United States
Securities and Exchange Commission

Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16
of the
Securities Exchange Act of 1934

For the month of

July, 2012

Vale S.A.

Avenida Graça Aranha, No. 26
20030-900 Rio de Janeiro, RJ, Brazil

(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

(Check One) Form 20-F x Form 40-F o

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1)

(Check One) Yes o No x

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7)

(Check One) Yes o No x

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

(Check One) Yes o No x

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b). 82- .

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Condensed Interim Financial Statements

June 30, 2012

IFRS

Filed at CVM, SEC and HKEx on

July 25, 2012

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(A free translation from the original in Portuguese)

Vale S.A.

Condensed Interim Financial Statements Index

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Report on review of condensed

interim accounting information

To the Board of Directors and Stockholders

Vale S.A.

Introduction

We have reviewed the accompanying balance sheet of Vale S.A. (the Company) as of June 30, 2012, and the related statements of income and comprehensive income for the quarter and six-month periods then ended, and the statements of changes in equity and cash flows for the six-month period then ended.

We have also reviewed the accompanying consolidated balance sheet of Vale S.A. and its subsidiaries (Consolidated) as of June 30, 2012, and the related consolidated statements of income and comprehensive income for the quarter and six-month periods then ended, and the statements of changes in equity and cash flows for six-month period then ended.

Management is responsible for the preparation of the Company condensed interim accounting information in accordance with the accounting standard CPC 21, *Demonstração Intermediária*, issued by the Brazilian Accounting Pronouncements Committee (CPC), and the consolidated condensed interim accounting information in accordance with accounting standard CPC 21 and International Accounting Standard (IAS) 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB). Our responsibility is to express a conclusion on these condensed interim accounting information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - *Revisão de Informações Intermediárias Executada pelo Auditor da Entidade* and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion

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Conclusion on the condensed interim

accounting information of the Company

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim accounting information of the Company referred to above is not prepared, in all material respects, in accordance with CPC 21 applicable to the preparation of the interim financial information.

Conclusion on the consolidated condensed

interim accounting information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed interim accounting information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the interim financial information.

Other matters interim statements

of value added

We have also reviewed the Company and the consolidated interim statements of value added for the six-month period ended June 30, 2012, presented as supplementary information. These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they are not properly prepared, in all material respects, in relation to the condensed interim accounting information taken as a whole.

Rio de Janeiro, July 25, 2012

/S/PricewaterhouseCoopers

Auditores Independentes

CRC 2SP000160/O-5 F RJ

João César de Oliveira Lima Júnior

Contador CRC 1RJ077431/O-8

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Interim Condensed Statement of Financial Position

In millions of Reais

	Notes	Consolidated		Parent Company	
		June 30, 2012 (unaudited)	**December 31, 2011 (I)**	**June 30, 2012 (unaudited)**	**December 31, 2011**
Assets					
Current assets					
Cash and cash equivalents	8	8,117,669	6,593,177	409,599	574,787
Derivatives at fair value	25	639,648	1,111,744	360,191	573,732
Accounts receivable	9	13,974,152	15,888,807	17,655,342	15,808,849
Related parties	30	696,052	153,738	1,614,919	2,561,308
Inventories	10	10,501,884	9,833,050	3,464,945	3,182,738
Recoverable taxes	12	4,309,765	4,190,141	1,869,205	2,316,532
Advances to suppliers		602,934	733,382	329,648	381,768
Others		1,992,083	1,646,824	456,594	183,394
		40,834,187	**40,150,863**	**26,160,443**	**25,583,108**
Non-current Assets held for sale	11	371,339			
		41,205,526	**40,150,863**	**26,160,443**	**25,583,108**
Non-current assets					
Related parties	30	851,291	904,172	799,409	445,769
Loans and financing agreements to receive		456,825	399,277	166,369	158,195
Prepaid expenses		702,411	426,252	13,486	16,643
Judicial deposits	18	3,045,733	2,734,599	2,369,633	2,091,492
Deferred income tax and social contribution	20	3,774,883	3,538,830	2,139,200	2,108,558
Recoverable taxes	12	1,227,758	1,097,134	244,562	201,226
Derivatives at fair value	25		112,253		96,262
Reinvestment tax incentive		412,581	428,750	412,581	428,750
Others		488,329	668,940	96,105	371,620
		10,959,811	**10,310,207**	**6,241,345**	**5,918,515**
Investments	13	16,037,262	14,984,038	123,838,810	113,149,994
Intangible assets	14	18,081,570	17,788,581	14,085,645	13,973,730
Property, plant and equipment, net	15	167,217,185	153,854,863	60,648,047	55,503,193
		212,295,828	**196,937,689**	**204,813,847**	**188,545,432**
Total assets		**253,501,354**	**237,088,552**	**230,974,290**	**214,128,540**

(I) Period adjusted according to note 3.

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(A free translation from the original in Portuguese)

Interim Condensed Statement of Financial Position

In millions of Reais, except number of shares

(continued)

		Consolidated		Parent Company	
	Notes	**June 30, 2012 (unaudited)**	**December 31, 2011 (I)**	**June 30, 2012 (unaudited)**	**December 31, 2011**
Liabilities					
Current liabilities					
Suppliers and contractors		8,908,928	8,851,220	4,004,286	3,503,577
Payroll and related charges		1,976,060	2,442,255	1,162,037	1,581,782
Derivatives at fair value	25	283,420	135,697	225,800	117,470
Current portion of long-term debt	17	2,998,505	2,807,280	1,068,724	891,654
Short-term debt	17	999,928	40,044	999,928	
Related parties	30	38,061	42,907	6,636,262	4,959,017
Taxes payable and royalties		562,321	978,915	122,587	329,680
Provision for income taxes		279,275	955,342		
Employee post retirement benefits obligations		244,648	316,061	79,784	140,508
Railway sub-covcession agreement payable		127,315	123,308		
Provision for asset retirement obligations	19	80,902	136,436	13,613	20,507
Dividends and interest on capital			2,207,101		2,207,101
Others		1,839,752	1,650,194	751,010	400,023
		18,339,115	**20,686,760**	**15,064,031**	**14,151,319**
Liabilities directly associated with assets held for sale	11	64,683			
		18,403,798	**20,686,760**	**15,064,031**	**14,151,319**
Non-current liabilities					
Derivatives at fair value	25	1,807,005	1,238,542	1,379,023	953,357
Long-term debt	17	46,609,765	40,224,674	19,350,782	18,595,793
Related parties	30	157,993	170,616	29,767,831	28,654,132
Employee post retirement benefits obligations		3,165,601	2,845,725	346,900	406,330
Provisions for contingencies	18	3,464,674	3,144,740	2,099,087	1,927,686
Deferred income tax and social contribution	20	8,072,259	10,613,773		
Asset retirement obligations	19	3,794,801	3,427,294	1,162,132	1,094,824
Stockholders Debentures	29	2,805,808	2,495,995	2,805,808	2,495,995
Redeemable noncontrolling interest		819,283	942,668		
Others		3,784,366	4,617,145	1,497,805	2,373,706

		74,481,555	**69,721,172**	**58,409,368**	**56,501,823**
Total liabilities		**92,885,353**	**90,407,932**	**73,473,399**	**70,653,142**
Stockholders equity	24				
Preferred class A stock - 7,200,000,000 no-par-value shares authorized and 2,108,579,618 (2011 - 2,108,579,618) issued		29,475,211	29,475,211	29,475,211	29,475,211
Common stock - 3,600,000,000 no-par-value shares authorized and 3,256,724,482 (2011 - 3,256,724,482) issued		45,524,789	45,524,789	45,524,789	45,524,789
Mandatorily convertible votes - common shares			359,649		359,649
Mandatorily convertible votes - preferred shares			796,162		796,162
Treasury stock - 140,857,692 (2011 - 181,099,814) preferred and 71,071,482 (2011 - 86,911,207) common shares		(7,839,512)	(9,918,541)	(7,839,512)	(9,918,541)
Results from operations with noncontrolling stockholders		(458,169)	(70,706)	(458,169)	(70,706)
Valuation adjustment		(1,089,328)	219,556	(1,089,328)	219,556
Cumulative translation adjustments		5,021,745	(1,016,711)	5,021,745	(1,016,711)
Retained earnings		86,866,155	78,105,989	86,866,155	78,105,989
Total company stockholders equity		**157,500,891**	**143,475,398**	**157,500,891**	**143,475,398**
Noncontrolling interests		3,115,110	3,205,222		
Total stockholders equity		**160,616,001**	**146,680,620**	**157,500,891**	**143,475,398**
Total liabilities and stockholders equity		**253,501,354**	**237,088,552**	**230,974,290**	**214,128,540**

(I) Period adjusted according to note 3.

The accompanying notes are an integral part of these interim financial statements.

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(A free translation from the original in Portuguese)

Consolidated Condensed Interim Statement of Profit or Loss

In millions of Reais, except as otherwise stated

(unaudited)

		Three-month period ended			Six-month period ended	
	Notes	**June 30, 2012**	**March 31, 2012**	**June 30, 2011 (I)**	**June 30, 2012**	**June 30, 2011 (I)**
Net operating revenue		23,404,891	19,591,174	23,914,597	42,996,065	45,931,788
Cost of goods solds and services rendered	27	(11,670,292)	(10,049,383)	(9,057,055)	(21,719,675)	(18,291,677)
Gross profit		**11,734,599**	**9,541,791**	**14,857,542**	**21,276,390**	**27,640,111**
Operating (expenses) income						
Selling and administrative expenses	27	(1,206,725)	(934,403)	(694,125)	(2,141,128)	(1,391,615)
Research and development expenses	27	(707,938)	(526,557)	(580,061)	(1,234,495)	(1,148,875)
Other operating expenses, net	27	(1,223,388)	(1,191,318)	(1,136,916)	(2,414,706)	(1,822,511)
Realized gain (loss) on non-current assets held for sales		(768,236)			(768,236)	2,492,175
		(3,906,287)	**(2,652,278)**	**(2,411,102)**	**(6,558,565)**	**(1,870,826)**
Operating profit		**7,828,312**	**6,889,513**	**12,446,440**	**14,717,825**	**25,769,285**
Financial income	28	421,320	1,480,155	2,157,043	1,901,475	2,987,328
Financial expenses	28	(5,565,703)	(1,258,766)	(1,262,100)	(6,824,469)	(2,359,800)
Equity results from associates	13	309,600	437,020	651,434	746,620	1,117,220
Income before income tax and social contribution		**2,993,529**	**7,547,922**	**13,992,817**	**10,541,451**	**27,514,033**
Income tax and social contribution						
Current tax	20	(99,724)	(1,435,730)	(2,681,310)	(1,535,454)	(5,332,645)
Deferred						
Deferred of period	20	(246,951)	505,137	(1,130,914)	258,186	(798,657)
Reversal of Deferred Income Tax liabilities (see note 7.a.)		2,533,411			2,533,411	
		2,186,736	**(930,593)**	**(3,812,224)**	**1,256,143**	**(6,131,302)**
Income from continuing operations		**5,180,265**	**6,617,329**	**10,180,593**	**11,797,594**	**21,382,731**
Net income of the period		**5,180,265**	**6,617,329**	**10,180,593**	**11,797,594**	**21,382,731**
Loss attributable to non-controlling interests		(133,401)	(103,071)	(94,766)	(236,472)	(183,611)
Net income attributable to the Company s stockholders		**5,313,666**	**6,720,400**	**10,275,359**	**12,034,066**	**21,566,342**
Earnings per share attributable to the Company s						

stockholders:					
Basic earnings per share:					
Preferred share and Common	1.04	1.30	1.94	2.36	4.08
Diluted earnings per share:					
Preferred share and Common	1.04	1.30	1.94	2.36	4.08

(I) Period adjusted according to note 3.

The accompanying notes are an integral part of these interim financial statements.

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(A free translation from the original in Portuguese)

Parent Company Condensed Interim Statement of Profit or Loss

In millions of Reais, except as otherwise stated

(unaudited)

		Three-month period ended			Six-month period ended	
	Notes	**June 30, 2012**	**March 31, 2012**	**June 30, 2011**	**June 30, 2012**	**June 30, 2011**
Net operating revenue		15,814,484	11,889,232	16,497,509	27,703,716	30,040,487
Cost of goods solds and services rendered	27	(6,152,652)	(5,361,841)	(5,030,782)	(11,514,493)	(9,708,746)
Gross profit		**9,661,832**	**6,527,391**	**11,466,727**	**16,189,223**	**20,331,741**
Operating (expenses) income						
Selling and administrative expenses	27	(585,409)	(558,794)	(433,573)	(1,144,203)	(802,927)
Research and development expenses	27	(377,991)	(287,705)	(341,029)	(665,696)	(619,904)
Other operating expenses, net	27	(248,514)	(517,948)	(485,315)	(766,462)	(641,494)
Equity results from subidiaries	13	2,541,697	2,019,055	1,473,001	4,560,752	3,896,259
Realized gain (loss) on non-current assets held for sales (equity on parent company) (*)		(768,236)			(768,236)	2,492,175
		561,547	**654,608**	**213,084**	**1,216,155**	**4,324,109**
Operating profit		**10,223,379**	**7,181,999**	**11,679,811**	**17,405,378**	**24,655,850**
Financial income	28	125,001	1,124,004	1,737,590	1,249,005	2,175,647
Financial expenses	28	(4,906,017)	(1,276,255)	(620,869)	(6,182,272)	(1,697,026)
Equity results from associates	13	309,600	437,020	651,434	746,620	1,117,220
Income before income tax and social contribution		**5,751,963**	**7,466,768**	**13,447,966**	**13,218,731**	**26,251,691**
Income tax and social contribution						
Current	20	(11,346)	(1,191,925)	(2,348,035)	(1,203,271)	(4,063,509)
Deferred	20	(426,951)	445,557	(824,572)	18,606	(621,840)
		(438,297)	**(746,368)**	**(3,172,607)**	**(1,184,665)**	**(4,685,349)**
Income from continuing operations		**5,313,666**	**6,720,400**	**10,275,359**	**12,034,066**	**21,566,342**
Net income of the period		**5,313,666**	**6,720,400**	**10,275,359**	**12,034,066**	**21,566,342**
Net income attributable to the Company s stockholders		**5,313,666**	**6,720,400**	**10,275,359**	**12,034,066**	**21,566,342**
Earnings per share attributable to the Company s stockholders:						

Basic earnings per share:					
Preferred share and Common	1.04	1.30	1.94	2.36	4.08
Diluted earnings per share:					
Preferred share and Common	1.04	1.30	1.94	2.36	4.08

(*) Except for the loss of R$ 721,808 in 2012 about coal assets sale.

The accompanying notes are an integral part of these interim financial statements.

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(A free translation from the original in Portuguese)

Interim Statement of Other Comprehensive Income

In millions of Reais

(unaudited)

	Consolidated				
	Three-month period ended			**Six-month period ended**	
	June 30, 2012	**March 31, 2012**	**June 30, 2011 (I)**	**June 30, 2012**	**June 30, 2011 (I)**
Net income	**5,180,265**	**6,617,329**	**10,180,593**	**11,797,594**	**21,382,731**
Other comprehensive income					
Cumulative translation adjustments	7,403,029	(1,101,899)	(2,845,015)	6,301,130	(3,683,141)
Unrealized gain (loss) on available-for-sale investments					
Gross balance as of the period/year ended	(3,946)	(698)	5,397	(4,644)	4,584
	(3,946)	**(698)**	**5,397**	**(4,644)**	**4,584**
Cash flow hedge					
Gross balance as of the period/year ended	(274,755)	41,085	241,177	(233,670)	266,418
Tax benefit (expense)	57,284	(26,898)	(18,602)	30,386	(32,001)
	(217,471)	**14,187**	**222,575**	**(203,284)**	**234,417**
Total comprehensive income of the period	**12,361,877**	**5,528,919**	**7,563,550**	**17,890,796**	**17,938,591**
Comprehensive income attributable to noncontrolling interests	188,907	(162,704)	(214,107)	26,203	(435,262)
Comprehensive income attributable to the Company s stockholders	12,172,970	5,691,623	7,777,657	17,864,593	18,373,853
	12,361,877	**5,528,919**	**7,563,550**	**17,890,796**	**17,938,591**

	Parent Company				
	Three-month period ended			**Six-month period ended**	
	June 30, 2012	**March 31, 2012**	**June 30, 2011**	**June 30, 2012**	**June 30, 2011**
Net income	**5,313,666**	**6,720,400**	**10,275,359**	**12,034,066**	**21,566,342**
Other comprehensive income					
Cumulative translation adjustments	7,080,721	(1,042,266)	(2,725,674)	6,038,455	(3,430,290)
Unrealized gain (loss) on available-for-sale investments					

Gross balance as of the period/year ended	(3,946)	(698)	5,397	(4,644)	4,584
	(3,946)	**(698)**	**5,397**	**(4,644)**	**4,584**
Cash flow hedge					
Gross balance as of the period/year ended	(274,755)	41,085	241,177	(233,670)	265,218
Tax benefit (expense)	57,284	(26,898)	(18,602)	30,386	(32,001)
	(217,471)	**14,187**	**222,575**	**(203,284)**	**233,217**
Total comprehensive income of the period	**12,172,970**	**5,691,623**	**7,777,657**	**17,864,593**	**18,373,853**

(I) Period adjusted according to note 3.

The accompanying notes are an integral part of these interim financial statements.

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(A free translation from the original in Portuguese)

Interim Statement of Changes in Equity

In millions of Reais

(unaudited)

						Six-month period ended				
	Capital	**Results in the translation of shares**	**Mandatorily convertible notes**	**Revenue reserves**	**Treasury stock**	**Valuation adjustment**	**Income from operations with non-controlling stockholders**	**Cumulative translation adjustment**	**Retained earnings**	**Parent company stockholders´equity**
January 01, 2011	**50,000,000**	**1,867,210**	**1,441,576**	**72,487,917**	**(4,826,127)**	**(25,383)**	**685,035**	**(9,512,225)**		**112,118,003**
Net income of the period									21,566,342	21,566,342
Capitalization of reserves	25,000,000	(1,867,210)		(23,132,790)						
Capitalization of noncontrolling stockholders advances										
Additional remuneration for mandatorily convertible notes			(49,279)							(49,279)
Cash flow hedge, net of taxes						233,217				233,217
Unrealized results on valuation at market						4,584				4,584
Translation adjustments for the period								(3,430,290)		(3,430,290)
Dividends to noncontrolling stockholders										
Redeemable noncontrolling stockholders interest										
Acquisitions and disposal of noncontrolling shareholdings										
June 30, 2011	**75,000,000**		**1,392,297**	**49,355,127**	**(4,826,127)**	**212,418**	**685,035**	**(12,942,515)**	**21,566,342**	**130,442,577**
January 01, 2012	**75,000,000**		**1,155,811**	**78,105,988**	**(9,918,541)**	**219,556**	**(70,706)**	**(1,016,710)**		**143,475,398**

Net income of the period									12,034,066	12,034,066
Capitalization of noncontrolling stockholders advances										
Repurcharse of convertible notes					11					11
Remuneration for mandatorily convertible notes			(128,231)							(128,231)
Cash flow hedge, net of taxes						(203,284)				(203,284)
Unrealized results on valuation at market						(4,644)				(4,644)
Currency translation adjustments of the period								6,038,455		6,038,455
Dividends to noncontrolling stockholders										
Redeemable noncontrolling stockholders interest										
Acquisitions and disposal of noncontrolling shareholdings							(436,981)			(436,981)
Result on conversion of shares		49,518	(1,027,580)		2,079,018	(1,100,956)				
Unrealized results on valuation at market										
Destination of earnings:										
Additional remuneration proposed									(3,273,899)	(3,273,899)
June 30, 2012	**75,000,000**	**49,518**		**78,105,988**	**(7,839,512)**	**(1,089,328)**	**(507,687)**	**5,021,745**	**8,760,167**	**157,500,891**

The accompanying notes are an integral part of these interim financial statements.

