



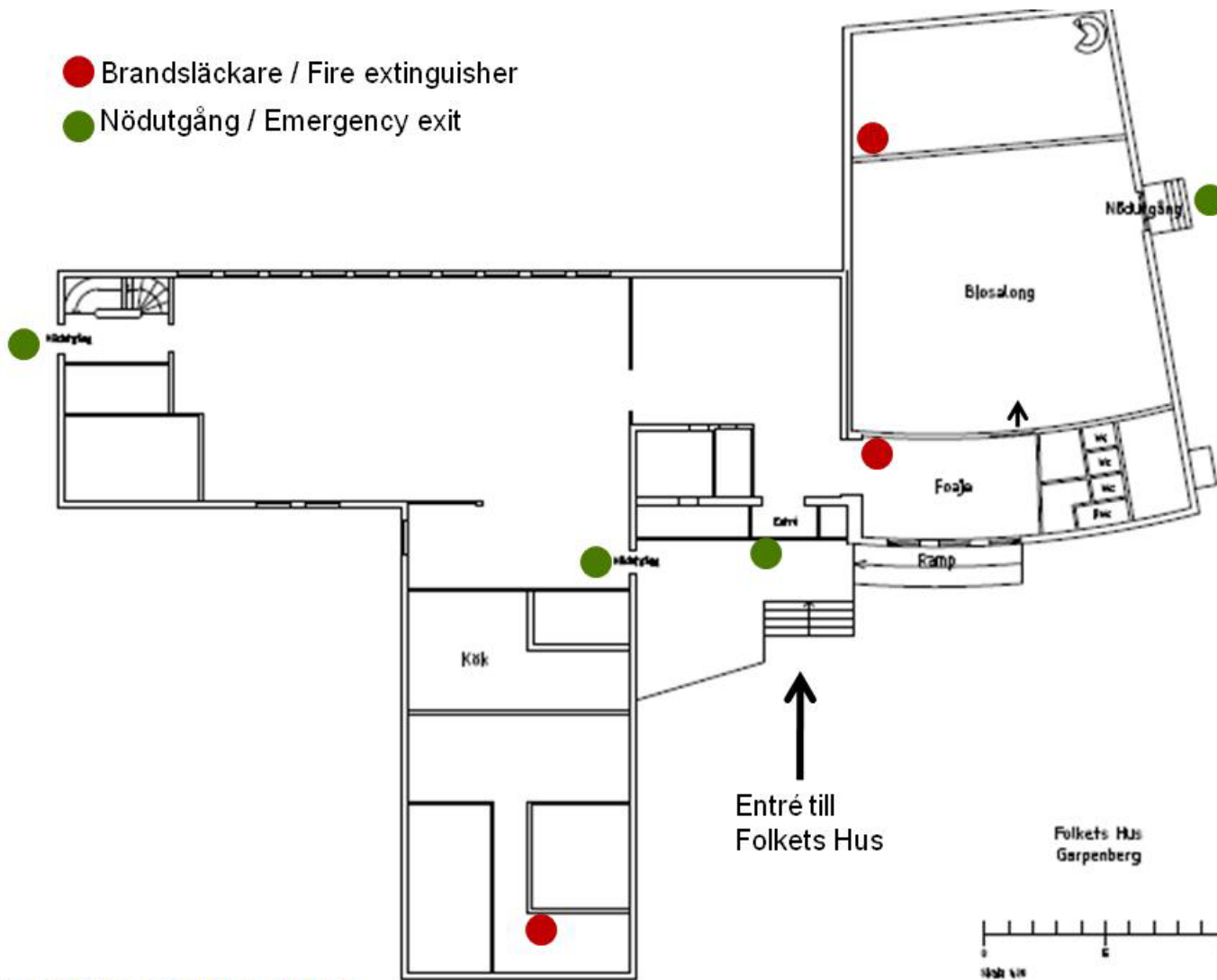
Group update and market outlook

Capital Markets Day 6 September

Lennart Evrell
President & CEO

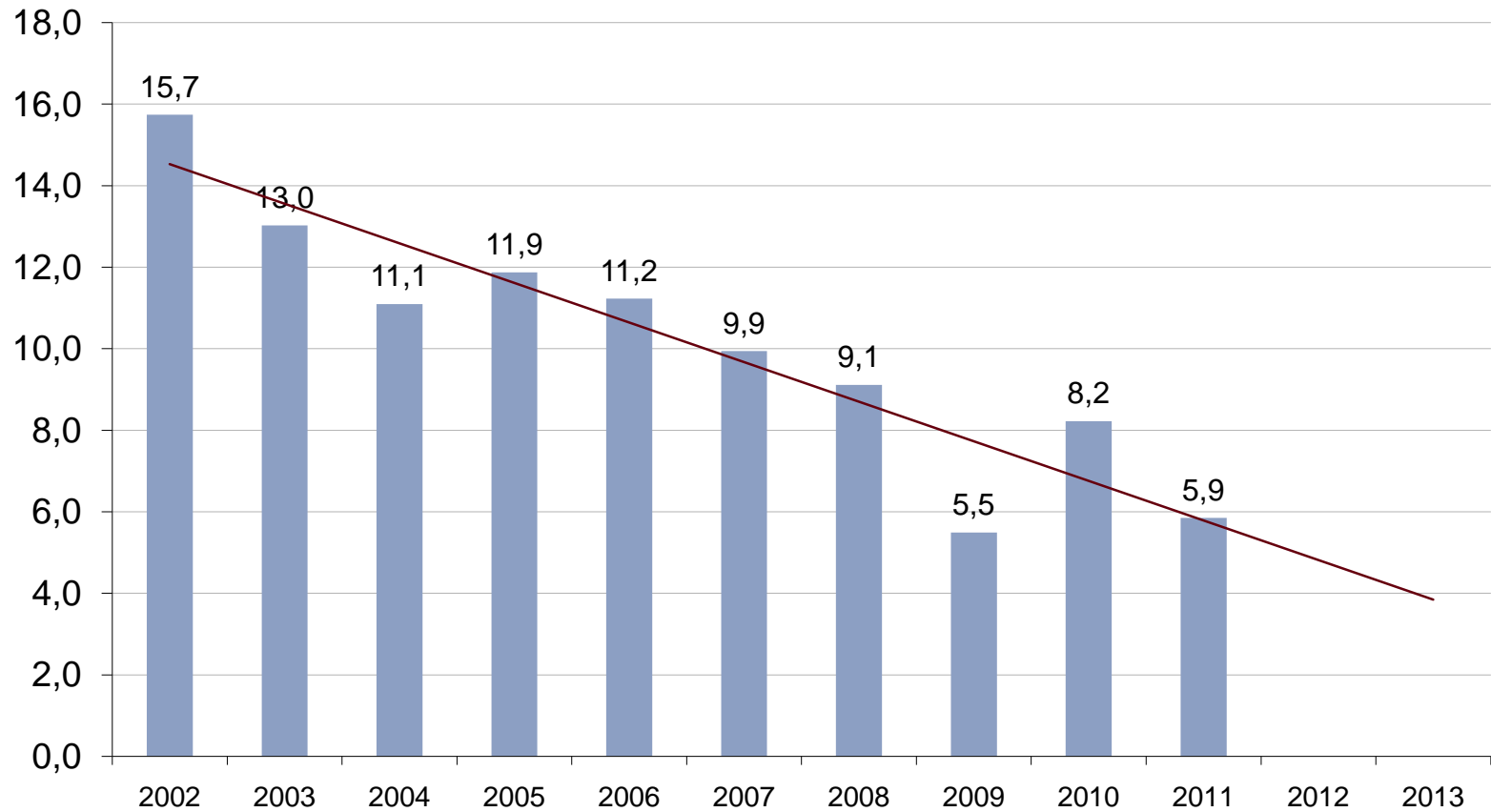
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- Brandsläckare / Fire extinguisher
- Nödutgång / Emergency exit



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LTI in Boliden 2002-2011ytd



Boliden 1995-2010

MSEK				
	1995	2000*	2005	2010
Net sales	8 675	9 825	20 441	36 716
EBIT**	703	-4 932	3 069	5 643
CAPEX	790	1 429	1 335	2 995
Equity		78	10 289	18 846
Gearing		10000%	54%	24%
No. of employees	5 404	4 584	4 530	4 412
Ownership	Trelleborg	Trelleborg, Toronto Stock Exchange	Stockholm Stock Exchange, Toronto	Stockholm Stock Exchange, Toronto
Copper USD/tonne	2 937	1 808	3 682	7 539
Zink USD/tonne	1 031	1 124	1 389	2 159
Gold USD/troy oz.	384	279	445	1 227
USD/SEK	7,13	9,17	7,48	7,20

