



INTERIM REPORT, JANUARY - JUNE 2003

19th August 2003

- Turnover totalled SEK 4,636 million (SEK 5,056 m) for the first six months of the year and SEK 2,298 (SEK 2,651 m) for the second quarter.
- Earnings after net financial items improved to SEK 69 million (SEK 21 m) for the first six months of the year and to SEK 15 million (SEK 4 m) for the second quarter.
- The profit after tax totalled SEK 169 million (SEK 30 m), corresponding to an EPS of SEK 1.97 (SEK 0.35) per share, for the first six months of the year. For the second quarter the profit after tax totalled SEK 39 million (SEK 13 million), corresponding to an EPS of SEK 0.47 (SEK 0.15) per share for the second quarter.
- The cash flow for the first six months of the year totalled SEK 36 million (SEK -45 m) and SEK 5 million (SEK 283 m) for the second quarter.
- Decision by Swedish Parliament allows tax losses carried forward of SEK 2,440 million, previously incurred within the Boliden Group, to be utilized as a deduction against normal income from operations.
- During the second quarter of 2003 Boliden continued with the close-out of the company's dollar hedging contracts, thereby strengthening both the cash flow and the Group's shareholders' equity. The close-out did not affect the earnings after financial items.
- The programme designed to boost efficiency and cut costs, launched during Q1 2003, continues according to plan. This programme, when combined with programmes already in progress, is expected to yield an annual effect on the result of SEK 300 million, the full effect being felt in 2004.
- Two transactions that restructure the Nordic and British brass markets were concluded during the second quarter. The objective is to increase Boliden's competitiveness and profitability.

Turnover and result SEK million (unless stated otherwise)	First 6 months		Change in %	Second quarter		Change in %
	2003	2002		2003	2002	
Turnover	4 636	5 056	-8	2 298	2 651	-13
Operating result	210	173	21	84	76	11
Operating margin (%)	4.5	3.4		3.7	2.9	
Earnings after net financial items	69	21	229	15	4	275
Net result for the period	169	30	463	39	13	200
Earnings per share, SEK	1.97	0.35		0.47	0.15	
Return on shareholders' equity (%)	11.8	2.4		5.3	2.1	
Return on capital employed (%)	5.8	4.9		4.5	4.2	
Cash flow from operating activities	336	78		162	274	
Cash flow for the period	36	-45		5	283	
Net debt/shareholders' equity (%)	154	197		154	197	

Metal prices (average LME/LBMA)	First 6 months		Change in %	Second quarter		Change in %
	2003	2002		2003	2002	
Copper (USD/lb.)	0.75	0.72	4	0.74	0.73	1
Zinc (USD/lb.)	0.35	0.36	-3	0.35	0.36	-3
Lead (USD/lb.)	0.21	0.21	0	0.21	0.21	0
Gold (USD/oz)	350	301	16	347	313	11
Silver (USD/oz)	4.63	4.60	1	4.59	4.72	-3

Exchange rates (average)	First 6 months		Change in %	Second quarter		Change in %
	2003	2002		2003	2002	
SEK/USD (realised by Boliden)	10.28	10.67	-4	10.31	10.58	-3
SEK/USD	8.31	10.22	-19	8.06	9.97	-19
USD/CAD	1.46	1.58	-8	1.40	1.55	-10



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President's statement

Boliden reports an operating result of SEK 210 million (SEK 173 m) for the first half of 2003 and of SEK 84 million (SEK 76 m) for the second quarter. The improved result is primarily due to increased mining production and higher metal prices, and to reduced costs and increased productivity in the various operating sectors. A lower exchange rate for the US dollar, combined with falls in prices and volumes in the Business Area Fabrication, had a negative effect on the operating result for the reporting period, in comparison with corresponding periods in 2002.

The result after financial items for the first half of 2003 improved to SEK 69 million (SEK 21 m). A lower net debt, coupled with lower interest rates, had a positive effect on the net interest items, compared with last year.

During the second quarter Boliden continued to close out of some of the market value inherent in the company's currency hedging contracts in respect of the hedging of future dollar revenues. This allows the company to tie in part of its market value and, simultaneously, to strengthen the Group's shareholders' equity and cash. A currency option programme has been implemented, whereby Boliden continues to hedge large parts of its dollar revenues against a further weakening of the US dollar against the Swedish krona for the period from 2003 up to and including Q2 2005, thereby achieving increased stability in the company's operations.

