

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss however arising from or in reliance upon the whole or any part of the contents of this announcement.



Vale S.A.

(incorporated in Brazil as a Sociedade por Ações)

(Stock code: 6210 for Common Depositary Receipts)

(Stock code: 6230 for Class A Preferred Depositary Receipts)

VALE'S PERFORMANCE IN 2015 (IFRS)

The following sets out the main text of the announcement published by Vale S.A. on February 25, 2016.

Chief Financial
and
Investor Relations Officer
of
Vale S.A.
Luciano Siani Pires

Hong Kong, February 25, 2016



VALE'S PERFORMANCE IN 2015



www.vale.com

rio@vale.com

Tel.: (55 21) 3814-4540

Investor Relations Department

Rogério T. Nogueira

André Figueiredo

Carla Albano Miller

Fernando Mascarenhas

Andrea Gutman

Bruno Siqueira

Claudia Rodrigues

Mariano Szachtman

Renata Capanema

BM&F BOVESPA: VALE3, VALE5

NYSE: VALE, VALE.P

HKEx: 6210, 6230

EURONEXT PARIS: VALE3, VALE5

LATIBEX: XVALO, XVALP

Except where otherwise indicated the operational and financial information in this release is based on the consolidated figures in accordance with IFRS and, with the exception of information on investments and behavior of markets, quarterly financial statements are reviewed by the company's independent auditors. The main subsidiaries that are consolidated are the following: Companhia Minera Miski Mayo S.A.C., Mineração Corumbaense Reunida S.A., PT Vale Indonesia Tbk (formerly International Nickel Indonesia Tbk), Salobo Metais S.A, Vale Australia Pty Ltd., Vale International Holdings GMBH, Vale Canada Limited (formerly Vale Inco Limited), Vale Fertilizantes S.A., Vale International S.A., Vale Manganês S.A., Vale Moçambique S.A., Vale Nouvelle-Calédonie SAS, Vale Oman Pelletizing Company LLC and Vale Shipping Holding PTE Ltd.

Vale's performance in 2015

Rio de Janeiro, February 25, 2016 – Vale S.A. (Vale) delivered a sound operational performance, achieving several annual production records in 2015, such as: (i) iron ore annual supply of 345.9 Mt; (ii) Carajás production of 129.6 Mt; and (iii) nickel production of 291,000 t; (iv) copper production of 423,800 t.

Gross revenues totaled US\$ 26.047 billion in 2015, decreasing US\$ 12.189 billion vs. 2014 as a result of lower prices of iron ore fines (US\$ 8.614 billion), pellets (US\$ 2.030 billion), nickel (US\$ 1.394 billion) and others, partly offset by higher sales volumes (US\$ 2.060 billion).

Quarterly gross revenues totaled US\$ 5.986 billion in 4Q15, decreasing US\$ 632 million vs. 3Q15, as a result of lower prices of iron ore fines (US\$ 739 million), nickel (US\$ 112 million) and others, partly offset by higher sales volumes (US\$ 325 million).

Costs and expenses, net of depreciation charges, totaled US\$ 18.846 billion in 2015, decreasing US\$ 5.908 billion vs. 2014. Costs decreased US\$ 4.223 billion (20%), SG&A and other expenses decreased US\$ 1.260 billion (65%), R&D decreased US\$ 257 million (35%) and pre-operating and stoppage expenses decreased US\$ 168 million (19%) in 2015 vs. 2014.

Quarterly costs and expenses, net of depreciation charges, totaled US\$ 4.595 billion in 4Q15, practically in line with the US\$ 4.649 billion recorded in 3Q15. Costs increased US\$ 65 million (2%), mainly due to the sales volume increase in the Ferrous Minerals and the Base Metals business segments. SG&A and other expenses decreased US\$ 105 million (63%), mainly due to the positive one-off effect of the adjustment in Asset Retirement Obligations¹ (ARO) recorded in 4Q15. R&D decreased US\$ 2 million (2%) and pre-operating and stoppage expenses decreased US\$ 12 million (7%) in 4Q15 vs. 3Q15.

C1 cash cost FOB port per metric ton for iron ore fines ex-royalties reached the lowest mark in the iron ore industry at US\$ 11.9/t in 4Q15 vs. US\$ 12.7/t in 3Q15. The reduction in C1 cash cost was mainly driven by the BRL depreciation and by the ongoing cost reduction initiatives.

Adjusted EBITDA was US\$ 7.081 billion in 2015, 47% lower than in 2014 mainly as a result of lower sales prices which impacted EBITDA negatively by US\$ 14.005 billion. Higher sales volumes and lower costs and expenses partly offset the EBITDA impact of lower prices by US\$ 1.237 billion and US\$ 6.746 billion, respectively. Adjusted EBITDA margin was 27.7% in 2015.

¹ Provision for mine and other assets closures

Quarterly adjusted EBITDA was US\$ 1.391 billion in 4Q15, 26% lower than in 3Q15 mainly as a result of lower sales prices which impacted EBITDA negatively by US\$ 943 million. Higher sales volumes and lower costs² and expenses partly offset the EBITDA impact of lower prices by US\$ 57 million and US\$ 334 million, respectively. Adjusted EBITDA margin was 23.6% in 4Q15.

Quarterly adjusted EBITDA was positively impacted by the above-mentioned effect of the adjustment in ARO (US\$ 331 million) and negatively impacted by decisions and/or events from previous quarters, with effects in 4Q15, such as: (i) bunker oil hedge accounting program for iron fines (US\$ 134 million); (ii) provisional copper price adjustments (US\$ 60 million); (iii) provisional manganese ore price adjustments (US\$ 28 million); and (iv) the write-off of materials inventories in Base Metals (US\$ 31 million).

Capital expenditures totaled US\$ 2.193 billion in 4Q15 and US\$ 8.401 billion in 2015, decreasing US\$ 3.578 billion vs. 2014. Investments in project execution totaled US\$ 1.366 billion and US\$ 5.548 billion in 4Q15 and in 2015, respectively. Sustaining capex totaled US\$ 827 million and US\$ 2.853 billion in 4Q15 and in 2015, respectively. Total annual capex exceeded the previous guidance by US\$ 0.2 billion as a result of a better than expected execution of the S11D project and its associated logistics.

Asset sales totaled US\$ 3.525 billion in 2015, with US\$ 1.316 billion coming from the sale of 12 very large ore carriers to Chinese shipowners, US\$ 1.089 billion coming from the sale of 36.4% of MBR preferred shares, US\$ 900 million from another goldstream transaction and US\$ 97 million from the sale of energy assets. In 4Q15, Vale sold four very large ore carriers of 400,000 tons deadweight to ICBC Financial Leasing. The transaction totaled US\$ 423 million.

Net loss totaled US\$ 12.129 billion in 2015 vs. a net income of US\$ 657 million in 2014. The US\$ 12.786 billion decrease in income was mostly driven by higher impairment charges recorded in 2015 vs. 2014 and the effect on financial results of the 47% end to end depreciation of the BRL against the USD in 2015. Underlying earnings were negative US\$ 1.698 billion in 2015, against positive US\$ 4.419 billion in 2014.

Impairments on assets and on investments³ and the recognition of onerous contracts totaled US\$ 9.372 billion in 2015. The increase of US\$ 8.189 billion vs. 2014 was mainly due to the significant reduction in the price assumptions used for the impairment tests.

Quarterly net loss totaled US\$ 8.569 billion in 4Q15 compared to a net loss of US\$ 2.117 billion in 3Q15. The US\$ 6.452 billion decrease was mostly driven by impairments, which

² Net effect on costs after adjusting for higher volumes.

³ Of associates and joint ventures.

were partly offset mainly by the effect on financial results of monetary and foreign exchange variation gains. Underlying earnings were negative US\$ 1.032 billion in 4Q15, against negative US\$ 961 million in 3Q15.

Gross debt totaled US\$ 28.853 billion as of December 31, 2015, slightly higher than the US\$ 28.675 billion as of September 30, 2015, but in line with the US\$ 28.807 billion registered as of December 31, 2014. After the dividends payment of US\$ 1.5 billion in 2015, net debt totaled US\$ 25.234 billion vs. US\$ 24.685 billion as of December 31, 2014 and US\$ 24.213 billion as of September 30, 2015, with a cash balance of US\$ 3.619 billion. Average debt maturity was 8.1 years with an average cost of debt of 4.47% per annum.

