

Boliden AB (publ)

Investor Relations

Box 44, 101 20 Stockholm, Sweden

Tel +46 8 610 15 00, Fax +46 8 31 55 45

www.boliden.com

Corp. ID No. 556051-4142

Interim Report, January-June 2007

Strong profit and stable production

Q2 2007

- Revenues rose to SEK 9,292 million (SEK 8,850 m).
- The operating profit fell to SEK 2,220 million (SEK 2,451 m).
- The profit for the period fell to SEK 1,602 million (SEK 1,738 m).
- Earnings per share totalled SEK 5.56 (SEK 6.01).
- Cash flow from operating activities fell to SEK 1,139 million (SEK 2,383 m).
- The cost of dividends paid and the redemption and buy-back of shares totalled SEK 5.2 billion.

First six months, 2007

- Revenues rose to SEK 17,748 million (SEK 16,186 m).
- The operating profit fell to SEK 3,506 million (SEK 4,202 m).
- The profit for the period fell to SEK 2,523 million (SEK 2,977 m).
- Earnings per share totalled SEK 8.74 (SEK 10.29).
- Cash flow from operating activities fell to SEK 2,629 million (SEK 3,382 m).

Key ratios

	Q2 2007 SEK m	Q2 2006 SEK m	Change In %	First 6 months 2007 SEK m	First 6 months 2006 SEK m	Change in %
Revenues	9 292	8 850	5	17 748	16 186	10
Operating profit before depreciation (EBITDA)	2 564	2 779	-8	4 201	4 858	-14
Operating profit (EBIT)	2 220	2 451	-9	3 506	4 202	-17
Profit before tax	2 191	2 364	-7	3 453	4 061	-15
Profit for the period	1 602	1 738	-8	2 523	2 977	-15
Cash flow from operating activities	1 139	2 383	-52	2 629	3 382	-22
Earnings per share, SEK						
before dilution	5.56	6.01	-7	8.74	10.29	-15
after dilution	5.56	6.00	-7	8.74	10.27	-15
Return on capital employed, %	49	62		39	53	
Net debt/Shareholders' equity, %	27	30		27	30	

THE GROUP

Revenues

Boliden's revenues increased to SEK 9,292 million (SEK 8,850 m) for the second quarter and to SEK 17,748 million (SEK 16,186 m) for the first six months of 2007. Revenues were positively affected by higher metal prices, but were negatively affected by a poorer US dollar exchange rate in comparison with corresponding periods last year.

Profit performance

The operating profit (EBIT) fell by SEK 231 million to SEK 2,220 million (SEK 2,451 m) during the second quarter and by SEK 696 million to SEK 3,506 million (SEK 4,202 m) during the first six months of the year in comparison with corresponding periods last year. Prices and terms made a net contribution to the operating profit of SEK -222 million during the second quarter and of SEK -203 million during the first six months of the year, corresponding to volume variations of SEK 50 million and SEK -261 million, respectively, while costs increased by SEK 59 million and SEK 229 million, respectively.

The stock result was SEK 213 million (SEK 483 m) during the second quarter and SEK 159 million (SEK 529 m) during the first six months.

The operating profit (EBIT) during the second quarter of SEK 2,220 million (SEK 2,451 m) breaks down into SEK 1,121 million (SEK 772 m) from Mines and SEK 1,136 million (SEK 1,705 m) from Smelters, and into SEK -37 million (SEK -26 m) under Other. The corresponding figures for the first six months of the year were SEK 1,907 million (SEK 1,504 m) from Mines, SEK 1,680 million (SEK 2,734 m) from Smelters and SEK -81 million (SEK -36 m) from Other.

The profit before tax was SEK 2,191 million (SEK 2,364 m) for the second quarter and SEK 3,453 million (SEK 4,061 m) for the first six months. Net financial items were positively affected by lower debts.

Cash flow

Capital tied up in stocks, accounts receivable and operating liabilities rose during the second quarter by SEK 894 million (SEK 242 m) and by SEK 702 million (SEK 1,273 m) during the first six months of the year. This increase is mainly due to higher metal prices.

The cash flow from operating activities fell to SEK 2,629 million (SEK 3,382 m) during the first six months of the year. The deterioration is primarily attributable to the profit which was countered by a lower change in operating capital.

Investments during the first six months of the year totalled SEK 1,061 million (SEK 845 m) with the majority of the increase resulting from the expansion project at Aitik.

Boliden paid a shareholders' dividend of SEK 1,158 million, redeemed shares for a total of SEK 3,464 million, and bought back its own shares at a total cost of SEK 590 million during the period.

A net total of SEK 1,767 million was borrowed during the second quarter to finance the dividend paid to the shareholders, the share buy-back and the redemption of shares.

Financial position

Just over SEK 5.2 billion have been redistributed to the shareholders during the second quarter. Boliden's financial position continues strong with a net debt/equity ratio of 27 per cent (30%) at the end of the first six months.

The average term of Boliden's debt portfolio was 4.68 years and the interest rate was 4.33 per cent on 30th June 2007. Loans that fall due for payment in or after 2012 total SEK 2.3 billion, comprising approximately 54 per cent of the debt portfolio. Boliden's current liquidity, in the form of liquid assets and unutilised binding credit facilities, totalled SEK 5,077 million at the end of the reporting period.

The market valuation of currency and raw material derivatives during the first six months of the year reduced the shareholders' equity by SEK 368 million.

MARKET

Economic trends

The rate of global economic growth, GDP, continued strong during the second quarter, and the International Monetary Fund (the IMF) has announced that it will be making an upward adjustment of its global growth forecast for 2007 from the current figure of 4.9 per cent, with the Chinese, Asian and European economies acting as the driving forces.

Global industrial production continued to grow at a rapid rate. For the second quarter in succession, industrial production grew by 4.6 per cent, with China's industrial production at approximately 18 per cent during this period.

The copper and zinc market

Global copper production during the second quarter totalled just over 4.5 million tonnes, while copper consumption totalled 4.6 million tonnes. China, in particular, reported a strong growth in consumption.

