Vale S.A.
Form 6-K
April 30, 2014
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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

April, 2014

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.

(Check One) Form 20-F x Form 40-F o

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 o No x

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 o No x

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 o No x

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

March 31, 2014

IFRS

Filed with the CVM, SEC and HKEx on

April 30, 2014

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Vale S.A.

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Report of independent registered

public accounting firm

To the Board of Directors and Stockholders

Vale S.A.

We have reviewed the accompanying condensed consolidated balance sheet of Vale S.A. (the Company) and its subsidiaries as of March 31, 2014, and the related condensed consolidated statements of income, of comprehensive income, of cash flows and of stockholders equity for the three-month periods ended March 31, 2014 and March 31, 2013. This interim financial information is the responsibility of the Company s management.

We conducted our review in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying condensed consolidated interim financial information for it to be in conformity with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Rio de Janeiro, April 30, 2014

/S/ PricewaterhouseCoopers

Auditores Independentes

CRC 2SP000160/O-5 F RJ

/S/ Ivan Michael Clark
Contador CRC 1MG061100/O-3 S RJ

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Condensed Balance Sheet

In millions of United States Dollars

	Notes	March 31, 2014 (unaudited)	December 31, 2013
Assets			
Current assets			
Cash and cash equivalents	7	7,182	5,321
Derivative financial instruments	22	186	201
Accounts receivable	8	4,103	5,703
Related parties	29	719	261
Inventories	9	4,754	4,125
Prepaid income taxes		1,594	2,375
Recoverable taxes	10	1,632	1,579
Advances to suppliers		126	125
Receivable from sale of investment		1,197	
Others		833	921
		22,326	**20,611**
Non-current assets held for sale and discontinued operation	6	665	3,766
		22,991	**24,377**
Non-current assets			
Related parties	29	115	108
Loans and financing agreements receivable		261	241
Judicial deposits	16	1,552	1,490
Recoverable income taxes		414	384
Deferred income taxes	18	4,690	4,523
Recoverable taxes	10	289	285
Derivative financial instruments	22	169	140
Deposit on incentive and reinvestment		197	191
Others		788	738
		8,475	**8,100**
Investments	11	5,315	3,584
Intangible assets, net	12	7,094	6,871
Property, plant and equipment, net	13	83,762	81,665
		104,646	**100,220**
Total		**127,637**	**124,597**

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Condensed Balance Sheet

In millions of United States Dollars

(continued)

	Notes	March 31, 2014 (unaudited)	December 31, 2013
Liabilities			
Current liabilities			
Suppliers and contractors		3,473	3,772
Payroll and related charges		800	1,386
Derivative financial instruments	22	490	238
Loans and financing	14	1,769	1,775
Related parties	29	328	205
Income Taxes Settlement Program	17	499	470
Taxes and royalties payable		445	327
Provision for income taxes		267	378
Employee postretirement obligations	19	96	97
Asset retirement obligations	15	161	96
Others		634	420
		8,962	**9,164**
Liabilities directly associated with non-current assets held for sale and discontinued operation	6		448
		8,962	**9,612**
Non-current liabilities			
Derivative financial instruments	22	1,122	1,492
Loans and financing	14	28,085	27,670
Related parties	29	164	5
Employee postretirement obligations	19	2,086	2,198
Provisions for litigation	16	1,373	1,276
Income Taxes Settlement Program	17	6,773	6,507
Deferred income taxes	18	3,210	3,228
Asset retirement obligations	15	2,632	2,548
Stockholders Debentures	28(e)	1,860	1,775
Redeemable noncontrolling interest		276	276
Gold stream transaction	27	1,481	1,497
Others		1,714	1,577
		50,776	**50,049**
Total liabilities		**59,738**	**59,661**
Stockholders equity	23		
Preferred class A stock - 7,200,000,000 no-par-value shares authorized and 2,108,579,618 (2,108,579,618 in 2013) issued		22,907	22,907
		37,671	37,671

Common stock - 3,600,000,000 no-par-value shares authorized and 3,256,724,482 (3,256,724,482 in 2013) issued		
Treasury stock - 140,857,692 (140,857,692 in 2013) preferred and 71,071,482 (71,071,482 in 2013) common shares	(4,477)	(4,477)
Results from operations with noncontrolling stockholders	(400)	(400)
Results on conversion of shares	(152)	(152)
Unrealized fair value gain (losses)	(1,219)	(1,202)
Cumulative translation adjustments	(21,154)	(20,588)
Retained earnings and revenue reserves	33,217	29,566
Total company stockholders equity	**66,393**	**63,325**
Noncontrolling interests	1,506	1,611
Total stockholders equity	**67,899**	**64,936**
Total liabilities and stockholders equity	**127,637**	**124,597**

The accompanying selected notes are an integral part of these interim financial statements.

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Condensed Statement of Income

In millions of United States Dollars, except as otherwise stated

		Three-month period ended (unaudited)	
	Notes	**March 31, 2014**	**March 31, 2013**
Continuing operations			
Net operating revenue	24	9,503	10,646
Cost of goods sold and services rendered	25	(5,590)	(5,404)
Gross profit		**3,913**	**5,242**
Operating (expenses) income			
Selling and administrative expenses	25	(282)	(352)
Research and evaluation expenses		(145)	(171)
Pre operating and stoppage operation		(248)	(375)
Other operating expenses, net	25	(217)	(135)
		(892)	**(1,033)**
Operating income		**3,021**	**4,209**
Financial income	26	1,339	626
Financial expenses	26	(1,190)	(972)
Equity results from joint venture entities and associates	11	195	172
Net income before income taxes		**3,365**	**4,035**
Income taxes	18		
Current tax		(928)	(1,095)
Deferred tax		(61)	168
		(989)	**(927)**
Income from continuing operations		**2,376**	**3,108**
Loss attributable to noncontrolling interests		(139)	(57)
Net income attributable to the Company s stockholders		**2,515**	**3,165**
Discontinued Operations			
Loss from discontinued operations			(56)
Loss attributable to the Company s stockholders			**(56)**
Net income		**2,376**	**3,052**
Loss attributable to noncontrolling interests		(139)	(57)
Net income attributable to the Company s stockholders		**2,515**	**3,109**
Earnings per share attributable to the Company s stockholders:	23		
Basic and diluted earnings per share:			
Common share		0.49	0.60
Preferred share		0.49	0.60

The accompanying selected notes are an integral part of these interim financial statements.

