

Boliden's Capital Markets Day
Kokkola, Finland 4-5 November 2008

Introduction and Q3 summary

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President & CEO

The Boliden logo consists of a stylized 'B' icon followed by the word 'BOLIDEN' in a bold, sans-serif font.

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Third Quarter

Market

- Weakening demand
- Pressure on zinc price
- Weakening copper price
- Stable gold and decline in silver price
- Strengthening dollar

Boliden

- Lower production in Mines
- Smelters had higher copper but lower zinc metal production
- Revenues SEK 7,513 million (8,166)
- Operating profit SEK -142 million (1,332)
- Operating margin -2% (16%)
- Return on equity 13%
- Strong financial and liquidity position



Segment Smelters

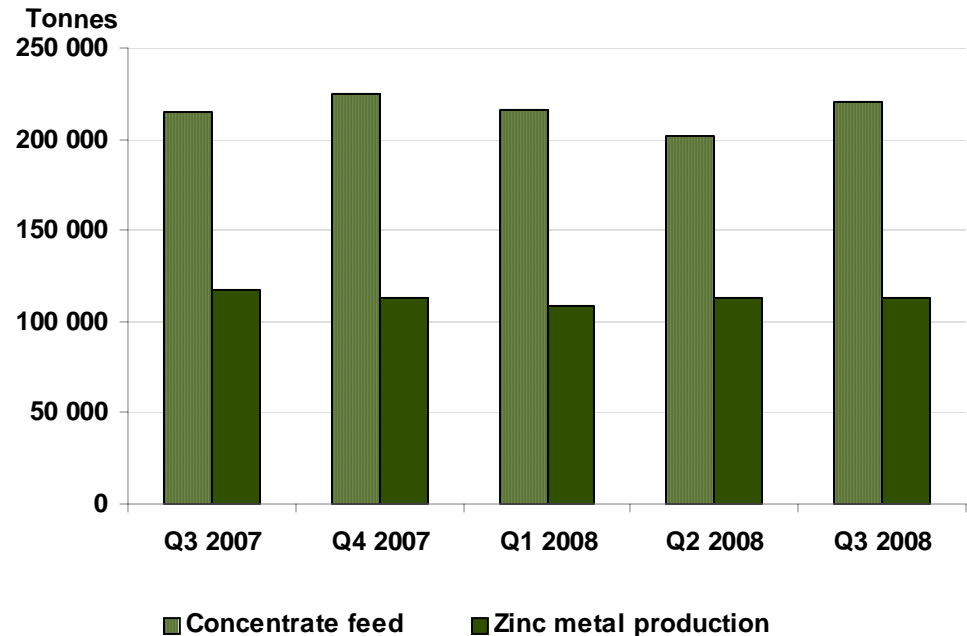
Smelters – increased feed and stable zinc metal production compared with Q2

■ Odda

- Planned maintenance shutdown – continues into Q4
- Unplanned stop in September due to equipment failure
- Continued synergy work with Kokkola

