

Vale S.A.
Form 6-K
November 06, 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

November, 2013

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

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- .

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Interim Financial Statements

September 30, 2013

BR GAAP

Filed with the CVM, SEC and HKEx on

November 6, 2013

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Vale S.A.

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(A free translation of the original in Portuguese)

Vale S.A.

Condensed interim financial statements

at September 30, 2013

and report on review

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Report on review of condensed interim financial statements

To the Board of Directors and Stockholders

Vale S.A.

Introduction

We have reviewed the accompanying condensed interim balance sheet of Vale S.A. (the Company) as at September 30, 2013 and the related condensed statements of income and comprehensive income for the quarter and nine-month period then ended, and the condensed statements of changes in equity and cash flows for the nine-month period then ended.

We have also reviewed the accompanying consolidated condensed interim balance sheet of Vale S.A. and its subsidiaries (Consolidated) as at September 30, 2013 and the related consolidated condensed statements of income and comprehensive income for the quarter and nine-month period then ended, and the consolidated condensed statements of changes in equity and cash flows for the nine-month period then ended.

Management is responsible for the preparation and fair presentation of these parent company condensed interim financial statements in accordance with accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC), and for the consolidated condensed interim financial statements in accordance with CPC 21 and International Accounting Standard (IAS) 34 - Interim Financial Reporting, of the International Accounting Standards Board (IASB). Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review

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We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

PricewaterhouseCoopers, Av. José Silva de Azevedo Neto 200, 1º e 2º, Torre Evolution IV, Barra da Tijuca, Rio de Janeiro, RJ, Brasil 22775-056

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Conclusion on the parent company condensed interim financial statements

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company condensed interim financial statements referred to above are not prepared, in all material respects, in accordance with CPC 21.

Conclusion on the consolidated condensed interim financial statements

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed interim financial statements referred to above are not prepared, in all material respects, in accordance with CPC 21 and IAS 34.

Emphasis of matter

As discussed in Note 4 to the accompanying condensed interim financial statements, the Company changed its method of accounting to reflect the revised employee benefits standard effective January 1, 2013 and, retrospectively adjusted the financial statements as of December 31, 2012 and for the period ended September 30, 2012.

Other matters

Condensed statements of value added

We have also reviewed the parent company and consolidated condensed statements of value added for the nine-month period ended September 30, 2013. These statements are the responsibility of the Company's management, and are presented as supplementary information. These statements have been subjected to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they are not prepared, in all material respects, in a manner consistent with the condensed interim financial statements taken as a whole.

Rio de Janeiro, November 6, 2013

PricewaterhouseCoopers

Audidores Independentes

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CRC 2SP000160/O-5 F RJ

João César de Oliveira Lima Júnior

Contador CRC 1RJ077431/O-8

Table of Contents**Condensed Balance Sheet**

In thousands of Brazilian Reais

	Notes	September 30, 2013 (unaudited)	Consolidated December 31, 2012 (i)	January 1st, 2012 (i)	September 30, 2013 (unaudited)	Parent Company December 31, 2012 (i)	January 1st, 2012 (i)
Assets							
Current assets							
Cash and cash equivalents	8	15,878,774	11,917,717	6,593,177	1,854,402	688,434	574,787
Short-term investments		180,536	505,857		17,376	43,428	
Derivatives financial instruments	24	492,253	575,173	1,111,744	440,157	500,293	573,732
Accounts receivable	9	11,999,554	13,884,663	15,888,807	22,450,659	21,838,539	15,808,849
Related parties	31	1,898,979	786,202	153,738	2,019,584	1,347,488	2,561,308
Inventories	10	10,171,282	10,319,973	9,833,050	3,518,389	3,282,531	3,182,738
Prepaid income tax		1,205,331	1,472,186	867,549	85,736	168,428	169,101
Recoverable taxes	11	3,411,812	3,147,715	3,307,994	1,858,750	1,902,190	2,147,431
Advances to suppliers		640,074	523,220	733,382	223,415	241,671	381,768
Others		2,304,719	1,972,360	1,646,824	808,760	574,348	183,394
		48,183,314	45,105,066	40,136,265	33,277,228	30,587,350	25,583,108
Non-current assets held for sale and discontinued operation							
	12	6,994,617	934,551		5,188,968		
		55,177,931	46,039,617	40,136,265	38,466,196	30,587,350	25,583,108
Non-current assets							
Related parties	31	538,809	832,571	904,172	1,010,110	863,990	445,769
Loans and financing agreements to receive		599,090	501,726	399,277	192,237	187,862	158,195
Judicial deposits	18	3,328,542	3,094,977	2,734,599	2,750,580	2,474,077	2,091,492
Recoverable income tax		701,537	899,198	628,735			
Deferred income tax and social contribution	20	10,463,103	8,291,074	3,549,328	7,370,211	5,714,932	2,119,056
Recoverable taxes	11	1,247,322	443,478	482,997	239,738	255,264	201,226
Financial instruments - investments	13	4,186,216	14,378	13,738			
Derivatives financial instruments	24	330,883	92,567	112,253		2,928	96,262
Deposit on incentive and reinvestment		492,619	326,837	428,750	463,896	301,998	428,750
Others		1,257,472	985,937	1,081,454	153,974	222,358	388,263
		23,145,593	15,482,743	10,335,303	12,180,746	10,023,409	5,929,013
Investments	14	8,835,314	13,044,460	14,984,038	125,392,152	121,628,958	111,953,695
Intangible assets	15	15,905,149	18,822,027	17,788,581	15,436,367	14,664,435	13,973,730
Property, plant and equipment, net	16	189,677,342	173,454,620	153,854,863	68,923,155	61,231,322	55,503,193
		237,563,398	220,803,850	196,962,785	221,932,420	207,548,124	187,359,631

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Total assets	292,741,329	266,843,467	237,099,050	260,398,616	238,135,474	212,942,739
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(i) Period adjusted according to note 4.