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Condensed Statement of Comprehensive Income

In millions of United States Dollars

	Three-month period ended (unaudited)	
	March 31, 2014	**March 31, 2013**
Net income	**2,376**	**3,052**
Other comprehensive income		
Item that will not be reclassified subsequently to income		
Cumulative translation adjustments	**2,311**	**936**
Retirement benefit obligations		
Gross balance for the period	24	28
Effect of taxes	(3)	(3)
Equity results from associates and joint ventures, net taxes	1	
	22	**25**
Total items that will not be reclassified subsequently to income	**2,333**	**961**
Item that will be reclassified subsequently to income		
Cumulative translation adjustments		
Gross balance for the period	**(1,765)**	**(1,162)**
Unrealized results on available-for-sale investments		
Gross balance for the period		**(205)**
Cash flow hedge		
Gross balance for the period	(4)	(65)
Effect of taxes	3	5
Equity results from associates and joint ventures, net taxes		3
Transfer of realized results to income, net taxes	(16)	17
	(17)	**(40)**
Total of items that will be reclassified subsequently to income	**(1,782)**	**(1,407)**
Total comprehensive income	**2,927**	**2,606**
Comprehensive income attributable to noncontrolling interests	(141)	(59)
Comprehensive income attributable to the Company s stockholders	**3,068**	**2,665**

The accompanying selected notes are an integral part of these interim financial statements.

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Condensed Statement of Changes in Stockholder s Equity

In millions of United States Dollars

						Three-month period ended					
	Capital	**Results on conversion of shares**	**Results from operation with noncontrolling stockholders**	**Revenue reserves**	**Treasury stock**	**Unrealized fair value gain (losses)**	**Cumulative translation adjustments**	**Retained earnings**	**Total Company stockholder s equity**	**Noncontrolling stockholders interests**	**Tota stockho equit**
December 31, 2012	**60,578**	**(152)**	**(400)**	**38,389**	**(4,477)**	**(2,044)**	**(18,663)**	**8**	**73,239**	**1,588**	**74**
Net income								**3,109**	**3,109**	**(57)**	**3**
Other comprehensive income:											
Retirement benefit obligations						25			25		
Cash flow hedge						(40)			(40)		
Unrealized fair value results						(205)			(205)		
Translation adjustments				474		(21)	(640)	(37)	(224)	(2)	
Contribution and distribution to stockholders:											
Capitalization of noncontrolling stockholders advances										4	
Redeemable noncontrolling stockholders interest										(12)	
March 31, 2013 (unaudited)	**60,578**	**(152)**	**(400)**	**38,863**	**(4,477)**	**(2,285)**	**(19,303)**	**3,080**	**75,904**	**1,521**	**77**
December 31, 2013	**60,578**	**(152)**	**(400)**	**29,566**	**(4,477)**	**(1,202)**	**(20,588)**		**63,325**	**1,611**	**64**
Net income								**2,515**	**2,515**	**(139)**	**2**
Other comprehensive income:											
						22			22		

Retirement benefit obligations											
Cash flow hedge						(17)			(17)		
Translation adjustments				1,040		(22)	(566)	96	548	(2)	
Contribution and distribution to stockholders:											
Capitalization of noncontrolling stockholders advances										38	
Dividends to noncontrolling stockholders										(2)	
March 31, 2014 (unaudited)	**60,578**	**(152)**	**(400)**	**30,606**	**(4,477)**	**(1,219)**	**(21,154)**	**2,611**	**66,393**	**1,506**	**67**

The accompanying selected notes are an integral part of these interim financial statements.

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Condensed Statement of Cash Flow

In millions of United States Dollars

	Three-month period ended (unaudited)	
	March 31, 2014	**March 31, 2013**
Cash flow from continuing operating activities:		
Net income from continuing operations	2,376	3,109
Adjustments to reconcile net income with cash from continuing operations		
Equity results from associates and joint venture	(195)	(172)
Loss on disposal of property, plant and equipment	127	78
Depreciation, amortization and depletion	1,026	1,007
Deferred income taxes	61	(168)
Foreign exchange and indexation, net	(311)	(321)
Unrealized derivative losses, net	(195)	(9)
Stockholders Debentures	22	167
Other	9	(50)
Decrease (increase) in assets:		
Accounts receivable	1,822	421
Inventories	(811)	(349)
Recoverable taxes	755	34
Other	63	188
Increase (decrease) in liabilities:		
Suppliers and contractors	20	(340)
Payroll and related charges	(594)	(642)
Taxes and contributions	(208)	(17)
Gold stream transaction		1,319
Other	115	(292)
Net cash provided by operating activities from continuing operations	**4,082**	**3,963**
Net cash used in operating activities from discontinued operations		(95)
Net cash provided by operating activities	**4,082**	**3,868**
Cash flow from continuing investing activities:		
Short-term investments	1	(321)
Loans and advances	(97)	24
Guarantees and deposits	(32)	(24)
Additions to investments	(121)	(182)
Additions to property, plant and equipment and intangible	(2,383)	(3,348)
Dividends and interest on capital received from associates and joint venture	11	
Proceeds from disposal of assets\ Investments		95
Proceeds from Gold stream transaction		581
Net cash used in investing activities from continuing operations	**(2,621)**	**(3,175)**
Net cash used in investing activities from discontinued operations		(199)
Net cash used in investing activities	**(2,621)**	**(3,374)**
Cash flow from continuing financing activities:		

Financial institutions - Loans and financing		
Loans and financing		
Additions	651	129
Repayments	(293)	(424)
Net cash provided by (used in) financing activities from continuing operations	**358**	**(295)**
Net cash provided by (used in) used in financing activities	**358**	**(295)**
Increase in cash and cash equivalents	1,819	199
Cash and cash equivalents of cash, beginning of the period	5,321	5,832
Effect of exchange rate changes on cash and cash equivalents	42	11
Cash and cash equivalents, end of the period	**7,182**	**6,042**
Cash paid during the period for (i):		
Interest on loans and financing	(453)	(434)
Income taxes	(159)	(824)
Income taxes - settlement program	(116)	
Inflows during the period:		
Non-cash transactions:		
Additions to property, plant and equipment - interest capitalization	15	117

(i) Amounts paid are classified as cash flows from operating activities.

The accompanying selected notes are an integral part of these interim financial statements.

