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## CVRD announces forward stock split

Rio de Janeiro, April 27, 2006

Companhia Vale do Rio Doce (CVRD) informs that the forward stock split proposal was approved today at the Extraordinary General Shareholders' Meeting. After giving effect to the stock split, CVRD's capital will be composed of 2,459,657,056 shares, with 1,499,898,858 common shares and 959,758,198 preferred class "A" shares.

Starting on May 22, 2006, each share of the Company traded in the São Paulo Stock Exchange (Bovespa) will undergo a forward stock split into two shares. Hence, each current share, both common (VALE3) and preferred (VALE5) will be represented by two shares post-split. On May 25, 2006, the distribution of new shares as a result of the split will take place, in the proportion of one additional shares issued per each existing share, for the shareholders on record as of May 19, 2006 (record date in Brazil).

Starting on June 7, 2006, each American Depositary Receipt (ADR) representing common shares (RIO) or preferred shares (RIOPR) of the Company listed on the New York Stock Exchange (NYSE) will also undergo a forward split. Furthermore, also on June 7, the distribution of new ADRs, in the proportion of one additional ADRs issued per existing ADR, will be finalized, for ADR holders of record as of May 24, 2006 (record date in the US). As a result, the proportion of one ADR to one underlying common or preferred share will be maintained.

Due to operational reasons, between May 22 and June 6, 2006, the shares listed on the Bovespa will be traded post-split whereas the ADRs listed on the NYSE will be traded pre-split.

JP Morgan, CVRD's depository bank in the US, will not execute issuances and/or cancellations of ADRs between May 24 and June 9, 2006. The trading of CVRD's ADRs on the NYSE will occur normally.

The forward stock split being executed by CVRD aims to reposition its share prices after substantial appreciation of 181% in US dollars between August 19, 2004, when the last CVRD's forward stock split took place, and April 25, 2006. At the same time it facilitates trading by retail investors.

### More information



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