

**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 2013

### Q3 2013

- Revenues totalled SEK 8,471 million (SEK 9,123 m)
- Operating profit totalled SEK 681 million (SEK 1,160 m)
  - Operating profit excluding the revaluation of process inventory was SEK 603 million (SEK 988 m)
- Free cash flow totalled SEK 436 million (SEK 310 m)
- Earnings per share totalled SEK 1.81 (SEK 3.02)

### Nine months, 2013

- Revenues totalled SEK 25,755 million (SEK 29,807 m)
- Operating profit totalled SEK 1,317 million (SEK 3,494 m)
  - Operating profit excluding the revaluation of process inventory was SEK 1,724 million (SEK 3,203 m)
- Free cash flow totalled SEK -1,261 million (SEK 1,277 m)
- Earnings per share totalled SEK 3.30 (SEK 9.05)

### Summary of financial performance

| SEK m   | Quarter |        |        | Nine months |        | 12 months | Full year |
|---|---------|--------|--------|-------------|--------|-----------|-----------|
|   | 3-2013  | 3-2012 | 2-2013 | 2013        | 2012   | Oct-Sept  | 2012      |
| Revenues  | 8,471   | 9,123  | 8,035  | 25,755      | 29,807 | 35,949    | 40,001    |
| Operating profit ex. revaluation of process inventory | 603     | 988    | 370    | 1,724       | 3,203  | 2,563     | 4,042     |
| Operating profit (EBIT)                               | 681     | 1,160  | -59    | 1,317       | 3,494  | 1,994     | 4,171     |
| Profit after financial items                          | 629     | 1,116  | -116   | 1,160       | 3,356  | 1,796     | 3,992     |
| Net profit  | 498     | 827    | -100   | 905         | 2,477  | 1,769     | 3,341     |
| Earnings per share, SEK                               | 1.81    | 3.02   | -0.37  | 3.30        | 9.05   | 6.45      | 12.21     |
| Free cash flow  | 436     | 310    | -1,477 | -1,261      | 1,277  | -1,148    | 1,389     |
| Net debt  | 8,454   | 6,255  | 8,965  | 8,454       | 6,255  | 8,454     | 6,276     |
| Return on capital employed, %                         |         |        |        |             |        | 6         | 14        |
| Return on shareholders' equity, %                     |         |        |        |             |        | 8         | 16        |
| Net debt/equity ratio, %                              | 38      | 29     | 41     | 38          | 29     | 38        | 28        |

Amended accounting principles have necessitated the restatement of the 2012 comparison quarters.

## THE GROUP

### Sales and production

Revenues during the quarter totalled SEK 8,471 million (SEK 9,123 m). Revenues fell, year-on-year, primarily as a result of lower prices – an effect that was only partially counteracted by increased metal production. Sales and smelter production have, however, increased in comparison with the previous quarter, when large maintenance shutdowns were implemented at several smelters. Mined production fell, however, for the majority of metals.

### Operating profit

The operating profit totalled SEK 681 million (SEK 1,160 m). If the revaluation of process inventory is excluded, the operating profit totalled SEK 603 million (SEK 988 m). The Group's operating expenses, excluding depreciation, totalled SEK 2,505 million (SEK 2,410 m). Year-on-year operating expenses rose by 3 per cent in local currencies but fell by 10 per cent in comparison with the previous quarter. The changes in relation to the second quarter are due partly to the maintenance shutdowns carried out during the previous quarter and partly to the lower personnel costs during the holiday season. Energy, spare parts and consumables costs increased, year-on-year, while transport costs fell.

The operating profits for Business Area Mines and Business Area Smelters (excluding the revaluation of the process inventory) were SEK 372 million (SEK 858 m) and SEK 262 million (SEK 281 m), respectively. Business Area Smelters' profit increased in comparison with the previous quarter due to the completion of the planned maintenance shutdowns, to increased volumes, and to lower costs. Business Area Mines' profit remained unchanged.

The operating profit was negatively affected in relation to both comparison periods by the maturation of the majority of the metal price and currency hedges, which were signed in conjunction with the decision to expand Garpenberg, at the end of the second quarter. Exchange rate trends have also had a negative effect on the operating profit in comparison with both the previous quarter and the previous year.

### Profit analysis

| SEK m  | Quarter       |               |               |
|--|---------------|---------------|---------------|
|  | 3-2013        | 3-2012        | 2-2013        |
| <b>Operating profit</b>                                      | <b>681</b>    | <b>1,160</b>  | <b>-59</b>    |
| Revaluation of process inventory                             | 78            | 172           | -429          |
| <b>Operating profit ex. revaluation of process inventory</b> | <b>603</b>    | <b>988</b>    | <b>370</b>    |
| <b>Change</b>  |               | <b>-385</b>   | <b>233</b>    |
| <b>Analysis of change</b>                                    |               |               |               |
| Volume effect  |               | 10            | 56            |
| Prices and terms   |               | -473          | -62           |
| Metal prices and terms                                       |               | -245          | 188           |
| By-products, prices and terms                                |               | -65           | -5            |
| Realised metal price and currency hedging*                   |               | -87           | -163          |
| TC/RC terms  |               | 6             | -42           |
| Metal premiums   |               | -3            | 18            |
| Exchange rate effects  |               | -79           | -58           |
| <i>Of which translation effects</i>                          |               | 8             | 8             |
| Costs (local currencies)                                     |               | -73           | 290           |
| Depreciation   |               | 6             | 25            |
| Internal profit elimination                                  |               | 107           | -82           |
| Other  |               | 39            | 6             |
| <b>Change</b>  |               | <b>-385</b>   | <b>233</b>    |
| <b>*Result for respective quarter</b>                        | <b>3-2013</b> | <b>3-2012</b> | <b>2-2013</b> |
| Realised metal price and currency hedging                    | 6             | 93            | 169           |

Net financial items totalled SEK -52 million (SEK -43 m). The average interest rate payable during the quarter was 1.8 per cent, in comparison with 2.0 per cent in the previous quarter and 3.3 per cent in comparison with the corresponding period in 2012.

The profit before tax was SEK 629 million (SEK 1,116 m) and the net profit was SEK 498 million (SEK 827 m), corresponding to earnings per share of SEK 1.81 (SEK 3.02).

| Cash flow<br>SEK m  | Quarter      |              |               | Nine months   |              | 12 months     | Full year    |
|---|--------------|--------------|---------------|---------------|--------------|---------------|--------------|
|   | 3-2013       | 3-2012       | 2-2013        | 2013          | 2012         | Oct-Sept      | 2012         |
| <b>Cash flow from operating activities before change in working capital</b> | <b>1,673</b> | <b>1,628</b> | <b>162</b>    | <b>2,937</b>  | <b>4,013</b> | <b>4,122</b>  | <b>5,198</b> |
| Changes in working capital  | -86          | -475         | -132          | -521          | 47           | -248          | 320          |
| <b>From operating activities</b>  | <b>1,587</b> | <b>1,153</b> | <b>30</b>     | <b>2,416</b>  | <b>4,061</b> | <b>3,873</b>  | <b>5,518</b> |
| Cash flow from investment activities  | -1,152       | -843         | -1,507        | -3,676        | -2,785       | -5,020        | -4,129       |
| <b>Before financing (Free cash flow)</b>                                    | <b>436</b>   | <b>310</b>   | <b>-1,477</b> | <b>-1,261</b> | <b>1,277</b> | <b>-1,148</b> | <b>1,389</b> |

The tax refund during the quarter totalled SEK 283 million (SEK -255 m). Tax paid in the previous quarter totalled SEK -354 million.

## Financial position

Boliden's net debt at the end of the quarter totalled SEK 8,454 million (SEK 6,255 m) and the net debt/equity ratio was 38 per cent (29%). The average term of total loan facilities granted was 2.8 years (3.7 yrs.) at the period end. The average interest level for Boliden's debt portfolio was 1.8 per cent (3.2%) and the average fixed interest term was 0.6 years (0.8 yrs.).

The contribution to shareholders' equity of the net market valuation of financial derivatives, after fiscal effects, was SEK 168 million (SEK -351 m) on 30<sup>th</sup> September 2013. Boliden's current liquidity, in the form of liquid assets and unutilised binding credit facilities with a term of more than one year, totalled SEK 6,614 million (SEK 9,153 m) at the end of the third quarter.

## THE PARENT COMPANY

The Parent Company, Boliden AB, conducts no operations and has no employees. The Income Statements and Balance Sheets for the Parent Company are shown on page 20.

## ONGOING EXPANSION PROJECTS

### The Garpenberg zinc/silver mine

The expansion of the Garpenberg zinc and silver mine will increase the mine's ore production capacity from its current level of 1.4 million tonnes per annum to 2.5 million tonnes per annum. The project, which is now entering the final phase before test runs, is proceeding according to plan and the new facilities are scheduled, as planned, to commence production during the first six months of 2014. The investment is Boliden's second biggest investment ever and is expected to total SEK 3.9 billion.

### Silver recovery at Kokkola

A facility for the recovery of silver from zinc concentrates, which contain increasing grades of silver, is being built at the Kokkola zinc smelter. This project, too, is currently in the midst of an intensive phase and is proceeding according to plan. The investment is estimated at SEK 240 million and production is scheduled to start in the third quarter of 2014.

## EVENTS AFTER THE END OF THE REPORTING PERIOD

### Lawsuit arising from the export of smelter sludge

On 7 October, Boliden received a writ of summons regarding damages totalling just over SEK 90 million plus interest. The claim is in respect of the arsenic poisoning of just over 700 injured parties in the town of Arica in Chile, to which Boliden exported smelter sludge from Rönnskär between 1984 and 1985 for processing by a Chilean company,

Promel. The suit has been brought by a Swedish limited partnership, Arica Victims KB. The next stage in the process is for Boliden to enter a defence. For additional information on the background to this case, see Boliden's website at [www.boliden.com](http://www.boliden.com).

## MARKET DEVELOPMENT

Global economic growth has remained weak during the third quarter. Economic growth in China has been good and on a par with levels during the second quarter.

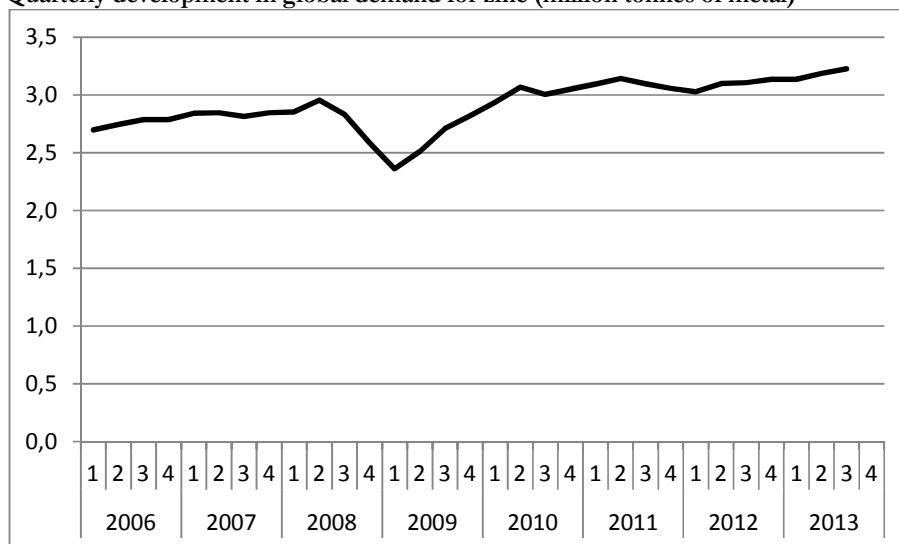
European industrial activity levels have fallen, year-on-year, with the construction market continuing to be weak and automotive production remaining more or less on a par with levels last year. Industrial activity levels increased slightly in the USA, the partially restrictive effect of austerity measures notwithstanding.

