

SEK m	Quarter			Six months		12 months	Full year
	2-2019	2-2018	1-2019	2019	2018	Jul-Jun	2018
Revenues	12,747	14,071	13,047	25,794	27,402	50,846	52,454
Operating profit ex. revaluation of process inventory	1,631	2,329	2,048	3,679	5,053	7,700	9,074
Operating profit	1,539	2,468	2,441	3,980	5,139	7,844	9,004
Profit after financial items	1,478	2,401	2,391	3,869	5,015	7,617	8,763
Net profit	1,132	2,038	1,891	3,022	4,049	6,174	7,201
Earnings per share, SEK	4.13	7.45	6.91	11.05	14.80	22.56	26.32
Free cash flow	789	1,718	-323	466	3,148	3,010	5,692
Net debt	5,513	4,589	2,611	5,513	4,589	5,513	2,034
Return on capital employed, %	-	-	-	-	-	17.2	20.3
Return on equity, %	-	-	-	-	-	15.9	19.4
Net debt/equity ratio, %	14	13	6	14	13	14	5

## Maintenance shutdowns in Smelters and lower grades in Mines

- Operating profit excluding revaluation of process inventory totalled SEK 1,631 m (2,329).
- Free cash flow totalled SEK 789 m (1,718).
- Stable production in Mines, but lower grades in Tara, Kevitsa and Aitik.
- Extensive planned maintenance shutdowns in Smelters affected earnings by SEK -315 m (-130).



## SALES

Revenues decreased to SEK 12,747 m (14,071).

## FINANCIAL PERFORMANCE

### Analysis of operating profit

SEK m	Quarter		
	2-2019	2-2018	1-2019
Operating profit	1,539	2,468	2,441
Revaluation of process inventory	-92	139	392
<b>Operating profit ex. revaluation of process inventory</b>	<b>1,631</b>	<b>2,329</b>	<b>2,048</b>
<b>Change</b>		<b>-698</b>	<b>-417</b>
<b>Analysis of change</b>			
Volumes		-607	-359
Prices and terms		99	115
Metal prices		-589	-124
By-product prices		60	-23
TC/RC terms		53	91
Metal premiums		16	3
Exchange rate effects		560	168
Costs (local currencies)		-73	-117
Depreciation		28	98
Items affecting comparability <sup>1</sup>		-139	-139
Other		-6	-14
<b>Change</b>		<b>-698</b>	<b>-417</b>

<sup>1</sup> The item affecting comparability relates to the future cost of reclamation in Rönnskär.

### Operating profit excl. revaluation of process inventory

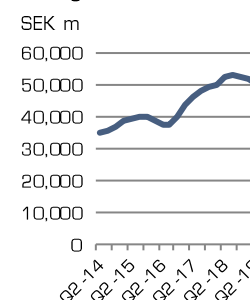
SEK m	Quarter			Six months	
	2-2019	2-2018	1-2019	2019	2018
Mines	1,149	2,044	1,353	2,502	3,975
Smelters	387	630	853	1,240	1,270
Other/eliminations	95	-346	-158	-63	-193
<b>The Group</b>	<b>1,631</b>	<b>2,329</b>	<b>2,048</b>	<b>3,679</b>	<b>5,053</b>

Operating profit excluding revaluation of process inventory deteriorated to SEK 1,631 m (2,329). The deterioration in comparison with last year is due to lower grades in Mines and more extensive maintenance shutdowns in Smelters. Compared to last year, costs rose, primarily as a result of more extensive maintenance and some process disturbances in Rönnskär. All in all, prices and terms had a positive effect. Earnings include future reclamation costs in Rönnskär totalling SEK 139 m.

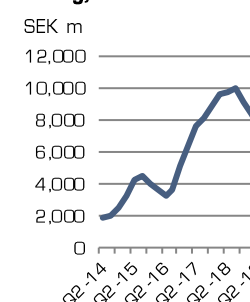
Compared to the previous quarter, operating profit excluding revaluation of process inventory was lower. The somewhat improved prices and terms did not compensate for the negative effects of lower grades in Mines and extensive maintenance shutdowns in Smelters.

Profit after financial items was SEK 1,478 m (2,401). Net profit was SEK 1,132 m (2,038), corresponding to earnings per share of SEK 4.13 (7.45). Return on capital employed and equity for the past 12 months totalled 17.2% and 15.9% respectively.

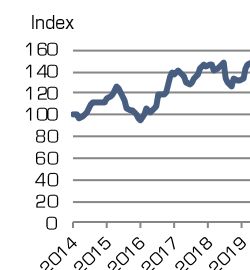
### Revenues, rolling, 12-months



### Operating profit ex. revaluation of process inventory, rolling, 12-months



### Boliden-weighted metal prices and treatment charge terms index, SEK



Index 100 = 1 January 2014  
Average Q2 2018 = 145  
Average Q2 2019 = 143

## INVESTMENTS

Investments totalled SEK 2,132 m (1,561). Maintenance investment was approximately the same year on year, and the estimate for the current year amounts to slightly over SEK 4 billion. Total investments for the full year 2019 are estimated to total just under SEK 8 billion, which is in line with previously announced.

## CASH FLOW

SEK m	Quarter			Six months		12 months	Full year
	2-2019	2-2018	1-2019	2019	2018	Jul-Jun	2018
<b>Cash flow from operating activities before change in working capital</b>	<b>2,378</b>	<b>3,101</b>	<b>2,787</b>	<b>5,165</b>	<b>6,463</b>	<b>10,233</b>	<b>11,531</b>
Change in working capital	526	171	-1,507	-981	-652	-92	237
<b>Cash flow from operating activities</b>	<b>2,904</b>	<b>3,272</b>	<b>1,281</b>	<b>4,184</b>	<b>5,811</b>	<b>10,141</b>	<b>11,768</b>
Cash flow from investment activities	-2,115	-1,554	-1,603	-3,718	-2,663	-7,132	-6,076
<b>Free cash flow</b>	<b>789</b>	<b>1,718</b>	<b>-323</b>	<b>466</b>	<b>3,148</b>	<b>3,010</b>	<b>5,692</b>

Free cash flow fell to SEK 789 m (1,718), partly as a result of lower earnings and increased investments.

## NET FINANCIAL ITEMS AND FINANCIAL POSITION

Net financial items for the quarter was SEK -61 m (-66). Average interest on loans was 1.2% (1.2).

Net debt at the end of the quarter was SEK 5,513 m (4,589), and the net debt/equity ratio was 14% (13). During the quarter, dividends and redemption of own shares were paid in the total amount of SEK 3,556 m (3,829). The average term of approved loan facilities was 3.9 years (3.8), and the fixed interest term on utilized loans was 0.4 years (0.3). Boliden's current liquidity in the form of cash and cash equivalents and unutilised binding credit facilities with a term of more than one year, totalled SEK 7,237 m (9 194).

## COSTS FOR FUTURE RECLAMATION IN RÖNNSKÄR

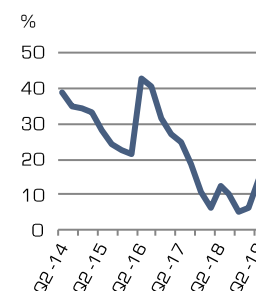
In compliance with the current environmental permit, an investigation into the reclamation of land in Rönnskär was completed during the quarter. The investigation shows a need for the reclamation of certain storage locations in Rönnskär. The outcome of the investigation has been communicated to the Land and Environment Court. The estimated reclamation cost of SEK 139 m was expensed in the second quarter, 2019. Reclamation work can first begin once the dust has been processed in the new leaching plant or moved to the deep repository.

## INCREASED RECLAMATION RESERVE IN KEVITSA

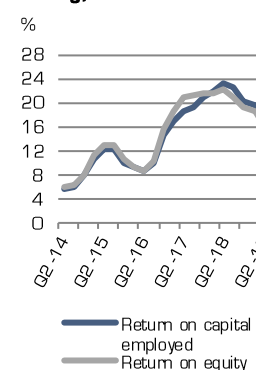
A new environmental ruling has been handed down regarding future reclamation work at the Kevitsa mine. The ruling sets high standards regarding future capping. The cost of this will be higher than previously calculated due to the increased amount of capping material and longer haulage distances. As a result, the reclamation reserve and reclamation asset in Kevitsa have both been increased by EUR 56 m. This change does not affect second quarter earnings, but will impact the result before tax by EUR 6.5 m per year for the remainder of the mine's lifespan.

Q2  
2019

Net debt/equity ratio at the quarter end



Return on capital, rolling, 12-months



# Market performance

Q2  
2019

The average prices in USD for Boliden's main metals remained largely unchanged compared with the previous quarter. The USD was further strengthened and in SEK prices were higher with the exception of lead and silver.

## Metal prices and exchange rates

	Quarter			Six months	
	2-2019	2-2018	1-2019	2019	2018
Zinc, USD/tonne	2,763	3,112	2,702	2,732	3,268
Copper, USD/tonne	6,113	6,872	6,215	6,165	6,917
Nickel, USD/tonne	12,258	14,476	12,369	12,315	13,871
Lead, USD/tonne	1,885	2,388	2,036	1,962	2,456
Gold, USD/troz	1,309	1,306	1,304	1,307	1,319
Silver, USD/troz	14.9	16.5	15.6	15.2	16.7
USD/SEK	9.45	8.67	9.17	9.31	8.38
EUR/SEK	10.62	10.33	10.42	10.51	10.14

Average metal prices and exchange rates.

## ZINC

Global zinc demand was unchanged compared with last year. Demand in Europe fell as a result of weaker industrial activity where developments, among other things, in the transport sector were weak during 2019, with a resultant effect on zinc demand.

The metals market was in balance as smelters in China continued to produce below their normal level. Low production in China was mainly due to limited disposal possibilities for jarosite. Smelter production in Europe fell compared to last year.