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(A free translation from the original in Portuguese)

Consolidated Condensed Interim Statement of Cash Flows

In millions of Reais

(unaudited)

	Three-month period ended			Six-month period ended	
	June 30, 2012	**March 31, 2012**	**June 30, 2011 (I)**	**June 30, 2012**	**June 30, 2011 (I)**
Cash flow from operating activities:					
Net income	5,180,265	6,617,329	10,180,593	11,797,594	21,382,731
Adjustments to reconcile net income to cash from operations					
Results of equity investments	(309,600)	(437,020)	(651,434)	(746,620)	(1,117,220)
Realized gain on assets held for sale	768,236			768,236	(2,492,175)
Depreciation, amortization and depletion	2,039,983	1,797,762	1,490,092	3,837,745	3,013,289
Deferred income tax and social contribution	246,951	(505,137)	1,130,914	(258,186)	798,657
reversal of deferred income tax	(2,533,411)			(2,533,411)	
Monetary and exchange rate changes, net	861,528	(368,323)	442,777	493,205	941,858
Loss on disposal of property, plant and equipment	360,132	81,563	45,632	441,695	324,258
Net unrealized losses (gains) on derivatives	1,257,978	(194,059)	(358,943)	1,063,919	(709,818)
Others	(341,989)	(3,986)	(140,218)	(345,975)	(186,095)
Decrease (increase) in assets:					
Accounts receivable from customers	342,482	1,479,640	(1,024,984)	1,822,122	(942,343)
Inventories	308,788	(703,793)	(155,301)	(395,005)	(1,369,329)
Recoverable taxes	(760,127)	660,558	(140,663)	(99,569)	(328,424)
Others	(106,453)	(36,329)	(271,199)	(142,782)	177,719
Increase (decrease) in liabilities:					
Suppliers and contractors	555,936	(778,026)	438,810	(222,090)	731,203
Payroll and related charges	575,051	(1,056,185)	311,987	(481,134)	(290,884)
Taxes and contributions	(202,965)	(1,003,713)	(46,183)	(1,206,678)	610,686
Others	467,087	91,043	(374,125)	558,130	758,961
Net cash provided by operating activities	**8,709,872**	**5,641,324**	**10,877,755**	**14,351,196**	**21,303,074**
Cash flow from investing activities:					
Short-term investments			869,017		2,987,497
Loans and advances receivable	18,621	(65,630)	(52,576)	(47,009)	(303,345)
Guarantees and deposits	(155,396)	(20,467)	(252,007)	(175,863)	(299,550)
Additions to investments	(83,670)	(373,506)	(497,867)	(457,176)	(1,058,911)
Additions to property, plant and equipment	(6,541,223)	(5,236,156)	(5,551,399)	(11,777,379)	(10,237,529)
Dividends/interest on capital received	225,645	107,359	547,425	333,004	959,513
Proceeds from disposal of investments held for sale	745,028			745,028	1,794,985

Net cash provided by (used in) investing activities	**(5,790,995)**	**(5,588,400)**	**(4,937,407)**	**(11,379,395)**	**(6,157,340)**
Cash flow from financing activities:					
Short-term debt					
Additions	44,344	909,354	81,616	953,698	2,280,675
Repayments		(75,814)	(157,721)	(75,814)	(1,498,119)
Long-term debt	3,430,426	1,815,105	427,890	5,245,531	1,178,248
Repayments:					
Financial institutions	(995,720)	(112,386)	(665,751)	(1,108,106)	(3,567,872)
Dividends and interest on capital paid to stockholders	(5,481,000)		(3,267,476)	(5,481,000)	(4,937,576)
Dividends and interest on capital attributed to noncontrolling interest	(69,773)			(69,773)	
Transactions with noncontrolling stockholders	(847,546)	(132,860)		(980,406)	
Net cash provided by (used in) financing activities	**(3,919,269)**	**2,403,399**	**(3,581,442)**	**(1,515,870)**	**(6,544,644)**
Increase (decrease) in cash and cash equivalents	(1,000,392)	2,456,323	2,358,906	1,455,931	8,601,090
Cash and cash equivalents of cash, beginning of the period	9,010,806	6,593,177	18,367,379	6,593,177	12,175,282
Effect of exchange rate changes on cash and cash equivalents	107,255	(38,694)	(87,450)	68,561	(137,537)
Cash and cash equivalents, end of the period	**8,117,669**	**9,010,806**	**20,638,835**	**8,117,669**	**20,638,835**
Cash paid during the period for:					
Short-term interest		(2,438)	(1,181)	(2,438)	(3,000)
Long-term interest	(695,038)	(582,050)	(607,379)	(1,277,088)	(1,168,486)
Income tax and social contribution	(550,112)	(1,152,687)	(1,743,983)	(1,702,799)	(3,441,247)
Inflows during the period:					
Non-cash transactions:					
Additions to property, plant and equipment - interest capitalization	(149,191)	(99,185)	(100,621)	(248,376)	(164,119)

(I) Period adjusted according to note 3.

The accompanying notes are an integral part of these interim financial statements.

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(A free translation from the original in Portuguese)

Parent Company Condensed Interim Statement of Cash Flows

In millions of Reais

(unaudited)

	Six-month period ended June 30, 2012	Six-month period ended June 30, 2011
Cash flow from operating activities:		
Net income	12,034,065	21,566,342
Adjustments to reconcile net income to cash from operations		
Results of equity investments	(5,260,944)	(5,013,479)
Realized gain on assets held for sale	721,808	(2,492,175)
Depreciation, amortization and depletion	1,211,907	937,985
Deferred income tax and social contribution	(18,606)	621,840
Monetary and exchange rate changes, net	2,942,693	(2,041,118)
Loss on disposal of property, plant and equipment	78,918	256,790
Net unrealized losses (gains) on derivatives	808,403	(440,898)
Dividends / interest on capital received	333,686	1,103,265
Others	(449,329)	(222,063)
Decrease (increase) in assets:		
Accounts receivable from customers	(1,846,493)	(488,201)
Inventories	(370,799)	(294,961)
Recoverable taxes	403,991	(182,165)
Others	422,033	20,001
Increase (decrease) in liabilities:		
Suppliers and contractors	976,709	1,545,689
Payroll and related charges	(419,745)	(253,502)
Taxes and contributions	(231,415)	1,152,603
Others	357,003	361,134
Net cash provided by operating activities	**11,693,885**	**16,137,087**
Cash flow from investing activities:		
Loans and advances receivable	853,090	6,361
Guarantees and deposits	(189,938)	(292,795)
Additions to investments	(3,308,023)	(1,609,387)
Additions to property, plant and equipment	(6,486,167)	(5,674,612)
Proceeds from disposal of investments held for sale	745,028	
Net cash provided by (used in) investing activities	**(8,386,010)**	**(7,570,433)**
Cash flow from financing activities:		
Short-term debt		
Additions	967,991	1,054,403
Repayments	(2,308,857)	(4,170,319)
Long-term debt		
Additions	3,575,398	2,340,874
Repayments:		

Financial institutions	(226,595)	(740,095)
Dividends and interest on capital attributed to noncontrolling interest	(5,481,000)	(4,844,100)
Net cash provided by (used in) financing activities	**(3,473,063)**	**(6,359,237)**
Increase (decrease) in cash and cash equivalents	(165,188)	2,207,417
Cash and cash equivalents of cash, beginning of the period	574,787	4,823,377
Cash and cash equivalents, end of the period	**409,599**	**7,030,794**
Cash paid during the period for:		
Short-term interest	(1,860)	(2,482)
Long-term interest	(1,524,350)	(1,228,350)
Income tax and social contribution	(311,766)	(3,103,414)
Inflows during the period:		
Non-cash transactions:		
Additions to property, plant and equipment - interest capitalization	(18,253)	(47,546)
Transfer of advance for future capital increase to investments		(761,156)

The accompanying notes are an integral part of these interim financial statements.

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(A free translation from the original in Portuguese)

Consolidated Condensed Interim Statement of Added Value

In millions of Reais

(unaudited)

	Consolidated				
	Three-month period ended			Six-month period ended	
	June 30, 2012	March 31, 2012	June 30, 2011 (I)	June 30, 2012	June 30, 2011 (I)
Generation of added value					
Gross revenue					
Revenue from products and services	23,909,480	20,095,353	24,482,949	44,004,833	47,058,795
Gain (loss) on realization of assets available for sale	(768,236)			(768,236)	2,492,175
Other revenue	4,806	(138)	(1,502)	4,668	(1,502)
Revenue from the construction of own assets	4,590,133	5,049,100	5,611,016	9,639,233	9,504,802
Allowance for doubtful accounts	(22,137)	2,872	(9,636)	(19,265)	2,296
Less:					
Acquisition of products	(745,475)	(760,660)	(873,828)	(1,506,135)	(1,630,727)
Outsourced services	(4,170,561)	(3,668,722)	(3,571,822)	(7,839,283)	(6,398,433)
Materials	(4,458,062)	(4,515,909)	(6,871,891)	(8,973,971)	(11,170,839)
Fuel oil and gas	(1,031,255)	(856,836)	(815,085)	(1,888,091)	(1,743,227)
Energy	(419,082)	(395,921)	(341,096)	(815,003)	(822,676)
Other costs and expenses	(2,898,656)	(2,311,399)	(2,486,177)	(5,210,055)	(4,708,837)
Gross added value	**13,990,955**	**12,637,740**	**15,122,928**	**26,628,695**	**32,581,827**
Depreciation, amortization and depletion	(2,039,983)	(1,797,762)	(1,490,092)	(3,837,745)	(3,013,289)
Net added value	**11,950,972**	**10,839,978**	**13,632,836**	**22,790,950**	**29,568,538**
Financial income	346,939	735,419	1,026,298	1,082,358	1,766,226
Equity results	309,600	437,020	651,434	746,620	1,117,220
Total added value to be distributed	**12,607,511**	**12,012,417**	**15,310,568**	**24,619,928**	**32,451,984**
Personnel	2,001,598	2,103,886	1,752,985	4,105,484	3,347,768
Taxes, rates and contribution	2,121,061	1,846,579	(566,589)	3,967,640	451,485
Current income tax	99,724	1,435,730	2,681,310	1,535,454	5,332,645
Deferred income tax	(2,286,460)	(505,137)	1,130,914	(2,791,597)	798,657
Remuneration of debt capital	2,032,760	1,092,369	926,654	3,125,129	1,957,153
Monetary and exchange changes, net	3,458,563	(578,339)	(795,299)	2,880,224	(818,455)
Net income attributable to the Company s stockholders	5,313,666	6,720,400	10,275,359	12,034,066	21,566,342
Loss attributable to noncontrolling interest	(133,401)	(103,071)	(94,766)	(236,472)	(183,611)
Distribution of added value	**12,607,511**	**12,012,417**	**15,310,568**	**24,619,928**	**32,451,984**

(I) Period adjusted according to note 3.

The accompanying notes are an integral part of these interim financial statements.

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(A free translation from the original in Portuguese)

Parent Company Condensed Interim Statement of Added Value

In millions of Reais

(unaudited)

	Parent Company Six-month period ended June 30, 2012	Parent Company Six-month period ended June 30, 2011
Generation of added value		
Gross revenue		
Revenue from products and services	28,276,229	30,805,524
Gain (loss) on realization of assets available for sale	(768,236)	2,492,175
Revenue from the construction of own assets	6,952,104	5,665,123
Allowance for doubtful accounts	(8,344)	8,520
Less:		
Acquisition of products	(870,853)	(1,095,493)
Outsourced services	(5,135,205)	(3,831,753)
Materials	(5,376,751)	(5,590,277)
Fuel oil and gas	(1,105,678)	(946,931)
Energy	(540,039)	(390,833)
Other costs and expenses	(2,400,367)	(2,078,142)
Gross added value	**19,022,860**	**25,037,913**
Depreciation, amortization and depletion	(1,211,907)	(937,985)
Net added value	**17,810,953**	**24,099,928**
Received from third parties		
Financial income	549,513	1,151,013
Equity results	5,307,372	5,013,479
Total added value to be distributed	**23,667,838**	**30,264,420**
Personnel	2,172,572	1,935,484
Taxes, rates and contribution	2,793,755	1,404,853
Current income tax	1,203,271	4,063,509
Deferred income tax	(18,606)	621,840
Remuneration of debt capital	2,590,636	1,538,156
Monetary and exchange changes, net	2,892,144	(865,764)
Net income attributable to the Company s stockholders	12,034,066	21,566,342
Distribution of added value	**23,667,838**	**30,264,420**

The accompanying notes are an integral part of these interim financial statements.

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Notes to Interim Financial Statements

Expressed in millions of Brazilian Reais, unless otherwise stated

1- Operational Context

Vale S.A. (Vale or Parent Company) is a Public Limited Liability Company with its headquarters in the city of Rio de Janeiro, Graça Aranha Avenue, 26, Downtown, State of Rio de Janeiro, Brazil and has its securities traded on the stock exchanges in Sao Paulo (BM&F and BOVESPA), New York (NYSE), Paris (NYSE Euronext) and Hong Kong (HKEx).

The Company and its direct and indirect subsidiaries (Group or Company) is principally engaged in the research, production and marketing of iron ore and pellets, nickel, fertilizer, copper, coal, manganese, iron alloys, cobalt, platinum group metals and precious metals. In addition, it operates in the segments of energy, logistics and steel.

The main consolidated operating subsidiaries are:

Entities	% ownership	% voting capital	Location	Principal activity
Subsidiaries				
Compañia Minera Miski Mayo S.A.C	40.00	51.00	Peru	Fertilizers
Ferrovia Centro-Atlântica S. A.	99.99	99.99	Brazil	Logistics
Ferrovia Norte Sul S.A.	100.00	100.00	Brazil	Logistics
Mineração Corumbaense Reunida S.A.	100.00	100.00	Brazil	Iron ore and Manganese
PT Vale Indonesia Tbk	59.20	59.20	Indonesia	Nickel
Sociedad Contractual Minera Tres Valles	90.00	90.00	Chile	Copper
Vale Australia Pty Ltd.	100.00	100.00	Australia	Coal
Vale Canada Limited	100.00	100.00	Canada	Nickel
Vale Coal Colombia Ltd. (see note 7)	100.00	100.00	Colombia	Coal
Vale Fertilizantes S.A	100.00	100.00	Brazil	Fertilizers
Vale International Holdings GMBH	100.00	100.00	Austria	Holding and Research
Vale International S.A	100.00	100.00	Switzerland	Trading
Vale Manganês S.A.	100.00	100.00	Brazil	Manganese and Ferroalloys
Vale Mina do Azul S.A.	100.00	100.00	Brazil	Manganese
Vale Moçambique S.A.	95.00	95.00	Mozambique	Coal
Vale Nouvelle-Calédonie SAS	74.00	74.00	New Caledonia	Nickel
Vale Oman Pelletizing Company LLC	100.00	100.00	Oman	Pellet
Vale Shipping Holding PTE Ltd.	100.00	100.00	Singapura	Logistics

2 - Basis of presentation

The condensed interim financial statements (interim financial statements) have been prepared considering historical cost as the basis of value and adjusted to reflect the financial assets available for sale, and financial assets and liabilities (including derivative instruments) measured at fair value. The financial statements for the periods of three months ended June 30, 2012, March 31, 2012, June 30, 2011 and the period of six months ended June 30, 2012 and June 30, 2011 are unaudited. However, the interim financial statements follow the principles, methods and standards in relation to those adopted annual audited financial statements for the year ended December 31, 2011, except for the change in accounting policy disclosed in Note 3, and therefore should be read in conjunction therewith.

In preparing the interim financial statements the use of estimates is required to account for certain assets, liabilities and transactions. Consequently, the Company s interim financial statements include various estimates regarding useful lives of fixed assets, provisions for losses on assets, contingencies, operating provisions and other similar evaluations. The actual results of operations for the quarterly periods are not necessarily an indication of expected results for the fiscal year to end on December 31, 2012.

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(A free translation from the original in Portuguese)

The Company has evaluated subsequent events until July 23, 2012, which is the date of the interim financial statements approval by the Executive Directors.

a) Consolidated interim financial statements

The consolidated interim financial statements of the company have been prepared and are presented according to the Accounting Pronouncements Committee - CPC 21 (R1) Interim Financial Statements, equivalent to International Accounting Standard - IAS 34.

b) Parent company interim financial statements

The interim financial statements of the individual parent have been prepared under the Accounting Pronouncements Committee - CPC 21 (R1) Interim Statements are presented with the consolidated interim financial statements.

In the case of Vale, CPC 21 applied to individual interim financial statements differs from IAS 34, applied to the separate financial statements, only in the valuation of investments by the equity method in subsidiaries and affiliates, as according to IAS 34, cost or fair value would be used.

c) Transactions and balances in foreign exchange

Operations with other currencies are translated into the functional currency of the parent company, Brazillian Reais (BRL or R$), using the actual exchange rate on the transaction dates (or, if unavailable, the first available exchange rate). The foreign exchange gains and losses resulting from the settlement of these transactions and from the translation by exchange rates at the end of the year, relating to monetary assets and liabilities in other currencies, are recognized in the statement of income as financial expense or income.

The quotations of major currencies that impact our operations were:

	Exchange rates used for conversions in reais	
	June 30, 2012	**December 31, 2011**

US dollar - US$	1.9893	1.8683
US canadian dollar - CAD	1.9838	1.8313
US australian dollar - AUD	2.0694	1.9092
Euro - EUR or	2.5033	2.4165

The foreign exchange of non-monetary financial assets such as investments in shares classified as available for sale, are included in equity under the heading Valuation Adjustment .

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3 - Changes in accounting policies

Considering the choice given by the pronouncement CPC 19(R1), issued on August 4, 2011, and anticipating the consequences that will accrue from the adoption of IFRS 11 in Brazil in 2013, the Company opted for the purpose of consolidated statements, because of its reflects in investment in jointly-controlled companies using the equity method as from the year 2012.

