of shares outstanding at the end of the period (in thousands)		383,839	3
		=====	=====
Net earnings per share outstanding at the end of the period (R\$)		0.22	
		=====	=====

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

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

statements prepared in accordance with the requirements of Brazilian Corporate Law)

4- STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

	Notes	Capital	Capital reserves	Revenue reserves
On December 31, 2000		3,000,000	740,887	6,824,704
Treasury shares		-	-	(57,528)
Capitalization of reserves		1,000,000	(300,629)	(699,371)
Provision for pension plan liabilities		-	-	-
Result on exchange of shares		-	3,426	-
Net income for the year		-	-	-
Proposed appropriations:				
Interest on stockholder's equity		-	-	-
Appropriation to revenue reserves		-	-	1,255,074
On December 31, 2001		4,000,000	443,684	7,322,879
Capitalization of reserves	6.16	1,000,000	(443,684)	(556,316)
Treasury shares		-	-	(242)
Net income for the period		-	-	-
Provision for interest on stockholders' equity		-	-	-
On June 30, 2002		5,000,000	-	6,766,321

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

13

(A free translation of the original in Portuguese)

5- STATEMENT OF CASH FLOWS (ADDITIONAL INFORMATION)

In thousands of

	06/30/02	06/30/01
Cash flows from operating activities:		
Net income for the period	718,388	1,205,000
Adjustments to reconcile net income for the period with cash provided by operating activities:		
Result of investment participations	(558,587)	(546,000)
Depreciation, amortization and depletion	285,974	245,000
Deferred income tax and social contribution	(307,826)	(109,000)
Provision for contingencies	28,165	89,000
Discontinued operations	-	(298,000)
Net monetary and exchange rate variations on assets and liabilities	1,280,424	684,000
Provision for losses - ICMS	20,993	
Loss on disposal of property, plant and equipment	18,140	
Dividends/interest on stockholders' equity received	89,642	137,000
Others	117,375	23,000
	1,692,688	1,432,000

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

Decrease (increase) in assets:		
Accounts receivable	(93,050)	564
Inventories	44,284	(99)
Others	(33,330)	16
	(82,096)	481
Increase (decrease) in liabilities:		
Suppliers and contractors	(4,231)	54
Payroll and related charges and others	(21,298)	2
Others	1,336	17
	(24,193)	74
Net cash provided by operating activities	1,586,399	1,988
Cash flows from investing activities:		
Loans and advances receivable	(874,745)	(1,759)
Guarantees and deposits	(41,450)	(115)
Additions to investments	(2,197)	(55)
Additions to property, plant and equipment	(706,876)	(475)
Proceeds from disposal of property, plant and equipment and investments	2,063	688
Net cash used in investing activities	(1,623,205)	(1,715)
Cash flows from financing activities:		
Short-term debt	430,486	1,249
Long-term debt	539,786	243
Repayments:		
Related parties	(89,764)	(406)
Financial institutions	(189,713)	(166)
Interest on stockholders' equity paid	(777,258)	(1,279)
Treasury shares	(242)	
Net cash used in financing activities	(86,705)	(359)
Decrease in cash and cash equivalents	(123,511)	(87)
Cash and cash equivalents, beginning of the period	645,346	1,569
Cash and cash equivalents, end of the period	521,835	1,481
Cash paid during the period for:		
Short-term interest	(20,409)	(26)
Long-term interest net of capitalization	(104,921)	(142)
Income tax and social contribution paid	(3,966)	(81)
Non-cash transactions:		
Change in treasury stocks - CVRD	-	3
Conversion of loans into investments	92,906	
Receipt of dividends from MSG net of other amounts	2,454	
Increase in property, plant and equipment	145,171	53

14

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

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

6- NOTES TO THE QUARTERLY INFORMATION AT JUNE 30, 2002 AND 2001

Expressed in thousands

6.1- Operations

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

6.2- Presentation of Financial Statements

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

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

Certain amounts and classifications in the 2001 quarterly information have been adjusted to the criteria used on 06/30/02 for better comparability.

6.3- Significant Accounting Policies

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

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

6.4- Cash and Cash Equivalents

	06/30/02	03/31/02
Marketable securities related to CDI (*)	338,377	931,263
Fixed-yield bond investments (funds)	96,084	133,320
Government securities (NBC-E, NTN-D, LFT)	84,509	194,556
Others	2,865	1,233
	521,835	1,260,372
	521,835	1,260,372

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

15

6.5- Accounts Receivable from Customers

	06/30/02	03/31/02
Domestic	388,086	360,666
Export	645,248	638,965
	1,033,334	999,631
Allowance for doubtful accounts	(23,355)	(22,436)
Allowance for ore weight credits	(20,240)	(16,095)
	989,739	961,100
	989,739	961,100

6.6- Transactions with Related Parties

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

	Assets		Liabilities
	06/30/02	03/31/02	06/30/02
Subsidiaries			
Rio Doce International Finance Ltd.	1,336,399	1,076,263	1,443,180
Itabira Rio Doce Company Limited - ITACO	492,065	417,609	489,611
Mineracao Tacuma Ltda.	359,460	392,907	756
CVRD Overseas Ltd.	146,250	105,019	1,009,242
Docepar S.A.	129,794	68,950	132
SIBRA Eletrosiderurgica Brasileira S.A.	17,260	23,461	1,029
Brasilux S.A.	16,014	50,410	26,046
Vale do Rio Doce Aluminio S.A. - ALUVALE	22,449	22,783	49,915
Others	314,179	162,946	290,955
	2,833,870	2,320,348	3,310,866
	2,833,870	2,320,348	3,310,866

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

Jointly controlled companies			
ALUNORTE - Alumina do Norte do Brasil S.A.	879,060	708,046	29,619
Ferrovias Centro-Atlantica S.A.	28,515	7,445	-
Salobo Metais S.A.	170,443	164,777	-
Companhia Coreano-Brasileira de Pelotizacao - KOBRASCO	94,825	80,413	97,764
Companhia Hispano-Brasileira de Pelotizacao - HISPANOBAS	40,860	38,665	59,116
Companhia Nipo-Brasileira de Pelotizacao - NIBRASCO	68,029	48,993	42,406
Companhia Italo-Brasileira de Pelotizacao - ITABRASCO	38,884	37,741	43,551
Others	109,684	137,978	69,134
	<u>1,430,300</u>	<u>1,224,058</u>	<u>341,590</u>
Affiliates	31,514	35,357	-
	<u>4,295,684</u>	<u>3,579,763</u>	<u>3,652,456</u>
Represented by:			
Commercial balances (sales and purchases of products and services) (*)	896,895	799,667	241,786
Short-term financial balances	1,687,540	1,356,024	720,089
Long-term financial balances	1,711,249	1,424,072	2,690,581
	<u>4,295,684</u>	<u>3,579,763</u>	<u>3,652,456</u>

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

6.7- Inventories

	06/30/02	03/31/02
Finished products		
. Iron ore and pellets	99,282	116,908
. Manganese	319	1,442
. Gold	13,187	15,546
. Others	18,504	23,240
	<u>131,292</u>	<u>157,136</u>
Spare parts and maintenance supplies	270,633	257,885
	<u>401,925</u>	<u>415,021</u>

16

6.8- Deferred Income Tax and Social Contribution

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

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

	Deferred assets		Deferre
	06/30/02	03/31/02	06/30/0
Tax loss carryforward	359,738	207,904	-
Temporary differences:			
. Pension Plan	164,462	167,131	-
. Contingent liabilities	285,252	253,907	-
. Provision for losses on assets	308,946	242,515	-
. Provision for losses on derivative financial instruments	32,035	26,580	-
. Others	55,506	37,984	-
	1,205,939	936,021	-
Inflationary profit	--	--	4,25
Capital reserve - special monetary restatement - Law 8,200	--	--	10,86
Accelerated depreciation	--	--	9,83
Long-term sales	--	--	50,20
Total	1,205,939	936,021	75,15
Short-term	569,017	638,759	-
Long-term	636,922	297,262	75,15
	1,205,939	936,021	75,15

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

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

The current expectation is to realize deferred income tax by the end of the year 2003.

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

	06/
Income before income tax and social contribution	41
(-) Equity in results of subsidiaries and affiliated companies	(90
(+) Non deductible goodwill	7
	(41
Income tax and social contribution at combined tax rates	
Federal income tax and social contribution at statutory rates	14
Adjustments to net income which modify the effect on the result for the period:	

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

. Income tax benefit from interest on stockholders' equity	12
. Fiscal incentives	
. Revision of prior period tax return	2
. Others	1

Income tax and social contribution 30

=====

17

6.9- Investments

	Participa- tion %	Adjust stockhol equity
	-----	-----
Subsidiaries		
Florestas Rio Doce S.A. (c)	99.85	95
Itabira Internacional Servicos e Comercio Lda. (a, c, h)	99.99	990
Navegacao Vale do Rio Doce S.A. - DOCENAVE (c)	100.00	402
Rio Doce Europa - S.'a.r.l (a, c, i)	99.80	2,763
S.A. Mineracao da Trindade - SAMITRI (c, d)	100.00	
SIBRA Eletrosiderurgica Brasileira S.A. (c, d, e, m)	99.23	265
Vale do Rio Doce Aluminio S.A. - ALUVALE (c, f, j, m)	94.74	751
Ferteco Mineracao S.A. (c, d, m)	100.00	544
Others (c)		
 Jointly controlled companies		
Companhia Coreano-Brasileira de Pelotizacao - KOBRASCO (b, c, m)	50.00	(32)
Companhia Hispano-Brasileira de Pelotizacao - HISPANOBRAS (b, c, m)	50.89	85
Companhia Italo-Brasileira de Pelotizacao - ITABRASCO (b, c, m)	50.90	65
Companhia Nipo-Brasileira de Pelotizacao - NIBRASCO (b, c, m)	51.00	84
Companhia Siderurgica de Tubarao - CST (b, c, d, e)	22.85	2,715
Companhia Siderurgica Nacional - CSN (c, k)	-	
Minas da Serra Geral S.A. - MSG (b, c)	51.00	57
Samarco Mineracao S.A. (b, c, m)	50.00	417
Others (b, c)		
 Affiliated companies		
Ferroban - Ferrovias Bandeirantes S.A. (c)	3.75	
Fertilizantes Fosfatados S.A. - FOSFERTIL (c, e)	11.12	518
Usinas Siderurgicas de Minas Gerais S.A. - USIMINAS (c, d, e)	11.46	3,345
 Investments at cost		

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

Provision for losses

CELMAR S.A. - Industria de Celulose e Papel (c)
 Companhia Coreano-Brasileira de Pelotizacao - KOBRASCO (b, c)
 Companhia Ferroviaria do Nordeste (b, c)
 DOCEPAR S.A. (c)
 Ferrovia Centro-Atlantica S.A. (c, g)
 MRS Logistica S.A. (c)
 Para Pigmentos S.A. (c)
 Others

Amortization of goodwill

Others

Total

	Investm	
	-----	-----
	06/30/02	03/31/0
	-----	-----
Subsidiaries		
Florestas Rio Doce S.A. (c)	95,619	93,
Itabira Internacional Servicos e Comercio Lda. (a, c, h)	990,762	760,
Navegacao Vale do Rio Doce S.A. - DOCENAVE (c)	402,161	368,
Rio Doce Europa - S.'a.r.l (a, c, i)	2,758,404	2,309,
S.A. Mineracao da Trindade - SAMITRI (c, d)	751,495	771,
SIBRA Eletrosiderurgica Brasileira S.A. (c, d, e, m)	527,949	524,
Vale do Rio Doce Aluminio S.A. - ALUVALE (c, f, j, m)	711,992	844,
Ferteco Mineracao S.A. (c, d, m)	1,202,484	1,242,
Others (c)	332,924	314,
	-----	-----
	7,773,790	7,229,
	-----	-----
Jointly controlled companies		
Companhia Coreano-Brasileira de Pelotizacao - KOBRASCO (b, c, m)	-	8,
Companhia Hispano-Brasileira de Pelotizacao - HISPANOBRAS (b, c, m)	43,658	43,
Companhia Italo-Brasileira de Pelotizacao - ITABRASCO (b, c, m)	33,451	30,
Companhia Nipo-Brasileira de Pelotizacao - NIBRASCO (b, c, m)	42,973	40,
Companhia Siderurgica de Tubarao - CST (b, c, d, e)	471,761	501,
Companhia Siderurgica Nacional - CSN (c, k)	-	-
Minas da Serra Geral S.A. - MSG (b, c)	29,549	27,
Samarco Mineracao S.A. (b, c, m)	208,968	255,
Others (b, c)	100,393	97,
	-----	-----
	930,753	1,003,
	-----	-----