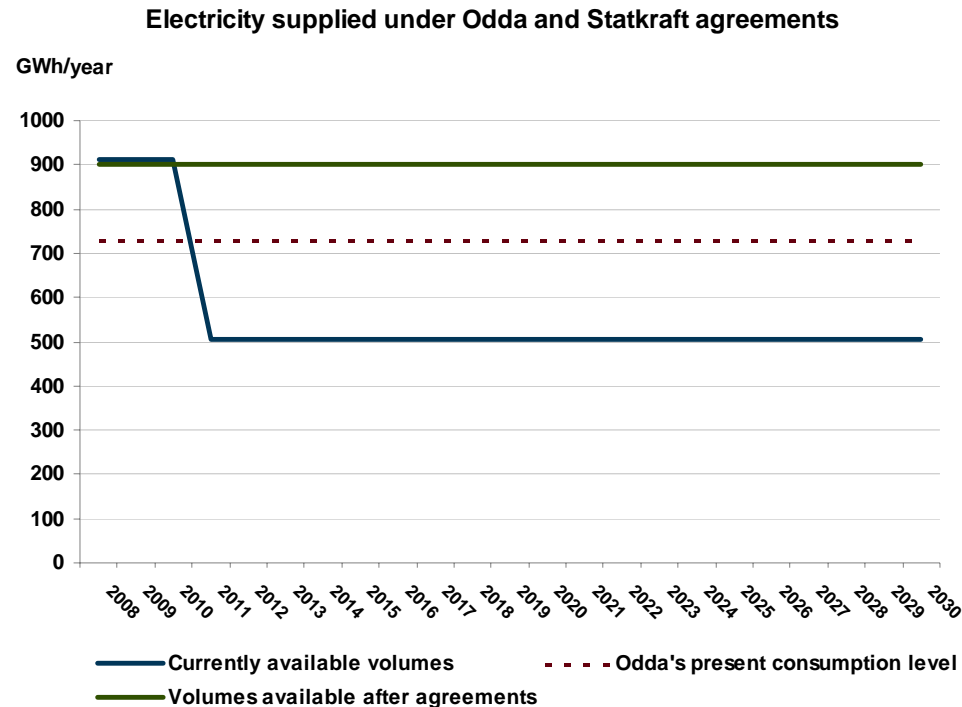
■ Kokkola

- Concentrate feed up 5 percent
- Lower production due to maintenance



Odda signs agreements for long term electricity supply

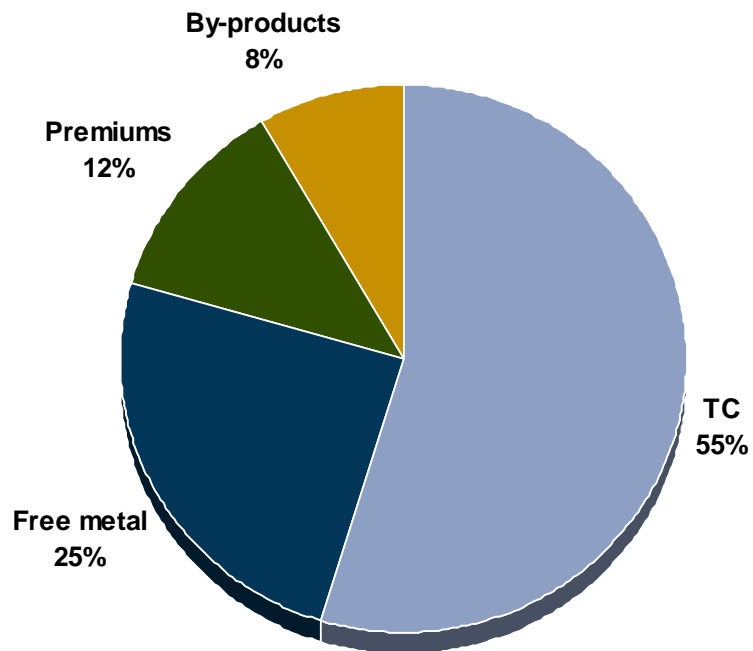
- Odda and Statkraft entered into electricity supply agreements for 2009-2030
 - Total quantity of 900 GWh/year
- Positive for Odda's long term competitiveness
 - Ensures access to a reliable supply at predictable and favourable prices