Industrial production and infrastructural investments in China continued to show high year-on-year growth levels, while investment in housing in the major cities showed weaker growth. The growth in China's automotive production continued to be high.

## Zinc

Global demand for zinc was higher than in the previous quarter and increased by almost 4 per cent, year-on-year. Growth in demand continued to be strong in China and was on a par with levels during the second quarter.

Quarterly development in global demand for zinc (million tonnes of metal)



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

Global production by smelters was on a par with levels in the previous quarter and increased, year-on-year, by just over 6 per cent, with the growth in production particularly pronounced in China. Global production fell slightly short of demand for the metal in the third quarter and official stock levels fell during the quarter.

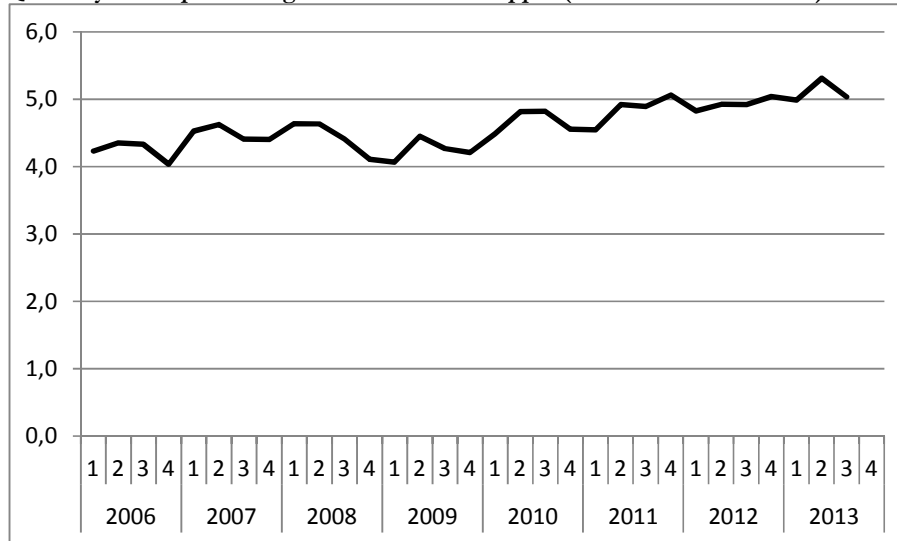
Global production of mined concentrate was lower than in the second quarter and also fell, year-on-year. The year-on-year fall was due to lower production levels in both China and North America. The global market for mined concentrate noted a surplus during the quarter due to increased mine production and the maintenance shutdowns carried out at many smelters.

Spot treatment charges rose in comparison with the second quarter and were also higher, year-on-year, but continue to be lower than those in the benchmark contracts for 2013. The realised treatment charges in benchmark contracts remained unchanged in comparison with the second quarter but were higher, year-on-year. European spot premiums rose slightly during the quarter.

## Copper

Global demand for copper was lower than in the second quarter but increased by approximately 2 per cent in comparison with the third quarter of 2012. The growth in demand was lower than in the second quarter in both China and the rest of the world.

**Quarterly development in global demand for copper (million tonnes of metal)**



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

Global production by smelters was slightly lower than in the second quarter and on a par with levels in the third quarter of 2012. Production increased in China but fell elsewhere in the world due, in part, to the maintenance shutdowns carried out by many smelters. Global copper production is adjudged to have matched demand, but stock levels on the metals exchanges fell and were transferred to other unofficial stocks.

Global production of mined copper concentrate increased, year-on-year, production disruptions notwithstanding. The global market for mined concentrate is deemed to have achieved an approximate balance between supply and demand.

Spot TC/RC rose during the quarter, primarily as a result of the anticipated increase in availability of concentrate. A rise in spot TC/RC at the end of the third and fourth quarter is also a familiar seasonal pattern. The current levels are higher than those in the benchmark contracts for 2013 and substantially higher than in the third quarter last year. European spot premiums continued to rise and were significantly higher than in the third quarter of 2012. Spot premiums also continued to rise in Asia and the USA.

## Precious metals

The precious metals market is largely driven by demand from financial operators, the jewellery industry and, from time to time, by the actions of central banks. Industrial demand is an additional driving factor in overall demand for silver.

Gold and silver prices have been rising for some time now due to the increasing tendency to mandate financial operators to include precious metals as an asset class in their portfolios. The number of listed funds holding precious metal stocks has increased dramatically in recent years, but interest in investment in these funds has waned in 2013 and gold and silver prices have fallen.

Gold and silver prices have fallen between the end of 2012 and the end of the third quarter of 2013 by 20 and 28 per cent, respectively. Gold and silver prices during the third quarter were 6 per cent and 8 per cent lower, respectively, than during the second quarter, and 20 and 28 per cent lower, respectively, than during the third quarter of last year. Prices have, however, thus far stabilised during the early part of the fourth quarter.

## Lead

Global demand for lead was slightly higher than in the second quarter and just over 2 per cent higher, year-on-year. The year-on-year growth was driven by a continued increase in automotive production in China and North America and increased battery production. Competition for lead from recycled batteries in Europe has continued to be severe and prices for this raw material were on a par with those during the second quarter of this year, but the margin between the price of lead and that of the raw material has increased slightly in comparison with the second quarter.

The price of lead has outperformed the other base metals for some time now. Increased demand from the automotive industry, coupled with increasingly strict environmental requirements for mines and smelters, has put pressure on the supply of lead. Global production by smelters increased by just under 3 per cent, year-on-year, and was on a par with levels during the second quarter of this year. Global supplies of lead metal matched global demand, while the global mined concentrate market is adjudged to have shown a surplus.

## Sulphuric acid

Demand for sulphuric acid in northern Europe was stable but fell in the Nordic region, and prices were slightly lower, year-on-year.

## Metal prices

Average base metal prices remained on a par with those in the previous quarter, while precious metal prices fell. Prices for all metals, with the exception of lead, were lower than in 2012. The price trend in Swedish kronor is even more negative, year-on-year, due to the strengthening of the krona against the US dollar.

| <b>Metal prices (USD)</b><br><b>(average LME/LBMA)</b> | Quarter |        |     |        |    | Nine months |       |     |
|--|---------|--------|-----|--------|----|-------------|-------|-----|
|  | 3-2013  | 3-2012 | %   | 2-2013 | %  | 2013        | 2012  | %   |
| Zinc (USD/tonne)                                       | 1,859   | 1,885  | -1  | 1,840  | 1  | 1,910       | 1,946 | -2  |
| Copper (USD/tonne)                                     | 7,073   | 7,706  | -8  | 7,148  | -1 | 7,379       | 7,964 | -7  |
| Lead (USD/tonne)                                       | 2,102   | 1,975  | 6   | 2,053  | 2  | 2,151       | 2,015 | 7   |
| Gold (USD/troy oz.)                                    | 1,325   | 1,651  | -20 | 1,416  | -6 | 1,456       | 1,651 | -12 |
| Silver (USD/troy oz.)                                  | 21.32   | 29.80  | -28 | 23.14  | -8 | 24.80       | 30.63 | -19 |

| <b>Metal prices (SEK)</b><br><b>(average LME/LBMA)</b> | Quarter |        |     |        |    | Nine months |        |     |
|--|---------|--------|-----|--------|----|-------------|--------|-----|
|  | 3-2013  | 3-2012 | %   | 2-2013 | %  | 2013        | 2012   | %   |
| Zinc (SEK /tonne)                                      | 12,183  | 12,737 | -4  | 12,074 | 1  | 12,445      | 13,262 | -6  |
| Copper (SEK /tonne)                                    | 46,357  | 52,053 | -11 | 46,892 | -1 | 48,084      | 54,263 | -11 |
| Lead (SEK /tonne)                                      | 13,774  | 13,338 | 3   | 13,470 | 2  | 14,018      | 13,728 | 2   |
| Gold (SEK /troy oz.)                                   | 8,682   | 11,151 | -22 | 9,290  | -7 | 9,485       | 11,250 | -16 |
| Silver (SEK /troy oz.)                                 | 139.73  | 201.28 | -31 | 151.80 | -8 | 161.61      | 208.69 | -23 |

## Exchange rates

The changes in exchange rates are small in comparison with the previous quarter, but the Swedish krona and the euro have strengthened, year-on-year, against the US dollar. The euro has also strengthened against the Swedish krona during the quarter.

| <b>Exchange rates</b><br><b>(average)</b> | Quarter |        |    |        |   | Nine months |      |    |
|---|---------|--------|----|--------|---|-------------|------|----|
|   | 3-2013  | 3-2012 | %  | 2-2013 | % | 2013        | 2012 | %  |
| USD/SEK                                   | 6.55    | 6.76   | -3 | 6.56   | 0 | 6.52        | 6.81 | -4 |
| EUR/USD                                   | 1.32    | 1.25   | 6  | 1.31   | 1 | 1.32        | 1.28 | 3  |
| EUR/SEK                                   | 8.68    | 8.44   | 3  | 8.56   | 1 | 8.58        | 8.73 | -2 |
| USD/NOK                                   | 5.99    | 5.91   | 1  | 5.83   | 3 | 5.81        | 5.86 | -1 |

## 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 calculation is based on listings on 30<sup>th</sup> September 2013 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 the revaluation of process inventory in the smelters.

| Change in metal prices +10% | Effect on operating profit, SEK m | Change in USD, +10% | Effect on operating profit, SEK m | Change in TC/RC, +10% | Effect on operating profit, SEK m |
|-----------------------------|-----------------------------------|---------------------|-----------------------------------|-----------------------|-----------------------------------|
| Copper                      | 390                               | USD/SEK             | 930                               | TC/RC Copper          | 80                                |
| Zinc                        | 445                               | EUR/USD             | 350                               | TC Zinc               | 40                                |
| Lead                        | 85                                | USD/NOK             | 80                                | TC Lead               | -10                               |
| Gold                        | 150                               |                     |                                   |                       |                                   |
| Silver                      | 130                               |                     |                                   |                       |                                   |

## METAL PRICE AND CURRENCY HEDGING

The following table shows Boliden's outstanding price and hedging contracts on 30<sup>th</sup> September 2013. The hedging programmes instituted in conjunction with the Garpenberg expansion project matured in June 2013.

Boliden's production, with the exception of gold, is now fully exposed to market prices. The hedging reduces the effects of fluctuations in the price of gold and US dollar exchange rates on the Group's profits.

| <b>Metals</b>               | 2013  | 2014   | 2015   | 2016   | 2017   |
|-----------------------------|-------|--------|--------|--------|--------|
| <b>Gold</b>                 |       |        |        |        |        |
| Hedged volume (troy oz.)    | 7,050 | 38,400 | 48,600 | 47,000 | 29,000 |
| Forward price, USD/troy oz. | 1,412 | 1,455  | 1,491  | 1,487  | 1,490  |
| Market value, SEK m         | 3     | 29     | 46     | 44     | 28     |
| <b>Currencies</b>           | 2013  | 2014   | 2015   | 2016   | 2017   |
| <b>USD/SEK</b>              |       |        |        |        |        |
| Hedged volume (USD m)       | 10    | 56     | 72     | 70     | 43     |
| Forward rate, USD/SEK       | 6.83  | 6.83   | 6.78   | 6.77   | 6.77   |
| Market value, SEK m         | 4     | 19     | 16     | 15     | 10     |

## BUSINESS AREA MINES

Production levels fell in comparison with the previous quarter. The profit remained largely unchanged, however, due to a positive pricing effect and lower costs. Business Area Mines' revenues totalled SEK 2,139 million (SEK 2,543 m) and its operating profit was SEK 372 million (SEK 858 m). The negative price trend in particular impacted the year-on-year profit.

