



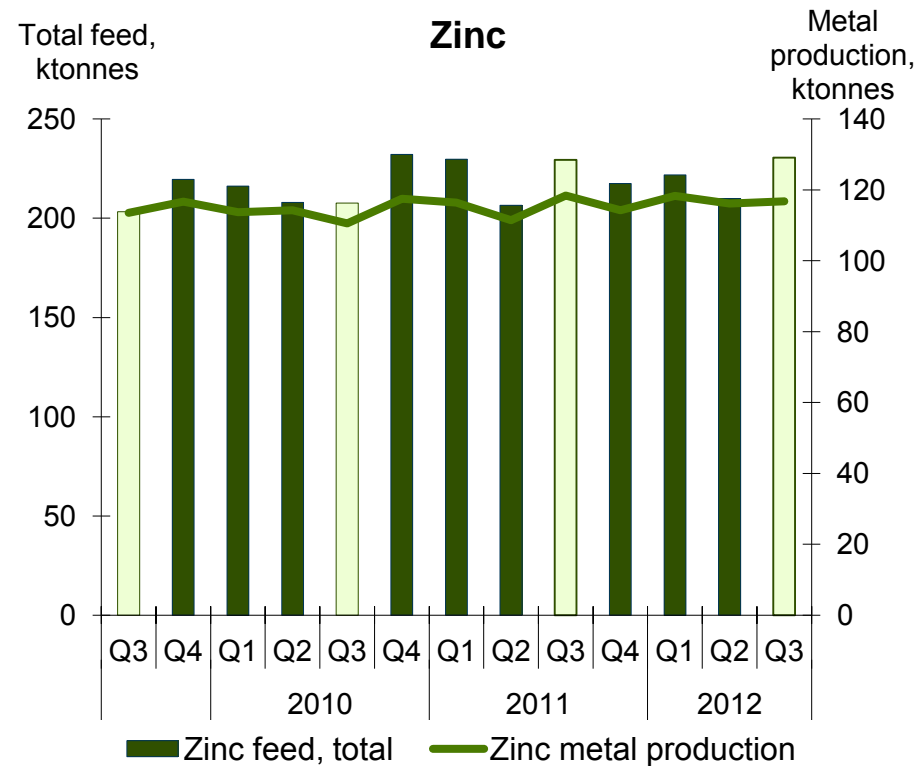
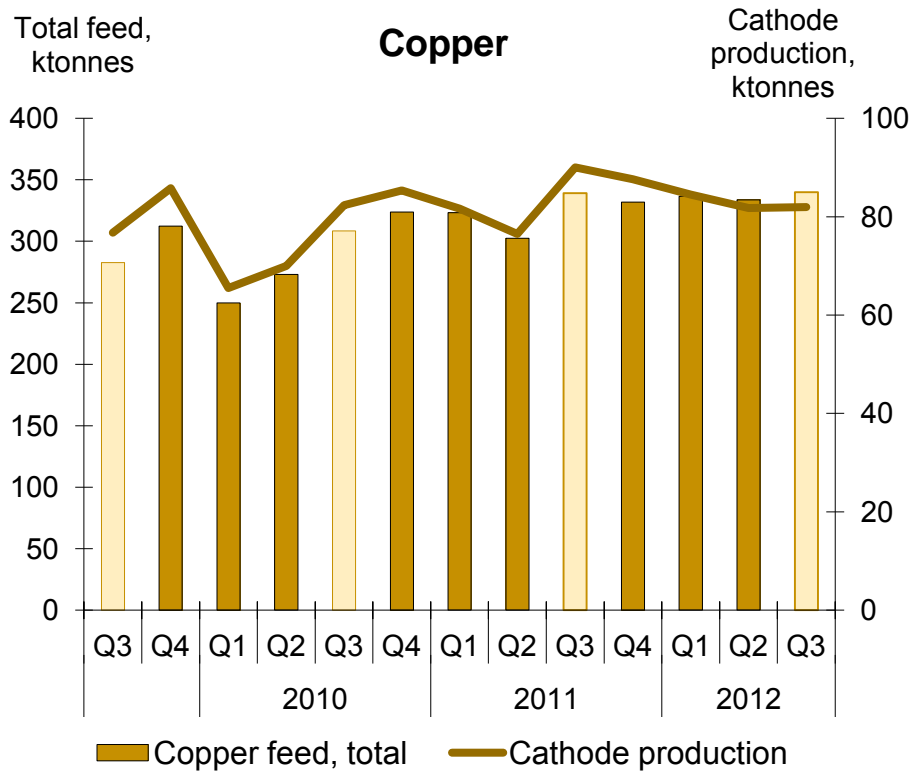
Smelters Update