The falling copper stocks trend noted at the end of the first quarter continued throughout the second quarter, resulting in higher prices. High levels of copper imports by China during the first quarter were succeeded by falling imports during the second quarter, but overall, the level of imports was still substantially higher than in 2006.

Copper stocks at the LME totalled 113,000 tonnes at the end of the quarter, corresponding to 2.3 days' global consumption. This is a reduction of 68,000 tonnes during the quarter.

Global zinc production during the second quarter totalled approximately 2.8 million tonnes, while global zinc consumption totalled 2.9 million tonnes.

The abnormally high level of zinc exports from China during the first quarter came to an end during the second quarter, and China became, instead, a net importer of zinc during April and May. The reason for this change is not, as yet, completely clear, but what is known is that the Chinese authorities have taken a number of steps to reduce exports of zinc and lead metal. This change and falling LME stocks contributed to zinc prices being higher during the second quarter than during the first.

Zinc stocks at the LME totalled 72,000 tonnes at the end of the quarter, corresponding to 2.3 days' global consumption. This is a reduction of 34,000 tonnes during the second quarter.

Metal prices

During the second quarter of this year the average price of copper increased by 29 per cent and the price of zinc by 6 per cent in comparison with the first quarter this year.

All metal prices performed favourably during the second quarter. Rises of 5 per cent and 11 per cent were noted for copper and zinc prices, respectively, while the price of lead almost doubled in comparison with the same period last year. The average price for all metals was also higher during the first six months of the year than in the preceding year, with price rises of 12 per cent for copper, 29 per cent for zinc, and 69 per cent for lead.

Metal prices (average LME/LBMA)	Q2 2007	Q2 2006	Change in %	First 6 months 2007	First 6 months 2006	Change in %
Copper (USD/tonne)	7 635	7 251	5	6 769	6 070	12
Zinc (USD/tonne)	3 664	3 301	11	3 561	2 762	29
Lead (USD/tonne)	2 182	1 095	99	1 979	1 169	69
Gold (USD/troy oz)	668	629	6	659	591	12
Silver (USD/troy oz)	13.33	12.25	9	13.31	10.95	22

Metal price hedging

The following table contains a summary of Boliden's metal price hedging for copper, lead, gold and silver on 30th June 2007 with regard to forecast metal price exposure.

		Copper	Lead	Gold	Silver
Maturity year 2007	Percentage of price exposure hedged	78 %	56 %	110%	58 %
	Price ¹	5 090	1 264	636	10.84
Maturity year 2008	Percentage of price exposure hedged	70 %	50 %	70 %	70 %
	Price ¹	6 394	1 315	665	13.15
Maturity year 2009	Percentage of price exposure hedged	70 %	50 %	70 %	70 %
	Price ¹	5 920	1 252	702	14.59
Market value of outstanding contracts, SEK m		-751	-735	-31	0

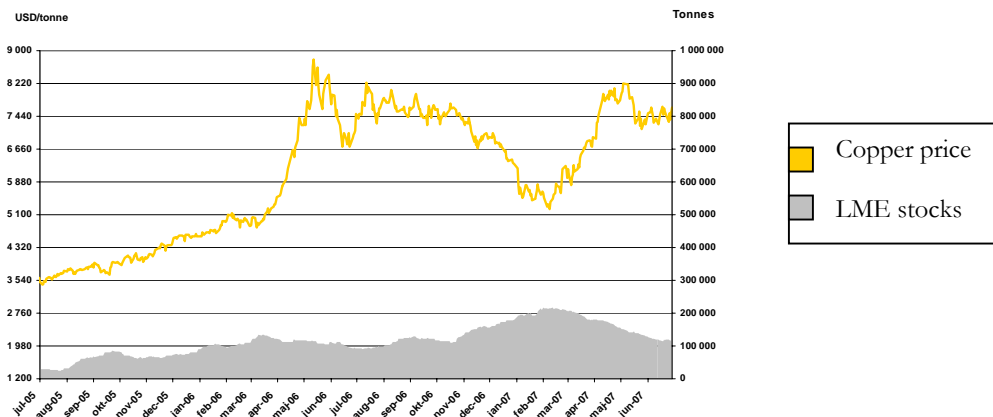
¹) Price: USD/tonne for copper and lead, USD/tr.oz for gold and silver

Price escalation clauses have been excluded in their entirety from the exposure for 2008-2009 as has been, therefore, the percentage hedged for 2008-2009. The level of escalators in purchasing contracts during 2008-2009 may affect the hedged percentage for these years.

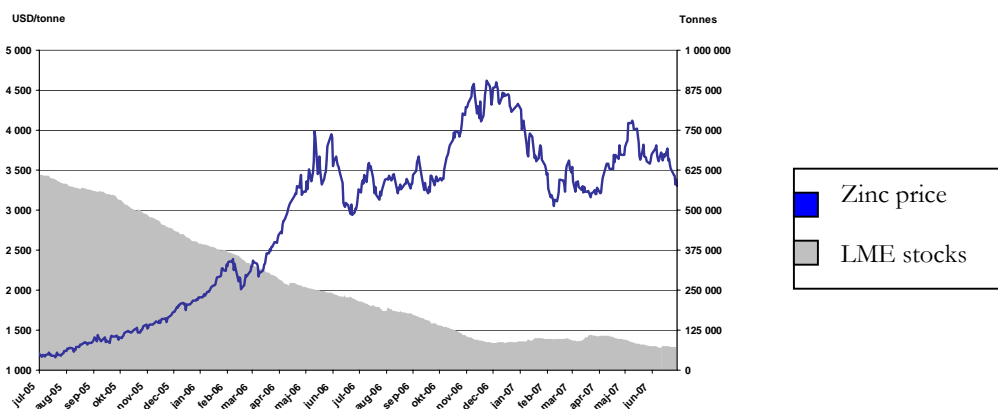
The table below contains a quarterly breakdown of Boliden's metal price hedging for 2007.

