

“Continued improvement in Boliden’s remaining operations”

- The structural transaction between Boliden and Outokumpu was completed as planned at the end of December 2003. The transaction involved the acquisition by Boliden of Outokumpu’s zinc and copper mining and smelting operations and the sale of the fabrication and technology sales operations to Outokumpu. The new Boliden commenced operations on 1st January 2004.
- Turnover for the remaining Boliden operations (Mining Operations and Smelting Operations) totalled SEK 7,153 million (SEK 7,127 m) for the full year 2003, and SEK 1,973 million (SEK 1,651 m) for the fourth quarter.
- Earnings after net financial items for Boliden’s remaining operations improved to SEK 327 million (SEK 144 m) for the full year 2003, and to SEK 160 million (SEK 105 m) for the fourth quarter.
- Profit after tax for the remaining operations totalled SEK 596 million (SEK 166 m), which corresponds to an EPS of SEK 6.92 (SEK 1.94) for the full year 2003. The profit after tax for the fourth quarter was SEK 257 million (SEK 108 m), corresponding to an EPS of SEK 2.96 (SEK 1.26).
- Cash flow for Boliden’s remaining operations was SEK 697 million (SEK -32 m) for the full year 2003.
- The Equity Ratio increased to 30.7 (24.2) percent while the Debt/Equity ratio improved to 147 (183) percent at the end of 2003. The rights issue planned for the first quarter of 2004 will further improve these key ratios.
- Turnover for the Boliden Group including divested operations totalled SEK 9,545 million (SEK 9,556 m) for the full year and SEK 2,583 million (SEK 2,304 m) for the fourth quarter.
- Earnings after net financial items for the Boliden Group including divested operations totalled SEK -251 million (SEK 111 m) for the full year 2003. Earnings after net financial items for the fourth quarter were SEK -331 million (SEK 78 m). The result for the fourth quarter was negatively affected by a substantially lower earnings trend than anticipated in the divested Business Area Fabrication. The previously announced capital loss of SEK 394 million, which also includes provisions for future guarantees relating to the operations divested, also had a negative effect on the result. At the same time, the figure was boosted by the positive trend in the Business Area Mining Operations.
- Profit after tax for the Boliden Group including divested operations amounted to SEK 13 million (SEK 132 m), while the figure for the fourth quarter was SEK -237 million (SEK 80 m).
- The cash flow for the Group including divested operations was SEK 611 million (SEK -14 m) for the full year 2003 and SEK 577 million (SEK 466 m) for the fourth quarter.

REMAINING OPERATIONS

Key Ratio	Full year			Fourth quarter		
SEK million (unless stated otherwise)	2003	2002	Change in %	2003	2002	Change in %
Turnover	7 153	7 127	0	1 973	1 651	20
Operating result	533	415	28	166	163	2
Operating margin (%)	7.4	5.8		8.4	9.9	
Earnings after net financial items	327	144	127	160	105	53
Net result for the period	596	166	258	257	108	138
Earnings per share, SEK	6.92	1.95		2.96	1.26	
Return on shareholders’ equity (%)	21.3	7.6		33.2	19.2	
Return on capital employed (%)	8.2	6.6		10.2	10.2	
Cash flow from operating activities	975	380				
Cash flow for the period	697	-32				

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DIVESTED OPERATIONS

Key Ratio	Full year			Fourth quarter		
SEK million (unless stated otherwise)	2003	2002	Change in %	2003	2002	Change in %
Turnover	2 392	2 429	-2	610	653	-7
Operating result	-158	-1		-88	-9	
Earnings after net financial items	-184	-33		-97	-27	
Net result for the period	-189	-34		-100	-28	
Cash flow from operating activities	-19	117				
Cash flow for the period	-86	18				

THE BOLIDEN GROUP, TOTAL

Key Ratio	Full year			Fourth quarter		
SEK million (unless stated otherwise)	2003	2002	Change in %	2003	2002	Change in %
Turnover	9 545	9 556	0	2 583	2 304	12
Operating result	-19	414		-316	154	
Operating margin (%)	-	4.3		-	6.7	
Earnings after net financial items	-251	111		-331	78	
Net result for the period	13	132		-237	80	
Earnings per share, SEK	0.15	1.54		-2.74	0.93	
Return on shareholders' equity (%)	0.4	5.2		-	12.6	
Return on capital employed (%)	-	5.8		-	8.7	
Cash flow from operating activities	956	497		338	562	
Cash flow for the period	611	-14		577	466	
Net debt/shareholders' equity (%)	145	183		147	183	