Capital Markets Day
November 23rd 2012

Kerstin Konradsson
President, Boliden Smelters

 **BOLIDEN**

Smelters Production development

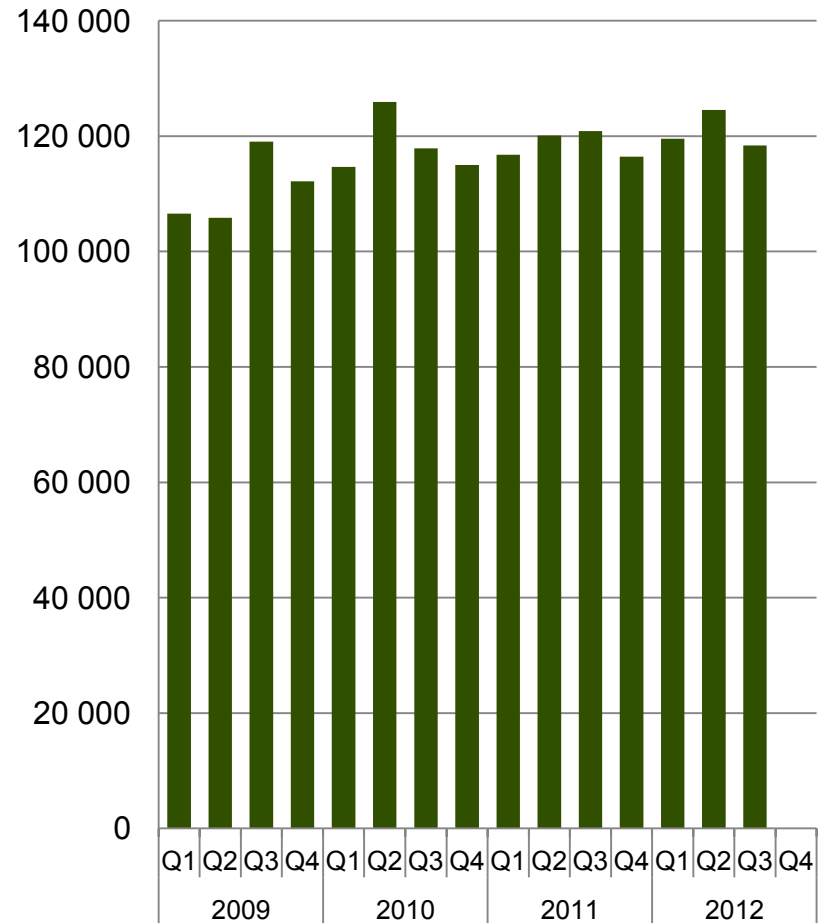
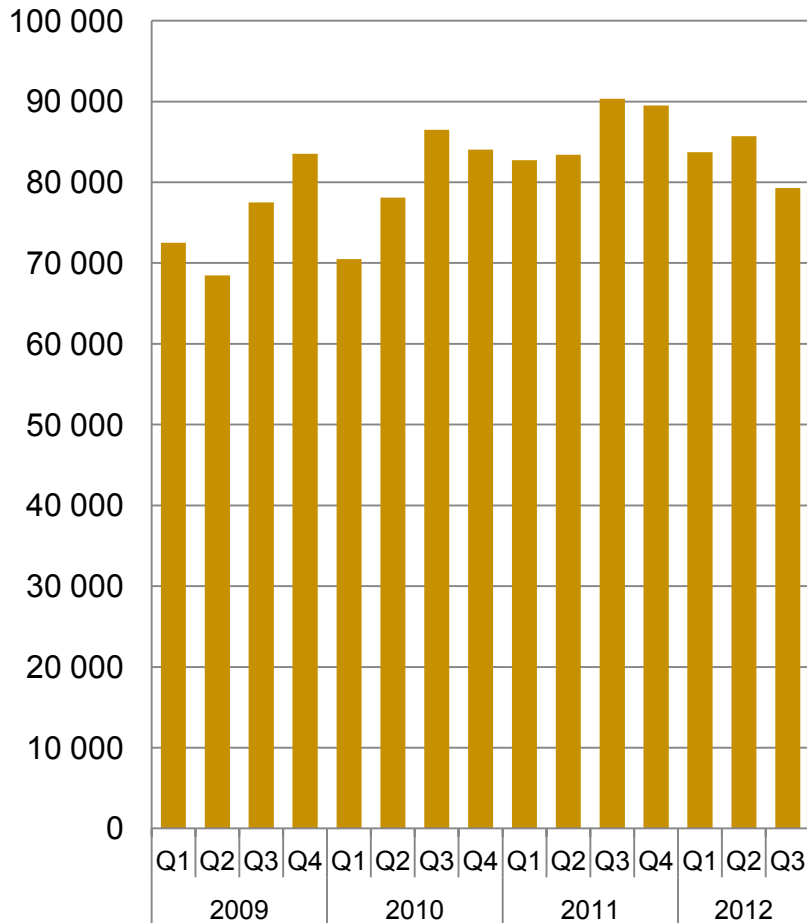


