



**Moscow, February 16, 2021** — Norinickel the world's largest producer of palladium and high-grade nickel and a major producer of platinum and copper, reports audited consolidated IFRS financial results for the full year ended December 31, 2020.

## **FY2020 HIGHLIGHTS**

- Consolidated revenue increased 15% y-o-y to USD 15.5 billion owing to higher prices of palladium and rhodium as well as the scheduled ramp-up of Bystrinsky project;
- EBITDA decreased 3% y-o-y to USD 7.7 billion due to the USD 2 billion environmental provision related to the reimbursement of environmental damages caused by the fuel spill in Norilsk industrial district, expenses related to containment of COVID-19 spread and increase of inventory of saleable metals;
- CAPEX increased 33% y-o-y to USD 1.8 billion owing to the execution of mining projects at Talnakh deposit, development of South Cluster, increased capital repairs of energy infrastructure, investments into improvement of industrial safety as well as the launch of an active construction phase of the Sulfur project;
- Net working capital decreased 28% to USD 0.7 billion mainly driven by the depreciation of the Russian rouble and changes in income tax payable, which was partly compensated by increase of inventory of saleable metals;
- Free cash flow increased 36% y-o-y to USD 6.6 billion driven by higher revenue and scheduled ramp-up of Bystrinsky project;
- Net debt was down 33% y-o-y to USD 4.7 billion. Net debt/EBITDA ratio decreased to 0.6x as of December 31, 2020. The Company's financial stability was confirmed by investment grade credit ratings from all three major rating agencies;
- 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. By now, [the main phase of the clean-up operations has been completed](#);
- On September 10, 2020, the Federal Service for Supervision of Natural Resources ("Rosprirodnadzor") filed a claim with the Arbitration Court of the Krasnoyarsk region seeking compensation from the Company of damages caused to the environment in the amount of RUR 147.78 billion (or approximately USD 2 billion);
- In September 2020, the Company successfully placed a 5-year USD 500 mln eurobond offering with a record low annual coupon rate of 2.55%;
- In December 2020, in line with its complex environmental programme the Company shut down a smelter at Nickel town (Kola GMK), which resulted in the complete elimination of sulphur dioxide emissions in the cross-border area with Norway and alongside other environmental initiatives should enable a reduction of sulphur dioxide emissions in the Murmansk region by 85% by the end of 2021.
- In response to coronavirus, the Company provided a comprehensive support to safeguard the health and safety of its employees and regional communities. In total, the Group spent USD 157 million net of VAT to prevent and combat spread of COVID-19;
- Starting from 2021, Mineral Extraction Tax has been increased 3.5x for certain minerals, including ores mined by Norilsk Nickel.

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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.

*16 February 2021*