Maturity year 2007	Copper (USD/tonne)	Lead (USD/tonne)	Gold (USD/tr.oz)	Silver (USD/tr.oz)
Q1 approx.	2 930	1 130	510	7.40
Q2 approx.	3 330	1 120	530	8.10
Q3 approx.	4 110	1 150	590	9.60
Q4 approx.	6 100	1 370	690	12.10

Copper price (spot) and stocks, July 2005-June 2007



Zinc price (spot) and stocks, July 2005 - June 2007



Treatment charges/Refining charges (TC/RC)

Copper mining production has increased at a slower rate than the expansion of smelter capacity, particularly in China, and the copper concentrate shortfall has consequently continued to increase. This has led to further pressure on spot market.

Boliden has concluded contractual negotiations for 2007 for approximately 50 per cent of the contract volumes of copper concentrate, which have now been priced at the 2007 benchmark prices of USD 60/tonne for treatment charges and USc 6.0/lb for refining charges without price escalators. The remaining 50 per cent is priced at the 2006 benchmark prices of USD 95/tonne and USc 9.5/lb, respectively.

The increase in zinc mining production has outstripped the expansion of smelter capacity, which has improved the availability of zinc concentrate, resulting in further rises in spot treatment charges during the second quarter. Towards the end of the quarter, spot treatment charges were in the interval between USD 300 and 330/tonne, with the lower figures coming from China and the higher from Europe.

This year's benchmark negotiations for zinc concentrate have now been concluded, but no consensus benchmark was established. The treatment charge for 2007 is USD 300/tonne, with a base for price escalators of USD 3,500/tonne of zinc, but there is considerable variation in the size of the price escalators. Generally, however, both the plus and the minus escalators have been lowered.

Boliden essentially maintains a balance (76 per cent in the first six months of the year) between its zinc mines and zinc smelters and consequently, changes in zinc treatment charges and their price escalators have only a limited effect on the company's result.

Negotiations with regard to the 2007 lead treatment charges have not, as yet, yielded a generally accepted benchmark.

Exchange rates

The Swedish krona strengthened against the US dollar and the Norwegian krone during the second quarter and first six months of 2007, but remained largely unchanged against the euro. In comparison with the first quarter of this year, the Swedish krona has weakened by 2 per cent against the US dollar.

Exchange rate (average)	Q2 2007	Q2 2006	Change in %	First 6 months 2007	First 6 months 2006	Change in %
USD/SEK	6.87	7.40	-7	6.94	7.59	-9
EUR/USD	1.35	1.26	7	1.33	1.23	8
EUR/SEK	9.26	9.30	0	9.22	9.33	-1
USD/NOK	6.01	6.23	-4	6.12	6.46	-5

Currency hedging

Currency contracts on 30th June 2007 in respect of the hedging of forecast commercial payment flows in USD/SEK are shown in summary form in the table below. Boliden's other currency risks in respect of forecast exposure are, essentially, unhedged.

The hedge coverage rates for exposure to USD/SEK are 33, 40 and 42 per cent, respectively, for 2007, 2008 and 2009, calculated on the basis of price assumptions in the Sensitivity Analysis table.

		Currency forwards	Currency options (floor)
Maturity year 2007	amount, sold, USD m	13	199
	rate ¹	7.52	7.08
Maturity year 2008	amount, sold, USD m		444
	rate ¹		6.70
Maturity year 2009	amount, sold, USD m		452
	rate ¹		6.00
Total unrealised contracts		13	1 095
Market value of outstanding contracts, SEK m		9	184

¹ Refers to weighted rates for currency forwards and weighted strike rates for currency options.

The floors in the options portfolios are divided between USD/SEK 6.00 – 7.30

Sensitivity analysis

The following table shows an estimate of the effects of changes in market conditions for the next year, calculated from 30th June 2007. The estimate is based on closing day prices on 30th June 2007 and on planned production volumes. The sensitivity analysis does not take into account the effect of contracted TC/RC.

Change in metal prices +10%	Effect on op. profit SEK m	Effect on op. profit incl. hedge, SEK m	Change in USD +10%	Effect on op. profit SEK m	Change in TC/RC +10%	Effect on op. profit SEK m
Copper	320	66	USD/SEK	890	TC/RC Copper	80
Zinc	800	800	EUR/USD	555	TC Zinc	75
Lead	125	61	USD/NOK	115	TC Lead	-5
Gold	55	-3				
Silver	65	29				
Nickel	0	0				

SEGMENT MINES

Segment Mines comprises the operations of the Aitik, Boliden Area and Garpenberg mines in Sweden and the Tara mine in Ireland. Aitik produces copper concentrate with some gold and silver content. The other Swedish mines produce zinc, copper and lead concentrates as well as some gold and silver. Tara produces zinc and lead concentrates.

Production

Metal production	Q2	Q2	<i>Change</i>	First 6	First 6	<i>Change</i>
	2007	2006		months	months	
			<i>in %</i>	2007	2006	<i>in %</i>
Zinc, tonnes	86 682	80 090	8	175 713	169 315	4
Copper, tonnes	16 598	21 835	-24	31 301	47 451	-34
Lead, tonnes	14 200	10 779	31	27 488	23 012	19
Gold, kgs	883	1 172	-24	1 622	2 311	-30
Silver, kgs	58 210	52 700	10	120 513	108 170	11

Production of milled tonnage was higher in all mining areas, with the exception of Tara, where production was marginally lower during the first six months of the year than last year (-3 per cent).

During the second quarter, copper head grades were slightly higher than the average grades of the ore reserves at the Aitik mine (0.32 per cent in comparison with 0.28 per cent), but production of copper was substantially lower during both the second quarter and the first six months of the year in comparison with the same periods in 2006. The average head grade of the ore mined during the first and second quarters of 2006 was 0.50 and 0.39 per cent, respectively. During 2007 grades are expected to be close to the average grades of the ore reserves of 0.28 per cent. Gold production at the Aitik mine also fell as a result of lower grades.

Production of all metals was higher in the Boliden Area during the second quarter, with the exception of copper, in comparison with the same period last year. Production of copper, zinc and gold was down during the first six months of the year, primarily due to the difference in the ore mix. Lead and silver production increased during the first six months of the year in comparison with 2006.

