SIMMONS FIRST NATIONAL CORP
Form 4
January 05, 2015

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
Bartlett David L

(Last) (First) (Middle)

SIMMONS FIRST NATIONAL CORP, 501 MAIN STREET

(Street)

PINE BLUFF, AR 71603

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
SIMMONS FIRST NATIONAL CORP [SFNC]

3. Date of Earliest Transaction (Month/Day/Year)
01/02/2015

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
President and CBO

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
SFNC								33,561	D	
SFNC								2,140	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amour Underlying Securit (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amo or Num of Share
Non-Qualified Stock Option	$ 40.57	01/02/2015		A		4,970		12/31/2015	12/31/2024	Common	4,9

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Bartlett David L SIMMONS FIRST NATIONAL CORP 501 MAIN STREET PINE BLUFF, AR 71603	X		President and CBO	

Signatures

/s/ David L. Bartlett by Piper P. Erwin	01/05/2015
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

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250

Korean Trade Insurance Corporation (K-Sure)

US$

August 2011

(f)

12 years

528

409

161

Banco Nacional de Desenvolvimento Econômico Social (BNDES)

Vale Fertilizantes

R$

Explanation of Responses:

November 2009

(g)

9 years

20

20

18

18

PSI 4.50%

R$

June 2010

(h)

10 years

379

343

258

100

Vale Fertilizantes

R$

October 2010

(i)

8 years

121

110

109

91

PSI 5.50%

R$

March 2011

(j)

10 years

50

43

43

Explanation of Responses:

CLN 150

R$

September 2012

(k)

10 years

1,900

1,032

Vale Fertilizantes

R$

October 2012

(l)

6 years

44

44

PSI 2.50%

R$

December 2012

(m)

10 years

89

* Memorandum of Understanding (MOU) signature date

** The availability for application of projects is 5 years.

(a) Mining projects, logistics and energy generation. Vale through its subsidiary PT Vale Indonesia Tbk (PTVI) applied in the amount of US$ 300 million for the financing of the construction of the hydroelectric plant of Karebbe, Indonesia and withdrew totally.

(b) Mining projects, logistics and energy generation.

(c) Credit Lines to finance projects.

(d) Acquisition of twelve large ore carriers from Chinese shipyards.

(e) Financing investments in Canada and Canadian exports.

(f) Acquisition of five large ore carriers and two capesize bulkers from two Korean shipyards. The maturity period is counted from each vessel delivery.

(g) Gypsum storage in Uberaba plant.

(h) Acquisition of domestic equipments.

(i) Expansion of production capacity of phosphoric and sulfuric acids at Uberaba plant (Phase III).

(j) Acquisition of domestic equipments.

(k) Capacitação Logística Norte 150 Project (CLN 150).

(l) Supplemental resources to expand production capacity of phosphoric and sulfuric acids at Uberaba plant (Phase III).

(m) Acquisition of wagons by VLI Multimodal.

d) Guarantee

On December 31, 2012, 2011 and 2010, US$1,450, US$648 and US$2 of the total aggregate outstanding debt was secured by property, plant and equipment and receivables, respectively.

e) Covenants

The principal covenants, included in certain financial agreements, require the observance of certain ratios, such as debt to EBITDA and interest coverage. Vale has not identified any events of noncompliance as of December 31, 2012, 2011 and 2010.

Table of Contents

18 - Provision for litigation

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.

	Tax litigation	Civil litigation	Labor litigation	Environmental litigation	Total of litigation provision
Balance as of January 1º, 2010	**489**	**582**	**657**	**35**	**1,763**
Additions	331	58	168	2	559
Reversals	(178)	(189)	(27)		(394)
Payments	(15)	(28)	(117)	(1)	(161)
Monetary update	98	64	32	1	195
Cumulative translation adjustment	21	23	35	2	81
Balance as of December 31, 2010	**746**	**510**	**748**	**39**	**2,043**
Additions	41	74	405	7	527
Reversals	(82)	(202)	(57)	(10)	(351)
Payments	(67)	(79)	(242)	(4)	(392)
Monetary update	64	(10)	(10)	4	48
Cumulative translation adjustment	(48)	(45)	(93)	(3)	(189)
Balance as of December 31, 2011	**654**	**248**	**751**	**33**	**1,686**
Additions	580	82	317	11	990
Reversals	(76)	(36)	(224)	(6)	(342)
Payments	(155)	(3)	(22)	(2)	(182)
Monetary update	34	16	(7)	2	45
Cumulative translation adjustment	(41)	(20)	(65)	(4)	(130)
Transfer of assets available for sale			(2)		(2)
Balance as of December 31, 2012	**996**	**287**	**748**	**34**	**2,065**

Provisions for tax litigation - 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).

On September 2012, we has considered as probable the loss related to the deductibility of transportation expenditures in arriving at the amount upon which the CFEM is calculated, increasing the provision of R$ 1.1 bilhão (US$542). At the fourth quarter of 2012, we paid R$301 million (US$147) of CFEM. On December 31, 2012 the total liability in relation to CFEM was R$1,060 million (US$519).

Provisions for civil litigation - They 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 still others related to monetary compensation in action vindicatory.

Provisions for labor and social security litigation - Consist of lawsuits filed by employees and service providers, questioning parcels arising from the employment relationship. The most recurring objects are payment of overtime, hours *in intinere*, hazard pay and unhealthy. The social security contingencies are also included in this context because arising from parcels of labor, in the case of legal and administrative disputes between the INSS and the Vale/group companies, whose core is the incidence of compulsory social security or not.

36

Table of Contents

In addition to those provisions, there are judicial deposits. These deposits are the guarantees to the actions required in court. They are monetarily update 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:

	Year ended December 31,		
	2012	**2011**	**2010**
Tax litigation	435	413	442
Civil litigation	172	151	410
Labor litigation	903	895	874
Environmental litigation	5	5	5
Total	**1,515**	**1,464**	**1,731**

The Company discuss in administrative and judicial levels, legal actions where the expectation of loss is considered possible and understands there is no need to account for a provision.

These possible contingent liabilities are split between tax, civil, labor and social security, and are as follows:

	Year ended December 31,		
	2012	**2011**	**2010**
Tax litigation	16,492	17,967	1,713
Civil litigation	1,124	1,483	1,084
Labor litigation	1,728	1,923	1,967
Environmental litigation	1,672	1,076	23
Total	**21,016**	**22,449**	**4,787**

The increase in the values of the tax contingencies with a possible estimate of loss refers mainly to discussion relating to recovery of Income Tax and Social Contribution, calculated based on the equity results of foreign subsidiaries.

The Brazilian federal tax authority (*Receita Federal do Brasil*) contends that we should pay those taxes and contributions on the net income of our non-Brazilian subsidiaries and affiliates. The position of the tax authority is based on Article 74 of Brazilian Provisional Measure 2,158-35/2001, a tax regulation issued in 2001 by Brazil s President, and on implementing regulations adopted by the tax authority under Article 74. The tax authority has issued five tax assessments (*autos de infração*) against us for payment of US$5,933 and US$6,644 at December 31, 2012 and 2011, respectively, in taxes in accordance with Article 74 for the tax years 1996 through 2008, plus interest and penalties of US$9,277 at December 31, 2012 and US$9,781 at December 31, 2011, through December 31, 2012 and 2011, amounting to a total of US$15,210 and US$16,425, respectively. The decline in the value from December 31, 2011, was soused by the cancelation by the tax authority of the claim related to the exchange variation over the foreign subsidiaries, in amount of US$815.

19 - Asset retirement obligation

The Company uses various judgments and assumptions when measuring the obligations related to the retirement 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 December 31, 2012, 2011 and 2010 were 5.03%, 5.82% p.a. and 7.96% p.a. respectively. The liability is periodically updated based on these discount rates plus the inflation index (IGPM) for the period.

The movement in the provision for asset retirement obligation is as follows:

	Year ended December 31,		
	2012	**2011**	**2010**
Balance on begin of year	**1,922**	**1,518**	**1,252**
Increase expense	170	127	127
Liquidation in the current period	(14)	(57)	(45)
Revisions in estimated cash flows	782	420	125
Cumulative translation adjustments	(112)	(86)	59
Balance on end of year	**2,748**	**1,922**	**1,518**
Current	70	73	75
Non-current	2,678	1,849	1,443
Total	**2,748**	**1,922**	**1,518**

37

Table of Contents

20 - Deferred Income Tax and Social Contribution

We analyze the potential tax impact associated with undistributed earnings of each our subsidiaries and affiliates. For those subsidiaries in which undistributed earnings are intended to be reinvested indefinitely, no deferred tax is recognized. Undistributed earnings of foreign consolidated subsidiaries and affiliates for which no deferred income tax has been recognized for possible future remittances to the parent company totaled approximately US$ 26,800 on December 31, 2012, US$ 26,300 on December 31, 2011 and US$ 26,708 at December 31, 2010. These amounts are considered to be permanently reinvested in the Company s international business. It is not practicable to determine the amount of the unrecognized deferred tax liability associated with these amounts. If we did determine to repatriate these earnings, there would be methods available to us, each with different tax consequences. There would also be uncertainty as to timing and amount, if any, of foreign tax credits that would be available, as the calculation of the available foreign tax credit is dependent upon the timing of the repatriation and projections of significant future uncertain events. The wide range of potential outcomes that could result due to these factors, among others, makes it impracticable to calculate the amount of tax that hypothetically would be recognized on these earnings if they were repatriated.

The income of the Company is subject to the common system of taxation applicable to companies in general. The net deferred balances were as follows:

	Year ended December 31,		
	2012	**2011**	**2010**
Recoverable income tax	**1,274**	**915**	**760**
Temporary differences:			
Pension plan	451	477	734
Provision	574	467	567
Impairment of Assets	845	791	568
Fair value of financial instruments	806	530	379
Goodwill linked to property acquired	(5,030)	(6,578)	(6,928)
Impairment	1,569		
Others	(303)	(389)	(276)
Total	**186**	**(3,787)**	**(4,196)**
Social Contribution			(2,145)
Total	**186**	**(3,787)**	**(6,341)**
Assets	3,981	1,894	1,358
Liabilities	(3,795)	(5,681)	(7,699)
	186	**(3,787)**	**(6,341)**

	Assets	**Liabilities**	**Total**
Balance as of January 1, 2010	**1,576**	**5,394**	**(3,818)**
Net income effect	(380)	(1,684)	1,304
Addition/settlement of temporary difference	144	318	(174)

Subsidiary acquisition		2,166	(2,166)
Cumulative translation adjustment	56	204	(148)
Tax losses consumption	(481)		(481)
Tax losses recognition	443		443
Deferred social contribution		1,281	(1,281)
Other comprehensive income		20	(20)
Balance as of December 31, 2010	**1,358**	**7,699**	**(6,341)**
Net income effect	648	372	276
Subsidiary acquisition		76	(76)
Cumulative translation adjustment	(148)	(332)	184
Deferred social contribution		(2,134)	2,134
Other comprehensive income	36		36
Balance as of December 31, 2011	**1,894**	**5,681**	**(3,787)**
Net income effect	632	(229)	860
Addition/settlement of temporary difference	1,627		1,627
Subsidiary acquisition	(18)	(214)	197
Cumulative translation adjustment	(146)	(207)	61
Deferred social contribution		(1,236)	1,236
Other comprehensive income	(8)		(8)
Balance as of December 31, 2012	**3,981**	**3,795**	**186**

The deferred assets and liabilities of income tax and social contribution arising from tax losses, negative social contribution and temporary differences are recognized in the accounts, taking into consideration the analysis of future performance, based on economic and financial projections, prepared based on assumptions internal and macroeconomic, trade and tax scenarios that may suffer changes in the future.