Table of Contents**Condensed Balance Sheet**

In thousands of Brazilian Reais

(continued)

	Notes	September 30, 2013 (unaudited)	Consolidated December 31, 2012 (i)	January 1st, 2012 (i)	September 30, 2013 (unaudited)	Parent Company December 31, 2012 (i)	January 1st, 2012 (i)
Liabilities							
Current liabilities							
Suppliers and contractors		8,896,467	9,255,150	8,851,220	3,649,884	4,178,494	3,503,577
Payroll and related charges		2,669,837	3,024,651	2,442,255	1,787,797	2,001,090	1,581,782
Derivative financial instruments	24	1,144,548	709,722	135,697	771,733	558,161	117,470
Current portion of long-term debt	17	6,853,020	7,092,878	2,807,280	6,007,936	5,327,849	891,654
Short-term debt	17			40,044			
Related parties	31	246,629	423,336	42,907	4,281,161	6,433,629	4,959,017
Taxes and royalties payable		688,808	664,387	978,915	311,668	332,955	329,680
Income tax and social contribution taxes		2,961,319	1,309,821	955,342	2,155,958	369,658	
Employee post-retirement benefits obligations		423,916	421,241	316,061	241,196	219,396	140,508
Railway sub-concession agreement payable			133,275	123,059			
Asset retirement obligations	19	140,749	142,831	136,436	61,541		20,507
Dividends and interest on capital				2,207,101			2,207,101
Others		1,636,204	2,164,455	1,650,443	628,925	752,098	400,023
		25,661,497	25,341,747	20,686,760	19,897,799	20,173,330	14,151,319
Liabilities directly associated with non-current assets held for sale and discontinued operation	12	1,012,522	368,378				
		26,674,019	25,710,125	20,686,760	19,897,799	20,173,330	14,151,319
Non-current liabilities							
Derivative financial instruments	24	3,213,339	1,600,656	1,238,542	2,935,632	1,409,568	953,357
Long-term debt	17	58,971,453	54,762,976	40,224,674	28,620,698	26,867,240	18,595,793
Related parties	31	148,142	146,440	170,616	32,279,865	29,362,525	28,654,132
Employee post-retirement benefits obligations		7,110,950	6,627,195	4,485,687	1,069,853	745,653	411,766
Provisions for litigation	18	3,574,750	4,218,193	3,144,740	2,474,885	2,867,052	1,927,686
Deferred income tax and social contribution	20	6,927,715	6,918,372	10,175,546			
Asset retirement obligations	19	5,297,535	5,472,452	3,427,294	1,683,571	1,625,324	1,094,824
Stockholders Debentures	30(d)	4,128,679	3,378,845	2,495,995	4,128,679	3,378,845	2,495,995

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Redeemable noncontrolling interest		1,075,128	994,776	942,668			
Goldstream transaction	29	3,367,931					
Others		3,659,960	3,901,949	4,617,145	1,851,300	1,839,474	2,373,706
		97,475,582	88,021,854	70,922,907	75,044,483	68,095,681	56,507,259
Total liabilities		124,149,601	113,731,979	91,609,667	94,942,282	88,269,011	70,658,578
Stockholders equity	25						
Preferred class A stock - 7,200,000,000 no-par-value shares authorized and 2,108,579,618 (in 2012 - 2,108,579,618) issued		29,475,211	29,475,211	29,475,211	29,475,211	29,475,211	29,475,211
Common stock - 3,600,000,000 no-par-value shares authorized and 3,256,724,482 (in 2012 - 3,256,724,482) issued		45,524,789	45,524,789	45,524,789	45,524,789	45,524,789	45,524,789
Mandatorily convertible notes - common shares				359,649			359,649
Mandatorily convertible notes - preferred shares				796,162			796,162
Treasury stock - 140,857,692 (in 2012 - 140,857,692) preferred and 71,071,482 (in 2012 - 71,071,482) common shares		(7,839,512)	(7,839,512)	(9,918,541)	(7,839,512)	(7,839,512)	(9,918,541)
Results from operations with noncontrolling stockholders		(789,637)	(839,155)	(70,706)	(789,637)	(839,155)	(70,706)
Results in the translation/issuance of shares			49,518			49,518	
Unrealized fair value gain (losses)		(4,713,648)	(3,796,910)	(977,441)	(4,713,648)	(3,796,910)	(977,441)
Cumulative translation adjustments		14,669,940	8,692,782	(1,016,710)	14,669,941	8,692,782	(1,016,711)
Retained earnings		89,129,191	78,599,740	78,111,748	89,129,190	78,599,740	78,111,749
Total company stockholders equity		165,456,334	149,866,463	142,284,161	165,456,334	149,866,463	142,284,161
Noncontrolling interests		3,135,394	3,245,025	3,205,222			
Total stockholders equity		168,591,728	153,111,488	145,489,383	165,456,334	149,866,463	142,284,161
Total liabilities and stockholders equity		292,741,329	266,843,467	237,099,050	260,398,616	238,135,474	212,942,739

(i) Period adjusted according to note 4.

The accompanying selected notes are an integral part of these Interim Financial Statements.

