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NORILSK NICKEL ANNOUNCES PRELIMINARY CONSOLIDATED PRODUCTION RESULTS FOR 2nd QUARTER AND 1st HALF 2015

Moscow, July 31, 2015 – PJSC MMC Norilsk Nickel (hereinafter – «Norilsk Nickel» or «the Company»), the world's largest nickel and palladium producer, announces preliminary consolidated production results for the second quarter and the first half of 2015.

Nickel

2Q15 consolidated nickel production amounted to **64 kt** decreasing 5% quarter-on-quarter (q-o-q). The decrease was mainly driven by lower nickel content in ore processed at the Polar division, scheduled repair works at the Harjavalta refinery in Finland as well as the de-consolidation of Tati Nickel owing to the closing of its divestiture.

Overall in 1H15, nickel output amounted to **131 kt** increasing 2% year-on-year (y-o-y) driven mostly by higher metal output by the Kola division and Norilsk Nickel Harjavalta.

Copper

2Q15 consolidated copper output increased 3% q-o-q amounting to **93 kt** mostly owing to the processing of work-in-progress material by the Company's Russian operations.

In 1H15, Norilsk Nickel produced **182 kt** of copper, marginally down y-o-y (1%) driven mainly by the reduction of low-margin tolling operations at Kola MMC. This reduction was fully offset by a 1% increase of copper output from the Company's own Russian feed, which reached **174 kt**.

Platinum Group Metals

2Q15 consolidated palladium and platinum output amounted to **726 koz** (up 15% q-o-q) and **175 koz** (up 6% q-o-q), respectively. The growth was mainly attributed to processing of work-in-progress material by Russian operations as well as higher sales volumes of PGMs contained in copper cake to third parties by Norilsk Nickel Harjavalta.

Overall in 1H15, palladium and platinum output amounted to **1,359 koz** (up 2% y-o-y) and **339 koz** (up 5% y-o-y), respectively.

Russian operations

In 2Q15, Polar and Kola divisions produced more than **53 kt** of nickel decreasing 3% q-o-q. In 1H15, the Company's Russian operations decreased nickel production 2% y-o-y to **108 kt**. The decline was mainly driven by lower nickel content in ore processed at the Polar division as well as the ongoing reconfiguration of production facilities at the Polar division.

In 2Q15, the Company's Russian operations copper output amounted to **89 kt**, up 3% q-o-q. The growth was driven by the processing of work-in-progress materials and relative increase of cuprous ores mined and processed by the Polar division. In 1H15, copper output amounted to **175 kt**, down 2% y-o-y due to reduction in low-margin tolling operations at Kola MMC.



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In 1H15, the reduction of nickel and copper output at the Polar division was fully offset by higher production volumes of these metals at the Kola division, which came as a result of increased shipments of high-grade matte from the Polar Division for refining at Kola MMC in line with the roll-out of downstream reconfiguration programme.

In 2Q15, both palladium and platinum output increased (up 15% q-o-q and 6% q-o-q, respectively) to **703 koz** and **166 koz**, respectively. Overall, in 1H15, the Company's Russian operations produced **1,313 koz** of palladium (up 1% y-o-y) and **322 koz** of platinum (up 3% y-o-y). The growth of PGM volumes was mainly driven by the processing of the stockpiled work-in-progress material.

Norilsk Nickel Finland

In 2Q15, Norilsk Nickel Harjavalta produced approximately **11 kt** of nickel, down 8% q-o-q. The decrease was driven by scheduled repairs at the refinery. 1H15 output of nickel amounted to **22 kt** increasing 32% y-o-y. The increase was driven by the reduction of the duration of scheduled maintenance works, additional production of nickel from work-in-progress material as well as improved smelting operations at Boliden plant.

In 2Q15, output of copper increased 41% q-o-q to **4 kt**, which was attributed to the increased processing volumes of material purchased from third parties. In 1H15, copper output increased almost two-fold y-o-y to **6 kt**.

In 2Q15, Norilsk Nickel Harjavalta increased the production of saleable palladium by 28% q-o-q to **23 koz** and saleable platinum by 7% q-o-q to **9 koz**. In 1H15, output of palladium and platinum increased almost two-fold y-o-y to **41 koz and 16 koz**, respectively, due to the increased deliveries of raw materials from third parties.

Norilsk Nickel Africa

Tati Nickel. In April, 2015 Norilsk Nickel announced the completion of the sale transaction of its 85% stake in Tati Nickel to BCL Limited.

Nkomati JV. In 2Q15, the production on nickel in concentrate (reported on a 50%-basis) increased 12% q-o-q to **2.8 kt** owing to higher nickel content in processed ore. Overall in 1H15, the production of nickel in concentrate by Nkomati amounted to over **5 kt**, down 10% y-o-y. The decrease in production was driven by lower nickel content in ore. Nickel concentrate produced by Nkomati was delivered for further processing to Kola MMC.

