



Moscow, August 11, 2020 — PJSC MMC Norilsk Nickel, the world's largest producer of palladium and high-grade nickel and a major producer of platinum and copper, reports interim consolidated IFRS financial results for six months ended June 30, 2020.

1H2020 HIGHLIGHTS

- Consolidated revenue increased 7% y-o-y to USD 6.7 billion owing to higher prices of palladium, rhodium and gold as well as the ramp-up of Bystrinsky project;
- EBITDA decreased 51% y-o-y to USD 1.8 billion due to the USD 2.1 billion environmental provision related to the reimbursement of environmental damages caused by the fuel spill at the industrial site of the Heat and Power Plant N° 3 in the Kayerkan neighborhood of Norilsk;
- CAPEX increased 10% y-o-y to USD 0.6 billion owing to the launch of construction of strategic projects such as the expansion of the Talnakh concentrator (TOF-3 project), the development of South Cluster mining project and complex environmental programme aiming at radical reduction of sulfur dioxide emissions at the Polar Division;
- Net working capital increased to USD 1.0 billion in line with the medium-term target level;
- Free cash flow increased 21% y-o-y to USD 2.7 billion;
- Net debt/EBITDA ratio increased to 1.2x as of June 30, 2020;
- In 1H2020, Nornickel paid interim dividend for 9 months of 2019 in the amount of USD 1,567 million and final dividend for 2019 in total amount of USD 1,264 million;
- Building up liquidity cushion with USD 1,565 million from a syndicated USD 4,150 million borrowing drawn down in March and April, after the loan limit was increased from USD 2,500 million in February, and additional RUB 60 billion drawn from a revolving credit line;
- On May 29, 2020, diesel fuel leaked from the emergency fuel tank at the heat and power plant N° 3 (HPP-3) due to sudden sinking of support posts based in permafrost. Clean-up of the incident was launched immediately, when by the end of the reporting period most of the fuel leaked into soil and water was collected, with most of the contaminated being removed;
- Throughout 1H2020, a comprehensive set of initiatives was developed and rolled to ensure operations sustainability and social security in the regions of operations amidst the spread of coronavirus. Safeguarding the health and safety of employees and providing full support to the regional communities and authorities was the top priority, with USD 95 million (net of VAT) spent into preventive initiatives and charity.

[Download full version in pdf](#)

This announcement contains inside information in accordance with Article 7 of EU Regulation 596/2014 of 16 April 2014.

Full name and position of person making the announcement— Vladimir Zhukov, Vice - president, Investor Relations

ABOUT THE COMPANY

MMC Norilsk Nickel is a diversified mining and metallurgical company, the world's largest producer of palladium and high-grade nickel and a major producer of platinum and copper. The company also produces cobalt, rhodium, silver, gold, iridium, ruthenium, selenium, tellurium, sulphur and other products.

The production units of Norilsk Nickel Group are located at the Norilsk Industrial District, on the Kola Peninsula and Zabaykalsky Krai in Russia as well as in Finland and South Africa.

MMC Norilsk Nickel shares are listed on the Moscow and on the Saint-Petersburg Stock Exchanges, ADRs are traded over the counter in the US and on the London, Berlin and Frankfurt Stock Exchanges.

11 August 2020