

Nyrstar announces 2010 Half Year Results

29 July 2010

HIGHLIGHTS

Strong Financial Performance

- Strong growth in Underlying EBITDA with €93 million for H1 2010 (€62 million in H2 2009)
- First contribution to earnings from ramp-up of Tennessee Mines and Talvivaara mine
- Completed syndication of €400 million credit facility and €225 million bond offering in March 2010
- Gearing of 33% at 30 June 2010

Strong Operating Performance

- Zinc metal production up 22%, smelting costs per tonne contained despite euro depreciation
- Coricancha mine and mill re-commissioned, ramping up in H2 2010
- Continued improvement in safety and environmental performance

Delivering on Strategy

- Streaming agreement for 1.25 million tonnes of zinc in concentrate from Talvivaara in February 2010
- Acquired additional 11% of Ironbark Zinc in May 2010, taking interest to 31%
- Subsequently acquired remaining 15% of Coricancha mine on 7 July
- Subsequently acquired Contonga and Pucarrajo mines on 19 July
- Zinc production from own mines expected to reach 25% of zinc metal production by 2012

COMMENT

The Company's financial performance continued to improve in H1 2010, with Underlying EBITDA increasing 50% to €93 million (compared to €62 million in H2 2009). Correspondingly the Company's Underlying EPS was €0.43, up 115% on H2 2009 (€0.20). The Company retains a solid financial position with gearing of 33% at 30 June 2010.

Zinc metal production was up 22% for H1 2010 compared to H2 2009, primarily due to the ramp-up of the Balen smelter, which returned to full production at the end of Q1 2010. The ramp-up of Nyrstar's mines continued, with the Tennessee and Talvivaara mines producing approximately 34,000 tonnes of zinc in concentrate in H1 2010.

Whilst the zinc price declined significantly throughout the period, falling 33% from US\$2575/tonne at the start of the year to US\$1730/tonne on 30 June 2010, the Company's financial performance benefited from a 9% increase in the average zinc price from US\$1982/tonne in H2 2009 to US\$2155/tonne in H1 2010. The Company's financial performance also benefited from the decline in the EUR:USD exchange rate, which depreciated 15% from 1.44 at the start of the year to 1.22 by 30 June 2010 as the Company's earnings are largely denominated in US dollars, whereas a substantial proportion of operating costs are denominated in euros.

Earnings from the Company's smelting business increased by approximately 55% to an EBITDA of €85 million in H1 2010, supported by the increased production, the zinc price and the depreciation of the euro. The Company's mining business generated its first contribution to earnings, with EBITDA of €7

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million in H1 2010, which is expected to increase significantly in the second half of the year with the continued ramp up of these assets.

The Company has continued to make significant progress in executing its strategy to selectively pursue opportunities in mining, entering into a streaming agreement for 1.25 million tonnes of zinc in concentrate from Talvivaara (Finland) in February, increasing its interest in Ironbark Zinc to approximately 31% in May, acquiring the outstanding 15% of the Coricancha mine (Peru) on 7 July, and acquiring the Contonga and Pucarrajo mines (Peru) on 19 July.

Zinc in concentrate production from the Company's mining business is expected to reach approximately 25% of the Company's zinc metal production by 2012. The Company continues to actively explore opportunities to continue to deliver on its strategy.

Roland Junck, chief executive officer of Nyrstar, said,

"The continued growth in our earnings reflects the strong performance of our smelting business, which benefited from higher production, stronger average metal prices, and the depreciation of the euro against the US dollar. Pleasingly, our mining business has already made a positive contribution to our earnings, and we expect this to increase significantly with the continued ramp up of these operations.

Following a number of important financing initiatives, Nyrstar retains a solid financial position with gearing of 33% at 30 June 2010, despite the significant acquisitions during the period. The subsequent acquisitions of the remaining 15% of the Coricancha mine and the acquisition of the Contonga and Pucarrajo mines in July will strengthen our mining business and operating presence in Peru. We are actively exploring additional opportunities to deliver on our strategy.

Demand in our primary markets continued to recover in the first half of 2010, although prices were volatile. Whilst in the short term markets are expected to remain volatile, the fundamental medium to long term outlook for zinc and other resources is strong, and will provide ongoing opportunities for growth."

CONFERENCE CALL

Management will present these results to the investment community on 29 July at 14:00 UK Time, 15:00 Central European Time. The presentation will be webcast live on the Nyrstar website, www.nyrstar.com, and will also be available in archive.

KEY FIGURES

€ millions	H1 2010	H2 2009	Δ %	H1 2009	FY 2009
<i>unless otherwise indicated</i>					
Mining Production ¹					
Zinc in concentrate ('000 tonnes)	34	-	-	-	-
Smelting Production ¹					
Zinc metal ('000 tonnes)	530	436	22%	373	809
Lead metal ('000 tonnes)	97	117	(17%)	110	227
Copper cathode ('000 tonnes)	2	2	-	2	4
Silver ('000 troy ounces)	7,231	8,147	(11%)	8,518	16,665
Gold ('000 troy ounces)	10	13	(23%)	10	24
Sulphuric acid ('000 tonnes)	706	608	16%	511	1,119
Market					
Average LME zinc price (US\$/t)	2,155	1,982	9%	1,322	1,659
Average exchange rate (€/US\$)	1.33	1.45	(8%)	1.33	1.39
Key Financial Data					
Revenue	1,277	951	34%	712	1,664
Underlying Smelting EBITDA	85	55	55%	35	90
Underlying Mining EBITDA	7	(3)	-	-	(3)
Underlying Other & Eliminations EBITDA	1	10	-	(4)	6
Underlying EBITDA ²	93	62	50%	30	93
Results from operating activities before exceptional items	49	28	75%	4	32
Profit/(loss) for the period	25	10	150%	1	10
Underlying EPS ² (€)	0.43	0.20	115%	0.12	0.32
Underlying Diluted EPS ² (€)	0.42	0.23	83%	0.12	0.34
Basic EPS (€)	0.25	0.10	150%	-	0.10
Diluted EPS (€)	0.26	0.14	86%	-	0.14
Capital Expenditure	56	45	24%	23	68
Cash Flow and Net Debt					
Net operating cash flow	0	(66)		47	(19)
Net debt/(cash), end of period	402	38		(158)	38
Gearing ³ (%)	33%	5%		Net cash	5%

¹ Includes production from mines and primary and secondary smelters only. Internal transfers of cathode for subsequent melting and casting are excluded (approximately 13,000 tonnes in H1 2010 and 48,000 tonnes in H2 2009). Historical production re-stated to exclude NYZA. Lead production at ARA reflects Nyrstar's ownership (50%). Production at Föhl, Galva 45, Genesis and GM Metal are not included.

² Underlying measures exclude exceptional items related to restructuring measures, impairment of assets, material income or expenses arising from embedded derivatives recognised under IAS 39 and other items arising from events or transactions clearly distinct from the ordinary activities of Nyrstar.

³ Gearing: net debt to net debt plus equity at end of period.

OPERATIONS REVIEW

SMELTING

Production ('000 tonnes)	H1 2010	H2 2009	Δ %	H1 2009	FY 2009
Zinc metal					
Auby	80	83	(4%)	78	161
Balen/Overpelt	141	76	86%	62	137
Budel	125	120	4%	104	224
Clarksville	60	56	7%	38	94
Hobart	121	133	(9%)	131	264
Port Pirie	16	17	(6%)	18	35
Elimination	(13)	(48)	(73%)	(58)	(106)
Total¹	530	436	22%	373	809
Lead metal					
Port Pirie	87	107	(19%)	101	208
ARA (50%)	10	10	-	9	19
Total	97	117	(17%)	110	227
Other products					
Copper cathode	2	2	-	2	4
Silver ('000 troy ounces)	7,231	8,147	(11%)	8,518	16,665
Gold ('000 troy ounces)	10	13	(23%)	10	24
Sulphuric acid	706	608	16%	511	1,119

Zinc metal production for H1 2010 was up 22% compared to H2 2009, primarily due to the Balen smelter returning to full production from the end of the first quarter 2010. As a result of this increased production, the Balen/Overpelt complex purchased less cathode from other Nyrstar smelters for the production of specialty alloys in H1 2010 (reducing the internal elimination above).

