



Vale's performance in 3Q15

October 22, 2015

Disclaimer

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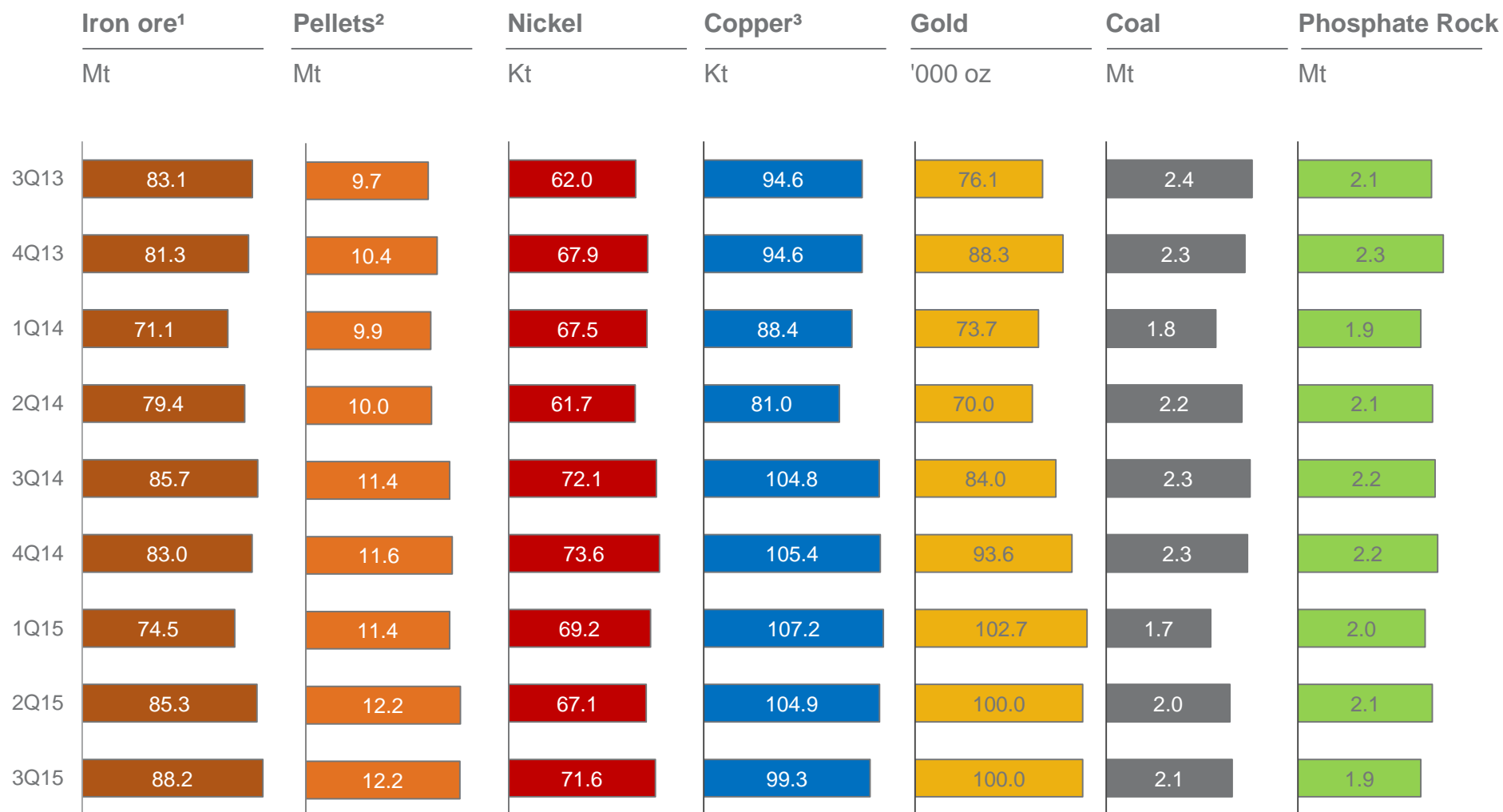
DOCUMENT CONTENT

- Operational performance
- Financial performance
- Capital expenditures
- Capital structure

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PRODUCTION VOLUMES

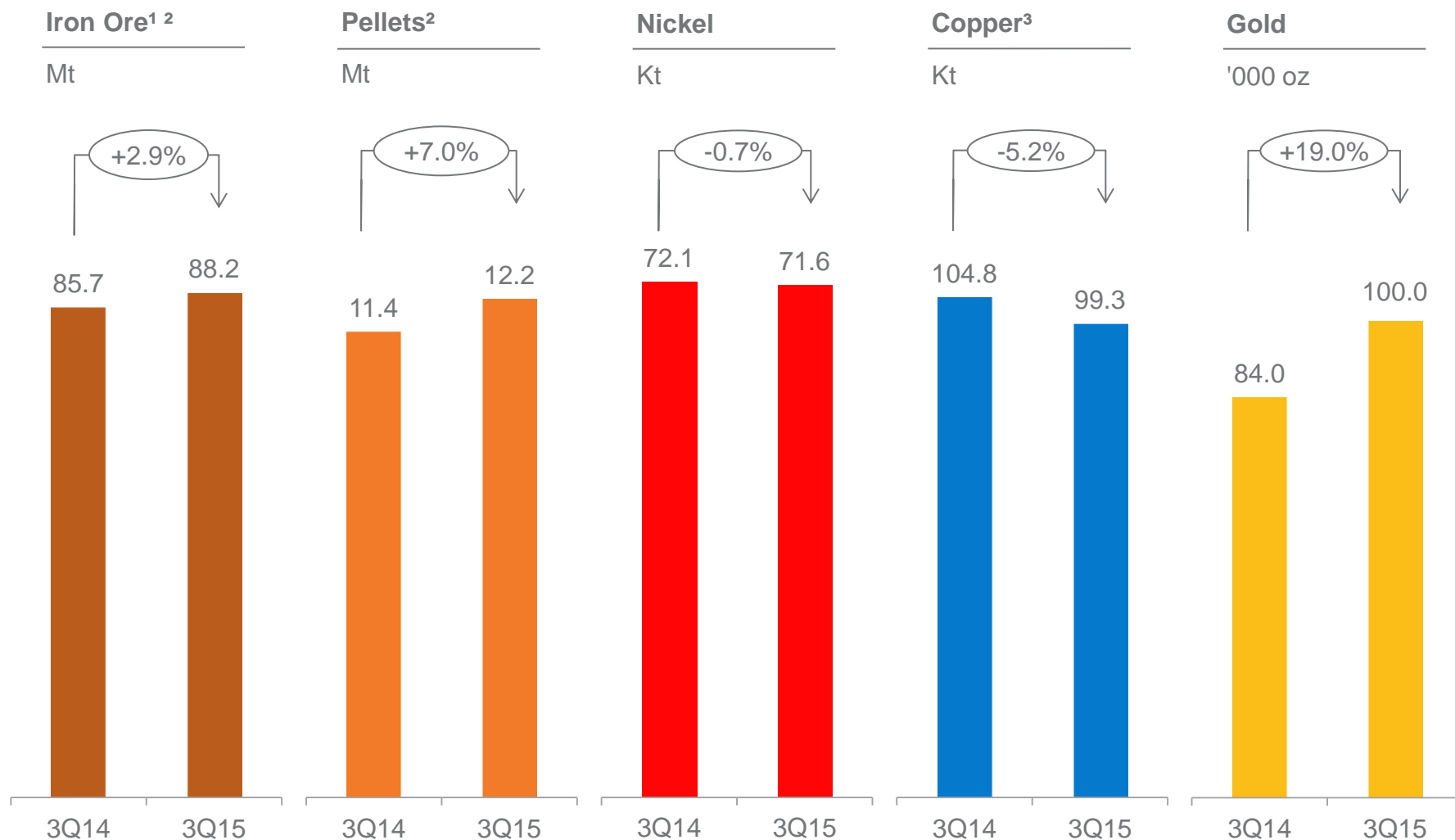


¹ Includes iron ore fines, lump, ROM and iron ore feed for Vale's pellet plants. Excludes Samarco's attributable production.

² Excludes Samarco's attributable production.

