

Companhia Vale do Rio Doce  
Form 6-K  
August 07, 2007

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**United States  
Securities and Exchange Commission  
Washington, D.C. 20549  
FORM 6-K  
Report of Foreign Private Issuer  
Pursuant To Rule 13a-16 or 15d-16  
of the  
Securities Exchange Act of 1934  
For the month of  
August 2007**

**Companhia Vale do Rio Doce**  
Avenida Graca Aranha, No. 26  
20030-900 Rio de Janeiro, RJ, Brazil  
(Address of principal executive office)

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

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

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

(Check One) Yes  No

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

**COMPANHIA VALE DO RIO DOCE**  
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**Report of Independent Registered  
Public Accounting Firm**

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

We have reviewed the accompanying condensed consolidated balance sheet of Companhia Vale do Rio Doce and its subsidiaries as of June 30, 2007, and the related condensed consolidated statements of income, of cash flows and of changes in stockholder's equity for each of the three-month periods ended June 30, 2007, March 31, 2007 and June 30, 2006 and for the six-month periods ended June 30, 2007 and June 30, 2006. This interim financial information is the responsibility of the Company's management.

We conducted our review in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements taken as a whole.

Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying condensed consolidated interim financial information for it to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet as of December 31, 2006, and the related consolidated statements of income, of cash flows and of changes in stockholders' equity for the year then ended (not presented herein), and in our report dated March 7, 2007, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of December 31, 2006, is fairly stated in all material respects in relation to the consolidated balance sheet from which it has been derived.

PricewaterhouseCoopers  
Auditores Independentes  
Rio de Janeiro, RJ  
July 31, 2007

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**Table of Contents****Condensed Consolidated Balance Sheets  
Expressed in millions of United States dollars**

	<b>June 30, 2007 (Unaudited)</b>	<b>December 31, 2006</b>
Assets		
Current assets		
Cash and cash equivalents	1,774	4,448
Accounts receivable		
Related parties	449	675
Unrelated parties	3,642	2,929
Loans and advances to related parties	110	40
Inventories	3,327	3,493
Deferred income tax	588	410
Recoverable taxes	469	414
Others	442	531
	<b>10,801</b>	<b>12,940</b>
Property, plant and equipment, net, and intangible assets	<b>47,698</b>	<b>38,007</b>
Investments in affiliated companies, joint ventures and other investments	<b>2,446</b>	<b>2,353</b>
Other assets		
Goodwill on acquisition of subsidiaries	3,304	4,484
Loans and advances		
Related parties	1	5
Unrelated parties	125	109
Prepaid pension cost	1,329	977
Prepaid expenses	237	360
Judicial deposits	998	852
Advances to suppliers - energy	560	443
Recoverable taxes	282	305
Unrealized gains on derivative instruments	391	22
Others	143	69
	<b>7,370</b>	<b>7,626</b>
<b>TOTAL</b>	<b>68,315</b>	<b>60,926</b>

The accompanying notes are an integral part of this condensed consolidated financial information.

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**Condensed Consolidated Balance Sheets**  
**Expressed in millions of United States dollars**  
**(Except number of shares)**

(Continued)

	<b>June 30, 2007 (Unaudited)</b>	<b>December 31, 2006</b>
Liabilities and stockholders' equity		
Current liabilities		
Suppliers	2,047	2,382
Payroll and related charges	468	451
Minimum annual dividends attributed to stockholders	856	1,494
Current portion of long-term debt - unrelated parties	755	711
Short-term debt		723
Loans from related parties	35	25
Provision for income taxes	1,245	817
Taxes payable	94	119
Employees post-retirement benefits	116	107
Others	574	483
	<b>6,190</b>	<b>7,312</b>
Long-term liabilities		
Employees post-retirement benefits	1,932	1,841
Long-term debt - unrelated parties	18,284	21,122
Provisions for contingencies (Note 14 (c))	1,800	1,641
Unrealized loss on derivative instruments	708	705
Deferred income tax	5,733	4,527
Provisions for asset retirement obligations	734	676
Others	1,491	618
	<b>30,682</b>	<b>31,130</b>
Minority interests	<b>2,358</b>	<b>2,811</b>
Commitments and contingencies (Note 14)		
Stockholders' equity (Note 11)		
Preferred class A stock - 3,600,000,000 no-par-value shares authorized and 959,758,200 issued	4,919	4,702
Common stock - 1,800,000,000 no-par-value shares authorized and 1,499,898,858 issued	7,776	3,806
Treasury stock - 15,170,644 preferred and 28,291,020 common shares	(389)	(389)
Additional paid-in capital	498	498

