

Press Release

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Boliden's fourth quarter: Expansion projects ahead of schedule

Sales revenue for the fourth quarter was SEK 12,972 million (12,543), with an operating profit, excluding revaluation of process inventory, of SEK 1,721 million (2,001). Free cash flow amounted to SEK 822 million (1,721). Sales revenue for the year as a whole totalled SEK 49,936 million (52,454), with an operating profit, excluding revaluation of process inventory, of SEK 7,035 million (9,074).

“The year as a whole has been characterized by a high level of production stability, while several major investment projects have also been implemented within both Mines and Smelters. As a result, we can bring forward the production increase at Kevitsa by around six months, which has also affected our year-end level of investment,” says Mikael Staffas, President and CEO.

Operating profit at Boliden Mines decreased to SEK 890 million (1,384), partly as a result of lower grades, which was offset to a degree by a stronger USD. Aitik's milled volume achieved a high level, despite the negative impact on production due to poor rope shovel availability. Copper grades reached 0.22% (0.27) and are expected to reach an average of 0.25% during 2020. The Boliden Area's milling was higher than during the corresponding period last year. A new environmental permit has been obtained for the Renström mine, enabling around 50,000 tonnes more milled volume per year. Garpenberg's milling was on par with the high level of the previous quarter, while Tara's milled volume exceeded that of both the preceding quarter and the fourth quarter of 2018. Kevitsa's milled volume was slightly higher than in the fourth quarter of 2018. As a result of bringing investments forward, it is anticipated that an annual production rate of 9.5 Mt will be achieved during Q2 2020.

Operating profit at Boliden Smelters, excluding revaluation of process inventory, increased to SEK 759 million (575). Improved zinc treatment charges and higher metal prices in SEK had a positive impact, while costs related to a planned maintenance shutdown at Rönnskär and strikes in Finland had a negative effect. Rönnskär achieved greater production volumes for most metals compared with the previous quarter. Production in Harjavalta and Kokkola was affected by strikes. Odda and Bergsöe achieved new quarterly production records.

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Boliden is a metals company with a focus on sustainable development. Our roots are Nordic, our market global. Our core competence lies within the fields of exploration, mining, smelting and metal recycling. Boliden has around 6,000 employees and an annual turnover of SEK 50 billion. The share is listed in the Large Cap segment on NASDAQ OMX Stockholm.