

Press release

22/2023

Stockholm

October 20, 2023

Boliden's third quarter: Key investment projects on track

Revenues for the third quarter totaled SEK 19,396 m (19,480) and operating profit excluding revaluation of process inventory was SEK 1,940 m (3,484). Free cash flow totaled SEK -1,200 m (97).

“I am deeply impressed by how our organization has adapted to new conditions. We have a structured approach to our various challenges and deliver solid production in many of our units during the quarter. On top of that, we continue to develop our projects according to plan and budget,” says Mikael Staffas, President and CEO.

Operating profit in Boliden Mines decreased to SEK 750 m (1,964) due to lower grades and less milled volume. The costs also decreased mainly due to Tara being placed in care and maintenance. Milled volume in Aitik was affected by unplanned maintenance which, in combination with lower grades, led to a lower production of copper and gold in concentrate than both the previous quarter and last year. The Boliden Area's milled volume was in line with the previous quarter but higher than last year thanks to stable production. Garpenberg's milled volume was higher than both the previous quarter and last year. Rock mechanical challenges affected grades negatively. Production after the third quarter is back at previously communicated grade levels. The production in Kevitsa was stable and milled volume was higher than in both the previous quarter and last year.

In Boliden Smelters, operating profit excluding revaluation of process inventory decreased to SEK 1,303 m (1,564). Lower volumes, mainly due to the fire in Rönnskär, had a negative impact while prices and terms contributed positively. Rönnskär's customer base has now been converted from cathode to anode customers and production has been ramped up during the quarter. The annual negative impact on operating profit in Rönnskär is estimated to be about one billion SEK, compared to 2022 years result, all things equal. Harjavalta's copper cathode production was higher than the previous quarter and last year, as was the production of nickel in matte. In Kokkola, production of casted zinc was lower than both the previous quarter and last year. Odda's zinc production was lower than the previous quarter but in line with last year. Both zinc smelters were affected by challenges in zinc concentrate availability.

The ongoing investment program, which includes the new dam structure in Aitik, expanding the Kristineberg mine in the Boliden Area and the expansion of Odda, is proceeding according to plan. For 2024, total capital expenditure is estimated at about SEK 14 billion.

Boliden's vision is to be the most climate-friendly and respected metal provider in the world. We are Europe's producer of sustainable metals and, guided by our values care, courage and responsibility, we operate within exploration, mines, smelters and recycling. We are more than 6,000 employees and have annual revenues of approximately SEK 85 billion. The share is listed in the Large Cap segment of NASDAQ OMX Stockholm.

For further information, please contact:
Klas Nilsson, Director Group Communications, phone: +46 70-453 65 88
klas.nilsson@boliden.com

Boliden is a metals company with a focus on sustainable development. Our roots are Nordic, our market global. Our core competence lies within the fields of exploration, mining, smelting and metal recycling. Boliden has around 6,000 employees and annual sales of approximately SEK 85 billion. The share is listed in the Large Cap segment on NASDAQ OMX Stockholm.

www.boliden.com