

**REPORT OF THE BOARD OF DIRECTORS
OF PJSC MMC NORILSK NICKEL**
including a reasoned viewpoint of the Company's Board of Directors
on agenda items of the Extraordinary General Meeting of the Shareholders of the Company
September 14, 2015

1. Payment (announcement) of dividends on shares of the PJSC MMC Norilsk Nickel on the basis of results for H1 2015 financial year.

Recommendation:

The Board of Directors recommends to the Extraordinary General Meeting of the Shareholders to announce dividends on ordinary registered shares of PJSC MMC Norilsk Nickel on the basis of results for H1 2015 financial year in the amount of RUB 305,07 per one ordinary share.

Reference (according to the financial statement PJSC MMC Norilsk Nickel as of 30.06.2015 under RAS):

	<i>RUB mln.</i>
Retained earnings as of 30.06.2015, which can be used to pay dividends	214 744
<i>including:</i>	
net profit for H1 2015	102 190

The amount of net profit allocated for the current dividend payment is RUB 48 276 mln.

Viewpoint of the Board of Directors:

The Board of Directors analyzed the production and financial results of PJSC MMC Norilsk Nickel for H1 2015, the current financial position, investment program, prioritized directions of the production and social development of PJSC MMC Norilsk Nickel in the future. Having analyzed the provided information the Board of Directors believes that PJSC MMC Norilsk Nickel can distribute the net profit as described above.

The company meets the conditions to declare dividends on the shares of the Company for H1 2015 and pay dividends in accordance with Article 43 of the Federal Law "On Joint Stock Companies" with the expectation that on the day of resolution to pay dividends and at the date of dividends payment:

- PJSC MMC Norilsk Nickel will not meet the criteria of insolvency (bankruptcy) in accordance with the legislation of the Russian Federation on insolvency (bankruptcy) and the aforementioned indicators fail to emerge as a result of dividends payment;
- the cost of net assets of PJSC MMC Norilsk Nickel will not fall below the value of its authorized capital and reserve fund and will not fall below their value as a result of resolution to pay dividends and dividend payments (as of 30.06.2015 the cost of net assets of PJSC MMC Norilsk Nickel amounted to RUB 263 113 mln. and exceeded its authorized capital and reserve fund by RUB 262 931 mln.).

Thus, the Board of Directors does not expect that the announcement and payment of dividends on ordinary shares on the basis of results for H1 2015 would adversely affect the strategic potential of PJSC MMC Norilsk Nickel in the long-term prospects.