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

In thousands of Brazilian Reais, except as otherwise stated

	Notes	(unaudited)			
		Three-month period ended September 30, 2013	September 30, 2012 (i)	Nine-month period ended September 30, 2013	September 30, 2012 (i)
Continued operations					
Net operating revenue	26	28,191,250	22,742,297	71,526,329	66,808,801
Cost of goods sold and services rendered	27	(14,292,233)	(13,453,395)	(37,332,344)	(36,269,597)
Gross profit		13,899,017	9,288,902	34,193,985	30,539,204
Operating (expenses) income					
Selling and administrative expenses	27	(682,754)	(1,014,381)	(2,030,884)	(3,074,078)
Research and development expenses		(460,526)	(725,492)	(1,123,088)	(1,952,640)
Pre operation and stoppage operation		(1,273,377)	(593,584)	(2,973,117)	(1,697,959)
Other operating expenses, net	27	(611,948)	(1,572,559)	(1,338,693)	(2,814,991)
Realized loss on non-current assets sold					(768,236)
		(3,028,605)	(3,906,016)	(7,465,782)	(10,307,904)
Operating profit		10,870,412	5,382,886	26,728,203	20,231,300
Financial income	28	921,227	317,033	3,940,190	2,212,785
Financial expenses	28	(2,171,463)	(2,174,669)	(12,866,065)	(8,998,486)
Equity results from associates and joint controlled entities	14	292,732	313,869	738,677	1,060,489
Income before income tax and social contribution		9,912,908	3,839,119	18,541,005	14,506,088
Income tax and social contribution					
Current income tax	20	(3,214,727)	(2,156,570)	(5,938,950)	(3,668,083)
Deferred income tax	20	1,167,709	1,440,257	2,206,609	1,699,266
Reversal of deferred income tax liabilities	20				2,533,411
		(2,047,018)	(716,313)	(3,732,341)	564,594
Net income from continued operations		7,865,890	3,122,806	14,808,664	15,070,682
Loss attributable to noncontrolling interests		(112,082)	(165,836)	(294,455)	(402,308)
Net income attributable to the Company's stockholders		7,977,972	3,288,642	15,103,119	15,472,990
Discontinued Operations					
Net income (loss) from discontinued operations	12	(28,472)	32,013	(120,918)	(120,266)
Net income (loss) attributable to the Company's stockholders		(28,472)	32,013	(120,918)	(120,266)
Net income		7,837,418	3,154,819	14,687,746	14,950,416
Loss attributable to noncontrolling interests		(112,082)	(165,836)	(294,455)	(402,308)
Net income attributable to the Company's stockholders		7,949,500	3,320,655	14,982,201	15,352,724

Earnings per share attributable to the Company's stockholders:

Basic and diluted earnings per share:

Common share and (in Brazilian reais)	25(c)	1.54	0.64	2.91	3.01
Preferred share (in Brazilian reais)	25(c)	1.54	0.64	2.91	3.01

(i) Period adjusted according to note 4.

The accompanying selected notes are an integral part of these Interim Financial Statements.

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

In thousands of Brazilian Reais, except as otherwise stated

	Notes	(unaudited)			
		Three-month period ended		Nine-month period ended	
		September 30, 2013	September 30, 2012 (i)	September 30, 2013	September 30, 2012 (i)
Net operating revenue		17,000,979	15,641,600	45,566,833	43,345,316
Cost of goods sold and services rendered	27	(6,203,481)	(6,417,511)	(15,987,386)	(17,932,004)
Gross profit		10,797,498	9,224,089	29,579,447	25,413,312
Operating (expenses) income					
Selling and administrative expenses	27	(400,356)	(557,722)	(1,162,785)	(1,701,925)
Research and development expenses		(263,078)	(398,002)	(642,167)	(1,063,698)
Pre operating and stoppage operation		(293,664)	(243,145)	(822,580)	(456,178)
Other operating expenses, net	27	(457,908)	(1,121,528)	(812,736)	(1,674,957)
Equity results from subsidiaries (ii)	14	1,614,421	(1,127,924)	659,898	3,439,199
Realized gain (loss) on non-current assets held for sales		(130,885)		(130,885)	(768,236)
		68,530	(3,448,321)	(2,911,255)	(2,225,795)
Operating income		10,866,028	5,775,768	26,668,192	23,187,517
Financial income	28	205,238	163,086	3,077,257	1,412,091
Financial expenses	28	(1,809,017)	(2,171,691)	(11,534,543)	(8,366,642)
Equity results from joint controlled and associates	14	292,732	313,869	738,677	1,060,489
Income before income tax and social contribution		9,554,981	4,081,032	18,949,583	17,293,455
Income tax and social contribution					
Current income tax	20	(2,999,905)	(1,809,288)	(5,463,198)	(3,012,559)
Deferred income tax	20	1,394,424	1,048,911	1,495,816	1,071,828
		(1,605,481)	(760,377)	(3,967,382)	(1,940,731)
Net income attributable to the Company's stockholders		7,949,500	3,320,655	14,982,201	15,352,724
Earnings per share attributable to the Company's stockholders:					
Basic and diluted earnings per share:					
Common share and (in Brazilian reais)	25(c)	1.54	0.64	2.91	3.01
Preferred share (in Brazilian reais)	25(c)	1.54	0.64	2.91	3.01

(i) Period adjusted according to note 4.

(ii) Except the loss of R\$46,428 in 2012 related to the sale of manganese assets.

The accompanying selected notes are an integral part of these Interim Financial Statements.

