Press Release

Vale prices US$ 1 billion notes due 2019

Rio de Janeiro, September 8, 2009 – Vale S.A. (Vale) hereby announces the pricing of a US$ 1 billion offering of 10-year notes by its wholly-owned subsidiary Vale Overseas Limited (Vale Overseas).

The US$ 1 billion Guaranteed Notes due 2019 will bear a coupon of 5 5/8% per year, payable semi-annually, at a price of 99.232% of the principal amount. These notes will mature in September 2019 and were priced with a spread of 225 basis points over U.S. Treasuries, resulting in a yield to maturity of 5.727%.

The notes are rated Baa2 by Moody's Investor Services, BBB+ by Standard & Poor's Rating Services, BBB by Fitch Ratings and BBB (high) by Dominion Bond Rating Service. The notes will be unsecured obligations of Vale Overseas and will be fully and unconditionally guaranteed by Vale. The guarantee will rank equally in right of payment with all of Vale's other unsecured and unsubordinated debt obligations.

Vale will use the net proceeds of this offering for general corporate purposes.

Goldman, Sachs & Co., HSBC Securities (USA) Inc. and Santander Investment Securities Inc. acted as book-running underwriters.

Vale and Vale Overseas have filed a registration statement (including a prospectus) with the U.S. Securities and Exchange Commission (SEC) for the offering of the notes. Before you invest, you should read the prospectus in that registration statement and other documents Vale and Vale Overseas have filed with the SEC for more complete information about the companies and the offering. When available, you may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, Goldman Sachs, HSBC and Santander will arrange to send you the prospectus upon request by calling toll-free (917) 343-8000 (in the United States), or by calling collect (212) 902-1171 (outside the United States).

This press release is not an offer to sell, nor a solicitation of an offer to buy the notes, nor shall there be any sale of the notes in any state or jurisdiction in which the offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such state for jurisdiction.

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