The cash flow during the first half of 2003 was SEK 36 million (SEK -45 m). Cash flow was affected positively by the close-out of the dollar futures and negatively by developments within Fabrication and a temporary increase in capital immobilised in accounts receivable and inventories.

The price of the majority of Boliden's metals was higher during both the first half and the second quarter of 2003 than in the corresponding periods in the previous year. Copper prices were positively affected by, among other factors, reduced copper stocks. Metal prices have continued to strengthen during the beginning of the third quarter.

Production increased in the Business Area Mining Operations during the first six months of the year in comparison with levels during the corresponding period last year. Copper production at Aitik increased, whilst gold production decreased as a result of lower gold grades in the ore mined. Production continued to develop positively in the Boliden Area. Boliden's exploration work in the Lappberget discovery at Garpenberg continues to develop according to plan and the results to date have been very positive. Cost trends at the Myra Falls operations continued to develop well, but production has not reached anticipated levels, primarily due to lower grades in the ore mined.

Production at Rönnskär was lower during the first six months of the year than in the corresponding period in 2002. Production did, however, gradually improve during the reporting period and the second quarter saw an end to the shortage of external mine concentrates experienced during the first quarter. Production at Boliden Bergsöe increased during the first half of the year in comparison with the same period in 2002. Lower smelting and refining charges and the valuation of the process stocks had a negative effect on the Business Area Smelting Operations' result during the first half of 2003.

Fabrication's market for both copper and brass products continued to be weak during the first six months of the year, and the Business Area consequently reported a loss. The final agreements both with Hexagon, with regard to the formation of Boliden Nordic Brass, and with The Marmon Group Limited, with regard to the acquisition of the operations of the British brass producer Cerro Extruded Metals Limited, were signed during the second quarter. The transactions are intended to increase the competitiveness and improve the profitability of Boliden's brass operations in that they will help to restructure the Nordic and British brass market.

The cost-cutting and efficiency-boosting programme launched during the first quarter is proceeding according to plan. The programme is expected to yield a positive annual effect on the result of SEK 300 million with the full effect being felt as early as next year.

Severe market conditions notwithstanding during the first six months of the year, it is pleasing to note that our operations are, by and large, developing positively. We also note increased consumption of Boliden's main products, copper and zinc, which combined with the effects of the action programmes in place within our operations should make a positive contribution to Boliden's future performance. Boliden is also expected to report an improved operating result during the second half of 2003 compared to the first half of the year.

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Metals

The price of the majority of the metals produced by Boliden improved slightly during the first six months of 2003 in comparison with the corresponding period last year. Copper prices were positively affected by, among other factors, reduced copper stocks. Metal prices do, however, remain at historically low levels, despite the continued rise in prices - primarily for base metals (copper, zinc and lead) - seen during the first weeks of the third quarter.

The gold price continued to strengthen but was extremely volatile. At the end of June 2003, 78 per cent of the planned production for this year was hedged at an average price of USD 347/oz. 54 per cent has been hedged for 2004 at USD 364/oz, with 36 per cent hedged for 2005 at USD 341/oz. Boliden's exposure to changes in other metal prices remains considerable, however, in that gold production accounts for only a small part of the company's total metal production and turnover.

Metal prices (average LME/LBMA)	First 6 months			Second quarter		
	2003	2002	Change in %	2003	2002	Change in %
Copper (USD/lb.)	0.75	0.72	4	0.74	0.73	1
Zinc (USD/lb.)	0.35	0.36	-3	0.35	0.36	-3
Lead (USD/lb)	0.21	0.21	0	0.21	0.21	0
Gold (USD/oz)	350	301	16	347	313	11
Silver (USD/oz)	4.63	4.60	1	4.59	4.72	-3

Currencies

The US dollar continued to weaken against the Swedish krona, mainly as a result of the dollar's substantial weakening against the euro. The Canadian dollar also strengthened considerably against the US dollar during the second quarter of 2003 in comparison with the corresponding period last year.

