



STOCK EXCHANGE RELEASE
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Boliden and Outokumpu sign final agreement to create a world-leading mining and smelting company – New Boliden

Boliden and Outokumpu have today entered into a final agreement whereby Boliden will acquire Outokumpu's mining and smelting operations within zinc and copper, and Outokumpu will acquire Boliden's Fabrication and Technology Sales units. The parties announced the signing of a Letter of Intent on September 8, 2003.

The entities that Boliden will acquire from Outokumpu are valued at EUR 736 million (SEK 6.6 billion) on a debt-free basis. Boliden's consideration constitutes:

- A directed issue to Outokumpu representing 49 percent of all shares and votes in New Boliden and valued at EUR 307 million (SEK 2.7 billion);
- EUR 373 million (SEK 3.4 billion) in cash; and
- A subordinated debenture of EUR 56 million (SEK 0.5 billion) issued to Outokumpu.

The consideration could, according to the agreement, be adjusted depending on the closing financial accounts of the acquired Outokumpu entities.

As consideration for the assets to be sold to Outokumpu, Boliden will receive 5 million shares in Outokumpu Oyj, corresponding to 2.8 percent of all shares and votes.

The parties are aiming to complete the transaction by the end of 2003 and it is subject to, among other conditions, approvals from Boliden's shareholders and relevant competition authorities. In addition, the transaction requires that Boliden's entire debt financing is being finally agreed and signed well ahead of an extraordinary general meeting in Boliden that is expected to be held in December 2003. Credit approvals regarding Boliden's new debt financing have been obtained subject to finalisation of documentation, after which consent from Boliden's current lenders remains to be obtained. The agreement also includes customary conditions, such as that certain values are being preserved in material respects.

Further information regarding the transaction, including the expected timetable will be announced as the process progresses. A shareholder circular describing the transaction, including the Outokumpu operations being acquired and pro forma financials, will be made public and distributed to Boliden's shareholders about two weeks ahead of the extraordinary general meeting. As an integral part of the deal, New Boliden is planning a guaranteed rights issue, in the order of EUR 150 million (SEK 1.4 billion) to be carried out after the completion of the transaction.

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