Adjustment statement in the periods of comparative effects on the balance sheet and income statement:

		December 31, 2011	
Financial Position	**Original balance with proportional consolidation**	**Effect of shared control firms**	**Balance without proportional consolidation**
Assets			
Current			
Cash and Cash equivalents	7,457,928	(864,751)	6,593,177
Other	34,637,288	(1,079,602)	33,557,686
	42,095,216	**(1,944,353)**	**40,150,863**
Non-current			
Investments	10,917,110	4,066,928	14,984,038
Property, plant and equipment, and Intangible Assets	177,857,715	(6,214,271)	171,643,444
Other	10,913,071	(602,864)	10,310,207
	199,687,896	**(2,750,207)**	**196,937,689**
Total Asset	**241,783,112**	**(4,694,560)**	**237,088,552**
Liabilities and Stockholders equity			
Current			
Accounts Payable	9,156,706	(305,486)	8,851,220
Loans and finances	3,871,650	(1,024,326)	2,847,324
Other	9,196,718	(208,502)	8,988,216
	22,225,074	**(1,538,314)**	**20,686,760**
Non-current			
Loans and finances	42,752,774	(2,528,100)	40,224,674
Deferred income tax and social contribution	10,772,547	(158,774)	10,613,773
Other	19,342,350	(459,625)	18,882,725
	72,867,671	**(3,146,499)**	**69,721,172**
Stockholders equity			
Capital stock	75,000,000		75,000,000
Noncontrolling interests	3,214,969	(9,747)	3,205,222
Other	68,475,398		68,475,398
	146,690,367	**(9,747)**	**146,680,620**
Total Liabilities and Stockholders equity	**241,783,112**	**(4,694,560)**	**237,088,552**

Three-month period ended (unaudited)
June 30, 2011

Statement of profit or loss	Original balance with proportional consolidation	Effect of shared control firms	Balance without proportional consolidation
Net revenue	25,063,251	(1,148,654)	23,914,597
Cost	(9,396,840)	339,785	(9,057,055)
Gross operating profit	**15,666,411**	**(808,869)**	**14,857,542**
Operational expenses	(2,501,423)	90,321	(2,411,102)
Financial expenses	924,911	(29,968)	894,943
Equity results	81,176	570,258	651,434
Earnings before taxes	**14,171,075**	**(178,258)**	**13,992,817**
Current and deferred Income tax and social contribution, net	(3,991,024)	178,800	(3,812,224)
Net income of the year	**10,180,051**	**542**	**10,180,593**
Loss attributable to noncontrolling interests	(95,308)	542	(94,766)
Net income attributable to shareholders	**10,275,359**		**10,275,359**

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(A free translation from the original in Portuguese)

Statement of profit or loss	Six-month period ended (unaudited) June 30, 2011 Original balance with proportional consolidation	Effect of shared control firms	Balance without proportional consolidation
Net revenue	48,048,534	(2,116,746)	45,931,788
Cost	(18,910,611)	618,934	(18,291,677)
Gross operating profit	**29,137,923**	**(1,497,812)**	**27,640,111**
Operational expenses	(2,054,671)	183,845	(1,870,826)
Financial expenses	657,028	(29,500)	627,528
Equity results	98,850	1,018,370	1,117,220
Earnings before taxes	**27,839,130**	**(325,097)**	**27,514,033**
Current and deferred Income tax and social contribution, net	(6,458,192)	326,890	(6,131,302)
Net income of the year	**21,380,938**	**1,793**	**21,382,731**
Loss attributable to noncontrolling interests	(185,404)	1,793	(183,611)
Net income attributable to shareholders	**21,566,342**		**21,566,342**

4 - Critical Accounting Estimates and Judgments

The Critical Accounting Estimates and Judgments are the same as those adopted in the preparation of financial statements for the year ended December 31, 2011.

5 - Accounting Pronouncements

The Company prepared its Interim consolidated financial statements based on CPC 21 (correlated to IAS 34) on the statements, interpretations and guidelines already issued by the CPC and approved by CVM. The statements and interpretations issued by the IASB but not issued by the CPC and approved by CVM will not be adopted in advance by the Company.

During the period, the CPC has not issued any new pronouncement, interpretation or guidance.

In June 2012 IASB issue amendments on IFRS 10, IFRS 11 and IFRS 12 (all still not issued by the CPC). As of standards, the effective date of the amendments is January 1, 2013. The Company is currently studying the future impact of this amendments and do not expect any significant change in the financial statements.

In May 2012 IASB issue the annual improvements with amendments on: IFRS 1 First-time Adoption of International Financial Reporting Standards; IAS 1 Presentation of Financial Statements; IAS 16 Property, Plant and Equipment; IAS 32 Financial Instruments and; IAS 34 Interim Financial Reporting. The effective date of the amendments is January 1, 2013. The Company is currently studying the future impact of this amendments and do not expect any significant change in the financial statements.

6 - Risk Management

There was no significant change in the period related to risk management policy disclosed for the year ended December 31, 2011.

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7 - Acquisitions and Disposals

a) Fertilizer s Business

In 2010, through our wholly owned subsidiary Mineração Naque S.A. (Naque), Vale acquired 78.92% of the total capital (being 99.83% the of voting capital) of Vale Fertilizantes S.A. and 100% of the total capital of Vale Fosfatados. In 2011 and beginning of 2012, Vale concluded several transactions including a public offer to acquire the free floating of Vale Fertilizantes and its delisting which resulted in the current ownership of 100% of the total capital of this subsidiary.

The purchase consideration of the business combination effected in 2010, when control was obtained, amounted all together to R$10,696 millions. The purchase price allocation exercise was concluded in 2011 and generated a deferred tax liability on the fair value adjustments, determined based on the temporary differences between the accounting basis of those assets and liabilities at fair values and their tax basis represented by the historical carrying values at the acquired entity. According to current Brazilian tax regulations, goodwill generated in connection with a business combination as well as the fair values of assets and liabilities acquired are only tax deductible post a legal merger between the acquirer and the acquiree.

In June 2012, Vale have decided to legally merge Naque and Vale Fertilizantes. As a result, the carrying amounts of acquired assets and liabilities accounted for at Naque s consolidated financial statements, represented by their amortized fair values from acquisition date, became their tax basis.

Therefore, upon concluding the merger, there are no longer differences between tax basis and carrying amounts of the net assets acquired, and consequently there is no longer deferred tax liability amount to be recognized. The outstanding balance of the initially recognized deferred tax liability (accounted for in connection with the purchase accounting) totaling R$ 2,533 millions was entirely recycled through P&L for the six-month period ended June 30, 2012, in connection with the legal merger of Vale Fertilizantes into Naque.

In addition, Naque was then renamed as Vale Fertilizantes.

b) Sale of coal

In June 2012, Vale informed that it has concluded the sale of its thermal coal operations in Colombia to CPC S.A.S., an affiliate of Colombian Natural Resources S.A.S. (CNR), a privately held company, which includes future compromises around of R$ 245,302.

The thermal coal operations in Colombia constitute a fully-integrated mine-railway-port system consisting of a coal mine and a coal deposit; a coal port facility; and an equity participation in a railway connecting the coal mines to the port.

The loss on this transaction, of R$721,808 was recorded in the income statement in the line Realized gain (loss) on non-current assets held for sales .

c) Acquisition of EBM shares

Continuing the process of optimization its corporate structure, during 2Q12 Vale acquired additional 10.46% of Empreendimentos Brasileiros de Mineração S. A. (EBM), whose main asset is the participation in Minerações Brasileiras Reunidas S. A., wich owns mines sites Itabirito, Vargem Grande and Paraopeba.

As a result of the acquisition, Vale increased its share on the capital of EBM to 96.7% and of MBR to 98.3%, and the amounts of R$ 449,988 are recognized as a result from operations with non-controlling interest in Stockholders Equity .

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8 - Cash and Cash Equivalents

	Consolidated		Parent Company	
	June 30, 2012 (unaudited)	December 31, 2011 (I)	June 30, 2012 (unaudited)	December 31, 2011
Cash and bank accounts	2,071,096	1,770,142	33,286	176,722
Short-term investments	6,046,573	4,823,035	376,313	398,065
	8,117,669	**6,593,177**	**409,599**	**574,787**

(I) Period adjusted according to note 3.

Cash and cash equivalents includes cash values, demand deposits, and financial investments with insignificant risk of changes in value, being part Brazillian Reais indexed at the rate of interbank certificates of deposit (DI Rate or CDI) and part in US Dollars in time deposits with a maturity of less than three months.

9 - Accounts Receivables

	Consolidated		Parent Company	
	June 30, 2012 (unaudited)	December 31, 2011 (I)	June 30, 2012 (unaudited)	December 31, 2011
Denominated in reais brazilian Reais	1,947,872	2,294,927	1,886,748	2,238,140
Denominated in other currencies, mainly US$	12,217,624	13,790,752	15,904,691	13,698,463
	14,165,496	**16,085,679**	**17,791,439**	**15,936,603**
Allowance for doubtful accounts	(191,344)	(196,872)	(136,097)	(127,754)
	13,974,152	**15,888,807**	**17,655,342**	**15,808,849**

(I) Period adjusted according to note 3.

Accounts receivables related to the steel industry market represent 70.6% and 67.9%, of receivables on June 30, 2012 and December 31, 2011, respectively.

No one customer represents over 10% of receivables or revenues.

The loss estimates for credit losses recorded in income as at June 30, 2012 and December 31, 2011 totaled R$ 721, R$ 2,941, respectively. Write offs as at June 30, 2012, and December 31, 2011, totaled R$ 6,249 and R$ 2,324, respectively.

10 - Inventories

	Consolidated		Parent Company	
	June 30, 2012 (unaudited)	**December 31, 2011 (I)**	**June 30, 2012 (unaudited)**	**December 31, 2011**
Inventories of products				
Finished	5,519,433	4,881,024	2,383,865	2,170,119
In process	2,432,626	2,568,704		
	7,952,059	**7,449,728**	**2,383,865**	**2,170,119**
Inventories of spare parts and maintenance supplies	2,549,825	2,383,322	1,081,080	1,012,619
Total	**10,501,884**	**9,833,050**	**3,464,945**	**3,182,738**

(I) Period adjusted according to note 3.

On June 30, 2012, inventory balances include a provision for adjustment to market value of nickel and manganese in the amount of R$ 21,758 and R$ 16,298 (R$ 26,551 and R$ 16,298 in December 31, 2011), respectively.

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(A free translation from the original in Portuguese)

	Consolidated (unaudited)				
		Three-month period ended		Six-month period ended	
	June 30, 2012	March 31, 2012	June 30, 2011 (I)	June 30, 2012	June 30, 2011 (I)
Changes in the inventory					
Balance on begin of period	**7,795,929**	**7,449,728**	**5,989,253**	**7,449,728**	**10,598,181**
Addition	9,694,467	8,632,725	8,129,258	18,327,192	17,403,762
Transfer on maintenance supplies	2,132,618	1,800,252	1,451,957	3,932,870	3,012,179
Write-off by sale	(11,670,292)	(10,049,383)	(9,057,055)	(21,719,675)	(18,291,677)
Write-off by inventory adjustment			(222,897)		(434,717)
(write-off) by lower cost or market adjustment	(663)	(37,393)	(8,375)	(38,056)	(16,334)
Balance on ended of period	**7,952,059**	**7,795,929**	**6,282,141**	**7,952,059**	**12,271,394**

(I) Period adjusted according to note 3.

	Parent Company Six-month period ended (unaudited)	
	June 30, 2012	June 30, 2011
Changes in the inventory		
Balance on begin of period	**2,170,119**	**1,534,837**
Addition	9,895,766	11,304,948
Transfer on maintenance supplies	1,854,231	1,608,421
Write-off by sale	(11,514,493)	(9,708,746)
Write-off by inventory adjustment		(101,396)
Write-off by lower cost or market adjustment	(21,758)	(10,443)
Balance on ended of period	**2,383,865**	**4,627,621**

(I) Period adjusted according to note 3.

	Consolidated (unaudited)				
		Three-month period ended		Six-month period ended	
	June 30, 2012	March 31, 2012	June 30, 2011 (I)	June 30, 2012	June 30, 2011 (I)
Changes on Inventory of consumable materials					
Balance on begin of period	**2,359,666**	**2,383,322**	**1,863,022**	**2,383,322**	**2,563,391**
Addition	2,322,777	1,776,596	1,558,694	4,099,373	2,418,547
Consumption	(2,132,618)	(1,800,252)	(1,451,957)	(3,932,870)	(3,012,179)
Balance on ended of period	**2,549,825**	**2,359,666**	**1,969,759**	**2,549,825**	**1,969,759**

	Parent Company Six-month period ended (unaudited) June 30, 2012	June 30, 2011
Changes on Inventory of consumable materials		
Balance on begin of period	**1,012,619**	**782,134**
Addition	1,922,692	1,764,039
Consumption	(1,854,231)	(1,608,421)
Balance on ended of period	**1,081,080**	**937,752**

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11 - Assets and liabilities held for sale

In connection with our strategy of active portfolio asset management, on July10, 2012, we informed that it has signed a share purchase agreement to sell its manganese ferroalloys operations in Europe to subsidiaries of Glencore International Plc., a company listed on the London and Hong Kong Stock Exchanges, for R$ 318 in cash, subject to the fulfillment of certain precedent conditions. Vale recorded a loss of R$ 45 milions presented on its statement of income as gain (loss) sale of assets .

The manganese ferroalloys operations in Europe consist of: (a) 100% of Vale Manganèse France SAS, located in Dunkerque, France; and (b) 100% of Vale Manganese Norway AS, located in Mo I Rana, Norway.

	June 30, 2012 (unaudited)
Assets held for sale	
Accounts receivable	92,276
Recoverable taxes	11,248
Inventories	179,528
Property, plant and equipment	82,646
Other	5,641
Total	**371,339**
Liabilities related to assets held for sale	
Suppliers	39,053
Deferred income tax	8,666
Others	16,964
Total	**64,683**

12 - Recoverable Taxes

Recoverable taxes are stated at net value of any realized loss and are classified by the estimated time for realization:

	Consolidated		Parent Company	
	June 30, 2012 (unaudited)	December 31, 2011 (I)	June 30, 2012 (unaudited)	December 31, 2011
Income tax	2,590,496	1,427,018	637,798	168,365
Value-added tax	2,111,937	1,981,925	952,213	731,259
Brazilian Federal Contributions (PIS - COFINS)	696,729	1,768,006	437,117	1,535,953

Others	138,361	110,326	86,639	82,181
Total	**5,537,523**	**5,287,275**	**2,113,767**	**2,517,758**
Current	4,309,765	4,190,141	1,869,205	2,316,532
Non-current	1,227,758	1,097,134	244,562	201,226
Total	**5,537,523**	**5,287,275**	**2,113,767**	**2,517,758**

(I) Period adjusted according to note 3.

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13 - Investments

	Consolidated (unaudited)				
	Three-month period ended			Six-month period ended	
	June 30, 2012	March 31, 2012	June 30, 2011 (I)	June 30, 2012	June 30, 2011 (I)
Changes in Investments					
Balance on begin of period	**15,816,422**	**14,984,038**	**13,376,520**	**14,984,038**	**7,315,383**
Additions	78,802	378,374	40,732	457,176	6,320,380
Disposals	(61,896)		(8,121)	(61,896)	(8,121)
Cumulative translation adjustment	482,360	80,422	(222,574)	562,782	(390,084)
Equity	309,600	437,020	651,434	746,620	1,117,220
Valuation Adjustment	27,506	26,638	(560)	54,144	(2,731)
Dividends proposed	(615,532)	(90,070)	(630,725)	(705,602)	(1,145,341)
Balance on ended of period	**16,037,262**	**15,816,422**	**13,206,706**	**16,037,262**	**13,206,706**

(I) Period adjusted according to note 3.

	Parent Company Six-month period ended (unaudited)	
	June 30, 2012	June 30, 2011
Changes in Investments		
Balance on begin of period	**113,149,994**	**92,111,361**
Additions	3,318,237	2,069,883
Disposals	(1,221,535)	
Cumulative translation adjustment	4,952,142	(3,365,969)
Equity	5,260,944	7,505,654
Valuation Adjustment	(695,695)	154,371
Dividends proposed	(925,277)	(1,233,450)
Balance on ended of period	**123,838,810**	**97,241,850**

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(A free translation from the original in Portuguese)

	Investments		Equity results					Rece		
	Period ended		Three-month period ended (unaudited)			Six-month period ended		Three-month period ended (u		
	June 30, 2012 (unaudited)	December 31, 2011	June 30, 2012	March 31, 2012	June 30, 2011	June 30, 2012	June 30, 2011	June 30, 2012	March 31, 2012	J
Subsidiaries and affiliated companies										
Direct and indirect subsidiaries										
Aços Laminados do Pará S.A.	293,886	266,253	(562)	(2,735)	(19,260)	(3,297)	(25,972)			
Balderton Trading Corp	342,453	341,426	(4,781)	(15,559)	(307)	(20,340)	(6,084)			
Biopalma da Amazonia S.A.	381,276	442,108	(54,273)	(6,559)		(60,832)				
Companhia Portuária da Baía de Sepetiba - CPBS	325,256	349,538	62,156	39,864	44,632	102,020	74,360			
Compañia Minera Miski Mayo S.A.C (a)	531,507	403,345	34,474	18,720	(7,366)	53,194	(20,947)			
Ferrovia Centro-Atlantica S.A. (a)	2,486,260	2,359,188	(43,602)	(107,326)	(33,288)	(150,928)	(94,608)			
Ferrovia Norte Sul S.A.	1,731,459	1,739,854	5,223	(12,897)	12,490	(7,674)	3,440			
Mineração Corumbaense Reunida S.A.	1,121,149	1,112,621	104,811	(2,688)	16,571	102,123	26,358			
Minerações Brasileiras Reunidas S.A. - MBR (b)	4,285,021	3,791,794	31,936	35,679	(117,276)	67,615	(187,578)			
Potasio Rio Colorado S.A.	4,315,037	2,775,759	(18,590)	(17,561)	5,509	(36,151)	(640)			
Rio Doce Australia Pty Ltd.	655,515	751,781	(108,557)	(104,557)	(108,398)	(213,114)	(158,057)			
Salobo Metais S.A. (a)	5,584,041	4,625,199	(27,600)	4,842	48,826	(22,758)	43,987			
Sociedad Contractual Minera Tres Valles (a)	410,917	432,494	(32,552)	(20,876)	(9,120)	(53,428)	(9,891)			
Vale International Holdings GMBH (b)	8,088,767	7,849,495	(137,616)	(62,515)	(57,375)	(200,131)	1,316,135			
Vale Canada Limited (b)	10,025,592	9,746,214	(665,815)	(371,426)	12,967	(1,037,241)	511,997			
Vale Colombia Holding Ltd. (f)		1,183,387	(57,789)	(6,388)	21,685	(64,177)	(5,018)			
Vale Fertilizantes S.A. (e)		10,735,382	(53,320)	1,462	66,407	(51,858)	125,288			
Vale Fertilizantes S.A. (old Mineração Naque S.A.) (b)	14,343,454	1,921,229	2,531,162	27,832	(63,800)	2,558,994	(27,512)			