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

In thousands of Brazilian Reais

	Consolidated (unaudited)			
	Three-month period ended September 30, 2013	September 30, 2012 (i)	Nine-month period ended September 30, 2013	September 30, 2012 (i)
Net income	7,837,418	3,154,819	14,687,746	14,950,416
Other comprehensive income				
Item will not be reclassified subsequently for income				
Retirement benefit obligations				
Gross balance as of the period	209,318	350,083	(117,706)	451,957
Effect of tax	(69,598)	(108,893)	54,095	(147,513)
Total items will not be reclassified subsequently for income	139,720	241,190	(63,611)	304,444
Item will be reclassified subsequently for income				
Cumulative translation adjustments of the period	516,167	2,691,803	5,905,242	8,928,794
Unrealized gain (loss) on available-for-sale investments				
Gross balance as of the period	113,179	3,766	(468,554)	(878)
Effect of tax		(801)		(801)
	113,179	2,965	(468,554)	(1,679)
Cash flow hedge				
Gross balance as of the period	95,075	62,899	(148,305)	(170,771)
Effect of tax	(17,158)	(32,726)	13,698	(2,340)
	77,917	30,173	(134,607)	(173,111)
Total items will be reclassified subsequently for income	707,263	2,724,941	5,302,081	8,754,004
Total other comprehensive income	8,684,401	6,120,950	19,926,216	24,008,864
Other comprehensive income attributable to noncontrolling interests				
	(109,417)	(93,035)	(116,405)	(66,832)
Other comprehensive income attributable to the Company's stockholders				
	8,793,818	6,213,985	20,042,621	24,075,696
	8,684,401	6,120,950	19,926,216	24,008,864
Parent company (unaudited)				
	Three-month period ended September 30, 2013	September 30, 2012 (i)	Nine-month period ended September 30, 2013	September 30, 2012 (i)
Net income	7,949,500	3,320,655	14,982,201	15,352,724
Other comprehensive income				
Item will not be reclassified subsequently for income				
Retirement benefit obligations				
Gross balance as of the period	209,318	350,083	(117,706)	451,957

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Effect of tax	(69,598)	(108,893)	54,095	(147,513)
Total items will not be reclassified subsequently for income	139,720	241,190	(63,611)	304,444
Item will be reclassified subsequently for income				
Cumulative translation adjustments of the period	513,502	2,619,002	5,727,192	8,593,318
Unrealized gain (loss) on available-for-sale investments				
Gross balance as of the period	113,179	3,766	(468,554)	(878)
Effect of tax		(801)		(801)
	113,179	2,965	(468,554)	(1,679)
Cash flow hedge				
Gross balance as of the period	95,075	62,899	(148,305)	(170,771)
Effect of tax	(17,158)	(32,726)	13,698	(2,340)
	77,917	30,173	(134,607)	(173,111)
Total items will be reclassified subsequently for income	704,598	2,652,140	5,124,031	8,418,528
Total other comprehensive income attributable to the Company's stockholders	8,793,818	6,213,985	20,042,621	24,075,696

(i) Period adjusted according to note 4.

The accompanying selected notes are an integral part of these Interim Financial Statements.

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Condensed Statements of Changes in Stockholder s Equity

In thousands of Brazilian Reais

	Nine-month period ended (unaudited)									
	Capital	Results in the translation of shares	Mandatorily convertible notes	Revenue reserves	Treasury stock	Unrealized fair value gain (losses)	Results from operation with noncontrolling stockholders	Cumulative translation adjustment	Retained earnings	Total Comp stockhold equity
January 1st, 2013 (i)	75,000,000	49,518		78,451,185	(7,839,512)	(3,796,910)	(839,155)	8,692,782	148,555	149,866
Net income									14,982,201	14,982,201
Other comprehensive income:										
Retirement benefit obligations						(63,611)				(63,611)
Cash flow hedge						(134,607)				(134,607)
Unrealized results on valuation at market						(468,554)				(468,554)
Cumulative translation adjustments						(249,966)	5,977,158			5,727,192
Contribution and destination to stockholders:										
Capitalization of noncontrolling stockholders advances										
Redeemable noncontrolling stockholders interest										
Dividends to noncontrolling stockholders										
Dividends and interest on capital to Company s stockholders									(4,452,750)	(4,452,750)
September 30, 2013	75,000,000	49,518		78,451,185	(7,839,512)	(4,713,648)	(839,155)	14,669,940	10,678,006	165,456,000
	75,000,000		1,155,811	78,105,988	(9,918,541)	(977,441)	(70,706)	(1,016,710)	5,760	142,288,000

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January 1st, 2012 (i)										
Net income									15,352,724	15,352,724
Other comprehensive income:										
Retirement benefit obligations				304,444						304,444
Cash flow hedge				(173,111)						(173,111)
Unrealized results on valuation at market				(1,679)						(1,679)
Cumulative translation adjustments				(86,736)			8,680,054			8,593,318
Contribution and destination to stockholders:										
Capitalization of noncontrolling stockholders advances										
Repurchase of convertible notes					11					11
Remuneration for mandatorily convertible notes				(128,231)						(128,231)
Redeemable noncontrolling stockholders interest										
Acquisitions and disposal of noncontrolling stockholders							(433,203)			(433,203)
Result on conversion of shares	49,518	(1,027,580)		2,079,018		(1,100,956)				
Dividends to noncontrolling stockholders										
Dividends and interest on capital to Company's stockholders								(3,273,899)		(3,273,899)
September 30, 2012 (i)	75,000,000	49,518	78,105,988	(7,839,512)	(2,035,479)	(503,909)	7,663,344	12,084,585	162,524,724	162,524,724

(i) Period adjusted according to note 4.

The accompanying selected notes are an integral part of these Interim Financial Statements.