Metal prices (average LME/LBMA)	Full year			Fourth quarter		
	2003	2002	Change in %	2003	2002	Change in %
Copper (USD/lb)	0.81	0.71	14	0.93	0.71	31
Zinc (USD/lb)	0.38	0.35	9	0.42	0.35	20
Lead (USD/lb)	0.23	0.21	10	0.29	0.20	45
Gold (USD/oz)	364	310	17	392	323	21
Silver (USD/oz)	4.88	4.60	6	5.27	4.52	17

Exchange rates (average)	Full year			Fourth quarter		
	2003	2002	Change in %	2003	2002	Change in %
USD/SEK (realised by Boliden)	10.10	10.72	-6	10.01	10.77	-7
USD/SEK	8.09	9.72	-17	7.58	9.1	-17
USD/CAD	1.40	1.57	-11	1.32	1.57	-16



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President's statement

The transaction between Boliden and Outokumpu was completed as planned at the turn of the year 2003. The transaction involved the acquisition by Boliden of Outokumpu's copper and zinc mining and smelting operations, as well as the sale to Outokumpu of the fabrication and technology sales operations. This makes the new Boliden one of the world's leading smelting companies and the fourth largest zinc-mining company in the world. It also creates a more dynamic company with increased financial and operational strength and potential for future growth. Outokumpu becomes a significant shareholder in the new Boliden, which came into existence on 1st January 2004.

Boliden's earnings after financial items for the remaining operations (Mining Operations and Smelting Operations) improved to SEK 327 million (SEK 144 m) for the full year 2003, and to SEK 160 million (SEK 105 m) for the fourth quarter. The result was positively affected by strong performance in the Business Area Mining Operations, which benefited from an increase in metal prices and higher production. Lower smelting and refining charges, as well as a planned maintenance shutdown at Rönnskär during the fourth quarter and a lower exchange rate for the US dollar, had a negative effect on the result compared with the corresponding periods last year.

Lower net debt and lower interest rates, as well as a revaluation of financial fixed assets, had a positive effect on net interest items during the year in comparison with the corresponding period of the previous year.

Cash flow in 2003 was SEK 611 million (SEK -14 m). Cash flow was positively affected by the close out of the dollar futures, and negatively by Fabrication's performance and an increase in capital immobilised in accounts receivable and inventories.

The prices of most of Boliden's metals were higher both during the year as a whole and for the fourth quarter of 2003 compared with the corresponding periods of the previous year. Copper prices were boosted by, among other things, increased demand and reduced copper stocks. During the first few weeks of 2004, metal prices have continued to strengthen.

In the Business Area Mining Operations, metal production increased during 2003 and during the fourth quarter compared with the corresponding periods in 2002. Both the Boliden Area and Garpenberg reported significant production increases. Copper production at Aitik increased marginally, while gold production fell as a result of lower gold grades in the ore mined. Cost trends at the Myra Falls operations have continued to move in the right direction although production has failed to achieve anticipated levels, primarily due to lower grades in the ore mined.

In the Business Area Smelting Operations, production also developed positively. However, the planned maintenance shutdown at Rönnskär during the fourth quarter, and the raw materials shortage experienced at the beginning of 2003 led to slightly lower production for the full year compared with the previous twelve months. Production at Boliden Bergsöe increased during the reporting period. Lower smelting and refining charges had a negative effect on the Business Area Smelting Operations' result in 2003.

The fabrication operations that were divested have reported substantially reduced earnings for both the year as a whole and for the fourth quarter. Major non-recurring costs in the form of a write-down of fixed assets, structural costs mainly incurred during the fourth quarter, and the continued weak market for its products, contributed to the deteriorating result for this business area. The sale of the fabrication and technology sales operations led to a capital loss of SEK 394 million in the fourth quarter. The figure includes provisions for future guarantees within the operations divested.

In early January, Boliden sold the 5 million Outokumpu shares received as payment for the fabrication and technology sales operations. The greater part of the sales proceeds was used to pay off external loans. The Group's cost-cutting and efficiency-boosting programme initiated during the first quarter of 2003 is proceeding as planned within the remaining operations.

Integration and coordination of the new group has reached full momentum. Benefits are expected to be obtained through coordination in the fields of sales, logistics, raw materials, production and marketing, among others. The target is to achieve synergy savings totalling SEK 225-270 million, half of this in 2004. The planned Euro 150 million rights issue is due to take place during the first quarter. The year so far has seen a continued healthy trend in metal prices, and this provides a good foundation for building a bigger, stronger and more focused Boliden. We anticipate that Boliden will show improved earnings during 2004.