Table of Contents

These temporary differences that will be performed upon the occurrence of the corresponding relevant facts generators have the following expectations:

	Year ended December 31,		
Deferred income tax and social contribution	**2012**	**2011**	**2010**
To be recovered after than 12 months	(170)	(4,054)	(6,601)
To be recovered within 12 months	356	267	260
Total	**186**	**(3,787)**	**(6,341)**

The income tax in Brazil comprises the taxation on income and social contribution on profit. The composite statutory rate applicable in the period presented is 34%. In other countries where we have operations, we are subject to various rates depending on jurisdiction.

The total amount presented as income tax and social contribution results in the financial statements is reconciled with the rates established by law, as follows:

	Year ended December 31,		
	2012	**2011**	**2010**
Income before tax and social contribution	3,922	27,826	21,264
Results of equity investments	(645)	(1,138)	(997)
Exchange variation - not taxable	156	26	265
	3,433	**26,714**	**20,532**
Income tax and social contribution at statutory rates - 34%	(1,167)	(9,083)	(6,981)
Adjustments that affects the basis of taxes:			
Income tax benefit from interest on stockholders equity	1,337	1,655	995
Tax incentive	204	704	642
Results of overseas companies taxed by different rates which differs from the parent company rate	261	1,365	1,673
Constitution of provisions for loss of tax loss carryforwards	(228)	(297)	
Deductible Social Contribution paid		506	
Others	(47)	(121)	(21)
Income tax and social contribution before impairment	**360**	**(5,271)**	**(3,692)**
Income tax and social contribution on the profit for the year	1,327		
Income tax and social contribution on the profit for the year	**1,687**	**(5,271)**	**(3,692)**

In Brazil, Vale has a tax incentive for the partial reduction of income tax due to the amount equivalent to the portion allocated by tax law to transactions in the North and Northeast regions with iron, railroad, manganese, copper, bauxite, kaolin and potash. The incentive is calculated based on the tax profit of the activity (called operating income), takes into consideration the allocation of operating profit by incentive production levels during the periods specified for each product as grantees, and generally, for 10 years and are in the case of Company expire until 2020. An amount equal to that obtained with the tax saving must be appropriated in a retained earnings reserve account in Stockholders equity, and may not be distributed as dividends to Stockholders.

Vale benefits from the allocation of part of income tax due to be reinvested in the purchase of equipment in incentive operation, subject to subsequent approval by the regulatory agency in the incentive area of Superintendence for the Development of Amazonia (SUDAM) and the Northeast Development Superintendence (SUDENE). When the reinvestment approved, the tax benefit is also appropriate in retained earnings reserve, which impaired is the distribution as dividends to Stockholders

Vale also has tax incentives related to the production of nickel from Vale New Caledonia (VNC). These incentives include temporary exemptions of the total income tax during the construction phase of the project, and also for a period of 15 years beginning in the first year of commercial production as defined by applicable law, followed by 5 years with refund of 50% of temporary. In addition, VNC is eligible for certain exemptions from indirect taxes such as import tax during the construction phase and throughout the commercial life of the project. Some of these tax benefits, including temporary tax incentives, are subject to an earlier interruption if the project achieves a specified cumulative rate of return. VNC is taxable for a portion of profits starting in the first year that commercial production is reached, as defined by applicable law. So far, there has been no taxable income realized in New Caledonia. Vale also received tax incentives for projects in Mozambique, Oman and Malaysia.

Vale is subject to the revision of income tax by local 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.

Table of Contents

21 Pension plans

In Brazil, the management of the pension plans of the Company is the responsibility of the Fundação Vale do Rio Doce de Seguridade Social (Valia) nonprofit private entity with administrative and financial autonomy.

Certain of the Company s employees, participant in variable contribution defined benefit plan (*Plano de Benefício Vale Mais e Plano de Benefício VALIAPREV* or the New Plan), specific coverage for death pension and disability retirement and other defined contributions for programmable benefits. The defined benefit plan is subject to actuarial evaluations. The defined contribution plan represents a fixed amount held on behalf of the participant.

The Company also maintains sponsorship of a pension plan with defined benefit characteristics, covering almost exclusively retirees and their beneficiaries, due to the migration of more than 98% of active employees for the Vale Mais Plan in May 2000. This plan was funded by monthly contributions made by the Company and participants, calculated based on periodic actuarial valuations.

Certain former employees are entitled to payments over and above the normal Valia benefits from a Complementation Bonus plus a post-retirement benefit that covers medical, dental and pharmaceutical assistance.

Vale Fertilizantes and its wholly owned subsidiaries pay eligible employees the FGTS penalty pursuant to an union agreement and provide certain health benefits for retired eligible employees.

The Company also has defined benefit plans and other post-employment benefits administered by other foundations and social security entities benefiting all employees.

Employers disclosure about pensions and other post retirement benefits on the status of the defined benefit elements of all plans is provided.

We use a measurement date December 31 for our pension and post retirement benefit plans.

a) Change in benefit obligation

	Overfunded pension plans	Underfunded pension plans	Others underfunded pension plans
Benefit obligation as of January 1º, 2010	**2,725**	**4,730**	**1,304**
Benefit initial recognized consolidation	385	12	58
Service Cost	2	71	26
Interest Cost	329	360	102
Benefits paid/Actual distribution	(265)	(364)	(80)
Plan amendment		20	(2)
assumptions changes	87	55	6
Actuarila loss (gain)	234	202	4
Effect of exchange rate changes	126	225	119
Benefit obligation as of December 31, 2010	**3,623**	**5,311**	**1,537**
Service Cost	1	89	30
Interest Cost	391	378	97
Benefits paid/Actual distribution	(296)	(412)	(82)
Plan amendment		2	(23)
Net transfers		7	
assumptions changes	141	32	
Plan settlements		(26)	(8)
Actuarila loss (gain)	99	(151)	114
Effect of exchange rate changes	(406)	(279)	(82)
Benefit obligation as of December 31, 2011	**3,553**	**4,951**	**1,583**
Service Cost		100	34
Interest Cost	308	374	95
Benefits paid/Actual distribution	(237)	(435)	(76)
Plan amendment		(2)	(35)
assumptions changes	(442)	442	
Plan settlements		(119)	(26)
Actuarila loss (gain)	684	798	159
Effect of exchange rate changes	(299)	(121)	(24)
Benefit obligation as of December 31, 2012	**3,567**	**5,988**	**1,710**

Table of Contents

ii. Evolution of the fair value of assets

	Overfunded pension plans	Underfunded pension plans	Others underfunded pension plans
Fair value of plan assets on January 1º, 2010	**4,130**	**4,095**	**11**
Fair value initial recognized consolidation	451	10	
Actual return on plan assets	1,094	541	1
Employer contributions	2	169	80
Benefits paid/ Actual distribution	(265)	(364)	(80)
Effect of exchange rate changes	173	193	1
Fair value of plan assets on December 31, 2010	**5,585**	**4,644**	**13**
Actual return on plan assets	472	226	
Employer contributions	2	575	82
Benefits paid/ Actual distribution	(296)	(412)	(82)
Plan settlements		(26)	(11)
Effect of exchange rate changes	(586)	(245)	(1)
Fair value of plan assets on December 31, 2011	**5,177**	**4,762**	**1**
Tranfers	(512)	512	
Actual return on plan assets	619	528	
Employer contributions		222	76
Benefits paid/ Actual distribution	(237)	(435)	(76)
Plan settlements		(109)	
Actuarial gain/(loss)	(229)	235	
Effect of exchange rate changes	(407)	(109)	
Fair value of plan assets on December 31, 2012	**4,411**	**5,606**	**1**

A special contribution was made to the Vale Canada Limited defined underfunded benefit plans of US$342 during 2011 to secure adequate funding requirements for 2011-2013.

Plan assets managed by Valia on December 31, 2012, 2011 and 2010 include investments in portfolio of our own stock of US$300, US$340 and US$519, investments in debentures US$57, US$63 and US$64 and equity investments from related parties amounting to US$2, US$84 and US$81, respectively. They also include at December 31, 2012, 2011 and 2010, US$3,882, US$3,552 and US$4,150 of Brazilian Federal Government Securities. The Vale Canada Limited pension plan assets at December 31, 2012, 2011 and 2010 included Canadian Government securities amounted to US$483, US$653 and US$436, respectively. The Vale Fertilizantes and Ultrafértil at December 31, 2012 and December 31, 2011 include Brazilian Federal Government in securities of US$191, US$149 and US$158, respectively.

iii. Reconciliation of assets and liabilities recognized in the Balance Sheet

	December 31, 2012			December 31, 2011			December 31, 2010		
	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**
Present value of obligations at end of year	(3,567)	(5,988)	(1,710)	(3,553)	(4,951)	(1,583)	(3,623)	(5,311)	(1,537)
Fair value of assets at end of year	4,411	5,606	1	5,177	4,762	1	5,585	4,644	13
Net value of (gains) and losses not recorded in the balance sheet		246	95		(41)	93		(34)	34
Effect of limit of IAS 19, paragraph 65	(844)			(1,624)			(1,962)		
Total		**(136)**	**(1,614)**		**(230)**	**(1,489)**		**(701)**	**(1,490)**
Net actuarial assets/liability accrued									
Non-current assets		115							
Current liabilities		(116)	(89)		(92)	(77)		(98)	(90)
Non-current liabilities		(135)	(1,525)		(138)	(1,412)		(603)	(1,400)
Total		**(136)**	**(1,614)**		**(230)**	**(1,489)**		**(701)**	**(1,490)**

41

Table of Contents

iv. Recorded costs in the Statement of Income

	December 31, 2012			December 31, 2011			December 31, 2010		
	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**
Current service cost		100	34	1	89	30	2	71	26
Interest on actuarial liabilities	308	381	97	391	378	97	329	360	102
Expected return on assets	(619)	(459)		(656)	(383)		(530)	(321)	(1)
Amortization and (gains) / losses, net (IAS 19 paragraph 58a)	913	92	77	14	24	(7)	9	18	(1)
Effect of limit described in paragraph 58 (b) in IAS 19	(602)			250			190		
Total		**114**	**208**		**108**	**120**		**128**	**126**

v. Actuarial and economic assumptions

All calculations involve future actuarial projections about some parameters, such as: salaries, interest, inflation, the behavior of INSS benefits, mortality, disability, etc.

The economic actuarial assumptions adopted were formulated considering the long-term period for maturity and should therefore be examined in that light. So, in the short term, they may not necessarily be realized.

