

Vale S.A.
Form 6-K
July 31, 2014
Table of Contents

**United States
Securities and Exchange Commission**

Washington, D.C. 20549

FORM 6-K

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

For the month of

July, 2014

Vale S.A.

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

(Address of principal executive office)

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

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

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

(Check One) Yes No

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(Check One) Yes No

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

(Check One) Yes No

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

Table of Contents

Interim Financial Statements

June 30, 2014

BR GAAP

Filed with the CVM, SEC and HKEx on

July 31, 2014

Table of Contents

Vale S.A.

Index to the Interim Financial Statements

	Page
<u>Report of Independent Registered Public Accounting Firm</u>	2
<u>Condensed Consolidated and Parent Company Balance Sheets as at June 30, 2014 and December 31, 2013</u>	4
<u>Condensed Consolidated and Parent Company Statements of Income for the Three-month period ended June 30, 2014 and June 30, 2013 and six-month period ended June 30, 2014 and June 30, 2013</u>	6
<u>Condensed Consolidated and Parent Company Statements of Comprehensive Income for the Three-month period ended June 30, 2014 and June 30, 2013 and six-month period ended June 30, 2014 and June 30, 2013</u>	8
<u>Condensed Statement of Changes in Stockholders Equity for the Six-month period ended June 30, 2014 and June 30, 2013</u>	9
<u>Condensed Consolidated Statement of Cash Flow for the Three-month period ended June 30, 2014 and June 30, 2013 and six-month period ended June 30, 2014 and June 30, 2013</u>	10
<u>Condensed Parent Company Statement of Cash Flow for the Six-month period ended June 30, 2014 and June 30, 2013</u>	11
<u>Condensed Consolidated and Parent Company Statement of Added Value for the Three-month period ended June 30, 2014 and June 30, 2013</u>	12
<u>Selected Notes to the Interim Financial Statement</u>	13
<u>Board of Directors, Fiscal Council, Advisory Committees and Executive Officers</u>	64

Table of Contents

Report on the review of quarterly information - ITR

(A free translation of the original report in Portuguese, as filed with the Brazilian Securities and Exchange Commission (CVM), prepared in accordance with the accounting practices adopted in Brazil, rules of the CVM and of the International Financial Reporting Standards - IFRS)

To

The Board of Directors and Stockholders of

Vale S.A.

Rio de Janeiro - RJ

Introduction

We have reviewed the individual and consolidated interim accounting information of Vale S.A. (the Company), included in the quarterly information form - ITR for the quarter ended June 30, 2014, which comprises the balance sheet as of June 30, 2014 and the respective statements of income and comprehensive income for the three-month and six-month periods ended on June 30, 2014 and the respective statements of changes in stockholders' equity and of cash flows for the six-month period then ended, including the explanatory notes.

The Company's Management is responsible for the preparation of the individual interim accounting information in accordance with the Accounting Pronouncement CPC 21(R1) - Interim Statement and consolidated interim accounting information in accordance with CPC 21(R1) and the international accounting rule IAS 34 - Interim Financial Reporting, issued by the IASB, as well as the presentation of these information in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of quarterly information - ITR. Our responsibility is to express our conclusion on this interim accounting information based on our review.

Scope of the review

We conducted our review in accordance with Brazilian and International Interim Information Review Standards (*NBC TR 2410 - Revisão de Informações Intermediárias Executada pelo Auditor da Entidade* and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries primarily of the management

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responsible for financial and accounting matters and applying analytical procedures and other review procedures. The scope of a review is significantly less than an audit conducted in accordance with auditing standards and, accordingly, it did not enable us to obtain assurance that we were aware of all the material matters that would have been identified in an audit. Therefore, we do not express an audit opinion.

Conclusion on the individual interim accounting information

Based on our review, we are not aware of any fact that might lead us to believe that the individual interim accounting information included in the aforementioned quarterly information was not prepared, in all material respects, in accordance with CPC 21(R1), applicable to the preparation of the quarterly review - ITR, and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission.

Table of Contents

Conclusion on the consolidated interim accounting information

Based on our review, we are not aware of any fact that might lead us to believe that the consolidated interim accounting information included in the aforementioned quarterly information was not prepared, in all material respects, in accordance with CPC 21(R1) and IAS 34, applicable to the preparation of the quarterly review - ITR, and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission.

Other matters

Statements of added value

We have also reviewed the individual and consolidated interim information of added value for the six-month period ended June 30, 2014, prepared under the responsibility of the Company's Management, for which presentation is required in the interim information in accordance with the standards issued by the CVM applicable to the preparation of quarterly information - ITR, and considered as supplementary information by IFRS, which does not require the presentation of the statements of added value. These statements were submitted to the same review procedures described previously and, based on our review, we are not aware of any fact that might lead us to believe that they were not prepared, in all material respects, in accordance with the individual and consolidated interim accounting information, taken as a whole.

Previous year and quarters accounting information

The individual and consolidated interim accounting information corresponding to the year ended December 31, 2013 and to the quarters ended March 31, 2014 and 2013 and June 30, 2013 presented for comparison purposes, were previously audited and reviewed by other independent auditors who issued reports dated February 26, 2014, April 30, 2014, April 24, 2013 and August 7, 2013, respectively, without any qualification.

Rio de Janeiro, July 28, 2014

KPMG Auditores Independentes

CRC SP-014428/O-6 F-RJ

(Original report in portuguese signed by)

Manuel Fernandes Rodrigues de Sousa

Table of Contents**Condensed Balance Sheet**

In millions of Brazilian Reais

	Notes	Consolidated June 30, 2014 (unaudited)	December 31, 2013	Parent Company June 30, 2014 (unaudited)	December 31, 2013
Assets					
Current assets					
Cash and cash equivalents	7	15,560	12,465	1,264	3,635
Derivative financial instruments	23	503	471	389	378
Accounts receivable	8	9,185	13,360	22,645	14,167
Related parties	30	1,521	611	1,961	1,684
Inventories	9	10,981	9,662	3,572	3,287
Prepaid income taxes		2,237	5,563	2,039	4,629
Recoverable taxes	10	3,939	3,698	2,328	2,295
Advances to suppliers		503	292	94	130
Receivable from sale of investment	6c)	2,000		2,000	
Others		1,623	2,159	668	906
		48,052	48,281	36,960	31,111
Non-current assets held for sale and discontinued operation	6	1,672	8,822	1,672	7,051
		49,724	57,103	38,632	38,162
Non-current assets					
Related parties	30	232	253	823	864
Loans and financing agreements receivable		522	564	100	192
Judicial deposits	17	3,595	3,491	3,009	2,888
Recoverable income taxes		927	899		
Deferred income taxes	19	9,670	10,596	6,723	7,418
Recoverable taxes	10	789	668	398	258
Derivative financial instruments	23	435	329	45	
Deposit on incentive and reinvestment		472	447	443	418
Others		1,741	1,730	202	159
		18,383	18,977	11,743	12,197
Investments	11	11,251	8,397	117,440	123,370
Intangible assets, net	12	15,886	16,096	15,486	15,636
Property, plant and equipment, net	13	188,332	191,308	74,648	70,705
		233,852	234,778	219,317	221,908
Total		283,576	291,881	257,949	260,070

Table of Contents**Condensed Balance Sheet**

In millions of Brazilian Reais

(continued)

	Notes	Consolidated June 30, 2014 (unaudited)	December 31, 2013	Parent Company June 30, 2014 (unaudited)	December 31, 2013
Liabilities					
Current liabilities					
Suppliers and contractors		8,209	8,837	4,606	3,640
Payroll and related charges		2,262	3,247	1,521	2,228
Derivative financial instruments	23	932	556	680	435
Loans and financing	15	3,966	4,158	3,170	3,181
Related parties	30	482	479	6,870	6,453
Income Taxes Settlement Program	18	1,155	1,102	1,132	1,079
Taxes and royalties payable		1,305	766	594	356
Provision for income taxes		719	886		
Employee postretirement obligations	20	227	227	62	52
Asset retirement obligations	16	357	225	89	90
Others		1,370	985	294	756
		20,984	21,468	19,018	18,270
Liabilities directly associated with non-current assets held for sale and discontinued operation	6		1,050		
		20,984	22,518	19,018	18,270
Non-current liabilities					
Derivative financial instruments	23	2,101	3,496	2,023	3,188
Loans and financing	15	61,805	64,819	31,826	32,896
Related parties	30	390	11	30,610	32,013
Employee postretirement obligations	20	4,498	5,148	455	464
Provisions for litigation	17	3,306	2,989	2,330	2,008
Income taxes Settlement program	18	15,403	15,243	15,088	14,930
Deferred income taxes	19	7,406	7,562		
Asset retirement obligations	16	5,967	5,969	1,966	1,856
Stockholders Debentures	29(b)	4,806	4,159	4,806	4,159
Redeemable noncontrolling interest		625	646		
Gold stream transaction	28	3,222	3,508		

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Others	2,519	3,692	2,031	1,940
	112,048	117,242	91,135	93,454
Total liabilities	133,032	139,760	110,153	111,724
Stockholders equity	24			
Preferred class A stock - 7,200,000,000 no-par-value shares authorized and 2,027,172,718 (in 2013 - 2,108,579,618) issued	29,879	29,475	29,879	29,475
Common stock - 3,600,000,000 no-par-value shares authorized and 3,217,188,402 (in 2013 - 3,256,724,482) issued	47,421	45,525	47,421	45,525
Treasury stock - 59,405,792 (in 2013 - 140,857,692) preferred and 31,535,402 (in 2013 - 71,071,482) common shares	(2,746)	(7,838)	(2,746)	(7,838)
Results from operations with noncontrolling stockholders	(840)	(840)	(840)	(840)
Results on conversion of shares	50	50	50	50
Unrealized fair value gain (losses)	(2,451)	(2,815)	(2,451)	(2,815)
Cumulative translation adjustments	10,149	15,527	10,149	15,527
Retained earnings and revenue reserves	66,334	69,262	66,334	69,262
Total company stockholders equity	147,796	148,346	147,796	148,346
Noncontrolling interests	2,748	3,775		
Total stockholders equity	150,544	152,121	147,796	148,346
Total liabilities and stockholders equity	283,576	291,881	257,949	260,070

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

Table of Contents**Condensed Consolidated Statement of Income**

In millions of Brazilian Reais, except as otherwise stated

	Notes	(unaudited)			
		Three-month period ended		Six-month period ended	
		June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Continuing operations					
Net operating revenue	25	22,084	22,109	44,493	43,335
Cost of goods sold and services rendered	26	(13,566)	(12,232)	(26,738)	(23,040)
Gross profit		8,518	9,877	17,755	20,295
Operating (expenses) income					
Selling and administrative expenses	26	(528)	(646)	(1,195)	(1,349)
Research and evaluation expenses		(355)	(321)	(699)	(665)
Pre operating and stoppage operation		(589)	(951)	(1,175)	(1,700)
Other operating expenses, net	26	(364)	(485)	(870)	(723)
		(1,836)	(2,403)	(3,939)	(4,437)
Impairment of non-current assets		(1,730)		(1,730)	
Operating income		4,952	7,474	12,086	15,858
Financial income	27	2,702	1,769	5,832	3,038
Financial expenses	27	(2,831)	(8,778)	(5,633)	(10,714)
Equity results from associates and joint venture	11	542	104	1,001	446
Results on sale of investments from associates and joint ventures		(39)		(39)	
Net income before income taxes		5,326	569	13,247	8,628
Income taxes					
	19				
Current tax		(1,229)	(539)	(3,420)	(2,724)
Deferred tax		(1,007)	711	(1,153)	1,039
		(2,236)	172	(4,573)	(1,685)
Income from continuing operations		3,090	741	8,674	6,943
Loss attributable to noncontrolling interests		(97)	(68)	(422)	(182)
Net income attributable to the Company's stockholders		3,187	809	9,096	7,125
Discontinued Operations					
Loss from discontinued operations			23		(92)
Net loss attributable to the Company's stockholders			23		(92)
Net income		3,090	764	8,674	6,851
Loss attributable to noncontrolling interests		(97)	(68)	(422)	(182)

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Net income attributable to the Company's stockholders	3,187	832	9,096	7,033
Earnings per share attributable to the Company's stockholders:				
Basic and diluted earnings per share:	24			
Preferred share (in Brazilian reais)	0.62	0.16	1.77	1.36
Common share (in Brazilian reais)	0.62	0.16	1.77	1.36

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

Table of Contents**Condensed Statement of Income of Parent Company**

In millions of Brazilian Reais, except as otherwise stated

	Notes	(unaudited)			
		Three-month period ended June 30, 2014	June 30, 2013	Six-month period ended June 30, 2014	June 30, 2013
Net operating revenue		13,700	15,180	29,734	28,566
Cost of goods sold and services rendered	26	(5,922)	(5,236)	(11,887)	(9,784)
Gross profit		7,778	9,944	17,847	18,782
Operating (expenses) income					
Selling and administrative expenses	26	(301)	(376)	(623)	(762)
Research and evaluation expenses		(191)	(169)	(380)	(379)
Pre operating and stoppage operation		(91)	(284)	(195)	(529)
Equity results from subsidiaries	11	(2,569)	(1,084)	(4,684)	(955)
Other operating expenses, net	26	(435)	(127)	(773)	(355)
		(3,587)	(2,040)	(6,655)	(2,980)
Operating income		4,191	7,904	11,192	15,802
Financial income	27	2,378	1,722	5,315	2,872
Financial expenses	27	(2,374)	(8,352)	(4,660)	(9,725)
Equity results from associates and joint venture	11	542	104	1,001	446
Results on sale of investments from associates and joint ventures		(39)		(39)	
Net income before income taxes		4,698	1,378	12,809	9,395
Income taxes					
	19				
Current tax		(937)	(392)	(2,975)	(2,463)
Deferred tax		(574)	(154)	(738)	101
		(1,511)	(546)	(3,713)	(2,362)
Net income attributable to the Company's stockholders		3,187	832	9,096	7,033
Earnings per share attributable to the Company's stockholders:					
Basic and diluted earnings per share:					
	24				
Preferred share (in Brazilian reais)		0.62	0.16	1.77	1.36
Common share (in Brazilian reais)		0.62	0.16	1.77	1.36

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

Table of Contents**Condensed Statement of Comprehensive Income**

In millions of Brazilian Reais

	Consolidated (unaudited)			
	Three-month period ended		Six-month period ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Net income	3,090	764	8,674	6,851
Other comprehensive income				
Item that will not be reclassified subsequently to income				
Retirement benefit obligations				
Gross balance for the period	183	(399)	238	(327)
Effect of taxes	(40)	130	(46)	123
Equity results from associates and joint ventures, net taxes			3	
	143	(269)	195	(204)
Total items that will not be reclassified subsequently to income	143	(269)	195	(204)
Item that will be reclassified subsequently to income				
Cumulative translation adjustments				
Gross balance for the period	(1,325)	7,608	(5,472)	5,290
Unrealized loss on available-for-sale investments				
Gross balance for the period		(176)		(582)
Cash flow hedge				
Gross balance for the period	158	(109)	145	(238)
Effect of taxes	(16)	21	(8)	31
Equity results from associates and joint ventures, net taxes	5	(11)	6	(5)
Transfer of realized results to income, net of taxes	(34)	(35)	(71)	(1)
	113	(134)	72	(213)
Total items that will be reclassified subsequently to income	(1,212)	7,298	(5,400)	4,495
Total comprehensive income	2,021	7,793	3,469	11,142
Comprehensive income attributable to noncontrolling interests	(159)	200	(613)	(6)
Comprehensive income attributable to the Company's stockholders	2,180	7,593	4,082	11,148

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	Parent company (unaudited)			
	Three-month period ended		Six-month period ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Net income	3,187	832	9,096	7,033
Other comprehensive income				
Item that will not be reclassified subsequently to income				
Retirement benefit obligations				
Gross balance for the period	(65)	(306)	(127)	(465)
Effect of taxes	22	103	43	157
Equity results from entities, net taxes	186	(66)	279	104
Total items that will not be reclassified subsequently to income	143	(269)	195	(204)
Item that will be reclassified subsequently to income				
Cumulative translation adjustments				
Gross balance for the period	(1,263)	7,340	(5,281)	5,114
Unrealized loss on available-for-sale investments				
Equity results from entities, net taxes		(176)		(582)
Cash flow hedge				
Equity results from entities, net taxes	113	(134)	72	(213)
Total items that will be reclassified subsequently to income	(1,150)	7,030	(5,209)	4,319
Total comprehensive income	2,180	7,593	4,082	11,148

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

Table of Contents

Condensed Statement of Changes in Stockholders' Equity

In millions of Brazilian Reais

	Six-month period ended									
	Capital	Results on conversion of shares	Results from operation with noncontrolling stockholders	Revenue reserves	Treasury stock	Unrealized fair value gain (losses)	Cumulative translation adjustments	Retained earnings	Total Company stockholders' equity	Noncontrolling stockholders' interests
December 31, 2012	75,000	50	(840)	78,450	(7,838)	(4,176)	9,002	16	149,664	3,245
Net income								7,033	7,033	(182)
Other comprehensive income:										
Retirement benefit obligations						(204)			(204)	
Cash flow hedge						(213)			(213)	
Unrealized fair value results						(582)			(582)	
Translation adjustments						(240)	5,354		5,114	176
Contribution and distribution to stockholders:										
Capitalization of noncontrolling stockholders advances										20
Redeemable noncontrolling stockholders interest										61
Dividends to noncontrolling stockholders										(101)
Dividends and interest on capital to Company's stockholders								(4,453)	(4,453)	
June 30, 2013 (unaudited)	75,000	50	(840)	78,450	(7,838)	(5,415)	14,356	2,596	156,359	3,219

December 31, 2013	75,000	50	(840)	69,262	(7,838)	(2,815)	15,527	148,346	3,775
Net income							9,096	9,096	(422)
Other comprehensive income:									
Retirement benefit obligations						195		195	
Cash flow hedge						72		72	
Translation adjustments						97	(5,378)	(5,281)	(191)
Contribution and distribution to stockholders:									
Acquisitions and disposal of noncontrolling stockholders									(553)
Capitalization of reserves	2,300		(2,300)						
Capitalization of noncontrolling stockholders advances									150
Cancellation of treasury stock			(5,092)	5,092					
Dividends to noncontrolling stockholders									(11)
Dividends and interest on capital to Company's stockholders							(4,632)	(4,632)	
June 30, 2014 (unaudited)	77,300	50	(840)	61,870	(2,746)	(2,451)	10,149	147,796	2,748

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

Table of Contents**Condensed Statement of Cash Flow**

In millions of Brazilian Reais

	Consolidated (unaudited)			
	Three-month period ended June 30, 2014	June 30, 2013	Six-month period ended June 30, 2014	June 30, 2013
Cash flow from continuing operating activities:				
Net income from continuing operations	3,090	741	8,674	6,943
Adjustments to reconcile net income with cash from continuing operations				
Equity results from associates and joint ventures	(542)	(104)	(1,001)	(446)
Results on sale investments from associates and joint controlled entities	39		39	
Loss on disposal of property, plant and equipment	394	85	694	240
Impairment on non-current assets	1,730		1,730	
Depreciation, amortization and depletion	1,990	2,147	4,401	4,163
Deferred income taxes	1,007	(711)	1,153	(1,039)
Foreign exchange and indexation, net	(320)	1,389	(1,022)	750
Unrealized derivative losses, net	(629)	2,193	(1,087)	2,168
Stockholders' Debentures	598	170	647	506
Other	(24)	180	17	49
Decrease (increase) in assets:				
Accounts receivable	(412)	2,050	3,550	2,890
Inventories	324	916	(1,747)	219
Recoverable taxes	922	(207)	2,703	(226)
Other	115	(133)	272	255
Increase (decrease) in liabilities:				
Suppliers and contractors	126	463	166	(215)
Payroll and related charges	457	399	(963)	(884)
Taxes and contributions	174	184	(49)	144
Gold stream transaction				2,899
Other	173	125	193	(461)
Net cash provided by operating activities from continuing operations	9,212	9,887	18,370	17,955
Net cash provided by (used in) operating activities from discontinued operations		37		(68)
Net cash provided by operating activities	9,212	9,924	18,370	17,887
Cash flow from continuing investing activities:				
Short-term investments		321	3	(318)

