



Vale prices US\$ 1 billion notes due 2022

Rio de Janeiro, January 4, 2012 – Vale S.A. (Vale) hereby announces the pricing of the offering by its wholly-owned subsidiary Vale Overseas Limited (Vale Overseas) of US\$ 1 billion 4.375% Guaranteed Notes due 2022.

The notes will bear a coupon of 4.375% per year, payable semi-annually, and were sold at a price of 98.804% of the principal amount. These notes will mature in January 2022 and were priced with a spread of 255 basis points over U.S. Treasuries, resulting in a yield to maturity of 4.525%.

The notes are rated A- by Standard & Poor's Rating Services, Baa2 by Moody's Investor 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.

Citigroup Global Markets Inc., HSBC Securities (USA) Inc., J.P. Morgan Securities LLC, BB Securities Ltd. and Banco Bradesco BBI S.A. acted as joint lead managers and joint bookrunners.

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 access these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, the underwriters will arrange to send you the prospectus if you request it by calling Citigroup Global Markets Inc. at +1-800-831-9146, HSBC Securities (USA) Inc. at +1-866-811-8049 or J.P. Morgan Securities LLC at +1-866-846-2874 (each toll-free in the United States), or, if calling from outside the U.S., by calling collect J.P. Morgan Securities LLC at +1-212-834-5402, Banco do Brasil Securities LLC at +1-646-845-3714 or Banco Bradesco BBI S.A. at +1-212-888-9145.

For further information, please contact:

+55-21-3814-4540
Roberto Castello Branco: roberto.castello.branco@vale.com
Viktor Moszkowicz: viktor.moszkowicz@vale.com
Carla Albano Miller: carla.albano@vale.com
Christian Perlingiere: christian.perlingiere@vale.com
Andrea Gutman: andrea.gutman@vale.com
Fernando Frey: fernando.frey@vale.com
Marcio Loures Penna: marcio.penna@vale.com
Samantha Pons: samantha.pons@vale.com
Thomaz Freire: thomaz.freire@vale.com

This press release may include statements that present Vale's expectations about future events or results. All statements, when based upon expectations about the future and not on historical facts, involve various risks and uncertainties. Vale cannot guarantee that such statements will prove correct. These risks and uncertainties include factors related to the following: (a) the countries where we operate, especially Brazil and Canada; (b) the global economy; (c) the capital markets; (d) the mining and metals prices and their dependence on global industrial production, which is cyclical by



Press Release



nature; and (e) global competition in the markets in which Vale operates. To obtain further information on factors that may lead to results different from those forecast by Vale, please consult the reports Vale files with the U.S. Securities and Exchange Commission (SEC), the Brazilian Comissão de Valores Mobiliários (CVM), the French Autorité des Marchés Financiers (AMF), and The Stock Exchange of Hong Kong Limited, and in particular the factors discussed under "Forward-Looking Statements" and "Risk Factors" in Vale's annual report on Form 20-F.