



Press Release

Sandvik has signed an agreement to divest its Process Systems operations

Sandvik has signed an agreement to divest Sandvik Process Systems to FAM AB, owned by the three largest Wallenberg foundations, at a price of 5.0 billion SEK.

Sandvik Process Systems delivers advanced industrial process solutions based on high-end steel belts, steel belt based equipment and process solutions within adjacent technologies. In 2016 the operations, with approximately 600 employees, had reported revenues of 1.7 billion SEK representing 2% of Sandvik's total revenues and with a strong operating margin.

“This is an important step in focusing Sandvik on its core businesses. The divestment creates additional capacity for growth and expansion of the core business of Sandvik”, says Björn Rosengren, President and CEO of Sandvik.

“We look forward to further develop, together with management and the employees, the Process Systems business as an independent company with strong focus on profitable growth”, says Lars Wedenborn, CEO FAM.

Sandvik Process Systems will remain reported in Other Operations in the Sandvik financial statements. The closing of the transaction is expected no later than early 2018 and is subject to the approval of relevant authorities. Upon closing, the transaction will generate a substantial capital gain to be reported in Sandvik's financial statements.

The intention to divest Sandvik Process Systems was first communicated through a press release 3 May 2016.

For further information, contact Ann-Sofie Nordh, Vice President Investor Relations, tel: +46 8 456 14 94 or Pär Altan, Vice President External Communications, tel: +46 70 616 2024.

This information is information that Sandvik AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 09.00 CET on 2 June 2017.

Stockholm, 2 June 2017

Sandvik AB

Sandvik Group

Sandvik is a high-tech and global engineering group offering products and services that enhance customer productivity, profitability and safety. We hold world-leading positions in selected areas – tools and tooling systems for metal cutting; equipment and tools, service and technical solutions for the mining and construction industries; products in advanced stainless steels and special alloys as well as products for industrial heating. In 2016, the Group had approximately 43,000 employees and sales of 82 billion SEK in more than 150 countries within continuing operations.

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