

**Boliden AB (publ)**

Box 44, 101 20 Stockholm, Sweden  
 Tel +46 8 610 15 00, Fax +46 8 31 55 45  
 www.boliden.com  
 Corp. ID no. 556051-4142

## Interim Report January–September 2011

### Q3 2011

- Revenues totalled SEK 10,553 million (SEK 9,373 m)
- The operating profit totalled SEK 1,180 million (SEK 1,348 m)
  - The operating profit, excluding the revaluation of process inventory, totalled SEK 1,397 million (SEK 1,213 m)
- Free cash flow totalled SEK 820 million (SEK 1,203 m)
- Earnings per share totalled SEK 3.06 (SEK 3.33)

### Nine months 2011

- Revenues totalled SEK 30,607 million (SEK 26,596 m)
- The operating profit totalled SEK 3,673 million (SEK 3,701 m)
  - The operating profit, excluding the revaluation of process inventory, totalled SEK 4,017 million (SEK 3,385 m)
- Free cash flow totalled SEK 479 million (SEK 1,352 m)
- Earnings per share totalled SEK 9.51 (SEK 9.30)

### Summary of financial performance

SEK m	Q3 2011	Q3 2010	9 months 2011	9 months 2010	Oct 2010- Sept 2011	Full year 2010
Revenues	10 553	9 373	30 607	26 596	40 727	36 716
Operating profit (EBIT)	1 180	1 348	3 673	3 701	5 615	5 643
Operating profit ex. revaluation of process inventory	1 397	1 213	4 017	3 385	5 462	4 830
Profit after financial items	1 131	1 264	3 514	3 455	5 390	5 331
Net profit	837	910	2 602	2 543	4 016	3 957
Earnings per share, SEK	3,06	3,33	9,51	9,30	14,68	14,47
Free cash flow <sup>1</sup>	820	1 203	479	1 352	2 329	3 202
Return on capital employed <sup>2</sup>	-	-	-	-	21	21
Return on shareholders' equity <sup>3</sup> , %	-	-	-	-	21	23
Net debt/equity ratio <sup>4</sup> , %	27	37	-	-	-	24

<sup>1</sup> Refers to cash flow before financing operations.

<sup>2</sup> Operating profit divided by average capital employed.

<sup>3</sup> Profit after tax divided by average shareholders' equity.

<sup>4</sup> Net of interest-bearing provisions and liabilities minus financial assets including liquid assets divided by shareholders' equity

### Q3

#### Sales and production

Global demand for base metals continued good during the third quarter, but signs of weakening demand in Europe were evident towards the end of the quarter. Metal prices were, on average, higher than in the preceding quarter up until the second week in September, when drastic falls in prices resulted in base metal prices in USD for the quarter as a whole being lower than in the previous quarter. The strengthening of the US dollar did, however, result in a rise in prices in Swedish kronor.

Boliden's revenues totalled SEK 10,553 million (SEK 9,373 m). Sales increased in comparison with the previous quarter as a result of increases both in smelters' production and in volumes sold, and of higher metal prices, expressed in Swedish kronor.

With the exception of copper, mined production of metals increased in comparison with the previous quarter. Copper production fell due to the fact that mining at Aitik is now taking place in a part of the mine with lower grades.

Smelters' zinc and copper production increased in comparison with the previous quarter due to the limited scale of the maintenance shutdowns implemented during the third quarter.

#### Operating profit

The operating profit totalled SEK 1,180 million (SEK 1,348 m). The revaluation of process inventory impacted the quarterly profit to the tune of SEK -216 million. If the revaluation is excluded, the operating profit totalled SEK 1,397 million (SEK 1,213 m).

The operating profit for Business Area Mines totalled SEK 1,047 million (SEK 1,061 m) and the operating profit excluding the revaluation of process inventory for Business Area Smelters totalled SEK 356 million (SEK 238 m). The BA Smelters' profit includes the effect of maintenance shutdowns, totalling approximately SEK -45 million (SEK -100 m).

<b>OPERATING PROFIT ANALYSIS</b>			
<b>SEK m</b>	<b>Q3 2011</b>	<b>Q3 2010</b>	<b>Q2 2011</b>
<b>Operating profit</b>	<b>1 180</b>	<b>1 348</b>	<b>1 134</b>
Revaluation of process inventory	-216	136	14
<b>Operating profit ex. revaluation of process inventory</b>	<b>1 397</b>	<b>1 213</b>	<b>1 120</b>
<b>Change</b>		<b>184</b>	<b>277</b>
		<b>Q3 vs. Q3 2010:</b>	<b>Q3 vs. Q2 2011:</b>
<b>Analysis of change</b>			
Volume effect		112	-19
Costs		-239	170
Prices and terms		404	-123
<i>Metal prices and terms</i>		555	-112
<i>Realised metal price and currency hedging*</i>		-136	-38
<i>TC/RC terms</i>		-42	36
<i>Metal premiums</i>		27	-9
Exchange rate effects		-192	195
<i>Of which translation effects</i>		-4	-3
Internal profit elimination		87	63
Other		12	-10
<b>Change</b>		<b>184</b>	<b>277</b>
<b>*Result for respective period</b>	<b>Q3 2011</b>	<b>Q3 2010</b>	<b>Q2 2011</b>
Realised metal price and currency hedging	43	178	81

Costs in local currencies fell in comparison with the second quarter, largely due to the maintenance shutdowns implemented at that time. Costs have, however, increased in comparison with the corresponding quarter last year, with costs for energy and external services showing particularly steep rises. The cost increases are due, in part, to higher production levels. Operating expenses for the Group as a whole totalled SEK 3,027 million during the third quarter.

Changes in prices and terms had a negative effect on the profit of SEK 123 million during the quarter, but this was compensated for by a favourable exchange rate trend. The net effect was positive in comparison with the second quarter and totalled SEK 75 million. The pricing effect was strongly positive in comparison with the corresponding period last year, but this was countered, in part, by negative exchange rate effects.

Net financial items during the third quarter totalled SEK -50 million (SEK -85 m) and were slightly lower than in the preceding quarter. Net financial items were positively affected by lower interest rates.

The profit before tax totalled SEK 1,131 million (SEK 1,264 m). The net profit was SEK 837 million (SEK 910 m), corresponding to earnings per share of SEK 3.06 (SEK 3.33).

### Cash flow and investments

<b>CASH FLOW</b>	<b>Q3</b>	<b>Q3</b>	<b>Q2</b>
SEK m	<b>2011</b>	<b>2010</b>	<b>2011</b>
<b>Cash flow from operating activities before change in working capital</b>	1 572	1 951	1 307
Changes in working capital	217	-182	-1 073
<b>Cash flow from operating activities</b>	1 789	1 769	234
Investments and other	-968	-566	-1 024
<b>Before financing (Free cash flow)</b>	<b>820</b>	<b>1 203</b>	<b>-790</b>

The cash flow from operating activities, before investments, totalled SEK 1,789 million (SEK 1,769 m), and the free cash flow improved in comparison with the second quarter of 2011 by SEK 1,610 million. The improvement was mainly due to lower inventory levels. The investment level was on a par with that in the preceding quarter, but investments have increased in comparison with the previous year as a consequence of ongoing expansion projects at Rönnskär, Kankberg and Garpenberg. Tax paid during the quarter totalled SEK 70 million (SEK 35 m).

### Financial position

Boliden's net debt totalled SEK 5,594 million (SEK 6,430 m) on 30<sup>th</sup> September 2011 and the net debt/equity ratio was 27 per cent (37%). The average term of total limits on borrowing approved was 3.4 years (4.4 yrs.). The average interest level for Boliden's debt portfolio on 30<sup>th</sup> September 2011 was 3.05 per cent (2.68%) and the fixed interest term was 1.1 years (1.7 yrs.).

