

**Press release**

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**Stockholm**

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**Boliden's second quarter: Fire at Rönnskär and low grades in Mines**

**Second-quarter revenues amounted to SEK 18,442 m (21,568) and operating profit excluding revaluation of process inventory totaled SEK 833 m (4,532). Free cash flow totaled SEK -3,770 m (2,038).**

“It has been a challenging quarter with declining world market prices for metals as well as by-products, major planned maintenance shutdowns, low grades in Mines and, in addition, the fire at Rönnskär, which have together negatively impacted our earnings. However, our financial position remains strong and, with regard to Rönnskär and the Tara mine, which has been placed under care and maintenance, we have initiated measures to manage the situation in the best possible manner,” says Mikael Staffas, President and CEO.

Operating profit for Boliden Mines decreased to SEK 178 m (2,727), mainly due to lower metal prices and lower grades. Costs were driven up by high cost inflation and increased exploration. The milled volume at Aitik was up quarter-on-quarter and on a par with the year-earlier period, however production of metals in concentrate was negatively impacted, compared to the previous year, by lower grades. In the Boliden Area, milled volume was in line with the previous quarter and with last year. Production of copper and zinc in concentrate was negatively impacted by low grades, while the production of precious metals in concentrate increased quarter-on-quarter. Garpenberg's milled volume was higher quarter-on-quarter but lower year-on-year. Kevitsa's milled volume was in line with the previous quarter but down on last year. However, significantly lower grades led to significantly lower production of copper and nickel in concentrate, both quarter-on-quarter and year-on-year. Tara's milled volume was in line with the previous quarter but lower than last year. Due to poor market conditions, a decision was taken to place the Tara mine under care and maintenance and production ceased on July 5. The workforce has been temporarily laid off until the long-term conditions for conducting operations are in place.

In Boliden Smelters, operating profit excluding revaluation of process inventory decreased to SEK 700 m (1,404). Prices and terms had an adverse effect due to lower metal prices and a lower price for sulfuric acid. Extensive planned maintenance shutdowns and the fire at Rönnskär resulted in volumes also contributing negatively. On June 24, production was partially resumed at Rönnskär and, with the exception of the fire-destroyed electrolysis plant, all other production lines restarted from July 13. Production of all metals was lower quarter-on-quarter and year-on-year. Harjavalta's production of copper cathodes and nickel in matte was lower quarter-on-quarter and year-on-year as a result of an extensive planned

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maintenance shutdown. Kokkola's production of casted zinc was in line with the previous quarter but up on last year, while zinc production at Odda was lower both quarter-on-quarter and year-on-year. At Bergsöe, production was lower quarter-on-quarter but higher year-on-year.

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