

Companhia Vale do Rio Doce
Form 424B2
July 07, 2008

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The information in this prospectus is not complete and may be changed. A registration statement relating to these securities has been filed with the U.S. Securities and Exchange Commission and has become effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

**SUBJECT TO COMPLETION
PRELIMINARY PROSPECTUS SUPPLEMENT DATED JULY 4, 2008**

**Filed Pursuant to Rule 424(b)(2)
Registration No. 333-143857**

**PROSPECTUS SUPPLEMENT
(To prospectus dated June 18, 2007)**

Companhia Vale do Rio Doce

**256,926,766 Common Shares, including Common Shares
in the form of American Depositary Shares
164,402,799 Preferred Class A Shares, including Preferred Class A Shares
in the form of American Depositary Shares**

We are offering 256,926,766 common shares and 164,402,799 preferred class A shares (which we refer to as the preferred shares and, together with the common shares, as the shares) in a global offering that consists of an international offering outside Brazil and a concurrent offering in Brazil. Our principal shareholder intends to subscribe at least the number of common shares required to maintain its proportionate interest in our common shares following our capital increase. The international offering includes a registered offering in the United States. The closings of the international and Brazilian offerings are conditioned upon each other.

In the international offering, the shares are being offered in the form of shares or in the form of American depositary shares (ADSs), each of which represents either one common share (a common ADS) or one preferred share (a preferred ADS). Investors purchasing ADSs in the international offering may elect to pay for them in U.S. dollars or euros. Shares sold in the international offering in the form of shares will be settled in Brazil and paid for in *reais*.

The international underwriters named in this prospectus supplement are underwriting the sale of common ADSs and preferred ADS. The Brazilian underwriters are underwriting the sale of common shares and preferred shares, including shares sold in the international offering in the form of shares.

Our common shares and preferred shares are listed on the São Paulo Stock Exchange, or BOVESPA, under the ticker symbols VALE3 and VALE5, respectively. The closing prices of our common shares and preferred shares on BOVESPA on July 1, 2008 were R\$55.01 per common share and R\$46.04 per preferred share. The common ADSs and the preferred ADSs are listed on The New York Stock Exchange, or the NYSE, under the symbols RIO and RIOPR, respectively. The closing prices on the NYSE on July 1, 2008 were US\$34.50 per common ADS and US\$28.56 per preferred ADS. Our ADSs have been admitted to listing and trading on Euronext Paris in euros. Trading of the ADSs on Euronext Paris is expected to commence on or about July , 2008.

Per Common	Per Preferred
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	Per Common ADS	Share	Per Preferred ADS	Share	Total
Public offering price	US\$	R\$	US\$	R\$	US\$
Underwriting discounts and commissions(1)	US\$	R\$	US\$	R\$	US\$
Proceeds, before expenses, to us	US\$	R\$	US\$	R\$	US\$

(1) In addition to an underwriting discount of US\$ payable on each common ADS and preferred ADS, the international underwriters are receiving a fee of US\$ per common ADS and preferred ADS sold to retail investors in the United States.

We will grant Banco de Investimentos Credit Suisse (Brasil) S.A. an option for a period of up to approximately 30 days from the date of the final prospectus supplement to purchase additional preferred shares in an amount up to 15% of the preferred shares (in the form of shares or ADSs) sold in the global offering, to cover over-allotments, if any.

Investing in our shares and ADSs involves risks. See Risk Factors beginning on page 5 of our annual report on Form 20-F for the year ended December 31, 2007, which is incorporated by reference in this prospectus supplement.

Delivery of the ADSs paid for in U.S. dollars will be made through the book-entry facilities of The Depository Trust Company on or about July , 2008. Delivery of the ADSs paid for in euros will be made through Euroclear France on or about July , 2008. Delivery of the shares will be made in Brazil through the book-entry facilities of the Brazilian Settlement and Custody Company (*Companhia Brasileira de Liquidação e Custódia*) on or about July , 2008. Investors that purchase ADSs in euros will receive their ADSs through the facilities of Euroclear France.

Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement is truthful or complete. Any representation to the contrary is a criminal offense.

Credit Suisse

Citi

HSBC

JPMorgan

ABN AMRO Bradesco BBI BB Investimentos BNP PARIBAS CALYON Banco Itaú BBA Santander Investm
Co-managers

BBVA Securities Mitsubishi UFJ Securities Mizuho Securities USA Inc. Natixis Scotia Capital Societe Gener

The date of this prospectus supplement is July , 2008

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In this prospectus supplement, unless the context otherwise requires, references to Vale, we, us and our refer to Companhia Vale do Rio Doce, its consolidated subsidiaries, its joint ventures and other affiliated companies, taken as a whole.