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Loans and advances	343	(183)	116	(134)
Guarantees and deposits	(36)	(37)	(112)	(86)
Additions to investments	(170)	(219)	(456)	(586)
Additions to property, plant and equipment and intangible assets	(6,047)	(5,358)	(11,680)	(12,417)
Dividends and interest on capital received from associates and joint ventures	464	553	490	553
Proceeds from disposal of fixed assets\ Investments	709		709	190
Proceeds from Gold stream transaction				1,161
Net cash used in investing activities from continuing operations	(4,737)	(4,923)	(10,930)	(11,637)
Net cash used in investing activities from discontinued operations		(476)		(874)
Net cash used in investing activities	(4,737)	(5,399)	(10,930)	(12,511)
Cash flow from continuing financing activities:				
Loans and financing				
Additions	21	1,913	1,573	2,171
Repayments	(529)	(1,320)	(1,226)	(2,134)
Repayments to stockholders:				
Dividends and interest on capital paid to stockholders	(4,632)	(4,453)	(4,632)	(4,453)
Dividends and interest on capital attributed to noncontrolling interest		(23)		(23)
Net cash used in financing activities from continuing operations	(5,140)	(3,883)	(4,285)	(4,439)
Net cash provided by financing activities from discontinued operations		182		182
Net cash used in financing activities	(5,140)	(3,701)	(4,285)	(4,257)
Increase (decrease) in cash and cash equivalents	(665)	824	3,155	1,119
Cash and cash equivalents of cash, beginning of the period	16,252	12,197	12,465	11,918
Effect of exchange rate changes on cash and cash equivalents	(27)	105	(60)	89
Cash and cash equivalents, end of the period	15,560	13,126	15,560	13,126
Cash paid during the period for (i):				
Interest on loans and financing	(769)	(736)	(1,838)	(1,610)
Income taxes	(147)	(778)	(526)	(2,418)
Non-cash transactions:				
Additions to property, plant and equipment - interest capitalization	377	82	413	319

(i) Amounts paid are classified as cash flows from operating activities

Table of Contents**Condensed Statement of Cash Flow**

In millions of Brazilian Reais

	Parent company (unaudited) Six-month period ended	
	June 30, 2014	June 30, 2013
Cash flow from operating activities:		
Net income from continuing operations	9,096	7,033
Adjustments to reconcile net income with cash from continuing operations		
Equity results from entities	3,683	509
Loss on disposal of property, plant and equipment	187	205
Depreciation, amortization and depletion	1,544	1,198
Deferred income taxes	738	(101)
Foreign exchange and indexation, net	(3,036)	4,360
Unrealized derivative losses, net	(977)	1,744
Dividends and interest on capital received from subsidiaries	19	723
Stockholders' Debentures	647	507
Other	(62)	(112)
Decrease (increase) in assets:		
Accounts receivable	(8,397)	1,863
Inventories	(139)	628
Recoverable taxes	2,474	72
Other	345	477
Increase (decrease) in liabilities:		
Suppliers and contractors	1,206	(527)
Payroll and related charges	(707)	(679)
Taxes and contributions	290	(152)
Other	(446)	(1,231)
Net cash provided by operating activities	6,465	16,517
Cash flow from investing activities:		
Short-term investments	3	21
Loans and advances	923	326
Guarantees and deposits	(197)	(93)
Additions to investments	(1,384)	(3,893)
Additions to property, plant and equipment and intangible assets	(6,186)	(7,052)
Dividends and interest on capital received from associates and joint ventures	490	553
Proceeds from disposal of fixed assets\ Investments	709	
Net cash used in investing activities	(5,642)	(10,138)
Cash flow from continuing financing activities:		
Loans and financing		
Additions	3,213	2,399
Repayments	(1,775)	(2,763)
Repayments to stockholders:		

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Dividends and interest on capital paid to stockholders	(4,632)	(4,453)
Net cash used in financing activities	(3,194)	(4,817)
Increase (decrease) in cash and cash equivalents	(2,371)	1,562
Cash and cash equivalents of cash, beginning of the period	3,635	688
Cash and cash equivalents, end of the period	1,264	2,250
Cash paid during the period for (i):		
Interest on loans and financing	(1,573)	(1,517)
Income taxes	(60)	(1,966)
Non-cash transactions:		
Additions to property, plant and equipment - interest capitalization	75	13

(i) Amounts paid are classified as cash flows from operating activities

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

Table of Contents**Condensed Statement of Added Value**

In millions of Brazilian Reais

	Six-month period ended (unaudited)			
	Consolidated June 30, 2014	June 30, 2013	Parent Company June 30, 2014	June 30, 2013
Generation of added value from continued operations				
Gross revenue				
Revenue from products and services	45,310	44,138	30,177	29,168
Other revenue	486	283	383	360
Revenue from the construction of own assets	11,680	13,121	6,186	6,691
Allowance for doubtful accounts	(7)	12	10	(6)
Less:				
Acquisition of products	(1,975)	(1,421)	(570)	(360)
Outsourced services	(14,002)	(10,747)	(7,961)	(7,369)
Materials	(4,798)	(9,043)	(2,511)	(2,651)
Oil and gas	(1,964)	(1,795)	(1,297)	(1,098)
Energy	(641)	(624)	(319)	(358)
Freight	(3,543)	(2,622)		
Impairment of non-current assets	(1,730)			
Other costs and expenses	(3,939)	(3,936)	(1,048)	(1,998)
Gross added value	24,877	27,366	23,050	22,379
Depreciation, amortization and depletion	(4,401)	(4,163)	(1,544)	(1,198)
Net added value	20,476	23,203	21,506	21,181
Received from third parties				
Equity results	1,001	446	(3,683)	(509)
Financial income	606	485	436	446
Monetary and exchange variation of assets	(774)	878	(720)	1,136
Total added value to be distributed from continued operations	21,309	25,012	17,539	22,254
Added value to be distributed from discontinued operations		493		
Total added value to be distributed	21,309	25,505	17,539	22,254
Personnel	4,460	3,687	2,218	1,727
Taxes, rates and contribution	3,016	3,316	2,498	2,698
Current income tax	3,420	2,724	2,975	2,463
Deferred income tax	1,153	(1,039)	738	(101)
Financial expense (includes capitalized interest)	2,959	4,227	2,446	3,213
Monetary and exchange variation of liabilities	(3,047)	4,882	(3,318)	4,683
Other remunerations of third party funds	674	272	886	538
	9,096	7,125	9,096	7,033

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Net income from continued operations attributable to controlling interest				
Net loss attributable to noncontrolling interest	(422)	(182)		
Distribution of added value from continued operations	21,309	25,012	17,539	22,254
Distribution of added value from discontinued operations		493		
Distribution of added value	21,309	25,505	17,539	22,254

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

Table of Contents

Selected Notes to Condensed Consolidated Interim Financial Statements

Expressed in millions of Brazilian Reais, unless otherwise stated

1. Operational Context

Vale S.A. (the Parent Company) is a public company headquartered at 26, Av. Graça Aranha, Rio de Janeiro, Brazil with securities traded on the Brazilian (BM&F BOVESPA), New York (NYSE), Paris (NYSE Euronext) and Hong Kong (HKEx) stock exchanges.

Vale S.A. and its direct and indirect subsidiaries (Vale , Group , Company or we) are principally engaged in the research, production and sale of iron ore and pellets, nickel, fertilizer, copper, coal, manganese, ferroalloys, cobalt, platinum group metals and precious metals. The Company also operates in the segments of energy and steel. The information by segment is presented in Note 25.

2. Summary of the Main Accounting Practices and Accounting Estimates

a) Basis of presentation

The consolidated condensed financial statements of the Company (Interim Financial Statements) have been prepared in accordance with the IAS 34 of International Financial Reporting Standards (IFRS), related to CPC 21 issued by the Brazilian Accountant Pronouncements Committee (CPC) and approved by the Brazilian Securities Exchange Commission (CVM) and Brazilian Federal Accounting Council (CFC).

The individual interim financial statements of the Parent Company (individual financial statements) has been prepared in accordance with accounting practices adopted in Brazil (BR GAAP) issued by CPC and approved by CVM and CFC, and they are disclosed with the consolidated interim financial statements.

In the Group, the accounting practices adopted in Brazil applicable to the individual interim financial statements differ from IFRS applicable to separate financial statements, only for the measurement of investments at equity method in subsidiaries, joint ventures and associates, as under the rules of IFRS would be the cost or fair value.

The condensed consolidated interim financial statements have been prepared under the historical cost convention as adjusted to reflect: (i) the fair value of held for trade financial instruments measured at fair value through the Statement of Income and also available for sale financial instruments measured at fair value through the Statement of Comprehensive Income; and (ii) the impairment loss.

These condensed consolidated interim financial statements have been reviewed, not audited. However, principles, estimates, accounting practices, measurement methods and standards adopted are consistent with those presented on the financial statements for the year ended December 31, 2013, except as otherwise disclosed. These condensed consolidated interim financial statements were prepared by Vale to update users about relevant information presented in the period and should be read in conjunction with the financial statements for the year ended December 31, 2013.

We evaluated subsequent events through July 30, 2014, which was the date of the condensed consolidated interim financial statement were approved by the Board of Directors.

b) Functional currency and presentation currency

The condensed consolidated interim financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (functional currency), which in the case of the Parent Company is the Brazilian Real (BRL or R\$). For presentation purposes, these condensed consolidated financial statements are presented in Brazilian Real.

Operations in other currencies are translated into the functional currency of each entity using the actual exchange rates in force on the respective transactions dates. The foreign exchange gains and losses resulting from the translation at the exchange rates in force at the end of the period are recognized in the Statement of Income as financial expense or income. The exceptions are transactions for which gains and losses are recognized in the Statement of Comprehensive Income.

Table of Contents

Statement of Income and Balance Sheet of all Group entities whose functional currency is different from the presentation currency are translated into the presentation currency as follows: (i) Assets, liabilities and Stockholders' equity (except components described in item (iii)) for each Balance Sheet presented are translated at the closing rate at the Balance Sheet date; (ii) income and expenses for each Statement of Income are translated at the average exchange rates, except for specific transactions that, considering their significance, are translated at the rate at the transaction date and; (iii) capital, capital reserves and treasury stock are translated at the rate at the dates of each transaction. All resulting exchange differences are recognized in a separate component of the Statement of Comprehensive Income, the Cumulative Translation Adjustment account, and subsequently transferred to the Statement of Income when the assets are realized.

The exchange rates of the major currencies that impact our operations against the functional currency were:

	Exchange rates used for conversions in Brazilian Reais			
	Exchange rate on		Average rate for the six-months period ended	
	June 30, 2014 (unaudited)	December 31, 2013	June 30, 2014 (unaudited)	June 30, 2013 (unaudited)
US Dollar - US\$	2.2025	2.3426	2.2974	2.0333
Canadian Dollar - CAD	2.0634	2.2031	2.0954	2.0013
Australian Dollar - AUD	2.0761	2.0941	2.1008	2.0618
Euro - EUR or	3.0150	3.2265	3.1485	2.6694

3. Critical Accounting Estimates

The critical accounting estimates are the same as those adopted in preparing the interim financial statements for the year ended December 31, 2013, with the exception of the following standards and interpretations adopted in 2014 (as described in Note 4).

4. Accounting Standards

a) Standards, interpretations or amendments issued by the IASB and effective from January 1, 2014

Novation of Derivatives and Continuation of Hedge Accounting In June 2013 IASB issued an amendment to IAS 39 Financial Instruments: Recognition and Measurement, that document conclude that hedge accounting does not terminate or expire a derivative financial instrument replaces their original counterparty to become the new counterparty to each of the parties as consequence of law or regulation. This standard had no material effect on these financial statements.

IFRIC 21 Levies In May 2013 IASB issued an interpretation about the recognition of a government imposition (levies). We adopted this standard beginning January 1, 2014. This standard had no material effect on these financial statements.

Recoverable Amount Disclosures for Non-Financial Assets In May 2013 IASB issued an amendment to IAS 36 Impairment of Asset that clarifies the IASB intention about the disclosure of non financial assets impairment. This standard had no material effect on these financial statements.

a) **Standards, interpretations or amendments issued by the IASB in the period and effective after January 1, 2014**

Accounting for Acquisitions of Interests in Joint Operations In May 2014 the IASB issued an amendment to IFRS 11 - Joint Arrangements, to provide guidance on the accounting for acquisitions of interests in joint operations in which the activity constitutes a business. The adoption of the amendment will be required from January 1, 2016 and we are analyzing potential impacts regarding this update on our financial statements.

Clarification of Acceptable Methods of Depreciation and Amortisation In May 2014 the IASB issued an amendment to IAS 16 - Property, Plant and Equipment and IAS 38 - Intangible Assets, established the pattern of consumption of an asset's expected future economic benefits as acceptable methods of depreciation and amortization of assets. The IASB clarifies that the use of methods based on revenues to calculate depreciation of an asset and also to measure the consumption of the economic benefits embodied in an intangible asset, are not appropriate. The adoption of the amendment will be required from January 1, 2016 and we are analyzing potential impacts regarding this update on our financial statements.

Table of Contents

IFRS 15 Revenue from Contracts with Customers - In May 2014 the IASB issued IFRS 15 statement - Revenue from Contracts with customers, sets out the requirements for revenue recognition that apply to all contracts with customer (except for contracts that are within the scope of the Standards on leases, insurance contracts and financial instruments), and replaces the current pronouncements IAS 18 - revenue, IAS 11 - Construction contracts and interpretations related to revenue recognition. The principle core in that framework is that a company should recognize revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. The adoption will be required from January 1, 2017 and is worth analyzing potential impacts regarding this pronouncement on our financial statements.

5. Risk Management

During the period there was no significant change in relation to risk management policies disclosed in the financial statements for the year ended December 31, 2013.

6. Non-current assets and liabilities and held for sale

Described below assets and liabilities held for sale and discontinued operations reclassified during the period:

	June 30, 2014 (unaudited)			Consolidated		December 31, 2013	
	Energy	Vale Florestar	Total	General Cargo - Logistic	Energy	Total	
Assets held for sale and discontinued operation							
Accounts receivable				330		330	
Other current assets				634		634	
Investments	203	177	380		186	186	
Intangible, net				3,951		3,951	
Property, plant and equipment, net	1,292		1,292	2,406	1,315	3,721	
Total assets	1,495	177	1,672	7,321	1,501	8,822	
Liabilities associated with assets held for sale and discontinued operation							
Suppliers and contractors				198		198	
Payroll and related charges				144		144	

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Other current liabilities				262		262
Other non-current liabilities				446		446
Total liabilities				1,050		1,050
Assets and liabilities from discontinued operation	1,495	177	1,672	6,271	1,501	7,772

a) **Vale Florestar**

In June 2014, informs that it has signed an agreement with a subsidiary of Suzano Papel e Celulose (Suzano), a company that produces eucalyptus pulp, for the sale of its entire stake in Vale Florestar Fundo de Investimento em Participações (FIP Vale Florestar) for R\$205.

The completion of this transaction is subject to fulfillment of conditions precedent and approvals, including by the Conselho Administrativo de Defesa Econômica (CADE).

The loss of this transaction, of R\$39 was recorded in the income statement in the line Results on sale investments from associates and joint controlled entities .

Table of Contents**b) Energy Generation Assets**

In December 2013, the company signed agreements with CEMIG Geração e Transmissão S.A. (CEMIG GT), as follow : (i) to sell 49% of it stakes of 9% over Norte Energia S.A.(Norte Energia), company in charge of the construction, operation and exploration of Belo Monte Hydroelectric facility (Belo Monte), and (ii) to create a joint venture named Aliança Geração de Energia S/A (Aliança) to be constituted by Vale and CEMIG through contribution of the holdings to the following power generation assets: Porto Estrela, Igarapava, Funil, Capim Branco I and II, Aimorés and Candonga. No cash will be disbursed as part of the transaction. Vale and CEMIG GT will hold respectively 55% and 45% of the new company, which will supply energy to Vale operations, previously guaranteed by its own generation plant, ensured by a long-term contract.

The operation above is still pending of approval from Brazilian Electricity Regulatory Agency (Agência Nacional de Energia Elétrica or ANEEL). The assets were transferred to assets held for sale with no impact in the Statement of Income.

c) General Cargo Logistic

At the end of 2013, Vale entered to an agreement to dispose of control over its subsidiary VLI S.A. (VLI), which aggregates all operations of the General cargo logistic segment. As a consequence, beginning on January 1, 2014, the investment in VLI has been accounted as an investment in associate (Note 11).

In April 2013, Vale finalized the sale of its 35,9% stake in VLI capital to Mitsui & Co and to Fundo de Garantia de tempo de Serviço (FGTS) for the amount of R\$2,709 of, which R\$2,000 was settled through capital contribution directly in VLI. The amount of 26,5% to be received of the Brookfield Asset Management, on amount of R\$2,000, is recorded on our Balance Sheet as Receivable from sale of investment , awaiting approvals from the relevant government agencies.

7. Cash and Cash Equivalents

	Consolidated		Parent Company	
	June 30, 2014 (unaudited)	December 31, 2013	June 30, 2014 (unaudited)	December 31, 2013
Cash and bank accounts	5,430	3,649	31	28
Short-term investments	10,130	8,816	1,233	3,607
	15,560	12,465	1,264	3,635

Cash and cash equivalents includes cash, immediately redeemable deposits net and short-term investments with an insignificant risk of changes in value, part in Brazilian Real, indexed to the Brazilian Interbank Interest rate (DI Rate or CDI) and part denominated in US Dollar, mainly time deposits.

8. Accounts Receivables

	Consolidated		Parent Company	
	June 30, 2014 (unaudited)	December 31, 2013	June 30, 2014 (unaudited)	December 31, 2013
Denominated in Reais Brazilian Reais	1,927	1,193	1,598	1,275
Denominated in other currencies, mainly US\$	7,464	12,375	21,128	12,984
	9,391	13,568	22,726	14,259
Allowance for credit losses	(206)	(208)	(81)	(92)
	9,185	13,360	22,645	14,167

In consolidated the accounts receivable related to the steel sector represented 80.73% and 79.70%, of total receivable on June 30, 2014 and December 31, 2013, respectively. In the parent company the steel sector represents on June 30, 2014 and December 31, 2013, 94.16% and 91.77% of the accounts receivable, respectively.

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

The estimated losses related to accounts receivable recorded in the Statements of Income in three-month period ended on June 30, 2014 and June 30, 2013 totaled R\$46 and R\$2 and six-month period ended totaled R\$(7) and R\$12, respectively. Write-offs in three-month period ended at June 30, 2014 and June 30, 2013 totaled R\$96 and R\$17 and six-month period ended totaled R\$101 and R\$32, respectively.

Table of Contents**9. Inventory**

Inventories are comprised as follows:

	Consolidated		Parent Company	
	June 30, 2014 (unaudited)	December 31, 2013	June 30, 2014 (unaudited)	December 31, 2013
Inventories of products				
Bulk Material				
Iron ore	2,447	1,513	1,730	1,574
Pellets	265	206	249	162
Manganese and ferroalloys	193	177		
	2,905	1,896	1,979	1,736
Coal	539	746		
	3,444	2,642	1,979	1,736
Base Metals				
Nickel and other products	3,563	3,276	343	351
Copper	72	53	29	23
	3,635	3,329	372	374
Fertilizers				
Potash	15	19		
Phosphates	748	734		
Nitrogen	44	45		
	807	798		
Other products	11	15	3	4
Total inventories of products	7,897	6,784	2,354	2,114
Inventory of material supplies	3,084	2,878	1,218	1,173
Total	10,981	9,662	3,572	3,287

On June 30, 2014 and December 31, 2013 balances included a provision to adjust inventories at market value for nickel, in the amount of R\$0 and R\$28, respectively; and manganese in the amount of R\$2 and R\$2, respectively; and coal in the amount of R\$328 and R\$228, respectively.

