

NICKEL ASIA CORPORATION ANNOUNCES 2015 FINANCIAL AND OPERATING RESULTS

Taguig City, March 15, 2016 – Nickel Asia Corporation (NAC; PSE:NIKL) today announced its audited financial and operating results for 2015 with attributable net income (net of minority interests) at P2.04 billion compared to P8.55 billion reported in 2014. Earnings before interest, tax, depreciation and amortization (EBITDA) amounted to P6.51 billion compared to P15.84 billion in the prior year.

The Company's net income in 2015 is inclusive of a P811 million equity loss from its 22.5% investment in Taganito HPAL Nickel Corporation and its 10% equity interest in Coral Bay Nickel Corporation due to much lower nickel prices. This compares to P522 million equity income reported in 2014.

While the Company reported higher volume of shipments in 2015, total revenues dropped to P15.43 billion from P24.75 billion the previous year as the price of nickel, like most other metals, has been on a continuous decline throughout the year under review.

The Company's total volume of nickel ore sold from its four operating mines in 2015 reached 19.67 million wet metric tons (WMT) as against 17.87 million WMT in 2014. Higher shipment volumes were mostly accounted for by an increase in the direct exports of ore, mainly to China, from 10.47 million WMT in 2014 to 11.88 million WMT in 2015. Ore deliveries to the HPAL plants likewise increased to 7.80 million WMT in 2015 compared to 7.41 million WMT in 2014.

Of the total volume of ore shipped in 2015, 7.06 million WMT was saprolite ore and 12.61 million WMT was limonite ore – the latter includes deliveries of limonite to both the Coral Bay and Taganito processing plants. This compares to 5.74 million WMT and 12.13 million WMT, respectively, in 2014.

In terms of price, the Company realized an average of \$5.36 per pound of payable nickel on its shipments of ore to the two HPAL plants in 2015, the pricing of which remains linked to the LME. This compares to an average price of \$7.69 per pound of payable nickel sold in the previous year. With respect to export sales, the Company achieved an average price of \$22.64 per WMT in 2015 compared to \$45.10 realized in 2014.

While shipment volumes increased by 10%, total cash operating costs and expenses decreased from P9.26 billion in 2014 to P8.98 billion in 2015, as a result of stringent cost cutting measures implemented at the mine sites. On a per WMT of ore sold, total cash costs and expenses decreased to \$10.07 per WMT in 2015 as against \$11.77 per WMT in 2014.

“The year 2015 saw commodity prices falling to multi-year lows, mainly on the back of slower growth in China and a very strong US dollar. Notwithstanding the pronounced drop in nickel prices and its effect particularly on the profitability of the processing plants, the Company managed to show positive results”, said Gerard H. Brimo, President and CEO of the Company. “We see more challenges in

the coming year. However, our dominant position as a low cost producer will help the Company ride-out the current down-cycle”, Mr. Brimo added.

Finally, the Company’s Board of Directors approved the declaration of cash dividend of P0.08 per common share payable on April 12, 2016 for shareholders of record on March 31, 2016.

For any questions &/or clarifications, please contact:

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NICKEL ASIA CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Amounts in Thousands)

	December 31	
	2015	2014
ASSETS		
Current Assets		
Cash and cash equivalents	₱7,073,171	₱13,561,803
Trade and other receivables	1,035,503	1,431,080
Inventories	3,211,269	2,863,181
Available-for-sale (AFS) financial assets	5,013,919	2,281,632
Prepayments and other current assets	344,080	473,774
Total Current Assets	16,677,942	20,611,470
Noncurrent Assets		
AFS financial assets - net of current portion	817,118	522,797
Property and equipment	9,958,791	6,598,993
Investment properties	29,000	29,000
Investments in associates	4,764,087	5,304,040
Long-term stockpile inventory - net of current portion	584,740	812,760
Geothermal exploration and evaluation assets	6,114,914	-
Deferred income tax assets - net	153,260	207,967
Other noncurrent assets	2,546,356	1,096,881
Total Noncurrent Assets	24,968,266	14,572,438
TOTAL ASSETS	₱41,646,208	₱35,183,908
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables	₱7,125,713	₱1,482,640
Short-term debt	180,000	-
Current portion of long-term debt	124,521	118,329
Deposits for future stock subscription	169,058	-
Income tax payable	113,939	513,598
Total Current Liabilities	7,713,231	2,114,567
Noncurrent Liabilities		
Long-term debt - net of current portion	3,357,733	1,313,203
Provision for mine rehabilitation and decommissioning	169,926	130,175
Deferred income - net of current portion	67,039	71,229
Long-term payable	27,641	-
Deferred income tax liabilities	647,371	421,050
Pension liability	250,079	231,338
Total Noncurrent Liabilities	4,519,789	2,166,995
Total Liabilities	12,233,020	4,281,562
Equity Attributable to Equity Holders of the Parent		
Capital stock	3,805,670	1,272,495
Stock dividends distributable	-	632,648
Additional paid-in capital	8,284,767	8,273,655
Other components of equity:		
Share in cumulative translation adjustment	406,609	82,154
Net valuation gains (losses) on AFS financial assets	(134,467)	171,322
Cost of share-based payment plan	104,824	47,060
Asset revaluation surplus	32,863	33,246
Retained earnings:		
Unappropriated	12,011,607	15,673,051
Appropriated	1,000,000	1,000,000
	25,511,873	27,185,631
Non-controlling Interests (NCI)	3,901,315	3,716,715
Total Equity	29,413,188	30,902,346
TOTAL LIABILITIES AND EQUITY	₱41,646,208	₱35,183,908

NICKEL ASIA CORPORATION AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF INCOME**

(Amounts in Thousands, Except Earnings per Share)

	Years Ended December 31		
	2015	2014	2013
REVENUES			
Sale of ore	₱14,795,649	₱24,052,734	₱10,475,497
Services and others	635,997	692,970	634,032
	15,431,646	24,745,704	11,109,529
COSTS AND EXPENSES			
Cost of sales	6,279,248	5,356,411	4,489,294
Cost of services	357,917	371,150	335,292
Shipping and loading costs	1,757,943	1,837,568	1,398,771
Excise taxes and royalties	1,089,603	1,754,834	648,608
General and administrative	912,854	956,462	624,477
Marketing	130,166	168,943	65,629
	10,527,731	10,445,368	7,562,071
FINANCE INCOME	305,112	172,104	166,753
FINANCE EXPENSES	(192,747)	(164,771)	(128,640)
EQUITY IN NET INCOME (LOSSES) OF ASSOCIATES	(811,369)	522,380	(184,703)
OTHER INCOME - net	507,166	470,897	309,783
INCOME BEFORE INCOME TAX	4,712,077	15,300,946	3,710,651
PROVISION FOR (BENEFIT FROM) INCOME TAX			
Current	1,605,750	4,265,468	1,169,504
Deferred	61,536	27,359	(45,289)
	1,667,286	4,292,827	1,124,215
NET INCOME	₱3,044,791	₱11,008,119	₱2,586,436
Net income attributable to:			
Equity holders of the parent	₱2,035,143	₱8,551,627	₱2,053,674
NCI	1,009,648	2,456,492	532,762
	₱3,044,791	₱11,008,119	₱2,586,436
Earnings per share (EPS)			
Basic	₱0.27	₱1.13	₱0.27
Diluted	₱0.27	₱1.12	₱0.27