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MMC NORILSK NICKEL ANNOUNCES PRELIMINARY CONSOLIDATED PRODUCTION RESULTS FOR 3rd QUARTER AND 9 MONTHS OF 2014

Moscow, October 31st, 2014 – OJSC MMC Norilsk Nickel (hereinafter – “Norilsk Nickel”, “the Company” or “the Group”), the world’s largest nickel and palladium producer, announces preliminary consolidated production results for the third quarter of 2014 and nine months of 2014.

Nickel

- In 3Q14, consolidated nickel production amounted to **71.1 thousand tonnes**, up 16.9% q-o-q due to the higher volumes of raw materials purchased for to Norilsk Nickel Harjavalta from third parties as well as increased shipments of high-grade nickel matte from Polar Division to Kola MMC.
- In 9M14, consolidated nickel production amounted to **199.8 thousand tonnes**, down 5.6% y-o-y. The decrease was attributed to a scheduled capital repairs at Nadezhda Metallurgical Plant, decrease in low-margin tolling operations at Kola MMC and reduced delivery of raw materials to Harjavalta in the first half of the current year.

Copper

- In 3Q14, consolidated copper output was down 4.8% q-o-q to **89.2 thousand tonnes** owing to a scheduled capital repairs at Copper Plant and lower sales of copper cake to third parties by Harjavalta.
- In 9M14, consolidated copper output was down 1.7% y-o-y to **273.3 thousand tonnes** owing mostly to the decrease in tolling operations at Kola MMC.

Platinum Group Metals

- In 3Q14, consolidated palladium output reached **769 thousand troy ounces** up 5.5% q-o-q while consolidated platinum production was up 4.1% q-o-q to **184 thousand troy ounces**. The increase was mainly driven by the processing of work-in-progress material in Russia and higher PGM content in the mined and processed ore.
- Overall palladium and platinum output in 9M14 amounted to 2,108 thousand troy ounces (+2.9 y-o-y) and 511 thousand troy ounces (+1.6% y-o-y) respectively. The production increase was driven by the release of work-in-progress inventories.

Russian operations

- In 3Q14, the Russian divisions produced **57.2 thousand tonnes** of nickel, up 4.5% q-o-q. In 9M14 nickel production amounted to **167.6 thousand tonnes**, down 1.7% y-o-y due to a scheduled repair of one of the furnaces at Nadezhda Metallurgical Plant and decreased low-margin tolling operations volumes at Kola MMC.
- In 3Q14, the Russian operations produced **86.2 thousand tonnes** of copper, down 4.6% q-o-q due to the beginning of capital repairs of one of the furnaces at Copper Plant. The copper output in 9M14 amounted to **265.6 thousand tonnes**, marginally down 1.2% y-o-y. The decrease was driven mainly by the reduction in tolling operations at Kola MMC.
- In 3Q14 both palladium and platinum output increased q-o-q (up 5.2% and 5.9% respectively) to **745 thousand troy ounces** and **177 thousand troy ounces** respectively. The increase of PGM



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volumes was mainly attributed to the release of work-in-progress material at Russian divisions. Overall, in 9M14 the Company's Russian operations produced **2,051 thousand troy ounces** (+3.6% y-o-y) of palladium and **490 thousand troy ounces** of platinum (+1.3% y-o-y).

Norilsk Nickel Finland

- In 3Q14, Harjavalta produced **13.3 thousand tonnes** of nickel, up more than two times q-o-q. The significant growth of nickel production was driven by an increase in delivery of raw materials from third parties in the reporting period. In 9M14 Harjavalta's nickel production was down 10.1% y-o-y to **29.9 thousand tonnes**. This reduction was driven by the lower delivery of raw materials from third parties as well as capital repairs in the first half of 2014.
- In 3Q14, copper output decreased by 8.9% q-o-q to **2.4 thousand tonnes** due to increased volume of copper cake delivered to Kola MMC. In total, in 9M14 copper output of **5.9 thousand tonnes** was up 18.2% y-o-y.
- In 3Q14 Harjavalta produced **21 thousand troy ounces** of saleable palladium (palladium in copper cake) (+24.2% q-o-q), while the production of saleable platinum (platinum in copper cake) in the period was **6 thousand troy ounces** (-32.2% q-o-q). The decrease of saleable platinum was driven by reduction of platinum grades in copper cake delivered to Norilsk Nickel Harjavalta.
- In total, in 9M14 the Norilsk Nickel Harjavalta produced **44 thousand troy ounces** (+42.9% y-o-y) of saleable palladium and **18 thousand troy ounces** (+35.5% y-o-y) of saleable platinum. Output of PGM increased due to the growth in copper cake sales to third parties in the reporting periods.