Global mining production continued to rise, and the availability of concentrate was good during the second quarter. Spot market treatment charges continued to rise and at the end of the quarter were somewhat higher than benchmark annual contracts. Compared to last year, treatment charges realized in contracts were 60-70% higher.

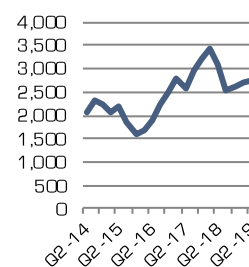
## COPPER

Global copper demand increased by just over 2% compared with the second quarter last year. China accounted for most of the increase. Smelter production increased in line with metal demand.

Mining production was lower than last year. The concentrates market was in balance, but the supply of complex concentrates increased more than pure concentrates. This resulted in increased competition in pure concentrates, and spot market treatment charges fell during the quarter, which means that by the end of the second quarter, they were lower than in benchmark annual contracts.

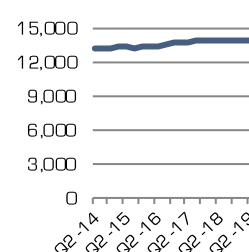
### Zinc price

USD/tonne



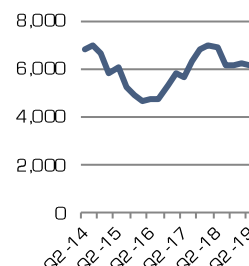
### Global zinc demand, rolling, 12-months

Ktonnes



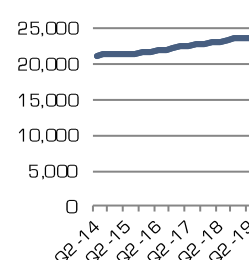
### Copper price

USD/tonne



### Global copper demand, rolling, 12-months

Ktonnes



Data in the Market trends section comes from CRU Ltd and Wood Mackenzie, June & July 2019.

## NICKEL

Global nickel demand increased by just under 4% compared with the second quarter last year. The production of stainless steel, the largest area of use for nickel, rose by 5% driven by production increases in China and Indonesia. The production of nickel metal rose sharply. The expansion of nickel pig iron (NPI) capacity continues. In a short space of time, Indonesia has built up significant NPI capacity supplied with ore from domestic mines.

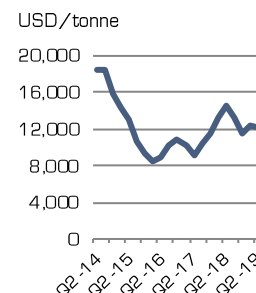
## PRECIOUS METALS

The gold price reflected the unrest on financial markets and rose from the middle of the quarter, while the price of silver remained unchanged. Compared to gold demand, the demand for silver is affected to a greater extent by industrial activity. The price of palladium rose sharply in June, mainly due to increased demand from the automotive industry.

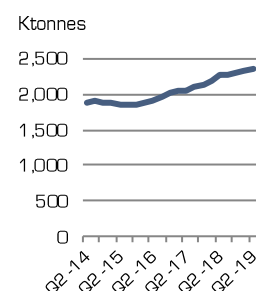
## SULPHURIC ACID

Demand and prices in Boliden's Nordic markets trended positively between the first and second quarters. However, prices in export markets were depressed by increased supply.

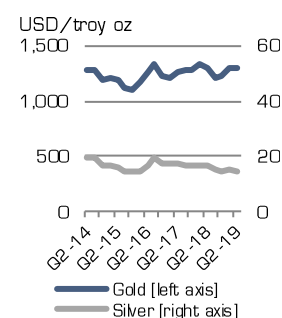
### Nickel price



### Global nickel demand, rolling, 12-months



### Gold and silver price



# Mines

Boliden has six mining areas: Aitik, Boliden Area, Garpenberg, Kevitsa, Kylylahti and Tara. The Business Area includes production, exploration, technological development, environmental technology and sales of mined concentrates.

- Stable mined production but lower grades
- Less favorable prices and terms
- Operating profit was SEK 1,149 m (2,044)

SEK m	Quarter			Six months	
	2-2019	2-2018	1-2019	2019	2018
Revenues	4,177	5,251	4,427	8,604	9,985
Gross profit	4,244	5,178	4,587	8,831	10,098
Operating expenses	2,218	2,215	2,226	4,444	4,274
Depreciation	903	912	996	1,898	1,848
Operating profit	1,149	2,044	1,353	2,502	3,975
Investments	1,388	1,123	1,153	2,541	2,001
Capital employed	27,279	25,686	26,885	27,279	25,686

## Analysis of operating profit

SEK m	Quarter		
	2-2019	2-2018	1-2019
<b>Operating profit</b>	<b>1,149</b>	<b>2,044</b>	<b>1,353</b>
<b>Change</b>		<b>-895</b>	<b>-204</b>
<b>Analysis of change</b>			
Volumes		-601	-32
Prices and terms		-335	-290
Metal prices		-514	-356
TC/RC terms		-125	-2
Exchange rate effects		305	68
Costs (local currencies)		20	26
Depreciation		21	102
Other		1	-8
<b>Change</b>		<b>-895</b>	<b>-204</b>

Operating profit decreased to SEK 1,149 m (2,044) due both to lower production of metal in concentrate and deteriorated prices and terms. Higher milled tonnage could not compensate for lower grades in Tara, Kevitsa and Aitik. Costs remained largely unchanged.

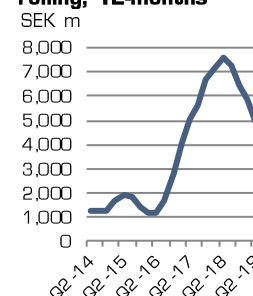
The operating profit was lower than the previous quarter due to lower metal prices. Depreciation fell due to lower production of metal concentrates, especially in Kevitsa.

Q2  
2019

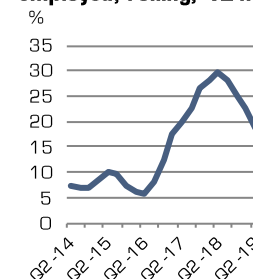


Boliden Area, Kankberg

### Operating profit, rolling, 12-months



### Return on capital employed, rolling, 12-months



## PRODUCTION

### Metal in concentrates

	Quarter					Six months		
	2-2019	2-2018	%	1-2019	%	2019	2018	%
Zinc, tonnes	66,123	70,760	-7	75,236	-12	141,359	148,387	-5
Copper, tonnes	32,062	34,300	-7	31,352	2	63,415	71,200	-11
Nickel, tonnes	2,241	3,777	-41	3,179	-30	5,420	7,299	-26
Lead, tonnes	12,292	13,180	-7	13,967	-12	26,259	27,062	-3
Gold, kg	1,847	1,768	4	1,723	7	3,571	3,678	-3
Silver, kg	98,977	97,324	2	85,350	16	184,327	218,658	-16

Information about production and metal grades at each respective unit can be found on pages 27 and 28.

Milled volume increased in Aitik compared to both the previous quarter and last year. Mining took place in areas similar to those in the first quarter, but with slightly lower grades than last year. Copper grade was 0.27% (0.28). As was the case in the first quarter, recovery levels were affected negatively due to mining in areas close to the surface with elements of oxidized ore. Average copper grade for 2019 is estimated at 0.25%, which is in line with the previous assessment.

Milled volumes in the Boliden Area increased compared to both the first quarter and the previous year. The open pit in Mauriliden was mined for the last time in April, but high production in the area's three remaining mines compensated for the loss. The production of metal in concentrate increased for the majority of metals, compared to both the previous quarter and the previous year thanks to higher milled volumes, stable recovery levels and slightly higher grades. The pilot drift to reach a drilling position for the Rävliiden mineral resource was completed.

Garpenberg's milled volume was higher than last year and almost on par with the first quarter's record level. Mining took place in areas with lower zinc grades, which resulted in lower production of zinc metal compared to the first quarter. The converse was true of the previous year. Silver grades were higher than the previous quarter, and combined with stable recovery rates, this resulted in higher production of silver metal. However, compared to last year, silver grades and recovery rates were lower, resulting in lower production. Average zinc grade for 2019 is estimated at 4.0%, which is in line with the previous assessment.

Tara's milled volume increased slightly compared to last year and was on par with the first quarter's record level. However, zinc grades were lower than both the previous quarter and last year. Poor rock stability led to changed mining plans, which will also negatively affect zinc grades in the third quarter. This led to reduced zinc metal production despite stable recovery levels.

Kevitsa's milled volume was slightly lower compared to both the previous quarter and last year. The mine is in a transitional phase to increase production. Copper content was on par with the previous quarter but significantly lower than last year. Nickel content was lower than the previous quarter and significantly lower than last year.

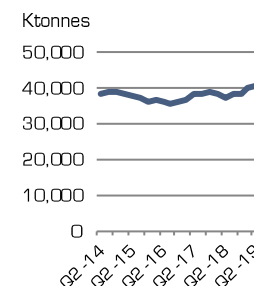
Milled volume in Kylylahti was lower than the previous quarter due to planned maintenance and low ore stockpiles. Changed mining plans led to lower nickel and cobalt production compared to the previous quarter, but were still slightly higher than last year. Milled volume, copper grade and the production of copper metal concentrate were significantly lower than the record high quarter last year.

Q2  
2019

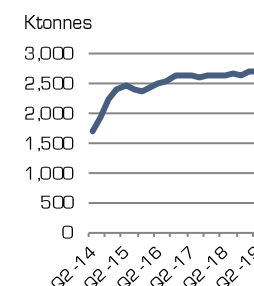


The first new mining truck (out of a total of 26 ordered for Aitik and Kevitsa) was delivered in July

#### Milled volume at Aitik, rolling, 12-months



#### Milled volume at Garpenberg, rolling, 12-months



# Smelters

Boliden has five smelters: the Kokkola and Odda zinc smelters, the Rönnskär copper and lead smelter, the Harjavalta copper and nickel smelter, and the Bergsöe lead smelter. The Business Area also includes purchases of mined concentrate and secondary raw materials, and sales of metals and by-products.