	Consolidated (unaudited)			
	Three-month period ended		Six-month period ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Inventories of products				
Balance at beginning of the period	7,796	7,797	6,784	7,351

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Production/acquisition	12,098	10,159	24,790	19,575
Transfer from inventory of materials supplies	1,819	2,089	3,734	4,008
Cost of goods sold	(13,566)	(12,865)	(26,738)	(24,303)
Provision/ reversal of the write-off of lower cost or market value adjustment (a)	(39)	(193)	(330)	(248)
Translation adjustments	(211)	747	(343)	740
Net effect of discontinued operation in the period		609		1,220
Balance at end of the period	7,897	8,343	7,897	8,343

(a) Includes provision for market value adjustments

	Parent company (unaudited) Six-month period ended	
	June 30, 2014	June 30, 2013
Inventories of products		
Balance at beginning of the period	2,114	2,080
Production/acquisition	10,179	8,553
Transfer from inventory of materials supplies	1,948	1,598
Cost of goods sold	(11,887)	(9,784)
Balance at end of the period	2,354	2,447

(a) Includes provision for market value adjustments

	Consolidated (unaudited)			
	Three-month period ended		Six-month period ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Inventories of materials supplies				
Balance at beginning of the period	2,961	3,087	2,878	2,969
Acquisition	2,024	1,538	4,096	3,546
Transfer to inventories of products	(1,819)	(2,089)	(3,734)	(4,008)
Net effect of discontinued operation in the period		48		86
Translation adjustments	(82)	265	(156)	256
Balance at ended of the period	3,084	2,849	3,084	2,849

Table of Contents

	Parent Company Six-month period ended	
	June 30, 2014	June 30, 2013
Inventories of materials supplies		
Balance at beginning of the period	1,173	1,202
Acquisition	1,993	1,640
Transfer to inventories of products	(1,948)	(1,598)
Balance at ended of the period	1,218	1,244

10. Recoverable Taxes

	Consolidated		Parent Company	
	June 30, 2014 (unaudited)	December 31, 2013	June 30, 2014 (unaudited)	December 31, 2013
Value-added tax	2,953	2,643	1,544	1,348
Brazilian Federal Contributions (PIS - COFINS)	1,674	1,594	1,146	1,156
Others	101	129	36	49
Total	4,728	4,366	2,726	2,553
Current	3,939	3,698	2,328	2,295
Non-current	789	668	398	258
Total	4,728	4,366	2,726	2,553

11. Investments

The changes of investments in subsidiaries, associates and joint ventures are as follow:

	Consolidated (unaudited)			
	Three-month period ended		Six-month period ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Balance on beginning of the period	12,029	12,923	8,397	13,044
Additions	151	219	437	587
Cumulative translation adjustment	(52)	218	(96)	(156)
Equity results	542	104	1,001	446
Equity on other comprehensive income	(1)	(11)	3	(410)
Dividends declared	(1,202)	(1,126)	(1,296)	(1,184)
Transfer- Control acquisition			181	
Transfer to held for sale/ financial instruments - investments (a)	(216)	(3,910)	(216)	(3,910)

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Transfers from held for sale (b)			2,840	
Balance on ended of the period	11,251	8,417	11,251	8,417

	Parent company (unaudited)	
	Six-month period ended	
	June 30, 2014	June 30, 2013
Balance on beginning of the period	123,370	121,629
Additions	1,367	3,893
Cumulative translation adjustment	(5,017)	5,025
Equity results	(3,683)	(509)
Equity on other comprehensive income	349	(717)
Dividends declared	(1,570)	(2,033)
Transfer to held for sale (a)	(216)	
Transfers from held for sale (b)	2,840	
Balance on ended of the period	117,440	127,288

(a) Consolidated transfers to held for sale refers to investments in Vale Florestar R\$216 in 2014 and investments in Hydro R\$3.910 in 2013.

(b) Consolidated transfers from held for sale refers to investments in VLI R\$2.840

Table of Contents**Investments (Continued)**

	Location	Principal activity	% ownership	% voting capital	Investments		Equity results (unaudited)			
					As of December 31, June 30, 2014 (unaudited)	2013	Three-month period ended		Six-month period	
					June 30, 2014 (unaudited)	2013	June 30, 2014	June 30, 2013	June 30, 2014	June
Entities										
Direct and indirect subsidiaries										
Aços Laminados do Pará S.A.	Brazil	Steel	100.00	100.00	325	321		1		
Biopalma da Amazônia S.A. (a)	Brazil	Energy	70.00	70.00	732	559	(33)	(82)	(37)	
Companhia Portuária da Baía de Sepetiba - CPBS		Iron ore	100.00	100.00	354	377	86	59	157	
Compañía Minera Miski Mayo S.A.C (a)	Peru									
Mineração Corumbaense Reunida S.A.	Brazil	Fertilizers	40.00	51.00	452	493	(3)	(7)	(11)	
Minerações Brasileiras Reunidas S.A. - MBR (b)	Brazil	Iron ore and Manganese	100.00	100.00	1,380	1,306	140	82	182	
Potasio Rio Colorado S.A. (a)	Argentina	Iron ore	98.32	98.32	4,345	4,500	37	14	(12)	
Salobo Metais S.A. (a)	Brazil	Fertilizers	100.00	100.00	1,530	1,530	(12)	(159)	(17)	
Sociedad Contractual Minera Tres Valles (c)	Chile	Copper	100.00	100.00	7,484	7,120	87	11	136	
Tecnored Desenvolvimento Tecnológico S.A. (a) (i)	Brazil							(32)		
Vale International Holdings GMBH (b)	Austria	Iron ore	100.00	100.00	104		(19)		(23)	
Vale Canada Holdings Limited (b)	Canada	Holding and research	100.00	100.00	8,543	14,026	(1,434)	44	(1,500)	
Vale Canada Limited (b)	Canada	Holding	100.00	100.00	4,248	1,075	(3)	(4)	(7)	
Vale Fertilizantes S.A. (antiga Mineração Naque S.A.) (a) (b)	Brazil	Nickel	100.00	100.00	15,062	19,312	(134)	(188)	(166)	
		Fertilizers	100.00	100.00	13,944	13,751	(30)	39	(100)	
	Switzerland		100.00	100.00	25,549	29,058	(1,278)	(978)	(3,198)	

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Vale International S.A. (b)		Trading and holding							
Vale Malaysia Minerals	Malaysia	Iron ore	100.00	100.00	2,526	2,321	(23)	(12)	(11)
Vale Manganês S.A.	Brazil	Manganese and Ferroalloys	100.00	100.00	655	665	16	(14)	(9)
Vale Mina do Azul S.A.	Brazil	Manganese	100.00	100.00	330	351	19	23	22
Vale Moçambique	Mozambique	Coal	100.00	100.00	11,339	10,060	(152)	632	(124)
Vale Shipping Holding Pte. Ltd.	Singapore	Logistic of iron ore	100.00	100.00	6,287	6,482	88	89	172
VLI S.A. (g)	Brazil	General Cargo Logistics						31	
Others					1,000	1,666	79	(633)	(138)
					106,189	114,973	(2,569)	(1,084)	(4,684)
Joint Ventures									
California Steel Industries, INC	USA	Steel	50.00	50.00	411	425	13	8	18
Companhia Coreano-Brasileira de Pelotização - KOBRASCO	Brazil	Pellets	50.00	50.00	210	213	18	7	36
Companhia Hispano-Brasileira de Pelotização - HISPANOBRÁS (f)	Brazil	Pellets	50.89	51.00	188	196	9	3	17
Companhia Ítalo-Brasileira de Pelotização - ITABRASCO (f)	Brazil	Pellets	50.90	51.00	151	145	8	(1)	18
Companhia Nipo-Brasileira de Pelotização - NIBRASCO (f)	Brazil	Pellets	51.00	51.11	395	372	49	5	78
CSP- Companhia Siderúrgica do PECEM (h)	Brazil	Steel	50.00	50.00	2,007	1,608	(12)	(4)	(19)
MRS Logística S.A. (d)	Brazil	Iron ore	47.59	46.75	1,299	1,322	48	47	81
Norte Energia S.A. Samarco	Brazil	Energy	4.59	4.59	211	193	(1)	(1)	(2)
Mineração S.A. (e)	Brazil	Pellets	50.00	50.00	804	1,023	396	146	804
Others					102	109	(4)	(24)	1
					5,778	5,606	524	186	1,032
Direct and indirect associate									
Henan Longyu Energy Resources CO., LTD.	China	Coal	25.00	25.00	827	835	18	25	47
LOG-IN - Logística Intermodal S/A (c)	Brazil	Logistics							
Mineração Rio Grande do Norte S.A. - MRN	Brazil	Bauxite	40.00	40.00	256	259	5	2	18
Teal Minerals Incorporated	Zambia	Copper	50.00	50.00	477	535	(15)	(6)	(27)
Tecnored Desenvolvimento Tecnológico S.A. (a) (i)	Brazil	Iron ore				91		(6)	(3)
Thyssenkrupp CSA Companhia Siderúrgica do Atlântico	Brazil	Steel	26.87	26.87	699	752	(22)	(98)	(64)
VLI S.A. (g)	Brazil	General Cargo Logistics	37.61	37.61	2,879		42		42
Zhuhai YPM Pellet Co	China	Pellets	25.00	25.00	54	58			

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Others	281	261	(10)	1	(44)
	5,473	2,791	18	(82)	(31)
Total of associates and joint ventures	11,251	8,397	542	104	1,001
Total	117,440	123,370	(2,027)	(980)	(3,683)

Table of Contents

- (a) Investment balance includes the amounts of advances for future capital increase;
- (b) Stockholder's equity is excluded of other investments presented in the table.
- (c) Company sold in December 2013;
- (d) Main data of MRS in 2014: Total Assets R\$6,777, Liabilities R\$4,047, Operational results R\$327, Financial results R\$(63), Income taxes R\$(91);
- (e) Main data of Samarco in 2014: total Assets R\$14,444, Liabilities R\$12,837, Operational results R\$1,678, Financial results R\$333, Income taxes R\$(401);
- (f) Although Vale held majority of the voting interest of investees accounted for under the equity method, we do not consolidate due to existing veto rights held by noncontrolling shareholders prevents consolidation;
- (g) Considering the updated interest after the transaction conclusion and the respective shareholders agreement, as described in Note 6;
- (h) Pre-operational stage, and
- (i) Consolidated since March 2014.

12. Intangible Assets

	Consolidated					
	June 30, 2014 (unaudited)		Net	December 31, 2013		Net
	Cost	Amortization		Cost	Amortization	
Indefinite useful life						
Goodwill	9,439		9,439	9,698		9,698
Finite useful life						
Concessions and subconcessions	7,886	(3,165)	4,721	7,259	(2,793)	4,466
Right of use	734	(202)	532	769	(175)	594
Others	3,044	(1,850)	1,194	3,033	(1,695)	1,338
	11,664	(5,217)	6,447	11,061	(4,663)	6,398
Total	21,103	(5,217)	15,886	20,759	(4,663)	16,096

	Parent Company					
	June 30, 2014 (unaudited)		Net	December 31, 2013		Net
	Cost	Amortization		Cost	Amortization	
Indefinite useful life						
Goodwill	9,439		9,439	9,698		9,698
Finite useful life						
	7,886	(3,165)	4,721	7,259	(2,793)	4,466

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Concessions and subconcessions						
Right of use	223	(91)	132	223	(89)	134
Others	3,044	(1,850)	1,194	3,033	(1,695)	1,338
	11,153	(5,106)	6,047	10,515	(4,577)	5,938
Total	20,592	(5,106)	15,486	20,213	(4,577)	15,636

Rights of use refers basically to the usufruct contract entered into with noncontrolling stockholders to use the shares of Empreendimentos Brasileiros de Mineração S.A. (owner of MBR shares) and intangible assets identified in business combination of Vale Canada. The amortization of the right of use will expire in 2037 and Vale Canada's intangible will end in September 2046. The concessions and sub-concessions refer to the agreements with the Brazilian government for the exploration and the development of ports and railways.

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

	Consolidated				
	Three-month period ended (unaudited)				
	Goodwill	Concessions and Subconcessions	Right of use	Others	Total
Balance on March 31, 2013	9,285	7,845	593	1,066	18,789
Addition		250		143	393
Disposals		(6)		(4)	(10)
Amortization		(95)	(12)	(59)	(166)
Translation adjustment of the period	293		30		323
Net effect of discontinued operation in the period		48			48
Balance on June 30, 2013	9,578	8,042	611	1,146	19,377
Balance on March 31, 2014	9,451	4,789	545	1,269	16,054
Addition		171		1	172
Disposals		(2)			(2)
Amortization		(237)	(16)	(76)	(329)
Translation adjustment of the period			3		3
Transfers to held for sale	(12)				(12)
Balance on June 30, 2014	9,439	4,721	532	1,194	15,886

Table of Contents

	Consolidated (unaudited) Six-month period ended				
	Goodwill	Concessions and Subconcessions	Right of use	Others	Total
Balance on December 31, 2012	9,407	7,674	619	1,122	18,822
Addition		499		160	659
Disposals		(10)		(5)	(15)
Amortization		(187)	(22)	(131)	(340)
Translation adjustment	171		14		185
Net effect of year from discontinued operations		66			66
Balance on June 30, 2013 (unaudited)	9,578	8,042	611	1,146	19,377
Balance on December 31, 2013	9,698	4,466	594	1,338	16,096
Addition		606		12	618
Disposals		(9)			(9)
Amortization		(342)	(33)	(156)	(531)
Translation adjustment	(259)		(29)		(288)
Balance on June 30, 2014 (unaudited)	9,439	4,721	532	1,194	15,886

	Parent Company Six-month period ended				
	Goodwill	Concessions and Subconcessions	Right of use	Others	Total
Balance on December 31, 2012	9,407	3,996	139	1,122	14,664
Addition		499		161	660
Disposals		(10)		(4)	(14)
Amortization		(187)	(3)	(132)	(322)
Translation adjustment	171				171
Balance on June 30, 2013 (unaudited)	9,578	4,298	136	1,147	15,159
Balance on December 31, 2013	9,698	4,466	134	1,338	15,636
Addition		606		12	618
Disposals		(9)			(9)
Amortization		(342)	(2)	(156)	(500)
Translation adjustment	(259)				(259)
Balance on June 30, 2014 (unaudited)	9,439	4,721	132	1,194	15,486

13. Property, plant and equipment

	June 30, 2014 (unaudited)			Consolidated December 31, 2013		
	Cost	Accumulated Depreciation	Net	Cost	Accumulated Depreciation	Net
Land	2,561		2,561	2,215		2,215

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Buildings	23,777	(5,570)	18,207	23,228	(4,992)	18,236
Facilities	39,003	(11,709)	27,294	36,683	(11,061)	25,622
Computer equipment	1,535	(1,077)	458	1,592	(1,163)	429
Mineral properties	48,789	(12,783)	36,006	50,608	(12,479)	38,129
Others	63,965	(20,517)	43,448	63,600	(19,698)	43,902
Construction in progress	60,358		60,358	62,775		62,775
	239,988	(51,656)	188,332	240,701	(49,393)	191,308

	Parent Company			Parent Company		
	June 30, 2014 (unaudited)		Net	December 31, 2013		Net
Cost	Accumulated Depreciation	Cost		Accumulated Depreciation		
Land	1,381		1,381	1,322		1,322
Buildings	11,214	(1,874)	9,340	11,167	(1,718)	9,449
Facilities	21,645	(4,902)	16,743	18,884	(4,534)	14,350
Computer equipment	634	(470)	164	695	(512)	183
Mineral properties	2,902	(675)	2,227	3,188	(822)	2,366
Others	23,799	(9,271)	14,528	22,953	(8,815)	14,138
Construction in progress	30,265		30,265	28,897		28,897
	91,840	(17,192)	74,648	87,106	(16,401)	70,705

Table of Contents

	Consolidated							Total
	Three-month period ended (unaudited)							
	Land	Building	Facilities	Computer equipment	Mineral properties	Others	Constructions in progress	
Balance on March 31, 2013	1,747	12,886	23,726	744	35,206	37,330	63,212	174,851
Acquisitions (i)							4,883	4,883
Disposals			(25)			(35)	(49)	(109)
Depreciation and amortization		(127)	(481)	(39)	(414)	(652)		(1,713)
Translation adjustment	(39)	215	564	(321)	2,611	1,919	3,305	8,254
Transfers	335	1,063	605	64	92	1,168	(3,327)	
Net effect of discontinued operation in the period				(1)		277	(179)	97
Balance on June 30, 2013	2,043	14,037	24,389	447	37,495	40,007	67,845	186,263
Balance on March 31, 2014	2,496	18,520	28,318	535	36,655	43,651	59,378	189,553
Acquisitions (i)							6,252	6,252
Disposals	(1)	(85)		(2)	(67)	(4)	(233)	(392)
Impairment			(1)		(1,715)	(4)	(10)	(1,730)
Depreciation and amortization		(460)	(106)	(31)	(382)	(858)		(1,837)
Translation adjustment	(7)	(348)	(361)	(71)	(676)	(1,191)	(860)	(3,514)
Transfers	73	580	(556)	27	2,191	1,854	(4,169)	
Balance on June 30, 2014	2,561	18,207	27,294	458	36,006	43,448	60,358	188,332

	Consolidated							Total
	Six-month period ended							
	Land	Building	Facilities	Computer equipment	Mineral properties	Others	Constructions in progress	
Balance on December 31, 2012	1,381	12,451	24,024	769	38,553	37,147	59,130	173,455
Acquisitions (i)							11,439	11,439
Disposals		(1)	(100)	(1)	(680)	(277)	(190)	(1,249)
Depreciation and amortization		(248)	(912)	(80)	(901)	(1,880)		(4,021)
Translation adjustment	(39)	137	357	(326)	1,574	1,706	3,168	6,577
Transfers	701	1,699	1,020	87	(1,051)	2,803	(5,259)	
Net effect of discontinued operation in the period		(1)		(2)		508	(443)	62
Balance on June 30, 2013 (unaudited)	2,043	14,037	24,389	447	37,495	40,007	67,845	186,263
Balance on December 31, 2013	2,215	18,236	25,622	429	38,129	43,902	62,775	191,308
Acquisitions (i)							11,475	11,475
Disposals	(2)	(110)	(7)	(6)	(204)	(78)	(278)	(685)
Impairment			(1)		(1,715)	(4)	(10)	(1,730)

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Depreciation and amortization		(638)	(738)	(64)	(908)	(1,982)		(4,330)
Translation adjustment	138	(552)	(1,055)	(37)	(2,197)	(1,510)	(2,493)	(7,706)
Transfers	210	1,271	3,473	136	2,901	3,120	(11,111)	
Balance on June 30, 2014 (unaudited)	2,561	18,207	27,294	458	36,006	43,448	60,358	188,332

	Parent Company							
	Six-month period ended							
	Land	Building	Facilities	Computer equipment	Mineral properties	Others	Constructions in progress	Total
Balance on December 31, 2012	1,162	4,376	12,300	218	3,814	9,288	30,073	61,231
Acquisitions (i)							6,392	6,392
Disposals			(3)			(53)	(135)	(191)
Depreciation and amortization		(91)	(311)	(43)	(148)	(510)		(1,103)
Others	201	1,223	1,112	22	(1,491)	2,072	(3,139)	
Balance on June 30, 2013 (unaudited)	1,363	5,508	13,098	197	2,175	10,797	33,191	66,329
Balance on December 31, 2013	1,322	9,449	14,350	183	2,366	14,138	28,897	70,705
Acquisitions (i)							5,643	5,643
Disposals		(23)	(2)	(4)	(92)	(15)	(42)	(178)
Depreciation and amortization		(166)	(330)	(37)	(289)	(700)		(1,522)
Others	59	80	2,725	22	242	1,105	(4,233)	
Balance on June 30, 2014 (unaudited)	1,381	9,340	16,743	164	2,227	14,528	30,265	74,648

(i) Total amount of Capital Expenditures recognized as addition of consolidated construction in progress in the period of three-month ended on June 30, 2014 and June 30, 2013 corresponds to R\$3.558 and R\$4.833 and six-month period ended on June 30, 2014 and June 30, 2013 corresponds to R\$7.650 and R\$10.277, respectively; to the parent company, in the period of six-month ended on June 30, 2014 and June 30, 2013, corresponds to R\$5.470 and R\$4.300.

Property, plant and equipment (net book value) pledged as guarantees for judicial claims on June 30, 2014 and December 31, 2013 corresponds to R\$167 and R\$180 on consolidated amounts; to the parent company on June 30, 2014 and December 31, 2013 corresponds to R\$166 and R\$147, respectively.

Table of Contents

14. Impairment

The Company has identified evidence of impairment in relation to certain operations as following:

Coal mine Integra

In May 2014, the Company announced that are taking the necessary steps to place its Integra Mine Complex in Australia into care and maintenance since the operation is not economically feasible under current market conditions. As a consequence we recognized an impairment of R\$612.

Guinea Iron ore projects

Our 51%-owned subsidiary VBG-Vale BSGR Limited (VBG) holds iron ore concession rights in Simandou South (Zogota) and iron ore exploration permits in Simandou North (Blocks 1 & 2) in Guinea. On April 25, 2014 the government of Guinea, based on the recommendation of the technical committee established pursuant to Guinean legislation, revoked VBG S mining concessions. The decision is based on the allegations of fraudulent conduct in connection with the acquisition of the licenses by BSGR (Vale's current partner in VBG) more than one year before Vale made any investment in VBG. The decision does not indicate any involvement by Vale and therefore does not prohibit Vale to participate in any reallocation of the mining titles.

Vale is actively considering its legal rights towards the Guinean Government and its partner at VBG and addressing options to guarantee the value of both the investments made in Guinea project development as well as the initial investment made in the VBG. Considering the uncertainties in this process for the recoverable of the initial payment related to the acquisition of our participation in VBG, in the amount of R\$1.118, the company recognized an impairment of this initial payment. The Company will continue to reassess the net value of the investments depending on the development of the negotiations with Guinea Government.