### Financial performance

| SEK m              | Quarter |        |        | Nine months |        |
|--------------------|---------|--------|--------|-------------|--------|
|                    | 3-2013  | 3-2012 | 2-2013 | 2013        | 2012   |
| Revenues           | 2,139   | 2,543  | 2,163  | 6,344       | 7,406  |
| Operating expenses | 1,224   | 1,163  | 1,342  | 3,698       | 3,740  |
| Depreciation       | 473     | 489    | 498    | 1,429       | 1,304  |
| Operating profit   | 372     | 858    | 376    | 1,175       | 2,429  |
| Investments        | 947     | 798    | 977    | 2,726       | 2,374  |
| Capital employed   | 17,475  | 15,177 | 16,968 | 17,475      | 15,177 |

Amended accounting principles have necessitated a restatement of the results for the comparison quarters in 2012. See page 27-28 and interim report January-March 2013.

### Production

|                         | Quarter |        |    | Nine months |     |         |         |     |
|-------------------------|---------|--------|----|-------------|-----|---------|---------|-----|
|                         | 3-2013  | 3-2012 | %  | 2-2013      | %   | 2013    | 2012    | %   |
| Zinc, tonnes            | 63,045  | 66,735 | -6 | 71,558      | -12 | 200,079 | 216,485 | -8  |
| Copper, tonnes          | 20,963  | 21,093 | -1 | 20,417      | 3   | 57,969  | 60,111  | -4  |
| Lead, tonnes            | 12,173  | 13,137 | -7 | 12,136      | 0   | 35,833  | 39,697  | -10 |
| Gold, kg                | 986     | 861    | 14 | 1,025       | -4  | 2,731   | 2,704   | 1   |
| Gold, troy oz.          | 31,688  | 27,695 | 14 | 32,953      | -4  | 87,799  | 86,921  | 1   |
| Silver, kg <sup>1</sup> | 67,162  | 60,127 | 12 | 75,533      | -11 | 201,702 | 177,822 | 13  |
| Silver, '000 troy oz.   | 2,159   | 1,933  | 12 | 2,428       | -11 | 6,485   | 5,717   | 13  |

Metal content in concentrates. Information about production and metal grades at the respective units can be found on pages 22-23.

Production levels at Aitik continued stable and high and the milled tonnage over the past four quarters totals just under 35 Mtonnes. Milled tonnage and metal production both fell slightly during the third quarter in comparison with the previous quarter. Copper grades rose slightly during the quarter but production will continue in areas with low copper and gold grades until the end of 2014.

Milled tonnage in the Boliden Area fell due to the temporary use of a milling section for processing smelter slag from Rönskär, which led to reduced metal production in comparison with the previous quarter, primarily with regard to zinc, lead and silver. The effect on the profit was, however, limited. Copper production increased due to higher grades, while gold production fell slightly.

Milled tonnage at Garpenberg increased in comparison with the second quarter and this, coupled with slightly higher grades, resulted in increased zinc production. Silver production fell slightly due to lower grades, while improved yields resulted in higher levels of lead production. Production of all metals increased, year-on-year, but towards the end of the year, production will take place in areas with substantially lower grades.

A slight reduction in milled tonnage, coupled with lower grades, resulted in lower production levels at Tara during the quarter. Lower grades and yields resulted in lower levels of lead production and also explain the year-on-year change.

<sup>1</sup>Includes silver production at Tara that is not payable - see page 23 for details of Tara's production.



**Profit analysis**

| SEK m                                      | Quarter       |               |               |
|--|---------------|---------------|---------------|
|  | 3-2013        | 3-2012        | 2-2013        |
| <b>Operating profit</b>                    | <b>372</b>    | <b>858</b>    | <b>376</b>    |
| <b>Change</b>                              |               | <b>-486</b>   | <b>-4</b>     |
| <b>Analysis of change</b>                  |               |               |               |
| Volume effect                              |               | -51           | -161          |
| Prices and terms                           |               | -421          | 6             |
| Metal prices and terms                     |               | -285          | 163           |
| Realised metal price and currency hedging* |               | -68           | -129          |
| TC/RC terms                                |               | -22           | 8             |
| Exchange rate effects                      |               | -47           | -36           |
| <i>Of which translation effects</i>        |               | 2             | 2             |
| Costs (local currencies)                   |               | -51           | 120           |
| Depreciation                               |               | 17            | 26            |
| Other                                      |               | 21            | 5             |
| <b>Change</b>                              |               | <b>-486</b>   | <b>-4</b>     |
| <b>*Result for respective quarter</b>      | <b>3-2013</b> | <b>3-2012</b> | <b>2-2013</b> |
| Realised metal price and currency hedging  | 6             | 74            | 135           |

Operating expenses in local currencies increased by 4 per cent, year-on-year. Energy, consumables and spare parts costs have increased, while transport and external services costs have fallen. Costs fell by 9 per cent in comparison with the previous quarter due to the effect of the holiday season and to a slightly reduced rate of exploration.

## BUSINESS AREA SMELTERS

Production volumes have normalised after the extensive maintenance shutdowns during the second quarter, and this has had a positive volume and cost effect in comparison with the previous quarter. Business Area Smelters' operating profit, excluding the revaluation of process inventory, totalled SEK 262 million (SEK 281 m).

### Financial performance

| SEK m   | Quarter |        |        | Nine months |        |
|---|---------|--------|--------|-------------|--------|
|   | 3-2013  | 3-2012 | 2-2013 | 2013        | 2012   |
| Revenues  | 8,320   | 8,847  | 7,577  | 24,970      | 28,878 |
| Gross profit ex. revaluation of process inventory     | 1,795   | 1,751  | 1,618  | 5,245       | 5,520  |
| Operating expenses                                    | 1,313   | 1,252  | 1,434  | 4,068       | 4,001  |
| Depreciation  | 226     | 214    | 225    | 674         | 655    |
| Operating profit ex. revaluation of process inventory | 262     | 281    | -30    | 530         | 892    |
| Operating profit                                      | 340     | 452    | -459   | 123         | 1,184  |
| Investments   | 203     | 172    | 530    | 946         | 716    |
| Capital employed                                      | 15,781  | 15,940 | 15,957 | 15,781      | 15,940 |

Amended accounting principles have necessitated a restatement of the results for the comparison quarters in 2012. See page 27-28 and interim report January-March 2013.

### Production

|                               | Quarter |         |    |         |     | Nine months |           |     |
|-------------------------------|---------|---------|----|---------|-----|-------------|-----------|-----|
|                               | 3-2013  | 3-2012  | %  | 2-2013  | %   | 2013        | 2012      | %   |
| Zinc, tonnes                  | 115,170 | 116,772 | -1 | 105,896 | 9   | 335,222     | 351,292   | -5  |
| Copper, tonnes                | 87,558  | 81,941  | 7  | 63,909  | 37  | 233,758     | 248,248   | -6  |
| Lead, tonnes                  | 4,747   | 3,431   | 38 | 5,836   | -19 | 16,844      | 12,390    | 36  |
| Lead alloys, tonnes (Bergsöe) | 8,156   | 7,831   | 4  | 11,329  | -28 | 31,894      | 30,180    | 6   |
| Gold, kg                      | 4,155   | 4,017   | 3  | 3,463   | 20  | 11,811      | 12,425    | -5  |
| Gold, troy oz.                | 133,568 | 129,135 | 3  | 111,340 | 20  | 379,734     | 399,474   | -5  |
| Silver, kg                    | 160,423 | 124,173 | 29 | 112,122 | 43  | 395,061     | 423,584   | -7  |
| Silver, '000 troy oz.         | 5,158   | 3,992   | 29 | 3,605   | 43  | 12,701      | 13,618    | -7  |
| Sulphuric acid, tonnes        | 427,573 | 407,009 | 5  | 317,046 | 35  | 1,141,934   | 1,214,474 | -6  |
| Aluminium fluoride, tonnes    | 6,375   | 6,155   | 4  | 8,305   | -23 | 23,546      | 26,678    | -12 |

Information about production at the respective units can be found on pages 24-25.

Material processing and metal production both increased at Rönnskär in comparison with both of the comparison periods. Continued disruptions to production did, however, result in lower yields and higher costs and hence had a negative effect on the profit. Measures are being implemented in order to rectify these problems.

Harjavalta increased its processing of copper and nickel raw materials in relation to both comparison periods and the production of copper cathodes increased. Gold and silver production fell, however.

Kokkola's production was stable during the quarter, showing only small variations from both comparison periods.

Odda's production increased in comparison with the previous quarter when extensive maintenance shutdowns and renovation work were carried out. Production and processing levels were slightly down, year-on-year. Odda is also still suffering the effects of the breakdown in one of the leaching tanks that occurred in October 2012 and a replacement tank will be installed in early 2014.

Bergsöe's production of lead alloys fell in comparison with the previous quarter due to a maintenance shutdown but increased, year-on-year.

## Profit analysis

| SEK m  | Quarter       |               |               |
|--|---------------|---------------|---------------|
|  | 3-2013        | 3-2012        | 2-2013        |
| <b>Operating profit</b>                                      | <b>340</b>    | <b>452</b>    | <b>-459</b>   |
| Revaluation of process inventory                             | 78            | 172           | -429          |
| <b>Operating profit ex. revaluation of process inventory</b> | <b>262</b>    | <b>281</b>    | <b>-30</b>    |
| <b>Change</b>  |               | <b>-19</b>    | <b>292</b>    |
| <b>Analysis of change</b>                                    |               |               |               |
| Volume effect  |               | 61            | 217           |
| Prices and terms*  |               | -29           | -42           |
| Metal prices and terms                                       |               | 64            | 51            |
| By-products, prices and terms                                |               | -65           | -5            |
| Realised metal price and currency hedging*                   |               | -19           | -33           |
| TC/RC terms  |               | 28            | -51           |
| Metal premiums   |               | -3            | 18            |
| Exchange rate effects  |               | -34           | -22           |
| <i>Of which translation effects</i>                          |               | 3             | 5             |
| Costs (local currencies)                                     |               | -51           | 123           |
| Depreciation   |               | -11           | -2            |
| Other  |               | 11            | -3            |
| <b>Change</b>  |               | <b>-19</b>    | <b>292</b>    |
| <b>*Result for respective quarter</b>                        | <b>3-2013</b> | <b>3-2012</b> | <b>2-2013</b> |
| Realised metal price and currency hedging                    | 0             | 19            | 34            |

The comparisons with the previous quarter are dominated by the extensive maintenance shutdowns that impacted the second quarter profit to the tune of SEK -305 million. Prices and terms, and exchange rates also had a simultaneous but weak negative impact. Increased volumes, lower sulphuric acid prices and a certain increase in costs are the most important changes year-on year.

Operating expenses in local currencies increased by 4 per cent in comparison with the previous year but fell by 9 per cent in comparison with the previous quarter due to the maintenance shutdowns in that quarter and the effect of the holiday season. Energy and external services costs have increased, year-on-year.

## Maintenance shutdowns

A maintenance shutdown has been carried out at Bergsöe during the quarter, which has negatively impacted the operating profit to the tune of SEK 25 million. No maintenance shutdowns are planned during the fourth quarter.

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

Revenues for the first nine months of the year totalled SEK 25,755 million (SEK 29,807 m). The decline is primarily due to lower metal prices and lower volumes from the smelters, which carried out extensive maintenance shutdowns during the year.

The operating profit, excluding the revaluation of process inventory, fell by SEK 1,479 million to SEK 1,724 million (SEK 3,203 m). Lower prices and negative exchange rate effects account for the majority of the deterioration in the profit. Consumables, spare parts and energy costs have also increased. The maintenance shutdowns thus far this year negatively affected the profit to the tune of SEK 330 million (SEK 170 m).

