



November 5, 2012

PHILIPPINE STOCK EXCHANGE INC.  
3F Philippine Stock Exchange Plaza  
Ayala Triangle, Ayala Avenue  
Makati City

Attention: Ms. Janet A. Encarnacion  
Head, Disclosure Department

Dear Ms. Encarnacion;

Find attached is our press release disclosing information on the Company's financial and operating results for the nine-months ended September 30, 2012.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Emmanuel Samson', is written over a horizontal line.

Emmanuel Samson  
Senior Vice President

## **NICKEL ASIA CORPORATION ANNOUNCES FINANCIAL AND OPERATING RESULTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012**

Tokyo, November 5, 2012 - Nickel Asia Corporation (PSE:NIKL) today announced its financial and operating results for the nine months ended September 30, 2012 with attributable net income (net of minority interests) decreasing by 31% to P2.24 billion from the P3.26 billion net income reported in the nine months ended September 30, 2011.

The total volume of nickel ore sold and delivered from the Company's four operating mines in 2012 increased by 16% to 9.56 million wet metric tons (WMT) compared with 8.25 million WMT in 2011. However, the lower average London Metal Exchange (LME) spot nickel price during the year resulted to total revenues falling by 6% to P9.61 billion in 2012 from P10.27 billion in 2011. "Despite weaker prices, our Company was able to meet the increase in demand due to our ability to consistently supply quality ore at various ore grades", said Gerard H. Brimo, President and CEO.

Of the total volume of ore shipped during the nine months of the year, 3.34 million WMT was saprolite ore and 6.22 million WMT was limonite ore, of which 2.57 million WMT was shipped to the Coral Bay hydrometallurgical processing plant. The corresponding figures for the same period in 2011 were 3.25 million WMT, 5.0 million WMT and 2.15 million WMT, respectively. The average realized exchange rate during the period January to September 2012 was P42.43 to the dollar.

The realized LME nickel price applicable to 3.62 million WMT of ore shipped in the first nine months averaged \$8.28 per pound of payable nickel, as against \$10.92 per pound of payable nickel in the same period last year. As at November 2, 2012, the LME spot nickel price stood at \$7.33 per pound. The balance of the shipments, which were mostly the low and medium grade variety ore sold to Chinese customers, were on the basis of a negotiated price per WMT of ore, which averaged \$24.52 per WMT of ore in 2012 compared to \$ 23.76 per WMT of ore in 2011.

Due to the increase in shipment volumes, total cash operating costs and expenses rose by 28% from P4.08 billion in the first nine months of 2011 to P5.23 billion in the first nine months of 2012. On a per WMT of ore sold, total cash costs and expenses stood at \$12.88 per WMT in 2012 compared to \$11.47 per WMT in 2011.

Construction of the Taganito nickel processing plant adjacent to the Taganito mine, the country's second hydrometallurgical downstream plant, is proceeding well and has now exceeded the 74% completion mark. Plant commissioning is expected in the second quarter of 2013, leading to commercial production towards the latter part of the year.

For further information, please contact:

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SVP – Chief Financial Officer  
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NICKEL ASIA CORPORATION  
September 30, 2012 Financial Statements

**NICKEL ASIA CORPORATION AND SUBSIDIARIES**  
**INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

September 30, 2012

(With Comparative Audited Figures as at December 31, 2011)

(Amounts in Thousands)

