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12/20/2006



## CVRD, Yankuang and Itochu inaugurate joint venture to produce coke in China

Companhia Vale do Rio Doce (CVRD), the world-leading iron ore producer and exporter, Yankuang Group Co., Ltd, one of the biggest Chinese coal and coke producers, and Itochu Corporation, one of the leading trading companies in Japan, officially inaugurated on Saturday, December 16th, the joint venture Shandong Yankuang International Coking Co. Ltd. to produce coke in the Shandong Province, China.

The joint venture, which started production in the first half of 2006, is the largest of its kind in China and has an annual production capacity of 2.0 million tons of high quality coke and 200,000 tons of methanol. CVRD has a 25% stake in the JV's capital, while Yankuang and Itochu have respectively 70% and 5%.

CVRD has invested US\$ 26.6 million in the project and will have the right to off-take a percentage of coke equivalent to its equity stake in the joint venture as well as act as the exclusive sales channel for the JV's products in Brazil.

The alliance between CVRD, Yankuang and Itochu combines the expertise in global trading and project financing of CVRD and Itochu, with the technology, infrastructure and experience in China held by Yankuang.

This joint venture illustrates CVRD's confidence in the future of China and of its steel industry.

### More information



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