Norilsk Nickel Africa

- In 3Q14, Tati Nickel produced **1.4 thousand tonnes** of nickel in concentrate, down 14.9% q-o-q, and in 9M14 its output was down 24.4% y-o-y to **4.7 thousand tonnes**. The decrease was attributed to lower metal grades in the mined ore and non-scheduled maintenance at the enrichment facilities. Also, according to the agreement signed in August 2013, 50% of nickel semis produced by Tati were shipped to Norilsk Nickel Harjavalta for further processing and the other 50% to third parties, while previously all concentrate was sold to third parties.
- The production of nickel in concentrate by Nkomati (reported on a 50% basis) in 3Q14 amounted to **3.0 thousand tonnes**, marginally up 0.8% q-o-q. In total, in 9M14 the production of nickel in concentrate by Nkomati reached **9 thousand tonnes**. The increase in production was achieved as result of upgrade of concentration facilities. All nickel concentrate produced by Nkomati was delivered for further processing to the Norilsk Nickel Harjavalta refinery in Finland and Kola MMC.

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For further information, please, contact:

Media Relations:

Phone: +7 (495) 797 82 94

Email: pr@nornik.ru

Investor Relations:

Phone: +7 (495) 786 83 20

Email: ir@nornik.ru

ABOUT MMC NORILSK NICKEL:

Open Joint-Stock Company Mining and Metallurgical Company Norilsk Nickel is a diversified mining and metallurgical company, the world's largest producer of nickel and palladium and a leading producer of platinum, cobalt, copper and rhodium. In addition, the Company produces gold, silver, iridium, selenium, ruthenium and tellurium. The production units of MMC Norilsk Nickel's group in Russia are at the Norilsk Industrial District and the Kola Peninsula, as well as Finland, Botswana, South Africa and Australia.

MMC Norilsk Nickel's shares are admitted to trading on the Moscow and on the Saint-Petersburg Exchanges. ADR's representing shares in MMC Norilsk Nickel are admitted to trading on the over the counter market in the US and on the London and Berlin stock exchanges.