The contribution to shareholders' equity of the net market valuation of financial instruments, after fiscal effects, totalled SEK 314 million (SEK -2 m) on 30<sup>th</sup> September 2011.

Boliden's current liquidity, in the form of liquid assets and unutilised binding credit facilities, totalled SEK 9,569 million (SEK 8,908 m) at the end of the third quarter.

### THE PARENT COMPANY

The Parent Company, Boliden AB, conducts no operations and has no employees. The Parent Company's Income Statements and Balance Sheets can be found on page 20 of this Interim Report.

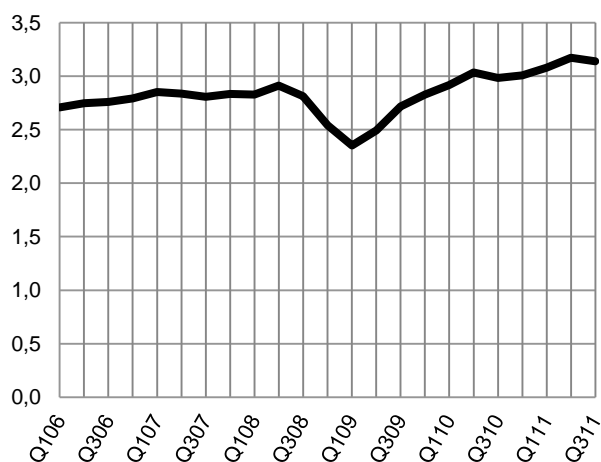
**MARKET PERFORMANCE**

Industrial activity levels in mature economies, with the exception of Japan, increased in comparison with the previous year and were on a par with levels during the second quarter. Industrial capacity utilisation levels remain below the norm in several countries, while production levels for several metal-consuming sectors have normalised. Demand fell slightly towards the end of the quarter and in early October, and cutbacks were announced by several large European metal consumers.

Activity levels in the Chinese economy remained high during the third quarter, with a high growth rate for both investments and industrial production as well as among end-consumers of base metals. Growth in the automotive production sector increased in comparison with the second quarter.

**Zinc**

The quarterly trend in global demand for zinc (metal, million tonnes)



Source: © CRU ([www.crugroup.com](http://www.crugroup.com))

Global demand for zinc in the third quarter was on a par with that in the previous quarter and has increased in comparison with the third quarter of 2010. Demand in mature economies was driven by increases in industrial and automotive production. Activity levels in the construction sector, however, remained weak. China's rate of automotive production increased more rapidly than earlier in the year and the growth rate of infrastructural investment continued high.

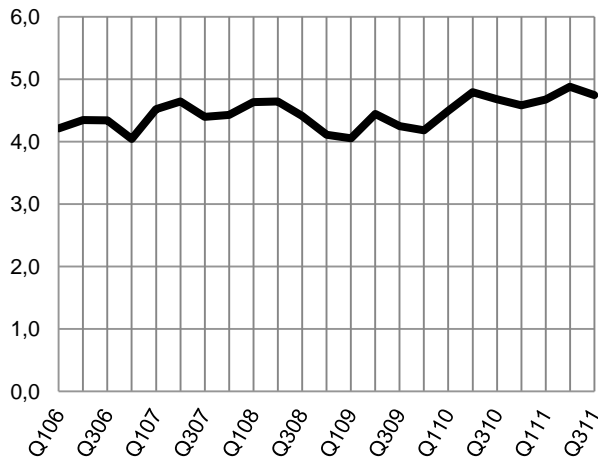
Global smelter production of zinc, too, was on a par with that in the previous quarter and has increased slightly in comparison with the third quarter of 2010. Production fell in China, but increased in the mature economies. Global smelter production exceeded demand and official stock levels of zinc have increased continuously throughout the year.

Mined production increased in relation to both comparison periods. Production fell in South America but was compensated for by increased production in other major producing countries. Global concentrate production is adjudged to have matched demand from smelters.

European spot premiums have been stable throughout 2011. TC/RC fell slightly on the spot market during the latter half of the second quarter and have continued to come under pressure during the third quarter. Spot levels are still below the realised level in the benchmark contracts expected to obtain for 2011.

## Copper

The quarterly trend in global demand for copper (metal, million tonnes)



Source: © CRU ([www.crugroup.com](http://www.crugroup.com))

Global demand for copper is adjudged to have decreased slightly in comparison with the second quarter of 2011 but to have increased slightly in comparison with the third quarter of 2010. Demand has fallen overall in mature economies, but the trend does vary from one country and region to another. Demand has, for example, increased in western Europe, but fallen in North America, Japan and South Korea as a result of lower levels of industrial activity in copper consuming industries. Demand has also fallen in emerging markets from the second quarter 2011, but is higher than in 2010 as a result of increased investments in infrastructure and growth in industrial production.

Global copper production is adjudged to have fallen in comparison with the previous quarter and remained unchanged in comparison with the third quarter of 2010. Production has fallen in line with demand in mature economies, but has increased in emerging markets in general and in China, in particular, where capacity expansion has continued.

Mined copper production levels remained unchanged in comparison with the previous quarter but fell in comparison with the third quarter of 2010. Production increased slightly in mature economies but fell overall in emerging markets. Mined production fell in South America, where a number of large old mines have declining production levels. Production of mined concentrate is estimated to have fallen short of demand from the smelting industry.

Spot premiums in Europe have fallen during the quarter to a level below those obtaining in the benchmark contracts with industrial customers for 2011. Spot market TC/RC have also fallen during the quarter to a level that is now lower than those in the benchmark contracts for 2011.

## Lead

Demand for lead is driven to a large extent by demand for automotive batteries, which is determined by automotive production, but it is driven to an even larger extent by demand for replacement batteries for vehicles and batteries for industrial use. The rate of change in demand between economic upturns and recessions is usually lower than that for copper and zinc, in that the replacement market for automotive batteries is relatively stable.

Global demand for lead remained on a par with levels during the previous quarter but has increased in comparison with last year. Smelters' production is estimated to have risen slightly since the previous quarter but to have fallen slightly in comparison with 2010. Production levels have, however, continued to outstrip demand and official stock levels have increased sharply during the year. Mined production is estimated to have remained on a par with smelters' demand for concentrate.

## Sulphuric acid

Demand for sulphuric acid in northern Europe has remained stable at a high level and spot prices have increased slightly between the second and third quarters. Contract prices were stable.

## EXCHANGE RATES

The majority of Boliden's revenues and costs of raw materials bought in are in US dollars, but the majority of its other costs are in Swedish kronor, euro and Norwegian kroner. The development of the US dollar consequently has a significant effect on the Group's profit.

The US dollar strengthened against the Swedish krona, the Norwegian krone and the euro during the third quarter. The Swedish krona weakened slightly against the euro during the third quarter, but is still stronger against the euro than was the case during the corresponding quarter of 2010.

<b>Exchange rates (average)</b>	Q3 2011	Q3 2010	<i>Change in %</i>	Q2 2011	<i>Change in %</i>
USD/SEK	6.48	7.27	-11	6.26	3
EUR/USD	1.41	1.29	9	1.44	-2
EUR/SEK	9.15	9.38	-2	9.01	2
USD/NOK	5.50	6.17	-11	5.44	1

## METAL PRICES

Boliden's revenues are affected by the global market prices of base and precious metals. Base metals are traded daily on the London Metal Exchange (LME), where prices are set. Precious metal prices are set daily by the London Bullion Market Association (LBMA). Boliden's income is also affected by treatment and refining charges and metal premiums. The value of so-called free metals in concentrates also affects the Group's income.

