Norilsk to Focus on Tier 1 Assets, Quality of Investment Governance and Capital Discipline

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Norilsk Nickel Board of Directors Approves Key Principles of the Company's New Strategy

MOSCOW -- (BUSINESS WIRE) -- MMC Norilsk Nickel's Board of Directors approved the key principles of its new strategy, which will be presented to the investment community in Q4 2013.

The new strategy aims to realize the full potential of Norilsk Nickel's unique resource base in the Taimyr Peninsula, increase Company's operational efficiency and make a step change in the quality of its investment and capital governance.

As a key part of Company's new strategy, Norilsk will focus on Tier 1 assets with the main priority being given to its Polar Division that has a world class proven and potential resource base. A number of operational initiatives will be realized in the Company's Kola Division in 2014 to bring it to a level of sustainable profitability. Additionally, the Company plans to complete the strategic review and monetize its non-Tier 1 international and non-core assets.

Alongside with fulfilling sustainable development objectives, the new strategy will direct the new investments towards projects with high return on capital (ROIC) and comprehensive project risk assessment and monitoring systems. ROIC is to become a major performance indicator to key members of Norilsk' management team and executives.

Cost-efficient ore mining based on the existing infrastructure of the Polar Division, accelerated upgrading of enrichment capacities in Polar and optimization of the metallurgical assets are also a major component of the new strategy.

Building exploration as a globally competitive business unit focused on profitable growth in key areas where the Company operates (Norilsk, Kola and Zabaykalsky Krai) is another important objective of new strategy.

Norilsk Nickel will also examine options for raising the profile and role of its PGM business and copper within the framework of its existing asset portfolio.

"We believe that the new strategy will ensure global competitiveness of Norilsk Nickel for years ahead. Our joint vision for the business is clearly manifested by the support of the Board of Directors. Increasing capital and investment discipline, enhanced operational efficiency and clear organizational focus on realizing the full potential of our Tier 1 assets – those are the key strategic priorities that will allow us to reach ambitious goals that have been set for the Company," said Vladimir Potanin, CEO of MMC Norilsk Nickel.

ABOUT NORILSK NICKEL:

Norilsk Nickel, a company incorporated under the laws of the Russian Federation, is the largest diversified mining and metals company in Russia, the world's largest producer of nickel and palladium and one of the world's largest producers of platinum, rhodium, copper and cobalt. In addition to this, Norilsk Nickel produces a large number of other by-products, including gold, silver, tellurium, selenium, iridium and ruthenium.

The key production units of the Company's group in Russia are at the Polar and Kola Peninsulas. Norilsk Nickel international assets include operations in Finland, Australia, Botswana and South Africa.

Norilsk Nickel's shares are traded on the Moscow Exchange. ADR's on the Company's shares are traded on the other the counter market in the US and on the London and Berlin stock exchanges.

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