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## Vale signs a MOU with JFE and Dongkuk

Vale signed a memorandum of understanding (MOU) with JFE Steel Corporation, a large Japanese steelmaker, and Dongkuk Steel Mill, Co, one of the largest steel producers in South Korea, to conduct a feasibility study to analyze the construction of a steel slab plant in the Industrial District of Pecém, in the Brazilian State of Ceará.

The original project announced by VALE and Dongkuk on November 20, 2007 contemplated an initial production capacity of 2.5 million tons per year with the possibility to be expanded to 5 million tons per year.

This MOU opens the possibility for JFE Steel Corporation to participate in an enlarged project. The feasibility study is expected to be completed in the coming months and the project will now encompass the construction of a steel slab plant with an initial annual production capacity of 5 to 6 million tons per year.

In case JFE considers the project feasible, it will be implemented together with VALE and Dongkuk, being JFE the majority shareholder. Otherwise, the project will continue to be conducted by VALE and Dongkuk, as previously announced.

This initiative is consistent with VALE's strategy of attracting new investments to the steel industry in Brazil through minority stakes, thereby increasing iron ore consumption in the country.

### More information



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