Average prices for zinc, copper and lead in US dollars fell during the third quarter in comparison with the previous quarter, but rose for gold and silver. Metal prices rose sharply in comparison with the previous year, but the effect was largely eliminated by negative exchange rate fluctuations – in particular, the weakening of the US dollar. With the exception of zinc, metal prices in SEK increased in comparison with both last year and the previous quarter.

<b>Metal prices (USD) (average LME/LBMA)</b>	Q3 2011	Q3 2010	<i>Change in %</i>	Q2 2011	<i>Change in %</i>
Zinc (USD/tonne)	2,224	2,013	10	2,250	-1
Copper (USD/tonne)	8,982	7,242	24	9,137	-2
Lead (USD/tonne)	2,459	2,031	21	2,550	-4
Gold (USD/troy oz.)	1,705	1,227	39	1,507	13
Silver (USD/troy oz.)	38.80	18.97	105	37.96	2

<b>Metal prices (SEK) (average LME/LBMA)</b>	Q3 2011	Q3 2010	<i>Change in %</i>	Q2 2011	<i>Change in %</i>
Zinc (SEK/tonne)	14,407	14,642	-2	14,090	2
Copper (SEK/tonne)	58,191	52,683	10	57,228	2
Lead (SEK/tonne)	15,928	14,778	8	15,973	0
Gold (SEK/troy oz.)	11,046	8,927	24	9,437	17
Silver (SEK/troy oz.)	251.39	137.96	82	237.78	6

## SENSITIVITY ANALYSIS

The following table contains an estimate of how changes in market terms affect the Group's operating profit (EBIT) over the next twelve-month period. The calculations are based on listings on 30<sup>th</sup> September 2011 and on Boliden's planned production volumes. The sensitivity analysis does not take into account the effects of metal price hedging, currency hedging, contracted TC/RC, or revaluations of process inventory in the smelters.

<b>Change in metal prices +10%</b>	<b>Effect on operating profit, SEK m</b>	<b>Change in USD +10%</b>	<b>Effect on operating profit, SEK m</b>	<b>Change in TC/RC +10%</b>	<b>Effect on operating profit, SEK m</b>
Copper	400	USD/SEK	980	TC/RC Copper	50
Zinc	425	EUR/USD	350	TC Zinc	45
Lead	90	USD/NOK	70	TC Lead	-10
Gold	150				
Silver	160				

## METAL PRICE AND CURRENCY HEDGING

The following table shows Boliden's outstanding metal price and currency hedging on 30<sup>th</sup> September 2011. The Boliden Group's production is otherwise, in every significant respect, exposed to market prices. The hedging reduces the effects on the Group's profit of changes in the prices of these metals and exchange rate fluctuations. The hedged volume is based on long-term forecasts with regard to metal production by Boliden's mines, that part of the TC/RC terms that is affected by metal price changes (price escalators), and free metals from the smelters.

<b>Metals</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Zinc</b>							
Hedged volume (tonnes)	29,550	125,400	62,250	-	-	-	-
Future price, USD/tonne	2,402	2,230	2,125				
Market value, SEK m	112	282	77				
<b>Copper</b>							
Hedged volume (tonnes)	7,425	27,600	14,100	-	-	-	-
Future price, USD/tonne	9,664	9,080	8,746				
Market value, SEK m	136	382	160				
<b>Lead</b>							
Hedged volume (tonnes)	5,175	23,100	11,400	-	-	-	-
Future price, USD/tonne	2,595	2,324	2,219				
Market value, SEK m	22	49	13				
<b>Silver</b>							
Hedged volume (000 troy oz.)	633	2,940	1,524	-	-	-	-
Future price, USD/troy oz.	28.97	28.45	27.12				
Market value, SEK m	-7	-41	-35				
<b>Gold</b>							
Hedged volume (000 troy oz.)	11,100	72,420	58,200	38,400	48,600	47,000	29,000
Future price, USD/troy oz.	1,372	1,376	1,387	1,455	1,491	1,487	1,490
Market value, SEK m	-20	-129	-102	-51	-55	-55	-33
<b>Total market value, SEK m</b>	<b>243</b>	<b>543</b>	<b>113</b>	<b>-51</b>	<b>-55</b>	<b>-55</b>	<b>-33</b>
<b>Currencies</b>							
<b>USD/SEK</b>							
Hedged volume (USD m)	130	531	293	56	72	70	43
Forward rate, USD/SEK	6.71	6.79	6.76	6.83	6.78	6.77	6.77
Market value, SEK m	-23	-71	-63	-13	-25	-24	-15
<b>EUR/USD</b>							
Hedged volume (USD m)	51	197	91				
Forward rate, EUR/ USD	1.34	1.35	1.35				
Market value, SEK m	2	-2	-2				
<b>USD/NOK</b>							
Hedged volume (USD m)	9	39	18				
Forward rate, USD/NOK	5.94	5.95	6.03				
Market value, SEK m	1	2	1				
<b>Total market value, SEK m</b>	<b>-20</b>	<b>-71</b>	<b>-64</b>	<b>-13</b>	<b>-25</b>	<b>-24</b>	<b>-15</b>



## BUSINESS AREA MINES

Business Area Mines comprises the operations of the Swedish units Aitik, the Boliden Area and Garpenberg, as well as the Tara mine in Ireland. The Business Area also includes exploration, technical development and mined concentrate sales. Aitik produces copper concentrate with some gold and silver content. The other Swedish mines produce zinc, copper and lead concentrates, with variable gold and silver content. Tara produces zinc and lead concentrates.

## REVENUES AND PROFIT ANALYSIS

Business Area Mines' revenues totalled SEK 2,557 million (SEK 2,421 m) during the quarter. The operating profit was SEK 1,047 million (SEK 1,061 m), corresponding to a fall of SEK 17 million in comparison with the second quarter of the year.

	Q3	Q3	Change	Q2	Change
SEK m	2011	2010	in %	2011	in %
Revenues	2 557	2 421	6	2 649	-3
Operating profit	1 047	1 061	-1	1 064	-2
Investments	505	402	25	599	-16
Capital employed	13 933	13 222	5	13 923	0

<b>PROFIT ANALYSIS</b>	<b>Q3</b>	<b>Q3</b>	<b>Q2</b>
<b>SEK m</b>	<b>2011</b>	<b>2010</b>	<b>2011</b>
<b>Operating profit</b>	<b>1 047</b>	<b>1 061</b>	<b>1 064</b>
<b>Change</b>		<b>-14</b>	<b>-17</b>
<b>Analysis of change</b>		<b>Q3 vs.</b>	<b>Q3 vs.</b>
		<b>Q3 2010:</b>	<b>Q2 2011:</b>
Volume effect		8	-84
Costs		-147	48
Prices and terms*		251	-103
Exchange rate effects		-131	129
Other		5	-7
<b>Change</b>		<b>-14</b>	<b>-17</b>
<b>*Result for respective period</b>	<b>Q3 2011</b>	<b>Q3 2010</b>	<b>Q2 2011</b>
Realised metal price and currency hedging	26	151	56

The volume effect was negative in comparison with the previous quarter when sales of Aitik's inventories boosted deliveries.

The positive cost effect in local currency in relation to the previous quarter totals SEK 48 million. The reduction is primarily due to lower staff overheads and the fact that slightly lower levels of ore production resulted in lower energy- and consumables-related costs. Costs increased in relation to the corresponding quarter last year by SEK -147 million. Increased energy and external services costs account for the majority of the cost increase. Depreciation has, furthermore, increased by SEK 24 million in comparison with the corresponding period in 2010. Operating expenses for the Business Area as a whole in the third quarter total SEK 1,494 million.

