



Vale in negotiations to acquire fertilizer assets

Rio de Janeiro, January 15, 2010 – Vale S.A. (Vale) announces that it is engaged in negotiations to acquire, through one of its subsidiaries, the fertilizer assets of the Bunge Group in Brazil, including its stake of 42.3% in the equity capital of Fosfertil S.A. (Fosfertil), in a transaction that shall not exceed US\$ 3.8 billion.

The asset portfolio is composed by phosphate rock mines and processing plants of intermediate fertilizers based on phosphorus (phosphates) and nitrogen (ammonium nitrate and urea).

The negotiations may lead or not to the acquisition of the above mentioned assets. The successful conclusion of these negotiations is subject to the usual risks implied in this type of transaction, to the satisfaction of precedent conditions, to the corporate approval of the companies involved, and to the approval of governmental regulatory agencies.

The outcome of these negotiations will be publicly disclosed by Vale immediately after their conclusion.

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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.