Vale International S.A. (b)	44,904,397	40,602,111	926,685	2,626,310	1,775,410	3,552,995	4,975,161		
Vale Manganês S.A.	722,764	716,729	33,431	(27,396)	(5,009)	6,035	34,415		
Vale Mina do Azul S.A.	156,890	154,348	7,479	(4,937)		2,542			
Vale Moçambique S.A.	1,014,126	770,948	(86,582)	(60,670)	(161,213)	(147,252)	(224,159)		
Vale Shipping Holding Pte. Ltd.	4,595,247	3,944,448	33,090	73,140	34,869	106,230	33,817		
VBG Vale BSGR Limited (a)	860,768	756,825	(47,313)	(39,949)	(32,460)	(87,262)	(43,864)		
Others	625,766	393,480	63,774	55,246	48,507	119,020	47,806		682
	107,801,548	**98,165,956**	**2,495,269**	**2,019,055**	**1,473,001**	**4,514,324**	**6,388,434**		**682**
Joint controlled entities									
California Steel Industries, INC	349,944	301,088	17,130	10,401	10,968	27,531	20,302		
Companhia Coreano-Brasileira de Pelotização - KOBRASCO	196,883	208,497	15,721	12,665	12,319	28,386	28,593	20,000	
Companhia Hispano-Brasileira de Pelotização - HISPANOBRÁS	251,093	214,194	56,627	3,487	7,633	60,114	12,336	23,215	
Companhia Ítalo-Brasileira de Pelotização - ITABRASCO	120,380	150,329	2,477	10,239	23,898	12,716	40,107	36,048	
Companhia Nipo-Brasileira de Pelotização - NIBRASCO	337,654	372,304	6,274	10,076	23,922	16,350	37,463	51,000	
CSP- Companhia Siderugica do PECEM	898,578	498,643	(1,066)	(1,833)		(2,899)			
Henan Longyu Energy Resources CO., LTD.	626,087	528,929	30,509	31,947	29,066	62,456	68,361		107,359
LOG-IN - Logística Intermodal S/A (c)	185,306	212,085	(9,165)	(17,614)	(3,328)	(26,779)	(3,328)		
Mineração Rio Grande do Norte S.A. - MRN	248,266	248,463	7,646	12,406	1,208	20,052	4,542		
MRS Logística S.A.	1,118,780	1,027,968	36,442	70,350	55,790	106,792	116,282		
Norsk Hydro ASA (d)	6,309,823	6,029,045		50,087	79,446	50,087	79,446	95,382	
Norte Energia S.A.	134,399	136,509	(2,110)			(2,110)			
Samarco Mineração S.A.	1,020,977	744,742	276,008	372,910	443,959	648,918	790,678		
Teal Minerals (Barbados) Incorporated	471,794	437,134	(3,303)	(2,542)	(4,247)	(5,845)	(11,804)		
Tecnored Desenvolvimento Tecnologico S.A.	101,902	85,963	(12,717)	(2,851)	(302)	(15,568)	(1,692)		
Thyssenkrupp CSA Companhia Siderúrgica do Atlântico	3,005,482	3,003,275	(91,433)	(64,400)	(11,059)	(155,833)	(25,237)		
Vale Florestar Fundo de Investimento	226,790	227,015	(1,992)	1,767	(364)	(225)	(2,456)		
Vale Soluções em Energia S.A. (a)	218,677	272,075	(17,015)	(56,982)	(8,398)	(73,997)	(22,845)		

Zhuhai YPM Pellet Co	45,387	42,623	321	324	2,043	645	878		
Others	169,060	243,157	(754)	(3,417)	(11,120)	(4,171)	(14,406)		
	16,037,262	**14,984,038**	**309,600**	**437,020**	**651,434**	**746,620**	**1,117,220**	**225,645**	**107,359**
	123,838,810	**113,149,994**	**2,804,869**	**2,456,075**	**2,124,435**	**5,260,944**	**7,505,654**	**225,645**	**108,041**

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(a) Investment balance includes the values of advances for future capital increase;

(b) Excluded from equity, investment companies already detailed in note;

(c) Market value on June 30, 2012 was R$ 206,909 and on December 31, 2011 was R$ 197,138; and

(d) Market value on June 30, 2012 was R$ 4,008,947 and on December 31, 2011 was R$ 3,806,880.

(e) Incorporated in Vale Fertilizantes S.A. (old Mineração Naque S.A.)

(f) Company sold in June 2012

Dividends received by the Parent company in June 2011 was R$ 1,103,265.

14 - Intangible

	Consolidated					
	June 30, 2012 (unaudited)			December 31, 2011 (I)		
	Cost	Amortization	Net Intangible	Cost	Amortization	Net Intangible
Indefinite useful lifetime						
Goodwill	9,220,793		9,220,793	8,989,901		8,989,901
	9,220,793		**9,220,793**	**8,989,901**		**8,989,901**
Finite useful lifetime						
Concession and subconcession	10,489,312	(3,060,320)	7,428,992	9,996,789	(2,813,133)	7,183,656
Right to use	627,258	(19,287)	607,971	1,132,774	(79,901)	1,052,873
Others	2,056,548	(1,232,734)	823,814	1,682,473	(1,120,322)	562,151
	13,173,118	**(4,312,341)**	**8,860,777**	**12,812,036**	**(4,013,356)**	**8,798,680**
Total	**22,393,911**	**(4,312,341)**	**18,081,570**	**21,801,937**	**(4,013,356)**	**17,788,581**

(I) Period adjusted according to note 3.

	Parent Company					
	June 30, 2012 (unaudited)			December 31, 2011		
	Cost	Amortization	Net Intangible	Cost	Amortization	Net Intangible
Indefinite useful lifetime						
Others	9,220,793		9,220,793	8,989,901		8,989,901

	9,220,793		**9,220,793**	**8,989,901**		**8,989,901**
Finite useful lifetime						
Concession and subconcession	6,168,497	(2,270,276)	3,898,221	5,920,202	(2,105,340)	3,814,862
Right to use	143,514	(697)	142,817	678,676	(71,860)	606,816
Others	2,056,548	(1,232,734)	823,814	1,682,473	(1,120,322)	562,151
	8,368,559	**(3,503,707)**	**4,864,852**	**8,281,351**	**(3,297,522)**	**4,983,829**
Total	**17,589,352**	**(3,503,707)**	**14,085,645**	**17,271,252**	**(3,297,522)**	**13,973,730**

The table below shows the movement of intangible assets during the period:

	Consolidated (unaudited)				
	Goodwill	**Concessions and Subconcessions**	**Right to use**	**Others**	**Total**
Balance at March 31, 2012	**8,962,331**	**7,299,742**	**1,042,252**	**655,345**	**17,959,670**
Addition through acquisition		268,845		228,346	497,191
Write off			(455,317)		(455,317)
Amortization		(139,595)	(7,687)	(59,877)	(207,159)
Translation adjustment	258,462		28,723		287,185
Balance at June 30, 2012	**9,220,793**	**7,428,992**	**607,971**	**823,814**	**18,081,570**

	Consolidated (unaudited)				
	Goodwill	**Concessions and Subconcessions**	**Right to use**	**Others**	**Total**
Balance at January 1, 2012 (I)	**8,989,901**	**7,183,656**	**1,052,873**	**562,151**	**17,788,581**
Addition through acquisition		235,489		145,624	381,113
Write off		(595)			(595)
Amortization		(118,808)	(10,694)	(52,430)	(181,932)
Translation adjustment	(27,570)		73		(27,497)
Balance at March 31, 2012	**8,962,331**	**7,299,742**	**1,042,252**	**655,345**	**17,959,670**

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	Consolidated (unaudited)				
	Goodwill	Concessions and Subconcessions	Right to use	Others	Total
Balance at March 31, 2011 (I)	**8,656,809**	**6,980,802**	**1,046,892**	**659,515**	**17,344,018**
Addition through acquisition		9,957		173,577	183,534
Write off		(18,073)		(1,474)	(19,547)
Amortization		(165,361)	(5,989)	(61,330)	(232,680)
Translation adjustment	(177,474)		(19,748)		(197,222)
Others		295,185		(295,185)	
Balance at June 30, 2011 (I)	**8,479,335**	**7,102,510**	**1,021,155**	**475,103**	**17,078,103**

	Consolidated (unaudited)				
	Goodwill	Concessions and Subconcessions	Right to use	Others	Total
Balance at January 1, 2012	**8,989,901**	**7,183,656**	**1,052,873**	**562,151**	**17,788,581**
Addition through acquisition		504,334		373,970	878,304
Write off		(595)	(455,317)		(455,912)
Amortization		(258,403)	(18,381)	(112,307)	(389,091)
Translation adjustment	230,892		28,796		259,688
Balance at June 30, 2012	**9,220,793**	**7,428,992**	**607,971**	**823,814**	**18,081,570**

	Consolidated (unaudited)				
	Goodwill	Concessions and Subconcessions	Right to use	Others	Total
Balance at January 1, 2011 (I)	**8,654,307**	**6,514,317**	**1,054,289**	**685,690**	**16,908,603**
Addition through acquisition		588,721		187,136	775,857
Write off		(18,607)		(1,739)	(20,346)
Amortization		(277,106)	(11,978)	(100,799)	(389,883)
Translation adjustment	(174,972)		(21,156)		(196,128)
Others		295,185		(295,185)	
Balance at June 30, 2011 (I)	**8,479,335**	**7,102,510**	**1,021,155**	**475,103**	**17,078,103**

(I) Period adjusted according to note 3.

	Parent company (unaudited)				
	Goodwill	Concessions and Subconcessions	Right to use	Others	Total
Balance at January 1, 2012	**8,989,901**	**3,814,862**	**606,816**	**562,151**	**13,973,730**
Addition through acquisition		250,463		373,970	
Write off		(595)	(455,317)		
Amortization		(166,509)	(8,682)	(112,307)	
Translation adjustment	230,892				
Balance at June 30, 2012	**9,220,793**	**3,898,221**	**142,817**	**823,814**	**13,973,730**

	Parent company (unaudited)				
	Goodwill	Concessions and Subconcessions	Right to use	Others	Total
Balance at January 1, 2011	8,654,307	3,823,518	630,770	454,513	13,563,108
Addition through acquisition internal development		205,175		187,136	392,311
Write off		(2,261)		(1,739)	(4,000)
Amortization Rates		(161,173)	(11,978)	(100,799)	(273,950)
Translation adjustment	(174,972)				(174,972)
Balance at June 30, 2011	**8,479,335**	**3,865,259**	**618,792**	**539,111**	**13,502,497**

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15 - Property, plant and equipment

	Consolidated (unaudited)							
	Land	Building	Facilities	Computer equipment	Mineral assets	Others	Constructions im progress	Total
Balance in march 31, 2012	**1,357,051**	**11,862,826**	**20,680,885**	**651,240**	**34,409,040**	**36,563,525**	**51,564,353**	**157,088,920**
Acquisitions							4,284,881	4,284,881
Disposals					(73,930)	(323,087)	(272,761)	(669,778)
Transfer to non-current assets held for sale		(15,948)	(65,549)			(765)	(383)	(82,645)
Depreciation and amortization		(82,433)	(228,424)	(13,088)	(12,624)	(845,940)		(1,182,509)
Translation adjustment		439,604	431,916	(11,716)	1,365,404	915,862	4,637,246	7,778,316
Transfers	13,291	1,008,460	782,703	22,009	172,908	4,824,306	(6,823,677)	
Balance in June 30, 2012	**1,370,342**	**13,212,509**	**21,601,531**	**648,445**	**35,860,798**	**41,133,901**	**53,389,659**	**167,217,185**

	Consolidated (unaudited)							
	Land	Building	Facilities	Computer equipment	Mineral assets	Others	Constructions im progress	Total
Balance in January 1, 2012 (I)	**1,331,402**	**11,425,015**	**20,813,602**	**684,358**	**34,635,517**	**36,040,077**	**48,924,892**	**153,854,863**
Aquisition							4,868,428	4,868,428
Disposals		(7,899)	(496)	(662)	(2)	(20,552)	(53,031)	(82,642)
Depreciation and amortization		(230,878)	(410,186)	(51,320)	(342,280)	(799,795)		(1,834,459)
Translation adjustment		(127,323)	13,357	(2,929)	(555,194)	(175,878)	1,130,697	282,730
Transfers	25,649	803,911	264,608	21,793	670,999	1,519,673	(3,306,633)	
Balance in March 31, 2012	**1,357,051**	**11,862,826**	**20,680,885**	**651,240**	**34,409,040**	**36,563,525**	**51,564,353**	**157,088,920**

	Consolidated (unaudited)							
	Land	Building	Facilities	Computer equipment	Mineral assets	Others	Constructions im progress	Total
Balance in march 31, 2011 (I)	**593,245**	**8,118,104**	**25,097,052**	**439,036**	**40,660,511**	**31,523,871**	**19,909,176**	**126,340,995**
Aquisition							3,927,450	3,927,450
Disposals		(638)	(120)	(198)	(25,209)	(29,638)	(106,322)	(162,125)
Depreciation and amortization		(42,183)	(210,563)	(30,070)	(88,666)	(670,959)		(1,042,441)

Translation adjustment		(479,435)	1,317,021	5,466	(428,221)	(40,814)	(677,482)	(303,465)
Transfers	(8,431)	2,298,231	1,140,339	5,672	(2,497,378)	246,661	(1,185,094)	
Balance in June 30, 2011 (I)	**584,814**	**9,894,079**	**27,343,729**	**419,906**	**37,621,037**	**31,029,121**	**21,867,728**	**128,760,414**

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	Consolidated (unaudited)							
	Land	**Building**	**Facilities**	**Computer equipment**	**Mineral assets**	**Others**	**Constructions im progress**	**Total**
Balance in January 1, 2012 (I)	**1,331,402**	**11,425,015**	**20,813,602**	**684,358**	**34,635,517**	**36,040,077**	**48,924,892**	**153,854,863**
Acquisitions							9,153,309	9,153,309
Disposals		(7,899)	(496)	(662)	(73,932)	(343,639)	(325,792)	(752,420)
Transfer to non-current assets held for sale		(15,948)	(65,549)			(765)	(383)	(82,645)
Depreciation and amortization		(313,311)	(638,610)	(64,408)	(354,904)	(1,645,735)		(3,016,968)
Translation adjustment		312,281	445,273	(14,645)	810,210	739,984	5,767,943	8,061,046
Transfers	38,940	1,812,371	1,047,311	43,802	843,907	6,343,979	(10,130,310)	
Balance in June 30, 2012	**1,370,342**	**13,212,509**	**21,601,531**	**648,445**	**35,860,798**	**41,133,901**	**53,389,659**	**167,217,185**

	Consolidated (unaudited)							
	Land	**Building**	**Facilities**	**Computer equipment**	**Mineral assets**	**Others**	**Constructions im progress**	**Total**
Balance in January 1, 2011 (I)	**593,245**	**8,118,104**	**25,097,052**	**439,036**	**40,660,511**	**31,523,871**	**19,909,176**	**126,340,995**
Aquisition							9,362,437	9,362,437
Disposals	(61)	(15,250)	(791)	(676)	(31,418)	(32,883)	(107,000)	(188,079)
Depreciation and amortization		(88,581)	(437,494)	(58,109)	(109,907)	(2,028,625)		(2,722,716)
Translation adjustment		(1,194,299)	(3,316,292)	98,015	(652,839)	3,858,916	(387,748)	(1,594,247)
Transfers	192,595	3,885,612	(1,885,869)	268,605	(8,347,649)	(6,782,364)	12,669,070	
Balance in June 30, 2011 (I)	**785,779**	**10,705,586**	**19,456,606**	**746,871**	**31,518,698**	**26,538,915**	**41,445,935**	**131,198,390**

(I) Period adjusted according to note 3.

	Parent company (unaudited)							
	Land	**Building**	**Facilities**	**Computer equipment**	**Mineral assets**	**Others**	**Constructions im progress**	**Total**
Balance in January 1, 2012	**761,612**	**5,020,099**	**12,087,932**	**219,086**	**3,221,211**	**10,059,517**	**24,133,736**	**55,503,193**
Aquisition							6,347,088	6,347,088
Disposals		(1,095)	(131)	(34)		(60,427)	(17,230)	(78,917)

Depreciation and amortization		(87,557)	(288,677)	(48,639)	(66,974)	(631,470)		(1,123,317)
Transfers	38,940	890,905	449,159	21,121	80,575	2,124,462	(3,605,162)	
Balance in June 30, 2012	**800,552**	**5,822,352**	**12,248,283**	**191,534**	**3,234,812**	**11,492,082**	**26,858,432**	**60,648,047**

	Parent company (unaudited)							
	Land	**Building**	**Facilities**	**Computer equipment**	**Mineral assets**	**Others**	**Constructions im progress**	**Total**
Balance in January 1, 2011	**361,738**	**2,543,212**	**8,579,417**	**176,909**	**2,764,737**	**12,074,223**	**17,961,535**	**44,461,771**
Aquisition							13,989,641	13,989,641
Disposals	(61)	(3,216)	(15,163)	(84)	(24,751)	(43,899)	(351,414)	(438,588)
Depreciation and amortization		(114,030)	(509,019)	(102,563)	(93,535)	(1,690,484)		(2,509,631)
Others	399,935	2,594,133	4,032,697	144,824	574,760	(280,323)	(7,466,026)	
Balance in June 30, 2011	**761,612**	**5,020,099**	**12,087,932**	**219,086**	**3,221,211**	**10,059,517**	**24,133,736**	**55,503,193**

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The depreciation of the period, allocated to the production cost and to the expenses, in the period of Three-month period ended was R$ 2.039.983 in June 30, 2012 was R$ 1.797.762 in March 31, 2012 and was R$ 1.523.197 in June 30, 2011 and in Six-month period ended was R$ 3.837.745 in June 30, 2012 was R$ 3.013.289 and June 30, 2011 in the consolidated in the Three-month period ended was R$ 649.804 in June 30, 2012, R$ 562.103 in March 31, 2012 and R$ 469.283 in June 30, 2011 and in Six-month period ended R$ 1.211.907 in June 30, 2012 and R$ 937.985 in June 30, 2011 in the Parent Company.

The net property, plant and equipments given in guarantees for judicial claims in June 30, 2012 and December 31, 2012 correspond to R$ 188,911 and R$ 190,545 in consolidated financial statements, and R$ 130,163 and R$ 133,975 in the Parent Company, respectively.

16 - Impairment of Assets

There was no adjustment to reduce the recoverable value of assets in the period.

17 - Loans and Financing

a) Short term debts

	Consolidated		Parent Company	
	June 30, 2012 (unaudited)	**December 31, 2011 (I)**	**June 30, 2012 (unaudited)**	**December 31, 2011 (I)**
Working capital	999,928	40,044	999,928	
	999,928	**40,044**	**999,928**	

(I) Period adjusted according to note 3.

