

Michael Prokhorov, CEO



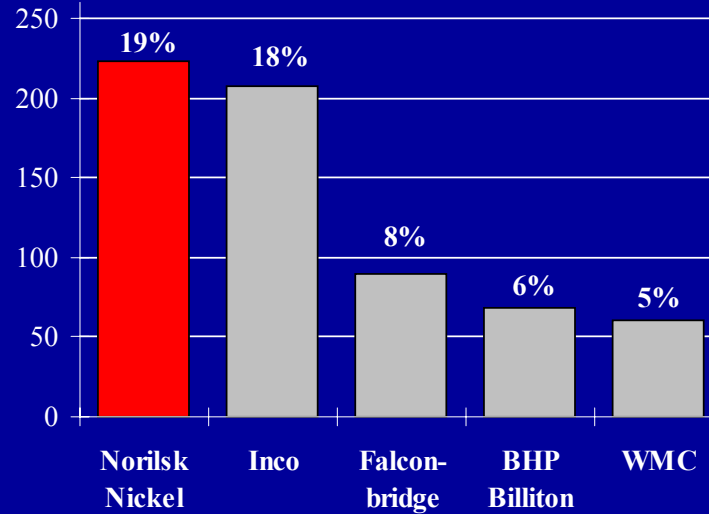
**Presentation at
Brunswick UBS Warburg Conference**

Moscow, September 2002

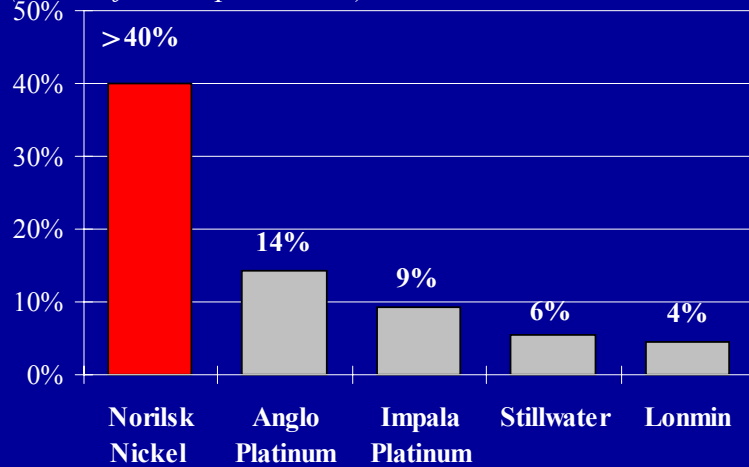
World Leading Producer of Base and Precious Metals



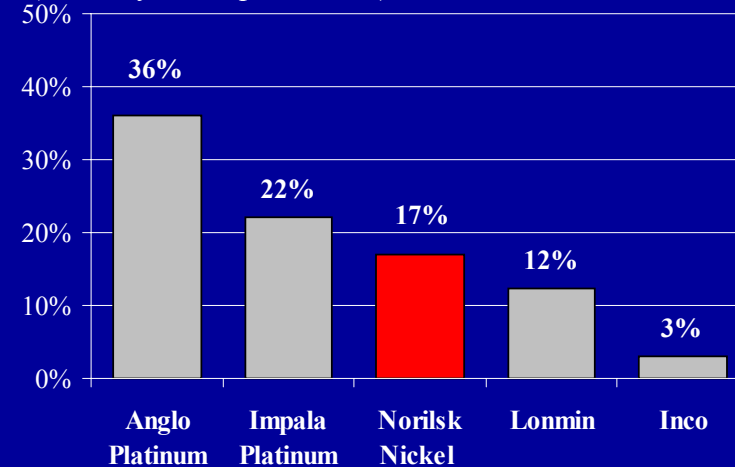
Largest nickel producers in 2001
(In '000 tons, share of world production)



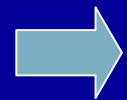
Largest palladium producers in 2001
(Share of world production)