³ 2013 figures include Tres Valles production (1Q13: 3.7 Kt, 2Q13: 3.6 Kt, 3Q13: 2.9 Kt and 4Q13: 0.8 Kt). Includes Lubambe's attributable production.

PRODUCTION VOLUMES YEAR-ON-YEAR

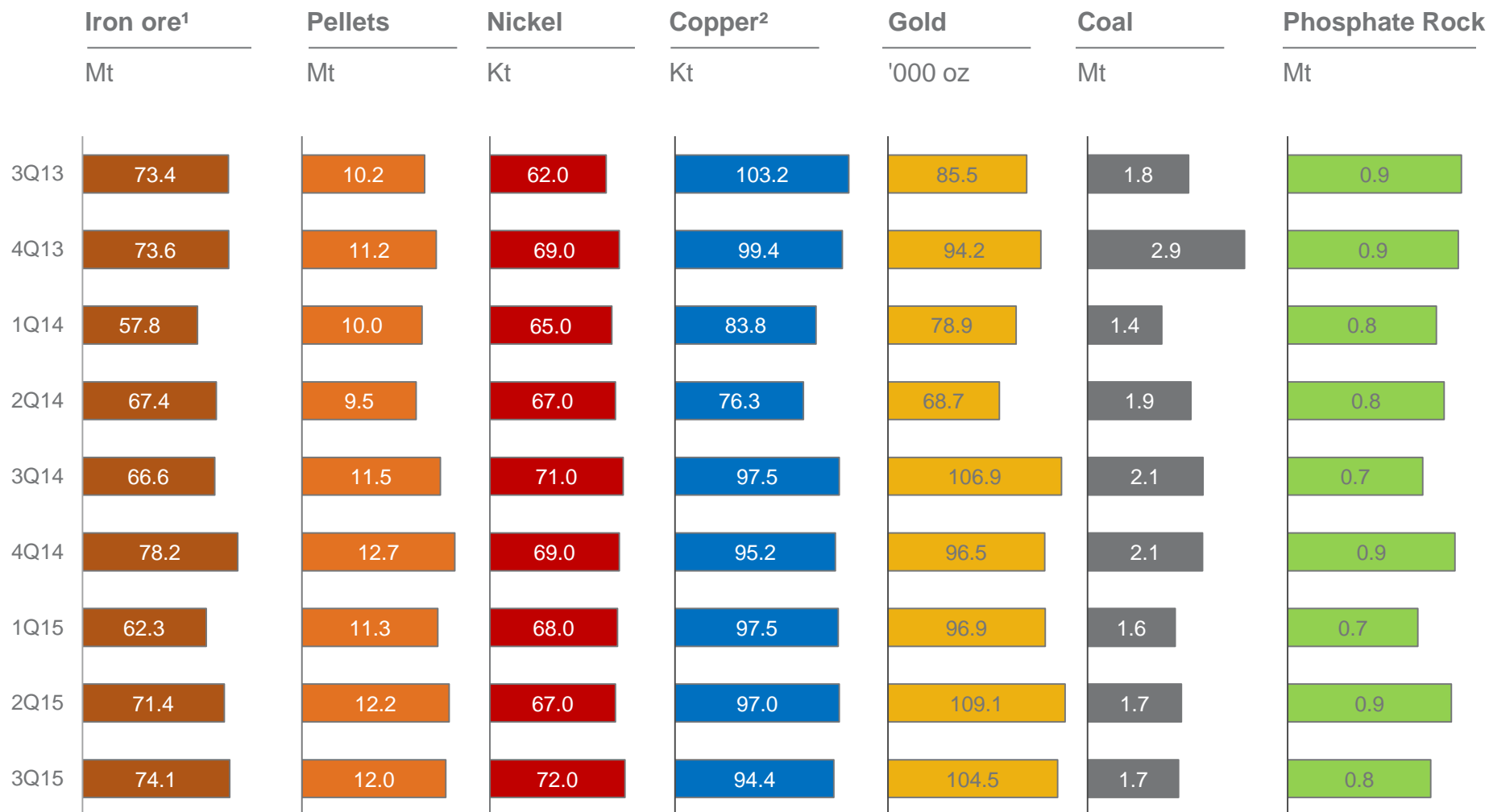


¹ Includes iron ore fines, lump, ROM and iron ore feed for Vale's pellet plants.

² Excludes Samarco's attributable production.

³ Includes Lubambe's attributable production.

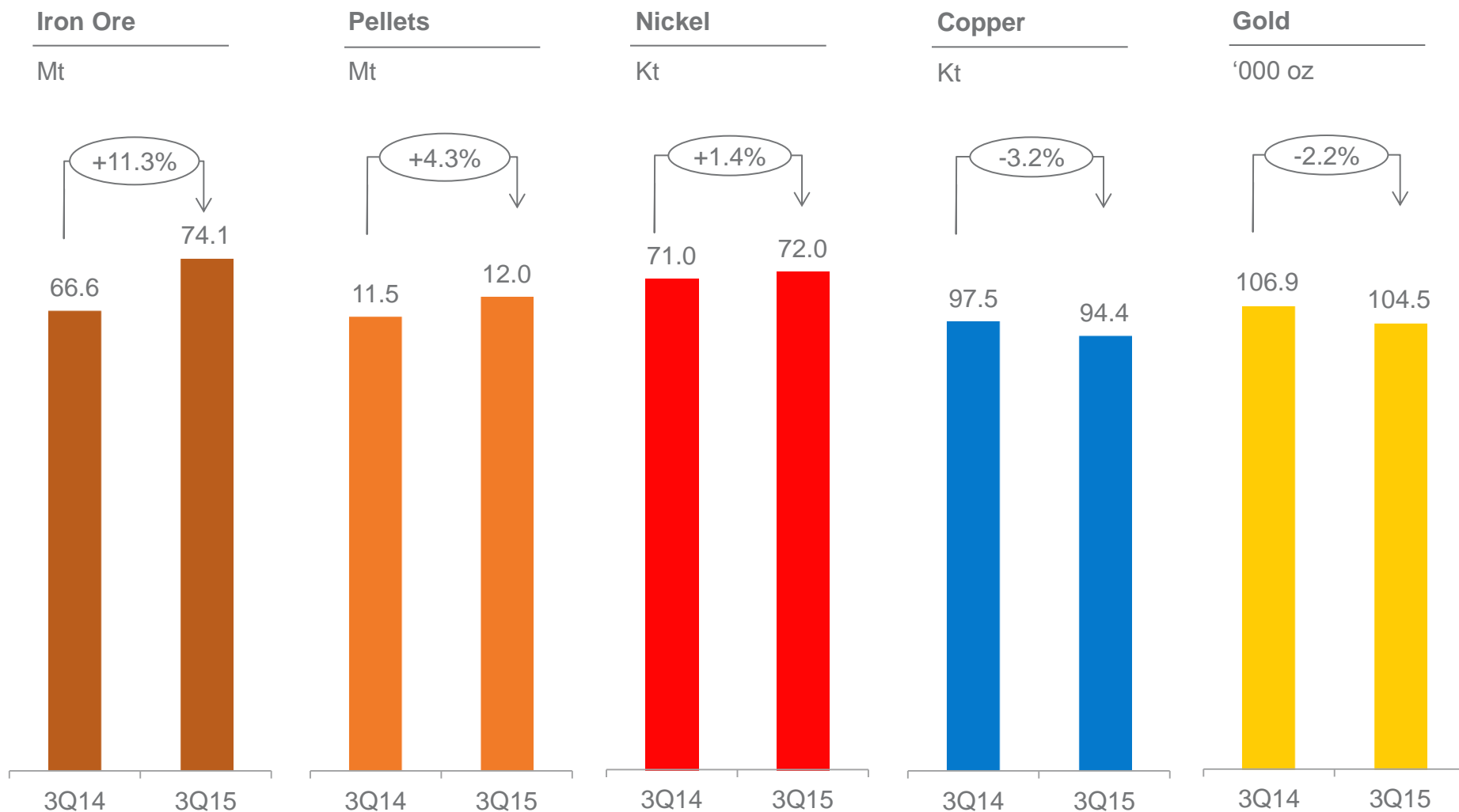
SALES VOLUMES



¹ 3Q15 figure includes 70.5 Mt of iron ore ex-ROM and 3.5 Mt of ROM. Excludes Samarco's attributable production.