In the evaluations were adopted the following economic assumptions:

Brazil

	December 31, 2012			December 31, 2011			December 31, 2010		
	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**
Discount rate to determine benefit obligation	8.90% p.a.	9.04% p.a.	9.05% p.a.	10.91%	10.78%	10.90%	11.30%	11.30%	10.30%
Discount rate to determine net cost	8.90% p.a.	9.45% p.a.	9.40% p.a.	10.78%	11.30%	11.30%	11.30%	11.30%	10.30%
Expected return on plan assets	12.48% p.a.	12.55% p.a.	N/A	11.91%	10.50%	N/A	12.00%	10.50%	N/A
Rate of compensation increase - up to 47 years	8.15% p.a.	8.15% p.a.	N/A	8.15%	N/A	N/A	8.15%	8.15%	N/A
Rate of compensation increase - over 47 years	5.00% p.a.	5.00% p.a.	N/A	5.00%	5.00%	N/A	5.00%	5.00%	N/A
Inflation	5.00% p.a.	5.00% p.a.	5.00% p.a.	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Health care cost trend rate	N/A	N/A	8.15% p.a.	N/A	8.15%	8.15%	N/A	N/A	8.15%

	Underfunded pension plans	**Others underfunded pension plans**	**Underfunded pension plans**	**Others underfunded pension plans**	**Underfunded pension plans**	**Others underfunded pension plans**
Discount rate to determine benefit obligation	4.16% p. a.	4.20% p. a.	5.08%	5.10%	6.21%	5.44%
Discount rate to determine net cost	5.08% p. a.	4.20% p. a.	5.43%	5.43%	6.21%	5.44%
Expected return on plan assets	6.51% p. a.	6.50% p. a.	6.51%	6.50%	7.02%	6.50%
Rate of compensation increase - up to 47 years	4.10% p.a.	3.00% p.a.	4.10%	3.00%	4.11%	3.58%
Rate of compensation increase - over 47 years	4.10% p.a.	3.00% p.a.	4.10%	3.00%	4.11%	3.58%
Inflation	2.00% p.a.	2.00% p.a.	2.00%	2.00%	2.00%	2.00%
Health care cost trend rate	N/A	7.22% p.a.	N/A	7.22%	N/A	7.35%
Ultimate Health care cost trend rate	N/A	4.49% p.a.	N/A	4.49%	N/A	4.49%

vi. Data from participants:

	December 31, 2012			December 31, 2011			December 31, 2010		
	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**
Active participants									
Number	14	81,324	11,727	202	67.951	74.7	245.0	59.9	68.0
Average age - years	52	36	40	50	36	35.9	49.8	36.0	36.4
Average service - years	28	7	7	27.2	7.0	7.7	27.1	8.0	8.5
Terminated vested participants									
Number		6,519			5.8			4.9	
Average age - years		47			39.0			40.0	
Retirees and beneficiaries									

Number	16,740	19,253	31,737	18.4	18.2	32.6	18.5	18.1	32.8
Average age - years	67	70	68	66.3	71.0	63.7	65.6	71.0	62.5

Table of Contents

vii. Assets of pension plans

Brazilian Plans

The Investment Policy Statements of pension plans sponsored for Brazilian employees are based on a long term macroeconomic scenario and expected returns. An Investment Policy Statement was established for each obligation by following results of a strategic asset allocation study.

Plan asset allocations comply with pension funds local regulation issued by CMN - Conselho Monetário Nacional (CMN Resolution 3,792/09). We are allowed to invest in six different asset classes, defined as Segments by the law, as follows: Fixed Income, Equity, Structured Investments (Alternative Investments and Infra-Structure Projects), International Investments, Real Estate and Loans to Participants in compliance with pre approved policies.

The investment policies aims to achieve adequate diversification, revenue and long-term valuation, through the combination of all asset classes described above to meet their obligations to many plans of the appropriate level of risk.

The pension fund has a risk management process with established policies that intend to identify measure and control all kind of risks faced by our plans, such as: market, liquidity, credit, operational, systemic and legal.

Foreign plans

The strategy for each of the pension plans sponsored by Vale Canada is based upon a combination of local practices and the specific characteristics of the pension plans in each country, including the structure of the liabilities, the risk versus reward trade-off between different asset classes and the liquidity required to meet benefit payments.

viii. Overfunded pension plans

Brazilian Plans

The Defined Benefit Plan (the Old Plan) has the most part of its assets allocated in fixed income, mainly in Brazilian government bonds (such as TIPS) and corporate long term inflation linked corporate bonds with the objective to reduce the asset-liability volatility. This LDI (Liability Driven Investments) strategy, when considered together with Loans to Participants segment, aims to hedge plan s liabilities against inflation risk and volatility. This plan had an average nominal income of 20% per annum, in the past 12 years. The target allocation for each investment segment or asset class in the following:

	Year ended December 31,		
	2012	**2011**	**2010**
Fixed income investments	56.00%	57.00%	52.00%
Variable income investments	25.00%	24.00%	28.00%
Structures investments	6.00%	6.00%	6.00%
Foreign investments	1.00%	1.00%	2.00%
Real Estate	8.00%	8.00%	7.00%
Operations with participants (loans)	4.00%	4.00%	5.00%

The Plano Vale Mais has obligations with characteristics of defined benefit plans and defined contribution plans. Most investments are in fixed income. To reduce the volatility of assets and liabilities from the components of the plot with defined benefit s characteristics, we use Brazilian government bonds indexed to inflation. The target allocation for this strategy is 55% of total assets of this sub plan. Bellow there are the target allocations for each investment segment or asset class:

	Year ended December 31,		
	2012	**2011**	**2010**
Fixed income investments	55.00%	56.00%	59.00%
Variable income investments	24.00%	24.00%	24.00%
Structures investments	3.50%	3.50%	2.00%
Foreign investments	0.50%	0.50%	1.00%
Real Estate	7.00%	6.00%	4.00%
Operations with participants (loans)	10.00%	10.00%	10.00%

The Defined Contribution Vale Mais component offers four options of asset classes mix that can be chosen by participants. The options are: Fixed Income 100%; 80% Fixed Income and 20% Equities, 65% Fixed Income and 35% Equities and 60% fixed income and 40% equities. Loan to participants is included in the fixed income options. Equities management is done through investment fund that targets Ibovespa index.

Table of Contents

Assets by category are as follows:

	December 31, 2012				December 31, 2011				December 31, 2010			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets by category												
Cash and cash equivalents									6			6
Accounts Receivable	5			5	14			14	81			81
Equity securities	1,128	1		1,129	1,282	78		1,360	1,321	75		1,396
Debt securities - Corporate bonds		272		272		446		446		420		420
Debt securities - Government bonds	1,976			1,976	1,844			1,844	2,114			2,114
Investments funds - Fixed Income	1,678			1,678	1,540			1,540	1,610			1,610
Investments funds - Equity	252			252	288			288	513			513
International investments	14			14	11			11	23			23
Structured investments - Private Equity funds			192	192			177	177			128	128
Structured investments - Real estate funds			8	8			20	20			19	19
Real estate			458	458			399	399			288	288
Loans to participants			195	195			183	183			182	182
Total	**5,053**	**273**	**853**	**6,179**	**4,979**	**524**	**779**	**6,282**	**5,668**	**495**	**617**	**6,780**
Funds not related to risk plans				(1,768)				(1,105)				(1,195)
Fair value of plan assets at end of year				**4,411**				**5,177**				**5,585**

Measurement of overfunded plan assets at fair value with no observable market variables - level 3

	Private Equity Funds	Real State Funds	Real State	Loans to Participants	Total
Balance as of January 1º, 2010	**87**		**224**	**158**	**469**
Actual return on plan assets	(3)	1	49	24	71
Initial recognized consolidation			22	5	27
Assets purchases, sales and settlements	(2)	(1)	(24)	(71)	(98)
Assets sold during the period	41		24	59	124
Cumulative translation adjustment	5	1	11	7	24
Transfers in and/ out of Level 3		18	(18)		
Balance as of December 31, 2010	**128**	**19**	**288**	**182**	**617**
Actual return on plan assets	(7)		79	14	86
Assets purchases, sales and settlements	(1)		(22)	(71)	(94)
Assets sold during the period	34		101	72	207
Cumulative translation adjustment	(16)	(2)	(47)	(14)	(79)
Transfers in and/ out of Level 3	39	3			42

Balance as of December 31, 2011	**177**	**20**	**399**	**183**	**779**
Actual return on plan assets	13	(8)	121	26	152
Assets purchases, sales and settlements	(19)		(31)	(84)	(134)
Assets sold during the period	75		27	93	195
Cumulative translation adjustment	(15)	(1)	(37)	(17)	(70)
Transfers in and/ out of Level 3	(39)	(3)	(21)	(6)	(69)
Balance as of December 31, 2012	**192**	**8**	**458**	**195**	**853**

The return target for private equity assets in 2013 is 11% p.a. for the Old Plan and 11% p.a. for the New Plan. The target allocation is 6% for the Old Plan and 3.5% for the New Plan, ranging between 2% and 10% for the Old Plan and ranging between 1% and 10% for the New Plan. These investments have a longer investment horizon and low liquidity that aim to profit from economic growth, especially in the infrastructure sector of the Brazilian economy. Usually non-liquid assets fair value is similar to the acquisition cost or book value. Some private equity funds, alternatively, apply the following methodologies: discounted cash flows analysis or analysis based on multiples.

The target return for loans to participants in 2013 was 12% p.a. The fair value pricing of these assets includes provisions for non-paid loans, according to the local pension fund regulation.

The target return for real estate assets in 2013 was 12% p.a. The fair value of these assets is near to their carrying value. The pension fund hires companies specialized in real estate valuation that do not act in the market as brokers. All valuation techniques follow the local regulation.

ix. Underfunded pension plans

Brazilian Plans

The obligation has an exclusive allocation in fixed income. It was also used a LDI (Liability Driven Investments) strategy for this plan. Most of the resources were invested in long term Brazilian government bonds (similar to TIPS) and inflation linked corporate bonds with the objective of minimizing asset-liability volatility and reduce inflation risk. This obligation has an average nominal return of 17% p.a. in local currency in the last 7 years.

Table of Contents

Foreign plans

For all pension plans except PT Vale Indonesia tbk, this has resulted in a target asset allocation of 60% in equity investments and 40% in fixed income investments, with all securities being traded in the public markets. Fixed income investments are in domestic bonds for each plan s market and involve a mixture of government and corporate bonds. Equity investments are primarily global in nature and involve a mixture of large, mid and small capitalization companies with a modest explicit investment in domestic equities for each plan. The Canadian plans also use a currency hedging strategy (each developed currency s exposure is 50% hedged) due to the large exposure to foreign securities. For PT Vale Indonesia tbk, the target allocation is 20% equity investment and the remainder in fixed income.

Assets by category are shown below:

	December 31, 2012				December 31, 2011				December 31, 2010			
	Level 1	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets by category												
Cash and cash equivalents	55	34		89	19	24		43	22	30		52
Accounts Receivable	4			4	12			12	20			20
Equity securities	1,566	19		1,585	1,374	6		1,380	1,623	5		1,628
Debt securities - Corporate bonds		511		511		373		373		175		175
debt securities - Government bonds	509	483		992	323	627		950	370	416		786
Investments funds - Fixed Income	1,594	426		2,020	1,191	568		1,759	1,079	720		1,799
Investments funds - Equity	511	412		923	325	376		701	307	346		653
International investments	4			4	2	2		4	3	3		6
Structured investments - Private Equity funds			43	43			17	17			15	15
Structured investments - Real estate funds							1	1			1	1
Real estate			138	138			83	83			37	37
Loans to participants			207	207			162	162			151	151
Total	**4,243**	**1,885**	**388**	**6,516**	**3,246**	**1,976**	**263**	**5,485**	**3,424**	**1,695**	**204**	**5,323**
Funds not related to risk plans				(910)				(723)				(679)
Fair value of plan assets at end of year				**5,606**				**4,762**				**4,644**

Measurement of overfunded plan assets at fair value with no observable market variables - level 3