Metals

The price trends for Boliden's base metals were favourable during 2003, compared with 2002. Price increases were, however, most significant during the fourth quarter. The prices were positively affected by increased consumption, primarily in China, as well as production interruptions in several countries and strong interest shown by investment funds.

The prices of gold and silver also developed positively in 2003 compared with 2002. One important reason for the higher gold price is the weakening of the US dollar. The price of silver often tracks the price of gold, and it has followed gold's upswing in 2003. For 2004, 54 percent of Boliden's planned gold production has been hedged of USD 364/oz, with 62 percent hedged for 2005 at USD 363/oz. Nevertheless, Boliden's exposure to changes in metal prices remains considerable since gold accounts for only a limited portion of the company's total metal production and turnover.

Metal prices (average LME/LBMA)	Full year			Fourth quarter		
	2003	2002	Change in %	2003	2002	Change in %
Copper (USD/lb)	0.81	0.71	14	0.93	0.71	31
Zinc (USD/lb)	0.38	0.35	9	0.42	0.35	20
Lead (USD/lb)	0.23	0.21	10	0.29	0.20	45
Gold (USD/oz)	364	310	17	392	323	21
Silver (USD/oz)	4.88	4.60	6	5.27	4.52	17

Currencies

The US dollar continued to weaken against the Swedish krona throughout 2003 compared with the previous year. The dollar has also remained weak against both the Canadian dollar and the Euro in 2003.

Exchange rates (average)	Full year			Fourth quarter		
	2003	2002	Change in %	2003	2002	Change in %
USD/SEK (realised by Boliden)	10.10	10.72	-6	10.01	10.77	-7
USD/SEK	8.09	9.72	-17	7.58	9.1	-17
USD/CAD	1.40	1.57	-11	1.32	1.57	-16

Hedges

During 2003, Boliden closed out part of the market value of its forward agreements relating to the hedging of future dollar revenues. These transactions had a positive effect on Boliden's cash flow of SEK 592 million for 2003, as well as a positive effect on shareholders' equity, less deductions for deferred taxes, totalling SEK 454 million. Deferred taxes recoverable of SEK 164 million, pertaining to previously unrealised deficit deductions, corresponding to the deferred tax on the closed out forward agreements, have been reported as tax income for the full year. The result of the transactions will be reported in the Income Statement concurrently as the underlying hedged flows are encountered, between 2003 and 2005.

The closing out of hedges secures the profit generated by the future hedge for its duration up to the redemption date. A new currency option programme, involving a floor in the range of USD/SEK 7.65-8.30 and a ceiling in the range of USD/SEK 8.14-9.50, has been implemented in order to limit the risk associated with any further weakening of the US dollar. Boliden already holds put options that constitute a floor of USD/SEK 9.00, corresponding to approximately 17 percent of the USD/SEK currency exposure in 2004. Currency contracts in respect of Boliden's exchange rate hedging, as of 31st December 2003, are presented in the table on page 16.

Turnover, result and cash flow

Boliden's turnover for the remaining operations (Mining Operations and Smelting Operations) was SEK 7,153 million (SEK 7,127 m) in 2003, of which SEK 1,973 million (SEK 1,651 m) was attributable to the fourth quarter. Turnover was positively affected by improved metal prices and increased mining production, but this was partly offset by a lower exchange rate against the US dollar and lower smelting and refining charges, in comparison with the previous year.

The operating result for the remaining operations in 2003 was SEK 533 million (SEK 415 m), SEK 166 million (SEK 163 m) of which was attributable to the fourth quarter. The improvement in the operating result is primarily a result of the factors affecting turnover (see above). During the fourth quarter, a planned maintenance shutdown took place at Rönnskär, negatively affecting the result for the fourth quarter.

Earnings after financial items for the remaining operations improved to SEK 327 million (SEK 144 m) for 2003, and to SEK 160 million (SEK 105 m) for the fourth quarter. Net financial items improved primarily due to lower net debt and lower interest rates, in comparison with the corresponding periods of the previous year. The Group's reported tax for 2003 relates primarily to deferred tax attributable to part of the deficit deductions.

The period's cash flow for the remaining operations totalled SEK 697 (SEK -32 m). The cash flow was positively affected in 2003 by the close out of dollar hedging contracts totalling SEK 592 million. No dollar hedging contracts were closed out during the fourth quarter. Capital immobilisation in inventories and accounts receivable at the end of the reporting period was temporarily higher than the yearly average, which had an opposite effect on the cash flow. The Business Areas Mining Operations and Smelting Operations are characterised by substantial changes in operating capital from one quarter to another, because individual incoming and outgoing deliveries of metal concentrates and outgoing deliveries of products from the smelting and refining plant tie up large sums of money.