Table of Contents**Condensed Statement of Cash Flows****In thousands of Brazilian Reais**

	Nine-month period ended (unaudited)			
	Consolidated September 30, 2013	September 30, 2012 (i)	Parent Company September 30, 2013	September 30, 2012 (i)
Cash flow from operating activities:				
Net income of the period	14,687,746	14,950,416	14,982,201	15,352,724
Adjustments to reconcile net income to cash from operations				
Equity results from associates	(738,677)	(1,060,489)	(1,398,575)	(4,453,260)
Realized gains on assets	(352,928)	768,236	130,885	721,808
Depreciation, amortization and depletion	6,703,070	5,928,454	1,963,026	1,904,823
Deferred income tax and social contribution	(2,254,232)	(1,702,807)	(1,495,816)	(1,071,828)
Reversal of deferred income tax		(2,533,411)		
Foreign exchange and indexation, net	1,319,749	1,796,734	4,108,969	3,007,134
Loss on disposal of property, plant and equipment	375,890	568,831	317,000	129,982
Unrealized derivative losses, net	1,878,617	1,257,057	1,802,698	989,854
Dividends and interest on capital received from subsidiaries			1,071,566	126,984
Stockholders Debentures	749,834	311,015	749,834	311,015
Others	229,764	(443,623)	323,500	(489,277)
Decrease (increase) in assets:				
Accounts receivable from customers	1,560,668	3,455,235	(612,120)	(6,231,473)
Inventories	226,159	(799,634)	295,984	31,979
Recoverable taxes	(161,361)	832,019	137,299	1,201,027
Others	235,817	584,526	222,354	1,269,313
Increase (decrease) in liabilities:				
Suppliers and contractors	(75,841)	607,258	(528,611)	859,773
Payroll and related charges	(294,278)	(319,115)	(213,293)	(307,901)
Taxes and contributions	2,034,507	456,297	1,605,551	1,294,726
Gold stream transaction	2,899,450			
Others	(759,376)	1,866,361	(802,193)	1,561,891
Net cash provided by operating activities	28,264,578	26,523,360	22,660,259	16,209,294
Cash flow from investing activities:				
Short-term investments	325,321	(1,387,283)	26,052	
Loans and advances	(130,125)	595,187	(96,332)	1,583,131
Guarantees and deposits	(158,898)	(196,129)	(166,899)	(209,301)
Additions to investments	(724,640)	(543,461)	(4,835,767)	(4,915,245)
Additions to property, plant and equipment	(21,532,731)	(22,440,287)	(10,753,021)	(10,692,339)
Dividends and interest on capital received from Joint controlled entities and associates	691,046	383,894	451,050	181,153
Proceeds from disposals of fixed assets	189,777	745,028		745,028
Proceeds from Gold stream	1,160,635			
Net cash used in investing activities	(20,179,615)	(22,843,051)	(15,374,917)	(13,307,573)

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Cash flow from financing activities:				
Short-term debt				
Additions	1,007,958	1,067,075	1,022,453	987,224
Repayments	(1,136,838)	(75,814)	(3,515,333)	(3,218,566)
Long-term debt				
Additions	1,743,968	12,883,064	1,726,122	11,120,938
Repayments	(2,064,550)	(1,599,405)	(899,866)	(454,470)
Repayments:				
Dividends and interest on capital paid to stockholders	(4,452,750)	(5,481,000)	(4,452,750)	(5,481,000)
Dividends and interest on capital attributed to noncontrolling interest	(23,267)	(69,773)		
Transactions with noncontrolling stockholders		(980,406)		
Net cash provided by (used in) financing activities	(4,925,479)	5,743,741	(6,119,374)	2,954,126
Increase in cash and cash equivalents	3,159,484	9,424,050	1,165,968	5,855,847
Cash and cash equivalents of cash, beginning of the period	11,917,717	6,593,177	688,434	574,787
Effect of exchange rate changes on cash and cash equivalents	801,573	87,860		
Cash and cash equivalents, end of the period	15,878,774	16,105,087	1,854,402	6,430,634
Cash paid during the period for:				
Interest on Short-term debt (ii)	(611)	(2,438)	(8,553)	(1,860)
Interest on Long-term debt (ii)	(2,434,820)	(1,908,808)	(1,977,155)	(1,891,591)
Income tax and social contribution	(3,368,048)	(1,807,700)	(2,769,614)	(311,766)
Non-cash transactions:				
Additions to property, plant and equipment - interest capitalization	451,109	317,486	18,718	27,562
Acquisition on equity investments				10,214

(i) Period adjusted according to note 4.

(ii) Interests paid are classified flow 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 thousands of Brazilian Reais**