Production at the Clarksville smelter was up 7% in H1 2010, supported by zinc recovery improvements due to processing local concentrates from the Tennessee Mines. Production at the Budel smelter was up 4% in H1 2010, in comparison to H2 2009 which included a scheduled minor roaster shutdown.

Zinc metal production at Hobart was 9% down in H1 2010, due to minor equipment failures in the cast house in Q1 2010, and damage to two transformer rectifiers caused by a localised fire in May, which temporarily reduced production to approximately 80% of capacity. The damage was largely repaired in June, restoring production to approximately 95% of capacity, and the operation is expected to be restored to 100% of capacity before the end of the year.

Lead metal production at Port Pirie was down 19% in H1 2010 due to sinter plant reliability issues in the first quarter, which resulted in two blast furnace shutdowns and restricted production of silver, gold and copper. A blast furnace shutdown at Port Pirie is scheduled for July 2010, after which the site will be restored to full production.

¹ Includes production from primary and secondary smelters only (Auby, Balen/Overpelt, Budel, Clarksville, Hobart, Port Pirie, ARA). Internal transfers of cathode for subsequent melting and casting are removed in the elimination line. Historical production re-stated to exclude NYZA. Lead production at ARA reflects Nyrstar's ownership (50%). Production at Föhl, Galva 45, Genesis and GM Metal are not included

MINING

Production ('000 tonnes)	H1 2010	H2 2009
Zinc in concentrate		
Tennessee Mines	27	-
Talvivaara Mine ¹	7	-
Total	34	-

The ramp-up of the Tennessee Mines continued in H1 2010, with the mines producing approximately 27,000 tonnes of zinc in concentrate. The East Tennessee Mine Complex was operating at approximately 80% of capacity at the end of H1 2010, whilst the Middle Tennessee Mine Complex was operating at approximately 25% of capacity, with de-watering and rehabilitation of the Cumberland and Elmwood mines in progress. As previously announced, the operations are targeting ramp-up to a full production rate of approximately 130,000 tonnes per annum of zinc in concentrate by the end of 2010.

The Talvivaara mine delivered approximately 7,000 tonnes of zinc in concentrate to Nyrstar under the streaming agreement in H1 2010. The mine is expected to ramp-up to a rate of approximately 90,000 tonnes per annum of zinc in concentrate by 2012.

Construction and commissioning of the Coricancha mine was completed in H1 2010, with the first trial production of gold in June. The operations are expected to ramp up to an initial production rate of approximately 20,000 troy ounces of gold, 1 million troy ounces of silver, 5,000 tonnes of zinc in concentrate and 3,000 tonnes of lead in concentrate by the end of 2010. Meanwhile a detailed exploration program is in progress, which is expected to significantly increase mine resources and support a potential expansion of operations in 2011. The Company acquired the remaining 15% interest in the Coricancha mine from Gold Hawk Resources Inc in July.

On 19 July, the Company acquired the Contonga and Pucarrajo mines in Peru, which it intends to ramp-up to a combined annual capacity of approximately 40,000 tonnes of zinc in concentrate, 4,000 tonnes of lead in concentrate, 1,000 tonnes of copper in concentrate and 1.5 million troy ounces of silver by the end of 2012.

HEALTH, SAFETY & ENVIRONMENT

The Company's Recordable Injury Rate² decreased 18% to 14.8 at the end of H1 2010 compared to 18.1 at the end of 2009, and the Lost Time Injury Rate decreased 16% to 5.2, compared to 6.2 at the end of 2009.

Tragically, despite the Company's strong focus on safety, an employee was fatally injured in an incident related to the commissioning of the Coricancha mine. The Company remains fully committed to continually improving safety performance across all operations.

There were 11 minor recordable environmental incidents³ in H1 2010, 31% less than the 16 incidents in H2 2009.

¹ Deliveries by Talvivaara to Nyrstar at the port of Antwerp, under the zinc streaming agreement

² Recordable injuries are any injury requiring medical treatment beyond first aid. Recordable Injury Rate and Lost Time Injury Rate are 12 month rolling averages of the number of recordable injuries and lost time injuries (respectively) per million hours worked, and include all employees and contractors across all operations.

³ Recordable environmental incidents are any event requiring reporting to a relevant environmental authority, due to non-compliance with license conditions, and include all operations. Numbers are correct as of reporting date, but may be subject to adjustment based on subsequent internal audit or regulatory review.

CORPORATE

As previously reported, the Company relocated its management committee and other corporate, marketing and sales functions to its new corporate office in Zurich, Switzerland in July 2010, which is expected to deliver additional cost savings and position the Company for a long-term sustainable future.

The Company remains confident of delivering sustainable annual cost savings of €75 million by the end of 2010 (compared to 2008), through its organisational restructuring and other cost saving initiatives.

Management Committee Changes

In combination with the relocation, the Company today announced that Chief Commercial Officer, Erling Sorensen, would leave the Company at the end of July 2010 as a result of his decision to relocate back to Melbourne, Australia. Mr Sorensen, who participated in the creation of Nyrstar in 2007, said he had greatly enjoyed his time with the Company, and was looking forward to applying his experience to new challenges upon returning to Melbourne. Chief Executive Officer, Roland Junck, said Erling had made a significant contribution through his management of the Company's global sales and marketing functions and participation in the implementation of the Company's new strategy. "Erling has been a valued member of the management committee and I wish him all the best in his future career," he said.

As a result of Erling's departure, the Nyrstar management committee will be reduced from 6 to 5, with Michael Morley, Chief Corporate and Development Officer, assuming responsibility for corporate development in addition to his existing responsibilities for the company's legal and secretariat functions, investor relations and communications and implementation of M&A opportunities. Chief Executive Officer, Roland Junck, said "with a strong background in M&A, Michael has played a significant role in the execution of our strategy to date and is well placed to assume corporate development responsibilities".

Maarten de Leeuw, General Manager, Global Market Services, will assume responsibility for sales, marketing, raw material sourcing, metal price risk management and supply chain management, reporting directly to Roland Junck.

Nyrstar Management Committee Co-Investment Plan

During June 2010, the Company received notification that Messrs Junck, Eigner, McMillan, Murphy and Morley had each acquired their maximum entitlement of Co-Investment Shares under the 2010 Management Committee Co-Investment Plan, which was approved by shareholders at the Annual General Meeting held on 28 April 2010. Mr Julien De Wilde, chairman of Nyrstar, stated "the full participation of the management committee in the Co-Investment Plan is an overwhelming display of their solidarity and commitment to the long-term success of the Company."

MARKET REVIEW

Average prices ¹	H1 2010	H2 2009	Δ %	H1 2009	FY 2009
Exchange rate (€/US\$)	1.33	1.45	(8%)	1.33	1.39
Zinc price (US\$/tonne, cash settlement)	2,155	1,982	9%	1,322	1,659
Lead price (US\$/tonne, cash settlement)	2,085	2,107	(1%)	1,330	1,726
Copper price (US\$/tonne, cash settlement)	7,130	6,238	14%	4,046	5,164
Silver price (US\$/t.oz, LBMA AM fix)	17.62	16.12	9%	13.17	14.67
Gold price (US\$/t.oz, LBMA AM fix)	1,153	1,030	12%	915	1,125

¹ Zinc, lead and copper prices are averages of LME daily cash settlement prices. Silver and gold prices are averages of LBMA daily fixing prices.

ZINC

The International Lead Zinc Study Group (ILZSG) estimate global zinc consumption increased 21% year-on-year to approximately 5.0 million tonnes in the period January to May 2010. However zinc production continued to outstrip supply, with producers motivated by strong metal prices at the start of the year, resulting in production up 19% year-on-year to approximately 5.2 million tonnes in the same period. As a result, global LME zinc stocks increased throughout the first half of 2010 to approximately 616,000 tonnes, representing approximately 3 weeks of global consumption.

CRU estimate that global galvanised steel consumption, the largest first-use market for zinc, increased significantly by approximately 52% year-on-year in the first half of 2010, driven largely by the recovery in the western world, with North America up 77% and Europe up 55%, as well as continued demand growth in China, which rose 36% compared to H1 2009.