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

Affiliated companies

Ferroban - Ferrovias Bandeirantes S.A. (c)	-	
Fertilizantes Fosfatados S.A. - FOSFERTIL (c, e)	57,670	56,
Usinas Siderurgicas de Minas Gerais S.A. - USIMINAS (c, d, e)	383,451	416,
	441,121	472,
Investments at cost	3,889	3,
	9,149,553	8,708,
Provision for losses		
CELMAR S.A. - Industria de Celulose e Papel (c)	(59,246)	(59,
Companhia Coreano-Brasileira de Pelotizacao - KOBRASCO (b, c)	(16,346)	
Companhia Ferroviaria do Nordeste (b, c)	(29,118)	(35,
DOCEPAR S.A. (c)	(100,451)	(95,
Ferrovia Centro-Atlantica S.A. (c, g)	-	
MRS Logistica S.A. (c)	-	
Para Pigmentos S.A. (c)	(35,104)	
Others	(4,686)	(
	(244,951)	(190,
Amortization of goodwill	-	
Others	-	
Total	8,904,602	8,518,

- (a) Equity in companies located abroad is converted into local currency at rates in effect on the quarterly information date. The calculation of the equity method adjustment comprises the difference due to exchange rate variations, as well as participation in results;
- (b) Notwithstanding the stockholdings, the classification as a jointly controlled company results from the degree of control exercised by the Company, which is shared with other partners;
- (c) Companies whose quarterly information were not reviewed by independent accountants;

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

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

Goodwill

SIBRA Eletrosiderurgica Brasileira S.A. (included R\$ 27,192 of goodwill on CPFL)
 Caemi Mineracao e Metalurgia S.A. (indirectly through ITACO)
 Ferteco Mineracao S.A.
 S.A. Mineracao da Trindade - SAMITRI (merged on October 1, 2001)
 Mineracao SOCOIMEX S.A. (merged on August 31, 2000)
 Others

0

2,
=====

Negative goodwill

Companhia Siderurgica de Tubarao - CST

()

()
=====

Goodwill was amortized as follows:

	06/30/02	06/30/01
	-----	-----
Ferrovia Centro-Atlantica S.A. (c, g)	(49,285)	-
Ferteco Mineracao S.A. (c, d, l, n)	(34,656)	-
Para Pigmentos S.A. (c)	-	(8,486)
SIBRA Eletrosiderurgica Brasileira S.A. (includes R\$ 1,601 on CPFL) (c, e)	(40,260)	(38,659)
MRS Logistica S.A. (c)	(14,286)	-
Caemi Mineracao e Metalurgia S.A. (indirectly through ITACO) (c)	(26,505)	-
Others (a, c, i)	(4,722)	(5,836)
	-----	-----
	(169,714)	(52,981)
	=====	=====

(e) Investments in companies that were listed on stock exchanges on 06/30/02:

	Book Value	Market Value
	-----	-----
Companhia Siderurgica de Tubarao - CST	471,761	325,677
Fertilizantes Fosfatados S.A. - FOSFERTIL	57,670	106,635
Usinas Siderurgicas de Minas Gerais S.A. - USIMINAS	383,451	161,317

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

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

(f) Indirect holdings through ALUVALE:

	Participa- tion %	Adjusted stockholders' equity	Investm ----- 06/30/02	03/3 -----
ALBRAS - Alumínio Brasileiro S.A. (c, n)	51.00	113,162	57,713	152
ALUNORTE - Alumina do Norte do Brasil S.A. (c, n)	57.58	451,686	309,977	258
Mineracao Rio do Norte S.A. (c, n)	40.00	562,633	225,054	237
Valesul Alumínio S.A. (c, n)	54.51	246,030	134,111	126
Own operations			(14,863)	69
			----- 711,992	----- 844
			=====	=====

On 06/27/02, ALUVALE acquired the entire interest detained by its affiliated company Mineracao Rio do Norte S.A. in ALUNORTE - Alumina do Norte do Brasil S.A., equivalent to 12.62% of the total capital, for R\$ 118,877.

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

19

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

	Investments		i
	----- 06/30/02	03/31/02	----- 0
California Steel Industries, Inc. - CSI (a, c)	-	-	

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

CVRD Overseas Ltd. (a, c)	-	-
Gulf Industrial Investment Co. - GIIC (a, c)	-	-
Rio Doce Manganese Europe - RDME (a, c)	-	-
Vale do Rio Doce Aluminio S.A. - ALUVALE (c)	-	-
Itabira Rio Doce Company Limited - ITACO (a, c)	-	-
Other participations (a, c)	-	-
Itabira Internacional Servicos e Comercio Lda. (a, c)	990,762	760,436
	-----	-----
	990,762	760,436
	=====	=====

In July 2001, Itabira Rio Doce Company Limited - ITACO was sold to Rio Doce International Finance Ltd., a wholly owned subsidiary of Rio Doce Europa - S.'a.r.l;

(i) Indirect holdings through Rio Doce Europa - S.'a.r.l:

	Participa- tion %	Adjusted stockholders' equity	Investment ----- 06/30/02	03/31 -----
Caemi Mineracao e Metalurgia S.A. (c, d)	16.85	888,214	640,281	66
California Steel Industries, Inc. - CSI (a, c)	50.00	655,582	327,791	25
CVRD Overseas Ltd. (a, c)	100.00	298,666	298,666	19
Camelback Corporation (c)	100.00	115,971	115,971	11
Gulf Industrial Investment Co. - GIIC (a, c)	50.00	192,910	96,455	7
Itabira Rio Doce Company Limited - ITACO (a, c, j)	99.99	1,046,334	1,046,229	1,02
Rio Doce Manganese Europe - RDME (a, c)	100.00	114,746	114,746	7
Siderar Sociedad Anonima Industrial y Comercial (c)	4.85	879,588	42,660	3
Vale do Rio Doce Aluminio S.A. - ALUVALE (c, j, n)	5.26	751,522	39,530	4
Other participations (a, c)			34,622	3
Own operations (a, c)			1,453	(21)
			-----	-----
			2,758,404	2,30
Provision for losses - MRS (indirectly through CAEMI)			-	
Amortization of goodwill - MRS (indirectly through CAEMI)			-	
Amortization of goodwill - Caemi Mineracao e Metalurgia S.A.			-	
			-----	-----
			2,758,404	2,30
			=====	=====

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

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

5.26% of the capital;

- (k) In March 2001, CVRD withdrew from CSN by unwinding the cross-participation relationship between the companies;
- (l) On 06/19/02, CVRD acquired from Anglo American Brasil Ltda. (Anglo), a subsidiary of Anglo American plc, 44,172,369 common shares, corresponding to 50% of the total capital of Salobo Metais S.A., for R\$ 136,159. This transaction was carried out through the intermediation of Caulim do Brasil Investimentos S/A, a wholly owned CVRD subsidiary. With this acquisition, CVRD became sole owner of Salobo;
- (m) Attachment I presents additional information about the companies in the areas of aluminum, pellets, manganese and ferro-alloys.

20

6.10- Property, Plant and Equipment

- (a) By business area:

	06/30/02			
	Cost	Accumulated depreciation	Net	Cost
Ferrous - Northern System				
Mining	1,576,633	(747,076)	829,557	1,592,258
Railroads	2,684,114	(1,025,490)	1,658,624	2,679,655
Ports	515,353	(242,306)	273,047	514,629
Construction in progress	504,480	-	504,480	386,827
	5,280,580	(2,014,872)	3,265,708	5,173,369
Ferrous - Southern System				
Mining	2,565,310	(1,518,964)	1,046,346	2,543,794
Railroads	3,091,414	(1,862,571)	1,228,843	3,039,752
Ports	561,448	(429,961)	131,487	560,319
Construction in progress	399,008	-	399,008	407,447
	6,617,180	(3,811,496)	2,805,684	6,551,312
Pelletizing	606,144	(438,587)	167,557	606,595
Construction in progress	527,386	-	527,386	447,747
	1,133,530	(438,587)	694,943	1,054,342
Non-ferrous				
Potash	113,853	(40,586)	73,267	111,653
Gold	601,136	(439,139)	161,997	605,464
Research and projects	41,828	(21,354)	20,474	41,349
Construction in progress	58,729	-	58,729	55,177
	1,214,546	(501,079)	713,467	713,467

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

	815,546	(501,079)	314,467	813,643
Logistics	903,256	(528,085)	375,171	902,354
Construction in progress	115,788	-	115,788	73,430
	1,019,044	(528,085)	490,959	975,784
Energy	204,187	(16,768)	187,419	190,128
Construction in progress	305,900	-	305,900	203,357
	510,087	(16,768)	493,319	393,485
Corporate	90,264	(39,945)	50,319	89,712
Construction in progress	11,349	-	11,349	12,569
	101,613	(39,945)	61,668	102,281
Total	15,477,580	(7,350,832)	8,126,748	15,064,216

(b) By classification of asset:

	06/30/02			
	Cost	Accumulated depreciation	Net	Cost
Land and buildings	1,475,967	(650,244)	825,723	1,490,747
Installations	4,192,712	(2,650,739)	1,541,973	4,150,147
Equipment	905,388	(543,787)	361,601	910,348
Railroads	5,226,065	(2,768,729)	2,457,336	5,158,847
Mineral rights	433,826	(169,853)	263,973	433,826
Others	1,320,981	(567,480)	753,501	1,333,744
	13,554,939	(7,350,832)	6,204,107	13,477,662
Construction in progress	1,922,641	-	1,922,641	1,586,554
Total	15,477,580	(7,350,832)	8,126,748	15,064,216

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

21

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

06/30/02

06/30/01

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

Cost of production and services	275,144	236,522
Administrative expenses	10,830	8,892
	285,974	245,414

6.11- Loans and Financing

Short-term

	06/30/02	06/30/01
Trade finance	1,668,905	1,774,835

The average annual interest rates on short-term loans and financing on 06/30/02 and 06/30/01 were, respectively, 3.46% and 5.52%.

Long-term

	Current liabilities		Long-term liabilities	
	06/30/02	03/31/02	06/30/02	03/31/02
Foreign operations				
Loans and financing in:				
U.S. dollars	500,622	265,303	2,162,742	1,801,544
Yen	25,747	18,964	83,950	61,833
Other currencies	746	535	1,286	1,070
Notes in U.S. dollars	-	-	1,422,200	1,161,800
Accrued charges	49,124	28,807	-	-
	576,239	313,609	3,670,178	3,026,247

Local operations

Indexed by TJLP, TR and IGP-M	10,758	9,707	58,282	61,514
Basket of currencies	33,450	26,716	61,326	55,658
Loans in U.S. dollars	2,167	1,770	255,010	210,156
Non-convertible debentures	-	-	-	6,009
Accrued charges	4,869	4,870	7,893	-
	51,244	43,063	382,511	333,337
	627,483	356,672	4,052,689	3,359,584

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

- (a) Foreign currency loans and financing were converted into reais at exchange rates effective on the quarterly information date, with US\$ 1.00 equal to R\$ 2.8444 on 06/30/02 (R\$ 2.3236 on 03/31/01) and (Y) 1.00 equal to R\$ 0.023787 on 06/30/02 (R\$ 0.017520 on 03/31/01);
- (b) Of the total loans and financing, R\$ 801,210 are guaranteed by the federal government (with full counter-guarantees) and R\$ 94,390 have third-party guarantees.
- (c) Amortization of principal and finance charges incurred on long-term loans and financing obtained abroad and domestically mature as follows as of 06/30/02:

2003	1,132,999
2004	1,738,071
2005	445,774
2006	261,323
2007 onward	474,522

	4,052,689
	=====

22

- (d) Long-term external and domestic loans and financing were subject to annual interest rates on 06/30/02 as follows:

Up to 3%	1,086,752
3.1 to 5%	1,626,852
5.1 to 7%	279,990
7.1 to 9%	107,175
9.1 to 11%	1,446,107
Over 11%	133,296

	4,680,172
	=====

- (e) The estimated market values of long-term loans and financing calculated to present value based on available interest rates as of 06/30/02 are close to their market values;

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

R\$ 6,349,077

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

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

6.12 - Securitization Program

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

Tranches	Amount (US\$ million)	Maturity	Grace Period (years)	Yield to Investor (p.y.)
1	25	10/15/2007	2	8.682%
2 (insured)	125	10/15/2007	2	Libor+0.65%
3	150	10/15/2010	3	8.926%

The balance of this operation on 06/30/02 totals R\$ 864,637 (R\$ 11,317 in current liabilities and R\$ 853,320 in long-term liabilities) and is included in related party liabilities to the subsidiary CVRD Overseas Ltd. (Note 6.6).

