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09/08/2010



Vale prices US\$ 1 billion notes due 2020 and US\$750 million notes due 2039

Vale hereby announces the pricing of an offering by its wholly owned subsidiary Vale Overseas Limited (Vale Overseas) of US\$1 billion, 4.625% Guaranteed Notes due 2020 and US\$ 750 million, 6.875% Guaranteed Notes due 2039. The 2039 notes will be consolidated with and form a single series with Vale Overseas's US\$ 1 billion 6.875% Guaranteed Notes due 2039 issued on November 10, 2009.

The 2020 notes will bear a coupon of 4.625% per year, payable semi-annually, and were sold at a price of 99.030% of the principal amount. These notes will mature in September 2020 and were priced with a spread of 210 basis points over U.S. Treasuries, resulting in a yield to maturity of 4.748%.

The 2039 notes will bear a coupon of 6.875% per year, payable semi-annually, and were sold at a price of 110.872% of the principal amount. These notes will mature in November 2039 and were priced with a spread of 235 basis points over U.S. Treasuries, resulting in a yield to maturity of 6.074%.

The 2020 notes are rated Baa2 by Moody's Investor Services, BBB+ by Standard & Poor's Rating Services, BBB (high) by Dominion Bond Rating Service and BBB+ by Fitch Ratings. The 2039 notes are rated Baa2 by Moody's Investor Services, BBB+ by Standard & Poor's Rating Services, BBB (high) by Dominion Bond Rating Service and BBB+ by Fitch Ratings. The notes of each series will be unsecured obligations of Vale Overseas and will be fully and unconditionally guaranteed by Vale. The guarantees will rank equally in right of payment with all of Vale's other unsecured and unsubordinated debt obligations.

Vale will use the net proceeds of this offering for general corporate purposes.

Credit Suisse Securities (USA) LLC and J.P. Morgan Securities LLC acted as joint lead managers and joint bookrunners, and BB Securities Ltd. and Banco Bradesco S.A. - Grand Cayman Branch acted as co-managers.

Vale and Vale Overseas have filed a registration statement (including a prospectus) with the U.S. Securities and Exchange Commission (SEC) for the offering of the notes. Before you invest, you should read the prospectus in that registration statement and other documents Vale and Vale Overseas have filed with the SEC for more complete information about the companies and the offering. When available, you may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, the underwriters will arrange to send you the prospectus if you request it by calling the Credit Suisse Prospectus Department at +1-800-221-1037 or J.P. Morgan Securities LLC at +1-866-846-2874 (each toll-free in the United States), or, if calling from outside the U.S., by calling collect J.P. Morgan Securities LLC at +1-212-834-5402.

[More information](#) 



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