

PRESS RELEASE

NICKEL ASIA CORPORATION ANNOUNCES 2014 FINANCIAL AND OPERATING RESULTS

Manila, March 27, 2015 - Nickel Asia Corporation (NAC) (PSE:NIKL) today announced its audited financial and operating results for 2014, with attributable net income (net of minority interests) of P 8.55 billion, 316% higher than the prior year's net income of P2.05 billion, on revenues of P24.7 billion compared to P11.1 billion in 2013. On a per share basis, earnings stood at P2.26 compared to P0.54 in 2013. Earnings before interest, tax, depreciation and amortization (EBITDA) increased by 218% to P15.84 billion compared to P4.99 billion in the prior year.

Also included in the Company's earnings is its share in the profits of Taganito HPAL Nickel Corp. (Taganito HPAL), where the Company has a 22.5% equity stake, of P324 million. The Company also recognized earnings of P198 million representing its share in the profits of Coral Bay Nickel Corp. (Coral Bay) for the last three quarters of 2014. The Company obtained a direct 10% ownership in Coral Bay in the first quarter of 2014 through a property dividend declared by its 60%-owned subsidiary, Rio Tuba Nickel Mining Corp. (Rio Tuba). In the 2014 consolidated financial statements, the asset was classified as investment in an associate, and carried at the original cost.

The Company's strong performance in 2014 was due to the combined effects of higher ore prices and record shipments of ore. Shipment volumes in 2014 increased by 28% to 17.9 million wet metric tons (WMT) from 14.0 million WMT in 2013. Sales of limonite ore amounted to 12.1 million WMT compared to 10.4 million WMT in 2013, while sales of saprolite ore was 5.8 million WMT as against 3.6 million WMT in the prior year.

The increase was mainly the result of much higher ore deliveries to Taganito HPAL, which was on its first full year of commercial operations in 2014. Consequently, shipments of low-grade limonite ore to the plant from the Company's 65%-owned subsidiary, Taganito Mining Corp., increased from 0.87 million WMT in 2013 to 4.0 million WMT. Shipments of the same type of ore material from the Company's Rio Tuba operation to Coral Bay of 3.4 million WMT remain unchanged. Exports of ore to China decreased from 8.7 million WMT in 2013 to 8.5 million WMT, while shipments to Japan increased from 1.1 million WMT to 1.8 million WMT. About 158 thousand WMT was also exported to Australia in 2014.

With respect to prices of the Company's various ore products, the effect of the Indonesian ore ban in January 2014 led to a surge in prices, particularly in the second and third quarters of the year. On a US dollar per WMT basis, the average realized price for ore exports amounted to \$45.10 compared to \$21.28 per WMT in the prior year. With respect to sales to both the Coral Bay and Taganito HPAL plants, which remain benchmarked to the LME, the Company realized an average price of \$7.69 per pound of payable nickel compared to \$6.70 per pound of payable nickel in 2013.

“The much improved market conditions and higher ore production and sales resulted in record-breaking earnings last year”, said Gerard H. Brimo, President and CEO. “We are also delighted at the results of the first full year of operations of the new Taganito HPAL plant, which has met all expectations.”

As a result of much higher shipments, total cash operating costs and expenses increased from P6.0 billion in 2013 to P9.3 billion in 2014. Total taxes and fees paid to government amounted to P7.17 billion in 2014 including excise taxes and royalties of P1.34 billion and corporate income tax of P4.24 billion. The corresponding figures for the prior year are P2.57 billion, P573.80 million and P1.16 billion, respectively.

In a meeting of the Board of Directors held today, the Board approved a regular cash dividend of P0.70 per share and a special cash dividend of P0.30 per share. The Board also approved a 100% stock dividend. The details of the cash and stock dividend approvals are contained in a separate disclosure made today.

In the same meeting, the Board approved the hiring of Mr. Jose Anievas, currently Vice President–Operations, Taganito Mining Corp., as the Company’s new Chief Operating Officer and Senior Vice President, effective April 1, 2015. Mr. Anievas replaces Mr. Jose Saret, who is retiring after over twenty years of meritorious service to both the Company and its subsidiaries.

With respect to the Company’s entry into the power sector, the Company had provided a one-year loan of P446 million to Emerging Power, Inc., (EPI) to finance the drilling of two “slim holes” at the Montelago geothermal field, Mindoro Occidental, convertible to equity at the option of the Company. Prior to the drilling, EPI has secured Power Sales Agreements with the electric cooperatives of both Occidental and Oriental Mindoro to provide up to 40 MW of geothermal power. The drilling has been completed and target depths and temperatures have been reached. The Board has approved the conversion of the loan and an additional investment of about P474 million, which will equate to 66% equity interest in EPI, subject to the receipt of a satisfactory Volumetric Assessment Report, expected to be completed in April.