	Real State	**Total**

	Private Equity Funds	Real State Funds		Loans to Participants	
Balance as of January 1º, 2010	**10**		**25**	**124**	**159**
Actual return on plan assets	(2)		4	20	22
Assets purchases, sales and settlements			(2)	(57)	(59)
Assets sold during the period	7		10	58	75
Cumulative translation adjustment			1	6	7
Transfers in and/ out of Level 3		1	(1)		
Balance as of December 31, 2010	**15**	**1**	**37**	**151**	**204**
Actual return on plan assets	(2)		9	31	38
Assets purchases, sales and settlements			(2)	(59)	(61)
Assets sold during the period	6		47	58	111
Cumulative translation adjustment	(2)		(8)	(19)	(29)
Balance as of December 31, 2011	**17**	**1**	**83**	**162**	**263**
Actual return on plan assets	1		35	27	63
Assets purchases, sales and settlements	(6)	(1)	(4)	(71)	(82)
Assets sold during the period	34		12	105	151
Cumulative translation adjustment	(3)		(9)	(16)	(28)
Transfers in and/ out of Level 3			21		21
Balance as of December 31, 2012	**43**		**138**	**207**	**388**

Assets of underfunded other benefits plans abroad

Underfunded other benefits by asset category:

	December 31, 2012				December 31, 2011				December 31, 2010			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets by category												
Cash and cash equivalents	1			1	1			1	13			13

45

Table of Contents

xi. Disbursement of future cash flow

Vale expects to disburse in 2012 with pension plans and other benefits, US$407.

xii. Sensitivity related to the nominal growth rate of medical costs

	Year ended December 31, 2012	2011	2010
Present value of obligations			
Increase of 1%	360	258	213
Decrease of 1%	(281)	(206)	(172)
Interest and service cost			
Increase of 1%	31	22	12
Decrease of 1%	(19)	(18)	(17)

xiii. Estimated future benefit payments

The following table presents the expected benefit payments, which reflect future services, as follows:

	December 31, 2012		
	Overfunded pension plans	Underfunded pension plans	Others underfunded pension plans
2013	226	565	95
2014	223	457	96
2015	219	464	99
2016	215	472	100
2017	211	479	101
2018 and thereafter	981	2,398	490

a) Participation in the results Plan

The Company, based in Participation in Results Program (PPR) allows defining, monitoring, evaluation and recognition of individual and collective performance of its employees.

The Participation in the Results of the Company for each employee is calculated individually according to the achievement of goals previously established by groups of indicators of the Company, Business Unit, Team and individual. The contribution of each group in the performance scores of employees is discussed and agreed each year, between us and the unions representing their employees.

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

	Year ended December 31,		
	2012	**2011**	**2010**
Operational expenses	440	402	238
Cost of goods sold	488	494	320
Total	**928**	**896**	**558**

c) Long-term compensation plan

Aiming to promote the vision of stockholder, in addition to increasing the ability to retain executives and to strengthen the culture of sustainability performance, Vale has a Long-term Compensation Plan, for some executives of the Company, covering 3-year cycles.

Under the terms of the plan, the participants may allocate a portion of their annual bonus to the plan. Part of the bonus allocated to the plan is used by the executive to purchase preferred stock of Vale, through a financial institution prescribed under market conditions and without any benefit provided by Vale.

The shares purchased by the executive have no restrictions and can according to own criteria of each participant, be sold at any time. However, the shares need to be kept for a period of three years and executives need to keep their employment relationship with the Vale during this period. the participant shall be entitled, in this manner, as long as the shares are not sold and employment relationship is maintained, to receive from the Vale, a payment in cash equivalent to the amount of stock holdings based on market quotations. The total number of stocks linked to the plan on December 31, 2012, 2011 and 2010 was 4,426,046, 3,012,538 and 2,458,627, respectively.

Table of Contents

Additionally, certain executives eligible to long-term incentives have the opportunity to receive at the end of a three years cycle a monetary value equivalent to market value of a determined number of stocks based on an assessment of their careers and performance factors measured as an indicator of total return to the Stockholders.

Liabilities are measured at fair value on the date of each issuance of the report, based on market rates. Compensation costs incurred are recognized by the defined vesting period of three years. On December 31, 2012, 2011 and 2010 we recorded a liability of US$ 87, US$ 109 and US$ 120 respectively, in the Statement of Income.

23 - Classification of financial instruments

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

	December 31, 2012			
	Loans and receivables (a)	**At fair value through profit or loss (b)**	**Derivatives designated as hedge (c)**	**Total**
Financial assets				
Current				
Cash and cash equivalents	5,832			5,832
Short-term investments		246		246
Derivatives at fair value		265	16	281
Accounts receivable from customers	6,795			6,795
Related parties	384			384
	13,011	**511**	**16**	**13,538**
Non current				
Related parties	408			408
Loans and financing	246			246
Derivatives at fair value		40	5	45
	654	**40**	**5**	**699**
Total of Assets	**13,665**	**551**	**21**	**14,237**
Financial liabilities				
Current				
Suppliers and contractors	4,529			4,529
Derivatives at fair value		346	1	347
Current portion of long-term debt	3,471			3,471
Related parties	207			207
	8,207	**346**	**1**	**8,554**
Non current				
Derivatives at fair value		783		783

Loans and financing	26,799			26,799
Related parties	72			72
Debentures		1,653		1,653
	26,871	**2,436**		**29,307**
Total of Liabilities	**35,078**	**2,782**	**1**	**37,861**

(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.

47

Table of Contents

	December 31, 2011			
	Loans and receivables (a)	At fair value through profit or loss (b)	Derivatives designated as hedge (c)	Total
Financial assets				
Current				
Cash and cash equivalents	3,531			3,531
Derivatives at fair value		434	161	595
Accounts receivable from customers	8,505			8,505
Related parties	82			82
	12,118	**434**	**161**	**12,713**
Non current				
Related parties	509			509
Loans and financing	210			210
Derivatives at fair value		60		60
	719	**60**		**779**
Total of financial assets	**12,837**	**494**	**161**	**13,492**
Financial liabilities				
Current				
Suppliers and contractors	4,814			4,814
Derivatives at fair value		59	14	73
Current portion of long-term debt	1,495			1,495
Loans and financing	22			22
Related parties	24			24
	6,355	**59**	**14**	**6,428**
Non current				
Derivatives at fair value		663		663
Loans and financing	21,538			21,538
Related parties	91			91
Debentures		1,336		1,336
	21,629	**1,999**		**23,628**
Total of financial liabilities	**27,984**	**2,058**	**14**	**30,056**

(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.

	December 31, 2010			
	Loans and receivables (a)	At fair value through profit or loss (b)	Derivatives designated as hedge (c)	Total
Financial assets				

Current				
Cash and cash equivalents	7,584			7,584
Short-term investments		1,793		1,793
Derivatives at fair value		32	20	52
Accounts receivable from customers	8,211			8,211
Related parties	96			96
	15,891	**1,825**	**20**	**17,736**
Non Current				
Related parties	29			29
Loans and financing	164			164
Derivatives at fair value		301		301
	193	**301**		**494**
Total of Assets	**16,084**	**2,126**	**20**	**18,230**
Financial Liabilities				
Current				
Suppliers and contractors	3,558			3,558
Derivatives at fair value		35		35
Current portion of long-term debt	2,825			2,825
Loans and financing	139			139
Related parties	21			21
	6,543	**35**		**6,578**
Non Current				
Derivatives at fair value		8	53	61
Loans and financing	21,593			21,593
Related parties	2			2
Debentures		1,284		1,284
	21,595	**1,292**	**53**	**22,940**
Total of Liabilities	**28,138**	**1,327**	**53**	**29,518**

(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.

Table of Contents

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 December 31, 2012 , 2011 and 2010.

	December 31, 2012			**December 31, 2011**			**December 31, 2010**		
	Level 1	**Level 2**	**Total (II)**	**Level 1**	**Level 2**	**Total (II)**	**Level 1**	**Level 2**	**Total (II)**
Financial Assets									
Current									
Derivatives at fair value through profit or loss		265	265		434	434	13	19	32
Derivatives designated as hedges		16	16		161	161		20	20
		281	**281**		**595**	**595**	**13**	**39**	**52**
Available-for-sale									
Non-Current									
Derivatives									
Derivatives at fair value through profit or loss		40	40		60	60		301	301
Derivatives designated as hedges		5	5						
		45	**45**		**60**	**60**		**301**	**301**

Total of Assets		**326**	**326**	**655**	**655**	**13**	**340**	**353**
Financial Liabilities								
Current								
Derivatives								
Derivatives at fair value through profit or loss	2	344	346	59	59	12	23	35
Derivatives designated as hedges		1	1	14	14			
	2	**345**	**347**	**73**	**73**	**12**	**23**	**35**
Non-Current								
Derivatives								
Derivatives at fair value through profit or loss		783	783	663	663		8	8
Derivatives designated as hedges							53	53
Stockholders debentures		1,653	1,653	1,336	1,336		1,284	1,284
		2,436	**2,436**	**1,999**	**1,999**		**1,345**	**1,345**
Total of Liabilities	**2**	**2,781**	**2,783**	**2,072**	**2,072**	**12**	**1,368**	**1,380**

(II) No classification according to the level 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 .

Table of Contents

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 TJLP Long-Term Interest Rate , 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 COMEX (Commodity Exchange) or other providers of market prices. When there is no price for the desired maturity, Vale uses interpolation between the available maturities.

- **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.

i. 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:

	December 31, 2012				December 31, 2011				December 31, 2010			
	Fair value			Carrying	Fair value			Carrying	Fair value			Carrying
	Level 1	Level 2	Total (a)	amount	Level 1	Level 2	Total (a)	amount	Level 1	Level 2	Total (a)	amount
Financial assets												
Time deposits										1,793	1,793	1,793
Financial liabilities												
Loans (long term) (b)	25,817	6,907	32,724	29,845	(18,181)	(6,131)	(24,312)	(22,700)	(19,730)	(5,534)	(25,264)	(24,071)
Perpetual notes (c)		72	72	72		(80)	(80)	(80)				

(a) No classification according to the level 3.

(b) Net interest of US$ 425, US$ 333 and US$ 347 on December 31, 2012, 2011 and 2010, respectively.

(c) Classified on Related parties (Non-current liabilities).

50

Table of Contents

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, issuing new shares (authorized capital), including the capitalization of profits and reserves to the extent authorized.

In December 31 2012, the capital was US$60,578 corresponding to 5,365,304,100 (3,256,724,482 common and 2,108,579,618 preferred) shares with no par value.

		December 31, 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	678,752,292	740,850,726	1,419,603,018
FMP - FGTS	93,278,145		93,278,145
PIBB - BNDES	1,921,106	2,859,336	4,780,442
BNDESPar	206,378,881	67,342,071	273,720,952
Foreign institutional investors in the local market	251,342,812	442,520,400	693,863,212
Institutional investors	181,510,919	366,954,770	548,465,689
Retail investors in the country	56,033,800	326,854,611	382,888,411
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) Revenue reserves

The values of the retained earnings are distributed as:

	Investments reserve	Legal reserve	Tax incentive reseve	Total of undistributed revenue reserves
Balance as of january 1º, 2010	**25,939**	**2,238**	**121**	**28,298**
Capitalization of reserves	(1,461)		(79)	(1,540)

Additional remuneration to securities	(308)			(308)
Allocation of income	13,380	1,029	582	14,991
Cumulative translation adjustmnets	1,872	154	37	2,063
Balance as of December 31, 2010	**39,422**	**3,421**	**661**	**43,504**
Capitalization of reserves	(12,240)		(142)	(12,382)
Allocation of income	13,846	1,012	533	15,391
Cumulative translation adjustmnets	(4,266)	(370)	(71)	(4,707)
Balance as of December 31, 2011	**36,762**	**4,063**	**981**	**41,806**
Allocation of income	303	423	465	1,191
Cumulative translation adjustmnets	(3,264)	(504)	(256)	(4,024)
Balance as of December 31, 2012	**33,801**	**3,982**	**1,190**	**38,973**

Investment reserve aims to ensure the maintenance and development for activities that comprise the Company s purpose in an amount not exceeding 50% of net income.