15. Loans and Financing

a) Total debt

	Consolidated		Parent Company	
	June 30, 2014 (unaudited)	December 31, 2013	Current Liabilities June 30, 2014 (unaudited)	December 31, 2013
Debt contracts abroad				
Loans and financing in:				
United States Dollars	557	783	536	536
Others currencies		4		
Fixed rates:				
Notes indexed in United States Dollars	241	28		
Accrued charges	652	820	182	312
	1,450	1,635	718	848
Debt contracts in Brazil				
Loans and financing in:				
Indexed to TJLP, TR, IGP-M e CDI	1,748	1,756	1,696	1,603
Basket of currencies, LIBOR	411	411	405	405
Fixed rates:				
Loans in United States Dollars	13	14	13	14
Loans in Reais	116	111	111	106
Accrued charges	228	231	227	205
	2,516	2,523	2,452	2,333
	3,966	4,158	3,170	3,181

Table of Contents

	Consolidated		Parent Company	
	June 30, 2014 (unaudited)	December 31, 2013	June 30, 2014 (unaudited)	December 31, 2013
Debt contracts abroad				
Loans and financing in:				
United States Dollars	10,684	10,921	8,131	8,930
Others currencies	6	6		
Fixed rates:				
Notes indexed in United States Dollars	29,591	32,347	3,304	3,514
Euro	4,522	4,840	4,522	4,840
	44,803	48,114	15,957	17,284
Debt contracts in Brazil				
Loans and financing in:				
Indexed to TJLP, TR, IGP-M e CDI	11,332	11,714	11,173	11,529
Basket of currencies, LIBOR	2,859	3,198	2,845	3,180
Non-convertible debentures into shares	1,943	870	1,020	
Fixed rates:				
Loans in United States Dollars	169	186	169	186
Loans in Reais	699	737	662	717
	17,002	16,705	15,869	15,612
	61,805	64,819	31,826	32,896

All securities issued through our 100% finance subsidiary Vale Overseas Limited, are fully and unconditionally guaranteed by Vale.

The long-term portion on June 30, 2014 (unaudited) has maturities as follows:

	Consolidated	Parent Company
2015	1,736	929
2016	4,405	1,985
2017	5,370	2,019
2018	9,048	8,701
2019 onwards	41,246	18,192
	61,805	31,826

On June 30, 2014 (unaudited), the annual interest rates on the long-term debts are as follows:

	Consolidated	Parent Company
Up to 3%	14,100	12,242
3,1% to 5% (a)	12,810	5,203
5,1% to 7% (b)	27,585	10,194

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7,1% to 9% (b)	2,568	
9,1% to 11% (b)	178	
Over 11% (b)	8,297	7,357
Variable	233	
	65,771	34,996

(a) Includes Eurobonds. For this we have entered into derivative transactions at a coupon of 4.42% per year in US dollars.

(b) Includes Brazilian Real denominated debt that bears interest at the CDI and TJLP, plus spread. For these, we have entered into derivative transactions to mitigate our exposure to the floating rate debt denominated in Brazilian Real, totaling R\$15,111 of which R\$14,418 has an original interest rate above 5.1% per year. After entering derivatives transactions the average cost of other than denominated U.S. Dollars debt is 2.47% per year.

Non-convertible Debentures	June 30, 2014 (unaudited)				Balance	
	Issued	Outstanding	Maturity	Interest	June 30, 2014 (unaudited) (unaudited)	December 31, 2013
Tranche B - Salobo			No date		923	870
Infrastructure Debenture 1st serie	Feb/14	600	Jan/21	6,46%p.a+IPCA	626	
Infrastructure Debenture 2nd serie	Feb/14	150	Jan/24	6,57%p.a+IPCA	156	
Infrastructure Debenture 3rd serie	Feb/14	100	Jan/26	6,71%p.a+IPCA	104	
Infrastructure Debenture 4th serie	Feb/14	150	Jan/29	6,78%p.a+IPCA	156	
					1,965	870
Long-term portion					1,943	870
Accrued charges					22	
					1,965	870

Table of Contents**b) Revolving credit lines**

Type	Contractual Currency	Date of agreement	Available until	Total amount available	Amounts drawn on	
					June 30, 2014 (unaudited)	December 31, 2013
Revolving Credit Lines						
Revolving Credit Facility - Vale/ Vale International/ Vale Canada	US\$	April 2011	5 years	6,607		
Revolving Credit Facility - Vale/ Vale International/ Vale Canada	US\$	July 2011	5 years	4,405		
Credit Lines						
Export-Import Bank of China e Bank of China Limited	US\$	September 2010(a)	13 years	2,706	2,170	2,308
BNDES	R\$	April 2008(b)	10 years	7,300	4,652	4,626
Financing						
BNDES - CLN 150	R\$	September 2012(c)	10 years	3,883	3,079	3,079
BNDES - Investment Sustaining Program (PSI) 3.0%	R\$	June 2013(d)	10 years	109	87	87
BNDES - Tecnorede 3.5%	R\$	December 2013(e)	8 years	136	20	
BNDES - S11D e CLN S11D	R\$	May 2014(f)	10 years	6,164		87
Canadian Agency Export Development (EDC)	US\$	January 2014(g)	5 and 7 years	1,707		

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

(b) Memorandum of understanding signature date, however projects financing term is considered from the signature date of each projects contract amendment.

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

(d) Acquisition of domestic equipment.

(e) Support to Tecnorede's investment plan from 2013 to 2015.

(f) Implementation the iron ore project S11D and CLN S11D.

(g) General corporate purpose.

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Total amounts available and disbursed, different from reporting currency, are affected by exchange rate variation among periods.

c) **Guarantee**

As at June 30, 2014, R\$3.020 of the total aggregate outstanding debt was secured by property, plant and equipment and receivables.

16. **Asset retirement obligation**

The Company applies judgments and assumptions when measuring its obligations related to asset retirement. The accrued amounts of these obligations are not deducted from the potential costs covered by insurance or indemnities.

Long term interest rate used to discount these obligations to present values and to update the provisions on June 30, 2014 and December 31, 2013 were 6.39% p.a. The liability is periodically updated based on this discount rate plus the inflation index (IGPM) for the period in reference.

Changes in the provision for asset retirement obligation are as follows:

	Consolidated		Parent Company	
	June 30, 2014 (unaudited)	December 31, 2013	June 30, 2014 (unaudited)	December 31, 2013
Balance at beginning of the period	6,194	5,615	1,946	1,625
Increase expense (i)	249	414	111	174
Settlement in the current period	(24)	(90)	(2)	(35)
Revisions in estimated cash flows	54	102		182
Translation adjustments	(149)	162		
Transfer held for sale		(9)		
Balance at end of the period	6,324	6,194	2,055	1,946
Current	357	225	89	90
Non-current	5,967	5,969	1,966	1,856
	6,324	6,194	2,055	1,946

(i) In six-month ended of 2013, R\$180 in Consolidated and R\$68 in Parent Company

Table of Contents**17. Provision for litigation**

Vale is party to labor, civil, tax and other ongoing lawsuits and is discussing these issues both administratively and in court. When applicable, these lawsuits are supported by judicial deposits. Provisions for losses resulting from these processes are estimated and updated by the Company, supported by legal advice of the legal board of the Company and by its legal consultants.

	Consolidated Three-month period ended (unaudited)				Total of litigation provision
	Tax litigation	Civil litigation	Labor litigation	Environmental litigation	
Balance on March 31, 2013	1,463	508	1,553	78	3,602
Additions	172	59	225	17	473
Reversals	(131)	(45)	(139)	(9)	(324)
Payments	(182)	(47)	(97)	(1)	(327)
Indexation and interest	123	(27)	127	8	231
Translation adjustments	43	(7)			36
Transfer to held for sale		2	2		4
Balance on June 30, 2013	1,488	443	1,671	93	3,695
Balance on March 31, 2014	779	461	1,748	119	3,107
Additions	130		124	1	255
Reversals		(32)	(70)		(102)
Payments	(13)	(9)	(17)	(4)	(43)
Indexation and interest	3	58	55	(17)	99
Translation adjustments	(8)			(2)	(10)
Balance on June 30, 2014	891	478	1,840	97	3,306

	Consolidated Six-month period ended				Total of litigation provision
	Tax litigation	Civil litigation	Labor litigation	Environmental litigation	
Balance on December 31, 2012	2,039	575	1,534	70	4,218
Additions	200	72	333	24	629
Reversals	(87)	(86)	(278)	(9)	(460)
Payments	(586)	(3)	(63)	(1)	(653)
Indexation and interest	(54)	(37)	40	9	(42)
Translation adjustments					
Transfer to held for sale			3		3
Balance on June 30, 2013 (unaudited)	1,512	521	1,569	93	3,695
Balance on December 31, 2013	771	498	1,653	67	2,989
Additions	225	21	248	43	537
Reversals	(62)	(52)	(127)	(9)	(250)

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Payments	(15)	(15)	(31)	(4)	(65)
Indexation and interest	(13)	26	97	7	117
Translation adjustments	(15)			(7)	(22)
Balance on June 30, 2014 (unaudited)	891	478	1,840	97	3,306

	Parent Company Six-month period ended				
	Tax litigation	Civil litigation	Labor litigation	Environmental litigation	Total of litigation provision
Balance on December 31, 2012	1,213	247	1,364	43	2,867
Additions	106	14	169	10	299
Reversals	(74)	(12)	(128)	(1)	(215)
Payments	(581)	(2)	(61)	(1)	(645)
Monetary adjustment	19	(17)	34	8	44
Balance on June 30, 2013 (unaudited)	683	230	1,378	59	2,350
Balance on December 31, 2013	280	221	1,472	35	2,008
Additions	157	7	231	39	434
Reversals	6	(42)	(105)	(10)	(151)
Payments	(14)	(13)	(27)		(54)
Monetary adjustment / Translation adjustments	(4)	10	90	(3)	93
Balance on June 30, 2014 (unaudited)	425	183	1,661	61	2,330

Table of Contents

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

Provisions for civil litigation - Related to the demands concerning contracts between Vale and unrelated service suppliers companies, requiring differences in amounts due to alleged losses that have occurred due to various economic plans, while other demands are related to accidents, actions damages and other.

Provisions for labor and social security litigation - Consist of lawsuits filed by employees and service suppliers, from employment relationships. The most recurring claims are related to payment of overtime, hours in itinere, and health and safety. The social security (INSS) contingencies are related to legal and administrative disputes between INSS and Vale due to applicability of compulsory social security charges.

In addition to those provisions, there are also judicial deposits. These court-ordered deposits are legally required and are monetarily updated and reported in non-current assets until a judicial decision to draw the deposit occurs, in case of a non-favorable decision to Vale. Judicial deposits are as follows:

	Consolidated		Parent Company	
	June 30, 2014 (unaudited)	December 31, 2013	June 30, 2014 (unaudited)	December 31, 2013
Tax litigations	937	1,014	651	590
Civil litigations	592	411	424	359
Labor litigations	2,065	2,039	1,934	1,913
Environmental litigations	1	27		26
Total	3,595	3,491	3,009	2,888

The Company discusses, at administrative and judicial levels, claims where the expectation of loss is classified as possible and considers that there is no need to recognize a provision, based on a legal support.

These possible contingent liabilities are as follows:

	Consolidated		Parent Company	
	June 30, 2014 (unaudited)	December 31, 2013	June 30, 2014 (unaudited)	December 31, 2013
Tax litigations	8,408	8,877	5,601	4,842
Civil litigations	3,096	2,855	2,645	2,701
Labor litigations	3,633	5,320	3,510	3,579
Environmental litigations	2,988	3,146	2,974	3,135
Total	18,125	20,198	14,730	14,257

The most significant possible loss tax risk relates to the deductibility of social contribution payments on the Income Tax basis of calculation.

18. Income Taxes Settlement Program (REFIS)

In November 2013, The Company elected to participate in a corporate Income Tax Settlement Program (REFIS) for payment of amounts relating to income tax and social contribution on the net income of its non-Brazilian subsidiaries and affiliates from 2003 to 2012.

On June 30, 2014, the Company paid R\$566 in consolidated, and R\$555 in parent company, due amount to be paid in 172 monthly installments, and this balance in June 30, 2014 as bearing interest at Selic rate, are R\$16.558 (R\$1.155 in current and R\$ 15.403 in non-current) and R\$16.220 (R\$ 1.132 in current and R\$15.088 in non-current) , respectively.

Table of Contents**19. Deferred Income Tax**

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 totaled approximately R\$48,873 (US\$22,190) on June 30, 2014. As described in Note 18, in 2013 we entered at the Brazilian REFIS program to pay the amounts related to the collection of income taxes on equity gain on foreign subsidiaries and affiliates from 2003 to 2012 and therefore, the repatriation of these earnings would have no Brazilian tax consequences.

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:

	Consolidated		
	Three-month period ended (unaudited)		
	Assets	Liabilities	Total
Balance on March 31, 2013	8,578	7,074	1,504
Net income effect	553	(158)	711
Translation adjustment for the period	232	299	(67)
Other comprehensive income	105	(46)	151
Net effect of discontinued operations of the period		(2)	2
Balance on June 30, 2013	9,468	7,167	2,301
Balance on March 31, 2014	10,614	7,264	3,350
Net income effect	(887)	120	(1,007)
Translation adjustment for the period	(79)	(56)	(23)
Other comprehensive income	22	78	(56)
Balance on June 30, 2014	9,670	7,406	2,264

	Consolidated		
	Six-month period ended		
	Assets	Liabilities	Total
Balance on December 31, 2012	8,291	6,918	1,373
Net income effect	857	(182)	1,039
Translation adjustment for the period	169	438	(269)
Other comprehensive income	151	(3)	154
Net effect of discontinued operations of the period		(4)	4
Balance on June 30, 2013 (unaudited)	9,468	7,167	2,301
Balance on December 31, 2013	10,596	7,562	3,034
Net income effect	(954)	199	(1,153)
Translation adjustment for the period	(15)	(452)	437
Other comprehensive income	43	97	(54)
Balance on June 30, 2014 (unaudited)	9,670	7,406	2,264

	Parent Company Six-month period ended Assets
Balance on December 31, 2012	5,715
Net income effect	101
Other comprehensive income	151
Balance on June 30, 2013 (unaudited)	5,967
Balance on December 31, 2013	7,418
Net income effect	(738)
Other comprehensive income	43
Balance on June 30, 2014 (unaudited)	6,723

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

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

Table of Contents

The total amount presented the results in the financial statements is reconciled to the rates established by law, as follows:

	Consolidated (unaudited)			
	Three-month period ended		Six-month period ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Net income before income taxes	5,326	569	13,247	8,628
Income taxes at statutory rates - 34%	(1,811)	(193)	4,504	(2,934)
Adjustments that affect the basis of taxes:				
Income taxes benefit from interest on stockholders' equity	658	627	1,317	1,254
Tax incentives	101	(34)	412	226
Results of overseas companies taxed by different rates which differs from the parent company rate	(308)	(345)	(975)	(184)
Constitution/Reversal for tax loss carryforward	(272)	429	(255)	365
Results of equity investments	184	35	340	152
Undeductible - impairment	(382)		(382)	
Other	(406)	(347)	(526)	(564)
Income taxes on the profit for the period	(2,236)	172	(4,573)	(1,685)

	Parent company (unaudited)	
	Six-month period ended	
	June 30, 2014	June 30, 2013
Net income before income taxes	12,809	9,395
Income taxes at statutory rates - 34%	(4,355)	(3,194)
Adjustments that affect the basis of taxes:		
Income taxes benefit from interest on stockholders' equity	1,317	1,254
Tax incentives	412	226
Results of equity investments	1,253	(173)
Other	166	(475)
Income taxes on the profit for the period	(3,713)	(2,362)

20. Employee Benefits Obligations

The Company had announced on its year end 2013 financial statements that it expects to contribute R\$829 to its pension plan in 2014. As of June 30, 2014 it had contributed R\$418. No significant changes are expected in relation to the estimate disclosed in the financial statements for the year ended December 31, 2013.

a) Pension Plan

Reconciliation of assets and liabilities in Balance Sheet

	June 30, 2014 (unaudited)		Total Consolidated		December 31, 2013	
	Overfunded pension plans	Underfunded pension plans	Others underfunded pension plans	Overfunded pension plans	Underfunded pension plans	Others underfunded pension plans
Ceiling recognition of an asset (ceiling) / onerous liability						
Beginning of the period	2,790			1,725		
Interest income				154		
Changes in asset ceiling/ onerous liability	615			911		
Ended of the period	3,405			2,790		
Amount recognized in the balance sheet						
Present value of actuarial liabilities	(9,819)	(9,488)	(3,812)	(9,557)	(10,320)	(3,966)
Fair value of assets	13,224	8,575		12,347	8,911	
Effect of the asset ceiling	(3,405)			(2,790)		
Assets (liabilities) to be provisioned		(913)	(3,812)		(1,409)	(3,966)
Current liabilities		(18)	(209)		(22)	(205)
Non-current liabilities		(895)	(3,603)		(1,387)	(3,761)
Assets (liabilities) to be provisioned		(913)	(3,812)		(1,409)	(3,966)

Table of Contents**Costs recognized in the Income Statements for the period:**

	Consolidated Three-month period ended (unaudited)					
	June 30, 2014		June 30, 2013		Others	
	Overfunded pension plans	Underfunded pension plans	Others underfunded pension plans	Overfunded pension plans	Underfunded pension plans	Others underfunded pension plans
Current service cost	17	35	17		65	24
Interest on expense on liabilities	279	116	57	157	217	52
Interest income on plan assets	(368)	(87)		(195)	(175)	
Effect of the asset ceiling	84			38		
Total costs, net	12	64	74		107	76

	Consolidated Six-month period ended (unaudited)					
	June 30, 2014		June 30, 2013		Others	
	Overfunded pension plans	Underfunded pension plans	Others underfunded pension plans	Overfunded pension plans	Underfunded pension plans	Others underfunded pension plans
Current service cost	34	71	36		131	48
Interest on expense on liabilities	558	241	110	314	439	104
Interest income on plan assets	(736)	(178)		(391)	(349)	
Effect of the asset ceiling	168			77		
Total costs, net	24	134	146		221	152

Costs recognized in the Statement of Comprehensive Income for the period

	Consolidated Three-month period ended (unaudited)					
	June 30, 2014		June 30, 2013		Others	
	Overfunded pension plans	Underfunded pension plans	Others underfunded pension plans	Overfunded pension plans	Underfunded pension plans	Others underfunded pension plans
Beginning of the period	(260)	(805)	(448)	(7)	(1,890)	(773)
Return on plan assets (excluding interest income)	76	290		(85)	(410)	11
Change of asset ceiling / costly liabilities (excluding interest income)	(95)	(88)		85		

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	(19)	202			(410)	11
Income tax	7	(47)			133	(3)
Others comprehensive income	(12)	155			(277)	8
Conversion of Effect	(2)	21	10		(146)	(49)
Accumulated other comprehensive income	(274)	(629)	(438)	(7)	(2,313)	(814)

	Consolidated					
	Six-month period ended (unaudited)					
	June 30, 2014		June 30, 2013		Others	
	Overfunded pension plans	Underfunded pension plans	Others underfunded pension plans	Overfunded pension plans	Underfunded pension plans	Others underfunded pension plans
Beginning of the period	(219)	(926)	(460)	(7)	(1,970)	(778)
Return on plan assets (excluding interest income)	33	408		(499)	(338)	11
Change of asset ceiling / costly liabilities (excluding interest income)	(115)	(88)		499		
	(82)	320			(338)	11
Income tax	27	(73)			126	(3)
Others comprehensive income	(55)	247			(212)	8
Conversion of effect		53	22		(131)	(44)
Accumulated other comprehensive income	(274)	(626)	(438)	(7)	(2,313)	(814)

Table of Contents**b) Incentive Plan in Results**

The Company has a Participation in Results Program (PPR) measured on the evaluation 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 using indicators for the, performances of the Company, Business Unit, Team and Individual. The contribution of each performance unit to the performance scores of the employees is discussed and agreed each year, between the Company and the Unions.

The Company accrued expenses/costs related to participation in the results as follow:

	Consolidated (unaudited)			
	Three-month period ended		Six-month period ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Operational expenses	18	60	112	180
Cost of good sold and services rendered	260	185	477	382
Total	278	245	589	562

	Parent company (unaudited)	
	Six-month period ended	
	June 30, 2014	June 30, 2013
Operational expenses	87	144
Cost of good sold and services rendered	376	315
Total	463	459

c) Long-term stock option compensation plan

The terms, assumptions, calculation methods and the accounting treatment applied to the Long-term Incentive Plan (ILP) is the same as presented in financial statements for the year end December 31, 2013. The total number of shares subject to the Long Term Compensation Plan on June 30, 2014 and December 31, 2013 are 6,109,592 and 6,214,288, and total expense/cost recorded of R\$162 and R\$198, respectively on result.

