

Edgar Filing: Companhia Vale do Rio Doce - Form 6-K

Companhia Vale do Rio Doce
Form 6-K
February 14, 2007

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**United States
Securities and Exchange Commission
Washington, D.C. 20549
FORM 6-K
Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16
of the
Securities Exchange Act of 1934
For the month of
February 2007
Companhia Vale do Rio Doce
Avenida Graça Aranha, No. 26
20030-900 Rio de Janeiro, RJ, Brazil
(Address of principal executive office)**

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.)

(Check One) Form 20-F Form 40-F

(Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1))

(Check One) Yes No

(Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7))

(Check One) Yes No

(Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

(Check One) Yes No

(If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b). 82-)

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Press Release

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CVRD has its BBB rating affirmed

Rio de Janeiro, February 13, 2007 – Companhia Vale do Rio Doce (CVRD) announces that Standard & Poor's Ratings Services (S&P) affirmed its BBB corporate credit rating and removed the Company from CreditWatch, where it was placed on October 14, 2006, with negative implications.

Simultaneously, S&P said that the issuance of a hybrid debt instrument, with a significant equity component, is no longer a requirement to maintain CVRD's BBB rating level.

The rating action is associated to the refinancing under favorable conditions of a substantial part – 84% – of the bridge loan to finance the acquisition of Inco Ltd. and to the leading position of CVRD in the global iron ore and nickel markets and their strong fundamentals. S&P believes that the Company will be able to use its strong free cash flow to reduce debt throughout 2007 and 2008.

S&P announcement is consistent with our strong confidence in the future operational and financial performance of CVRD, underlying the decision of our Board of Directors to approve a capex program of US\$ 6.3 billion and a dividend distribution of US\$ 1.65 billion for 2007.

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This press release may contain statements that express management's expectations about future events or results rather than historical facts. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those projected in forward-looking statements, and CVRD cannot give assurance that such statements will prove correct. These risks and uncertainties include factors: relating to the Brazilian and Canadian economy and securities markets, which exhibit volatility and can be adversely affected by developments in other countries; relating to the iron ore and nickel business and its dependence on the global steel industry, which is cyclical in nature; and relating to the highly competitive industries in which CVRD operates. For additional information on factors that could cause CVRD's actual results to differ from expectations reflected in forward-looking statements, please see CVRD's reports filed with the Brazilian Comissão de Valores Mobiliários and the U.S. Securities and Exchange Commission.

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Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

COMPANHIA VALE DO RIO DOCE
(Registrant)

Date: February 13, 2007

By: /s/ Roberto Castello Branco
Roberto Castello Branco
Director of Investor Relations