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## Full-year Report, January–December 2010

### Strong end to 2010

#### Q4 2010

- Revenues totalled SEK 10,120 million (SEK 8,356 m)
- The operating profit was SEK 1,942 million (SEK 1,232 m). Excluding revaluation of process inventory, the operating profit was SEK 1,445 million (SEK 870 m)
- Free cash flow totalled SEK 1,850 million (SEK 350 m)
- Earnings per share totalled SEK 5.17 (SEK 3.00)

#### Full year 2010

- Revenues totalled SEK 36,716 million (SEK 27,635 m)
- The operating profit was SEK 5,643 million (SEK 3,623 m). Excluding revaluation of process inventory, the operating profit was SEK 4,830 million (SEK 2,350 m)
- Free cash flow totalled SEK 3,202 million (SEK -948 m)
- The debt/equity ratio totalled 24 per cent (46)
- Earnings per share totalled SEK 14.47 (SEK 9.14)
- The Board of Directors proposes that the Annual General Meeting approve payment of a dividend of SEK 5 (SEK 3) per share

#### Events since the end of the financial year

- Boliden decided, in January, to expand the Garpenberg mine and at the same time hedge metal prices

#### Summary of financial performance

SEK m	Q4 2010	Q4 2009	Full year 2010	Full year 2009
Revenues	10 120	8 356	36 716	27 635
Operating profit (EBIT)	1 942	1 232	5 643	3 623
Operating profit ex. revaluation of process inventory	1 445	870	4 830	2 350
Profit before tax	1 876	1 199	5 331	3 377
Net profit	1 414	821	3 957	2 501
Earnings per share, SEK	5.17	3.00	14.47	9.14
Free cash flow <sup>1</sup>	1 850	350	3 202	-948
Return on capital employed, %	-	-	21	14
Net debt/equity ratio <sup>2</sup> , %	24	46	24	46

<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.

## Q4 2010

### Sales and production

The global metals market performance during the quarter was positive and the prices of Boliden's main metals rose. The upswing in USD metals prices was countered, to some extent, by a strengthening of the Swedish krona. Demand for base metals continued to be good in Europe.

Boliden's revenues for the quarter totalled SEK 10,120 million, corresponding to an increase of 8 per cent in comparison with the third quarter of the year. The increase is attributable to higher prices and volumes which also are the reason for the 21 per cent increase in sales in comparison with the previous year.

Mined copper and zinc production increased in comparison with both the previous quarter and the previous year. Copper production increased by 88 per cent in comparison with the previous year, while gold and silver production increased by 31 and 37 per cent, respectively. Modest changes were reported for zinc and lead.

The smelters' cast zinc and copper production rose slightly in the fourth quarter, but remained unchanged in comparison with last year. Production of precious metals fell slightly.

### Operating profit

The operating profit totalled SEK 1,942 million (SEK 1,232 m). The revaluation of process inventory impacted the quarterly profit to the tune of SEK 496 million. If the revaluation is excluded, the operating profit totalled SEK 1,445 million (SEK 870 m). SEK 119 million has been charged to the results of the fourth quarter due to a previous incorrect valuation of the inventories.

The operating profit for Business Area Mines totalled SEK 1,217 million (SEK 541 m) and the operating profit excluding the revaluation of process inventory for Business Area Smelters totalled SEK 530 million (SEK 356 m).

#### OPERATING PROFIT ANALYSIS

SEK m	Q4 2010	Q4 2009	Q3 2010
<b>Operating profit</b>	<b>1 942</b>	<b>1 232</b>	<b>1 348</b>
Revaluation of process inventory	496	362	136
<b>Operating profit ex. revaluation of process inventory</b>	<b>1 445</b>	<b>870</b>	<b>1 213</b>
<b>Change</b>		<b>575</b>	<b>233</b>
<b>Analysis of change</b>		<b>Q4 vs. Q4 2009:</b>	<b>Q4 vs. Q3 2010:</b>
Volume effect		496	347
Costs		-465	-329
Prices and terms		561	295
<i>Metal prices and terms<sup>1)</sup></i>		608	522
<i>Realised metal price and currency hedging*</i>		39	-211
<i>TC/RC terms</i>		-110	-52
<i>Metal premiums</i>		18	27
<i>Definitive pricing (MAMA)*</i>		6	9
Exchange rate effects		-17	-95
<i>Of which translation effects</i>		-49	1
Other		0	15
<b>*Operating profit for resp. period</b>	<b>Q4 2010</b>	<b>Q4 2009</b>	<b>Q3 2010</b>
Realised metal price and currency hedging	-33	-72	178
Definitive pricing (MAMA)	25	19	16

<sup>1)</sup> Includes effect of amended valuation of inventories, SEK 119 million.

The profit was positively affected by higher volumes than in the preceding quarter, due to higher zinc grades in all mines and increased ore production in the Boliden Area. The volume effect in comparison with the previous year is due to the increased production at Aitik.

The increase in costs in comparison with the previous quarter is largely volume-related but is also due to a one-off provision of SEK 85 million for increased reclamation work in the Boliden Area. The increase in costs in comparison with the previous year is, in every significant respect, attributable to higher production levels at Aitik, and includes, among other things, an increase of SEK 89 million in depreciation.

Changes to prices and terms had a positive effect on the profit of SEK 295 million in comparison with the previous quarter, and of SEK 561 million in comparison with the corresponding period last year. This was mainly due to the positive metal price trend. Exchange rate fluctuations – primarily the strengthening of the Swedish krona against the US dollar – impacted the operating profit to the tune of SEK -95 million in comparison with the third quarter of 2010, and of SEK -17 million in comparison with the fourth quarter of 2009.

Net financial items during the fourth quarter of the year totaled SEK -66 million (SEK -33 m). Net financial items improved by SEK 20 million in comparison with the previous quarter, primarily due to the strong cash flow. Interest charges on the Aitik investment have been charged to net interest items since the facility became operational and net financial items consequently deteriorated in comparison with the corresponding period in 2009. The average interest rate during the quarter was 2.95 per cent, in comparison with 2.51 per cent in the previous year.

The profit before tax totaled SEK 1,876 million (SEK 1,199 m). The net profit was SEK 1,414 million (SEK 821 m), corresponding to earnings per share of SEK 5.17 (SEK 3.00).

### Cash flow and investments

<b>CASH FLOW</b>	<b>Q4</b>	<b>Q4</b>	<b>Q3</b>	<b>Full year</b>	<b>Full year</b>
SEK m	2010	2009	2010	2010	2009
<b>Cash flow from operating activities before changes in working capital</b>	2 388	1 522	1 951	7 672	5 037
Changes in working capital	483	100	-182	-1 475	-1 063
Investments and other	-1 021	-1 272	-566	-2 995	-4 922
<b>Before financing (Free cash flow)</b>	<b>1 850</b>	<b>350</b>	<b>1 203</b>	<b>3 202</b>	<b>-948</b>

The cash flow from operating activities and before investments totalled SEK 2,871 million (SEK 1,622 m). The cash flow improved by SEK 1,102 million in comparison with the third quarter, primarily as a result of the improvement in the operating profit and reductions in inventories.

Investments and other totalled SEK 1,021 million (SEK 1,272 m). Investments during the third quarter of the year amounted to SEK 566 million.

The free cash flow during the fourth quarter totalled SEK 1,850 million (SEK 350 m), and SEK 1,203 million in the previous quarter. Tax paid during the quarter totalled SEK 29 million.

### Financial position

Boliden's net debt totalled SEK 4,584 million (SEK 7,402 m) at the end of the year and the net debt/equity ratio at that time was 24 per cent (46). The average term of the total limits on borrowing approved was 4.2 years (3.0) on 31st December 2010. The average interest level for Boliden's debt portfolio was 3.29 per cent (2.62) and the fixed interest term was 2.0 years (2.1) on 31st December 2010.

The contribution to shareholders' equity of the net market valuation of financial instruments, after fiscal effects, totalled SEK -47 million (SEK 495 m) at the end of the quarter.