Table of Contents**21. Classification of financial instruments**

The classification of financial assets and liabilities is as follows:

	Consolidated					Parent Company		
	June 30, 2014 (unaudited)							
Financial assets	Loans and receivables (a)	At fair value through profit or loss (b)	Derivatives designated as hedge (c)	Available for sale	Total	Loans and receivables (a)	At fair value through profit or loss (b)	Total
Current								
Cash and cash equivalents	15,560				15,560	1,264		1,264
Derivative financial instruments		474	29		503		389	389
Accounts receivable	9,185				9,185	22,645		22,645
Related parties	1,521				1,521	1,961		1,961
Others	5				5	5		5
	26,271	474	29		26,774	25,875	389	26,264
Non current								
Related parties	232				232	823		823
Loans and financing agreements	522				522	100		100
Derivative financial instruments		435			435		45	45
Others				11	11			
	754	435		11	1,200	923	45	968
Total of Assets	27,025	909	29	11	27,974	26,798	434	27,232
Financial liabilities								
Current								
Suppliers and contractors	8,209				8,209	4,606		4,606
Derivative financial instruments		887	45		932		680	680
Loans and financing agreements	3,966				3,966	3,170		3,170
Related parties	482				482	6,870		6,870
	12,657	887	45		13,589	14,646	680	15,326
Non current								
Derivative financial instruments		2,091	10		2,101		2,023	2,023
Loans and financing agreements	61,805				61,805	31,826		31,826
Related parties	390				390	30,610		30,610
Stockholders								
Debentures		4,806			4,806		4,806	4,806
	62,195	6,897	10		69,102	62,436	6,829	69,265
Total of Liabilities	74,852	7,784	55		82,691	77,082	7,509	84,591

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

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(b) Financial instruments for trading in short term.

(c) See note 23a.

Financial assets	Consolidated				Parent Company			
	Loans and receivables (a)	At fair value through profit or loss (b)	Derivatives designated as hedge (c)	Available for sale	Total	Loans and receivables (a)	At fair value through profit or loss (b)	Total
December 31, 2013								
Current								
Cash and cash equivalents	12,465				12,465	3,635		3,635
Derivative financial instruments		459	12		471		378	378
Accounts receivable	13,360				13,360	14,167		14,167
Related parties	611				611	1,684		1,684
Others	8	0	0	0	8	8		8
	26,444	459	12		26,915	19,494	378	19,872
Non current								
Related parties	253				253	864		864
Loans and financing agreements	564				564	192		192
Derivative financial instruments		329			329			
Others				11	11			
	817	329		11	1,157	1,056		1,056
Total of Assets	27,261	788	12	11	28,072	20,550	378	20,928
Financial liabilities								
Current								
Suppliers and contractors	8,837				8,837	3,640		3,640
Derivative financial instruments		464	92		556		435	435
Loans and financing agreements	4,158				4,158	3,181		3,181
Related parties	479				479	6,453		6,453
	13,474	464	92		14,030	13,274	435	13,709
Non current								
Derivative financial instruments		3,469	27		3,496		3,188	3,188
Loans and financing agreements	64,819				64,819	32,896		32,896
Related parties	11				11	32,013		32,013
Stockholders								
Debentures		4,159			4,159		4,159	4,159
	64,830	7,628	27		72,485	64,909	7,347	72,256
Total of Liabilities	78,304	8,092	119		86,515	78,183	7,782	85,965

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

(b) Financial instruments for trading in short term.

(c) See note 23a.

Table of Contents**22. Fair Value Estimative**

The Company considered the same assumptions and calculation methods presented on the financial statements of December 31, 2013, to measure the fair value of assets and liabilities for the period.

a) Assets and liabilities measured and recognized at fair value

	June 30, 2014 (unaudited) Level 2 (i)	Consolidated	December 31, 2013 Level 2 (i)
Financial Assets			
Current			
Derivatives at fair value through profit or loss	474		459
Derivatives designated as hedge	29		12
	503		471
Non-Current			
Derivatives at fair value through profit or loss	435		329
	435		329
Total of Assets	938		800
Financial Liabilities			
Current			
Derivatives at fair value through profit or loss	887		464
Derivatives designated as hedge	45		92
	932		556
Non-Current			
Derivatives at fair value through profit or loss	2,091		3,469
Derivatives designated as hedge	10		27
Stockholders' debentures	4,806		4,159
	6,907		7,655
Total of Liabilities	7,839		8,211

(i) No classification according to levels 1 and 3.

	June 30, 2014 (unaudited) Level 2 (i)	Parent Company	December 31, 2013 Level 2 (i)
Financial Assets			
Current			
Derivatives at fair value through profit or loss	389		378

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	389	378
Non-Current		
Derivatives at fair value through profit or loss	45	
	45	
Total of Assets	434	378
Financial Liabilities		
Current		
Derivatives at fair value through profit or loss	680	435
	680	435
Non-Current		
Derivatives at fair value through profit or loss	2,023	3,188
Stockholders' debentures	4,806	4,159
	6,829	7,347
Total of Liabilities	7,509	7,782

(i) No classification according to levels 1 and 3.

Table of Contents**b) Fair value measurement compared to book value**

For loans allocated to Level 1 market approach to the contracts listed on the secondary market is the evaluation method used to estimate debt fair value. For loans allocated Level 2, the fair value for both fixed-indexed rate debt and floating rate debt is determined by the discounted cash flow using the future values of the LIBOR 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:

	Balance	Consolidated Fair value (i)	Level 1	Level 2	Balance	Parent Company Fair value (i)	Level 1	Level 2
Financial liabilities								
December 31, 2013								
Loans (long term)(ii)	67,926	70,289	37,397	32,892	35,560	36,377	7,889	28,488
June 30, 2014 (unaudited)								
Loans (long term)(ii)	64,891	69,150	38,335	30,815	34,587	36,073	9,258	26,815

(i) No classification according to the level 3.

(ii) Net interest of R\$880 in consolidated and R\$409 at parent company on June 30, 2014 and net interest of R\$1,051 in consolidated and R\$517 at parent company on December 31, 2013.

23. Derivative financial instruments**a) Derivatives effects on Balance Sheet**

	June 30, 2014 (unaudited)		December 31, 2013	
	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	367	9	408	
IPCA swap	22	39		
Eurobonds Swap		268	30	236

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Pre dollar swap	12		12	
	401	316	450	236
Commodities price risk				
Nickel:				
Fixed price program	35		9	
Bunker Oil	38			
	73		9	
Warrants				
SLW options (note 28)		119		93
Derivatives designated as hedge (cash flow hedge)				
Bunker Oil	29		12	
	29		12	
Total	503	435	471	329

	Consolidated Liabilities			
	June 30, 2014 (unaudited)		December 31, 2013	
	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	834	1,846	434	3,207
IPCA swap		25		
Eurobonds Swap	6	21	2	
Pre dollar swap		196	1	259
	840	2,088	437	3,466
Commodities price risk				
Nickel:				
Fixed price program	47	2	6	
Bunker Oil			20	
	47	2	26	
Embedded derivatives				
Gas Oman		1	1	3
Derivatives designated as hedge (cash flow hedge)				
Bunker Oil	4		29	
Foreign exchange	41	10	63	27
	45	10	92	27
Total	932	2,101	556	3,496

Table of Contents

	Parent Company Assets			
	June 30, 2014 (unaudited)		December 31, 2013	
	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	364	9	366	
IPCA swap	13	36		
Pre dollar swap	12		12	
Total	389	45	378	
	Parent Company Liabilities			
	June 30, 2014 (unaudited)		December 31, 2013	
	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	680	1,822	434	2,929
IPCA swap		4		
Pre dollar swap		197	1	259
Total	680	2,023	435	3,188

b) **Effects of derivatives in the Statement of Income**

	Consolidated (unaudited)			
	Three-month period ended		Six-month period ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Derivatives not designated as hedge				
Foreign exchange and interest rate risk				
CDI & TJLP vs. US\$ fixed and floating rate swap	739	(1,692)	1,195	(1,403)
IPCA swap	19		36	
Eurobonds Swap	3	83	18	6
Pre dollar swap	49	(98)	75	(80)
	810	(1,707)	1,324	(1,477)
Commodities price risk				
Nickel:				
Fixed price program	(7)	3	(9)	6
Purchased scrap protection program		1		1
Bunker Oil	34	(211)	40	(240)
	27	(207)	31	(233)
Warrants				
SLW Options (note 28)	15	(97)	34	(112)

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	15	(97)	34	(112)
Embedded derivatives				
Gas Oman	3	(1)	2	(2)
	3	(1)	2	(2)
Derivatives designated as hedge (cash flow hedge)				
Bunker Oil	(13)	(26)	(19)	(26)
Strategic Nickel				26
Foreign exchange	(21)	(9)	(52)	(1)
	(34)	(35)	(71)	(1)
Total	821	(2,047)	1,320	(1,825)

	Parent company (unaudited)	
	Six-month period ended	
	June 30, 2014	June 30, 2013
Derivatives not designated as hedge		
Foreign exchange and interest rate risk		
CDI & TJLP vs. US\$ fixed and floating rate swap	1,125	(1,331)
IPCA swap	46	
Pre dollar swap	75	(80)
	1,246	(1,411)
Commodities price risk		
Nickel:		
Warrants		
Embedded derivatives		
Derivatives designated as hedge (cash flow hedge)		
Foreign exchange		11
		11
Total	1,246	(1,400)

Table of Contentsc) **Effects of derivatives as Cash Flow hedge**

	Consolidated (unaudited) Inflows/ (Outflows)			
	Three-month period ended June 30, 2014	June 30, 2013	Six-month period ended June 30, 2014	June 30, 2013
Derivatives not designated as hedge				
Exchange risk and interest rates				
CDI & TJLP vs. US\$ fixed and floating rate swap	212	191	279	358
Euro floating rate vs. US\$ fixed rate swap			24	(10)
Eurobonds Swap			12	19
US\$ fixed rate vs. CDI swap	7	9		
Pre dollar swap	219	200	315	367
Risk of product prices				
Fixed price program	6	3	9	(1)
Purchase program				
Purchased scrap protection program		1		1
Bunker Oil Hedge	1	(23)	(20)	(23)
Coal				
	7	(19)	(11)	(23)
Customer raw material contracts				
Energy - Aluminum options				
Derivatives designated as hedge (cash flow hedge)				
Bunker Oil	(13)	(26)	(19)	(26)
Strategic Nickel				26
Foreign exchange	(21)	(9)	(52)	(1)
Aluminum				
	(34)	(35)	(71)	(1)
Total	192	146	233	343
Gains (losses) unrealized derivatives	629	(2,193)	1,087	(2,168)

	Parent company (unaudited) Inflows/ (Outflows)	
	Six-month period ended June 30, 2014	June 30, 2013
Derivatives not designated as hedge		
Exchange risk and interest rates		
CDI & TJLP vs. US\$ fixed and floating rate swap	258	314
Pre dollar swap	11	19
	269	333
Risk of product prices		

Derivatives designated as hedge (cash flow hedge)		
Foreign exchange		11
		11
Total	269	344
Gains (losses) unrealized derivatives	977	(1,744)

Table of Contents**d) Effects of derivatives designated as hedge****i. Cash Flow Hedge**

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

	Three-month period ended (unaudited)					Consolidated Total
	Foreign exchange	Parent Company			noncontrolling stockholders	
		Nickel	Bunker Oil	Total		
Fair value measurements	(61)		(97)	(158)		(158)
Reclassification to results due to realization	9		26	35		35
Net change as of June 30, 2013	(52)		(71)	(123)		(123)
Fair value measurements	28		46	74		74
Reclassification to results due to realization	21		13	34		34
Net change as of June 30, 2014	49		59	108		108

	Six-month period ended (unaudited)					Consolidated Total
	Foreign exchange	Parent Company			noncontrolling stockholders	
		Nickel	Bunker Oil	Total		
Fair value measurements	(86)		(123)	(209)		(209)
Reclassification to results due to realization	1	(26)	26	1		1
Net change as of June 30, 2013	(85)	(26)	(97)	(208)		(208)
Fair value measurements	(27)		22	(5)		(5)
Reclassification to results due to realization	52		19	71		71
Net change as of June 30, 2014	25		41	66		66

Currencies/ Interest Rates	Maturities dates July 2023
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Gas Oman	April 2016
Nickel	July 2016
Copper	September 2014
Warrants	February 2023
Bunker Oil	December 2014

Additional information about derivative financial instruments

Value at risk computation methodology

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

Contracts subjected to margin calls

Vale has contracts subject to margin calls only for part of nickel trades executed by its wholly-owned subsidiary Vale Canada Ltd. There was no cash amount subject to margin calls on June 30, 2014.

Table of Contents**Initial cost of contracts**

The financial derivatives negotiated by Vale and its controlled companies described in this document didn't have initial costs (initial cash flow) associated.

The following tables show as of June 30, 2014, the derivatives positions for Vale and controlled companies with the following information: notional amount, fair value (considering counterparty credit risk)(1), gains or losses in the period, value at risk and the fair value for the remaining years of the operations per each group of instruments.

Foreign exchange and interest rates derivative positions**Protection program for the Real denominated debt indexed to CDI**

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

Flow	Notional (\$ million)		Index	Average rate	R\$ Million		Realized Gain/Loss	Value at Risk	Fair value by year						
	June 30, 2014	December 31, 2013			Fair value	Fair value			June 30, 2014	June 30, 2014	2014	2015	2016	2017	
CDI vs. fixed rate swap															
Receivable	R\$ 5,496	R\$ 5,096	CDI	108.35%	5,728	5,601	397								
Payable	US\$ 2,768	US\$ 2,603	US\$ +	3.71%	(6,330)	(6,557)	(233)								
Net					(602)	(956)	164	70	77	(159)	(417)	(103)			
Adjusted Net for credit risk					(607)	(963)			76	(160)	(419)	(104)			

CDI vs. floating rate swap										
Receivable	R\$	428	R\$	428	CDI	103.50%	447	446	20	
Payable					Libor					
	US\$	250	US\$	250	+	0.99%	(557)	(596)	(4)	
Net							(110)	(150)	16	6 19 (129)
Adjusted Net for credit risk							(110)	(150)		19 (129)

Type of contracts: OTC Contracts

Protected item: Debts linked to BRL

The protected items are the debt instruments linked to BRL once the objective of this protection is to transform the obligations linked to BRL into obligations linked to US\$ so as to achieve a currency offset by matching Vale's receivables (mainly linked to US\$) with Vale's payables.

Protection program for the real denominated debt indexed to TJLP

- **TJLP vs. US\$ fixed rate swap** In order to reduce the cash flow volatility, Vale entered into swap transactions to convert the cash flows of the loans with Banco Nacional de Desenvolvimento Econômico e Social (BNDES) from TJLP(2) to US\$. In those swaps, Vale pays fixed rates in US\$ and receives payments linked to TJLP.

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

(1) The Adjusted net/total for credit risk considers the adjustments for credit (counterparty) risk calculated for the instruments, in accordance with International Financial Reporting Standard 13 (CPC 46).

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

Table of Contents

Flow	Notional (\$ million)		Index	Average rate	R\$ Million		Realized Gain/Loss	Value at Risk	Fair value by year			
	June 30, 2014	December 31, 2013			June 30, 2014	December 31, 2013			June 30, 2014	2014	2015	2016
Swap TJLP vs. fixed rate swap												
Receivable	TJLP											
	R\$ 6,305	R\$ 6,456	+	1.37%	5,524	5,626	484					
Payable	USD											
	US\$ 3,214	US\$ 3,310	+	1.98%	(6,841)	(7,431)	(398)					
Net					(1,317)	(1,805)	86	210	(34)	(69)	(188)	(1,026)
Adjusted Net for credit risk					(1,398)	(1,881)			(35)	(71)	(191)	(1,101)
Swap TJLP vs. floating rate swap												
Receivable	TJLP											
	R\$ 611	R\$ 615	+	0.88%	517	525	42					
Payable	Libor											
	US\$ 348	US\$ 350	+	-1.15%	(703)	(760)	(29)					
Net					(186)	(235)	13	17	(75)	7	(1)	(117)
Adjusted Net for credit risk					(188)	(238)			(75)	7	(1)	(119)

Type of contracts: OTC Contracts

Protected item: Debts linked to BRL

The protected items are the debt instruments linked to BRL once the objective of this protection is to transform the obligations linked to BRL into obligations linked to US\$ so as to achieve a currency offset by matching Vale's receivables (mainly linked to US\$) with Vale's payables.

Protection program for the Real denominated fixed rate debt

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

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Flow	Notional (\$ million)				R\$ Million		Realized Gain/Loss	Value at Risk	Fair value by year			
	June 30, 2014	December 31, 2013	Index	Average rate	June 30, 2014	December 31, 2013			June 30, 2014	June 30, 2014	2014	2015
R\$ fixed rate vs. US\$ fixed rate swap												
Receivable	R\$ 793	R\$ 824	Fix	4.49%	696	723	72					
Payable	US\$ 427	US\$ 446	US\$ -	-1.14%	(874)	(963)	(61)					
Net					(178)	(240)	11	20	8	(32)	(115)	(39)
Adjusted Net for credit risk					(185)	(249)			8	(33)	(118)	(42)

Type of contracts: OTC Contracts

Protected item: Debts linked to BRL

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

Protection program for the Real denominated debt indexed to IPCA

- IPCA vs. US\$ fixed rate swap** In order to reduce the cash flow volatility, Vale entered into swap transactions to convert the cash flows from debt instruments denominated in BRL linked to IPCA into US\$ on the debenture contracts issued by Vale in 2014 with a notional amount of BRL 1 billion. In those swaps, Vale pays fixed rates in US\$ and receives payments linked to IPCA.

Flow	Notional (\$ million)				R\$ Million		Realized Gain/Loss	Value at Risk	Fair value by year			
	June 30, 2014	December 31, 2013	Index	Average rate	June 30, 2014	December 31, 2013			June 30, 2014	June 30, 2014	2014	2015
IPCA vs. US\$ fixed rate swap												
Receivable			IPCA									
	R\$ 1,000		+	6.55%	1,074							
Payable	US\$ 434		US\$ +	3.98%	(1,035)							
Net					39				196	22	24	
Adjusted Net for credit risk					36					22	23	

Type of contracts: OTC Contracts

Protected item: Debts linked to BRL

Table of Contents

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

Protection program for Euro denominated debt

- EUR fixed rate vs. US\$ fixed rate swap:** In order to hedge the cash flow volatility, Vale entered into a swap transaction to convert the cash flows from debts in Euros linked to fixed rate to US\$ linked to fixed rate. This contract was entered into to convert the cash flows of part of debts in Euros, each one with a notional amount of 750 million, issued in 2010 and 2012 by Vale. Vale receives fixed rates in Euros and pays fixed rates in US\$.

Flow	Notional (\$ million)		Index	Average rate	R\$ million		Realized Gain/Loss June 30, 2014	Value at Risk June 30, 2014	Fair value by year			
	June 30, 2014	December 31, 2013			June 30, 2014	December 31, 2013			2014	2015	2016 - 2023	
Receivable	1,000	1,000	EUR	4.063%	3,469	3,585	1,731					
Payable	US\$ 1,302	US\$ 1,288	US\$	4.511%	(3,214)	(3,306)	(1,707)					
Net					255	279	24	60		(6)		261
Adjusted Net for credit risk					241	264				(6)		247

Type of contracts: OTC Contracts

Protected item: Vale's Debt linked to EUR

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

Foreign exchange hedging program for disbursements in Canadian dollars

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

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Flow	Notional (\$ million)		Buy/Sell	Average rate (CAD/USD)	R\$ million Fair value		Realized Gain/Loss June 30, 2014	Value at Risk June 30, 2014	Fair value by year		
	June 30, 2014	December 31, 2014			June 30, 2014	December 31, 2013			2014	2015	2016
Forward	CAD 483	CAD 786	B	1.022	(51)	(90)		6	(26)	(24)	(1)
Adjusted total for credit risk					(51)	(90)			(26)	(24)	(1)

Type of contracts: OTC Contracts

Hedged item: part of disbursements in Canadian Dollars

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

Commodity derivative positions

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

Nickel purchase protection program

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

Table of Contents

Flow	Notional (ton)			Average Strike (US\$/ton)	R\$ million Fair value	Realized Gain/Loss	Value at Risk	Fair value by year			
	June 30, 2014	December 31, 2013	Buy/ Sell					June 30, 2014	December 31, 2013	June 30, 2014	June 30, 2014
Nickel Futures	304	168	S	18,426	(0.71)	0.08	0.78	0.30			(0.71)
Adjusted total for credit risk					(0.71)	0.08					(0.71)

Type of contracts: LME contracts and OTC contracts

Protected item: part of Vale's revenues linked to nickel price.