Net financial items totalled SEK -157 million (SEK -138 m) and the net profit was SEK 905 million (SEK 2,477 m). Earnings per share totalled SEK 3.30 (SEK 9.05).

Investments during the first nine months of the year totalled SEK 3,680 million (SEK 3,094 m).

### Profit analysis

| SEK m  | Nine months  |               |
|--|--------------|---------------|
|  | 2013         | 2012          |
| <b>Operating profit</b>                                      | <b>1 317</b> | <b>3 494</b>  |
| Revaluation of process inventory                             | -407         | 292           |
| <b>Operating profit ex. revaluation of process inventory</b> | <b>1 724</b> | <b>3 203</b>  |
| <b>Change</b>  |              | <b>-1 479</b> |
| <b>Analysis of change</b>                                    |              |               |
| Volume effect  |              | -117          |
| Prices and terms   |              | -1 262        |
| Metal prices and terms                                       |              | -838          |
| By-products, prices and terms                                |              | -192          |
| Realised metal price and currency hedging*                   |              | 45            |
| TC/RC terms  |              | 86            |
| Metal premiums   |              | 5             |
| Exchange rate effects  |              | -368          |
| <i>Of which translation effects</i>                          |              | -2            |
| Costs  |              | -239          |
| Depreciation   |              | -158          |
| Internal profit elimination                                  |              | 115           |
| Items affecting comparability**                              |              | 171           |
| Other  |              | 11            |
| <b>Change</b>  |              | <b>-1 479</b> |
| <b>*Result for respective quarter</b>                        | <b>2013</b>  | <b>2012</b>   |
| Realised metal price and currency hedging                    | 217          | 172           |

\*\* The item comprises a positive effect of SEK 217 million resulting from the raising of the pensionable age at Tara, and a negative effect of SEK -46 million resulting from restructuring costs in connection with workforce reductions at Tara.

## SUSTAINABLE DEVELOPMENT

### Employees

The average number of Boliden employees<sup>2</sup> during the first nine months of the year was 4,786 (4,772). Of these, 2,853 (2,786) work in Sweden, 932 (956) in Finland, 684 (719) in Ireland, 300 (296) in Norway and 18 (16) in other counties. The average number of employees for 2012 as a whole was 4,795. The increase in personnel in Sweden is due to the expansion projects and to the fact that maintenance work at Aitik is increasingly carried out by Boliden's own personnel.

The sick leave rate during the second quarter was 3.2 per cent (3.1%), corresponding to a reduction in comparison with the previous quarter, when the sick leave rate was 3.8 per cent. The Group's long-term goal is for its sick leave rate not to exceed 4.0 per cent.

The accident frequency (LTI, number of accidents per one million hours worked) was 8.0 (9.2) during the third quarter, corresponding to an increase in comparison with the previous quarter when the accident frequency was 5.6. The accident frequency including contractors was 10.6 (10.0), corresponding to an increase in comparison with the second quarter, when the frequency was 9.3.

A serious accident occurred at the Kankberg mine in August, when a driver employed by a contractor reversed a truck over an edge, falling ca. 12-15m down on to an ore stockpile. The driver suffered abrasions and fractured ribs.

A fire broke out in an underground diesel compressor in the Kristineberg mine in August. One mineworker was trapped by the fire and sought shelter in a drilling unit cabin. Two other mineworkers who searched for the trapped mineworker were forced to take shelter in the refuge chamber. All of those affected were taken to hospital but escaped without any serious physical injuries.

A serious accident occurred in a vehicle workshop at Rönnskär in September when a lifting arm fell, hitting an employee who suffered head injuries and fractures.

### Environment

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.

In July, the Kokkola smelter exceeded the threshold limit of 50,000 mg/kg for dissolved sulphate in landfill waste when the waste contained 59,000 mg/kg. The effect on the external environment was minimal as the threshold limit refers to internal landfill waste.

Internal environmental goals have been defined for the period from 2009 to 2013. These goals cover metal emissions and discharges to air and water, nutrient salt discharges to water, energy consumption, and emissions of sulphur dioxide and carbon dioxide to air. Compliance with these goals is followed up on a monthly basis, with the exception of the carbon dioxide emission/energy consumption goals, which are followed up quarterly and reported in the Annual Report.

Boliden's internal goals for the maximum emission of metals and sulphur dioxide to air and discharges of metals and nutrient salts to water have been met in 2013.

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<sup>2</sup> Full time equivalents

## 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 the demand for zinc, copper and other base metals. For further information on risks and risk management, please see Risks and risk management on pages 30-31 and Note 20 Financial risk management on pages 102-103 of Boliden's Annual Report for 2012.

## 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, while the Parent Company accounts have been prepared in accordance with the Swedish Annual Accounts Act.

A new standard and a number of new addenda to IFRS standards and interpretations by IFRIC have come into force for financial years beginning on or after 1<sup>st</sup> July 2012 (IAS 1) and 1<sup>st</sup> January 2013 (IAS 19, IFRS 7, IFRS 13 and IFRIC 20) and affect Boliden. See also Boliden's Interim Report for the first quarter of 2013.

For more detailed information on revised and new standards and interpretations, see the section on accounting principles in Boliden's 2012 Annual Report.

Stockholm, 22<sup>nd</sup> October 2013

Lennart Evrell  
*President & CEO*

The information provided comprises 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 on 22<sup>nd</sup> October 2013 at 12 noon (CET).

## INTERIM REPORTS

The Year-end Report for 2013 will be published on 12<sup>th</sup> February 2014.  
The 2014 Annual General Meeting will be held on 6<sup>th</sup> May in Boliden.

## PRESENTATION OF THE REPORT

The Interim Report will be presented in Stockholm and via a webcast/conference call

Time: Tuesday, 22<sup>nd</sup> October, 15.00 (CET)  
Place: Lundqvist och Lindqvist, S:t Clara auditorium  
Address: Klarabergsviadukten 90, Stockholm, Sweden

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 56 474 (include the area code)  
Telephone number from other countries: +44 (0)203 364 53 74

## Contact persons for information:

|   |      |                 |
|---|------|-----------------|
| Lennart Evrell, President & CEO                 | Tel: | +46 8 610 15 00 |
| Mikael Staffas, CFO                             | Tel: | +46 8 610 15 00 |
| Frans Benson, Director Group Investor Relations | Tel: | +46 8 610 15 23 |

## CONSOLIDATED INCOME STATEMENTS

The result for the comparison year of 2012 has been restated in all tables and in other information contained in this report in response to the amendments to Boliden's accounting principles. See also pages 29-30 and Interim report January-March 2013.

| SEK m   | Three months |              |             | Nine months  |              | 12 mos.      | Full year    |
|---|--------------|--------------|-------------|--------------|--------------|--------------|--------------|
|   | 3-2013       | 3-2012       | 2-2013      | 2013         | 2012         | Oct-Sept     | 2012         |
| Revenues  | 8,471        | 9,123        | 8,035       | 25,755       | 29,807       | 35,949       | 40,001       |
| Cost of goods sold                                  | -7,503       | -7,660       | -7,779      | -23,486      | -25,381      | -32,664      | -34,559      |
| <b>Gross profit</b>                                 | <b>968</b>   | <b>1,463</b> | <b>257</b>  | <b>2,269</b> | <b>4,426</b> | <b>3,285</b> | <b>5,442</b> |
| Selling expenses                                    | -83          | -89          | -75         | -250         | -284         | -351         | -385         |
| Administrative expenses                             | -153         | -118         | -144        | -466         | -397         | -604         | -535         |
| Research and development costs                      | -84          | -91          | -123        | -315         | -318         | -426         | -429         |
| Other operating income and expenses                 | 32           | -6           | 27          | 77           | 68           | 86           | 77           |
| Results from participations in associated companies | 1            | -            | -           | 2            | -            | 3            | 1            |
| <b>Operating profit</b>                             | <b>681</b>   | <b>1,160</b> | <b>-59</b>  | <b>1,317</b> | <b>3,494</b> | <b>1,994</b> | <b>4,171</b> |
| Financial income                                    | 6            | 25           | 7           | 23           | 68           | 42           | 87           |
| Financial expenses                                  | -58          | -68          | -64         | -180         | -206         | -239         | -265         |
| <b>Profit after financial items</b>                 | <b>629</b>   | <b>1,116</b> | <b>-116</b> | <b>1,160</b> | <b>3,356</b> | <b>1,796</b> | <b>3,992</b> |
| Taxes   | -131         | -290         | 16          | -255         | -879         | -27          | -651         |
| <b>Net profit</b>                                   | <b>498</b>   | <b>827</b>   | <b>-100</b> | <b>905</b>   | <b>2,477</b> | <b>1,769</b> | <b>3,341</b> |
| <b>Net profit attributable to:</b>                  |              |              |             |              |              |              |              |
| The Parent Company's shareholders                   | 496          | 826          | -101        | 903          | 2,476        | 1,766        | 3,339        |
| Holdings with non-controlling interests             | 2            | 1            | 1           | 2            | 1            | 3            | 2            |

### Earnings and shareholders' equity per share

|                                     | Three months |             |             | Nine months |             | 12 mos.     | Full year   |
|-------------------------------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                                     | 3-2013       | 3-2012      | 2-2013      | 2013        | 2012        | Oct-Sept    | 2012        |
| Earnings per share*, SEK            | 1.81         | 3.02        | -0.37       | 3.30        | 9.06        | 6.45        | 12.21       |
| Shareholders' equity per share, SEK | 82.04        | 77.91       | 80.47       | 82.04       | 77.91       | 82.04       | 81.68       |
| Number of shares                    | 273,511,169  | 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 | 273,511,169 |
| Number of own shares held           | -            | -           | -           | -           | -           | -           | -           |

\* There are no potential shares and, as a result, no dilution effect.

### KEY RATIOS – THE GROUP

|  | Three months |        |        | Nine months |       | 12 mos.  | Full year |
|--|--------------|--------|--------|-------------|-------|----------|-----------|
|  | 3-2013       | 3-2012 | 2-2013 | 2013        | 2012  | Oct-Sept | 2012      |
| Return on capital employed <sup>1)</sup> , %     |              |        |        |             |       | 6        | 14        |
| Return on shareholders' equity <sup>2)</sup> , % |              |        |        |             |       | 8        | 16        |
| Equity/assets ratio, %                           | 55           | 56     | 55     | 55          | 56    | 55       | 56        |
| Net debt/equity ratio <sup>3)</sup> , %          | 38           | 29     | 41     | 38          | 29    | 38       | 28        |
| Net debt, SEK m                                  | 8,454        | 6,255  | 8,965  | 8,454       | 6,255 | 8,454    | 6,276     |