Turnover and result per Business Area

Remaining operations:

Mining Operations

The turnover of Boliden's mining operations in 2003 totalled SEK 2,791 million (SEK 2,272 m), SEK 785 million (SEK 569 m) of which is attributable to the fourth quarter. The operating result posted for 2003 increased to SEK 369 million (SEK 190 m), corresponding to an operating margin of 13 percent (8 percent). The operating result for the fourth quarter almost doubled to SEK 159 million (SEK 82 m), corresponding to an operating margin of 20 percent (14 percent). The operating result was positively affected by increased metal prices, higher production, lower smelting and refining charges, and productivity improvements. However, this was partly offset by lower revenues resulting from the lower US dollar exchange rate during the reporting period, compared with the corresponding period of the previous year.

Mining Operations	Full year			Fourth quarter		
SEK million	2003	2002	Change in %	2003	2002	Change in %
Turnover	2 791	2 272	23	785	569	38
Operating result	369	190	94	159	82	94
Depreciation	300	287	5	76	70	9
Investments	477	313	52	162	126	29
Capital employed ¹⁾	1 656	1 289	28	1 656	1 289	28

¹⁾ The mining unit (Tara) acquired is not included for 2003. See capital employed for other units on page 15 "Information per Business Area".

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Boliden mines mainly produce copper, zinc, lead, gold and silver. Total production of Boliden's main metals, copper and zinc, increased in 2003 in comparison with the corresponding period last year. The increases are primarily due to increased production at the Storliden mine, which is owned by NAN (North Atlantic Natural Resources AB) and operated by Boliden, and to resumed production at the Canadian Myra Falls mine which was temporarily closed during the first quarter of 2002. The Myra Falls operations continue to report a healthy cost trend after last year's implementation of a comprehensive action programme. However, production failed to reach anticipated levels during 2003, primarily due to lower grades in the ore mined.

Ore production increased marginally in 2003 at Aitik, which mainly produces copper. Ore production was, however, lower during the fourth quarter in comparison with the corresponding period last year, mainly due to temporarily lower grades in the ore mined. Gold production was negatively affected by a drop in gold grades during both the year as a whole and the fourth quarter of 2003, in comparison with the corresponding periods last year. Introduction of the new production plan at Aitik was completed as planned during the fourth quarter. A reorganisation, which enabled a reduction in the number of jobs held at the mine, was also implemented in conjunction with this plan. The combined effect of these measures will be an increase in production efficiency and an improvement in both profits and cash flow.

In the Boliden Area, both ore production and milling continue to develop well. The production of zinc, copper and gold all increased during 2003. Gold production increased substantially during the fourth quarter, due to higher gold grades in the ore milled. Priority has been given to the production of copper in order to improve Rönnskär's supply of copper concentrate.

At Garpenberg, production of the main metal, zinc, was higher during both the year as a whole and the fourth quarter of 2003 compared with the corresponding periods of the previous year. Boliden's exploration work on the Lappberget discovery at Garpenberg continues to yield good results, with very high grades of zinc, silver and lead in particular. The work involved in identifying the entire Lappberget deposit continues, and it will be possible to bring Lappberget into production on a larger scale during 2004.

Metal production	Full year		Change	Fourth quarter		Change
Total and per mine	2003	2002	in %	2003	2002	in %
Total						
Copper (tonnes)	93 706	78 906	19	23 703	23 039	3
Zinc (tonnes)	178 644	150 990	18	45 644	41 869	9
Lead (tonnes)	18 658	18 240	2	5 051	4 398	15
Gold (kgs)	5 124	5 074	1	1 448	1 278	13
Silver (kgs)	272 085	263 066	3	66 714	71 537	-7
Boliden Area ¹⁾						
Copper (tonnes)	23 801	14 162	68	5 831	4 984	17
Zinc (tonnes)	76 910	63 242	22	18 718	16 112	16
Lead (tonnes)	2 656	3 218	-17	564	715	-21
Gold (kgs)	2 677	2 630	2	829	563	47
Silver (kgs)	71 207	72 984	-2	21 489	16 945	27
Garpenberg						
Copper (tonnes)	531	676	-21	170	118	44
Zinc (tonnes)	44 314	37 392	19	12 759	8 659	47
Lead (tonnes)	16 002	15 022	7	4 487	3 683	22
Gold (kgs)	216	284	-24	60	60	0
Silver (kgs)	123 278	123 978	-1	26 200	34 686	-24
Aitik						
Copper (tonnes)	58 687	57 293	2	15 221	15 424	-1
Gold (kgs)	1 383	1 542	-10	338	414	-18
Silver (kgs)	55 176	47 409	16	12 760	12 623	1

