



## Vale prices US\$ 1 billion notes due 2039

Rio de Janeiro, November 3, 2009 – Vale S.A. (Vale) hereby announces the pricing of a US\$ 1 billion offering of 30-year notes by its wholly-owned subsidiary Vale Overseas Limited (Vale Overseas).

The US\$ 1 billion Guaranteed Notes due 2039 will bear a coupon of 6.875% per year, payable semi-annually, at a price of 98.564% of the principal amount. These notes will mature in November 2039 and were priced with a spread of 265 basis points over U.S. Treasuries, resulting in a yield to maturity of 6.99%.

The notes are rated Baa2 by Moody's Investor Services, BBB+ by Standard & Poor's Rating Services, BBB (high) by Dominion Bond Rating Service and BBB by Fitch Ratings. The notes will be unsecured obligations of Vale Overseas and will be fully and unconditionally guaranteed by Vale. The guaranty 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.

Deutsche Bank Securities Inc, HSBC Securities (USA) Inc., and J.P. Morgan 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](http://www.sec.gov). Alternatively, Deutsche Bank, HSBC and J.P. Morgan will arrange to send you the prospectus upon request by calling toll-free 1-866-811-8049 (in the United States), or by calling collect 212-525-4102 (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 or jurisdiction.

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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 20-F and its reports on Form 6-K.