- Extensive planned maintenance shutdown, SEK -315 m (-130)
- Improved prices and terms
- Operating profit excluding revaluation of process inventory was SEK 387 m (630)

SEK m	Quarter			Six months	
	2-2019	2-2018	1-2019	2019	2018
Revenues	12,452	13,656	12,731	25,182	26,613
Gross profit ex. revaluation of process inventory	2,636	2,622	2,811	5,447	5,140
Operating expenses	1,960	1,701	1,679	3,638	3,254
Depreciation	304	311	297	602	644
Operating profit ex. revaluation of process inventory	387	630	853	1,240	1,270
Operating profit	295	769	1,246	1,540	1,356
Investments	743	437	436	1,180	668
Capital employed	20,415	19,761	20,482	20,415	19,761

## Analysis of operating profit

SEK m	Quarter		
	2-2019	2-2018	1-2019
<b>Operating profit</b>	<b>295</b>	<b>769</b>	<b>1,246</b>
Revaluation of process inventory	-92	139	392
<b>Operating profit ex. revaluation of process inventory</b>	<b>387</b>	<b>630</b>	<b>853</b>
<b>Change</b>		<b>-244</b>	<b>-467</b>
<b>Analysis of change</b>			
Volumes		-261	-267
Prices and terms		245	69
Metal prices		-139	-56
By-product prices		60	-23
TC/RC terms		178	92
Metal premiums		16	3
Exchange rate effects		130	53
Costs (local currencies)		-92	-123
Depreciation		10	-4
Items affecting comparability <sup>1</sup>		-139	-139
Other		-7	-3
<b>Change</b>		<b>-244</b>	<b>-467</b>

<sup>1</sup> The item affecting comparability relates to the future cost of reclamation in Rönnskär.

The operating profit excluding revaluation of process inventory decreased to SEK 387 m (630) despite improved prices and terms. An extensive planned maintenance shutdown in Harjavalta and the item affecting comparability in the amount of SEK -139 m (0) had negative effects. Cost increases compared to last year were mainly attributable to maintenance shutdowns and the increased use of chemicals and energy resulting from the need for maintenance in Rönnskär. Increased cost levels in Rönnskär are expected to remain until the planned maintenance shutdown during the third quarter.

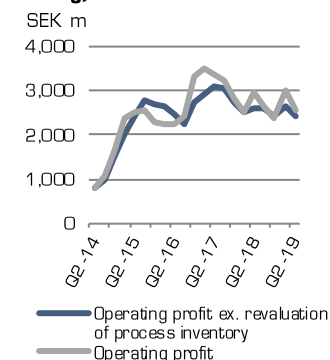
Operating profit excluding revaluation of process inventory deteriorated compared to the previous quarter due to lower volumes and higher costs mainly related to maintenance shutdowns.

Q2  
2019

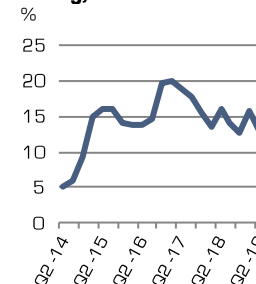


Kokkola, sulphuric acid plant

## Operating profit, rolling, 12-months



## Return on capital employed, rolling, 12-months



## PRODUCTION

### Metal production

Q2  
2019

	Quarter					Six months		
	2-2019	2-2018	%	1-2019	%	2019	2018	%
Zinc, tonnes	120,134	124,732	-4	121,842	-1	241,976	244,442	-1
Copper, tonnes	72,490	89,621	-19	87,241	-17	159,730	181,833	-12
Lead, tonnes	20,598	19,488	6	19,286	7	39,884	40,401	-1
Nickel in matte, tonnes	6,851	7,528	-9	8,539	-20	15,390	15,884	-3
Gold, kg	4,360	4,520	-4	4,035	8	8,395	8,972	-6
Silver, kg	123,669	145,242	-15	121,082	2	244,751	280,582	-13
Sulphuric acid, tonnes	345,989	390,429	-11	419,586	-18	765,575	795,692	-4

Lead includes lead alloys in Bergsöe. Information about production at each respective unit can be found on pages 29 and 30.

Rönnskär's copper production was slightly lower than both the previous quarter and last year due to certain process disturbances. Gold production fell while the production of silver increased compared to the previous quarter due to raw material grades.

Harjavalta's copper and nickel feed declined sharply compared to both the first quarter and the previous year. A major maintenance shutdown was carried out during the quarter which limited copper production and the production of nickel in matte compared to the previous year. Start-up proceeded according to plan. Gold production increased compared to both the first quarter and last year mainly due to higher grades in raw material.

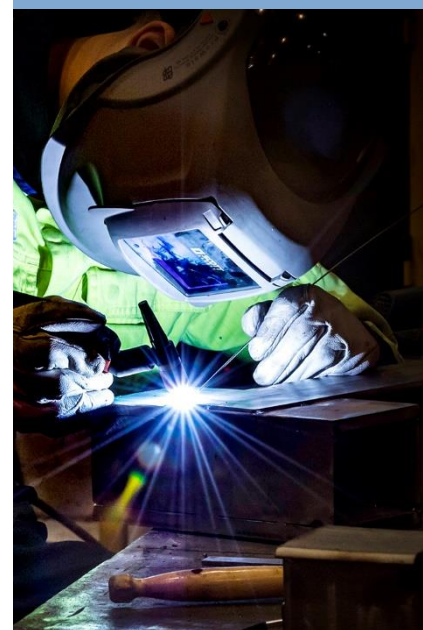
Kokkola's feed and production was lower compared to both the first quarter and last year. This stemmed from the planned maintenance shutdown and problems in the leaching and purification process related to the separation of cobalt.

New quarterly records for feed and metal production were noted in Odda.

Bergsöe's production was higher than the previous quarter, which was affected by an unplanned production shutdown, and was also higher than last year. The new plastics separation plant is scheduled to begin operations in the third quarter.

## MAINTENANCE SHUTDOWN

The maintenance shutdown in the second quarter affected earnings by SEK -315 m (-130), which is SEK 45 m more than previously announced. The maintenance shutdown in Harjavalta was extended by 2 days, which led to higher costs and an increased loss of revenue. Planned maintenance shutdowns in Smelters during 2019 are estimated to affect operating profit by SEK -675 m (-200), of which SEK -290 m (-70) in the third quarter and SEK -70 m (0) in the fourth quarter. The assessment for the third quarter is SEK 150 m higher than previously announced. The fourth quarter is in line with previous assessment. No maintenance shutdowns took place during the first quarter.



Kokkola, precision work

# Six months in summary

Q2  
2018

Sales during the first six months totalled SEK 25,794m (27,402). The decrease is mainly due to lower volumes.

Operating profit excluding revaluation of process inventory decreased to SEK 3,679 m (5,053), mainly due to lower volumes.

In Mines, volumes were affected by lower grades which were partly compensated by higher milled volumes. Smelters volumes were affected by extensive planned maintenance shutdowns and certain production disruptions.

In general, prices and terms had a slight positive effect as a stronger USD and higher sulphuric acid prices more than compensated for the lower metal prices.

Compared to last year, costs rose as a result of higher mine production and milled volumes, more extensive maintenance, some Smelter process disturbances and inflation.

## Analysis of operating profit

SEK m	Six months	
	2019	2018
<b>Operating profit</b>	<b>3,980</b>	<b>5,139</b>
Revaluation of process inventory	300	86
<b>Operating profit ex. revaluation of process inventory</b>	<b>3,679</b>	<b>5,053</b>
<b>Change</b>		<b>-1,374</b>
<b>Analysis of change</b>		
Volumes		-1,157
Prices and terms		168
Metal prices		-1,323
By-product prices		174
TC/RC terms		-14
Metal premiums		34
Exchange rate effects		1,297
Costs (local currencies)		-276
Depreciation		-28
Items affecting comparability <sup>1</sup>		-89
Other		9
<b>Change</b>		<b>-1,374</b>

<sup>1</sup> 2019 includes an item in the amount of SEK -139 m for the future cost of reclamation work in Rönnskär, and 2018 includes an item in the amount of SEK -50 m for the fire in Bergsöe.

Net financial items totalled SEK -111 m (-124), while net profit totalled SEK 3,022 m (4,049). Earnings per share were SEK 11.05 (14.80). Investments during the first six months totalled SEK 3,737 m (2,670).



Aitik, loading

	Quarter			12 months	Full year	
	2-2019	2-2018	1-2019	Jul-Jun	2018	Goal 2019
Accidents (LTI) per million hours worked	1.4	7.2	5.2	4.5	5.1	0.0
Sick leave, %	4.3	4.6	5.1	4.3	4.5	≤ 4
Metal discharges to water impact, intensity <sup>1</sup>	31.3	38.0	19.6	35.9	40.6	≤ 27,3
Metal emissions to air impact, intensity <sup>1</sup>	55.5	51.0	34.8	47.8	49.2	≤ 65,9
Sulphur dioxide to air, Ktonnes	1.4	2.2	1.8	6.8	7.7	≤ 7,2
Carbon dioxide intensity, tonnes CO <sub>2</sub> /tonne metal	0.66	0.64	0.67	0.65	0.64	≤ 0,65
Serious environmental incidents per month <sup>2</sup>	0.0	0.0	0.0	0.0	0.0	0.0

1. The intensity is based on the emission, in tonnes, of metal equivalents per m tonnes of metals produced. Metal equivalents weigh the impact on society and the environment of emissions of metals to air and water.

2. A serious incident that causes or has the potential to cause significant environmental impact.

## EMPLOYEES

The average number of employees (full-time equivalents) was 6,043 (5,953). The accident frequency for Boliden's own employees and contractors during the second quarter was 1.4 (7.2).

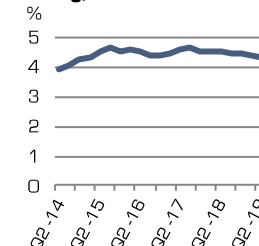
Daniel Peltonen has been appointed as the new President for Business Area Boliden Smelters. He will take up his position on 1 September 2019 and will be part of Boliden's Group management.

