



Type what you want to search

Search

07/08/2005



## CVRD receives the investment grade rating

Companhia Vale do Rio Doce (CVRD) informs that Moody's Investors Service (Moody's), one of the largest and most prestigious rating agencies in the world, announced today its decision to upgrade CVRD foreign currency rating from Ba1 to Baa3. According to Moody's rating scale, Baa3 qualifies the Company as a moderate credit risk issuer, without speculative elements, corresponding to investment grade.

CVRD's rating upgrade is the result of a continuous effort to implement a long-term strategy focused on value creation, responsible for the Company's strong cash generation and supported by excellence in financial management, which is aimed at minimizing risks and strengthening its capacity to assume financial commitments.

Several factors have led to a progressive improvement in the market perception of CVRD's risk: its consolidation as a global leader in the iron ore business, with substantial high quality ore mineral reserves and low production costs, its position as the largest logistics player in Brazil, and the development of a diversification process in the metals and mining industry, with extremely promising prospects for the production of bauxite, alumina, coal, copper and nickel.

Considering the capital-intensive nature of the metals and mining industry and the CVRD's large investment program, which includes the implementation of about forty projects during the next five years, the achievement of the investment grade rating is a very important instrument in reducing cost of capital, one of the main focuses of CVRD's strategy.

The upgrade of CVRD's rating is a landmark in its growth path, characterized by the Company's strong commitment to shareholder value creation.

### More information



#### Mônica Ferreira

monica.ferreira@vale.com

Rio de Janeiro

+55 (21) 3845-3636

#### Fatima Cristina

fatima.cristina@vale.com

Rio de Janeiro

+55 (21) 3485-3621