Exchange rate (average)	First 6 months			Second quarter		
	2003	2002	Change in %	2003	2002	Change in %
SEK/USD (realised by Boliden)	10.28	10.67	-4	10.31	10.58	-3
SEK/USD	8.31	10.22	-19	8.06	9.97	-19
USD/CAD	1.46	1.58	-8	1.40	1.55	-10

Hedges

During the first quarter of the year Boliden has, in accordance with its currency-hedging policy, revised its currency-hedging strategy and dollar revenues hedged through currency futures are consequently reduced. These transactions had a positive effect on Boliden's cash flow of SEK 322 million while the net positive effect on shareholders' equity, after deduction of deferred tax, totalled SEK 314 million. Deferred taxes recoverable have been reported as a tax income of SEK 108 million during the first half-year. This income relates to loss deductions not previously utilized and the amount corresponds to the deferred tax on the closed-out forward contracts. The result of the transaction will be reported in the Income Statement in 2003 - 2005 in the periods during which the closed out contracts would have reached the underlying hedged revenues.

The closing out of hedges secures the profit generated by the future hedge for its duration up to the redemption date. A new currency option programme, involving a floor of SEK/USD 8.30 and a ceiling of SEK/USD 9.50, has been implemented in order to limit the risk associated with any further weakening in the dollar. Boliden already holds put options that constitute a floor of SEK/USD 9.00, corresponding to approximately 20% of the currency exposure between 2003 and 2004. Currency contracts in respect of Boliden's exchange rate hedging, as of 30th June 2003, are presented in the table on page 12.

Turnover, result and cash flow

Boliden's turnover for the first half of 2003 was SEK 4,636 million (SEK 5,056 m), SEK 2,298 million (SEK 2,651) of which was attributable to the second quarter. Turnover was affected positively by improved metal prices and increased production at mining operations and negatively by a lower exchange rate against the US dollar and lower smelting and refining charges, in comparison with last year.

The operating result for the reporting period was SEK 210 million (SEK 173 m), SEK 84 million (SEK 76 m) of which was attributable to the second quarter. The improvement in the operating result is primarily a result of the factors affecting turnover (see above).

Earnings after financial items totalled SEK 69 million (SEK 21 m) for the reporting period and SEK 15 million (SEK 4 m) for the second quarter. Net financial items improved due mainly to a lower net debt and lower interest rates, in comparison with the corresponding periods last year.

Cash flow for the period totalled SEK 36 million (SEK -45 m). Cash flow during the second quarter was SEK 5 million (SEK 283 m). The cash flow was positively affected during the reporting period by the close-out of dollar hedging contracts totalling SEK 322 million, including SEK 140 million during the second quarter. Capital immobilisation in inventories and accounts receivable at the end of the reporting period was temporarily higher than the yearly average, which had an opposite effect on the cash flow. Boliden's operations within the Business Areas Mining Operations and Smelting Operations are characterised by considerable changes in operating capital from one quarter to another, in that individual incoming and outgoing deliveries of mine concentrate and outgoing deliveries of products from the smelting works command large sums of money.

Turnover and result per Business Area

Mining Operations

The turnover of Boliden's mining operations during the first half of 2003 totalled SEK 1,335 million (SEK 1,067 m), SEK 655 million (SEK 595 m) of which is attributable to the second quarter. The operating result for the first six months of the year was SEK 136 million (SEK 2 m), corresponding to an operating margin of 10.2 per cent (0.2 per cent). The operating result for the second quarter was SEK 66 million (SEK 17 m), corresponding to an operating margin of 10.1 per cent (2.8 per cent). The operating result was affected positively by increased metal prices, increased production, lower smelting and refining charges, and productivity improvements. At the same time, however, the result was affected negatively as a result of decreased sales due to a US dollar exchange rate that was lower during the reporting period than in the corresponding period last year.

Mining operations, SEK million	First 6 months			Second quarter		
	2003	2002	Change in %	2003	2002	Change in %
Turnover	1 335	1 067	25	655	595	10
Operating result	136	2	-	66	17	-
Depreciation	148	144	3	74	74	0
Investments	232	122	90	133	62	115
Capital employed	1 477	1 039	42	1 477	1 039	42

Boliden's mines mainly produce copper, zinc, lead, gold and silver. Total production of Boliden's main metals, copper and zinc, increased substantially during the first half of 2003 in comparison with the corresponding period last year. The increase is primarily due to the resumption of production at the Canadian Myra Falls mine which was temporarily halted during the first quarter of last year. The Myra Falls operations continue to report a positive cost trend after last year's implementation of a comprehensive action programme. However, production levels failed to achieve anticipated levels, primarily due to lower grades in the ore mined.