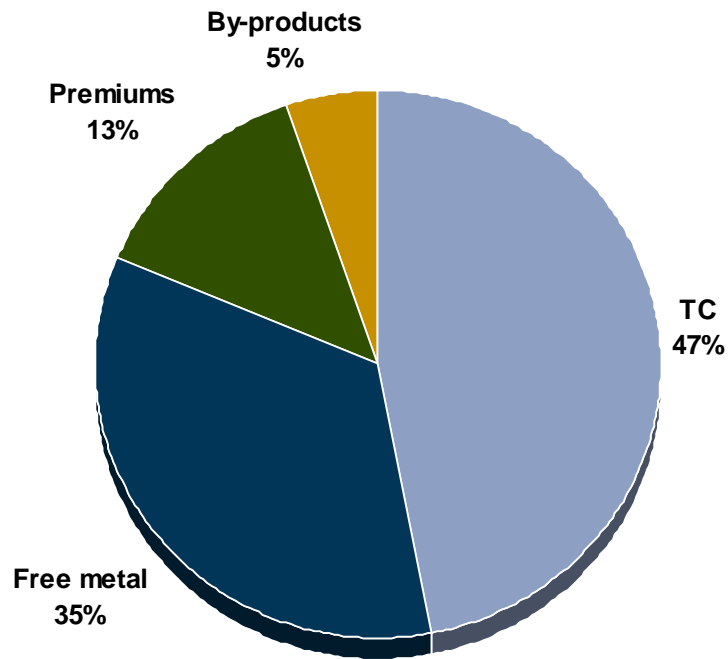
Zinc smelters' revenue distribution

Zn prices hit free metal and escalators

9M 2008



9M 2007



Smelters – stable feed and copper cathode production

■ Rönnskär

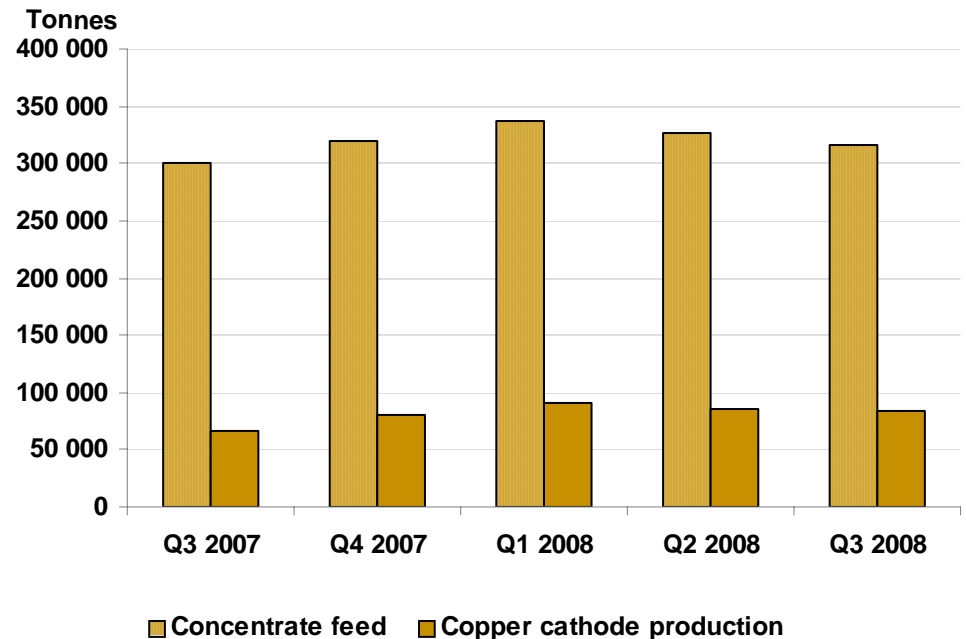
- Planned maintenance shutdown
- Stable feed

■ Harjavalta

- Increased concentrate feed
- Quality of concentrates remains variable

■ Bergsöe (lead)