Boliden's current liquidity, in the form of liquid assets and unutilised binding credit facilities, totalled SEK 10,728 million (SEK 6,924 m) at the end of the fourth quarter.

## SUMMARY OF BOLIDEN'S PERFORMANCE, FULL YEAR 2010

Revenues increased to SEK 36,716 million (SEK 27,635 m) during 2010.

The operating profit rose to SEK 5,643 million (SEK 3,623 m). If the revaluation of process inventory is excluded, the operating profit totaled SEK 4,830 million (SEK 2,350 m), with the increase primarily due to improved prices and increased production at Aitik and the Boliden Area. This improvement was, however, counteracted by a stronger Swedish krona and increased costs, including those associated with the Aitik expansion and start-up.

<b>OPERATING PROFIT ANALYSIS</b>	<b>Full year</b>	<b>Full year</b>
SEK m	<b>2010</b>	<b>2009</b>
<b>Operating profit</b>	<b>5 643</b>	<b>3 623</b>
Revaluation of process inventory	812	1 273
<b>Operating profit ex. revaluation of process inventory</b>	<b>4 830</b>	<b>2 350</b>
<b>Change</b>		<b>2 480</b>
<b>Analysis of change</b>		
Volume effect		804
Costs		-1 537
Prices and terms		3 603
<i>Metal prices and terms<sup>1)</sup></i>		3 472
<i>Realised metal price and currency hedging*</i>		258
<i>TC/RC terms</i>		-90
<i>Metal premiums</i>		7
<i>Definitive pricing (MAMA)*</i>		-44
Exchange rate effects		-377
<i>Of which translation effects</i>		-45
Other		-13
	<b>Full year</b>	<b>Full year</b>
	<b>2010</b>	<b>2009</b>
<b>*Operating profit for resp. period</b>		
Realised metal price and currency hedging	501	243
Definitive pricing (MAMA)	-14	30

<sup>1)</sup> Includes effect of amended valuation of inventories, SEK 119 million.

The operating profit for Business Area Mines totalled SEK 4,113 million (SEK 2,159 m). The operating profit, excluding the revaluation of process inventory, for Business Area Smelters totalled SEK 1,134 million (SEK 451 m).

The period includes the realised profit from metal price and exchange rate hedging, which totalled SEK 501 million (SEK 243 m).

Net financial items totalled SEK -312 million (SEK -246 m) and the cash flow from operating activities totalled SEK 6,197 million (SEK 3,974 m). An increase in working capital affected the cash flow to the tune of SEK -1,475 million (SEK -1,063 m).

Investments and other fell to SEK 2,995 million (SEK 4,922 m), due to the expansion of the Aitik copper mine that was completed during the year.

**EVENTS SINCE THE END OF THE FINANCIAL YEAR**

On 17th January, the decision was taken to expand the Garpenberg mine, which primarily produces zinc, silver and lead. A total of SEK 3.9 billion will be invested and will increase ore production at Garpenberg from the current level of 1.4 million tonnes to 2.5 million tonnes per annum. The expansion will be carried out between 2011 and 2014, with production successively increased, starting in early 2014. Full production capacity will be reached by the end of 2015.

In conjunction with the decision to expand Garpenberg, Boliden hedged zinc, copper, lead, gold and silver metal prices corresponding to approximately one third of Boliden's metal price risk and corresponding exchange rate risk. The hedging refers to the period from February 2011 up to and including the first six months of 2013.

Please see also the hedgings specification on page 7.

**DIVIDEND PROPOSAL**

Boliden's policy is that the dividend shall correspond to approximately one third of the net profit.

The Board of Directors proposes a dividend payment of SEK 5 per share, or a total of SEK 1 368 million (SEK 821 m), corresponding to 34,6 per cent of the net profit for 2010.

In its dividend proposal, the Board has taken the cyclical nature of the industry and the risks associated with the operations into account.

**PARENT COMPANY**

The Parent Company, Boliden AB, conducts no operations and has no employees. The Parent Company's Income Statements and Balance Sheets can be found on page 21 of this Full-year Report.

**MARKET PERFORMANCE**

Industrial activity levels in mature economies continued to improve during the fourth quarter, but still remain below the level before the economic downturn in 2008 in a number of industrial sectors of importance to base metals. Activity levels in the Chinese economy remained high during the fourth quarter, supported by investments in infrastructure and increased industrial production.

**Zinc**

The average price of zinc on the London Metal Exchange (LME) rose by 15 per cent in comparison with the third quarter of 2010 and by 5 per cent in comparison with the fourth quarter of 2009. The corresponding changes in Swedish kronor were 7 and 1 per cent, respectively.

Global demand for zinc is estimated to have increased by approximately 16 per cent in comparison with 2009 as a whole, reaching the highest level ever recorded. Demand in mature economies rose markedly due to the recovery within the automotive and steel industries in particular and industry in general. Growth peaked during the first six months of the year, leveling off thereafter.

Global production by zinc smelters is estimated to have increased by 12 per cent in comparison with 2009 as a whole, but production levels are thought to have leveled off in the fourth quarter. Global zinc production has exceeded demand during the year which has resulted in increased stocks.

The global official zinc stocks on the LME and the Shanghai Futures Exchange (SHFE) increased still further during the fourth quarter, and have increased by over 50 per cent since the end of 2009.

Global mined production is estimated to have increased by 10 per cent in comparison with 2009 as a whole. Production in both China and the rest of the world is estimated to have risen by approximately 9 per cent during the fourth quarter.

Spot premiums rose during the fourth quarter in Europe and the USA as a result of the industrial recovery, and remained stable in Asia. Both contract premiums and spot premiums for 2010 were higher than for 2009, due to an increasing demand by industrial customers.

Remuneration for the smelters' refining of mined concentrate into metal – TC/RC – fell until the end of June, and thereafter rose as a result of the increased supply of mined concentrate. The level achieved is, however, substantially lower than the yearly contracts for 2010 as a whole.

## **Copper**

The average price of copper on the LME was 19 per cent higher than during the third quarter of the year, and 30 per cent higher than during the fourth quarter of 2009. The corresponding changes in Swedish kronor were 11 and 26 per cent, respectively.

Global demand for copper is estimated to have increased by approximately 8 per cent in comparison with 2009 as a whole, reaching the highest level ever recorded. Demand in mature economies rose markedly due to the recovery within industry in general, while in China, levels of infrastructural growth remained high.

Global metal production by smelters and refineries increased by 3 per cent in comparison with 2009 as a whole. Global production levels during the fourth quarter are estimated to have fallen.

Global mined production is estimated to have remained on a par in comparison with 2009 as a whole, as a result of, among other things, falling grades and production disruptions. Global production is estimated to have dropped by 3 per cent in the fourth quarter in comparison with 2009.

Global official stock levels increased slightly in comparison with the third quarter, but have fallen since the end of 2009.

Spot premiums in Europe continued to rise during the fourth quarter and were higher than both the 2010 contract level and the contract level that is expected to serve as the benchmark for 2011.

Mined production continued to be a limiting factor, with concentrate for the smelters in short supply until the fourth quarter, and spot market TC/RC consequently fell to very low levels until the end of June. Market concentrate availability then rose, however, when several smelters around the world carried out maintenance shutdowns. Spot levels rose sharply during the fourth quarter.

## **Sulphuric acid**

Demand for sulphuric acid continued to increase during the fourth quarter due to an increase in production levels within several crucial customer segments, and prices rose. The price level for 2010 as a whole has been higher than in 2009 as contract premiums have risen and sales to regular customers have increased. The price of sulphuric acid (6-month contract premium in Europe) at the end of 2010 was EUR 75/tonne. The average price for 2010 was approximately EUR 55/tonne.

## **Lead**

The LME price of lead was an average of 18 per cent higher than in the third quarter of this year and 4 per cent higher than in the fourth quarter of 2009. Lead stock levels on the LME increased continuously throughout 2010, as did those for zinc.