EBITDA from the Ferrous Minerals business segment decreased 15% in 4Q15 driven by lower realized prices despite higher volumes and reductions in costs and expenses

- Adjusted EBITDA of the Ferrous Minerals business segment was US\$ 5.899 billion in 2015, 47.9% lower than in 2014, mainly as result of lower sales prices (-US\$ 11.414 billion), which were partially offset by real competitiveness gains of US\$ 3.477 billion such as: (i) marketing and commercial initiatives (US\$ 680 million); (ii) higher sales volumes (US\$ 1.599 billion); (iii) favorable renegotiations of chartering freight contracts (US\$ 300 million); and (iv) the ongoing cost reduction initiatives (US\$ 898 million).
- Adjusted EBITDA for Ferrous Minerals in 4Q15 was US\$ 1.409 billion, US\$ 243 million lower than the US\$ 1.652 billion achieved in 3Q15, mainly as a result of lower realized sales prices (US\$ 782 million), which were partially offset by higher sales volumes (US\$ 62 million), lower expenses⁴ (US\$ 245 million) and lower costs⁵ (US\$ 188 million).
- Adjusted EBITDA will no longer be impacted by Vale's hedge accounting program since all outstanding bunker oil exposure recorded under this program was settled in 4Q15. Vale's hedge accounting program for iron ore fines had a negative impact of US\$ 134 million in 4Q15 and US\$ 412 million in 2015.
- Cash flow, measured as adjusted EBITDA⁶ less sustaining and growth capex, was US\$ 363 million in 4Q15.
- CFR dmt reference price for iron ore fines (ex-ROM) decreased US\$ 10.9/t from US\$ 56.0/t in 3Q15 to US\$ 45.1/t in 4Q15 whereas CFR/FOB wmt price for iron ore fines

⁴ The reduction in expenses is mainly driven by the positive one-off effect of the adjustment in Asset Retirement Obligations (ARO).

⁵ Net effect on costs, after adjusting for volume.

⁶ Excluding the positive one off effect of the Asset Retirement Obligations (ARO).

(ex-ROM) decreased US\$ 9.3/t from US\$ 46.5/t per metric ton in 3Q15 to US\$ 37.2/t in 4Q15 after adjusting for moisture and the effect of the lower FOB sales prices on 32% of the total sales volumes.

- Product quality measured by Fe content improved from 63.5% in 3Q15 to 63.7% in 4Q15 mostly due to the ramp-up of the N4WS and N5S mines and of the Itabirites projects.
- Unit freight cost per iron ore metric ton, excluding the impact of hedge accounting, was US\$ 14.1/t in 4Q15, US\$ 2.3/t lower than the US\$ 16.4/t recorded in 3Q15.
- Unit cash costs and expenses for iron ore fines landed in China (and adjusted for quality and moisture and excluding the positive one-off effect of the ARO adjustment) decreased from US\$ 34.2/t in 3Q15 to US\$ 32.0/t in 4Q15 on a dry metric ton (dmt) basis.
- Sustaining capex for iron ore fines totaled US\$ 178 million (US\$ 2.3/ wmt) in 4Q15, US\$ 0.8/ wmt lower than in 3Q15.
- Physical progress reached 80% at the S11D mine and plant, 57% at the railway and port, and 81% on the railway spur.

EBITDA from the Base Metals business segment decreased with lower nickel and copper prices

- Sales revenues totaled US\$ 1.458 billion in 4Q15, US\$ 103 million higher than in 3Q15 mainly due to higher volumes that were partially offset by lower LME nickel and copper prices.
- Realized prices were negatively impacted by US\$ 60 million in provisional copper price adjustments.
- Adjusted EBITDA was US\$ 111 million in 4Q15, US\$ 82 million lower than in 3Q15, mainly as a result of: (i) lower prices (US\$ 158 million), including the above-mentioned negative impact in provisional copper price adjustments; and (ii) the negative impact of the write-off of materials inventories in 4Q15 (US\$ 31 million).
- Adjusted EBITDA was impacted by VNC's negative EBITDA of US\$ 107 million in 4Q15.
- Salobo's EBITDA remained in line with 3Q15's EBITDA at US\$ 75 million despite weaker copper prices as production reached a quarterly record of 42,000 t in 4Q15.

- Salobo is expected to reach its full production capacity in 2H16 as rain decreases and higher grade mine faces are accessed.

EBITDA from the Coal business segment decreased as a result of one-off effects on costs and lower prices

- Adjusted EBITDA was negative US\$ 149 million in 4Q15, compared to negative US\$ 129 million in 3Q15, mainly driven by lower prices and higher costs in Australia.
- Costs in Mozambique in 4Q15 were in line with 3Q15, after adjusting for the effects of higher volumes whereas costs in Australia increased in 4Q15 due to the write-down of mine development expenses.
- Moatize II reached 99% physical progress with a capital expenditure of US\$ 196 million while the Nacala Logistics Corridor (NLC) reached 97% physical progress with capital expenditures of US\$ 259 million in 4Q15.

EBITDA from the Fertilizers business segment improved in 2015 mainly driven by lower costs and expenses

- Adjusted EBITDA for the Fertilizer business segment increased to US\$ 567 million in 2015 from US\$ 278 million in 2014 with an increase of US\$ 289 million mainly driven by exchange rates and commercial and cost savings initiatives.
- Adjusted EBITDA for the Fertilizer business segment decreased to US\$ 117 million in 4Q15 from US\$ 197 million in 3Q15, mainly driven by lower sales volumes (US\$ 86 million) as a result of the usual market seasonality.

In 2015 we successfully reduced our costs and expenses, progressed with the implementation of our critical projects and advanced with our divestment process while maintaining our gross debt position.

Despite all our efforts, our accomplishments in 2015 were overshadowed by Samarco's tailings dam failure in the beginning of November. We have been working diligently with Samarco since the beginning and will remain fully committed to supporting the people and the environment of the affected regions.

We acknowledge the additional challenges brought by the declining commodity prices and the consequent impact on our cash flow generation. Nonetheless we remain confident in our ability to move through these more difficult times, by maintaining operating discipline and the courage to implement the required strategic actions.

Selected financial indicators

<i>US\$ million</i>	2015	2014	2013	2012	2011
Gross operating revenues	26,047	38,236	47,486	48,753	62,345
Net operating revenues	25,609	37,539	46,767	47,694	60,946
Adjusted EBIT	2,734	8,497	17,576	14,430	28,748
Adjusted EBIT margin (%)	10.7	22.6	37.6	30.3	47.2
Adjusted EBITDA	7,081	13,353	22,560	19,178	33,730
Adjusted EBITDA margin (%)	27.7	35.6	48.2	40.2	55.3
Net income (loss)	(12,129)	657	585	5,197	22,652
Underlying earnings	(1,698)	4,419	12,269	10,365	23,015
Underlying earnings per share on a fully diluted basis (US\$ / share)	(0.33)	0.86	2.38	2.03	4.39
Total gross debt	28,853	28,807	29,655	30,546	23,143
Cash and cash equivalent	3,619	4,122	5,324	6,078	3,531
Total Net Debt	25,234	24,685	24,331	24,468	19,612
Total gross debt/ adjusted EBITDA (x)	4.1	2.2	1.3	1.6	0.7
Capital expenditures	8,401	11,979	14,233	16,196	16,252

<i>US\$ million</i>	4Q15	3Q15	4Q14
Gross operating revenues	5,986	6,618	9,226
Net operating revenues	5,899	6,505	9,072
Adjusted EBIT	320	834	856
Adjusted EBIT margin (%)	5.4	12.8	9.4
Adjusted EBITDA	1,391	1,875	2,187
Adjusted EBITDA margin (%)	23.6	28.8	24.1
Net income (loss)	(8,569)	(2,117)	(1,849)
Underlying earnings	(1,032)	(961)	(251)
Underlying earnings per share on a fully diluted basis (US\$ / share)	(0.20)	(0.19)	(0.05)
Capital expenditures	2,193	1,879	3,747

Operating revenues

Gross operating revenue by destination

<i>US\$ million</i>	4Q15	3Q15	4Q14	2015	%	2014	%
North America	450	409	642	2,008	7.7	2,771	7.2
USA	168	188	278	855	3.3	1,368	3.6
Canada	279	206	361	1,123	4.3	1,393	3.6
Mexico	3	15	3	31	0.1	10	-
South America	964	1,289	1,769	4,807	18.5	7,308	19.1
Brazil	871	1,191	1,645	4,396	16.9	6,624	17.3
Others	93	98	124	411	1.6	684	1.8
Asia	3,189	3,550	4,798	13,371	51.3	19,590	51.2
China	2,180	2,556	3,091	9,096	34.9	12,657	33.1
Japan	460	498	848	1,959	7.5	3,627	9.5
South Korea	186	171	300	790	3.0	1,555	4.1
Others	363	325	559	1,526	5.9	1,751	4.6
Europe	1,144	1,114	1,556	4,663	17.9	6,697	17.5
Germany	355	332	442	1,437	5.5	2,111	5.5
Italy	111	104	130	461	1.8	849	2.2
Others	678	678	985	2,765	10.6	3,737	9.8
Middle East	170	227	288	969	3.7	1,266	3.3
Rest of the World	69	29	173	230	0.9	605	1.6
Total	5,986	6,618	9,226	26,047	100.0	38,236	100.0