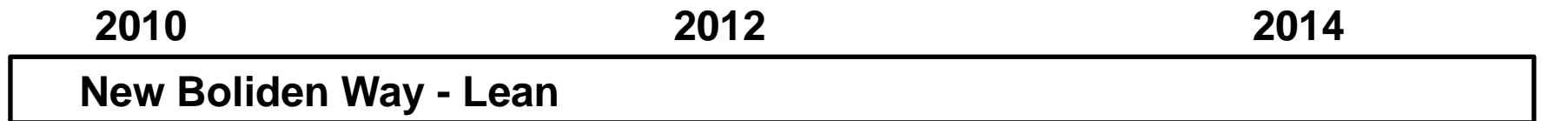
*Restated numbers from annual report 2001

**EBIT year 2000 includes unusual charges SEK 4.8 billion

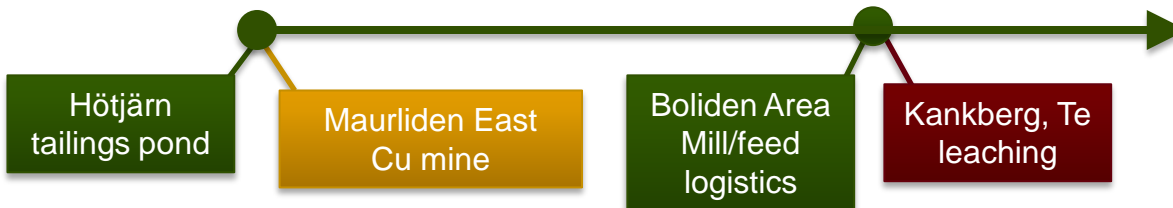


Boliden time line

Boliden Group



Boliden Area





Macro and metals outlook

September 2011

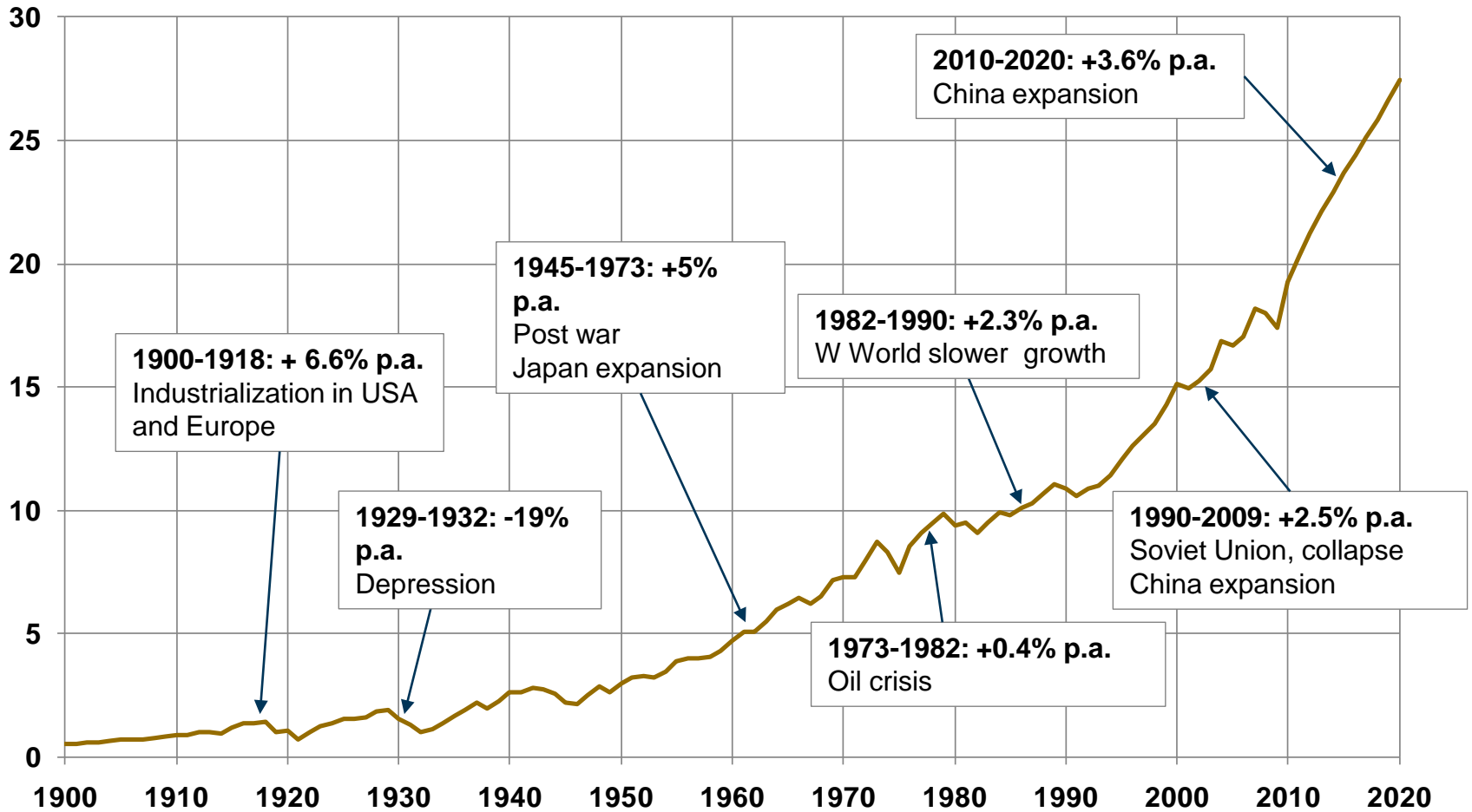
Metals Markets

Long term

Copper demand 1900-2020

World Copper Demand

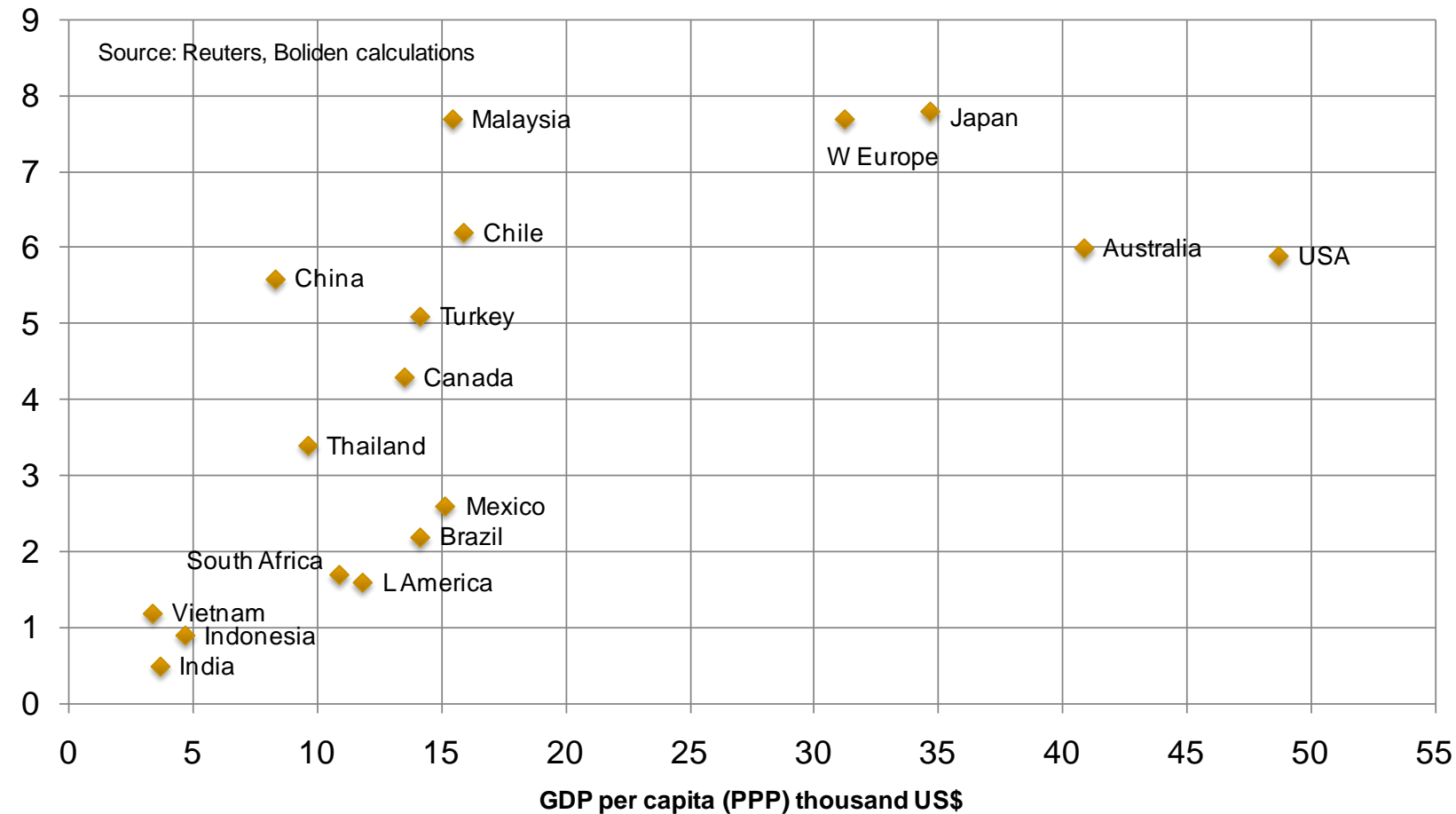
million tonnes



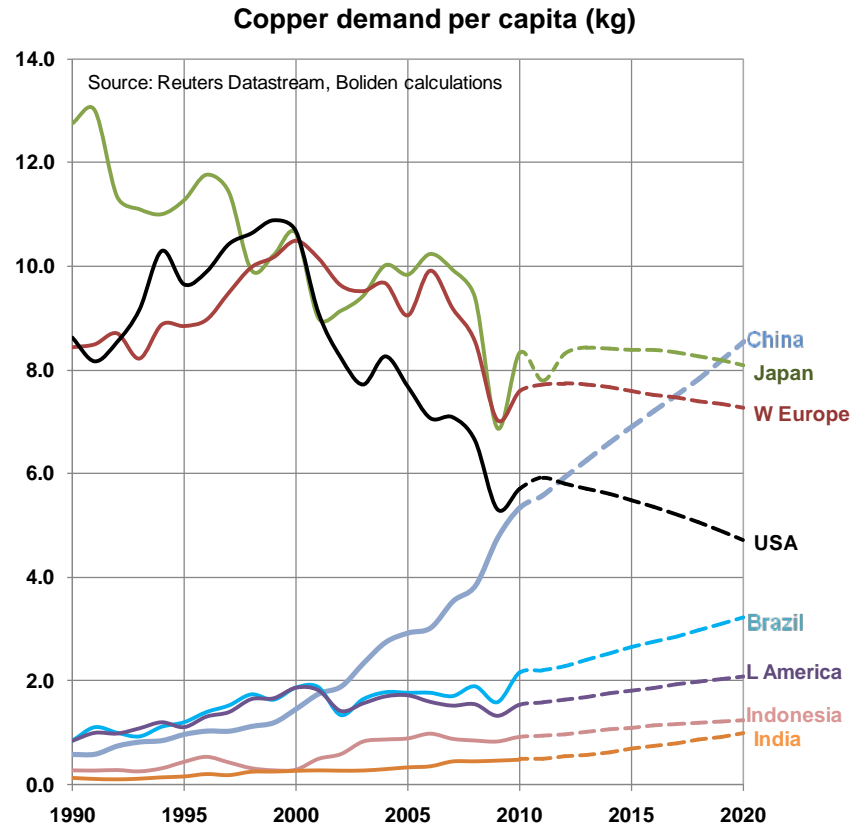
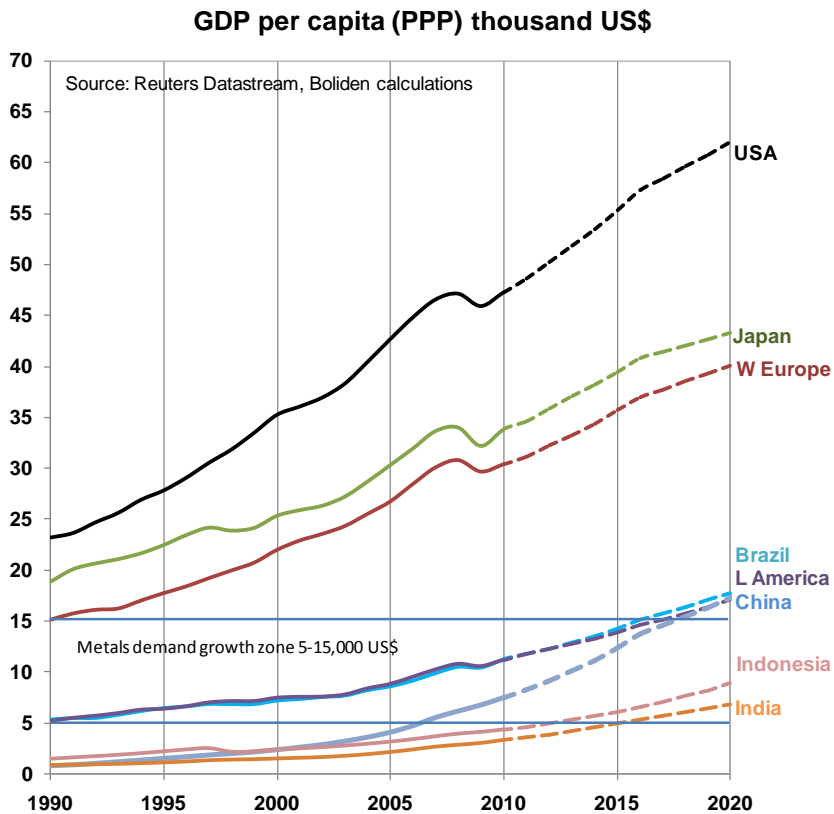
Source: Historic data: International Copper Study Group, Forecast: Brook Hunt - A Wood McKenzie company

Metals demand and GDP

kg Cu demand in kg per capita



Metals demand to 2020



China 15,000 USD before 2020

India and other countries entering the metals growth zone

Re-export of finished goods can take Chinese demand per capita above W.World peak levels

Metals world

Population in various growth phases

Stagnation (or decline)

- W Europe, Japan, USA

15,000-20,000 US\$ GDP per capita

- Russia, Argentina, Chile

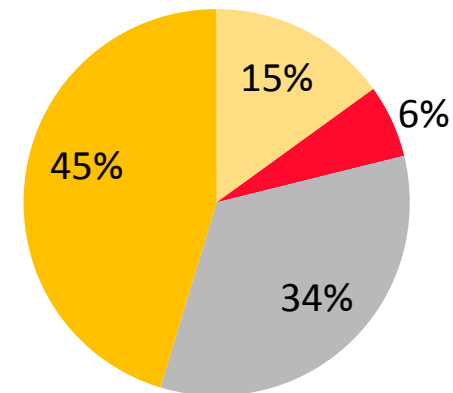
Growth Zone 5-15,000 US\$ GDP per capita

- China, Brazil, Middle East...

Below 5,000 US\$ GDP per capita

- India, Indonesia, Vietnam...