Financings raised in the short term for export, denominated in U.S. dollars with an average interest rate on June 30, 2012 and December 31, 2011 of 2,03 % per years and 1.81% per years, respectively.

b) Long term

	Consolidated			
	Current Liabilities		Noncurrent liabilities	
	June 30, 2012 (unaudited)	December 31, 2011 (I)	June 30, 2012 (unaudited)	December 31, 2011 (I)
Long-term contracts abroad				
Loans and financing in:				
United States dollars	1,567,530	944,101	7,138,229	5,014,341
Others currencies	115,918	16,805	502,653	96,395
Notes indexed in United Stated dollars (fixed rates)		761,243	22,632,411	18,823,257
Euro			1,877,475	1,812,374
Accrued charges	505,091	413,021		
	2,188,539	**2,135,170**	**32,150,768**	**25,746,367**
Long-term contracts in Brazil				
Indexed to TJLP, TR, IGP-M e CDI	635,300	460,966	9,735,343	9,798,933
Basket of currencies	3,219	2,629		
Loans in United States dollars			4,723,654	4,679,374
Accrued charges	171,447	208,515		
	809,966	**672,110**	**14,458,997**	**14,478,307**
	2,998,505	**2,807,280**	**46,609,765**	**40,224,674**

(I) Period adjusted according to note 3.

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	Parent Company			
	Current liabilities		Noncurrent liabilities	
	June 30, 2012 (unaudited)	December 31, 2011	June 30, 2012 (unaudited)	December 31, 2011
Long-term contracts abroad				
Loans and financing in:				
United States dollars	242,029	165,056	4,055,396	3,324,996
Euro			1,877,475	1,812,375
Accrued charges	63,833	81,188		
	305,862	**246,244**	**5,932,871**	**5,137,371**
Long-term contracts in Brazil				
Indexed to TJLP, TR, IGP-M e CDI	606,475	447,162	9,417,911	9,458,422
Non-convertible debentures into shares			4,000,000	4,000,000
Accrued charges	156,387	198,248		
	762,862	**645,410**	**13,417,911**	**13,458,422**
	1,068,724	**891,654**	**19,350,782**	**18,595,793**

The long-term portion as at June 30, 2012 has maturity in the following years (unaudited):

	Consolidated (I)	Parent Company
2013	5,060,787	4,408,924
2014	2,461,736	2,092,516
2015	1,976,910	1,113,491
2016	3,282,059	1,118,199
2017 onwards	33,828,273	10,617,652
	46,609,765	**19,350,782**

(I) Period adjusted according to note 3.

The long-term portion as at March 31, 2012 has maturity in the following years (unaudited):

	Consolidated (I)	Parent Company
Up to 3%	9,904,071	6,786,724
3,1% to 5% (*)	9,053,962	2,472,756
5,1% to 7%	17,472,756	1,791,431
7,1% to 9% (**)	9,929,237	7,289,843
9,1% to 11% (**)	2,198,607	2,078,752
Over 11% (**)	1,049,637	
	49,608,270	**20,419,506**

(I) Period adjusted according to note 3.

(*) Includes the operation of Eurobonds where we have entered into a derivative financial instrument at a cost of 4.71% per year in american dollars.

(**) Includes non-convertible debentures and other Brazilian Real denominated debt with the same interest of the Brazilian Certificate of Deposit (CDI) and Brazilian Government long-term Interest Rates (TJLP) plus a spread. Due to these operations, derivative financial instruments were contracted to protect the Company s exposure to variations in the floating debt in Reais. The total contracted amount for these transactions is R$ 11,695 million (US$ 5,879 million), of which R$ 9,346 million (US$ 4,698 million) has an original interest rate above 7.1% per year. The average cost after taking into account the derivative transaction is 2.86% per year in US dollars.

The total average cost of all derivative transactions is of 3.12% per year in US Dollars.

On July 10, 2012 (subsequent event) Vale received the amount related to the issue of R$ 1,828 million (750 millions) notes due 2023. These notes will bear a coupon of 3.75% per year, payable annually, at a price of 99.608% of the principal amount.

In April 2012, through our wholly-owned subsidiary Vale Overseas Limited, we raised the amount of US$ 1.250 billion notes due 2022 that were priced in March at a price of 101.345% of the principal amount. The notes will bear a coupon of 4.375% per year, payable semi-annually and will be consolidated with, and form a single series with, Vale Overseas s US$ 1 billion and 4.375% notes due 2022 issued on January 2012. Those notes issued in January, 2012 were sold at a price of 98.804% of the principal amount.

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c) Credit lines

In August 2011, we entered into an agreement with a syndicate of financial institutions to finance the acquisition of five large ore carriers and two capesize bulkers at two Korean shipyards. The agreement provides a credit line of up to R$ 1,054 million (US$ 530 million). As of June 30, 2012, Vale had drawn R$ 527 million (US$ 265 million) under the facility.

In October 2010, we signed an agreement with Export Development Canada (EDC) to finance its investment program. Under the agreement, EDC will provide a credit line of up to R$ 1,989 million (US$ 1 billion). As of June 30, 2012, Vale had drawn R$ 1,343 million (US$ 675 million).

In September 2010, Vale entered into agreements with The Export-Import Bank of China and the Bank of China Limited for the financing to build 12 very large ore carriers comprising a facility for an amount of up to R$ 2,445 million (US$ 1,229 million). The financing has a 13-year total term to be repaid, and the funds will be disbursed during 3 years according to the construction schedule. As of June 30, 2012, we had drawn R$ 1,416 million (US$ 712 million) under this facility.

In June 2010, Vale established certain facilities with Banco Nacional de Desenvolvimento Econômico Social (BNDES) for a total amount of R$ 774 million, to finance the acquisition of domestic equipments. On March 31, 2011, Vale increased this facility through a new agreement with BNDES for R$ 103 million. As of June 30, 2012, we had drawn R$ 641 million under these facilities.

In May 2008, the Company has signed agreements with Japanese long term financing credit agencies in the amount of R$ 9,947 million (US$ 5 billion), being R$ 5,968 million (US$ 3 billion) with Japan Bank for International Cooperation (JBIC) and R$ 3,979 million (US$ 2 billion) with Nippon Export and Investment Insurance (NEXI), to finance mining projects, logistics and energy generation. Until June 30, 2012, Vale through its subsidiary PT Vale Indonesia Tbk (PTI) withdrew R$ 597 million (US$ 300 million), under the credit facility from NEXI to finance the construction of the hydroelectric plant of Karebbe, Indonesia.

In April 2008, Vale has signed a credit line in the amount of R$ 7.3 billion with BNDES to finance its investment program. June 30, 2012, Vale withdrew R$ 2,849 million in this line.

d) Revolving credit lines

Vale has available revolving credit lines that can be disbursed and paid at any time, during its availability period. On June 30, 2012, the total amount available under the revolving credit lines was R$ 5,968 million (US$ 3 billion), that can be drawn by Vale S.A., Vale Canada Limited and Vale International.

e) Guarantee

On June 30, 2012, R$ 2,164 million (US$ 1,088 million) of the total aggregate outstanding debt was secured by fixed assets.

f) Covenants

Our principal covenants require us to maintain certain ratios, such as debt to EBITDA and interest coverage. We have not identified any events of noncompliance as of June 30, 2012.

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18 - Provisions

We are involved parties in labor, civil, tax and other ongoing lawsuits and are discussing these issues at an administrative level and in court, and, when applicable, there are supported by judicial deposits. Provisions for losses resulting from these processes are estimated and updated by the Company, supported by the legal opinion of the legal board of the Company and by its external legal consultants.

			Consolidated		
	Tax contingencies	**Civil contingencies**	**Labor contingencies**	**Environmental contingencies**	**Total accrued liabilities**
Non-current liabilites					
Balance as January 1, 2011 (I)	**1,248,528**	**847,465**	**1,234,434**	**78,172**	**3,408,599**
Additions	68,676	121,310	711,204	11,143	912,333
Reversals	(84,594)	(348,342)	(156,240)	(15,961)	(605,137)
Payments	(56,838)	(153,986)	(376,576)	(26,328)	(613,728)
Monetay update	48,185	(10,903)	(8,171)	13,562	42,673
Balance as December 31, 2011 (I)	**1,223,957**	**455,544**	**1,404,651**	**60,588**	**3,144,740**
Additions	41,675	100,457	295,165	7,552	444,849
Reversals	(11,861)	(82,451)	(123,379)	(4,298)	(221,989)
Payments	(8,618)	(23,080)	(22,243)		(53,941)
Monetay update	58,414	69,762	21,740	3,822	153,738
Transfer to assets available for sale			(513)	(2,210)	(2,723)
Balance as June 30, 2012 (unaudited)	**1,303,567**	**520,232**	**1,575,421**	**65,454**	**3,464,674**

(I) Period adjusted according to note 3.

			Parent Company		
	Tax contingencies	**Civil contingencies**	**Labor contingencies**	**Environmental contingencies**	**Total accrued liabilities**
Non-current liabilites					
Balance as January 1, 2011	**324,518**	**680,338**	**1,072,097**	**30,820**	**2,107,773**
Additions	37,169	57,350	660,415	11,094	766,028
Reversals	(1,608)	(348,524)	(145,072)	(57)	(495,261)
Payments	(6,828)	(143,823)	(347,238)	(15,287)	(513,176)
Monetay update	89,102	(22,355)	(22,898)	18,473	62,322

Balance as December 31, 2011	**442,353**	**222,986**	**1,217,304**	**45,043**	**1,927,686**
Additions	21,524	65,292	263,531	6,400	356,747
Reversals	(16,217)	(83,257)	(120,062)	(5,603)	(225,139)
Payments	(4,094)	(21,418)	(14,880)		(40,392)
Monetay update	20,918	50,331	5,940	2,996	80,185
Balance as June 30, 2012 (unaudited)	**464,484**	**233,934**	**1,351,833**	**48,836**	**2,099,087**

Provisions for Tax Contingencies - The nature of tax contingencies refer to discussions on the basis of calculation of the Financial Compensation for Exploiting Mineral Resources (CFEM) and denials of compensation claims of credits in the settlement of federal taxes in Brazil, and mining taxes in our foreign subsidiaries. The other causes refer to the charges of Additional Port Workers Compensation (AITP) and questions about the location for the purpose of incidence of Service Tax (ISS).

Provision for Civil Contingencies - These are related to the demands that involve contracts between Vale and other group companies with their service providers, requiring differences in values due to alleged losses that have occurred due to various economic plans, other demands are related to accidents, actions damages and others related to monetary compensation in actions vindicatory.

Provision for Labor Contingencies - Consist of lawsuits filed by employees and service providers, questioning parcels arising from the employment relationship. The most recurring issue payment of overtime, hours in intinere , hazard pay and poor health. The social security contingencies are also included in this context arising from parcels of labor, in the case of legal and administrative disputes between the INSS and the Vale/group companies, whether these are at the root is the incidence of compulsory social security or not.

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In addition to those provisions, there are judicial deposits. These deposits are the guarantees to the contingencies required in court. They are monetarily readjusted and reported in noncurrent assets of the Company until it happens the court decision to rescue these deposits by the complainant, unless there is a favorable outcome of the issue to the entity. Judicial deposits are as follows:

	Consolidated		Parent Company	
	June 30, 2012 (unaudited)	**December 31, 2011 (I)**	**June 30, 2012 (unaudited)**	**December 31, 2011**
Tax contingencies	849,172	771,106	535,195	474,314
Civil contingencies	394,883	282,712	279,281	184,296
Labor contingencies	1,790,766	1,671,362	1,545,685	1,424,875
Environmental contingencies	10,912	9,419	9,472	8,007
Total	**3,045,733**	**2,734,599**	**2,369,633**	**2,091,492**

(I) Period adjusted according to note 3.

The Company discusses in its administrative and judicial sphere legal actions where the loss expectation is considered possible and understands there is no needs to provide, since there is a strong legal basis for the positioning of the Company. These contingent liabilities are split between tax, civil, labor and social security, and are as follows:

	Consolidated		Parent Company	
	June 30, 2012 (unaudited)	**December 31, 2011 (I)**	**June 30, 2012 (unaudited)**	**December 31, 2011**
Possible Contingencies				
Tax contingencies	34,027,722	33,568,634	31,529,611	30,814,229
Civil contingencies	2,527,091	2,771,868	2,238,657	1,567,432
Labor contingencies	3,655,048	3,592,238	3,283,740	3,348,376
Environmental contingencies	2,198,612	2,009,729	2,171,341	2,009,489
Total	**42,408,473**	**41,942,469**	**39,223,349**	**37,739,526**

(I) Period adjusted according to note 3.

The tax contingencies refer mainly to discussion relating to the recovery of Income Tax and Social Contribution, calculated based on the equity method in foreign subsidiaries.

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19 - Asset retirement obligation

The Company uses various judgments and assumptions when measuring the obligations related to the discontinuation of the use of assets. The accrued amount is not deducted from the potential costs covered by insurance or indemnities, because their recovery is considered uncertain.

Long term interest rates used to discount to present value and update the provision to June 30, 2012 and December 31, 2011 were 5.82% p.y. The liability is periodically updated based on these discount rates plus the inflation index (IGP-M) for the period in reference.

The variation in the provision for asset retirement is demonstrated as follows:

	Consolidated (unaudited)				
	Three-month period ended			Six-month period ended	
	June 30, 2012	March 31, 2012	June 30, 2011 (I)	June 30, 2012	June 30, 2011 (I)
Balance on begin of period	**3,679,123**	**3,563,730**	**2,477,436**	**3,563,730**	**2,528,479**
Increase expense	97,028	60,488	47,078	157,516	114,211
Liquidation in the current period	(947)	(6,941)	(31,922)	(7,888)	(48,314)
Revisions in estimated cash flows	3,676	62,638	(16,978)	66,314	(121,069)
Cumulative translation adjustments	96,823	(792)	(30,552)	96,031	(28,245)
Balance on ended of period	**3,875,703**	**3,679,123**	**2,445,062**	**3,875,703**	**2,445,062**
Current	80,902	126,778	85,569	80,902	85,569
Non-current	3,794,801	3,552,345	2,359,493	3,794,801	2,359,493
	3,875,703	**3,679,123**	**2,445,062**	**3,875,703**	**2,445,062**

	Parent Company	
	Six-month period ended (unaudited)	
	June 30, 2012	June 30, 2011
Balance on begin of period	**1,130,923**	**805,265**
Increase expense	44,822	54,575
Liquidation in the current period		(22,298)
Balance on ended of period	**1,175,745**	**837,542**
Current	13,613	22,130
Non-current	1,162,132	815,412

	1,175,745	**837,542**

20 - Deferred Income Tax and Social Contribution

Changes in deferred taxes are presented as follows:

	Consolidated			Parent Company
	Assets	Liabilities	Total	Assets
Total amount in January 1, 2011 (II)	**2,262,947**	**12,828,178**	**(10,565,231)**	**(1,785,291)**
Net income effect	1,084,952	525,146	559,806	298,759
Subsidiary acquisition		127,410	(127,410)	
Cumulative translation adjustment	170,112	707,310	(537,198)	
Deferred social contribution		(3,574,271)	3,574,271	3,574,271
Other comprehensive income	20,819		20,819	20,819
Total amount in December 31, 2011 (II)	**3,538,830**	**10,613,773**	**(7,074,943)**	**2,108,558**
Net income effect	165,948	(92,238)	258,186	18,606
Cumulative translation adjustment	39,719	256,669	(216,950)	
Sale on subsidiary		(172,534)	172,534	
Reversal of deferred tax		(2,533,411)	2,533,411	
Other comprehensive income	30,386		30,386	12,036
Total amount in June 30, 2012 (unaudited)	**3,774,883**	**8,072,259**	**(4,297,376)**	**2,139,200**

(II) Period adjusted according to note 3, in consolidated.

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There were no changes in the rates of taxes in the countries where we operate in the period. See below the total amount of income tax and social contribution recognized in the income statement:

	Consolidated (unaudited)				
	Three-month period ended			Six-month period ended	
	June 30, 2012	**March 31, 2012**	**June 30, 2011 (I)**	**June 30, 2012**	**June 30, 2011 (I)**
Income before tax and social contribution	2,993,529	7,547,922	13,992,817	10,541,451	27,514,033
Results of equity investments	(309,600)	(437,020)	(651,434)	(746,620)	(1,117,220)
Exchange variation - not taxable	715,115	(350,450)	112,388	364,665	192,550
	3,399,044	**6,760,452**	**13,453,771**	**10,159,496**	**26,589,363**
Income tax and social contribution at statutory rates - 34%	(1,155,675)	(2,298,554)	(4,574,282)	(3,454,229)	(9,040,383)
Adjustments that affects the basis of taxes:					
Income tax benefit from interest on stockholders equity	670,248	670,248	411,382	1,340,496	1,140,249
Tax incentive		159,496	306,066	159,496	591,398
Results of overseas companies taxed by different rates which differs from the parent company rate	317,152	535,759	351,300	852,911	1,552,053
Others	(178,400)	2,458	(306,690)	(175,942)	(374,619)
Income tax and social contribution on the profit for the period	**(346,675)**	**(930,593)**	**(3,812,224)**	**(1,277,268)**	**(6,131,302)**
Reversal of deferred tax (see note 7a)	**2,533,411**			**2,533,411**	
Income tax and social contribution on the profit for the period	**2,186,736**	**(930,593)**	**(3,812,224)**	**1,256,143**	**(6,131,302)**

(I) Period adjusted according to note 3.

	Parent Company (unaudited)				
	Three-month period ended			Six-month period ended	
	June 30, 2012	**March 31, 2012**	**June 30, 2011**	**June 30, 2012**	**June 30, 2011**
Income before tax and social contribution	5,751,963	7,466,768	13,447,966	13,218,731	26,251,691

Results of equity investments	(2,804,868)	(2,456,075)	(2,124,435)	(5,260,943)	(7,505,654)
	2,947,095	**5,010,693**	**11,323,531**	**7,957,788**	**18,746,037**
Income tax and social contribution at statutory rates - 34%	(1,002,012)	(1,703,636)	(3,850,001)	(2,705,648)	(6,373,653)
Adjustments that affects the basis of taxes:					
Income tax benefit from interest on stockholders equity	670,248	670,248	411,382	1,340,496	1,119,849
Tax incentive		159,385	305,424	159,385	590,213
Others	(106,533)	127,635	(39,412)	21,102	(21,758)
Income tax and social contribution on the profit for the period	**(438,297)**	**(746,368)**	**(3,172,607)**	**(1,184,665)**	**(4,685,349)**

Whereas published on December 31, 2011, there were no changes in tax incentives received by the company.

The Company is subject to revision of income tax by tax authorities for up to five years in companies operating in Brazil, ten years for operations in Indonesia and up to seven years for companies with operations in Canada.

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21 - Obligations to Employee Benefits

a) Costs of retirement benefits obligations

In the 2011 annual statements, Vale disclosed it expects in 2012 to pay pension plans and other benefits of R$ 490,000 in relation to the consolidated and R$ 271,000 in relation to the parent company. Until June 30, 2012 contributions totaled R$ 275.211 to the consolidated and R$ 163.388 to the parent. Vale does not expect significant changes in estimates in 2011.