23

6.13 - Contingent Liabilities

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

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

	Judicial deposits		Provisions for contingencies	
	06/30/02	03/31/02	06/30/02	03/31/02
Tax contingencies	322,700	303,138	382,726	323,900
Labor claims	123,637	110,170	363,518	310,200
Civil claims	4,471	3,820	264,813	249,700
Marketable securities	101,385	117,980	-	-
Others	6,117	4,118	17,548	19,800
Total	558,310	539,226	1,028,605	903,800

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

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

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

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

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

Marketable securities are related to guarantees of civil claims.

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

	06/30/02	03/31/02
ALBRAS - Alumínio Brasileiro S.A.	1,015,684	828,431
ALUNORTE - Alumina do Norte do Brasil S.A.	179,508	167,690
Companhia Coreano-Brasileira de Pelotização - KOBRASCO	75,871	92,981
Ferrovia Centro-Atlântica S.A.	322,097	287,114
Salobo Metais S.A.	177,360	167,069
SePETIBA Tecon S.A.	68,931	58,864
Others	3,270	2,647
	1,842,721	1,604,796
	1,842,721	1,604,796

The breakdown of guarantees by currency is:

	06/30/02	03/31/02
U.S. Dollar	1,296,063	1,103,070
Real	546,658	501,726
	1,842,721	1,604,796
	1,842,721	1,604,796

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

On 06/28/02 CVRD protocolled a debentures registration request at Comissão de Valores Mobiliários - CVM. The obtainment of the above mentioned registration with the CVM has the purpose to enable the Debentures to be traded in the secondary market together with SND - Sistema Nacional de Debentures (National Debentures System), under the management of ANDIMA - Associação

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

Nacional das Instituicoes do Mercado Aberto (National Association of Open Market Institutions) and operationally by CETIP - Central de Custodia e de Liquidacao Financeira de Titulos (Clearing House for the Custody and Financial Settlement of Securities).

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

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

Area	Mineral	
Southern System (Including Urucum)	Iron ore	1.8% of net volume from May 1
Northern System	Iron ore	1.8% of net volume from May 1
Pojuca, Andorinhas, Liberdade and Sossego	Gold and copper and by-products	2.5% of net volume from May 1
Igarape Bahia and Alemao	Gold	2.5% of net re of commercia and by-product volume fro gold with r proportion to o
Fazenda Brasileiro	Gold	2.5% of net volume from May
Other areas, excluding Carajas/ Serra Leste and Salobo	Gold and copper and by-products	2.5% of net
Other areas owned as of May 1997	Other minerals	1% of net b
All areas	Sale of mineral rights owned as of May 1997	

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

- (d) The Company has commitments under a take-or-pay contract to acquire approximately 207,060 tons of aluminum per year from ALBRAS at market prices. This estimate is based on 51% of the estimated output of ALBRAS at

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

a market price of US\$ 1,375.00 per ton on June 30, 2002, representing an annual commitment of R\$ 694,918 based on the final exchange rate of 06/30/02. The same applies to 683,135 tons of alumina per year produced by ALUNORTE, which at a market price of US\$ 170.28 per ton on June 30, 2002 represents a yearly commitment of R\$ 283,926 on the same exchange rate mentioned. The effective take of ALBRAS was R\$ 312,266 and R\$ 278,206 in 06/30/02 and 06/30/01, respectively, and directly from ALUNORTE (net of the take assigned to ALBRAS), was R\$ 57,525 and R\$ 29,655 in 06/30/02 and 06/30/01, respectively.

6.14 - Environmental and Site Reclamation and Restoration Costs

Expenditures relating to ongoing compliance with environmental regulations are charged to production costs or capitalized as incurred. The Company manages its environmental policies according to the specifications of ISO 14,001 and maintains ongoing programs to minimize the environmental impact of its mining operations as well as to reduce the costs that will be incurred upon termination of activities at each mine. On 06/30/02, the provision for environmental liabilities amounted to R\$ 59,651 (R\$ 62,899 on 03/31/02), which was accounted in "Others" in long-term liabilities.

25

6.15 - Pension Plan - VALIA

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

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

(a) Benefit Plan

Defined Benefit Plan - " BD "

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

Mixed-Benefit Plan - " Vale Mais "

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

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

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

The contributions of the sponsors are as follows:

- o Ordinary contribution - Destined to accrue the resources necessary to grant income benefits, sponsor contributions are matched equally by participants, up to 9% of their participation salaries, which may not exceed ten "plan reference units" (this limit was R\$1,383.86 in December 2001).
- o Extraordinary contribution - This can be made at any time, at the discretion of the sponsors.
- o Normal contribution - To fund the risk plan and administrative expenses, fixed by the actuary based on actuarial appraisals.
- o Special contribution - Destined to cover any special commitment that may arise.

During 2001, the Company made contributions to VALIA in the amount of R\$ 6,947 (R\$ 4,881 on 06/30/01) to fund the benefit plans it sponsors.

(b) Actuarial liability

This provision is the result of the Company's responsibility to provide supplementary pensions relating to the early retirement programs of 1987 and 1989, in the amount of R\$ 460,951 and an additional amount of R\$ 33,075 as required by CVM Deliberation 371. These liabilities were calculated by an independent actuary for the year 2001 and represent the current value of the benefits and pensions. Part is recorded in "Pension Plan" account in current liabilities - R\$ 64,533 (R\$ 63,896 on 03/31/02) and part in long-term liabilities - R\$ 429,493 (R\$ 425,580 on 03/31/02).

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

(c) Subsidiaries and affiliated companies

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

6.16 - Capital

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

26

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.

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

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

On 06/30/02 the Company's capital is comprised as follows:

Stockholders	Common	%	Preferred	
Valepar S.A.	105,443,070	42	-	
Brazilian Government (National Treasury / BNDES/ INSS / FPS) (b)	-	-	5,075,341	
American Depositary Receipts - ADRs	49,251,140	20	59,899,411	4
Litel Participacoes S.A. (a)	25,272,641	10	-	
BNDESPar	11,672,271	5	1,251,980	
Clube de Investimentos dos Empregados da Vale - INVESTVALE	9,995,369	4	-	
Foreign - institutional investors	6,262,806	2	40,042,079	2
Brazil - institutional investors	29,690,495	12	15,961,946	1
Brazil - retail investors	7,680,181	3	16,340,405	1
Treasury stock	4,715,170	2	4,751	
Total	249,983,143	100	138,575,913	10

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

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

As of 06/30/02, the number of holders of record who are residents of Brazil was 31,812. These stockholders owned 232,714,623 shares, representing 59.9% of the capital stock.

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

6.17- American Depositary Receipts (ADR) Program

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

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

6.18- Treasury Stock

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

On October 24, 2001, an Extraordinary General Meeting authorized the acquisition of up to 19 million nominative book shares, with no par value, with 14 million being common shares and 5 million preferred shares, in order to hold in treasury for later sale or cancellation, without decreasing in capital stock. Up to 06/30/02, 4,715,170 common and 4,751 preferred shares had been acquired at a cost of R\$ 131,347, and had been held in treasury.

27

Shares					
Class	Quantity		Unit acquisition cost		
	06/30/02	03/31/02	Average	Low	High
Preferred	4,751	4,751	51.45	14.02	52.40
Common	4,715,170	4,715,170	27.80	20.07	52.09
	4,719,921	4,719,921			
	4,719,921	4,719,921			

6.19- Financial Result

The amounts included in the income statement are as follows:

	06/30/02	06/30/01
Financial expenses		
Foreign debt	(90,997)	(114,400)
Local debt	(39,205)	(40,900)
Related parties, net	(28,773)	(11,433)
Others (*)	(161,925)	(94,321)
	(320,900)	(261,054)
Monetary and exchange rate variation on liabilities	(1,091,961)	(670,196)
Financial income		
Marketable securities	62,779	46,901
Others	21,333	13,564

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

	84,112	60,465
Monetary and exchange rate variation on assets	117,903	154,936
Financial income (expenses), net	(1,210,846)	(715,849)

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

6.20 - Financial Instruments - Derivatives

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

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

Interest Rate Risk

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

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

28

The table below provides information regarding the interest rate derivatives portfolio for 06/30/02 and 06/30/01.

Type	Notional value		Unrealized gain (loss)		Notional value	
	(in US\$ thousand)	Rate range	(in R\$ thousand)	Final maturity	(in US\$ thousand)	
Cap	1,150	5.7 - 11.0%	3,811	May/07		1,400
Floor	1,150	5.7 - 6.3%	(51,521)	May/07		975
Swap	350	5.8 - 6.7%	(31,569)	May/07		125

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

Total	----- (79,279) =====
-------	----------------------------

Exchange Rate Risk

Exchange rate risk comes from foreign currency debts. On the other hand, a substantial part of the Company's revenues are denominated or indexed in U.S. dollars, while the majority of costs are in reais. This provides a natural hedge against possible devaluations of Brazilian currency against the dollar. Events of this nature have an immediate negative impact on foreign currency debt, offset by the positive effect on future cash flows.

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

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

The table below shows the exchange rate derivatives portfolio for 06/30/02 and 06/30/01. These operations are range forwards which were structured to ensure the purchase price of the following currencies:

06/30/02						
Type	Notional value (in US\$ thousand)	Rate range	Unrealized gain (loss) (in R\$ thousand)	Final maturity	Notional value (in US\$ million)	
Yen purchased	3	(Y) 79 - 91 per US\$	(1,399)	May/05	31	(Y)
Euros purchased	6	E 1.18 - 1.23 per US\$	(3,875)	May/05	13	E 1.
Total			----- (5,274) =====			

Commodities Price Risk

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

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

The following table shows the gold derivatives portfolio of the Company on 06/30/02 and 06/30/01.

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

Type	06/30/02				06/30/01			
	Quantity (oz)	Price Range US\$/oz	Unrealized gain (loss) (in R\$ thousand)	Final maturity	Quantity (oz)	Price Range US\$/oz	Unrealized gain (loss) (in R\$ thousand)	
Puts purchased	496,000	270 - 355	21,470	Dec/06	462,000	270 - 355	79,141	
Calls sold	736,000	316 - 407	(31,234)	Dec/06	878,000	308 - 379	(21,101)	
Hybrids instrument	20,000	-	96	Nov/06	15,000		1,966	
Total			(9,668)				60,006	

29

6.21 - Exchange Rate Exposure

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

	Parent Company	
	06/30/02	03/31/02
Assets		
Current		
Cash and banks and marketable securities	101	196
Others	2,373	2,062
	2,474	2,258
Long-term receivables	1,130	922
Investments	3,388	2,593
Total	6,992	5,773
Liabilities		
Current		
Short-term loans and financing	2,285	2,120
Others	437	233
	2,722	2,353
Long-term liabilities		

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

Loans and financing	3,988	3,292
Others	2,393	1,791
	-----	-----
	6,381	5,083
	-----	-----
Total	9,103	7,436
	=====	=====
Liabilities - R\$	(2,111)	(1,663)
	=====	=====
Liabilities - US\$	(742)	(716)
	=====	=====

(*) Proportional to the percentage of participation

6.22- Other Operating Expenses, Net

	06/30/02	06/30/01
	-----	-----
Provisions for contingencies	28,165	89,942
Provision for loss on ICMS recoverable	20,993	-
Provision for losses on loans to Celmar	20,161	-
Provision for profit sharing	10,000	27,000
Provision for early retirement program	10,268	13,857
Others	24,595	28,514
	-----	-----
	114,182	159,313
	=====	=====

6.23- Subsequent Events

Sale of Pulp Assets

On 06/10/02, CVRD and its subsidiary Florestas Rio Doce S.A (FRDSA) signed a letter of intent with Aracruz Celulose S.A. (Aracruz) and Bahia Sul Celulose S.A. (Bahia Sul), agreeing on general lines and the basic conditions for the purchase and sale of assets (planted eucalyptus forest lands) owned by FRDSA in the Sao Mateus region of the state of Espirito Santo.

The completion of this operation is conditional on a forest, legal and financial audit, which is being conducted by Aracruz and Bahia Sul, along with negotiation and formalization of all the contracts and other documents necessary for the transaction.

30

CVRD and Antofagasta Establish a Joint Venture

On 07/19/02, CVRD and Antofagasta Plc (Antofagasta), one of the largest copper producers in Chile, constituted Cordillera de las Minas S.A. (Cordillera), whose purpose is to develop mineral research and exploration activities in the south of Peru, near Cuzco. The area of interest covers approximately 60 thousand

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

square kilometers. Other important mining operations are located in this region, which has great potential mineral wealth. This joint venture was formalized through the Memorandum of Understanding signed by CVRD and Antofagasta, disclosed on June 6, 2002.

