

Press release

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Boliden's first quarter: High grades at Aitik and Tara

Boliden's first quarter 2018 was characterised by high grades and few accidents. Revenues for the period totalled SEK 13,331 m (12,730) and the operating profit was SEK 2,672 m (2,149). The free cash flow totalled SEK 1,431 m (1,060).

"Production was high despite some disturbances. Together with favourable metal prices, it provided another quarter of operating profit of close to SEK 3 billion. After extensive work for increased safety, the accident rate has decreased and was the lowest ever in the quarter. The new Aitik crusher is underway, which affected the ore volume but was compensated by high grades. Also, Tara had high grades in the quarter. Worsened market terms had a negative impact on earnings within the smelters", says Boliden's President & CEO, Lennart Evrell.

The year on year improvement in the profit for Mines was due to strong production and favourable market terms. Lower milled volumes at Aitik and Kevitsa, and lower zinc grade at Garpenberg did, however, result in a decrease in profits from previous quarter's levels. These lower volumes were offset by high grades at Aitik and Tara. New information obtained from drilling work in high grade areas at Aitik resulted in the estimated copper grade for the remainder of 2018 being set at 0.26% in an upgrade on the previous estimated figure. Aitik's new crusher will come on line during the second quarter.

A deterioration in market terms resulted in a decrease in Smelters' profit. The profit was also negatively impacted by SEK -50 m related to a fire at Bergsöe. Copper smelter production remained stable. Zinc production increased at Odda, while production at Kokkola was negatively affected by an unfavourable concentrate mix.

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