Gross operating revenue by business segments

<i>US\$ million</i>	4Q15	3Q15	4Q14	2015	%	2014	%
Ferrous minerals	3,883	4,367	6,213	16,821	64.6	26,140	68.4
Iron ore fines	2,956	3,290	4,593	12,382	47.5	19,439	50.8
ROM	14	27	42	111	0.4	233	0.6
Pellets	806	908	1,308	3,717	14.3	5,424	14.2
Manganese ore	4	24	92	101	0.4	226	0.6
Ferroalloys	10	3	51	82	0.3	218	0.6
Others	93	115	127	428	1.6	600	1.6
Coal	108	127	201	526	2.0	739	1.9
Metallurgical coal	98	115	181	480	1.8	661	1.7
Thermal coal	10	12	20	47	0.2	78	0.2
Base metals	1,458	1,355	1,948	6,171	23.7	7,694	20.1
Nickel	782	785	1,064	3,412	13.1	4,468	11.7
Copper	413	368	556	1,728	6.6	2,122	5.5
PGMs	96	59	152	404	1.6	564	1.5
Gold	122	115	115	477	1.8	418	1.1
Silver	8	7	11	31	0.1	37	0.1
Others	37	22	50	119	0.5	85	0.2
Fertilizer nutrients	513	747	607	2,386	9.2	2,585	6.8
Potash	33	47	45	147	0.6	169	0.4
Phosphates	387	588	432	1,818	7.0	1,904	5.0
Nitrogen	76	92	108	355	1.4	411	1.1
Others	17	20	22	66	0.3	101	0.3
Others	24	22	257	143	0.5	1,078	2.8
Total	5,986	6,618	9,226	26,047	100.0	38,236	100.0

Costs and expenses

Costs and expenses

US\$ million	4Q15	3Q15	4Q14	2015	2014
Costs	5,119	5,040	6,892	20,513	25,064
Expenses	460	631	1,324	2,362	3,978
Total costs and expenses	5,579	5,671	8,216	22,875	29,042
Depreciation	984	1,022	1,242	4,029	4,288
Costs and expenses ex-depreciation	4,595	4,649	6,974	18,846	24,754

COGS by business

US\$ million	4Q15	3Q15	4Q14	2015	%	2014	%
Ferrous minerals	2,846	2,813	4,278	11,759	57.3	14,800	59.0
Base metals	1,551	1,406	1,718	5,863	28.6	6,181	24.7
Coal	296	239	285	977	4.8	1,191	4.8
Fertilizers	386	536	492	1,763	8.6	2,273	9.1
Other products	40	46	119	151	0.7	619	2.5
Total COGS	5,119	5,040	6,892	20,513	100.0	25,064	100.0
Depreciation	875	861	1,122	3,529		3,857	
COGS, ex-depreciation	4,244	4,179	5,770	16,984		21,207	

Expenses

US\$ million	4Q15	3Q15	4Q14	2015	%	2014	%
SG&A ex-depreciation	129	100	247	519		876	
SG&A	167	131	306	652	27.6	1,099	27.6
Administrative	150	132	292	603	25.5	1,019	25.6
Personnel	55	56	118	267	11.3	436	11.0
Services	33	26	53	113	4.8	196	4.9
Depreciation	38	31	59	133	5.6	223	5.6
Others	24	19	62	90	3.8	164	4.1
Selling	17	(1)	14	49	2.1	80	2.0
R&D	119	121	235	477	20.2	734	18.5
Pre-operating and stoppage expenses¹	238	266	292	1,027	43.5	1,088	27.4
VNC	93	97	141	394	16.7	549	13.8
Long Harbour	47	65	42	278	11.8	125	3.1
S11D	14	11	15	52	2.2	29	0.7
Moatize	14	25	10	62	2.6	16	0.4
Others	70	68	84	241	10.2	369	9.3
Other operating expenses²	(64)	113	491	206	8.7	1,057	26.6
Total Expenses	460	631	1,324	2,362	100.0	3,978	100.0
Depreciation	110	161	120	501		431	
Expenses ex-depreciation	350	470	1,204	1,861		3,547	

¹ Includes US\$ 67 million of depreciation charges in 4Q15, US\$ 83 million in 3Q15, US\$ 61 million in 4Q14, US\$ 314 million in 2015 and US\$ 209 million in 2014.

² Include the positive one-off effects of US\$ 230 million from the gold stream transaction recorded in 1Q15 and of US\$ 331 million from the adjustment in ARO recorded in 4Q15.

Adjusted earnings before interest, taxes, depreciation and amortization⁷

Adjusted EBITDA

<i>US\$ million</i>	4Q15	3Q15	4Q14	2015	2014
Gross operating revenues	5,986	6,618	9,226	26,047	38,236
Net operating revenues	5,899	6,505	9,072	25,609	37,539
COGS	(5,119)	(5,040)	(6,892)	(20,513)	(25,064)
SG&A	(167)	(131)	(306)	(652)	(1,099)
Research and development	(119)	(121)	(235)	(477)	(734)
Pre-operating and stoppage expenses	(238)	(266)	(292)	(1,027)	(1,088)
Other operational expenses	64	(113)	(491)	(206)	(1,057)
Adjusted EBIT	320	834	856	2,734	8,497
Depreciation, amortization & depletion	984	1,022	1,242	4,029	4,288
Dividends received	87	19	89	318	568
Adjusted EBITDA	1,391	1,875	2,187	7,081	13,353

Adjusted EBITDA by business area

<i>US\$ million</i>	4Q15	3Q15	4Q14	2015	2014
Ferrous minerals	1,409	1,652	1,702	5,899	11,321
Coal	(149)	(129)	(204)	(508)	(669)
Base metals	111	193	582	1,388	2,521
Fertilizer nutrients	117	197	75	567	278
Others	(97)	(38)	32	(265)	(98)
Total	1,391	1,875	2,187	7,081	13,353

⁷ Net revenues less costs and expenses net of depreciation plus dividends received.

Net income

Impairment US\$ million	Impairments on assets in 2015	Recognition on onerous contracts in 2015	Book Value after impairments Dec 31, 2015
Ferrous minerals			
Iron ore in the Midwestern system ¹	522	357	-
Pellets plants	55	-	-
Others	58	-	-
Coal			
Coal assets in Mozambique	2,403	-	1,729
Coal assets in Australia ¹	635	-	74
Base metals			
Vale New Caledonia (VNC)	1,462	-	3,725
Vale New Foundland and Labrador (VNL)	3,460	-	2,353
Onça Puma	(252)	-	2,331
Others	62	-	-
Fertilizers			
Phosphate assets	(391)	-	3,842
Rio Colorado Project (PRC)	548	-	20
Others	7	-	-
Total	8,569	357	14,000

¹ Includes intangible assets of US\$ 81 million.

Impairment on investments US\$ million	Total impairments in 2015	Book Value after impairments Dec 31, 2015
Iron ore		
Samarco	132	-
Base metals		
Teal Minerals	314	-
Total	446	0

Underlying earnings

US\$ million	4Q15	3Q15	4Q14	2015	2014
Underlying earnings	(1,032)	(961)	(251)	(1,698)	4,419
Items excluded from basic earnings					
Impairment on assets and investments	(9,372)	-	(378)	(9,372)	(1,152)
Gain (loss) on fair value on non-current assets	(29)	(48)	(167)	61	(167)
Deferred Income tax - foreign subsidiaries	-	2,990	-	2,990	-
Shareholders Debentures	252	75	62	963	(315)
Foreign Exchange	255	(5,025)	(1,186)	(7,164)	(2,119)
Monetary variation	(82)	(92)	(71)	(316)	(81)
Currency and interest rate swaps	715	(1,196)	(524)	(1,502)	(683)
Fair value on financial instruments	(80)	29	17	(69)	(115)
Gain (loss) on sale of investments	-	-	-	97	(61)
Foreign exchange gain (loss) on equity results	-	-	-	-	(159)
Tax effects of Impairment	1,164	-	70	1,164	(57)
Income tax over excluded items	(360)	2,111	579	2,717	1,147
Net Income (loss)	(8,569)	(2,117)	(1,849)	(12,129)	657

Financial results

<i>US\$ million</i>	4Q15	3Q15	4Q14	2015	2014
Financial expenses	(326)	(352)	(502)	(1,112)	(2,936)
Gross interest ¹	(229)	(239)	(259)	(891)	(1,148)
Tax and labour contingencies	(19)	10	(22)	(59)	(91)
Others ²	43	15	(56)	386	(1,014)
Financial expenses (REFIS)	(121)	(138)	(165)	(547)	(683)
Financial income	80	92	55	268	401
Derivatives	426	(1,799)	(1,087)	(2,477)	(1,334)
Currency and interest rate swaps	715	(1,196)	(524)	(1,502)	(683)
Others (bunker oil, commodities, etc)	(289)	(603)	(563)	(975)	(651)
Foreign Exchange	255	(5,025)	(1,186)	(7,164)	(2,119)
Monetary variation	(82)	(92)	(71)	(316)	(81)
Financial result, net	353	(7,176)	(2,791)	(10,801)	(6,069)

¹ The capitalization of interest over assets under construction amounted to US\$ 193 million in 4Q15, US\$ 195 million in 3Q15, US\$ 96 million in 4Q14, US\$ 761 million in 2015 and US\$ 588 million in 2014.

² Other financial expenses include the mark-to-market of shareholder debentures which amounted to US\$ 253 million in 4Q15, US\$ 75 million in 3Q15, US\$ 62 million in 4Q14, US\$ 964 million in 2015 and -US\$ 315 million in 2014.