Share of world population



■ Stagnation

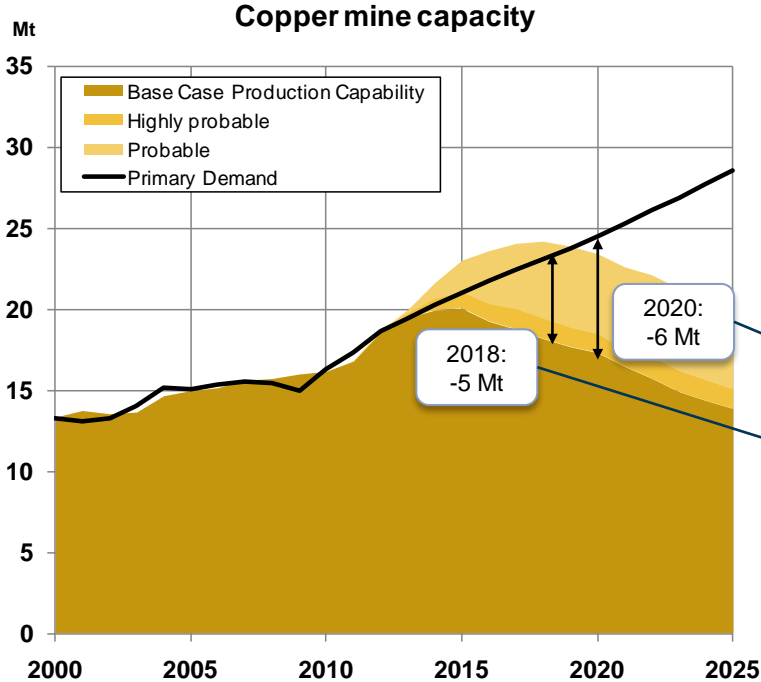
■ 15-20,000\$

■ 5-15,000\$

■ < 5,000\$

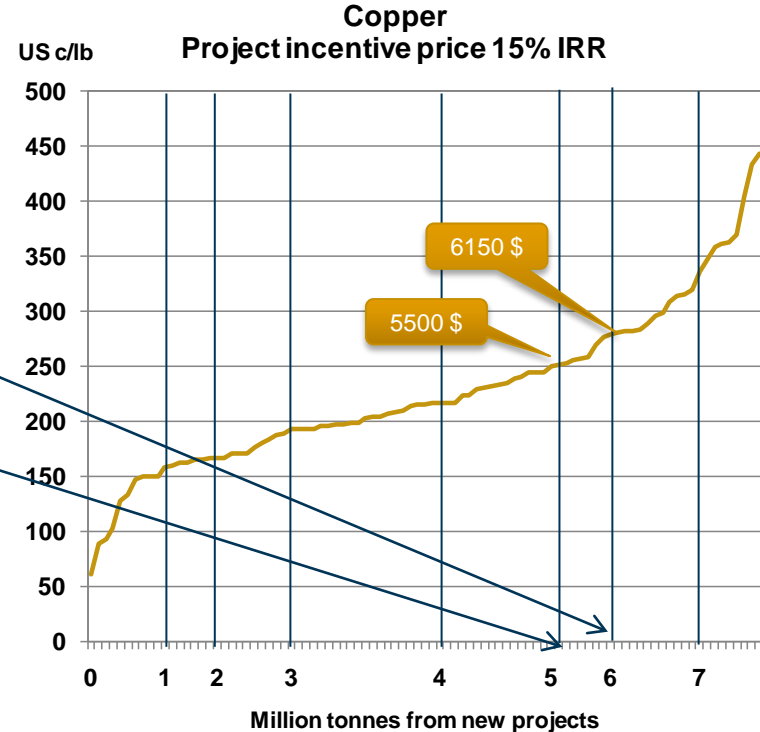
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Copper mine capability



Source: © Brook Hunt - A Wood McKenzie company

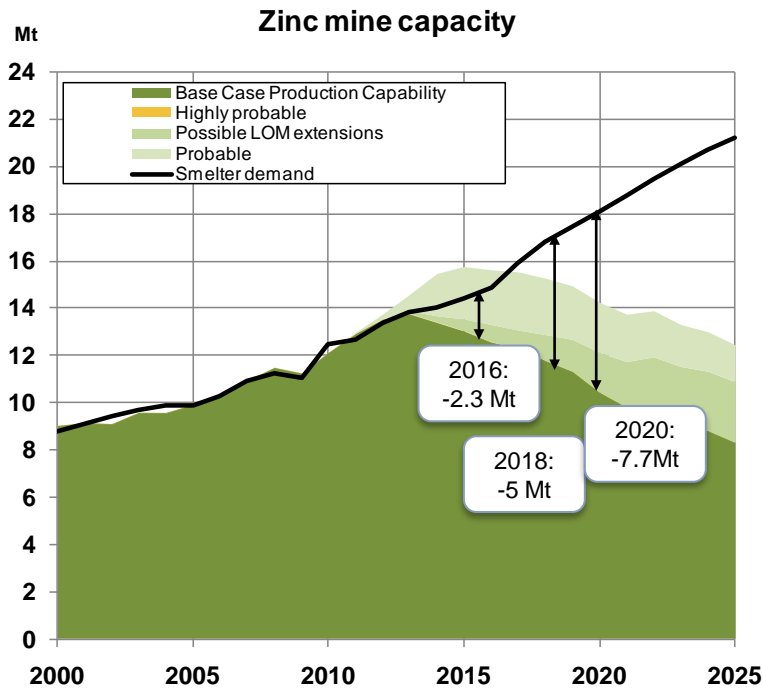
- Deficit increasing from 2014
- Projects identified could cover to 2019
- Early stage projects (possible) could cover thereafter



Source: © Brook Hunt - A Wood McKenzie company

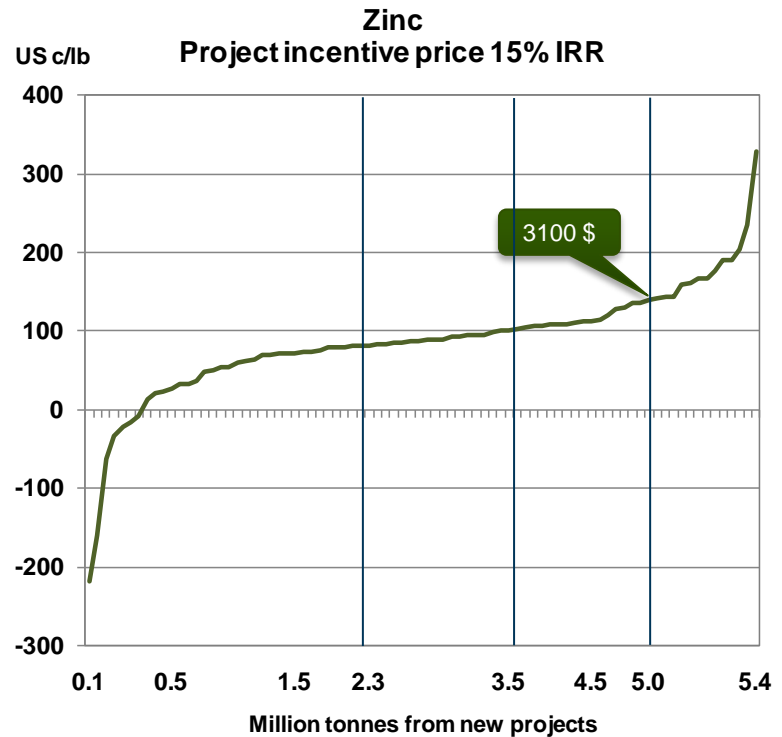
- Incentive price increasing long term
- Lower head grades, complex ore, more expensive infrastructure

Zinc mine capability



Source: © Brook Hunt - A Wood McKenzie company

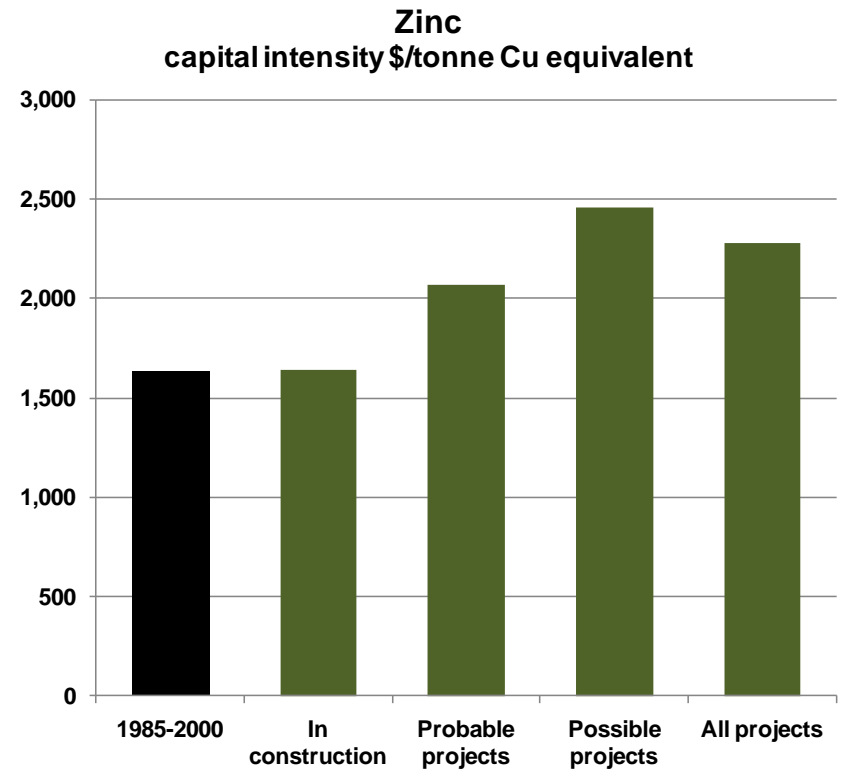
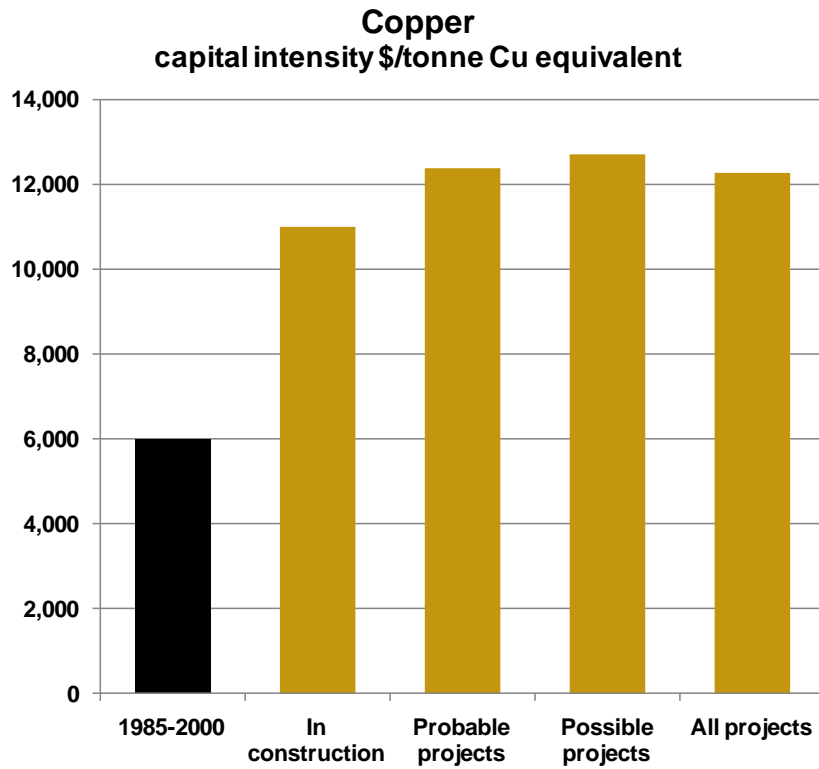
- Deficit increasing from 2013
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Source: © Brook Hunt - A Wood McKenzie company