Nyrstar's smelters experienced this strong increase in demand from the galvanizing segment with sales of continuous galvanising grade alloys up 20% year-on-year in the first half of 2010. Demand for Nyrstar's specialty die-casting alloys also improved significantly, with demand also up approximately 20% compared to H1 2009.

Despite the continued improvements in demand, concerns over eurozone debt and a potential slowing of Chinese growth put pressure on base metals prices in H1 2010, resulting in the zinc price declining 33% throughout the period from US\$2,575/tonne at the start of the year, to US\$1,730/tonne on 30 June 2010.

European zinc premiums achieved by the Company increased during the first half of 2010 as a result of the growth in volume and euro-denominated premiums for die-casting alloys. However due to the depreciation of the euro, the average premiums for the Company globally remained relatively stable at around US\$100/tonne for the period, and are expected to remain around this level in the second half of the year.

OTHER PRODUCTS

Lead

ILZSG estimate global lead consumption only increased approximately 3% year-on-year in the period January to May 2010, due to sluggish demand in the first quarter of 2010. Lead production was also moderate at only 1% due to a slow start to the year. The LME lead price followed the same trend as the zinc price during H1 2010, falling from approximately US\$2,450/tonne at the start of the year to US\$1,690/tonne by the end of the first half.

Average lead premiums for the Company remained relatively stable in the first half of 2010 at approximately US\$50/tonne, with strengthening premiums for commodity grade lead offsetting a marginal softening in premiums for lead alloys.

Gold & Silver

Gold and silver prices increased throughout the first half of 2010, supported by the increasingly risk-averse investor sentiment, with gold rising from US\$1,113/troy oz at the start of the year to US\$1,240/troy oz on 30 June, and silver rising from US\$17.74/troy oz to approximately US\$18.74/troy oz in the same period.

Acid

Sulphuric acid market prices were volatile throughout the first half of 2010, with recovering demand from the fertiliser and mining industries contributing to a significant price spike in the spot market, which later subsided to more stable price levels by the end of the half.

Acid prices achieved by the Company, which are predominately based on contracts, improved steadily throughout the period to an average of approximately US\$20/tonne by the end of H1 2010, and are expected to continue to moderately improve in the second half of the year.

FINANCIAL REVIEW

The Company delivered a strong financial performance in H1 2010, achieving an underlying EBITDA of €93 million, compared to €62 million in H2 2009. The result benefited from a positive contribution from the new mining assets, higher average metal prices, and the depreciation in the euro exchange rate in the period. Denominated in euros, the average LME zinc price in H1 2010 was 18% higher than H2 2009.

SMELTING

€ millions unless otherwise indicated	H1 2010	H2 2009	Δ %	H1 2009	FY 2009
Treatment charges	224	156	44%	136	292
Free metal contribution	128	96	33%	63	159
Premiums	53	42	26%	44	86
By-Products	41	28	46%	64	92
Other	(53)	(28)	89%	(35)	(63)
Underlying Gross Profit	393	294	34%	272	566
Employee expenses	93	82	13%	79	161
Energy expenses ¹	118	97	22%	84	181
Other expenses	97	62	56%	73	135
Underlying Operating Costs	308	240	28%	236	477
Underlying EBITDA	85	55	55%	35	90

Underlying Smelting gross profit increased 34% to €393 million in H1 2010 as a result of stronger average metal prices, strengthening of the US dollar versus the euro and the 22% increase in zinc metal production.

Underlying smelting operating costs (€308 million) increased by 28% compared to H2 2009 (€240 million), as a result of the increase in metal production with the Balen Smelter returning to full production. The weaker euro versus the US dollar and Australian dollar also impacted the non-European smelter costs. As a result of the weaker euro and temporary production issues at the Hobart and Port Pirie smelters, smelting operating costs per tonne increased to €499 for H1 2010, compared to €442 in H2 2009.

MINING

€ millions unless otherwise indicated	H1 2010	H2 2009
Treatment charges	(10)	0
Free metal contribution	40	-
By-Products	-	-
Other	-	-
Underlying Gross Profit	30	0
Employee expenses	8	1
Energy expenses	3	1
Other expenses	12	1
Underlying Operating Costs	23	3
Underlying EBITDA	7	(3)

¹ Energy expenses do not include the net loss or gain on the Hobart smelter embedded energy derivatives (€10m loss in H1 2010, €5m loss in 2009)

The Mining segment delivered a positive Underlying EBITDA contribution of €7 million. This is expected to increase significantly in H2 2010 as the Company's mines continue to ramp up to full capacity.

The C1 cash cost¹ for the Tennessee Mines was approximately US\$1715 per tonne of payable zinc in H1 2010, and is expected to decrease as the mines ramp-up to full production by the end of the year. The C1 cash cost for zinc delivered from the Talvivaara mine was approximately US\$1025 per tonne of payable zinc.

OTHER & ELIMINATIONS

The Other and Eliminations segment resulted in an Underlying EBITDA contribution of €1 million, comprising of an elimination of unrealised Mining segment earnings of approximately €3 million (for material sold internally to own smelters) and a net positive contribution of €4 million from other operations and other group costs.

Cash Flow and Net Debt

As of 30 June 2010, Nyrstar had a net debt position of approximately €402 million, increased from a net debt position of approximately €38 million at 31 December 2009, predominantly due to the acquisition of the zinc stream from the Talvivaara mine, the additional 11% interest in Ironbark, share buy back and the payment of the 2009 dividend.

Nyrstar's operations generated a positive cash flow of €0.3 million in H1 2010, compared to a negative cash flow of €66 million in H2 2009, largely due to the improved operational result, offset by an increased net working capital requirement driven by the strengthening USD exchange rates.

Debt Facilities

In March 2010, the Company completed syndication of a €400 million Structured Commodity Trade Finance Credit Facility (which includes a pre-approved accordion feature that facilitates an increase in the facility limit to €500 million), as well as a €225 million public offering of 5.5% fixed rate bonds due 2015. In addition to the Company's €120 million convertible bond issued in July 2009, these facilities have further diversified the Company's funding sources, maintaining the Company's financial strength to continue to deliver on its strategy.

Capital Expenditure

Including capital expenditure related to the ramp-up of the Coricancha and Tennessee mines, the Company's capital expenditure was €56 million in H1 2010, up 24% on H2 2009.

Taxation

Nyrstar recognised an income tax expense at a rate of approximately 18% in H1 2010. The main items impacting the income tax rate are the non-recognition of Deferred Tax Assets attributable to tax losses in Belgium, non-tax deductible expenses and the notional interest deduction in Belgium.

Share Buy Back

During May and June 2010, the Board utilised its authorisation granted in Article 13 of the Company's Articles of Association to acquire 3,321,558 shares (approximately 3.3% of issued share capital). These shares will be held as treasury shares with suspended dividend rights, for potential delivery to eligible employees in 2011, 2012 and 2013 to satisfy the Company's outstanding obligations under the Long Term Incentive Plan and the Management Committee Co-Investment Plan. During the relevant period the designated broker, KBC Securities NV, purchased shares for a price not lower than 10% below the average closing price during the last 20 trading days, and not higher than 10% above the average closing price during the last 20 trading days. The total cost of the buy back program amounted to €29,278,364.

¹ C1 cash costs are the net direct cash costs incurred from mining through to refined metal (including treatment charges, concentrate freight costs, general expenses, essential off-site services, property taxes and marketing costs) less by-product credits

Following a previous share buy back program in 2008 to ensure delivery to eligible employees under the Employee Share Acquisition Plan whereby 310,000 treasury shares were acquired, the Company currently holds 3,631,558 treasury shares (approximately 3.6% of the Company's issued share capital).

Sensitivities

The Company's results are significantly affected by changes in metal prices, exchange rates and Treatment Charges (TCs). Sensitivities to variations in these parameters are depicted in the following table, which sets out the estimated impact of a change in each of the parameters on the Company's full year underlying EBITDA based on the actual results and production profile for the half year ending 30 June 2010.

H1 2010		
Parameter	Variable	Estimated Annualised EBITDA impact in € million
Zinc Price	+/- US\$100/tonne	+/-26
Lead Price	+/- US\$100/tonne	+/- 1
US\$/€	+/- €0.01	+/- 7
A\$/€	+/- €0.01	-/+ 4
Zinc TC	+/- US\$25/dmt	+/-30
Lead TC	+/- US\$25/dmt	+/- 5

The above sensitivities were calculated by modelling the Company's H1 2010 underlying operating performance. Each parameter is based on an average value observed during that period and is varied in isolation to determine the annualised EBITDA impact.