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Myra Falls ²⁾

Copper (tonnes)	10 687	6 775	58	2 481	2 513	-1
Zinc (tonnes)	57 420	50 356	14	14 167	17 098	-17
Gold (kgs)	848	618	37	221	241	-8
Silver (kgs)	22 424	18 695	20	6 265	7 283	-14

¹⁾ Comprises the entire production of the Boliden concentrator, which also processes ore delivered from the Storliden mine owned by North Atlantic Natural Resources AB.

²⁾ The Myra Falls operations were temporarily halted from December 2001 until the end of March 2002.

Smelting Operations

The Business Area Smelting Operations' turnover in 2003 was SEK 5,905 million (SEK 6,587 m), of which SEK 1,611 million (SEK 1,527 m) was attributable to the fourth quarter. The operating result for 2003 was SEK 225 million (SEK 248 m), corresponding to an operating margin of 4 percent (4 percent). The operating result for the fourth quarter was SEK 36 million (SEK 66 m), corresponding to an operating margin of 2 percent (4 percent). The operating result was positively affected by higher metal prices and an increase in lead sales at Boliden Bergsöe in comparison with the corresponding periods last year. A lower exchange rate against the US dollar, lower smelting and refining charges, lower production and the planned maintenance shutdown at Rönnskär during the fourth quarter all had a negative effect on the result. The valuation of the process stocks at Rönnskär affected the result for 2003 by a total of SEK -18 million (SEK -27 m), of which SEK 4 million (SEK -6 m) is attributable to the fourth quarter.

Smelting Operations SEK million	Full year			Fourth quarter		
	2003	2002	Change in %	2003	2002	Change in %
Turnover	5 905	6 587	-10	1 611	1 527	6
Operating result	225	248	-9	36	66	-45
Depreciation	294	290	1	76	73	4
Investments	67	128	-48	21	59	-64
Capital employed ¹⁾	5 250	5 280	-1	5 250	5 280	-1

¹⁾ The acquired smelting units Harjavalta, Kokkola and Odda are not included for 2003. See capital employed for other units on page 15 "Information per Business Area".

Boliden's Swedish smelters (Rönnskär, Bergsöe) mainly produce copper, zinc clinker, lead and precious metals. Production at Rönnskär improved gradually throughout the reporting period. The lower production at the beginning of the year was primarily due to a shortage of external copper concentrates resulting from continued production restrictions imposed by the major global producers. The materials shortage was partly offset by increased deliveries from Boliden's own mines. A planned production shutdown for maintenance took place at Rönnskär during the fourth quarter. This led to a temporary loss of production and increased costs, which negatively affected the result for the fourth quarter. The operations at Boliden's lead smelter, Bergsöe in Landskrona, developed positively in 2003, mainly due to increased production and higher lead prices.

Metal production	Full year			Fourth quarter		
	2003	2002	Change in %	2003	2002	Change in %
Copper (tonnes)	214 181	224 402	-5	51 420	56 254	-9
Zinc clinker (tonnes)	33 549	34 685	-3	8 147	9 159	-11
Lead (tonnes)	24 208	17 753	36	7 233	4 816	50
Gold (kgs)	12 275	15 562	-21	2 726	3 703	-26
Silver (kgs)	456 565	408 427	12	112 339	97 162	16
Lead alloy, Bergsöe (tonnes)	49 132	45 698	8	12 978	12 439	4

Divested Operations:

At the turn of the year, Boliden divested the fabrication and technology sales operations to Outokumpu. The results of these operations have been consolidated in Boliden's accounts for the full year 2003. As previously announced, the divestment of the operations has resulted a capital loss. This has affected Boliden's results for the fourth quarter of 2003 by a total of SEK -394 million, which also includes provisions for future guarantees within the divested operations.

Fabrication

The turnover for the Business Area Fabrication, which specialises in manufacturing copper tubing and brass rods, totalled SEK 2,343 million (SEK 2,347 m) in 2003, of which SEK 583 million (SEK 628 m) is attributable to the fourth quarter. The operating result for 2003 was SEK -164 million (SEK -6 m), of which SEK -88 million (SEK -10 m) is attributable to the fourth quarter. The result is considerably lower than anticipated which is due to the continued weak market, with poor demand and depressed prices, as well as to non-recurring costs. The negative effect of non-recurring costs on the result for the full year totalled SEK 70 million, of which SEK 56 million is attributable to the fourth quarter of 2003. These non-recurring costs comprise write-downs of fixed assets totalling SEK 34 million and structural costs of SEK 36 million.

