



Full Year Report

January – December 2009

Lennart Evrell

President & CEO

Johan Fant

CFO

BOLIDEN

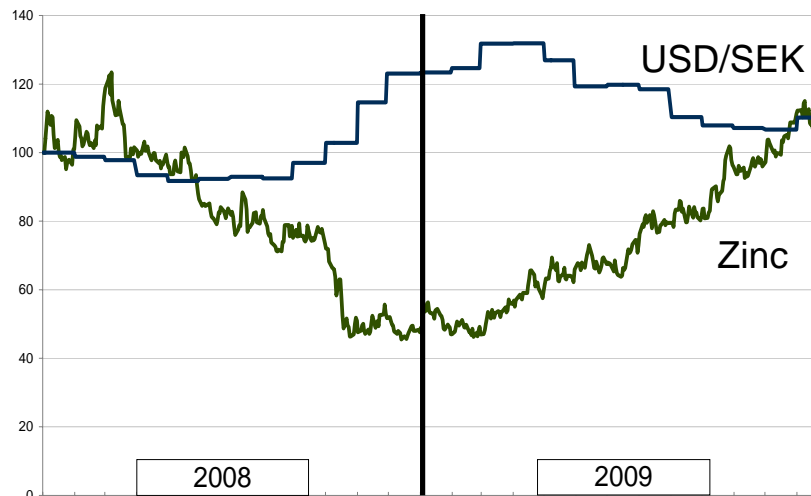
The Market

Full Year 2009

- Strong recovery from difficult 2008
- Overall decline in demand:
 - Significant decline in mature economies
 - Growth in China
- Lower average prices vs 2008 but strong increase from trough
- Stronger USD and Euro vs SEK

Fourth Quarter 2009

- Higher demand for base metals
 - Slow increase from EU customers
 - Significant increase in metal prices
 - China continues to drive global demand
- But - Higher prices *and* stocks increase price risk



Boliden

Full Year 2009

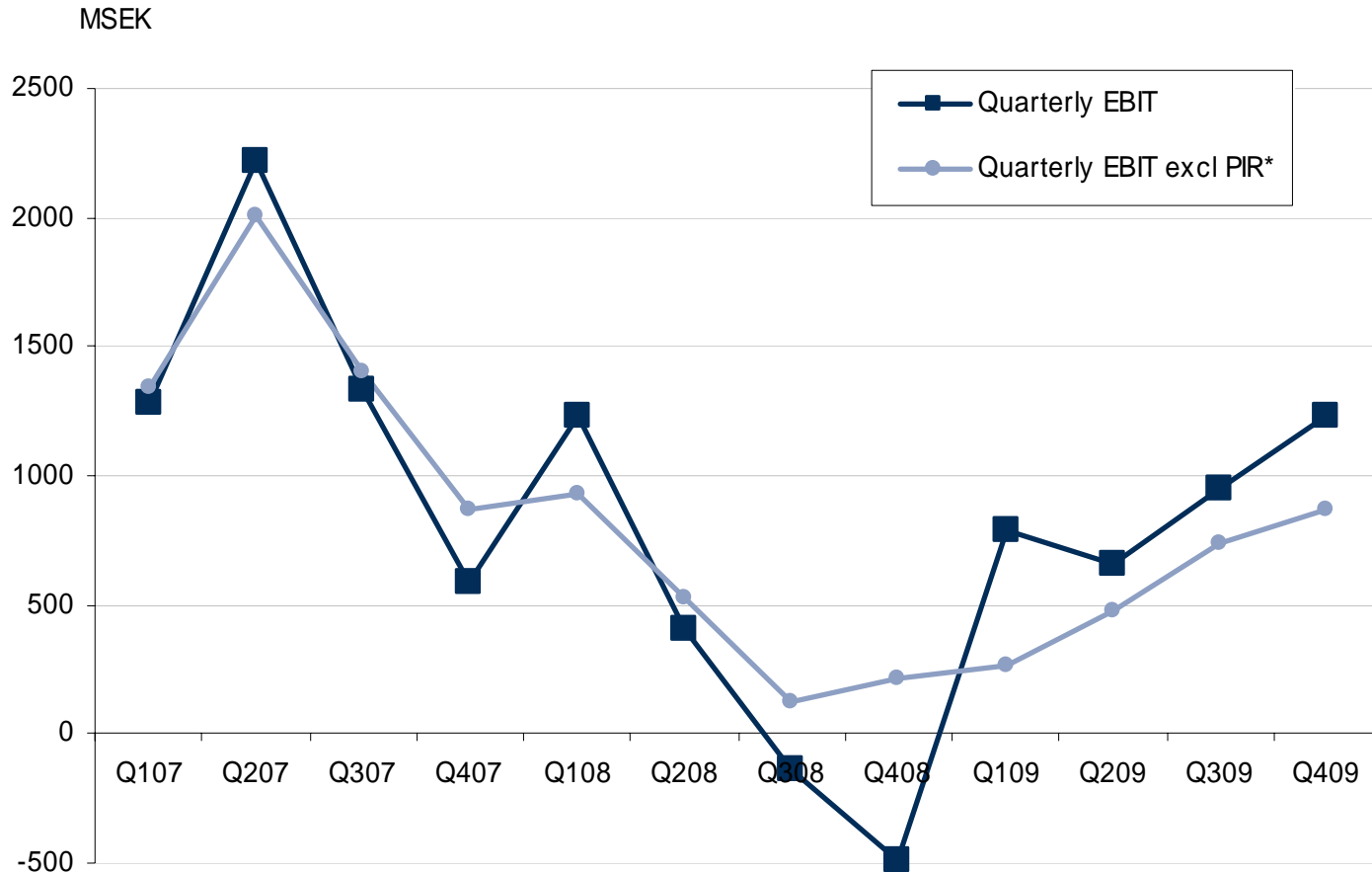
- Revenues MSEK 27,635 (30,987)
- EBIT excl. PIR* MSEK 2,350 (1,793)
 - Operating profit MSEK 3,623 (1,004)
- Stable production – Mines offset reductions in smelter volumes
- Reduced costs and prudent capex

Fourth Quarter 2009

- Revenues MSEK 8,356 (6,287)
- EBIT excl PIR* MSEK 870 (211)
 - Operating profit MSEK 1,232 (-491)
- Cash Flow MSEK 350 (-534)
- Lower metal grades in Mines
- Stable production and higher metal prices improve Smelters results
- Aitik expansion on plan