- Incentive price increasing long term
- Lower head grades, complex ore, more expensive infrastructure

Capital cost



Case simulation

Cash cost curve

Long term

Metals demand

- China to 2020
- Other countries with large populations after 2015

Mines

- Mine capability constraints
- Capital intensity increasing

Smelters

- Excess smelter capacity for some years

Pricing

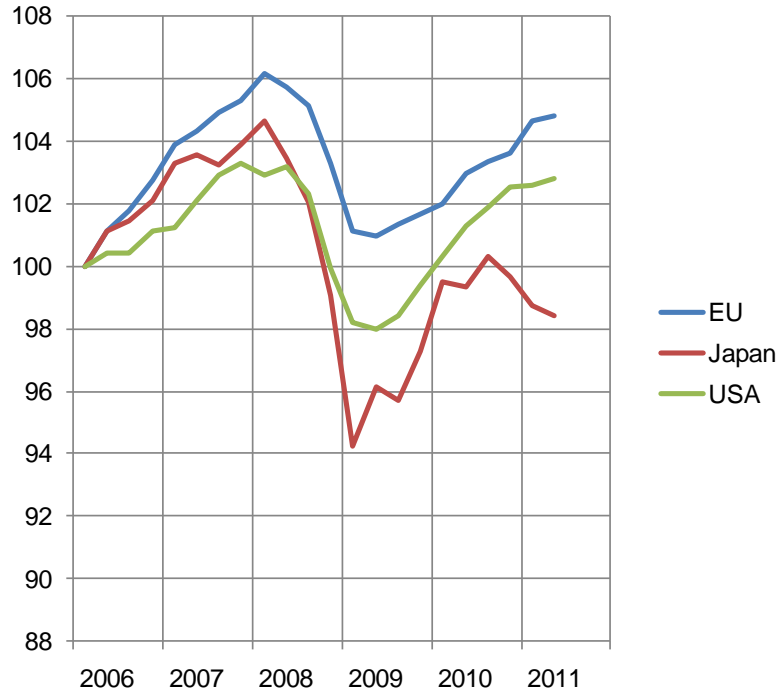
- Base metals to peak high
- Historical trough levels at downturns

Metals Markets

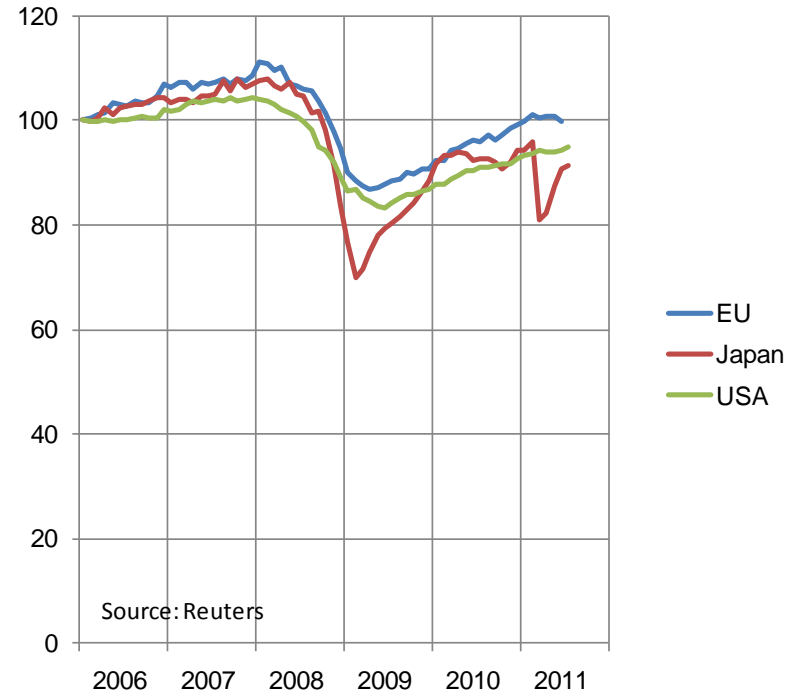
Short – Medium term

Economic status

GDP index



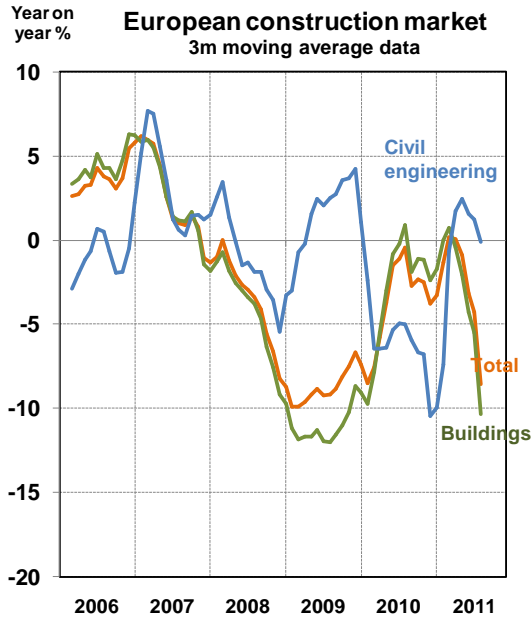
Industrial production index



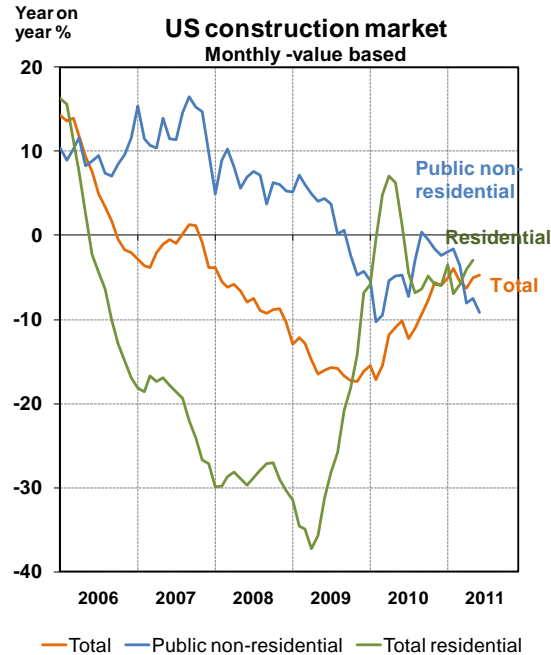
- EU and USA – much of the decline in 2008/2009 recovered

- Higher production levels in metal consuming industries but not in line with the peak in 2008