Project execution and sustaining by business area

<i>US\$ million</i>	4Q15	3Q15	4Q14	2015	%	2014	%
Ferrous minerals	1,087	1,099	2,382	4,946	58.9	7,140	59.6
Coal	464	333	555	1,539	18.3	2,336	19.5
Base metals	533	370	608	1,556	18.5	1,604	13.4
Fertilizer nutrients	97	55	122	257	3.1	320	2.7
Power generation	10	16	59	78	0.9	160	1.3
Steel	3	6	15	22	0.3	222	1.9
Others	-	-	8	3	-	195	1.6
Total	2,193	1,879	3,749	8,401	100.0	11,979	100.0

Project execution by business area

<i>US\$ million</i>	4Q15	3Q15	4Q14	2015	%	2014	%
Ferrous minerals	894	878	1,523	3,878	69.9	4,836	61.1
Coal	431	311	510	1,472	26.5	2,184	27.6
Base metals	16	10	149	54	1.0	462	5.8
Fertilizer nutrients	13	11	27	45	0.8	63	0.8
Power generation	9	16	56	77	1.4	155	2.0
Steel	3	6	15	22	0.4	222	2.8
Total	1,366	1,232	2,279	5,548	100.0	7,920	100.0

Description and status of main projects

Project	Description	Capacity (Mtpy)	Status
Ferrous Minerals projects			
Carajás Serra Sul S11D	<ul style="list-style-type: none"> Development of a mine and processing plant, located in the Southern range of Carajás, Pará, Brazil. 	90	<ul style="list-style-type: none"> Delivery of eletrocenters of the mine and plant ongoing Transmission line connecting Carajás to Canaã energized
CLN S11D	<ul style="list-style-type: none"> Duplication of 570 km railway, with construction of rail spur of 101 km. Acquisition of wagons, locomotives, and onshore and offshore expansions at PDM maritime terminal. 	(80) ^a	<ul style="list-style-type: none"> Foundation work on the PDM port expansion ongoing – pile driving in the off-shore north berth reached 99% physical progress Duplication of the railway reached 41% physical progress Railway spur reached 81% physical progress
CSP ^b	<ul style="list-style-type: none"> Development of a steel slab plant in partnership with Dongkuk and Posco, located in Ceará, Brazil. 	1.5	<ul style="list-style-type: none"> Assembly of the steel structure reached 97% physical progress Civil works reached 99% physical progress
Coal Projects			
Moatize II	<ul style="list-style-type: none"> New pit and duplication of the Moatize CHPP, as well as all related infrastructure, located in Tete, Mozambique. 	11	<ul style="list-style-type: none"> Electromechanical assembly reached 99% physical progress Commissioning on the belt conveyors initiated Testing on one line of the CHPP initiated

^a Net additional capacity.

^b Relative to Vale's stake in the project.

Progress indicators⁸

Project	Capacity (Mtpy)	Estimated start-up	Executed capex (US\$ million)		Estimated capex (US\$ million)		Physical progress
			2015	Total	2016	Total	
Ferrous minerals projects							
Carajás Serra Sul S11D	90	2H16	1,163	4,655	921	6,405 ^c	80%
CLN S11D	230 (80) ^b	1H14 to 2H18	1,814	4,467	1,372	7,850 ^d	57%
CSP ^a	1.5	1H16	-	1,055	188	1,224 ^e	97%
Coal projects							
Moatize II	11	1H16	558	1,942	105	2,068 ^f	99%

^a Relative to Vale's stake in the project.

^b Net additional capacity.

^c Original capex budget of US\$ 8.089 billion.

^d Original capex budget of US\$ 11.582 billion.

^e Original capex of US\$ 2.734 billion; Out of the original capex - US\$ 1.491 billion financed directly by the CSP project.

^f Original capex of US\$ 2.068 billion plus US\$ 0.45 billion of rolling stock.

Sustaining capex by type - 4Q15

US\$ million	Ferrous Minerals	Coal	Base Metals	Fertilizer	TOTAL
Operations	114	14	419	54	601
Waste dumps and tailing dams	17	3	21	7	48
Health and Safety	19	1	65	8	92
CSR - Corporate Social Responsibility	10	-	5	10	25
Administrative & Others	35	15	7	4	61
Total	194	33	517	83	827

Sustaining capex by business area

US\$ million	4Q15	3Q15	4Q14	2015	%	2014	%
Ferrous minerals	193	221	859	1,068	37.4	2,305	56.7
Coal	33	22	46	67	2.3	153	3.8
Base metals	517	360	459	1,502	52.6	1,144	28.2
Fertilizer nutrients	83	44	95	212	7.4	258	6.4
Power generation	1	-	3	1	0.1	5	0.1
Others	-	-	8	3	0.1	197	4.8
Total	827	647	1,470	2,853	100.0	4,061	100.0

Debt indicators

US\$ million	4Q15	3Q15	4Q14
Gross debt	28,853	28,675	28,807
Net debt	25,234	24,213	24,685
Gross debt / adjusted LTM EBITDA (x)	4.1	3.6	2.2
Adjusted LTM EBITDA / LTM interest expenses (x)	4.8	5.3	8.6

⁸ In this table we do not include pre-operating expenses in the estimated capex for the year, although these expenses are included in the total estimated capex column, in line with our Board of Directors approval process. Moreover, our estimated capex for the year is only reviewed once a year.

Performance of the business segments

Segment information — 2015, as per footnote of financial statements

US\$ million	Operating revenues		Expenses				Dividends	Adjusted EBITDA ¹
	Gross	Net	Cost	SG&A and others	R&D	Pre operating & stoppage		
Ferrous minerals	16,821	16,562	(10,241)	(380)	(128)	(169)	255	5,899
Iron ore fines	12,382	12,330	(7,604)	(398)	(121)	(124)	22	4,105
ROM	111	102	(50)	0	0	0	0	52
Pellets	3,717	3,600	(2,121)	9	(4)	(24)	225	1,685
Others ferrous	428	368	(291)	8	(3)	(2)	8	88
Mn & Alloys	183	162	(175)	1	0	(19)	0	(31)
Coal	526	526	(839)	(140)	(22)	(61)	28	(508)
Base metals	6,171	6,163	(4,296)	44	(111)	(412)	0	1,388
Nickel ²	4,693	4,693	(3,393)	(154)	(103)	(411)	0	632
Copper ³	1,478	1,470	(903)	198	(8)	(1)	0	756
Fertilizer nutrients	2,386	2,225	(1,469)	(37)	(82)	(70)	0	567
Others	143	133	(139)	(160)	(134)	0	35	(265)
Total	26,047	25,609	(16,984)	(673)	(477)	(712)	318	7,081

¹ Excluding non-recurring effects.

² Including copper and by products from our nickel operations.

³ Including by products from our copper operations.

Segment information — 4Q15, as per footnote of financial statements

US\$ million	Operating revenues		Expenses				Dividends	Adjusted EBITDA ¹
	Gross	Net	Cost	SG&A and othes	R&D	Pre operating & stoppage		
Ferrous minerals	3,883	3,830	(2,497)	120	(27)	(61)	44	1,409
Iron ore fines	2,956	2,945	(1,924)	128	(26)	(50)	22	1,095
ROM	14	13	(4)	-	-	-	-	9
Pellets	806	780	(453)	(7)	(1)	(5)	22	336
Others ferrous	93	79	(71)	(4)	-	(1)	-	3
Mn & Alloys	14	13	(45)	3	-	(5)	-	(34)
Coal	108	108	(260)	(9)	(4)	(12)	28	(149)
Base metals	1,458	1,458	(1,131)	(95)	(32)	(89)	-	111
Nickel ²	1,107	1,107	(892)	(74)	(30)	(89)	-	22
Copper ³	351	351	(239)	(21)	(2)	-	-	89
Fertilizer nutrients	513	481	(319)	(14)	(22)	(9)	-	117
Others	24	22	(37)	(63)	(34)	-	15	(97)
Total	5,986	5,899	(4,244)	(61)	(119)	(171)	87	1,391

¹ Excluding non-recurring effects.

² Including copper and by products from our nickel operations.

³ Including by products from our copper operations.