Legal reserve is a requirement for all Brazilian Public Company and represents ownership of 5% of annual net income based on Brazilian law, up to 20% of the capital.

Tax incentive reserve resulting from the option to designate a portion of the income tax for investments in projects approved by the Brazilian Government as well as tax incentives (Note 20).

c) 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.

51

Table of Contents

d) Treasury stocks

In November 2011, as part of the buy-back program approved in June 2011, we concluded the acquisitions of 39,536,080 common shares, at an average price of US$ 26.25 per share, and 81,451,900 preferred shares, at an average price of US$ 24.09 per share (including shares of each class in the form of ADR), for a total aggregate purchase price of US$ 3,000. The repurchased shares represent 3.1% of the free float of common shares, and 4.24% of the free float of preferred shares, outstanding before the launch of the program. The shares acquired will be held in treasury for cancellation.

In December 31, 2012, there are 2111,929,174 treasury stocks, in the amount of US$ 4,477, as follows

	Classes of shares		Amount (thousands of reais)
Quantity of shares	**Common**	**Preferred**	**Total**
Balance as of January 1º, 2010	**77,581,904**	**74,997,899**	**152,579,803**
Addition	48,197,700	21,682,700	69,880,400
Reduction	(26,130,033)	(49,305,205)	(75,435,238)
Balance as of December 31, 2010	**99,649,571**	**47,375,394**	**147,024,965**
Addition	81,451,900	39,536,080	120,987,980
Reduction	(1,657)	(267)	(1,924)
Balance as of December 31, 2011	**181,099,814**	**86,911,207**	**268,011,021**
Reduction	(40,242,122)	(15,839,725)	(56,081,847)
Balance as of December 31, 2012	**140,857,692**	**71,071,482**	**211,929,174**

	Year ended as of December 31, 2012	
	Common	**Preferred**
Unit acquisition cost		
Low	10.27	7.17
Average	18.40	19.18
High	28.05	24.27

	Year ended as of December 31,		
	2012	**2011**	**2010**
Average quoted market price			
Common	19.37	26.26	16.66
Preferred	18.84	24.11	18.72

e) Basic and diluted earnings per share

The value of basic earnings per shares and diluted were calculated as follows:

	Year ended December 31, 2012	2011	2010
Net income from continuing operations attributable to the Company s stockholders			
Discontinued oprations, net of tax	5,116	22,788	17,257
Net income attributable to the Company s stockholders			(125)
	5,116	**22,788**	**17,132**
Basic and diluted earnings per share:			
Income available to preferred stockholders	1,953	8,816	6,719
Income available to common stockholders	3,163	13,972	10,413
Total	**5,116**	**22,788**	**17,132**
Weighted average number of shares outstanding (thousands of shares) - preferred shares	1,933,491	2,031,315	2,083,068
Weighted average number of shares outstanding (thousands of shares) - common shares	3,172,179	3,215,479	3,228,439
Total	**5,105,670**	**5,246,794**	**5,311,507**
Basic earnings per preferred and common share			
For continued operation	0.99	4.34	3.25
for discontinued operation	0.99		(0.02)
Diluted earnings per preferred and common share			
For continued operation	0.99	4.34	3.25
for discontinued operation	0.99		(0.02)

52

Table of Contents

f) Remuneration of stockholders

	Remuneration attributed to Stockholders	
	Total amount	Amount per outstanding common or preferred share
Amount paid in 2010 regarding 2009		
First installment - April	1,250	0.239797835
Second installment - October	1,250	0.239542495
Additional remuneration - October	500	0.095816998
Amount paid in 2011 regarding 2010		
First installment - April	2,000	0.383268113
Additional remuneration - August	3,000	0.576780063
Second installment - August	2,000	0.389166668
Additional remuneration - October	1,000	0.194583334
Amount paid in 2012 regarding 2011		
First installment - April	3,000	0.588547644
Second installment - October	3,000	0.582142779

The following, proposal for allocation of 2012 stockholders remuneration:

Net income	**5,956**
Legal reserve	(267)
Tax incentive reserve	(292)
Adjusted net income	**5,397**
Dividends:	
Mandatory minimum - 25% (R$ 0,232159874 per outstanding share as dividends)	1,196
Statutory dividend on preferred shares:	
3% of stockholders equity (R$ 0,477840007 per outstanding share as dividends)	940
6% of capital (R$ 0,439814769 per outstanding share as dividends)	866
Remuneration:	
Interest on capital anticipated in April 2012	1,731
Interest on capital anticipated in October 2012	1,334
Interim dividends in October 2012	1,676
Remuneration to stockholders	**4,741**

Table of Contents

25. Derivatives

a) Effects of Derivatives on the Statement of Financial Position

	Assets						**Liabilites**					
	December 31, 2012		**December 31, 2011**		**December 31, 2010**		**December 31, 2012**		**December 31, 2011**		**December 31, 2010**	
	Current	**Non-current**	**Current**	**Non-current**	**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	249	1	410	60		300	340	700	49	590		
EURO floating rate vs. US$ fixed rate swap					1							
US$ floating rate vs. US$ fixed rate swap											4	
Eurobonds Swap		39					4	18	4	32		8
Treasury future			19			1			5	41		
AUD floating rate vs. Fixed USD rate swap					2							
Pre dollar swap	16							63				
	265	**40**	**429**	**60**	**3**	**301**	**344**	**781**	**58**	**663**	**4**	**8**
Commodities price risk												
Nickel:												
Fixed price program			1		13		2		1		12	
											15	

Purchase program												
Maritime Freight Hiring Protection Program											2	
Bunker Oil Hedge			4		16							
Coal											2	
			5		**29**		**2**		**1**		**31**	
Embedded derivatives												
Gas								2				
								2				
Derivatives designated as hedge												
Bunker Oil Hedge							1					
Strategic Nickel	13		161						14			53
Foreign exchange cash flow hedge	3	5										
Aluminum					20							
	16	**5**	**161**		**20**		**1**		**14**			**53**
Total	**281**	**45**	**595**	**60**	**52**	**301**	**347**	**783**	**73**	**663**	**35**	**61**

54

Table of Contents

b) Effects of derivatives in the statement of income

	Amount of gain or(loss) recognized as financial income (expense) Year ended December 31,			Financial settlement (inflows)/ Outflows Year ended December 31,			Amount of gain or (loss) recognized in OCI Year ended December 31,		
	2012	**2011**	**2010**	**2012**	**2011**	**2010**	**2012**	**2011**	**2010**
Derivatives not designated as hedge									
Foreign exchange and interest rate risk									
CDI & TJLP vs. US$ fixed and floating rate swap	(315)	(92)	451	(325)	(337)	(956)			
EURO floating rate vs. US$ fixed rate swap			(1)			1			
US$ floating rate vs. US$ fixed rate swap			(2)		4	3			
Eurobonds Swap	50	(30)	(5)	4	1	(1)			
Swap Convertibles			37			(37)			
US$ fixed rate vs. CDI swap		69			(68)				
South African randes forward		(8)			8				
Treasury future	9	(12)		(3)	6				
AUD floating rate vs. Fixed USD rate swap			3		(2)	(9)			
Pre dollar swap	(7)	(23)	4	(19)	(1)	(2)			
	(263)	**(96)**	**487**	**(343)**	**(389)**	**(1,001)**			
Commodities price risk									
Nickel:									
Fixed price program	(1)	39	4	2	(41)	(7)			
Strategic program		15	(87)			105			
Copper:		1							
Maritime Freight Hiring									
Protection Program			(5)		2	(24)			
Bunker Oil Hedge	1	37	4	(5)	(48)	(34)			
Aluminum					7	16			
Coal			(4)		2	3			
		92	**(88)**	**(3)**	**(78)**	**59**			
Embedded derivatives									
Gas	(2)								
Energy - Aluminum options		(7)	(51)						
	(2)	**(7)**	**(51)**						
Derivatives designated as hedge									

Bunker Oil Hedge				(1)		47	(1)		
Strategic Nickel	172	49	(1)	(172)	(48)		(149)	184	(41)
Foreign exchange cash flow hedge	(27)	37	284	26	(50)	(330)	29	(60)	(5)
Aluminum								5	71
	145	**86**	**283**	**(147)**	**(98)**	**(283)**	**(121)**	**129**	**25**
Total	**(120)**	**75**	**631**	**(493)**	**(565)**	**(1,225)**	**(121)**	**129**	**25**

The maturities dates of the consolidated financial instruments are as follows:

	Maturities dates
Moedas/Juros	Janeiro 2023
Gás	Abril 2016
Niquel	Abril 2013
Cobre	Abril 2013

Table of Contents

Sensitivity analysis for Derivatives Instruments (all amounts in US$ million)

Sensitivity analysis - Foreign Exchange and Interest Rate Derivative Positions *Amounts in US$ 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		(1.158)	1.158	(2.317)	2.317
		USD interest rate inside Brazil variation	(523)	(38)	37	(77)	72
		Brazilian interest rate fluctuation		(9)	8	(18)	15
		USD Libor variation		(0)	0	(1)	1
	CDI vs. USD floating rate swap	USD/BRL fluctuation		(64)	64	(129)	129
		Brazilian interest rate fluctuation		(0,2)	0,2	(1)	0
		USD Libor variation	(40)	(0,01)	0,01	(0,02)	0,02
	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		(607)	607	(1.214)	1.214
		USD interest rate inside Brazil variation	(184)	(44)	42	(91)	82
		Brazilian interest rate fluctuation		(127)	140	(242)	296
		TJLP interest rate fluctuation		(94)	93	(189)	190
		USD Libor variation		0	0	0	0
	TJLP vs. USD floating rate swap	USD/BRL fluctuation		(81)	81	(162)	162
		USD interest rate inside Brazil variation	(42)	(7)	6	(14)	12
		Brazilian interest rate fluctuation		(16)	18	(31)	39
		TJLP interest rate fluctuation		(12)	12	(25)	25
		USD Libor variation		(3)	3	(6)	6
	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		(101)	101	(203)	203
		USD interest rate inside Brazil variation	(47)	(5)	5	(11)	10
		Brazilian interest rate fluctuation		(17)	19	(33)	39
		USD/BRL fluctuation	**n.a.**				

	Protected Items - Real denominated debt						
Protection Program for the Euro denominated debt	EUR fixed rate vs. USD fixed rate swap	USD/BRL fluctuation		(4)	4	(8)	8
		EUR/USD fluctuation	17	(380)	380	(760)	760
		EUR Libor variation		(24)	26	(47)	54
		USD Libor variation		(28)	26	(59)	50
	Protected Items - Euro denominated debt	**EUR/USD fluctuation**	**n.a.**	**380**	**(380)**	**760**	**(760)**
Foreign Exchange hedging program for disbursements in Canadian dollars (CAD)	CAD Forward	USD/BRL fluctuation		(2)	2	(4)	4
		CAD/USD fluctuation	8	(334)	334	(668)	668
		CAD Libor variation		(6)	6	(12)	12
		USD Libor variation		(2)	2	(3)	3
	Protected Items - Disbursement in Canadian dollars	**CAD/USD fluctuation**	**n.a.**	**334**	**(334)**	**668**	**(668)**