*Operating profit excluding effects from Process Inventory Revaluation

Group EBIT development



* EBIT excl Process Inventory Revaluation

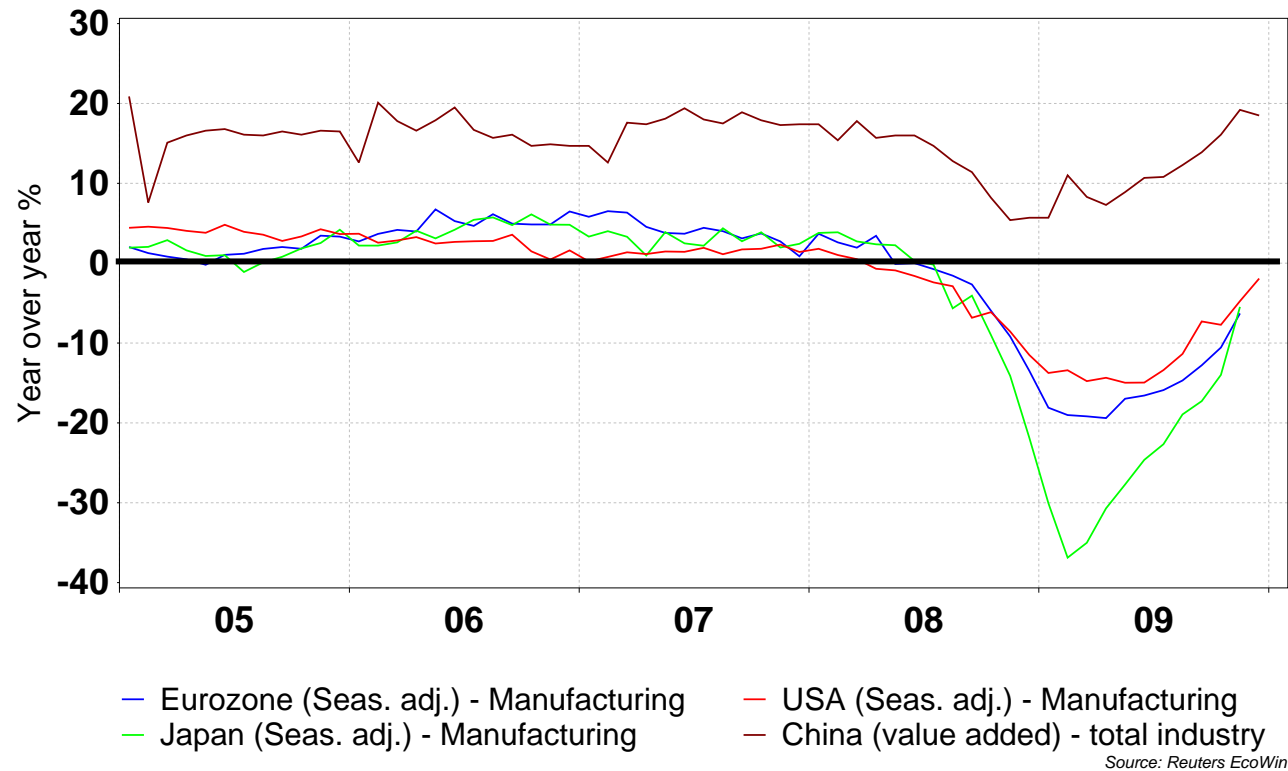




The Market

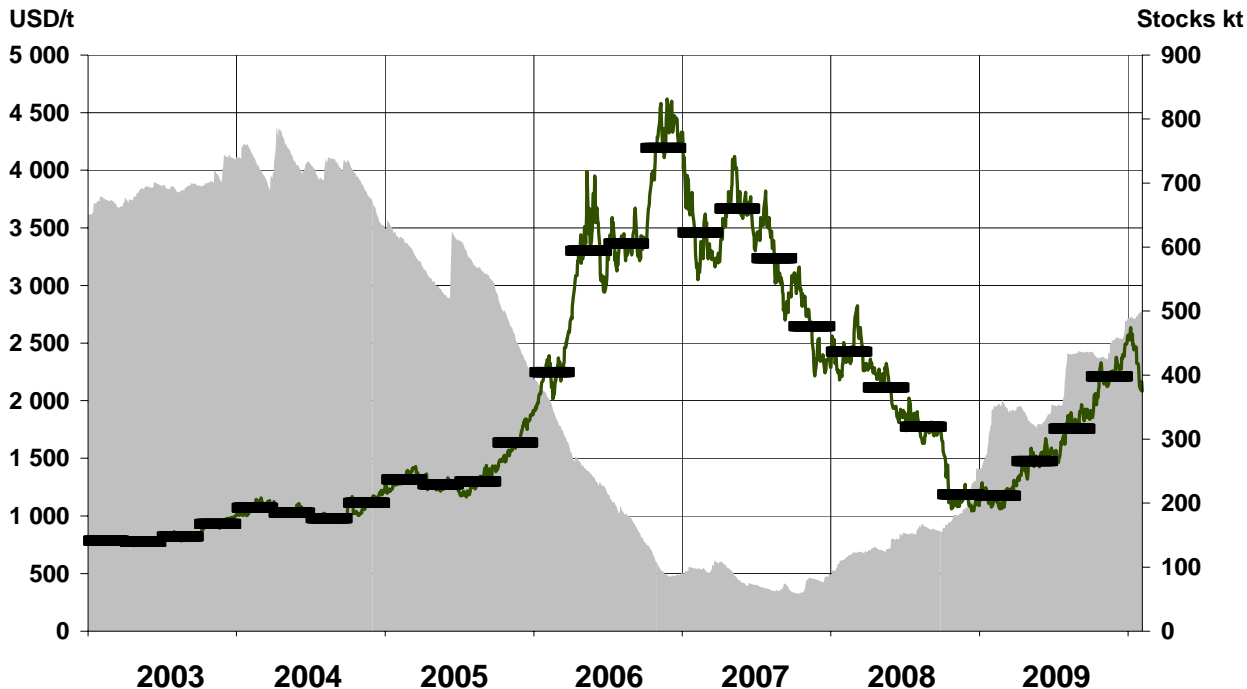
BOLIDEN

Industrial production gradually improving



- Mature countries – improving from low levels
- China – growth accelerated through the year

Zinc prices increased through 2009 – downward correction beginning 2010



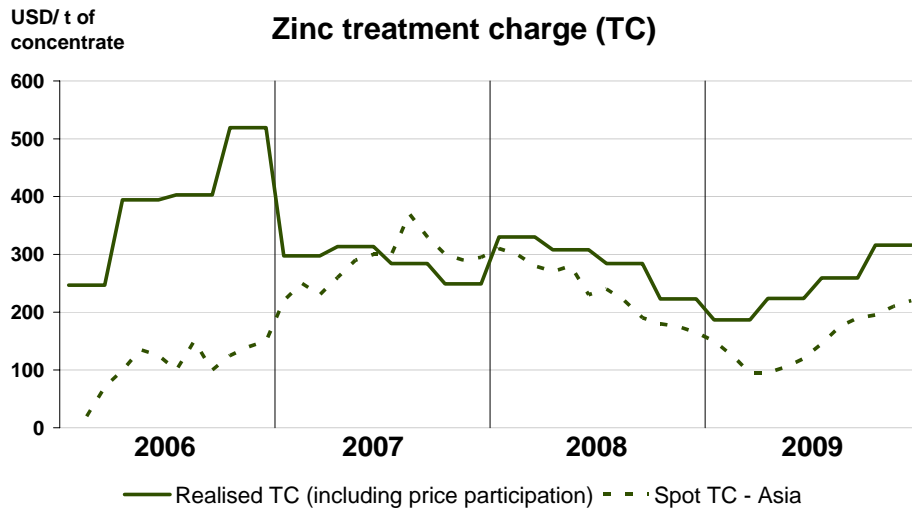
Zinc price (LME average)		
	USD/t	Q4-09 vs period
Q4 08	1,189	+ 86%
Q1 09	1,174	+ 88%
Q2 09	1,476	+ 50%
Q3 09	1,757	+ 26%
Q4 09	2,211	-

Source: Reuters Ecowin

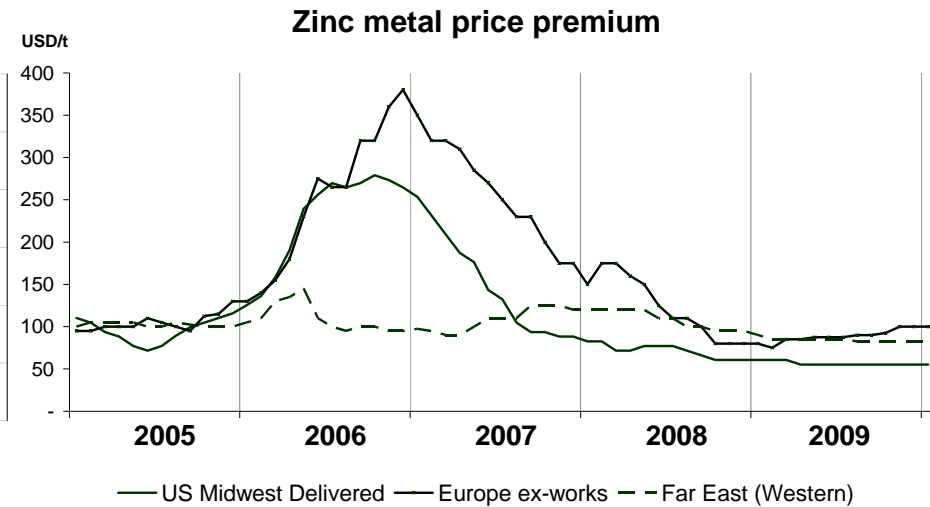
■ Stocks — Daily price ■ Quarter average price