Ferrous minerals

Net Operating revenue by product

US\$ million	4Q15	3Q15	4Q14	2015	2014
Iron ore fines	2,945	3,278	4,568	12,330	19,301
ROM	13	24	42	102	215
Pellets	780	883	1,270	3,600	5,263
Manganese & Ferroalloys	13	26	131	162	392
Others	79	101	105	368	526
Total	3,830	4,312	6,116	16,562	25,697

Volume sold

'000 metric tons	4Q15	3Q15	4Q14	2015	2014
Iron ore fines	79,213	70,530	74,603	276,393	255,877
ROM	1,627	3,546	3,552	12,269	14,075
Pellets	10,837	11,961	12,686	46,284	43,682
Manganese ore	568	448	828	1,764	1,879
Ferroalloys	12	3	36	69	150

Average sale price

US\$/ metric ton	4Q15	3Q15	4Q14	2015	2014
Iron ore - Metal Bulletin 65% index	50.09	62.11	82.90	62.12	105.82
Iron ore - Platts's 62% IODEX	46.65	54.90	74.28	55.50	96.70
Iron ore fines CFR reference price (dmt)	45.10	56.00	75.50	54.60	92.70
Iron ore fines CFR/FOB realized price	37.18	46.48	61.21	44.61	75.43
ROM	7.99	6.77	11.82	8.31	15.28
Pellets CFR/FOB (wmt)	71.98	73.80	100.11	77.78	120.48
Manganese ore	7.04	52.14	111.11	58.44	118.15
Ferroalloys	750.00	836.67	1,083.33	904.16	1,125.83

COSTS AND EXPENSES

Iron ore COGS - 3Q15 x 4Q15

US\$ million	3Q15	Variance drivers			Total Variation 3Q15 x 4Q15	4Q15
		Volume	Exchange Rate	Others		
Personnel	185	20	(14)	4	10	195
Outsourced services and Materials	274	31	(17)	(8)	6	280
Energy (electricity, diesel & gas)	112	12	(9)	3	6	118
Acquisition of products	40	9	-	(5)	4	44
Maintenance	205	22	(19)	28	31	236
Maritime Freight	736	143	-	(122)	21	757
Bunker oil hedge	109	21	-	4	25	134
Other Operational	177	22	(4)	(35)	(17)	160
Total costs before depreciation and amortization	1,838	280	(63)	(131)	86	1,924
Depreciation	269	30	(18)	(22)	(10)	259
Total	2,107	310	(81)	(153)	76	2,183

Iron ore fines cash cost and freight

	4Q15	3Q15	4Q14	2015	2014
Costs (US\$ million)					
COGS, less depreciation and amortization	1,924	1,838	2,831	7,604	9,532
Costs of ore acquired from third parties	44	40	89	210	443
Maritime freight	757	736	1,037	2,825	3,325
Bunker oil hedge	134	109	-	412	-
One-off items	-	-	48	-	48
FOB at port costs (ex-ROM and ex-third party ores)¹	989	953	1,657	4,157	5,716
FOB at port costs (ex-ROM, ex-third party ores and ex-royalties)	906	868	1,534	3,825	5,079
Sales volumes (Mt)					
Total iron ore volume sold	80.8	74.1	78.2	288.7	270.0
Volume acquired from third parties	2.8	2.3	3.2	11.1	12.2
Total ROM volume sold	1.6	3.5	3.6	12.3	14.1
Volume sold of Vale's own ore (ex-ROM)	76.4	68.3	71.4	265.3	243.7
% of CFR sales	68.0%	64.0%	64.2%	64.1%	57.4%
% of FOB sales	32.0%	38.0%	35.8%	35.9%	42.6%
Vale's iron ore cash cost (ex-ROM, ex-royalties), FOB (US\$/t)	11.9	12.7	21.5	14.4	20.8
Freight					
Volume CFR (Mt)	53.6	44.9	47.9	177.1	146.9
Vale's iron ore unit freight cost (US\$/t)	16.6	18.8	21.7	18.3	22.6
Vale's iron ore unit freight cost (ex- bunker oil hedge) (US\$/t)	14.1	16.4	21.7	16.0	22.6

Iron ore fines unit cost + expenses adjusted for quality landed in China

US\$/t	4Q15	3Q15	4Q14	2015	2014
Vale's iron ore cash cost (ex-ROM, ex-royalties), FOB (US\$/t)	11.9	12.7	21.5	14.4	20.8
Iron ore fines freight cost (ex-bunker oil hedge)	14.1	16.4	21.7	16.0	22.6
Iron ore fines expenses ¹ & royalties	4.6	4.4	11.0	4.9	9.7
Iron ore fines moisture adjustment	2.6	2.8	4.7	3.0	4.8
Iron ore fines quality adjustment	-1.1	-2.1	0.9	-1.9	0.9
Iron ore fines unit cost + expenses landed in China (US\$/dmt)	32.0	34.2	59.8	36.4	58.9

¹ Net of depreciation, excluding the positive one-off effect of the ARO adjustment.

Iron Ore Fines Costs and Expenses in BRL

R\$/t	4Q15	3Q15	4Q14	2015	2014
Costs	45.6	45.2	54.5	47.9	50.1
Expenses ¹	12.9	10.8	16.0	12.2	22.6
Total	58.5	56.0	70.5	60.1	72.7

¹ Net of depreciation.

Iron ore pellets

Pellets - EBITDA ex-Samarco

	4Q15		3Q15	
	US\$ million	US\$/wmt	US\$ million	US\$/wmt
Gross Revenues / Realized Price	806	74.4	908	75.9
Net Revenues / Realized Price	780	72.0	883	73.8
Dividends Received (Leased pelletizing plants) ex-Samarco	22	2.0	-	-
Cash Costs (Iron ore, leasing, freight, overhead, energy and other)	-453	-41.8	-508	-42.5
Expenses (SG&A, R&D and other)	-13	-1.2	7	0.6
EBITDA ex-Samarco	336	31.0	382	31.9

Volume sold by destination – Iron ore and pellets

'000 metric tons	4Q15	3Q15	4Q14	2015	%	2014	%
Americas	8,549	10,760	11,590	41,187	12.3	44,071	14.1
Brazil	7,346	9,363	10,078	35,665	10.6	37,623	12.0
Others	1,203	1,397	1,512	5,522	1.6	6,448	2.1
Asia	65,574	59,597	62,563	229,268	68.4	208,536	66.5
China	52,898	46,512	46,411	179,470	53.6	156,692	50.0
Japan	7,782	8,548	7,505	29,499	8.8	27,229	8.7
Others	4,894	4,537	8,648	20,299	6.1	24,615	7.8
Europe	15,006	13,014	13,209	53,385	15.9	49,042	15.6
Germany	5,471	5,219	4,660	21,991	6.6	19,075	6.1
France	1,474	1,497	2,103	5,814	1.7	6,242	2.0
Others	8,061	6,298	6,446	25,580	7.6	23,725	7.6
Middle East	2,095	2,401	2,337	9,745	2.9	8,694	2.8
Rest of the World	453	265	1,141	1,360	0.4	3,291	1.0
Total	91,677	86,037	90,841	334,946	100.0	313,634	100.0

Selected financial indicators - Ferrous minerals

US\$ million	4Q15	3Q15	4Q14	2015	2014
Net Revenues	3,830	4,312	6,116	16,562	25,697
Costs ¹	(2,497)	(2,447)	(3,792)	(10,241)	(13,063)
Expenses ¹	120	(153)	(504)	(380)	(1,289)
Pre-operating and stoppage expenses ¹	(61)	(32)	(48)	(169)	(221)
R&D expenses	(27)	(28)	(117)	(128)	(329)
Dividends received	44	-	47	255	526
Adjusted EBITDA	1,409	1,652	1,702	5,899	11,321
Depreciation and amortization	(388)	(402)	(548)	(1,669)	(1,930)
Adjusted EBIT	977	1,250	1,107	3,975	8,865
Adjusted EBIT margin (%)	25.5	29.0	18.1	24.0	34.5

¹ Net of depreciation and amortization.

Selected financial indicators - Iron ore fines (excluding third party ores)

	4Q15	3Q15	4Q14	2015	2014
Adjusted EBITDA (US\$ million)	1,040	1,180	1,060	3,912	7,759
Volume Sold (Mt)	76.432	68.261	71.394	265.313	243.650
Adjusted EBITDA (US\$/t)	13.61	17.29	14.84	14.75	31.85

Selected financial indicators - Pellets (excluding Samarco)

	4Q15	3Q15	4Q14	2015	2014
Adjusted EBITDA (US\$ million)	336	382	526	1,539	2,579
Volume Sold (Mt)	10.837	11.961	12.686	46.284	43.682
Adjusted EBITDA (US\$/t)	31.00	31.94	41.46	33.24	59.04

Selected financial indicators - Iron ore fines and Pellets

	4Q15	3Q15	4Q14	2015	2014
Adjusted EBITDA (US\$ million)	1,376	1,562	1,586	5,451	10,338
Volume Sold (Mt)	87.269	80.222	84.080	311.598	287.332
Adjusted EBITDA (US\$/t)	15.77	19.47	18.86	17.49	35.98

Base Metals

Gross operating revenue by product

US\$ million	4Q15	3Q15	4Q14	2015	2014
Nickel	782	785	1,064	3,412	4,468
Copper	413	368	556	1,728	2,122
PGMs	96	59	152	404	564
Gold	122	115	115	477	418
Silver	8	7	11	31	37
Others	37	22	50	120	85
Total	1,458	1,355	1,948	6,172	7,694

Average sale price

US\$/ metric ton	4Q15	3Q15	4Q14	2015	2014
Nickel - LME	9,437	10,561	15,799	11,807	16,867
Copper - LME	4,892	5,259	6,624	5,494	6,862
Nickel	9,310	10,866	15,420	11,684	16,426
Copper	3,824	3,892	5,842	4,353	6,015
Platinum (US\$/oz)	818	1,005	1,225	1,020	1,262
Gold (US\$/oz)	1,064	1,095	1,190	1,123	1,193
Silver (US\$/oz)	10.00	13.49	14.16	12.63	19.42
Cobalt (US\$/lb)	8.55	14.54	9.34	9.95	10.67