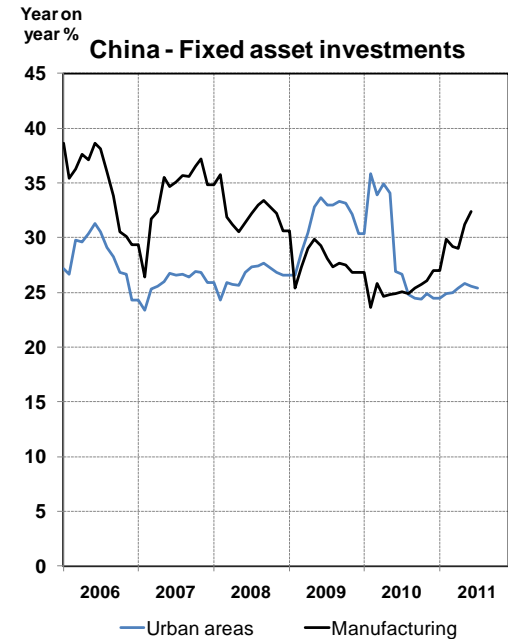
Construction market status



Source: Reuters Datastream



Source: Reuters Datastream



Source: Reuters Datastream

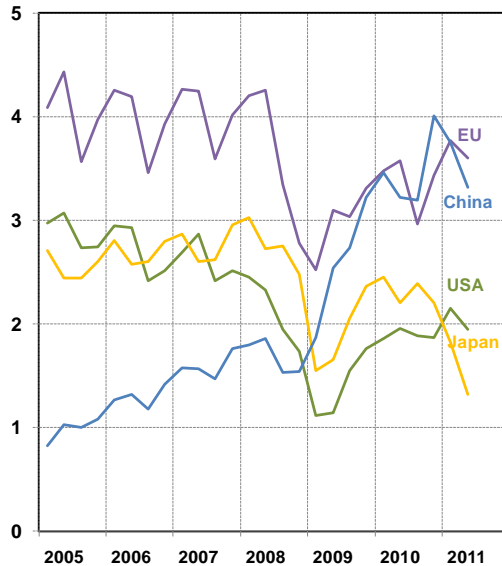
- Weak European market
- Weak US market
- Continued high growth in China
- Growth in a few countries

Automotive market status

No or lower growth at this point

Car production

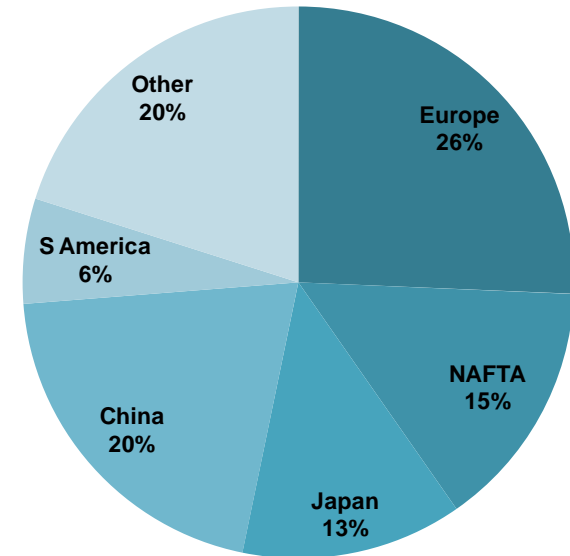
Quarterly production - million units



Source: CRU (www.crumonitor.com), JD Powers, Reuters

- China – slowing growth after strong 2010
- Germany – increasing production – Eu overall some improvement
- USA – Strong start to the year – lower growth thereafter

Global car and light vehicles production



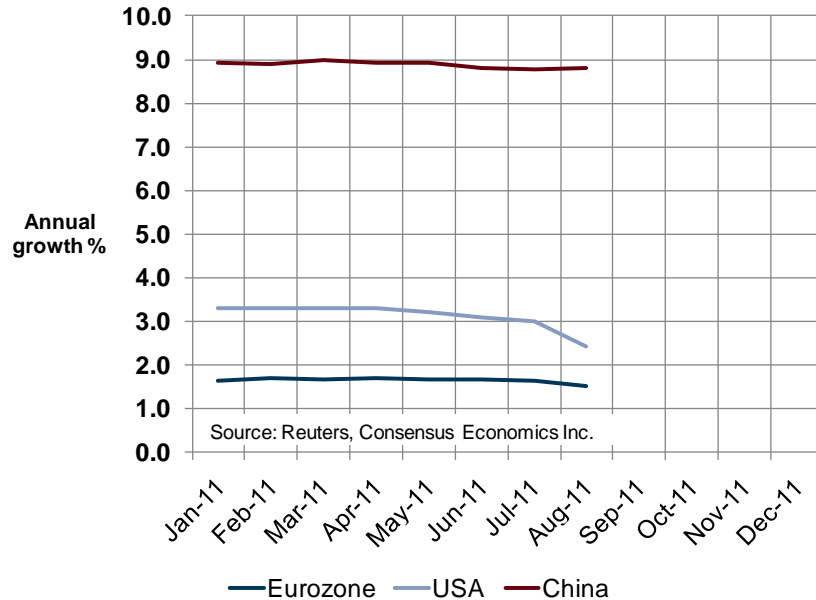
Source: OICA (International Organization of Motor Vehicle manufacturers)

- Europe – no growth
- China – slowing growth after strong 2010
- USA – Strong start to the year – lower growth thereafter
- China grew strongly in importance in 2010

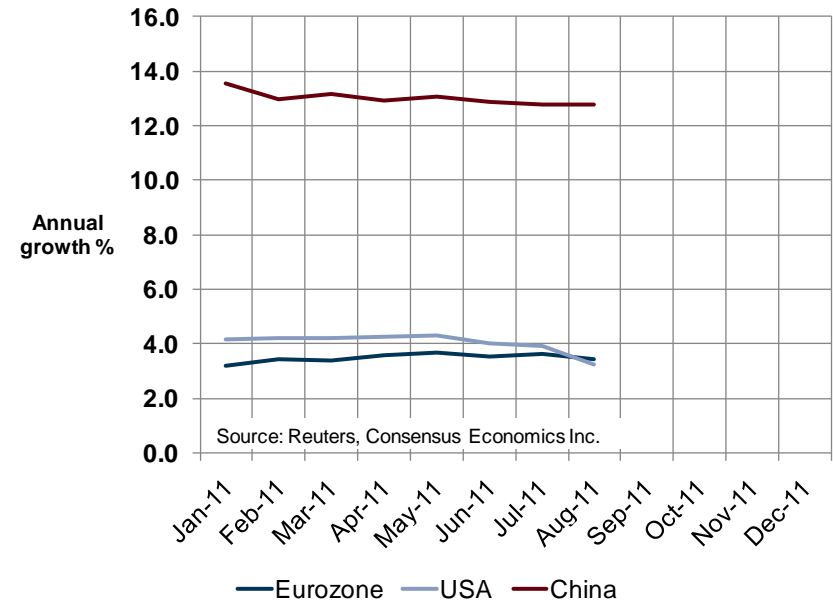
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Macro forecast changes after July