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Mandatory convertible notes in common shares	1,288	
Mandatory convertible notes in preferred shares	581	
Other cumulative comprehensive income (deficit)	227	(1,004)
Undistributed retained earnings	6,233	9,555
Unappropriated retained earnings	7,952	2,505
	<b>29,085</b>	<b>19,673</b>
<b>TOTAL</b>	<b>68,315</b>	<b>60,926</b>

The accompanying notes are an integral part of this condensed consolidated financial information.

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**Table of Contents****Condensed Consolidated Statements of Income**  
**Expressed in millions of United States dollars (unaudited)**

	Three-month periods ended			Six-month periods ended	
	June 30, 2007	March 31, 2007	June 30, 2006	2007	June 30, 2006
Operating revenues, net of discounts, returns and allowances					
Sales of ores and metals	7,667	6,634	3,286	14,301	6,046
Revenues from logistic services	414	331	362	745	651
Aluminum products	724	649	640	1,373	1,069
Other products and services	94	66	25	160	37
	<b>8,899</b>	<b>7,680</b>	<b>4,313</b>	<b>16,579</b>	<b>7,803</b>
Taxes on revenues	(207)	(191)	(167)	(398)	(317)
Net operating revenues	<b>8,692</b>	<b>7,489</b>	<b>4,146</b>	<b>16,181</b>	<b>7,486</b>
Operating costs and expenses					
Cost of ores and metals sold	(3,075)	(3,813)	(1,350)	(6,888)	(2,606)
Cost of logistic services	(227)	(188)	(196)	(415)	(370)
Cost of aluminum products	(431)	(369)	(324)	(800)	(581)
Others	(51)	(20)	(14)	(71)	(22)
	<b>(3,784)</b>	<b>(4,390)</b>	<b>(1,884)</b>	<b>(8,174)</b>	<b>(3,579)</b>
Selling, general and administrative expenses	(266)	(268)	(212)	(534)	(380)
Research and development	(152)	(113)	(101)	(265)	(172)
Others	(111)	(16)	(76)	(127)	(146)
	<b>(4,313)</b>	<b>(4,787)</b>	<b>(2,273)</b>	<b>(9,100)</b>	<b>(4,277)</b>
Operating income	<b>4,379</b>	<b>2,702</b>	<b>1,873</b>	<b>7,081</b>	<b>3,209</b>
Non-operating income (expenses)					
Financial income	77	121	45	198	87
Financial expenses	(508)	(659)	(245)	(1,167)	(458)
Foreign exchange and monetary gains, net	932	770	28	1,702	287
Gain on sale of investments	674		338	674	347
	<b>1,175</b>	<b>232</b>	<b>166</b>	<b>1,407</b>	<b>263</b>

Income before income taxes, equity results and minority interests	<b>5,554</b>	<b>2,934</b>	<b>2,039</b>	<b>8,488</b>	<b>3,472</b>
Income taxes					
Current	(1,483)	(833)	(158)	(2,316)	(400)
Deferred	87	191	(80)	278	(133)
	<b>(1,396)</b>	<b>(642)</b>	<b>(238)</b>	<b>(2,038)</b>	<b>(533)</b>
Equity in results of affiliates and joint ventures and other investments	156	138	184	294	340
Minority interests	(219)	(213)	(105)	(432)	(228)
Net income	<b>4,095</b>	<b>2,217</b>	<b>1,880</b>	<b>6,312</b>	<b>3,051</b>

The accompanying notes are an integral part of this condensed consolidated financial information.