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Notes to Condensed Consolidated Financial Statements

Expressed in millions of United States Dollars, unless otherwise stated

1. Operational Context

Vale S.A. (the Parent Company) is a public limited liability company headquartered at 26, Av. Graça Aranha, Rio de Janeiro, Brazil with securities traded on the Brazilian (BM&F BOVESPA), New York (NYSE), Paris (NYSE Euronext) and Hong Kong (HKEx) stock exchanges.

Vale S.A. and its direct and indirect subsidiaries (Vale , Group , Company or we) are 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. The Company also operates in the segments of energy and steel. The information by segment is presented in Note 24.

2. Summary of the Main Accounting Practices and Accounting Estimates

a) Basis of presentation

The condensed consolidated interim financial statements of the Company (Interim Financial Statements) have been prepared in accordance with the IAS 34 of International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Interim financial statements have been prepared under the historical cost convention as adjusted to reflect: (i) the fair value of held for trade financial instruments measured at fair value through the Statement of Income and available for sale financial instruments measured at fair value through the Statement of Comprehensive Income; and (ii) the impairment 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, 2013, except as otherwise disclosed. These interim financial statements were prepared by Vale to update users about relevant information presented in the period and should be read with the financial statements for the year ended December 31, 2013.

We evaluated subsequent events through April 28, 2014, which was the date of the Interim financial statement were approved by the Executive Officers.

b) Functional currency and presentation currency

The Interim Financial statements of each of the 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 (BRL or R$). For presentation purposes, these Interim financial statements are presented in United States Dollars (USD or US$) as we understand this is how our international investors are used to analyze our interim financial statements in order to take their decisions.

Operations in other currencies are translated into the functional currency of each entity using the actual exchange rates in force on the respective transactions dates. The foreign exchange gains and losses resulting from the translation at the exchange rates in force at the end of the period are recognized in the Statement of Income as financial expense or income. The exceptions are transactions for which gains and losses are recognized in the Statement of Comprehensive Income.

Statement of 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 Balance Sheet presented are translated at the closing rate at the Balance Sheet date; (ii) income and expenses for each Statement of Income are translated at the average exchange rates, except for specific transactions that, considering their significance, are translated at the rate at the dates of the transactions and; (iii) capital, capital reserves and treasury stock are translated at the rate at the dates of each transaction. All resulting exchange differences are recognized in a separate component of the Statement of Comprehensive Income, the Cumulative Translation Adjustment account, and subsequently transferred to the Statement of Income when the assets are realized.

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The exchange rates of the major currencies that impact our operations against the functional currency, Brazilian real, were:

	Exchange rates used for conversions in Brazilian Reais			
	Exchange rate as at		Average rate for the Three-months period ended	
	March 31, 2014 (unaudited)	December 31, 2013	March 31, 2014 (unaudited)	March 31, 2013 (unaudited)
US Dollar - US$	2.2630	2.3426	2.3652	2.2734
Canadian Dollar - CAD	2.0472	2.2031	2.1456	2.1660
Australian Dollar - AUD	2.0989	2.0941	2.1222	2.1077
Euro - EUR or	3.1175	3.2265	3.2399	3.0958

3. Critical Accounting Estimates

The critical accounting estimates are the same as those adopted in preparing the interim financial statements for the year ended December 31, 2013.

4. Accounting Standards

a) Standards, interpretations or amendments issued by the IASB and effective from January 1, 2014

Novation of Derivatives and Continuation of Hedge Accounting In June 2013 IASB issued an amendment to IAS 39 Financial Instruments: Recognition and Measurement, that document conclude that hedge accounting do not terminate or expire when as consequence of law or regulation, a derivative financial instrument replace their original counterparty to become the new counterparty to each of the parties. This standard had no material effect on these financial statements.

IFRIC 21 Levies In May 2013 IASB issued an interpretation about the recognition of a government imposition (levies). This standard had no material effect on these financial statements.

Recoverable Amount Disclosures for Non-Financial Assets In May 2013 IASB issued an amendment to IAS 36 Impairment of Asset that clarifies the IASB intention about the disclosure of non- financial assets impairment. This standard had no material effect on these financial statements.

b) Standards, interpretations or amendments issued by the IASB in the period and effective after January 1, 2014

IFRS 14 Regulatory Deferral Accounts In January 2014 IASB issued the standard IFRS 14 - Regulatory Deferral Accounts that permits a first-time adopter within its scope to continue to account for regulatory deferral account balances in its first IFRS financial statements in accordance with its previous GAAP when it adopts IFRS. This standard will be effective for annual periods beginning on or after January 1, 2016 and will not affect our financial statements.

5. Risk Management

During the period there were no significant change in relation to risk management policies disclosed in the financial statements for the year ended December 31, 2013.

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6. Non-current assets and liabilities held for sale and discontinued operations

The amounts below show non-current assets and liabilities held for sale and discontinued operations reclassified during the period:

	March 31, 2014 (unaudited)	December 31, 2013		
	Energy	General Cargo - Logistic	Energy	Total
Assets held for sale and discontinued operation				
Accounts receivable		141		141
Other current assets		271		271
Investment	89		79	79
Intangible, net		1,687		1,687
Property, plant and equipment, net	576	1,027	561	1,588
Total assets	**665**	**3,126**	**640**	**3,766**
Liabilities associated with assets held for sale and discontinued operation				
Suppliers and contractors		85		85
Payroll and related charges		61		61
Other current liabilities		112		112
Other non-current Liabilities		190		190
Total Liabilities		**448**		**448**
Assets and liabilities with discontinued operation	**665**	**2,678**	**640**	**3,318**

In September 2013, Vale announced its intention to dispose the control over its subsidiary VLI S.A. (VLI), which aggregates all operations of General cargo logistic segment. As consequence, the General Cargo logistic segment was treated as discontinued operations and assets and liabilities were reclassified to non-current asset / liabilities held for sale.

As part of the disposal process in a first stage, we entered into agreements to transfer its 20% stock on VLI capital to Mitsui & Co. in the amount of US$667 and 15.9% for Fundo de Garantia de Tempo de Serviço (FGTS) by amount US$530. In a second stage we entered into agreement to transfer 26.5% to investment fund managed by Brookfield Asset Management by an amount of US$884. The operation was subject to revision by the Brazilian Administrative Council for Economic Defense Agency (Conselho Administrativo de Defesa Econômica or CADE) which had approved the first stage of the transaction in March, 2014. The first stage was concluded in April 2014 (subsequent event).