The corporate documents signed on July 18, 2002 involve the following events: (i) Anaconda Peru S.A. (Anaconda), a company controlled by Antofagasta, transferred mineral rights to Cordillera, in which it detains 99.9% of the total capital; (ii) CVRD constituted Compania Minera Andino-Brasilera Ltda (CMAB), which owns 0.1% of the capital of Cordillera; (iii) CVRD/CMAB has the option of acquiring 50% of the capital of Cordillera, through the realization over a three-year period of investments of US\$ 6,700,000 for geological research and exploration of the mining rights held by Cordillera.

The Investment Agreement signed that same day between CVRD, CMAB, Antofagasta, Anaconda and Cordillera, assures the participation, influence and rights of CVRD/CMAB in the management of Cordillera, particularly in directing the investments to be made and the exercise of the option contracted.

This deal represents an important step by CVRD to internationalize its activities and ratifies its interest in copper mining, already shown by its acquisition of sole control of Mineracao Serra do Sossego S/A and Salobo Metais S.A and by the start of development of the Sossego project in Carajas, Para.

CVRD Acquires Mineracao Vera Cruz

At 07/01/02 CVRD through its subsidiary, Vale do Rio Doce Aluminio S.A. - ALUVALE (Aluvale), acquired 64% of the total capital of its affiliated company, Mineracao Vera Cruz S.A. (MVC), which was previously held by the Paranapanema Group, for R\$ 6.4 millions. With this acquisition, Aluvale will hold 100% of MVC. Paranapanema holds 18 active mining rights in the Paragominas region, in the state of Para, with total metallurgical bauxite resources estimated at 878 million tons.

New Stage of the Igarape Bahia Mine

On July CVRD, after twelve years of activities, discontinued the exploitation of the gold ore reserves in the Igarape Bahia mine, in Carajas. During the period Igarape Bahia produced a total of 3,119,000 troy ounces of gold.

As of 07/08/02, this operational unit has been integrated into the CVRD Carajas Department of Operations, which will initiate the Igarape Bahia Phase IV project. In accordance with a pre-feasibility study under development, the ore deposit is estimated to have an annual production capacity of 36,000 tons of copper and 83,600 troy ounces of gold. It is estimated that the development of the mine will begin in mid-2003 and production will begin in 2004.

PART III

7- OTHER INFORMATION THE COMPANY DEEMS RELEVANT

7.1 Net Accumulated Income (in R\$ Million)

Quarters

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

	1st Quarter -----	2nd Quarter -----	3rd Quarter -----	4th Quarter -----
2001	639	1,101	1,600	2,133
2001	660	1,206	2,412	3,051
2002	633	718		

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

Net income	
at 6/30/01	1,206
Net operating revenue	446
Cost of products and services	(309)
Results of investment participations	13
Financial result	(495)
Operating expenses net	(38)
Discontinued operations	(298)
Income tax	194
Net income at 6/30/02	718

32

7.3 - Business Performance Ratios

Capital Ratios

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

Profitability and Other Ratios

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

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

Note:

The income statement data has been annualized.

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

7.4- Segment and Geographic Information

The Company's business areas are as follows:

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

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

Logistics - activities related to railroads and ports together with investments in the area of maritime and rail transport and port services.

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

33

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

-----	-----	-----
Ferrous	Non-ferrous	Pulp and paper
-----	-----	-----

Results

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

Sales classified by geographic destination

External market

Latin America	108,877	-	-	-
United States	104,633	69,503	-	-
Europe	813,801	99,062	-	-
Middle East	156,523	-	-	-
Japan	274,284	-	-	-
China	345,137	-	-	-
Asia, other than Japan and China	166,052	-	-	-
<hr/>				
Operating revenues - external market	1,969,307	168,565	-	-
Operating revenues - internal market	869,356	99,970	336,995	-
<hr/>				
Total operating revenues	2,838,663	268,535	336,995	-
Value-added taxes	(76,589)	(22,254)	(39,318)	-
<hr/>				
Net operating revenues	2,762,074	246,281	297,677	-
<hr/>				
Cost of products and services	(1,533,904)	(163,945)	(126,688)	-
Selling and administrative expenses	(63,426)	-	-	-
Research and development	(6,063)	(45,844)	(160)	-
Other operating expenses, net	(64,068)	-	-	(20,161)
<hr/>				
Operation profit before financial result and result of investment participations	1,094,613	36,492	170,829	(20,161)
Financial result, net	-	-	-	-
Result of investments/participations	744,593	(35,606)	(133,435)	4,783
Income taxes	-	-	-	-
<hr/>				
Net income for the year	1,839,206	886	37,394	(15,378)
<hr/>				
EBITDA demonstration:				
Operation profit before financial result and result of investment participations	1,094,613	36,492	170,829	(20,161)
Depreciation, amortization and depletion	219,508	47,775	12,697	-
Dividend received - cash	53,819	-	-	-
Adjustments in non-cash itens:				
- Provision for contingencies	28,165	-	-	-
- Provision for loss on ICMS recoverable	20,993	-	-	-
- Write-off of property, plant and equipment	11,700	-	-	-
- Provision for early-retirement programs	10,268	-	-	-
- Provision for losses	-	-	-	20,161
- Amortization of goodwill	48,838	-	-	-
- Others	4,642	-	-	-
<hr/>				
EBITDA	1,492,546	84,267	183,526	-
EBITDA % of total	93.7%	5.3%	11.5%	-
EBITDA margin %	54.0%	34.2%	61.7%	-
<hr/>				

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

06/30/02

	Corporate Center	Total
Results		
Sales classified by geographic destination		
External market		
Latin America	-	108,877
United States	-	174,136
Europe	-	912,863
Middle East	-	156,523
Japan	-	274,284
China	-	345,137
Asia, other than Japan and China	-	166,052
Operating revenues - external market	-	2,137,872
Operating revenues - internal market	-	1,306,321
Total operating revenues	-	3,444,193
Value-added taxes	-	(138,161)
Net operating revenues	-	3,306,032
Cost of products and services	-	(1,824,537)
Selling and administrative expenses	(185,032)	(248,458)
Research and development	-	(52,067)
Other operating expenses, net	(29,953)	(114,182)
Operation profit before financial result and result of investment participations	(214,985)	1,066,788
Financial result, net	(1,210,846)	(1,210,846)
Result of investments/participations	(13,995)	558,587
Income taxes	303,859	303,859
Net income for the year	(1,135,967)	718,388
EBITDA demonstration:		
Operation profit before financial result and result of investment participations	(214,985)	1,066,788
Depreciation, amortization and depletion	5,994	285,974
Dividend received - cash	-	89,642
Adjustments in non-cash itens:		
- Provision for contingencies	-	28,165
- Provision for loss on ICMS recoverable	-	20,993
- Write-off of property, plant and equipment	-	11,700
- Provision for early-retirement programs	-	10,268
- Provision for losses	-	20,161
- Amortization of goodwill	-	48,838
- Others	5,290	9,932
EBITDA	(203,701)	1,592,461

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

EBITDA % of total	(12.8%)	100.0%
EBITDA margin %	-	48.2%
	=====	=====

Information related to period ended 06/30/01 is as follows:

	Ferrous	Non-ferrous	Logistics	Holdings	Corporate Center
EBITDA	1,244,589	69,589	162,026	109,615	(121,142)
EBITDA % of total	85.0%	4.7%	11.1%	7.5%	(8.3%)
EBITDA margin %	52.2%	33.0%	61.0%	-	-

34

7.5- Share Performance on Stock Exchanges (Unaudited)

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

[LINE GRAPH OBJECT OMITTED]

	In reais				
	Preferred Class A Shares		Common Shares		ADRs - Preferred S
	High	Low	High	Low	High
2001					
First Quarter	53.60	44.00	51.00	42.70	26.98
Second Quarter	58.60	49.05	54.00	46.50	25.70
Third Quarter	55.00	45.50	55.00	46.40	23.15
Fourth Quarter	54.00	53.52	53.40	52.60	23.61
2002					
First Quarter	62.00	61.00	63.69	62.00	27.49
Second Quarter	75.90	59.80	78.10	61.50	29.51

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

7. 6- Capital Expenditures (Unaudited)

	In thousands of reais		
	ACTUAL UP TO 06/02	APPROVED FOR 2002	% A
Ongoing Capital Expenditures			
Replacement/Refurbishment/Improvement	264,390	515,916	
Geological Research	37,743	102,536	
Technological Research/Development	8,650	37,750	
Environment	862	1,293	
Informatics / Telecommunications	18,461	109,644	
	330,106	767,139	
Equity Investments	597,798	649,755	
Direct Investments	525,085	1,021,106	
Total Capital Expenditures	1,452,989	2,438,000	

35

7.7- Operations for the period (Unaudited)

	(Million metric tons)		
	06/30/02	06/30/01	VAR %
PRODUCTION/PURCHASE			
IRON ORE	60.0	58.9	1.9
PELLETS	8.0	8.0	-
POTASH	0.3	0.3	-
GOLD (thousand Kg)	7.1	7.4	(4.1)
RAILROAD OPERATIONS - GENERAL CARGO			
EFVM	12.9	12.3	4.9
FCA	10.8	10.8	0.0
EFC	2.3	1.5	53.3
EFVM - TKU	5.5	5.4	1.9
FCA - TKU	4.5	4.2	7.1

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

EFC - TKU	1.5	0.9	66.7
PORT OPERATIONS			
TUBARAO	9.5	7.6	25.0
SAO LUIZ	1.4	1.1	27.3
DOCENAVE OPERATIONS			
BULK CARGO	3.7	16.6	(77.7)
GENERAL CARGO (TEUS)	34.7	28.5	21.8
MANOEVERS	3.4	3.1	9.7

7.8- Changes in Prices (Unaudited)

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

	Asia Iron Ore (SSF) (US\$/ton)	Europe Iron Ore (SFCJ) (US\$/ton)	Gold (US\$/ounce)	Aluminum (US\$/ton)
	-----	-----	-----	-----
2001				
March	15.35	18.68	257.70	1,569.59
June	16.32	18.68	269.50	1,536.30
September	16.32	18.68	293.10	1,405.96
December	16.32	18.68	277.70	1,362.36
2002				
March	16.32	18.68	299.00	1,405.40
June	16.08	18.29	318.50	1,354.25

36

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

										(Millions)	
										JAN to JUN	JA
1998	%	1999	%	2000	%	2001	%	2001	%	20	
-----										-----	-----

FOREIGN MARKET

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

ASIA

CHINA	5.7	6	7.3	8	9.2	8	14.9	12	5.9	10	9
KOREA	7.1	7	7.9	8	7.0	6	6.0	5	3.1	5	3
PHILIPPINES	0.9	1	1.6	2	1.4	1	1.2	1	0.6	1	1
JAPAN	17.3	17	16.9	17	17.5	15	17.1	13	8.4	15	8
TAIWAN	1.6	2	1.8	2	1.6	2	2.2	2	1.0	2	0
OTHERS	1.1	1	0.6	-	0.4	-	1.1	1	0.1	-	-
	33.7	34	36.1	37	37.1	32	42.5	34	19.1	33	22

EUROPE

GERMANY	9.4	9	8.0	8	8.2	7	10.1	8	4.5	7	6
SPAIN	3.6	4	3.6	4	2.9	2	2.9	2	1.4	2	1
FRANCE	3.0	3	2.1	2	2.9	2	3.9	3	1.9	3	2
ITALY	6.1	6	5.0	5	4.8	4	5.1	4	2.7	4	3
UNITED KINGDOM	2.4	2	1.6	2	1.5	2	1.6	1	0.8	1	1
OTHERS	5.7	6	4.7	5	8.2	7	10.8	8	4.2	7	6
	30.2	30	25.0	26	28.5	24	34.4	26	15.5	24	21

AMERICAS

ARGENTINA	2.3	2	1.6	2	1.4	1	1.9	1	1.0	2	1
UNITED STATES	3.1	3	3.0	3	3.5	3	2.9	2	1.4	2	1
OTHERS	2.2	2	1.8	2	2.0	2	1.5	1	0.8	1	0
	7.6	7	6.4	7	6.9	6	6.3	4	3.2	5	3

AFRICA/MID.EAST/OCEANIA

BAHREIN	1.2	1	1.5	2	2.0	2	1.7	1	1.1	2	1
OTHERS	3.2	3	3.6	4	5.2	4	5.1	4	2.7	4	1
	4.4	4	5.1	6	7.2	6	6.8	5	3.8	6	2
	75.9	75	72.6	76	79.7	68	90.0	69	41.6	68	50