	September 30, 2012	December 31, 2011
	(Unaudited)	(Audited)
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents (Note 4)	P8,933,974	P10,350,592
Trade and other receivables (Note 5)	1,782,057	1,156,293
Available-for-sale (AFS) financial assets (Note 7)	804,091	660,523
Inventories (Notes 6 and 10)	1,990,740	2,008,003
Other current assets	490,433	59,188
<b>Total Current Assets</b>	<b>14,001,295</b>	<b>14,234,599</b>
<b>Noncurrent Assets</b>		
AFS financial assets (Note 7)	896,528	907,297
Property and equipment (Note 8)	5,501,158	4,216,838
Investment property	65,011	53,637
Investment in an associate (Note 9)	4,076,831	4,371,867
Long-term stock pile inventory - net of current portion (Note 10)	1,259,784	1,357,675
Deferred income tax assets - net	529,228	481,493
Other noncurrent assets (Note 4)	1,070,062	763,007
<b>Total Noncurrent Assets</b>	<b>13,398,602</b>	<b>12,151,814</b>
<b>TOTAL ASSETS</b>	<b>P27,399,897</b>	<b>P26,386,413</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Trade and other payables (Notes 11 and 14)	P1,053,920	P1,238,101
Income tax payable	468,739	275,169
Current portion of long-term debt (Note 12)	118,466	124,545
<b>Total Current Liabilities</b>	<b>1,641,125</b>	<b>1,637,815</b>
<b>Noncurrent Liabilities</b>		
Long-term debt - net of current portion (Note 12)	1,481,684	1,643,908
Deferred income tax liabilities - net	527,634	591,069
Deferred income (Note 27)	90,850	84,154
Provision for mine rehabilitation and decommissioning (Note 13)	66,990	61,726
Pension liability	96,790	74,932
<b>Total Noncurrent Liabilities</b>	<b>2,263,948</b>	<b>2,455,789</b>
<b>Equity Attributable to Equity Holders of the Parent</b>		
Capital stock (Note 14)	1,013,938	677,116
Additional paid-in capital (Note 14)	8,107,955	8,075,641
Other components of equity:		
Cost of share-based payment plan (Note 15)	82,621	64,308
Net valuation gains on AFS financial assets (Note 7)	48,436	20,889
Share in cumulative translation adjustment (Note 9)	(67,574)	118,251
Asset revaluation surplus	34,259	34,395
Retained earnings	9,756,379	8,920,976
	<b>18,976,014</b>	<b>17,911,576</b>
<b>Non-controlling Interests</b>	<b>4,518,810</b>	<b>4,381,233</b>
<b>Total Equity</b>	<b>23,494,824</b>	<b>22,292,809</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>P27,399,897</b>	<b>P26,386,413</b>

See accompanying Notes to Consolidated Financial Statements.

NICKEL ASIA CORPORATION  
September 30, 2012 Financial Statements

**NICKEL ASIA CORPORATION AND SUBSIDIARIES**  
**INTERIM CONSOLIDATED STATEMENTS OF INCOME**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012 and 2011**  
**(Amounts in Thousands, Except Earnings per Share)**

	2012	2011
	(Unaudited)	
<b>REVENUES</b> (Notes 27 and 30)		
Sale of ore	P9,263,835	P9,909,890
Services and others	345,913	360,613
	<u>9,609,748</u>	<u>10,270,503</u>
<b>COSTS AND EXPENSES</b>		
Cost of sales (Note 17)	3,502,730	2,532,381
Cost of services (Note 18)	244,623	186,116
Shipping and loading costs (Note 19)	1,078,941	905,604
General and administrative (Note 21)	487,609	381,152
Excise taxes and royalties (Note 20)	603,376	590,017
	<u>5,917,279</u>	<u>4,595,270</u>
<b>FINANCE INCOME</b> (Note 24)	175,540	136,935
<b>FINANCE EXPENSES</b> (Note 25)	(13,518)	(25,317)
<b>OTHER INCOME - net</b> (Note 26)	159,632	419,926
<b>INCOME BEFORE INCOME TAX</b>	<u>4,014,123</u>	<u>6,206,777</u>
<b>PROVISION FOR (BENEFIT FROM) INCOME TAX</b> (Note 28)		
Current	1,126,711	1,339,210
Deferred	(94,464)	(44,114)
	<u>1,032,247</u>	<u>1,295,096</u>
<b>NET INCOME</b>	<u>P2,981,876</u>	<u>P4,911,681</u>
Net income attributable to:		
Equity holders of the parent	P2,244,299	P3,261,369
Non-controlling interests	737,577	1,650,312
	<u>P2,981,876</u>	<u>P4,911,681</u>
<b>Basic and diluted earnings per share</b> (Note 16)	<u>P1.59</u>	<u>P2.43</u>