² 3Q13 and 4Q13 figures include Tres Valles sales volume. Excludes Lubambe's attributable production.

SALES VOLUMES YEAR-ON-YEAR



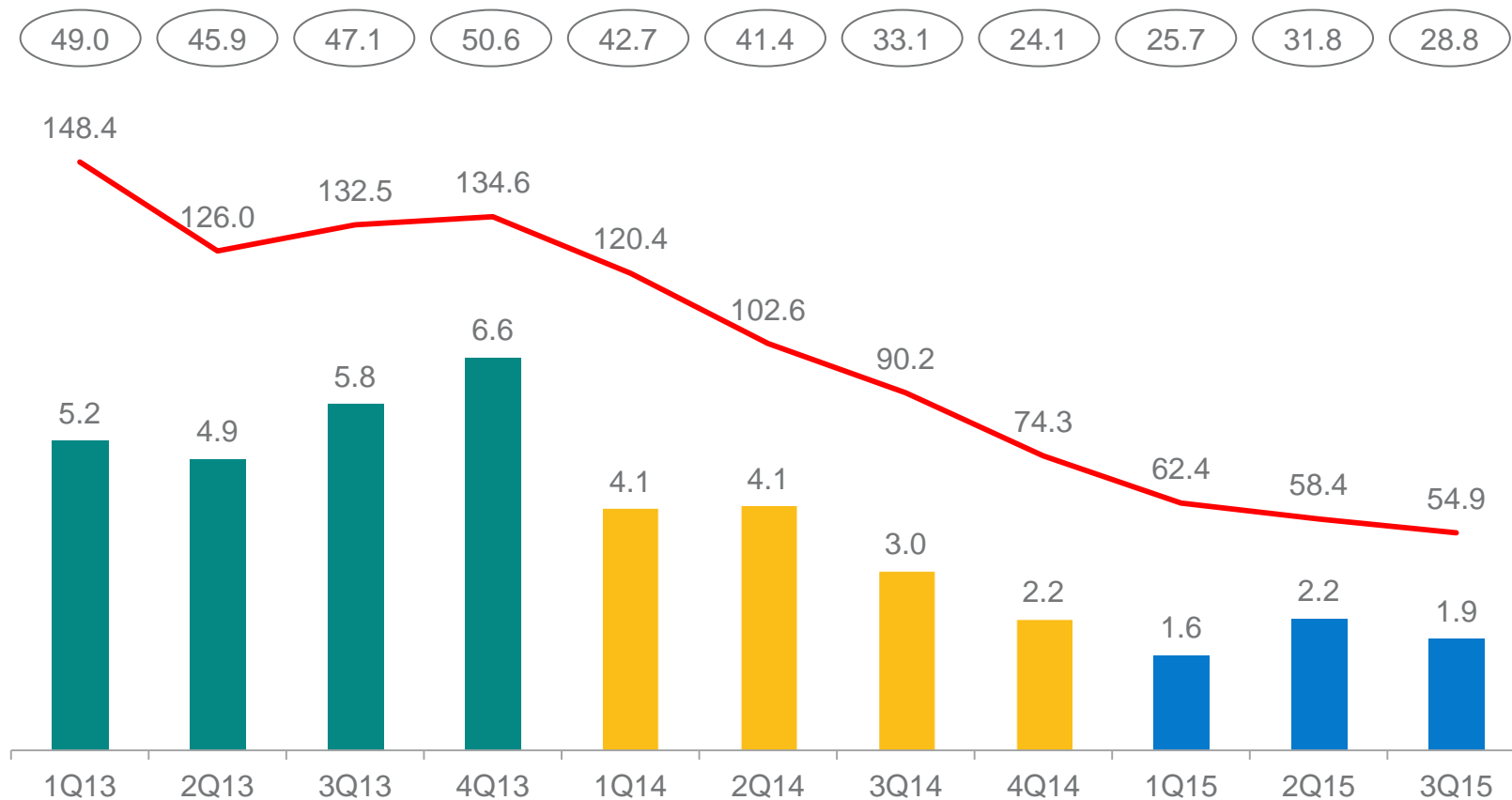
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ADJUSTED EBITDA¹

US\$ billion

○ Adjusted EBITDA margin (%)
 — Platts IODEX Iron Ore Price Average (US\$/t)

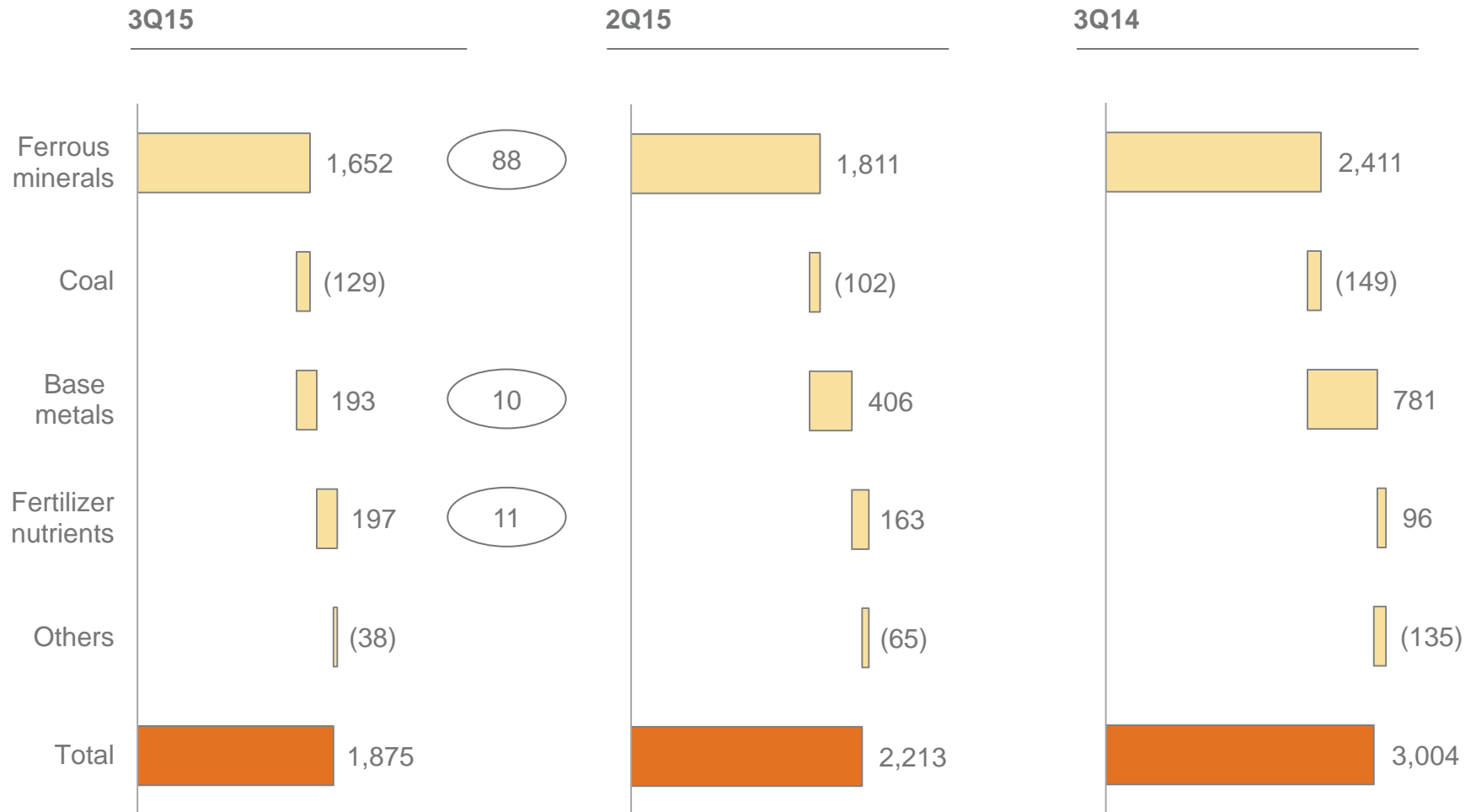


¹ Adjusted EBITDA excludes gains and/or losses on sales of assets and non-recurring expenses and includes dividends received from non-consolidated affiliates