Demand for lead in developing countries in general, and in China in particular, continues to grow apace with the increasing demand for batteries in the automotive industry. Supply was periodically impacted by the shutdown of smelter capacity for environmental reasons. Global lead metal consumption is estimated to have increased by approximately 6 per cent for 2010 as a whole in comparison with 2009, and global metal production in smelters by approximately 4 per cent. Smelter production has continued to slightly exceed metal consumption.

Global mined production is estimated to have risen by approximately 8 per cent in comparison with 2009. Lead supply from mines tracks, to some extent, mined production of zinc, in that lead is often a subsidiary metal for many zinc mines.

## **Precious metals**

The prices of gold and silver were an average of 11 and 40 per cent higher, respectively, in comparison with the third quarter of 2010. The prices of gold and silver increased by 24 and 51 per cent, respectively, in comparison with the fourth quarter of 2009.

The use of gold and silver within the jewellery industry and industrial applications increased during 2010, but the price trend has mainly been driven by increased demand from financial investors.

## METAL PRICES

Boliden's revenues are affected by the global market prices of base and precious metals. Base metals are traded daily on the London Metal Exchange (LME), where prices are set. Precious metal prices are set daily by the London Bullion Market Association (LBMA). Boliden's profit performance is affected not only by metal prices, but also by treatment and refining charges and metal premiums. The quantity of so-called free metals in concentrates also affects the profit.

<b>Metal prices (USD) (average LME/LBMA)</b>	Q4 2010	Q4 2009	<i>Change in %</i>	Q3 2010	<i>Change in %</i>	Full year 2010	Full year 2009	<i>Change in %</i>
Zinc (USD/tonne)	2 315	2 211	5	2 013	15	2 159	1 659	30
Copper (USD/tonne)	8 634	6 643	30	7 242	19	7 539	5 164	46
Lead (USD/tonne)	2 390	2 292	4	2 031	18	2 148	1 726	24
Gold (USD/troy oz)	1 370	1 101	24	1 227	12	1 227	974	26
Silver (USD/troy oz)	26.43	17.57	50	18.97	39	20.19	14.67	38

<b>Metal prices (SEK) (average LME/LBMA)</b>	Q4 2010	Q4 2009	<i>Change in %</i>	Q3 2010	<i>Change in %</i>	Full year 2010	Full year 2009	<i>Change in %</i>
Zinc (SEK/tonne)	15 700	15 480	1	14 642	7	15 554	12 684	23
Copper (SEK/tonne)	58 566	46 511	26	52 683	11	54 320	39 482	38
Lead (SEK/tonne)	16 209	16 047	1	14 778	10	15 473	13 196	17
Gold (SEK/troy oz)	9 290	7 709	21	8 927	4	8 838	7 447	19
Silver (SEK/troy oz)	179.28	123.02	46	137.96	30	145.49	112.20	30

## EXCHANGE RATES

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

The US dollar weakened still further against both the Swedish krona and the Norwegian krone during the fourth quarter. The dollar also weakened slightly against the euro during the fourth quarter, but is stronger in comparison with last year. The Swedish krona has strengthened against the euro for both comparison periods.

<b>Exchange rates (average)</b>	Q4 2010	Q4 2009	<i>Change in %</i>	Q3 2010	<i>Change in %</i>	Full year 2010	Full year 2009	<i>Change in %</i>
USD/SEK	6.78	7.00	-3	7.27	-7	7.20	7.65	-6
EUR/USD	1.36	1.48	-8	1.29	5	1.32	1.39	-5
EUR/SEK	9.22	10.35	-11	9.38	-2	9.54	10.62	-10
USD/NOK	5.93	5.68	4	6.17	-4	6.05	6.29	-4

## Metal price and currency hedging

Boliden had no metal price hedging or currency hedging on 31st December 2010.

## AFTER THE END OF THE FINANCIAL YEAR

Following the decision to expand at Garpenberg, new hedgings as shown below have been effected.

<b>Metals</b>	Hedged volume			Futures price, USD		
	2011	2012	2013	2011	2012	2013
Zinc, (tonne)	108 350	125 400	62 250	2 402	2 230	2 125
Copper, (tonne)	27 225	27 600	14 100	9 664	9 080	8 746
Lead, (tonne)	18 975	23 100	11 400	2 595	2 324	2 219
Gold, (troy oz)	40 700	56 400	30 000	1 372	1 369	1 364
Silver, (troy oz)	2 321 000	2 940 000	1 524 000	28.97	28.45	27.12

<b>Currencies</b>	Sold MUSD			Forward rate		
	2011	2012	2013	2011	2012	2013
USD/SEK	477	508	253	6.67	6.80	6.75
EUR/USD	187	197	91	1.35	1.35	1.35
USD/NOK	31	39	18	5.90	5.95	6.03

## SENSITIVITY ANALYSIS

The following table shows an estimate of the effect over a 12-month period on the Group's operating profit (EBIT) of changes in market terms from listings on 31st December 2010, based on Boliden's planned production volumes. The sensitivity analysis does not take into account the effects of metal price hedging, currency hedging, contracted TC/RC, or revaluations of process inventory in the smelters.

<b>Change in metal prices +10%</b>	<b>Effect on operating profit, SEK m</b>	<b>Change in USD+10 %</b>	<b>Effect on operating profit, SEK m</b>	<b>Change in TC/RC +10%</b>	<b>Effect on operating profit, SEK m</b>
Copper	580	USD/SEK	1 160	TC/RC Copper	50
Zinc	585	EUR/USD	425	TC Zinc	45
Lead	105	USD/NOK	90	TC Lead	-10
Gold	125				
Silver	155				



## BUSINESS AREA MINES

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

## REVENUES, PROFITS AND INVESTMENTS

	Q4	Q4	Q3	Full	Full
SEK m	2010	2009	2010	year	year
	2010	2009	2010	2010	2009
Revenues	2 821	1 673	2 421	9 580	6 509
Operating profit	1 217	541	1 061	4 113	2 159
Investments	738	1 106	402	2 189	4 435
Capital employed	13 501	12 476	13 222	13 501	12 476

Information about the operating profit for individual units can be found on pages 23-24.

Business Area Mines' revenues rose to SEK 2,821 million (SEK 1,673 m) during the quarter. The operating profit was SEK 1,217 million (SEK 541 m), corresponding to an increase of SEK 156 million in comparison with the third quarter and of SEK 676 million in comparison with the previous year.

<b>OPERATING PROFIT ANALYSIS</b>	<b>Q4</b>	<b>Q4</b>	<b>Q3</b>
SEK m	2010	2009	2010
<b>Operating profit</b>	<b>1 217</b>	<b>541</b>	<b>1 061</b>
<b>Change</b>		<b>676</b>	<b>156</b>
<b>Analysis of change</b>		<b>Q4 vs.</b>	<b>Q4 vs.</b>
		<b>Q4 2009:</b>	<b>Q3 2010</b>
Volume effect		549	184
Costs		-494	-232
Prices and terms*		598	269
Exchange rate effects		23	-76
Other		-1	10
<b>*Operating profit for respective period</b>	<b>Q4 2010</b>	<b>Q4 2009</b>	<b>Q3 2010</b>
Realised metal price and currency hedging	-51	-57	151
Definitive pricing (MAMA)	40	32	7

Increased production of all metals in comparison with the previous quarter had a positive volume effect of SEK 184 million, with Aitik, the Boliden Area and Garpenberg all making a positive contribution. This increase in comparison with the previous year is mainly attributable to increased volumes at Aitik and production increases in the Boliden Area that have yielded a positive effect of SEK 549 million.

Operating costs in local currencies increased in comparison with the third quarter, mainly due to higher production levels in the Boliden Area, an increased exploration rate and a one-off provision of SEK 85 million for reclamation costs in the Boliden Area. The other items that accounted for the increase in operating costs in comparison with the preceding year, over and above those described above, are the increase in production at Aitik and start-up problems at Aitik, including the parallel running of the old and new concentrators. The extra costs this generated totaled approximately SEK 50 million per quarter or approximately SEK 150 million for the year as a whole. Depreciation has also increased by SEK 281 million, primarily as a consequence of bringing the new Aitik facility on line.