	Nine-month period ended (unaudited)			
	Consolidated September 30, 2013	September 30, 2012 (i)	Parent Company September 30, 2013	September 30, 2012 (i)
Generation of added value				
Gross revenue				
Revenue from products and services	75,221,956	66,245,922	46,455,057	44,150,848
Gain on sale of assets	352,928	(768,236)	(130,885)	(721,808)
Other revenue	(4,049)	(2,007)		
Revenue from the construction of own assets	13,368,989	21,047,587	7,051,664	11,159,876
Allowance for doubtful accounts	(31,256)	10,098	(5,186)	7,465
Less:				
Acquisition of products	(2,076,506)	(2,032,277)	(590,839)	(1,146,980)
Outsourced services	(10,956,411)	(14,043,219)	(6,109,309)	(8,147,118)
Materials	(11,346,048)	(18,404,008)	(3,501,957)	(8,694,655)
Oil and gas	(3,060,169)	(3,195,619)	(1,716,073)	(1,778,303)
Energy	(1,021,125)	(1,272,599)	(530,867)	(851,169)
Freight	(4,611,814)	(3,938,274)		
Other costs and expenses	(7,845,638)	(5,179,173)	(3,416,128)	(4,817,557)
Gross added value	47,990,857	38,468,195	37,505,477	29,160,599
Depreciation, amortization and depletion	(6,703,070)	(5,928,454)	(1,963,026)	(1,904,823)
Net added value	41,287,787	32,539,741	35,542,451	27,255,776
Received from third parties				
Financial income	1,380,987	1,383,405	548,473	711,396
Equity results	738,677	1,060,489	1,398,575	4,453,260
Total added value to be distributed	43,407,451	34,983,635	37,489,499	32,420,432
Personnel	6,368,392	6,234,979	2,845,346	3,426,869
Taxes, rates and contribution	8,302,042	6,139,216	6,688,811	4,034,161
Current income tax	5,998,652	3,720,046	5,463,198	3,012,559
Deferred income tax	(2,254,232)	(4,236,218)	(1,495,816)	(1,071,828)
Remuneration of debt capital	5,967,928	4,666,607	5,052,786	4,025,813
Monetary and exchange changes, net	4,336,922	3,508,589	3,952,973	3,640,134
Net income attributable to the Company's stockholders	14,982,201	15,352,724	14,982,201	15,352,724
Loss attributable to noncontrolling interest	(294,454)	(402,308)		
Distribution of added value	43,407,451	34,983,635	37,489,499	32,420,432

(i) Period adjusted according to note 4.

The accompanying selected notes are an integral part of these Interim Financial Statements.

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Selected Notes to the Interim Financial Statements

Expressed in thousands of Brazilian Reais, unless otherwise stated

1. Operational Context

Vale S.A. (Vale or Parent Company) is a publicly-listed company with its headquarters at number 26 of Graça Aranha avenue, downtown of Rio de Janeiro, Brazil with shares traded on the stock exchanges of Sao Paulo (BM&F BOVESPA), New York (NYSE), Paris (NYSE Euronext) and Hong Kong (HKEx).

Company and its direct and indirect subsidiaries (Group , Company or we) is 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. Company also operates with energy and steel.

The information by business segment is presented in note 26.

2. Summary of the Main Accounting Practices and Accounting Estimates

a) Consolidated and Parent Company interim financial statements

The condensed consolidated interim financial statements of Vale (Interim financial statements) has been prepared in accordance with the standard IAS 34 - Interim Financial Reporting issued by the International Financial Reporting Standards Foundation (IFRS), whose counterpart in Brazil is the CPC 21(R1), issued by the Brazilian Accountant Standards Committee (*Comitê de Pronunciamentos Contábeis* or CPC) and approved by the Brazilian Securities Exchange Commission (*Comissão de Valores Mobiliários* or CVM).

The individual interim financial statements of the Parent Company have been prepared in accordance with accounting practices adopted in Brazil issued by CPC and approved by CVM, and they are published with the consolidated interim financial statements.

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

The interim financial statements has been prepared under the historical cost convention adjusted to reflect the fair value of available for sale financial assets, and financial assets and liabilities (including derivative financial instruments) measured at fair value through the profit or loss.

These condensed interim financial statements have been reviewed, not audited. However, principles, estimates, accounting practices, measurement methods and standards adopted are consistent with those presented in the financial statements as of December 31, 2012, except as otherwise disclosed. These condensed interim financial statements were prepared by Vale to update users about relevant information presented in the period and should be read with the annual financial statements for the year ended December 31, 2012.

We evaluated subsequent events through November 4, 2013, which is the date of approval by the executive board, the interim financial statements.

b) Functional currency and presentation currency

The financial statements of each 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 (R\$ or BRL).

Transactions in foreign currencies are translated into the functional currency of the Parent Company, using the rate of exchange prevailing on the date of the transaction or the measurements. Gains and losses resulting from the settlement of such transactions and from the translation at the exchange rate of the end of the period of monetary assets and liabilities in foreign currencies are recognized in the income statement, as financial income or expense.

The net 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 Statement of Balance Sheet presented are translated at the closing rate at the Statement of Balance Sheet date; (ii) income and expenses for each Statement of Income are translated at the average exchange rates, except in specific transactions

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that, considering their relevance, are translated at the rate at the dates of transactions and; (iii) the components capital, capital reserves and treasury stock of Stockholders' equity are translated at the rate at the dates of transactions. All resulting exchange differences are recognized in a separate component of the Stockholders' equity, named "Cumulative Translation Adjustment", transferred to the income statement when the sale of investments.

For purposes of presentation these interim financial statements are presented in Brazilian Real. The exchange rates most impact our operations against the presentation currency were:

	Exchange rates used for conversions in Brazilian Reais	
	September 30, 2013	December 31, 2012
US dollar - US\$	2.2300	2.0435
Canadian dollar - CAD	2.1684	2.0546
Australian dollar - AUD	2.0833	2.1197
Euro - EUR or	3.0181	2.6954

3. Critical Accounting Estimates

The critical accounting estimates are the same as those adopted in preparing the financial statements for the year ended December 31, 2012.

4. Changes in accounting policies

From January 1st, 2013, the Company adopted the revised pronouncement IAS 19 - Employee benefits, correlate with CPC 33 (R1), whose changes eliminate the method of "corridor"; rationalize the changes between the assets and liabilities of plans, recognizing as financial cost in the income statement and the expected return on plan assets and recognizing in comprehensive income the remeasurement of gains and losses, and return on assets (excluding the amount of interest on return of assets recognized in income) and changes the effect of the ceiling of the plan.