References to *real*, *reais* or R\$ are to Brazilian *reais* (plural) and to the Brazilian *real* (singular), the official currency of Brazil. References to U.S. dollars or US\$ are to United States dollars.

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INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The U.S. Securities and Exchange Commission, or the SEC, allows us to incorporate by reference the information we file with it, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus supplement, and certain later information that we file with the SEC will automatically update and supersede earlier information filed with the SEC or included in this prospectus supplement. We incorporate by reference the following documents:

our annual report on Form 20-F for the year ended December 31, 2007, filed with the SEC on May 13, 2008 (File No. 001-15030);

any future annual reports on Form 20-F filed with the SEC after the date of this prospectus supplement and prior to the termination of the offering of the shares and ADSs offered by this prospectus supplement;

our report on Form 6-K furnished to the SEC on June 13, 2008 (File No. 001-15030) containing disclosure regarding our results of operations for the three-month periods ended March 31, 2008 and 2007 and recent developments;

our report on Form 6-K furnished to the SEC on July 1, 2008 (File No. 001-15030) containing our unaudited interim consolidated financial statements for the three-month periods ended March 31, 2008 and 2007;

our report on Form 6-K furnished to the SEC on July 3, 2008 (File No. 001-15030) containing our common and preferred ADS deposit agreements; and

any future reports on Form 6-K that we furnish to the SEC after the date of this prospectus supplement that are identified in such reports as being incorporated by reference in this prospectus supplement.

We will provide without charge to each person (including any beneficial owner) to whom a copy of this prospectus supplement is delivered, upon the written or oral request of any such person, a copy of any or all of the documents referred to above which have been or may be incorporated herein by reference, other than exhibits to such documents (unless such exhibits are specifically incorporated by reference in such documents). Requests should be directed to our Investor Relations Department, Avenida Graça Aranha, No. 26, 17th floor, 20030-900 Rio de Janeiro, RJ, Brazil (telephone no: 55-21-3814-4557. Alternatively, Credit Suisse will arrange to send you a copy of any or all of these documents upon request from the Credit Suisse Prospectus Department, One Madison Avenue, New York, NY, 10010, +1-800-221-1037. Our website is www.vale.com. The information available on or through our website has not been incorporated by reference into this prospectus supplement and should not be relied upon in making investment decisions.

We file annual reports on Form 20-F and reports on Form 6-K with the SEC. Any materials we may file with the SEC may be read and copied at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the Public Reference Room. In addition, the SEC maintains an Internet web site at <http://www.sec.gov>, from which you can electronically access the information we file.

FORWARD-LOOKING STATEMENTS

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Some of the information contained or incorporated by reference in this prospectus supplement may constitute forward-looking statements within the meaning of the safe harbor provisions of U.S. Private Securities Litigation Reform Act of 1995. Many of those forward-looking statements can be identified by the use of forward-looking words such as anticipate, believe, could, expect, should, plan, intend, estimate and potential, among others. appear in a number of places and include statements regarding our intent, belief or current expectations with respect to:

our direction and future operation;

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the implementation of our principal operating strategies, including our potential participation in privatization, acquisition or joint venture transactions or other investment opportunities;

our acquisition or divestiture plans;

the implementation of our financing strategy and capital expenditure plans;

the exploration of mineral reserves and development of mining facilities;

the depletion and exhaustion of mines and mineral reserves;

trends in commodity prices and demand for commodities;

the future impact of competition and regulation;

the declaration or payment of dividends;

industry trends, including the direction of prices and expected levels of supply and demand;

other factors or trends affecting our financial condition or results of operations; and

the risk factors discussed in other documents incorporated by reference in this prospectus supplement.

We caution you that forward-looking statements are not guarantees of future performance and involve risks and uncertainties. Actual results may differ materially from those in the forward-looking statements as a result of various factors. These risks and uncertainties include factors relating to (a) the countries in which we operate, especially Brazil and Canada, (b) the global economy, (c) the financial markets, (d) the iron ore and nickel businesses and their dependence on the global steel industry, which is cyclical in nature and (e) the highly competitive industries in which we operate. For additional information on factors that could cause our actual results to differ from expectations reflected in forward-looking statements, please see the disclosure under the heading **Risk Factors** in our SEC reports incorporated by reference in this prospectus supplement. Forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update them in light of new information or future developments. All forward-looking statements attributed to us or a person acting on our behalf are expressly qualified in their entirety by this cautionary statement, and you should not place undue reliance on any forward-looking statement included in this prospectus supplement.