Garpenberg's production of zinc, lead and silver was much higher throughout the first six months of the year in comparison with the corresponding period in 2006, primarily due to better grades and a high average mill throughput.

At Tara, high zinc and lead grades coupled with good yields have resulted in higher levels of metals production in both the second quarter and the first six months of the year than during the corresponding periods last year.

Aitik 36 million tonnes

The expansion project at the Aitik mine, entailing a doubling of its annual ore production capacity up to 36 million tonnes, is proceeding according to plan both in terms of costs and schedule. The majority of the capital-intensive and most extensive purchases are either completed or nearing completion. Applications for environmental permits have been submitted and are being processed, and Boliden expects to receive a response by the turn of the year.

Revenues, results and investment

SEK m	Q2	Q2	<i>Change</i>	First	First	<i>Change</i>
	2007	2006		6 months	6 months	
			<i>in %</i>	2007	2006	<i>in %</i>
Revenues	2 345	1 875	25	4 164	3 654	14
Operating profit	1 121	772	45	1 907	1 504	27
Investments	370	222	67	590	425	39
Capital employed	5 003	4 300	16	5 003	4 300	16

Interim Report, January-June 2007

The operating profit of Mines for the second quarter totalled SEK 1,121 million (SEK 772 m). Prices and terms improved the operating profit by SEK 425 million during the quarter, primarily due to higher metal prices. Volume variations totalled SEK -33 million and costs increased by SEK 32 million.

During the first six months of the year, the operating profit was SEK 1,907 million (SEK 1,504 m). The deviation for the first six months in comparison with the same period last year is due to an increase in prices and terms of SEK 926 million primarily attributable to metal prices. The volume variations accounted for SEK -426 million and costs increased by SEK 82 million.

Tara and Garpenberg will implement planned maintenance shutdowns during the third quarter, which are expected to have a total negative effect on the operating profit of approximately SEK 100 million.

SEGMENT SMELTERS

Segment Smelters comprises the Rönnskär and Harjavalta copper smelters and the Bergsöe lead smelter. These smelters mainly produce copper, gold, silver, lead and lead alloys. The segment also includes the Kokkola and Odda zinc smelters, which mainly produce zinc. Odda also produces aluminium fluoride. Segment Smelters also includes Market.

Production

Metal production	Q2	Q2	Change in %	First 6	First 6	Change in %
	2007	2006		months 2007	months 2006	
Copper, tonnes	78 377	87 866	-11	168 449	177 896	-5
Gold, kgs	4 224	4 238	0	8 736	9 843	-11
Silver, kgs	104 677	101 976	3	212 930	215 567	-1
Lead, tonnes	7 085	6 909	3	15 314	14 672	4
Lead alloys, tonnes (Bergsöe)	11 962	12 923	-7	24 024	25 556	-6
Zinc, tonnes	117 731	109 566	7	232 490	218 021	7
Aluminium fluoride	10 386	7 891	32	19 366	16 091	20

The processing of concentrate at the copper smelters remained high during the second quarter but the copper content was lower than during the corresponding period in 2006, which is the main reason for the lower copper production. The operating profit was hardly affected as the refining charges relate to the tonnage of concentrate processed.

Production of copper cathodes from Rönnskär was lower during the second quarter and the half-year production level was consequently lower than in the previous year. This was mainly due to lower metal content and a leakage in the electric furnace. Rönnskär's gold and silver production was higher during the second quarter than in the corresponding period last year.

Harjavalta has had lower copper content in the concentrate, implemented a planned maintenance shutdown and suffered a number of minor disruptions to production during the second quarter, which had a negative effect on cathode production. Nickel smelting continued to perform very well and achieved higher levels during the first six months of the year than during the same period in 2006.

Bergsöe's lead production during the second quarter was lower than during the corresponding period in 2006. Bergsöe is expected to be operating at full capacity after the summer.

Production levels of zinc metal at Kokkola remained high during the second quarter, and production for the first six months of the year is significantly higher than during the corresponding period in 2006.

Odda was negatively affected by minor production disruptions in the tank house during the second quarter. Nonetheless, during both the second quarter and the first six months of the year, Odda's production of zinc metal remained on a par with levels during the corresponding periods in 2006. Production of aluminium fluoride was significantly higher throughout the first six months of the year than production levels during the same period last year.

Revenues, results and investments

SEK m	Q2	Q2	<i>Change in %</i>	First	First	<i>Change in %</i>
	2007	2006		6 months 2007	6 months 2006	
Revenues	9 887	9 516	4	18 831	17 167	10
Operating profit	1 136	1 705	-33	1 680	2 734	-39
Investments	319	182	75	472	420	12
Capital employed	15 412	14 173	9	15 412	14 173	9

The operating profit of Smelters fell to SEK 1,136 million (SEK 1,705 m) during the second quarter. Prices and terms collectively accounted for deterioration in the operating profit of SEK 632 million in comparison with the second quarter of 2006. This was due, partly, to lower realised TC/RC, lower exchange rates and a less positive stock revaluation, and partly to a lower monthly correction in April of preliminarily priced metals sales from the first quarter. Higher production boosted the operating profit by SEK 83 million. The cost increase during the second quarter in comparison with the same period in 2006 was SEK 35 million.

The operating profit fell during the first six months of the year by SEK 1,054 million to SEK 1,680 million (SEK 2,734 m), of which SEK 1,088 million can be attributed to poorer prices and terms as a result of lower realised TC/RC, lower exchange rates, a less positive stock revaluation and a negative monthly correction in January of preliminarily priced metals sales from the fourth quarter. Costs increased by SEK 147 million, primarily due to increases in energy prices. There was a positive volume variation in comparison with the first six months of 2006 totalling SEK 164 million.

Rönnskär and the aluminium fluoride plant at Odda will implement planned maintenance shutdowns during the third quarter of 2007. These stops are expected to have a total negative effect on the operating profit of approximately SEK 160 million.

EXPLORATION

Boliden has almost doubled the budget for exploration to SEK 300 million, in comparison with year 2006 when the budget was SEK 162 million.