- Smaller production disturbances YTD Q3

- Stable production YTD Q3

Copper and Zinc sales 2009-2012 Q3

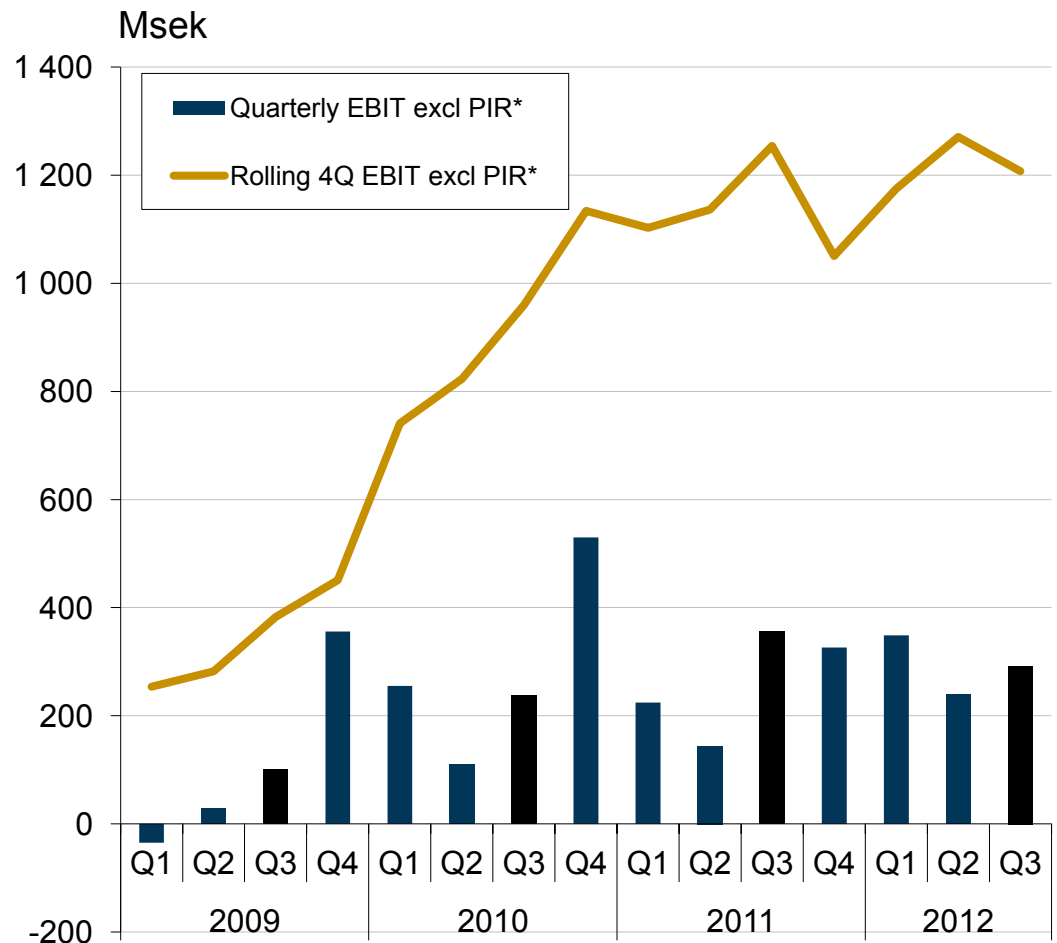
Copper slightly weaker, zinc stable



Smelters Financial development

- EBIT excl. PIR YTD Q3 881 (724) MSEK
 - Positive TC impact copper
 - Improved production stability
 - Cost control