- Increased mine production
- Prices and stocks continued to increase

Spot TC up, premia stable - market slowly better



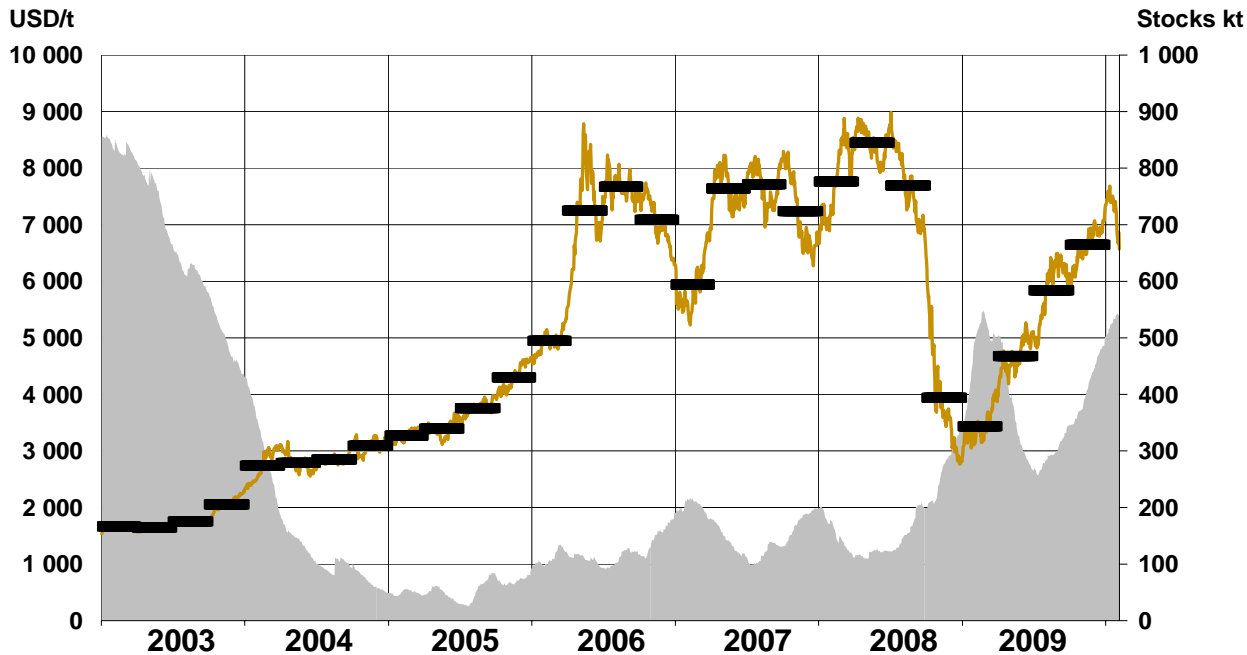
Source: Brook Hunt, CRU



Source: CRU, Brook Hunt

- Spot TC increased further, still below realised contract levels
- Stable TC into 2010 but higher escalator triggers = downward pressure on realised TCs
- Spot premiums stable, somewhat higher in Europe in Q4

Copper prices increased through 2009 – downward correction beginning 2010



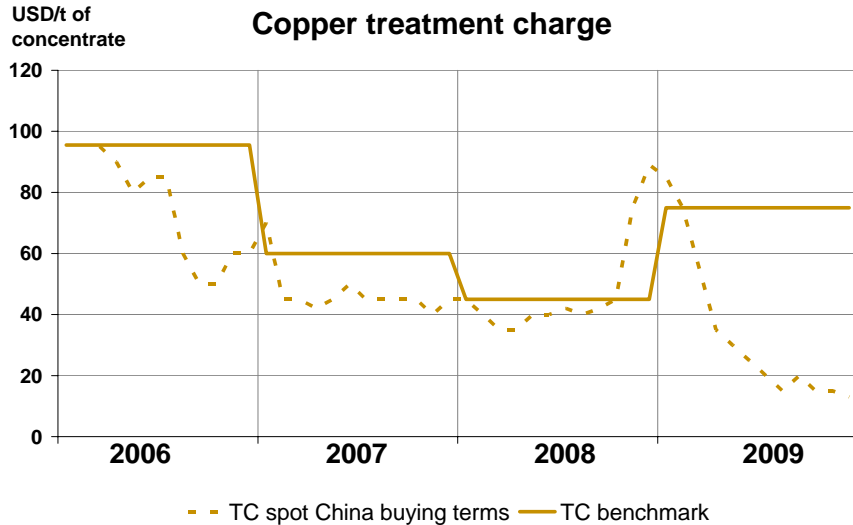
Copper price (LME average)		
	USD/t	Q4-09 vs period
Q4 08	3,940	+ 69%
Q1 09	3,435	+ 93%
Q2 09	4,676	+ 42%
Q3 09	5,840	+ 14%
Q4 09	6,643	-

Source: Reuters Ecowin

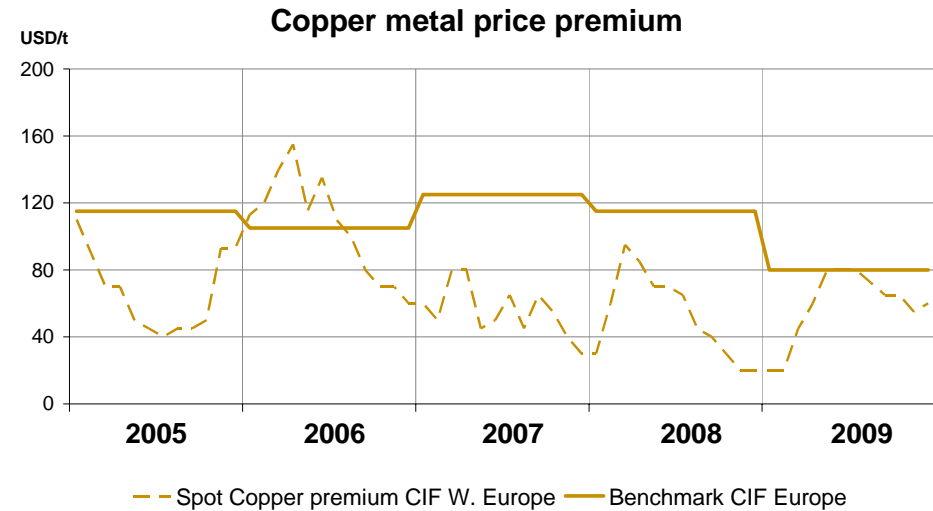
■ Stocks — Daily price ■ Quarter average price

- Copper hedges in 2010 at 7,606 USD per tonne
- Covering 65% of volume in 2010

Copper spot TC fell in Q4 – premia firming with cautious optimism in market



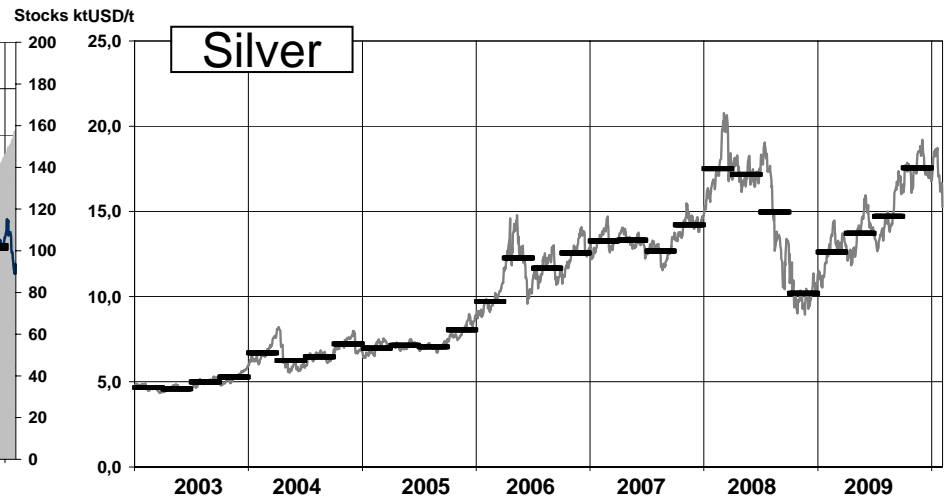
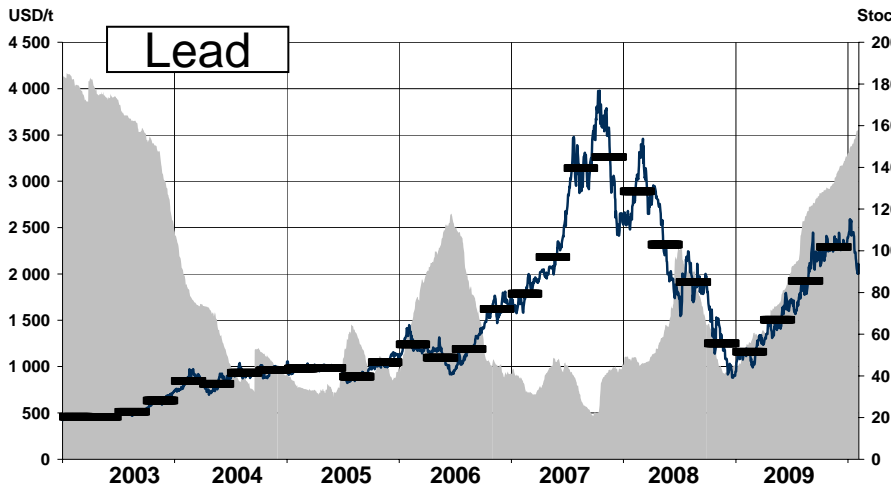
Source: CRU