Ore production increased at Aitik, which mainly produces copper, with higher grades of copper and silver. Gold grades were lower than during the corresponding period last year. A new production plan will be implemented at Aitik during the latter half of 2003. A reorganisation, which will enable a reduction in the number of employees at the mine, will also be implemented in conjunction with this plan. The combined effect of these measures will be an increase in production efficiency and an improvement in both profit and cash flow.



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In the Boliden Area, both ore production and milling continue to develop well. There were significant increases in the production of both zinc and copper during the first half of the year. Gold production levels fell slightly, however, largely as a result of lower gold grades in the ore milled. The production of copper has been prioritised, with the aim of improving Rönnskär's supply of copper concentrate.

Production of the main metal, zinc, at Garpenberg during the first half of 2003 was higher than during the corresponding period last year. Boliden's exploration work on the Lappberget discovery at Garpenberg continues to yield good results, with high grades of zinc, silver and lead in particular. As a result of the drilling programme now completed, parts of the deposit can now be classified as an inferred mineral resource totalling 7.5 million tonnes, and work on defining the entire Lappberget deposit continues.

Metal production	First 6 months		Change	Second quarter		Change
Total and per mine	2003	2002	in %	2003	2002	in %
Total ¹⁾						
Copper (tonnes)	46 689	34 289	36	24 928	18 836	32
Zinc (tonnes)	89 578	65 213	37	44 683	41 174	9
Lead (tonnes)	8 915	8 950	0	4 543	4 037	13
Gold (kgs)	2 489	2 494	0	1 252	1 339	-6
Silver (kgs)	141 434	128 102	10	68 955	63 189	9
Boliden Area						
Copper (tonnes)	12 199	5 831	109	6 691	3 382	98
Zinc (tonnes)	38 497	28 802	34	19 344	15 867	22
Lead (tonnes)	1 247	1 348	-7	591	660	-10
Gold (kgs)	1 348	1 479	-9	687	765	-10
Silver (kgs)	33 062	35 198	-6	16 949	18 012	-6
Garpenberg						
Copper (tonnes)	220	373	-41	95	147	-35
Zinc (tonnes)	20 964	19 625	7	10 880	9 067	20
Lead (tonnes)	7 668	7 602	1	3 952	3 377	17
Gold (kgs)	101	152	-34	40	66	-39
Silver (kgs)	67 796	63 390	7	31 952	27 489	16
Aitik						
Copper (tonnes)	28 892	25 857	12	15 645	13 159	19
Gold (kgs)	639	680	-6	337	330	2
Silver (kgs)	30 095	23 006	31	15 700	11 272	39
Myra Falls ¹⁾						
Copper (tonnes)	5 379	2 228	141	2 498	2 148	16
Zinc (tonnes)	30 117	16 786	79	14 459	16 240	-11
Gold (kgs)	401	183	119	188	178	6
Silver (kgs)	10 481	6 509	61	4 354	6 416	-32

¹⁾ The Myra Falls operations were temporarily halted from December 2001 until the end of March 2002.

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Smelting Operations

The turnover for Business Area Smelting Operations during the first half of 2003 was SEK 2,838 million (SEK 3,655 m), of which SEK 1,424 million (SEK 1,861 m) was attributable to the second quarter. The operating result for the first six months of the year was SEK 128 million (SEK 195 m), corresponding to an operating margin of 4.5 per cent (5.3 per cent). The operating result for the second quarter was SEK 47 million (SEK 91 m), corresponding to an operating margin of 3.3 per cent (4.9 per cent). The operating result was positively affected by higher metal prices and an increase in lead sales at Boliden Bergsöe in comparison with the corresponding period last year. A lower exchange rate against the US dollar, and lower smelting and refining charges, together with lower production, simultaneously had a negative effect on the result. The valuation of the process stocks at Rönnskär affected the result for the first half of 2003 by SEK -17 million (SEK 40 m), of which SEK -12 million (SEK 18 m) is attributable to the second quarter.