DOMESTIC MARKET

STEEL MILLS	15.0	15	13.6	14	15.5	13	20.2	16	9.7	16	10
PELLETING AFFILIATES	8.6	10	10.1	10	21.6	19	19.7	15	10.0	16	8
	23.6	25	23.7	24	37.1	32	39.9	31	19.7	32	19

TOTAL

	99.5	100	96.3	100	116.8	100	129.9	100	61.3	100	70
--	------	-----	------	-----	-------	-----	-------	-----	------	-----	----

Exports by System

(Mill

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

	1998	%	1999	%	2000	%	2001	%	JAN to JUN	
									2001	%
NORTHERN SYSTEM	44.0	44	42.8	44	46.6	40	50.8	39	25.4	41
SOUTHERN SYSTEM	55.5	56	53.5	56	70.2	60	79.1	61	35.9	59
	99.5	100	96.3	100	116.8	100	129.9	100	61.3	100

37

7.10- Shareholding Interests (Organizational Chart at 06/30/02)

Main Companies of the CVRD Group Holding in Total Stock (%)

COMPANHIA VALE DO RIO DOCE
 Valepar 27.14%
 Public 72.86%

FERROUS

IRON ORE AND PELLETS

Ferteco	
CVRD.....	100.00
Ferteco International*	
Ferteco.....	100.00
Belem-Adm e Part. Ltda	
CVRD.....	99.99
Docepar.....	0.01
Baovale Mineracao S.A.	
CVRD.....	50.00
Shanghai Baosteel.....	50.00
Minas de Serra Geral**	
CVRD.....	51.00
Kawasaki.....	24.50
Japanese Group.....	24.50
CAEMI	
Amazon (Itaco).....	16.85
Mitsui.....	43.37
Others.....	39.78
Samarco Mineracao S/A	
CVRD.....	50.00
BHP Brasil.....	50.00
Hispanobras**	
CVRD.....	50.89
Aceralia CS.....	49.11
Itabrasco**	
CVRD.....	50.90
Ilva.....	49.10
Nibrasco**	
CVRD.....	51.00
Nippon Steel.....	25.39
Japanese Group.....	23.61
Kobrasco**	

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

CVRD.....	50.00
POSCO.....	50.00
Kobin**	
Kobrasco.....	100.00
GIIC*	
ITACO.....	50.00
Gulf Invest. Co.....	50.00

MANGANESE AND ALLOYS

Urucum Meneracao S.A.	
CVRD.....	100.00
RDME*	
ITACO.....	100.00
SIBRA	
CVRD.....	99.23
Others.....	0.77
CPFL	
SIBRA.....	93.68
Others.....	6.32
Nova Era Silicon**	
CVRD.....	49.00
Mitsubishi.....	25.50
Kawasaki.....	22.50
Mizushima.....	3.00

NON FERROUS

PRECIOUS METALS, BASE METALS AND INDUSTRY MINERALS

Docegeo	
CVRD.....	99.998
Others.....	00.002
33 Mining Companies	
CVRD.....	100.00
PPSA	
CVRD.....	75.50
Mitsubishi.....	18.88
IFC.....	5.62
PPSA Overseas*	
PPSA.....	100.00
Salobo Metais	
CVRD.....	50.00
CBI (CVRD).....	50.00
Mineracao Sossego	
Min. Andira.....	56.82
Camelback (Itaco).....	43.18
Compania Mineradora Andino-Brasileira Limitada - CMAB*	
CVRD.....	99.90
Docepar.....	0.10

LOGISTICS

RAILROADS AND PORTS

TTV-Terminal de Vila Velha S.A.	
CVRD.....	99.887
Min. Tacuma.....	0.005
Employees.....	0.108
Ferrovias Centro Atlantica S.A.	
Min. Tacuma.....	45.65
VALIA.....	9.99
KRJ.....	12.31
CARMO.....	9.99
CPP.....	1.03

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

CSN.....	11.95
Others.....	9.08
Companhia Ferroviaria do Nordeste	
CVRD.....	30.00
Taquari.....	30.00
CSN.....	30.00
Employees.....	10.00
Ferrobán	
Previ.....	26.42
Funcef.....	23.62
LAIF XV Ltda.....	15.10
Gaborone.....	14.59
Brasil Ferrovias S.A.....	8.35
CVRD.....	3.75
Others.....	8.17
CSN Aceros S.A.*	
ITACO.....	62.50
CSN Panama.....	37.50
Sepetiba Tecon	
CSN Aceros S.A.....	80.00
CSN.....	20.00

SHIPPING

Docenave	
CVRD.....	100.00
Navedoce*	
Docenave.....	100.00
Seamar*	
Docenave.....	100.00

HOLDING
BAUXITE, ALUMINA AND ALUMINUM

Aluvale	
CVRD.....	94.74
ITACO.....	5.26
Albras**	
Aluvale.....	51.00
NAAC.....	49.00
Valesul**	
Aluvale.....	54.51
Billiton.....	45.49
Alunorte**	
Aluvale.....	57.58
Norsk Hydro.....	33.20
NAAC.....	4.25
CBA.....	3.62
JAIC.....	1.35
Min. Rio do Norte**	
Aluvale.....	40.00
Billiton.....	14.80
Alcan.....	12.00
CBA.....	10.00
Alcoa.....	8.58
Reynolds.....	5.00
Norsk Hydro.....	5.00
Abalco.....	4.62
Min. Vera Cruz	
Aluvale.....	36.00
Paraibuna.....	42.88
Fina Emp. Part.....	21.12

FERTILIZERS

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

Fosfertil		
CVRD.....		11.12
Fertifos.....		56.14
Others.....		32.74
	TIMBER, PULP & PAPER	
	Florestas Rio Doce	
CVRD.....		99.85
Others.....		0.15
Celmar		
CVRD.....		85.00
Nissho Iwai.....		15.00
	Steel	
CST**		
CVRD.....		22.85
Acesita/Usinor.....		37.29
Kawasaki.....		7.91
Others.....		31.95
Califonia Steel*		
Rio Doce Ltd.....		50.00
Kawasaki.....		50.00
Usiminas		
CVRD.....		11.46
Nippon Usiminas.....		9.45
Previ.....		8.02
CIU.....		4.95
Others.....		66.12
Sidear(*)		
Itabira Rio Doce.....		4.85
Usiminas.....		5.32
Sidertubes S/A.....		50.21
ISA (Employees).....		9.78
Others.....		29.84
	ENERGY	
Consortium Igarapava Usina Hidreletrica		
CVRD.....		38.15
Cia Mineira Metais.....		23.93
CSN.....		17.92
CEMIG.....		14.50
Min. Morro Velho.....		5.50
Consortium Porto Estrela Usina Hidreletrica		
CVRD.....		33.33
CEMIG.....		33.33
Coteminas.....		33.33
Consortium Aimores Usina Hidreletrica		
CVRD.....		51.00
CEMIG.....		49.00
Consortium Candonga Usina Hidreletrica		
CVRD.....		50.00
EPP.....		50.00
Consortium Funil Usina Hidreletrica		
CVRD.....		51.00
CEMIG.....		49.00
Consortium Capim Branco I e II - Usina Hidreletrica		
CVRD.....		48.42
CEMIG.....		21.05
Suzano.....		17.90
Votorantim.....		12.63
Consortium Foz do Chapeco Usina Hidreletrica		
CVRD.....		40.00

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

Foz do Chapeco Energia S.A.....	60.00
Consortium Santa Isabel Usina Hidreletrica	
CVRD.....	43.85
Billiton.....	20.60
Alcoa.....	20.00
Votorantim.....	10.00
C. Correa e Cimentos.....	5.55

OTHERS ABROAD

Rio Doce International*	
CVRD.....	100.00
Rio Doce Asia*	
Rio Doce International.....	100.00
Rio Doce Europa S.'a.r.l.*	
CVRD.....	99.80
Others.....	0.20
Rio Doce International Finance*	
Rio Doce Europa.....	100.00
Itabira Rio Doce Company Ltd. - ITACO*	
RDIF.....	100.00
Rio Doce America	
ITACO.....	100.00
Rio Doce Ltd.	
Rio Doce America.....	100.00
CVRD Overseas*	
ITACO.....	100.00
CVRD Finance*	
CVRD Overseas.....	100.00
CVRD Europe Trading Energy B.V. - CETE*	
CVRD.....	100.00
Brasilux	
CVRD.....	100.00
Rio Doce Comercio Internacional ApS*	
CVRD.....	100.00
Itabira Internacional Servicos e Comercio	
RDCI ApS*.....	99.99
Others.....	0.01
Vale Overseas Ltd*	
CVRD.....	100.00

38

7.11- Information About FERTECO (Unaudited)

Statement of Income

In thousands

	From 04/01/02 to 06/30/02	From 01/01/02 to 06/30/02	Fro 01/0 to 06
-----	-----	-----	-----

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

Operating revenues	223,624	358,292	171,28
Value-added taxes	(28,334)	(36,150)	(3,49
	-----	-----	-----
Net operating revenues	195,290	322,142	167,79
	-----	-----	-----
Cost of products and services	(127,765)	(197,784)	(101,60
	-----	-----	-----
Gross profit	67,525	124,358	66,19
Gain on investments accounted for by the equity method	(28,710)	(28,701)	(3,67
	-----	-----	-----
Operating income (expenses)			
Selling and administrative	(12,121)	(24,602)	(23,30
Financial expenses	(45,818)	(51,914)	(31,86
Financial income	1,558	3,079	45
Operating income (expenses)	(16,951)	(16,951)	
	-----	-----	-----
	(73,332)	(90,388)	(54,72
	-----	-----	-----
Operating profit	(34,517)	5,269	7,80
Non operating income (expenses), net	121	(95)	(10
	-----	-----	-----
Income before income tax and social contribution	(34,396)	5,174	7,69
Income tax and social contribution	24,344	13,825	(5,35
	-----	-----	-----
Net income for the period	(10,052)	18,999	2,34
	=====	=====	=====
Number of shares outstanding			
at the end of the period (in thousands)	225,775	225,775	225,77
	=====	=====	=====
Net earnings per share outstanding			
at the end of the period (R\$)	(0.04)	0.08	0.0
	=====	=====	=====

CVRD acquired Ferteco on May/01.

Investments

For 2002 Ferteco budgeted investments for maintenance of production capacity, research, training and environment.

39

7.12- Information About RDIF (Unaudited)

Statement of Income

	From 04/01/ 02 to 06/30/02	From 01/01/ to 06/
	-----	-----
Operating revenues	40,427	66,
Value-added taxes	-	
	-----	-----

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

Net operating revenues	40,427	66,
	-----	-----
Cost of products and services	(9,905)	(15,
	-----	-----
Gross profit	30,522	51,
Gain on investments accounted for by the equity method	(93,567)	(36,
Operating income (expenses)		
Selling	(211)	(
Administrative	-	
Financial expenses	(12,171)	(20,
Financial income	32,629	52,
Monetary and exchange rate variation, net	(107)	(
Other operating expenses, net	(207)	(
	-----	-----
	19,933	30,
	-----	-----
Operating profit	(43,112)	45,
Non operating income (expenses), net	-	
	-----	-----
Income before income tax and social contribution	(43,112)	45,
Income tax and social contribution	-	
	-----	-----
Net income for the period	(43,112)	45,
	=====	=====
Number of shares outstanding at the end of the period (in thousands)	10	
	=====	=====
Net earnings per share out standing at the end of the period (R\$)	(4,311.20)	4,56
	=====	=====

The company registered a net income of R\$ 45,610 in 2002 against R\$ 56,460 in 2001, due to:

Commission Income

The company receives commission from Brasilux on sales to the external market from its indirect controlled CVRD, and registered income of R\$ 66,480 in 2002 against R\$ 60,273 in 2001.

Result of Investments Participation

On July 2001, the Company acquired the capital of Itabira Rio Doce Company Ltd. ("ITACO"), registering a negative result of R\$ 36,077 by equity method.