Source: CRU, Brook Hunt

- Indicated benchmark TC 2010 46/4,6
- Benchmark 2010 premium similar to 2009 at 80 USD per tonne
- Sulphuric acid market improved

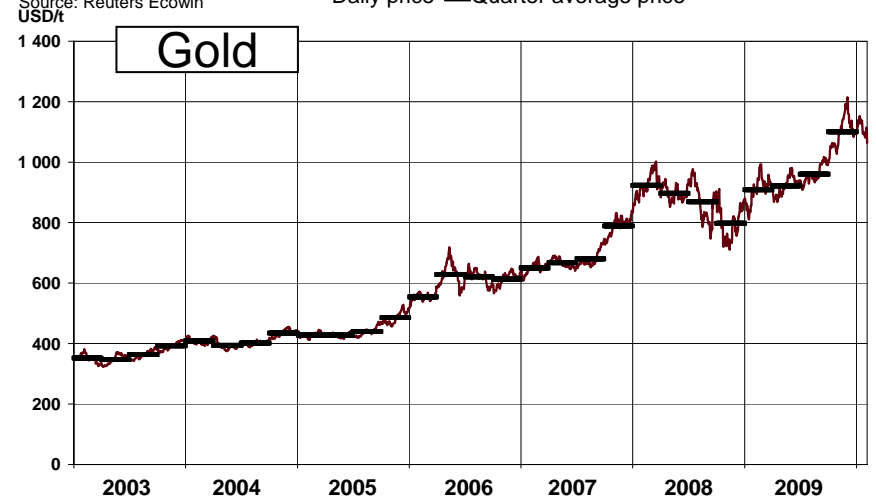
Lead, silver and gold increased



Source: Reuters Ecowin ■ Stocks — Daily price ■ Quarter average price

Source: Reuters Ecowin — Daily price ■ Quarter average price

- Very strong price trend for lead through the year. Fundamentals weak – pressure on premia
- Silver & Gold – strong price development



Source: Reuters Ecowin — Daily price ■ Quarter average price

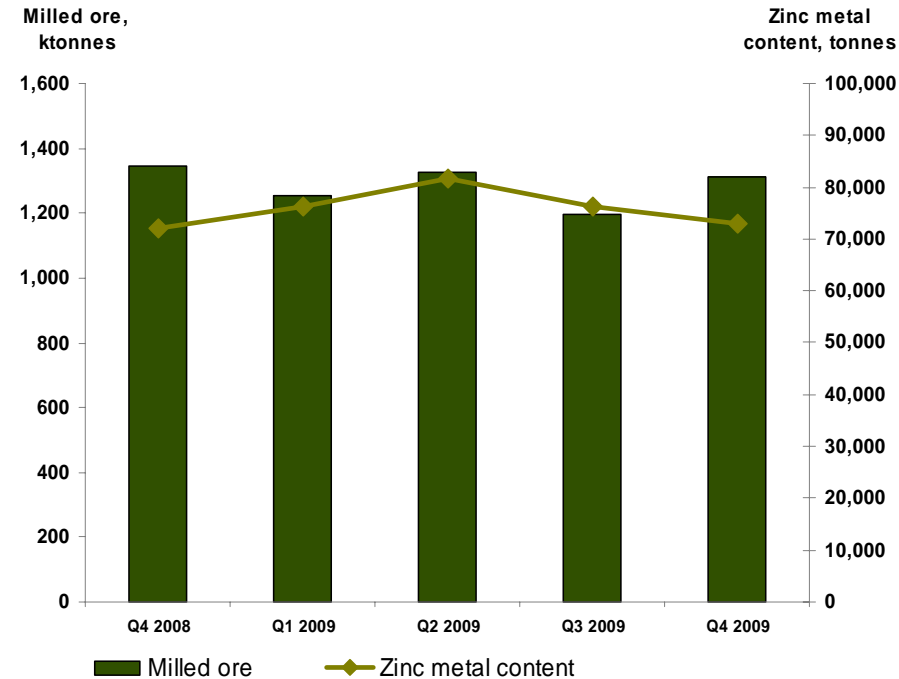
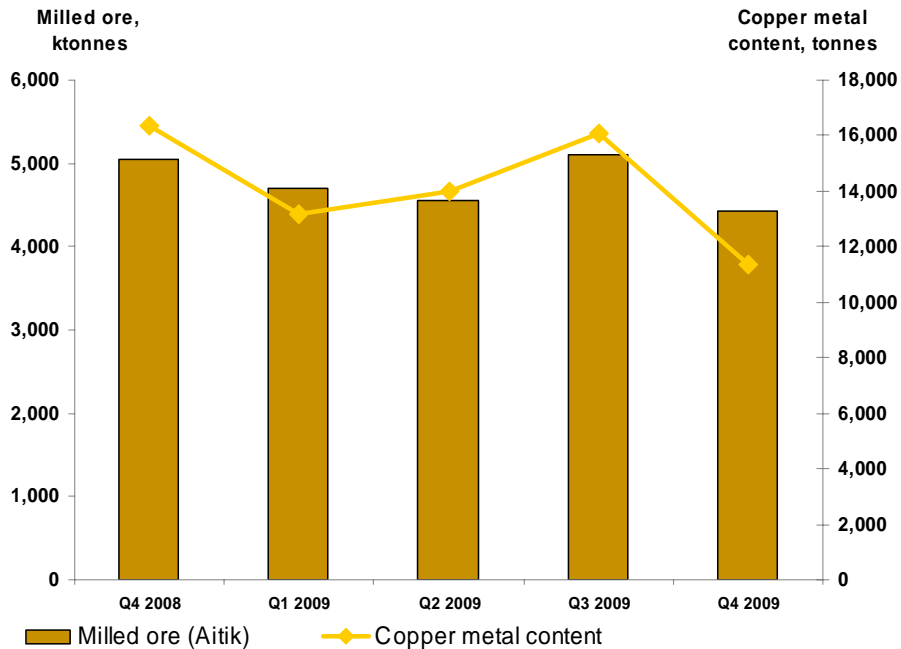




Business Area Mines

BOLIDEN

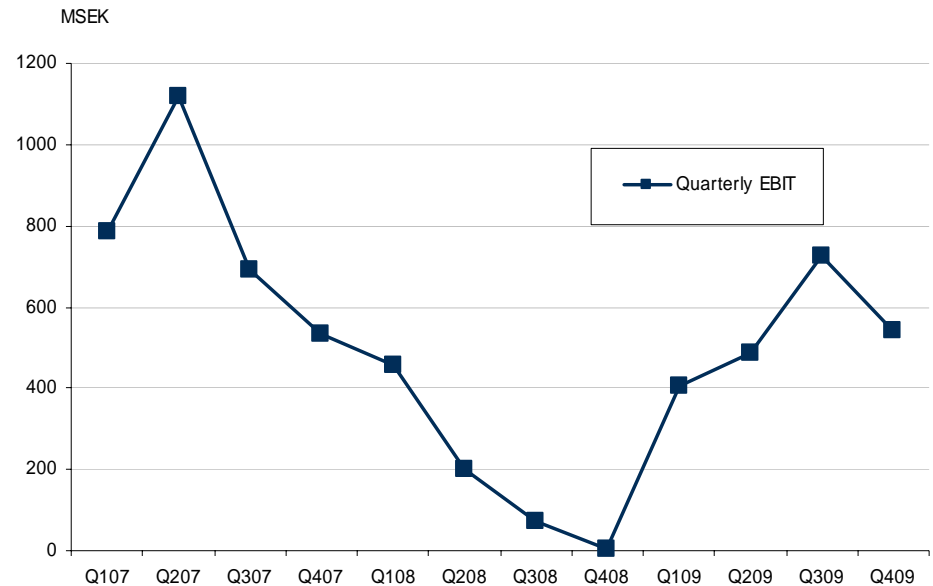
Mines - production



- Low head grades in Q4
- Copper milled ore lower than Q3
- New mill in Tara
- Aitik on plan