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This summary highlights key information described in greater detail elsewhere, or incorporated by reference, in this prospectus supplement and the accompanying prospectus. You should read carefully the entire prospectus supplement, the accompanying prospectus and the documents incorporated by reference before making an investment decision. In this prospectus supplement, unless the context otherwise requires, references to Vale, we, us and our to Companhia Vale do Rio Doce, its consolidated subsidiaries, its joint ventures and other affiliated companies, taken as a whole.

Companhia Vale do Rio Doce

We are the second-largest metals and mining company in the world and the largest in the Americas, based on market capitalization. We are the world's largest producer of iron ore and iron ore pellets and the world's second-largest producer of nickel and kaolin. We are also one of the world's largest producers of manganese ore and ferroalloys. We also produce bauxite, alumina, aluminum, copper, coal, cobalt, precious metals, potash and other products. To support our growth strategy, we are actively engaged in mineral exploration efforts in 21 countries around the globe. We operate large logistics systems in Brazil, including railroads, maritime terminals and a port, which are integrated with our mining operations. Directly and through affiliates and joint ventures, we have investments in the energy and steel businesses.

The table below presents the percentage of our total gross revenues attributable to each of our main lines of business, which are described following the table.

	Year ended December 31,				Three months ended
	2005	2006	2006(1)	2007	March 31, 2008
Ferrous minerals:					
Iron ore	55.2%	49.2%	39.0%	36.0%	38.7%
Iron ore pellets	15.5	9.7	7.7	8.3	8.4
Manganese	0.6	0.3	0.2	0.2	0.5
Ferroalloys	3.7	2.5	2.0	2.1	3.6
Subtotal	75.0%	61.7%	48.9%	46.6%	51.2%
Non-ferrous minerals:					
Nickel(2)	%	11.6%	25.6%	30.3%	23.5%
Aluminum	10.5	11.7	9.3	8.2	8.0
Copper	2.9	5.3	7.1	6.0	6.3
PGMs(2)		0.4	1.0	1.0	1.5
Other precious metals(2)		0.1	0.7	0.3	0.5
Other non-ferrous minerals	2.4	1.9	1.6	1.7	2.2
Subtotal	15.8%	31.0%	45.3%	47.5%	42.0%
Coal				0.5	0.9
Logistics	9.1	6.8	5.4	4.6	4.5

Other investments	0.1	0.5	0.4	0.8	1.4
Total	100%	100%	100%	100%	100%

(1) Including Vale Inco's 2006 gross revenues prior to our acquisition of Vale Inco.

(2) Revenues included in the nickel product segment in our consolidated financial statements.

Iron ore, iron ore pellets, manganese and ferroalloys. We operate three systems in Brazil for producing and distributing iron ore. The Northern and the Southeastern Systems are fully integrated, consisting of mines, railroads, a maritime terminal and a port. The Southern System consists of the

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mines of our subsidiary MBR, the Oeste mines and the Guaíba Island and Itaguaí maritime terminals. We operate nine pellet-producing facilities in Brazil, five of which are joint ventures. We also have a 50% stake in a joint venture that owns three pelletizing plants in Brazil and a 25% stake in a pellet company in China. We conduct our manganese mining operations in Brazil, at the parent company level and through our subsidiary Urucum. We produce several types of manganese ferroalloys through subsidiaries in Brazil, France and Norway.

Nickel. Our principal nickel mines and processing operations are carried out by our subsidiary Vale Inco, with mining operations in Canada and Indonesia. We operate or have interests in nickel refining facilities in the United Kingdom, Japan, Taiwan, South Korea and China.

Aluminum. We are engaged in bauxite mining, alumina refining, and aluminum metal smelting. In Brazil, we own a bauxite mine and an alumina refinery, both of which we are currently expanding. We also own two aluminum smelters in Brazil. We have a 40% interest in Mineração Rio do Norte S.A. (MRN), a bauxite producer, operations of which are also located in Brazil.

Copper. We have copper mining operations in Brazil and Canada. In Brazil, we produce copper concentrates at Sossego in Carajás, in the state of Pará. In Canada, we produce copper concentrate, copper anode and copper cathode in conjunction with our nickel mining operations at Sudbury and Voisey's Bay.