Demand in both the copper tubing and brass markets remained weak throughout 2003, primarily due to the weak state of the European construction industry. Pricing pressure on copper tubing continued during the fourth quarter. The reduced sales volumes mirror the decline in the market.

Fabrication	Full year			Fourth quarter		
SEK million	2003	2002	Change in %	2003	2002	Change In %
Turnover	2 343	2 347	0	583	628	-7
Operating result	-164	-6		-88	-10	
Depreciation	52	55	-5	9	13	-31
Investments	66	55	20	14	19	-26
Capital employed	-	750		-	750	

Technology Sales

Boliden Contech, which markets and sells technical solutions, mainly for smelters, was negatively affected in 2003 by the weak market for Technology Sales. The market has been depressed due to lower investment levels in the mining and smelting industries.

Employees

At the end of 2003 the number of employees in Boliden was 4 802. The structural transaction between Boliden and Outokumpu at the end of December 2003 led to the addition of 2,194 employees and, at the same time, 1,239 employees left the Group as a result of the sale of the fabrication and technology sales operations. At the end of the year 2003, the number of employees was 3,893 of which 2,455 in Sweden. At the turn of the year 2002, the number of employees was 3,865.

The Parent Company

The Parent Company, Boliden AB, does not conduct any operations and has no employees.



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Other matters

Rights Issue

The terms for the rights issue are expected to be established and made public before the end of February 2004, with the subscription period in March 2004.

The Annual General Meeting

Boliden's Annual General Meeting will be held on Monday 26th April 2004 at the Expolaris Kongresscenter in Skellefteå.

Dividend

Boliden's Board of Directors intends to propose to the AGM that no dividend be paid for the 2003 financial year.

Annual Report

The company's Annual Report will be published in April 2004 and will be available from Boliden's Head Office in Stockholm.

Interim Reports in 2004

Interim Report, January-March, published on 26th April

Interim Report, January-June, published on 5th August

Interim Report, January-September, published on 26th October

Stockholm, 10th February 2004

Jan Johansson

President and CEO

Boliden AB (publ), company registration number: 556051-4142

This Interim Report has been prepared in accordance with the Swedish Financial Accounting Standards Council's RR 22 Interim Reporting recommendation. The accounting principles and methods of calculation comply with the recommendations and guidelines issued by the Swedish Financial Accounting Standards Council.

The Interim Report has not been subject to specific examination by the company's auditors.

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THE GROUP'S INCOME STATEMENTS

Remaining operations	Full year		Fourth quarter	
	2003	2002	2003	2002
SEK million				
Net sales	7 153	7 127	1 973	1 651
Cost of goods sold	-6 308	-6 410	-1 745	-1 453
Gross result	845	717	228	198
Cost of sales	-116	-106	-23	-32
Administrative expenses	-232	-169	-69	-51
Research and development costs	-88	-93	-27	-22
Other operating income and expenses	104	50	52	67
Share in associated companies' profits	20	16	5	3
Operating result	533	415	166	163
Financial items, net	-205	-270	-6	-58
Result after financial items	327	144	160	105
Taxes	268	21	97	3
Minority shares in earnings	0	1	0	0
Net result for the period	596	166	257	108
EPS, SEK ¹⁾	6.92	1.94	2.96	1.26
No. shares	168 258 113	85 811 638	168 258 113	85 811 638
Average no. shares	86 037 519	85 811 638	86 707 795	85 811 638

Other key ratios	31 st Dec.	31 st Dec.
	2003	2002
Return on capital employed, %	8.2	6.6
Return on shareholders' equity, %	21.3	7.6
Equity/assets ratio, %	30.7	24.2
Depreciation, SEK million	598	579
Investments, SEK million	544	447

¹⁾ Earnings per share before full dilution. Full dilution results in only a negligible reduction in earnings per share. Dilution refers to options issued by Boliden Limited, which grant the right to obtain shares in Boliden AB. The options grant the right to obtain a maximum of 345,000 newly issued shares in Boliden AB.