Smelting Operations, SEK million	First 6 months			Second quarter		
	2003	2002	Change in %	2003	2002	Change in %
Turnover	2 838	3 655	-22	1 424	1 861	-23
Operating result	128	195	-34	47	91	-48
Depreciation	146	145	1	70	73	-4
Investments	30	31	-3	16	21	-24
Capital employed	5 317	5 521	-4	5 317	5 521	-4

Boliden's smelters (Rönnskär, Bergsöe) mainly produce copper, zinc clinker, lead and precious metals. Production at Rönnskär improved gradually throughout the reporting period. The lower production during the first quarter was primarily due to a shortage of external mine concentrates resulting from continued production restrictions on the part of the major global market producers of copper concentrate. This materials shortage was successfully compensated for in part by increased deliveries from Boliden's own mines. The market for mine concentrate is expected to remain problematic for the rest of the year. The operations at Boliden's lead smelter, Bergsöe in Landskrona, developed positively during the first six months of the year.

Metal productions	First 6 months			Second quarter		
	2003	2002	Change in %	2003	2002	Change in %
Copper (tonnes)	107 385	112 382	-4	55 819	58 069	-4
Zinc clinker (tonnes)	17 327	19 079	-9	10 041	9 856	2
Lead (tonnes)	12 999	10 307	26	6 936	3 978	74
Gold (kg)	5 921	8 598	-31	2 980	4 055	-27
Silver (kg)	235 196	221 414	6	113 984	106 650	7
Lead alloy, Bergsöe (tonnes)	26 124	25 575	2	12 851	12 329	4

Fabrication

The turnover for the Business Area Fabrication, which specialises in manufacturing copper tubing and brass rods, totalled SEK 1,174 million (SEK 1,204 m) for the first half of 2003, SEK 557 million (SEK 617 m) of which is attributable to the second quarter. The operating result for the first half of the year was SEK -33 million (SEK 1 m), SEK -20 million (SEK -3 m) of which is attributable to the second quarter.

Demand in both the copper tubing and brass markets remained weak during the reporting period, primarily due to the continued weak state of the European construction industry. Boliden's reduced volume of sales mirrors the decline in the market. Programmes designed to boost efficiency continue within Fabrication, but to date, they have been unable to compensate in full for the significantly lower volumes and prices currently pertaining in the market.

The second quarter saw the formation by Boliden and Hexagon of Boliden Nordic Brass AB - a joint venture between Boliden Gusum AB and Nordic Brass AB. Also, Boliden's UK brass company acquired the assets of the British brass producer, Cerro Extruded Metals Limited, at the beginning of July. Boliden has, through these measures, initiated a restructuring and consolidation of the Nordic and UK brass markets with a view to boosting the competitiveness and profitability of the company's brass operations.

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Fabrication, SEK million	First 6 months			Second quarter		
	2003	2002	Change in %	2003	2002	Change in %
Turnover	1 174	1 204	-2	557	617	-10
Operating result	-33	1	-	-20	-3	-
Depreciation	30	29	3	15	14	7
Investments	38	21	81	20	12	67
Capital employed	850	847	0	850	847	0

Technology Sales

Boliden Contech, which markets and sells technical solutions, mainly for smelters, obtained a new order from China for SEK 40 million during the reporting period. The market for technology sales remains depressed, however, due to lower investment levels in the mining and smelting industries.

Employees

The average number of employees in the Boliden Group at the end of the first six months of the year was 3,814, of whom 2,529 were based in Sweden. This corresponds to a reduction of 51 employees compared to the end of 2002, when the Group had 3,865 employees.

Other

The Swedish Parliament has made a decision, in accordance with the proposal of the Swedish Council on Legislation dated 19th December 2002, relating to a supplement to the transitional provisions concerning the restriction on deductions for capital losses of business-related participations. The decision means that tax losses carried forward of SEK 2,440 million, previously incurred within the Boliden Group, can now be utilized as a deduction against normal income from operations.

Parent Company

The parent company Boliden AB runs no operations and does not have any employees.

Stockholm, 19th August 2003

Jan Johansson
President & CEO

Boliden AB (publ)
Company registration number: 556051-4142

This Interim Report has been prepared in accordance with the Swedish Financial Accounting Standards Council's RR 22 Interim Reporting recommendation. The accounting principles and methods of calculation are in accordance with the Swedish Financial Accounting Standards Council's recommendations and statements. The Interim Report has not been subject to specific examination by the company's auditors.

The next reporting date is 24th October 2003.