Approximately US$884 of the total amount of transaction will be contributed directly on the VLI.

Since January 1, 2014, the investment in VLI is being treated as investment in associate (note 11).

Energy Generation Assets

In December 2013, the company signed agreements with CEMIG Geração e Transmissão S.A. (CEMIG GT), as follow : (i) to sell 49% of it stakes of 9% over Norte Energia S.A.(Norte Energia), company responsible for construction, operation and exploration of Hydroelectric facility of Belo Monte (Belo Monte), and (ii) Creation of a Joint venture Aliança Geração de Energia S/A (Aliança) to be constituted by Vale and CEMIG through contribution of their holdings within following power generation assets: Porto Estrela, Igarapava, Funil, Capim Branco I e II, Aimorés and Candonga. No cash will be disbursed as part of the transaction. Vale and CEMIG GT will hold respectively 55% and 45% of this new company and the supply of electricity to Vale operations, previously guaranteed by their own generation, will be secured by long-term contract.

The operation above is still pending approval from Brazilian Electricity Regulatory Agency (Agência Nacional de Energia Elétrica or ANEEL). The assets were transferred to assets held for sale with no impact in the Statement of Income.

7. Cash and Cash Equivalents

	March 31, 2014 (unaudited)	December 31, 2013
Cash and bank deposits	2,062	1,558
Short-term investments	5,120	3,763
	7,182	**5,321**

Cash and cash equivalents includes cash, demand deposits, and financial investments with an insignificant risk of changes in value, being in part Brazilian Reais indexed to the Brazilian Interbank Interest rate (DI Rate or CDI) and those denominated in US Dollars are mainly in time deposits, with the original maturities of less than three months.

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8. Accounts Receivables

	March 31, 2014 (unaudited)	December 31, 2013
Denominated in BRL	891	509
Denominated in other currencies, mainly US$	3,325	5,283
	4,216	**5,792**
Allowance for doubtful accounts	(113)	(89)
	4,103	**5,703**

Accounts receivables related to the steel sector represented 80.73% and 79.70% of total receivable as at March 31, 2014 and December 31, 2013, respectively.

No individual customer represents over 10% of receivables or revenues.

The estimated losses for accounts receivable recorded in the Statement of Income as at March 31, 2014 and December 31, 2013 totaled US$23 and US$4, respectively. Write offs as at March 31, 2014 and 2013, totaled US$2 and US$7, respectively.

9. Inventory

Inventories are comprised as follows:

	March 31, 2014 (unaudited)	December 31, 2013
Inventories of products		
Bulk Material		
Iron ore	1,061	646
Pellets	82	88
Manganese and ferroalloys	100	75
Coal	339	318
	1,582	**1,127**
Base Metals		
Nickel and other products	1,469	1,398
Copper	28	23

	1,497	**1,421**
Fertilizers		
Potash	9	8
Phosphates	325	313
Nitrogen	21	19
	355	**340**
Other products	**12**	**8**
Total of inventories of products	**3,446**	**2,896**
Materials supplies	**1,308**	**1,229**
Total of inventories	**4,754**	**4,125**

As at March 31, 2014 and December 31, 2013 inventory balances included a provision to adjust at market value of nickel, amounting to US$0 and US$14, respectively, manganese in the amount of US$1 and US$1, respectively, and coal in the amount of US$131 and US$117, respectively.

	Three-month period ended (unaudited)	
	March 31, 2014	**March 31, 2013**
Inventories of product		
Balance at beginning of the period	**2,896**	**3,597**
Production/acquisition	5,433	4,803
Transfer from materials supplies inventory	810	949
Sales	(5,590)	(5,404)
Provision/ reversal of the write-off by inventory adjustment (a)	(132)	(123)
Translation adjustments	29	41
Balance at ended of period	**3,446**	**3,863**

(a) Include provision for adjustments to market value

	Three-month period ended (unaudited)	
	March 31, 2014	**March 31, 2013**
Materials supplies		
Balance at beginning of period	**1,229**	**1,413**
Acquisition	872	987
Transfer to use	(810)	(949)
Translation adjustments	17	15
Balance at ended of period	**1,308**	**1,466**

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10. Recoverable Taxes

	March 31, 2014 (unaudited)	December 31, 2013
Value-added tax	1,197	1,129
Brazilian Federal Contributions	674	680
Others	50	55
Total	**1,921**	**1,864**
Current	1,632	1,579
Non-current	289	285
Total	**1,921**	**1,864**

11. Investments

The movement of investments in associate and joint ventures are as follow:

	Three-month period ended (unaudited)	
	March 31, 2014	March 31, 2013
Balance at beginning of period	**3,584**	**6,384**
Additions	121	182
Transfer - Control acquisition	79	
Translation adjustment for the period	121	(108)
Equity results	195	172
Equity other comprehensive income	2	(201)
Dividends declared	(42)	(27)
Transfers from held for sale (a)	1,255	
Balance at end of period	**5,315**	**6,402**

(a) The transfers from held for sale refers to investments in VLI US$1,255.

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Investments (Continued)

	Location	Relationship	% ownership	% voting capital	Investments As of March 31, 2014 (unaudited)	Investments As of December 31, 2013	Equity results (unaudited) Three-month period ended March 31, 2014	Equity results (unaudited) Three-month period ended March 31, 2013	Received dividends (u Three-month perio March 31, 2014	Marc
Bulk Material										
Iron Ore and pellets										
Baovale Mineração S.A. - BAOVALE	Brazil	Joint venture	50.00	50.00	26	24	1	3		
Companhia Nipo-Brasileira de Pelotização - NIBRASCO (c)	Brazil	Joint Venture	51.00	51.11	177	159	13	2		
Companhia Hispano-Brasileira de Pelotização - HISPANOBRÁS (c)	Brazil	Joint Venture	50.89	51.00	79	83	3	(4)	11	
Companhia Coreano-Brasileira de Pelotização - KOBRASCO	Brazil	Joint Venture	50.00	50.00	103	91	8	1		
Companhia Ítalo-Brasileira de Pelotização - ITABRASCO (c)	Brazil	Joint Venture	50.90	51.00	69	62	4			
MRS Logística S.A. (f)	Brazil	Joint Venture	47.59	46.75	576	564	14	13		
Minas da Serra Geral S.A. - MSG	Brazil	Joint Venture	50.00	50.00	24	22	1	1		
Samarco Mineração S.A. (d)	Brazil	Joint Venture	50.00	50.00	633	437	174	161		
Tecnored Desenvolvimento Tecnológico S.A. (b), (h)	Brazil					38	(1)	(2)		
Zhuhai YPM Pellet Co	China	Associate	25.00	25.00	24	25				
					1,711	**1,505**	**217**	**175**	**11**	
Coal										
Henan Longyu Energy Resources CO., LTD.	China	Associate	25.00	25.00	368	357	12	9		
					368	**357**	**12**	**9**		
Base Metals										
Copper										