Lower average prices for base metals were countered by a stronger US dollar and yielded a net positive effect on the profit of SEK 26 million in comparison with the previous quarter. Higher metal prices than in the corresponding period last year had a positive effect, but this was countered by a markedly weaker US dollar and poorer hedging results.

**METAL PRODUCTION\***

	Q3 2011	Q3 2010	Change in %	Q2 2011	Change in %
Zinc, tonnes	73 877	71 152	4	71 905	3
Copper, tonnes	19 979	20 497	-3	20 481	-2
Lead, tonnes	14 138	11 343	25	11 656	21
Gold, kg	1 001	979	2	994	1
Silver, kg	62 037	53 469	16	53 862	15

\* Refers to metal content in concentrates.

Information on production and metal contents at individual units can be found on page 22.

Zinc concentrate production increased slightly in comparison with the previous quarter. The increase was due to high and stable levels of production at Garpenberg, and to significantly higher grades there. Zinc production fell in the Boliden Area as a result of a change in the ore mix, while production at Tara was marginally down on the previous quarter, due to slightly lower grades. Zinc production also increased in comparison with last year due to increased production at Garpenberg.

Lead production increased in relation to both comparison periods. The increase in comparison with both the previous quarter and the previous year is due to an increase in both the volume of milled ore and in grades at Garpenberg. A better return at Tara also contributed to the increase in volume in comparison with the previous year.

A high volume of milled ore at Aitik was offset by the fact that the ore production came from lower grade lodes. Copper production did, however, increase in the Boliden Area. The increase was particularly marked in comparison with the previous year and was a consequence of production starting at Maurliden Östra at the end of the third quarter of 2010. Overall, however, copper production fell in comparison with both the previous quarter and the previous year.

Mined production at Aitik has continued to develop positive during the quarter and is largely in line with the scheduled start-up of the new capacity. Full capacity of 36 million tonnes per annum will be achieved in 2014.

Gold production increased slightly in relation to both comparison periods. Lower grades at Aitik than during the previous quarter were compensated for by higher grades in the Boliden Area. Production has increased in comparison with the previous year due to increased volumes at Aitik, which compensated for lower volumes in the Boliden Area. Silver production also increased, due to higher volumes and grades at Garpenberg.

**Ongoing expansion projects**

The expansion of Garpenberg is proceeding according to plan. The new facilities will come on line in 2014 and full capacity will be achieved in 2015. Full operation will see ore production increase to 2.4 million tonnes per year from current production levels of 1.4 million tonnes. The project has accounted for just under SEK 300 million of the Group's total investments in 2011, and the investment as a whole is expected to total SEK 3.9 billion. The principal negotiations in relation to obtaining an environmental permit are scheduled for 16<sup>th</sup>-17<sup>th</sup> November 2011.

The start-up of the gold and tellurium mine at Kankberg is also proceeding according to plan. Production is scheduled to begin in mid-2012 and will entail an average annual production of 1,150 kg of gold and 41 tonnes of tellurium. Approximately SEK 60 million of a total of SEK 475 million allocated has been invested to date this year.

## BUSINESS AREA SMELTERS

Business Area Smelters comprises the Kokkola and Odda zinc smelters, the Rönnskär and Harjavalta copper smelters, and the Bergsöe lead smelter. It also includes the smelters' concentrate purchases and metal sales. The zinc smelters' production primarily comprises zinc metal, but also includes aluminium fluoride, which is produced at Odda, and sulphuric acid. The copper smelters primarily produce copper, gold, silver, lead and sulphuric acid. The copper smelters also recycle metal and electronic scrap. Harjavalta also smelts nickel concentrate. The Bergsöe lead smelter recycles lead metal, primarily from car batteries.

## REVENUES AND PROFIT ANALYSIS

Business Area Smelters' operating profit, excluding the revaluation of process inventory, totalled SEK 356 million (SEK 238 m). In comparison with the second quarter of this year, therefore, the profit increased by SEK 212 million. Approximately SEK 45 million (SEK 100 m) resulting from maintenance shutdowns has been charged to the profit for the quarter.

	Q3	Q3	Change	Q2	Change
SEK m	2011	2010	in %	2011	in %
Revenues	10 266	8 765	17	9 408	9
Operating profit	140	374	-63	156	-11
Operating profit ex. revaluation of process inventory	356	238	49	143	149
Investments	458	162	182	412	11
Capital employed	15 776	14 137	12	15 425	2

<b>PROFIT ANALYSIS</b>	<b>Q3</b>	<b>Q3</b>	<b>Q2</b>
SEK m	2011	2010	2011
<b>Operating profit</b>	<b>140</b>	<b>374</b>	<b>156</b>
Revaluation of process inventory	-216	136	14
<b>Operating profit ex. revaluation of process inventory</b>	<b>356</b>	<b>238</b>	<b>143</b>
<b>Change</b>		<b>119</b>	<b>212</b>
<b>Analysis of change</b>		<b>Q3 vs. Q3 2010:</b>	<b>Q3 vs. Q2 2011:</b>
Volume effect		104	65
Costs		-76	106
Prices and terms*		143	-29
Exchange rate effects		-61	66
Other		9	4
<b>Change</b>		<b>119</b>	<b>212</b>

<b>*Result for respective period</b>	<b>Q3 2011</b>	<b>Q3 2010</b>	<b>Q2 2011</b>
Realised metal price and currency hedging	17	27	25

Volumes have increased in comparison with the previous quarter and this has had a positive effect on the results. This was primarily due to the maintenance shutdowns implemented during the second quarter and, to some extent, the higher volume of subsidiary products. The improvement in comparison with the previous year was due to better TC/RC for the copper smelters. An increase in the volume of sulphuric acid produced at Harjavalta has had a positive effect in relation to both comparison periods.

The positive cost effect in local currency in comparison with the previous quarter is primarily due to maintenance shutdowns during the second quarter. Underlying cost trends show a weak increase, primarily as a result of increased energy costs. Transportation, personnel and energy costs increased in relation to the corresponding quarter of 2010, particularly in Finland. Operating costs for the Business Area as a whole during the quarter totalled SEK 1,510 million.

Prices and terms impacted the profit to the tune of SEK -29 million in relation to the second quarter. The trend was due to slightly higher sulphuric acid prices and to improved copper TC/RC, but this was counteracted by poorer TC/RC for the zinc smelters. A slight fall in premiums and a poorer hedging result also had an impact. Improvements in prices and metal premiums had a positive effect on the profit in relation to last year, but this

was counteracted by poorer TC/RC for the zinc smelters. The stronger US dollar had a positive effect in relation to the previous quarter, but the exchange rate impact on the profit in relation to last year was, however, negative.

## PRODUCTION

	Q3	Q3	Change	Q2	Change
	2011	2010	in %	2011	in %
Zinc, tonnes	118 416	110 597	7	111 450	6
Copper, tonnes	90 035	82 375	9	76 496	18
Lead, tonnes	1 740	2 953	-41	2 372	-27
Lead alloys, tonnes (Bergsöe)	6 985	8 470	-18	11 615	-40
Gold, kg	3 337	4 022	-17	2 966	13
Silver, kg	121 775	120 144	1	123 118	-1
Sulphuric acid, tonnes	436 159	391 640	13	343 951	27
Aluminium fluoride, tonnes	6 607	3 744	76	9 130	-28

Information on production at individual units can be found on page 23.

Production was stable during the third quarter. Limited maintenance shutdowns were implemented at Bergsöe and Odda during the quarter, affecting production of lead alloys and aluminium fluoride.