Volume sold

'000 metric tons	4Q15	3Q15	4Q14	2015	2014
Nickel operations & by products					
Nickel	84	72	69	292	272
Copper	43	32	37	148	156
Gold ('000 oz)	15	15	20	79	103
Silver ('000 oz)	582	374	574	1,655	1,431
PGMs ('000 oz)	140	83	168	519	577
Cobalt (metric ton)	1,433	468	1,311	3,840	3,188
Copper operations & by products					
Copper	65	62	58	249	197
Gold ('000 oz)	99	90	76	346	248
Silver ('000 oz)	178	154	182	648	458

Base metals COGS - 3Q15 x 4Q15

US\$ million	Variance drivers				Total Variation 3Q15 x 4Q15	4Q15
	3Q15	Volume	Exchange Rate	Others		
Personnel	205	37	(7)	(7)	23	228
Outsourced services and Materials	218	39	(7)	(7)	25	243
Energy (Electricity, fuel & gas)	137	25	(4)	(4)	17	154
Acquisition of products	106	-	-	(15)	(15)	91
Maintenance	236	43	(8)	(8)	27	263
Others	136	24	(4)	(4)	16	152
Total costs before depreciation and amortization	1,038	168	(30)	(45)	93	1,131
Depreciation	368	2	(11)	61	52	420
Total	1,406	170	(41)	16	145	1,551

Base Metals EBITDA overview – 4Q15

US\$ millions	North Atlantic	PTVI Site	VNC Site	Sossego	Salobo	Onça Puma	Other ¹	Total Base Metals
Net Revenues	729	177	84	103	248	64	53	1,458
Costs ²	(490)	(145)	(113)	(83)	(156)	(55)	(89)	(1,131)
SG&A and others	(11)	2	(10)	(3)	(17)	(19)	(36)	(95)
R&D	(18)	(5)	(3)	(3)	-	(0)	(3)	(32)
Pre-operating & stoppage	(23)	-	(65)	-	-	-	(1)	(89)
EBITDA	187	28	(107)	14	75	(10)	(76)	111
Ni deliveries (kt)	43	23	10	-	-	7	2	84
Cu deliveries (kt)	43	-	-	23	42	-	-	108

¹ Includes the PTVI and VNC off-takes, intercompany sales and purchase of finished nickel and corporate center for base metals.

² Costs without by-products credits.

Base metals – EBITDA by operation

US\$ million	4Q15	3Q15	4Q14
North Atlantic operation ¹	187	139	435
PTVI	28	57	91
VNC	(107)	(115)	(118)
Onça Puma	(10)	12	5
Sossego	14	36	58
Salobo	75	77	71
Other ²	(76)	(14)	40
Total	111	193	582

¹ Includes the operations in Canada and in the United Kingdom.

² Includes the PTVI and VNC off-takes, intercompany sales and purchase of finished nickel and corporate center for base metals

Base metals – EBITDA per ton by operation

US\$ million	4Q15	3Q15	4Q14
North Atlantic operation ¹	2,179	1,961	5,764
PTVI	1,231	2,543	4,483
Onça Puma	(1,405)	2,291	1,000
Sossego	614	1,397	2,191
Salobo	1,790	2,099	2,240

¹ Includes the operations in Canada and in the United Kingdom.

Base Metals – unit cash cost of sales, net of by-product credits¹

US\$ / t	4Q15	3Q15	4Q14
Nickel			
North Atlantic Operations (nickel)	3,582	6,242	5,267
PTVI (nickel)	6,326	6,157	7,990
Onça Puma (nickel)	7,710	8,596	13,831
Copper			
Sossego (copper)	2,840	2,301	3,668
Salobo (copper)	1,571	1,520	2,218

¹ North Atlantic figures include Clydach and Acton refining costs while PTVI only includes the standalone operation.

Selected financial indicators - Base Metals

US\$ million	4Q15	3Q15	4Q14	2015	2014
Net Revenues	1,458	1,347	1,953	6,163	7,692
Costs ¹	(1,131)	(1,038)	(1,205)	(4,296)	(4,587)
Expenses ¹	(95)	7	15	44	89
Pre-operating and stoppage expenses ¹	(89)	(97)	(136)	(412)	(530)
R&D expenses	(32)	(26)	(45)	(111)	(143)
Adjusted EBITDA	111	193	582	1,388	2,521
Depreciation and amortization	(484)	(437)	(563)	(1,840)	(1,791)
Adjusted EBIT	(373)	(244)	19	(452)	730
Adjusted EBIT margin (%)	(25.6)	(18.1)	1.0	(7.3)	9.5

¹ Net of depreciation and amortization

Coal

Gross operating revenue by product

<i>US\$ million</i>	4Q15	3Q15	4Q14	2015	2014
Metallurgical coal	98	115	181	480	661
Thermal coal	10	12	20	46	78
Total	108	127	201	526	739

Average sale price

<i>US\$/ metric ton</i>	4Q15	3Q15	4Q14	2015	2014
Metallurgical coal	73.75	81.22	99.72	85.55	104.37
Thermal coal	44.19	48.24	64.52	52.42	67.65

Volume sold

<i>'000 metric tons</i>	4Q15	3Q15	4Q14	2015	2014
Metallurgical coal	1,329	1,419	1,815	5,614	6,330
Thermal coal	226	243	310	891	1,152
Total	1,555	1,662	2,125	6,505	7,482

Selected financial indicators - Coal

<i>US\$ million</i>	4Q15	3Q15	4Q14	2015	2014
Net Revenues	108	127	201	526	739
Costs ¹	(260)	(207)	(249)	(839)	(1,071)
Expenses ¹	(9)	(17)	(164)	(140)	(309)
Pre-operating and stoppage expenses ¹	(12)	(25)	(10)	(61)	(38)
R&D expenses	(4)	(7)	(10)	(22)	(18)
Dividends received	28	-	28	28	28
Adjusted EBITDA	(149)	(129)	(204)	(508)	(669)
Depreciation and amortization	(41)	(80)	(36)	(192)	(120)
Adjusted EBIT	(218.0)	(209.0)	(268.0)	(728.0)	(817.0)
Adjusted EBIT margin (%)	(202)	(165)	(133)	(138)	(111)

¹ Net of depreciation and amortization.

Fertilizer nutrients

Fertilizers COGS – 3Q15 x 4Q15

US\$ million	Variance drivers					4Q15
	3Q15	Volume	Exchange Rate	Others	Total Variation 3Q15 x 4Q15	
Personnel	73	(18)	(6)	1	(23)	50
Outsourced services and Materials	269	(69)	(8)	(9)	(86)	183
Energy (Electricity, fuel & gas)	56	(16)	(3)	-	(19)	37
Maintenance	23	(4)	(1)	-	(5)	18
Others	23	(23)	(1)	32	8	31
Total costs before depreciation and amortization	444	(130)	(19)	24	(125)	319
Depreciation	93	(25)	(6)	5	(26)	67
Total	537	(155)	(25)	29	(151)	386

Fertilizer nutrients business performance

Gross operating revenue by product

US\$ million	4Q15	3Q15	4Q14	2015	2014
Potash	33	47	45	147	169
Phosphates	387	588	432	1,818	1,904
Nitrogen	76	92	108	355	411
Others	17	20	22	66	101
Total	513	747	607	2,386	2,585

Average sale price

US\$/ metric ton	4Q15	3Q15	4Q14	2015	2014
Potash	293.08	302.42	371.90	318.32	355.79
Phosphates					
MAP	496.45	505.21	550.70	511.70	542.44
TSP	394.48	391.50	448.41	398.05	428.98
SSP	212.88	197.17	217.14	204.45	212.61
DCP	514.90	536.10	584.94	554.88	591.51
Phosphate rock	81.73	78.02	88.77	82.55	70.88
Nitrogen	490.89	497.96	627.91	554.11	604.41

Volume sold

'000 metric tons	4Q15	3Q15	4Q14	2015	2014
Potash	114	155	121	463	475
Phosphates					
MAP	266	348	249	1,081	1,040
TSP	113	317	112	744	749
SSP	317	740	367	1,847	2,091
DCP	119	118	118	459	493
Phosphate rock	811	769	935	3,193	3,259
Others phosphates	68	74	71	330	271
Nitrogen	154	185	172	641	680

Selected financial indicators - Fertilizers

<i>US\$ million</i>	4Q15	3Q15	4Q14	2015	2014
Net Revenues	481	698	569	2.225	2.415
Costs ¹	(319)	(444)	(411)	(1,469)	(1,885)
Expenses ¹	(14)	(5)	(29)	(37)	(95)
Pre-operating and stoppage expenses ¹	(9)	(29)	(34)	(70)	(85)
R&D expenses	(22)	(23)	(20)	(82)	(72)
Adjusted EBITDA	117	197	75	567	278
Depreciation and amortization	(67)	(99)	(88)	(310)	(419)
Adjusted EBIT	50	98	(13)	257	(141)
Adjusted EBIT margin (%)	10.4	14.0	(2.3)	11.6	(5.8)

¹ Net of depreciation and amortization.