Divested operations	Full year		Fourth quarter	
SEK million	2003	2002	2003	2002
Net sales	2 392	2 429	610	653
Cost of goods sold	-2 199	-2 159	-562	-568
Gross result	193	270	48	85
Cost of sales	-228	-210	-65	-61
Administrative expenses	-104	-111	-29	-33
Research and development costs	-1	-1	0	-1
Other operating income and expenses	-18	51	-42	1
Operating result	-158	-1	-88	-9
Financial items, net	-27	-33	-9	-18
Result after financial items	-184	-33	-97	-27
Taxes	-3	-1	-3	-1
Minority shares in earnings	-1	0	0	0
Result for period before capital loss from divested operations	-189	-34	-100	-28
Result from divested operations	-394	-	-394	-
Net result for the period	-583	-34	-494	-28

Boliden Group, total	Full year		Fourth quarter	
SEK million	2003	2002	2003	2002
Net sales	9 545	9 556	2 583	2 304
Cost of goods sold	-8 507	-8 569	-2 307	-1 990
Gross result	1 038	987	276	314
Cost of sales	-344	-316	-88	-93
Administrative expenses	-336	-280	-98	-77
Research and development costs	-89	-94	-27	-23
Other operating income and expenses	86	101	10	68
Share in associated companies' profits	20	16	5	3
Loss - divested operations	-394	0	-394	0
Operating result	-19	414	-316	154
Financial items, net	-232	-303	-15	-76
Result after financial items	-251	111	-331	78
Taxes	265	20	94	2
Minority shares in earnings	-1	1	0	0
Net result for the period	13	132	-237	80
EPS, SEK ¹⁾	0.15	1.54	-2.74	0.93
Shareholders' equity per shares SEK	36.25	30.18	36.25	30.18
<i>No. shares</i>	<i>168 258 113</i>	<i>85 811 638</i>	<i>168 258 113</i>	<i>85 811 638</i>
<i>Average no. shares</i>	<i>86 037 519</i>	<i>85 811 638</i>	<i>86 707 795</i>	<i>85 811 638</i>

Other key ratios	31 st Dec. 2003	31 st Dec. 2002
Return on capital employed, %	-	5.8
Return on shareholders' equity, %	0.4	5.2
Equity/assets ratio, %	30.7	24.2
Depreciation, SEK million	652	635
Investments, SEK million	611	505
Capital employed, SEK million	14 790	7 033
Net debt, SEK million	-8 957	-4 730

¹⁾ Earnings per share before full dilution. Full dilution results in only a negligible reduction in earnings per share. Dilution refers to options issued by Boliden Limited, which grant the right to obtain shares in Boliden AB. The options grant the right to obtain a maximum of 345,000 newly issued shares in Boliden AB.

BALANCE SHEETS

The Boliden Group	31 st Dec. 2003	31 st Dec. 2002
SEK million	2003	2002
Intangible fixed assets	2 745	9
Tangible fixed assets	11 481	7 548
Deferred tax	425	235
Interest-bearing assets	3	3
Other financial fixed assets	171	54
Inventories	2 236	1 192
Interest-bearing current receivables	25	98
Other receivables	1 397	787
Liquid funds	1 378	768
Total assets	19 861	10 694
Shareholders' equity	6 100	2 590
Minority interests	0	1
Pensions reserves	224	74
Provisions for deferred tax	307	9
Other provisions	687	686
Interest-bearing long-term liabilities	8 637	5 195
Other long-term liabilities	0	101
Interest-bearing current liabilities	1 502	330
Other current liabilities	2 404	1 708
Total liabilities and shareholders' equity	19 861	10 694

Specification of changes in shareholders' equity	31 st Dec. 2003	31 st Dec. 2002
SEK million	2003	2002
Opening balance	2 590	2 527
Non-cash issue	3 073	–
Net result for the period	13	132
Closed out futures contracts, after tax	454	–
Revaluation due to termination of associated company relationships	–	-4
Accumulated translation difference at companies sold	6	–
Translation differences	-36	-65
Closing balance	6 100	2 590

CASH FLOW ANALYSIS

Boliden Group	Full year	
SEK million	2003	2002
Operating activities		
Earnings after net financial items	-251	111
Adjustments for items not included in cash flow, etc.	933	518
	682	629
Tax paid	–	-3
Cash flow from operating activities before changes in working capital	682	626
<i>Cash flow from changes in working capital</i>		
Increase(-)/Decrease(+) in inventories	-239	202
Increase(-)/Decrease(+) in operating receivables	-110	82
Increase(+)/Decrease(-) in operating liabilities	623	-413
Cash flow from operating activities	956	497
Investment activities		
Acquisition of operations	–	-52
Acquisition of subsidiaries	-7 891	–
Sale of subsidiaries	449	–
Acquisition of intangible fixed assets	-1	-1
Acquisition of tangible fixed assets	-610	-504
Sale of tangible fixed assets	–	15
Sale of financial assets	22	22
Cash flow from investment activities	-8 031	-520
Financing activities		
Non-cash issue	3 073	–
Loans raised	4 997	576
Amortisation of loans	-384	-195
Amortisation of pension liabilities	–	-372
Cash flow from financing activities	7 686	9
Cash flow for the period	611	-14
Liquid funds, beginning of period	768	787
Exchange rate difference on liquid funds	-1	-5
Liquid funds, end of period	1 378	768
Liquid funds		
<i>The following are included in liquid funds:</i>		
Cash and bank	842	231
Short-term investments, equated with liquid funds	536	537
	1 378	768