Zinc production increased in comparison with the second quarter. Production was stable at Odda and increased in comparison with both the previous quarter and the previous year. Production stability at Kokkola remains good.

The copper smelters' production increased dramatically in comparison with the second quarter, when Rönnskär and Harjavalta implemented extensive maintenance shutdowns. Harjavalta set a new production record during the quarter.

Lead production fell during the quarter. Changes in lead production are due to the production cycle at Rönnskär, which may result in substantial variations from one quarter to another.

Gold production increased in comparison with the previous quarter, primarily due to higher grades in component raw materials. Gold production fell, however, in comparison with last year due to a change in the raw materials mix and grade changes in the raw materials. Silver production was stable.

Bergsöe's production during the third quarter fell due to maintenance work.

## Ongoing expansion projects

The expansion of electronic scrap recycling capacity at Rönnskär is proceeding according to plan. The new facility will be completed at the end of 2011 and will come on line during the first quarter of 2012, at which time Boliden's electronic scrap recycling capacity will increase from 45,000 to 120,000 tonnes per year. Approximately SEK 650 million has been invested to date, SEK 530 million of which has been invested during 2011. The investment as a whole will total approximately SEK 1.3 billion.

## SUMMARY OF BOLIDEN'S PERFORMANCE DURING THE FIRST NINE MONTHS OF THE YEAR

Revenues increased to SEK 30,607 million (SEK 26,596 m). The increase was due to higher prices in Swedish kronor. Increases in the majority of products' production volumes also helped boost sales.

The operating profit excluding the revaluation of process inventory rose to SEK 4,017 million (SEK 3,385 m). The operating profit was positively affected by increased volumes and higher prices, but this was counteracted by higher costs and negative exchange rate effects. The operating profit including the revaluation of process inventory fell slightly to SEK 3,673 million (SEK 3,701 m).

The realised results of metal price and currency hedging, totalling SEK 136 million (SEK 533 m) are included in the result for the period.

Net financial items totalled SEK -159 million (SEK -246 m). The reduction was largely due to the fact that the corresponding period last year was affected by interest payments on cartel fines totalling SEK -52 million. Net financial items during the first nine months of the year were also positively affected by lower interest rates, while the interest capitalisation of the Aitik investment has ceased, now that the facility has come on line.

Investments totalled SEK -2,649 million (SEK -1,971 m). The free cash flow totalled SEK 479 million (SEK 1,352 m).

<b>PROFIT ANALYSIS</b>		
SEK m	9 months 2011	9 months 2010
<b>Operating profit</b>	<b>3 673</b>	<b>3 701</b>
Revaluation of process inventory	-344	316
<b>Operating profit ex. revaluation of process inventory</b>	<b>4 017</b>	<b>3 385</b>
<b>Change</b>		<b>632</b>
		<b>2011 vs. 2010:</b>
<b>Analysis of change</b>		
Volume effect		685
Costs		-1 005
Prices and terms		2 012
<i>Metal prices and terms</i>		2 544
<i>Realised metal price and currency hedging*</i>		-398
<i>TC/RC terms</i>		-214
<i>Metal premiums</i>		80
Exchange rate effects		-1 290
<i>Of which translation effects</i>		-51
Internal profit elimination		206
Other		25
<b>Change</b>		<b>632</b>
	<b>9 months 2011</b>	<b>9 months 2010</b>
<b>*Result for respective period</b>		
Realised metal price and currency hedging	136	533

**SUSTAINABLE DEVELOPMENT****Employees**

The average number of Boliden employees<sup>1</sup> during the first nine months of the year was 4,398. Of these, 2,401 work in Sweden, 988 in Finland, 642 in Ireland, 352 in Norway and 15 in other countries. The average number of Group employees in 2010 was 4,412.

The sick leave rate during the third quarter was 2.8 per cent, corresponding to a decrease in comparison with the previous quarter of 1 percentage point. The sick leave rate for the year as a whole in 2010 was 4.0 per cent. The Group's long-term goal is for the sick leave rate to be no higher than 4.0 per cent.

The accident frequency during the third quarter was 2.7 cases per one million hours worked. This corresponds to a decrease in comparison with the second quarter, when the accident frequency was 5.6. The accident frequency for 2010 as a whole was 8.2.

**Environment**

Two incidents when limit values were exceeded were reported during the third quarter.

Limit values for copper, nickel and cadmium in outgoing water from the Harjavalta smelter were exceeded in July and August. The raised discharge levels occurred in conjunction with two periods of inclement weather with extremely heavy precipitation, when the water purification plant capacity proved insufficient to handle the massive flows of water. A number of projects designed to identify methods of handling similar situations in future are now in progress. The authorities have been informed and have carried out inspections of the water purification plant.

Boliden's operations at all of its facilities are subject to licensing requirements and are conducted in accordance with the legislation in the various countries in which they operate. Group-wide environmental goals have been defined for the period from 2009 to 2013. The goals relate to emissions and discharges of metals into air and water, energy consumption, and emissions of sulphur dioxide and carbon dioxide into the air. The goals are followed up on a monthly basis, with the exception of carbon dioxide emissions/energy consumption, which are followed up the end of each calendar year. Goals and results are presented in Boliden's Sustainability Report 2010. Boliden's Group-wide goals for emissions and discharges of metals into air and water, discharges of nutrient salts into water, and emissions of sulphur dioxide into air have all been met during the period.

**RISKS AND UNCERTAINTY FACTORS**

The Group's and Parent Company's significant risks and uncertainty factors include market and external risks, financial risks, operational and commercial risks, and legal risks. The global economic climate in general, and global industrial production in particular, affect demand for zinc, copper and other base metals. For further information on risks and risk management, please see Boliden's Annual Report 2010: Risk Management on page 40 and Note 19 financial risk management, on pages 71-72.

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<sup>1</sup> Full-time equivalent positions

**PREPARATION PRINCIPLES FOR THE INTERIM REPORT**

The Consolidated Interim Report has been prepared in accordance with the International Financial Reporting Standards (IFRS) approved by the EU, and with the Swedish Financial Reporting Board recommendation RFR1, complementary accounting rules for Groups, which specifies the supplementary information required in addition to that required under IFRS standards, pursuant to the provisions of the Swedish Annual Accounts Act. This Interim Report has been prepared for the Group in accordance with IAS 34, Interim Financial Reporting, and in accordance with the Swedish Annual Accounts Act. The Parent Company accounts have been prepared in accordance with the Swedish Annual Accounts Act.

A number of new supplements to IFRS standards and interpretations by IFRIC came into force on 1<sup>st</sup> January 2011. None of the changes that have come into force have had any significant effect on Boliden's financial reports.

IAS 19, Employee Benefits. The PRI non-profit organisation has decided to update the undertakings over the life of the plan in respect of the calculation of pension liabilities in accordance with ITP 2, as of 30<sup>th</sup> June 2011. PRI Pensionsgaranti has calculated that the ITP 2 liability, which is valued in accordance with IAS 19, will generally increase by approximately 8 per cent. The amended undertakings over the life of the plan are classified as an actuarial loss. Boliden recognises actuarial gains/losses using the so-called corridor approach and the effect of the amended undertakings over the life of the plan is consequently postponed. The change will not affect the profit for the year.

Boliden has made no amendments to the accounting principles applied in conjunction with the preparation of this Interim Report.

The undersigned declare that the Interim Report gives a true and fair overview of the Parent Company's and the Group's operations, position and results and describes the material risks and uncertainties faced by the Parent Company and the companies that make up the Group.