FINANCIAL INDICATORS OF NON- CONSOLIDATED COMPANIES

For selected financial indicators of the main non-consolidated companies, see our quarterly financial statements on www.vale.com / Investors / Information for the market / Financial statements.

CONFERENCE CALL AND WEBCAST

Vale will host two conference calls and webcasts on Thursday, February 25th. The first, in Portuguese (without translation), will begin at 10:00 a.m. Rio de Janeiro time. The second, in English, at 12:00 p.m. Rio de Janeiro time, 10:00 a.m. US Eastern Daylight Time, 3:00 p.m. British Standard Time, and 11:00 p.m. Hong Kong time.

Dial in to conference calls/webcasts:

In Portuguese:

Participants from Brazil: (55 11) 3193-1001 or (55 11) 2820-4001

Participants from the US: (1 888) 700-0802

Participants from other countries: (1 786) 924-6977

Access code: VALE

In English:

Participants from Brazil: (55 11) 3193-1001 or (55 11) 2820-4001

Participants from the U.S.: (1 866) 262-4553

Participants from other countries: (1 412) 317-6029

Access code: VALE

Instructions for participation will be available on the website: www.vale.com/Investors. A recording will be available on Vale's website for 90 days as of February 25th, 2016.

This press release may include statements that present Vale's expectations about future events or results. All statements, when based upon expectations about the future and not on historical facts, involve various risks and uncertainties. Vale cannot guarantee that such statements will prove correct. These risks and uncertainties include factors related to the following: (a) the countries where we operate, especially Brazil and Canada; (b) the global economy; (c) the capital markets; (d) the mining and metals prices and their dependence on global industrial production, which is cyclical by nature; and (e) global competition in the markets in which Vale operates. To obtain further information on factors that may lead to results different from those forecast by Vale, please consult the reports Vale files with the U.S. Securities and Exchange Commission (SEC), the Brazilian Comissão de Valores Mobiliários (CVM), the French Autorité des Marchés Financiers (AMF), and The Stock Exchange of Hong Kong Limited, and in particular the factors discussed under "Forward-Looking Statements" and "Risk Factors" in Vale's annual report on Form 20-F.

ANNEX 1 – SIMPLIFIED FINANCIAL STATEMENTS

Income statement

US\$ million	4Q15	3Q15	4Q14	2015	2014
Gross operating revenues	5,986	6,618	9,226	26,047	38,236
Net operating revenue	5,899	6,505	9,072	25,609	37,539
Cost of goods sold	(5,119)	(5,040)	(6,892)	(20,513)	(25,064)
Gross profit	780	1,465	2,180	5,096	12,475
Gross margin (%)	13.2	22.5	24.0	19.9	33.2
Selling, general and administrative expenses	(167)	(131)	(306)	(652)	(1,099)
Research and development expenses	(119)	(121)	(235)	(477)	(734)
Pre-operating and stoppage expenses	(238)	(266)	(292)	(1,027)	(1,088)
Other operational expenses	64	(113)	(491)	(206)	(1,057)
Gain (loss) from sale of assets	(29)	(48)	(167)	61	(167)
Impairment of non-current assets	(8,926)	-	(378)	(8,926)	(1,152)
Operating profit	(8,635)	786	311	(6,131)	7,178
Financial revenues	80	92	55	268	401
Financial expenses	(326)	(352)	(502)	(1,112)	(2,936)
Gains (losses) on derivatives, net	426	(1,799)	(1,087)	(2,477)	(1,334)
Monetary and exchange variation	173	(5,117)	(1,257)	(7,480)	(2,200)
Equity income	(37)	(349)	31	(439)	505
Results on sale or write-off of investments from associates and joint ventures	-	-	31	97	(30)
Impairment on investments from association and joint ventures	(446)	-	(31)	(446)	(31)
Income (loss) before taxes	(8,765)	(6,739)	(2,449)	(17,720)	1,553
Current tax	(152)	(100)	363	(389)	(1,051)
Deferred tax	74	4,603	106	5,489	(149)
Net Earnings (loss) from continuing operations	(8,843)	(2,236)	(1,980)	(12,620)	353
Loss attributable to noncontrolling interest	274	119	131	491	304
Net earnings (attributable to the Company's stockholders)	(8,569)	(2,117)	(1,849)	(12,129)	657
Earnings (loss) per share (attributable to the Company's stockholders - US\$)	(1.66)	(0.41)	(0.36)	(2.35)	0.13
Diluted earnings (loss) per share (attributable to the Company's stockholders - US\$)	(1.66)	(0.41)	(0.36)	(2.35)	0.13

Equity income (loss) by business segment

US\$ million	4Q15	3Q15	4Q14	2015	%	2014	%
Ferrous minerals	44	(65.0)	86	26	(5.9)	652	129.1
Coal	3	(9.0)	5	(3)	0.7	32	6.3
Base metals	(99)	(10.0)	(10)	(132)	30.1	(36)	(7.1)
Logistics	-	-	-	-	-	13	2.6
Steel	(21)	(282.0)	(3)	(414)	94.3	(92)	(18.2)
Others	36	17.0	(47)	84	(19.1)	(64)	(12.7)
Total	(37)	(349.0)	31	(439)	100.0	505	100.0

Balance sheet

US\$ million	12/31/2015	9/30/2015	12/31/2014
Assets			
Current assets	15,473	17,701	20,234
Cash and cash equivalents	3,591	4,397	3,974
Financial investments	28	65	148
Derivative financial instruments	121	158	166
Accounts receivable	1,476	2,028	3,275
Related parties	70	343	579
Inventories	3,528	3,808	4,501
Prepaid income taxes	900	904	1,581
Recoverable taxes	1,404	1,364	1,700
Others	311	746	670
Non-current assets held for sale and discontinued operation	4,044	3,888	3,640
Non-current assets	10,653	10,857	7,180
Related parties	1	23	35
Loans and financing agreements receivable	188	194	229
Judicial deposits	882	838	1,269
Recoverable income taxes	471	417	478
Deferred income taxes	7,904	7,982	3,976
Recoverable taxes	501	527	401
Derivative financial instruments	93	133	87
Others	613	743	705
Fixed assets	62,366	70,467	89,075
Total assets	88,492	99,025	116,489
Liabilities			
Current liabilities	10,545	10,226	10,737
Suppliers and contractors	3,365	3,482	4,354
Payroll and related charges	375	455	1,163
Derivative financial instruments	2,076	1,422	1,416
Loans and financing	2,506	3,030	1,419
Related parties	475	141	306
Income taxes settlement program	345	330	457
Taxes payable and royalties	250	261	550
Provision for income taxes	241	217	353
Employee postretirement obligations	68	69	67
Asset retirement obligations	89	81	136
Redeemable noncontrolling interest	-	135	-
Others	648	323	405
Liabilities directly associated with non-current assets held for sale and discontinued operations	107	280	111
Non-current liabilities	42,243	44,298	49,431
Derivative financial instruments	1,429	2,808	1,610
Loans and financing	26,347	25,645	27,388
Related parties	213	76	109
Employee postretirement obligations	1,750	1,881	2,236
Provisions for litigation	822	858	1,282
Income taxes settlement program	4,085	3,992	5,863
Deferred income taxes	1,670	2,896	3,341
Asset retirement obligations	2,385	2,648	3,233
Participative stockholders' debentures	342	603	1,726
Redeemable noncontrolling interest	-	-	243
Gold stream transaction	1,749	1,785	1,323
Others	1,451	1,106	1,077
Total liabilities	52,788	54,524	60,168
Stockholders' equity	35,704	44,501	56,321
Total liabilities and stockholders' equity	88,492	99,025	116,489

