

Press release

9/2020

Stockholm

28 April 2020

Boliden's first quarter: Stable production in Smelters but production disruptions in Tara

Revenues for the first quarter was SEK 13,210 m (13,047), with an operating profit, excluding revaluation of process inventory, of SEK 1,504 m (2,048). Free cash flow amounted to SEK -845 m (-323).

“While we had record results within Smelters, the quarter was challenging within Mines. The focus is to continue to operate normally, even though the current COVID-19 situation demands greater flexibility,” says Mikael Staffas, President and CEO.

Operating profit at Boliden Mines decreased to SEK 318 m (1,353). The decrease in earnings against both last year and the previous quarter was driven by significantly lower metal prices and lower grades. As a result of increased short-term absence linked to COVID-19, the previously communicated goals for production rates of 45 Mtonnes/year in Aitik and 9.5 Mtonnes/year in Kevitsa are not expected to be reached until the third quarter this year.

Aitik's milled volume was on a par with the previous quarter. High levels of short-term absence and unusually difficult winter conditions had a negative impact. The Boliden Area's milled volume decreased slightly compared to the previous quarter. However, higher grades due to changes in mining positions resulted in higher copper, zinc and silver production. Garpenberg's milled volume was in line with the previous quarter. Tara's milled volume was significantly lower due to production stoppages attributable to a breakdown in an ore conveyor belt and restrictions related to COVID-19. Kevitsa's milled volume reached a new record level, while in Kylylahti the milled volume was significantly higher than in the previous quarter.

Operating profit at Boliden Smelters, excluding revaluation of process inventory, was SEK 1,117 m (853). High volumes at improved prices and terms explain the positive development. In Rönnskär, as in Kokkola, the production of all metals increased compared to the previous quarter. Harjavalta's production volumes for most metals increased compared to the previous quarter. Odda delivered another strong production quarter and achieved a record feed level. Bergsöe's production remained stable.

For further information, please contact:

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Boliden is a metals company with a focus on sustainable development. Our roots are Nordic, our market global. Our core competence lies within the fields of exploration, mining, smelting and metal recycling. Boliden has around 6,000 employees and an annual turnover of SEK 50 billion. The share is listed in the Large Cap segment on NASDAQ OMX Stockholm.