PGMs. We produce platinum-group metals as by-products of our nickel mining and processing operations in Canada. The PGMs are concentrated at our Port Colborne facilities, in the Province of Ontario, Canada, and refined at our precious metals refinery in Acton, England.

Other precious metals. We produce gold and silver as by-products of our nickel mining and processing operations in Canada. Some of these precious metals are upgraded at our facilities in Port Colborne, Ontario, and all are refined by unrelated parties in Canada.

Other non-ferrous minerals. We are the world's second-largest producer of kaolin for the paper industry and Brazil's sole producer of potash. We produce cobalt as a by-product of our nickel mining and processing operations in Canada and refine it at our Port Colborne facilities.

Coal. In April 2007, we acquired 100% of AMCI Holdings Australia Pty and formally renamed it Vale Australia Holdings (Vale Australia). Vale Australia operates coal assets in Australia through wholly-owned subsidiaries and unincorporated joint ventures. We also have minority interests in Chinese coal and coke producers.

Logistics. We are a leading provider of logistics services in Brazil, with railroads, maritime terminals and a port. Two of our three iron ore systems incorporate an integrated railroad network linked to automated port and terminal facilities, which provide rail transportation for our mining products, general cargo and passengers, bulk terminal storage, and ship loading services for our mining operations and for customers. We also have a 31.3% interest in Log-In Logística Intermodal S.A., or Log-In, which provides container-based logistics services.

Other investments. We have investments in two steel companies and three joint ventures to produce steel slabs in Brazil. We also have investments in power generation plants.

Vale's legal and commercial name is Companhia Vale do Rio Doce. In November 2007, we launched a global brand unification project under the name Vale, which is aimed at communicating our transformation into a global mining company with a diversified portfolio of products.

Vale is a stock corporation, or *sociedade por ações*, duly organized on January 11, 1943, and existing under the laws of the Federative Republic of Brazil. Vale was privatized in three stages between 1997 and 2002, beginning with the sale by the Brazilian government of a controlling stake in Vale to Valepar in 1997. The last stage of the privatization process took place in 2002, when the Brazilian government sold its remaining minority stake of common shares through a global equity offering. Vale is organized for an

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unlimited period of time. Its head offices are located at Avenida Graça Aranha, No. 26, 20030-900 Rio de Janeiro, RJ, Brazil, and its telephone number is 55-21-3814-4477.

Business strategy

Our mission is to transform mineral resources into prosperity and sustainable development. Our vision is to become the largest mining company in the world and to surpass current standards of excellence in research, development, project implementation and business operations. To this end, we are building on our strengths in iron ore and nickel and increasing our geographical and product diversification and logistics capabilities. We are focusing on organic growth in our core businesses, with a robust long-term strategic planning process. We also regularly review opportunities to make strategic acquisitions. We apply disciplined capital management in order to maximize return on invested capital and total return to shareholders. Below we highlight our major business strategies.

Maintaining our leadership position in the global iron ore market

We continue to consolidate our leadership in the global iron ore market. In 2007 and 2006, we had an estimated market share of 32.5% of the total volume traded in the seaborne market. We are committed to maintaining our position in the global iron ore market by strengthening relationships with customers, focusing our product line to capture industry trends, increasing our production capacity in line with demand growth and controlling costs. We believe that our strong relationships with major customers, reinforced through long-term contracts, high quality products and a strong technical marketing strategy, will help us achieve this goal. We have also encouraged steelmakers to develop steel slab plants in Brazil, through minority stakes in joint ventures, in order to create additional demand for our iron ore.

Achieving leadership in the nickel business

We are the world's second-largest nickel producer, with large-scale, long-life and low-cost operations, a substantial resource base, advanced technology and a robust growth profile. We believe our greenfield projects at Onça Puma and Vermelho in Brazil and Goro in New Caledonia will further support our leadership position in the nickel market.

Expanding our aluminum activities

We are developing and increasing production capacity in our aluminum operations, focusing on the upstream portion of the production chain and developing low-cost bauxite and alumina projects. We have large, undeveloped high-quality bauxite reserves and opportunities for low-cost expansions in our alumina refinery. We are working on the development of these opportunities. We are also investing in mineral exploration to increase our bauxite resources. Our strategic focus for primary aluminum activities is locating opportunities to participate in smelter operations in countries with low energy costs.