40

PART III

PART III

8- EQUITY INVESTEE INFORMATION

8.1 - Aluminum Area - ALBRAS

(Adjusted and Non-Audited)

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

Information

		1st Quarter
Quantity sold - external market	MT (thousand)	84
Quantity sold - internal market	MT (thousand)	4
Quantity sold - total	MT (thousand)	88
Average sales price - external market	US\$	1,318.33
Average sales price - internal market	US\$	1,352.12
Average sales price - total	US\$	1,319.81
Long-term indebtedness, gross	US\$	524,095
Short-term indebtedness, gross	US\$	72,938
Total indebtedness, gross	US\$	597,033
Stockholders' equity	R\$	299,202
Net operating revenues	R\$	273,853
Cost of products	R\$	(170,834)
Other expenses/revenues	R\$	(12,562)
Depreciation, amortization and depletion	R\$	15,555
EBITDA	R\$	106,012
Depreciation, amortization and depletion	R\$	(15,555)
EBIT	R\$	90,457
Non-operating result	R\$	(746)
Net financial result	R\$	(11,141)
Income before income tax and social contribution	R\$	78,570
Income tax and social contribution	R\$	(2,627)
Net income	R\$	75,943

Information

		1st Quarter	2nd Quarter	Q
Quantity sold - external market	MT (thousand)	87	88	
Quantity sold - internal market	MT (thousand)	3	4	
Quantity sold - total	MT (thousand)	90	92	
Average sales price - external market	US\$	1,530.02	1,468.13	1,
Average sales price - internal market	US\$	1,606.92	1,528.21	14
Average sales price - total	US\$	1,532.90	1,470.68	1,
Long-term indebtedness, gross	US\$	527,685	496,058	4
Short-term indebtedness, gross	US\$	176,879	167,370	1
Total indebtedness, gross	US\$	704,564	663,428	6

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

Stockholders' equity	R\$	189,460	198,660	
Net operating revenues	R\$	277,094	307,826	2
Cost of products	R\$	(161,707)	(176,460)	(1
Other expenses/revenues	R\$	(12,828)	(9,735)	(
Depreciation, amortization and depletion	R\$	19,149	15,091	
EBITDA	R\$	121,708	136,722	
Depreciation, amortization and depletion	R\$	(19,149)	(15,091)	(
EBIT	R\$	102,559	121,631	
Non-operating result	R\$	582	(406)	
Net financial result	R\$	(119,075)	(114,009)	(2
Income before income tax and social contribution	R\$	(15,934)	7,216	(1
Income tax and social contribution	R\$	14,467	1,982	(
Net income	R\$	1,467	9,198	(1

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

Information

		1st Quarter
Quantity sold - external market	MT (thousand)	222
Quantity sold - internal market	MT (thousand)	205
Quantity sold - total	MT (thousand)	427
Average sales price - external market	US\$	148.20
Average sales price - internal market	US\$	175.94
Average sales price - total	US\$	161.55
Long-term indebtedness, gross	US\$	455,061
Short-term indebtedness, gross	US\$	-
Total indebtedness, gross	US\$	455,061
Stockholders' equity	R\$	573,946
Net operating revenues	R\$	164,875
Cost of products	R\$	(135,765)
Other expenses/revenues	R\$	(7,377)
Depreciation, amortization and depletion	R\$	12,802
EBITDA	R\$	34,535
Depreciation, amortization and depletion	R\$	(12,802)
EBIT	R\$	21,733
Non-operating result	R\$	(4)
Net financial result	R\$	(10,936)

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

Income before income tax and social contribution	R\$	10,793
Income tax and social contribution	R\$	(726)
Net income	R\$	10,067

Information

		1st Quarter	2nd Quarter	3rd Quarter
Quantity sold - external market	MT (thousand)	170	212	212
Quantity sold - internal market	MT (thousand)	193	195	195
Quantity sold - total	MT (thousand)	363	407	407
Average sales price - external market	US\$	195.23	189.14	181.14
Average sales price - internal market	US\$	202.01	195.80	188.80
Average sales price - total	US\$	198.83	192.33	184.33
Long-term indebtedness, gross	US\$	434,772	424,815	429,115
Short-term indebtedness, gross	US\$	43,410	47,102	20,102
Total indebtedness, gross	US\$	478,182	471,917	449,217
Stockholders' equity	R\$	433,497	417,974	334,974
Net operating revenues	R\$	149,709	188,075	177,209
Cost of products	R\$	(106,856)	(128,775)	(122,309)
Other expenses/revenues	R\$	(4,729)	(6,886)	(3,886)
Depreciation, amortization and depletion	R\$	12,904	12,861	12,704
EBITDA	R\$	51,028	65,275	63,704
Depreciation, amortization and depletion	R\$	(12,904)	(12,861)	(12,704)
EBIT	R\$	38,124	52,414	51,000
Non-operating result	R\$	749	(721)	1,000
Net financial result	R\$	(97,766)	(75,812)	(156,612)
Income before income tax and social contribution	R\$	(58,893)	(24,119)	(105,512)
Income tax and social contribution	R\$	15,653	7,153	(22,812)
Net income	R\$	(43,240)	(16,966)	(128,324)

42

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

Information

1st
Quarter

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

Quantity sold - internal market	MT (thousand)	-
Quantity sold - total	MT (thousand)	-
Average sales price - internal market	US\$	-
Average sales price - total	US\$	-
Short-term indebtedness, gross	US\$	-
Total indebtedness, gross	US\$	-
Stockholders' equity	R\$	891,456
Net operating revenues	R\$	288
Cost of products	R\$	(22)
Other expenses/revenues	R\$	4,571
Depreciation, amortization and depletion	R\$	-
EBITDA	R\$	4,837
Depreciation, amortization and depletion	R\$	-
EBIT	R\$	4,837
Gain on investments accounted for by the equity method	R\$	57,892
Net financial result	R\$	4,917
Income before income tax and social contribution	R\$	67,646
Income tax and social contribution	R\$	(2,723)
Net income	R\$	64,923

Information

		1st Quarter	2nd Quarter	Qu
Quantity sold - internal market	MT (thousand)	-	-	
Quantity sold - total	MT (thousand)	-	-	
Average sales price - internal market	US\$	-	-	1,96
Average sales price - total	US\$	-	-	1,96
Short-term indebtedness, gross	US\$	310	259	
Total indebtedness, gross	US\$	310	259	
Stockholders' equity	R\$	724,927	754,707	627
Net operating revenues	R\$	323	438	
Cost of products	R\$	-	-	
Other expenses/revenues	R\$	3,650	315	2
Depreciation, amortization and depletion	R\$	8	9	
EBITDA	R\$	3,981	762	3
Depreciation, amortization and depletion	R\$	(8)	(9)	
EBIT	R\$	3,973	753	3
Gain on investments accounted for by the equity method	R\$	(2,165)	27,928	(132)
Net financial result	R\$	3,155	3,916	4

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

Income before income tax and social contribution	R\$	4,963	32,597	(124)
Income tax and social contribution	R\$	3,870	(2,818)	(2)
Net income	R\$	8,833	29,779	(127)

8.4 - Aluminum Area - MRN

(Adjusted and Non-Audited)

Information

		1st Quarter	Q
Quantity sold - external market	MT (thousand)	485	
Quantity sold - internal market	MT (thousand)	1,296	
Quantity sold - total	MT (thousand)	1,781	
Average sales price - external market	US\$	20.56	
Average sales price - internal market	US\$	19.46	
Average sales price - total	US\$	19.80	
Long-term indebtedness, gross	US\$	95,892	
Short-term indebtedness, gross	US\$	14,436	
Total indebtedness, gross	US\$	110,328	1
Stockholders' equity	R\$	594,895	5
Net operating revenues	R\$	76,448	1
Cost of products	R\$	(39,697)	(
Other expenses/revenues	R\$	(569)	
Depreciation, amortization and depletion	R\$	9,840	
EBITDA	R\$	46,022	
Depreciation, amortization and depletion	R\$	(9,840)	(
EBIT	R\$	36,182	
Gain on investments accounted for by the equity method	R\$	(3,403)	
Non-operating result	R\$	(13)	
Net financial result	R\$	(1,804)	(
Income before income tax and social contribution	R\$	30,962	
Income tax and social contribution	R\$	(6,522)	
Net income	R\$	24,440	

Information

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

		1st Quarter	2nd Quarter	3rd Quarter
Quantity sold - external market	MT (thousand)	581	886	1,000
Quantity sold - internal market	MT (thousand)	1,604	1,946	1,800
Quantity sold - total	MT (thousand)	2,185	2,832	2,800
Average sales price - external market	US\$	22.70	21.99	22.00
Average sales price - internal market	US\$	20.08	20.16	20.00
Average sales price - total	US\$	21.39	21.08	21.00
Long-term indebtedness, gross	US\$	700	-	700
Short-term indebtedness, gross	US\$	1,456	1,400	1,100
Total indebtedness, gross	US\$	2,156	1,400	1,800
Stockholders' equity	R\$	522,722	577,587	544,000
Net operating revenues	R\$	86,629	124,021	139,000
Cost of products	R\$	(38,030)	(58,247)	(59,000)
Other expenses/revenues	R\$	(2,192)	(2,172)	(2,000)
Depreciation, amortization and depletion	R\$	11,199	11,244	10,000
EBITDA	R\$	57,606	74,846	87,000
Depreciation, amortization and depletion	R\$	(11,199)	(11,244)	(10,000)
EBIT	R\$	46,407	63,602	77,000
Gain on investments accounted for by the equity method	R\$	(5,540)	(2,050)	(10,000)
Non-operating result	R\$	(79)	82	(2,000)
Net financial result	R\$	225	(1,895)	(2,000)
Income before income tax and social contribution	R\$	41,013	59,739	64,000
Income tax and social contribution	R\$	(3,845)	(4,875)	(11,000)
Net income	R\$	37,168	54,864	52,000

44

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

Information

		1st Quarter	2nd Quarter
Quantity sold - external market	MT (thousand)	9	12
Quantity sold - internal market	MT (thousand)	12	12
Quantity sold - total	MT (thousand)	21	24
Average sales price - external market	US\$	1,467.44	1,866.67
Average sales price - internal market	US\$	1,906.21	1,866.67
Average sales price - total	US\$	1,720.97	1,866.67
Long-term indebtedness, gross	US\$	1,868	1,868
Short-term indebtedness, gross	US\$	685	685

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

Total indebtedness, gross	US\$	2,553	1
Stockholders' equity	R\$	231,170	246
Net operating revenues	R\$	77,727	92
Cost of products	R\$	(63,576)	(71)
Other expenses/revenues	R\$	(3,223)	(1)
Depreciation, amortization and depletion	R\$	3,332	3
EBITDA	R\$	14,260	23
Depreciation, amortization and depletion	R\$	(3,332)	(3)
EBIT	R\$	10,928	19
Non-operating result	R\$	55	
Net financial result	R\$	(597)	
Income before income tax and social contribution	R\$	10,386	20
Income tax and social contribution	R\$	(4,122)	(5)
Net income	R\$	6,264	14

Information

		1st Quarter	2nd Quarter	3rd Quarter
Quantity sold - external market	MT (thousand)	2	9	
Quantity sold - internal market	MT (thousand)	14	17	
Quantity sold - total	MT (thousand)	16	26	
Average sales price - external market	US\$	1,733.37	1,585.14	1,55
Average sales price - internal market	US\$	2,155.46	2,047.69	1,93
Average sales price - total	US\$	2,107.06	1,882.41	1,78
Long-term indebtedness, gross	US\$	2,568	2,273	2
Short-term indebtedness, gross	US\$	33,619	9,700	
Total indebtedness, gross	US\$	36,187	11,973	3
Stockholders' equity	R\$	190,016	205,881	218
Net operating revenues	R\$	59,652	98,954	77
Cost of products	R\$	(40,859)	(68,267)	(54)
Other expenses/revenues	R\$	(5,104)	(11,433)	1
Depreciation, amortization and depletion	R\$	3,510	3,027	3
EBITDA	R\$	17,199	22,281	28
Depreciation, amortization and depletion	R\$	(3,510)	(3,027)	(3)
EBIT	R\$	13,689	19,254	24
Non-operating result	R\$	49	(1,392)	
Net financial result	R\$	(3,079)	3,513	(8)
Income before income tax and social contribution	R\$	10,659	21,375	15
Income tax and social contribution	R\$	(2,597)	(5,510)	(3)
Net income	R\$	8,062	15,865	12

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

8.6 - Pelletizing Affiliates - HISPANOBRAS

(Adjusted and Non-Audited)

Information

		1st Quarter	2nd Quarter	3rd Quarter
Quantity sold - external market	MT (thousand)	487		
Quantity sold - internal market - CVRD	MT (thousand)	420		
Quantity sold - total	MT (thousand)	907		
Average sales price - external market	US\$	31.33		
Average sales price - internal market	US\$	31.43		
Average sales price - total	US\$	31.38		
Stockholders' equity	R\$	85,476		
Net operating revenues	R\$	67,353		
Cost of products	R\$	(57,628)		
Other expenses/revenues	R\$	(737)		
Depreciation, amortization and depletion	R\$	2,458		
EBITDA	R\$	11,446		
Depreciation, amortization and depletion	R\$	(2,458)		
EBIT	R\$	8,988		
Non-operating result	R\$	(1,465)		
Net financial result	R\$	854		
Income before income tax and social contribution	R\$	8,377		
Income tax and social contribution	R\$	(3,362)		
Net income	R\$	5,015		