INFORMATION PER BUSINESS AREA

SEK million

As per December 2003

	<u>Mining Opera- tions</u>	<u>Smelting Operations</u>	<u>Fabrication</u>	<u>Other, incl. elim.</u>	<u>The Group</u>
Net turnover	2 791	5 905	2 343	-1 494	9 545
Operating result	369	225	-164	-449	81
Depreciation	300	294	52	6	652
Investments	477	67	66	1	611
Capital employed ¹⁾	1 656	5 250	–	7 884	15 773

¹⁾ Capital employed at acquired units is reported under "Other" for 2003.

As per December 2002

	<u>Mining Opera- tions</u>	<u>Smelting Operations</u>	<u>Fabrication</u>	<u>Other, incl. elim.</u>	<u>The Group</u>
Net turnover	2 272	6 587	2 347	-1 650	9 556
Operating result	190	248	-6	-18	414
Depreciation	287	290	55	3	635
Investments	313	128	55	9	505
Capital employed	1 289	5 280	750	-286	7 033

Q 4, 2003

	<u>Mining Opera- tions</u>	<u>Smelting Operations</u>	<u>Fabrication</u>	<u>Other, incl. elim.</u>	<u>The Group</u>
Net turnover	785	1 611	583	-396	2 583
Operating result	159	36	-88	-323	-216
Depreciation	76	76	9	2	163
Investments	162	21	14	–	197
Capital employed ¹⁾	1 656	5 250	–	7 884	15 773

¹⁾ Capital employed at the acquired units is reported under "Other" for 2003.

Q 4, 2002

	<u>Mining Opera- tions</u>	<u>Smelting Operations</u>	<u>Fabrication</u>	<u>Other, incl. elim.</u>	<u>The Group</u>
Net turnover	569	1 527	628	-420	2 304
Operating result	82	66	-10	16	154
Depreciation	70	73	13	-21	135
Investments	126	59	19	1	205
Capital employed	1 289	5 280	750	-286	7 033

Sensitivity analysis, 2004

The following table comprises an estimate of the effects of changes in metal prices, exchange rates and smelting charges (TC/RC) on Boliden's result for the full year, based on planned production levels for 2004. The sensitivity does not take into account the effects of metal price hedging or currency hedging.

Change in prices +10%	Effect on op. result MSEK	Change - USD +10%	Effect on op. result MSEK	Change - smelting charges +10%	Effect on op. result MSEK
Copper	153	USD/SEK	324	TC/RC Copper	30
Zinc	303	USD/CAD	49	TC Zinc	10
Lead	35	EUR/USD	218	TC Lead	-6
Gold	75	USD/NOK	52		
Silver	41				

Currency contracts in respect of exchange rate hedging of commercial operations exposure

The table shows unrealised futures and options contracts and net flow in the remaining operations excluding those sold to Outokumpu, as of 31st December, taken with a view to hedging forecast commercial payment flows in USD/SEK (Net flow). Closed out futures contracts during the first nine months of the year and their inherent effects on the result have consequently not been taken into account below.

USD million		Currency futures	Currency options		Net flow	Percentage hedged
			Floor	Ceiling	Plan	
Matures in 2004	Amount	34	215	147	393	63%
	Rate ¹⁾	10.57	8.34	8.69		
Matures in 2005	Amount	18	79	79	409	24%
	Rate ¹⁾	10.29	8.12	9.09		
Total, unrealised contracts		52	294	226	802	43%

Market value of
unrealised

Contracts ²⁾ SEK million 159 318

Closing day rate,

31st December 2003 7.28

¹⁾ Contract rate, and strike for put options and call options, respectively. Rates for options have been calculated as weighted strike rates in the portfolio. The floors in the options portfolio range from USD/SEK 7.65 to 9.00 and the ceilings from USD/SEK 8.14 to 9.50.

²⁾ Outstanding currency and hedging contracts valued at market value.

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