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INCOME STATEMENTS

The Group	First 6 months		Second quarter		Full year
	2003	2002	2003	2002	2002
SEK million					
Net sales	4 636	5 056	2 298	2 651	9 556
Cost of goods sold	-4 116	-4 594	-2 042	-2 412	-8 569
Gross result	520	462	256	239	987
Cost of sales	-171	-164	-84	-87	-316
Administrative expenses	-164	-152	-89	-88	-280
Research and development costs	-44	-48	-25	-25	-94
Other operating income & expenses	64	63	21	38	101
Share in associated companies' profits	5	12	5	-1	16
Operating result	210	173	84	76	414
Financial items, net	-141	-152	-69	-72	-303
Result after financial items	69	21	15	4	111
Taxes	101	9	25	9	20
Minority shares in earnings	-1	0	-1	0	1
Net result for the period	169	30	39	13	132
EPS, SEK ¹	1.97	0.35	0.47	0.15	1.54
Shareholders' equity per share, SEK	35.57	28.91	35.57	28.91	30.18
<i>No. shares</i>	<i>85 811 638</i>	<i>85 811 638</i>	<i>85 811 638</i>	<i>85 811 638</i>	<i>85 811 638</i>

Other key ratios	30 th June	30 th June	31 st Dec
	2003	2002	2002
Return on capital employed %	5.8	4.9	5.8
Return on shareholders' equity %	11.8	2.4	5.2
Equity/assets ratio %	27.9	22.4	24.2
Depreciation, SEK million	327	334	635
Investments, SEK million	301	178	505
Capital employed, SEK million	7 476	7 049	7 033
Net debt, SEK million	-4 712	-4 879	-4 730

¹ Full dilution results in only a negligible reduction in earnings per share. Dilution refers to options issued by Boliden Limited, which grant the right to obtain shares in Boliden AB. The options grant the right to obtain a maximum of 345,000 newly issued shares in Boliden AB.

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BALANCE SHEETS

The Group	30 th June	30 th June	31 st Dec
SEK million	2003	2002	2002
Intangible fixed assets	8	9	9
Tangible fixed assets	7 494	7 542	7 548
Deferred tax	232	225	235
Interest-bearing assets	3	3	3
Other financial fixed assets	63	117	54
Inventories	1 290	1 399	1 192
Interest-bearing current receivables	71	67	98
Other receivables	961	996	787
Liquid funds	803	737	768
Total assets	10 925	11 095	10 694
Shareholders' equity	3 053	2 480	2 590
Minority interests	2	0	1
Pensions reserves	74	387	74
Other provisions	673	622	695
Interest-bearing long-term liabilities	5 174	5 285	5 195
Other long-term liabilities	92	3	101
Interest-bearing current liabilities	341	13	330
Other current liabilities	1 516	2 305	1 708
Total shareholders' equity and liability	10 925	11 095	10 694

Specification of changes in shareholders' equity

	30 th June	30 th June	31 st Dec
SEK million	2003	2002	2002
Opening balance	2 590	2 527	2 527
Net result for the period	169	30	132
Closed out futures contracts, after tax	314	–	–
Revaluation due to termination of associated company relationships	–	–	-4
Translation differences	-20	-77	-65
Closing balance	3 053	2 480	2 590

CASH FLOW ANALYSIS

SEK million	First 6 months		Full year
	2003	2002	2002
Operating activities			
Earnings after net financial items	69	20	111
Adjustments for items not included in cash flow etc.	257	279	518
	326	299	629
Tax paid	-	-1	-3
Cash flow from operating activities before changes in working capital	326	298	626
<i>Cash flow from changes in working capital</i>			
Increase(-)/Decrease(+) in inventories	-98	12	202
Increase(-)/Decrease(+) in operating receivables	-157	-133	82
Increase(+)/Decrease(-) in operating liabilities	265	-99	-413
Cash flow from operating activities	336	78	497
Investment activities			
Acquisition of operations	-	-52	-52
Acquisition of intangible fixed assets	-1	-2	-1
Acquisition of tangible fixed assets	-301	-176	-504
Sale of tangible fixed assets	22	-	15
Sale of financial assets	-	-	22
Cash flow from investment activities	-280	-230	-520
Financing activities			
Loans raised	-	159	576
Amortisation of loans	-20	-6	-195
Amortisation of pension liabilities	-	-46	-372
Cash flow from financing activities	-20	107	9
Cash flow for the period	36	-45	-14
Liquid funds, beginning of period	768	787	787
Exchange rate difference on liquid funds	-1	-5	-5
Liquid funds, end of period	803	737	768
Liquid funds			
<i>The following are included in liquid funds:</i>			
Cash and bank	367	382	231
Short-term investments, equated with liquid funds	436	355	537
	803	737	768