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**Table of Contents****Condensed Consolidated Statements of Cash Flows**  
**Expressed in millions of United States dollars (unaudited)**

	Three-month periods ended			Six-month periods ended	
	June 30, 2007	March 31, 2007	June 30, 2006	2007	June 30, 2006
Cash flows from operating activities:					
Net income	4,095	2,217	1,880	6,312	3,051
Adjustments to reconcile net income to cash provided by operating activities:					
Depreciation, depletion and amortization	525	392	205	917	386
Dividends received	153	90	98	243	210
Equity in results of affiliates and joint ventures	(156)	(138)	(184)	(294)	(340)
Deferred income taxes	(87)	(191)	80	(278)	133
Gain on sale of investments	(674)		(338)	(674)	(347)
Foreign exchange and monetary losses (gains), net	(1,224)	(772)	(75)	(1,996)	(366)
Unrealized derivative losses (gains), net	(168)	(85)	51	(253)	95
Minority interests	219	213	105	432	228
Interest payable (receivable), net	(57)	173	40	116	12
Others	(25)	23	(2)	(2)	57
Decrease (increase) in assets:					
Accounts receivable	(492)	103	(346)	(389)	(184)
Inventories	(264)	673	(23)	409	(40)
Others	499	(404)	(38)	95	(146)
Increase (decrease) in liabilities:					
Suppliers	428	46	103	474	(264)
Payroll and related charges	104	(161)	47	(57)	(61)
Income taxes	503	(54)	175	449	(3)
Others	251	157	(34)	408	(206)
<b>Net cash provided by operating activities</b>	<b>3,630</b>	<b>2,282</b>	<b>1,744</b>	<b>5,912</b>	<b>2,215</b>
Cash flows from investing activities:					
Loans and advances receivable					
Related parties					
Additions	(1)		1	(1)	(6)
Repayments		10		10	3
Others	(1)		(35)	(1)	13

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Judicial deposits	(31)	(32)	(12)	(63)	(35)
Additions to investments	(42)	(52)	(2)	(94)	(4)
Additions to property, plant and equipment	(1,633)	(1,106)	(961)	(2,739)	(1,816)
Proceeds from disposal of investments	908		418	908	432
Proceeds from disposals of property, plant and equipment			29		38
Cash used to acquire subsidiaries, net of cash acquired	(903)	(2,023)		(2,926)	
<b>Net cash used in investing activities</b>	<b>(1,703)</b>	<b>(3,203)</b>	<b>(562)</b>	<b>(4,906)</b>	<b>(1,375)</b>
Cash flows from financing activities:					
Short-term debt, additions	1,493	497	1,772	1,990	2,394
Short-term debt, repayments	(2,485)	(206)	(1,837)	(2,691)	(2,409)
Loans					
Related parties					
Additions	136	117	1	253	11
Repayments	(121)	(113)	29	(234)	(11)
Issuances of long-term debt					
Others	49	6,463	4	6,512	1,351
Repayments of long-term debt					
Others	(3,940)	(6,205)	(200)	(10,145)	(521)
Treasury stock			(25)		(25)
Mandatorily convertible notes	1,869			1,869	
Interest attributed to stockholders	(825)		(669)	(825)	(669)
Dividends to minority interest	(224)	(61)		(285)	
<b>Net cash provided by (used in) financing activities</b>	<b>(4,048)</b>	<b>492</b>	<b>(925)</b>	<b>(3,556)</b>	<b>121</b>
Increase (decrease) in cash and cash equivalents	(2,121)	(429)	257	(2,550)	961
Effect of exchange rate changes on cash and cash equivalents	(59)	(65)	(7)	(124)	(108)
Cash and cash equivalents, beginning of period	3,954	4,448	1,644	4,448	1,041
<b>Cash and cash equivalents, end of period</b>	<b>1,774</b>	<b>3,954</b>	<b>1,894</b>	<b>1,774</b>	<b>1,894</b>
Cash paid during the period for:					
Interest on short-term debt	(39)	(1)	(5)	(40)	(6)
Interest on long-term debt					