

Vale S.A.  
Form 6-K  
August 08, 2013  
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**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**

**August 2013**

**Vale S.A.**

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

(Address of principal executive office)

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(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.)

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*2Q13 Production Report*

A SOLID PERFORMANCE IN BASE METALS AND COAL

Rio de Janeiro, August 7, 2013 Vale S.A. (Vale) continued to show a strong operational performance for base metals in 2Q13. The production of copper reached an all-time high, at 91,300 metric tons, while nickel had its best second quarter since 2Q08, with 65,000 metric tons.

At the same time, coal output achieved a record figure, at 2.4 Mt(1), rising 35.6% against 1Q13.

While the successful ramp-up of Salobo is proving instrumental in the rising copper output, 181,000 t in 1H13 vs 143,000 t in 1H12, the production of coal, 4.1 Mt in 1H13 against 3.4 Mt in 1H12, was positively influenced by the performance of Carborough Downs and the ramp-up of Moatize.

Iron ore output in 2Q13 was 8.4% higher than 1Q13, at 73.2 Mt, but 9.1% lower than in 2Q12. We missed the production target for 1H13 by 2.7 Mt, but we still maintain the 306 Mt guidance for the year.

An important milestone to our future growth was reached in July, with the granting of the installation license (LI) for the S11D project. S11D is the highest grade and lowest cash-cost world-class project in the iron ore industry, with a nominal capacity of 90 Mtpy of iron ore. It is seated in a deposit with proven and probable reserves of 4.240 billion metric tons with an average ferrous content of 66.7% and low impurities while its estimated operational cash cost (mine, plant, railway and port after royalties) is US\$ 15.00 per metric ton (at a BRL 2.00 per USD exchange rate). S11D is expected to start up in 2H16 and to deliver full capacity production in the 2018 calendar year.

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(1) Mt= million metric tons.

Kt = thousand metric tons

t = metric tons

**Production**

**000 metric**

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tons	1Q13	2Q13	%	1H12	1H13	%
Iron ore(a)	67,536	73,225	8.4	150,536	140,761	-6.5
Pellets(a)	11,672	12,336	5.7	28,015	24,008	-14.3
Manganese	501	617	23.1	1,068	1,118	4.7
Coal	1,752	2,376	35.6	3,398	4,128	21.5
Nickel	65	65	0.1	124	130	4.9
Copper	90	91	2.0	143	181	26.7
Potash	120	113	-5.4	247	233	-5.3
Phosphate rock	1,991	1,896	-4.8	3,843	3,888	1.2

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(a) Including Samarco's attributable production.

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## BULK MATERIALS

• *Iron ore*

000 metric tons	2Q12	1Q13	2Q13	1H12	1H13	% Change 2Q13/1Q13	% Change 2Q13/2Q12	% Change 1H13/1H12
<b>IRON ORE</b>	<b>80,542</b>	<b>67,536</b>	<b>73,225</b>	<b>150,536</b>	<b>140,761</b>	<b>8.4%</b>	<b>-9.1%</b>	<b>-6.5%</b>
<b>Northern System</b>	<b>27,362</b>	<b>21,605</b>	<b>21,904</b>	<b>49,073</b>	<b>43,508</b>	<b>1.4%</b>	<b>-19.9%</b>	<b>-11.3%</b>
Carajás	27,362	21,605	21,904	49,073	43,508	1.4%	-19.9%	-11.3%
<b>Southeastern System</b>	<b>28,296</b>	<b>24,782</b>	<b>26,723</b>	<b>55,054</b>	<b>51,505</b>	<b>7.8%</b>	<b>-5.6%</b>	<b>-6.4%</b>
Itabira	9,184	6,780	7,936	17,338	14,716	17.0%	-13.6%	-15.1%
Mariana	9,080	8,856	8,853	18,420	17,709	0.0%	-2.5%	-3.9%
Minas Centrais	10,032	9,146	9,934	19,297	19,080	8.6%	-1.0%	-1.1%
<b>Southern System</b>	<b>20,743</b>	<b>17,039</b>	<b>20,469</b>	<b>38,409</b>	<b>37,508</b>	<b>20.1%</b>	<b>-1.3%</b>	<b>-2.3%</b>
Minas Itabirito	7,993	6,624	8,092	15,338	14,716	22.2%	1.2%	-4.1%
Vargem Grande	5,950	4,891	5,958	10,750	10,849	21.8%	0.1%	0.9%
Paraopeba	6,800	5,524	6,419	12,321	11,943	16.2%	-5.6%	-3.1%
<b>Midwestern System</b>	<b>1,366</b>	<b>1,425</b>	<b>1,480</b>	<b>2,668</b>	<b>2,905</b>	<b>3.8%</b>	<b>8.3%</b>	<b>8.9%</b>
Corumbá	915	988	994	1,890	1,982	0.7%	8.7%	4.9%
Urucum	451	437	486	778	923	11.0%	7.6%	18.7%
<b>Samarco(1)</b>	<b>2,775</b>	<b>2,685</b>	<b>2,650</b>	<b>5,331</b>	<b>5,334</b>	<b>-1.3%</b>	<b>-4.5%</b>	<b>0.1%</b>

(1) Vale's attributable production capacity of 50%.