Changes to prices and terms collectively had a positive effect on the operating profit of SEK 269 million in comparison with the third quarter of 2010 and of SEK 598 million in comparison with the corresponding period last year. The positive effect during the fourth quarter of this year was counteracted by a stronger Swedish krona, which resulted in negative exchange rate effects of SEK 76 million in comparison with the previous quarter.

**METAL PRODUCTION\***

	Q4	Q4	Change	Q3	Change	Full	Full	Change
	2010	2009	in %	2010	in %	year	year	in %
						2010	2009	
Zinc, tonnes	79 000	72 956	8	71 152	11	293 814	307 128	-4
Copper, tonnes	21 367	11 370	88	20 497	4	75 977	54 602	39
Lead, tonnes	12 628	13 888	-9	11 343	11	49 585	56 669	-13
Gold, kg	1 121	853	31	979	15	3 727	3 130	19
Silver, kg	69 720	50 791	37	53 469	30	230 756	214 120	8

\* Refers to metal content in concentrates.

Information about production and metal contents at individual units can be found on pages 23-24.

The Boliden Area concentrator has run at increased production capacity since August 2010. This was made possible by the commissioning of the new open pit mine, Maurliden Östra, and the completion of work on the new tailings pond, the Hötjärn tailings pond, which is now ready to become operational.

The volume of zinc concentrate produced was higher than the previous quarter. This increase can largely be attributed to an increase in production at the Boliden Area and higher grades at Garpenberg. Production levels and grades rose in the Boliden Area and Garpenberg, in comparison with the previous year. Tara reported high ore production levels, but lower grades.

Copper production increased slightly in comparison with the previous quarter, but increased markedly compared with 2009 as a result of the new facility at Aitik coming on line.

Silver production increased, largely as a result not only of the increased volumes from the Boliden Area, but to higher grades this quarter at Aitik and Garpenberg. Gold production also increased due to higher gold grades at Aitik. The substantially increased production levels at Aitik and the Boliden Area also become apparent on comparison with precious metals production in the fourth quarter of 2009.

Lead production rose in comparison with the previous quarter as a result of improved yields at both Tara and Garpenberg. Lead production fell, however, in comparison with last year, due to lower grades and yields at Tara, but was compensated for, to some extent, by higher production levels at Garpenberg.

Work on adjusting and fine-tuning the new Aitik facility has continued during the quarter, and costs were consequently higher than normal. The rebuilding of the in-coming ore delivery station from the old crusher began at the end of this period, and all ore production will consequently pass through this new facility as of the beginning of 2011. The expansion is still being run in, and work with improving availability continues. Availability has increased in the new ore crushers but is still not satisfactory. Aitik's ore production is expected to reach full capacity – 36 million tonnes of ore – in 2014.

**ORE RESERVES AND MINERAL RESOURCES**

Boliden's ore reserves and mineral resources generally continued to develop positively in 2010. Increased resources contributed towards this positive outcome. This performance was due partly to positive exploration results and partly to higher metal prices.

**Aitik**

Positive drilling results in the vicinity of the open pit mines at Aitik and Salmijärvi, and new geological interpretations of findings, have resulted in a substantial contribution to mineral resources of just over 200 million tonnes, corresponding to an increase of 14 per cent. 28 million tonnes of ore was mined during the year but the ore reserve has only fallen by 14 million tonnes due to higher metal prices that enabled additional tonnage to be included in the ore reserves. Production will, at the currently planned rates, continue until 2030.

**Garpenberg**

Garpenberg's mineral resources increased by almost 11 million tonnes as a result of successful exploration of the Kvarnberget and Dammsjön mineralisations. New calculations for the Lappberget and Kaspersbo mineralisations also resulted in substantial additional contributions to the mineral resources. 1.4 million tonnes was mined during the year, but the ore reserve increased by the equivalent of half the production volume, due to contributions yielded by new geological information and higher metal prices. Production will, at the currently planned rates, continue until 2030.

**The Boliden Area**

The Boliden Area's ore reserve increased by 2.4 million tonnes, while its mineral resources fell by 2.1 million tonnes. Exploration resulted in increased mineral resources in Kristineberg and Renström, but the bottom line showed a net reduction, due to large quantities being upgraded from mineral resources to ore reserves. Production will, at the currently planned rates, continue until 2021.

**Tara**

Tara's mineral resources total 11.9 million tonnes. These figures are on the same scale of magnitude as in 2009. 1.6 million tonnes were added to the ore reserve as a result of exploration, but 2.6 million tonnes were also mined during the year, resulting in a net reduction in the ore reserve. Production will, at the currently planned rates, continue until 2019.

For further information on ore reserves and mineral resources on 31st December 2010, see pages 26-27.

## BUSINESS AREA SMELTERS

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

## REVENUES, PROFITS AND INVESTMENTS

	Q4 2010	Q4 2009	Q3 2010	Full year 2010	Full year 2009
<b>SEK m</b>					
Revenues	9 554	8 047	8 765	34 390	26 765
Operating profit	1 026	718	374	1 946	1 724
Operating profit ex. revaluation of process inventory	530	356	238	1 134	451
Investments	286	162	162	804	480
Capital employed	14 225	13 712	14 137	14 225	13 712

Information about the operating profit at individual units can be found on page 25.

Business Area Smelters' operating profit, excluding the revaluation of process inventory, totalled SEK 530 million (SEK 356 m), corresponding to an increase of SEK 291 million in comparison with the third quarter of this year and an increase of SEK 174 million in comparison with the corresponding quarter of 2009.

<b>PROFIT ANALYSIS</b>	<b>Q4 2010</b>	<b>Q4 2009</b>	<b>Q3 2010</b>
<b>SEK m</b>			
<b>Operating profit</b>	<b>1 026</b>	<b>718</b>	<b>374</b>
Revaluation of process inventory	496	362	136
<b>Operating profit ex. revaluation of process inventory</b>	<b>530</b>	<b>356</b>	<b>238</b>
<b>Change</b>		<b>174</b>	<b>291</b>
<b>Analysis of change</b>		<b>Q4 vs. Q4 2009:</b>	<b>Q4 vs. Q3 2010:</b>
Volume effect		-54	163
Costs		50	-63
Prices and terms*		215	203
Exchange rate effects		-40	-19
Other		3	8
<b>*Result for respective period</b>	<b>Q4 2010</b>	<b>Q4 2009</b>	<b>Q3 2010</b>
Realised metal price and currency hedging	18	-14	27
Definitive pricing (MAMA)	1	17	2

The positive volume effect of SEK 163 million in comparison with the previous quarter was primarily due to the increased production by the copper smelters, and, in particular, to the contributions made by free metals and the increased production of sulphuric acid resulting from the acquisition of Kemira's sulphuric acid plant in May 2010. Bergsöe's lead production increased as a result of stable production and improved raw material terms.

The increased costs arising from the third quarter are, in every significant respect, volume-related. Changed pension regulations in Norway have led to a positive non-recurring effect of approximately SEK 60 million in Odda which accounts for the positive discrepancy in relation to the previous year. Costs actually increased slightly, if these factors are excluded.

Higher metal and sulphuric acid prices yielded a positive effect in comparison with the third quarter, but this was, to some extent, counteracted by poorer TC/RC. These same items also explain the positive profit performance in comparison with the fourth quarter of 2009.

**PRODUCTION**

	Q4 2010	Q4 2009	Change in %	Q3 2010	Change in %	Full year 2010	Full year 2009	Change in %
Zinc, tonnes	117 494	116 708	1	110 597	6	456 006	434 022	5
Copper, tonnes	85 323	85 804	-1	82 375	4	303 184	302 355	0
Lead, tonnes	4 499	2 618	72	2 953	52	17 013	13 013	31
Lead alloys, tonnes (Bergsöe)	12 579	12 414	1	8 470	49	42 166	38 561	9
Gold, kg	3 904	4 185	-7	4 022	-3	14 220	15 028	-5
Silver, kg	112 691	129 610	-13	120 144	-6	450 280	539 564	-17
Sulphuric acid, tonnes	412 811	322 687	28	391 640	5	1 397 002	1 123 336	24
Aluminium fluoride, tonnes	7 950	7 624	4	3 744	112	21 951	33 161	-34

Information about production at individual units can be found on page 25.

