

Press release

9/2017

Stockholm

25 April 2017

Boliden's Q1: Mined production continues strong and metal prices improve

Boliden's Q1 2017 was characterised by strong levels of mined production and stable production at the copper smelters. Revenues totalled SEK 12,730 m (8,849) and the operating profit, excluding revaluation of process inventory, increased to SEK 2,061 m (769). The free cash flow totalled SEK 1,060 m (210).

“The metal prices trend was favourable throughout the quarter, as is reflected in the fact that both Business Areas posted strong operating profits. This was particularly true for Mines, which achieved a new record level for a single quarter. Mines’ production levels continued to be good, and Kevitsa, which was acquired last year, is developing well. Furthermore, production at the copper smelters was stable,” says Lennart Evrell, President & CEO of Boliden.

The operating profit within Mines improved on the previous quarter, mainly due to rising metal prices. Production levels were healthy at the majority of the Group’s mines, although it was lower than during the strong previous quarter, where stock reductions also affected earnings positively. Lower milled volumes at Tara was compensated for by higher grades, while copper and zinc production levels at Aitik and Garpenberg, respectively, fell slightly from those in the previous quarter.

Smelters’ operating profit, excluding revaluation of process inventory, was down on the previous quarter, largely due to the quantity of free metals at the copper smelters falling from the high levels noted in the previous quarter. Production was stable at Rönnskär, Harjavalta and Bergsöe. At Odda, the increased design capacity of 200 ktonnes/year was achieved for extended periods, but an unplanned stoppage affected both feed volumes and zinc production towards the end of the first quarter. Measures to improve zinc recovery levels at Kokkola are ongoing.

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