Largest platinum producers in 2001
(Share of world production)



Competitive Advantages



Three metal groups* (platinum group metals, nickel and copper) in one ore

- Low transportation cost: main facilities on the Taimyr Peninsula are located at the mouth of the Arctic Ocean
- Low energy cost: control over 70% of energy supply from natural gas field deposit adjacent to main facilities
- Flexibility in overweighing metals by focusing on different types of ore

* Norilsk Nickel's ore also contains cobalt, rhodium and other precious metals



Financial Highlights of Norilsk Nickel Group (IAS*)



(in millions of US dollars)

| | 2001 | 2000 | 1999 ⁽²⁾ |
|------------------------------------|--------------------|-------|---------------------|
| Revenues, incl. | 4 378 | 6 031 | 4 458 |
| Nickel | 1 380 | 2 058 | 1 790 |
| Copper | 631 | 880 | 927 |
| PGMs | 2 033 | 2 755 | 1 469 |
| Cobalt | 78 | 100 | 133 |
| Adjusted EBIT | 979 ⁽¹⁾ | 2 302 | 1 277 |
| margin, % | 22% | 38% | 29% |
| Net After Tax Profit (as reported) | 1 222 | 1 616 | 816 |
| Adjusted Net Profit | 468 ⁽¹⁾ | 1 616 | 816 |
| margin, % | 11% | 27% | 18% |
| Total Assets | 7 212 | 7 233 | 6 637 |
| Shareholders' Equity | 4 876 | 5 000 | 3 671 |

Notes:

(1) Adjusted to exclude the Net Financing Gains: Changes in fair value of derivatives of \$753.4 MM

(2) 1999 financial data has been restated using Goskomstat inflation rates

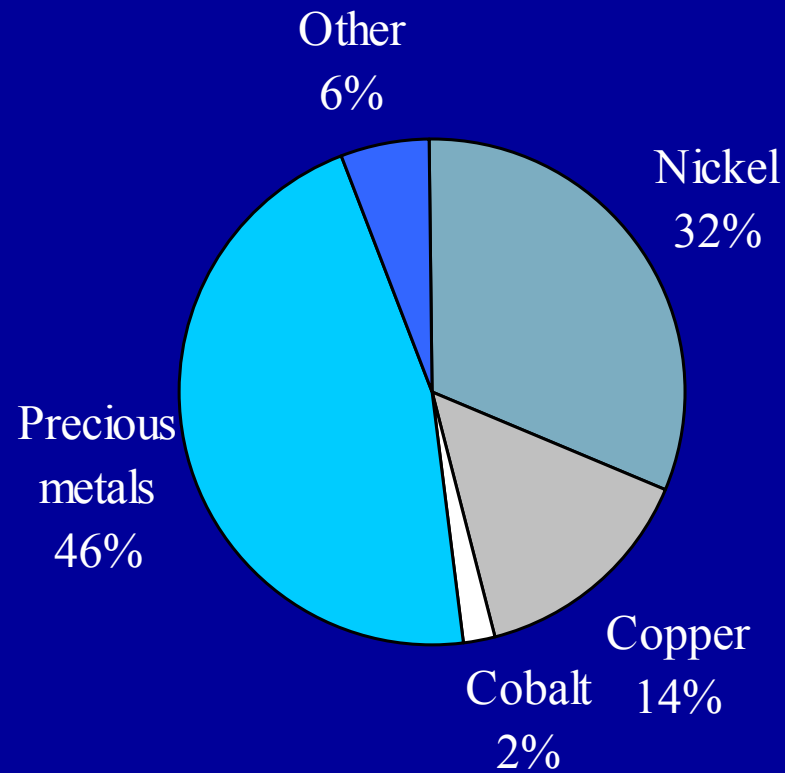
* Restatement in accordance with International Accounting Standards (IAS)