Boliden's increased investments in exploration continue to yield results. Drilling, drift mining work and geophysical ground survey activities were intensified in all areas of exploratory interest during the second quarter.

Mine-site exploration

Boliden recorded yet more interesting results from all of its mine-site exploration projects during the second quarter. The Boliden Area continued to show good results in the form of, among other things, substantial zinc grades and interesting gold and copper grades around the Kristineberg mine, as well as new mineralised zones with good levels of zinc and gold around the Renström mine.

In Ireland, in the Navan area, drilling is taking place both to the north and the south west of currently known ore areas, and the results are promising. Electromagnetic measurements led to successful drilling of the extension to known mineralisations.

Field exploration

Boliden's field exploration in Sweden is concentrated on base metal and gold exploration in the Skellefte field and on base metals in Dorotea, Norrbotten and Bergslagen. Some 20 projects are currently being investigated using geochemical sampling, deep-penetrating electromagnetic geophysics and diamond drilling.

Diamond drilling has been carried out in the Boliden Area since the beginning of the year in order to investigate a potential mineralisation in the bedrock under the town of Boliden. Drilling of the Mauriliden Östra mineralisation began in the central section of the Skellefte field with the aim of investigating a potential of 1.5 to 2 million tonnes.

Gold exploration in the Skellefte field is still focusing on the Älgträsk area (Jörn). A total of approximately 5,200 metres was drilled in the so-called Nyhem zone and the most recent drilling holes indicated promising mineralisations, close to the surface, in the zone's northerly extension.

Drilling has been carried out in the Dorotea area (Ursvattnet, Långmyran and Havsnäs) since February. Rock slabs containing a lead and zinc mineralisation were found between the Bellviksberg and Granberget deposits. Drilling of the Rockliden deposit in Ångermanland also began.

Work is now proceeding in Norrbotten and will be further intensified in Vaikijaur, Lannavaara and Saapisaasivaara during the third quarter.

Electromagnetic measurements (EM34) were carried out in Bergslagen in the Stollberg field to the north east of Ludvika and have yielded strong indications thought to be related to mineralisations.

Exploration work is taking place in Ireland in the Eastern section of the Limerick and Wexford areas. Data for the Longford area is currently being processed and will be evaluated during the third quarter. The Exploration department was reinforced by the addition of new staff members during the quarter. Electromagnetic probing equipment is now in place, and used as standard equipment in the exploration work in Ireland also.

SUSTAINABILITY

Employees

The average number of employees in Boliden at the end of the reporting period was 4,568. Of these, 2,324 work in Sweden, 1,162 in Finland, 672 in Ireland, 384 in Norway and 26 in other countries. This represents an increase of 34 in comparison with 30th June 2006, when the average number of employees was 4,534. The difference is primarily related to new recruitments within the exploration operations.

Absence due to sickness during the second quarter totalled 4.5 per cent, which represents a reduction in comparison with 2006 as a whole, when the absence due to sickness figure was 5.0 per cent. Boliden's goal is for absence due to sickness to be under 4.8 per cent by the end of 2008.

The accident frequency during the second quarter was 10.8 accidents per million hours worked. This represents a decrease in comparison with the first quarter of 2007 when the corresponding figure was 12.1 accidents per million hours worked and a decrease in comparison with 2006 as a whole, when the figure was 11.2. Boliden has adopted a zero vision with regard to accidents and the goal is to reduce the frequency to under 5.0 accidents per million hours worked by the end of 2011.

Environment

The Rönnskär copper smelter has certified its environmental management system in accordance with the ISO 14001:2004 standard during the quarter. This means that five of Boliden's nine production units now have certified environmental management systems. Boliden's goal is for all of its production units to be certified in accordance with ISO 14001 by the end of 2008.

A total of 27 environmental incidents have been reported (3 incidents involving exceeding maximum limit values, 10 involving exceeding guideline values, and 14 other deviations) during the second quarter. An incident occurred in Odda in early May, leading to zinc (4,500 kgs) being discharged into the nearby fjord. The Norwegian Pollution Control Authority has investigated the incident and their findings are expected in the autumn. Odda has carried out its own internal investigation in parallel with the official one and has implemented corrective measures based on its findings in order to prevent any repetition of the incident. Odda will, as a result of the incident, exceed its maximum limit value for discharge of zinc to water.

THE PARENT COMPANY

The Parent Company, Boliden AB, conducts no operations and has no employees.

OTHER**Risks and uncertainty factors**

The Group's and Parent Company's significant risk and uncertainty factors include commercial risks and financial risks, mainly price risks related to currencies and metals. No significant risks, other than those described in Boliden's Annual Report (see Notes 18 and 22) and those described below, are deemed to have arisen.

In June 2007, and in connection with the bankruptcy proceedings of Boliden's Spanish subsidiary, Apirsa, the local Commercial Court of Seville issued a preliminary injunction for the seizure of assets belonging to Boliden AB and Boliden Mineral AB up to a value of EUR 141 million as security for alleged claims relating to the dam breach accident in Spain in 1998.

The preliminary injunction was issued without a hearing attended by Boliden representatives. Boliden disputes the court's order and will seek to have it set aside.

Boliden has previously stated its belief that the Company will suffer no substantial financial damage as a result of the legal proceedings against it relating to the dam breach accident in Spain. The preliminary injunction issued by the Commercial Court of Seville has not changed Boliden's opinion.

Taxes

The reported tax expense for the first six months of the year was SEK 930 million (SEK 1,084 m), corresponding to 27 per cent (27%) of the result before tax. Taxes paid totalled SEK 569 million (SEK 189 m).

Preparation principles for the Interim Report

The Interim Report has been prepared in accordance with IAS 34, Interim Reporting. The accounting principles remain unchanged from the annual accounts for 2006.

IFRS 7, Financial instruments: Disclosures, and IAS 1, Presentation of Financial Statements, are also applied from 1st January 2007. IFRIC 7, 8, 9, 10 and 11 are also, as a complement to the above, applicable from 1st January 2007. These recommendations and interpretations are not expected to have any effect on the consolidated accounts, other than in terms of the structuring and scope of the supplementary disclosures made in the financial statements.