Sensitivity analysis - Commodity Derivative Positions *Amounts in US$ million*

[redacted]							
Nickel purchase protection program	Sale of nickel future/forward contracts	Nickel price fluctuation		(1)	1	(2)	2
		Libor USD fluctuation	0	0	0	0	0
		USD/BRL fluctuation		0	0	0	0
	Protected Item: Part of Vale s revenues linked to Nickel price	**Nickel price fluctuation**	**n.a.**	**1**	**(1)**	**2**	**(2)**
[redacted]							
Copper Scrap Purchase Protection Program	Sale of copper future/forward contracts	Copper price fluctuation		(0,9)	0,9	(1,7)	1,7
		Libor USD fluctuation	0,01	0	0	0	0
		BRL/USD fluctuation		0	0	0	0
	Protected Item: Part of Vale s revenues linked to Copper price	**Copper price fluctuation**	**n.a.**	**0,9**	**(0,9)**	**1,7**	**(1,7)**

Sensitivity analysis - Embedded Derivative Positions *Amounts in US$ million*

[redacted]							
Embedded derivatives - Raw material purchase (Nickel)	Embedded derivatives - Raw material purchase	Nickel price fluctuation		(11)	11	(21)	21
		BRL/USD fluctuation	1,0	0	0	0	0
[redacted]							
Embedded derivatives - Raw material purchase (Copper)	Embedded derivatives - Raw material purchase	Copper price fluctuation		(14)	14	(29)	29
		BRL/USD fluctuation	0,4	0	0	0	0
[redacted]							
Embedded derivatives - Gas purchase for Pelletizing Company in Oman	Embedded derivatives - Gas purchase	Pellet price fluctuation		(3)	2	(9)	2
		BRL/USD fluctuation	(2,3)	(1)	1	(1)	1

Sensitivity analysis **Debt and Cash Investments**

Amounts in US$ million

[redacted]						
Funding	Debt denominated in BRL	No fluctuation				
[redacted]						
Cash Investments	Cash denominated in BRL	No fluctuation				
[redacted]						
Cash Investments	Cash denominated in EUR	EUR/BRL fluctuation	(17)	17	(34)	34
[redacted]						
Cash Investments	Cash denominated in GBP	GBP/BRL fluctuation	(3)	3	(6)	6
[redacted]						

Table of Contents

26 - Information by Business Segment and Consolidated Revenues by Geographic Area

The information presented to the Executive Board with the respective performance of each segment are usually derived from the accounting records maintained in accordance with the best accounting practices, with some reallocation between segments.

a) Results by segment

			Year ended as of December 31, 2012			
	Bulk Materials	**Basic Metals**	**Fertilizers**	**Logistic**	**Others**	**Total**
Results						
Net revenues	35,126	7,131	3,570	1,387	480	47,694
Cost and expenses	(17,692)	(6,563)	(2,940)	(1,346)	(1,011)	(29,552)
Loss on sale of assets	(377)		(129)			(506)
Impairment on assets	(1,029)	(2,848)			(146)	(4,023)
Depreciation, depletion and amortization	(1,899)	(1,647)	(463)	(238)	(41)	(4,288)
Operating income	**14,129**	**(3,927)**	**38**	**(197)**	**(718)**	**9,325**
Financial result	(4,209)	194	(46)	(60)	14	(4,107)
Equity results from associates and joint ventures	771	(20)		112	(218)	645
Income taxes	(337)	75	1,206	(18)	268	1,194
Impairment on investment		(975)			(966)	(1,941)
Noncontrolling interests	65	207	(54)		39	257
Income attributable to the company s stockholders	**10,419**	**(4,446)**	**1,144**	**(163)**	**(1,581)**	**5,373**
Sales classified by geographic area:						
America, except United States	715	996	60	36	16	1,823
United States of America	108	1,137	53		36	1,334
Europe	5,834	2,194	148		23	8,199
Middle East/Africa/Oceania	1,550	96	7			1,653
Japan	4,202	722			7	4,931
China	16,743	895				17,638
Asia, except Japan and China	2,947	1,009	91		2	4,049
Brazil	3,027	82	3,211	1,351	396	8,067
Net revenue	**35,126**	**7,131**	**3,570**	**1,387**	**480**	**47,694**

Year ended as of December 31, 2011

	Bulk Materials	Basic Metals	Fertilizers	Logistic	Others	Total
Results						
Net revenues	46,088	9,599	3,322	1,456	481	60,946
Cost and expenses	(16,255)	(6,745)	(2,632)	(1,318)	(1,285)	(28,235)
Gain on sale of assets		1,494				1,494
Depreciation, depletion and amortization	(1,669)	(1,572)	(458)	(229)	(16)	(3,944)
Operating income	**28,164**	**2,776**	**232**	**(91)**	**(820)**	**30,261**
Financial result	(3,240)	21	(70)	(200)	(84)	(3,573)
Equity results from associates and joint ventures	1,098	101		125	(186)	1,138
Income taxes	(4,205)	(948)	(109)	(9)		(5,271)
Noncontrolling interests	105	88	(31)		71	233
Income attributable to the Company s stockholders	**21,922**	**2,038**	**22**	**(175)**	**(1,019)**	**22,788**
Sales classified by geographic area:						
America, except United States	1,181	1,380	44		21	2,626
United States of America	98	1,571	1		2	1,672
Europe	8,815	2,456	153		62	11,486
Middle East/Africa/Oceania	1,767	150	1		1	1,919
Japan	5,987	1,243			8	7,238
China	20,086	1,235			99	21,420
Asia, except Japan and China	3,640	1,394	35		1	5,070
Brazil	4,514	170	3,088	1,456	287	9,515
Net revenue	**46,088**	**9,599**	**3,322**	**1,456**	**481**	**60,946**

Table of Contents

	Year ended as of December 31, 2010					
	Bulk Materials	**Basic Metals**	**Fertilizers**	**Logistic**	**Others**	**Total**
Results						
Net revenues	35,513	8,139	1,739	1,235	403	47,029
Cost and expenses	(12,624)	(5,888)	(1,563)	(890)	(264)	(21,229)
Research and development	(289)	(277)	(72)	(75)	(165)	(878)
Depreciation, depletion and amortization	(1,368)	(1,359)	(200)	(146)	(19)	(3,092)
Operating income	**21,232**	**615**	**(96)**	**124**	**(45)**	**21,830**
Financial result	(525)	(78)	25	(27)	(958)	(1,563)
Discontinued operations, net of tax		(125)				(125)
Equity results from associates	1,023	(10)		94	(110)	997
Income taxes	(3,974)	250	(10)	15	27	(3,692)
Noncontrolling interests	4	(209)	19		(4)	(190)
Income attributable to the company s stockholders	**17,760**	**443**	**(62)**	**206**	**(1,090)**	**17,257**
Sales classified by geographic area:						
America, except United States	823	1,170	32	12	4	2,041
United States of America	77	740			15	832
Europe	6,833	2,067	4		44	8,948
Middle East/Africa/Oceania	1,569	217	11			1,797
Japan	3,859	1,371			10	5,240
China	16,088	923			24	17,035
Asia, except Japan and China	2,712	1,445	8		9	4,174
Brazil	3,552	206	1,684	1,223	297	6,962
Net revenue	**35,513**	**8,139**	**1,739**	**1,235**	**403**	**47,029**

Table of Contents

	Year ended in December 31, 2012										
	Net revenues	Cost and expenses	Research and development	Pre operation and idle capacite	Operating profit	Depreciation, depletion and amortization	Impairment	Operating income	Property, plant and equipment and intangible	Additions to property, plant and equipment	Investm
Bulk Material											
Iron ore	26,931	(12,473)	(617)		13,841	(1,421)		12,420	35,135	7,691	
Pellets	6,560	(2,387)		(321)	3,852	(235)		3,617	2,019	383	1
Manganese and ferroallows	543	(353)			190	(45)		145	302	177	
Coal	1,092	(1,398)	(115)	(28)	(449)	(198)	(1,029)	(1,676)	3,616	1,082	
	35,126	**(16,611)**	**(732)**	**(349)**	**17,434**	**(1,899)**	**(1,029)**	**14,506**	**41,072**	**9,333**	**1,**
Base Metals											
Nickel and other products (a)	5,975	(4,142)	(299)	(1,029)	505	(1,508)	(2,848)	(3,851)	30,474	2,792	
Copper (b)	1,156	(876)	(96)	(121)	63	(139)		(76)	4,536	819	
Aluminum products											2
	7,131	**(5,018)**	**(395)**	**(1,150)**	**568**	**(1,647)**	**(2,848)**	**(3,927)**	**35,010**	**3,611**	**2,**
Fertilizers											
Potash	290	(171)	(73)		46	(23)		23	2,209	1,333	
Phosphates	2,507	(1,947)	(36)	(93)	431	(331)		100	8,209	293	
Nitrogen	699	(620)			79	(109)		(30)		40	
Others fertilizers products	74				74			74	331	12	
	3,570	**(2,738)**	**(109)**	**(93)**	**630**	**(463)**		**167**	**10,749**	**1,678**	
Logistics											
Railroads	936	(1,012)	(12)		(88)	(182)		(270)	2,370	455	
Ports	451	(322)			129	(56)		73	602	94	
Ships									2,353	213	
	1,387	**(1,334)**	**(12)**		**41**	**(238)**		**(197)**	**5,325**	**762**	
Others	480	(781)	(230)		(531)	(41)	(146)	(718)	1,937	393	1
Loss on sale of assets		(506)			(506)			(506)			6
	47,694	**(26,988)**	**(1,478)**	**(1,592)**	**17,636**	**(4,288)**	**(4,023)**	**9,325**	**94,093**	**15,777**	**7,**

(a) Includes nickel co-products and by-products (Copper, precious metals, cobalt and others).

(b) Includes copper concentrate.

Table of Contents

	Year ended December 31, 2011									
	Net revenues	**Cost and expenses**	**Research and development**	**Pre operation and idle capacity**	**Operating profit**	**Depreciation, depletion and amortization**	**Operating income**	**Property, plant, equipment and intangible assets**	**Additions to property, plant and equipment**	**In**
Bulk Material										
Iron ore	36,416	(10,471)	(497)		25,448	(1,240)	24,208	31,027	7,409	
Pellets	7,938	(3,209)		(106)	4,623	(196)	4,427	2,841	624	
Manganese and ferroallows	676	(594)			82	(69)	13	337	177	
Coal	1,058	(1,125)	(152)	(101)	(320)	(164)	(484)	4,081	1,141	
	46,088	**(14,543)**	**(649)**	**(207)**	**29,833**	**(1,669)**	**28,164**	**38,286**	**9,351**	
Base Metals										
Nickel and other products (a)	8,118	(4,338)	(254)	(976)	2,550	(1,487)	1,063	31,455	2,637	
Copper (b)	1,103	(702)	(159)	(12)	230	(84)	146	4,178	1,226	
Aluminum products	378	(304)			74	(1)	73		16	
	9,599	**(3,943)**	**(413)**	**(988)**	**2,854**	**(1,572)**	**1,282**	**35,633**	**3,879**	
Fertilizers										
Potash	273	(239)	(50)	(26)	(42)	(45)	(87)	1,982	532	
Phosphates	2,300	(1,634)	(54)	(72)	540	(297)	243	6,363	316	
Nitrogen	679	(557)			122	(116)	6	1,337	180	
Others fertilizers products	70				70		70	364		
	3,322	**(2,228)**	**(104)**	**(98)**	**690**	**(458)**	**232**	**10,046**	**1,028**	
Logistics										
Railroads	1,043	(882)	(121)		40	(179)	(139)	2,249	213	
Ports	413	(315)			98	(50)	48	946	347	
Ships								2,485	308	
	1,456	**(1,076)**	**(121)**		**138**	**(229)**	**(91)**	**5,680**	**868**	
Others	481	(898)	(387)		(804)	(16)	(820)	2,218	949	
Loss on sale of assets		1,494			1,494		1,494			
	60,946	**(18,227)**	**(1,674)**	**(1,293)**	**34,205**	**(3,944)**	**30,261**	**91,863**	**16,075**	

(a) Includes nickel co-products and by-products (Copper, precious metals, cobalt and others).