## EXTERNAL ENVIRONMENT

The discharge of metals to water increased slightly compared to the previous quarter but was lower than last year. The long-term trend shows that these discharges are diminishing. The discharge of sulphur dioxide to air was lower both quarter by quarter and on a year on year basis. The investments made and measures taken in 2018 including the new sulphuric acid plant in Harjavalta, have shown good results.

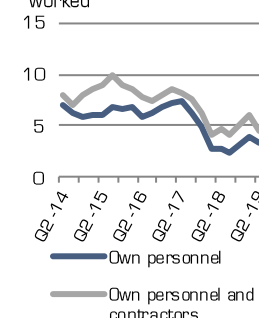
No serious environmental incidents occurred during the quarter.

**Sick leave rate, rolling, 12-months**



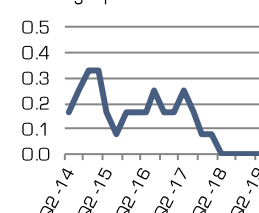
**Accident frequency, rolling, 12-months**

Number of accidents per one million hours worked



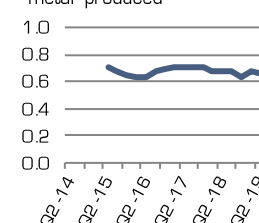
**Serious environmental incidents<sup>2</sup>, rolling, 12-months**

Number of incidents, average per month



**Carbon dioxide intensity, rolling, 12-months**

Tonnes CO<sub>2</sub> /tonne of metal produced



## CORPORATE BOND ISSUE

On 12 June 2019, Boliden AB (publ) issued a five-year public bond loan in the amount of SEK 750 m on the Swedish capital market; the loan is guaranteed by Boliden Mineral AB and has a floating interest rate of 3 months STIBOR +1.45% loan margin per year.

## THE EXPORT OF SMELTER SLUDGE DISPUTE FINALLY SETTLED

On 27 March, the Court of Appeals for Upper Norrland passed judgment in the dispute concerning Boliden's deliveries to the town of Arica in Chile in the mid 80s. The Court found that the claim had passed the statute of limitations and that Boliden was not liable for damages. The limited partnership representing the respondent appealed the judgment on 23 April and requested leave to appeal to the Supreme Court. On 25 June, the Supreme Court informed that leave to appeal would not be granted. The Court of Appeals decision is thereby established, and the dispute is finally settled. The limited partnership has been ordered to pay Boliden's legal costs. For further information and background, refer to [www.boliden.com](http://www.boliden.com).

## Risks and uncertainty factors

Significant risks and uncertainty factors for the Group and the Parent Company 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, affects demand for zinc, copper, and other base metals. For further information about risks and risk management, refer to Boliden's 2018 Annual and Sustainability Report, Risk Management, on pages 56 to 59.

# Interim Report preparation principles

Q2  
2019

The Consolidated Accounts have 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 IFRS standards, pursuant to the provisions of the Swedish Annual Accounts Act. This Interim Report for the Group has been prepared in accordance with IAS 34, Interim Financial Reporting, and the Swedish Annual Accounts Act, and for the Parent Company in accordance with the Swedish Annual Accounts Act. The accounting principles and calculation methods have remained unchanged from those applied in the 2018 Annual and Sustainability Report, other than with regard to the implementation of IFRS 16 Leases, which came into force from 1 January 2019.

Boliden has applied IFRS 16 Leases from 1 January 2019, incl. The standard provides a comprehensive model for the identification and reporting of leasing agreements for both lessors and lessees.

Under IFRS 16, a lease is an agreement that transfers the right to control the use of an identified asset for a period of time in return for compensation. A control exists if the customer has the right to obtain substantially all of the economic benefits of the use from the identified asset and has the right to decide on the way in which the identifiable asset is used. The term, control, refers to both the physical asset and the rights of use generated by this asset.

Boliden has elected to apply the simplified transition method whereby the comparison year is not recalculated and the size of the right-of-use asset is valued such that it corresponds to the size of the leasing liability on the transfer date. Calculations of the liability for a leased asset are based on the current value of the remaining leasing charges, discounted by the marginal borrowing rate. The marginal borrowing rate has been determined centrally, based on the Group's financing requirements and terms and been set at 1.6%. The Boliden Group applied mitigation rules available in conjunction with the transition to IFRS 16. Under the mitigation rules, leasing agreements with a remaining term of twelve months or less and leasing agreements for which the underlying asset was of lesser value were not included when determining the liability or right-of-use asset in the Balance Sheet. There were a number of agreements that have previously been regarded as service contracts but which, under IFRS 16, have been reclassified as leasing agreements. Certain transport agreements are classified as leasing agreements, but since they have variable pricing, they are not included in the right-of-use asset or leasing liability.

The impact on the Income Statement derives from the fact that costs previously reported in the operating profit are now divided up into depreciation, which will continue to be reported in the operating profit, and interest, which will be reported under net financial items. The date when the cost is reported has also changed from that used in previous financial reports. The depreciation is effected linearly, while that part that relates to interest will initially be higher and will decrease over time.

The effect on the Balance Sheet, as of 1 January 2019, was SEK 226 m, which sum breaks down into SEK 66 m for buildings and land and SEK 160 m for machinery and other technical installations, and with a corresponding leasing liability. The effect on Boliden's operating profit and key ratios is marginal.

See page 23 for a reconciliation between information previously provided with regard to future leasing charges and estimated leasing liabilities.

Boliden has for several years presented certain financial metrics in the Interim Report that are not defined in accordance with IFRS, and is of the opinion that these metrics provide valuable complementary information in that they enable a clearer evaluation of the company's performance. Not all companies calculate financial metrics in the same way, so the metrics used by Boliden are not always comparable with those used by other companies, and these metrics should, therefore, not be regarded as a replacement for metrics defined in accordance with IFRS. The financial metrics that Boliden uses and which are not defined in accordance with IFRS regulations are: Operating profit (EBIT) excluding revaluation of process inventory, Operating profit (EBIT), Free cash flow, Net debt, Return on capital employed, Return on Equity, Net debt/Equity ratio, and Equity/Assets ratio. For definitions, explanations and calculations of the financial metrics used by Boliden, see [www.boliden.com](http://www.boliden.com). The definition of Equity per share as well as Net reclamation liability is on page 17.

# Affirmation

Q2  
2019

The undersigned hereby declare that this Interim Report provides a true and fair overview of the Parent Company's and Group's operations, positions and performance, and describes the material risks and uncertainty factors faced by the Parent Company and the companies that make up the Group.

Stockholm, 19 July 2019

Anders Ullberg  
Chairman

Marie Berglund  
Board member

Tom Erixon  
Board member

Michael G:son Löw  
Board member

Perttu Louhiluoto  
Board member

Elisabeth Nilsson  
Board member

Pia Rudengren  
Board member

Marie Holmberg  
Board member,  
Employee Representative

Kenneth Ståhl  
Board member,  
Employee Representative

Cathrin Öderyd  
Board member,  
Employee Representative

Mikael Staffas  
President and CEO

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Co. Reg. No. 5560514142

## Introduction

We have reviewed the interim report for Boliden AB (publ) for the period January 1 - June 30, 2019. The Board of Directors and the President are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

## Scope of review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with ISA and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, prepared for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm, 19 July 2019

Deloitte AB

Jan Berntsson  
Authorized Public Accountant

- 24 October 2019 Q3 Interim Report for 2019
- 13 February 2020 Q4 Interim Report and year-end report 2019
- 28 April 2020 Q1 Interim Report 2020 and AGM

## Presentation of the report

The interim report is presented via webcast/telephone conference

**Time:** Friday 19 July at 09:30 (CET)

The presentation will be made by webcast via [www.boliden.com](http://www.boliden.com)

To participate in the telephone conference, call one of the following numbers 3 to 5 minutes before the conference starts.

Telephone number from Sweden: 08-5199 9355 (also dial area code)

Telephone number from the UK: +44 20 319 40550

Telephone number from the USA: +1,855,269 2605

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Director Investor Relations  
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Boliden's 2019 Annual General Meeting was held on 3 May in the new drill core archive at Tegelbacken in Boliden. Participants were given the opportunity to take a guided bus tour of Hötjärn's tailings facility. An exhibition on sustainable mining was presented in the area adjacent to the AGM venue.

# Consolidated Income statements

**Q2**  
2019

SEK m	Quarter			Six months		12 months	Full year
	2-2019	2-2018	1-2019	2019	2018	Jul-Jun	2018
Revenues	12,747	14,071	13,047	25,794	27,402	50,846	52,454
Cost of goods sold	-10,747	-11,123	-10,171	-20,919	-21,378	-41,302	-41,761
<b>Gross profit</b>	<b>2,000</b>	<b>2,948</b>	<b>2,875</b>	<b>4,875</b>	<b>6,024</b>	<b>9,544</b>	<b>10,693</b>
Selling expenses	-118	-110	-122	-240	-215	-463	-438
Administrative expenses	-188	-198	-169	-357	-355	-650	-648
Research and development costs	-195	-187	-151	-346	-343	-708	-705
Other operating income and expenses	43	14	9	50	27	129	105
Results from participations in associated companies	-2	1	-1	-2	1	-8	-4
<b>Operating profit</b>	<b>1,539</b>	<b>2,468</b>	<b>2,441</b>	<b>3,980</b>	<b>5,139</b>	<b>7,844</b>	<b>9,004</b>
Financial income	3	1	0	3	1	3	2
Financial expenses	-64	-68	-50	-114	-125	-231	-242
<b>Profit after financial items</b>	<b>1,478</b>	<b>2,401</b>	<b>2,391</b>	<b>3,869</b>	<b>5,015</b>	<b>7,617</b>	<b>8,763</b>
Tax	-346	-363	-501	-847	-966	-1,443	-1,562
<b>Net profit</b>	<b>1,132</b>	<b>2,038</b>	<b>1,891</b>	<b>3,022</b>	<b>4,049</b>	<b>6,174</b>	<b>7,201</b>
<b>Net profit attributable to:</b>							
Owners of the Parent Company	1,131	2,037	1,891	3,021	4,048	6,171	7,198
Non-controlling interests	1	1	0	1	1	3	3