- CAPEX YTD Q3 716 (1,102) MSEK



Maintenance 2013

- Maintenance stops
 - Rönnskär
 - Harjavalta
 - Odda
 - Kokkola
- EBIT effect -325 MSEK
 - -300 in Q2
 - Full year 2012 170 MSEK



Strategic activities

- Environment, Health & Safety
- Raw material supply
- Cost efficiency
- Profitability improvement
- Customer base



Bergsöe

- Current situation
 - Tight supply of batteries
 - Significant raw material price increases
 - 3-4% volume increase
 - Stable cost level
 - Improved production stability
- Focus areas
 - Continued operational improvement
 - New sourcing markets



Rönnskär

- Current situation
 - Successful commissioning of new electronic scrap capacity
 - Electronic scrap capacity 120 kt/year
 - Strong position in copper and zinc ashes
- Focus areas
 - Production stability
 - Cost levels
 - Increase lead production
 - Recycling



Harjavalta

- Current situation
 - Improved production stability, positive trend 2012
 - Investments 2013 in maintenance and de-bottlenecking
- Focus areas
 - NBW focus on improving the copper flow with minimum waste
 - Develop nickel business model



Odda

- Current situation
 - Improved production stability
 - 10% cost reduction/ton zinc since 2010
- Direct leaching tank disruption
 - Approx. -30 MSEK EBIT effect in Q4
 - Analysis and repairs ongoing
- Focus areas
 - Cost reductions
 - Production increase to 170 kt
 - Increase volumes of high value products (zinc alloys)



Kokkola

- Current situation
 - Continued stable production
 - Hot Acid Leaching October 2012
- Focus areas
 - Silver recovery (see separate presentation)
 - Quality of sulphuric acid
 - De-bottlenecking of cellhouse by continuous improvements and investments





Silver recovery in Kokkola

Project status November 2012

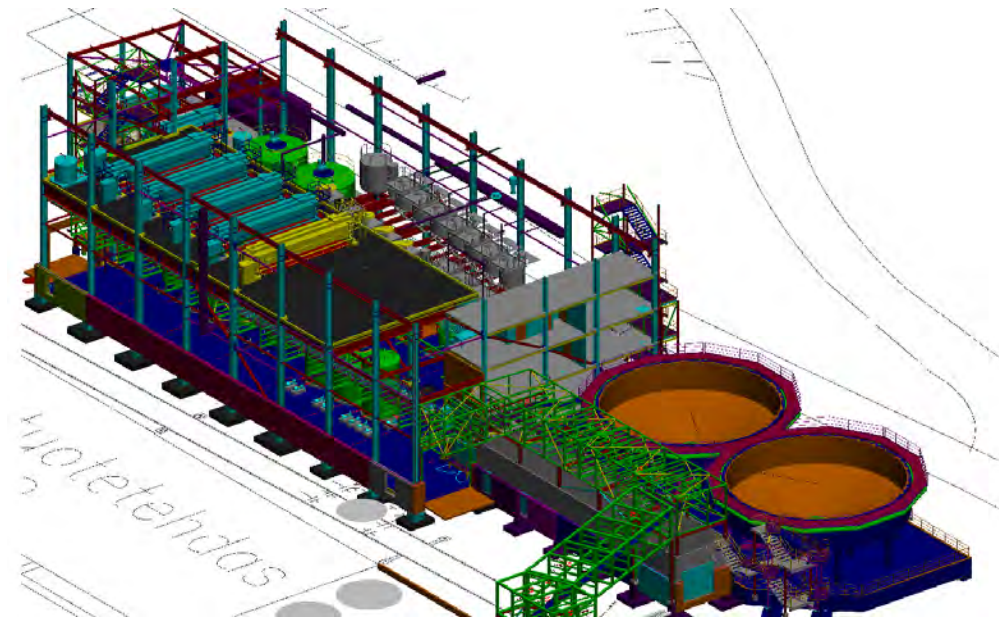
Background

- Increasing silver content in zinc concentrates
- High silver prices
- Leading zinc smelters have capability
- Only feed to the roaster, ~60%
- Flexibility to source concentrates between the smelters



Investment

- Investment 27 MEUR
- Project start-up Q2 2012
- Production Q3 2014
- Production of 25 tons silver
 - Silver concentrate, <10 000 g/ton, with small amounts of gold and lead
 - Further refinement elsewhere
- High profitability



Metals for modern life

