

Vale S.A.  
Form 6-K  
September 04, 2012  
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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**

**September 2012**

**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

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7)

(Check One) Yes  No

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**INCORPORATION BY REFERENCE**

This report is incorporated by reference in our registration statements on Form F-3 filed with the U.S. Securities and Exchange Commission on November 3, 2009 (File Nos. 333-162822 and 333-162822-01), and shall be deemed to be a part thereof from the date on which this report is furnished to the SEC, to the extent not superseded by documents or reports subsequently filed or furnished.

This report also incorporates by reference the following reports, which are accordingly incorporated by reference in the registration statements on Form F-3 referred to in the preceding paragraph:

- our current report on Form 6-K furnished to the SEC on July 25, 2012 (File No. 001-15030) containing our unaudited condensed consolidated interim financial statements for the six-month periods ended June 30, 2012 and June 30, 2011, prepared in accordance with U.S. generally accepted accounting principles (the June 30, 2012 Financial Statements ); and
- our current report on Form 6-K furnished to the SEC on August 8, 2012, containing the June 30, 2012 Financial Statements in XBRL format.

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In the first six months of 2012, we generated net income attributable to the Company's stockholders of US\$6.489 billion, a decrease of US\$6.789 billion, or 51.1%, compared to the first six months of 2011. The decrease in net income was driven primarily by a US\$7.943 billion decrease in operating income, reflecting lower realized prices and slightly higher costs, as well as the effect of a loss on the sale of our coal assets in Colombia in June 2012, as compared to a gain on the sale of our aluminum assets in the first six months of 2011. The decrease also reflected a similar increase in non-operating expenses during the first six months of 2012, as compared to the same period in 2011. Operating cash flow in the first six months of 2012 reached US\$7.634 billion, a decline of 41.6% compared to operating cash flow of US\$13.073 billion for the first six months of 2011, primarily due to the reduction in prices.

The following table shows average sales prices for our principal products for the first six months of 2012 and 2011.

	Six months ended June 30,	
	2011	2012
	(US\$/metric ton, except as indicated)	
Iron ore	136.13	106.07
Iron ore pellets	193.67	160.51
Manganese	188.76	127.12
Ferrous alloys	1,470.87	1,252.48
Nickel	26,197.92	18,672.27
Copper	9,447.01	7,834.71
Potash	477.94	517.12
Platinum (US\$/oz)	1,790.61	1,588.38
Cobalt (US\$/lb)	15.63	13.05
Coal:		
Thermal coal	89.96	80.71
Metallurgical coal	219.33	190.71
Phosphates:		
MAP	671.07	639.86
TSP	595.94	522.02
SSP	272.75	242.99
DCP	674.22	661.86
Phosphate rock	105.37	124.61
Nitrogen	572.77	569.79

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The following table sets forth, for our principal products, the total volumes sold in the first six months of 2012 and 2011.

	<b>Six months ended June 30,</b>	
	<b>2011</b>	<b>2012</b>
	<b>(thousand metric tons)</b>	
Iron ore	120,389	117,771
Iron ore pellets	20,560	22,677
Manganese	498	826
Ferroalloys	206	202
Nickel	115	119
Copper	108	119
Potash	272	292
Precious metals (oz)	1,319	1,128
PGMs (oz)	267	211
Cobalt (metric tons)	1,213	1,147
Coal:		
Thermal coal	2,283	2,677
Metallurgical coal	932	2,351
Phosphates:		
MAP	367	548
TSP	299	327
SSP	1,268	1,192
DCP	295	231
Phosphate rock	1,218	1,562
Nitrogen	639	676

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Our gross operating revenues were US\$23.489 billion for the first six months of 2012, 18.7% lower than gross operating revenues for the first six months of 2011, mainly as a result of declines in the price of ferrous minerals and base metals. The proportion of our gross operating revenues attributable to the sale of bulk materials decreased to 73.1% in the first six months of 2012, from 73.4% in the first six months of 2011, while the share of our gross operating revenues attributable to the sale of base metals decreased to 15.1% in the first six months of 2012, from 17.2% in the same period last year. In the first six months of 2012, sales to Asia increased to 51.3% of our gross operating revenues from 50.9% in the comparable period in 2011 and sales to the Americas (excluding Brazil) increased to 7.7% from 7.5%, while sales to Europe decreased to 17.9% from 19.7%. The following table presents our gross operating revenues by product and our total net operating revenues for the periods indicated.

	Six-month period ended June 30,		% change
	2011	2012	
	(US\$ million)		
<b>Bulk Materials:</b>			
Iron ore	16,389	12,492	(23.8)
Iron ore pellets	4,000	3,659	(8.5)
Manganese	95	105	10.5
Ferroalloys	307	253	(17.6)
Coal	410	665	62.2
Subtotal	21,201	17,174	(19.0)
<b>Base Metals:</b>			
Nickel and other products(1)	4,081	3,099	(24.1)
Copper concentrate(2)	515	457	(11.3)
Aluminum products(3)	383		
Subtotal	4,979	3,556	(28.6)
<b>Fertilizers:</b>			
Potash	130	151	16.2
Phosphates	1,122	1,178	5.0
Nitrogen	366	385	5.2
Others fertilizer products	36	38	5.6
Subtotal	1,654	1,752	5.9
<b>Logistics:</b>			