Sensitivities are:

- Not reflective of simultaneously varying more than one parameter; adding them together may not lead to an accurate estimate of financial performance.
- Expressed as linear values within a relevant range. Outside the range listed for each variable, the impact of changes may be significantly different to the results outlined.

These sensitivities should not be applied to the Company's results for any prior periods and may not be representative of the EBITDA sensitivity of any of the variations going forward.

UNDERLYING SEGMENT INFORMATION

Half Year Ending 30 June 2010

<i>€millions</i> <i>Unless otherwise indicated</i>	Smelting	Mining	Other and Eliminations	Group
	H1 2010	H1 2010	H1 2010	H1 2010
Zinc in concentrate ('000 tonnes)	-	34	-	34
Zinc market metal ('000 tonnes)	530	-	-	530
Lead market metal ('000 tonnes)	97	-	-	97
Sulphuric acid ('000 tonnes)	706	-	-	706
Revenue	1,264	30	(17)	1,277
Underlying EBITDA	85	7	1	93
Capital expenditure	27	28	1	56

Elements of Gross Profit

Treatment charges	224	(10)	-	214
Free metal	128	40	-	168
Premiums	53	-	-	53
By-products	41	0	-	41
Other	(53)	0	7	(46)
Underlying gross profit	393	30	7	430

Operating costs

Employee benefits expense	93	8	16	118
Energy expenses	118	3	1	122
Other expenses	97	12	(10)	99
Underlying operating costs	308	23	6	337

Half Year Ending 31 December 2009

<i>€millions</i> <i>Unless otherwise indicated</i>	Smelting	Mining	Other and Eliminations	Group
	H2 2009	H2 2009	H2 2009	H2 2009
Zinc in concentrate ('000 tonnes)	-	-	-	-
Zinc market metal ('000 tonnes)	436	-	-	436
Lead market metal ('000 tonnes)	117	-	-	117
Sulphuric acid ('000 tonnes)	608	-	-	608
Revenue	901	-	51	951
Underlying EBITDA	55	(3)	10	62
Capital expenditure	41	-	4	45

Elements of Gross Profit

Treatment charges	156	-	-	156
Free metal	96	-	-	96
Premiums	42	-	-	42
By-products	28	-	-	28
Other	(28)	-	16	(11)
Underlying gross profit	294	-	16	311

Operating costs

Employee benefits expense	82	1	26	109
Energy expenses	97	1	1	99
Other expenses	62	1	(21)	43
Underlying operating costs	240	3	7	250

RECONCILIATION OF UNDERLYING RESULTS

The following table sets out the reconciliation between the "Result from operating activities before exceptional items" to the Company's "EBITDA" and "Underlying EBITDA".

"**EBITDA**" includes the result from operating activities before depletion, depreciation and amortisation plus Nyrstar's share of the profit or loss of equity accounted investees.

"**Underlying EBITDA**" is an additional measure of earnings, which is reported by the Company to provide greater understanding of the underlying business performance of its operations. Underlying EBITDA excludes non-recurring items related to restructuring measures, impairment losses, material income or expenses arising from embedded derivatives recognised under IAS 39 and other items arising from events or transactions clearly distinct from the ordinary activities of the Company.

€ millions unless otherwise indicated	H1 2010	H2 2009	H1 2009	FY 2009
Result from operating activities before exceptional items	49	28	4	32
Depletion, depreciation and amortisation expense	32	26	24	50
Share of profit / (loss) of equity accounted investees	2	3	1	4
Restructuring expenses (a)	(7)	(9)	(16)	(24)
Impairment (losses) / reversals (b)	(1)	(2)	4	2
Loss on disposal of equity accounted investees	-	-	-	-
Net gain on disposal of subsidiaries	-	6	-	6
EBITDA	75	53	18	71
Underlying adjustments				
Add back:				
Restructuring expenses (a)	7	9	16	24
Impairment losses / (reversals) (b)	1	2	(4)	(2)
Net loss / (gain) on disposal of equity accounted investees	-	-	-	-
Net loss / (gain) on disposal of subsidiaries	-	(6)	-	(6)
Net loss / (gain) on Hobart Smelter embedded derivatives (c)	10	4	1	5
Underlying EBITDA	93	62	30	93

The items excluded from the "Result from operating activities before exceptional items and depletion, depreciation and amortisation" in arriving at "Underlying EBITDA" are as follows:

(a) One-off restructuring expenses of €7 million in H1 2010 (€9 million in H2 2009) were incurred in relation to the Company's organisational re-structuring programs. These provisions are expected to be sufficient to cover all the Company's costs associated with the restructuring initiatives announced to date.

(b) The Company's investment in NYZA was fully impaired in 2008. In H1 2009 a review of NYZA assets and liabilities held for sale was conducted, leading to a reversal of €4 million of previously recognised impairment losses. During November 2009, Nyrstar announced its intention to close the operations of its wholly-owned subsidiary, GM Metal. As a result, an impairment of €2 million has been recognised with regard to the fixed assets.

(c) The Hobart Smelter's electricity contract contains an embedded derivative which has been designated as a qualifying cash flow hedge. To the extent that the hedge is effective, changes in its fair value are recognised directly in equity, whilst to the extent the hedge is ineffective changes in fair value are recognised in the

consolidated income statement. As the hedge is partially ineffective, the negative change in fair value of €10 million (H2 2009: €4 million) on the ineffective portion of the hedge was recorded as a cost in energy expenses within the consolidated income statement. The impact on the income statement has been reversed from EBITDA for the purpose of calculating the Company's underlying EBITDA.

FORWARD-LOOKING STATEMENTS

This release includes forward-looking statements that reflect Nyrstar's intentions, beliefs or current expectations concerning, among other things: Nyrstar's results of operations, financial condition, liquidity, performance, prospects, growth, strategies and the industry in which Nyrstar operates. These forward-looking statements are subject to risks, uncertainties and assumptions and other factors that could cause Nyrstar's actual results of operations, financial condition, liquidity, performance, prospects or opportunities, as well as those of the markets it serves or intends to serve, to differ materially from those expressed in, or suggested by, these forward-looking statements. Nyrstar cautions you that forward-looking statements are not guarantees of future performance and that its actual results of operations, financial condition and liquidity and the development of the industry in which Nyrstar operates may differ materially from those made in or suggested by the forward-looking statements contained in this news release. In addition, even if Nyrstar's results of operations, financial condition, liquidity and growth and the development of the industry in which Nyrstar operates are consistent with the forward-looking statements contained in this news release, those results or developments may not be indicative of results or developments in future periods. Nyrstar and each of its directors, officers and employees expressly disclaim any obligation or undertaking to review, update or release any update of or revisions to any forward-looking statements in this report or any change in Nyrstar's expectations or any change in events, conditions or circumstances on which these forward-looking statements are based, except as required by applicable law or regulation.

About Nyrstar

The partner of choice in essential resources for the development of a changing world. Nyrstar is a leading global multi-metals company, producing significant quantities of essential resources - zinc and lead as well as other metals such as silver, gold and copper. Nyrstar is listed on NYSE Euronext Brussels under the symbol NYR. For further information visit the Nyrstar website, www.nyrstar.com.



Nyrstar
Condensed Consolidated
Interim Financial Statements

30 June 2010

Condensed consolidated interim income statement

€ millions	Note	Six months to 30 June 2010	Six months to 30 June 2009
Revenue		1,276.9	712.5
Raw materials used		(826.5)	(409.8)
Freight expense		(20.3)	(19.8)
Gross profit		430.1	282.9
Other income		6.6	2.7
Employee benefits expense		(118.2)	(98.6)
Energy expenses		(131.6)	(90.2)
Stores and consumables used		(48.9)	(31.9)
Contracting and consulting expenses		(34.3)	(25.7)
Other expenses		(22.2)	(11.1)
Depletion, depreciation and amortisation expense		(32.5)	(23.7)
Result from operating activities before exceptional items¹		49.0	4.4
Restructuring expenses	16	(7.2)	(15.9)
Impairment (losses) / reversal	12	(0.8)	4.0
Result from operating activities		41.0	(7.5)
Net financing income / (expense)	7	(12.4)	6.7
Share of profit of equity accounted investees	13	1.8	1.4
Profit before income tax		30.4	0.6
Income tax benefit / (expense)	8	(5.5)	(0.1)
Profit for the period		24.9	0.5
Attributable to:			
Equity holders of the parent		24.9	0.1
Non-controlling interest		-	0.4
		24.9	0.5
Earnings per share for profit attributable to the equity holders of the Company during the period (expressed in Euro per share)			
- basic	19	0.25	-
- diluted	19	0.26	-

¹ Exceptional items are those items of financial performance which the Group believes should be separately disclosed on the face of the income statement to assist in the understanding of financial performance achieved by the group.