Teal Minerals Incorporated	Zambia	Associate	50.00	50.00	223	228	(5)	(3)	
Nickel									
Korea Nickel Corp	Korea	Associate	25.00	25.00	20	22	(1)	(1)	
Others									
General Cargo Logistic									
VLI S.A. (e)	Brazil	Associate	37.51	37.51	1,255				
Bauxite									
Mineração Rio Grande do Norte S.A. - MRN	Brazil	Associate	40.00	40.00	114	111	6	2	
Steel									
California Steel Industries, INC	USA	Joint Venture	50.00	50.00	184	181	2	6	
CSP- Companhia Siderúrgica do PECEM (g)	Brazil	Joint Venture	50.00	50.00	825	686	(3)	(1)	
Thyssenkrupp CSA Companhia Siderúrgica do Atlântico	Brazil	Associate	26.87	26.87	315	321	(18)	(7)	
					1,324	**1,188**	**(19)**	**(2)**	
Other affiliates and joint ventures									
Norte Energia S.A.	Brazil	Joint Venture	4.59	4.59	93	83			
LOG-IN - Logística Intermodal S/A (a)	Brazil	Associate						4	
Others					207	90	(15)	(12)	
					300	**173**	**(15)**	**(8)**	
					5,315	**3,584**	**195**	**172**	**11**

(a) Company sold in December 2013;

(b) Investment balance includes the values of advances for future capital increase;

(c) Although Vale held a majority of the voting interest of investees accounted for under the equity method, existing veto rights held by noncontrolling shareholders;

(d) Main data of Samarco in 2014: total Assets US$6,272, Liabilities US$3,976, Operational Result US$334, Financial Result US$103, Income tax US$(92);

(e Considering the final participation after the transaction conclusion and the respective shareholders agreement, as described in Note 6 .

(f) Main data of MRS in 2014: Total Assets US$2,931, Liabilities US$1,719, Operational Result US$58, Financial Result US$(11), Income tax US$(17);

(g)Pre-operational stage; and

(h)Consolidated since March 2014.

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12. Intangible Assets

	March 31, 2014 (unaudited)			December 31, 2013		
Indefinite useful life	**Cost**	**Amortization**	**Net**	**Cost**	**Amortization**	**Net**
Goodwill	4,176		4,176	4,140		4,140
Finite useful life						
Concession and subconcession	3,393	(1,277)	2,116	3,099	(1,192)	1,907
Right of use	323	(82)	241	328	(75)	253
Others	1,344	(783)	561	1,295	(724)	571
	5,060	**(2,142)**	**2,918**	**4,722**	**(1,991)**	**2,731**
Total	**9,236**	**(2,142)**	**7,094**	**8,862**	**(1,991)**	**6,871**

The rights of use refers basically to the usufruct contract entered into with noncontrolling stockholders to use the Empreendimentos Brasileiros de Mineração S.A. shares (owner of the shares of MBR) and intangible identified in business combination of Vale Canada. The amortization of the right of use will expires in 2037 and Vale Canada s intangible will end in September 2046. The concessions and subconcessions are the agreements with the Brazilian government for the exploration and the development the ports and rails.

The table below shows the movement of intangible assets during the period:

	Goodwill	Concessions and Subconcessions	Right to use	Others	Total
Balance as at December 31, 2012	**4,603**	**3,757**	**302**	**549**	**9,211**
Addition		125		8	133
Disposals		(2)			(2)
Amortization		(46)	(5)	(37)	(88)
Translation adjustments	(3)	44	(3)	7	45
Net effect of discontinued operation in the period		9			9
Balance as at March 31, 2013 (unaudited)	**4,600**	**3,887**	**294**	**527**	**9,308**
Balance as at December 31, 2013	**4,140**	**1,907**	**253**	**571**	**6,871**
Addition		184		5	189
Disposals		(3)			(3)
Amortization		(45)	(7)	(14)	(66)
Translation adjustments	36	73	(5)	(1)	103
Balance as at March 31, 2014 (unaudited)	**4,176**	**2,116**	**241**	**561**	**7,094**

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13. Property, plant and equipment

	March 31, 2014 (unaudited)			December 31, 2013		
	Cost	Accumulated Depreciation	Net	Cost	Accumulated Depreciation	Net
Land	1,103		1,103	945		945
Buildings	10,422	(2,238)	8,184	9,916	(2,131)	7,785
Facilities	17,523	(5,009)	12,514	15,659	(4,722)	10,937
Computer equipment	680	(443)	237	679	(496)	183
Mineral properties	21,494	(5,296)	16,198	21,603	(5,327)	16,276
Other	28,297	(9,008)	19,289	27,149	(8,409)	18,740
Construction in progress	26,237		26,237	26,799		26,799
	105,756	**(21,994)**	**83,762**	**102,750**	**(21,085)**	**81,665**

	Land	Building	Facilities	Computer equipment	Mineral properties	Other	Constructions in progress	Total
Balance as at December 31, 2012	**676**	**6,093**	**11,756**	**376**	**18,867**	**18,178**	**28,936**	**84,882**
Addition (i)							3,326	3,326
Disposals			(37)	(1)	(31)	(1)	(15)	(85)
Depreciation and amortization		(61)	(216)	(20)	(244)	(614)		(1,155)
Translation adjustments	6	34	43	2	(578)	(4)	167	(330)
Transfers	184	318	208	13	(573)	817	(967)	
Net effect of discontinued operation in the period				(1)		115	(132)	(18)
Balance as at March 31, 2013 (unaudited)	**866**	**6,384**	**11,754**	**369**	**17,441**	**18,491**	**31,315**	**86,620**
Balance as at December 31, 2013	**945**	**7,785**	**10,937**	**183**	**16,276**	**18,740**	**26,799**	**81,665**
Addition (i)							2,209	2,209
Disposals		(10)	(3)	(2)	(58)	(32)	(19)	(124)
Depreciation and amortization		(76)	(267)	(14)	(222)	(475)		(1,054)
Translation adjustments	100	192	115	23	(98)	519	215	1,066
Transfers	58	293	1,732	47	300	537	(2,967)	
Balance as at March 31, 2014 (unaudited)	**1,103**	**8,184**	**12,514**	**237**	**16,198**	**19,289**	**26,237**	**83,762**

(i) The total amount of Capital Expenditures recognized as additions of construction in progress for the Three-month period ended of March 31, 2014 and March 31, 2013 correspond to US$1,731 and US$2,725, respectively.