(b) Includes copper concentrate.

Table of Contents

	Year ended December 31, 2010									
	Net revenues	Cost and expenses	Research and development	Pre operation and idle capacity	Operating profit	Depreciation, depletion and amortization	Operating income	Property, plant, equipment and intangible assets	Additions to property, plant and equipment	Investmen
Bulk Material										
Iron ore	27,754	(8,856)	(226)	(18)	18,654	(1,139)	17,515	31,662	4,015	10
Pellets	6,136	(2,510)		(5)	3,621	(110)	3,511	2,567	353	96
manganese and Ferroalloys	853	(442)			411	(36)	375	330	28	
Coal	770	(684)	(63)	(109)	(86)	(83)	(169)	3,020	499	22
	35,513	**(12,492)**	**(289)**	**(132)**	**22,600**	**(1,368)**	**21,232**	**37,579**	**4,895**	**1,29**
Base Metals										
Nickel and other products (a)	4,712	(2,330)	(171)	(934)	1,277	(1,145)	132	29,026	1,880	1
Copper (b)	905	(475)	(95)	(51)	284	(87)	197	3,545	1,072	9
Aluminum products	2,522	(2,098)	(11)		413	(127)	286	395	342	14
	8,139	**(4,903)**	**(277)**	**(985)**	**1,974**	**(1,359)**	**615**	**32,966**	**3,294**	**24**
Fertilizers										
Potash	269	(213)	(56)			(29)	(29)	1,664	355	
Phosphates	1,164	(1,054)	(16)		94	(121)	(27)	7,612	438	
Nitrogen	294	(285)			9	(50)	(41)	809	47	
Others fertilizers products	12	(11)			1		1	146	3	
	1,739	**(1,563)**	**(72)**		**104**	**(200)**	**(96)**	**10,231**	**843**	
Logistics										
Railroads	924	(641)	(75)		208	(123)	85	2,348	160	51
Ports	306	(236)			70	(23)	47	301	36	
Ships	5	(13)			(8)		(8)	747	747	13
	1,235	**(890)**	**(75)**		**270**	**(146)**	**124**	**3,396**	**943**	**64**
Others	403	(264)	(165)		(26)	(19)	(45)	1,943	2,672	2,20
	47,029	**(20,112)**	**(878)**	**(1,117)**	**24,922**	**(3,092)**	**21,830**	**86,115**	**12,647**	**4,39**

(a) Includes nickel co-products and by-products (Copper, precious metals, cobalt and others).

(b) Includes copper concentrate.

Table of Contents

27 - Cost of Goods Sold and Services Rendered, and Sales and Administrative Expenses by Nature, Other Operational Expenses (incomes), net

The costs of goods sold and services rendered

	Year ended December 31,		
Cost of goods sold and services rendered	**2012**	**2011**	**2010**
Personnel	3,545	3,138	2,133
Material	4,262	3,758	3,036
Fuel oil and gas	2,070	2,181	1,931
Outsourcing services	4,770	4,244	2,826
Energy	866	968	1,252
Acquisition of products	1,367	2,274	1,671
Depreciation and depletion	3,896	2,555	2,654
Freight	2,801	2,251	1,736
Others	2,905	4,002	3,181
Total	**26,483**	**25,371**	**20,420**

Selling and administrative expenses

	Year ended December 31,		
Selling and Administrative expenses	**2012**	**2011**	**2010**
Personnel	806	717	444
Services (consulting, infrastructure and others)	489	527	347
Advertising and publicity	101	88	113
Depreciation	240	211	231
Travel expenses	65	60	28
Taxes and rents	28	46	51
Incentive		94	77
Others	223	246	130
Sales	288	335	275
Total	**2,240**	**2,324**	**1,696**

Others operational expenses (incomes), net, including research and development

	Year ended December 31,		
Others operational expenses (income), net, including research and development	**2012**	**2011**	**2010**

Provision for contingency	694	284	141
Provision for loss with taxes credits (ICMS)	238	50	122
Provision for variable remuneration	440	402	238
Vale do Rio Doce Foundation - FVRD	37	123	55
Provision for disposal of materials/inventories	128	49	108
Pre operational, plant stoppages and idle capacity	1,592	1,293	1,117
Damage cost	65		
Research and development	1,478	1,674	878
Others	445	609	424
Total	**5,117**	**4,484**	**3,083**

Table of Contents

28 - Financial result

The financial results occurred in the periods, recorded by nature and competence, are as follows:

	Year ended December 31,		
	2012	2011	2010
Financial expenses			
Interest	(1,251)	(1,388)	(1,186)
Labor, tax and civil contingencies	(78)	(41)	(161)
Derivatives	(648)	(172)	(156)
Monetary and exchange rate variation (a)	(2,647)	(2,584)	(354)
Stockholders debentures	(466)	(222)	(492)
Financial taxes	(17)	(26)	(77)
Others	(602)	(1,047)	(912)
	(5,709)	**(5,480)**	**(3,338)**
Financial income			
Related parties			
Derivatives	528	247	787
Monetary and exchange rate variation (b)	673	942	698
Others	401	718	290
	1,602	**1,907**	**1,775**
Financial results, net	**(4,107)**	**(3,573)**	**(1,563)**
Summary of Monetary and exchange rate			
Cash and cash equivalents	32	(7)	(139)
Loans and financing	(1,625)	(2,577)	698
Related parties	11		
Others	(392)	942	(215)
Net (a + b)	**(1,974)**	**(1,642)**	**344**

29. Commitments

a) Nickel project New Caledonia

In regards to the construction and installation of our nickel plant in New Caledonia, we have provided guarantees in respect of our financing arrangements which are outlined below.

In connection with the Girardin Act tax - advantaged lease financing arrangement sponsored by the French government, we provided guarantees to BNP Paribas for the benefit of the tax investors regarding certain payments due from VNC, associated with the Girardin Act lease financing. Consistent with our commitments, the assets are substantially complete as of December 31, 2012. We also committed that assets associated with the Girardin Act lease financing would operate for a five year period from then on and meet specified production criteria which remain consistent with our current plans, accordingly. We believe the likelihood of the guarantee being called upon is remote.

In October 2012, we entered into an agreement with Sumic, a stockholder in VNC, whereby Sumic agreed to a dilution in their interest in VNC from 21% to 14.5%. Sumic originally had a put option to sell to us the shares they own of VNC if the defined cost of the initial nickel project, as measured by funding provided to VNC, in natural currencies and converted to U.S. dollars at specified rates of exchange, exceeded US$4.6 billion and an agreement could not be reached on how to proceed with the project. On May 27, 2010 the threshold was reached and the put option discussion and decision period was extended to July 31, 2012. As a result of the October 2012 agreement, the trigger on the put option has been changed from a cost threshold to a production threshold. The possibility to exercise the put option has been deferred to the first quarter of 2015.

In addition, in the course of our operations we have provided letters of credit and guarantees in the amount of US$820 million that are associated with items such as environment reclamation, asset retirement obligation commitments, insurance, electricity commitments, post-retirement benefits, community service commitments and import and export duties.

In the course of our operations, we are subject to routine claims and litigation incidental to our business and various environmental proceedings. With respect to the environmental proceedings currently pending or threatened against us, they include (1) claims for personal injuries, (2) enforcement actions and (3) alleged violations of, including exceeding regulatory limits relating to discharges under, certain environmental or similar laws and regulations applicable to our operations. We believe that the ultimate resolution of such proceedings, claims, and litigation will not significantly impair our operations or have material adverse effect on our financial position or results of operations.

Table of Contents

b) Participative Debentures

At the time of its privatization in 1997, Vale issued debentures to then-existing stockholders, including the Brazilian Government. The debentures terms were set to ensure that our pre-privatization stockholders would participate in potential future benefits that might be obtained from exploiting our mineral resources.

A total of 388,559,056 debentures were issued at a par value of R$ 0.01 (one cent), whose value will be restated in accordance with the variation in the General Market Price Index (IGP-M), as set forth in the Issue Deed. In December 31, 2012, 2011 and 2010 the total amount of these debentures was US$ 1,653, US$1,336 and US$1,284, respectively.

The debenture holders have the right to receive premiums, paid semiannually, equivalent to a percentage of net revenues from specific mine resources as set forth in the indenture.

In October 2012 we paid second semester remuneration in the amount of US$ 4. In April 2012 we paid first semester remuneration on these debentures in the amount of US$ 6.

c) Operating lease

- **Pelletize Operations**

Vale has operating lease agreements with its joint ventures Nibrasco, Itabrasco, and Kobrasco, in which Vale leases its pelletizing plants. These operating lease agreements have duration between 3 and 10 years, renewable.

In July 2012 the Company entered into an operating lease agreement with its joint venture Hispanobrás. The contract has duration of 3 years, renewable.

The table below shows the future minimum annual payments, and required non-cancelable operating lease for the four pellet plants (Hispanobrás, Nibrasco, and Itabrasco Kobrasco), for the date of December 31, 2012.

2013	74
2014	78
2015	76
2016	74
2017 thereafter	51
Total minimum payments required	353

The total amount of operational leasing expenses on pelletizing operations on 31 December 2012, 2011 and 2010 were US$205, US$349 and US$365, respectively.

- **Railroad operations**

Company operates railroads through lease contract. This lease contract has a term of 30 years and may be renewed for another 30 years. The lease contract is classified as operating leases because Vale does not take risks and benefits incidental to ownership of the asset, but only committed to pay rent assets. At the end of the lease agreement the leased assets will be returned to the lessor. In most cases, the Company s management expects that in the normal course of business, leases will be renewed.

2013	85
2014	85
2015	85
2016	85
2017 thereafter	845
Total minimum payments required	1,185

The total amount of operational leasing expenses on railroad operations on 31 December 2012, 2011 and 2010 were US$89, US$87 and US$90, respectively.

Table of Contents

d) Concession Contracts and Sub-concession

1. **Rail companies**

The Company and certain group companies entered into with the Union, through the Ministry of Transport, concession agreements for exploration and development of public rail transport of cargo and leasing of assets for the provision of such services. The accounting records of grants and sub-concessions are presented in note 13.

Railroad	**End of the concession period**
Vitória a Minas e Carajás (direta) (*)	June 2027
Carajás (direta) (*)	June 2027
Malha Centro-Leste (indireta via FCA)	August 2026
Malha Sudeste (indireta via MRS)	December 2026
Ferrovia Norte Sul S.A. (FNS)	December 2037

(*) Concessions is not onerous.

The grant shall be terminated with the completion of one of the following events: termination of the contract term, expropriation, forfeiture, cancellation, annulment or dissolution and bankruptcy of the concessionaire.