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated interim statement of comprehensive income

€ millions	Note	Six months to 30 June 2010	Six months to 30 June 2009
Foreign currency translation differences		51.8	48.2
Defined benefit plans - actuarial gain and losses		0	(0.9)
Effective portion of changes in fair value of cashflow hedges		(11.9)	(21.5)
Change in fair value of investments in equity securities		(1.5)	-
Income tax on income and expenses recognised directly in equity	8	3.6	6.4
Other comprehensive income for the period net of tax		42.0	32.2
Profit for the period		24.9	0.5
Total comprehensive income for the period		66.9	32.7
Attributable to:			
Equity holders of the parent		66.9	32.7
Non-controlling interest		-	-
Total comprehensive income for the period		66.9	32.7

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated interim financial position

€ millions	Note	As at 30 June 2010	As at 31 December 2009
ASSETS			
Non-current assets			
Property, plant and equipment	12	676.4	612.5
Intangible assets		8.4	7.3
Investments in equity accounted investees	13	50.8	26.8
Investments in equity securities		5.1	5.5
Zinc purchase interests	11	271.9	-
Deferred tax assets		58.9	39.1
Other non-current assets	10	4.3	-
Other financial assets		16.9	53.9
		1,092.7	745.1
Current assets			
Inventories		417.5	480.5
Trade and other receivables		183.0	162.7
Prepayments		4.4	3.7
Current tax assets		7.4	5.8
Other financial assets		4.0	35.6
Cash and cash equivalents		105.2	84.0
Other current assets	10	4.0	-
		725.5	772.3
Total assets		1,818.2	1,517.4
EQUITY			
Equity attributable to equity holders of the parent			
Share capital and Share premium		1,255.4	1,255.4
Reserves		(237.4)	(230.0)
Retained earnings		(214.7)	(252.0)
		803.3	773.4
Non-controlling interest		6.2	6.2
Total equity		809.5	779.6
LIABILITIES			
Non-current liabilities			
Loans and borrowings	14	492.8	110.0
Deferred tax liabilities		71.0	49.6
Provisions	16	120.1	112.9
Employee benefits		54.0	50.2
Other financial liabilities		4.8	0.2
Other liabilities	10	-	23.9
		742.7	356.8
Current liabilities			
Trade and other payables		154.0	248.6
Current tax liabilities		13.1	4.0
Loans and borrowings	14	14.1	12.0
Provisions	16	39.2	33.4
Employee benefits		29.4	38.2
Other financial liabilities		16.2	17.3
Other liabilities	10	-	27.5
		266.0	381.0
Total liabilities		1,008.7	737.8
Total equity and liabilities		1,818.2	1,517.4

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated interim statement of changes in equity

€ millions	Share capital	Share premium	Reserves	Retained earnings	Total amount attributable to owners	Non-controlling interest	Total equity
Balance at 1 January 2010	1,176.9	78.5	(230.0)	(252.0)	773.4	6.2	779.6
Profit or loss	-	-	-	24.9	24.9	-	24.9
Other comprehensive income	-	-	42.0	-	42.0	-	42.0
Treasury shares	-	-	(49.4)	20.1	(29.3)	-	(29.3)
Dividends	-	-	-	(10.0)	(10.0)	-	(10.0)
Share-based payments	-	-	-	2.3	2.3	-	2.3
Balance at 30 June 2010	1,176.9	78.5	(237.4)	(214.7)	803.3	6.2	809.5

€ millions	Share capital	Share premium	Reserves	Retained earnings	Total amount attributable to owners	Non-controlling interest	Total equity
Balance at 1 January 2009	1,176.9	78.5	(285.9)	(262.9)	706.6	4.5	711.1
Profit or loss	-	-	-	0.1	0.1	0.4	0.5
Other comprehensive income	-	-	33.5	(0.9)	32.6	(0.4)	32.2
Treasury shares	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-
Share-based payments	-	-	-	0.6	0.6	-	0.6
Balance at 30 June 2009	1,176.9	78.5	(252.4)	(263.1)	739.9	4.5	744.4

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated interim cash flow statement

€ millions	Note	Six months to 30 June 2010	Six months to 30 June 2009
Cash flows from operating activities			
Profit for the period		24.9	0.5
Adjustment to:			
Depreciation and amortisation		32.5	23.7
Income tax expense		5.5	0.1
Net finance expense / (income)		12.4	(6.7)
Profit on fair value adjustment on investments in equity securities	13	(3.8)	-
Share of profit in equity accounted investees	13	(1.8)	(1.4)
Impairment / (reversal of impairment)	12	0.8	(4.0)
Equity settled share based payment transactions		2.3	0.6
(Profit) / loss on sale of property, plant and equipment	12	(3.2)	0.1
		69.6	12.9
Changes in inventories		132.7	(8.0)
Changes in trade and other receivables		(70.3)	84.1
Changes in prepayments		(0.2)	1.4
Changes in other financial assets and liabilities		64.5	(21.9)
Changes in trade and other payables		(117.6)	(19.1)
Changes in other liabilities		(51.4)	-
Change in provisions and employee benefits		(16.3)	(1.6)
Interest paid		(7.5)	(1.4)
Income tax paid		(3.2)	0.2
Net cash (outflows) from operating activities		0.3	46.6
Cash flows from investing activities			
Acquisition of property, plant and equipment	12	(56.0)	(23.4)
Proceeds from sale of property, plant and equipment	12	5.2	0.3
Acquisition of zinc purchase interests	11	(242.6)	-
Acquisition of equity accounted investees	13	(10.8)	(0.2)
Acquisition of subsidiary net of cash acquired		-	(9.0)
Acquisition of investments in equity securities	9	(5.1)	-
Interest received		1.0	1.6
Distributions from associates	13	1.9	2.8
Net cash (outflows) from investing activities		(306.4)	(27.9)
Cash flows from financing activities			
Proceeds from borrowings	14	366.7	-
Repayments of borrowings	14	(5.1)	(156.0)
Repurchase of own shares	18	(27.2)	-
Distributions to non-controlling interests		-	-
Distributions to shareholders	15	(10.0)	-
Net cash (outflows) from financing activities		324.4	(156.0)
Net increase / (decrease) in cash held		18.3	(137.3)
Cash at the beginning of the reporting period		84.0	297.0
Exchange fluctuations		2.9	(1.1)
Cash and cash equivalents at the end of the reporting period		105.2	158.6

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Notes to the condensed consolidated interim financial statements

1 Reporting entity

Nyrstar NV ("Nyrstar" or the "Company") is a company domiciled in Belgium. The condensed consolidated interim financial statements of the Company as at and for the six months ended 30 June 2010 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interest in associates and jointly controlled entities.

The Group is primarily a global multi-metals business, producing significant quantities of zinc and lead as well as other products (including silver, gold and copper) through mining, smelting and alloying operations.

The condensed consolidated interim financial statements of the Group as at and for the six months ended 30 June 2010 are available upon request from the Company's registered office at Zinkstraat 1, 2490 Balen, Belgium or at <http://www.nyrstar.com/>.

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors of Nyrstar NV on 28 July 2010.

2 Basis of preparation

(a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the European Union. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2009.

(b) Functional and presentational Currency

The condensed consolidated interim financial statements are presented in euro which is the Company's functional and presentation currency. All financial information has been rounded to the nearest hundred thousand euros.