Bergsöe, 25<sup>th</sup> October 2011

Lennart Evrell  
*President & CEO*

The information provided in the Interim Report comprises the information that Boliden is obliged to present pursuant to the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading Act. The information was released for publication at 12 noon on 25<sup>th</sup> October 2011.

The Interim Report has not been the subject of a review by the Company's Auditors.

**INTERIM REPORTS AND ANNUAL GENERAL MEETING**

The Full-year Report for 2011 will be published on 10<sup>th</sup> February 2012  
The 2012 Annual General Meeting will be held on 3<sup>rd</sup> May 2012 in Skellefteå

**PRESENTATION OF THE REPORT**

The Interim Report for the third quarter of 2011 will be presented via webcast and a conference call on Tuesday, 25<sup>th</sup> October 2011.

Time: 14:00 (CET)

The webcast will be broadcast online at [www.boliden.com](http://www.boliden.com). To participate in the conference call, please call one of the following telephone numbers 3-5 minutes before the conference starts:

Telephone number from Sweden: 08-505 598 53 (include the area code)  
Telephone number from other countries: +44 (0) 203 043 24 36

**Contact persons for information:**

Lennart Evrell, President & CEO  
Mikael Staffas, CFO  
Frans Benson, Director, Investor Relations

Tel (exchange): +46 8 610 15 00  
Tel (exchange): +46 8 610 15 00  
Tel: +46 8 610 15 23

**CONSOLIDATED INCOME STATEMENTS**

SEK m	Q3 2011	Q3 2010	9 months 2011	9 months 2010	Oct. 2010- Sept. 2011	Full year 2010
Revenues	10 553	9 373	30 607	26 596	40 727	36 716
Cost of goods sold	-9 091	-7 798	-26 056	-22 123	-33 971	-30 038
<b>Gross profit</b>	<b>1 462</b>	<b>1 575</b>	<b>4 551</b>	<b>4 473</b>	<b>6 756</b>	<b>6 678</b>
Selling expenses	-99	-103	-289	-309	-388	-408
Administrative expenses	-123	-77	-421	-326	-526	-431
Research and development costs	-86	-63	-249	-196	-339	-286
Other operating income and expenses	23	15	78	59	109	90
Results from participations in associated companies	3	1	3	-	3	-
<b>Operating profit</b>	<b>1 180</b>	<b>1 348</b>	<b>3 673</b>	<b>3 701</b>	<b>5 615</b>	<b>5 643</b>
Financial income	14	2	42	2	45	7
Financial expenses	-63	-86	-201	-248	-270	-319
<b>Profit after financial items</b>	<b>1 131</b>	<b>1 264</b>	<b>3 514</b>	<b>3 455</b>	<b>5 390</b>	<b>5 331</b>
Taxes	-294	-354	-912	-912	-1 374	-1 374
<b>Net profit</b>	<b>837</b>	<b>910</b>	<b>2 602</b>	<b>2 543</b>	<b>4 016</b>	<b>3 957</b>

**Net profit attributable to:**

The Parent Company's shareholders	835	909	2 600	2 541	4 013	3 955
Holding with non-controlling interest	2	1	2	2	3	2

**Earnings and shareholders' equity per share**

	Q3 2011	Q3 2010	9 months 2011	9 months 2010	Oct. 2010- Sept. 2011	Full year 2010
Earnings per share <sup>1</sup> , SEK	3,06	3,33	9,51	9,30	14,68	14,47
Shareholders' equity per share, SEK	74,72	63,92	74,72	63,92	-	68,90
Number of shares	273,511,169	273,511,169	273,511,169	273,511,169	273,511,169	273,511,169
Average number of shares	273,511,169	273,511,169	273,511,169	273,511,169	273,511,169	273,511,169
Number of own shares held	-	-	-	-	-	-

<sup>1</sup> There are no potential shares and, as a result, no dilution effect.



**CONSOLIDATED REPORT OF COMPREHENSIVE INCOME**

SEK m	Q3 2011	Q3 2010	9 months 2011	9 months 2010	Oct. 2010- Sept. 2011	Full year 2010
<b>Profit for the period</b>	<b>837</b>	<b>910</b>	<b>2 602</b>	<b>2 543</b>	<b>4 016</b>	<b>3 957</b>
<b>Other comprehensive income</b>						
Cash flow hedging						
Change in market value of derivative instruments	780	-231	490	-675	429	-736
Fiscal effect on derivative instruments	-205	61	-129	178	-113	193
	575	-170	361	-497	316	-543
The period's translation difference on overseas operations	66	-175	139	-605	47	-697
Profit on hedging on net investments in overseas operations	-87	236	-191	823	-72	942
Tax on the profit from hedging instruments	23	-62	50	-216	18	-248
Tax on the profit from hedging instruments	2	-1	-2	1	-6	-3
Other items included in comprehensive income	–	–	-1	–	-1	–
<b>Total other comprehensive income</b>	<b>577</b>	<b>-171</b>	<b>358</b>	<b>-496</b>	<b>308</b>	<b>-546</b>
<b>Comprehensive income for the period</b>	<b>1 414</b>	<b>739</b>	<b>2 960</b>	<b>2 047</b>	<b>4 324</b>	<b>3 411</b>

**Total comprehensive income for the period attributable to:**

The Parent Company's shareholders	1 412	738	2 968	2 045	4 321	3 409
Holding with non-controlling interest	2	1	2	2	3	2

**KEY RATIOS**

	Q3 2011	Q3 2010	9 months 2011	9 months 2010	Oct. 2010- Sept. 2011	Full year 2010
Return on capital employed <sup>1</sup> , %	17	20	18	18	20	21
Return on shareholders' equity <sup>2</sup> , %	17	21	18	20	21	23
Equity/assets ratio, %	55	52	55	52	55	54
Net debt/equity ratio <sup>3</sup> , %	27	37	27	37	27	24
Depreciation, SEK m	491	478	1 449	1 347	1 904	1 802
Investments <sup>4</sup> , SEK m	965	566	2 649	1 971	3 675	2 996
Capital employed, SEK m	29 699	27 190	29 699	27 190	29 699	27 151
Net debt, SEK m	5 594	6 430	5 594	6 430	5 594	4 584

<sup>1</sup> Operating profit divided by average capital employed.

<sup>2</sup> Profit after tax divided by average shareholder's equity.

<sup>3</sup> Net of interest-bearing provisions and liabilities minus financial assets including liquid assets divided by shareholders' equity.

<sup>4</sup> Including allocation in respect of reclamation provisions.

**CONSOLIDATED BALANCE SHEETS**

SEK m	30th Sept. 2011	31st Dec. 2010	30th Sept. 2010
Intangible fixed assets	3 241	3 181	3 203
Tangible fixed assets	22 209	20 888	20 391
Deferred tax	48	35	18
Interest-bearing assets	54	29	34
Other financial fixed assets	141	144	55
Inventories	7 095	7 924	6 537
Interest-bearing current receivables	3	4	4
Tax receivables	–	–	–
Other receivables	3 541	2 102	2 324
Liquid assets	624	821	1 035
<b>Total assets</b>	<b>36 956</b>	<b>35 128</b>	<b>33 601</b>
Shareholders' equity	20 437	18 846	17 483
Pension provisions	639	623	561
Deferred tax provisions	2 759	2 739	2 678
Other provisions	1 071	1 001	718
Interest-bearing long-term liabilities	5 419	4 365	5 391
Interest-bearing current liabilities	216	449	1 550
Tax liabilities	958	1 018	617
Other current liabilities	5 457	6 087	4 603
<b>Total liabilities and shareholders' equity</b>	<b>36 956</b>	<b>35 128</b>	<b>33 601</b>

**CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY**

SEK m	30th Sept. 2011	31st Dec. 2010	30th Sept. 2010
Opening balance	18 846	16 257	16 257
Total comprehensive income for the period	2 960	3 411	2 047
Dividend	-1 369	-822	-821
Closing balance	20 437	18 846	17 483

**Total shareholders' equity attributable to:**

The Parent Company's shareholders	20 424	18 834	17 473
Holding with non-controlling interest	13	12	10

On 30<sup>th</sup> September 2011, the market valuation of financial instruments, after fiscal effect, was SEK 314 million.