	Consolidated Three-month period ended (unaudited)								
	June 30, 2012			March 31, 2012			June 30, 2011 (I)		
	Overfunded pension plans (*)	**Underfunded pension plans**	**Others underfunded pension plans**	**Overfunded pension plans (*)**	**Underfunded pension plans**	**Others underfunded pension plans**	**Overfunded pension plans (*)**	**Underfunded pension plans**	**Others underfunded pension plans**
Service cost - benefits earned during the period	13,382	32,308	14,882	464	39,864	16,262	139	30,307	13,174
Interest cost on projected benefit obligation	228,410	119,063	48,751	172,449	170,880	47,299	162,551	171,921	41,760
Expected return on assets	(402,995)	(118,747)		(332,340)	(185,406)		(273,474)	(161,630)	(319)
Amortization of initial transition obligation	(269,539)	23,327	(3,927)	21,732	16,991	(3,635)		9,897	(6,584)
Effect of the limit in paragraph 58 (b)	430,421			138,016			110,784		
Net periodic pension cost	**(321)**	**55,951**	**59,706**	**321**	**42,329**	**59,926**		**50,495**	**48,031**

	Consolidated Six-month period ended (unaudited)					
	June 30, 2012			June 30, 2011 (I)		
	Overfunded pension plans (*)	**Underfunded pension plans**	**Others underfunded pension plans**	**Overfunded pension plans (*)**	**Underfunded pension plans**	**Others underfunded pension plans**
Service cost - benefits earned during	13,846	72,172	31,144	1,059	63,444	26,649

the period						
Interest cost on projected benefit obligation	400,859	289,943	96,050	324,867	344,994	83,911
Expected return on assets	(735,335)	(304,153)		(548,689)	(316,282)	(652)
Amortization of initial transition obligation	(247,807)	40,318	(7,562)		24,403	(13,635)
Effect of the limit in paragraph 58 (b)	568,437			222,763		
Net periodic pension cost		**98,280**	**119,632**		**116,559**	**96,273**

	Parent Company Six-month period ended (unaudited)					
	June 30, 2012			**June 30, 2011**		
	Overfunded pension plans (*)	**Underfunded pension plans**	**Others underfunded pension plans**	**Overfunded pension plans (*)**	**Underfunded pension plans**	**Others underfunded pension plans**
Service cost - benefits earned during the period	12,942	12,918	3,547	32	13,855	2,364
Interest cost on projected benefit obligation	357,445	104,750	25,018	286,347	152,042	21,446
Expected return on assets	(676,033)	(125,513)		(497,076)	(138,416)	
Amortization of initial transition obligation	(247,807)		895			
Effect of the limit in paragraph 58 (b)	553,453			210,697		
Net periodic pension cost		**(7,845)**	**29,460**		**27,481**	**23,810**

(*) The Company has not recorded on its balance sheet assets and their counterparts resulting from actuarial valuation of plan surplus, because there is no clear evidence on achievement, as stated in paragraph 58 (b) of the CPC 33.

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b) Profit sharing plan

The Company, based on the Profit Sharing Program (PPR) enables the definition, monitoring, evaluation and recognition of individual and collective performance of its employees. The methodology for calculating the PPR is the same adopted on December 31, 2011.

The Company accrued expenses / costs related to participation in the result as follows:

	Consolidated (unaudited)				
	Three-month period ended			Six-month period ended	
	June 30, 2012	March 31, 2012	June 30, 2011	June 30, 2012	June 30, 2011
Operational expenses	90,455	295,392	146,705	385,847	290,371
Cost of good sold	135,255	219,579	196,263	354,834	400,151
Total	**225,710**	**514,971**	**342,968**	**740,681**	**690,522**

	Parent Company Six-month period ended (unaudited)	
	June 30, 2012	June 30, 2011
Operational expenses	249,862	264,911
Cost of good sold	312,428	333,147
Total	**562,290**	**598,058**

c) Long-term incentives Plan

In order to encourage the vision of stockholder , in addition to increasing the ability to retain executives and strengthen the culture of sustained performance, the Board of Directors approved a Long-term incentive plan for some of the executives of the Company, covering cycles of three years.

The terms of the plan, the methodology for calculating and the accounting treatment applied to the plan remains unchanged. The total number of shares subject to the plan on June 30, 2012 and December 31, 2011 are 4,879,815 and 3,012,538 and the total amount of liability are R$130,482 and R$ 203,645, respectively.

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22 - Classification of financial instruments

The classification of financial assets and liabilities is shown in the following tables:

	Consolidated June 30, 2012 (unaudited)				
	Loans and receivables (a)	At fair value through profit or loss (b)	Derivatives designated as hedge (c)	Available-for-sale (d)	Total
Financial assets					
Current					
Cash and cash equivalents	8,117,669				8,117,669
Short-term investments					
Derivatives at fair value		446,781	192,867		639,648
Assets available-for-sale					
Accounts receivable from customers	13,974,152				13,974,152
Related parties	696,052				696,052
	22,787,873	**446,781**	**192,867**		**23,427,521**
Non current					
Related parties	851,291				851,291
Loans and financing	456,825				456,825
Derivatives at fair value					
	1,308,116				**1,308,116**
Total of Assets	**24,095,989**	**446,781**	**192,867**		**24,735,637**
Financial liabilities					
Current					
Suppliers and contractors	8,908,928				8,908,928
Derivatives at fair value		178,463	104,957		283,420
Current portion of long-term debt	2,998,505				2,998,505
Loans and financing	999,928				999,928
Related parties	38,061				38,061
	12,945,422	**178,463**	**104,957**		**13,228,842**
Non current					
Derivatives at fair value		1,767,520	39,485		1,807,005
Loans and financing	46,609,765				46,609,765
Related parties	157,993				157,993
Debentures	2,805,808				2,805,808
	49,573,566	**1,767,520**	**39,485**		**51,380,571**
Total of Liabilities	**62,518,988**	**1,945,983**	**144,442**		**64,609,413**

(a) Non-derivative financial instruments with determinable cash flow.

(b) Financial instruments acquired with the purpose of trading in the short term.

(c) See note 25a.

(d) Financial instruments not classified in other categories.

	Consolidated December 31, 2011 (I)				
	Loans and receivables (a)	**At fair value through profit or loss (b)**	**Derivatives designated as hedge (c)**	**Available-for-sale (d)**	**Total**
Financial assets					
Current					
Cash and cash equivalents	6,593,177				6,593,177
Derivatives at fair value		809,896	301,848		1,111,744
Accounts receivable from customers	15,888,807				15,888,807
Related parties	153,738				153,738
	22,635,722	**809,896**	**301,848**		**23,747,466**
Non current					
Related parties	904,172				904,172
Loans and financing	399,277				399,277
Derivatives at fair value		112,253			112,253
	1,303,449	**112,253**			**1,415,702**
Total of financial assets	**23,939,171**	**922,149**	**301,848**		**25,163,168**
Financial liabilities					
Current					
Suppliers and contractors	8,851,220				8,851,220
Derivatives at fair value		109,691	26,006		135,697
Current portion of long-term debt	2,807,280				2,807,280
Loans and financing	40,044				40,044
Related parties	42,907				42,907
	11,741,451	**109,691**	**26,006**		**11,877,148**
Non current					
Derivatives at fair value		1,238,542			1,238,542
Loans and financing	40,224,674				40,224,674
Related parties	170,616				170,616
Debentures		2,495,995			2,495,995
	40,395,290	**3,734,537**			**44,129,827**
Total of financial liabilities	**52,136,741**	**3,844,228**	**26,006**		**56,006,975**

(I) Period adjusted according to note 3.

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(A free translation from the original in Portuguese)

	Parent Company June 30, 2012 (unaudited)				
	Loans and receivables (a)	At fair value through profit or loss (b)	Derivatives designated as hedge (c)	Available-for-sale (d)	Total
Financial assets					
Current					
Cash and cash equivalents	409,599				409,599
Derivatives at fair value		360,191			360,191
Accounts receivable from customers	17,655,342				17,655,342
Related parties	1,614,919				1,614,919
	19,679,860	**360,191**			**20,040,051**
Non Current					
Related parties	799,409				799,409
Loans and financing	166,369				166,369
	965,778				**965,778**
Total of Assets	**20,645,638**	**360,191**			**21,005,829**
Financial Liabilities					
Current					
Suppliers and contractors	4,004,286				4,004,286
Derivatives at fair value		165,018	60,782		225,800
Current portion of long-term debt	1,068,724				1,068,724
Loans and financing	999,928				999,928
Related parties	6,636,262				6,636,262
	12,709,200	**165,018**	**60,782**		**12,935,000**
Non Current					
Derivatives at fair value		1,379,023			1,379,023
Loans and financing	19,350,782				19,350,782
Related parties	29,767,831				29,767,831
Debentures	2,805,808				2,805,808
	51,924,421	**1,379,023**			**53,303,444**
Total of Liabilities	**64,633,621**	**1,544,041**	**60,782**		**66,238,444**

	Parent Company December 31, 2011				
	Loans and receivables (a)	At fair value through profit or loss (b)	Derivatives designated as hedge (c)	Available-for-sale (d)	Total
Financial assets					
Current					
Cash and cash equivalents	574,788				574,787
Derivatives at fair value		573,112	621		573,732
Accounts receivable from customers	15,808,849				15,808,849
Related parties	2,561,308				2,561,308
	18,944,945	**573,112**	**621**		**19,518,676**

Non current				
Related parties	445,769			445,769
Loans and financing	158,195			158,195
Derivatives at fair value		96,262		96,262
	603,964	**96,262**		**700,226**
Total of financial assets	**19,548,909**	**669,374**	**621**	**20,218,902**
Financial liabilities				
Current				
Suppliers and contractors	3,503,577			3,503,577
Derivatives at fair value		91,464	26,006	117,470
Current portion of long-term debt	891,654			891,654
Related parties	4,959,017			4,959,017
	9,354,248	**91,464**	**26,006**	**9,471,718**
Non current				
Derivatives at fair value		953,357		953,357
Loans and financing	18,595,793			18,595,793
Related parties	28,654,132			28,654,132
Debentures		2,495,995		2,495,995
	47,249,925	**3,449,352**		**50,699,277**
Total of financial liabilities	**56,604,173**	**3,540,816**	**26,006**	**60,170,995**

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23 - Fair Value Estimative

Due to the short-term cycle, it is assumed that the fair value of cash and cash equivalents balances, short-term investments, accounts receivable and accounts payable are close to their book values. For measurement and determination of fair value, the Company uses various methods including market approaches, income or cost, in order to estimate the value that market participants would use when pricing the asset or liability. The financial assets and liabilities recorded at fair value should be classified and disclosed in accordance with the following levels:

Level 1 Unadjusted quoted prices on an active, liquid and visible market for identical assets or liabilities that are accessible at the measurement date;

Level 2 - Quoted prices (adjusted or unadjusted) for identical or similar assets or liabilities on active markets; and

Level 3 - Assets and liabilities, where quoted prices, do not exist, or where prices or valuation techniques are supported by little or no market activity, unobservable or illiquid.

The tables below present the assets and liabilities of the parent and the consolidated company measured at fair value on June 30, 2012 and December 31, 2011.

	Consolidated					
	June 30, 2012 (unaudited)			December 31, 2011 (I)		
	Level 1	Level 2	Total (II)	Level 1	Level 2	Total (II)
Financial Assets						
Current						
Deriatives at fair value through profit or loss	207	446,574	446,781	49	809,847	809,896
Derivatives designated as hedges		192,867	192,867		301,848	301,848
	207	**639,441**	**639,648**	**49**	**1,111,695**	**1,111,744**
Available-for-sale						
Non-Current						
Derivatives						
Deriatives at fair value through profit or loss					112,253	112,253
					112,253	**112,253**
Total of Assets	**207**	**639,441**	**639,648**	**49**	**1,223,948**	**1,223,997**
Financial Liabilities						

Current						
Deriatives at fair value through profit or loss	718	177,745	178,463	775	108,916	109,691
Derivatives designated as hedges		104,957	104,957		26,006	26,006
	718	**282,702**	**283,420**	**775**	**134,922**	**135,697**
Non-Current						
Derivatives						
Deriatives at fair value through profit or loss		1,767,520	1,767,520		1,238,542	1,238,542
Derivatives designated as hedges		39,485	39,485			
Stockholders debentures		2,805,808	2,805,808		2,495,995	2,495,995
		4,612,813	**4,612,813**		**3,734,537**	**3,734,537**
Total of Liabilities	**718**	**4,895,515**	**4,896,233**	**775**	**3,869,459**	**3,870,234**

(I) Period adjusted according to note 3.

(II) No classification according to the level 3.

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	Parent Company	
	June 30, 2012 (unaudited) **Nível 2 (I)**	**December 31, 2011** **Nível 2 (I)**
Financial Assets		
Current		
Derivatives		
Derivatives at fair value through profit or loss	360,191	573,111
Derivatives designated as hedges		621
	360,191	**573,732**
Available-for-sale		
Financial assets available-for-sale		
Non-current		
Derivatives at fair value through profit or loss		96,262
		96,262
Total of assets	**360,191**	**669,994**
Financial Liabilities		
Current		
Derivatives		
Derivatives at fair value through profit or loss	165,018	91,464
Derivatives designated as hedges	60,782	26,006
	225,800	**117,470**
Non-current		
Derivatives		
Derivatives at fair value through profit or loss		953,357
Derivatives designated as hedges	1,379,023	
Stockholders debentures	2,805,808	2,495,995
	4,184,831	**3,449,352**
Total of liabilities	**4,410,631**	**3,566,822**

(I) No classification according to the level 1 and 3.

a) Methods and Techniques of Evaluation

i. Assets and liabilities at fair value through profits or loss

Comprise derivatives not designated as hedges and stockholders debentures.

- **Derivatives designated or not as hedge**

The financial instruments were evaluated by calculating their present value through the use of curves that impact the instrument on the dates of verification. The curves and prices used in the calculation for each group of instruments are detailed in the market curves .

The pricing method used in the case of European options is the Black & Scholes model. In this model, the fair value of the derivative is a function of volatility and price of the underlying asset, the exercise price of the option, the interest rate and period to maturity. In the case of options when the income is a function of the average price of the underlying asset over a period of life of the option, called Asian, we use the model of Turnbull & Wakeman. In this model, besides the factors that influence the option price in the Black-Scholes model, is considered the forming period of the average price.

In the case of swaps, both the present value of the active tip and the passive tip are estimated by discounting cash flows by the interest rate of the currency in which the swap is denominated. The difference between the present value of active tip and passive tip of swap generates its fair value.

In the case of swaps tied to Long-Term Interest Rate (TJLP), the calculation of fair value considers the TJLP constant, that is, projections of future cash flows in Brazilian Real are made considering the last TJLP disclosed.

Contracts for the purchase or sale of products, inputs and costs of selling with future settlement are priced using the forward curves for each product. Typically, these curves are obtained in the stock exchange where the products are traded, such as the London Metals Exchange (LME), the Commodity Exchange (COMEX) or other providers of market prices. When there is no price for the desired maturity, Vale uses interpolation between the available maturities.

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- **Stockholders Debentures**

Comprise the debentures issued on behalf of the privatization process (see note 29(b)), whose fair values are measured based on market approach, and its reference prices are available on the secondary market.

ii. Assets available-for-sales

Comprise the assets that are not held-to-maturity, for strategic reasons. Comprise investments that are valued based on quoted prices in active markets where available or internal assessments based on expected future cash flows of the assets.

b) Fair value measurement compared to book value

For the loans allocated in the level 1, the evaluation method used to estimate the fair value of debt is the market approach to the contracts listed on the secondary market. And for the loans allocated in the level 2, the fair value for both fixed-indexed rate debt and floating rate is determined from the discounted cash flow using the future values of the Libor rate and the curve of Vale s Bonds (income approach).

The fair values and carrying amounts of non-current loans (net of interest) are shown in the table below:

	Consolidated June 30, 2012 (unaudited)			
	Balance	**Fair value**	**Level 1**	**Level 2**
Loans (long term)*	48,931,731	53,162,053	40,094,342	13,067,712
Perpetual notes**	157,994	157,994		157,994

* Net interest of R$ 676,539

** classified on Related parties (Non-current liabilities)

	Consolidated December 31, 2011 (I)			

	Balance	Fair value	Level 1	Level 2
Loans (long term)*	42,410,418	48,325,480	35,884,438	12,441,042
Perpetual notes**	149,432	149,432		149,432

* Net interest of R$ 621,536

** classified on Related parties (Non-current liabilities)

(I) Period adjusted according to note 3.

(II) No classification according to the level 3

	Parent Company June 30, 2012 (unaudited)			
	Balance	Fair value	Level 1	Level 2
Loans (long term)*	20,199,286	21,460,568	13,151,262	8,309,306

* net interest of R$ 220.220

	Parent Company December 31, 2011			
	Balance	Fair value	Level 1	Level 2
Loans (long term)*	19,208,011	19,718,038	12,009,432	7,708,606

* net interest of R$ 279.436

(I) No classification according to the level 3.

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24 - Stockholders Equity

a) Capital

The Stockholders Equity is represented by common and preferred non-redeemable shares without par value. Preferred shares have the same rights as common shares, with the exception of voting for election of members of the Board of Directors. The Board of Directors may, regardless of changes to bylaws, issue new shares (authorized capital), including the capitalization of profits and reserves to the extent authorized.

On June 30, 2012, the capital was R$75,000,000 corresponding to 5,365,304,100 (3,256,724,482 common and 2,108,579,618 preferred) shares with no par value.

		June 30, 2012	
Stockholders	**ON**	**PNA**	**Total**
Valepar S.A.	1,716,435,045	20,340,000	1,736,775,045
Brazilian Government (Golden Share)		12	12
Foreign investors - ADRs	686,516,671	751,042,724	1,437,559,395
FMP - FGTS	96,577,164		96,577,164
PIBB - BNDES	2,196,706	3,267,436	5,464,142
BNDESPar	216,978,881	67,342,071	284,320,952
Foreign instititional investors in the local market	220,387,841	395,479,702	615,867,543
Institutional investors	190,130,693	398,959,940	589,090,633
Retail investors in the country	56,429,999	331,290,041	387,720,040
Treasure stock in the country	71,071,482	140,857,692	211,929,174
Total	**3,256,724,482**	**2,108,579,618**	**5,365,304,100**

b) Resources linked to the future mandatory conversion in shares

In June 2012, the convertible notes series VALE and VALE.P-2012 were converted into ADS and represent an aggregate of 15,839,592 common shares and 40,241,968 preferred class A shares. The Conversion was made using 56,081,560 treasury stocks held by the Company. The difference between the book value of the treasury stocks R$ 2.079.018 and the total amount received R$ 2.128.536 was recognized in the stockholder s equity, with no profit or loss impact.