Mines - financial summary

- Overall good full year performance in Mines
- Higher prices did not fully compensate for volume losses in Q4



MSEK	BA Mines		Aitik		Boliden		Garpenberg		Tara	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Revenues	6,509	5,178	1,997	1,949	1,109	1,013	1,490	1,163	1,671	1,357
EBIT	2,159	734	949	876	303	115	793	466	76	-40
CAPEX	4,435	3,886	692	454	264	237	157	344	338	305
Whereof Aitik Expansion	2,982	2,540								



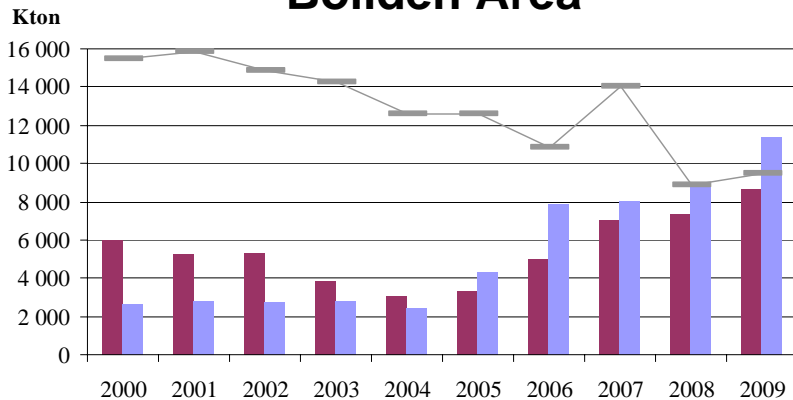
Ore Reserves & Mineral Resources

Ore Reserves and Mineral Resources - Summary

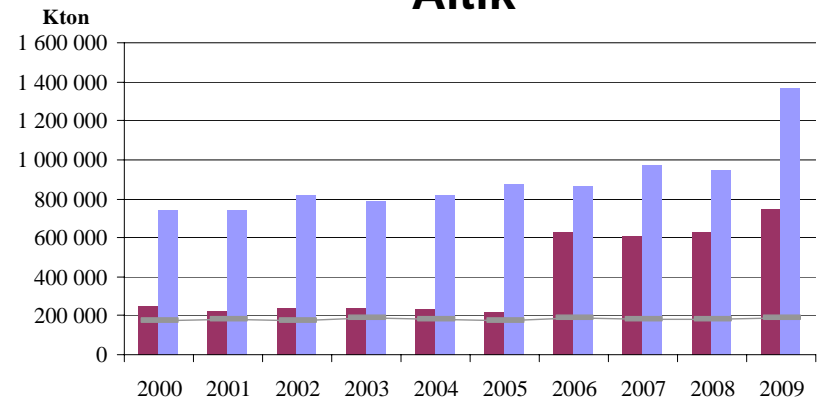
- Positive development in 2009 in spite of exploration cutbacks
- Exploration results gave net additions in Aitik, Garpenberg and Boliden area
- Tara quantities largely replaced
- Exploration activities increased in Q4 2009

Increasing ore reserves and mineral resources in most mines

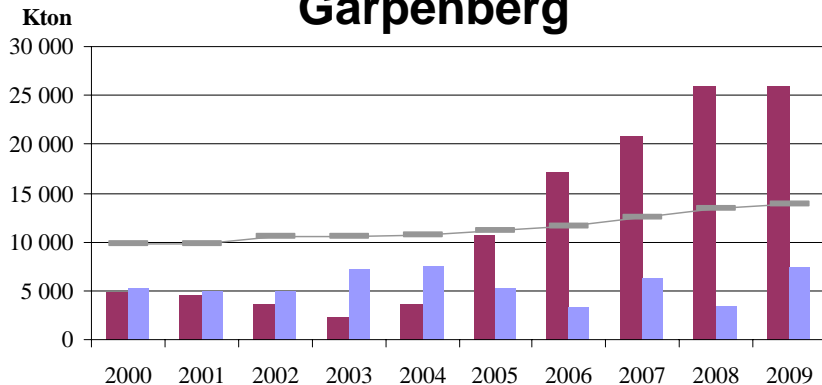
Boliden Area



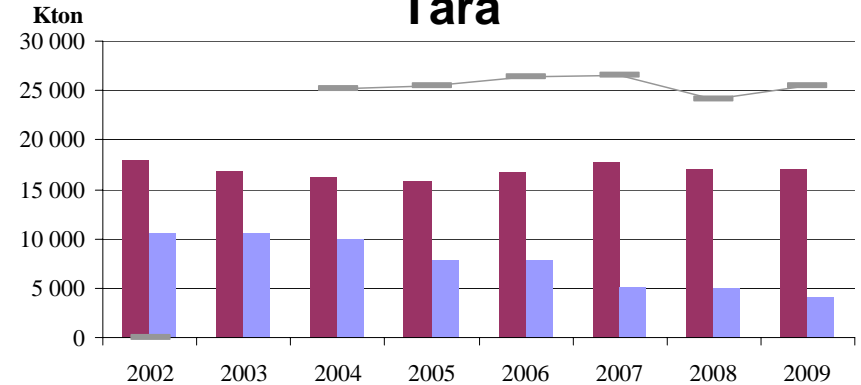
Aitik



Garpenberg



Tara



Proven/probable
 Measured/Indicated
 Ore production*10





AITIK copper mine expansion

Project fundamentals

- **Double ore production**
 - High productivity
 - Profitable mining of lower grades
- **Lower grades**
 - Cu production +50%
 - Current production plan has lower than average grades 2011-17
- **Increased ore reserves 2009**
 - Life of mine extended to 2029 (2026)
 - Average grade 0,25 (0,27)
 - Salmijärvi deposit upgraded to reserve
- **Capex and time**
 - 6,1 bSEK capex
 - Start 1 April 2010