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

The Interim Report gives a fair overview of the Group's and the Parent Company's business, financial condition and results, and describes significant risks and uncertainty factors faced by the Parent Company and its subsidiaries.

Stockholm, 19th July 2007

Anders Ullberg
Chairman of the Board

Carl Bennet
Deputy Chairman

Marie Berglund

Staffan Boman

Jan Johansson
President and CEO

Bo Karlsson

Alf Lindén

Ulla Litzén

Leif Rönnbäck

Matti Sundberg

Anders Sundström

Lars Sundström

Conference call (in English), 19th July

With reference to this Interim Report, the capital market is hereby invited to participate in a conference call on Thursday, 19th July, with Boliden's President & CEO, Jan Johansson, and members of the Group Management.

The conference call starts at 4 p.m. (CET 16:00)

To participate in the conference call, please dial:

- from Sweden: 08-50 52 01 14 (remember to dial the area code)

- from abroad: +44 (0)207 162 01 25

a couple of minutes before the conference call starts.

A presentation will be available on Boliden's website at www.boliden.com approximately one hour before the conference call starts. The conference call can be followed "live" using the presentation images on the website.

A recording of the conference call will be available at www.boliden.com.

Interim Reports

The Interim Report for January-September 2007 will be presented on 30th October 2007.

The Full-year Report for the full year of 2007 will be presented on 7th February 2008.

Contact persons for information:

Jan Johansson, President and CEO

jan.c.johansson@boliden.com

Tel +46 8 610 16 02

Mobile +46 70 555 02 02

Eva Kaijser, SVP, Information & Investor Relations

eva.kaijser@boliden.com

Tel +46 8 610 15 60

Mobile +46 70 932 09 01

Staffan Bennerdt, CFO

staffan.bennerdt@boliden.com

Tel +46 8 610 15 20

Mobile +46 70 513 61 14

INCOME STATEMENTS

SEK m	Q2	Q2	First	First	Full year
	2007	2006	6 months	6 months	
	2007	2006	2007	2006	2006
Revenues	9 292	8 850	17 748	16 186	35 213
Cost of goods sold	-6 826	-6 179	-13 755	-11 542	-25 831
Gross profit	2 466	2 671	3 993	4 644	9 382
Selling expenses	-84	-80	-191	-199	-404
Administrative expenses	-104	-106	-202	-194	-409
Research and development costs	-80	-55	-144	-101	-215
Other operating income and expenses	22	22	50	53	151
Results from participations in associated companies	-	-1	-	-1	17
Operating profit	2 220	2 451	3 506	4 202	8 522
Financial income	31	26	58	39	85
Financial expenses	-60	-113	-111	-180	-294
Profit before tax	2 191	2 364	3 453	4 061	8 313
Income tax expense	-589	-626	-930	-1 084	-2 045
Profit for the period	1 602	1 738	2 523	2 977	6 268
Earnings per share, SEK	5.56	6.01	8.74	10.29	21.66
Earnings per share after dilution, SEK	5.56	6.00	8.74	10.27	21.66
Shareholders' equity per share, SEK	45.66	40.65	45.66	40.65	55.58
Number of shares	285 407 169	289 387 169	285 407 169	289 387 169	289 457 169
Average number of shares	288 079 147	289 387 169	288 764 351	289 387 169	289 429 169
Average number of shares after dilution	288 079 147	289 782 863	288 764 351	289 782 863	289 429 169
Number of own shares held	4 050 000	-	4 050 000	-	-

Other key ratios	Q2	Q2	First	First	Full year
	2007	2006	6 months	6 months	
	2007	2006	2007	2006	2006
Return on capital employed, %	49	62	39	53	52
Return on shareholders' equity, %	40	62	31	55	51
Equity/assets ratio, %	50	48	50	48	60
Net debt/shareholders' equity, %	27	30	27	30	-1
Depreciation, SEK m	344	328	695	656	1 309
Investments, SEK m	688	404	1 061	845	1 847
Capital employed, SEK m	18 492	15 869	18 492	15 869	17 667
Net debt, SEK m	3 469	3 565	3 469	3 565	-195

BALANCE SHEETS

	30 th June	30 th June	31 st Dec
SEK m	2007	2006	2006
Intangible fixed assets	3 152	3 150	3 077
Tangible fixed assets	12 581	12 001	12 062
Deferred tax	–	127	–
Interest-bearing assets	21	20	21
Other financial fixed assets	38	39	46
Inventories	5 623	5 192	5 351
Interest-bearing current receivables	7	–	–
Other receivables	3 429	3 037	3 176
Liquid assets	1 294	1 176	3 196
Total assets	26 145	24 742	26 929
Shareholders' equity	13 030	11 764	16 089
Pension provisions	503	498	493
Deferred tax provisions	1 354	242	1 277
Other provisions	1 032	959	1 016
Interest-bearing long-term liabilities	3 573	2 652	2 302
Interest bearing current liabilities	716	1 610	228
Other current liabilities	5 937	7 017	5 524
Total liabilities and shareholders' equity	26 145	24 742	26 929

Specification of change in shareholders' equity	30 th June	30 th June	31 st Dec
SEK m	2007	2006	2006
Opening balance	16 089	10 289	10 289
New share issue	–	–	2
Dividend	-1 158	-579	-579
Share redemption	-3 464	–	–
Buy-back of own shares	-590	–	–
Profit for the period	2 523	2 977	6 268
Market valuation of financial instruments, after fiscal effect	-368	-920	124
Translation differences	-2	-3	-15
Closing balance	13 030	11 764	16 089

On 30th June 2007, the market valuation of financial instruments, after fiscal effect, amounted to SEK -1,026 million.