Information

		1st Quarter	2nd Quarter	3rd Quarter
Quantity sold - external market	MT (thousand)	312	336	
Quantity sold - internal market - CVRD	MT (thousand)	520	560	
Quantity sold - total	MT (thousand)	832	896	
Average sales price - external market	US\$	30.80	30.79	32.00
Average sales price - internal market	US\$	30.57	31.55	32.00
Average sales price - total	US\$	30.65	31.26	32.00
Stockholders' equity	R\$	73,036	76,910	85,476
Net operating revenues	R\$	52,089	64,459	73,036
Cost of products	R\$	(44,565)	(53,537)	(60,000)

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

Other expenses/revenues	R\$	(502)	(487)	1,
Depreciation, amortization and depletion	R\$	2,377	2,378	2,
<hr/>				
EBITDA	R\$	9,399	12,813	16,
Depreciation, amortization and depletion	R\$	(2,377)	(2,378)	(2,
<hr/>				
EBIT	R\$	7,022	10,435	14,
Non-operating result	R\$	(1,471)	(2,537)	(2,
Net financial result	R\$	2,460	833	4,
<hr/>				
Income before income tax and social contribution	R\$	8,011	8,731	15,
Income tax and social contribution	R\$	(2,161)	(3,419)	(5,
<hr/>				
Net income	R\$	5,850	5,312	10,

46

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

Information

		1st Quarter	Q
Quantity sold - external market	MT (thousand)	644	
Quantity sold - internal market - CVRD	MT (thousand)	233	
<hr/>			
Quantity sold - total	MT (thousand)	877	
<hr/>			
Average sales price - external market	US\$	31.16	2
Average sales price - internal market	US\$	31.90	2
Average sales price - total	US\$	31.35	2
Long-term indebtedness, gross	US\$	-	
Short-term indebtedness, gross	US\$	18,023	17
<hr/>			
Total indebtedness, gross	US\$	18,023	17
<hr/>			
Stockholders' equity	R\$	60,230	65
<hr/>			
Net operating revenues	R\$	65,575	49
Cost of products	R\$	(56,551)	(47
Other expenses/revenues	R\$	(1,020)	
Depreciation, amortization and depletion	R\$	327	
<hr/>			
EBITDA	R\$	8,331	2
Depreciation, amortization and depletion	R\$	(327)	
<hr/>			
EBIT	R\$	8,004	2
Non-operating result	R\$	(2,494)	(2
Net financial result	R\$	(637)	9
<hr/>			
Income before income tax and social contribution	R\$	4,873	9
Income tax and social contribution	R\$	(2,412)	(3
<hr/>			
Net income	R\$	2,461	5

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

Information

		1st Quarter	2nd Quarter	3rd Quarter
Quantity sold - external market	MT (thousand)	497	579	
Quantity sold - internal market	MT (thousand)	278	196	
Quantity sold - total	MT (thousand)	775	775	
Average sales price - external market	US\$	31.13	31.96	31.19
Average sales price - internal market	US\$	31.29	32.66	31.19
Average sales price - total	US\$	31.19	31.62	31.19
Long-term indebtedness, gross	US\$	-	-	
Short-term indebtedness, gross	US\$	503	-	
Total indebtedness, gross	US\$	503	-	
Stockholders' equity	R\$	46,768	65,160	68,160
Net operating revenues	R\$	48,950	56,985	59,985
Cost of products	R\$	(45,783)	(44,756)	(52,756)
Other expenses/revenues	R\$	(1,086)	(1,379)	2,750
Depreciation, amortization and depletion	R\$	288	309	
EBITDA	R\$	2,369	11,159	9,985
Depreciation, amortization and depletion	R\$	(288)	(309)	(309)
EBIT	R\$	2,081	10,850	9,676
Non-operating result	R\$	(12)	6,437	
Net financial result	R\$	2,770	1,808	2,750
Income before income tax and social contribution	R\$	4,839	19,095	11,426
Income tax and social contribution	R\$	(3,288)	(707)	(707)
Net income	R\$	1,551	18,388	4,719

8.8 - Pelletizing Affiliates - KOBRASCO

(Adjusted and Non-Audited)

Information

		1st Quarter	2nd Quarter	3rd Quarter
Quantity sold - external market	MT (thousand)		436	
Quantity sold - internal market - CVRD	MT (thousand)		420	
Quantity sold - internal market - Others			-	

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

Quantity sold - total	MT (thousand)	856	
Average sales price - external market	US\$	31.31	
Average sales price - internal market	US\$	32.08	
Average sales price - total	US\$	31.69	
Long-term indebtedness, gross	US\$	149,583	14
Short-term indebtedness, gross	US\$	-	
Total indebtedness, gross	US\$	149,583	14
Stockholders' equity	R\$	16,608	(3)
Net operating revenues	R\$	63,984	7
Cost of products	R\$	(50,027)	(6)
Other expenses/revenues	R\$	(1,109)	
Depreciation, amortization and depletion	R\$	2,248	
EBITDA	R\$	15,096	
Depreciation, amortization and depletion	R\$	(2,248)	(
EBIT	R\$	12,848	
Other expenses - non cash	R\$	(2,984)	(
Gain on investments accounted for by the equity method	R\$	57	
Non-operating result	R\$	31	
Net financial result	R\$	(3,811)	(7)
Income before income tax and social contribution	R\$	6,141	(7)
Income tax and social contribution	R\$	(3,093)	2
Net income	R\$	3,048	(4)

Information

		1st Quarter	2nd Quarter	3 Qua
Quantity sold - external market	MT (thousand)	561	523	
Quantity sold - internal market - CVRD	MT (thousand)	420	489	
Quantity sold - internal market - Others		-	-	
Quantity sold - total	MT (thousand)	981	1,012	1,
Average sales price - external market	US\$	30.04	31.38	33
Average sales price - internal market	US\$	31.80	31.29	
Average sales price - total	US\$	30.79	31.34	31
Long-term indebtedness, gross	US\$	128,282	128,006	128,
Short-term indebtedness, gross	US\$	-	-	
Total indebtedness, gross	US\$	128,282	128,006	128,
Stockholders' equity	R\$	39,224	32,574	(39,
Net operating revenues	R\$	61,210	70,414	90,
Cost of products	R\$	(46,868)	(56,123)	(68,
Other expenses/revenues	R\$	(734)	(755)	(
Depreciation, amortization and depletion	R\$	2,225	2,226	2,
EBITDA	R\$	15,833	15,762	23,
Depreciation, amortization and depletion	R\$	(2,225)	(2,226)	(2,

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

EBIT	R\$	13,608	13,536	21,
Other expenses - non cash	R\$	-	-	(52,
Gain on investments accounted for by the equity method	R\$	316	229	(
Non-operating result	R\$	12	(46)	
Net financial result	R\$	(32,118)	(23,780)	(51,
<hr/>				
Income before income tax and social contribution	R\$	(18,182)	(10,061)	(82,
Income tax and social contribution	R\$	6,198	3,411	10,
<hr/>				
Net income	R\$	(11,984)	(6,650)	(72,
<hr/>				

48

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

Information

		1st Quarter	Q
Quantity sold - external market	MT (thousand)	407	
Quantity sold - internal market - CVRD	MT (thousand)	584	
Quantity sold - internal market - Others	MT (thousand)	9	
Quantity sold - total	MT (thousand)	1,000	
Average sales price - external market	US\$	30.25	
Average sales price - internal market	US\$	30.49	
Average sales price - total	US\$	30.39	
Long-term indebtedness, gross	US\$	3,600	
Short-term indebtedness, gross	US\$	2,484	
Total indebtedness, gross	US\$	6,084	
Stockholders' equity	R\$	78,682	
Net operating revenues	R\$	70,936	
Cost of products	R\$	(70,397)	
Other expenses/revenues	R\$	144	
Depreciation, amortization and depletion	R\$	4,217	
EBITDA	R\$	4,900	
Depreciation, amortization and depletion	R\$	(4,217)	
EBIT	R\$	683	
Other expenses - non cash	R\$	(2,548)	
Net financial result	R\$	(2,463)	
Income before income tax and social contribution	R\$	(4,328)	
Income tax and social contribution	R\$	66	
Net income	R\$	(4,262)	

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

Information

		1st Quarter	2nd Quarter	3rd Quarter
Quantity sold - external market	MT (thousand)	806	559	559
Quantity sold - internal market - CVRD	MT (thousand)	1,169	1,572	999
Quantity sold - internal market - Others	MT (thousand)	35	38	38
Quantity sold - total	MT (thousand)	2,010	2,169	1,496
Average sales price - external market	US\$	30.16	30.00	30.00
Average sales price - internal market	US\$	30	31	30
Average sales price - total	US\$	30.31	31.00	29.99
Long-term indebtedness, gross	US\$	6,000	4,800	4,800
Short-term indebtedness, gross	US\$	2,619	2,400	2,500
Total indebtedness, gross	US\$	8,619	7,200	7,300
Stockholders' equity	R\$	122,313	113,062	79,000
Net operating revenues	R\$	122,876	151,327	109,300
Cost of products	R\$	107,077	(125,975)	(102,100)
Other expenses/revenues	R\$	(10,534)	(8,049)	12,900
Depreciation, amortization and depletion	R\$	4,086	4,086	4,100
EBITDA	R\$	9,351	21,389	24,200
Depreciation, amortization and depletion	R\$	(4,086)	(4,086)	(4,100)
EBIT	R\$	5,265	17,303	20,100
Other expenses - non cash	R\$	-	-	(42,000)
Net financial result	R\$	902	679	(8,400)
Income before income tax and social contribution	R\$	6,167	17,982	(30,300)
Income tax and social contribution	R\$	(3,172)	(4,734)	(3,600)
Net income	R\$	2,995	13,248	(34,000)

8.10 - Pelletizing Affiliates - SAMARCO

(Adjusted and Non-Audited)

Information

		1st Quarter	2nd Quarter
Quantity sold - total	MT (thousand)	3,301	3,301
Average sales price - total	US\$	28.48	28.48
Long-term indebtedness, gross	US\$	92,788	92,788
Short-term indebtedness, gross	US\$	169,170	169,170
Total indebtedness, gross	US\$	261,958	261,958

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

Stockholders' equity	R\$	510,038	4
Net operating revenues	R\$	212,909	2
Cost of products	R\$	(108,837)	(1)
Other expenses/revenues	R\$	(18,632)	(
Depreciation, amortization and depletion	R\$	7,745	
EBITDA	R\$	93,185	1
Depreciation, amortization and depletion	R\$	(7,745)	
EBIT	R\$	85,440	1
Other expenses/revenues - non cash	R\$	(1,815)	
Gain on investments accounted for by the equity method	R\$	2,213	(
Non-operating result	R\$	50	
Net financial result	R\$	(15,237)	(
Income before income tax and social contribution	R\$	70,651	(
Income tax and social contribution	R\$	(12,555)	
Net income	R\$	58,096	(

Information

		1st Quarter	2nd Quarter	3rd Quarter
Quantity sold - total	MT (thousand)	3,399	2,919	2,3
Average sales price - total	US\$	28.83	30.00	29.
Long-term indebtedness, gross	US\$	166,257	132,655	119,3
Short-term indebtedness, gross	US\$	188,795	164,003	158,2
Total indebtedness, gross	US\$	355,052	296,658	277,5
Stockholders' equity	R\$	418,290	447,693	399,2
Net operating revenues	R\$	197,904	190,671	166,9
Cost of products	R\$	(95,771)	(80,978)	(73,4
Other expenses/revenues	R\$	(18,514)	(19,602)	(12,7
Depreciation, amortization and depletion	R\$	9,268	8,113	5,7
EBITDA	R\$	92,887	98,204	86,4
Depreciation, amortization and depletion	R\$	(9,268)	(8,113)	(5,7
EBIT	R\$	83,619	90,091	80,6
Other expenses/revenues - non cash	R\$	(5,275)	(2,993)	(4,4
Gain on investments accounted for by the equity method	R\$	(3,570)	(4,541)	(9,2
Non-operating result	R\$	-	16	(19,4
Net financial result	R\$	(63,754)	(45,453)	(97,9
Income before income tax and social contribution	R\$	11,020	37,120	(50,5
Income tax and social contribution	R\$	(3,324)	(7,657)	2,0
Net income	R\$	7,696	29,463	(48,4

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

8.11 - Iron Ore Area - FERTECO

(Adjusted and Non-Audited)