In May 2012, Vale paid additional compensation to holders of notes mandatorily convertible into ADRs, series 2012-VALE and VALE.P-2012, in the amount of R$ 2.787811 and R$ 3.224408 per note, respectively.

c) Treasury stocks

On June 30, 2012, there are 211,929,174 treasury stocks, in the amount of R$ 7,839,512, as follows:

					Preço de aquisição				
Classes	**December 31, 2011**	**Addition**	**Reduction**	**June 30, 2012 (unaudited)**	**Average**	**Low(*)**	**High**	**June 30, 2012 (unaudited)**	**December 31, 2011**
Preferred	181,099,814		(40,242,122)	140,857,692	37.50	14.02	47.77	40.28	45.08
Common	86,911,207		(15,839,725)	71,071,482	35.98	20.07	54.83	41.52	51.50
Total	**268,011,021**		**(56,081,847)**	**211,929,174**					

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d) Basic and diluted earnings per share

The values of basic earnings per share and diluted were calculated as follows:

	(unaudited)				
	Three-month period ended			Six-month period ended	
	June 30, 2012	March 31, 2012	June 30, 2011	June 30, 2012	June 30, 2011
Net income from continuing operations attributable to the Company s stockholders	**5,313,666**	**6,720,400**	**10,275,359**	**12,034,066**	**21,566,342**
Net income attributable to the Company s stockholders	**5,313,666**	**6,720,400**	**10,275,359**	**12,034,066**	**21,566,342**
Net income, adjusted	**5,313,666**	**6,720,400**	**10,275,359**	**12,034,066**	**21,566,342**
Basic and diluted earnings per share:					
Income available to preferred stockholders	2,009,593	2,570,449	3,998,567	4,550,701	8,392,355
Income available to common stockholders	3,304,073	4,149,951	6,276,792	7,483,365	13,173,987
Total	**5,313,666**	**6,720,400**	**10,275,359**	**12,034,066**	**21,566,342**
Weighted average number of shares outstanding (thousands of shares) - preferred shares	1,928,076	1,974,765	2,056,215	1,927,627	2,056,215
Weighted average number of shares outstanding (thousands of shares) - common shares	3,170,048	3,188,229	3,227,765	3,169,871	3,227,765
Total	**5,098,124**	**5,162,994**	**5,283,980**	**5,097,498**	**5,283,980**
Continued operations					
Basic earnings per share					
Basic earnings per preferred share	1.04	1.30	1.94	2.36	4.08
Basic earnings per common share	1.04	1.30	1.94	2.36	4.08
Diluted earnings per share					
Diluted earnings per preferred share	1.04	1.30	1.94	2.36	4.08
Diluted earnings per common share	1.04	1.30	1.94	2.36	4.08

e) Remuneration of Stockholders

In April 2012, we paid interest on own capital (JCP), the total gross amount of R$ 5,481 million equivalent to R$ 1.075276545 per outstanding share, common or preferred shares of Vale.

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25- Derivatives

a) Effects of Derivatives on the balance sheet

	Consolidated							
	Assets				Liabilites			
	June 30, 2012 (unaudited)		December 31, 2011 (I)		June 30, 2012 (unaudited)		December 31, 2011 (I)	
	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current
Derivatives not designated as hedge								
Foreign exchange and interest rate risk								
CDI & TJLP vs. US$ fixed and floating rate swap	405,054		766,927	112,253	168,587	1,577,253	91,467	1,100,582
EuroBonds Swap					9,158	89,588	7,381	60,644
Treasury future							9,870	
Pre dollar swap	32,738		34,639			100,679		77,316
	437,792		**801,566**	**112,253**	**177,745**	**1,767,520**	**108,718**	**1,238,542**
Commodities price risk								
Nickel								
Fixed price program	8,909		806		718		973	
Copper	80		167					
Bunker Oil Hedge			7,357					
	8,989		**8,330**		**718**		**973**	
Derivatives designated as hedge								
Bunker Oil Hedge					26,720			
Strategic Nickel	192,867		301,227					
Foreign exchange cash flow hedge			621		78,237	39,485	26,006	
	192,867		**301,848**		**104,957**	**39,485**	**26,006**	
Total	**639,648**		**1,111,744**	**112,253**	**283,420**	**1,807,005**	**135,697**	**1,238,542**

(I) Period adjusted according to note 3.

	Parent Company							
	Assets				Liabilites			
	June 30, 2012 (unaudited)		December 31, 2011		June 30, 2012 (unaudited)		December 31, 2011	
	Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current
Derivatives not designated as hedge								
Foreign exchange and interest rate risk								
CDI & TJLP vs. US$ fixed and floating	327,453		538,472	96,262	165,018	1,278,344	91,464	876,041

rate swap							
Pre dollar swap	32,738	34,639			100,679		77,316
	360,191	**573,111**	**96,262**	**165,018**	**1,379,023**	**91,464**	**953,357**
Commodities price risk							
Embedded derivatives							
Derivatives designated as hedge							
Foreign exchange cash flow hedge		621		60,782		26,006	
		621		**60,782**		**26,006**	
Total	**360,191**	**573,732**	**96,262**	**225,800**	**1,379,023**	**117,470**	**953,357**

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b) Effects of derivatives in the statement of income

	Three-month period ended (unaudited)					
	Consolidated			Parent Company		
	June 30, 2012	**March 31, 2012**	**June 30, 2011 (I)**	**June 30, 2012**	**March 31, 2012**	**June 30, 2011**
Derivatives not designated as hedge						
Foreign exchange and interest rate risk						
CDI & TJLP vs. US$ fixed and floating rate swap	(790,620)	365,104	614,932	(655,306)	251,832	487,170
EURO floating rate vs. US$ fixed rate swap			(535)			(535)
US$ floating rate vs. US$ fixed rate swap			(86)			
EuroBonds Swap	(70,231)	33,224	17,316			
US$ fixed rate vs. CDI swap			(72,589)			(72,589)
Randes Forward			2,558			
Treasury future		15,221				
Pre dollar swap	(30,070)	21,095	9,618	(30,070)	21,095	9,618
	(890,921)	**434,644**	**571,214**	**(685,376)**	**272,927**	**423,664**
Commodities price risk						
Nickel						
Fixed price program	16,484	(8,000)	19,419			
Purchased scrap protection program	501	(635)	14			
Bunker Oil Hedge			2,282			
	16,985	**(8,635)**	**21,715**			
Embedded derivatives						
Derivatives designated as hedge						
Strategic Nickel	70,469	92,756	(27,327)			
Foreign exchange cash flow hedge	(933)	305				
	69,536	**93,061**	**(27,327)**			
Total	**(804,400)**	**519,070**	**565,602**	**(685,376)**	**272,927**	**423,664**
Financial income	115,469	527,705	666,139		272,927	496,788
Financial (expenses)	(919,869)	(8,635)	(100,537)	(685,376)		(73,124)
Total	**(804,400)**	**519,070**	**565,602**	**(685,376)**	**272,927**	**423,664**

	Six-month period ended (unaudited)			
	Consolidated		Parent Company	
	June 30, 2012	**June 30, 2011 (I)**	**June 30, 2012**	**June 30, 2011**
Derivatives not designated as hedge				
Foreign exchange and interest rate risk				
CDI & TJLP vs. US$ fixed and floating rate swap	(425,516)	905,041	(403,474)	684,933
EURO floating rate vs. US$ fixed rate swap		(249)		(249)
US$ floating rate vs. US$ fixed rate swap		(183)		
AUD Forward		(286)		
EuroBonds Swap	(37,007)	87,199		

US$ fixed rate vs. CDI swap		(72,589)		(72,589)
Randes Forward		2,558		
Treasury future	15,221			
Pre dollar swap	(8,975)	12,509	(8,975)	12,509
	(456,277)	**934,000**	**(412,449)**	**624,604**
Commodities price risk				
Nickel				
Fixed price program	8,484	42,176		
Strategic program		24,993		
Purchased scrap protection program	(134)	145		
Bunker Oil Hedge		55,676		
Coal		(33)		
	8,350	**122,957**		
Embedded derivatives				
Energy - Aluminum options		(12,074)		
		(12,074)		
Derivatives designated as hedge				
Strategic Nickel	163,225	(82,680)		
Foreign exchange cash flow hedge	(628)			
	162,597	**(82,680)**		
Total	**(285,330)**	**962,203**	**(412,449)**	**624,604**
Financial income	643,174	1,130,583	272,927	697,728
Financial (expenses)	(928,504)	(168,380)	(685,376)	(73,124)
Total	**(285,330)**	**962,203**	**(412,449)**	**624,604**

(I) Period adjusted according to note 3.

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c) Effects of derivatives as Cash Flow hedge

	(Inflows)/ Outflows Three-month period ended (unaudited)					
		Consolidated			Parent Company	
	June 30, 2012	March 31, 2012	June 30, 2011 (I)	June 30, 2012	March 31, 2012	June 30, 2011
Derivatives not designated as hedges						
Exchange risk and interest rates						
CDI & TJLP vs. US$ fixed and floating rate swap	(364,027)	(229,474)	(180,855)	(335,493)	(44,173)	(149,271)
US$ floating rate vs. US$ fixed rate swap			1,811			
EuroBonds Swap		6,628				
Treasury future		(5,763)				
Pre dollar swap	(9,066)	(7,222)		(9,066)	(7,222)	
	(373,093)	**(235,831)**	**(179,044)**	**(344,559)**	**(51,395)**	**(149,271)**
Risk of product prices						
Nickel						
Fixed price program	(10,608)	10,536	(30,575)			
Purchased scrap protection program	(342)	392	(158)			
Bunker Oil Hedge		(7,047)	(24,209)			
	(10,950)	**3,881**	**(54,942)**			
Embedded derivatives:						
Derivatives designated as hedges						
Strategic Nickel	(70,469)	(92,756)	27,327			
Foreign exchange cash flow hedge	934	(305)				
	(69,535)	**(93,061)**	**27,327**			
Total	**(453,578)**	**(325,011)**	**(206,659)**	**(344,559)**	**(51,395)**	**(149,271)**
Gains (losses) unrealized derivative	**(1,257,978)**	**194,059**	**358,943**	**(1,029,935)**	**221,532**	**274,393**

	(Inflows)/ Outflows Six-month period ended (unaudited)			
	Consolidated		Parent Company	
	June 30, 2012	June 30, 2011 (I)	June 30, 2012	June 30, 2011
Derivatives not designated as hedges				
Exchange risk and interest rates				
CDI & TJLP vs. US$ fixed and floating rate swap	(593,501)	(261,922)	(379,666)	(183,706)
US$ floating rate vs. US$ fixed rate swap		3,684		
AUD Forward		(3,866)		
EuroBonds Swap	6,628			
Treasury future	(5,763)			
Pre dollar swap	(16,288)		(16,288)	
	(608,924)	**(262,104)**	**(395,954)**	**(183,706)**
Risk of product prices				

Nickel				
Fixed price program	(72)	(32,092)		
Purchased scrap protection program	50	335		
Maritime Freight Hiring Protection Program		2,852		
Bunker Oil Hedge	(7,047)	(36,765)		
Coal		3,436		
	(7,069)	**(62,234)**		
Embedded derivatives:				
Derivatives designated as hedges				
Strategic Nickel	(163,225)	82,680		
Foreign exchange cash flow hedge	629	(22,592)		
Aluminum		11,865		
	(162,596)	**71,953**		
Total	**(778,589)**	**252,385**	**(395,954)**	**(183,706)**
Gains (losses) unrealized derivative	**(1,063,919)**	**709,818**	**(808,403)**	**440,898**

(I) Period adjusted according to note 3.

d) Effects of derivatives designated as hedge

i. Cash Flow Hedge

The effects of cash flow hedge impact the stockholders equity and are presented in the following tables:

	Six-month period ended (unaudited)					
		Parent Company			**noncontrolling**	**Consolidated**
	Currency	**Nickel**	**Others**	**Total**	**stockholders**	**Total**
Fair value measurements	18,732	125,718	6,086	150,536	1,200	151,736
Reclassification to results due to realization		82,681		82,681		82,681
Net change in June 30, 2011	**18,732**	**208,399**	**6,086**	**233,217**	**1,200**	**234,417**
Fair value measurements	(56,686)	42,988	(26,991)	(40,689)		(40,689)
Reclassification to results due to realization	629	(163,224)		(162,595)		(162,595)
Net change in June 30, 2012	**(56,057)**	**(120,236)**	**(26,991)**	**(203,284)**		**(203,284)**

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Additional information about derivatives financial instruments

Value at Risk computation methodology

The Value at Risk of the positions was measured using a delta-Normal parametric approach, which considers that the future distribution of the risk factors - and its correlations - tends to present the same statistic properties verified in the historical data. The value at risk of Vale s derivatives current positions was estimated considering one business day time horizon and a 95% confidence level.

Contracts subjected to margin calls

Vale has contracts subject to margin calls only for part of nickel trades executed by its wholly-owned subsidiary Vale Canada Ltd. The total cash amount as of June 30, 2012 is not relevant.

Initial Cost of Contracts

The financial derivatives negotiated by Vale and its controlled companies described in this document didn t have initial costs (initial cash flow) associated.

The following tables show as of June 30, 2012, the derivatives positions for Vale and controlled companies with the following information: notional amount, fair value, value at risk, gains or losses in the period and the fair value for the remaining years of the operations per each group of instruments.

R$/US$ Exchange Rate Adopted in Fair Value Calculation

According with accounting principles, the fair values of derivative instruments originally negotiated in American dollar were transform in R$ values with the objective of publish in the Vale s official currency using PTAX (sell) published by BACEN to July 02, 2012, that is 1.9893.

Interest Rates and Foreign Exchange Derivative Positions

Protection program for the Real denominated debt indexed to CDI

- **CDI vs. US$ fixed rate swap** In order to reduce the cash flow volatility, Vale entered into swap transactions to convert the cash flows from debt instruments denominated in Brazilian Reais linked to CDI to U.S. Dollars. In those swaps, Vale pays fixed rates in U.S. Dollars and receives payments linked to CDI.

- **CDI vs. US$ floating rate swap** In order to reduce the cash flow volatility, Vale entered into swap transactions to convert the cash flows from debt instruments denominated in Brazilian Reais linked to CDI to U.S. Dollars. In those swaps, Vale pays floating rates in U.S. Dollars (Libor London Interbank Offered Rate) and receives payments linked to CDI.

Those instruments were used to convert the cash flows from debentures issued in 2006 with a nominal value of R$ 5.5 billion, from the NCE (Credit Export Notes) issued in 2008 with nominal value of R$ 2 billion and also from property and services acquisition financing realized in 2006 and 2007 with nominal value of R$ 1 billion.

									R$ Million			
	Notional ($ million)			**Average**	**Fair value**		**Realized Gain/Loss**	**Value at Risk**	**Fair value by year**			
Flow	**June 30, 2012**	**December 31, 2011**	**Index**	**rate**	**June 30, 2012**	**December 31, 2011**	**June 30, 2012**	**June 30, 2012**	**2012**	**2013**	**2014**	**2015**
CDI vs. fixed rate swap												
Receivable	R$ 5,420	R$ 5,542	**CDI**	103.70%	5,528	5,696	997					
Payable	US$ 3,144	US$ 3,144	**US$ +**	3.72%	(6,553)	(6,075)	(699)					
Net					**(1,025)**	**(379)**	**298**	**85**	**(73)**	**(623)**	**12**	**(341)**
CDI vs. floating rate swap												
Receivable	R$ 428	R$ 428	**CDI**	103.56%	440	453	25					
Payable	US$ 250	US$ 250	**Libor +**	0.99%	(514)	(486)	(3)					
Net					**(74)**	**(33)**	**22**	**7**	**15**	**20**	**27**	**(136)**

Type of contracts: OTC Contracts

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Protected Item: Debts linked to R$

The protected items are the Debts linked to R$ because the objective of this protection is to transform the obligations linked to R$ into obligations linked to US$ so as to achieve a currency offset by matching Vale s receivables (mainly linked to US$) with Vale s payables.

Protection program for the real denominated debt indexed to TJLP

- **TJLP vs. US$ fixed rate swap** In order to reduce the cash flow volatility, Vale entered into swap transactions to convert the cash flows of the loans with Banco Nacional de Desenvolvimento Econômico e Social (BNDES) from TJLP(1) to U.S. Dollars. In those swaps, Vale pays fixed rates in U.S. Dollars and receives payments linked to TJLP.

- **TJLP vs. US$ floating rate swap** In order to reduce the cash flow volatility, Vale entered into swap transactions to convert the cash flows of the loans with BNDES from TJLP to U.S. Dollars. In those swaps, Vale pays floating rates in U.S. Dollars and receives payments linked to TJLP.

									R$ Million				
	Notional ($ million)			**Average**	**Fair value**		**Realized Gain/Loss**	**Value at Risk**	**Fair value by year**				
Flow	**June 30, 2012**	**December 31, 2011**	**Index**	**rate**	**June 30, 2012**	**December 31, 2011**	**June 30, 2012**	**June 30, 2012**	**2012**	**2013**	**2014**	**2015**	**2016-2019**
Swap TJLP vs. fixed rate swap													
Receivable	R$ 3,058	R$ 3,107	**TJLP +**	1.33%	2,965	2,927	212						
Payable	US$ 1,604	US$ 1,611	**USD +**	2.53%	(3,139)	(2,945)	(127)						
Net					**(174)**	**(18)**	**85**	**40**	**58**	**137**	**(74)**	**(100)**	**(195)**
Swap TJLP vs. floating rate swap													
Receivable	R$ 614	R$ 774	**TJLP +**	0.90%	618	695	204						
Payable	US$ 359	US$ 365	**Libor +**	-0.82%	(685)	(578)	(17)						
Net					**(67)**	**117**	**187**	**9**	**22**	**40**	**(48)**	**7**	**(88)**

Type of contracts: OTC Contracts

Protected Item: Debts linked to R$

The protected items are the Debts linked to R$ because the objective of this protection is to transform the obligations linked to R$ into obligations linked to US$ so as to achieve a currency offset by matching Vale s receivables (mainly linked to US$) with Vale s payables.

Protection program for the Real denominated fixed rate debt

- **R$ fixed rate vs. US$ fixed rate swap**: In order to hedge the cash flow volatility, Vale entered into a swap transaction to convert the cash flows from loans rate with Banco Nacional de Desenvolvimento Econômico e Social (BNDES) in Brazilian Reais linked to fixed rate to U.S. Dollars linked to fixed. In those swaps, Vale pays fixed rates in U.S. Dollars and receives fixed rates in Reais.

									R$ Million				
	Notional ($ million)			**Average**	**Fair value**		**Realized Gain/Loss**	**Value at Risk**	**Fair value by year**				
Flow	**June 30, 2012**	**December 31, 2011**	**Index**	**rate**	**June 30, 2012**	**December 31, 2011**	**June 30, 2012**	**June 30, 2012**	**2012**	**2013**	**2014**	**2015**	**2016**
R$ fixed rate vs. US$ fixed rate swap													
Receivable	R$ 641	R$ 615	**Pré**	4.64%	581	517	12						
Payable	US$ 368	US$ 355	**US$ +**	-1.16%	(649)	(560)	4						
Net					**(68)**	**(43)**	**16**	**9**	**19**	**25**	**10**	**(28)**	**(94)**

Type of contracts: OTC Contracts

Protected Item: Debts linked to R$

The protected items are the Debts linked to R$ because the objective of this protection is to transform the obligations linked to R$ into obligations linked to US$ so as to achieve a currency offset by matching Vale s receivables (mainly linked to US$) with Vale s payables.

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(1) Due to TJLP derivatives market liquidity constraints, some swap trades were done through CDI equivalency.