Statement of the effects of these adjustments in the comparative periods presented is as follows:

Balance Sheet	Original balance	Consolidated	
		December 31, 2012	Adjusted balance
		Effect of changes	

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Assets			
Current			
Cash and cash equivalents	11,917,717		11,917,717
Others	34,121,900		34,121,900
	46,039,617		46,039,617
Non-current			
Deferred income tax and social contribution	8,134,034	157,040	8,291,074
Others	212,748,003	(235,227)	212,512,776
	220,882,037	(78,187)	220,803,850
Total Assets	266,921,654	(78,187)	266,843,467
Liabilities and Stockholders equity			
Current			
Employee post-retirement benefits obligations	421,241		421,241
Liabilities directly associated with non-current assets held for sale	326,551	41,827	368,378
Others	24,920,506		24,920,506
	25,668,298	41,827	25,710,125
Non-current			
Employee post-retirement benefits obligations	3,389,962	3,237,233	6,627,195
Deferred income tax and social contribution	7,753,893	(835,521)	6,918,372
Others	74,476,287		74,476,287
	85,620,142	2,401,712	88,021,854
Stockholders equity			
Capital	75,000,000		75,000,000
Unrealized fair value gain (losses)	(1,126,628)	(2,670,282)	(3,796,910)
Cumulative translation adjustments	8,692,782		8,692,782
Retained earnings	78,451,184	148,556	78,599,740
Noncontrolling interests	3,245,025		3,245,025
Others	(8,629,149)		(8,629,149)
	155,633,214	(2,521,726)	153,111,488
Total Liabilities and Stockholders equity	266,921,654	(78,187)	266,843,467

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Balance Sheet	Original balance	Consolidated January 1st, 2012 Effect of changes	Adjusted balance
Assets			
Current			
Cash and cash equivalents	6,593,177		6,593,177
Others	33,543,088		33,543,088
	40,136,265		40,136,265
Non-current			
Deferred income tax and social contribution	3,538,830	10,498	3,549,328
Others	193,413,457		193,413,457
	196,952,287	10,498	196,962,785
Total Asset	237,088,552	10,498	237,099,050
Liabilities and Stockholders equity			
Current			
Employee post-retirement benefits obligations	316,061		316,061
Others	20,370,699		20,370,699
	20,686,760		20,686,760
Non-current			
Employee post-retirement benefits obligations	2,845,725	1,639,962	4,485,687
Deferred income tax and social contribution	10,613,773	(438,227)	10,175,546
Others	56,261,674		56,261,674
	69,721,172	1,201,735	70,922,907
Stockholders equity			
Capital	75,000,000		75,000,000
Unrealized fair value gain (losses)	219,556	(1,196,997)	(977,441)
Cumulative translation adjustments	(1,016,711)		(1,016,711)
Retained earnings	78,105,989	5,760	78,111,749
Noncontrolling interests	3,205,222		3,205,222
Others	(8,833,436)		(8,833,436)
	146,680,620	(1,191,237)	145,489,383
Total Liabilities and Stockholders equity	237,088,552	10,498	237,099,050

Statement of income	Original balance (i)	Consolidated (unaudited) Three-month period ended September 30, 2012 Effect of changes	Adjusted balance
Net revenue	22,742,297		22,742,297
Cost of goods sold and services rendered	(13,456,209)	2,814	(13,453,395)
Gross operating profit	9,286,088	2,814	9,288,902
Operational expenses	(3,906,016)		(3,906,016)
Financial expenses	(1,842,566)	(15,070)	(1,857,636)
Equity results	313,869		313,869
Earnings before taxes	3,851,375	(12,256)	3,839,119
Current and deferred Income tax and social contribution, net	(721,141)	4,828	(716,313)
Net income from continued operation	3,130,234	(7,428)	3,122,806
Loss attributable to noncontrolling interests	(165,836)		(165,836)
Net income attributable to stockholders	3,296,070	(7,428)	3,288,642

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Net income from Discontinued Operations (note 12)	32,013		32,013
Net income attributable to stockholders	32,013		32,013
Net income	3,162,247	(7,428)	3,154,819
Loss attributable to noncontrolling interests	(165,836)		(165,836)
Net income attributable to stockholders	3,328,083	(7,428)	3,320,655

(i) Period adjusted according to note 12.

Statement of income	Original balance (i)	Consolidated (unaudited) Nine-month period ended September 30, 2012	
		Effect of changes	Adjusted balance
Net revenue	66,808,801		66,808,801
Cost of goods sold and services rendered	(36,277,635)	8,038	(36,269,597)
Gross operating profit	30,531,166	8,038	30,539,204
Operational expenses	(10,307,904)		(10,307,904)
Financial expenses	(6,761,641)	(24,060)	(6,785,701)
Equity results	1,060,489		1,060,489
Earnings before taxes	14,522,110	(16,022)	14,506,088
Current and deferred Income tax and social contribution, net	557,997	6,597	564,594
Net income from continued operation	15,080,107	(9,425)	15,070,682
Loss attributable to noncontrolling interests	(402,308)		(402,308)
Net income attributable to stockholders	15,482,415	(9,425)	15,472,990
Net income from Discontinued Operations (note 12)	(120,266)		(120,266)
Net income attributable to stockholders	(120,266)		(120,266)
Net income	14,959,841	(9,425)	14,950,416
Loss attributable to noncontrolling interests	(402,308)		(402,308)
Net income attributable to stockholders	15,362,149	(9,425)	15,352,724

(i) Period adjusted according to note 12.