EBITDA BY BUSINESS SEGMENT¹

US\$ million

○ Share of Total EBITDA (%)

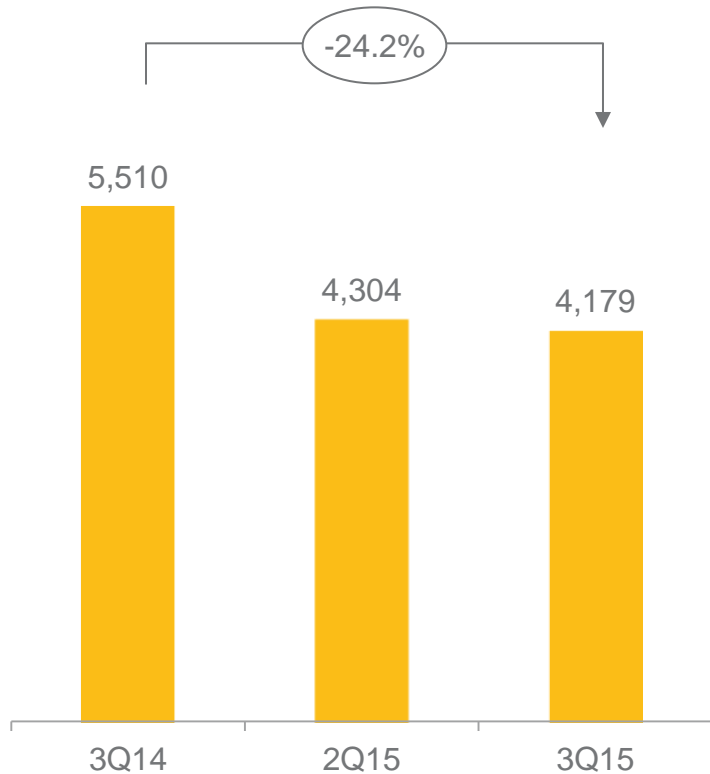


¹ Excluding non-recurring items.

EVOLUTION OF COSTS AND EXPENSES¹

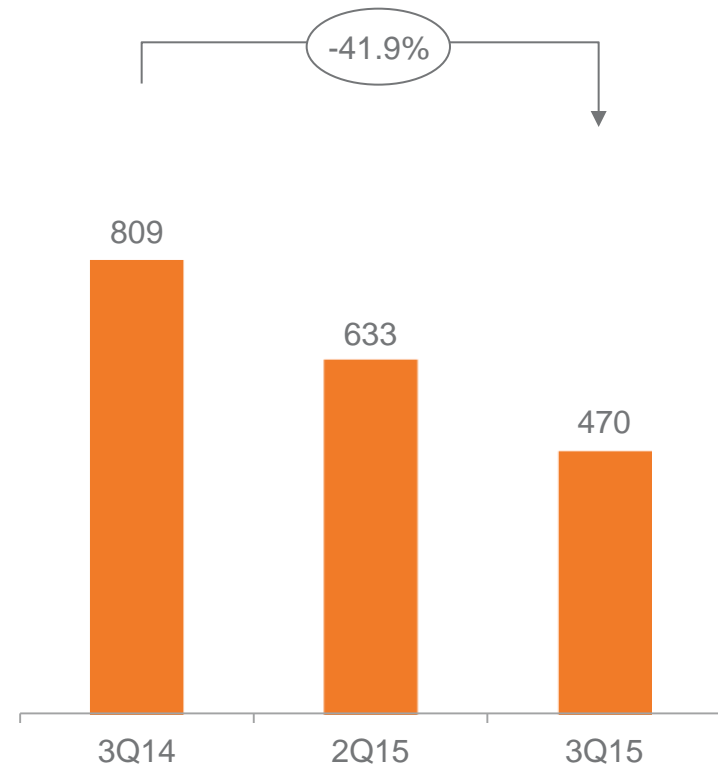
Costs¹

US\$ million



Expenses^{1,2}

US\$ million



¹ Net of depreciation and amortization.

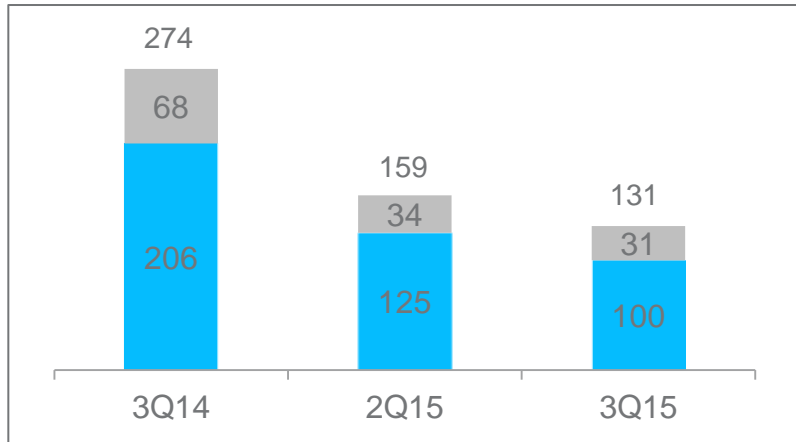
² Includes SG&A, R&D, Pre-operating and stoppage and other expenses. Does not include gain/loss on sale of assets