GDP forecast 2012



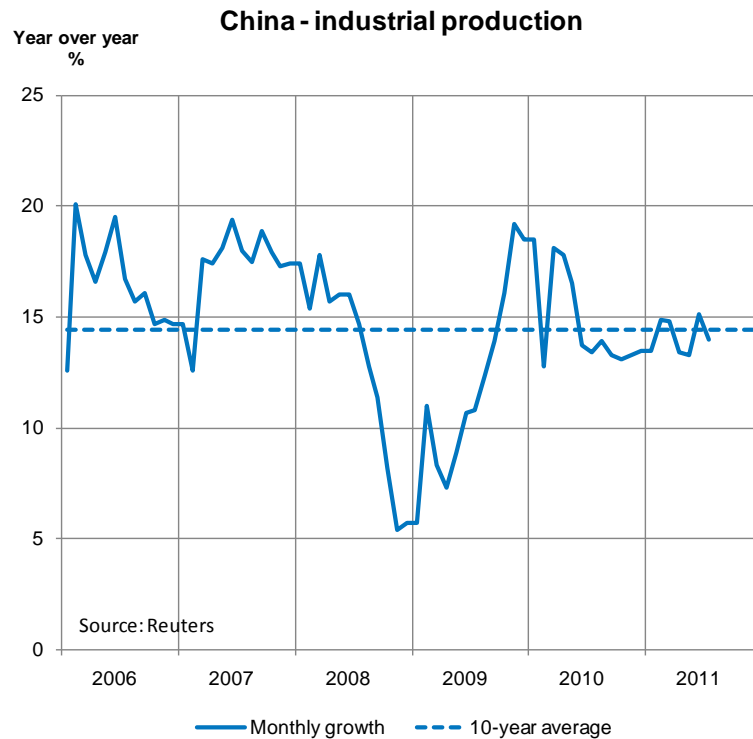
Industrial production forecast 2012



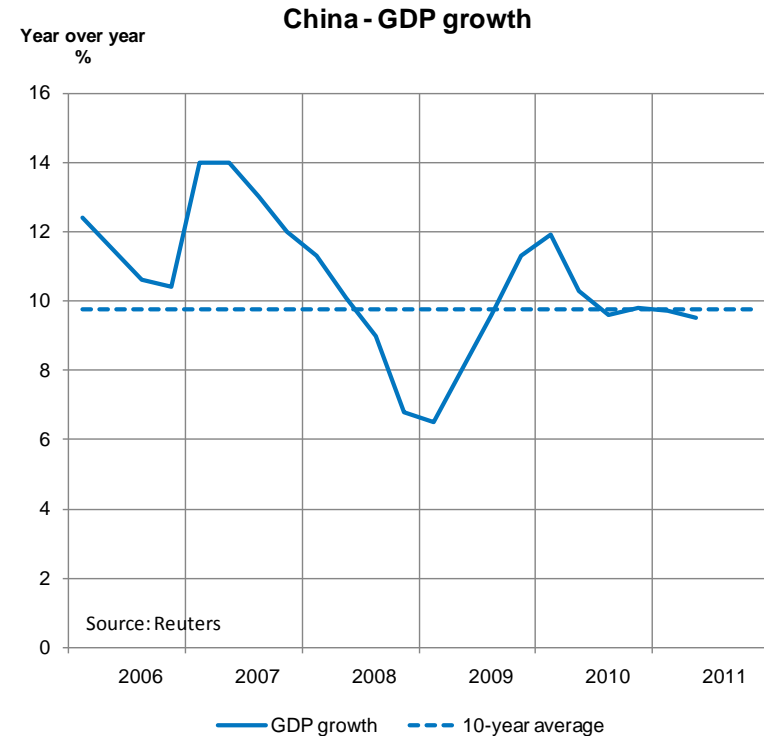
- Downward revision in mature economies
- Unchanged for China

Chinese economy

Economic data show no evidence of slowdown



- On 10 year average in June

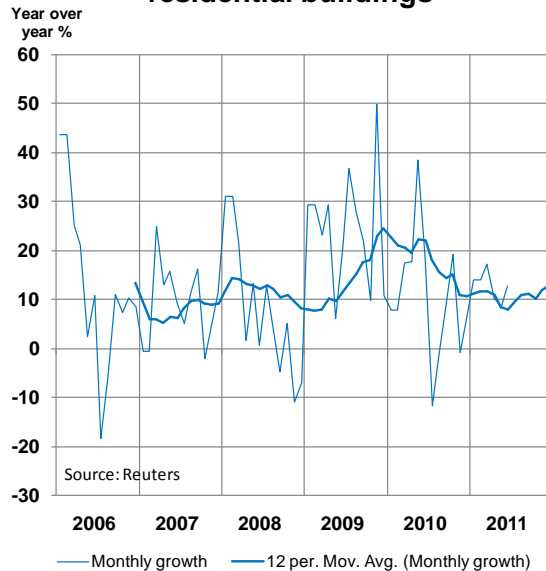


- On 10 year average in Q2

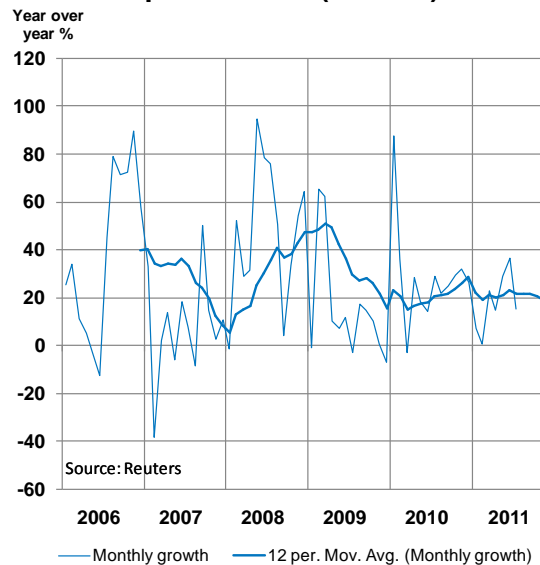
Construction market in China

Economic data remain strong

Production of residential buildings



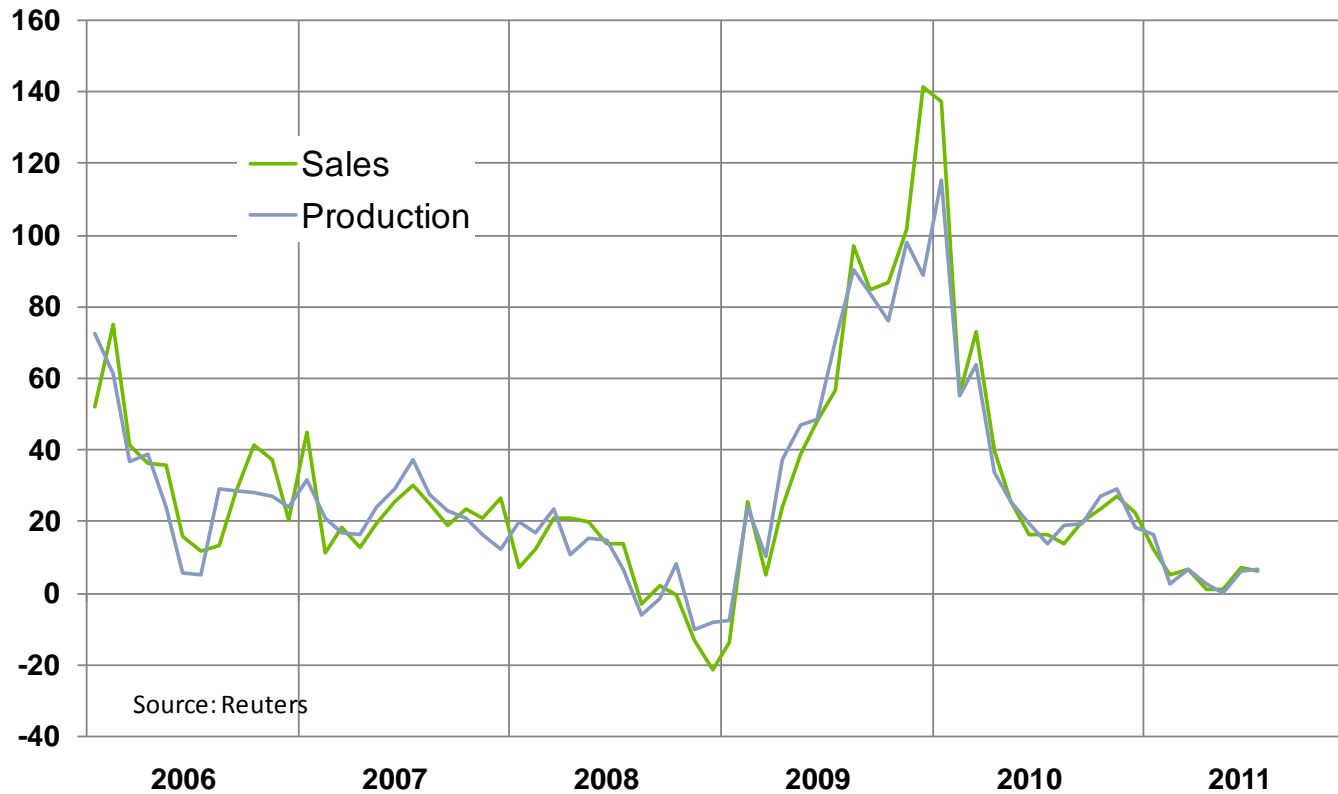
Production of power cable (volume)



Car market in China

Lower growth after a period of extreme

Year over
year %



China's economy and metals market

Economy

- Economic data show some signs of slowdown
- Construction indicators strong
- Car market - lower growth after a period of extreme growth

Metal using sectors

- Lower output growth (wire rod, galvanized steel sheet etc.)