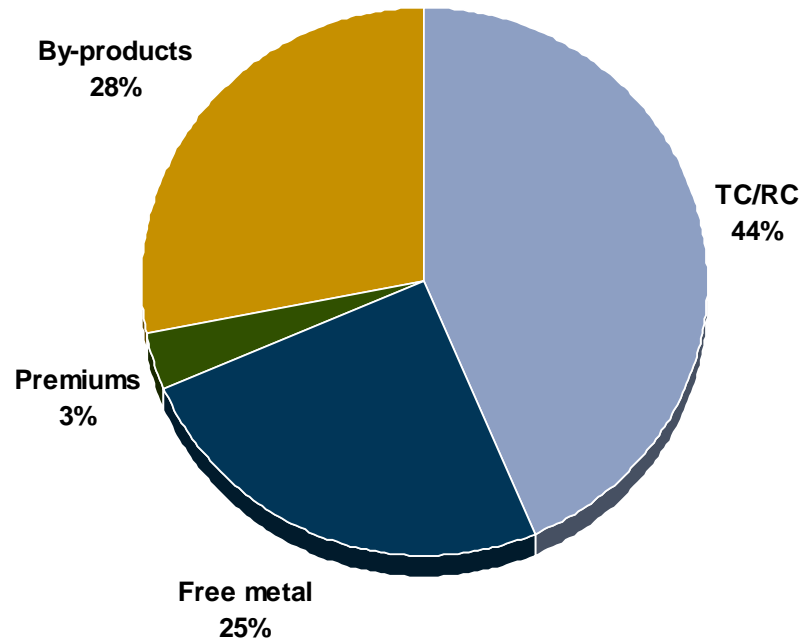
- Planned maintenance shutdown



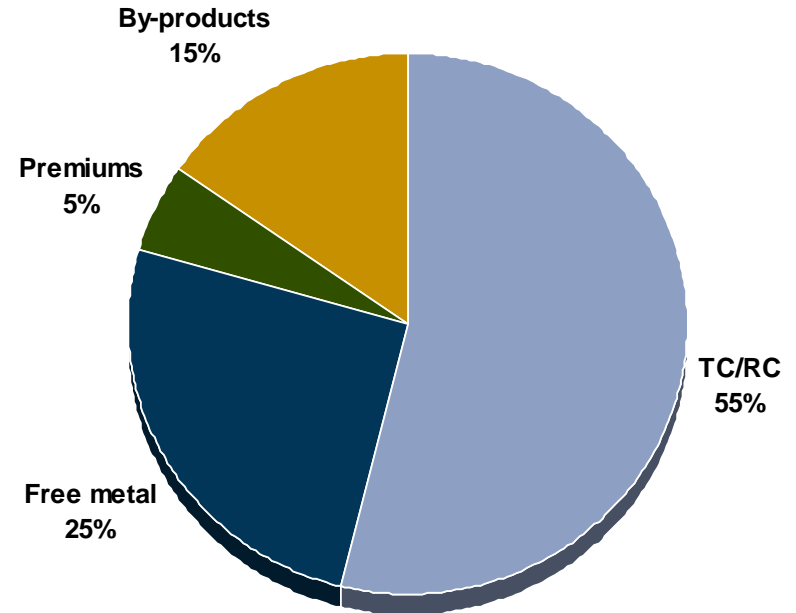
Copper smelters' revenue distribution

Lower TC/RC, good development on by-products

9M 2008



9M 2007





Segment Mines

Mines' zinc production

■ Garpenberg

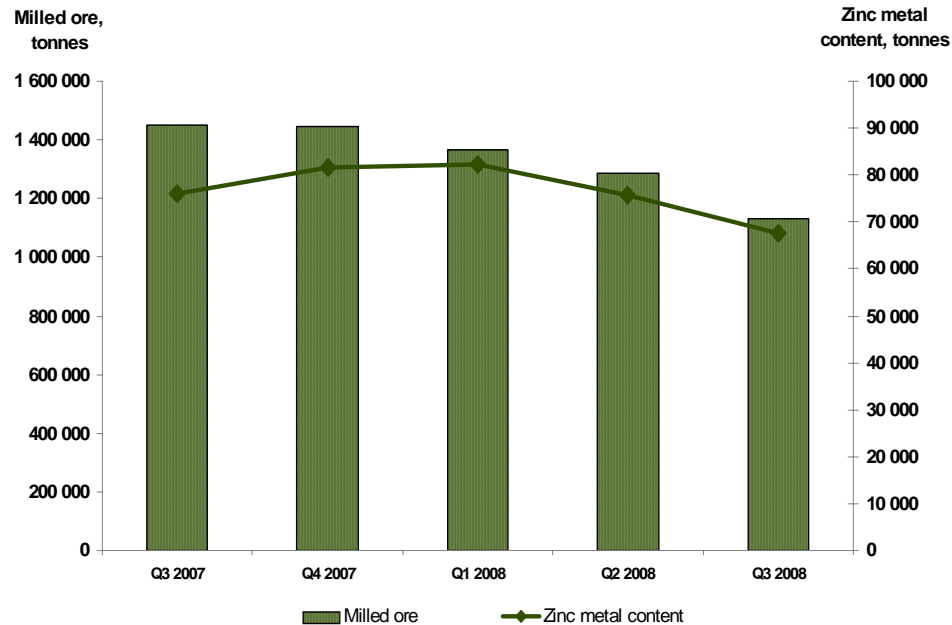
- Production record
- Expansion from 1.2 to 1.4 million tonnes in progress

— Tara

- Imbalance between development and production
- Production on lower levels over next 3-6 months