## Earnings and Equity per share

SEK m	Quarter			Six months		12 months	Full year
	2-2019	2-2018	1-2019	2019	2018	Jul-Jun	2018
Earnings per share <sup>1</sup> , SEK	4.13	7.45	6.91	11.05	14.80	22.56	26.32
Ordinary dividend per share, SEK	-	-	-	-	-	-	8.75
Redemption per share, SEK	-	-	-	-	-	-	4.25
Equity per share <sup>2</sup> , SEK	142.45	132.27	150.53	142.45	132.27	142.45	142.59
Number of shares	273,511,169	273,511,169	273,511,169	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	273,511,169	273,511,169	273,511,169

1 As no potential shares exist, there is no dilution effect. 2 Equity divided by number of shares.

## Key ratios – The Group

SEK m	Quarter			Six months		12 months	Full year
	2-2019	2-2018	1-2019	2019	2018	Jul-Jun	2018
Return on capital employed <sup>1</sup> , %	-	-	-	-	-	17.2	20.3
Return on equity <sup>2</sup> , %	-	-	-	-	-	15.9	19.4
Equity/assets ratio, %	64	63	67	64	63	64	66
Net debt/equity ratio <sup>3</sup> , %	14	13	6	14	13	14	5
Net reclamation liability <sup>4</sup> , SEK m	2,033	1,688	1,825	2,033	1,688	2,033	1,757
Net debt, SEK m	5,513	4,589	2,611	5,513	4,589	5,513	2,034

1 Operating profit divided by average capital employed.

2 Profit after tax divided by average equity.

3 The net of interest bearing provisions and liabilities less financial assets including cash and cash equivalents, divided by equity.

4 Reclamation liabilities less accumulated reclamation costs.

# Consolidated statement of Comprehensive income

**Q2**  
2019

	Quarter			Six months		12 months	Full year
SEK m	2-2019	2-2018	1-2019	2019	2018	Jul-Jun	2018
<b>Profit for the period</b>	<b>1,132</b>	<b>2,038</b>	<b>1,891</b>	<b>3,022</b>	<b>4,049</b>	<b>6,174</b>	<b>7,201</b>
<b>Other comprehensive income</b>							
<i>Items that will be reclassified to the Income Statement</i>							
Change in market value of derivative instruments	-5	6	4	-1	8	1	9
Fiscal effect on derivative instruments	1	-1	-1	0	-2	0	-2
Transfers to the Income Statement	0	1	-1	-1	2	1	4
Tax on transfers to the Income Statement	0	0	0	0	0	0	-1
<b>Sum cash flow hedging</b>	<b>-4</b>	<b>5</b>	<b>3</b>	<b>-1</b>	<b>8</b>	<b>1</b>	<b>10</b>
The period's translation difference on overseas operations	236	253	297	534	1,020	208	694
Profit on hedging of net investments in overseas operations	-22	-19	-24	-46	-146	-21	-121
Tax on the period's profit from hedging instruments	5	4	5	10	33	4	27
<b>Sum translation exposure</b>	<b>219</b>	<b>238</b>	<b>278</b>	<b>497</b>	<b>906</b>	<b>191</b>	<b>600</b>
<b>Total items that will be reclassified</b>	<b>215</b>	<b>243</b>	<b>281</b>	<b>496</b>	<b>914</b>	<b>192</b>	<b>610</b>
<i>Items that will not be reclassified to the Income Statement</i>							
Revaluation of defined benefit pension plans	-	-	-	-	-	-26	-26
Tax attributable to items that will not be reversed to the Income Statement	-	-	-	-	-	5	5
<b>Total items that will not be reclassified</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-21</b>	<b>-21</b>
<b>Total other comprehensive income</b>	<b>215</b>	<b>243</b>	<b>281</b>	<b>496</b>	<b>914</b>	<b>171</b>	<b>589</b>
<b>Total comprehensive income for the period</b>	<b>1,347</b>	<b>2,281</b>	<b>2,172</b>	<b>3,518</b>	<b>4,963</b>	<b>6,345</b>	<b>7,790</b>
<b>Total comprehensive income for the period attributable to:</b>							
Owners of the Parent Company	1,346	2,280	2,172	3,517	4,962	6,342	7,787
Non-controlling interests	1	1	0	1	1	3	3

# Consolidated Balance sheets

**Q2**  
2019

SEK m	30 Jun 2019	30 Jun 2018	31 Dec 2018
Intangible assets	3,665	3,656	3,566
Property, plant and equipment	41,519	38,046	38,877
Participations in associated companies	9	30	25
Other shares and participations	17	21	18
Deferred tax assets	108	57	136
Long-term receivables	129	133	131
<b>Total non-current assets</b>	<b>45,447</b>	<b>41,943</b>	<b>42,752</b>
Inventories	10,950	10,340	10,358
Trade and other receivables	2,518	2,713	1,864
Tax receivables	134	31	90
Interest-bearing receivables	-	2	-
Derivative instruments	55	121	154
Other current receivables	1,408	1,235	1,235
Cash and cash equivalents	826	1,398	2,272
<b>Total current assets</b>	<b>15,891</b>	<b>15,840</b>	<b>15,975</b>
<b>Total assets</b>	<b>61,339</b>	<b>57,783</b>	<b>58,727</b>
<b>Equity</b>	<b>38,971</b>	<b>36,186</b>	<b>39,011</b>
Pension provisions	972	951	967
Other provisions	4,724	3,732	3,898
Deferred tax liabilities	3,079	2,972	2,941
Liability to credit institutions	3,377	4,824	3,145
Other interest-bearing liabilities	204	2	0
<b>Total non-current liabilities</b>	<b>12,356</b>	<b>12,481</b>	<b>10,950</b>
Liability to credit institutions	1,719	233	216
Other interest-bearing liabilities	87	0	2
Trade and other payables	4,889	4,850	5,106
Other provisions	129	227	134
Current tax liabilities	378	1,159	683
Derivative instruments	106	103	34
Other current liabilities	2,704	2,543	2,590
<b>Total current liabilities</b>	<b>10,011</b>	<b>9,117</b>	<b>8,767</b>
<b>Total equity and liabilities</b>	<b>61,339</b>	<b>57,783</b>	<b>58,727</b>

## Cons. Statements of changes in equity

SEK m	30 Jun 2019	30 Jun 2018	31 Dec 2018
<b>Opening balance</b>	<b>39,011</b>	<b>35,053</b>	<b>35,053</b>
Total comprehensive income for the period	3,518	4,963	7,790
Dividend	-2,393	-2,256	-2,256
Redemption	-1,162	-1,573	-1,573
Dividend to non-controlling interests	-2	-	-
<b>Closing balance</b>	<b>38,971</b>	<b>36,186</b>	<b>39,011</b>
<b>Total equity attributable to:</b>			
Owners of the Parent Company	38,961	36,177	39,000
Non-controlling interests	10	9	11

As of 30 June 2019, the hedge reserve after tax effect totalled SEK 10 m (8).

# Consolidated Statements of Cash Flow

**Q2**  
2019

SEK m	Quarter			Six months		12 months	Full year
	2-2019	2-2018	1-2019	2019	2018	Jul-Jun	2018
<b>Operating activities</b>							
Profit after financial items	1,478	2,401	2,391	3,869	5,015	7,617	8,763
Adjustments for items not included in the cash flow:							
- Depreciation, amortisation and write-down of assets	1,210	1,233	1,297	2,506	2,508	4,928	4,930
- Provisions	-2	1	5	3	5	-5	-3
- Revaluation of process inventory	92	-139	-392	-300	-86	-144	70
- Other	139	41	-13	126	77	107	57
Tax paid/received	-539	-436	-501	-1,040	-1,056	-2,270	-2,286
<b>Cash flow from operating activities before changes in working capital</b>	<b>2,378</b>	<b>3,101</b>	<b>2,787</b>	<b>5,165</b>	<b>6,463</b>	<b>10,233</b>	<b>11,531</b>
Cash flow from changes in working capital	526	171	-1,507	-981	-652	-92	237
<b>Cash flow from operating activities</b>	<b>2,904</b>	<b>3,272</b>	<b>1,281</b>	<b>4,184</b>	<b>5,811</b>	<b>10,141</b>	<b>11,768</b>
<b>Investment activities</b>							
- Acquisition of intangible assets	-14	-12	-7	-21	-16	-38	-33
- Acquisition of property, plant and equipment	-2,118	-1,544	-1,598	-3,717	-2,649	-7,172	-6,105
- Disposal of property, plant and equipment	0	0	0	0	0	55	55
- Acquisition/disposal of financial assets	18	2	2	20	2	24	6
<b>Cash flow from investment activities</b>	<b>-2,115</b>	<b>-1,554</b>	<b>-1,603</b>	<b>-3,718</b>	<b>-2,663</b>	<b>-7,132</b>	<b>-6,076</b>
<b>Cash flow before financing activities (free cash flow)</b>	<b>789</b>	<b>1,718</b>	<b>-323</b>	<b>466</b>	<b>3,148</b>	<b>3,010</b>	<b>5,692</b>
Dividend	-3,556	-3,829	-	-3,556	-3,829	-3,556	-3,829
Loans raised	2,099	-	-	2,099	1,675	2,694	2,270
Amortisation of loans	-437	-1,499	-23	-460	-2,110	-2,722	-4,372
<b>Cash flow from financing activities</b>	<b>-1,894</b>	<b>-5,328</b>	<b>-23</b>	<b>-1,917</b>	<b>-4,264</b>	<b>-3,583</b>	<b>-5,931</b>
<b>Cash flow for the period</b>	<b>-1,105</b>	<b>-3,611</b>	<b>-345</b>	<b>-1,450</b>	<b>-1,116</b>	<b>-573</b>	<b>-239</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>1,930</b>	<b>5,008</b>	<b>2,272</b>	<b>2,272</b>	<b>2,510</b>	<b>1,398</b>	<b>2,510</b>
Exchange rate difference on cash and cash equivalents	1	1	3	3	3	1	1
<b>Cash and cash equivalents at period-end</b>	<b>826</b>	<b>1,398</b>	<b>1,930</b>	<b>826</b>	<b>1,398</b>	<b>826</b>	<b>2,272</b>