AITIK – copper mine expansion

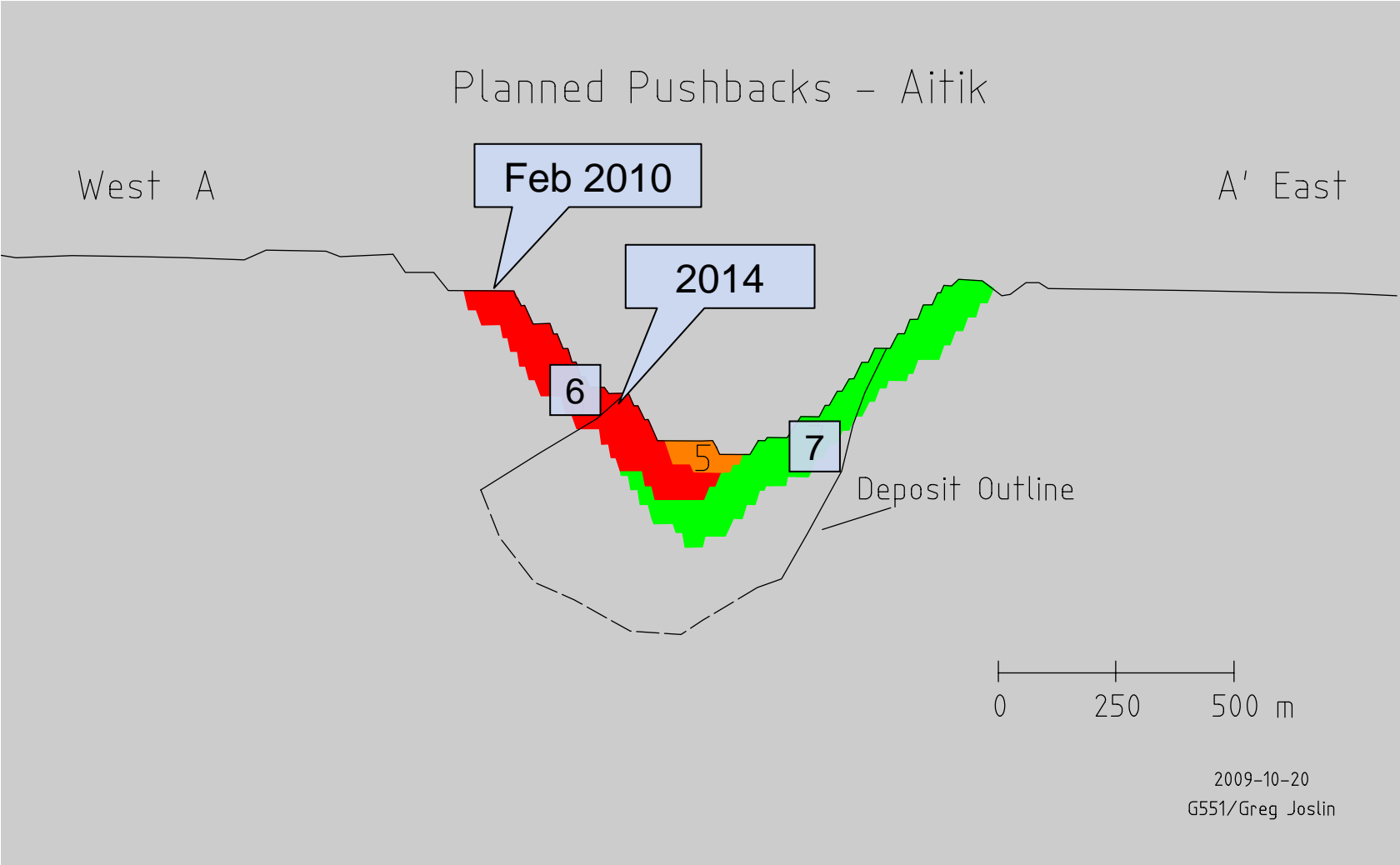
Project status

- Mine production – expansion on plan
- Concentrator – Cold tests finalized
- Conveyor system – Being commissioned