Information

		1st Quarter	Q
Quantity sold - external market	MT (thousand)	2,470	
Quantity sold - internal market	MT (thousand)	789	
Quantity sold - total	MT (thousand)	3,259	
Average sales price - external market	US\$	16.91	
Average sales price - internal market	US\$	12.98	
Average sales price - total	US\$	15.96	
Long-term indebtedness, gross	US\$	94,359	
Short-term indebtedness, gross	US\$	55,244	
Total indebtedness, gross	US\$	149,603	1
Stockholders' equity	R\$	215,058	5
Net operating revenues	R\$	126,852	1
Cost of products	R\$	(70,019)	(1
Other expenses/revenues	R\$	(12,481)	(
Depreciation, amortization and depletion	R\$	7,273	
EBITDA	R\$	51,625	
Depreciation, amortization and depletion	R\$	(7,273)	
EBIT	R\$	44,352	
Result of Investments Participation (* *)	R\$	9	(
Non-operating result	R\$	(216)	(
Net financial result	R\$	(4,575)	(
Income before income tax and social contribution	R\$	39,570	(
Income tax and social contribution	R\$	(10,519)	
Net income	R\$	29,051	(

Information

		1st Quarter	2nd Quarter	3 Qua
Quantity sold - external market	MT (thousand)	-	3,955	3,
Quantity sold - internal market	MT (thousand)	-	598	
Quantity sold - total	MT (thousand)	-	4,553	4,
Average sales price - external market	US\$	-	16.50	17
Average sales price - internal market	US\$	-	5.35	14
Average sales price - total	US\$	-	15.16	17
Long-term indebtedness, gross	US\$	-	101,394	103,
Short-term indebtedness, gross	US\$	-	86,257	72,
Total indebtedness, gross	US\$	-	187,651	175,

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

Stockholders' equity	R\$	-	225,625	204,
Net operating revenues	R\$	-	167,796	175,
Cost of products	R\$	-	(101,601)	(86,
Other expenses/revenues	R\$	-	(23,309)	(24,
Depreciation, amortization and depletion	R\$	-	2,235	3,
EBITDA	R\$	-	45,121	67,
Depreciation, amortization and depletion	R\$	-	(2,235)	(3,
EBIT	R\$	-	42,886	64,
Result of Investments Participation (* *)	R\$	-	(3,671)	(2,
Non-operating result	R\$	-	(106)	
Net financial result	R\$	-	(31,412)	(76,
Income before income tax and social contribution	R\$	-	7,697	(14,
Income tax and social contribution	R\$	-	(5,354)	9,
Net income	R\$	-	2,343	(5,

(*) After acquisition on 04/01

(**) Includes R\$ 21,040 of provision for loss at MRS and R\$ 7,670 of amortization of goodwill at MRS.

51

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

Information

		1st Quarter	Q
Quantity sold - external market - ferro alloy	MT (thousand)	10	
Quantity sold - internal market - ferro alloy	MT (thousand)	19	
Quantity sold - total	MT (thousand)	29	
Quantity sold - external market - manganese	MT (thousand)	242	
Quantity sold - internal market - manganese	MT (thousand)	36	
Quantity sold - total	MT (thousand)	278	
Average sales price - external market - ferro alloy	US\$	465.60	
Average sales price - internal market - ferro alloy	US\$	434.86	
Average sales price - total	US\$	445.67	
Average sales price - external market - manganese	US\$	52.99	
Average sales price - internal market - manganese	US\$	69.56	
Average sales price - total	US\$	55.11	
Long-term indebtedness, gross	US\$	24,720	
Short-term indebtedness, gross	US\$	24,465	
Total indebtedness, gross	US\$	49,185	
Stockholders' equity	R\$	242,845	2

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

Net operating revenues	R\$	62,105
Cost of products	R\$	(31,569)
Other expenses/revenues	R\$	(2,024)
Depreciation, amortization and depletion	R\$	2,186
EBITDA	R\$	30,698
Depreciation, amortization and depletion	R\$	(2,186)
EBIT	R\$	28,512
Gain on investments accounted for by the equity method	R\$	9,061
Non-operating result	R\$	(234)
Net financial result	R\$	(1,784)
Income before income tax and social contribution	R\$	35,555
Income tax and social contribution	R\$	(1,994)
Net income	R\$	33,561

Information

		1st Quarter	2nd Quarter	3rd Quarter
Quantity sold - external market - ferro alloy	MT (thousand)	10	9	7
Quantity sold - internal market - ferro alloy	MT (thousand)	15	15	14
Quantity sold - total	MT (thousand)	25	24	21
Quantity sold - external market - manganese	MT (thousand)	189	337	284
Quantity sold - internal market - manganese	MT (thousand)	22	2	22
Quantity sold - total	MT (thousand)	211	339	306
Average sales price - external market - ferro alloy	US\$	650.08	570.11	542.65
Average sales price - internal market - ferro alloy	US\$	538.29	441.24	422.62
Average sales price - total	US\$	582.53	489.44	460.70
Average sales price - external market - manganese	US\$	39.41	45.61	47.71
Average sales price - internal market - manganese	US\$	61.44	245.17	67.07
Average sales price - total	US\$	41.74	46.54	49.13
Long-term indebtedness, gross	US\$	41,322	51,374	43,986
Short-term indebtedness, gross	US\$	35,241	24,292	20,457
Total indebtedness, gross	US\$	76,563	75,666	64,443
Stockholders' equity	R\$	135,167	155,189	161,011
Net operating revenues	R\$	44,719	58,425	16,260
Cost of products	R\$	(28,943)	(25,469)	(9,957)
Other expenses/revenues	R\$	(20,865)	(3,627)	247
Depreciation, amortization and depletion	R\$	-	5,278	1,984
EBITDA	R\$	(5,089)	34,607	8,534
Depreciation, amortization and depletion	R\$	-	(5,278)	(1,984)
EBIT	R\$	(5,089)	29,329	6,550
Gain on investments accounted for by the equity method	R\$	4,922	1,617	307
Non-operating result	R\$	(481)	(2,722)	(662)
Net financial result	R\$	(5,272)	(4,009)	641

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

Income before income tax and social contribution	R\$	(5,920)	24,215	6,836
Income tax and social contribution	R\$	-	(4,192)	(1,014)
Net income	R\$	(5,920)	20,023	5,822

52

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

Information

		1st Quarter	2nd Quarter	3rd Quarter
Quantity sold - external market	MT (thousand)	13	17	-
Quantity sold - internal market	MT (thousand)	24	20	-
Quantity sold - total	MT (thousand)	37	37	-
Average sales price - external market	US\$	568.10	687.76	-
Average sales price - internal market	US\$	489.47	468.73	-
Average sales price - total	US\$	517.01	569.36	-
Long-term indebtedness, gross	US\$	3,932	3,853	-
Short-term indebtedness, gross	US\$	6,682	5,580	-
Total indebtedness, gross	US\$	10,614	9,433	-
Stockholders' equity	R\$	138,780	148,438	-
Net operating revenues	R\$	38,973	46,525	-
Cost of products	R\$	(27,073)	(33,506)	-
Other expenses/revenues	R\$	(2,192)	(4,729)	-
Depreciation, amortization and depletion	R\$	1,046	1,060	-
EBITDA	R\$	10,754	9,350	-
Depreciation, amortization and depletion	R\$	(1,046)	(1,060)	-
EBIT	R\$	9,708	8,290	-
Gain on investments accounted for by the equity method	R\$	71	421	-
Non-operating result	R\$	(966)	(250)	-
Net financial result	R\$	1,220	1,197	-
Income before income tax and social contribution	R\$	10,033	9,658	-
Income tax and social contribution	R\$	-	-	-
Net income	R\$	10,033	9,658	-

Information

1st 2nd 3rd

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

		Quarter	Quarter	Qua
Quantity sold - external market	MT (thousand)	18	20	
Quantity sold - internal market	MT (thousand)	16	17	
Quantity sold - total	MT (thousand)	34	37	
Average sales price - external market	US\$	475.61	593.98	703
Average sales price - internal market	US\$	598.83	570.29	1,035
Average sales price - total	US\$	533.34	583.02	868
Long-term indebtedness, gross	US\$	7,707	10,390	8,
Short-term indebtedness, gross	US\$	12,853	9,427	8,
Total indebtedness, gross	US\$	20,560	19,817	16,
Stockholders' equity	R\$	110,615	112,711	119,
Net operating revenues	R\$	36,776	44,610	46,
Cost of products	R\$	(26,004)	(30,109)	(35,
Other expenses/revenues	R\$	(4,884)	(12,191)	(1,
Depreciation, amortization and depletion	R\$	909	909	
EBITDA	R\$	6,797	3,219	11,
Depreciation, amortization and depletion	R\$	(909)	(909)	(
EBIT	R\$	5,888	2,310	10,
Gain on investments accounted for by the equity method	R\$	(93)	(242)	
Non-operating result	R\$	(164)	(671)	(
Net financial result	R\$	(497)	1,030	(
Income before income tax and social contribution	R\$	5,134	2,427	9,
Income tax and social contribution	R\$	-	(336)	(2,
Net income	R\$	5,134	2,091	7,

9- OPINION OF INDEPENDENT ACCOUNTANTS

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

August 14, 2002

To the Board of Directors
Companhia Vale do Rio Doce

1 We have carried out limited reviews of the Quarterly Financial Information - ITR of Companhia Vale do Rio Doce for the quarters ended June 30, 2002 and 2001. This financial information is the responsibility of the Company's management.

2 Except as mentioned in paragraph three, our limited reviews were carried

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

out in accordance with the specific procedures established by the Institute of Independent Auditors of Brazil (IBRACON), in conjunction with the Federal Accounting Board, and consisted mainly of: (a) inquires and discussion with the officers responsible for the Company's accounting, financial and operational areas about the procedures adopted for preparing the Quarterly Financial Information - ITR, and (b) review of the information and subsequent events which have, or may have, relevant effects on the Company's financial position and operations.

- 3 The financial statements at June 30, 2002 and 2001, of subsidiary, jointly-owned and associated companies, in which there are relevant investments, have not been reviewed by independent accountants. Thus, the conclusions resulting from our reviews do not cover the amounts of R\$ 6,909,059 thousand (2001 - R\$ 6,603,856 thousand) of these investments and R\$ 909,701 thousand (2001 - R\$ 321,767 thousand) of the income produced by them for the quarters then ended.
- 4 Based on our limited reviews, except for the effects of any adjustments which might have been required if the financial statements of the subsidiary, jointly-owned and associated companies mentioned in paragraph 3 had been reviewed by independent accountants, we are not aware of any relevant adjustments which should be made to the Quarterly Financial Information - ITR, referred to in paragraph 1, for it to be in accordance with the rules issued by the Brazilian Securities Commission - CVM specifically applicable to the preparation of obligatory Quarterly Financial Information - ITR.
- 5 The Quarterly Financial Information - ITR also contains accounting and financial information relating to the quarter ended March 31, 2002. We reviewed this information at the time of its preparation and issued our respective report on May 3, 2002, including the limitation mentioned in paragraph 3.

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

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

54

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

Board of Directors

Chief Executive Officer
Roger Agnelli

Luiz Tarquinio Sardinha Ferro

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

Chairman

Erik Persson

Director of Legal Affairs
Francisco Rohan de Lima

Renato Augusto Zagallo Villela dos Santos

Diretor de Desenvolvimento de Projetos Mine
Jose Lancaster

Francisco Valadares Povoá

Joao Moises Oliveira

Executive Director of Finance
Fabio de Oliveira Barbosa

Jose Marques de Lima

Octavio Lopes Castello Branco Neto

Executive Director of Planning
Gabriel Stoliar

Renato da Cruz Gomes

Romeu do Nascimento Teixeira

Executive Director of Human Resources and
Corporate Services
Carla Grasso

Audit Committee

Claudio Bernardo Guimaraes de Moraes

Executive Director of the Iron Ore Area
Armando de Oliveira Santos Neto

Eliseu Martins

Marcos Fabio Coutinho

Executive Director of Logistics Area
Guilherme Rodolfo Laager

Pedro Carlos de Mello

Ricardo Wiering de Barros

Executive Director of the Shareholdings Area
Businesses Development
Antonio Miguel Marques

Executive Director of Non-Ferrous Area
Diego Cristobal Hernandez Cabrera

Eduardo de Carvalho Duarte
Chief Accountant
CRC-RJ 57439

Otto de
Di

SIGNATURES

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

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

undersigned, thereunto duly authorized.

COMPANHIA VALE DO RIO DOCE
(Registrant)

Date: August 20, 2002

By: /s/ Eduardo de Carvalho Duarte

Eduardo de Carvalho Duarte
Chief Accountant