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Foreign Exchange cash flow hedge

- **Brazilian *Real* fixed rate vs. US$ fixed rate swap** In order to reduce the cash flow volatility, Vale entered into swap transactions to mitigate the foreign exchange exposure that arises from the currency mismatch between the revenues denominated in U.S. Dollars and the disbursements and investments denominated in Brazilian Reais.

									R$ million
	Notional ($ million)				Fair value				Fair value by year
Flow	**June 30, 2012**	**December 31, 2011**	**Index**	**Average rate**	**June 30, 2012**	**December 31, 2011**	**Realized Gain/Loss June 30, 2012**	**Value at Risk June 30, 2012**	**2012**
Receivable	R$ 820	R$ 820	**Pré**	6.20%	843	797			
Payable	US$ 450	US$ 450	**US$ +**	0.00%	(904)	(822)			
Net					**(61)**	**(25)**		**12**	**(61)**

Type of contracts: OTC Contracts

Hedged Item: part of Vale s revenues in US$

The P&L shown in the table above is offset by the hedged items P&L due to R$/US$ exchange rate.

Protection program for Euro denominated debt

- **EUR fixed rate vs. US$ fixed rate swap**: In order to hedge the cash flow volatility, Vale entered into a swap transaction to convert the cash flows from loans in Euros linked to fixed rate to U.S. Dollars linked to fixed rate. Vale receives fixed rates in Euros and pays fixed rates in U.S. Dollars. This trade was used to convert the cash flow of a debt in Euros, with an outstanding notional amount of 750 million, issued in 2010 by Vale.

									R$ million		
	Notional ($ million)				Fair value				Fair value by year		
Flow	**June 30, 2012**	**December 31, 2011**	**Index**	**Average rate**	**June 30, 2012**	**December 31, 2011**	**Realized Gain/Loss June 30, 2012**	**Value at Risk June 30, 2012**	**2012**	**2013**	**2014**
Receivable	500	500	**EUR**	4.38%	1,355	1,350	51				
Payable	US$ 675	US$ 675	**US$**	4.71%	(1,454)	(1,418)	(58)				

Net	**(99)**	**(68)**	**(7)**	**16**	**(9)**	**(90)**

Type of contracts: OTC Contracts

Protected Item: Vale s Debt linked to EUR

The P&L shown in the table above is offset by the hedged items P&L due to EUR/US$ exchange rate.

Foreign exchange hedging program for disbursements in Canadian dollars

• **Canadian Dollar Forward** In order to reduce the cash flow volatility, Vale entered into forward transactions to mitigate the foreign exchange exposure that arises from the currency mismatch between the revenues denominated in U.S. Dollars and the disbursements denominated in Canadian Dollars.

	Notional ($ million)			Average rate	Fair value		Realized Gain/Loss	Value at Risk	R$ Million Fair value by year				
Flow	**June 30, 2012**	**December 31, 2011**	**Buy/Sell**	**% p.a.**	**June 30, 2012**	**December 31, 2011**	**June 30, 2012**	**June 30, 2012**	**2012**	**2013**	**2014**	**2015**	**2016**
Forwards	CAD 1,554		**B**	1.012	**(57)**			**27**	**(7)**	**(25)**	**(17)**	**(8)**	**(0)**

Type of contracts: OTC Contracts

Hedged Item: part of Vale s revenues in US$

The P&L shown in the table above is offset by the hedged items P&L due to CAD/US$ exchange rate.

Protection program for interest rate

• **Treasury Future** Vale entered into a treasury 10 year forward transaction (buyer) on the last quarter of 2011 with the objective of partial protection into debt cost indexed to this rate. This program ended in January 2012.

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Flow	Notional ($ million) June 30, 2012	Notional ($ million) December 31, 2011	Buy/ Sell	Average rate % p.a.	Fair value June 30, 2012	Fair value December 31, 2011	Realized Gain/Loss June 30, 2012	Value at Risk June 30, 2012	R$ million Fair value by year 2012
Forwards		US$ 900	**B**			**(10)**	**6**		

Type of contracts: OTC Contracts

Protected Item: part of debt emission costs

The P&L shown in the table above was partially offset by emission cost reduction due to treasury variations.

Commodity Derivative Positions

The Company s cash flow is also exposed to several market risks associated to global commodities price volatilities. To offset these volatilities, Vale contracted the following derivatives transactions:

Nickel Sales Hedging Program

In order to reduce the cash flow volatility in 2012, hedging transactions were implemented. These transactions fixed the prices of part of the sales in the period.

Flow	Notional (ton) June 30, 2012	Notional (ton) December 31, 2011	Buy/ Sell	Average Strike (US$/ton)	Fair value June 30, 2012	Fair value December 31, 2011	Realized Gain/Loss June 30, 2012	Value at Risk June 30, 2012	R$ million Fair value by year 2012
Forward	9,999	19,998	**S**	25,027	**165**	**234**	**124**	**8**	**165**

Type of contracts: OTC Contracts

Protected Item: part of Vale s revenues linked to Nickel price.

The P&L shown in the table above is offset by the protected items P&L due to Nickel price.

Nickel Fixed Price Program

In order to maintain the exposure to Nickel price fluctuations, we entered into derivatives to convert to floating prices all contracts with clients that required a fixed price. These trades aim to guarantee that the prices of these operations would be the same of the average prices negotiated in LME in the date the product is delivered to the client. It normally involves buying Nickel forwards (Over-the-Counter) or futures (exchange negotiated). Those operations are usually reverted before the maturity in order to match the settlement dates of the commercial contracts in which the prices are fixed. Whenever the Nickel Sales Hedging Program is executed, the Nickel Fixed Price Program is interrupted.

									R$ million
	Notional (ton)			Average Strike (US$/ton)	Fair value		Realized Gain/Loss	Value at Risk	Fair value by year
Flow	June 30, 2012	December 31, 2011	Buy/ Sell		June 30, 2012	December 31, 2011	June 30, 2012	June 30, 2012	2012
Nickel Futures	72	162	**B**	21,763	**(0.7)**	**(0.7)**	**(0.3)**	**0.1**	**(0.7)**

Type of contracts: LME Contracts

Protected Item: part of Vale s revenues linked to fixed price sales of Nickel.

The P&L shown in the table above is offset by the protected items P&L due to Nickel price.

Nickel Purchase Protection Program

In order to reduce the cash flow volatility and eliminate the mismatch between the pricing of the purchased nickel (concentrate, cathode, sinter and others) and the pricing of the final product sold to our clients, hedging transactions were implemented. The items purchased are raw materials utilized to produce refined Nickel. The trades are usually implemented by the sale of nickel forward or future contracts at LME or over-the-counter operations.

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Flow	Notional (ton) June 30, 2012	Notional (ton) December 31, 2011	Buy/ Sell	Average Strike (US$/ton)	Fair value June 30, 2012	Fair value December 31, 2011	Realized Gain/Loss June 30, 2012	Value at Risk June 30, 2012	R$ million Fair value by year 2012
Nickel Futures	252	228	**S**	17,131	**0.2**	**0.05**	**0.5**	**0.2**	**0.2**

Type of contracts: LME Contracts

Protected Item: part of Vale s revenues linked to Nickel price.

The P&L shown in the table above is offset by the protected items P&L due to Nickel price.

Copper Scrap Purchase Protection Program

This program was implemented in order to reduce the cash flow volatility due to the quotation period mismatch between the pricing period of copper scrap purchase and the pricing period of final products sale to the clients, as the copper scrap combined with other raw materials or inputs of Vale s wholly-owned subsidiary, Vale Canada Ltd, to produce copper. This program usually is implemented by the sale of forwards or futures at LME or Over-the-Counter operations.

Flow	Notional (lbs) June 30, 2012	Notional (lbs) December 31, 2011	Buy/ Sell	Average Strike (US$/lbs)	Fair value June 30, 2012	Fair value December 31, 2011	Realized Gain/Loss June 30, 2012	Value at Risk June 30, 2012	R$ million Fair value by year 2012
Forward	1,041,684	892,869	**S**	3.53	**0.1**	**0.2**	**(0.06)**	**0.2**	**0.1**

Type of contracts: OTC Contracts

Protected Item: of Vale s revenues linked to Copper price.

The P&L shown in the table above is offset by the protected items P&L due to Coal price

Bunker Oil Purchase Protection Program

In order to reduce the impact of bunker oil price fluctuation on Vale s freight hiring and consequently reducing the company s cash flow volatility, bunker oil derivatives were implemented. These transactions are usually executed through forward purchases and swaps.

									R$ million
				Average					Fair value
	Notional (ton)			Strike	Fair value		Realized Gain/Loss	Value at Risk	by year
Flow	**June 30, 2012**	**December 31, 2011**	**Buy/ Sell**	**(US$/ton)**	**June 30, 2012**	**December 31, 2011**	**June 30, 2012**	**June 30, 2012**	**2012**
Forward	247,500		**B**	626	**(27)**			**6**	**(27)**

Type of contracts: OTC Contracts

Protected Item: part of Vale s costs linked to Bunker Oil price.

The P&L shown in the table above is offset by the protected items P&L due to Bunker Oil price.

Embedded Derivative Positions

The Company s cash flow is also exposed to several market risks associated to contracts that contain embedded derivatives or derivative-like features. From Vale s perspective, it may include, but is not limited to, commercial contracts, procurement contracts, rental contracts, bonds, insurance policies and loans. The following embedded derivatives were observed in June 30, 2012:

Raw material and intermediate products purchase

Nickel concentrate and raw materials purchase agreements, in which there are provisions based on nickel and copper future prices behavior. These provisions are considered as embedded derivatives.

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Flow	Notional (ton) June 30, 2012	Notional (ton) December 31, 2011	Buy/ Sell	Average Strike (US$/ton)	Fair value June 30, 2012	Fair value December 31, 2011	Realized Gain/Loss June 30, 2012	Value at Risk June 30, 2012	R$ million Fair value by year 2012
Nickel Forwards	1,578	1,951	S	17,246	(2.2)	(0.7)	(3.5)		(2.2)
Copper Forwards	6,471	6,653		7,868	(5.8)	0.9	2.9		(5.8)
Total					**(8.0)**	**0.2**	**(0.6)**	**3**	**(8.0)**

a) **Market Curves**

To build the curves used on the pricing of the derivatives, public data from BM&F, Central Bank of Brazil, London Metals Exchange (LME) and proprietary data from Thomson Reuters and Bloomberg were used. The derivatives prices for June 30, 2012 were calculated using June 29 market data inasmuch June 30 is not considered work day for these instruments and do not present available market data.

1. Commodities

Nickel

Maturity	Price (US$/ton)	Maturity	Price (US$/ton)	Maturity	Price (US$/ton)
SPOT	16,475.00	DEC12	16,790.86	JUN13	16,891.81
JUL12	16,707.23	JAN13	16,807.62	JUN14	17,042.94
AUG12	16,719.89	FEB13	16,821.33	JUN15	17,107.72
SEP12	16,736.68	MAR13	16,839.26	JUN16	17,131.95
OCT12	16,755.42	APR13	16,856.29		
NOV12	16,771.78	MAY13	16,871.82		

Copper

Maturity	Price (US$/lb)	Maturity	Price (US$/lb)	Maturity	Price (US$/lb)
SPOT	3.49	DEC12	3.49	JUN13	3.48
JUL12	3.49	JAN13	3.48	JUN14	3.48
AUG12	3.49	FEB13	3.48	JUN15	3.46
SEP12	3.49	MAR13	3.48	JUN16	3.44

OCT12	3.49	APR13	3.48		
NOV12	3.49	MAY13	3.48		

Bunker Oil

Maturity	Price (US$/ton)	Maturity	Price (US$/ton)	Maturity	Price (US$/ton)
SPOT	575.50	DEC12	565.00	JUN13	559.07
JUL12	580.75	JAN13	563.81	JUN14	551.56
AUG12	575.50	FEB13	562.56	JUN15	542.80
SEP12	570.83	MAR13	561.47	JUN16	535.54
OCT12	568.25	APR13	560.56		
NOV12	566.25	MAY13	559.56		

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2. Rates

US$-Brazil Interest Rate

Maturity	Rate (% p.a.)	Maturity	Rate (% p.a.)	Maturity	Rate (% p.a.)
09/03/12	0.43	01/02/15	2.98	07/03/17	3.79
10/01/12	0.93	04/01/15	3.05	10/02/17	3.87
01/02/13	1.43	07/01/15	3.13	01/02/18	3.95
04/01/13	1.81	10/01/15	3.28	04/02/18	4.00
07/01/13	2.13	01/04/16	3.39	07/02/18	4.07
10/01/13	2.36	04/01/16	3.45	10/01/18	4.13
01/02/14	2.54	07/01/16	3.50	01/02/19	4.15
04/01/14	2.65	10/03/16	3.58	01/02/20	4.35
07/01/14	2.74	01/02/17	3.65	01/04/21	4.48
10/01/14	2.84	04/03/17	3.73	01/03/22	4.65

US$ Interest Rate

Maturity	Rate (% p.a.)	Maturity	Rate (% p.a.)	Maturity	Rate (% p.a.)
US$1M	0.25	US$6M	0.73	US$11M	1.02
US$2M	0.35	US$7M	0.80	US$12M	1.07
US$3M	0.46	US$8M	0.85	US$2Y	0.55
US$4M	0.57	US$9M	0.91	US$3Y	0.64
US$5M	0.65	US$10M	0.96	US$4Y	0.80

TJLP

Maturity	Rate (% p.a.)	Maturity	Rate (% p.a.)	Maturity	Rate (% p.a.)
06/29/12	6.00	10/01/14	5.50	04/03/17	5.50
09/03/12	5.50	01/02/15	5.50	07/03/17	5.50
10/01/12	5.50	04/01/15	5.50	10/02/17	5.50
01/02/13	5.50	07/01/15	5.50	01/02/18	5.50
04/01/13	5.50	10/01/15	5.50	04/02/18	5.50
07/01/13	5.50	01/04/16	5.50	07/02/18	5.50
10/01/13	5.50	04/01/16	5.50	10/01/18	5.50
01/02/14	5.50	07/01/16	5.50	01/02/19	5.50
04/01/14	5.50	10/03/16	5.50	01/02/20	5.50
07/01/14	5.50	01/02/17	5.50	01/04/21	5.50

BRL Interest Rate

Maturity	Rate (% p.a.)	Maturity	Rate (% p.a.)	Maturity	Rate (% p.a.)
09/03/12	7.96	01/02/15	8.49	07/03/17	9.45
10/01/12	7.82	04/01/15	8.66	10/02/17	9.51
01/02/13	7.63	07/01/15	8.77	01/02/18	9.56
04/01/13	7.56	10/01/15	8.90	04/02/18	9.61
07/01/13	7.57	01/04/16	9.00	07/02/18	9.66
10/01/13	7.71	04/01/16	9.10	10/01/18	9.70
01/02/14	7.89	07/01/16	9.18	01/02/19	9.74
04/01/14	8.04	10/03/16	9.25	01/02/20	9.88
07/01/14	8.18	01/02/17	9.33	01/04/21	10.02
10/01/14	8.35	04/03/17	9.39	01/03/22	10.15

EUR Interest Rate

Maturity	Rate (% p.a.)	Maturity	Rate (% p.a.)	Maturity	Rate (% p.a.)
EUR1M	0.32	EUR6M	0.86	EUR11M	1.14
EUR2M	0.41	EUR7M	0.93	EUR12M	1.19
EUR3M	0.55	EUR8M	0.98	EUR2Y	0.43
EUR4M	0.67	EUR9M	1.03	EUR3Y	0.48
EUR5M	0.76	EUR10M	1.08	EUR4Y	0.56

CAD Interest Rate

Maturity	Rate (% p.a.)	Maturity	Rate (% p.a.)	Maturity	Rate (% p.a.)
CAD1M	1.11	CAD6M	1.57	CAD11M	1.97
CAD2M	1.21	CAD7M	1.66	CAD12M	2.04
CAD3M	1.30	CAD8M	1.74	CAD2Y	1.26
CAD4M	1.39	CAD9M	1.81	CAD3Y	1.38
CAD5M	1.48	CAD10M	1.88	CAD4Y	1.49

Currencies - Ending rates

CAD/US$	0.9814	US$/BRL	2.0213	EUR/US$	1.2651

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Sensitivity Analysis on Derivatives from Parent Company

We present below the sensitivity analysis for all derivatives outstanding positions as of June 30, 2012 given predefined scenarios for market risk factors behavior. The scenarios were defined as follows:

- Fair Value: the fair value of the instruments as at June 29 , 2012;
- Scenario I: unfavorable change of 25% - Potential losses considering a shock of 25% in the market risk factors used for MtM calculation that negatively impacts the fair value of Vale s derivatives positions;
- Scenario II: favorable change of 25% - Potential profits considering a shock of 25% in the market curves used for MtM calculation that positively impacts the fair value of Vale s derivatives positions;
- Scenario III: unfavorable change of 50% - Potential losses considering a shock of 50% in the market curves used for MtM calculation that negatively impacts the fair value of Vale s derivatives positions;
- Scenario IV: favorable change of 50% - Potential profits considering a shock of 50% in the market curves used for MtM calculation that positively impacts the fair value of Vale s derivatives positions;

Sensitivity analysis - Foreign Exchange and Interest Rate Derivative Positions *Amounts in R$ million*

Program	Instrument	Risk	Fair Value	Scenario I	Scenario II	Scenario III	Scenario IV
Protection program for the Real denominated debt indexed to CDI	CDI vs. USD fixed rate swap	USD/BRL fluctuation		(1,637)	1,637	(3,274)	3,274
		USD interest rate inside Brazil		(61)	59	(123)	117
		Brazilian interest rate fluctuation	(1,025)	(2)	2	(4)	4
		USD Libor variation		(3)	3	(6)	6
	CDI vs. USD floating rate swap	USD/BRL fluctuation		(129)	129	(257)	257
		Brazilian interest rate fluctuation	(74)	(0.7)	0.6	(1.3)	1.2
		USD Libor variation		(0.05)	0.04	(0.11)	0.08
	Protected Items - Real denominated debt	USD/BRL fluctuation	n.a.				
Protection program for the Real denominated debt indexed to TJLP	TJLP vs. USD fixed rate swap	USD/BRL fluctuation		(784)	784	(1,567)	1,567
		USD interest rate inside Brazil		(49)	47	(102)	91
		Brazilian interest rate fluctuation	(174)	(105)	115	(202)	240

		TJLP interest rate fluctuation		(80)	79	(160)	161
		USD Libor variation		(0.2)	0.2	(0.5)	0.5
	TJLP vs. USD floating rate swap	USD/BRL fluctuation		(171)	171	(342)	342
		USD interest rate inside Brazil		(24)	22	(50)	42
		Brazilian interest rate fluctuation	(67)	(44)	50	(82)	107
		TJLP interest rate fluctuation		(34)	33	(68)	67
		USD Libor variation		(7)	7	(15)	15
	Protected Items - Real denominated debt	USD/BRL fluctuation	n.a.				
Protection program for the Real denominated fixed rate debt	BRL fixed rate vs. USD	USD/BRL fluctuation		(162)	162	(324)	324
		USD interest rate inside Brazil	(68)	(15)	15	(32)	28
		Brazilian interest rate fluctuation		(31)	34	(59)	71