(c) Standards, amendments and interpretations issued

The following new standards, amendments to standards or interpretations are mandatory for the first time for the financial year beginning 1 January 2010 for entities for which the reporting period follows the calendar year:

- IFRS 3 (revised), *Business Combinations* and consequential to IAS 27, *Consolidated and separate financial statements*, IAS 28, *Investments in associates* and IAS 31, *Interests in joint ventures*, effective prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting beginning on or after July 1, 2009;
- IFRS 1 (revised), *First-time Adoption* (effective 1 July 2009); and
- IAS 39 (amendment), *Financial instruments: Recognition and measurement on eligible hedged items* (effective 1 July 2009).

The following new standards, amendments of standards and interpretations are mandatory for the first time for the financial year beginning 1 January 2010, but are currently not relevant to the Group:

- IFRIC 12, *Service concession arrangements* (effective 1 January 2008, but EU endorsed for 30 March 2009);
- IFRIC 15, *Agreements for the construction of real estate* (effective 1 January 2009, but EU endorsed for 1 January 2010);
- IFRIC 16, *Hedges of a net investment in a foreign operation* (effective 1 October 2008, but EU endorsed for 1 July 2009);
- IFRIC 17, *Distribution of non-cash assets to owners*, effective for annual periods beginning on or after July 1, 2009; and
- IFRIC 18, *Transfer of assets from customers*, effective for transfers of assets received on or after July 1, 2009.

The following new standards, amendments of standards and interpretations have been issued but are not effective for the financial year beginning 1 January 2010 and have not been early adopted:

- IAS 32 (amendment) *Financial instruments: classification of rights issued*.

3 Significant accounting policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2009. As from accounting year 2010 the Group is also accounting for the elimination of the unrealised profits resulting from intercompany transactions between the mining and smelting businesses. These transactions relate to the sales from the mining to the smelting segment which have not been realised externally.

4 Critical accounting estimates and judgments

The preparation of these condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2009.

Notes to the condensed consolidated interim financial statements

5 Financial risk management

The Group's financial risk management objectives and policies are consistent with that disclosed in the consolidated financial statements as at and for the year ended 31 December 2009.

6 Segment reporting

The Group's operating segments (Smelting, Mining and Other & Eliminations) reflect the approach of the Nyrstar Management Committee (NMC) towards evaluating the financial performance and allocating resources to the Group's operations. The NMC has been identified as the chief operating decision making group. The Group's 2009 segment information has been restated to reflect the change to the Group's operating segments from H1 2010.

The 'Smelting' segment comprises the following smelters: Aubuy (France), Balen (Belgium), Budel (Netherlands), Clarksville (US), Hobart (Australia) and Port Pirie (Australia). The 'Mining' segment consists of the Tennessee mines (US), the Coricancha mine (Peru) and the zinc streaming agreement with the Talvivaara mine (Finland). The 'Other & Eliminations' segment contains the Föhl China joint-venture (China), the Genesis Alloys joint-venture (China), the ARA joint-venture (Australia), the Galva 45 joint-venture (France) GM Metal (France), as well as other corporate activities and the eliminations of the intra-group transactions including any unrealised profits resulting from intercompany transactions.

Sales to any individual customer (or group of customers under common control) of the Group did not exceed 10%, with the exception of sales to Glencore and Umicore, which accounted for 46% and 12% respectively, of the total Group's zinc and lead sales.

Six months to 30 June 2010

€ millions

unless otherwise
indicated

	Smelting	Mining	Other & Eliminations	Total
Revenue from external customers	1,264.1	0.1	12.7	1,276.9
Inter-segment revenue	-	29.4	(29.4)	-
Total segment revenue	1,264.1	29.5	(16.7)	1,276.9
Raw materials used	(847.6)	-	21.1	(826.5)
Freight expense	(23.3)	-	3.0	(20.3)
Gross profit	393.2	29.5	7.4	430.1
Employee benefits expense	(93.4)	(8.4)	(16.4)	(118.2)
Energy expenses	(128.3)	(2.7)	(0.6)	(131.6)
Other income / expenses	(97.4)	(11.7)	10.3	(98.8)
Depletion, depreciation and amortisation expense	(24.9)	(4.1)	(3.5)	(32.5)
Result from operating activities before exceptional items	49.2	2.6	(2.8)	49.0
Restructuring expenses				(7.2)
Impairment (losses) / reversal				(0.8)
Result from operating activities				41.0
Finance income				0.4
Finance expenses				(16.0)
Net foreign exchange gain/(loss)				3.2
Net financing income/(expense)				(12.4)
Share of profit/(loss) of equity accounted investees				1.8
Profit/(loss) before income tax				30.4
Income tax benefit / (expense)				(5.5)
Profit/(loss) for the period				24.9
Capital expenditure and major cyclical maintenance	(26.5)	(28.4)	(1.1)	(56.0)

Notes to the condensed consolidated interim financial statements

Six months to 30 June 2009

€ millions

unless otherwise
indicated

	Smelting	Mining	Other & Eliminations	Total
Revenue from external customers	692.2	-	20.3	712.5
Inter-segment revenue	-	-	-	-
Total segment revenue	692.2	-	20.3	712.5
Raw materials used	(404.4)	-	(5.4)	(409.8)
Freight expense	(17.3)	-	(2.5)	(19.8)
Gross profit	270.5	-	12.4	282.9
Employee benefits expense	(78.0)	(0.1)	(20.5)	(98.6)
Energy expenses	(85.2)	(0.1)	(4.9)	(90.2)
Other income / expenses	(73.1)	-	7.1	(66.0)
Depletion, depreciation and amortisation expense	(22.1)	-	(1.6)	(23.7)
Result from operating activities before exceptional items	12.1	(0.2)	(7.5)	4.4
Restructuring expenses				(15.9)
Impairment (losses) / reversal				4.0
Result from operating activities				(7.5)
Finance income				1.3
Finance expenses				(4.4)
Net foreign exchange gain/(loss)				9.8
Net financing income/(expense)				6.7
Share of profit/(loss) of equity accounted investees				1.4
Profit/(loss) before income tax				0.6
Income tax benefit / (expense)				(0.1)
Profit/(loss) for the period				0.5
Capital expenditure and major cyclical maintenance	(21.2)	-	(2.2)	(23.4)

7 Finance income and expense

Recognised in the income statement:	Jun 2010 €m	Jun 2009 €m
Finance income		
Interest income on cash and cash equivalents	0.4	1.4
Finance expense		
Interest expense on financial liabilities	(10.3)	(1.3)
Unwind of discount in provisions	(4.1)	(2.9)
Other finance charges	(1.6)	(0.3)
	(16.0)	(4.5)
Net foreign exchange gain / (loss)	3.2	9.8
Net financing income / (expense)	(12.4)	6.7

8 Income tax expense

Income tax expense is recognized based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The tax rate for the six months ended 30 June 2010 (based on the estimated average annual tax rate for the year to 31 December 2010) is 18% (the estimated tax rate for the six months ended 30 June 2009 was 17%). The main items impacting the income tax rate are the non-recognition of Deferred Tax Assets attributable to tax losses in Belgium, non-tax deductible expenses and the notional interest deduction in Belgium.

The income tax benefit recognised directly in equity amounted to €3.6 million (€6.4 million income tax benefit for the six months ended 30 June 2009) which represents the tax effect of changes in cash-flow hedges.

Notes to the condensed consolidated interim financial statements

9 Acquisitions

Investment in Ironbark Zinc Limited

In March 2010, the Company agreed to acquire an additional 11% interest in Ironbark Zinc Limited (Ironbark) for €10.3 million, taking Nyrstar's interest in Ironbark to approximately 31%. Ironbark intends to use the amount raised to fund its 2010 drilling program at the Citronen zinc-lead deposit in Northern Greenland, an important step in the completion of a bankable feasibility study in relation to its potential development.

Investment in Herencia Resources Plc

In April 2010, Nyrstar purchased through a private placement by Herencia Resources Plc, a base metal exploration company listed in London, 10.4% of its ordinary shares. This placement amounts to € 0.9 million. The objective of the capital raising is to fund the drilling of a newly discovered vein in their most advanced zinc-lead-silver-gold Paguanta project in Northern Chile.

Investment in Exeltium SAS

In April 2010, Nyrstar contributed an amount of €4.2 million to the €172.8 million capital increase at Exeltium SAS, a consortium of electricity-intensive industrial consumers in France, which provides and resells electricity to its industrial partners.