Zinc smelter production increased slightly in comparison with both the third quarter and the previous year. Odda's production stability improved during the quarter, while Kokkola's production levels continued to be both high and stable. An improved market also enabled increased production of aluminium fluoride at Odda during the quarter.

Production by the copper smelters increased slightly in comparison with the previous quarter, while volumes remained unchanged in comparison with 2009. The improvement in Harjavalta's figures during the fourth quarter was due in part to better production stability, but also reflected the effects of the maintenance shutdown there during the third quarter. Copper concentrate availability has improved.

Sulphuric acid production has increased substantially as a consequence of the acquisition of Kemira's sulphuric acid plant by the Kokkola zinc smelter in May 2010. Demand and prices have improved during the year.

Total precious metals production fell in comparison with both the third quarter and the previous year. Harjavalta's production increased, but was unable to compensate for Rönnskär's reduced production levels, which were due to lower precious metal grades in raw materials bought in.

Bergsöe was able to produce at full capacity throughout the fourth quarter – hence the substantial increase in comparison with the third quarter, which included a maintenance shutdown.

No maintenance shutdowns are planned for the first quarter of 2011.

**SUSTAINABLE DEVELOPMENT****Employees**

The average number of employees at Boliden at the end of the year was 4,412 (4,379). Of these, 2,429 work in Sweden, 944 in Finland, 699 in Ireland, 326 in Norway, and 14 in other countries.

The sick leave rate during the fourth quarter was 3.9 per cent, corresponding to an increase in comparison with the previous quarter of 0.6 percentage points. The sick leave rate for the year as a whole was 4.0 per cent.

The accident frequency (the number of accidents per one million hours worked) was 14.1 during the fourth quarter. This corresponds to a significant increase in comparison with the third quarter, when the corresponding figure was 5.5. This increase is primarily attributable to an accident at the Aitik copper mine when a number of employees were feared to have been exposed to hazardous doses of x-rays and were kept in hospital for observation. The x-ray equipment is used for material analyses.

There were no accidents leading to absences from work at two of Boliden's nine operating units (Kokkola and Tara) during the fourth quarter. The accident frequency for the year as a whole was 8.2 (5.5).

**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. Group-wide environmental goals have been defined for the period from 2009 to 2013. Boliden's Group-wide goals for discharges and emissions of metals into water and the air, and for emissions of sulphur dioxide into the air, have been met during the fourth quarter.

**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 pricing trends for zinc, copper and other base metals. Uncertainty in the global economic climate may entail increased risks with regard to Boliden's operations, and to its profitability and financial position. For further information on risks and risk management, please see Boliden's 2009 Annual Report: Risk Management on page 36 and Note 19 Financial risk management on page 67.

In November 2010, the Court of Appeal in Seville quashed the interim sequestration order issued by the local Commercial Court regarding property belonging to Boliden Mineral AB and Boliden AB. The ruling is final and may not be appealed. The sequestration order was never executed. For further information on disputes arising from the dam accident in Spain, please see page 74 of Boliden's 2009 Annual Report.

In December 2010, Boliden Tara Mines Ltd. won a dispute in the Irish Supreme Court in relation to the company's pension plan. The uncertainty regarding the extent of Boliden Tara Mines Ltd.'s pension undertakings to which this dispute gave rise has thereby been finally eliminated.

**PREPARATION PRINCIPLES FOR THE FULL-YEAR 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 Full-year Report has been prepared for the Group in accordance with IAS 34, Interim Financial Reporting, and in accordance with the Swedish Annual Accounts Act. The Parent Company accounts have been prepared in accordance with the Swedish Annual Accounts Act. The accounting principles and calculation methods used are the same as those used in the 2009 Annual Accounts with the following exceptions: revised versions of IFRS 3 Business Acquisitions and IAS 27, Consolidated and Separate Financial Statements, are applied as of 2010. The application has had no significant effect on the Group.

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

Stockholm, 11th February 2011

Anders Ullberg  
*Chairman*

Marie Berglund  
*Member of the Board*

Staffan Bohman  
*Member of the Board*

Lennart Evrell  
*Member of the Board  
President and CEO*

Michael G:son Löw  
*Member of the Board*

Marie Holmberg  
*Employee Representative*

Bo Karlsson  
*Employee Representative*

Ulla Litzén  
*Member of the Board*

Leif Rönnbäck  
*Member of the Board*

Matti Sundberg  
*Member of the Board*

Hans-Göran Ölvebo  
*Employee Representative*

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 11th February 2011 at 12.00 a.m.

The Full-year Report has not been subject to special review by the company's auditors.

**FINANCIAL CALENDAR AND ANNUAL GENERAL MEETING**

- The Interim Report for January-March 2011 will be published on 3rd May 2011.
- The 2011 Annual General Meeting will be held on 3rd May 2011.
- The Interim Report for January-June 2011 will be published on 19th July 2011.
- The Interim Report for January-September 2011 will be published on 25th October 2011.

**ANNUAL GENERAL MEETING**

Boliden's 2011 Annual General Meeting will be held on 3rd May in Aitik, Gällivare. Shareholders wishing to have a matter raised at the Meeting must submit a proposal to that effect no later than 1st March. For further information, see [www.boliden.com](http://www.boliden.com).

**NOMINATION COMMITTEE**

Boliden's Nomination Committee was appointed by the Annual General Meeting on 27th April 2010. It comprises Anders Algotsson, AFA Försäkring, Jan Andersson, Swedbank Robur fonder (Chairman of the Nomination Committee), Lars-Erik Forsgårdh, Caroline af Ugglas, Skandia Liv and Anders Ullberg, Boliden's Chairman of the Board. The Nomination Committee was complemented in the person of Anders Oscarsson, AMF, in order better to reflect the shareholder structure.

**ANNUAL REPORT**

The Annual Report for 2010 will be published on 25th February 2011 on [www.boliden.com](http://www.boliden.com) and will be available at Boliden's Head Office in Stockholm as of 3rd March 2011 (Swedish version).

**CONFERENCE CALL AND PRESENTATION****Conference call and online broadcasts (English)**

The report for the fourth quarter will be presented on Friday, 11th February 2011 at 15.00 (CET) at Klarabergsviadukten 90 in Stockholm, and via web cast and conference call.

The web cast will be broadcast online at [www.boliden.com](http://www.boliden.com).

To take part in the conference call, please dial one of the following telephone numbers 3-5 minutes before the conference starts:

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

**Contact persons for information**

Lennart Evrell, President & CEO	Tel: (exchange):	+46 8 610 15 00
Johan Fant, CFO	Tel: (exchange):	+46 8 610 15 00
Frans Benson, Director Investor Relations	Tel:	+46 8 610 15 23



**CONSOLIDATED INCOME STATEMENTS**

SEK m	Q4 2010	Q4 2009	Full year 2010	Full year 2009
Revenues	10 120	8 356	36 716	27 635
Cost of goods sold	-7 915	-6 828	-30 038	-22 957
<b>Gross profit</b>	<b>2 205</b>	<b>1 528</b>	<b>6 678</b>	<b>4 678</b>
Selling expenses	-99	-111	-408	-408
Administrative expenses	-105	-151	-431	-534
Research and development costs	-90	-65	-286	-218
Other operating income and expenses	30	31	90	105
Results from participations in associated companies	–	–	–	–
<b>Operating profit</b>	<b>1 942</b>	<b>1 232</b>	<b>5 643</b>	<b>3 623</b>
Financial income	3	6	7	11
Financial expenses	-69	-39	-319	-257
<b>Profit after financial items</b>	<b>1 876</b>	<b>1 199</b>	<b>5 331</b>	<b>3 377</b>
Taxes	-462	-378	-1 374	-876
<b>Net profit</b>	<b>1 414</b>	<b>821</b>	<b>3 957</b>	<b>2 501</b>
<b>Net profit attributable to:</b>				
The Parent Company's shareholders	1 413	821	3 955	2 500
Holding with non-controlling interest	1	–	2	1
<b>Earnings and shareholders' equity per share</b>				
	Q4 2010	Q4 2009	Full year 2010	Full year 2009
Earnings per share <sup>1)</sup> , SEK	5.17	3.00	14.47	9.14
Shareholders' equity per share, SEK	68.90	59.44	68.90	59.44
Number of shares	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
Number of own shares held	–	–	–	–