<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.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

| SEK m  | Three months |             |             | Nine months  |              | 12 mos.      | Full year    |
|--|--------------|-------------|-------------|--------------|--------------|--------------|--------------|
|  | 3-2013       | 3-2012      | 2-2013      | 2013         | 2012         | Oct-Sept     | 2012         |
| <b>Profit for the period</b>   | <b>498</b>   | <b>827</b>  | <b>-100</b> | <b>905</b>   | <b>2,477</b> | <b>1,769</b> | <b>3,341</b> |
| <b>Other comprehensive income</b>                                    |              |             |             |              |              |              |              |
| <i>Items that will be reclassified to the Income Statement</i>       |              |             |             |              |              |              |              |
| Cash flow hedging  |              |             |             |              |              |              |              |
| Change in market value of derivative instruments                     | -90          | -380        | 508         | 594          | -493         | 940          | -147         |
| Fiscal effect on derivative instruments                              | 20           | 100         | -112        | -131         | 130          | -222         | 39           |
| Transfers to the Income Statement                                    | -4           | -83         | -161        | -193         | -146         | -248         | -201         |
| Tax on transfers to the Income Statement                             | 1            | 22          | 35          | 42           | 38           | 57           | 53           |
| Effect of change in tax rate, market value of derivative instruments | -            | -           | -           | -            | -            | -8           | -8           |
|  | <b>-73</b>   | <b>-342</b> | <b>270</b>  | <b>312</b>   | <b>-471</b>  | <b>519</b>   | <b>-265</b>  |
| The period's translation difference on overseas operations           | -36          | -157        | 211         | 30           | -244         | 114          | -159         |
| Profit on hedging of net investments in overseas operations          | 49           | 228         | -279        | -35          | 353          | -169         | 219          |
| Tax on the profit for the period from hedging instruments            | -11          | -60         | 61          | 8            | -93          | 53           | -48          |
|  | <b>2</b>     | <b>11</b>   | <b>-7</b>   | <b>3</b>     | <b>16</b>    | <b>-2</b>    | <b>12</b>    |
| <b>Total items that will be reclassified</b>                         | <b>-71</b>   | <b>-331</b> | <b>263</b>  | <b>315</b>   | <b>-455</b>  | <b>516</b>   | <b>-254</b>  |
| <i>Items that will not be reclassified in the Income Statement</i>   |              |             |             |              |              |              |              |
| Revaluation of defined benefit pension plans                         | 6            | 27          | -21         | -35          | -84          | -77          | -126         |
| Tax attributable to items not reclassified to the Income Statement   | -1           | -9          | 5           | 10           | 20           | 19           | 29           |
| <b>Total items that will not be reclassified</b>                     | <b>5</b>     | <b>18</b>   | <b>-16</b>  | <b>-25</b>   | <b>-64</b>   | <b>-58</b>   | <b>-97</b>   |
| <b>Total other comprehensive income</b>                              | <b>-66</b>   | <b>-313</b> | <b>247</b>  | <b>290</b>   | <b>-519</b>  | <b>458</b>   | <b>-351</b>  |
| <b>Comprehensive income for the period</b>                           | <b>432</b>   | <b>514</b>  | <b>147</b>  | <b>1,195</b> | <b>1,958</b> | <b>2,227</b> | <b>2,990</b> |
| <b>Comprehensive income for the period attributable to:</b>          |              |             |             |              |              |              |              |
| The Parent Company's shareholders                                    | 430          | 513         | 146         | 1,193        | 1,957        | 2,224        | 2,988        |
| Holdings with non-controlling interests                              | 2            | 1           | 1           | 2            | 1            | 3            | 2            |



**CONSOLIDATED BALANCE SHEET**

| SEK m   | 30 <sup>th</sup> Sept<br>2013 | 30 <sup>th</sup> Sept<br>2012 | 31 <sup>st</sup> Dec<br>2012 |
|---|-------------------------------|-------------------------------|------------------------------|
| Intangible fixed assets                           | 3,098                         | 3,119                         | 3,160                        |
| Tangible fixed assets                             | 26,647                        | 23,625                        | 25,138                       |
| Participations in associated companies            | 9                             | 7                             | 8                            |
| Other shares and participations                   | 25                            | 45                            | 24                           |
| Deferred tax                                      | 56                            | 252                           | 247                          |
| Interest-bearing assets                           | 97                            | 105                           | 104                          |
| Inventories                                       | 8,170                         | 8,274                         | 8,244                        |
| Interest-bearing current receivables              | 3                             | 3                             | 3                            |
| Tax receivables                                   | 21                            | 23                            | 12                           |
| Other receivables                                 | 2,304                         | 2,243                         | 2,129                        |
| Liquid assets                                     | 223                           | 361                           | 1,011                        |
| <b>Total assets</b>                               | <b>40,653</b>                 | <b>38,057</b>                 | <b>40,080</b>                |
| Shareholders' equity                              | 22,454                        | 21,323                        | 22,354                       |
| Pension provisions                                | 1,182                         | 1,284                         | 1,382                        |
| Deferred tax provisions                           | 2,617                         | 2,821                         | 2,760                        |
| Other provisions                                  | 1,651                         | 1,116                         | 1,650                        |
| Interest-bearing long-term liabilities            | 4,138                         | 3,498                         | 4,315                        |
| Interest-bearing current liabilities              | 3,422                         | 1,907                         | 1,666                        |
| Tax liabilities                                   | 134                           | 221                           | 105                          |
| Other current liabilities                         | 5,055                         | 5,886                         | 5,848                        |
| <b>Total shareholders' equity and liabilities</b> | <b>40,653</b>                 | <b>38,057</b>                 | <b>40,080</b>                |

**CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY**

| SEK m  | 30 <sup>th</sup> Sept<br>2013 | 30 <sup>th</sup> Sept<br>2012 | 31 <sup>st</sup> Dec<br>2012 |
|--|-------------------------------|-------------------------------|------------------------------|
| Opening balance                                    | 22,354                        | 20,458                        | 20,458                       |
| Comprehensive income for the period                | 1,195                         | 1,958                         | 2,990                        |
| Dividend   | -1,095                        | -1,094                        | -1,094                       |
| Closing balance                                    | 22,454                        | 21,323                        | 22,354                       |
| <b>Total shareholders' equity attributable to:</b> |                               |                               |                              |
| The Parent Company's shareholders                  | 22,439                        | 21,309                        | 22,340                       |
| Holdings with non-controlling interests            | 15                            | 14                            | 14                           |

On 30<sup>th</sup> September 2013, the hedging reserve, after fiscal effects, totalled SEK 168 million. The corresponding amount on 31<sup>st</sup> December 2012 was SEK -145 million.

## FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE

| 30 <sup>th</sup> September 2013, SEK m | Fair value    | Reported value |
|--|---------------|----------------|
| Other shares and participations        | 25            | 25             |
| Accounts receivable                    | 1,117         | 1,117          |
| Interest-bearing receivables           | 3             | 3              |
| Derivative instruments                 | 365           | 365            |
| Liquid assets                          | 223           | 223            |
| <b>Total assets</b>                    | <b>1,733</b>  | <b>1,733</b>   |
| Liabilities to credit institutions     | 7,568         | 7,556          |
| Other interest-bearing liabilities     | 4             | 4              |
| Accounts payable                       | 3,839         | 3,839          |
| Derivative instruments                 | 64            | 64             |
| <b>Total liabilities</b>               | <b>11,475</b> | <b>11,463</b>  |

The fair value of derivatives is based on listed bid and ask prices on the closing day and on a discounting of estimated cash flows. Market prices for metals are taken from the trading location of metal derivatives, i.e. the London Metal Exchange (LME) and the London Bullion Market Association (LBMA). Discount rates are based on current market rates per currency and time to maturity for the financial instrument. Exchange rates are obtained from the Riksbank. When presenting the fair value of liabilities to credit institutions, the fair value is calculated as discounted agreed amortisations and interest payments at estimated market interest margins.

The reported values of accounts receivable and accounts payable is deemed to be the same as their fair value due to the short time to maturity, the fact that provisions are made for doubtful accounts receivable and that any penalty interest will be debited.

Boliden's financial instruments holdings, which are reported at fair value in the Balance Sheet, are all classified as level 2 items in the fair value hierarchy. See also under the Accounting Principles section of the Annual Report.

## NETTING OF FINANCIAL ASSETS AND LIABILITIES

| 30 <sup>th</sup> Sept 2013 | Gross asset | Netting for ordinary course of business | Net asset reported in the Balance Sheet | Netting in conjunction with early termination | Net asset in conjunction with early termination |
|----------------------------|-------------|---|---|---|---|
| Derivative                 | 398         | -33                                     | 365                                     | -56   | 308   |

| 30 <sup>th</sup> Sept 2013 | Gross liability | Netting for ordinary course of business | Net liability reported in the Balance Sheet | Netting in conjunction with early termination | Net liability in conjunction with early termination |
|----------------------------|-----------------|---|---|---|---|
| Derivative                 | 98              | -33                                     | 64  | -56   | 8   |

Netting of financial assets and liabilities is regulated under the provisions of ISDA (International Swaps and Derivatives Association) agreements that address both netting between contracted counterparties during ordinary course of business and in conjunction with circumstances that involve breach of contract or early termination.

In conjunction with ordinary course of business, Boliden applies netting of payments on obligations that mature on the same date, in the same currency, and for the same kind of instrument. Only surplus amounts per instrument and currency are paid by the party with the largest liability.

In conjunction with breaches of contract or early termination that may be caused by circumstances not directly associated with neglect by an individual counterparty, all terminated obligations comprised by ISDA agreements per counterparty are netted in a sum paid by the counterparty with the largest liability.

**CONSOLIDATED STATEMENTS OF CASH FLOW**

| SEK m  | Three months  |              |               | Nine months   |               | 12 mos.       | Full year     |
|--|---------------|--------------|---------------|---------------|---------------|---------------|---------------|
|  | 3-2013        | 3-2012       | 2-2013        | 2013          | 2012          | Oct-Sept      | 2012          |
| <b>Operating activities</b>  |               |              |               |               |               |               |               |
| Profit after financial items   | 629           | 1,116        | -116          | 1,160         | 3,356         | 1,796         | 3,992         |
| Adjustments for items not included in the cash flow:                         |               |              |               |               |               |               |               |
| - Depreciation, amortisation and write-down of assets                        | 699           | 704          | 724           | 2,105         | 1,960         | 2,706         | 2,561         |
| - Provisions   | -19           | -17          | 20            | -191          | 49            | -108          | 132           |
| - Translation differences etc.   | 81            | 80           | -111          | 124           | -195          | -23           | -342          |
| Tax paid/received  | 283           | -255         | -354          | -261          | -1,157        | -249          | -1,145        |
| <b>Cash flow from operating activities before changes in working capital</b> | <b>1,673</b>  | <b>1,628</b> | <b>162</b>    | <b>2,937</b>  | <b>4,013</b>  | <b>4,122</b>  | <b>5,198</b>  |
| Cash flow from changes in working capital                                    | -86           | -475         | -132          | -521          | 47            | -248          | 320           |
| <b>Cash flow from operating activities</b>                                   | <b>1,587</b>  | <b>1,153</b> | <b>30</b>     | <b>2,416</b>  | <b>4,061</b>  | <b>3,873</b>  | <b>5,518</b>  |
| Investment activities  |               |              |               |               |               |               |               |
| - Acquisition/sale of intangible fixed assets                                | -4            | -4           | -4            | -9            | -11           | -22           | -24           |
| - Acquisition/sale of tangible fixed assets                                  | -1,146        | -869         | -1,504        | -3,667        | -2,798        | -5,020        | -4,151        |
| - Acquisition/sale of financial fixed assets                                 | -1            | 18           | -             | -3            | 12            | 14            | 29            |
| - Other  | -1            | 12           | 1             | 3             | 11            | 9             | 17            |
| <b>Cash flow from investment activities</b>                                  | <b>-1,152</b> | <b>-843</b>  | <b>-1,507</b> | <b>-3,676</b> | <b>-2,785</b> | <b>-5,020</b> | <b>-4,129</b> |
| <b>Cash flow before financing activities</b>                                 | <b>436</b>    | <b>310</b>   | <b>-1,477</b> | <b>-1,261</b> | <b>1,277</b>  | <b>-1,148</b> | <b>1,389</b>  |
| Dividend   | -1            | -            | -1,094        | -1,095        | -1,094        | -1,095        | -1,094        |
| Net borrowing/net amortisation   | -290          | -304         | 1,800         | 1,567         | -176          | 2,107         | 364           |
| <b>Cash flow from financing activities</b>                                   | <b>-291</b>   | <b>-304</b>  | <b>706</b>    | <b>473</b>    | <b>-1,270</b> | <b>1,013</b>  | <b>-730</b>   |
| <b>Cash flow for the period</b>  | <b>145</b>    | <b>6</b>     | <b>-771</b>   | <b>-788</b>   | <b>5</b>      | <b>-134</b>   | <b>659</b>    |
| Liquid assets at the beginning of the period                                 | 79            | 355          | 846           | 1,011         | 355           | 361           | 355           |
| Exchange rate difference on liquid assets                                    | -1            | 0            | 4             | -             | 1             | -4            | -3            |
| Liquid assets at period-end  | 223           | 361          | 79            | 223           | 361           | 223           | 1,011         |

### INCOME STATEMENT – THE PARENT COMPANY

| SEK m  | Three months |            | Nine months  |              |
|--|--------------|------------|--------------|--------------|
|  | 3-2013       | 3-2012     | 2013         | 2012         |
| Dividends from subsidiaries                      | -            | -          | 2,442        | 2,607        |
| Write-downs of participations in Group companies | -            | -17        | -            | -17          |
| <b>Profit after financial items</b>              | <b>-</b>     | <b>-17</b> | <b>2,442</b> | <b>2,590</b> |
| Taxes  | -            | -          | -            | -            |
| <b>Profit for the period</b>                     | <b>-</b>     | <b>-17</b> | <b>2,442</b> | <b>2,590</b> |

Boliden AB has no amounts to report under Other comprehensive income.