10 Other assets

The other assets as at 30 June 2010 relate to the fair value of the underlying hedged items on the fixed forward sales contracts for a total of € 8.3 million (31 December 2009: other liabilities of € 51.4 million), being offset by the fair value of hedging derivatives on these fixed forward sales contracts, which amounts to € 12.9 million as at 30 June 2010 (31 December 2009: fair value of € 54.8 million).

11 Non-current assets: Zinc purchase interests

In February 2010, Nyrstar has agreed to acquire 1.25 million tonnes of zinc in concentrate from Talvivaara Sotkamo Limited (a member of the Talvivaara Mining Company Plc group) for a purchase price paid of USD 335 million (€242.6 million).

The acquisition is presented on the face of the balance sheet as Zinc purchase interests. The useful life is determined with reference to the number of metric tons to be delivered. The asset is depleted through profit-and-loss using the unit-of-production method, as the asset is recovered with each metric ton of zinc delivered under the contract.

Talvivaara will deliver 100% of its zinc concentrate production to Nyrstar until the 1.25 million tonnes of zinc in concentrate has been delivered (equivalent to approximately 2 million tonnes of zinc concentrate at a grade of 65%). Based on Talvivaara's planned production, the parties expect a ramp-up to approximately 90,000 tonnes per annum of zinc in concentrate by 2012, with deliveries over a period of 10 to 15 years.

12 Property, plant and equipment

During the six months ended 30 June 2010 the Group's capital expenditure amounted to €56.0 million (€23.4 million for the six months ended 30 June 2009).

Disposals for the period amounted to €2.0 million (€0.4 million for the six months ended 30 June 2009).

During the six months ended 30 June 2010 the Group recorded an impairment loss of € 0.8 million on leasehold improvements as a consequence of the announced relocation of the Corporate head office from London to Zurich. No indicator of additional impairment or reversal of impairment for the Group was identified at 30 June 2010.

13 Investment in equity accounted investees

During the six months ended 30 June 2010 the Australian Refined Alloys joint venture (ARA) made distributions totalling €1.9 million (€2.8 million for the six months ended 30 June 2009) which was set-off against the equity accounted investment, reducing the carrying value of the investment in ARA.

As disclosed in note 9 Acquisitions the Company acquired an additional 11% interest in Ironbark Zinc Limited (Ironbark) for €10.3 million. With this additional investment, the total shareholders' stake of Nyrstar at Ironbark amounts to 31 %, thus requiring the investment to be accounted for under the equity method. This step acquisition resulted in a gain arising on the initial investment amounting to € 3.8 million which is reflected in the income statement as Other income.

Notes to the condensed consolidated interim financial statements

A summary of the Group's investment in equity accounted investees is set out in the following table:

	Jun 2010 €m	Jun 2009 €m
Carrying amount at the beginning of the period	26.8	25.0
Movements of the period:		
Share of profit	1.8	1.4
Distribution from joint venture	(1.9)	(2.8)
Increase of investment in investee	18.3	0.2
Exchange difference	5.8	2.8
Carrying amount at the end of the period	50.8	26.6

14 Loans and borrowings

The following table sets out the movement in borrowings during the period:

	Jun 2010 €m	Jun 2009 €m
Carrying amount at start of period	122.0	150.3
Borrowing costs	2.6	1.2
Net amount drawn under the SCTF Credit Facility	138.5	
Proceeds from 5.5% fixed rate bonds (due 2015)	225.0	
Net repayment of unsecured bank loans	(1.9)	(156.0)
Movement in liabilities held for sale	-	4.5
Foreign exchange fluctuations	20.7	0.2
Carrying amount at the end of period	506.9	0.2

In January 2010 Nyrstar entered into a €250 million multi-currency revolving "Structured Commodity Trade Finance Credit Facility" underwritten by Deutsche Bank. The facility has a maturity of four years (with run-off period during the fourth year), and a margin of 1.9% above EURIBOR. The amount that the Company may draw down under the facility is determined by reference to the value of the Company's inventories and receivables (the borrowing base, which also serves as security for the lenders) and accordingly adjusts as commodity prices change. In March 2010 the Company successfully completed the syndication process with an increase in the facility limit to €400 million. The facility includes a pre-approved accordion feature that facilitates an increase in the facility limit to €500 million. The amount drawn as at 30 June 2010 under this facility amounts to USD 193.2 million, equal to €157.4 million including a foreign exchange fluctuation of € 18.9 million.

In March 2010, the Company also successfully completed a €225 million public offering of 5.5% fixed rate bonds due 2015.

15 Dividends

As approved by the Annual Shareholders' Meeting as at 28 April 2010, the Group declared and paid a dividend of € 0.10 per share, for a total of € 10.0 million.

16 Provisions

Restructuring provisions

In H1 2010 Nyrstar continued its global organisational restructuring program over a two year period concluding at the end of 2010, with the objective of reducing costs and positioning the Company for a long-term sustainable future. The incremental cost of this program for the period ended 30 June 2010 amounts to €7.2 million.

17 Share based payments

2010 Management Committee Co-Investment Plan

During the first half of 2010 a co-investment plan for the members of the Management Committee was approved. The effective accounting grant date is 5 May 2010 and the conditions are assessed from the grant date till 15 July 2013, i.e. the vesting date. For each Nyrstar share that a member of the management committee purchased between 30 April 2010 and 28 June 2010, Nyrstar will grant the respective participant on the vesting date, a number of additional Nyrstar shares provided that (a) the participant is still employed by Nyrstar on the vesting date and (b) the participant still holds the co-investment shares on the vesting date.

The Co-Investment plan has three measurement dates, i.e. (a) 1 July 2011 (Measurement Date 1), (b) 1 July 2012 (Measurement Date 2) and (c) 1 July 2013 (Measurement Date 3). The number of Matching Shares is the product of (a) the highest of multiple A, multiple B and multiple C and (b) the total number of the Co-Investment Shares of the respective Participant.

"Multiple A" will be equal to:

(a) zero, if the highest average closing price of Nyrstar shares during any given full calendar week between 1 July 2010 and 1 July 2011 has been less than twenty euro (20.00 EUR),

(b) four, if the highest average closing price of Nyrstar shares during any given full calendar week between 1 July 2010 and 1 July 2011 has been equal to or higher than thirty euro (30.00 EUR), or

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(c) a number between two and four, to be determined on a straight line basis, if the highest average closing price of Nyrstar shares during any given full calendar week between 1 July 2010 and 1 July 2011 has been between twenty euro (20.00 EUR) and thirty euro (30.00 EUR), whereby factor two (2) coincides with the twenty euro (20.00 EUR) threshold and factor four (4) coincides with the thirty euro (30.00 EUR) threshold.

"Multiple B" will be equal to:

(a) zero, if the highest average closing price of Nyrstar shares during any given full calendar week between 1 July 2011 and 1 July 2012 has been less than twenty euro (20.00 EUR),

(b) four, if the highest average closing price of Nyrstar shares during any given full calendar week between 1 July 2011 and 1 July 2012 has been equal to or higher than thirty euro (30.00 EUR), or

(c) a number between two and four, to be determined on a straight line basis, if the highest average closing price of Nyrstar shares during any given full calendar week between 1 July 2011 and 1 July 2012 has been between twenty euro (20.00 EUR) and thirty euro (30.00 EUR), whereby factor two (2) coincides with the twenty euro (20.00 EUR) threshold and factor four (4) coincides with the thirty euro (30.00 EUR) threshold.

"Multiple C" will be equal to:

(a) zero, if the highest average closing price of Nyrstar shares during any given full calendar week between 1 July 2012 and 1 July 2013 has been less than twenty euro (20.00 EUR),

(b) four, if the highest average closing price of Nyrstar shares during any given full calendar week between 1 July 2012 and 1 July 2013 has been equal to or higher than thirty euro (30.00 EUR), or

(c) a number between two and four, to be determined on a straight line basis, if the average closing price of Nyrstar shares during any given full calendar week between 1 July 2012 and 1 July 2013 has been between twenty euro (20.00 EUR) and thirty euro (30.00 EUR), whereby factor two (2) coincides with the twenty euro (20.00 EUR) threshold and factor four (4) coincides with the thirty euro (30.00 EUR) threshold.