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

Nickel fixed price program

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

Flow	Notional (ton)			Average Strike (US\$/ton)	R\$ million Fair value		Realized Gain/Loss	Value at Risk	Fair value by year			
	June 30, 2014	December 31, 2013	Buy/ Sell		June 30, 2014	December 31, 2013			June 30, 2014	June 30, 2014	2014	2015
Nickel Futures	8,072	6,317	B	17,322	35	(5)	18	8	32	3	0	
Adjusted total for credit risk					35	(5)				32	3	0

Type of contracts: LME contracts and OTC contracts

Protected item: part of Vale's revenues linked to fixed price sales of nickel.

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

Copper scrap purchase protection program

This program was implemented in order to reduce the cash flow volatility due to the quotation period mismatch between the pricing period of copper scrap purchases and the pricing period of final products sale to the clients, as the copper scrap combined with other raw materials or inputs to produce copper for the final clients. This program usually is implemented by the sale of forwards or futures at LME or over-the-counter operations.

Forward	357,348	1,101,029	S	3.06	(0.11)	(0.34)	0.09	0.04	(0.11)

Type of contracts: OTC contracts

Protected item: of Vale s revenues linked to copper price.

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

Bunker Oil purchase protection program

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

Forward	813,500		B	591	27		11	13	27

Table of Contents

Type of contracts: OTC Contracts

Protected item: part of Vale's costs linked to bunker oil price

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

Bunker Oil purchase hedging program

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

Forward	1,442,500	1,590,000	B	599	22	(8)	(6)	23	22
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Type of contracts: OTC contracts

Protected item: part of Vale's costs linked to bunker oil price

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

Sell of part of future gold production (subproduct) from Vale

The company has definitive contracts with Silver Wheaton Corp. (SLW), a Canadian company whose shares are listed on the Toronto Stock Exchange and New York Stock Exchange, to sell 25% of gold payable produced as a sub product from Salobo copper mine during its life and 70% of gold payable flows produced as a sub product from some nickel mines in Sudbury over the course of 20 years. For this transaction a

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payment was received part in cash (US\$ 1.9 billion) and part as 10 million of SLW warrants with strike price of US\$ 65 and 10 years term, where this last part is considered an American call option.

Call										
Option	US\$ 10	US\$ 10	B	65	119	93		10		119

Embedded derivative positions

The Company's cash flow is also exposed to several market risks associated to contracts that contain embedded derivatives or derivative-like features. From Vale's perspective, it may include, but is not limited to, commercial contracts, procurement contracts, rental contracts, bonds, insurance policies and loans. The following embedded derivatives were outstanding as at June 30, 2014:

Raw material and intermediate products purchase

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

Nickel										
Forwards	3,992		2,111	18,424	1.3	0.1		23.8		1.3
Total					1.5	0.9		21.7	4.7	1.5

Table of Contents**Gas purchase for pelletizing company in Oman**

Our subsidiary Vale Oman Pelletizing Company LLC has a natural gas purchase agreement in which there's a clause that defines that a premium can be charged if pellet prices trades above a pre-defined level. This clause is considered as an embedded derivative.

Flow	Notional (volume/month)		Buy/ Sell	Average Strike (US\$/ton)	R\$ million Fair value		Realized Gain/Loss June 30, 2014	Value at Risk June 30, 2014	Fair value by year			
	June 30, 2014	December 31, 2013			June 30, 2014	December 31, 2013			2014	2015	2016	
Call Options	746,667	746,667	S	179.36	(1.5)	(3.6)		2.0	(0.0)	(1.0)	(0.5)	

a) Market curves

To build the curves used on the pricing of the derivatives, public data from BM&F, Central Bank of Brazil, London Metals Exchange (LME) and proprietary data from Thomson Reuters and Bloomberg were used.

1. Commodities**Nickel**

Maturity	Price (US\$/ton)	Maturity	Price (US\$/ton)	Maturity	Price (US\$/ton)
SPOT	18,715.00	DEC14	19,077.71	JUN15	19,025.51
JUL14	18,997.28	JAN15	19,072.86	JUN16	18,821.30
AUG14	19,023.31	FEB15	19,066.14	JUN17	18,635.40
SEP14	19,045.59	MAR15	19,056.71	JUN18	18,514.59
OCT14	19,060.71	APR15	19,048.14		
NOV14	19,073.57	MAY15	19,038.36		

Copper

Maturity	Price (US\$/lb)	Maturity	Price (US\$/lb)	Maturity	Price (US\$/lb)
SPOT	3.19	DEC14	3.18	JUN15	3.17

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JUL14	3.19	JAN15	3.18	JUN16	3.15
AUG14	3.19	FEB15	3.17	JUN17	3.13
SEP14	3.18	MAR15	3.17	JUN18	3.11
OCT14	3.18	APR15	3.17		
NOV14	3.18	MAY15	3.17		

Bunker Oil

Maturity	Price (US\$/ton)	Maturity	Price (US\$/ton)	Maturity	Price (US\$/ton)
SPOT	610.23	DEC14	603.35	JUN15	598.55
JUL14	609.08	JAN15	603.13	JUN16	581.69
AUG14	607.89	FEB15	602.91	JUN17	572.81
SEP14	605.65	MAR15	602.00	JUN18	569.80
OCT14	604.34	APR15	601.06		
NOV14	603.54	MAY15	600.02		

Table of Contents**2. Rates****US\$-Brazil Interest Rate**

Maturity	Rate (% p.a.)	Maturity	Rate (% p.a.)	Maturity	Rate (% p.a.)
08/01/14	0.73	10/03/16	1.76	04/01/19	3.05
09/01/14	0.45	01/02/17	1.88	07/01/19	3.16
10/01/14	0.71	04/03/17	2.02	10/01/19	3.28
01/02/15	0.89	07/03/17	2.17	01/02/20	3.38
04/01/15	1.01	10/02/17	2.30	04/01/20	3.49
07/01/15	1.13	01/02/18	2.44	07/01/20	3.58
10/01/15	1.24	04/02/18	2.56	01/04/21	3.82
01/04/16	1.38	07/02/18	2.70	07/01/21	4.02
04/01/16	1.50	10/01/18	2.83	01/03/22	4.23
07/01/16	1.63	01/02/19	2.95	01/02/23	4.61

US\$ Interest Rate

Maturity	Rate (% p.a.)	Maturity	Rate (% p.a.)	Maturity	Rate (% p.a.)
1M	0.16	6M	0.27	11M	0.29
2M	0.19	7M	0.27	12M	0.29
3M	0.23	8M	0.28	2Y	0.59
4M	0.25	9M	0.28	3Y	1.01
5M	0.26	10M	0.28	4Y	1.43

TJLP

Maturity	Rate (% p.a.)	Maturity	Rate (% p.a.)	Maturity	Rate (% p.a.)
08/01/14	5.00	10/03/16	5.00	04/01/19	5.00
09/01/14	5.00	01/02/17	5.00	07/01/19	5.00
10/01/14	5.00	04/03/17	5.00	10/01/19	5.00
01/02/15	5.00	07/03/17	5.00	01/02/20	5.00
04/01/15	5.00	10/02/17	5.00	04/01/20	5.00
07/01/15	5.00	01/02/18	5.00	07/01/20	5.00
10/01/15	5.00	04/02/18	5.00	01/04/21	5.00
01/04/16	5.00	07/02/18	5.00	07/01/21	5.00
04/01/16	5.00	10/01/18	5.00	01/03/22	5.00
07/01/16	5.00	01/02/19	5.00	01/02/23	5.00

BRL Interest Rate

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Maturity	Rate (% p.a.)	Maturity	Rate (% p.a.)	Maturity	Rate (% p.a.)
08/01/14	10.81	10/03/16	11.51	04/01/19	11.94
09/01/14	10.81	01/02/17	11.54	07/01/19	11.96
10/01/14	10.79	04/03/17	11.62	10/01/19	11.97
01/02/15	10.78	07/03/17	11.68	01/02/20	11.98
04/01/15	10.82	10/02/17	11.74	04/01/20	12.02
07/01/15	10.91	01/02/18	11.79	07/01/20	12.06
10/01/15	11.05	04/02/18	11.84	01/04/21	12.06
01/04/16	11.17	07/02/18	11.88	07/01/21	12.09
04/01/16	11.31	10/01/18	11.92	01/03/22	12.12
07/01/16	11.41	01/02/19	11.93	01/02/23	12.18

Implicit Inflation (IPCA)

Maturity	Rate (% p.a.)	Maturity	Rate (% p.a.)	Maturity	Rate (% p.a.)
08/01/14	6.03	10/03/16	6.01	04/01/19	5.89
09/01/14	6.03	01/02/17	5.95	07/01/19	5.88
10/01/14	6.01	04/03/17	5.95	10/01/19	5.86
01/02/15	6.00	07/03/17	5.94	01/02/20	5.84
04/01/15	6.04	10/02/17	5.94	04/01/20	5.86
07/01/15	6.12	01/02/18	5.94	07/01/20	5.87
10/01/15	6.07	04/02/18	5.94	01/04/21	5.83
01/04/16	6.06	07/02/18	5.93	07/01/21	5.83
04/01/16	6.05	10/01/18	5.93	01/03/22	5.82
07/01/16	6.03	01/02/19	5.91	01/02/23	5.82

EUR Interest Rate

Maturity	Rate (% p.a.)	Maturity	Rate (% p.a.)	Maturity	Rate (% p.a.)
1M	0.09	6M	0.25	11M	0.29
2M	0.13	7M	0.26	12M	0.29
3M	0.18	8M	0.27	2Y	0.31
4M	0.21	9M	0.28	3Y	0.39
5M	0.24	10M	0.28	4Y	0.51

CAD Interest Rate

Maturity	Rate (% p.a.)	Maturity	Rate (% p.a.)	Maturity	Rate (% p.a.)
1M	1.25	6M	1.38	11M	1.30
2M	1.25	7M	1.35	12M	1.29
3M	1.27	8M	1.33	2Y	1.43
4M	1.33	9M	1.32	3Y	1.63
5M	1.36	10M	1.31	4Y	1.84

Table of Contents**Sensitivity analysis(3)**

We present below the sensitivity analysis for all derivative positions outstanding as of June 30, 2014 given predefined scenarios for market risk factors behavior. The scenarios were defined as follows:

- Fair Value: the fair value of the instruments as at June 30, 2014;
- Scenario I: Potential change in fair value of Vale's financial instruments positions considering a 25% deterioration of market curves for underlying market risk factors;
- Scenario II: Potential change in fair value of Vale's financial instruments positions considering a 25% increase of market curves for underlying market risk factors;
- Scenario III: Potential change in fair value of Vale's financial instruments positions considering a 50% deterioration of market curves for underlying market risk factors;
- Scenario IV: Potential change in fair value of Vale's financial instruments positions considering a 50% increase of market curves for underlying market risk factors;

Sensitivity analysis - summary of the US\$/BRL fluctuation - debt, cash investments and derivatives**Sensitivity analysis - Summary of the US\$/BRL fluctuation***Amounts in R\$ million*

Program	Instrument	Risk	Scenario I	Scenario II	Scenario III	Scenario IV
Funding	Debt denominated in BRL	BRL fluctuation				
Funding	Debt denominated in US\$	BRL fluctuation	11,602	(11,602)	23,205	(23,205)
Cash Investments	Cash denominated in BRL	BRL fluctuation				
Cash Investments	Cash denominated in US\$	BRL fluctuation	4	(4)	9	(9)
Derivatives*	Consolidated derivatives portfolio	BRL fluctuation	(4,086)	4,086	(8,171)	8,171
Net result			7,521	(7,521)	15,042	(15,042)

(*) Detailed information of derivatives block is described below.

Sensitivity analysis - consolidated derivative position

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Sensitivity analysis - Foreign Exchange and Interest Rate Derivative Positions

Amounts in R\$ million

		BRL fluctuation		(1,583)	1,583	(3,165)	3,165
		USD interest rate inside Brazil variation					
		Brazilian interest rate fluctuation	(607)	(40)	40	(82)	78
Protection program for the Real denominated debt indexed to CDI	CDI vs. US\$ fixed rate swap	USD Libor variation		(21)	20	(44)	38
		BRL fluctuation		(0.1)	0.1	(0.2)	0.2
		Brazilian interest rate fluctuation		(139)	139	(278)	278
	CDI vs. US\$ floating rate swap	USD Libor variation		(110)	(0.2)	0.2	(0.4)
		USD Libor variation		(0.02)	0.02	(0.04)	0.04
	Protected Items - Real denominated debt	BRL fluctuation	n.a.				
		BRL fluctuation		(1,710)	1,710	(3,421)	3,421
		USD interest rate inside Brazil variation	(1,398)	(104)	99	(215)	192
	TJLP vs. US\$ fixed rate swap	Brazilian interest rate fluctuation		364	(322)	778	(608)
		TJLP interest rate fluctuation		(171)	168	(345)	331
		BRL fluctuation		(176)	176	(352)	352
Protection program for the Real denominated debt indexed to TJLP		USD interest rate inside Brazil variation		(11)	10	(22)	19
	TJLP vs. US\$ floating rate swap	Brazilian interest rate fluctuation		(188)	28	(25)	61
		TJLP interest rate fluctuation		(13)	13	(27)	26
		USD Libor variation		7	(7)	13	(13)
	Protected Items - Real denominated debt	BRL fluctuation	n.a.				
		BRL USD fluctuation		(219)	219	(437)	437
Protection program for the Real denominated fixed rate debt	BRL fixed rate vs. US\$ fixed rate swap	USD interest rate inside Brazil variation	(185)	(9)	8	(18)	17
		Brazilian interest rate fluctuation		36	(32)	76	(61)
	Protected Items - Real denominated debt	BRL fluctuation	n.a.				
		BRL fluctuation		(259)	259	(518)	518
		USD interest rate inside Brazil variation		(25)	23	(52)	44
Protection program for the Real denominated debt indexed to IPCA	IPCA vs. US\$ fixed rate swap	Brazilian interest rate fluctuation	36	150	(127)	330	(234)
		IPCA index fluctuation		(69)	74	(134)	152
		USD Libor variation		(9)	8	(18)	16
	Protected Items - Real denominated debt	BRL fluctuation	n.a.				
	EUR fixed rate vs. US\$ fixed rate swap	EUR fluctuation	241	(867)	867	(1,735)	1,735
Protection Program for the Euro denominated debt		EUR Libor variation		43	(41)	89	(80)
		USD Libor variation		(69)	63	(145)	122
	Protected Items - Euro denominated debt	EUR fluctuation	n.a.	867	(867)	1,735	(1,735)
		CAD fluctuation		(260)	260	(520)	520
Foreign Exchange hedging program for disbursements in Canadian dollars (CAD)	CAD Forward	CAD Libor variation	(51)	2	(2)	4	(4)
		USD Libor variation		(0.5)	0.5	(1)	1
	Protected Items - Disbursement in Canadian dollars	CAD fluctuation	n.a.	260	(260)	520	(520)

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(3) The deterioration scenario of BRL fluctuation on the tables of this section means the depreciation of BRL against the USD. The same is applicable for the other currencies fluctuations as risk factors. Specifically on Sensitivity analysis - cash investments in other currencies table, we have the depreciation of each currency as a risk factor against another currencies in general, not only USD.

Table of Contents**Sensitivity analysis - Commodity Derivative Positions***Amounts in R\$ million*

Nickel purchase protection program	Purchase / sale of nickel future/forward contracts	Nickel price fluctuation		3	(3)	6	(6)
		Libor USD fluctuation	(0.71)				
		CAD fluctuation		(0.2)	0.2	(0.4)	0.4
	Protected Item: Part of Vale's revenues linked to Nickel price	Nickel price fluctuation	n.a.	(3)	3	(6)	6
Nickel fixed price program	Purchase of nickel future/forward contracts	Nickel price fluctuation		(84)	84	(169)	169
		Libor USD fluctuation	35	(0.1)	0.1	(0.2)	0.2
		CAD fluctuation		9	(9)	17	(17)
	Protected Item: Part of Vale's nickel revenues from sales with fixed prices	Nickel price fluctuation	n.a.	84	(84)	169	(169)
Copper Scrap Purchase Protection Program	Sale of copper future/forward contracts	Copper price fluctuation		0.6	(0.6)	1.3	(1.3)
		Libor USD fluctuation	(0.11)				
		CAD fluctuation		(0.03)	0.03	(0.06)	0.06
	Protected Item: Part of Vale's revenues linked to Copper price	Copper price fluctuation	n.a.	(0.6)	0.6	(1.3)	1.3
Bunker Oil Protection Program	Bunker Oil forward	Bunker Oil price fluctuation	27	(271)	271	(543)	543
		Libor USD fluctuation		(0.17)	0.17	(0.33)	0.33
		Bunker Oil price fluctuation	n.a.	271	(271)	543	(543)
	Protected Item: part of Vale's costs linked to Bunker Oil price	Bunker Oil price fluctuation	22	(481)	481	(962)	962
Bunker Oil Hedge Program	Bunker Oil forward	Bunker Oil price fluctuation		(0.3)	0.3	(0.6)	0.6
		Libor USD fluctuation					
		Bunker Oil price fluctuation	n.a.	481	(481)	962	(962)
Sell of part of future gold production (subproduct) from Vale	10 million of SLW warrants	SLW stock price fluctuation		(52)	63	(92)	134
		Libor USD fluctuation	119	(6)	6	(12)	11
		SLW stock price fluctuation	n.a.	52	(63)	92	(134)
	Sell of part of future gold production (subproduct) from Vale	SLW stock price fluctuation	n.a.	52	(63)	92	(134)

Sensitivity analysis - Embedded Derivative Positions*Amounts in R\$ million*

Program	Instrument	Risk	Fair Value	Scenario I	Scenario II	Scenario III	Scenario IV
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Embedded derivatives - Raw material purchase (Nickel)	Embedded derivatives - Raw material purchase	Nickel price fluctuation	1.3	42	(42)	83	(83)
		CAD fluctuation		1.3	(1.3)	2.5	(2.5)
Embedded derivatives - Raw material purchase (Copper)	Embedded derivatives - Raw material purchase	Copper price fluctuation	0.2	25	(25)	49	(49)
		CAD fluctuation		1	(1)	2	(2)
Embedded derivatives - Gas purchase for Pelletizing Company in Oman	Embedded derivatives - Gas purchase	Pellet price fluctuation	(1.5)	1	(3)	2	(10)

Sensitivity analysis - cash investments in other currencies

The Company's cash investments linked to other currencies that not US\$ are also subjected to the volatility of foreign exchange currencies.

Sensitivity analysis - Cash Investments (Other currencies)

Amounts in R\$ million

Program	Instrument	Risk	Scenario I	Scenario II	Scenario III	Scenario IV
Cash Investments	Cash denominated in EUR	EUR	(28)	28	(56)	56
Cash Investments	Cash denominated in CAD	CAD	(0.006)	0.006	(0.01)	0.01
Cash Investments	Cash denominated in GBP	GBP	(15)	15	(29)	29
Cash Investments	Cash denominated in AUD	AUD	(0.5)	0.5	(1)	1
Cash Investments	Cash denominated in Other Currencies	Others	(68)	68	(136)	136

Table of Contents**Financial counterparties ratings**

Derivatives transactions are executed with financial institutions that we consider to have a very good credit quality. The exposure limits to financial institutions are proposed annually for the Executive Risk Committee and approved by the Executive Board. The financial institutions credit risk tracking is performed making use of a credit risk valuation methodology which considers, among other information, published ratings provided by international rating agencies. In the table below, we present the ratings in foreign currency published by Moody's and S&P agencies for the financial institutions that we had outstanding trades as of June 30, 2014.

Vale's Counterparty	Moody's*	S&P*
ANZ Australia and New Zealand Banking	Aa2	AA-
Banco Amazônia SA		
Banco Bradesco	Baa2	BBB-
Banco de Credito del Peru	Baa1	BBB+
Banco do Brasil	Baa2	BBB-
Banco do Nordeste	Baa3	BBB-
Banco Safra	Baa2	BBB-
Banco Santander	Baa2	BBB-
Banco Votorantim	Baa2	BB+
Bank of America	Baa2	A-
Bank of Nova Scotia	Aa2	A+
Banpara	Ba3	BB -
Barclays	A3	A-
BNP Paribas	A1	A+
BTG Pactual	Baa3	BB+
Caixa Economica Federal	Baa2	BBB-
Citigroup	(P)Baa2	A-
Credit Agricole	A2	A
Deutsche Bank	A2	A
Goldman Sachs	Baa1	A-
HSBC	Aa3	A+
Itau Unibanco	Baa2	BBB-
JP Morgan Chase & Co	A3	A
Morgan Stanley	Baa2	A-
Royal Bank of Canada	Aa3	AA-
Societe Generale	A2	A
Standard Chartered	A2	A+
Intesa Sanpaolo Spa	Baa2	BBB

* Long Term Rating/LT Foreign Issuer Credit

Table of Contents**24 Stockholders Equity****a) Capital**

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

In May 2014, the Stockholders approved, at the Extraordinary General Shareholders Meeting, the proposed increase in capital, without issuance of shares, in the total amount of R\$2,300, by the capitalization of revenue reserves.