Vale produced 73.2 Mt of iron ore in 2Q13. Excluding the attributable production of Samarco, iron ore output reached 70.6 Mt, which was 8.8% higher than 1Q13. Considering the first half of the year, production was 2.7 Mt short of the 138.1 Mt budgeted for the period. That target recognized the rainfall distribution across the year and the evolution of mining plans in Carajás while we do not have the permits to open the N4WS mine and other pits. However, the operational performance was affected by the extension of the rainy season through May in the North of Brazil and the lack of flexibility of deeper pits under rainy conditions.

With the dry season already under way, operating performance in Carajás is improving and we are still aiming to produce close to the budgeted volume for 2013. Iron ore production in July was 27.9 Mt against 27.6 Mt in the same month of last year, driven by a strong performance from Carajás, where output rose to 10.4 Mt from 9.5 Mt in July 2012.

Of the iron ore output, 10.9 Mt was designated to feed the pelletizing plants, while 2.4 Mt was bought from third parties to complement our production. Iron ore sales in 2Q13 totaled 61.9 Mt, 1.0 Mt below 2Q12, but 7.1 Mt higher than 1Q13.

In 2Q13 we produced 21.9 Mt at Carajás, and as a result we missed the Carajás production budget for 1H13 by 4 Mt. The longer rainy season was one of the factors underlying Carajás weaker performance. In addition, we are still working to obtain all the necessary permits to fully

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exploit our mineral reserves. In response to the constraints posed by the licenses, we have adapted the mining plans to enable the exploitation of more productive mine sections in order to meet the demand for iron ore from our clients. As a result, we expect Carajás production in 2H13 to be in line with the 67.0 Mt budget.

The Southeastern System, which encompasses the Itabira, Mariana and Minas Centrais mining

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sites, produced 26.7 Mt in 2Q13, an increase of 7.8% compared to 1Q13, but 5.6% below 2Q12.

The production of Itabira was 17.0% above last quarter, positively influenced by the high grade ROM (run-of-mine) fed to the processing plant by the crusher due to better weather conditions. However, output was 13.6% below 2Q12, given the impoverishment of resources. Conceição Itabiritos, scheduled to start up in 4Q13, will improve quality and add extra capacity of 12 Mt.

The output of Mariana was in line with 1Q13, and 2.5% lower than 2Q12. We expect to increase production in 4Q13 as a result of the permit to exploit new mine sections at Fábrica Nova granted at the end of May.

The production of Minas Centrais was 8.6% above last quarter due to the good performance of Gongo Soco mine, as a result of the maximization of the use of its remaining reserves. Mine closure is planned for 2014.

The Southern System – Minas Itabirito, Vargem Grande and Paraopeba – produced 20.5 Mt, in line with 2Q12 and 20.1% higher than 1Q13.

The output of Minas Itabirito was 22.2% higher than 1Q13 and 1.2% above the same period of last year, a record for a second quarter. The resumption of Pico B plant operation and better weather conditions contributed to the good performance.

The production of Vargem Grande was 21.8% higher than 1Q13 showing a good operational performance after the scheduled maintenance stoppage in 1Q13.

The output of Paraopeba was 16.2% higher than last quarter due to lower levels of rain in 2Q13.

The Midwestern System, comprised of Urucum and Corumbá, produced 1.5 Mt in 2Q13, 3.8% higher than 1Q13 and 8.3% above than the same period of last year due to better operational performance.

• *Pellets*

000 metric tons	2Q12	1Q13	2Q13	1H12	1H13	% Change 2Q13/1Q13	% Change 2Q13/2Q12	% Change 1H13/1H12
<b>PELLETS</b>	<b>14,802</b>	<b>11,672</b>	<b>12,336</b>	<b>28,015</b>	<b>24,008</b>	<b>5.7%</b>	<b>-16.7%</b>	<b>-14.3%</b>
Tubarão I and II	1,530	0	0	2,592	0	n.m.	n.m.	n.m.