Metals and mine concentrates

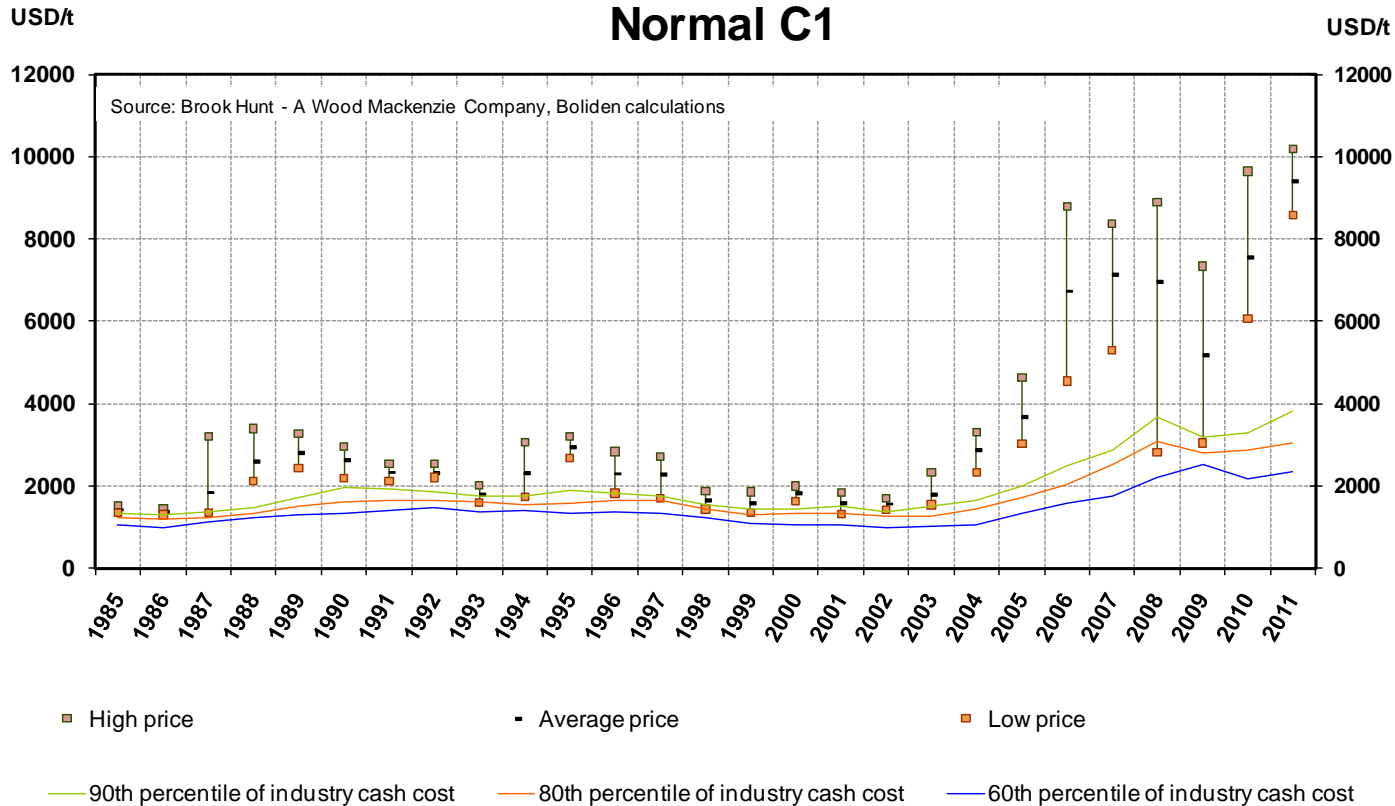
- No clear indication on metal demand growth at this point
- Spot TCs declining – indicates higher demand for concentrate

Conclusion

- Underlying growth is higher than the metal consumption shows
- Several parameters suggest that stock levels have been reduced

Metal prices – historic trough levels

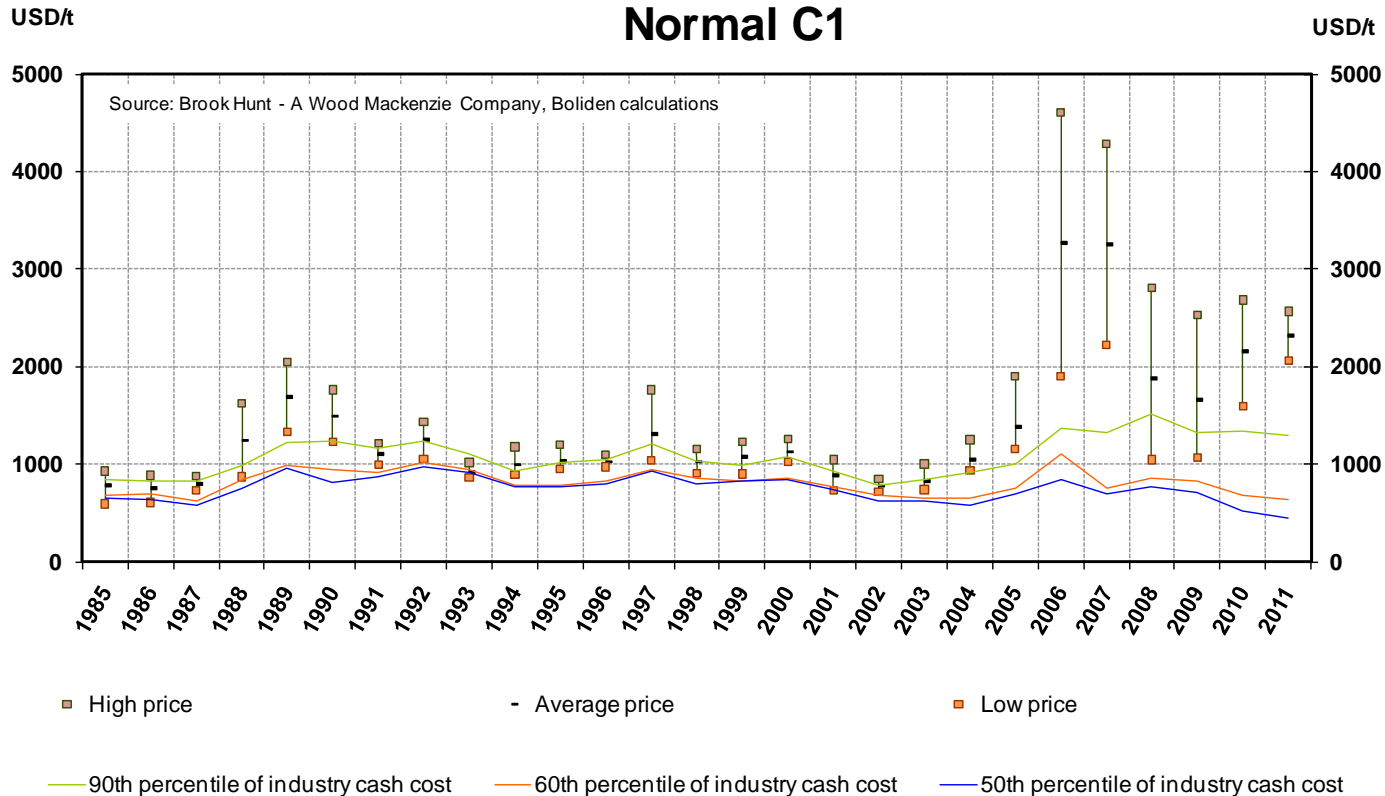
Copper price and mine cash cost Normal C1



- Copper – low cycle at 90th percentile (around 4,000 \$)

Metal prices – historic trough levels

Zinc price and mine cash cost Normal C1



- Zinc – trough in low cycle at 60th percentile on the cash cost curve (around 1,000 \$)

Summary

Metals demand

- Recovered much of the decline
- Uncertainty regarding growth rates in mature economies
- China – high growth, lower growth rate, increasing share of world demand
- Forecasts 2012-2014 - possibly challenging

Metals supply

- Mine capacity not sufficient to match demand
- Lower metal demand 2012-2014 would shift the timing of concentrate lack a few years
- Over-capacity smelters - low prices and terms even with lower growth

Boliden sensitivity for business decline

Comparing 2011 and 2007

Profit trend	similar
Committed capex	similar
Cost and capex reduction potential	similar
Debt and debt structure	improved 33% vs 43%
Hedge portfolio	improved 1,500 MUSD vs 900 MUSD (2,5 years)
Hedge prices	improved Cu 9,150 vs 6,145 USD/t Zn 2,245 vs 0 USD/t Au 1,380 vs 690 USD/oz USD 6.76 vs 6.8 SEK

Hedges improved spring 2008 but still on lower levels than today.