



## Vale pays dividend to shareholders

Rio de Janeiro, October 16, 2012 – Vale S.A. (Vale) informs that its Board of Directors approved today the payment of the second installment of the 2012 minimum dividend of US\$ 3.0 billion (R\$ 6,114,600,000.00), equivalent to US\$ 0.582142779 (R\$ 1.186523412) per outstanding common or preferred share (5,153,374,926).

### Form of payment

Payment of the additional dividend will be made as follows:

1. Distribution of R\$ 6,114,600,000.00 equivalent to R\$ 1.186523412 per outstanding common or preferred share, in the form of dividend, based on the number of shares on October 15, 2012 (5,153,374,926), being R\$ 2,710,000,000.00 in the form of interest on capital and R\$ 3,404,600,000.00 in the form of dividends, equivalent to, per share, US\$ 0.258006563 (R\$ 0.525868977) as interest on capital and US\$ 0.324136216 (R\$ 0.660654435) as dividends.

The values were obtained from the conversion of the US dollar value into Brazilian reais using the exchange rate for the sale of US dollar (Ptax – option 5 code), as informed by the Central Bank of Brazil on October 15, 2012, of R\$ 2,0382 per US dollar, as announced on January 16, 2012 and October 1<sup>st</sup>, 2012.

2. The payment will be made from October 31, 2012 onwards. The holders of American Depositary Receipts (ADRs) and Hong Kong Depositary Receipts (HDRs) will receive the payment through JP Morgan, the depositary agent for the ADRs and HDRs, on November 7 and 8, 2012, respectively.
3. All shareholders on these respective record dates will have the right to the dividend payment. The record date for the owners of shares traded on the BM&F Bovespa is October 16, 2012. The record date for the holders of ADRs traded on the New York Stock Exchange (NYSE) and Euronext Paris is October 19, 2012 and for the holders of HDRs traded on the Hong Kong Stock Exchange (HKEx) is at the close of business in Hong Kong on October 19, 2012.
4. Vale shares will start trading ex-dividend on BM&F Bovespa, NYSE and Euronext Paris as of October 17, 2012, and on HKEx as of October 18, 2012.

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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



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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 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.

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