■ Boliden area

- Planned cutbacks 2008-2009, back in full production Q2-2010



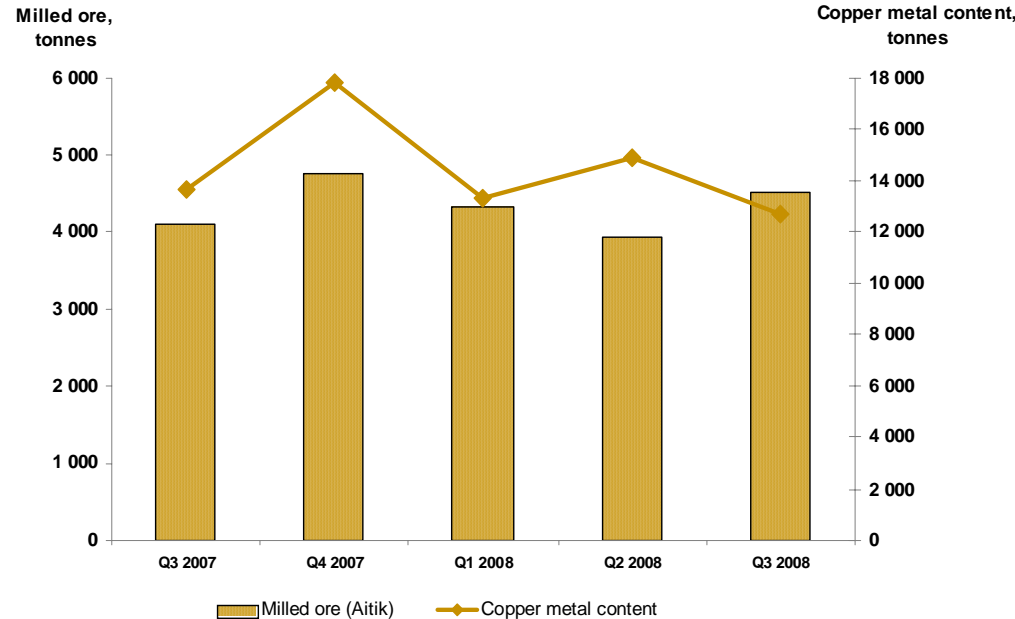
Mines' copper production

■ Aitik

- Mining in low grade sections due to high water levels
- Improved grindability

■ Boliden area

- Planned cutbacks 2008-2009, back in full production Q2-2010



Aitik 36

Project time-plan

- Project running on schedule
- Milled ore production raised from 18 to 36 million tonnes by 2014
- Start-up March 2010 and ramp up to annual rate of 33 million tonnes after Q2 2010

CAPEX update

- CAPEX will be approx. SEK 6 billion (SEK 5.2 billion)
- Higher mine site construction and infrastructure costs
- Group CAPEX plan for 2008 and 2009 remains unchanged



Financials

Financial summary

SEK m	Q3 08	Q3 07	Change	9M 08	9M 07	Change
Revenues	7,513	8,166	-8%	24,700	25,913	-5%
Operating profit (EBIT)	-142	1,332	n.a.	1,495	4,838	-69%
EBIT margin, %	-2	16		6	19	
Free cash flow (before financing activities)	-117	62	n.a.	1,371	1,630	-16%
Earnings per share, SEK	- 0.49	3.20	n.a.	5.07	11.96	-58%
Gearing	37%	40%				

- Satisfactory cash flow despite difficult market conditions and higher investment spending

EBIT – 2008 vs. 2007

SEK m	Q3	9M
EBIT 2007	1,332	4,838
Exchange rate effects	- 34	-887
Metal prices and terms	-1,189	- 2,147
Difference – Metal price hedging	271	963
Difference – Iron stock result	-193	- 172
Definite prices (MAMA)	-86	212
TC/RC terms	-44	-215
Premiums	-115	-203
Total effect prices and terms	-1,356	- 1,562
Volume variation, Smelters	144	142
Volume variation, Mines	-71	-556
Total volume variation	73	-414
Change in costs	-153	-498
Other	-4	18
EBIT 2008	-142	1,495

EBIT – Q3 2008 vs. Q2 2008

SEK m	
EBIT Q2 2008	406
Exchange rate effects	209
Metal prices and terms	-593
Difference – Metal price hedging	24
Difference – Iron stock result	-142
Definite prices (MAMA)	-14
TC/RC terms	-14
Premiums	-71
Total effect prices and terms	-810
Volume variation, Smelters	78
Volume variation, Mines	-144
Total volume variation	-66
Change in costs	132
Other	- 13
EBIT Q3 2008	- 142

Action being taken to assure short term and long term competitiveness

- CAPEX reductions
 - To compensate higher CAPEX for Aitik 36

- Productivity programmes
 - Odda/Kokkola, Aitik, Garpenberg

- Procurement project

- Head count reductions
 - Reduction of entrepreneurs, some 200 persons
 - Boliden employees, 230 persons through normal and early retirement
 - Annual effect of some SEK 220 million

Looking into Q4

- Sharp fall in metal prices in the beginning of Q4
- Capacity reductions announced for many mines and smelters in the world
- Low visibility

- Action programmes implementation
- Maintenance stop. EBIT impact approx. – 50 MSEK

Boliden in brief, November 2008

	Positive	Negative
Market	<p>Cost levels on way down(?)</p> <p>Strong USD</p>	<p>General demand</p> <p>Zn price, TC and premiums</p> <p>Cu falling sharply</p> <p>Aitik overrun</p>
Boliden	<p>Expansion 2010</p> <p>Garpenberg</p> <p>Exploration</p> <p>Energy deal Norway</p> <p>Cu Smelter flexibility</p> <p>New financing, spring '08</p> <p>Hedges</p>	<p>Production Boliden area</p> <p>Cost development</p> <p>Tara developments</p> <p>Grindability Aitik</p>

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