Developing our copper resources

We believe that our Brazilian copper projects, which are all situated in the Carajás mineral province, in the Brazilian state of Pará, could be among the most competitive in the world in terms of investment cost per metric ton of ore. We are developing the Salobo project, and we are testing new technology that, if successful, could permit the development of other copper projects in this region. We expect these copper mines to benefit from our infrastructure facilities serving the Northern System. We are also engaged in mineral exploration in several countries to increase our reserve base.

Investing in coal

We are pursuing various opportunities to become a large global player in coal businesses. In April 2007, we acquired AMCI Holdings Australia Pty (renamed Vale Australia), which has coal operating assets and a portfolio of exploration projects in Australia. In the past several years, we have invested in two joint ventures in China, and we intend to continue pursuing organic growth in the coal business through the development of

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the Moatize project in Mozambique, development of more advanced coal exploration projects in Australia and mineral exploration initiatives in several countries.

Diversification and expansion of our resource base

We are engaged in an active mineral exploration program, with efforts in 21 countries around the globe. We are mainly seeking new deposits of copper, manganese ore, iron ore, nickel, bauxite, phosphate, potash, coal, uranium, diamond and platinum group metals. Mineral exploration is an important part of our organic growth strategy.

Enhancing our logistics capacity

We believe that the quality of our railway assets and our many years of experience as a railroad and port operator, together with the lack of efficient transportation for general cargo in Brazil, position us as a leader in the logistics business in Brazil. We are expanding the capacity of our railroads through the expansion of the Northern and Southern Corridors, the construction of two new railroads, and the purchase of additional locomotives and wagons to serve the increasing needs of our iron ore and other businesses, as well as those of our customers.

Developing power generation projects

Energy management and efficient supply have become a priority for us. As a large consumer of electricity, we believe that investing in power generation projects to support our operations will help protect us against volatility in the price of energy, regulatory uncertainties and the risk of energy shortages. Accordingly, we have developed hydroelectric power generation plants in Brazil, Canada and Indonesia, and we are using the electricity from these projects to supply our internal needs. In 2007, we began investing in natural gas exploration in Brazil through consortia. We are seeking to diversify and optimize our energy grid through increased use of thermal coal, renewable fuels and natural gas.

Market Data

In this prospectus supplement, we make statements about our position in many of the markets in which we operate. We have made these statements partly on the basis of third-party sources that we believe are reliable. In particular, information regarding our market position in the global iron ore and iron ore pellets market and in the global nickel market was derived in part from publications by the United Nations Conference on Trade and Development and Brook Hunt & Associates Ltd, a mining and metal industry consultant, respectively. Although we have no reason to believe that any of this third-party information is inaccurate in any material respect, we have not independently verified the data provided by third parties or by industry or general publications, which in many instances is based on information supplied directly by producers.

The Offering

Issuer	Companhia Vale do Rio Doce
Global offering	The global offering consists of the international offering and the Brazilian offering. The international offering and the Brazilian offering are being conducted concurrently, and the closing of each is conditioned upon the closing of the other.
International offering	The international offering is being conducted outside Brazil and includes an offering registered with the SEC. The international underwriters named elsewhere in this prospectus supplement are underwriting the sale of

common ADSs and preferred ADSs. The international underwriters
are also

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acting as placement agents on behalf of the Brazilian underwriters for sales of shares in the form of shares to investors outside Brazil.

U.S. registered offering

The ADSs sold as part of the international offering and the shares sold in the form of shares to investors outside Brazil, are being sold by means of this prospectus supplement in an offering registered with the SEC.

Brazilian offering

The Brazilian underwriters are underwriting the sale of common shares and preferred shares, including shares sold in the international offering to investors outside Brazil. The offering to investors in Brazil is exempt from registration with the SEC under Regulation S.

Common ADSs

Each common ADS represents one common share. Common ADSs will be evidenced by American depositary receipts, or ADRs.

Preferred ADSs

Each preferred ADS represents one preferred share. Preferred ADSs will be evidenced by ADRs.

Purchases of common shares and preferred shares

The shares purchased in share form by investors outside Brazil will be settled in Brazil and paid for in *reais*. Any investor outside Brazil purchasing these shares must be authorized to invest in Brazilian securities pursuant to the applicable rules and regulations of the Brazilian National Monetary Council (*Conselho Monetário Nacional*), or CMN, the Brazilian Securities Commission (*Comissão de Valores Mobiliários*), or CVM, and the Central Bank of Brazil (*Banco Central do Brasil*).

Purchases of ADSs

Investors purchasing ADSs in the international offering may elect to pay for them in U.S. dollars or euros.