EVOLUTION OF EXPENSES

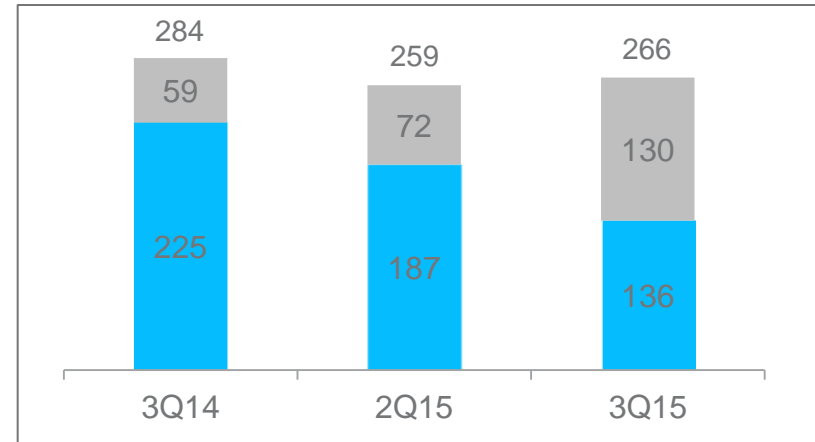
US\$ million

Depreciation

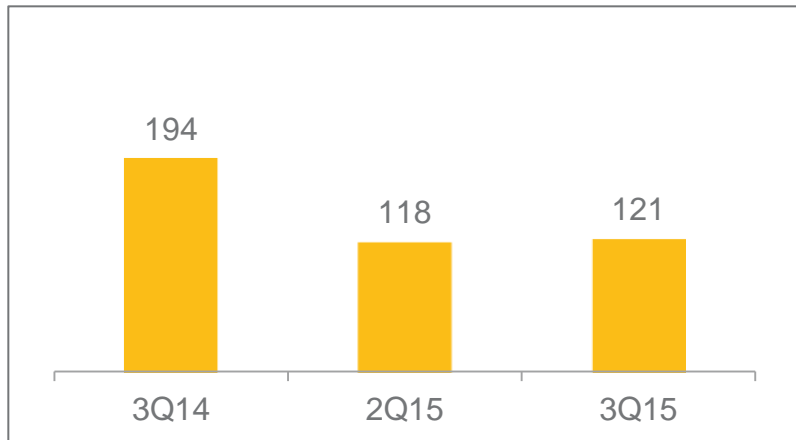
SG&A



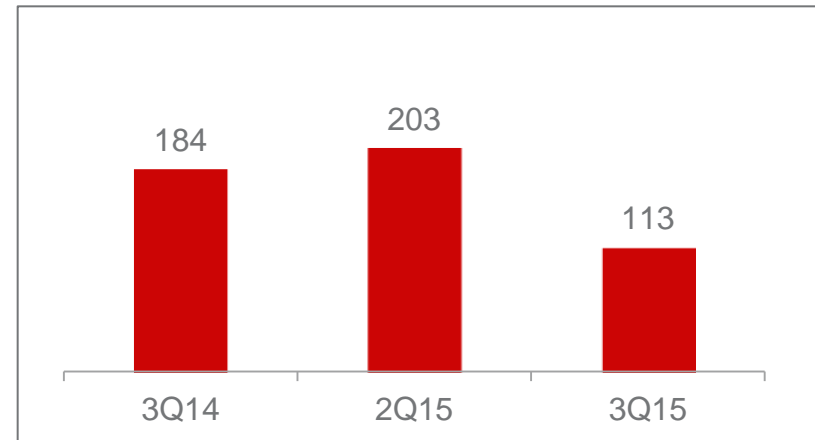
Pre-operating and stoppage expenses



R&D



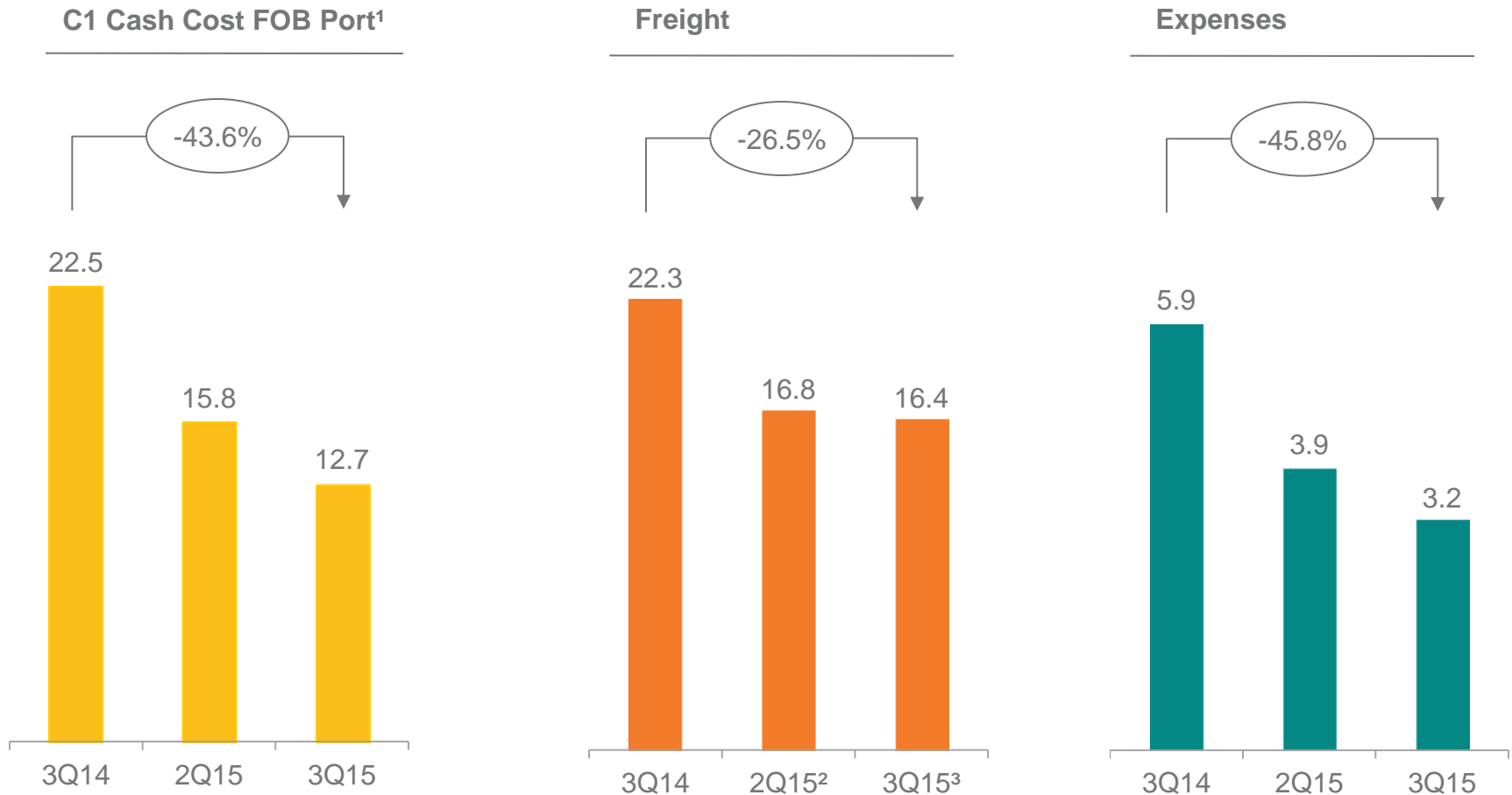
Other expenses¹



¹ Includes contingencies, provisions, profit sharing.

EVOLUTION OF IRON ORE FINES CASH COST, FREIGHT AND EXPENSES

US\$/t



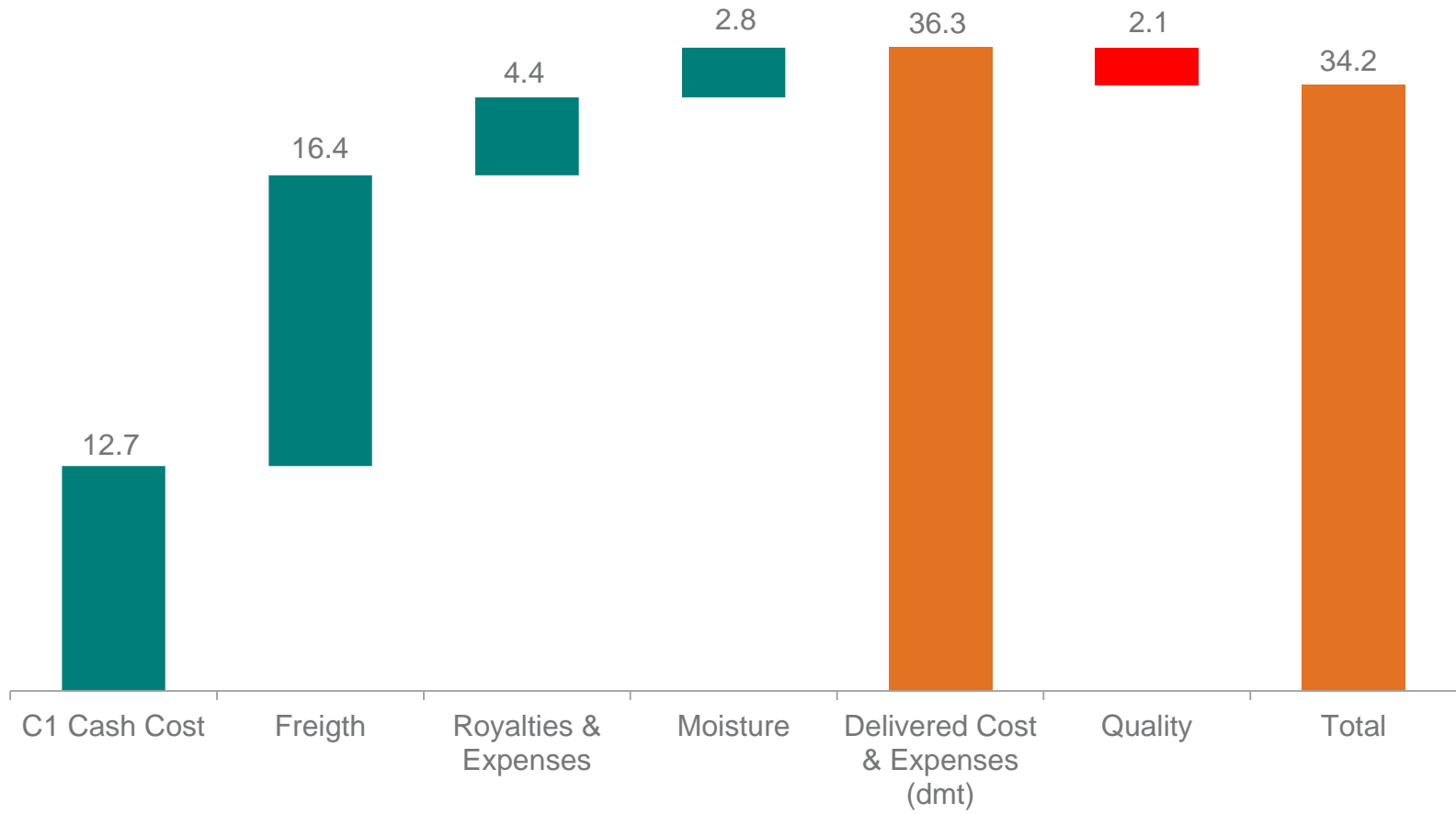
¹ Ex-ROM. Excludes royalties.

