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CVRD's wholly owned subsidiary Vale Overseas announces pricing of its tender offer

Companhia Vale do Rio Doce (CVRD) reports that its wholly owned subsidiary, Vale Overseas Limited, today announced the purchase price for its cash tender offer for any and all of its \$300 million 9.000% Guaranteed Notes due 2013 (CUSIP Nos.: 91911TAD5, 91911TAC7 and G9317UAB1). The offer is scheduled to expire at 5:00 p.m., New York City time, on Tuesday, January 10, 2006, unless extended (such date and time, as they may be extended, the "Expiration Date") or earlier terminated. The offer is made upon the terms and subject to the conditions set forth in the offer to purchase dated January 3, 2006. The purpose of the offer is to manage CVRD's consolidated debt portfolio, reducing the amount of higher-coupon yield and less liquid debt issues.

Vale Overseas will pay the purchase price and accrued and unpaid interest to, but excluding, the settlement date, for the notes accepted pursuant to the offer. Settlement of the offer is expected to occur on the third business day following the Expiration Date. The table below sets forth the relevant pricing information for the notes:

Reference U.S. Treasury Security - 4.500%
U.S. Treasury note due November 15, 2015

Bloomberg Reference Page - PX1

Fixed Spread - 1.570%

Actual Reference Yield - 4.362%

Tender Offer Yield - 5.932%

Purchase Price Per \$1000 Principal Amount of Notes - \$1,185.21

The purchase price was calculated by the dealer manager in the manner described in the offer to purchase at 2:00 p.m., New York City time, on January 5, 2006.

Vale Overseas has retained J.P. Morgan Securities Inc. to serve as dealer manager for the offer, JPMorgan Chase Bank, N.A. to serve as the depository for the offer, J.P. Morgan Bank Luxembourg S.A. to serve as Luxembourg agent for the offer and D.F. King & Co., Inc. to serve as information agent for the offer.

Requests for the offer to purchase and the related letter of transmittal and supplements to the documents may be directed to D.F. King & Co., Inc. by calling (800) 290-6429 (calling toll-free in the United States) or 1-212-269-5550 (outside the United States, call collect) or in writing at 48 Wall Street, New York, New York 10005. These documents contain important information, and holders should read them carefully before making any investment decision. Questions regarding the offer may be directed to J.P. Morgan Securities Inc. at (866) 846-2874 (calling toll-free in the United States) or 1-212-834-7279 (outside the United States, call collect).

This announcement does not constitute an offer to purchase or a solicitation of an offer to sell securities. The offer is being made solely by the offer to purchase.

More information



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