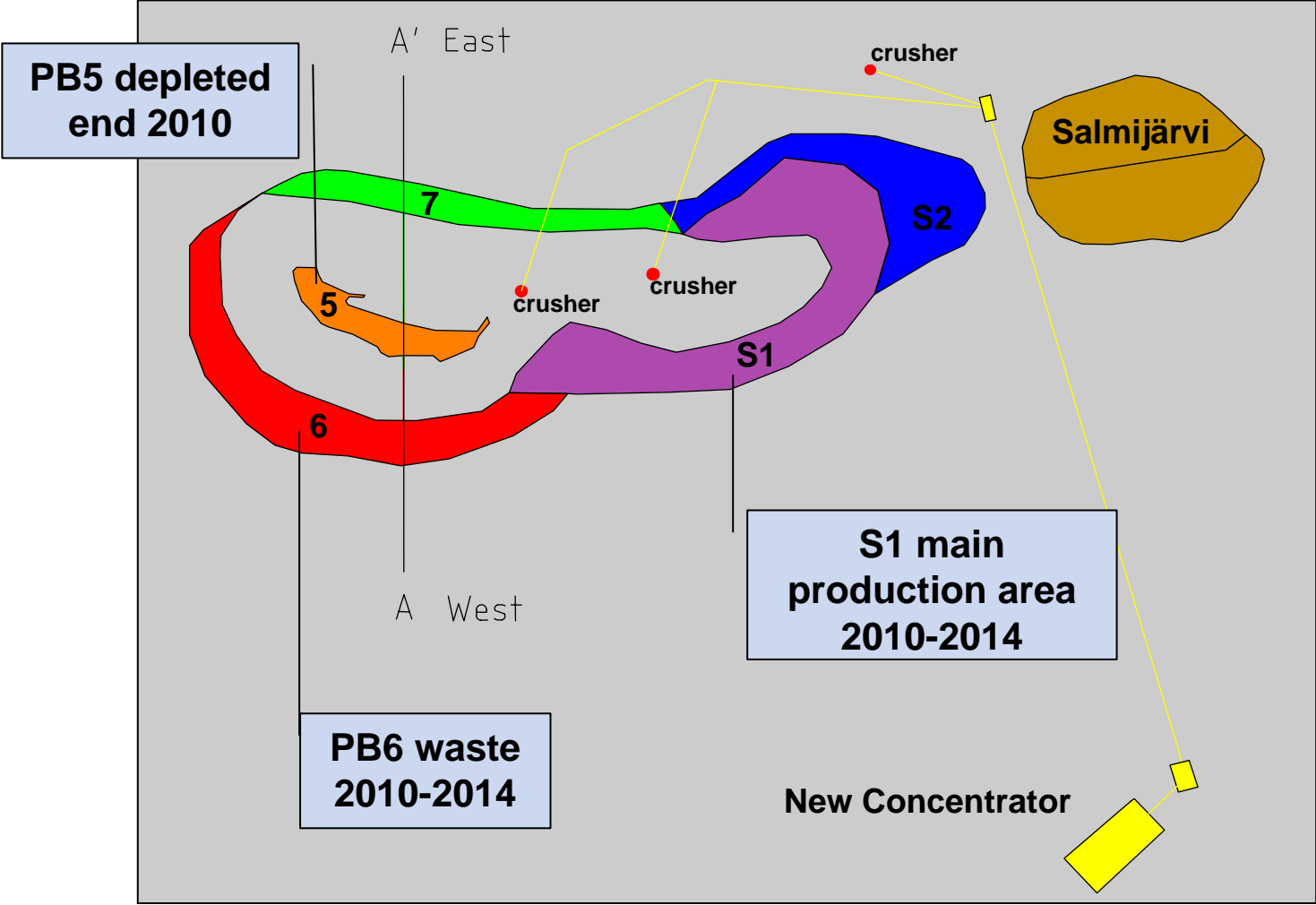
- Project on plan



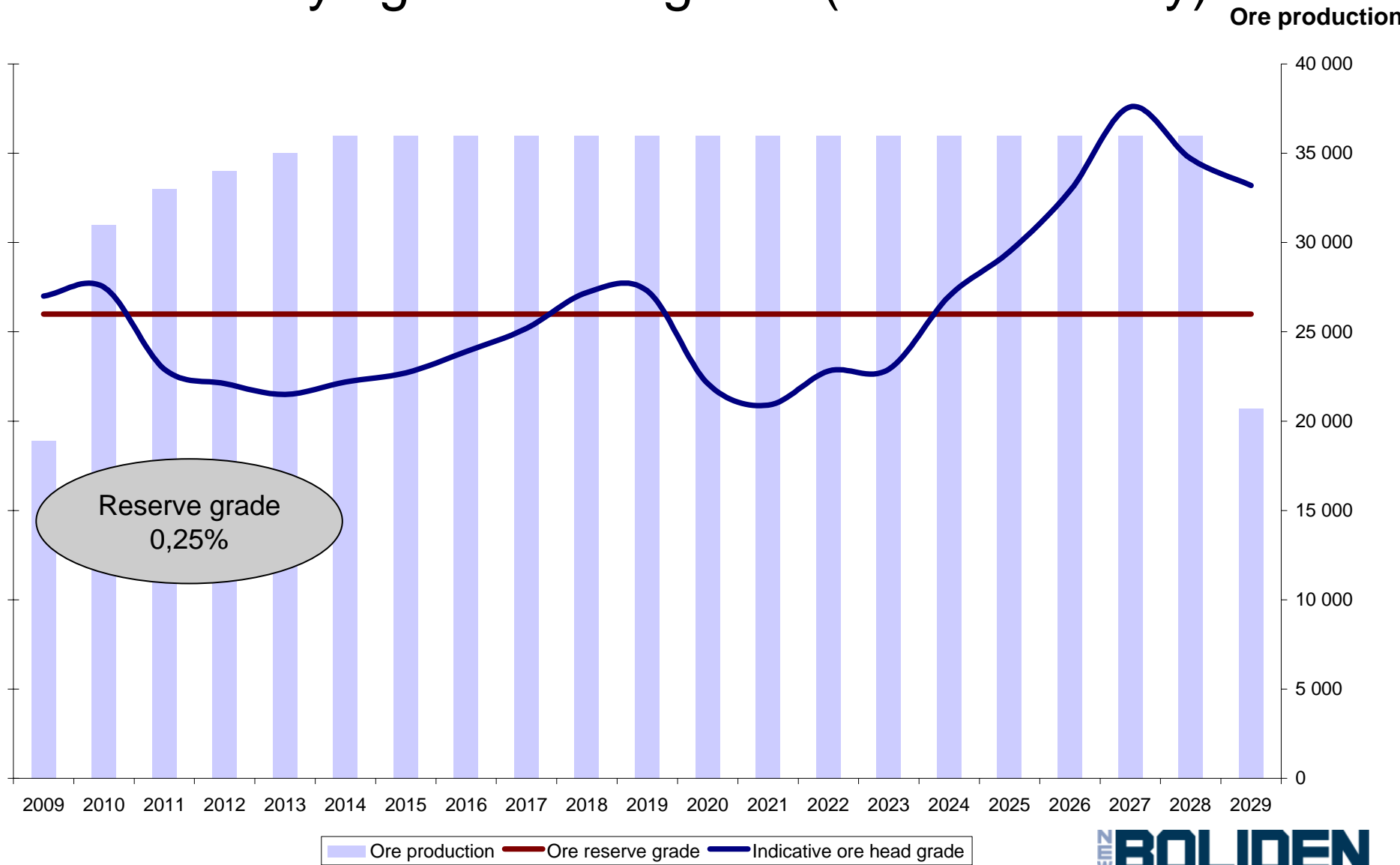
AITIK production areas



AITIK production areas



Aitik - varying ore head grade (indicative only)

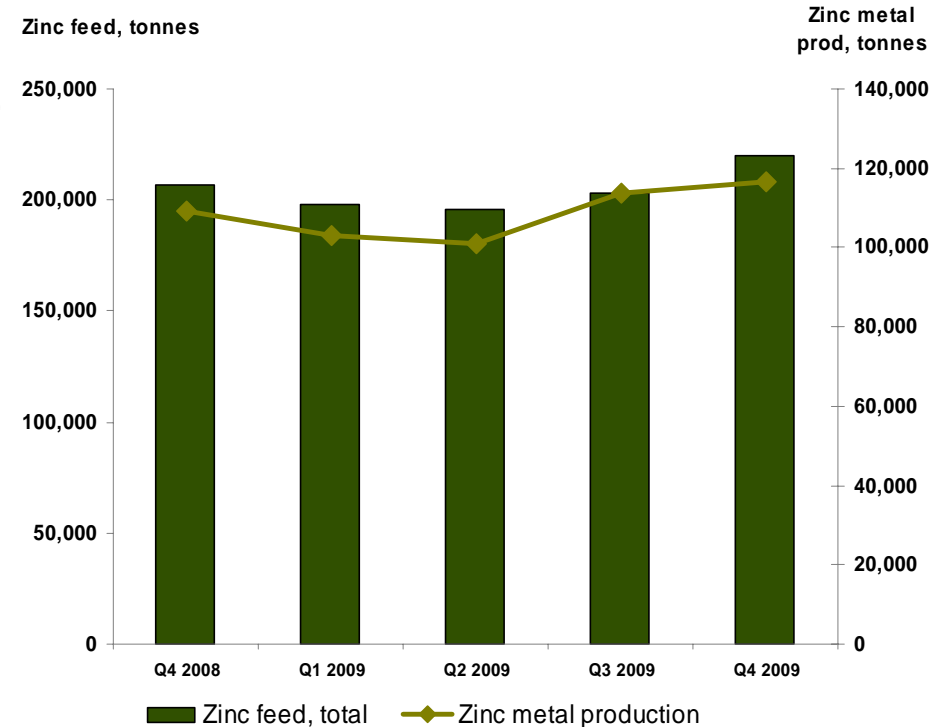
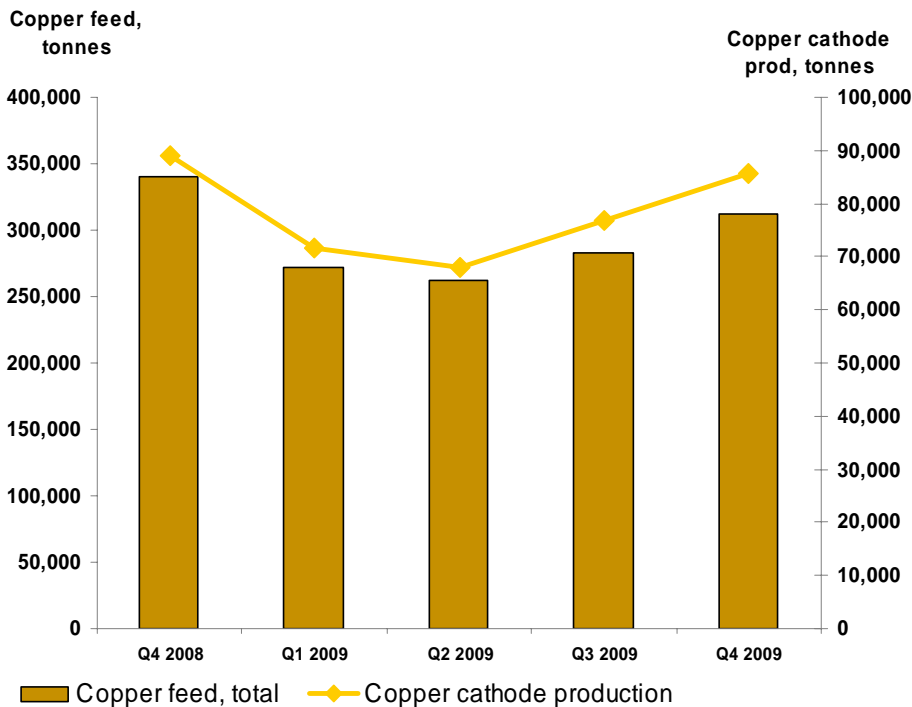




Business Area Smelters

BOLIDEN

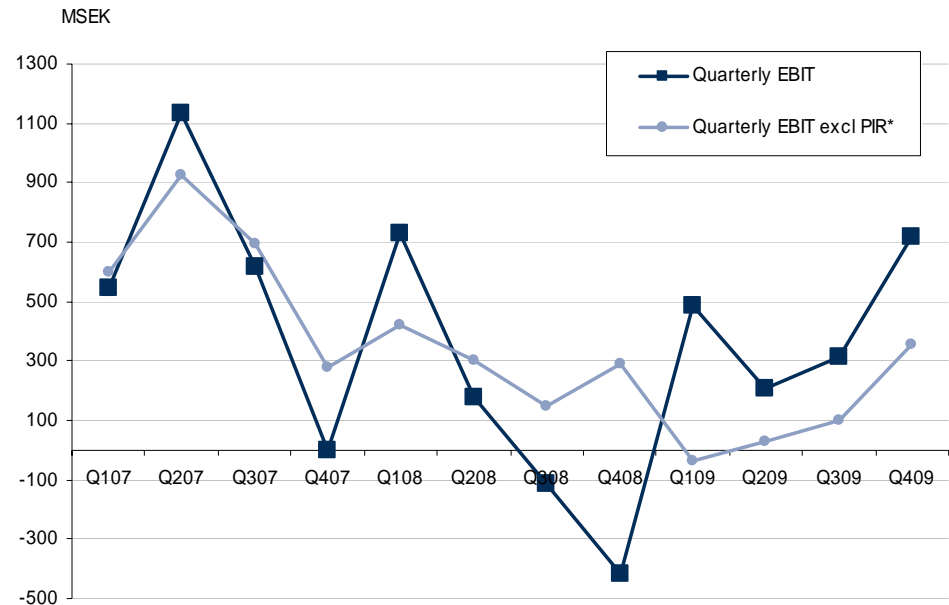
Smelters - production



- Copper Metal production -4% vs Q4 but 12% up vs Q3
- Copper production reduced
- Zinc Metal production +7 % vs Q4 and +3% vs Q3
- Full production in the quarter. Very good production in Kokkola

Smelters - financial summary

- Zinc smelters on full production
- Improved volumes gave strong Q4
- Copper smelters hit by poor market conditions