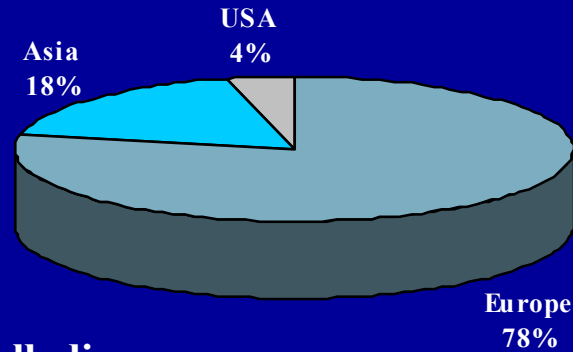
Product and Geographical Distribution of Revenues



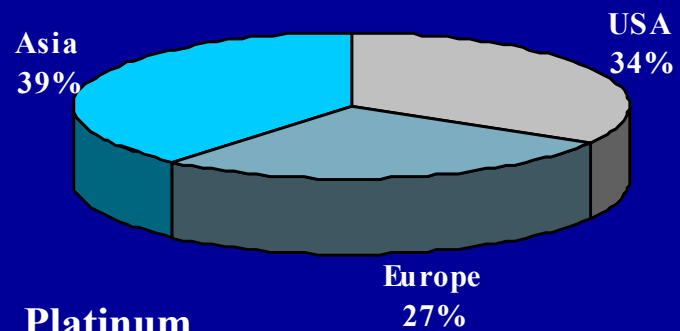
Revenue Split by Metal in 2001*



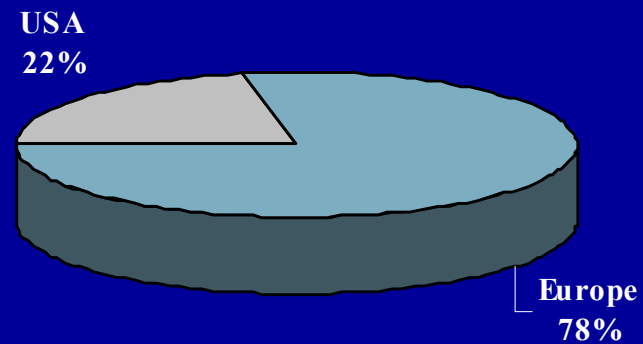
Export Revenue Split in 2001 - Nickel



Palladium



Platinum



* In accordance with IAS



Development Strategy – Focus on Shareholder Value

- Transparency and Corporate Governance
- Optimization of Production
- Refocus of Distribution
- Improvement of Financial Results
- Review of Strategic Opportunities



Corporate Governance – Key Developments



- Since January 2002 Norilsk Nickel has implemented a number of important steps aiming to raise its corporate governance profile to international standards, including:
 - Release of 2000 and 2001 IAS financial statements
 - Amendment of the charter and corporate by-laws to reflect the provisions of the Federal Securities Commission Code of Corporate Conduct and last versions of the Corporate Law
 - Improvement of the contents of the annual report
 - Election of the new Board of Directors and introduction of 3 independent directors to the Board
 - Creation of the Management Board with clearly allocated responsibilities