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Other comprehensive income	Original balance	Consolidated (unaudited) Three-month period ended September 30, 2012	
		Effect of changes	Adjusted balance
Net income	3,162,247	(7,428)	3,154,819
Translation adjustment for the period	2,714,400	(22,597)	2,691,803
	5,876,647	(30,025)	5,846,622
Unrealized results on valuation at market	2,965		2,965
Retirement benefit obligations, net		241,190	241,190
Cash flow hedge, net	30,173		30,173
Total comprehensive income of the period	5,909,785	211,165	6,120,950
Attributable to noncontrolling interests	(93,035)		(93,035)
Attributable to the Company's stockholders	6,002,820	211,165	6,213,985

Other comprehensive income	Original balance	Consolidated (unaudited) Nine-month period ended September 30, 2012	
		Effect of changes	Adjusted balance
Net income	14,959,841	(9,425)	14,950,416
Translation adjustment for the period	9,015,530	(86,736)	8,928,794
	23,975,371	(96,161)	23,879,210
Unrealized results on valuation at market	(1,679)		(1,679)
Retirement benefit obligations, net		304,444	304,444
Cash flow hedge, net	(173,111)		(173,111)
Total comprehensive income of the period	23,800,581	208,283	24,008,864
Attributable to noncontrolling interests	(66,832)		(66,832)
Attributable to the Company's stockholders	23,867,413	208,283	24,075,696

Balance Sheet	Original balance	Parent Company December 31, 2012	
		Effect of changes	Adjusted balance
Assets			
Current			
Cash and cash equivalents	688,434		688,434
Others	29,898,916		29,898,916
	30,587,350		30,587,350
Non-current			
Deferred income tax and social contribution	5,557,892	157,040	5,714,932
Investments	123,871,281	(2,242,323)	121,628,958
Others	80,439,461	(235,227)	80,204,234
	209,868,634	(2,320,510)	207,548,124
Total Asset	240,455,984	(2,320,510)	238,135,474
Liabilities and Stockholders' equity			
Current			
Employee post-retirement benefits obligations	219,396		219,396
Others	19,953,934		19,953,934
	20,173,330		20,173,330
Non-current			

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Deferred income tax and social contribution	544,437	201,216	745,653
Others	67,350,028		67,350,028
	67,894,465	201,216	68,095,681
Stockholders equity			
Capital	75,000,000		75,000,000
Unrealized fair value gain (losses)	(1,126,628)	(2,670,282)	(3,796,910)
Cumulative translation adjustments	8,692,782		8,692,782
Retained earnings	78,451,184	148,556	78,599,740
Others	(8,629,149)		(8,629,149)
Total Liabilities and Stockholders equity	240,455,984	(2,320,510)	238,135,474

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Balance Sheet	Original balance	Parent Company January 1st, 2012 Effect of changes	Adjusted balance
Assets			
Current			
Cash and cash equivalents	574,787		574,787
Others	25,008,321		25,008,321
	25,583,108		25,583,108
Non-current			
Deferred income tax and social contribution	2,108,558	10,498	2,119,056
Investment	113,149,994	(1,196,299)	111,953,695
Others	73,286,880		73,286,880
	188,545,432	(1,185,801)	187,359,631
Total Asset	214,128,540	(1,185,801)	212,942,739
Liabilities and Stockholders equity			
Current			
Employee post-retirement benefits obligations	140,508		140,508
Others	14,010,811		14,010,811
	14,151,319		14,151,319
Non-current			
Employee post-retirement benefits obligations	406,330	5,436	411,766
Others	56,095,493		56,095,493
	56,501,823	5,436	56,507,259
Stockholders equity			
Capital	75,000,000		75,000,000
Unrealized fair value gain (losses)	219,556	(1,196,997)	(977,441)
Cumulative translation adjustments	(1,016,711)		(1,016,711)
Retained earnings	78,105,989	5,760	78,111,749
Others	(8,833,436)		(8,833,436)
	143,475,398	(1,191,237)	142,284,161
Total Liabilities and Stockholders equity	214,128,540	(1,185,801)	212,942,739

Statement of income	Original balance	Parent Company (unaudited) Three-month period ended September 30, 2012 Effect of changes	Adjusted balance
Net revenue	15,641,600		15,641,600
Cost of goods sold and services rendered	(6,417,511)		(6,417,511)
Gross operating profit	9,224,089		9,224,089
Operational expenses	(3,453,906)	5,585	(3,448,321)
Financial expenses	(1,988,888)	(19,717)	(2,008,605)
Equity results	313,869		313,869
Earnings before taxes	4,095,164	(14,132)	4,081,032
Current and deferred Income tax and social contribution, net	(767,081)	6,704	(760,377)
Net income of the year	3,328,083	(7,428)	3,320,655

Parent Company (unaudited)
Nine-month period ended

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Statement of income	Original balance	September 30, 2012 Effect of changes	Adjusted balance
Net revenue	43,345,316		43,345,316
Cost of goods sold and services rendered	(17,932,004)		(17,932,004)
Gross operating profit	25,413,312		25,413,312
Operational expenses	(2,237,751)	11,956	(2,225,795)
Financial expenses	(6,922,155)	(32,396)	(6,954,551)
Equity results	1,060,489		1,060,489
Earnings before taxes	17,313,895	(20,440)	17,293,455
Current and deferred Income tax and social contribution, net	(1,951,746)	11,015	(1,940,731)
Net income of the year	15,362,149	(9,425)	15,352,724

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