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

## CONSOLIDATED REPORT OF COMPREHENSIVE INCOME

SEK m	Q4 2010	Q4 2009	Full year 2010	Full year 2009
<b>Net profit for the period</b>	<b>1 414</b>	<b>821</b>	<b>3 957</b>	<b>2 501</b>
<b>Other comprehensive income</b>				
Cash flow hedging				
Change in market value of derivative instruments	370	282	-305	-1 867
Fiscal effect on derivative instruments	-98	-74	80	490
Transfers to the Income Statement	-431	-991	-431	-991
Tax on transfers to the Income Statement	113	261	113	261
	-46	-522	-543	-2 107
The period's translation difference when converting overseas operations	-92	53	-697	-251
Profit from hedging on net investment in overseas operations	119	-79	942	338
Tax on the period's profit from hedging instruments	-32	21	-248	-89
	-4	-5	-3	-2
Other items included in comprehensive income	0	-	0	-1
<b>Total other comprehensive income</b>	<b>-50</b>	<b>-527</b>	<b>-546</b>	<b>-2 110</b>
<b>Comprehensive income for the period</b>	<b>1 364</b>	<b>294</b>	<b>3 411</b>	<b>391</b>
<b>Total comprehensive income for the period attributable to:</b>				
The Parent Company's shareholders	1 363	294	3 409	390
Holding with non-controlling interest	1	-	2	1

## KEY RATIOS

	Q4 2010	Q4 2009	Full year 2010	Full year 2009
Return on capital employed <sup>1</sup> , %	-	-	21	14
Return on shareholders' equity <sup>2</sup> , %	-	-	23	16
Equity/assets ratio, %	54	49	54	49
Net debt/equity ratio <sup>3</sup> , %	24	46	24	46
Depreciation, SEK m	455	388	1 802	1 562
Investments, SEK m	-1 025	-1 269	-2 996	4 915
Capital employed, SEK m	27 151	26 229	27 151	26 229
Net debt, SEK m	4 584	7 402	4 584	7 402

<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 BALANCE SHEETS

SEK m	31st Dec. 2010	31st Dec. 2009
Intangible fixed assets	3 181	3 359
Tangible fixed assets	20 888	20 454
Deferred tax	35	21
Interest-bearing assets	29	30
Other financial fixed assets	144	63
Inventories	7 924	5 245
Interest-bearing current receivables	4	7
Tax receivables	–	8
Other receivables	2 102	3 246
Liquid assets	821	825
<b>Total assets</b>	<b>35 128</b>	<b>33 258</b>
Shareholders' equity	18 846	16 257
Pension provisions	623	585
Deferred tax provisions	2 739	2 511
Other provisions	1 001	705
Interest-bearing long-term liabilities	4 365	6 624
Interest-bearing current liabilities	449	1 055
Tax liabilities	1 018	88
Other current liabilities	6 087	5 433
<b>Total liabilities and shareholders' equity</b>	<b>35 128</b>	<b>33 258</b>

## CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY

SEK m	31st Dec. 2010	31st Dec. 2009
Opening balance	16 257	16 131
Total comprehensive income for the period	3 411	391
Minority holding in conjunction with acquisition	–	8
Dividend	-822	-274
Closing balance	18 846	16 257

### Total shareholders' equity attributable to

The Parent Company's shareholders	18 834	16 247
Holding with non-controlling interest	12	10

On 31st December 2010, the market valuation of financial instruments, after fiscal effect, was SEK -47 million.

## CONSOLIDATED CASH FLOW ANALYSIS

SEK m	Q4 2010	Q4 2009	Full year 2010	Full year 2009
<b>Cash flow from working activities before changes in operating capital</b>	2 388	1 522	7 672	5 037
Cash flow from changes in working capital	483	100	-1 475	-1 063
<b>Cash flow from operating activities</b>	<b>2 871</b>	<b>1 622</b>	<b>6 197</b>	<b>3 974</b>
Investment activities				
- Acquisition of tangible fixed assets	-1 024	-1 266	-2 911	-4 912
- Acquisition of intangible fixed assets	-2	-3	-85	-3
- Other	5	-3	1	-7
Cash flow from investment activities	-1 021	-1 272	-2 995	-4 922
<b>Cash flow before financing activities</b>	<b>1 850</b>	<b>350</b>	<b>3 202</b>	<b>-948</b>
Dividend	-2	1	-822	-274
Net borrowing/net amortisation	-2 061	-340	-2 376	845
Cash flow from financing activities	-2 063	-339	-3 199	571
<b>Cash flow for the period</b>	<b>-213</b>	<b>11</b>	<b>3</b>	<b>-377</b>
<b>Liquid assets at beginning of period</b>	<b>1 035</b>	<b>814</b>	<b>825</b>	<b>1 204</b>
<b>Exchange rate difference on liquid assets</b>	<b>-1</b>	<b>1</b>	<b>-7</b>	<b>-2</b>
<b>Liquid assets at period end</b>	<b>821</b>	<b>825</b>	<b>821</b>	<b>825</b>

## INCOME STATEMENTS – PARENT COMPANY

SEK m	Q4 2010	Q4 2009	Full year 2010	Full year 2009
Dividends from subsidiaries	825	–	825	–
<b>Profit after financial items</b>	<b>825</b>	<b>–</b>	<b>825</b>	<b>–</b>
Taxes	–	–	–	–
<b>Profit for the period</b>	<b>825</b>	<b>–</b>	<b>825</b>	<b>–</b>

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

## BALANCE SHEETS – PARENT COMPANY

SEK m	31st Dec. 2010	31st Dec. 2009
Participations in Group companies	3 911	3 911
Other shares and participations	5	3
Long-term financial receivables, Group companies	3 672	3 670
Current financial receivables, Group companies	449	976
<b>Total assets</b>	<b>8 037</b>	<b>8 560</b>
Shareholders' equity	7 588	7 584
Current liabilities to credit institutions	449	976
<b>Total liabilities and shareholders' equity</b>	<b>8 037</b>	<b>8 560</b>

**INFORMATION PER SEGMENT**

SEK m	Q4 2010	Q4 2009	Full year 2010	Full year 2009
<b>MINES</b>				
Revenues	2 821	1 673	9 580	6 509
Operating profit	1 217	541	4 113	2 159
Depreciation	254	165	954	673
Investments	738	1 106	2 189	4 435
Capital employed	13 501	12 476	13 501	12 476
<b>SMELTERS</b>				
Revenues	9 554	8 047	34 390	26 765
Operating profit	1 026	718	1 946	1 724
Operating profit ex. revaluation of process inventory	530	356	1 134	451
Depreciation	201	222	848	888
Investments	286	162	804	480
Capital employed	14 225	13 712	14 225	13 712
<b>OTHER/ELIMINATIONS</b>				
Revenues	-2 255	-1 364	-7 254	-5 639
Operating profit	-301	-27	-416	-260
Depreciation	–	1	–	1
Investments	1	1	3	–
Capital employed	-575	41	-575	41
<b>THE GROUP</b>				
Revenues	10 120	8 356	36 716	27 635
Operating profit	1 942	1 232	5 643	3 623
Operating profit ex. revaluation of process inventory	1 445	870	4 830	2 350
Depreciation	455	388	1 802	1 562
Investments	1 025	1 269	2 996	4 915
Capital employed	27 151	26 229	27 151	26 229

Capital employed reported under Other refers, mainly, to market valuations of hedges.