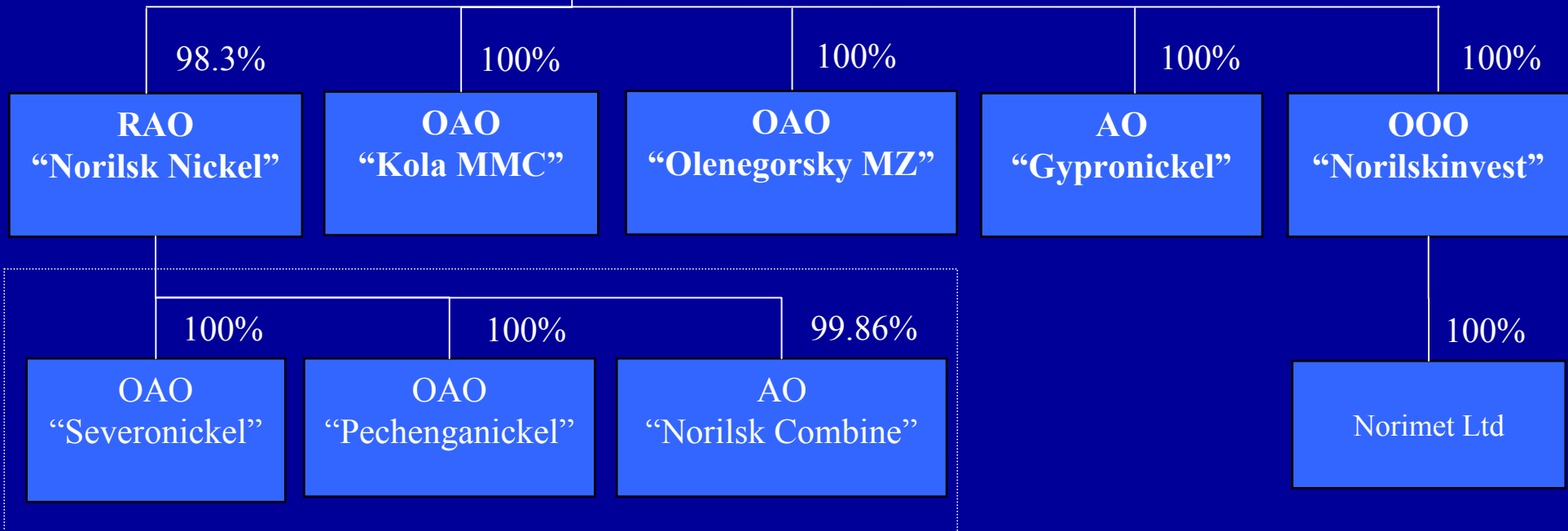
Completion of Restructuring



ОАО
“MMC Norilsk Nickel”



- Profit center
- Key production assets
- Licenses
- Allows dividend payments

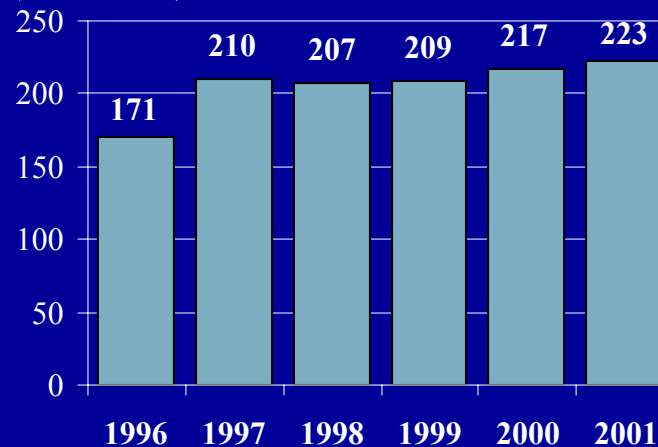


Production – Partial Lifting of State Secrecy



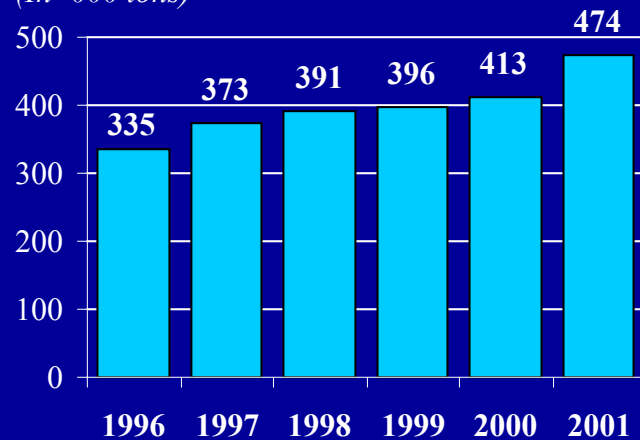
Nickel production

(In '000 tons)