# Income statement – the Parent Company

**Q2**  
2019

SEK m	Quarter			6 months		12 months	Full year
	2-2019	2-2018	1-2019	2019	2018	Jul-Jun	2018
Dividends from subsidiaries	7,000	6,000	-	7,000	6,000	7,000	6,000
Results from participations in associated companies	-	-	-	-	-	-6	-6
<b>Profit after financial items</b>	<b>7,000</b>	<b>6,000</b>	<b>-</b>	<b>7,000</b>	<b>6,000</b>	<b>6,994</b>	<b>5,994</b>
Tax	-	-	-	-	-	-	-
<b>Profit for the period</b>	<b>7,000</b>	<b>6,000</b>	<b>-</b>	<b>7,000</b>	<b>6,000</b>	<b>5,994</b>	<b>5,994</b>

Boliden AB conducts limited operations and is in a tax agreement with Boliden Mineral AB; Boliden AB has one employee who is compensated by Boliden Mineral AB. During the second quarter of 2019, Boliden AB had no amounts under other comprehensive income to report.

# Balance sheet – the Parent Company

SEK m	30 Jun 2019	30 Jun 2018	31 Dec 2018
Participations in subsidiaries	3,911	3,911	3,911
Participations in associated companies	-	5	-
Long-term financial receivables, subsidiaries	14,763	11,068	11,068
Current financial receivables, subsidiaries	1,499	-	-
<b>Total assets</b>	<b>20,173</b>	<b>14,985</b>	<b>14,980</b>
Equity	17,924	14,485	14,480
Long-term liabilities to credit institutions	750	500	500
Current liabilities to credit institutions	1,499	-	-
<b>Total liabilities and equity</b>	<b>20,173</b>	<b>14,985</b>	<b>14,980</b>

# Financial assets and liabilities at fair value

**Q2**  
2019

30 Jun 2019, SEK m

Reported value

Fair value

Other shares and participations	17	17
Trade and other receivables	2,518	2,518
Derivative instruments	55	55
Cash and cash equivalents	826	826
<b>Total assets</b>	<b>3,416</b>	<b>3,416</b>
Liabilities to credit institutions	5,096	5,101
Other interest-bearing liabilities	291	291
Trade and other payables	4,889	4,889
Derivative instruments	106	106
<b>Total liabilities</b>	<b>10,382</b>	<b>10,386</b>

The fair value of derivatives is based on bid and ask prices listed on the closing date and by discounting estimated cash flows. Market prices for metals are taken from locations where metal derivatives are traded, i.e. the London Metal Exchange (LME) and the London Bullion Market Association (LBMA). Discount rates are based on current market rates per currency and time to maturity for the financial instrument. Exchange rates are obtained from the Riksbank (Swedish Central Bank). When disclosing the fair value of liabilities to credit institutions, fair value is calculated as discounted contracted amortisations and interest payments at estimated market interest rates. As of 30 June 2019, interest terms on current loan agreements were considered to be on a par with going rates in the credit market. Thus in essence, fair value corresponds to the carrying amount.

The carrying amounts of trade receivables and payables is considered to be the same as their fair value due to their short time to maturity, the fact that provisions are made for doubtful trade receivables, and that any penalty interest will be invoiced. Boliden's financial instrument holdings, which are reported at fair value in the balance sheet, are all classified as level 2 items in the fair-value hierarchy, with the exception of a small amount of level 3 holdings in other shares and participations. See also under Accounting Principles in the Annual and Sustainability Report.

# Breakdown of external income

**Q2**  
2019

The sale of metal concentrates, metals, intermediate products and by-products is recognized upon delivery to the customer in accordance with the terms and conditions of sale, i.e. revenue is recognized when control passes to the purchaser.

The Group's metal concentrates are invoiced provisionally upon delivery. Definitive invoicing takes place when all relevant parameters have been determined (concentrate, quantity, metal content, impurity content and metal price for the agreed price setting period, which is usually the average price on the LME in the month following delivery).

Customers are invoiced for the Group's metals and metal products upon delivery. The Group eliminates price risks associated with sales and purchases by hedging the difference between purchased and sold quantities on a daily basis.

Customers are invoiced for by-products when control is transferred, which takes place upon delivery.

SEK m	Kvartal							
	Mines		Smelters		Other		The Group	
	2-2019	2-2018	2-2019	2-2018	2-2019	2-2018	2-2019	2-2018
Finished metals	-	-	10,757	11,895	-	-	10,757	11,895
Metal in concentrate	279	411	0	0	-	-	280	412
Intermediates	-	-	1,411	1,442	-	-	1,411	1,442
By-products	-	0	279	274	-	-	279	274
Other sales	1	0	20	49	0	0	21	49
<b>Total external revenues</b>	<b>280</b>	<b>411</b>	<b>12,467</b>	<b>13,660</b>	<b>0</b>	<b>0</b>	<b>12,747</b>	<b>14,071</b>

SEK m	Six months							
	Mines		Smelters		Other		The Group	
	2019	2018	2019	2018	2019	2018	2019	2018
Finished metals	-	-	21,607	23,301	-	-	21,607	23,301
Metal in concentrate	577	774	0	0	-	-	577	775
Intermediates	-	-	2,994	2,700	-	-	2,994	2,700
By-products	-	0	561	556	-	0	561	556
Other sales	1	0	53	71	1	0	54	71
<b>Total external revenues</b>	<b>578</b>	<b>774</b>	<b>25,215</b>	<b>26,628</b>	<b>1</b>	<b>0</b>	<b>25,794</b>	<b>27,402</b>

## Leasing disclosures

A comparison between information on future leasing charges for operational leases under IAS 17 (as per 31 December 2018) and the calculated leasing liability under IFRS 16 (as of 1 January 2019) is provided below.

SEK m	
Operating leasing commitment at December 31, 2018	59
Finance leasing liabilities recognized at December 31, 2018	1
Less recognition exemptions; low value assets/short-term assets	-40
Reclassifications of leasing agreements	207
Discounting effect	-1
<b>Leasing liabilities at January 1, 2019</b>	<b>226</b>

# Sensitivity analysis

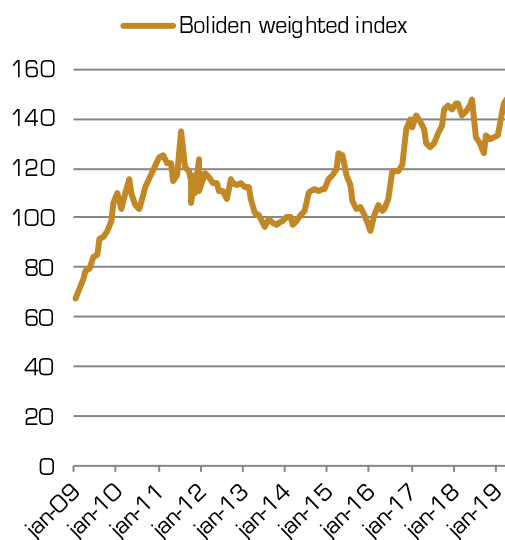
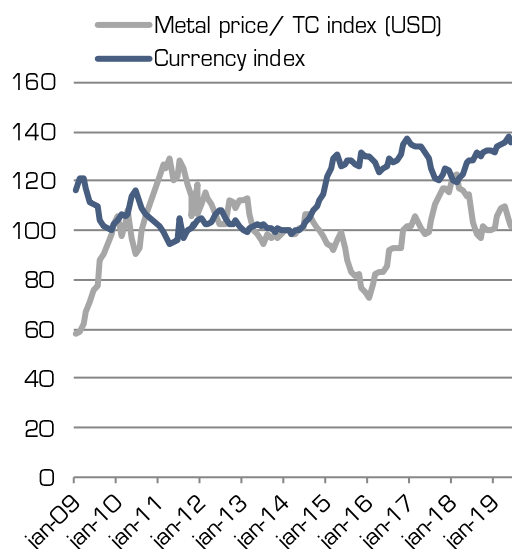
**Q2**  
2019

The table below presents an estimate of how changes in market terms will affect the Group's operating profit over the next 12 months. The calculation is based on listings on 30 June 2019 and on Boliden's planned production volumes. The sensitivity analysis does not take into account the effects of metal price hedging, currency hedging, contracted treatment charges, or the revaluation of process inventory in the smelters.

Change in metal prices, +10%	Effect on operating profit, SEK m	Change in TC/RC, +10%	Effect on operating profit, SEK m	Change in USD, +10%	Effect on operating profit, SEK m
Zinc	840	TC Zinc	90	USD/SEK	1,570
Copper	730	TC/RC Copper	80	EUR/USD	990
Gold	350	TC Lead	-10	USD/NOK	170
Silver	160				
Lead	130				
Nickel	110				

The table below shows a weighted index of the prices, terms and currencies that have the greatest impact on Boliden's profits, together with a weighted currency index and a weighted metal price and treatment charge index. Currencies and metal prices have often displayed a negative correlation that has had an equalising effect on the Boliden-weighted index and on Boliden's earnings.

## Prices and terms index



Index 100 = 1 Jan 2014.