MSEK	BA Smelters		Rönnskär		Harjavalta		Bergsöe		Kokkola		Odda	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Revenues	26,765	31,256	1,669	1,882	1,261	1,432	632	760	1,979	1,848	1,123	1,200
EBIT	1,724	372	83	395	24	64	91	127	362	469	6	210
EBIT excl PIR	451	1,162	83	395	-117	191	91	127	362	469	6	210
CAPEX	480	737	199	192	148	225	12	12	99	162	22	146



Financials

Financial summary

MSEK	Q4 09	Q4 08	YTD 09	YTD 08
Revenues	8,356	6,287	27,635	30,987
Operating profit (EBIT)	1,232	-491	3,623	1,004
EBIT margin	15%	-8%	13%	3%
EBIT excl Process Inventory Revaluation	870	211	2,350	1,793
Free cash flow	350	-534	-948	837
Capex	1,269	1,533	4,915	4,624
Earnings per share, SEK	3.00	-1.65	9.14	3.42
Gearing	46%	39%		

Group EBIT Q4 2009 versus Q4 2008 and Q3 2009

MSEK	Q4 2009	Q4 2008	Q3 2009
EBIT	1,232	-491	949
Process Inventory Revaluation	362	-702	215
EBIT excl Process Inventory Revaluation	870	211	734
Deviation		659	136
Specification of deviation:			
Volume		-210	-30
Costs		-40	-256
Prices & Terms		1,251	431
Metal prices and terms		1,256	463
Realised Metal- Currency hedge		-246	-104
TC/RC terms		194	70
Premiums		-30	-3
Definitive pricing (MAMA)		77	5
Currency effects		-337	-21
whereof translation effects		-23	7
Others		-5	12
Deviation		659	136
Specification of hedges and MAMA			
Realised Metal-, Currency hedge	-72	174	32
Definitive pricing (MAMA)	19	-58	14

Lower grades in Aitik and higher production in Smelters

Volume effect in zincsmelters
Exploration
Vacations in Q3
Variable pay increased

Cu +14 %
Zn +26 %

Zn price escalators

Group EBIT YTD 2009 versus YTD 2008

MSEK	2009	2008
EBIT	3,623	1,004
Process Inventory revaluation	1,273	-789
EBIT excl Process Inventory	2,350	1,793
Revaluation		
Deviation		557
Specification of deviation:		
Volume		-292
Costs		194
Prices & Terms		-367
Metal prices and terms		-929
Realised Metal- Currency hedge		592
TC/RC terms		243
Premiums		-284
Definitive pricing (MAMA)		11
Currency effects		1,062
whereof translation effects		55
Others		-40
Deviation		557
Specification of hedges and MAMA		
Realised Metal-, Currency hedge	243	-349
Definitive pricing (MAMA)	30	19

Costs in local
currency down -2%

Average Cu down - 26%
Average Zn down -11%

Realized Zinc TCs

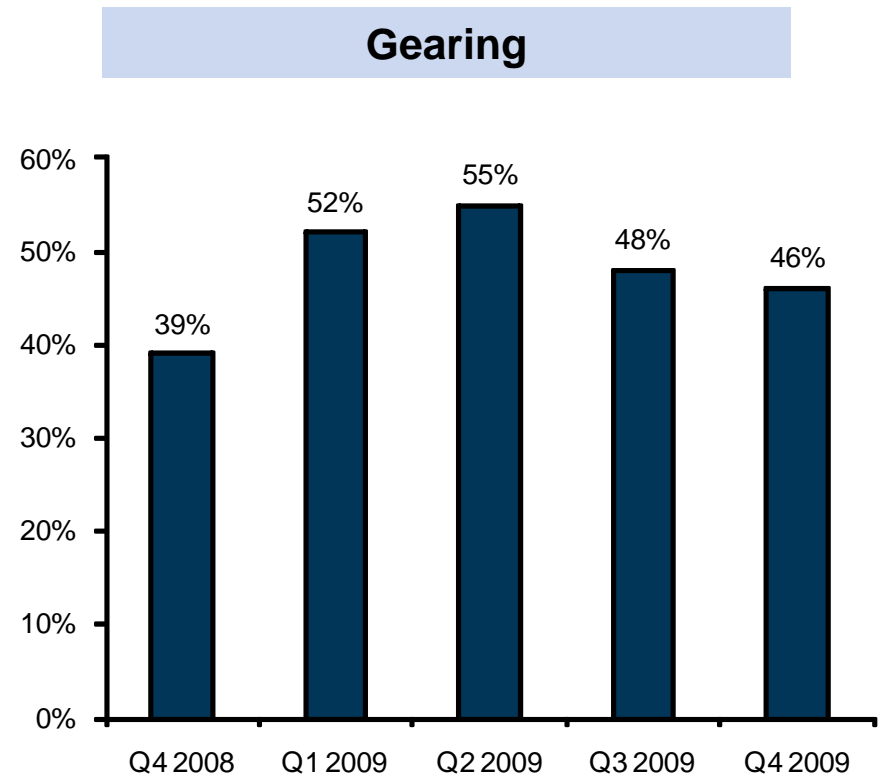
Higher spot sales

Average USD/SEK up 16%

BOLIDEN

Capital structure

SEK bn Unless otherwise stated	31 Dec 2009	31 Dec 2008
Total Asset	33.3	30.3
Capital employed	26.2	24.7
Shareholders' equity ¹	16.3	16.1
Net debt	7.4	6.3
Gearing %	46	39
Equity/asset ratio, %	49	53
Average maturity in years	3.8	4.8
Average interest rate, %	2.62	5.18
Interest duration, years	2.1	0.2
Liquidity reserves ²	6.9	8.3



1. Shareholders' equity includes the value of outstanding hedge contracts

2. Defined as unutilised credit lines and cash less outstanding commercial papers

Sensitivity analysis

Change in metal prices, +10%	EBIT effect, SEK m	Change in USD, +10%	EBIT effect, SEK m	Change in TC/RC, +10%	EBIT effect, SEK m
Zinc	665	USD/SEK	985	TC Zn	70
Copper	485	EUR/USD	480	TC/RC Cu	55
Lead	120	USD/NOK	120	TC Pb	-15
Gold	110				
Silver	95				

Estimate of the 12-month effect on Group EBIT on 31 December 2009, based on planned production volumes. Effects of hedging, contracted TC/RC or stock exposures are not taken into account.

Adjusted financial goals

Boliden operates in a cyclical and capital-intensive industry. Good profitability and financial stability are prerequisites for sustainable growth and long-term value creation. It is in accordance with these criteria that Boliden's Financial goals for the net debt/equity ratio and dividend have been adjusted, while the goal for the return on capital remains unchanged.

These changes have been made with a view to achieving increased clarity as well as to bring the goals into line with the preconditions in the mining and metals industry

- The return on capital employed shall exceed 10 per cent over a business cycle
- The net debt/equity ratio in an economic expansion phase shall not exceed 20 per cent in order to maintain a reasonable level of financial preparedness during an economic recession
- The dividend shall correspond to approximately one third of the net profit

Going forward

- Industrial demand increased through 2009
- Aitik expansion starts 1 April 2010
- Aitik head grades lower than average after 2011
- Increasing exploration activities
- Cu smelters under difficult conditions
 - Reduced production continues
- Capex impacted by phase out of Aitik expansion but also higher investments in other units

Forward-looking statements

Certain statements in this presentation are forward-looking, and the actual outcome could be materially different. Such forward-looking statements are based on Boliden's present plans, estimates, assumptions, projections and expectations and are subject to risks and uncertainties. In addition to the factors explicitly discussed, other could have a material effect on the actual outcome. Such factors include, but are not limited to, general economic or political conditions, fluctuations in exchange rates, interest rates and in metal prices, production disruptions, technological issues, interruptions in supply, actions of courts, regulators, government agencies, competitors, customers, suppliers, employees and other third parties.

A nighttime photograph of a city skyline, likely New York City, featuring several illuminated skyscrapers. The buildings are lit up with warm yellow and white lights, contrasting against the dark blue and black sky. In the foreground, a dark body of water is visible, reflecting some of the city lights. The overall scene conveys a sense of modern urban life and industry.

**Boliden produces metals
that make modern life work**

BOLIDEN