The property, plant and equipment (net book value) given as guarantees for judicial claims at March 31, 2014 and December 31, 2013 correspond to US$63 and US$77, respectively.

In March 31, 2014, US$1.2 billion refers to iron ore Project Guinea (Note 28d).

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14. Loans and Financing

a) Total debt

	Current liabilities		Noncurrent liabilities	
	March 31, 2014 (unaudited)	December 31, 2013	March 31, 2014 (unaudited)	December 31, 2013
Debt contracts abroad				
Loans and financing in:				
United States Dollars	346	334	4,531	4,662
Others currencies	2	2	3	3
Fixed rates:				
Notes indexed in United Stated Dollars	10	12	13,801	13,808
Euro			2,066	2,066
Accrued charges	227	350		
	585	**698**	**20,401**	**20,539**
Debt contracts in Brazil				
Loans and financing in:				
Indexed to TJLP, TR, IGP-M and CDI	802	750	5,104	5,000
Basket of currencies, LIBOR	178	175	1,342	1,365
Non-convertible debentures			847	372
Fixed rates:				
Loans in United States Dollars	6	6	78	80
Loans in Reais	51	47	313	314
Accrued charges	147	99		
	1,184	**1,077**	**7,684**	**7,131**
	1,769	**1,775**	**28,085**	**27,670**

All the securities issued through our 100% finance subsidiary Vale Overseas Limited, are fully and unconditionally guaranteed by Vale.

The long-term portion as at March 31, 2014 (unaudited) has maturities as follows:

	(unaudited)
2015	1,007
2016	1,985
2017	2,422
2018	4,075
2019 onwards	18,596
	28,085

As at March 31, 2014 (unaudited), the annual interest rates on the long-term debts were as follows:

	(unaudited)
Up to 3%	3,436
3,1% to 5% (a)	8,798
5,1% to 7% (b)	12,540
7,1% to 9% (b)	1,147
9,1% to 11% (b)	141
Over 11% (b)	3,672
Variable	120
	29,854

(a) Includes Eurobonds. For this operation we have entered into derivative transactions at a coupon of 4.42% per year in US dollars.

(b) Includes Brazilian Real denominated debt that bears interest at the CDI and TJLP, plus spread. For these operations, we have entered into derivative transactions to mitigate our exposure to the floating rate debt denominated in Brazilian Real, totaling US$6,608 of which US$6,291 has an original interest rate above 5.1% per year. The average cost of debts not denominated in U.S. Dollars after entering derivatives transactions is 2.38% per year.

	As at March 31, 2014 (unaudited)				Balance	
Non-convertible Debentures	**Issued**	**Outstanding**	**Maturity**	**Interest**	**March 31, 2014 (unaudited)**	**December 31, 2013**
Tranche B - Salobo			No date	6.5% p.a + IGP-DI	401	372
Infrastructure Debenture 1st serie	Feb/14	600	Jan/21	6,46%p.a+IPCA	270	
Infrastructure Debenture 2st serie	Feb/14	150	Jan/24	6,57%p.a+IPCA	67	
Infrastructure Debenture 3st serie	Feb/14	100	Jan/26	6,71%p.a+IPCA	45	
Infrastructure Debenture 4st serie	Feb/14	150	Jan/29	6,78%p.a+IPCA	67	
					850	**372**
Long-term portion					847	372
Accrued charges					3	
					850	**372**

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b) Funding

On February 2014, Vale issued infrastructure debentures in the total amount of US$442.

In April, 2014 (subsequent event), the BNDES approved a new financing of R$6,2 billion (approx. US$2,7 billion) to implement the iron ore project S11D and CLN S11D. The disbursement will occur within three years.

c) Revolving credit lines

Type	Contractual Currency	Date of agreement	Available until	Total amount available to be drawn	Amounts drawn on March 31, 2014 (unaudited)	December 31, 2013
Revolving Credit Lines						
Revolving Credit Facility - Vale/ Vale International/ Vale Canada	US$	April 2011	5 years	3,000		
Revolving Credit Facility - Vale/ Vale International/ Vale Canada	US$	July 2013	5 years	2,000		
Credit Lines						
Export-Import Bank of China and Bank of China Limited	US$	September 2010**(a)**	13 years	1,229	985	985
BNDES	R$	April 2008**(b)**	10 years	3,226	2,044	1,975
Loans						
BNDES - CLN 150	R$	September 2012**(c)**	10 years	1,716	1,361	1,314
BNDES - Investment Sustenance Program (PSI) 3.0%	R$	June 2013**(d)**	10 years	48	39	37
BNDES - Tecnored 3.5%	R$	December 2013**(e)**	8 years	60		
Canadian agency Export Development Canada (EDC)	US$	January 2014**(f)**	5 and 7 years	775		

(a) Acquisition of twelve large ore carriers from Chinese shipyards.

(b) Memorandum of understanding signature date, however projects financing term is considered from the signature date of each projects contract amendment.

(c) Capacitação Logística Norte 150 Project (CLN 150).

(d) Acquisition of domestic equipment.

(e) Support to Tecnored s investment plan from 2013 to 2015.

(f) General corporate purpose.

The currency of total amount available and disbursed different from reporting currency is affected by exchange rate variation among periods.

d) Guarantee

On March 31, 2014 (unaudited), US$1,371 of the total aggregate outstanding debt was secured by property, plant and equipment and receivables.

15. Asset retirement obligation

The Company uses various judgments and assumptions when measuring its obligations related to the retirement of assets. The accrued amounts of these obligations are not deducted from the potential costs covered by insurance or indemnities, because their recovery is considered uncertain.

Long term interest rates used to discount these obligations to their present values and to update the provisions as at March 31, 2014 and December 31, 2013 were 5.03% p.a. The liability is periodically updated based on these discount rates plus the inflation index (IGPM) for the period.