Cash flow

US\$ million	4Q15	3Q15	4Q14	2015	2014
Cash flows from operating activities:					
Net income (loss) from operations	(8,843)	(2,236)	(1,980)	(12,620)	353
Adjustments to reconcile net income with cash provided by operating activities:					
Depreciation, depletion and amortization	984	1,022	1,242	4,029	4,288
Impairment	9,372	-	409	9,372	1,183
Loss on measurement or sales of non-current assets	29	48	167	(158)	167
Items of the financial result	(2,007)	6,801	-	7,628	-
Others	642	(4,365)	1,820	(5,013)	3,029
Variation of assets and liabilities					
Accounts receivable	985	343	107	1,671	2,546
Inventories	(73)	(331)	(63)	(304)	(535)
Suppliers and contractors	491	422	503	740	1,013
Payroll and related charges	(79)	53	53	(603)	(77)
Tax assets and liabilities, net	-	(37)	(701)	(357)	312
Goldstream transaction	-	-	-	532	-
Others	(166)	(91)	(369)	(426)	705
Net cash provided by operating activities	1,335	1,629	1,188	4,491	12,984
Cash flows from investing activities:					
Additions to investments	(12)	(8)	(24)	(66)	(244)
Acquisition of subsidiary	-	-	-	(90)	-
Additions to property, plant and equipment	(2,190)	(1,870)	(3,449)	(8,371)	(11,813)
Proceeds from disposal of assets and investments	423	472	-	1,456	1,246
Dividends and interest on capital received from joint ventures and associates	87	19	89	318	568
Proceeds from goldstream transaction	-	-	-	368	-
Others	(36)	76	466	226	275
Net cash used in investing activities	(1,728)	(1,311)	(2,918)	(6,159)	(9,968)
Cash flows from financing activities:					
Loans and financing					
Additions	1,045	1,066	962	4,995	2,341
Repayments	(1,012)	(928)	(842)	(2,826)	(1,936)
Payments to shareholders:					
Dividends and interest on capital attributed to shareholders	(500)	-	(2,100)	(1,500)	(4,200)
Dividends and interest on capital attributed to noncontrolling interest	(3)	-	(55)	(15)	(66)
Other transactions with noncontrolling interest	-	1,089	-	1,049	-
Net cash provided by (used in) financing activities	(470)	1,227	(2,035)	1,703	(3,861)
Increase (decrease) in cash and cash equivalents	(863)	1,545	(3,765)	35	(1,022)
Cash and cash equivalents in the beginning of the period	4,397	3,158	7,882	3,974	5,321
Effect of exchange rate changes on cash and cash equivalents	57	(306)	(143)	(418)	(325)
Cash and cash equivalents, end of period	3,591	4,397	3,974	3,591	3,974
Cash paid during the period for:					
Interest on loans and financing	(305)	(381)	(324)	(1,462)	(1,560)
Income taxes	(162)	(47)	(197)	(527)	(504)
Income taxes - settlement program	(86)	(89)	(111)	(384)	(494)
Derivatives received (paid), net	(275)	(167)	(319)	(1,202)	-
Non-cash transactions:					
Additions to property, plant and equipment - interest capitalization	193	195	184	761	588

ANNEX 2 – VOLUMES SOLD, PRICES AND MARGINS

Volume sold - Minerals and metals

'000 metric tons	4Q15	3Q15	4Q14	2015	2014
Iron ore fines	79,213	70,530	74,603	276,393	255,877
ROM	1,627	3,546	3,552	12,269	14,075
Pellets	10,837	11,961	12,686	46,284	43,682
Manganese ore	568	448	828	1,764	1,879
Ferroalloys	12	3	36	69	150
Thermal coal	226	243	310	891	1,152
Metallurgical coal	1,329	1,419	1,815	5,614	6,330
Nickel	84	72	69	292	272
Copper	108	94	95	397	353
Gold ('000 oz)	114	105	97	425	351
Silver ('000 oz)	761	528	757	2,303	1,889
PGMs ('000 oz)	140	83	168	517	577
Cobalt (metric ton)	1,433	468	1,311	3,840	3,188
Potash	114	155	121	463	475
Phosphates					
MAP	266	348	249	1,081	1,040
TSP	113	317	112	744	749
SSP	317	740	367	1,847	2,091
DCP	119	118	118	459	493
Phosphate rock	811	769	935	3,193	3,259
Others phosphates	68	74	71	330	271
Nitrogen	154	185	172	641	680

Average sale prices

US\$/ton	4Q15	3Q15	4Q14	2015	2014
Iron ore fines CFR reference price (dmt)	45.10	56.00	75.50	54.60	92.70
Iron ore fines CFR/FOB realized price	37.18	46.48	61.23	44.61	75.43
ROM	7.99	6.77	11.82	8.31	15.28
Pellets CFR/FOB (wmt)	71.98	73.82	100.11	77.78	120.48
Manganese ore	7.04	52.14	111.11	56.44	118.15
Ferroalloys	750.00	836.67	1083.33	904.16	1,125.83
Thermal coal	44.19	48.24	64.52	52.42	67.65
Metallurgical coal	73.75	81.22	99.72	85.55	104.37
Nickel	9,309.52	10,865.81	15,420.29	11,684.33	16,426.47
Copper	3,823.90	3,891.78	5,842.10	4,352.94	6,015.47
Platinum (US\$/oz)	817.60	1,004.75	1,224.87	1,020.14	1,261.87
Gold (US\$/oz)	1,064.48	1,094.81	1,189.96	1,064.48	1,192.51
Silver (US\$/oz)	10.00	13.49	14.16	12.63	19.42
Cobalt (US\$/lb)	8.55	14.54	9.34	9.95	10.67
Potash	293.08	302.42	371.90	318.32	355.79
Phosphates					
MAP	496.45	505.21	550.70	511.70	542.44
TSP	394.48	391.50	448.41	398.05	428.98
SSP	212.88	197.17	217.14	204.45	212.61
DCP	514.90	536.10	584.94	554.88	591.51
Phosphate rock	81.73	78.02	88.77	82.55	70.88

Operating margin by segment (EBIT adjusted margin)

%	4Q15	3Q15	4Q14	2015	2014
Ferrous minerals	25.5	29.0	18.1	24.0	34.5
Coal	(201.9)	(164.6)	(133.3)	(138.4)	(110.6)
Base metals	(25.6)	(18.1)	1.0	(7.3)	9.5
Fertilizer nutrients	10.4	14.0	(2.3)	11.6	(5.8)
Total¹	5.4	12.8	9.4	10.7	22.6

¹ Excluding non-recurring effects

Annex 3 – reconciliation of IFRS and “NON-GAAP” information

(a) Adjusted EBIT¹

US\$ million	4Q15	3Q15	4Q14	2015	2014
Net operating revenues	5,899	6,505	9,072	25,609	37,539
COGS	(5,119)	(5,040)	(6,892)	(20,513)	(25,064)
SG&A	(167)	(131)	(306)	(652)	(1,099)
Research and development	(119)	(121)	(235)	(477)	(734)
Pre-operating and stoppage expenses	(238)	(266)	(292)	(1,027)	(1,088)
Other operational expenses	64	(113)	(491)	(206)	(1,057)
Adjusted EBIT	320	834	856	2,734	8,497

¹ Excluding non-recurring effects.

(b) Adjusted EBITDA

EBITDA defines profit or loss before interest, tax, depreciation and amortization. Vale uses the term adjusted EBITDA to reflect exclusion of gains and/or losses on sale of assets, non-recurring expenses and the inclusion of dividends received from non-consolidated affiliates. However our adjusted EBITDA is not the measure defined as EBITDA under IFRS, and may possibly not be comparable with indicators with the same name reported by other companies. Adjusted EBITDA should not be considered as a substitute for operational profit or as a better measure of liquidity than operational cash flow, which are calculated in accordance with IFRS. Vale provides its adjusted EBITDA to give additional information about its capacity to pay debt, carry out investments and cover working capital needs. The following table shows the reconciliation between adjusted EBITDA and operational cash flow, in accordance with its statement of changes in financial position:

Reconciliation between adjusted EBITDA and operational cash flow

US\$ million	4Q15	3Q15	4Q14	2015	2014
Adjusted EBITDA	1,391	1,875	2,187	7,081	13,353
Working capital:					
Accounts receivable	985	343	107	1,671	2,546
Inventories	(73)	(331)	(63)	(304)	(535)
Suppliers	491	422	503	740	1,013
Payroll and related charges	(79)	53	53	(603)	(77)
Gold stream transaction	-	-	-	532	-
Others	(414)	(78)	(257)	(517)	(167)
Adjustment for non-recurring items and other effects	(112)	29	(332)	(470)	(477)
Cash provided from operations	2,189	2,313	2,198	8,130	15,656
Income taxes paid - current	(162)	(47)	(197)	(527)	(504)
Income taxes paid - settlement program	(86)	(89)	(111)	(384)	(494)
Interest paid for third parties	(305)	(381)	(324)	(1,462)	(1,560)
Participative stockholders' debentures paid	(26)	-	(60)	(65)	(112)
Derivatives received (paid), net	(275)	(167)	(318)	(1,201)	(179)
Net cash provided by (used in) operating activities	1,335	1,629	1,188	4,491	12,807

(c) Net debt

Reconciliation between total debt and net debt

<i>US\$ million</i>	4Q15	3Q15	4Q14	2015	2014
Total debt	28,853	28,675	28,807	28,853	28,807
Cash and cash equivalents ¹	3,619	4,462	4,122	3,619	4,122
Net debt	25,234	24,213	24,685	25,234	24,685

¹ Including financial investments.

(d) Total debt / LTM Adjusted EBITDA

<i>US\$ million</i>	4Q15	3Q15	4Q14	2015	2014
Total debt / LTM Adjusted EBITDA (x)	4.1	3.6	2.2	4.1	2.2
Total debt / LTM operational cash flow (x)	6.4	6.6	2.2	6.4	2.2

(e) LTM Adjusted EBITDA / LTM interest payments

<i>US\$ million</i>	4Q15	3Q15	4Q14	2015	2014
LTM adjusted EBITDA / LTM interest payments (x)	4.8	5.3	8.6	4.8	8.6
LTM operational profit / LTM interest payments (x)	(4.3)	2.0	4.7	(4.3)	4.7