### BALANCE SHEET – THE PARENT COMPANY

| SEK m   | 30 <sup>th</sup> Sept | 30 <sup>th</sup> Sept | 31 <sup>st</sup> Dec |
|---|-----------------------|-----------------------|----------------------|
|   | 2013                  | 2012                  | 2012                 |
| Participations in Group companies                 | 3,911                 | 3,911                 | 3,911                |
| Other shares and participations                   | 5                     | 5                     | 5                    |
| Long-term financial receivables, Group companies  | 8,365                 | 7,017                 | 7,017                |
| Current financial receivables, Group companies    | 2,797                 | 1,471                 | 1,266                |
| <b>Total assets</b>                               | <b>15,079</b>         | <b>12,405</b>         | <b>12,200</b>        |
| Shareholders' equity                              | 12,282                | 10,934                | 10,934               |
| Current liabilities to credit institutions        | 2,797                 | 1,471                 | 1,266                |
| <b>Total liabilities and shareholders' equity</b> | <b>15,079</b>         | <b>12,405</b>         | <b>12,200</b>        |

The Parent Company, Boliden AB, conducts no operations and has no employees.

**QUARTERLY INFORMATION PER SEGMENT**

The result for the comparison year of 2012 has been restated in all tables and in other information contained in this report in response to the amendments to Boliden's accounting principles explained on page 12. See also pages 26-27.

| SEK m   | 4-2011 | 1-2012 | 2-2012 | 3-2012 | 4-2012 | 1-2013 | 2-2013 | 3-2013 |
|---|--------|--------|--------|--------|--------|--------|--------|--------|
| <b>THE GROUP</b>                                      |        |        |        |        |        |        |        |        |
| Revenues  | 9,716  | 10,321 | 10,363 | 9,123  | 10,194 | 9,249  | 8,035  | 8,471  |
| Depreciation  | 481    | 617    | 638    | 703    | 602    | 682    | 723    | 699    |
| Operating profit ex. revaluation of process inventory | 991    | 1,258  | 956    | 988    | 839    | 751    | 370    | 603    |
| Operating profit                                      | 1,075  | 1,540  | 795    | 1,160  | 676    | 695    | -59    | 681    |
| Investments   | 1,321  | 1,005  | 1,118  | 971    | 1,474  | 1,019  | 1,510  | 1,151  |
| Capital employed                                      | 30,473 | 29,851 | 30,324 | 30,344 | 31,236 | 31,769 | 33,328 | 33,644 |
| <b>MINES</b>  |        |        |        |        |        |        |        |        |
| Revenues  | 2,426  | 2,498  | 2,366  | 2,543  | 2,103  | 2,043  | 2,163  | 2,139  |
| Operating expenses                                    | 1,485  | 1,267  | 1,310  | 1,163  | 1,268  | 1,131  | 1,342  | 1,224  |
| Depreciation  | 267    | 398    | 417    | 489    | 366    | 459    | 498    | 473    |
| Operating profit                                      | 646    | 842    | 730    | 858    | 545    | 427    | 376    | 372    |
| Investments   | 802    | 734    | 842    | 798    | 1 195  | 802    | 977    | 947    |
| Capital employed                                      | 14,272 | 14,694 | 14,874 | 15,177 | 16,125 | 16,249 | 16,968 | 17,475 |
| <b>SMELTERS</b>                                       |        |        |        |        |        |        |        |        |
| Revenues  | 9,130  | 10,011 | 10,020 | 8,847  | 9,875  | 9,073  | 7,577  | 8,320  |
| Gross profit ex. revaluation of process inventory     | 1,885  | 1,899  | 1,869  | 1,751  | 1,769  | 1,832  | 1,618  | 1,795  |
| Operating expenses                                    | 1,362  | 1,338  | 1,411  | 1,252  | 1,329  | 1,321  | 1,434  | 1,313  |
| Depreciation  | 214    | 220    | 221    | 214    | 237    | 223    | 225    | 226    |
| Operating profit ex. revaluation of process inventory | 326    | 360    | 251    | 281    | 202    | 298    | -30    | 262    |
| Operating profit                                      | 410    | 642    | 89     | 452    | 40     | 242    | -459   | 340    |
| Investments   | 514    | 270    | 274    | 172    | 277    | 213    | 530    | 203    |
| Capital employed                                      | 16,213 | 15,524 | 15,598 | 15,940 | 15,569 | 15,698 | 15,957 | 15,781 |
| <b>OTHER/ELIMINATIONS</b>                             |        |        |        |        |        |        |        |        |
| Revenues  | -1,840 | -2,188 | -2,022 | -2,267 | -1,784 | -1,867 | -1,705 | -1,988 |
| Depreciation  | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      |
| Operating profit, internal profit elimination         | 2      | 82     | 18     | -134   | 144    | 54     | 55     | -27    |
| Operating profit, other                               | 17     | -26    | -43    | -284   | -52    | -29    | -30    | -4     |
| Investments   | 5      | 1      | 2      | 0      | 2      | 4      | 3      | 1      |
| Capital employed <sup>1)</sup>                        | -12    | -366   | -149   | -773   | -458   | -178   | 403    | 387    |

<sup>1)</sup> Capital employed reported under Other refers primarily to market valuation of hedges and internal profit elimination.

**QUARTERLY PRODUCTION PER UNIT – MINES**

|                               | 4-2011 | 1-2012 | 2-2012 | 3-2012 | 4-2012 | 1-2013 | 2-2013 | 3-2013 |
|-------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|
| <b>AITIK</b>                  |        |        |        |        |        |        |        |        |
| Milled ore, ktonnes           | 8,334  | 7,961  | 9,465  | 9,022  | 7,874  | 8,126  | 9,628  | 9,252  |
| Head grades                   |        |        |        |        |        |        |        |        |
| Copper (%)                    | 0.22   | 0.22   | 0.20   | 0.21   | 0.23   | 0.19   | 0.21   | 0.22   |
| Gold (g/tonne)                | 0.13   | 0.12   | 0.10   | 0.11   | 0.12   | 0.09   | 0.11   | 0.11   |
| Silver (g/tonne)              | 2.36   | 2.63   | 2.36   | 2.41   | 2.67   | 2.41   | 2.23   | 2.24   |
| Metal production              |        |        |        |        |        |        |        |        |
| Copper, tonnes                | 15,868 | 15,787 | 17,027 | 17,681 | 16,613 | 14,027 | 18,733 | 18,537 |
| Gold, kg                      | 542    | 441    | 493    | 515    | 511    | 349    | 499    | 469    |
| Gold, troy oz.                | 17,434 | 14,178 | 15,838 | 16,552 | 16,429 | 11,233 | 16,036 | 15,067 |
| Silver, kg                    | 12,636 | 12,424 | 13,742 | 13,713 | 11,819 | 11,109 | 13,506 | 14,820 |
| Silver, '000 troy oz.         | 406    | 399    | 442    | 441    | 380    | 357    | 434    | 476    |
| <b>THE BOLIDEN AREA</b>       |        |        |        |        |        |        |        |        |
| Milled ore, ktonnes           | 465    | 465    | 459    | 484    | 455    | 460    | 447    | 461    |
| <i>Of which, smelter slag</i> | 51     | 59     | 59     | 65     | 58     | 60     | 62     | 121    |
| Head grades                   |        |        |        |        |        |        |        |        |
| Zinc (%)                      | 2.5    | 2.5    | 2.3    | 1.4    | 2.5    | 2.4    | 3.2    | 2.0    |
| Copper (%)                    | 1.1    | 0.8    | 0.9    | 0.9    | 0.7    | 0.7    | 0.5    | 0.8    |
| Lead (%)                      | 0.3    | 0.2    | 0.3    | 0.2    | 0.2    | 0.2    | 0.4    | 0.7    |
| Gold (g/tonne)                | 0.9    | 1.4    | 1.4    | 1.0    | 1.3    | 1.4    | 1.4    | 1.6    |
| Silver (g/tonne)              | 43     | 39     | 39     | 29     | 34     | 33     | 54     | 32     |
| Metal production              |        |        |        |        |        |        |        |        |
| Zinc, tonnes                  | 8,920  | 8,978  | 7,949  | 4,671  | 8,791  | 8,436  | 11,575 | 5,218  |
| Copper, tonnes                | 4,159  | 3,009  | 2,971  | 3,331  | 2,558  | 2,429  | 1,537  | 2,314  |
| Lead, tonnes                  | 392    | 361    | 425    | 264    | 358    | 158    | 534    | 191    |
| Gold, kg                      | 221    | 393    | 387    | 291    | 363    | 320    | 450    | 429    |
| Gold, troy oz.                | 7,105  | 12,635 | 12,436 | 9,359  | 11,676 | 10,297 | 14,467 | 13,788 |
| Silver, kg                    | 12,985 | 11,392 | 11,584 | 8,868  | 9,562  | 8,814  | 15,845 | 7,079  |
| Silver, '000 troy oz.         | 417    | 366    | 372    | 285    | 307    | 283    | 509    | 228    |
| Tellurium, kg                 |        |        |        |        |        | 3,227  | 6,569  | 4,366  |