The Matching Shares will consist of Nyrstar shares which the company intends to redeem in accordance with the respective statutory powers granted to the board. If Nyrstar is unable to deliver the respective Matching Shares to a Participant, Nyrstar will be able to settle its respective obligations by granting such Participant a cash amount equal to the product of the number of Matching Shares to be delivered to such Participant and the average closing price of the Nyrstar shares during the twenty trading days preceding the Vesting Date. In the context of the Co-Investment Plan Nyrstar will grant each Participant an unconditional cash bonus, the net amount of which - to be calculated for each respective Participant separately - will be equal to the product of (a) the number of Co-investment Shares of the Participant and (b) the difference between the average purchase price paid by the Participant for his respective Co-investment Shares and ten euro (10.00 EUR).

The members of the management committee have purchased a total number of 190,000 shares as participation in the Co Investment Plan. The fair value of services received in return for the shares qualifying under the co-investment plan is based on the fair value of the awards granted which for the period to 30 June 2010 amounts to € 0.2 million.

Executive Long term Incentive Plan (Grant 3)

During the first half of 2010 a third grant (Grant 3) was made in accordance with the rules and conditions of the Nyrstar Executive Long Term Incentive Plan (LTIP). The effective accounting grant date of Grant 3 is 30 June 2010 and the performance period over which the performance conditions are assessed is three years, commencing 1 January 2010.

To ensure that the LTIP is aligned with maximising shareholder returns, the Board has set two performance conditions under Grant 3 which are weighted equally at fifty percent and which are equal to the performance conditions of the prior grants. These performance conditions are:

- 1) Nyrstar's share price movement (as a percentage) is to outperform the LME zinc price movement (as a percentage) on average over the performance period.
- 2) Nyrstar's share price movement (as a percentage) is to outperform the MSCI World Metals and Mining Index movement (as a percentage) on average over the performance period.

Shares are awarded pro rata to executives to the extent that predetermined scaling thresholds for each of the performance conditions are met. Settlement of the awarded shares can be either in the way of an allocation of shares or a cash payment.

As the effective accounting grant date of Grant 3 is the 30 June 2010, the fair value of services received in return for the shares issued for the six month period to 30 June 2010 is deemed to be nil.

18 Treasury shares

During the period 10 May 2010 to 28 June 2010, Nyrstar acquired at NYSE Euronext Brussels a total number of 3,321,558 own shares. The total cash consideration, including directly attributable costs, amounts to € 29.3 million, of which the last tranche of € 2.1 million has been paid subsequent to the 30 June 2010 reporting date.

The treasury shares reserve comprises the par value of the Company's share held by the Group. As at 30 June 2010, the Group held a total of 3,631,558 of the Company's shares (31 December 2009: 310,000).

The difference between the par value of the total treasury shares purchased (€ 55.6 million) and the consideration paid (€ 31.0 million), which includes directly attributable costs, amounts to € 24.6 million and has been recognised directly in retained earnings.

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19 Earnings per share

Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share (EPS) at 30 June 2010 was based on the profit attributable to ordinary shareholders of €24.9 million (€0.1 million 30 June 2009) and a weighted average number of ordinary shares outstanding of 99.3 million (99.7 million 30 June 2009). The basic EPS is calculated as follows:

	Jun 2010 €m	Jun 2009 €m
Profit attributable to ordinary shareholders		
Profit for the period	24.9	0.1
Weighted average number of ordinary shares (in millions)		
Issued ordinary shares at start of period	100.0	100.0
Treasury shares	(0.7)	(0.3)
Weighted average number of ordinary shares at end of period	99.3	99.7
Earnings per share (expressed as euro per share)	0.25	-

(b) Diluted earnings per share

The calculation of diluted earnings per share (EPS) at 30 June 2010 was based on the profit attributable to ordinary shareholders (diluted) of €29.8 million and a weighted average number of ordinary shares outstanding of 115.0 million.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of dilutive potential ordinary shares. The convertible bond is assumed to have been converted into ordinary shares, and the net profit is adjusted to eliminate the interest expense, net of tax, resulting from the liability component of the convertible bond.

The diluted EPS is calculated as follows

	June 2010 €m	June 2009 €m
Profit/(loss) attributable to ordinary shareholders (basic)	24.9	0.1
Interest expense on convertible bond, net of tax	4.9	-
Profit/(loss) attributable to ordinary shareholders (diluted)	29.8	0.1
Weighted average number of ordinary shares (in millions)		
Issued ordinary shares at start of period	100.0	100.0
Effect of conversion of convertible bond	15.7	-
Treasury shares	(0.7)	(0.3)
Weighted average number of ordinary shares (diluted) at end of period	115.0	99.7
Earnings per share (diluted)	0.26	-

20 Capital commitments

The value of commitments for acquisition of plant and equipment contracted for but not recognised as liabilities at the reporting date are set out in the table below.

	Jun 2010 €m	Jun 2009 €m
Within one year	26.6	13.1
Later than one year, but not later than five years	-	1.1
	26.6	14.2

21 Contingencies

Legal actions

Galveco

There have been no material developments in relation to the legal claims relating to the production and supply of Galveco since previously reported at Note 32 to the 31 December 2009 Consolidated Financial Statements.

In addition to the above, the Group is the subject of a number of claims and legal proceedings incidental to the normal conduct of its business. Management does not believe that such claims and proceedings are likely, on aggregate, to have a material adverse effect on the financial condition of Nyxstar.

Notes to the condensed consolidated interim financial statements

22 Related parties

Key Management compensation

	Jun 10 €m	Jun 09 €m
BOARD OF DIRECTORS		
- Salaries and other compensation:		
Fixed portion	0.3	0.2
Variable portion	-	-
- Number of shares held	-	-
 NYRSTAR MANAGEMENT COMMITTEE		
- Salaries and other compensation:		
Fixed portion	1.0	1.0
Variable portion (paid during period)	1.3	0.7
- Other benefits	0.4	0.5
- Number of shares held	259,150	405,150

Other benefits comprised of relocation-related allowances, housing allowances and pension contributions.

23 Subsequent events

On 7 July 2010 the Company acquired the remaining 15% interest in the Coricancha mine in Peru from Gold Hawk Resources Inc, for approximately USD 4.4 million (approximately € 3.5 million).

On 19 July 2010, the Company announced that it has acquired the Contonga and Pucarrajo polymetallic mines in Peru for approximately USD 23.0 million (approximately €18.3 million).

24 Seasonality

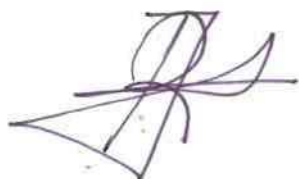
The Group operates in an industry that is subject to volatile and cyclical commodity prices and is exposed to exchange rate fluctuations; it does not operate in an industry that is subject to seasonal changes.

STATEMENT OF RESPONSIBILITY

We hereby declare that, to the best of our knowledge, the condensed consolidated interim financial statements for the six month period ended 30 June 2010, which have been prepared in accordance with the IAS 34 "Interim Financial Reporting" as adopted by the European Union, give a true and fair view of the financial position and income statement of Nyrstar. The commentary on pages 1 to 13 of the press release offers a fair and balanced review of the overall performance of the business during the six month period ended 30 June 2010, and any significant transactions with related parties have been disclosed in the financial information.

There have been no material changes to the risks and uncertainties for the Group as outlined in the 2009 Annual Report; these risks and uncertainties remain applicable for the financial performance of the Group for the remainder of 2010.

Brussels, 29 July 2010



Roland Junck
Chief Executive Officer



Heinz Eigner
Chief Financial Officer

FINANCIAL AUDIT STATEMENT

The statutory auditor PricewaterhouseCoopers Bedrijfsrevisoren burg. CVBA / Réviseurs d'Entreprises SCRL civile, represented by Peter Van den Eynde, has issued an unqualified review report on the IFRS condensed consolidated interim financial statements and has confirmed that the IFRS accounting data included in this interim announcement does not include any apparent inconsistencies with the IFRS condensed consolidated interim financial statements. The accounting data included in this interim announcement incorporates other financial information which has not been audited nor reviewed.