Offering price

The public offering prices in the global offering are set forth on the cover page of this prospectus supplement, in U.S. dollars per ADS, euros per ADS, and Brazilian *reais* per share.

The public offering prices were approximately equivalent to each other at the exchange rates prevailing on July 1, 2008.

Priority subscription rights

Our shareholders resident in Brazil will be given the opportunity to subscribe shares in the Brazilian offering on a priority basis at the price to the public to the extent necessary to preserve their ownership interest in us as of a certain record date. The priority subscription procedure will not be made available to holders of our shares or to holders of our ADSs that are not resident in Brazil. The number of shares available for sale in the global offering to investors other than existing shareholders resident in Brazil will be reduced to the extent that existing holders of our shares subscribe on a priority basis for shares in the Brazilian offering. Our principal shareholder, Valepar S.A., which currently holds 53.3% of our issued and outstanding common shares, intends to exercise all of its priority subscription rights in order to maintain its proportionate interest in our common shares following our capital increase.

Over-allotment options

We will grant Banco de Investimentos Credit Suisse (Brasil) S.A. an option for a period of up to approximately 30 days from the date of the final Prospectus Supplement to purchase additional preferred shares in

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an amount up to 15% of the preferred shares (in the form of shares or ADSs) sold in the global offering, to cover over-allotments, if any.

Use of proceeds

The aggregate proceeds of the global offering, net of fees and expenses, including underwriting discounts and commissions, will be approximately US\$ billion, assuming no exercise of the over-allotment option, or up to approximately US\$ billion if the over-allotment option is exercised in full. We intend to use the net proceeds of the global offering for general corporate purposes, which may include any of the following:

Capital expenditures. We require substantial funding to pay for our capital expenditures. We have announced a capital expenditures program of US\$59 billion for the five years between 2008 and 2012.

Acquisitions. We also expect to require funding to pay for strategic acquisitions. A substantial part of our growth in recent years has come from acquisitions, and we regularly review possible opportunities for strategic acquisitions. In the current period of consolidation in the global mining industry, attractive new opportunities may arise, and we could make one or more acquisitions. These could include large transactions or multiple smaller transactions, which could require a substantial amount of funding, but we cannot predict the timing or the amount of our requirements.

Greater financial flexibility. We may also use the proceeds of the global offering to strengthen our cash position and to improve our leverage ratios, which would enhance our capacity to take advantage of future opportunities to finance capital expenditures or acquisitions. This would also improve our ability to withstand any future reduction in our cash flow from lower commodity prices or higher costs.

We could meet any of these funding needs with a combination of proceeds from the global offering, proceeds from other financings and cash flow generated by our operations.

Share capital before and after the global offering

Our share capital consists of 2,999,797,716 common shares, 1,919,516,400 preferred shares and 12 golden shares.

Immediately after the global offering, we will have common shares, preferred shares and 12 golden shares outstanding, assuming no exercise of the over-allotment option.

Distributions

Under Brazilian law and our bylaws, we are required to distribute to our shareholders an annual amount equal to not less than 25% of our adjusted net profits, as calculated under Brazilian GAAP and adjusted as required by Law No. 6,404, dated December 15, 1976, as amended, which we refer to as the Brazilian Corporation Law, (which may differ significantly from net income under U.S. GAAP), unless our board of directors advises our shareholders at our shareholders meeting that payment of the mandatory

dividend for the preceding year is inadvisable in light of our financial condition and our shareholders approve that recommendation.

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Holders of preferred shares are entitled to a minimum annual non-cumulative preferential dividend of (i) at least 3% of the book value per share, calculated in accordance with the financial statements, which serve as reference for the payment of dividends, or (ii) 6% of their pro rata share of our paid-in capital, whichever is higher. To the extent that we declare dividends in any particular year in amounts which exceed the preferential dividends on preferred shares, and after holders of common shares have received distributions equivalent, on a per share basis, to the preferential dividends on preferred shares, holders of common shares and preferred shares will receive the same additional dividend amount per share.

The holders of ADRs will be entitled to receive dividends to the same extent as the holders of our shares, subject to deduction of any applicable fees and charges.

Investors that hold our ADRs through Euroclear France may elect to receive dividend payments in euros by informing our paying agent of such election through the Euroclear system in accordance with its procedures. We have appointed BNP PARIBAS Securities Services as our paying agent in Paris, France for this purpose.

Voting rights

Holders of common shares are entitled to one vote per share at meetings of our shareholders. Holders of preferred shares are also entitled to