**QUARTERLY PRODUCTION PER UNIT – MINES**

|                        | 4-2011 | 1-2012 | 2-2012 | 3-2012 | 4-2012 | 1-2013 | 2-2013 | 3-2013 |
|------------------------|--------|--------|--------|--------|--------|--------|--------|--------|
| <b>GARPENBERG</b>      |        |        |        |        |        |        |        |        |
| Milled ore, ktonnes    | 340    | 358    | 397    | 392    | 336    | 373    | 362    | 383    |
| Head grades            |        |        |        |        |        |        |        |        |
| Zinc (%)               | 5.8    | 6.0    | 6.6    | 5.3    | 4.4    | 4.9    | 5.4    | 5.6    |
| Copper (%)             | 0.1    | 0.1    | 0.1    | 0.1    | 0.1    | 0.1    | 0.1    | 0.1    |
| Lead (%)               | 2.2    | 2.2    | 2.3    | 2.0    | 1.6    | 1.9    | 2.3    | 2.3    |
| Gold (g/tonne)         | 0.3    | 0.3    | 0.3    | 0.2    | 0.3    | 0.2    | 0.3    | 0.4    |
| Silver (g/tonne)       | 119    | 122    | 129    | 137    | 128    | 153    | 174    | 163    |
| Metal production       |        |        |        |        |        |        |        |        |
| Zinc, tonnes           | 17,740 | 19,148 | 23,654 | 18,825 | 13,166 | 16,580 | 17,596 | 19,233 |
| Copper, tonnes         | 113    | 92     | 132    | 81     | 81     | 133    | 148    | 111    |
| Lead, tonnes           | 6,127  | 6,469  | 7,681  | 6,414  | 4,320  | 5,950  | 6,303  | 7,124  |
| Gold, kg               | 65     | 64     | 65     | 55     | 66     | 51     | 76     | 88     |
| Gold, troy oz.         | 2,090  | 2,058  | 2,084  | 1,784  | 2,124  | 1,628  | 2,450  | 2,833  |
| Silver, kg             | 30,032 | 31,151 | 36,479 | 37,083 | 30,302 | 38,793 | 45,906 | 44,992 |
| Silver, '000 troy oz.  | 966    | 1,002  | 1,173  | 1,192  | 974    | 1,247  | 1,476  | 1,446  |
| <b>TARA</b>            |        |        |        |        |        |        |        |        |
| Milled ore, ktonnes    | 585    | 677    | 648    | 611    | 565    | 587    | 624    | 617    |
| Head grades            |        |        |        |        |        |        |        |        |
| Zinc (%)               | 6.8    | 7.2    | 7.2    | 7.5    | 6.1    | 7.3    | 7.2    | 6.6    |
| Lead (%)               | 1.3    | 1.4    | 1.5    | 1.6    | 1.2    | 1.5    | 1.5    | 1.4    |
| Metal production       |        |        |        |        |        |        |        |        |
| Zinc, tonnes           | 37,574 | 45,664 | 44,358 | 43,239 | 32,760 | 40,460 | 42,387 | 38,594 |
| Lead, tonnes           | 4,550  | 5,799  | 5,825  | 6,459  | 4,434  | 5,416  | 5,299  | 4,858  |
| Silver, kg*            | 180    | 421    | 503    | 463    | 286    | 292    | 276    | 270    |
| Silver, '000 troy oz.* | 6      | 14     | 16     | 15     | 9      | 9      | 9      | 9      |

\*Silver production at Tara is not payable.

**QUARTERLY PRODUCTION PER UNIT – SMELTERS**

|                              | 4-2011  | 1-2012  | 2-2012  | 3-2012  | 4-2012  | 1-2013  | 2-2013  | 3-2013  |
|------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| <b>RÖNNSKÅR</b>              |         |         |         |         |         |         |         |         |
| Smelted material, tonnes     |         |         |         |         |         |         |         |         |
| Copper                       |         |         |         |         |         |         |         |         |
| Copper concentrate           | 166,719 | 161,356 | 156,632 | 145,889 | 159,799 | 156,152 | 129,013 | 158,724 |
| Secondary raw materials      | 47,938  | 47,081  | 60,517  | 54,030  | 59,061  | 54,743  | 42,901  | 58,722  |
| <i>Of which, electronics</i> | 19,697  | 18,864  | 32,381  | 26,479  | 30,499  | 26,359  | 27,139  | 29,603  |
| Copper, total                | 214,657 | 208,437 | 217,149 | 199,919 | 218,860 | 210,895 | 171,914 | 217,446 |
| Lead                         |         |         |         |         |         |         |         |         |
| Lead concentrate             | 0       | 11,380  | 2,347   | 9,734   | 3,616   | 11,479  | 8,084   | 9,332   |
| Secondary raw materials      | 890     | 898     | 1,186   | 42      | 199     | 479     | 57      | 48      |
| Lead, total                  | 890     | 12,278  | 3,533   | 9,776   | 3,815   | 11,958  | 8,141   | 9,380   |
| Production                   |         |         |         |         |         |         |         |         |
| Cathode copper, tonnes       | 57,655  | 53,963  | 53,982  | 49,085  | 57,020  | 53,217  | 41,752  | 54,272  |
| Lead, tonnes                 | 2,182   | 5,498   | 3,461   | 3,431   | 6,580   | 6,261   | 5,836   | 4,747   |
| Zinc clinker, tonnes         | 9,895   | 9,904   | 8,553   | 8,995   | 8,830   | 9,560   | 6,673   | 9,324   |
| Gold, kg                     | 2,600   | 2,975   | 3,751   | 3,014   | 2,793   | 3,217   | 2,481   | 3,434   |
| Gold, troy oz.               | 83,590  | 95,646  | 120,595 | 96,901  | 89,779  | 103,416 | 79,765  | 110,406 |
| Silver, kg                   | 97,536  | 119,879 | 117,052 | 88,733  | 122,095 | 99,086  | 85,742  | 138,423 |
| Silver, '000 troy oz.        | 3,136   | 3,854   | 3,763   | 2,853   | 3,925   | 3,186   | 2,757   | 4,450   |
| Sulphuric acid, tonnes       | 149,618 | 156,210 | 137,918 | 119,844 | 139,033 | 136,105 | 115,563 | 135,344 |
| <b>BERGSÖE</b>               |         |         |         |         |         |         |         |         |
| Smelted material, tonnes     |         |         |         |         |         |         |         |         |
| Battery raw materials        | 16,914  | 16,183  | 16,806  | 11,214  | 17,885  | 17,265  | 15,848  | 11,456  |
| Production, tonnes           |         |         |         |         |         |         |         |         |
| Lead alloys                  | 11,738  | 10,939  | 11,410  | 7,831   | 12,378  | 12,409  | 11,329  | 8,156   |



**QUARTERLY PRODUCTION PER UNIT – SMELTERS**

|                                      | 4-2011  | 1-2012  | 2-2012  | 3-2012  | 4-2012  | 1-2013  | 2-2013  | 3-2013  |
|--------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| <b>HARJAVALTA</b>                    |         |         |         |         |         |         |         |         |
| Smelted material, tonnes             |         |         |         |         |         |         |         |         |
| Copper                               |         |         |         |         |         |         |         |         |
| Copper concentrate                   | 114,008 | 124,877 | 113,228 | 134,617 | 143,305 | 124,083 | 72,224  | 139,126 |
| Secondary raw materials              | 3,262   | 3,284   | 3,217   | 5,490   | 4,388   | 3,330   | 6,672   | 9,179   |
| Copper, total                        | 117,270 | 128,161 | 116,445 | 140,107 | 147,693 | 127,413 | 78,896  | 148,305 |
| Nickel concentrate                   | 68,509  | 69,140  | 48,139  | 67,398  | 63,032  | 56,729  | 59,553  | 71,135  |
| Production                           |         |         |         |         |         |         |         |         |
| Cathode copper, tonnes               | 29,956  | 30,553  | 27,808  | 32,856  | 33,309  | 29,075  | 22,157  | 33,286  |
| Gold, kg                             | 570     | 894     | 789     | 1,003   | 957     | 977     | 983     | 721     |
| Gold, troy oz.                       | 18,326  | 28,740  | 25,366  | 32,247  | 30,768  | 31,416  | 31,604  | 23,166  |
| Silver, kg                           | 22,063  | 30,980  | 31,500  | 35,440  | 30,280  | 23,430  | 26,380  | 22,000  |
| Silver, '000 troy oz.                | 709     | 996     | 1,013   | 1,139   | 974     | 753     | 848     | 707     |
| Sulphuric acid, tonnes               | 153,128 | 165,913 | 136,133 | 167,915 | 169,318 | 152,827 | 104,119 | 176,042 |
| <b>KOKKOLA</b>                       |         |         |         |         |         |         |         |         |
| Smelted material, tonnes             |         |         |         |         |         |         |         |         |
| Zinc concentrate                     | 145,210 | 150,280 | 135,466 | 155,975 | 147,540 | 146,437 | 148,936 | 158,394 |
| Production, tonnes                   |         |         |         |         |         |         |         |         |
| Zinc                                 | 75,072  | 80,169  | 76,526  | 76,799  | 81,268  | 77,151  | 76,458  | 77,535  |
| Sulphuric acid                       | 75,170  | 80,417  | 67,628  | 86,242  | 78,934  | 76,721  | 74,494  | 84,289  |
| <b>ODDA</b>                          |         |         |         |         |         |         |         |         |
| Smelted material, tonnes             |         |         |         |         |         |         |         |         |
| Zinc concentrate, incl. zinc clinker | 72,219  | 71,514  | 74,519  | 74,629  | 58,827  | 71,297  | 53,789  | 69,144  |
| Production, tonnes                   |         |         |         |         |         |         |         |         |
| Zinc                                 | 39,165  | 38,176  | 39,649  | 39,993  | 34,829  | 37,005  | 29,438  | 37,635  |
| Aluminium fluoride                   | 10,704  | 10,016  | 10,507  | 6,155   | 9,030   | 8,866   | 8,305   | 6,375   |
| Sulphuric acid                       | 33,475  | 30,572  | 32,674  | 33,008  | 31,917  | 31,662  | 22,870  | 31,898  |