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INFORMATION PER BUSINESS AREA

SEK million

Q1 & Q2, 2003

	<u>Mining Operations</u>	<u>Smelting Operations</u>	<u>Fabrication</u>	<u>Other, inc. elim.</u>	<u>The Group</u>
Net turnover	1 335	2 838	1 174	-711	4 636
Operating result	136	128	-33	-21	210
Depreciation	148	146	30	3	327
Investments	232	30	38	1	301
Capital employed	1 477	5 317	850	-168	7 476

Q1 & Q2, 2002

	<u>Mining Operations</u>	<u>Smelting Operations</u>	<u>Fabrication</u>	<u>Other, inc. elim.</u>	<u>The Group</u>
Net turnover	1 067	3 655	1 204	-870	5 056
Operating result	2	195	1	-25	173
Depreciation	144	145	29	16	334
Investments	122	31	21	4	178
Capital employed	1 039	5 521	847	-358	7 049

Q2, 2003

	<u>Mining Operations</u>	<u>Smelting Operations</u>	<u>Fabrication</u>	<u>Other, inc. elim.</u>	<u>The Group</u>
Net turnover	655	1 424	557	-338	2 298
Operating result	66	47	-20	-9	84
Depreciation	74	70	15	2	161
Investments	133	16	20	-	169
Capital employed	1 477	5 317	850	-168	7 476

Q 2, 2002

	<u>Mining Operations</u>	<u>Smelting Operations</u>	<u>Fabrication</u>	<u>Other, inc. elim.</u>	<u>The Group</u>
Net turnover	595	1 861	617	-422	2 651
Operating result	17	91	-3	-29	76
Depreciation	74	73	14	15	176
Investments	62	21	12	3	98
Capital employed	1 039	5 521	847	-358	7 049

As of December 2002

	<u>Mining Operations</u>	<u>Smelting Operations</u>	<u>Fabrication</u>	<u>Other, inc. elim.</u>	<u>The Group</u>
Net turnover	2 272	6 587	2 347	-1 650	9 556
Operating result	190	248	-6	-18	414
Depreciation	287	290	55	3	635
Investments	313	128	55	9	505
Capital employed	1 289	5 280	750	-286	7 033

Sensitivity analysis, 2003

The following table comprises an estimate of the effects of changes in metal prices, exchange rates and smelter charges (TC/RC) on Boliden's result for the full year, based on planned production levels for 2003. The sensitivity does not take into account the effects of metal price hedging or currency hedging.

	Price changes +/-	Effect on result +/- (SEK million)		Price changes	Effect on result (SEK million)
Copper	0.10 USD per lb	175	TC Copper	+USD 10 per ton	+19
Zinc	0.10 USD per lb	245	RC Copper	+1 cent per lb	+13
Lead	0.10 USD per lb	87	TC Zinc	+USD 10 per ton	-30
Gold	10.00 USD per ounce	18	TC Lead	+USD 10 per ton	-4
Silver	0.10 USD per ounce	8			
SEK/USD	0.10 SEK per USD	36			
CAD/USD	0.10 CAD per USD	31			

Currency contracts in respect of exchange rate hedging of commercial operations exposure

The table shows unrealised futures and options contracts, as of 30th June, taken with a view to hedging commercial payment flows. Closed out futures contracts and their inherent effects on the result have consequently not been taken into account.

USD million		Currency futures	Currency options		Net flow	Percentage hedged
			Floor	Floor/Ceiling	Plan	
Matures in 2003 (Q3-Q4)	amount, rate ¹	98 10.59	45 9	29 8.3/9.5	179	96%
Matures in 2004	amount, rate ¹	140 10.57	68 9	42 8.3/9.5	393	64%
Matures in 2005	amount, rate ¹	41 10.29		57 8.3/9.5	409	24%
Total, unrealised contracts		279	113	95	981	50%
Market value of unrealised contracts ²		SEK m	616	66	36	
Closing day rate, 30 th June 2003			8.00			

¹ Contract rate, and strike for put options and call options, respectively

² Outstanding currency and hedging contracts valued at market value