



PRESS RELEASE

NORILSK NICKEL REVIEWS ITS MEDIUM-TERM FINANCIAL MODEL AND REAFFIRMS ITS COMMITMENT TO DELIVERING INDUSTRY-LEADING SHAREHOLDER RETURNS

Moscow, April 4, 2016 – In a view of sustained market volatility, the Board of Directors of MMC Norilsk Nickel (“Norilsk Nickel” or the “Company”) will review the Company’s medium-term financial model and approve adjusted dividend targets to ensure the continued balance sheet strength of Norilsk Nickel, while maintaining industry-leading shareholder returns and dividend payouts.

Following the payment of the final dividend for 2015, the Company will apply new dividend targets to dividend distributions for 2016 onwards, which will be based on a variable EBITDA payout ratio linked to the Company’s leverage and calculated as follows:

- 60% of EBITDA if net debt/EBITDA at corresponding year-end is less than 1.8x;
- 30% of EBITDA if net debt/EBITDA at corresponding year-end is more than 2.2x;
- Adjusted ratio reducing proportionally from 60% to 30% of EBITDA pro rata net debt/EBITDA at corresponding year-end if net debt/EBITDA is in the 1.8-2.2x range;
- Total dividend payments for each year will be subject to a minimum payment. The minimum payment in 2017 (for 2016 financial results) is set at \$1.3 bn plus the proceeds from the sale of Nkomati and in the years thereafter at \$1.0 bn.

Commenting on the announcement, First Vice-President of Norilsk Nickel Pavel Fedorov said “Since the rollout of its new strategy in 2013, Norilsk has been delivering industry-leading shareholder returns to the Company’s investors. The decision to review the dividend targets amidst, probably, the most challenging market conditions in a decade demonstrates the commitment of our core shareholders to keep Norilsk as one of the highest-yielding stock among mining industry majors. The new approach will be a simple and transparent proposition to all investors while ensuring a balanced and well-capitalised financial model for Norilsk Nickel”.

The final dividend of Norilsk Nickel for 2015 will be calculated in line with the existing dividend targets as the 50% of 2015 EBITDA less the two interim dividends paid for 2015.

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ABOUT NORILSK NICKEL:

Public Joint Stock Company Mining and Metallurgical Company Norilsk Nickel, a company incorporated under the laws of the Russian Federation, is Russia’s largest metals and mining company, and the world’s largest producer of refined nickel and palladium and a major producer of platinum, rhodium, copper and cobalt. Norilsk Nickel also produces a number of by-products, including gold, silver, tellurium, selenium, iridium and ruthenium.

The key production units of Norilsk Nickel are located in Russia at the Taimyr and Kola Peninsulas. Norilsk Nickel international assets include operations in Finland.

Norilsk Nickel’s shares are listed on the Moscow Exchange. Norilsk Nickel’s ADRs are traded over the counter in the US and on the London and Berlin stock exchanges.