The changes in the provision for asset retirement obligation are as follows:

	March 31, 2014 (unaudited)	December 31, 2013
Balance at beginning of period	**2,644**	**2,748**
Increase expense (i)	68	201
Settlement in the current period	(4)	(40)
Revisions in estimated cash flows	52	15
Translation adjustments for the period	33	(276)
Transfer to held for sale		(4)
Balance at end of period	**2,793**	**2,644**
Current	161	96
Non-current	2,632	2,548
	2,793	**2,644**

(i) US$50 for the first quarter of 2013.

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16. Provision for litigation

Vale is a party to labor, civil, tax and other ongoing lawsuits and is discussing these issues both administratively and in court. When applicable, these lawsuits are supported by judicial deposits. Provisions for losses resulting from these processes are estimated and updated by the Company, supported by the legal advice of the legal board of the Company and by its legal consultants.

	Tax litigation	Civil litigation	Labor litigation	Environmental litigation	Total of litigation provision
Balance as of December 31, 2012	**996**	**287**	**748**	**34**	**2,065**
Additions	14	6	54	3	77
Reversals	(22)	(20)	(25)		(67)
Payments	(223)	(23)	(27)		(273)
Indexation and interest	(52)	3	10	1	(38)
Translation adjustment	10	3	9		22
Transfer from discontinued operations		1	(2)		(1)
Balance as of March 31, 2013 (unaudited)	**723**	**257**	**767**	**38**	**1,785**
Balance as of December 31, 2013	**330**	**209**	**709**	**28**	**1,276**
Additions	40	9	53	18	120
Reversals	(27)	(9)	(24)	(4)	(64)
Payments	(1)	(3)	(6)		(10)
Indexation and interest / Translation adjustment	(4)	2	6	(3)	1
Translation adjustment	10	8	29	3	50
Balance as of March 31, 2014 (unaudited)	**348**	**216**	**767**	**42**	**1,373**

Provisions for tax litigation - The nature of tax contingencies balances refer to discussions on the basis of calculation of the Financial Compensation for Exploiting Mineral Resources (CFEM) and denials of compensation claims of credits in the settlement of federal taxes in Brazil, and mining taxes in our foreign subsidiaries. The other causes refer to the charges of Additional Port Workers Compensation (AITP) and questions about the location for the purpose of incidence of Service Tax (ISS).

Provisions for civil litigation - They are related to the demands that involve contracts between Vale and unrelated companies with their service providers, requiring differences in values due to alleged losses that have occurred due to various economic plans, other demands are related to accidents, actions damages and still others related to monetary compensation in action vindicatory.

Provisions for labor and social security litigation - Consist of lawsuits filed by employees and service providers, from employment relationship. The most recurring claims are payment of overtime, hours in intinere, and health and safety. The social security contingencies are from legal and administrative disputes between the INSS and the Vale companies, relating to compulsory social security or not.

In addition to those provisions, there are judicial deposits. These court-ordered deposits are accruing interest and are reported in noncurrent assets. Judicial deposits are as follows:

	March 31, 2014 (unaudited)	**December 31, 2013**
Tax litigations	384	433
Civil litigations	220	176
Labor litigations	936	870
Environmental litigations	12	11
Total	**1,552**	**1,490**

The Company is challenging at administrative and judicial levels, claims where the expectation of loss is classified as possible and considers that there is no need to recognize a provision.

These possible contingent liabilities are split between tax, civil, labor and social security, and are as follows:

	March 31, 2014 (unaudited)	**December 31, 2013**
Tax litigation	3,091	3,789
Civil litigation	1,108	1,219
Labor litigation	1,537	2,271
Environmental litigation	1,270	1,343
Total	**7,006**	**8,622**

The most significant possible loss tax risk relates to the deductibility of social contribution payments on the Income Tax Bases.

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17. Income Taxes Settlement Program (REFIS)

In November 2013, The Company elected to participate in the a corporate Income Tax Settlement Program (REFIS) for payment of amounts relating to income tax and social contribution on the net income of its non-Brazilian subsidiaries and affiliates from 2003 to 2012.

In March 31, 2014, the amount of US$7,272 will be paid in 175 monthly installments, bearing interest at the selic rate.

18. Deferred Income Taxes

We analyze the potential tax impact associated with undistributed earnings of each our subsidiaries and affiliates. For those subsidiaries in which undistributed earnings are intended to be reinvested indefinitely, no deferred tax is recognized. Undistributed earnings of foreign consolidated subsidiaries and affiliates totaled approximately US$24,150 on March 31, 2014. As described in Note 20, in 2013 we entered in the Brazilian REFIS program to pay the amounts relating to the collection of income taxes on equity gain on foreign subsidiaries and affiliates from 2003 to 2012 and therefore, the repatriation of these earnings would have no Brazilian tax consequences.

The income of the Company is subject to the common system of taxation applicable to companies in general. The net deferred balances were as follows:

	Assets	Liabilities	Total
Balance as at December 31, 2012	**4,058**	**3,386**	**672**
Net income effect	156	(12)	168
Translation adjustment for the period	13	110	(97)
Other comprehensive income	23	21	2
Net effect of discontinued operations of the period		(1)	1
Balance as at March 31, 2013 (unaudited)	**4,250**	**3,504**	**746**
Balance as at December 31, 2013	**4,523**	**3,228**	**1,295**
Net income effect	(28)	33	(61)
Translation adjustment for the period	186	(60)	246
Other comprehensive income	9	9	
Balance as at March 31, 2014 (unaudited)	**4,690**	**3,210**	**1,480**

The deferred assets arising from tax losses, negative social contribution and temporary differences are recognized in the accounts, taking into consideration the analysis of future performance, based on economic and financial projections, prepared based on assumptions internal and macroeconomic, trade and tax scenarios that may suffer changes in the future.

The income tax in Brazil comprises the taxation on income and social contribution on profit. The composite statutory rate applicable in the period presented is 34%. In other countries where we have operations, we are subject to various rates depending on jurisdiction.

