



Vale settles 2009 benchmark iron ore and pellet prices with Nippon Steel and Posco

Rio de Janeiro, June 10, 2009 – Vale S.A. (Vale) concluded the iron ore and pellet price negotiations for 2009 with Nippon Steel Corporation (NSC) and POSCO. The settlement was followed by the Japanese steelmakers Sumitomo Metal Industries Ltd. (SMI), Kobe Steel Ltd. (KSL) and Nisshin Steel Co. (NIS).

As an outcome of these negotiations, the iron ore prices for fines decreased by 28.2% and for lumps by 44.47% relatively to the 2008 benchmark prices.

Therefore, the new reference prices per dry metric ton Fe unit for 2009 are US\$ 0.8543 for Southeastern System fines (SSF), US\$ 0.8987 for Carajás sinter feed (SFCJ), US\$ 0.9942 for Southeastern System lump and US\$ 1.0094 for Southern System lump.

The blast furnace pellet price decreased by 48.3% relatively to 2008 and the new reference price per dry metric ton Fe unit for 2009 is US\$ 1.1043.

For further information, please contact:

+55-21-3814-4540

Roberto Castello Branco: roberto.castello.branco@vale.com

Alessandra Gadelha: alessandra.gadelha@vale.com

Patricia Calazans: patricia.calazans@vale.com

Roberta Coutinho: roberta.coutinho@vale.com

Theo Penedo: theo.penedo@vale.com

Tacio Neto: tacio.neto@vale.com

This press release may include declarations about Vale's expectations regarding future events or results. All declarations based upon future expectations, rather than historical facts, are subject to various risks and uncertainties. Vale cannot guarantee that such declarations will prove to be correct. These risks and uncertainties include factors related to the following: (a) the countries where Vale operates, mainly Brazil and Canada; (b) the global economy; (c) capital markets; (d) the mining and metals businesses and their dependence upon global industrial production, which is cyclical by nature; and (e) the high degree of global competition in the markets in which Vale operates. To obtain further information on factors that may give rise to results different from those forecast by Vale, please consult the reports filed with the Brazilian Comissão de Valores Mobiliários (CVM), the French Autorité des Marchés Financiers (AMF), and with the U.S. Securities and Exchange Commission (SEC), including Vale's most recent Annual Report on Form 20F and its reports on Form 6K.