STATEMENTS OF CASH FLOW

SEK m	Q2 2007	Q2 2006	First 6 months 2007	First 6 months 2006	Full year 2006
Cash flow from operating activities before					
changes in operating capital	2 033	2 625	3 331	4 655	9 646
Cash flow from changes in operating capital	-894	-242	-702	-1 273	-1 636
Cash flow from operating activities	1 139	2 383	2 629	3 382	8 010
Investment activities					
- Acquisition of tangible fixed assets	-688	-404	-1 061	-845	-1 843
- Other	-	-	-	-	104
Cash flow from investment activities	-688	-404	-1 061	-845	-1 739
Cash flow before financing activities	451	1 979	1 568	2 537	6 271
Dividend	-1 158	-579	-1 158	-579	-579
Share redemption	-3 464	-	-3 464	-	-
Buy-back of own shares	-590	-	-590	-	-
Other financing activities	1 767	-1 081	1 741	-2 301	-4 014
Cash flow from financing activities	-3 445	-1 660	-3 471	-2 880	-4 593
Cash flow for the period	-2 994	319	-1 903	-343	1 678
Exchange rate difference on liquid assets	-	-1	1	-1	-2
Change in liquid assets	-2 994	318	-1 902	-344	1 676

INFORMATION PER SEGMENT

SEK m

Q2 2007

	<u>Mines</u>	<u>Smelters</u>	<u>Other</u>	<u>The Group</u>
Revenues	2 345	9 887	-2 940	9 292
Operating profit	1 121	1 136	-37	2 220
Depreciation	155	200	-11	344
Investments	370	319	-1	688
Capital employed	5 003	15 412	-1 923	18 492

Q2 2006

	<u>Mines</u>	<u>Smelters</u>	<u>Other</u>	<u>The Group</u>
Revenues	1 875	9 516	-2 541	8 850
Operating profit	772	1 705	-26	2 451
Depreciation	136	191	1	328
Investments	222	182	-	404
Capital employed	4 300	14 173	-2 604	15 869

First 6 months, 2007

	<u>Mines</u>	<u>Smelters</u>	<u>Other</u>	<u>The Group</u>
Revenues	4 164	18 831	-5 247	17 748
Operating profit	1 907	1 680	-81	3 506
Depreciation	308	387	-	695
Investments	590	472	-1	1 061
Capital employed	5 003	15 412	-1 923	18 492

First 6 months, 2006

	<u>Mines</u>	<u>Smelters</u>	<u>Other</u>	<u>The Group</u>
Revenues	3 654	17 167	-4 635	16 186
Operating profit	1 504	2 734	-36	4 202
Depreciation	277	379	-	656
Investments	425	420	-	845
Capital employed	4 300	14 173	-2 604	15 869

Full year, 2006

	<u>Mines</u>	<u>Smelters</u>	<u>Other</u>	<u>The Group</u>
Revenues	7 261	37 514	-9 562	35 213
Operating profit	3 010	5 652	-140	8 522
Depreciation	543	765	1	1 309
Investments	1 065	782	-	1 847
Capital employed	4 393	14 474	-1 199	17 667

Capital employed reported under Other refers mainly to market valuation of hedge.

PRODUCTION

SEGMENT MINES	Share- holding, %	Q2 2007	Q2 2006	Change in %	First 6 months 2007	First 6 months 2006	Change in %
AITIK	100						
Refined ore, ktonnes		4 637	4 823	-4	9 315	9 165	2
Head grades							
Copper (%)		0.32	0.39	-18	0.30	0.44	-32
Gold (g/tonne)		0.15	0.26	-42	0.14	0.27	-48
Silver (g/tonne)		3.82	2.83	35	3.45	2.85	21
Metal production							
Copper, tonnes		13 004	16 964	-23	24 120	36 154	-33
Gold, kgs		318	629	-49	639	1 234	-48
Silver, kgs		10 230	9 890	3	19 953	18 656	7
THE BOLIDEN AREA	100						
Refined ore, ktonnes		456	401	14	910	848	7
Head grades							
Zinc (%)		5.4	6.0	-10	5.3	6.0	-12
Copper (%)		1.0	1.5	-33	1.0	1.7	-41
Lead (%)		0.5	0.5	0	0.5	0.5	0
Gold (g/tonne)		1.8	1.8	0	1.7	1.7	0
Silver (g/tonne)		67	74	-9	71	72	-1
Metal production							
Zinc, tonnes		19 769	18 812	5	37 998	39 822	-5
Copper, tonnes		3 446	4 722	-27	6 853	10 980	-38
Lead, tonnes		893	633	41	1 825	1 112	64
Gold, kgs		500	463	8	868	935	-7
Silver, kgs		20 361	18 923	8	42 767	38 810	10
GARPENBERG	100						
Refined ore, ktonnes		293	285	3	608	554	10
Head grades							
Zinc (%)		6.2	5.3	17	6.2	5.4	15
Copper (%)		0.1	0.1	0	0.1	0.1	0
Lead (%)		2.7	2.1	29	2.5	2.1	19
Gold (g/tonne)		0.3	0.4	-25	0.3	0.4	-25
Silver (g/tonne)		123	111	11	126	121	4
Metal production							
Zinc, tonnes		16 640	13 800	21	33 696	27 027	25
Copper, tonnes		148	148	0	328	318	3
Lead, tonnes		6 310	4 876	29	11 898	9 660	23
Gold, kgs		65	80	-19	115	142	-19
Silver, kgs		27 619	23 886	16	57 156	50 704	13
TARA	100						
Refined ore, ktonnes		661	693	-5	1 346	1 387	-3
Head grades							
Zinc (%)		8.1	7.4	9	8.3	8.0	4
Lead (%)		1.5	1.3	15	1.5	1.4	7
Metal production							
Zinc, tonnes		50 273	47 478	6	104 019	102 466	2
Lead, tonnes		6 997	5 270	33	13 765	12 240	12