**PRODUCTION AND PROFIT PER UNIT – MINES**

	Q4 2010	Q4 2009	Change in %	Q3 2010	Change in %	Full year 2010	Full year 2009	Change in %
<b>TARA</b>								
Milled ore, ktonnes	647	616	5	707	-8	2 593	2 508	3
Head grades								
Zinc (%)	6.8	7.9	-14	6.5	5	7.0	7.9	-11
Lead (%)	1.3	1.6	-19	1.3	0	1.4	1.5	-7
Metal production								
Zinc, tonnes	40 295	45 158	-11	42 791	-6	167 334	185 558	-10
Lead, tonnes	4 207	6 096	-31	4 060	4	18 515	23 567	-21
<b>Revenues, SEK m</b>	–	–	–	–	–	1 831	1 671	
<b>Operating profit, SEK m</b>	–	–	–	–	–	383	76	
<b>Cash cost (C1), Usc/lb Zn</b>	–	–	–	–	–	69	64	
<b>GARPENBERG</b>								
Milled ore, ktonnes	373	331	13	336	11	1 443	1 394	4
Head grades								
Zinc (%)	7.1	6.5	9	6.0	18	6.6	7.3	-10
Copper (%)	0.1	0.1	0	0.1	0	0.1	0.1	0
Lead (%)	2.6	2.7	-4	2.6	0	2.5	2.8	-11
Gold (g/tonne)	0.2	0.3	-33	0.3	-33	0.3	0.2	50
Silver (g/tonne)	148	132	12	131	13	133	139	-4
Metal production								
Zinc, tonnes	24 429	18 999	29	18 122	35	86 022	90 079	-5
Copper, tonnes	138	117	18	131	5	517	493	5
Lead, tonnes	7 949	7 281	9	6 855	16	29 310	31 371	-7
Gold, kg	52	61	-15	60	-13	234	214	9
Silver, kg	40 665	31 395	30	33 139	23	140 138	139 141	1
<b>Revenues, SEK m</b>	–	–	–	–	–	1 902	1 490	
<b>Operating profit, SEK m</b>	–	–	–	–	–	1 124	793	
<b>Cash cost (C1), Usc/lb Zn</b>	–	–	–	–	–	-16	3	

**PRODUCTION AND PROFIT PER UNIT – MINES (CONT.)**

	Q4 2010	Q4 2009	Change in %	Q3 2010	Change in %	Full year 2010	Full year 2009	Change in %
<b>THE BOLIDEN AREA</b>								
Milled ore, ktonnes	490	365	34	358	37	1 375	1 192	15
Head grades								
Zinc (%)	3.7	3.2	16	3.5	6	3.7	3.7	0
Copper (%)	0.6	0.9	-33	0.9	-33	0.8	1.0	-20
Lead (%)	0.3	0.4	-25	0.3	0	0.4	0.5	-20
Gold (g/tonne)	1.5	2.2	-32	1.6	-6	1.6	2.0	-20
Silver (g/tonne)	52	56	-7	45	16	55	65	-15
Metal production								
Zinc, tonnes	14 276	8 799	62	10 239	39	40 458	31 491	28
Copper, tonnes	2 337	2 520	-7	2 358	-1	8 291	8 090	2
Lead, tonnes	471	510	-8	428	10	1 760	1 731	2
Gold, kg	357	554	-36	341	5	1 285	1 568	-18
Silver, kg	17 520	13 782	27	11 123	58	52 806	48 186	10
<b>Revenues, SEK m</b>	–	–	–	–	–	1 448	1 109	
<b>Operating profit, SEK m</b>	–	–	–	–	–	481	303	
<b>Cash cost (C1), Usc/lb Zn</b>	–	–	–	–	–	-18	-6	
<b>AITIK</b>								
Milled ore, ktonnes	7 578	4 430	71	7 454	2	27 596	18 791	47
Head grades								
Copper (%)	0.27	0.21	29	0.27	0	0.27	0.27	0
Gold (g/tonne)	0.19	0.10	90	0.17	12	0.16	0.13	23
Silver (g/tonne)	2.25	1.54	46	2.00	13	2.07	1.99	4
Metal production								
Copper, tonnes	18 892	8 733	116	18 008	5	67 168	46 019	46
Gold, kg	712	238	199	578	23	2 208	1 348	64
Silver, kg	11 279	5 030	124	8 834	28	36 468	24 701	48
<b>Revenues, SEK m</b>	–	–	–	–	–	3 996	1 997	
<b>Operating profit, SEK m</b>	–	–	–	–	–	2 008	949	
<b>Cash cost (C1), Usc/lb Cu</b>	–	–	–	–	–	105	86	



**PRODUCTION AND PROFIT PER UNIT – SMELTERS**

	Q4 2010	Q4 2009	Change in %	Q3 2010	Change in %	Full year 2010	Full year 2009	Change in %
<b>KOKKOLA</b>								
Smelted material, tonnes								
Zinc concentrate	158 637	155 019	2	142 845	11	587 330	571 003	3
Production, tonnes								
Zinc, tonnes	79 461	80 177	-1	74 759	6	307 144	295 049	4
Sulphuric acid, tonnes	78 947	-	-	74 698	6	199 484	-	
<b>Operating profit<sup>1)</sup>, SEK m</b>	-	-	-	-	-	505	362	
<b>ODDA</b>								
Smelted material, tonnes								
Zinc concentrate, incl. zinc clinker	73 522	64 586	14	64 842	13	276 811	245 263	13
Production, tonnes								
Zinc, tonnes	38 033	36 531	4	35 838	6	148 862	138 973	7
of which reprocessed zinc	0	34		592		1 087	1 315	-17
Aluminium fluoride, tonnes	7 950	7 624	4	3 744	112	21 951	33 161	-34
Sulphuric acid, tonnes	32 077	27 215	18	28 780	11	122 549	107 758	14
<b>Operating profit<sup>1)</sup>, SEK m</b>	-	-	-	-	-	39	6	
<b>RÖNNSKÄR</b>								
Smelted material, tonnes								
Copper, tonnes								
Primary	155 051	150 685	3	162 504	-5	544 242	564 749	-4
Secondary	41 958	43 249	-3	42 901	-2	155 024	154 099	1
Total	197 009	193 934	2	205 405	-4	699 266	718 848	-3
Production								
Cathode copper, tonnes	54 462	54 756	-1	55 851	-2	190 497	205 759	-7
Lead, tonnes	4 499	2 618	72	2 953	52	17 013	13 013	31
Zinc clinker, tonnes	9 823	9 742	1	9 968	-1	36 950	38 535	-4
Gold, kg	3 343	3 806	-12	3 593	-7	12 450	13 282	-6
Silver, kg	95 051	114 600	-17	105 104	-10	385 684	481 223	-20
Sulphuric acid, tonnes	143 530	141 635	1	160 744	-11	501 873	514 736	-2
<b>Operating profit<sup>1)</sup>, SEK m</b>	-	-	-	-	-	187	83	
<b>HARJAVALTA</b>								
Smelted material, tonnes								
Copper concentrate	122 110	114 554	7	96 890	26	433 511	399 653	8
Production, tonnes								
Cathode copper	30 861	31 048	-1	26 524	16	112 687	96 596	17
Gold, kg	562	378	49	429	31	1 770	1 747	1
Silver, kg	17 640	15 010	18	15 040	17	64 596	58 341	11
Sulphuric acid, tonnes	158 257	153 837	3	127 418	24	573 096	500 842	14
<b>Operating profit<sup>1)</sup>, SEK m</b>	-	-	-	-	-	154	-117	
<b>BERGSÖE</b>								
Production, tonnes								
Lead alloys	12 579	12 414	1	8 470	49	42 166	38 561	9
Tin alloys	131	112	17	95	38	497	428	16
<b>Operating profit<sup>1)</sup>, SEK m</b>	-	-	-	-	-	82	91	