² Excludes US\$ 2.0/t of the bunker oil hedge treated as hedge account.

³ Excludes US\$ 2.4/t of the bunker oil hedge treated as hedge account.

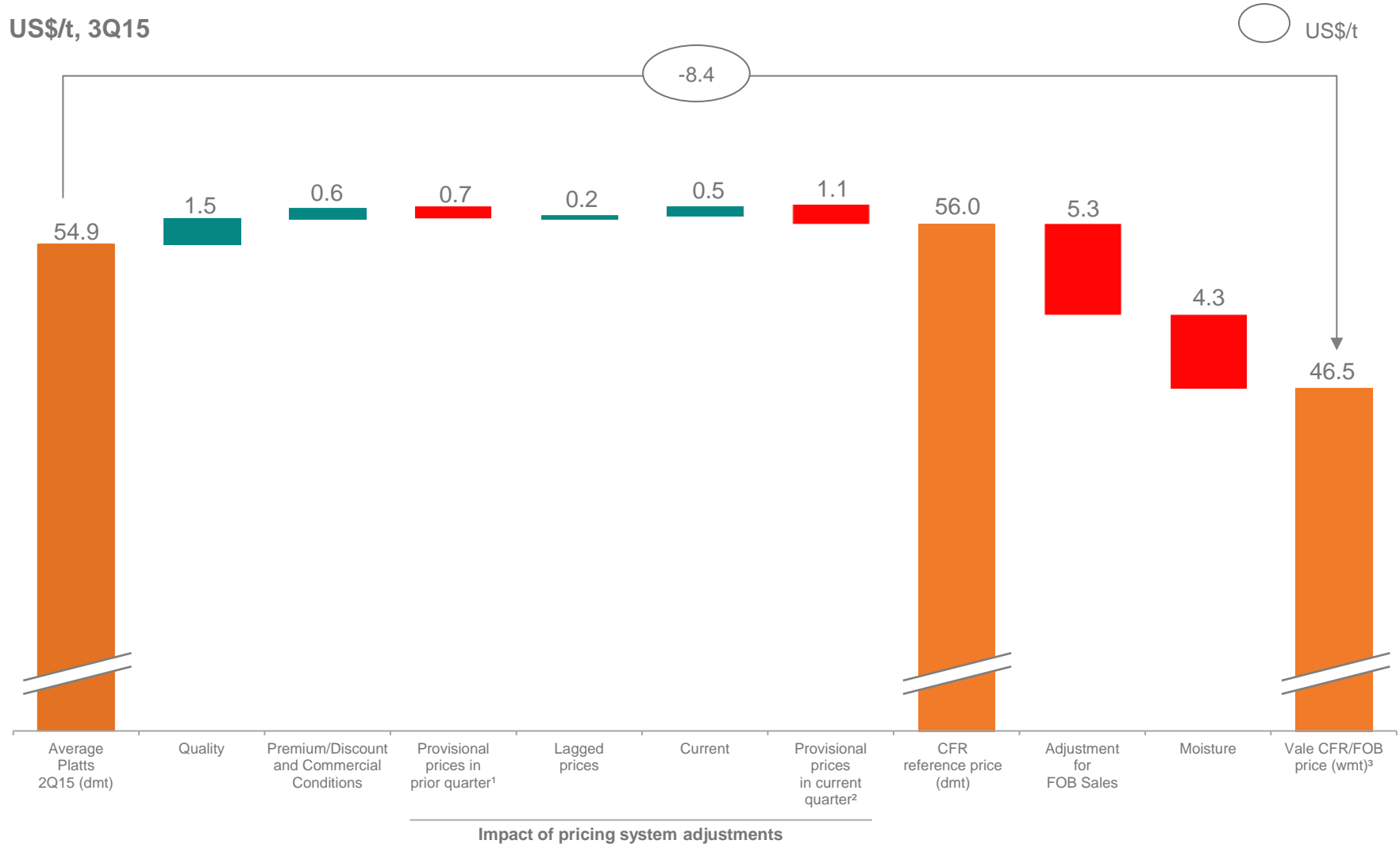
COST AND EXPENSES LANDED IN CHINA FOR IRON ORE FINES

US\$/t



PRICE REALIZATION – IRON ORE FINES

US\$/t, 3Q15



¹ Adjustment as a result of provisional prices booked in 2Q15 at US\$ 54.5/t.

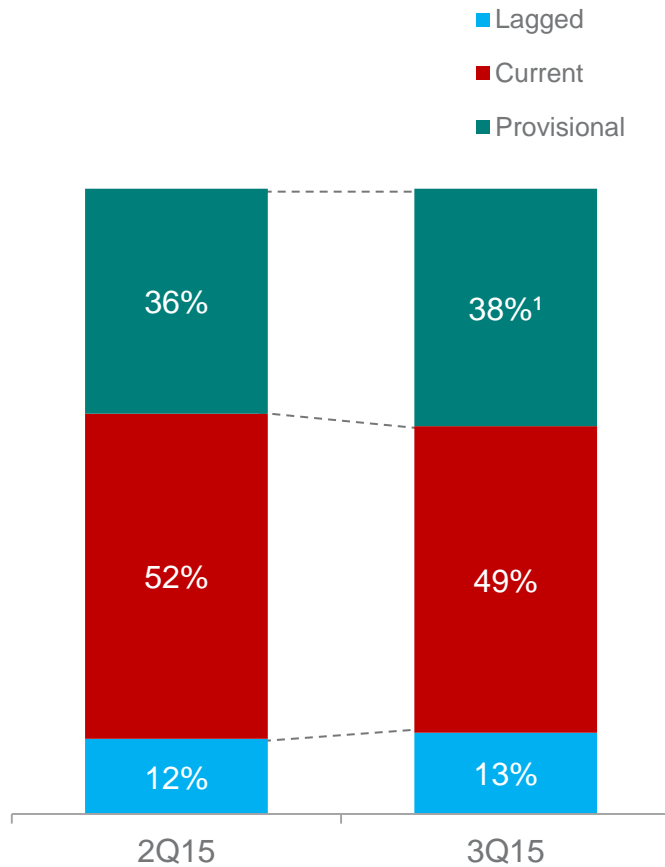
² Weighted average difference between prices provisionally set at the end of 3Q15 at US\$ 51.5/t based on forward curves and the US\$ 54.9/t from the 3Q15 IODEX

³ Vale price is net of taxes.

IRON ORE PRICING SYSTEMS

Pricing System Breakdown

%

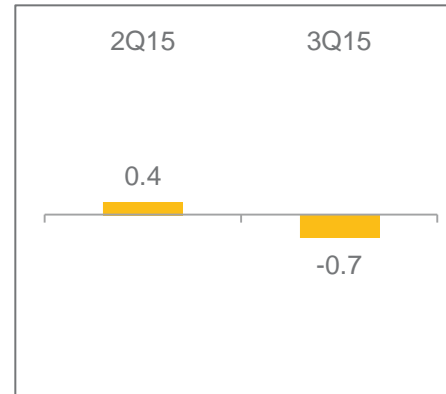


¹ Provisional prices were settled at US\$ 51.5 /t at the end of 3Q15.

