

Press Release



PT Vale releases fourth quarter 2016 Production Report

Jakarta, February 16, 2017 – PT Vale Indonesia Tbk (“PT Vale” or the “Company”, IDX Ticker: INCO) announced today that it produced 77,581 metric tons (t) of nickel in matte in 2016.

“Production in the fourth quarter of 2016 was below plan,” said Nico Kanter, CEO and President Director of PT Vale. “However, we achieved nearly 97% of our production target for the year. The 2017 production target is approximately 80,000 t.”

Production Highlights

	<u>4Q16</u>	<u>3Q16</u>	<u>4Q15</u>	<u>2016</u>	<u>2015</u>
Nickel in matte production (t)	19,581	21,744	22,302	77,581	81,178

Production in the fourth quarter of 2016 (4Q16) was 19,581 t of nickel in matte, about 10% lower than the production volume realized in 3Q16. Nickel in matte production in 4Q16 was adversely impacted by a transformer failure at one of the electric furnaces, as advised in our Public Expose on November 21, 2016. There were no injuries related to the event and a series of risk mitigation and corrective actions were taken immediately.

On a year-on-year basis, production in 4Q16 was 12% lower than production in the fourth quarter of 2015.

For further information, please contact:
Febriany, Chief Financial Officer
ptvi.investorrelations@vale.com
or visit our website at
www.vale.com/indonesia