1) Operating profit ex. revaluation of process inventory

**ORE RESERVES AS OF 31ST DECEMBER 2010**

		Quantity 2010, ktonnes	Quantity 2009, ktonnes	Au g/t	Ag g/t	Cu %	Zn %	Pb %	Mo g/t	Te g/t
<b>The Boliden Area</b>										
<i>Polymetallic mineralisations</i>										
Kristineberg	Proven	1 340	1 690	1.3	24	1.3	2.1	0.1		
	Probable	2 800	1 500	0.6	43	0.4	7.9	0.4		
Renström	Proven	170	140	3.6	179	0.6	9.1	1.8		
	Probable	1 590	1 110	2.4	188	0.4	7.5	1.7		
Maurliden	Proven	1 300	1 340	1.3	51	0.2	3.6	0.4		
	Probable									
Maurliden Östra	Proven									
	Probable	1 060	1 200	0.6	12	1.1	0.4			
<b>Total Polymetallic mineralisations</b>	Proven	2 820	3 170	1.4	46	0.8	3.2	0.3		
	Probable	5 400	3 780	1.2	80	0.6	6.3	0.7		
<i>Gold mineralisations</i>										
Kankberg	Proven	120		3.5	7					151
	Probable	2 660	1 610	4.1	16					188
<b>Aitik</b>	Proven	504 000	518 000	0.15	1.6	0.25			29	
	Probable	229 000	229 000	0.13	1.7	0.24			32	
<b>Garpenberg</b>	Proven	18 800	17 900	0.3	121	0.06	5.8	2.3		
	Probable	6 300	7 900	0.2	217	0.04	3.6	1.4		
<b>Tara</b>	Proven	3 500	3 800				8.3	2.0		
	Probable	12 500	13 200				6.8	1.7		

Figures may be rounded up or down.

**MINERAL RESOURCES AS OF 31ST DECEMBER 2010**

		Quantity 2010, ktonnes	Quantity 2009, ktonnes	Au g/t	Ag g/t	Cu %	Zn %	Pb %	Mo g/t	Te g/t
<b>The Boliden Area</b>										
<i>Polymetallic mineralisations</i>										
Kristineberg	Measured	50	50	0.7	45	1.3	4.2	0.2		
	Indicated	1 660	1 960	0.7	33	0.8	6.8	0.3		
	Inferred	2 300	3 250	0.8	45	0.7	4.2	0.3		
Petiknäs N	Measured	310	310	8.1	73	1.8	3.1	0.3		
	Indicated	1 200	1 200	2.7	52	0.6	1.8	0.3		
	Inferred	720	720	3.3	33	0.5	1.2	0.2		
Renström	Measured	10	10	3.4	167	0.9	8.6	1.4		
	Indicated	1 510	1 400	1.9	115	1.3	4.5	1.0		
	Inferred	1 890	1 890	3.3	233	0.6	9.2	2.1		
Maurliden	Measured	1 050	1 050	1.3	40	0.4	3.3	0.2		
	Indicated	360	360	0.9	45	0.7	2.9	0.2		
	Inferred									
Maurliden Östra	Measured									
	Indicated	410	400	0.5	13	0.4	0.4			
	Inferred									
<b>Total Polymetallic mineralisations</b>	Measured	1 400	1 400	2.8	48	0.7	3.3	0.2		
	Indicated	5 100	5 300	1.5	61	0.8	4.2	0.5		
	Inferred	4 900	5 900	2.1	115	0.6	5.7	1.0		
<i>Gold mineralisations</i>										
Kankberg	Measured	59		2.2	12					113
	Indicated	610	1 690	2.4	8					135
	Inferred	120		6.0	8					140
Älgträsk	Measured									
	Indicated	2 930	2 930	2.6	3					
	Inferred	1 270	1 270	1.8	3					
<b>Total Gold mineralisations</b>	Measured	60		2.2	12					
	Indicated	3 500	4 600	2.6	4					
	Inferred	1 400	1 300	2.1	3					
<b>Aitik</b>	Measured	708 000	633 000	0.12	1.0	0.19			24	
	Indicated	845 000	737 000	0.11	1.1	0.19			25	
	Inferred	164 000	131 000	0.11	0.6	0.15			20	
<b>Garpenberg</b>	Measured	2 600	2 100	0.3	95	0.07	3.9	1.7		
	Indicated	9 900	5 200	0.5	164	0.06	5.1	2.3		
	Inferred	26 800	21 200	0.5	146	0.06	5.2	2.5		
<b>Tara</b>	Measured	300	300				7.8	1.9		
	Indicated	4 600	3 700				6.8	2.1		
	Inferred	7 000	7 800				7.3	1.8		

Figures may be rounded up or down.

**CONSOLIDATED QUARTERLY DATA**

	Q1, 2009	Q2, 2009	Q3, 2009	Q4, 2009	Q1, 2010	Q2, 2010	Q3, 2010	Q4, 2010
<b>Financial performance, the Group</b>								
Revenues, SEK m	5 879	6 439	6 960	8 356	8 316	8 908	9 373	10 120
Operating profit before depreciation (EBITDA), SEK m	1 170	1 056	1 340	1 620	1 633	1 589	1 826	2 397
Operating profit (EBIT)	788	654	949	1 232	1 230	1 123	1 348	1 942
Operating profit ex. revaluation of process inventory, SEK m	269	477	734	870	1 043	1 130	1 213	1 445
Profit after financial items, SEK m	668	587	923	1 199	1 196	996	1 264	1 876
Net profit, SEK m	564	432	684	821	878	755	910	1 414
Earnings per share, SEK	2.06	1.58	2.50	3.00	3.21	2.76	3.33	5.17
Free cash flow <sup>1</sup> , SEK m	-1 811	-97	610	350	-52	201	1 151	1 850
Return on capital employed, %	12	10	15	19	19	17	20	29
Net debt/equity ratio <sup>2</sup> , %	52	55	48	46	43	46	37	24
<b>Metal production, Segment Mines<sup>3</sup></b>								
Zinc, tonnes	76 167	81 608	76 397	72 956	71 844	71 818	71 152	79 000
Copper, tonnes	13 165	13 991	16 076	11 370	13 603	20 509	20 497	21 367
Lead, tonnes	13 701	14 916	14 164	13 888	13 212	12 402	11 343	12 628
Gold, kg	700	701	876	853	709	918	979	1 121
Silver, kg	54 826	50 024	58 479	50 791	49 104	58 464	53 469	69 720
<b>Metal production, Segment Smelters</b>								
Zinc, tonnes	102 963	100 801	113 550	116 708	113 675	114 240	110 597	117 494
Copper, tonnes	71 710	68 059	76 783	85 804	65 474	70 012	82 375	85 323
Lead, tonnes	5 391	2 735	2 269	2 618	5 182	4 379	2 953	4 499
Lead alloys, tonnes (Bergsöe)	9 451	10 022	6 674	12 414	10 468	10 649	8 470	12 579
Gold, kg	3 632	3 151	4 060	4 185	3 778	2 515	4 022	3 904
Silver, kg	133 013	143 740	133 200	129 610	117 689	99 755	120 144	112 691
Aluminium fluoride, tonnes	10 542	8 898	6 097	7 624	7 051	3 206	3 744	7 950
<b>Metal prices, quarterly average</b>								
Zinc, USD/tonne	1 174	1 476	1 757	2 211	2 288	2 018	2 013	2 315
Copper, USD/tonne	3 435	4 676	5 840	6 643	7 243	7 013	7 242	8 634
Lead, USD/tonne	1 160	1 506	1 925	2 292	2 219	1 944	2 031	2 390
Gold, USD/troy oz	908	923	960	1 101	1 111	1 196	1 227	1 370
Silver, USD/troy oz	12.60	13.76	14.69	17.57	16.93	18.33	18.97	26.43
<b>Exchange rates, quarterly average</b>								
USD/SEK	8.40	7.92	7.29	7.00	7.19	7.58	7.27	6.78
EUR/USD	1.30	1.36	1.43	1.48	1.38	1.27	1.29	1.36
EUR/SEK	10.94	10.78	10.42	10.35	9.94	9.64	9.38	9.22
USD/NOK	6.87	6.50	6.12	5.68	5.86	6.22	6.17	5.93

<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.