# Quarterly data per segment

**Q2**  
2019

SEK m	3-2017	4-2017	1-2018	2-2018	3-2018	4-2018	1-2019	2-2019
<b>THE GROUP</b>								
Revenues	11,628	13,619	13,331	14,071	12,510	12,543	13,047	12,747
Operating expenses	3,267	3,737	3,655	3,965	3,606	3,898	3,934	4,226
Depreciation	1,127	1,241	1,269	1,223	1,217	1,221	1,296	1,210
Operating profit ex. revaluation of process inventory	1,744	2,912	2,724	2,329	2,020	2,001	2,048	1,631
Operating profit	1,860	3,091	2,672	2,468	1,771	2,093	2,441	1,539
Investments	1,240	1,867	1,109	1,561	1,457	2,013	1,606	2,132
Capital employed	42,335	42,931	44,292	44,817	44,406	44,441	47,200	47,699
<b>MINES</b>								
Revenues	4,175	5,291	4,734	5,251	3,941	4,478	4,427	4,177
Gross profit	4,138	5,316	4,920	5,178	4,010	4,485	4,587	4,244
Operating expenses	1,842	2,143	2,059	2,215	2,002	2,204	2,226	2,218
Depreciation	854	941	936	912	919	941	996	903
Operating profit	1,421	2,179	1,931	2,044	1,091	1,384	1,353	1,149
Investments	815	1,264	878	1,123	1,158	1,323	1,153	1,388
Capital employed	24,975	25,502	26,065	25,686	25,546	26,328	26,885	27,279
<b>SMELTERS</b>								
Revenues	11,401	13,036	12,956	13,656	11,934	12,087	12,731	12,452
Gross profit ex. revaluation of process inventory	2,224	2,587	2,518	2,622	2,456	2,492	2,811	2,636
Operating expenses	1,399	1,544	1,553	1,701	1,583	1,652	1,679	1,960
Depreciation	272	300	333	311	297	279	297	304
Operating profit ex. revaluation of process inventory	568	766	640	630	589	575	853	387
Operating profit	684	945	587	769	340	667	1,246	295
Investments	425	602	231	437	298	690	436	743
Capital employed	17,957	18,018	18,613	19,761	19,067	18,237	20,482	20,415
<b>OTHER/ELIMINATIONS</b>								
Revenues	-3,948	-4,708	-4,359	-4,837	-3,366	-4,022	-4,111	-3,881
Operating expenses	27	50	44	49	20	42	29	49
Operating profit, internal profit	-218	16	198	-297	361	86	-128	147
Operating profit, other	-28	-50	-44	-49	-21	-44	-30	-52
Investments	0	2	1	0	1	0	16	0
Capital employed	-597	-589	-386	-630	-208	-125	-167	5

# Consolidated quarterly data

**Q2**  
2019

	3-2017	4-2017	1-2018	2-2018	3-2018	4-2018	1-2019	2-2019
<b>Financial performance <sup>1</sup>, the Group</b>								
Revenues, SEK m	11,628	13,619	13,331	14,071	12,510	12,543	13,047	12,747
Operating profit before depreciation, SEK m	2,987	4,332	3,941	3,691	2,988	3,314	3,737	2,749
Operating profit ex. revaluation of process inventory, SEK m	1,744	2,912	2,724	2,329	2,020	2,001	2,048	1,631
Operating profit, SEK m	1,860	3,091	2,672	2,468	1,771	2,093	2,441	1,539
Profit after financial items, SEK m	1,790	3,030	2,614	2,401	1,707	2,040	2,391	1,478
Net profit, SEK m	1,478	2,248	2,011	2,038	1,285	1,866	1,891	1,132
Earnings per share, SEK	5.40	8.22	7.35	7.45	4.69	6.82	6.91	4.13
Free cash flow, SEK m	1,715	2,382	1,431	1,718	822	1,721	-323	789
Net debt/equity ratio, %	19	11	6	13	10	5	6	14
<b>Production of metal in concentrate <sup>2</sup></b>								
Zinc, tonnes	69,616	78,082	77,626	70,760	70,612	71,470	75,236	66,123
Copper, tonnes	33,702	41,535	36,900	34,300	34,496	33,911	31,352	32,062
Nickel, tonnes	3,468	3,450	3,523	3,777	3,647	3,521	3,179	2,241
Lead, tonnes	12,880	16,741	13,882	13,180	14,201	13,610	13,967	12,292
Cobalt, tonnes	150	152	190	190	252	237	287	181
Gold, kg	1,650	2,029	1,911	1,768	1,835	2,165	1,723	1,847
Gold, troy oz.	53,033	65,217	61,430	56,834	58,992	69,599	55,401	59,391
Silver <sup>3</sup> , kg	89,741	107,850	121,334	97,324	100,987	82,704	85,350	98,977
Silver <sup>3</sup> , '000 troy oz.	2,885	3,467	3,901	3,129	3,247	2,659	2,744	3,182
Palladium, kg	260	251	276	322	304	255	241	146
Platinum, kg	365	355	380	443	415	338	312	201
Tellurium, kg	8,824	7,718	12,021	11,382	8,053	13,185	9,382	7,803
<b>Metal production, Smelters</b>								
Zinc, tonnes	114,991	111,371	119,710	124,732	120,841	120,316	121,842	120,134
Copper, tonnes	87,434	89,088	92,212	89,621	88,669	93,073	87,241	72,490
Lead, tonnes	7,524	7,131	7,317	6,745	7,300	7,290	7,019	6,934
Lead alloys, tonnes (Bergsöe)	9,036	13,926	13,596	12,743	7,438	13,355	12,267	13,664
Nickel in matte, tonnes	7,409	6,443	8,356	7,528	7,486	7,937	8,539	6,851
Gold, kg	4,391	4,332	4,452	4,520	4,022	3,658	4,035	4,360
Gold, troy oz.	141,186	139,290	143,145	145,315	129,323	117,598	129,729	140,184
Silver, kg	136,080	137,482	135,340	145,242	133,520	130,744	121,082	123,669
Silver, '000 troy oz.	4,375	4,420	4,351	4,670	4,293	4,203	3,893	3,976
Sulphuric acid, tonnes	411,287	408,673	405,262	390,429	412,152	422,562	419,586	345,989
<b>Metal prices in USD, average per quarter</b>								
Zinc, USD/tonne	2,963	3,236	3,421	3,112	2,537	2,631	2,702	2,763
Copper, USD/tonne	6,349	6,808	6,961	6,872	6,105	6,172	6,215	6,113
Lead, USD/tonne	2,334	2,492	2,523	2,388	2,104	1,964	2,036	1,885
Nickel, USD/tonne	10,528	11,584	13,276	14,476	13,266	11,516	12,369	12,258
Gold, USD/troy oz.	1,278	1,277	1,331	1,306	1,213	1,227	1,304	1,309
Silver, USD/troy oz.	16.84	16.73	16.77	16.53	15.02	14.54	15.57	14.88
<b>Metal prices in SEK, average per quarter</b>								
Zinc, SEK/tonne	24,106	26,910	27,733	26,982	22,706	23,788	24,781	26,103
Copper, SEK/tonne	51,659	56,615	56,427	59,579	54,634	55,803	56,995	57,756
Lead, SEK/tonne	18,992	20,726	20,451	20,701	18,831	17,756	18,670	17,808
Nickel, SEK/tonne	85,665	96,323	107,623	125,499	118,719	104,119	113,436	115,823
Gold, SEK/troy oz.	10,399	10,619	10,788	11,325	10,859	11,098	11,960	12,371
Silver, SEK/troy oz.	136.99	139.09	135.98	143.33	134.37	131.48	142.78	140.63
<b>Exchange rates, average per quarter</b>								
USD/SEK	8.14	8.32	8.11	8.67	8.95	9.04	9.17	9.45
EUR/USD	1.17	1.18	1.23	1.19	1.16	1.14	1.14	1.12
EUR/SEK	9.56	9.79	9.96	10.33	10.41	10.32	10.42	10.62
USD/NOK	7.96	8.16	7.84	8.02	8.24	8.42	8.58	8.65

1 For definitions, visit [www.boliden.com](http://www.boliden.com).

2 Refers to the metal content of the concentrate.

3 Includes silver production in Tara, which is not payable.

# Quarterly data per unit - Mines

**Q2**  
2019

	3-2017	4-2017	1-2018	2-2018	3-2018	4-2018	1-2019	2-2019
<b>AITIK</b>								
Milled ore, Ktonnes	9,292	10,114	8,359	9,305	10,784	10,023	9,748	10,320
Head grades								
Copper, %	0.27	0.32	0.36	0.28	0.25	0.27	0.28	0.27
Gold, g/tonne	0.12	0.14	0.16	0.13	0.14	0.14	0.14	0.14
Silver, g/tonne	1.78	1.79	2.65	1.68	1.54	1.54	1.29	1.36
Production of metal in concentrate								
Copper, tonnes	22,334	29,627	26,991	23,462	24,691	24,139	23,836	24,498
Gold, kg	598	862	748	720	866	816	726	841
Gold, troy oz.	19,224	27,707	24,048	23,152	27,838	26,247	23,331	27,024
Silver, kg	13,666	15,714	17,269	12,838	12,554	12,232	9,375	11,486
Silver, '000 troy oz.	439	505	555	413	404	393	301	369
<b>THE BOLIDEN AREA</b>								
Milled ore, Ktonnes	524	434	509	447	521	469	485	504
Of which, smelter slag	60	54	54	53	47	44	65	74
Head grades								
Zinc, %	3.7	3.8	4.2	3.3	3.2	3.4	3.9	3.9
Copper, %	0.3	0.4	0.4	0.3	0.4	0.4	0.4	0.3
Lead, %	0.4	0.4	0.5	0.3	0.3	0.3	0.4	0.5
Gold, g/tonne	1.9	2.0	2.2	1.8	1.4	2.3	1.8	2.0
Silver, g/tonne	49	60	68	46	48	46	50	68
Tellurium, g/tonne	35	37	43	41	40	55	41	37
Production of metal in concentrate								
Zinc, tonnes	15,465	13,409	17,589	12,122	13,512	13,381	14,888	15,695
Copper, tonnes	1,124	1,260	1,243	1,017	1,302	1,218	1,172	1,072
Lead, tonnes	710	786	1,131	455	749	572	710	1,108
Gold, kg	625	618	767	600	511	874	614	695
Gold, troy oz.	20,078	19,882	24,652	19,286	16,438	28,085	19,732	22,343
Silver, kg	17,009	18,232	25,633	13,968	17,104	15,450	16,455	23,885
Silver, '000 troy oz.	547	586	824	449	550	497	529	768
Tellurium, kg	8,824	7,718	12,021	11,382	8,053	13,185	9,382	7,803
<b>TARA</b>								
Milled ore, Ktonnes	578	587	537	585	520	558	602	595
Head grades								
Zinc, %	5.8	5.7	7.7	6.6	5.5	5.3	5.7	4.4
Lead, %	1.1	1.1	1.4	1.3	1.0	1.1	1.1	0.8
Production of metal in concentrate								
Zinc, tonnes	32,098	32,212	39,610	36,514	27,175	28,443	32,893	24,814
Lead, tonnes	4,023	4,134	5,077	4,867	2,947	3,821	4,200	3,036
Silver <sup>1</sup> , kg	292	219	245	345	240	330	403	350
Silver <sup>1</sup> , '000 troy oz.	9,394	7,041	7,877	11,092	7,716	10,610	12,956	11,253