The concessions, sub-concessions and leasing of the subsidiaries companies are recorded in the concept of operational lease and present the following:

	FNS	**FCA**	**MRS**
Total number of plots	3	112	118
Periodicity of payments	(a)	Quarterly	Quarterly
Update index	IGP-DI FGV	IGP-DI FGV	IGP-DI FGV
Plots paid	(b)	54	58
Plots updated value			
Concession		2	3
Leasing		31	48

(a) In accordance with the delivery of each stretch of the railway

(b) Two plots have been paid. The third plot had just 80% paid; the 20% they left is to cover existing railroad disputes.

ii. Port

The Company has specialized port terminals, as follows:

Terminals	Location	End of the concession period
Terminal of Tubarão, Praia Mole e Granéis Líquidos	Vitória - ES	2020
Terminal of Produtos Diversos	Vitória - ES	2020
Terminal of Vila Velha	Vila Velha - ES	2023
Terminal Marítimo de Ponta da Madeira - Píer I e III	S. Luiz - MA	2018
Terminal Marítimo de Ponta da Madeira - Píer II	S. Luiz - MA	2010(a)
Terminal Marítimo Inácio Barbosa	Acarajú - SE	2012
Terminal of Ore Exportation- Porto de Itaguaí	Itaguaí - RJ	2021
Terminal Marítimo da Ilha Guaíba - TIG - Mangaratiba	Mangaratiba - RJ	2018

(a) The extension of the duration for 36 months until the date that of a new price bidding

e) Guarantee issued to affiliates

The Associate Norte Energia acquired in 2012 a credit line from BNDES, Caixa Economica Federal and Banco BTG Pactual in order to finance his investments in energy in the totaling up to R$22.5 billion (US$11.01 billion). About this facility, Vale, like other stockholders, is committed to providing a corporate guarantee on the amount withdrawn, limited to his participation of 9% in the entity.

Until December 31, 2012, Vale guarantee on the value drawn the amount of R$282 (US$126).

On January 2, 2013 (Subsequent Events) Norte Energia withdrawn of another installment of your loan, increasing the amount guaranteed by Vale for R$188 (US$92) to R$470 (US$218).

Table of Contents

30 - Related parties

Transactions with related parties are made by the Company in a strictly commutative manner, observing the price and usual market conditions and therefore do not generate any undue benefit to their counterparties or loss to the Company.

In the normal course of operations, Vale contracts rights and obligations with related parties (subsidiaries, associated companies, jointly controlled entities and Stockholders), derived from operations of sale and purchase of products and services, leasing of assets, sale of raw material, so as rail transport services, with prices agreed between the parties and also mutual transactions.

The balances of these related party transactions and their effect on financial statements may be identified as follows:

	December 31, 2012		December 31, 2011		December 31, 2010	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Current assets						
Accounts receivable	134		288		435	
Loans and advances to related parties	384		82		96	
Non-current assets						
Loans and advances to related parties	408		509		29	
Current liabilities						
Suppliers		146		280		538
Loans from related parties		207		24		21
Non-current liabilities						
Long-term debt		72		91		2
	926	**425**	**879**	**395**	**560**	**561**

	December 31, 2012		December 31, 2011		December 31, 2010	
	Income	Expense	Income	Expense	Income	Expense
Affiliated Companies and Joint Ventures						
Companhia Nipo-Brasileira de Pelotização - Nibrasco		80		151		149
Samarco Mineração AS	371		511		448	
Companhia Ítalo-Brasileira de Pelotização - ITABRASCO		32		150		50
Companhia Hispano-Brasileira de Pelotização - HISPANOBRÁS	266	265	729	521	462	513
Companhia Coreano-Brasileira de Pelotização - KOBRASCO		70		98		117
Mineração Rio Norte AS						156

MRS Logística AS	14	702	16	759	16	561
Others	142	101	103	53	17	18
	793	**1,250**	**1,359**	**1,732**	**943**	**1,564**

	December 31, 2012		December 31, 2011		December 31, 2010	
	Income	**Expense**	**Income**	**Expense**	**Income**	**Expense**
Sales/Cost of iron ore and pellets	624	469	1,337	952	910	785
Revenues/ expense from logistic services	14	706	16	759	23	603
Sales/ Cost of aluminum products				18		156
Financial income/expenses	14	7	6	3	10	20
Others	141	69				
	793	**1,251**	**1,359**	**1,732**	**943**	**1,564**

	Statement of financial position			Statement of income		
	2012	**2011**	**2010**	**2012**	**2011**	**2010**
Cash and Cash equivalents						
Brasdesco	33	16	574		73	5
Loan payable						
BNDES	3,951	2,954	2,172	41	138	121
BNDES Par	825	902	739	14	57	26
	4,809	**3,872**	**3,485**	**55**	**268**	**152**

Table of Contents

Remuneration of key management personnel:

	Year ended December 31, 2012	2011	2010
Short-term benefits	**36**	**49**	**32**
Wages or pro-labor	11	11	10
Direct and indirect benefits	11	21	10
Bonus	14	17	12
Long-term benefits:	**11**	**13**	**17**
Based on stock	11	13	17
Termination of position	**9**	**54**	**2**
	56	**116**	**51**

31. US GAAP Reconciliation

Although not required, in order to provide additional information to the users of our financial statement, we disclose below the reconciliation between the consolidated statement of financial position and the consolidated Statement of Income under US GAAP and IFRS:

	December 31, 2012 USGAAP	Adjustments	IFRS GAAP
Assets			
Current assets			
Cash and cash equivalents	5,832		5,832
Others	17,065	(371)**(a)**	16,694
	22,897	**371**	**22,526**
Non-current assets			
Investments	6,492	(108)**(b)**	6,384
Property, plant and equipment, net	91,766	2,327**(c)**	94,093
Others	10,323	(2,706)**(d)**	7,617
	108,581	**(487)**	**108,094**
Total assets	**131,478**	**(858)**	**130,620**
Liabilities and stockholders equity			
Current			
Accounts payable	4,529		4,529
Loans and finances	3,468	3**(e)**	3,471
Others	4,588	(26)**(f)**	4,562
	12,585	**(23)**	**12,562**

Non-current			
Loans and finances	26,799	**(e)**	26,799
Deferred income tax and social contribution	3,538	257**(g)**	3,795
Others	12,680	(1,375)**(h)**	11,305
	43,017	**(1,118)**	**41,899**
Stockholders equity			
Capital stock	37,559	17,438**(i)**	54,997
Noncontrolling interests	1,635	(47)**(i)**	1,588
Others	36,682	(17,108)**(i)**	19,574
	75,876	**283**	**76,159**
Total liabilities and Stockholders equity	**131,478**	**(858)**	**130,620**

(a) Reclassification of deferred Income tax for non-current in accordance with IFRS (US$356), assets held for sale (US$22) and financial assets available for sale, which under USGAAP is recognized as investment $7;

(b) Difference between on noncontrolled entities recognized by equity method;

(c) Difference between the book value and fair value of the MBR, recognized as goodwill on old BRGAAP, and reclassification of goodwill from other assets (USGAAP) to intangible assets (IFRS);

(d) In USGAAP we record goodwill of subsidiaries, assets of pension plans (plans overfunded) and deferred income on GAAP differences;

(e) Difference of Operating and finance lease recognized as old BRGAAP;

(f) Differences between IFRS and US GAAP on pension plan, liabilities directly associated with assets held for sale and mandatory convertible notes;

(g) Difference between US GAAP and IFRS relating to deferred income taxes;

(h) Difference between US GAAP and IFRS relating to pension plan, asset retirement obligations and deferred income tax on these adjustments;

(i) Difference between US GAAP and IFRS relating to translation adjustment of current and historical currency.

Table of Contents

		December 31, 2012	
	USGAAP	**Adjustments**	**IFRS GAAP**
Net revenue	47,694		47,694
Cost	(26,591)	108**(a)**	(26,483)
Gross operating profit	**21,103**	**108**	**21,211**
Operational expenses	(11,880)	(6)**(b)**	(11,886)
Financial expenses	(3,801)	(306)**(c)**	(4,107)
Equity results	640	5**(d)**	645
Impairment on Investments	(1,640)	(300)(d)	(1,941)
	(16,682)	**(607)**	**(17,271)**
Earnings before taxes	**4,421**	**(099)**	**3,922**
Current and deferred income tax and social contribution, net	833	361**(e)**	4,094
Net income of the year	**5,254**	**(138)**	**5,106**
Loss attributable to noncontrolling interests	(257)		(257)
Net income attributable to shareholders	**5,514**	**(138)**	**5,373**

(a) Amortization of the difference between the book value and fair value of the MBR in USGAAP (US$153) and pension plan and ARO at Vale Canada (US$ 4 and US$41);

(b) Adjustment of pension plan and ARO at Vale Canada $ 10 and profit and sale of Araucária assets (US$16);

(c) Adjustment of pension plan surplus at Vale and Vale Fertilizantes;

(d) Difference between IFRS and US GAAP on investments;

(e) Difference between US GAAP and IFRS resulting from deferred income taxes end difference GAAP;

(f) Difference between US GAAP and IFRS resulting GAAP.

Table of Contents

32 - Board of Directors, Fiscal Council, Advisory committees and Executive Officers

Board of Directors

Dan Antônio Marinho Conrado
Chairman

Mário da Silveira Teixeira Júnior
Vice-President

Fuminobu Kawashima
José Mauro Mettrau Carneiro da Cunha
Luciano Galvão Coutinho
Marcel Juviniano Barros
Nelson Henrique Barbosa Filho
Oscar Augusto de Camargo Filho
Paulo Soares de Souza
Renato da Cruz Gomes
Robson Rocha

Alternate

Deli Soares Pereira
Eduardo de Oliveira Rodrigues Filho
Eustáquio Wagner Guimarães Gomes
Hajime Tonoki
Luiz Carlos de Freitas
Luiz Maurício Leuzinger
Marco Geovanne Tobias da Silva
Paulo Sergio Moreira da Fonseca

Raimundo Nonato Alves Amorim
Sandro Kohler Marcondes

Advisory Committees of the Board of Directors

Controlling Committee
Luiz Carlos de Freitas
Paulo Ricardo Ultra Soares
Paulo Roberto Ferreira de Medeiros

Executive Development Committee
José Ricardo Sasseron
Luiz Maurício Leuzinger
Oscar Augusto de Camargo Filho

Governance and Sustainability Committee
Gilmar Dalilo Cezar Wanderley
Renato da Cruz Gomes
Ricardo Simonsen

Fiscal Council

Marcelo Amaral Moraes
Chairman

Aníbal Moreira dos Santos
Antonio Henrique Pinheiro Silveira
Arnaldo José Vollet

Alternate
Cícero da Silva
Oswaldo Mário Pêgo de Amorim Azevedo
Paulo Fontoura Valle

Executive Officers

Murilo Pinto de Oliveira Ferreira
President & CEO

Vânia Lucia Chaves Somavilla
Executive Director, HR, Health & Safety, Sustainability and Energy

Luciano Siani Pires
Chief Financial Officer

Roger Allan Downey
Executive Director, Fertilizers and Coal

José Carlos Martins
Executive Director, Ferrous and Strategy

Galib Abrahão Chaim
Executive Director, Capital Projects Implementation

Humberto Ramos de Freitas
Executive Director, Logistics and Mineral Research

Strategic Committee
Murilo Pinto de Oliveira Ferreira
Dan Antônio Marinho Conrado
Luciano Galvão Coutinho
Mário da Silveira Teixeira Júnior
Oscar Augusto de Camargo Filho

Finance Committee
Luciano Siani Pires
Eduardo de Oliveira Rodrigues Filho
Luciana Freitas Rodrigues
Luiz Maurício Leuzinger

Gerd Peter Poppinga
Executive Director, Base Metals and IT

Marcelo Botelho Rodrigues
Global Controller Director

Marcus Vinicius Dias Severini
Chief Officer of Accounting and Control Department

Vera Lucia de Almeida Pereira Elias
Chief Accountant
CRC-RJ - 043059/O-8

Table of Contents

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

		Vale S.A. (Registrant)
	By:	/s/ Roberto Castello Branco
Date: February 28, 2013		Roberto Castello Branco
		Director of Investor Relations