The total amount presented as income taxes results in the financial statements is reconciled with the rates established by law, as follows:

	Three-month period ended (unaudited)	
	March 31, 2014	March 31, 2013
Net income before income taxes	**3,365**	**4,035**
Income taxes at statutory rates - 34%	**(1,144)**	**(1,372)**
Adjustments that affects the basis of taxes:		
Income tax benefit from interest on stockholders equity	279	314
Tax incentive	133	130
Results of overseas companies taxed by different rates which differs from the parent company rate	(282)	80
Results of equity investments	66	58
Constitution/reversal for tax loss carryfoward	7	(32)
Other	(48)	(105)
Income taxes on the profit for the period	**(989)**	**(927)**

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19. Employee Benefits Obligations

In its 2013 financial statements the Company had announced that it expects to contribute US$354 to its pension plan in 2014. Through March 31, 2014 it had contributed US$91. No significant changes are expected in relation to the estimative disclosed in December 31, 2013 financial statement.

Reconciliation of assets and liabilities in Balance Sheet

	March 31, 2014 (unaudited)			Total December 31, 2013		
	Overfunded pension plans	**Underfunded pension plans**	**Other underfunded pension plans**	**Overfunded pension plans**	**Underfunded pension plans**	**Other underfunded pension plans**
Ceiling recognition of an asset (ceiling) / onerous liability						
Beginning of the period	**1,191**			**844**		
Interest income				71		
Changes in asset ceiling/ onerous liability	33			422		
Effect of exchange rate changes	43			(146)		
Ended of the period	**1,267**			**1,191**		
Amount recognized in the balance sheet						
Present value of actuarial liabilities	(4,282)	(4,333)	(1,698)	(4,080)	(4,406)	(1,693)
Fair value of assets	5,549	3,849		5,271	3,804	
Effect of the asset ceiling	(1,267)			(1,191)		
Assets (liabilities) to be provisioned		**(484)**	**(1,698)**		**(602)**	**(1,693)**
Current liabilities		(9)	(87)		(9)	(88)
Non-current liabilities		(475)	(1,611)		(593)	(1,605)
Assets (liabilities) to be provisioned		**(484)**	**(1,698)**		**(602)**	**(1,693)**

Costs recognized in the income statements for the period:

	Three-month period ended (unaudited)					
	March 31, 2014			March 31, 2013		
	Overfunded pension plans	Underfunded pension plans	Other underfunded pension plans	Overfunded pension plans	Underfunded pension plans	Other underfunded pension plans
Current service cost	7	15	8		33	11
Interest on actuarial liabilities	118	52	23	80	91	26
Interest income on plan assets	(120)	(38)		(98)	(90)	
Effect of the asset ceiling				18		
Total of cost, net	**5**	**29**	**31**		**34**	**37**

Costs recognized in the statement of comprehensive income for the period

	Three-month period ended (unaudited)					
	March 31, 2014			March 31, 2013		
	Overfunded pension plans	Underfunded pension plans	Other underfunded pension plans	Overfunded pension plans	Underfunded pension plans	Other underfunded pension plans
Beginning of the period	**(94)**	**(395)**	**(196)**	**(3)**	**(964)**	**(381)**
Return on plan assets (excluding interest income)	(18)	49		207	28	
Change of asset ceiling / costly liabilities (excluding interest income)	(8)			(207)		
	(26)	**49**			**28**	
Deferred income tax	9	(11)			(3)	
Others comprehensive income	**(17)**	**38**			**25**	
Effect of conversion	(4)	1	(2)		(4)	(2)
Accumulated other comprehensive income	**(115)**	**(356)**	**(198)**	**(3)**	**(943)**	**(383)**

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a) Incentive Plan in Results

The Company, Participation in Results Program (PPR) measured on the evaluation of individual and collective performance of its employees.

The Participation in the Results of the Company for each employee is calculated individually according to the achievement of goals previously established using of indicators for the, performance of the Company, Business Unit, Team and individual. The contribution of each performance unit to the performance scores of employees is discussed and agreed each year, between the Company and the unions representing the employees.

The Company accrued expenses/costs related to participation in the results as follow:

	Three-month period ended (unaudited)	
	March 31, 2014	**March 31, 2013**
Operational expenses	40	60
Cost of goods sold and services rendered	91	96
Total	**131**	**156**

b) Long-term stock option compensation plan

The terms, assumptions, calculation methods and the accounting treatment applied to the Long-term Incentive Plan (ILP) is the same as presented in the financial statements of December 31, 2013. The total number of shares subject to the Long Term Compensation Plan on March 31, 2014 and December 31, 2013 are 4,427,375 and 6,214,288, and total liability recorded of US$86 and US$84, respectively.

20. Classification of financial instruments

The classification of financial assets and liabilities is shown in the following tables:

	March 31, 2014 (unaudited)				
	Loans and receivables (a)	**At fair value through profit or loss (b)**	**Derivatives designated as hedge (c)**	**Available for sale**	**Total**

Financial assets					
Current					
Cash and cash equivalents	7,182				7,182
Derivative financial instruments		185	1		186
Accounts receivable	4,103				4,103
Related parties	719				719
	12,004	**185**	**1**		**12,190**
Non-current					
Related parties	115				115
Loans and financing agreements	261				261
Derivative financial instruments		169			169
Others				5	5
	376	**169**		**5**	**550**
Total of Assets	**12,380**	**354**	**1**	**5**	**12,740**
Financial liabilities					
Current					
Suppliers and contractors	3,473				3,473
Derivative financial instruments		435	55		490
Loans and financing	1,769				1,769
Related parties	328				328
	5,570	**435**	**55**		**6,060**
Non-current					
Derivative financial instruments		1,109	13		1,122
Loans and financing	28,085				28,085
Related parties	164				164
Stockholders Debentures		1,860			1,860
	28,249	**2,969**	**13**		**31,231**
Total of Liabilities	**33,819**	**3,404**	**68**		**37,291**

(a) Non-derivative financial instruments with identifiable cash flow.

(b) Financial instruments for trading in short-term.

(c) See Note 22a.

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	December 31, 2013				
	Loans and receivables (a)	At fair value through profit or loss (b)	Derivatives designated as hedge (c)	Available for sale	Total
Financial assets					
Current					
Cash and cash equivalents	5,321				5,321
Derivative financial instruments		196	5		201
Accounts receivable	5,703				5,703
Related parties	261				261
	11,285	**196**	**5**		**11,486**
Non-current					
Related parties	108				108
Loans and financing agreements	241				241
Derivative financial instruments		140			140
Other				5	5
	349	**140**		**5**	**494**
Total of Assets	**11,634**	**336**	**5**	**5**	**11,980**
Financial liabilities					
Current					
Suppliers and contractors					