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## Vale repays its bridge loan

Companhia Vale do Rio Doce (Vale) announces that it has successfully repaid the two-year bridge loan of US\$ 14.6 billion it used to finance the Inco Limited (Inco) acquisition.

On December 2006, the Company announced 84% of the bridge loan had been repaid, through the execution of three transactions: (1) the issuance of US\$ 3.750 billion 10-year and 30-year notes in the global capital markets, (2) the issuance of non-convertible unsecured loans in the Brazilian market for an amount equivalent to US\$ 2.565 billion, with four and seven-year maturities, and (3) a pre-export finance transaction of US\$ 6.0 billion, with five and seven-year maturities.

The remaining portion of the loan, US\$ 2.25 billion, was fully paid today.

This refinancing program was executed consistently with Vale financial policy, including the diversification of funding sources, lengthening of the average maturity of the Company's debt (projected to be close to ten years at the end of December 2007 from 8.04 years on September 30, 2006) and reducing of the average cost of debt (before income taxes) to a level close to 6.5% per year. The Company seeks to consolidate its good reputation in the global financial markets and continues to minimize its weighted average cost of capital.

### More information



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