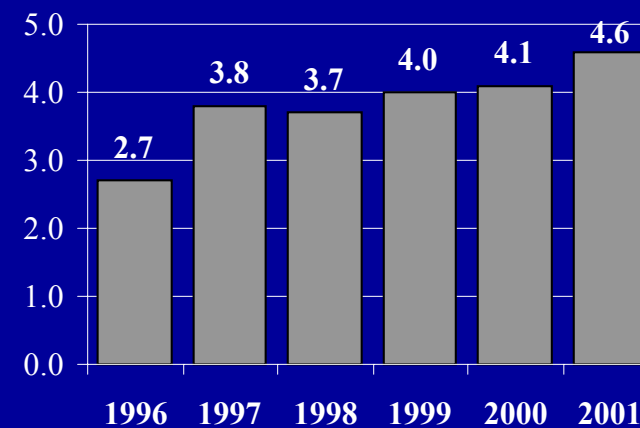
Copper production

(In '000 tons)



Cobalt production

(In '000 tons)

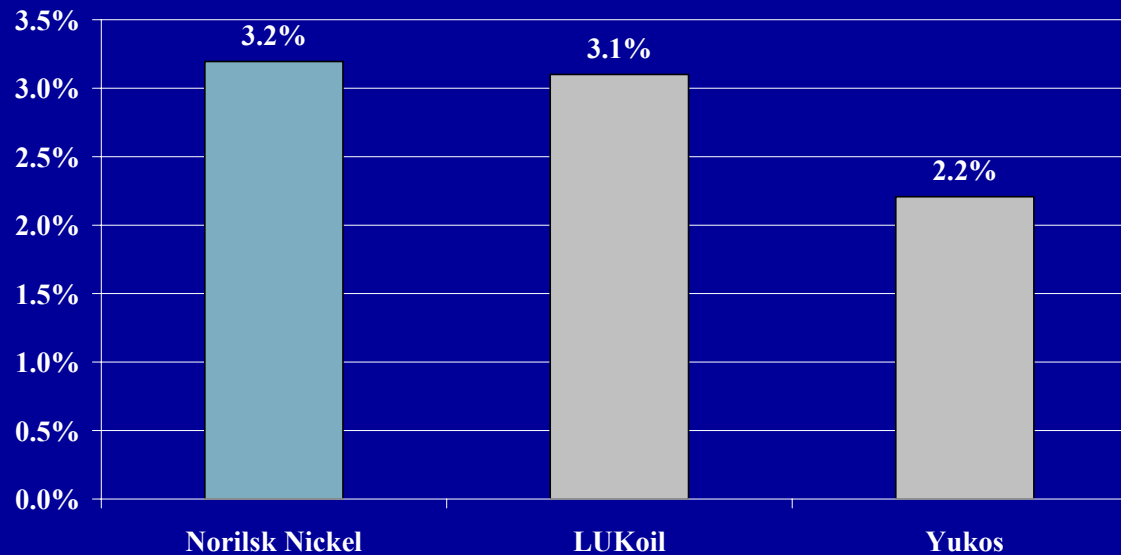


Dividends – Returning Cash to Shareholders



- On May 29, 2002 Norilsk Nickel's Board of Directors announced a dividend of RUR23 (US\$0,74) per common share that was consequently approved by shareholders at AGM on June 30, 2002
 - Dividend yield of 3.2% (at the announcement date)
 - Dividend payout ratio of 33.8% according to IAS adjusted net profit
- On June 4, 2002 a long-term dividend policy was approved by the Board of Directors. It establishes annual dividend payments based on the range of 20-25% of net income as determined according to IAS

Norilsk Nickel vs. Russian peers
Dividend yield at the announcement date



Optimization of Production



- Developing new production strategy
- Optimizing extraction of ore from world-class mines in Taimyr and Kola Peninsulas
 - Currently reviewing mining calendar to optimize mining of richer ores and increase production in line with market demand
- Optimizing enrichment and metallurgical processes
 - Increase capacity
 - Increase efficiency (metal losses during processes)
 - Reduce costs of production
 - Reduce negative environmental impact
- Developing new capital investment program based on the production strategy
 - Main criteria for investment will be financial (ROI and ROCE > WACC)



