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Vale pays 2007 dividend

Companhia Vale do Rio Doce (Vale) announces that the Board of Directors has approved the payment of the second tranche of its minimum dividend for 2007, amounting to US\$ 825 million, equal to US\$ 0.170722943 per common or preferred share in circulation.

The Board has also approved an additional dividend of US\$ 225 million, equal to US\$ 0.046560802 per common or preferred share in circulation.

Taking into account that the first tranche of minimum dividend paid was paid on April 30 2007, Vale will pay out to its shareholders a total of US\$ 1.875 billion in 2007, equal to US\$ 0.558729640 per common or preferred share in circulation. Therefore, the dividend distribution in 2007 has increased by 44.2% relative to 2006.

The dividend distribution is consistent with our cash flow and dividend policies and complies with Brazilian corporate law.

Dividend payment

The dividend payment will be made as follows:

1. Dates of payment - As of October 31 in Brazil. As of November 7 for ADR holders, who will be paid through JP Morgan Chase Bank, N.A., the depositary bank for Vale ADRs.
2. Conversion to Brazilian Reals (R\$) - The amounts in BRL was reached using the exchange rate for US dollars from the Central Bank of Brazil on October 17, 2007 (Ptax - option 5) - R\$ 1.8138 per US dollar - as per the procedures published on January 23, 2007.
3. R\$ value of minimum dividend- Distribution of R\$ 1,496,385,000.00, equivalent to R\$ 0.309657273 per common or preferred share in circulation, is to be paid in the form of interest on capital (JCP).
4. R\$ value of additional dividend- Distribution of R\$ 408,105,000.00. Of this amount, R\$ 348,965,000.00, corresponding to R\$ 0.072213735 per common or preferred share, will be paid in the form of JCP, and R\$ 59,140,000.00 in the form of dividends, equivalent to R\$ 0.012238248 per common or preferred share.
5. Total amount - Each shareholder will receive a total of R\$ 0.394109256 per common or preferred share - corresponding to US\$ 0.217283745 - of which R\$ 0.381871008 (US\$ 0.210536447) as JCP and R\$ 0.012238248 (US\$ 0.006747298) as dividends.
6. Taxation - A withholding income tax will be levied on the amount distributed in accordance with prevailing tax code in Brazil.
7. Record dates - All investors who hold Vale shares on the record dates will have the right to a dividend payment. The record date for shares traded on the BOVESPA is October 18, 2007. The record date for ADRs traded on the New York

Stock Exchange (NYSE) is October 23, 2007.

8. Ex-dividend trading - CVRD shares will be traded ex-dividend on both stock exchanges, BOVESPA and NYSE, from October 19, 2007 onwards.

More information



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