For any questions or clarifications, please contact:

Emmanuel Samson

CFO

Tel. No. (+632) 798 7622

manny.samson@nickelasia.com

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

	December 31	
	2014	2013
ASSETS		
Current Assets		
Cash and cash equivalents	₱13,561,803	₱10,234,336
Trade and other receivables	1,431,080	839,449
Inventories	2,863,181	2,044,469
Available-for-sale (AFS) financial assets	2,281,632	1,257,370
Prepayments and other current assets	473,774	225,412
Total Current Assets	20,611,470	14,601,036
Noncurrent Assets		
AFS financial assets - net of current portion	522,797	1,181,568
Property and equipment	6,598,993	6,585,752
Investment properties	29,000	29,000
Investments in associates	5,304,040	4,112,126
Long-term stockpile inventory - net of current portion	812,760	981,463
Deferred income tax assets - net	207,967	344,443
Other noncurrent assets	1,096,881	1,078,140
Total Noncurrent Assets	14,572,438	14,312,492
TOTAL ASSETS	₱35,183,908	₱28,913,528
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables	₱1,482,640	₱928,113
Current portion of long-term debt	118,329	117,469
Income tax payable	513,598	263,381
Total Current Liabilities	2,114,567	1,308,963
Noncurrent Liabilities		
Long-term debt - net of current portion	1,313,203	1,421,128
Deferred income tax liabilities - net	421,050	486,228
Provision for mine rehabilitation and decommissioning	130,175	130,927
Deferred income - net of current portion	71,229	75,419
Pension liability	231,338	279,075
Total Noncurrent Liabilities	2,166,995	2,392,777
TOTAL LIABILITIES	4,281,562	3,701,740
Equity Attributable to Equity Holders of the Parent		
Capital stock	1,272,495	1,266,780
Stock dividends distributable	632,648	-
Additional paid-in capital	8,273,655	8,151,603
Other components of equity:		
Net valuation gains on AFS financial assets	171,322	99,506
Cost of share-based payment plan	47,060	49,524
Asset revaluation surplus	33,246	33,629
Share in cumulative translation adjustment	82,154	140,201
Retained earnings:		
Appropriated	1,000,000	1,000,000
Unappropriated	15,673,051	9,748,905
	27,185,631	20,490,148
Non-controlling Interests	3,716,715	4,721,640
Total Equity	30,902,346	25,211,788
TOTAL LIABILITIES AND EQUITY	₱35,183,908	₱28,913,528

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

(Amounts in Thousands, Except Earnings per Share)

	Years Ended December 31		
	2014	2013	2012
REVENUES			
Sale of ore	₱24,052,734	₱10,475,497	₱11,143,293
Services and others	692,970	634,032	463,614
	24,745,704	11,109,529	11,606,907
COSTS AND EXPENSES			
Cost of sales	5,356,411	4,489,294	4,467,215
Cost of services	371,150	335,292	260,399
Shipping and loading costs	1,837,568	1,398,771	1,400,550
Excise taxes and royalties	1,754,834	648,608	707,937
Marketing	168,943	65,629	94,354
General and administrative	956,864	624,819	527,581
	10,445,770	7,562,413	7,458,036
FINANCE INCOME	172,104	166,753	235,040
FINANCE EXPENSES	(164,369)	(128,298)	(114,536)
EQUITY IN NET INCOME (LOSSES) OF AN ASSOCIATE	522,380	(184,703)	(114,639)
OTHER INCOME - net	470,897	309,783	300,262
INCOME BEFORE INCOME TAX	15,300,946	3,710,651	4,454,998
PROVISION FOR (BENEFIT FROM) INCOME TAX			
Current	4,265,468	1,169,504	1,264,270
Deferred	27,359	(45,289)	70,428
	4,292,827	1,124,215	1,334,698
NET INCOME	₱11,008,119	₱2,586,436	₱3,120,300
Net income attributable to:			
Equity holders of the parent	₱8,551,627	₱2,053,674	₱2,207,210
Non-controlling interests	2,456,492	532,762	913,090
	₱11,008,119	₱2,586,436	₱3,120,300
Earnings per share (EPS)			
Basic	₱2.26	₱0.54	₱0.58
Diluted	₱2.25	₱0.54	₱0.58