Refocus of Distribution



- Achieve independence in marketing of palladium and other PGMs
 - Received long-term quotas for export of palladium and platinum
 - Entered into agreement with Almazylirexport to sell PGMs directly to its customers
- Act responsibly in metals markets
 - Entered into nickel inventory financing
 - Increasing attractiveness of palladium
 - Scientifically proven strengths
 - Main source of concern in past has been stability and reliability of supply
- Due to improved quality, starting April 1, 2002 the London Metals Exchange (LME) decided to deem Norilsk's nickel cathodes suitable for delivery to LME without penalty or discount



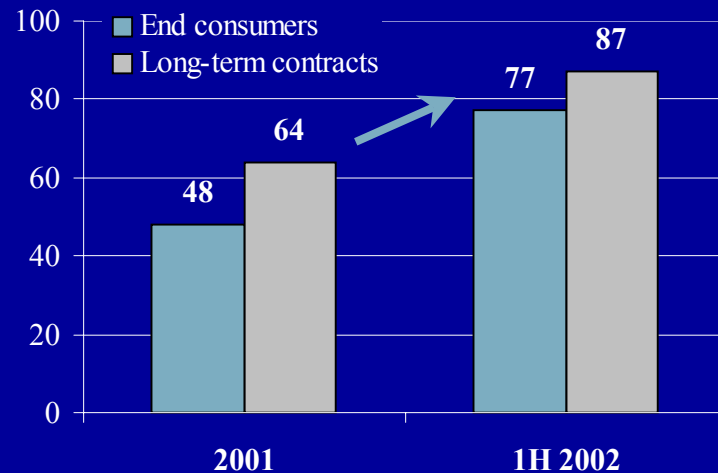
Focus on End-Users and Long Term Contracts



- Focus on relations with end-users
 - Limiting sales only to intermediaries with transparent distribution channels
 - Reducing sales to spot market
 - Eliminating speculative trading
 - Opening distribution offices globally to be closer to our customers
- First improvements over the course of the first half of 2002:
 - Sales to end-consumers increased by 29 percentage points in Nickel and by 7 pp in Copper
 - Share of long term contracts grew by 23 percentage points in Nickel and by 6 pp in Copper

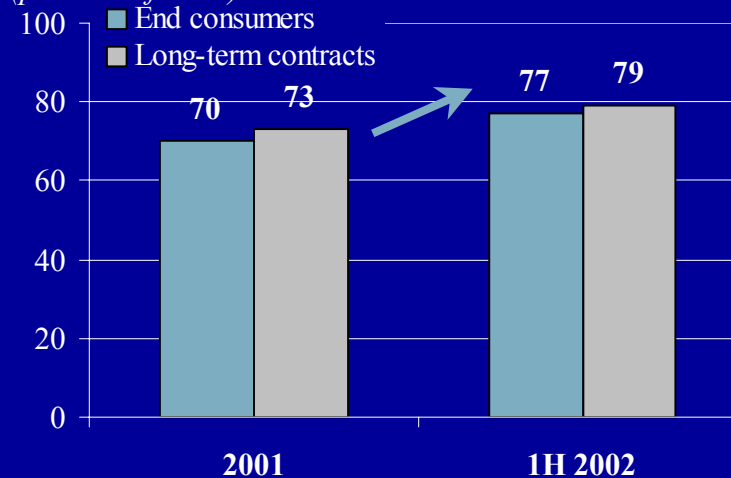
Nickel Sales Portfolio

(per cent of sales)



Copper Sales Portfolio

(per cent of sales)