**CONSOLIDATED QUARTERLY DATA**

|  | 4-2011  | 1-2012  | 2-2012  | 3-2012  | 4-2012  | 1-2013  | 2-2013  | 3-2013  |
|--|---------|---------|---------|---------|---------|---------|---------|---------|
| <b>Financial performance, the Group</b>                      |         |         |         |         |         |         |         |         |
| Revenues, SEK m  | 9,716   | 10,321  | 10,363  | 9,123   | 10,194  | 9,249   | 8,035   | 8,471   |
| Operating profit before depreciation (EBITDA), SEK m         | 1,552   | 2,157   | 1,433   | 1,862   | 1,279   | 1,377   | 664     | 1,380   |
| Operating profit ex. revaluation of process inventory, SEK m | 991     | 1,258   | 956     | 988     | 839     | 751     | 370     | 603     |
| Operating profit (EBIT)                                      | 1,075   | 1,540   | 795     | 1,160   | 676     | 695     | -59     | 681     |
| Profit after financial items, SEK m                          | 1,045   | 1,502   | 738     | 1,116   | 636     | 648     | -116    | 629     |
| Net profit, SEK m  | 787     | 1,117   | 533     | 827     | 863     | 508     | -100    | 498     |
| Earnings per share, SEK                                      | 2.88    | 4.08    | 1.95    | 3.02    | 3.15    | 1.86    | -0.37   | 1.81    |
| Free cash flow <sup>1)</sup> , SEK m                         | -482    | 888     | 79      | 310     | 110     | -220    | -1,477  | 436     |
| Net debt/equity ratio <sup>2)</sup> , %                      | 32      | 27      | 32      | 29      | 28      | 27      | 41      | 38      |
| <b>Metal production, Mines<sup>3)</sup></b>                  |         |         |         |         |         |         |         |         |
| Zinc, tonnes   | 64,234  | 73,790  | 75,960  | 66,735  | 54,717  | 65,476  | 71,558  | 63,045  |
| Copper, tonnes   | 20,140  | 18,888  | 20,130  | 21,093  | 19,252  | 16,590  | 20,417  | 20,963  |
| Lead, tonnes   | 11,070  | 12,629  | 13,931  | 13,137  | 9,112   | 11,524  | 12,136  | 12,173  |
| Gold, kg   | 828     | 898     | 944     | 861     | 940     | 720     | 1,025   | 986     |
| Gold, troy oz.   | 26,625  | 28,868  | 30,358  | 27,695  | 30,229  | 23,158  | 32,953  | 31,688  |
| Silver, kg <sup>4)</sup>                                     | 55,833  | 55,388  | 62,307  | 60,127  | 51,969  | 59,008  | 75,533  | 67,162  |
| Silver, '000 troy oz. <sup>4)</sup>                          | 1,795   | 1,781   | 2,003   | 1,933   | 1,671   | 1,897   | 2,428   | 2,159   |
| <b>Metal production, Smelters</b>                            |         |         |         |         |         |         |         |         |
| Zinc, tonnes   | 114,237 | 118,345 | 116,175 | 116,772 | 116,097 | 114,156 | 105,896 | 115,170 |
| Copper, tonnes   | 87,611  | 84,516  | 81,790  | 81,941  | 90,329  | 82,292  | 63,909  | 87,558  |
| Lead, tonnes   | 2,182   | 5,498   | 3,461   | 3,431   | 6,580   | 6,261   | 5,836   | 4,747   |
| Lead alloys, tonnes (Bergsöe)                                | 11,738  | 10,939  | 11,410  | 7,831   | 12,378  | 12,409  | 11,329  | 8,156   |
| Gold, kg   | 3,170   | 3,869   | 4,540   | 4,017   | 3,749   | 4,194   | 3,463   | 4,155   |
| Gold, troy oz.   | 101,907 | 124,391 | 145,945 | 129,135 | 120,540 | 134,826 | 111,340 | 133,568 |
| Silver, kg   | 119,599 | 150,859 | 148,552 | 124,173 | 152,375 | 122,516 | 112,122 | 160,423 |
| Silver, '000 troy oz.  | 3,845   | 4,850   | 4,776   | 3,992   | 4,899   | 3,939   | 3,605   | 5,158   |
| Sulphuric acid, tonnes                                       | 411,391 | 433,112 | 374,353 | 407,009 | 419,202 | 397,315 | 317,046 | 427,573 |
| Aluminium fluoride, tonnes                                   | 10,704  | 10,016  | 10,507  | 6,155   | 9,030   | 8,866   | 8,305   | 6,375   |
| <b>Metal prices, average per quarter</b>                     |         |         |         |         |         |         |         |         |
| Zinc, USD/tonne  | 1,897   | 2,025   | 1,928   | 1,885   | 1,947   | 2,033   | 1,840   | 1,859   |
| Copper, USD/tonne  | 7,489   | 8,310   | 7,869   | 7,706   | 7,909   | 7,931   | 7,148   | 7,073   |
| Lead, USD/tonne  | 1,983   | 2,093   | 1,974   | 1,975   | 2,199   | 2,301   | 2,053   | 2,102   |
| Gold, USD/troy oz.   | 1,687   | 1,691   | 1,609   | 1,651   | 1,721   | 1,633   | 1,416   | 1,325   |
| Silver, USD/troy oz.   | 31.87   | 32.63   | 29.38   | 29.80   | 32.68   | 30.11   | 23.14   | 21.32   |
| <b>Exchange rates, average per quarter</b>                   |         |         |         |         |         |         |         |         |
| USD/SEK  | 6.75    | 6.75    | 6.95    | 6.76    | 6.66    | 6.43    | 6.56    | 6.55    |
| EUR/USD  | 1.35    | 1.31    | 1.28    | 1.25    | 1.30    | 1.32    | 1.31    | 1.32    |
| EUR/SEK  | 9.09    | 8.85    | 8.91    | 8.44    | 8.63    | 8.50    | 8.56    | 8.68    |
| USD/NOK  | 5.76    | 5.78    | 5.89    | 5.91    | 5.69    | 5.62    | 5.83    | 5.99    |

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

<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.

<sup>4)</sup> Includes silver production at Tara that is not payable. See page 23 for details of Tara's production.

**RESTATEMENT OF 2012 COMPARISON YEAR**

|  | Jan-Dec 2012        |            |              | Change/quarter |           |           |           |
|--|---------------------|------------|--------------|----------------|-----------|-----------|-----------|
|  | Previously reported | Change     | Restated     | 1-2012         | 2-2012    | 3-2012    | 4-2012    |
| Income Statement, SEK m                  |                     |            |              |                |           |           |           |
| Operating expenses                       | -36,008             | 100        | -35,908      |                |           |           |           |
| <i>of which Personnel costs</i>          | -3,482              | 60         | -3,422       | 28             | 28        | 5         | -1        |
| <i>of which Other operating expenses</i> | -30,308             | 383        | -29,926      | 88             | 89        | 97        | 108       |
| <i>of which Depreciation</i>             | -2,218              | -343       | -2,560       | -75            | -92       | -89       | -87       |
| <b>Operating profit</b>                  | <b>4,071</b>        | <b>100</b> | <b>4,171</b> | <b>41</b>      | <b>25</b> | <b>13</b> | <b>21</b> |
| Financial items                          | -179                | -          | -179         | -2             | -2        | -2        | 6         |
| Tax                                      | -618                | -34        | -652         | -10            | -6        | -3        | -15       |
| <b>Net profit</b>                        | <b>3,274</b>        | <b>66</b>  | <b>3,341</b> | <b>29</b>      | <b>17</b> | <b>9</b>  | <b>12</b> |
| Earnings per share                       | 11.96               | 0.24       | 12.21        | 0.11           | 0.06      | 0.03      | 0.04      |

|  | Jan-Dec 2012        |            |              | Change/quarter |            |           |            |
|--|---------------------|------------|--------------|----------------|------------|-----------|------------|
|  | Previously reported | Change     | Restated     | 1-2012         | 2-2012     | 3-2012    | 4-2012     |
| Other comprehensive income, SEK m                                  |                     |            |              |                |            |           |            |
| <b>Profit for the period</b>                                       | <b>3,274</b>        | <b>66</b>  | <b>3,341</b> | <b>29</b>      | <b>17</b>  | <b>9</b>  | <b>12</b>  |
| Revaluation of defined benefit pension plans                       | -                   | -126       | -126         | -55            | -56        | 27        | -42        |
| Tax attributable to items not reclassified to the Income Statement | -                   | 29         | 29           | 14             | 14         | -9        | 9          |
| Items reclassified to the Income Statement                         | -                   | 10         |              | 2              | 3          | 11        | -6         |
| <b>Comprehensive income for the period</b>                         | <b>3,011</b>        | <b>-21</b> | <b>2,990</b> | <b>-10</b>     | <b>-22</b> | <b>38</b> | <b>-27</b> |

|                                   | Jan-Dec 2012        |        |          | Change/quarter |        |        |        |
|-----------------------------------|---------------------|--------|----------|----------------|--------|--------|--------|
|                                   | Previously reported | Change | Restated | 1-2012         | 2-2012 | 3-2012 | 4-2012 |
| Consolidated key ratios           |                     |        |          |                |        |        |        |
| Return on capital employed, %     | 13                  | 0      | 14       | -              | -      | -      | -      |
| Return on shareholders' equity, % | 15                  | 1      | 16       | -              | -      | -      | -      |
| Equity/assets ratio, %, CB        | 57                  | -0     | 56       | -0             | -0     | -0     | -0     |
| Net debt/equity ratio, %, CB      | 25                  | 3      | 28       | 3              | 4      | 3      | 3      |
| Net debt, SEK m, CB               | 5,673               | 603    | 6,276    | 571            | 597    | 563    | 603    |
| Investments                       | 4,185               | 383    | 4,568    | 88             | 89     | 97     | 108    |

|   | 31-12-2012          |           |               | Change at period-end |          |           |           |
|---|---------------------|-----------|---------------|----------------------|----------|-----------|-----------|
|   | Previously reported | Change    | Restated      | 1-2012               | 2-2012   | 3-2012    | 4-2012    |
| Balance Sheet, SEK m                              |                     |           |               |                      |          |           |           |
| Total deferred mining costs                       | 4,770               | -141      | 4,627         | -169                 | -171     | -163      | -141      |
| Deferred tax                                      | 61                  | 187       | 247           | 181                  | 188      | 193       | 187       |
| <b>Total assets</b>                               | <b>40,035</b>       | <b>45</b> | <b>40,080</b> | <b>2</b>             | <b>6</b> | <b>29</b> | <b>45</b> |
| Shareholders' equity                              | 22,949              | -595      | 22,354        | -584                 | -606     | -568      | -595      |
| Pension provisions                                | 707                 | 603       | 1,310         | 571                  | 597      | 563       | 603       |
| Other provisions, special payroll tax             | 28                  | 44        | 72            | 37                   | 38       | 39        | 44        |
| Deferred tax provisions                           | 2,766               | -6        | 2,760         | -23                  | -23      | -4        | -6        |
| <b>Total liabilities and shareholders' equity</b> | <b>40,035</b>       | <b>45</b> | <b>40,080</b> | <b>2</b>             | <b>6</b> | <b>29</b> | <b>45</b> |

|  | 31-12-2012          |             |               | Change at period-end |             |             |             |
|--|---------------------|-------------|---------------|----------------------|-------------|-------------|-------------|
|  | Previously reported | Change      | Restated      | 1-2012               | 2-2012      | 3-2012      | 4-2012      |
| Shareholders' equity, SEK m                |                     |             |               |                      |             |             |             |
| Change in accounting principles - IFRIC 20 | -                   | -103        | -103          | -124                 | -126        | -120        | -103        |
| Change in accounting principles - IAS 19   | -                   | -492        | -492          | -460                 | -480        | -448        | -492        |
| <b>Total shareholders' equity</b>          | <b>22,949</b>       | <b>-595</b> | <b>22,354</b> | <b>-584</b>          | <b>-606</b> | <b>-568</b> | <b>-595</b> |

**RESTATEMENT OF 2012 COMPARISON YEAR**
**Mines**

| SEK m              | Restated quarter |        |        |        | Previously reported quarter |        |        |        |
|--------------------|------------------|--------|--------|--------|-----------------------------|--------|--------|--------|
|                    | 1-2012           | 2-2012 | 3-2012 | 4-2012 | 1-2012                      | 2-2012 | 3-2012 | 4-2012 |
| Revenues           | 2,498            | 2,366  | 2,543  | 2,103  | 2,498                       | 2,366  | 2,543  | 2,103  |
| Operating expenses | 1,267            | 1,310  | 1,163  | 1,268  | 1,362                       | 1,405  | 1,267  | 1,383  |
| Depreciation       | 398              | 417    | 489    | 366    | 322                         | 325    | 400    | 279    |
| Operating profit   | 842              | 730    | 858    | 545    | 822                         | 726    | 842    | 517    |
| Investments        | 734              | 842    | 798    | 1,195  | 645                         | 753    | 701    | 1,087  |
| Capital employed   | 14,694           | 14,874 | 15,177 | 16,125 | 14,863                      | 15,046 | 15,341 | 16,267 |

**Smelters**

| SEK m   | Restated quarter |        |        |        | Previously reported quarter |        |        |        |
|---|------------------|--------|--------|--------|-----------------------------|--------|--------|--------|
|   | 1-2012           | 2-2012 | 3-2012 | 4-2012 | 1-2012                      | 2-2012 | 3-2012 | 4-2012 |
| Revenues  | 10,011           | 10,020 | 8,847  | 9,875  | 10,011                      | 10,020 | 8,847  | 9,875  |
| Gross profit ex. revaluation of process inventory     | 1,899            | 1,869  | 1,751  | 1,769  | 1,899                       | 1,869  | 1,751  | 1,769  |
| Operating expenses                                    | 1,338            | 1,411  | 1,252  | 1,329  | 1,349                       | 1,423  | 1,240  | 1,340  |
| Depreciation  | 220              | 221    | 214    | 237    | 220                         | 221    | 214    | 237    |
| Operating profit ex. revaluation of process inventory | 360              | 251    | 281    | 202    | 349                         | 240    | 292    | 191    |
| Operating profit                                      | 642              | 89     | 452    | 40     | 631                         | 78     | 464    | 28     |
| Investments   | 270              | 274    | 172    | 277    | 270                         | 274    | 172    | 277    |
| Capital employed                                      | 15,524           | 15,598 | 15,940 | 15,569 | 15,534                      | 15,609 | 15,940 | 15,569 |