**CONSOLIDATED CASH FLOW ANALYSIS**

SEK m	Q3 2011	Q3 2010	9 months 2011	9 months 2010	Oct. 2010- Sept. 2011	Full year 2010
<b>Operating activities</b>						
Profit after financial items	1 131	1 264	3 514	3 455	5 390	5 331
Adjustments for items not included in the cash flow:						
- Depreciation, amortisation and write-down of assets	495	480	1 456	1 349	1 912	1 805
- Provisions	6	1	9	4	74	69
- Translation differences	10	62	-105	643	85	663
Tax paid	-70	-34	-1 057	-168	-1 086	-197
<b>Cash flow from working activities before changes in operating capital</b>	<b>1 572</b>	<b>1 951</b>	<b>3 817</b>	<b>5 284</b>	<b>6 396</b>	<b>7 672</b>
Cash flow from changes in working capital	217	-182	-665	-1 958	-176	-1 475
<b>Cash flow from operating activities</b>	<b>1 789</b>	<b>1 769</b>	<b>3 152</b>	<b>3 326</b>	<b>6 023</b>	<b>6 197</b>
<b>Investment activities</b>						
- Acquisition of tangible fixed assets	-964	-567	-2 634	-1 887	-3 658	-2 911
- Acquisition of intangible fixed assets	-2	1	-16	-83	-18	-85
- Other	-2	-	-23	-4	-18	1
Cash flow from investment activities	-968	-566	-2 673	-1 974	-3 694	-2 995
<b>Cash flow before financing activities</b>	<b>820</b>	<b>1 203</b>	<b>479</b>	<b>1 352</b>	<b>2 329</b>	<b>3 202</b>
Dividend	-1	-	-1 369	-821	-1 370	-822
Net borrowing/net amortisation	-862	-1 000	690	-315	-1 359	-2 376
Cash flow from financing activities	-863	-1 000	-678	-1 136	-2 741	-3 199
<b>Cash flow for the period</b>	<b>-43</b>	<b>203</b>	<b>-199</b>	<b>216</b>	<b>-412</b>	<b>3</b>
<b>Liquid assets at beginning of period</b>	<b>665</b>	<b>835</b>	<b>821</b>	<b>825</b>	<b>825</b>	<b>825</b>
<b>Exchange rate difference on liquid assets</b>	<b>1</b>	<b>-3</b>	<b>1</b>	<b>-6</b>	<b>-</b>	<b>-7</b>
<b>Liquid assets at period end</b>	<b>623</b>	<b>1 035</b>	<b>623</b>	<b>1 035</b>	<b>413</b>	<b>821</b>

## THE PARENT COMPANY'S INCOME STATEMENTS

SEK m	Q3 2011	Q3 2010	9 months 2011	9 months 2010
Dividends from subsidiaries	–	825	3 218	825
<b>Profit after financial items</b>	<b>–</b>	<b>825</b>	<b>3 218</b>	<b>825</b>
Taxes	–	–	–	–
<b>Profit for the period</b>	<b>–</b>	<b>825</b>	<b>3 218</b>	<b>825</b>

The Parent Company, Boliden AB, conducts no operations and has no employees. Boliden AB has no amounts to report under Other comprehensive income.

## THE PARENT COMPANY'S BALANCE SHEETS

SEK m	30th Sept. 2011	31st Dec. 2010	30th Sept. 2010
Participations in Group companies	3 911	3 911	3 911
Other shares and participations	5	5	5
Long-term financial receivables, Group companies	5 522	3 672	3 672
Current financial receivables, Group companies	216	449	1 550
<b>Total assets</b>	<b>9 654</b>	<b>8 037</b>	<b>9 138</b>
Shareholders' equity	9 438	7 588	7 588
Current liabilities to credit institutions	216	449	1 550
<b>Total liabilities and shareholders' equity</b>	<b>9 654</b>	<b>8 037</b>	<b>9 138</b>

**INFORMATION PER SEGMENT**

SEK m	Q3 2011	Q3 2010	9 months 2011	9 months 2010	Oct. 2010- Sept. 2011	Full year 2010
<b>MINES</b>						
Revenues	2 557	2 421	7 853	6 758	10 674	9 580
Operating profit	1 047	1 061	3 267	2 895	4 484	4 113
Depreciation	288	266	843	700	1 097	954
Investments	505	402	1 535	1 451	2 273	2 189
Capital employed	13 933	13 222	13 933	13 222	13 933	13 501
<b>SMELTERS</b>						
Revenues	10 266	8 765	29 341	24 837	38 895	34 390
Operating profit	140	374	380	920	1 406	1 946
Operating profit ex. reevaluation of process inventory	356	238	724	604	1 254	1 134
Depreciation	199	212	600	647	800	848
Investments	458	162	1 102	517	1 388	804
Capital employed	15 776	14 137	15 776	14 137	15 776	14 225
<b>OTHER/ELIMINATIONS</b>						
Revenues	-2 270	-1 813	-6 587	-4 999	-8 842	-7 254
Operating profit other	-7	-87	26	-114	-275	-416
<i>Of which internal profit eliminations</i>	24	-63	118	-88	-127	-332
Depreciation	4	–	6	–	7	–
Investments	2	2	12	3	14	3
Capital employed	-10	-169	-10	-169	-10	-575
<b>THE GROUP</b>						
Revenues	10 553	9 373	30 607	26 596	40 727	36 716
Operating profit	1 180	1 348	3 673	3 701	5 615	5 643
Operating profit ex. reevaluation of process inventory	1 397	1 213	4 017	3 385	5 462	4 830
Depreciation	491	478	1 449	1 347	1 904	1 802
Investments	965	566	2 649	1 971	3 675	2 996
Capital employed	29 699	27 190	29 699	27 190	29 699	27 151

Capital employed reported under Other refers, mainly, to market valuations of hedges and internal profit elimination.