Improvement of Financial Results

- Strive continually to reduce costs
 - Introduced open tenders to cut expenditures on purchased materials
 - Reducing labor costs by reducing number of employees
 - Transferred social infrastructure and taking other measures to reduce related costs
 - Developing own energy sources (to secure long-term energy supplies and reduce energy costs)
- Improve working capital management (increase cash generation)
 - Inventories management (both materials and finished products)
 - Accounts receivable
- Implement stringent budget and business planning policies
 - Implementing management information systems
 - Reviewing budgeting and capital investment decision-making processes
- Divestment of non-core assets
 - Sold stake in Novolipetsk Metallurgical Combine
 - Reviewing sale of other non-core assets

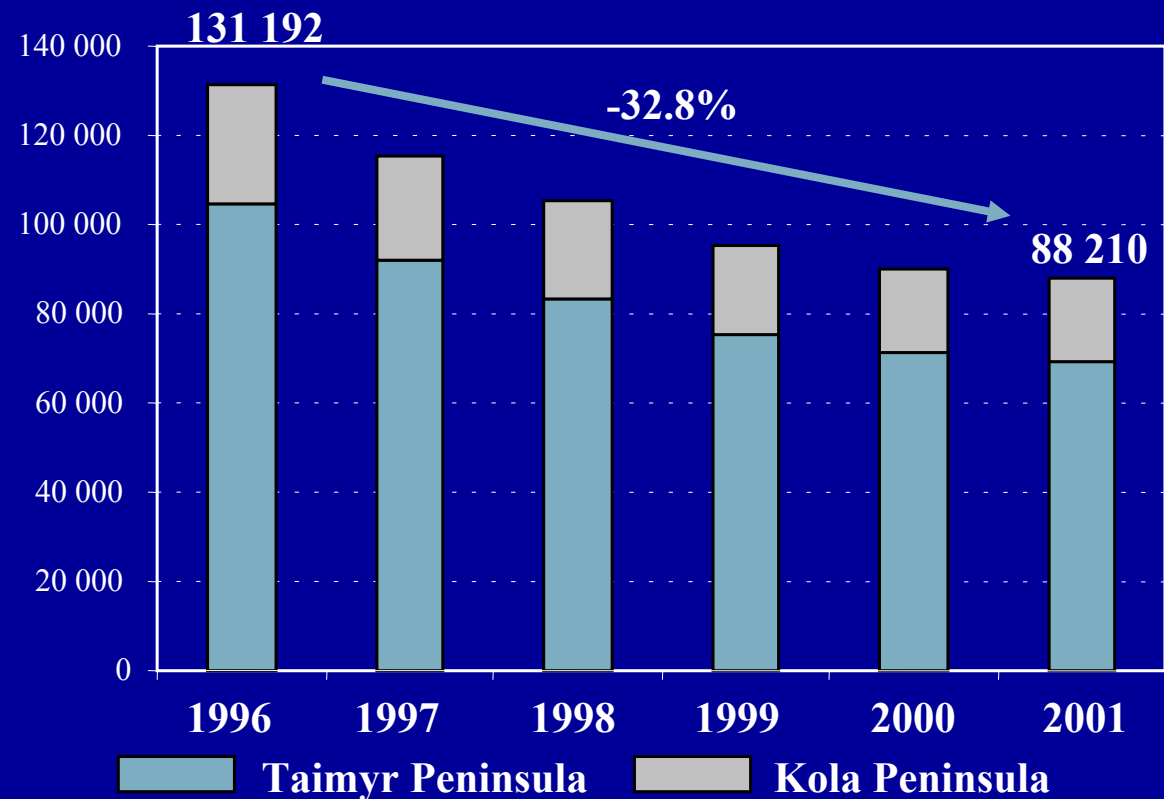


Improvement of Financial Results – Labor Costs



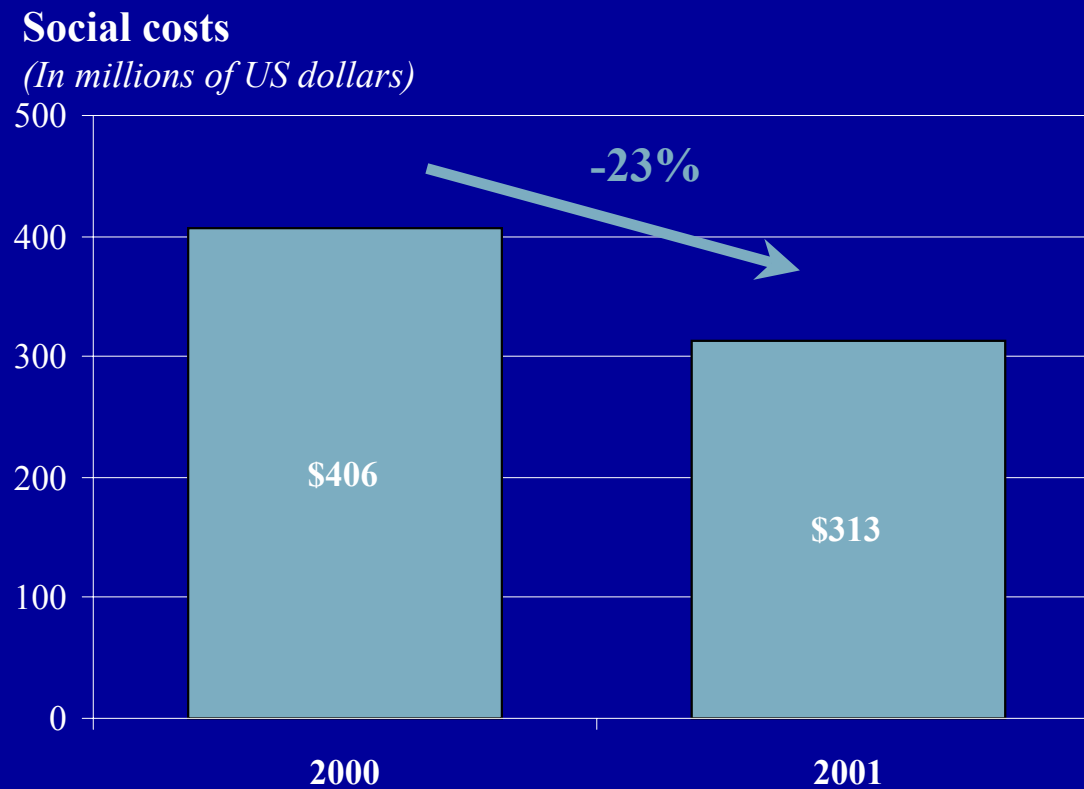
- Entered into a collective bargaining agreement with labor union that clearly defines wage policies and head reduction
- Reducing number of employees by 20 000 through 2004 by divesting non-core activities and natural attrition

Number of Employees



Reduction in Social Expenses

- In 2000-2001, the main social infrastructure assets located in the city of Norilsk were transferred from the Group's balance sheet to municipal ownership
- Norilsk Nickel continually reduces its social costs. In 2001, total social expenses were reduced by \$93 MM compared to 2000 and amounted to \$313 MM



Review of Strategic Opportunities






- While current focus is clearly on optimizing existing operations, Norilsk Nickel regularly considers strategic opportunities where we have a competitive advantage or a strategic interest
 - Performing geological analyses of existing and potential ore bodies in areas near current operations
 - Reviewing opportunities in existing and related metals in Russia and CIS
 - Potential consolidation plays
 - Diversification into related metals with attractive market fundamentals (distinct price volatilities and demand cycles)
 - Reviewing opportunities internationally
- After conducting a pre-feasibility study Norilsk Nickel decided to exit development of a “green field” laterite nickel project “Nakety” in New Caledonia



Next Items on Agenda



-  Payment of dividend for 2001 by October 15, 2002
-  Release of production strategy until the year 2015 by year-end
-  Fully audited IAS financial statements May/June 2003