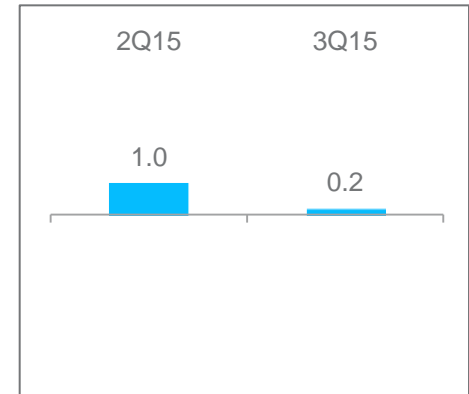
Impact of Pricing Mechanisms

US\$ / t

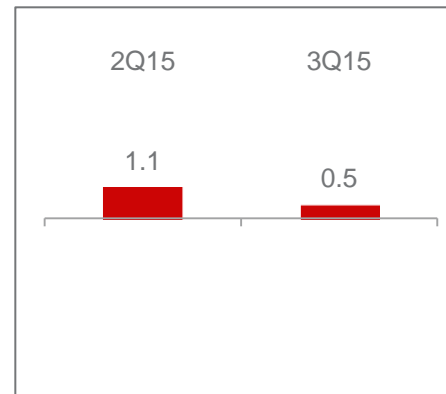
Provisional - prior quarter



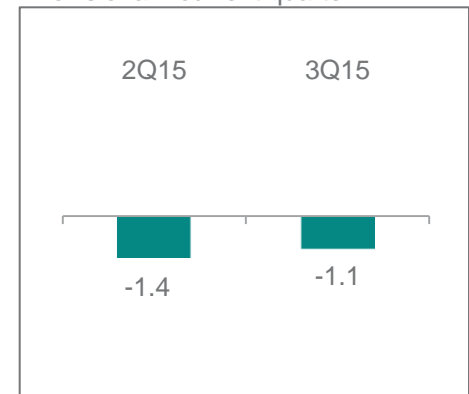
Lagged



Current



Provisional - current quarter

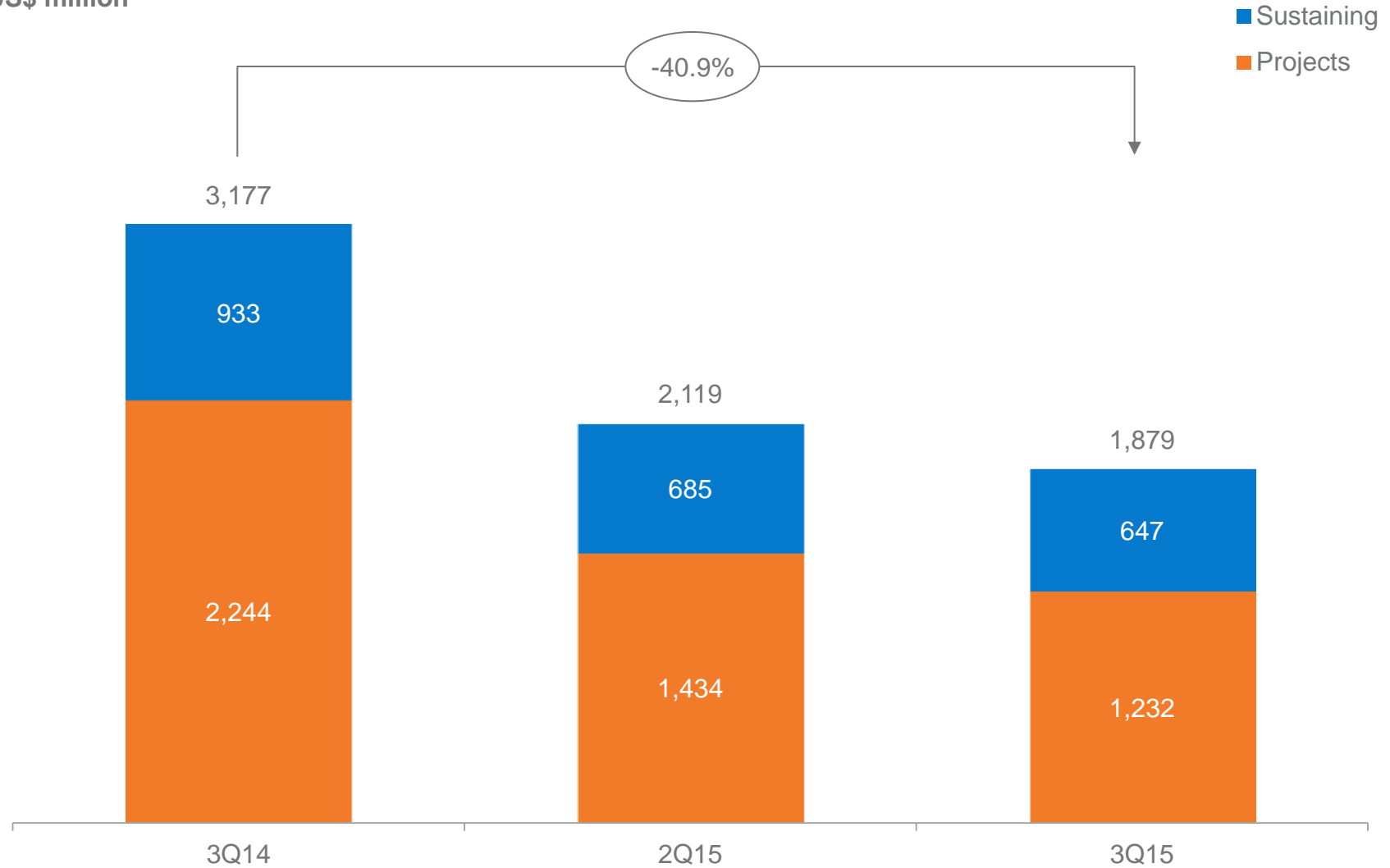


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EVOLUTION OF CAPITAL EXPENDITURES

US\$ million



PROJECT PROGRESS INDICATORS

3Q15

Project	Capacity Mtpy	Estimated start-up	Executed capex US\$ million		Estimated capex US\$ million		Physical progress
			2015	Total	2015	Total	
Carajás Serra Sul S11D	90	2H16	864	4,356	1,321	6,878 ²	75%
CLN S11D	230 (80 ¹)	1H14 to 2H18	1,353	4,006	2,375	9,484 ²	50%
Cauê Itabiritos	24 (4 ¹)	2H15	202	888	350	1,317 ³	92%
CSP⁴	1.5	1H16	-	1,055	185	1,224 ⁴	92%
Moatize II	11	2H15	382	1,766	629	2,068	96%
Nacala corridor	18	2H14	643	3,536	648	4,444	94%

¹ Net additional capacity

² Original capex budget for S11D of US\$ 8.089 billion and for CLN S11D of US\$ 11.582 billion

³ Original capex budget of US\$ 1.504 billion

⁴ Original capex of US\$ 2.734 billion; out of the original capex – US\$ 1.491 billion financed directly by CSP project.

DOCUMENT CONTENT

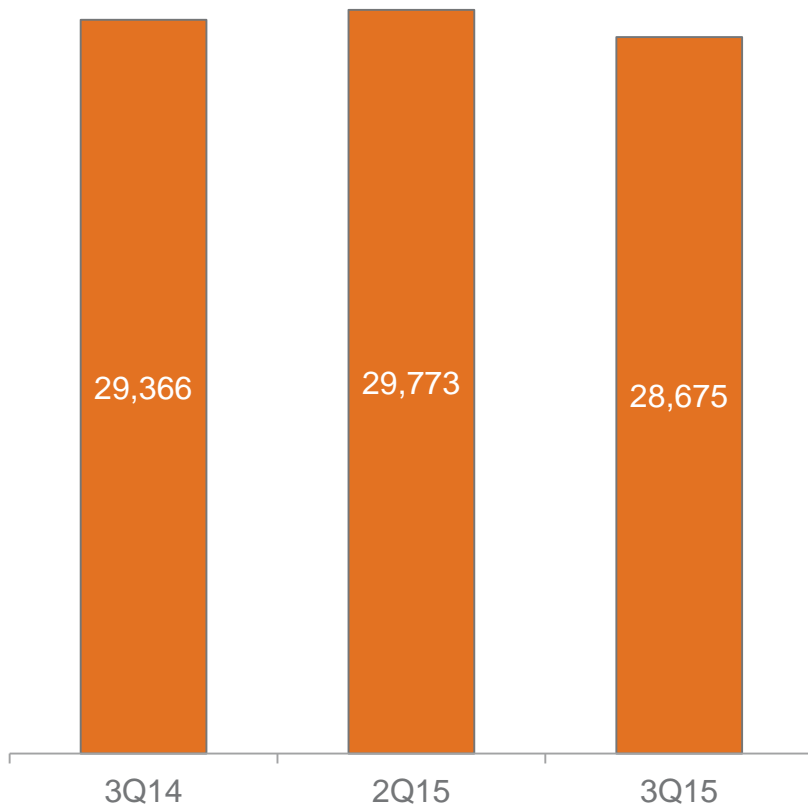
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DEBT POSITION