On June 30, 2014, the capital was US\$77,300 corresponding to 5,244,316,120 shares without par value.

	ON	June 30, 2014 (unaudited) PNA	Total
Stockholders			
Valepar S.A.	1,716,435,045	20,340,000	1,736,775,045
Brazilian Government (Golden Share)		12	12
Foreign investors - ADRs	731,862,132	603,005,411	1,334,867,543
FMP - FGTS	85,030,848		85,030,848
PIBB - BNDES	1,600,906	2,381,836	3,982,742
BNDESPar	206,378,882	66,185,272	272,564,154
Foreign institutional investors in local market	260,717,289	531,509,487	792,226,776
Institutional investors	132,954,512	331,111,088	464,065,600
Retail investors in Brazil	50,673,386	413,188,820	463,862,206
Treasury stock	31,535,402	59,405,792	90,941,194
Total	3,217,188,402	2,027,127,718	5,244,316,120

b) Treasury stocks

In May 2014, the Stockholders approved, at the Extraordinary General Shareholders Meeting, the proposed cancellation of 39,536,080 common shares and 81,452,900 preferred shares class A issued of the Vale held in treasury, arising from the buy-back program approved in June 2011.

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On June 30, 2014, there were 90,941,194 treasury stocks, in the total amount of R\$2,746, as follows:

	Preferred	Shares Common	Total
Balance on December 31, 2012	140,857,692	71,071,482	211,929,174
Addition			
Reduction			
Balance on December 31, 2013	140,857,692	71,071,482	211,929,174
Addition			
Reduction	(81,451,900)	(39,536,080)	(120,987,980)
Balance on June 30, 2014 (unaudited)	59,405,792	31,535,402	90,941,194

Table of Contentsc) **Basic and diluted earnings per share**

Basic and diluted earnings per shares were calculated as follows:

	Consolidated (unaudited)			
	Three-month period ended June 30, 2014	June 30, 2013	Six-month period ended June 30, 2014	June 30, 2013
Net income from continuing operations attributable to the Company's stockholders	3,187	809	9,096	7,125
Basic and diluted earnings per share:				
Income available to preferred stockholders	1,217	309	3,473	2,721
Income available to common stockholders	1,970	500	5,623	4,404
Total	3,187	809	9,096	7,125
Weighted average number of shares outstanding (thousands of shares) - preferred shares	1,967,722	1,967,722	1,967,722	1,967,722
Weighted average number of shares outstanding (thousands of shares) - common shares	3,185,653	3,185,653	3,185,653	3,185,653
Total	5,153,375	5,153,375	5,153,375	5,153,375

Basic and diluted earnings per share from continuing operations

Basic earnings per preferred share	0.62	0.16	1.77	1.38
Basic earnings per common share	0.62	0.16	1.77	1.38

	Consolidated (unaudited)			
	Three-month period ended June 30, 2014	June 30, 2013	Six-month period ended June 30, 2014	June 30, 2013
Income (loss) from discontinuing operations attributable to the Company's stockholders		23		(92)
Basic and diluted earnings per share:				
Loss available to preferred stockholders		9		(35)
Loss available to common stockholders		14		(57)
Total		23		(92)
Weighted average number of shares outstanding (thousands of shares) - preferred shares	1,967,722	1,967,722	1,967,722	1,967,722
Weighted average number of shares outstanding (thousands of shares) - common shares	3,185,653	3,185,653	3,185,653	3,185,653
Total	5,153,375	5,153,375	5,153,375	5,153,375

Basic and diluted earnings per share from discontinuing operations

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Basic earnings per preferred share	(0.02)
Basic earnings per common share	(0.02)

	Parent company (unaudited)			
	Three-month period ended		Six-month period ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Net income attributable to the Company's stockholders	3,187	832	9,096	7,033
Basic and diluted earnings per share:				
Income available to preferred stockholders	1,217	318	3,473	2,685
Income available to common stockholders	1,970	514	5,623	4,348
Total	3,187	832	9,096	7,033
Weighted average number of shares outstanding				
(thousands of shares) - preferred shares	1,967,722	1,967,722	1,967,722	1,967,722
Weighted average number of shares outstanding				
(thousands of shares) - common shares	3,185,653	3,185,653	3,185,653	3,185,653
Total	5,153,375	5,153,375	5,153,375	5,153,375
Basic and diluted earnings per share				
Basic earnings per preferred share	0.62	0.16	1.77	1.36
Basic earnings per common share	0.62	0.16	1.77	1.36

d) **Remuneration of stockholders**

The amounts paid to stockholders, by nature of remuneration, are as follows:

	Remuneration attributed to Stockholders			Amount per outstanding preferred or common share
	Dividends	Interest on capital	Total	
Amounts paid on 1st half-year of 2012				
First installment - April	792	3,661	4,453	0.864045420
	792	3,661	4,453	
Amounts paid on 1st half-year of 2013				
First installment - April		4,632	4,632	0.898904129
		4,632	4,632	

Table of Contents**25. Information by Business Segment and Consolidated Revenues by Geographic Area**

The information presented to the Executive Board on the performance of each segment is derived from the accounting records adjusted for reallocations between segments.

a) Results by segment

	Consolidated				Total
	Three-month period ended (unaudited)				
	June 30, 2014				
	Bulk Materials	Basic Metals	Fertilizers	Others	
Results					
Net operating revenue	15,923	4,213	1,370	578	22,084
Cost and expenses	(8,700)	(2,873)	(1,209)	(630)	(13,412)
Impairment of assets	(1,730)				(1,730)
Depreciation, depletion and amortization	(913)	(799)	(258)	(20)	(1,990)
Operating income (loss)	4,580	541	(97)	(72)	4,952
Financial results, net	28	(155)	16	(18)	(129)
Realized gain on assets available for sale				(39)	(39)
Equity results from associates and joint venture	539	(15)		18	542
Income taxes	(2,083)	(139)	16	(30)	(2,236)
Net income (loss) of the period	3,064	232	(65)	(141)	3,090
Loss attributable to noncontrolling interests	(49)	(26)	(5)	(17)	(97)
Income (loss) attributable to the company's stockholders	3,113	258	(60)	(124)	3,187
Sales classified by geographic area:					
America, except United States	409	573	26	27	1,035
United States of America		586		240	826
Europe	2,299	1,533	56	15	3,903
Middle East/Africa/Oceania	928	92			1,020
Japan	1,697	516		8	2,221
China	7,561	369			7,930
Asia, except Japan and China	1,304	538	26		1,868
Brazil	1,725	6	1,262	288	3,281
Net revenue	15,923	4,213	1,370	578	22,084

Consolidated
Three-month period ended (unaudited)

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June 30, 2013

	Bulk Materials	Basic Metals	Fertilizers	Others	Total of continued operations	Discontinued operations (General Cargo)	Total
Results							
Net operating revenue	16,454	3,493	1,565	597	22,109	762	22,871
Cost and expenses	(7,452)	(2,642)	(1,494)	(900)	(12,488)	(644)	(13,132)
Depreciation, depletion and amortization	(1,000)	(914)	(215)	(18)	(2,147)	(82)	(2,229)
Operating income (loss)	8,002	(63)	(144)	(321)	7,474	36	7,510
Financial results, net	(7,141)	49	(67)	150	(7,009)	5	(7,004)
Equity results from associates and joint venture	215	(6)		(105)	104		104
Income taxes	22	53	130	(33)	172	(18)	154
Net income (loss) of the period	1,098	33	(81)	(309)	741	23	764
Loss attributable to noncontrolling interests	(12)	(4)	(10)	(42)	(68)		(68)
Income (loss) attributable to the company's stockholders	1,110	37	(71)	(267)	809	23	832
Sales classified by geographic area:							
America, except United States	389	494	27	21	931		931
United States of America		572		171	743		743
Europe	2,816	1,256	73		4,145		4,145
Middle East/Africa/Oceania	1,032	44	8		1,084		1,084
Japan	2,171	309			2,480		2,480
China	7,032	386			7,418		7,418
Asia, except Japan and China	1,505	345	14	1	1,865		1,865
Brazil	1,509	87	1,443	404	3,443	762	4,205
Net revenue	16,454	3,493	1,565	597	22,109	762	22,871

Table of Contents

	Consolidated Six-month period ended (unaudited) June 30, 2014					Total
	Bulk Materials	Basic Metals	Fertilizers	Others		
Results						
Net operating revenue	32,318	8,290	2,629	1,256		44,493
Cost and expenses	(16,995)	(5,664)	(2,387)	(1,230)		(26,276)
Impairment of assets	(1,730)					(1,730)
Depreciation, depletion and amortization	(2,070)	(1,801)	(497)	(33)		(4,401)
Operating income (loss)	11,523	825	(255)	(7)		12,086
Financial results, net	677	(465)	19	(32)		199
Realized gain on assets available for sale				(39)		(39)
Equity results from associates and joint venture	1,075	(26)		(48)		1,001
Income taxes	(4,374)	(221)	61	(39)		(4,573)
Net income (loss) of the period	8,901	113	(175)	(165)		8,674
Loss attributable to noncontrolling interests	(98)	(289)	(16)	(19)		(422)
Income (loss) attributable to the company's stockholders	8,999	402	(159)	(146)		9,096
Sales classified by geographic area:						
America, except United States	890	1,395	50	27		2,362
United States of America	5	1,206		533		1,744
Europe	5,113	2,933	119	15		8,180
Middle East/Africa/Oceania	1,986	175				2,161
Japan	3,390	904		7		4,301
China	14,744	734				15,478
Asia, except Japan and China	2,692	937	33			3,662
Brazil	3,498	6	2,427	674		6,605
Net revenue	32,318	8,290	2,629	1,256		44,493

	Consolidated Six-month period ended (unaudited) June 30, 2013						Total
	Bulk Materials	Basic Metals	Fertilizers	Others	Total of continued operations	Discontinued operations (General Cargo)	
Results							
Net operating revenue	32,191	7,167	3,003	974	43,335	1,337	44,672
Cost and expenses	(14,380)	(4,940)	(2,767)	(1,227)	(23,314)	(1,248)	(24,562)
Depreciation, depletion and amortization	(1,827)	(1,843)	(453)	(40)	(4,163)	(160)	(4,323)
Operating income (loss)	15,984	384	(217)	(293)	15,858	(71)	15,787
Financial results, net	(7,787)	144	(83)	50	(7,676)	6	(7,670)
Equity results from associates and joint venture	580	(12)		(122)	446		446
Income taxes	(1,771)	3	133	(50)	(1,685)	(27)	(1,712)
Net income (loss) of the period	7,006	519	(167)	(415)	6,943	(92)	6,851

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Loss attributable to noncontrolling interests	(59)	(60)	(63)	(182)		(182)	
Income (loss) attributable to the company's stockholders	7,065	579	(167)	(352)	7,125	(92)	7,033
Sales classified by geographic area:							
America, except United States	757	1,113	50	21	1,941		1,941
United States of America	6	1,146		222	1,374		1,374
Europe	5,637	2,494	140		8,271		8,271
Middle East/Africa/Oceania	1,897	79	22		1,998		1,998
Japan	2,895	579			3,474		3,474
China	15,382	885			16,267		16,267
Asia, except Japan and China	2,654	775	39	1	3,469		3,469
Brazil	2,963	96	2,752	730	6,541	1,337	7,878
Net revenue	32,191	7,167	3,003	974	43,335	1,337	44,672

Table of Contents

Three-month period ended (unaudited)
June 30, 2014

	Net revenues	Cost	Expenses	Research and Development	Pre operating and stopped operation	Operating profit (loss)	Depreciation, depletion and amortization	Impairment on assets	Operating income	Property, plant and equipment and intangible	Addition of property, plant and equipment and intangible
Bulk Material											
Ferrous minerals											
Iron ore	11,941	(5,262)	(477)	(151)	(75)	5,976	(679)	(1,118)	4,179	85,104	1
Pellets	2,795	(1,388)	(33)		(14)	1,360	(126)		1,234	4,227	
Ferroalloys and manganese	242	(150)	(19)		(16)	57	(21)		36	659	
Others											
Ferrous products and services	498	(333)	8			173	(57)		116	788	
	15,476	(7,133)	(521)	(151)	(105)	7,566	(883)	(1,118)	5,565	90,778	1
Coal	447	(674)	(91)	(5)	(20)	(343)	(30)	(612)	(985)	13,283	
	15,923	(7,807)	(612)	(156)	(125)	7,223	(913)	(1,730)	4,580	104,061	4
Base Metals											
Nickel and other products (a)											
	3,430	(2,107)	36	(75)	(323)	961	(724)		237	64,720	
Copper (b)	783	(395)	(1)	(2)	(6)	379	(75)		304	8,874	
	4,213	(2,502)	35	(77)	(329)	1,340	(799)		541	73,594	1
Fertilizers											
Potash	76	(78)	(4)	(8)	(7)	(21)	(19)		(40)	370	
Phosphates	1,045	(891)	(36)	(28)	(18)	72	(212)		(140)		
Nitrogen	190	(128)	(2)	(5)	(4)	51	(27)		24	16,851	
Others											
fertilizers products	59					59			59		
	1,370	(1,097)	(42)	(41)	(29)	161	(258)		(97)	17,221	1
Others	578	(389)	(162)	(79)		(52)	(20)		(72)	9,342	
Total	22,084	(11,795)	(781)	(353)	(483)	8,672	(1,990)	(1,730)	4,952	204,218	6

(a) Includes nickel co-products and by-products (copper, precious metal, cobalt and others).

(b) Includes copper concentrate and does not include the copper by-product of nickel.

Table of Contents

	Three-month period ended (unaudited)										
	June 30, 2013										
	Net revenues	Cost	Expenses	Research and Development	Pre operating and stopped operation	Operating profit (loss)	Depreciation, depletion and amortization	Operating income	Property, plant and equipment and intangible	Additions to property, plant and equipment and intangible	Intangible
Bulk Material											
Ferrous minerals											
Iron ore	12,608	(4,394)	(520)	(143)	(156)	7,395	(717)	6,678	82,677	2,994	
Pellets	3,013	(1,200)	(80)	(6)	(71)	1,656	(99)	1,557	4,303	65	
Ferroalloys and manganese	198	(160)	6			44	(11)	33	611	9	
Others											
Ferrous products and services	109	(62)	4			51	(73)	(22)	1,278	12	
	15,928	(5,816)	(590)	(149)	(227)	9,146	(900)	8,246	88,869	3,080	
Coal	526	(531)	(112)	(8)	(19)	(144)	(100)	(244)	8,495	458	
	16,454	(6,347)	(702)	(157)	(246)	9,002	(1,000)	8,002	97,364	3,538	
Base Metals											
Nickel and other products (a)	2,811	(1,770)	214	(76)	(390)	789	(826)	(37)	65,767	1,111	
Copper (b)	682	(548)	(31)	(37)	(4)	62	(88)	(26)	9,106	191	
	3,493	(2,318)	183	(113)	(394)	851	(914)	(63)	74,873	1,302	
Fertilizers											
Potash	96	(68)	(25)	(5)	(155)	(157)	(11)	(168)	5,255	88	
Phosphates	1,164	(919)	(37)	(5)	(15)	188	(156)	32	17,169	196	
Nitrogen	260	(235)	(25)	(1)	(4)	(5)	(48)	(53)			
Others											
fertilizers products	45					45		45	671		
	1,565	(1,222)	(87)	(11)	(174)	71	(215)	(144)	23,095	284	
Others	597	(419)	(444)	(37)		(303)	(18)	(321)	4,726	234	
	22,109	(10,306)	(1,050)	(318)	(814)	9,621	(2,147)	7,474	200,058	5,358	
Discontinued operations											
(General Cargo)	762	(553)	(86)	(5)		118	(82)	36	5,583	476	
Total	22,871	(10,859)	(1,136)	(323)	(814)	9,739	(2,229)	7,510	205,641	5,834	

(a) Includes nickel co-products and by-products (copper, precious metal, cobalt and others).

(b) Includes copper concentrate and does not include the copper by-product of nickel.

Table of ContentsSix-month period ended (unaudited)
June 30, 2014

	Net revenues	Cost	Expenses	Research and Development	Pre operating and stopped operation	Operating profit (loss)	Depreciation, depletion and amortization	Impairment on assets	Operating income	Property, plant and equipment and intangible	Addition proper plant a equipm and intan
Bulk Material											
Ferrous minerals											
Iron ore	24,153	(9,856)	(1,240)	(294)	(131)	12,632	(1,545)	(1,118)	9,969	85,104	
Pellets	6,175	(2,833)	(40)	(1)	(66)	3,235	(246)		2,989	4,227	
Ferroalloys and manganese	405	(279)	(24)		(29)	73	(36)		37	659	
Others											
Ferrous products and services	815	(719)	12			108	(120)		(12)	788	
	31,548	(13,687)	(1,292)	(295)	(226)	16,048	(1,947)	(1,118)	12,983	90,778	
Coal	770	(1,232)	(217)	(7)	(39)	(725)	(123)	(612)	(1,460)	13,283	
	32,318	(14,919)	(1,509)	(302)	(265)	15,323	(2,070)	(1,730)	11,523	104,061	
Base Metals											
Nickel and other products (a)	6,734	(4,023)	(23)	(149)	(596)	1,943	(1,638)		305	64,720	
Copper (b)	1,556	(871)	15	(2)	(15)	683	(163)		520	8,874	
	8,290	(4,894)	(8)	(151)	(611)	2,626	(1,801)		825	73,594	
Fertilizers											
Potash	160	(150)	(4)	(18)	(22)	(34)	(32)		(66)	370	
Phosphates	1,997	(1,700)	(84)	(53)	(70)	90	(409)		(319)		
Nitrogen	376	(260)	(8)	(10)	(8)	90	(56)		34	16,851	
Others											
fertilizers products	96					96			96		
	2,629	(2,110)	(96)	(81)	(100)	242	(497)		(255)	17,221	
Others	1,256	(833)	(235)	(162)		26	(33)		(7)	9,342	
Total	44,493	(22,756)	(1,848)	(696)	(976)	18,217	(4,401)	(1,730)	12,086	204,218	1

(a) Includes nickel co-products and by-products (copper, precious metal, cobalt and others).

(b) Includes copper concentrate and does not include the copper by-product of nickel.

Table of Contents

	Six-month period ended (unaudited)											
	June 30, 2013											
	Net revenues	Cost	Expenses	Research and Development	Pre operating and stopped operation	Operating profit (loss)	Depreciation, depletion and amortization	Operating income	Property, plant and equipment and intangible	Additions to property, plant and equipment and intangible	Intangible	
Bulk Material												
Ferrous minerals												
Iron ore	24,844	(8,312)	(1,191)	(267)	(254)	14,820	(1,314)	13,506	82,677	6,741		
Pellets	5,821	(2,120)	(79)	(12)	(143)	3,467	(178)	3,289	4,303	205		
Ferroalloys and manganese	432	(311)	(41)			80	(21)	59	611	31		
Others												
Ferrous products and services	145	(115)	7			37	(130)	(93)	1,278	24		
	31,242	(10,858)	(1,304)	(279)	(397)	18,404	(1,643)	16,761	88,869	7,001		
Coal	949	(1,052)	(420)	(29)	(41)	(593)	(184)	(777)	8,495	698		
	32,191	(11,910)	(1,724)	(308)	(438)	17,811	(1,827)	15,984	97,364	7,699		
Base Metals												
Nickel and other products (a)	5,964	(3,499)	116	(168)	(770)	1,643	(1,671)	(28)	65,767	2,797		
Copper (b)	1,203	(943)	(87)	(63)	(10)	100	(172)	(72)	9,106	558		
Others base metals products			484			484		484				
	7,167	(4,442)	513	(231)	(780)	2,227	(1,843)	384	74,873	3,355		
Fertilizers												
Potash	198	(124)	(33)	(7)	(155)	(121)	(49)	(170)	5,255	525		
Phosphates	2,126	(1,680)	(150)	(12)	(42)	242	(299)	(57)	17,169	346		
Nitrogen	600	(523)	(26)	(4)	(7)	40	(105)	(65)				
Others fertilizers products	79			(4)		75		75	671			
	3,003	(2,327)	(209)	(27)	(204)	236	(453)	(217)	23,095	871		
Others	974	(655)	(475)	(97)		(253)	(40)	(293)	4,726	492		
	43,335	(19,334)	(1,895)	(663)	(1,422)	20,021	(4,163)	15,858	200,058	12,417		
Discontinued operations (General Cargo)	1,337	(1,106)	(128)	(14)		89	(160)	(71)	5,583	874		
Total	44,672	(20,440)	(2,023)	(677)	(1,422)	20,110	(4,323)	15,787	205,641	13,291		

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- (a) Includes nickel co-products and by-products (copper, precious metal, cobalt and others).
- (b) Includes copper concentrate and does not include the cooper by-product of nickel.