Norilsk Nickel confirms that it is on track to meet its 2015 metal production guidance from Russian feed of:

- Nickel – 220-226 kt
- Copper – 360-368 kt
- Palladium – 2,580-2,610 koz
- Platinum – 590-615 koz



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NORILSK NICKEL SALEABLE METALS PRODUCTION	2Q 2015	1Q 2015	Change q-o-q, %	1H 2015	1H 2014	Change y-o-y, %
TOTAL METAL PRODUCTION¹						
Nickel, tonnes	63,853	67,437	-5%	131,290	128,290	2%
<i>from Russian feed</i>	52,336	54,358	-4%	106,694	107,165	0%
Copper, tonnes	92,563	89,532	3%	182,095	183,845	-1%
<i>from Russian feed</i>	88,416	86,054	3%	174,470	173,553	1%
Palladium, koz	726	633	15%	1,359	1,338	2%
<i>from Russian feed</i>	697	596	17%	1,292	1,261	3%
Platinum, koz	175	164	6%	339	324	5%
<i>from Russian feed</i>	163	151	8%	314	293	7%
Norilsk Nickel Polar and Kola Divisions (Russia)						
Nickel, tonnes	53,294	55,078	-3%	108,372	110,419	-2%
Polar division	22,947	24,889	-8%	47,836	60,698	-21%
Kola division	30,347	30,189	1%	60,536	49,721	22%
<i>from Russian feed</i>	29,389	29,469	0%	58,858	46,467	27%
<i>from 3d parties feed</i>	958	720	33%	1,678	3,254	-48%
Copper, tonnes	89,005	86,346	3%	175,351	179,334	-2%
Polar division	73,621	71,873	2%	145,494	150,929	-4%
Kola division	15,384	14,473	6%	29,857	28,405	5%
<i>from Russian feed</i>	14,795	14,181	4%	28,976	22,624	28%
<i>from 3d parties feed</i>	589	292	102%	881	5,781	-85%
Palladium, koz	703	610	15%	1,313	1,306	1%
Polar division	522	461	13%	983	1,008	-2%
Kola division	181	149	21%	330	298	11%
<i>from Russian feed</i>	175	135	30%	309	253	22%
<i>from 3d parties feed</i>	6	15	-57%	21	45	-53%
Platinum, koz	166	156	6%	322	313	3%
Polar division	132	124	6%	257	245	5%
Kola division	33	32	5%	65	68	-3%
<i>from Russian feed</i>	31	26	18%	57	48	20%
<i>from 3d parties feed</i>	3	6	-57%	8	20	-58%
Norilsk Nickel Finland²						
Nickel, tonnes	10,559	11,448	-8%	22,007	16,620	32%
Copper, tonnes	3,558	2,515	41%	6,073	3,242	87%
Palladium, koz	23	18	28%	41	22	86%
Platinum, koz	9	7	29%	16	9	78%
Norilsk Nickel Africa						
Tati Nickel nickel, tonnes	0	1,822	-100%	1,822	3,329	-45%
thereof Tati Nickel nickel to 3d parties	0	911	-100%	911	1,665	-45%
thereof Tati Nickel nickel processed in the Company	0	911	-100%	911	1,665	-45%
Nkomati (50%) nickel processed in the Company, tonnes	2,843	2,539	12%	5,382	6,000	-10%
Tati Nickel copper, tonnes	0	1,343	-100%	1,343	2,539	-47%
thereof Tati Nickel copper to 3d parties	0	671	-100%	671	1,269	-47%
thereof Tati Nickel copper processed in the Company	0	671	-100%	671	1,269	-47%
Nkomati (50%) copper processed in the Company, tonnes	1,273	1,260	1%	2,533	2,602	-3%
Tati Nickel palladium total, koz	0	10	-100%	10	19	-47%
thereof Tati Nickel palladium to 3d parties	0	5	-100%	5	10	-47%
thereof Tati Nickel palladium processed in the Company	0	5	-100%	5	10	-47%
Nkomati (50%) palladium processed in the Company, koz	13	13	0%	26	25	4%
Tati Nickel platinum, koz	0	2	-100%	2	3	-33%
thereof Tati Nickel platinum to 3d parties	0	1	-100%	1	2	-33%
thereof Tati Nickel platinum processed in the Company	0	1	-100%	1	2	-33%
Nkomati (50%) platinum processed in the Company, koz	5	5	0%	10	10	0%

Notes:

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

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

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ABOUT NORILSK NICKEL:

Public 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 Norilsk Nickel are located in Russia at the Norilsk Industrial District and on the Kola Peninsula, as well as in Finland.

Norilsk Nickel's shares are listed on the Moscow and on the Saint-Petersburg Stock Exchanges. Norilsk Nickel ADRs trade over the counter in the US and on the London and Berlin stock exchanges.