PRODUCTION

SEGMENT SMELTERS	Q2 2007	Q2 2006	Change in %	First 6 months 2007	First 6 months 2006	Change in %
RÖNNSKÅR						
Smelted material, tonnes						
Copper, tonnes						
Primary	149 217	136 048	10	299 541	283 133	6
Secondary	40 785	35 911	14	79 350	72 311	10
Total	190 002	171 959	10	378 891	355 444	7
Production						
Cathode copper, tonnes	52 379	56 035	-7	111 725	113 936	-2
Lead, tonnes	7 085	6 909	3	15 314	14 672	4
Zinc clinker, tonnes	9 549	5 766	66	18 496	14 637	26
Gold, kgs	3 654	3 412	7	6 942	7 780	-11
Silver, kgs	95 053	92 209	3	193 810	195 334	-1
HARJAVALTA						
Smelted material, tonnes						
Copper concentrate	98 436	125 076	-21	216 933	260 806	-17
Production, tonnes						
Cathode copper	25 998	31 831	-18	56 724	63 960	-11
Gold, kgs	570	826	-31	1 794	2 063	-13
Silver, kgs	9 624	9 767	-1	19 120	20 233	-6
BERGSÖE						
Production, tonnes						
Lead alloys	11 962	12 923	-7	24 024	25 556	-6
Tin alloys	228	253	-10	431	486	-11
KOKKOLA						
Smelted material, tonnes						
Zinc concentrate	147 120	121 884	21	288 279	261 242	10
Production, tonnes						
Zinc, tonnes	78 454	70 155	12	153 994	138 385	11
ODDA						
Smelted material, tonnes						
Zinc concentrate, incl. zinc clinker	71 792	75 301	-5	144 929	147 432	-2
Production, tonnes						
Zinc, tonnes	39 277	39 411	0	78 496	79 636	-1
of which reprocessed zinc	510	1 010		1 529	1 010	
Aluminium fluoride, tonnes	10 386	7 891	32	19 366	16 091	20

**CONSOLIDATED
QUARTERLY DATA**

	Q3 2005	Q4 2005	Q1 2006	Q2 2006	Q3 2006	Q4 2006	Q1 2007	Q2 2007
Metal prices								
Copper (USD/tonne)	3 759	4 299	4 944	7 251	7 670	7 087	5 941	7 635
Zinc (USD/tonne)	1 298	1 631	2 248	3 301	3 363	4 194	3 460	3 664
Lead (USD/tonne)	892	1 058	1 240	1 095	1 189	1 622	1 787	2 182
Gold (USD/oz)	440	485	554	629	622	614	650	668
Silver (USD/oz)	7.07	8.05	9.71	12.25	11.70	12.58	13.29	13.33
Exchange rates								
USD/SEK	7.65	7.93	7.78	7.40	7.24	7.08	7.01	6.87
EUR/USD	1.22	1.19	1.20	1.26	1.27	1.29	1.31	1.35
EUR/SEK	9.35	9.46	9.35	9.30	9.23	9.13	9.19	9.26
USD/NOK	6.37	6.61	6.67	6.23	6.32	6.41	6.23	6.01
Metal production, Mines								
Zinc, tonnes	86 800	87 548	89 225	80 090	76 288	82 040	89 031	86 682
Copper, tonnes	21 484	27 161	25 617	21 835	19 858	19 515	14 703	16 598
Lead, tonnes	13 470	12 864	12 233	10 779	12 160	13 606	13 288	14 200
Gold, kgs	1 101	1 349	1 139	1 172	1 001	1 198	739	883
Silver, kgs	50 158	54 629	55 470	52 700	47 493	55 977	62 303	58 210
Metal production Smelters								
Copper, tonnes	88 143	89 429	90 029	87 866	87 843	90 653	90 072	78 377
Gold, kgs	5 459	4 715	5 606	4 238	5 315	4 535	4 512	4 224
Silver, kgs	125 608	91 492	113 591	101 976	95 846	102 989	108 253	104 677
Lead, tonnes	2 510	8 156	7 763	6 909	3 111	7 765	8 229	7 085
Lead alloys, tonnes (Bergsöe)	8 779	12 053	12 633	12 923	7 110	12 025	12 062	11 962
Zinc, tonnes	107 429	112 537	108 455	109 566	112 814	112 073	114 759	117 731
Aluminium fluoride, tonnes	6 014	8 203	8 200	7 891	5 040	7 631	8 980	10 386
Revenues								
	4 924	6 372	7 337	8 850	9 299	9 728	8 455	9 292
Operating profit before depreciation (EBITDA)								
	998	1 949	2 079	2 779	2 421	2 551	1 637	2 564
Operating profit (EBIT)								
	686	1 634	1 750	2 451	2 095	2 225	1 286	2 220
Profit before tax								
	610	1 581	1 697	2 364	2 067	2 185	1 261	2 191
Profit for the period								
	435	1 189	1 239	1 738	1 541	1 750	921	1 602
Cash flow from operating activities								
	632	947	999	2 383	1 681	2 947	1 490	1 139
Earnings per share, SEK								
	1.50	4.11	4.28	6.01	5.32	6.04	3.18	5.56
Return on capital employed, %								
	18	42	44	62	51	51	28	49
Net debt/shareholders' equity, %								
	64	54	45	30	16	-1	-8	27

INCOME STATEMENTS, PARENT COMPANY

SEK m	Q2 2007	Q2 2006	First 6 months 2007	First 6 months 2006	Dec 2006
Dividends from subsidiaries	0	1 997	0	1 997	6 531
Profit before tax	0	1 997	0	1 997	6 531
Taxes	–	–	–	–	–
Profit for the period	0	1 997	0	1 997	6 531

The operations of Boliden AB are conducted on commission from Boliden Mineral AB, and hence the results of the operations are reported under Boliden Mineral AB.

BALANCE SHEETS, PARENT COMPANY

SEK m	30 th June 2007	30 th June 2006	31 st Dec 2006
Participations in Group companies	3 911	4 097	3 911
Long-term financial receivables, Group companies	3 542	4 031	4 219
Current financial receivables, Group companies	714	1 404	4 733
Liquid assets	–	11	–
Total assets	8 167	9 543	12 863
Shareholders' equity	7 453	8 128	12 664
Current liabilities to credit institutions	714	1 404	199
Other current liabilities	–	11	–
Total liabilities and shareholders' equity	8 167	9 543	12 863