1 Silver Production in Tara is not payable.

# Quarterly data per unit - Mines

**Q2**  
2019

	3-2017	4-2017	1-2018	2-2018	3-2018	4-2018	1-2019	2-2019
<b>GARPENBERG</b>								
Milled ore, Ktonnes	631	695	646	670	676	629	714	700
Head grades								
Zinc, %	3.7	4.9	3.4	3.5	4.7	5.0	4.1	3.8
Copper, %	0.0	0.1	0.1	0.0	0.1	0.1	0.0	0.1
Lead, %	1.6	2.0	1.4	1.4	1.8	1.8	1.5	1.4
Gold, g/tonne	0.2	0.3	0.3	0.3	0.2	0.3	0.2	0.2
Silver, g/tonne	121	137	153	134	135	117	111	118
Production of metal in concentrate								
Zinc, tonnes	21,589	32,171	20,251	21,688	29,733	29,439	27,295	25,286
Copper, tonnes	149	243	175	163	171	183	139	176
Lead, tonnes	8,147	11,820	7,675	7,858	10,505	9,217	9,057	8,147
Gold, kg	100	169	136	153	115	137	108	124
Gold, troy oz.	3,228	5,449	4,381	4,932	3,707	4,393	3,471	3,981
Silver, kg	58,341	73,275	77,919	69,671	70,822	54,337	58,852	63,015
Silver, '000 troy oz.	1,876	2,356	2,505	2,240	2,277	1,747	1,892	2,026
<b>KEVITSA</b>								
Milled ore, Ktonnes	2,026	2,010	1,886	1,881	1,900	1,915	1,782	1,746
Head grades								
Copper, %	0.43	0.44	0.41	0.42	0.39	0.36	0.30	0.30
Nickel, %	0.25	0.25	0.25	0.28	0.28	0.25	0.23	0.19
Cobalt, %	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Gold, g/tonne	0.16	0.17	0.15	0.16	0.15	0.14	0.12	0.10
Palladium, g/tonne	0.20	0.20	0.23	0.25	0.23	0.19	0.19	0.12
Platinum, g/tonne	0.32	0.33	0.36	0.40	0.38	0.32	0.32	0.21
Production of metal in concentrate								
Copper, tonnes	7,966	8,080	7,065	7,197	6,838	6,397	4,882	4,830
Nickel, tonnes	3,468	3,450	3,432	3,697	3,478	3,342	2,917	2,141
Cobalt, tonnes	150	152	146	152	149	144	135	110
Gold, kg	172	175	155	166	167	142	119	92
Gold, troy oz.	5,519	5,611	4,990	5,340	5,379	4,552	3,817	2,971
Palladium, kg	260	251	276	322	304	255	241	146
Palladium, troy oz.	8,362	8,058	8,889	10,338	9,784	8,198	7,749	4,689
Platinum, kg	365	355	380	443	415	338	312	201
Platinum, troy oz.	11,749	11,403	12,223	14,229	13,351	10,880	10,017	6,451
<b>KYLYLAHTI</b>								
Milled ore, Ktonnes	199	205	176	208	197	204	205	185
Head grades								
Zinc, %	0.5	0.5	0.4	0.5	0.4	0.4	0.3	0.4
Copper, %	1.2	1.2	0.9	1.3	0.8	1.0	0.7	0.9
Nickel, %	-	-	0.2	0.2	0.2	0.2	0.3	0.2
Cobalt, %	-	-	0.2	0.2	0.2	0.2	0.2	0.2
Gold, g/tonne	1.0	1.2	0.8	0.8	1.1	1.2	1.0	0.7
Production of metal in concentrate								
Zinc, tonnes	464	290	177	436	192	206	160	328
Copper, tonnes	2,128	2,325	1,425	2,461	1,493	1,974	1,324	1,487
Nickel, tonnes	-	-	91	79	169	179	262	100
Cobalt, tonnes	-	-	44	38	104	93	152	71
Gold, kg	155	204	104	128	175	197	157	96
Gold, troy oz.	4,984	6,569	3,359	4,123	5,630	6,323	5,050	3,072

# Quarterly data per unit - Smelters

**Q2**  
2019

	3-2017	4-2017	1-2018	2-2018	3-2018	4-2018	1-2019	2-2019
<b>RÖNNSKÄR</b>								
Feed, tonnes								
Copper								
Copper concentrate	140,103	166,007	162,283	163,418	168,100	170,771	170,819	169,420
Secondary raw materials	45,585	45,358	42,641	40,464	41,133	46,423	41,761	42,803
Of which, electronics	17,522	20,435	19,415	21,900	22,896	22,019	20,249	20,845
Copper, total	185,688	211,365	204,924	203,882	209,233	217,194	212,580	212,223
Lead								
Lead concentrate	8,931	10,716	11,777	8,451	10,735	11,644	10,093	11,756
Secondary raw materials	447	1,216	476	426	423	656	110	200
Lead, total	9,378	11,932	12,253	8,877	11,158	12,300	10,203	11,956
Production								
Cathode copper, tonnes	53,910	55,486	57,021	54,681	54,191	58,594	55,027	52,842
Lead, tonnes	7,524	7,131	7,317	6,745	7,300	7,290	7,019	6,934
Zinc clinker, tonnes	9,700	9,106	8,956	7,774	6,195	8,089	8,343	8,302
Gold, kg	3,401	3,323	3,375	3,575	3,316	3,086	3,528	3,368
Gold, troy oz.	109,329	106,831	108,497	114,946	106,609	99,215	113,425	108,281
Silver, kg	121,200	117,902	120,700	123,602	116,200	111,204	100,142	107,069
Silver, '000 troy oz.	3,897	3,791	3,881	3,974	3,736	3,575	3,220	3,442
Sulphuric acid, tonnes	118,289	130,000	125,433	130,301	129,212	133,374	133,587	130,822
<b>BERGSÖE</b>								
Feed, tonnes								
Battery raw materials	12,726	19,971	19,198	17,943	11,926	18,150	17,264	19,647
Production, tonnes								
Lead alloys	9,036	13,926	13,596	12,743	7,438	13,355	12,267	13,664

# Quarterly data per unit - Smelters

**Q2**  
2019

	3-2017	4-2017	1-2018	2-2018	3-2018	4-2018	1-2019	2-2019
<b>HARJAVALTA</b>								
Feed, tonnes								
Copper								
Copper concentrate	147,180	142,495	136,835	123,373	130,340	131,879	127,416	70,443
Secondary raw materials	6,534	5,360	4,710	6,697	6,323	9,021	5,770	4,447
Copper, total	153,714	147,854	141,544	130,070	136,663	140,900	133,186	74,890
Nickel concentrate	73,560	67,936	74,314	68,849	72,813	80,486	82,371	66,607
Production								
Cathode copper, tonnes	33,524	33,602	35,191	34,940	34,478	34,479	32,214	19,648
Nickel in matte	7,409	6,443	8,356	7,528	7,486	7,937	8,539	6,851
Gold, kg	991	1,010	1,078	945	706	572	507	992
Gold, troy oz.	31,857	32,459	34,648	30,369	22,714	18,383	16,304	31,903
Silver, kg	14,880	19,580	14,640	21,640	17,320	19,540	20,940	16,600
Silver, '000 troy oz.	478	630	471	696	557	628	673	534
Sulphuric acid, tonnes	183,566	173,355	170,454	159,339	166,873	173,897	169,358	109,956
<b>KOKKOLA</b>								
Feed, tonnes								
Zinc concentrate	142,335	149,192	141,573	141,423	146,598	148,617	150,121	135,579
Production, tonnes								
Zinc	69,904	75,211	71,421	75,693	71,707	76,208	75,083	70,497
Silver in concentrate, kg	3,986	4,783	4,945	2,529	4,454	6,277	4,513	4,147
Silver in concentrate, '000 troy oz.	128	154	159	81	143	202	145	133
Sulphuric acid	80,964	86,598	78,256	71,516	87,433	85,148	84,818	72,915
<b>ODDA</b>								
Feed, tonnes								
Zinc concentrate, incl. zinc clinker	87,035	69,584	93,331	95,426	90,855	86,289	94,347	98,730
Production, tonnes								
Zinc	45,087	36,160	48,289	49,039	49,134	44,108	46,759	49,637
Sulphuric acid	28,468	18,720	31,119	29,273	28,634	30,143	31,823	32,296

# Ntombi wants to expand her business. She couldn't without metals.

Women all over the world are empowered by starting companies of their own. Thanks to mobile communication, they can place orders, pay the bills and watch their business grow. But mobile phones cannot function without copper, gold and silver – metals that can be recycled and reused over and over again. Ntombi is in it for the long run, and so are our metals.



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