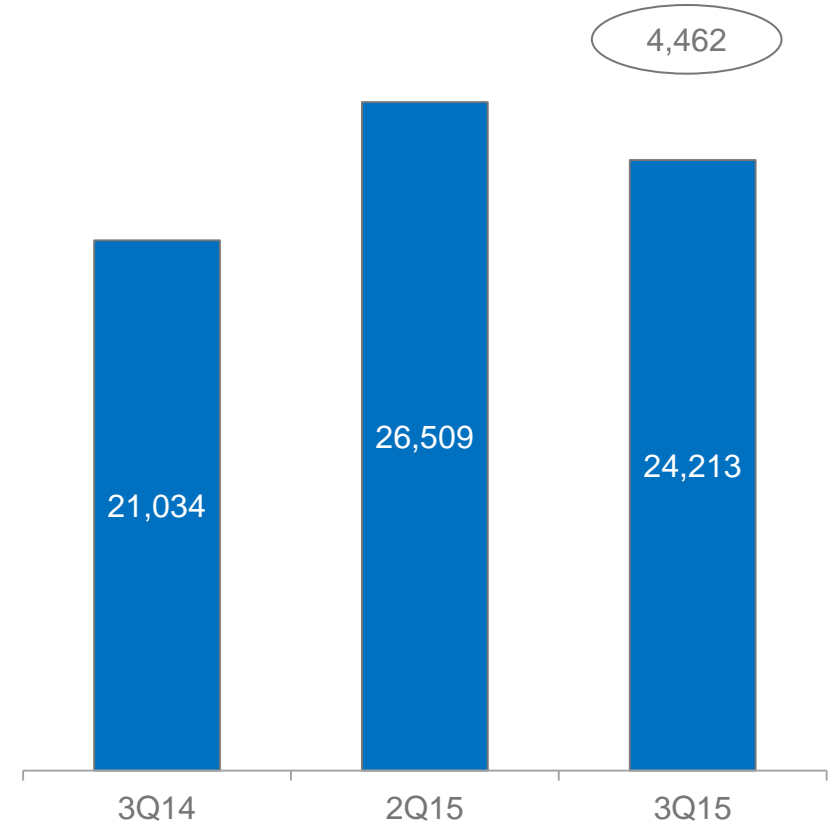
US\$ million

○ Cash position
September 30, 2015

Gross Debt

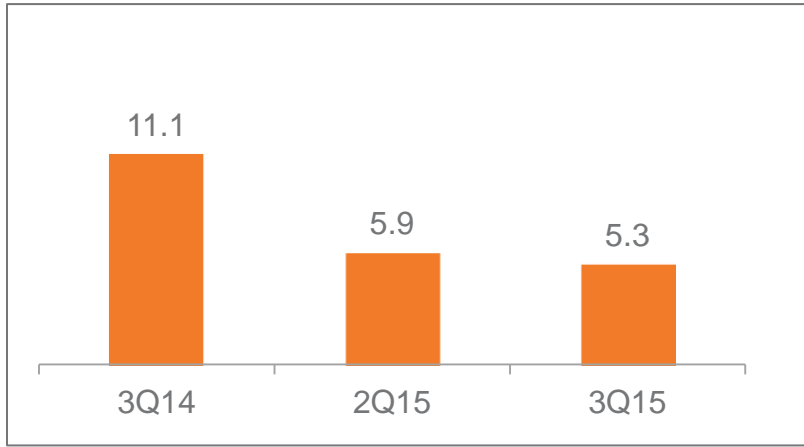


Net Debt

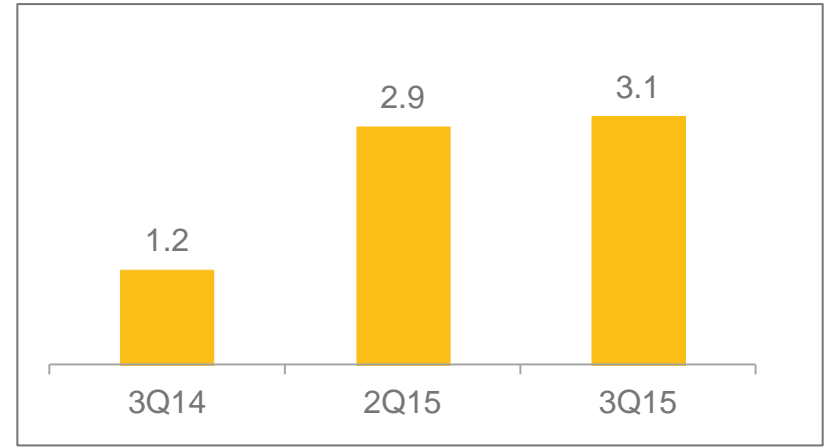


FINANCIAL INDICATORS¹

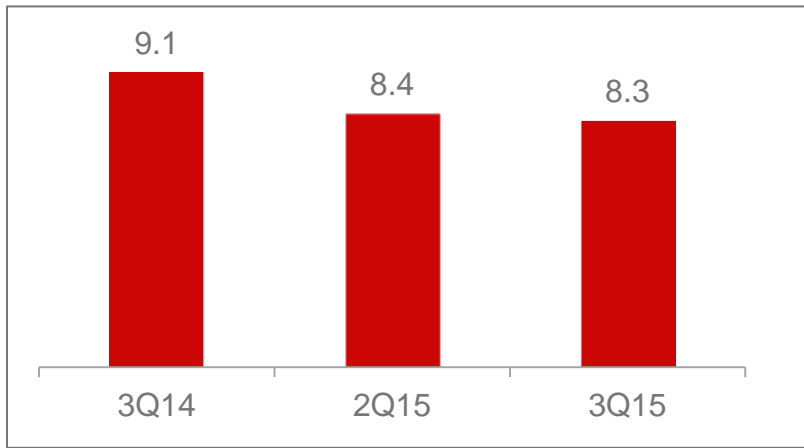
Interest coverage - Ratio



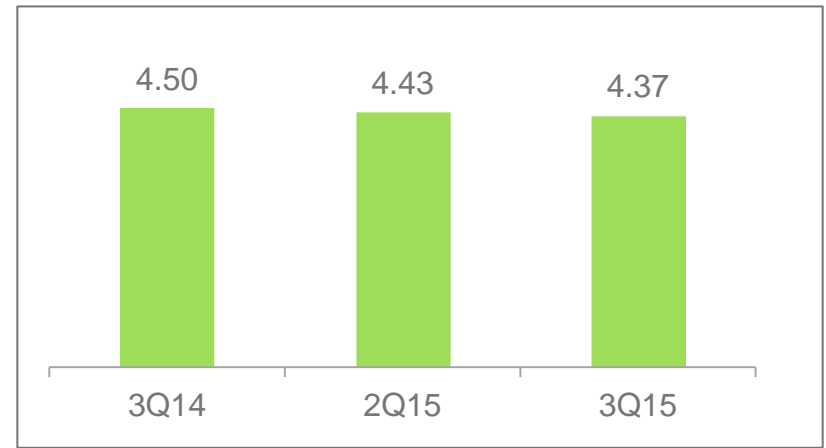
Net Debt / LTM² EBITDA - Ratio



Maturity - years



Cost of Debt - %



¹ Ex-Refis

² LTM – last twelve months. Excluding non-recurring items.