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Fábrica	956	954	968	1,863	1,921	1.5%	1.2%	3.1%
São Luís	1,373	0	0	2,334	0	n.m.	n.m.	n.m.
Vargem Grande	1,383	1,053	1,315	2,206	2,368	24.8%	-5.0%	7.3%
Oman	1,593	1,965	1,760	3,008	3,725	-10.4%	10.5%	23.8%
Nibrasco	1,977	2,191	2,397	4,234	4,588	9.4%	21.2%	8.3%
Kobrasco	1,258	1,133	1,116	2,397	2,249	-1.5%	-11.3%	-6.2%
Hispanobras(1)	1,111	755	1,056	2,172	1,812	39.9%	-4.9%	-16.6%
Itabrasco	1,020	1,090	1,101	2,039	2,191	1.0%	7.9%	7.5%
Samarco(2)	2,599	2,530	2,623	5,169	5,153	3.7%	0.9%	-0.3%

(1) Production attributable to Vale on a pro forma basis. In July 2012, we entered into a leasing contract for the Hispanobras pelletizing operation. As a consequence, their production is being consolidated 100% on a pro forma basis.

(2) Vale's attributable production capacity of 50%.

Pellet production reached 12.3 Mt, 5.7% higher than 1Q13 but 16.7% below the same period of last year, reflecting the shutdown of the Tubarão I and II and São Luis pellet plants. These three plants delivered 2.9 Mt in 2Q12.

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Following the shift in demand composition, the share of direct reduction pellets in our production amounted to 32% in 2Q13 against 25% in 2Q12.

Production volumes at the Tubarão plants ex- Tubarão I and II Nibrasco, Kobrasco, Hispanobras and Itabasco increased to 5.670 Mt in 2Q13 from 5.169 Mt in 1Q13 and 5.366 Mt in 2Q12, showing a good operational performance in Nibrasco after the scheduled maintenance stoppage in 1Q13.

In 2Q13, Vargem Grande expanded production by 24.8% when compared to 1Q13, recovering from the weaker demand in the period.

The Oman operations delivered 1.8 Mt of direct reduction pellets in 2Q13, 10.4% lower than the previous quarter due to the annual maintenance stoppage.

The attributable production from the three Samarco plants was in line with 1Q13 and 2Q12.

- ***Manganese ore and ferroalloys***

000 metric tons	2Q12	1Q13	2Q13	1H12	1H13	% Change 2Q13/1Q13	% Change 2Q13/2Q12	% Change 1H13/1H12
<b>MANGANESE ORE</b>	<b>584</b>	<b>501</b>	<b>617</b>	<b>1,068</b>	<b>1,118</b>	<b>23.1%</b>	<b>5.6%</b>	<b>4.7%</b>
Azul	463	381	472	843	853	23.8%	1.8%	1.2%
Urucum	81	98	114	148	212	17.0%	40.6%	43.4%
Other mines	39	23	31	78	53	35.7%	-22.1%	-31.4%
<b>FERROALLOYS</b>	<b>109</b>	<b>32</b>	<b>41</b>	<b>215</b>	<b>73</b>	<b>26.3%</b>	<b>-62.6%</b>	<b>-66.1%</b>
Brazil	46	32	41	96	73	26.3%	-11.9%	-23.8%
Dunkerque	35	0	0	64	0	n.m.	n.m.	n.m.
Mo I Rana	28	0	0	55	0	n.m.	n.m.	n.m.

In 2Q13, manganese output continued to respond to stronger demand and higher prices, showing good operational figures at 617,000 t against 501,000 t in 1Q13 and 584,000 t in 2Q12.

Output from the Carajás Azul manganese mine was 472,000 t, 23.8% higher than 1Q13 as a result of the high level of ore recovery at the processing plant following the end of rainy season.

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Production from Urucum was the best for a second quarter since 2Q03, at 114,000 t, continuing to reflect the efficiency gains brought by the operation of new equipment.

Morro da Mina output, which is part of other mines, was 35.7% higher than 1Q13, recovering from a scheduled maintenance stoppage, but 22.1% lower than 2Q12.

Ferroalloy quarterly production was comprised of 30,100 t of ferrosilicon manganese alloys (FeSiMn), 6,900 t of high-carbon manganese alloys (FeMnHc) and 3,700 t of medium-carbon manganese alloys (FeMnMC).

In 2Q13, ferroalloy production was 26.3% higher than 1Q13 due to the recovery after a maintenance stoppage.

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- *Coal*

000 metric tons	2Q12	1Q13	2Q13	1H12	1H13	% Change 2Q13/1Q13	% Change 2Q13/2Q12	% Change 1H13/1H12
<b>METALLURGICAL COAL</b>	<b>1,277</b>							