Table of Contents**26. Cost of goods sold and services rendered, and sales and administrative expenses and other operational expenses (income), net, by nature****a) Costs of goods sold and services rendered**

	Consolidated (unaudited)			
	Three-month period ended		Six-month period ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Personnel	1,479	1,644	3,085	3,141
Material	1,819	2,065	3,734	3,966
Fuel oil and gas	981	940	1,964	1,795
Outsourcing services	2,362	1,957	4,488	3,624
Energy	298	307	641	624
Acquisition of products	999	852	1,975	1,421
Depreciation and depletion	1,771	1,926	3,981	3,705
Freight	1,920	1,418	3,543	2,622
Others	1,937	1,123	3,327	2,142
Total	13,566	12,232	26,738	23,040

	Parent company (unaudited)	
	Six-month period ended	
	June 30, 2014	June 30, 2013
Personnel	1,538	1,381
Material	1,948	1,598
Fuel oil and gas	1,297	1,098
Outsourcing services	2,723	2,086
Energy	319	358
Acquisition of products	570	360
Depreciation and depletion	1,388	1,036
Others	2,104	1,867
Total	11,887	9,784

b) Selling and administrative expenses

	Consolidated (unaudited)			
	Three-month period ended		Six-month period ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Personnel	222	271	481	556
Services (consulting, infrastructure and others)	109	137	213	275

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Advertising and publicity	13	28	25	42
Depreciation and amortization	115	85	220	193
Travel expenses	21	17	26	27
Taxes and rents	6	20	19	36
Incentive		4		4
Sales	35	46	133	115
Others	7	38	78	101
Total	528	646	1,195	1,349

	Parent company (unaudited)	
	Six-month period ended	
	June 30, 2014	June 30, 2013
Personnel	267	366
Services (consulting, infrastructure and others)	117	175
Advertising and publicity	21	35
Depreciation and amortization	148	144
Travel expenses	15	16
Taxes and rents	1	12
Incentive		3
Sales	(11)	5
Others	65	6
Total	623	762

Table of Contentsc) **Others operational expenses (incomes), net**

	Consolidated (unaudited)			
	Three-month period ended		Six-month period ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Provision for litigation	153	149	287	169
Provision for loss with VAT credits (ICMS)	81	69	184	98
Provision for profit sharing	18	60	112	180
Provision for disposal of materials/inventories	48	27	97	306
Tax incentives not used	15		17	
Other	49	180	173	(30)
Total	364	485	870	723

	Parent company (unaudited)	
	Six-month period ended	
	June 30, 2014	June 30, 2013
Provision for litigation	283	84
Provision for loss with VAT credits (ICMS)	188	
Provision for profit sharing	87	144
Vale do Rio Doce Foundation (FVRD)	9	
Provision for disposal of materials/inventories	21	118
Tax incentives not used	17	
Other	168	9
Total	773	355

27. Financial result

The financial results, by nature, are as follows:

	Consolidated (unaudited)			
	Three-month period ended		Six-month period ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Financial expenses				
Interest	(891)	(690)	(1,797)	(1,356)
Labor, tax and civil contingencies	(81)	(98)	(99)	(132)
Derivatives	(50)	(2,134)	(94)	(2,276)
Indexation and exchange rate variation (a)	(585)	(5,531)	(1,729)	(6,133)
Stockholders debentures	(598)	(175)	(647)	(515)
Net expenses of REFIS	(389)		(780)	

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Others	(237)	(150)	(487)	(302)
	(2,831)	(8,778)	(5,633)	(10,714)
Financial income				
Short-term investments	87	53	216	80
Derivatives	871	87	1,414	451
Indexation and exchange rate variation (b)	1,669	1,358	4,013	2,129
Others	75	271	189	378
	2,702	1,769	5,832	3,038
Financial results, net	(129)	(7,009)	199	(7,676)
Summary of indexation and exchange rate variation				
Loans and financing	1,433	(5,148)	3,431	(4,525)
Related parties	(8)	14	1	21
Others	(341)	961	(1,148)	500
Net (a) + (b)	1,084	(4,173)	2,284	(4,004)

Table of Contents

	Parent company (unaudited)	
	Six-month period ended	
	June 30, 2014	June 30, 2013
Financial expenses		
Interest	(1,664)	(1,394)
Labor, tax and civil contingencies	(90)	(35)
Derivatives		(1,694)
Indexation and exchange rate variation (a)	(1,237)	(5,974)
Stockholders' debentures	(647)	(515)
Net expenses of REFIS	(764)	
Others	(258)	(113)
	(4,660)	(9,725)
Financial income		
Short-term investments	172	58
Derivatives	1,246	294
Indexation and exchange rate variation (b)	3,835	2,426
Others	62	94
	5,315	2,872
Financial results, net	655	(6,853)
Summary of indexation and exchange rate variation		
Loans and financing	1,510	(1,464)
Related parties	1,115	(1,770)
Others	(27)	(314)
Net (a) + (b)	2,598	(3,548)

28. Gold stream transaction

In February 2013, the Company entered into a gold stream transaction with Silver Wheaton Corp. (SLW) to sell 25% of the gold extracted during the life of the mine as a by-product of Salobo copper mine and 70% of the gold extracted during the next 20 years as a by-product of the Sudbury nickel mines.

In March 2013, we received up-front cash proceeds of US\$1.9 billion (approximately R\$3.8 billion) in March 2013, plus ten million warrants of SLW with exercise price of US\$65 exercisable in the next ten years, which fair value was determined to be US\$100 (approximately R\$199). The amount of US\$1,330 (approximately R\$2.64 billion) was received for Salobo transaction and US\$570 (approximately R\$1,133) plus the ten million warrants of SLW were received for the Sudbury transaction.

As the gold is delivered to SLW, Vale will receive a payment equal to the lesser of: (i) US\$400 per ounce of refined gold delivered, subject to an annual increase of 1% per year commencing on January 1, 2016 and each January 1 thereafter; and (ii) the reference market price on the date of delivery.

This transaction was bifurcated into two identifiable components: (i) the sale of the mineral rights for US\$337 and, (ii) the services for gold extraction on the portion in which Vale operates as an agent for SLW gold extraction.

The result of the sale of the mineral rights, of US\$244 (approximately R\$492) was recognized in the income statement under Other operating expenses, net, while the portion related to the provision of future services for gold extraction, was estimated at US\$1,393 (approximately R\$2,812) and is recorded as deferred revenue (liability) and will be recognized in the statement of income as the service is rendered and the gold extracted. During the three-month period ended on June 30, 2014 and 2013, the Company recognized R\$54 and R\$20, respectively, and six-month period ended on June 30, 2014 and 2013 the amount of R\$107 and R\$50, respectively, in Statement of Income related to rendered services.

Table of Contents

29. Commitments

a) Nickel projects

There have been no material changes to commitments and contingencies disclosed in our financial statements as at March 31, 2014, except for the value of letters of credit and guarantees in the amount of R\$2.3 billion that we have provided and 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.

b) Participative stockholders debentures

During the period, there was no issuance of new debentures, or any change in the par value or the indicators affecting debentures issued.

On June 30, 2014 and December 31, 2013 the value of the debentures at fair value totaled R\$4.806 and R\$4.159, respectively. The Company paid on March 2014 the amount of R\$124 as semi-annual compensation.

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 renewable operating lease agreements last between 3 and 10 years.

The total amount of operational leasing expenses related to pelletizing operations on 31 June 2014 and 2013 were R\$403 and R\$77, respectively.

d) Concession and Sub-concession Agreements

The contractual basis and deadlines for completion of concessions railways and port terminals are unchanged in the period.

e) **Guarantee issued to affiliates**

The Company provided corporate guarantees, within the limits of its interest, a credit line acquired by its associate Norte Energia S.A. from BNDES, Caixa Econômica Federal and Banco BTG Pactual. On June 30, 2014 the amount guaranteed by Vale was R\$1.124. After the conclusion of the transaction of our Energy Generations Assets (Note 6) our guarantee will be shared with CEMIG GT.

On June 30, 2014, the total amount guaranteed by the Company to CSP's bridge loan equals to R\$991, within its threshold.

Table of Contents**30. Related parties**

Transactions with related parties are made by the Company at arm's-length, 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 railway transportation services, through prices agreed between the parties.

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

	June 30, 2014 (unaudited)		December 31, 2013	
	Customers	Related parties	Customers	Related parties
Baovale Mineração S.A.	10	8	10	
Companhia Coreano-Brasileira de Pelotização - KOBRASCO		20		
Companhia Hispano-Brasileira de Pelotização - HISPANOBRÁS	3		2	
Companhia Nipo-Brasileira de Pelotização - NIBRASCO			1	
Minas da Serra Geral S.A.		2		2
Mineração Rio do Norte S.A.		21		
Mitsui Co.	139		110	
MRS Logística S.A.	13	41	15	15
Samarco Mineração S.A.	129	1,037	67	380
Teal Minerals Incorporated		440		409
VLI Multimodal S.A.	419			
VLI S.A.	74	141		
VLI Operações Portuárias S.A.	53			
Others	255	43	68	58
Total	1,095	1,753	273	864
Current	1,095	1,521	273	611
Non-current		232		253
Total	1,095	1,753	273	864

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	June 30, 2014 (unaudited)		December 31, 2013	
	Suppliers	Related parties	Suppliers	Related parties
Baovale Mineração S.A.	23		35	
Companhia Coreano-Brasileira de Pelotização - KOBRASCO	113	56	7	138
Companhia Hispano-Brasileira de Pelotização - HISPANOBRÁS	68		34	
Companhia Ítalo-Brasileira de Pelotização - ITABRASCO	61	18	7	39
Companhia Nipo-Brasileira de Pelotização - NIBRASCO	176	146		299
Ferrovias Centro-Atlântica S.A.	27	363		
Minas da Serra Geral S.A.			16	
Mitsui Co.			4	
MRS Logística S.A.	116		51	
Samarco Mineração S.A.			2	
VLI Multimodal S.A.		212		
VLI S.A.		9		
Others	24	68		14
Total	608	872	156	490
Current	608	482	156	479
Non-current		390		11
Total	608	872	156	490

Table of Contents

	Parent Company Assets			
	June 30, 2014 (unaudited)		December 31, 2013	
	Customers	Related parties	Customers	Related parties
Baovale Mineração S.A.	10	8	10	
Biopalma da Amazônia	2	803		834
Companhia Coreano-Brasileira de Pelotização - KOBRASCO		20		
Companhia Hispano-Brasileira de Pelotização - HISPANOBRÁS	3		2	
Companhia Nipo-Brasileira de Pelotização - NIBRASCO			1	
Companhia Portuária Baía de Sepetiba - CPBS	3	181	4	1
Ferrovias Centro-Atlântica S.A.	42		10	
Mineração Brasileiras reunidas S.A. - MBR	2	100	3	204
Mineração Corumbaense Reunidas S.A.	35	240	32	132
Mineração Rio do Norte S.A.		21		
MRS Logística S.A.	9	41	14	13
Salobo Metais S.A.	43		36	
Samarco Mineração S.A.	129	1,037	67	380
Vale International S.A.	21,174	105	13,477	272
Vale Manganês S.A.			16	
Vale Mina do Azul	160	39	140	15
VLI S.A.	74	141		
Vale Operações Ferroviárias	419		195	
Vale Potássio Nordeste	9		9	
Others	235	48	125	697
Total	22,349	2,784	14,141	2,548
Current	22,349	1,961	14,141	1,684
Non-current		823		864
Total	22,349	2,784	14,141	2,548

	Parent Company Liabilities			
	June 30, 2014 (unaudited)		December 31, 2013	
	Suppliers	Related parties	Suppliers	Related parties
Baovale Mineração S.A.	23		35	
Biopalma da Amazônia		4		
Companhia Coreano-Brasileira de Pelotização - KOBRASCO	113		7	
Companhia Hispano-Brasileira de Pelotização - HISPANOBRÁS	68		34	
Companhia Ítalo-Brasileira de Pelotização - ITABRASCO	61		7	
Companhia Nipo-Brasileira de Pelotização - NIBRASCO	176			
Companhia Portuária Baía de Sepetiba - CPBS	215		178	

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Ferrovias Centro-Atlântica S.A.	27	363	9	363
Mineração Brasileiras reunidas S.A. - MBR	174		248	7
MRS Logística S.A.	127		63	
Mitsui & CO, LTD			4	
Samarco Mineração S.A.			2	
Vale International S.A.	39	36,520	1	37,728
Vale Manganês S.A.	3			
Vale Operações Ferroviárias		212	30	2
Vale Potássio Nordeste	4		4	
Others	190	381	143	366
Total	1,220	37,480	765	38,466
Current	1,220	6,870	765	6,453
Non-current		30,610		32,013
Total	1,220	37,480	765	38,466

Table of Contents

	Income		Consolidated (unaudited) Three-month period ended		Revenues (expenses) Financial	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Baovale Mineração S.A. Companhia			(11)	(11)		
Coreano-Brasileira de Pelotização - KOBRASCO Companhia			(51)	(19)		
Hispano-Brasileira de Pelotização - HISPANOBRÁS Companhia			(29)	(7)		
Companhia Ítalo-Brasileira de Pelotização - ITABRASCO			(29)	(21)		
Companhia Nipo-Brasileira de Pelotização - NIBRASCO			(78)	(2)		
Companhia Siderúrgica do Atlântico			(221)	(193)		
Ferrovias Centro Atlântica S.A.	42		(26)			
Log-in S.A.				(2)		
Mitsui & Co Ltd	53	56	(13)	(25)		
MRS Logística S.A.		1	(246)	(369)		
Samarco Mineração S.A.	136	290				
Vale Austrália Pty Ltd.						22
California Steel Industries	197	171				
VLI Multimodal S.A.	97				6	
VLI S.A.	112				6	
Others	64	17	(4)	(10)	1	(6)
Total	701	535	(708)	(659)	13	16

	Income		Consolidated (unaudited) Six-month period ended		Financial (expenses) income	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Baovale Mineração S.A. Companhia			(23)	(22)		
Coreano-Brasileira de Pelotização - KOBRASCO Companhia			(112)	(28)		
Hispano-Brasileira de Pelotização - HISPANOBRÁS Companhia			(68)	(8)		
Companhia Ítalo-Brasileira de Pelotização - ITABRASCO			(53)	(29)		
			(172)	(11)		

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Companhia Nipo-Brasileira de Pelotização - NIBRASCO						
Companhia Siderúrgica do Atlântico						
			(495)	(248)		
Ferrovia Centro Atlântica S.A.						
77			(64)			
Log-in S.A.						
				(4)		
Mitsui & Co Ltd						
146	110			(72)		
MRS Logística S.A.						
	6		(572)			
Samarco Mineração S.A.						
282	446			(658)		
Vale Austrália Pty Ltd.						
						22
California Steel Industries						
420	222					
VLI S.A.						
112					21	
VLI Multimodal S.A.						
301					6	
Others						
103	44		(59)	(16)	17	2
Total	1,441	828	(1,618)	(1,096)	44	24

	Parent company (unaudited)					
	Income		Six-month period ended		Financial (expenses) income	
	June 30, 2014	June 30, 2013	Cost/Expenses June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Baovale Mineração S.A.			(23)	(22)		
Companhia Coreano-Brasileira de Pelotização - KOBRASCO						
			(112)	(28)		
Companhia Hispano-Brasileira de Pelotização - HISPANOBRÁS						
			(68)	(8)		
Companhia Ítalo-Brasileira de Pelotização - ITABRASCO						
			(53)	(11)		
Companhia Nipo-Brasileira de Pelotização - NIBRASCO						
			(172)	(29)		
Companhia Portuária Baía de Sepetiba - CPBS						
			(298)	(184)		
Ferrovia Centro Atlântica S.A.						
77	58		(62)	(56)		
Mineração Brasileiras Reunidas S.A. - MBR						
	5		(345)	(359)		
Mitsui & Co Ltd						
			(8)	(72)		
MRS Logística S.A.						
	4		(572)	(647)		
Samarco Mineração S.A.						
282	446					
Vale International S.A.						
26,483	25,080				(590)	(557)
Vale Manganês						
2	3					
Vale Mina do Azul S.A.						
20	26					
Vale Operações Ferroviárias						
4	493					
VLI S.A.						
112					21	
VLI Multimodal						
301						
Vale Energia S. A.						
	2		(58)	(101)		
Others						
45	27		(5)	(19)	(14)	90
Total	27,326	26,144	(1,776)	(1,536)	(583)	(467)

Table of Contents

	Balance Sheet		Statement of income (unaudited)			
	June 30, 2014 (unaudited)	December 31, 2013	Three-month period ended June 30, 2014	Three-month period ended June 30, 2013	Six-month period ended June 30, 2014	Six-month period ended June 30, 2013
Cash and cash equivalents						
Brasdesco	49	58	1	1	2	2
	49	58	1	1	2	2
Loan payable						
BNDES	9,442	10,065	(109)	(103)	(221)	(171)
BNDESPar	1,621	1,681	(24)	(24)	(48)	(51)
	11,063	11,746	(133)	(127)	(269)	(222)

Remuneration of key management personnel:

	(unaudited)			
	Three-month period ended		Six-month period ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Short-term benefits:	9	8	50	39
Wages or pro-labor	6	6	12	12
Direct and indirect benefits	3	2	11	9
Bonus			27	18
Long-term benefits:			2	2
Based on stock			2	2
Termination of position				1
	9	8	52	42

Table of Contents

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

Hiroyuki Kato

João Batista Cavaglieri

José Mauro Mettrau Carneiro da Cunha

Luciano Galvão Coutinho

Marcel Juvinião Barros

Oscar Augusto de Camargo Filho

Paulo Rogério Caffarelli

Robson Rocha

Sérgio Alexandre Figueiredo Clemente

Alternate

Laura Bedeschi Rego de Mattos

Eduardo de Oliveira Rodrigues Filho

Eduardo Fernando Jardim Pinto

Francisco Ferreira Alexandre

Hayton Jurema da Rocha

Isao Funaki

Luiz Carlos de Freitas

Luiz Maurício Leuzinger

Marco Geovanne Tobias da Silva

Sandro Kohler Marcondes

Advisory Committees of the Board of Directors

Controlling Committee

Eduardo Cesar Pasa

Luiz Carlos de Freitas

Paulo Roberto Ferreira de Medeiros

Executive Development Committee

Laura Bedeschi Rego de Mattos

Luiz Maurício Leuzinger

Marcel Juvinião Barros

Oscar Augusto de Camargo Filho

Governance and Sustainability Committee

Gilmar Dalilo Cezar Wanderley

Luiz Maurício Leuzinger

Ricardo Simonsen

Tatiana Boavista Barros Heil

Fiscal Council

Marcelo Amaral Moraes

Chairman

Aníbal Moreira dos Santos

Arnaldo José Vollet

Dyogo Henrique de Oliveira

Alternate

Oswaldo Mário Pêgo de Amorim Azevedo

Paulo Fontoura Valle

Valeriano Durval Guimarães Gomes

Executive Officers

Murilo Pinto de Oliveira Ferreira

Chief Executive Officer

Vânia Lucia Chaves Somavilla

Executive Officer (Human Resources, Health & Safety, Sustainability and Energy)

Luciano Siani Pires

Chief Financial Officer and Investors Relations

Roger Allan Downey

Executive Officer (Fertilizers and Coal)

José Carlos Martins

Executive Officer (Ferrous and Strategy)

Galib Abrahão Chaim

Executive Officer (Capital Projects Implementation)

Humberto Ramos de Freitas

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

Executive Officer (Logistics and Mineral Research)

Gerd Peter Poppinga

Executive Officer (Base Metals and Information Technology)

Marcelo Botelho Rodrigues
Global Controller Director

Marcus Vinicius Dias Severini
Chief Accounting Officer
CRC-RJ - 093982/0-3

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)

Date: July 31, 2014

By:

/s/ Rogerio T. Nogueira
Rogerio T. Nogueira
Director of Investor Relations