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MMC NORILSK NICKEL SALEABLE METALS PRODUCTION	3Q 2014	2Q 2014	change q-o-q %	9M 2014	9M 2013	change y-o-y %
TOTAL METAL PRODUCTION¹						
Nickel, tonnes	71,146	60,885	16.9%	199,849	211,807	-5.6%
Copper, tonnes	89,213	93,698	-4.8%	273 285	278,083	-1.7%
Palladium, thousand troy ounces	769	729	5.5%	2,108	2,049	2.9%
Platinum, thousand troy ounces	184	177	4.1%	511	503	1.6%
Norilsk Nickel Polar and Kola Divisions (Russia)						
Nickel, tonnes	57,168	54,713	4.5%	167,587	170,404	-1.7%
<i>Polar division</i>	<i>30,145</i>	<i>30,007</i>	<i>0.5%</i>	<i>90,843</i>	<i>90,947</i>	<i>-0.1%</i>
<i>Kola division</i>	<i>27,023</i>	<i>24,706</i>	<i>9.4%</i>	<i>76,744</i>	<i>79,457</i>	<i>-3.4%</i>
Copper, tonnes	86,247	90,440	-4.6%	265,581	268,771	-1.2%
<i>Polar division</i>	<i>72,384</i>	<i>76,650</i>	<i>-5.6%</i>	<i>223,313</i>	<i>222,028</i>	<i>0.6%</i>
<i>Kola division</i>	<i>13,863</i>	<i>13,790</i>	<i>0.5%</i>	<i>42,268</i>	<i>46,743</i>	<i>-9.6%</i>
Palladium, thousand troy ounces	745	708	5.2%	2,051	1,979	3.6%
<i>Polar division</i>	<i>587</i>	<i>557</i>	<i>5.4%</i>	<i>1,595</i>	<i>1,535</i>	<i>3.9%</i>
<i>Kola division</i>	<i>158</i>	<i>152</i>	<i>4.2%</i>	<i>456</i>	<i>444</i>	<i>2.6%</i>
Platinum, thousand troy ounces	177	168	5.9%	490	484	1.3%
<i>Polar division</i>	<i>145</i>	<i>135</i>	<i>7.5%</i>	<i>391</i>	<i>387</i>	<i>0.9%</i>
<i>Kola division</i>	<i>32</i>	<i>32</i>	<i>-0.9%</i>	<i>100</i>	<i>97</i>	<i>2.9%</i>
Norilsk Nickel Finland²						
Nickel, tonnes	13,298	5,373	147.5%	29,917	33,284	-10.1%
Copper, tonnes	2,422	2,659	-8.9%	5,890	4,985	18.2%
Palladium, thousand troy ounces	21	17	24.2%	44	31	42.9%
Platinum, thousand troy ounces	6	9	-32.2%	18	13	38.5%
Norilsk Nickel Australia						
LaKe Johnston nickel to third parties, tonnes	0	0	-	0	2,826	-
Norilsk Nickel Africa						
Tati Nickel nickel total, including:	1,359.0	1,597.0	-14.9%	4,688.0	6,205.0	-24.4%
<i>Tati Nickel nickel to third parties, tonnes</i>	<i>679.5</i>	<i>798.5</i>	<i>-14.9%</i>	<i>2,345.0</i>	<i>5,293.0</i>	<i>-55.7%</i>
<i>Tati Nickel nickel processed in the Company, tonnes</i>	<i>679.5</i>	<i>798.5</i>	<i>-14.9%</i>	<i>2,345.0</i>	<i>912.0</i>	<i>157.1%</i>
Nkomati (50%) nickel processed in the Company, tonnes	2,968.0	2,944.0	0.8%	8,968.0	8,950.0	0.2%
Tati Nickel copper total, including:	1,088.8	1,197.0	-9.0%	3,628.0	5,233.0	-30.7%
<i>Tati Nickel copper to third parties, tonnes</i>	<i>544.4</i>	<i>599.4</i>	<i>-9.2%</i>	<i>1,814.0</i>	<i>4,327.0</i>	<i>-58.1%</i>
<i>Tati Nickel copper processed in the Company, tonnes</i>	<i>544.4</i>	<i>599.4</i>	<i>-9.2%</i>	<i>1,814.0</i>	<i>906.0</i>	<i>100.2%</i>
Nkomati (50%) copper processed in the Company, tonnes	1,269.0	1,313.0	-3.4%	3,871.0	3,766.0	2.8%
Tati Nickel palladium total, including:	6.4	8.2	-22.0%	25.9	42.0	-38.3%
<i>Tati Nickel palladium to third parties, thousand troy ounces</i>	<i>3.2</i>	<i>4.1</i>	<i>-22.0%</i>	<i>12.9</i>	<i>39.0</i>	<i>-66.9%</i>
<i>Tati Nickel palladium processed in the Company, thousand troy ounces</i>	<i>3.2</i>	<i>4.1</i>	<i>-22.0%</i>	<i>12.9</i>	<i>3.0</i>	<i>330.0%</i>
Nkomati (50%) palladium processed in the Company, thousand troy ounces	12.5	12.0	4.2%	37.3	32.0	16.6%
Tati Nickel platinum total, including:	1.5	1.5	0.0%	4.9	7.0	30.0%
<i>Nickel platinum to third parties, thousand troy ounces</i>	<i>0.8</i>	<i>0.7</i>	<i>14.3%</i>	<i>2.5</i>	<i>6.0</i>	<i>-58.3%</i>
<i>Tati Nickel platinum processed in the Company, thousand troy ounces</i>	<i>0.8</i>	<i>0.7</i>	<i>14.3%</i>	<i>2.5</i>	<i>1.0</i>	<i>150.0%</i>
Nkomati (50%) platinum processed in the Company, thousand troy ounces	4.7	4.0	17.5%	14.6	13.0	12.3%

Notes:

¹Totals may value from sum of numbers as a result of rounding

²Production results include processing of nickel concentrate from Tati, Nkomati and purchased materials