**PRODUCTION PER UNIT – MINES\***

	Q3 2011	Q3 2010	Change in %	Q2 2011	Change in %	Full year 2010
<b>TARA</b>						
Milled ore, ktonnes	631	707	-11	614	3	2 593
Head grades						
Zinc (%)	7,1	6,5	9	7,3	-3	7,0
Lead (%)	1,4	1,3	8	1,4	0	1,4
Metal production						
Zinc, tonnes	41 892	42 791	-2	42 219	-1	167 334
Lead, tonnes	5 183	4 060	28	5 116	1	18 515
<b>GARPENBERG</b>						
Milled ore, ktonnes	408	336	21	370	10	1 443
Head grades						
Zinc (%)	6,5	6,0	8	5,4	20	6,6
Copper (%)	0,1	0,1	0	0,1	0	0,1
Lead (%)	2,6	2,6	0	2,1	24	2,5
Gold (g/tonne)	0,3	0,3	0	0,3	0	0,3
Silver (g/tonne)	135	131	3	124	9	133
Metal production						
Zinc, tonnes	23 828	18 122	31	18 135	31	86 022
Copper, tonnes	120	131	-8	100	20	517
Lead, tonnes	8 586	6 855	25	6 289	37	29 310
Gold, kg	74	60	23	64	16	234
Silver, kg	39 339	33 139	19	31 994	23	140 138
<b>BOLIDEN AREA</b>						
Milled ore, ktonnes	375	358	5	381	-2	1 375
Head grades						
Zinc (%)	2,6	3,5	-26	3,7	-30	3,7
Copper (%)	0,9	0,9	0	0,9	0	0,8
Lead (%)	0,3	0,3	0	0,3	0	0,4
Gold (g/tonne)	1,5	1,6	-6	1,2	25	1,6
Silver (g/tonne)	40	45	-11	39	3	55
Metal production						
Zinc, tonnes	8 156	10 239	-20	11 551	-29	40 458
Copper, tonnes	3 007	2 358	28	2 883	4	8 291
Lead, tonnes	370	428	-14	251	47	1 760
Gold, kg	283	341	-17	233	21	1 285
Silver, kg	10 472	11 123	-6	9 251	13	52 806
<b>AITIK</b>						
Milled ore, ktonnes	8 495	7 454	14	8 012	6	27 596
Head grades						
Copper (%)	0,22	0,27	-19	0,24	-8	0,27
Gold (g/tonne)	0,14	0,17	-18	0,15	-7	0,16
Silver (g/tonne)	2,07	2,00	3	2,26	-8	2,07
Metal production						
Copper, tonnes	16 852	18 008	-6	17 497	-4	67 168
Gold, kg	644	578	11	696	-7	2 208
Silver, kg	11 973	8 834	36	12 359	-3	36 468

\* Refers to metal content in concentrates.

**PRODUCTION PER UNIT – SMELTERS**

	Q3 2011	Q3 2010	Change in %	Q2 2011	Change in %	Full year 2010
<b>KOKKOLA</b>						
Smelted material, tonnes						
Zinc concentrate	154 675	142 845	8	144 845	7	587 330
Production, tonnes						
Zinc, tonnes	79 112	74 759	6	76 708	3	307 144
Sulphuric acid	82 834	74 698	11	65 330	27	199 484
<b>ODDA</b>						
Smelted material, tonnes						
Zinc concentrate, incl. zinc clinker	74 815	64 842	15	61 743	21	276 811
Production, tonnes						
Zinc, tonnes	39 304	35 838	10	34 742	13	148 862
of which reprocessed zinc	0	592		283		1 087
Aluminium fluoride, tonnes	6 607	3 744	76	9 130	-28	21 951
Sulphuric acid, tonnes	31 564	28 780	10	27 318	16	122 549
<b>RÖNNSKÄR</b>						
Smelted material, tonnes						
Copper, tonnes						
Primary	159 236	162 504	-2	158 257	1	544 242
Secondary	43 154	42 901	1	46 792	-8	155 024
Total	202 390	205 405	-1	205 049	-1	699 266
Production						
Cathode copper, tonnes	55 368	55 851	-1	52 987	4	190 497
Lead, tonnes	1 740	2 953	-41	2 372	-27	17 013
Zinc clinker, tonnes	9 662	9 968	-3	8 794	10	36 950
Gold, kg	2 866	3 593	-20	2 360	21	12 450
Silver, kg	103 405	105 104	-2	105 050	-2	385 684
Sulphuric acid, tonnes	136 349	160 744	-11	136 655	0	501 873
<b>HARJAVALTA</b>						
Smelted material, tonnes						
Copper concentrate	132 598	96 890	37	93 707	42	433 511
Nickel concentrate	76 469	49 295	55	52 562	45	261 931
Production, tonnes						
Cathode copper	34 667	26 524	31	23 509	47	112 687
Gold, kg	471	429	10	607	-22	1 770
Silver, kg	18 370	15 040	22	18 068	2	64 596
Sulphuric acid, tonnes	185 412	127 418	46	114 648	62	573 096
<b>BERGSÖE</b>						
Production, tonnes						
Lead alloys	6 985	8 470	-18	11 615	-40	42 166

**CONSOLIDATED QUARTERLY DATA**

	Q4 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010	Q1 2011	Q2 2011	Q3 2011
<b>Financial performance, the Group</b>								
Revenues, SEK m	8 356	8 316	8 908	9 373	10 120	10 158	9 896	10 553
Operating profit before depreciation (EBITDA), SEK m	1 620	1 633	1 589	1 826	2 397	1 834	1 616	1 672
Operating profit (EBIT)	1 232	1 230	1 123	1 348	1 942	1 359	1 134	1 180
Operating profit ex. revaluation of process inventory, SEK m	870	1 043	1 130	1 213	1 445	1 500	1 120	1 397
Profit after financial items, SEK m	1 199	1 196	996	1 264	1 876	1 301	1 082	1 131
Net profit, SEK m	821	878	755	910	1 414	961	804	837
Earnings per share, SEK	3,00	3,21	2,76	3,33	5,17	3,51	2,94	3,06
Free cash flow <sup>1</sup> , SEK m	350	-52	201	1 151	1 850	448	-790	820
Return on capital employed, %	19	19	17	20	29	20	16	17
Net debt/equity ratio <sup>2</sup> , %	46	43	46	37	24	21	33	27
<b>Metal production, Mines<sup>3</sup></b>								
Zinc, tonnes	72 956	71 844	71 818	71 152	79 000	73 201	71 905	73 877
Copper, tonnes	11 370	13 603	20 509	20 497	21 367	20 606	20 481	19 979
Lead, tonnes	13 888	13 212	12 402	11 343	12 628	12 613	11 656	14 138
Gold, kg	853	709	918	979	1 121	858	994	1 001
Silver, kg	50 791	49 104	58 464	53 469	69 720	59 656	53 862	62 037
<b>Metal production, Smelters</b>								
Zinc, tonnes	116 708	113 675	114 240	110 597	117 494	116 449	111 450	118 416
Copper, tonnes	85 804	65 474	70 012	82 375	85 323	81 629	76 496	90 035
Lead, tonnes	2 618	5 182	4 379	2 953	4 499	5 135	2 372	1 740
Lead alloys, tonnes (Bergsöe)	12 414	10 468	10 649	8 470	12 579	10 671	11 615	6 985
Gold, kg	4 185	3 778	2 515	4 022	3 904	3 375	2 966	3 337
Silver, kg	129 610	117 689	99 755	120 144	112 691	123 655	123 118	121 775
Aluminium fluoride, tonnes	7 624	7 051	3 206	3 744	7 950	8 371	9 130	6 607
<b>Metal prices, average per quarter</b>								
Zinc, USD/tonne	2 211	2 288	2 018	2 013	2 315	2 393	2 250	2 224
Copper USD/tonne	6 643	7 243	7 013	7 242	8 634	9 646	9 137	8 982
Lead, USD/tonne	2 292	2 219	1 944	2 031	2 390	2 605	2 550	2 459
Gold USD/troy oz.	1 101	1 111	1 196	1 227	1 370	1 387	1 507	1 705
Silver USD/troy oz.	17,57	16,93	18,33	18,97	26,43	31,86	37,96	38,80
<b>Exchange rates, average per quarter</b>								
USD/SEK	7,00	7,19	7,58	7,27	6,78	6,48	6,26	6,48
EUR/USD	1,48	1,38	1,27	1,29	1,36	1,37	1,44	1,41
EUR/SEK	10,35	9,94	9,64	9,38	9,22	8,87	9,01	9,15
USD/NOK	5,68	5,86	6,22	6,17	5,93	5,72	5,44	5,50

<sup>1</sup> Refers to cash flow before financing operations.

<sup>2</sup> Net of interest-bearing provisions and liabilities minus financial assets including liquid assets divided by shareholders' equity.

<sup>3</sup> Refers to metal content of concentrates.