

NICKEL ASIA CORPORATION ANNOUNCES FINANCIAL AND OPERATING RESULTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014

Tokyo, November 10, 2014 – Nickel Asia Corporation (NAC; PSE:NIKL) today announced its financial and operating results for the nine months ended September 30, 2014 with attributable net income (net of minority interests) at P8.18 billion, 370% higher compared to P1.74 billion reported for the nine months ended September 30, 2013. The Company's earnings during the first nine months is inclusive of a non-cash gain of P416.6 million, which was the result of a revaluation by its 60%-owned subsidiary, Rio Tuba Nickel Mining Corporation, of its investment in Coral Bay Nickel Corporation. Net of the one-time gain, core income stood at P7.76 billion. Earnings before interest, tax, depreciation and amortization (EBITDA) amounted to P14.1 billion compared to P3.7 billion in the prior year.

The sharp rise in earnings during the first nine months was mainly due to a combination of higher shipment volumes and nickel prices. The Company also recognized additional earnings amounting to P401.9 million, representing its share of profits from Taganito HPAL Nickel Corporation (THPAL), where the Company has a 22.5% equity stake.

Total volume of nickel ore sold and delivered from the Company's four operating mines in the first nine months of 2014 reached 14.26 million wet metric tons (WMT) as against 10.32 million WMT in the same period last year. The surge in shipment volumes was mainly the result of increased ore deliveries to THPAL, which was commissioned last year and is now on its first full year of operations. Consequently, shipments of ore to the plant from the Company's 65%-owned subsidiary, Taganito Mining Corp., increased from 0.27 million WMT in the first nine months of 2013 to 2.78 million WMT for the comparable period this year. Shipments of ore to China also increased from 6.62 million WMT to 7.31 million WMT while shipments to Japan likewise increased from 0.90 million WMT to 1.56 million WMT this year.

Of the total volume of ore shipped, 4.79 million WMT was saprolite ore and 9.47 million WMT was limonite ore, which includes 5.38 million WMT delivered to both the Coral Bay and the Taganito processing plants.

In terms of price, the Company realized an average of \$7.87 per pound of payable nickel on its shipments of ore to the HPAL plants, the pricing of which remains linked to the LME. While traditionally the pricing of ore shipped to Japan was also linked to the LME, starting in the second quarter of this year, such sales were benchmarked to China prices on the basis of a negotiated price per WMT of ore. This was deemed necessary as the effect of the Indonesian ore export ban led to a surge in ore prices to Chinese customers, particularly in the second and third quarters of this year, at a much faster rate than the increase in LME prices.

With respect to shipments to China and Japan, the Company achieved an average price of \$46.72 per WMT, a substantial increase compared to the average of \$20.96 per WMT for the same period last year. For comparison purposes, the

average prices of ore shipments to Japan for last year and the first quarter of this year, which were then linked to the LME, have been converted to the equivalent price per WMT of ore.

As a result of the increase in shipment volumes, total cash operating costs and expenses grew by 58% from P4.09 billion in the first nine months of 2013 to P6.45 billion in 2014. On a per WMT of ore sold, total cash costs and expenses increased to \$10.30 per WMT in 2014 compared to \$9.32 per WMT in 2013.

“We are delighted with our strong results for the first nine months of this year and our ability to build on the combination of higher prices and increased production to meet higher demand for our ore”, said Gerard H. Brimo, President and CEO of the Company.

In the November 10, 2014 meeting, the Board of Directors also approved a special cash dividend and a stock dividend, the details of which are contained in a separate release.

NICKEL ASIA CORPORATION AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2014
(With Comparative Audited Figures as at December 31, 2013)
(Amounts in Thousands)

	September 30, 2014	December 31, 2013
	(Unaudited)	(Audited)
ASSETS		
Current Assets		
Cash and cash equivalents	P16,174,966	P10,234,336
Trade and other receivables	3,076,261	839,449
Inventories	2,310,681	2,044,469
Available-for-sale (AFS) financial assets	2,559,383	1,257,370
Prepayments and other current assets	479,252	225,412
Total Current Assets	24,600,543	14,601,036
Noncurrent Assets		
AFS financial assets	1,933,773	1,181,568
Property and equipment	6,789,803	6,585,752
Investment property	29,000	29,000
Investment in an associate	4,562,973	4,112,126
Long-term stock pile inventory - net of current portion	816,349	981,463
Deferred income tax assets - net	174,644	344,443
Other noncurrent assets	1,185,378	1,078,140
Total Noncurrent Assets	15,491,920	14,312,492
TOTAL ASSETS	P40,092,463	P28,913,528
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables	P1,663,709	P928,113
Income tax payable	2,172,637	263,381
Current portion of long-term debt	118,739	117,469
Total Current Liabilities	3,955,085	1,308,963
Noncurrent Liabilities		
Long-term debt - net of current portion	1,357,020	1,421,128
Deferred income tax liabilities - net	439,046	486,228
Deferred income - net of current portion	72,276	75,419
Provision for mine rehabilitation and decommissioning	123,628	130,927
Pension liability	278,544	279,075
Total Noncurrent Liabilities	2,270,514	2,392,777
Equity Attributable to Equity Holders of the Parent		
Capital stock	1,271,200	1,266,780
Additional paid-in capital	8,240,675	8,151,603
Other components of equity:		
Cost of share-based payment plan	23,088	49,524
Net valuation gains on AFS financial assets	149,885	99,506
Share in cumulative translation adjustment	184,226	140,201
Asset revaluation surplus	33,342	33,629
Retained earnings		
Unappropriated	17,173,010	9,748,905
Appropriated	1,000,000	1,000,000
	28,075,426	20,490,148
Non-controlling Interests	5,791,438	4,721,640
Total Equity	33,866,864	25,211,788
TOTAL LIABILITIES AND EQUITY	P40,092,463	P28,913,528

NICKEL ASIA CORPORATION AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF INCOME
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014 AND 2013
(Amounts in Thousands, Except Earnings per Share)

	2014	2013
	(Unaudited)	
REVENUES		
Sale of ore	P20,638,554	P7,767,577
Services and others	507,478	429,446
	21,146,032	8,197,023
COSTS AND EXPENSES		
Cost of sales	4,165,197	3,281,999
Cost of services	277,723	243,634
Excise taxes and royalties	1,504,124	474,190
Shipping and loading costs	1,501,963	1,024,549
General and administrative	581,524	419,148
Marketing	144,493	33,618
	8,175,024	5,477,138
FINANCE INCOME	800,974	128,337
FINANCE EXPENSES	(109,095)	(85,338)
EQUITY IN NET INCOME (LOSSES) OF AN ASSOCIATE	401,930	(114,018)
OTHER INCOME - Net	466,594	399,024
INCOME BEFORE INCOME TAX	14,531,411	3,047,890
PROVISION FOR (BENEFIT FROM) INCOME TAX		
Current	3,733,119	882,788
Deferred	96,134	(67,562)
	3,829,253	815,226
NET INCOME	P10,702,158	P2,232,664
Net income attributable to:		
Equity holders of the parent	P8,181,545	P1,739,764
Non-controlling interests	2,520,613	492,900
	P10,702,158	P2,232,664
Earnings per share:		
Basic	P3.24	P0.69
Diluted	P3.22	P0.69