



Press Release

Sandvik acquires South African supplier to exploration industry

Sandvik has entered an agreement covering the acquisition of the South African company Corstor International (Pty) Ltd.

Corstor is a leading company within the manufacture and sale of borehole core storage and handling systems for the mining and exploration industries. Corstor also distributes analysis and survey equipment as well as accessories to the mining and exploration industries in Africa.

Sales amount to approximately SEK 70 M per year and the company has 100 employees. The head office and the largest production plant is located outside Johannesburg, South Africa. The company also has sales and service offices in Ghana and Tanzania.

"Corstor is innovative within the design and development of systems for the storage and handling of borehole cores. The customer offering comprises advanced systems for the storage of borehole cores and includes equipment to analyze cores in an environmentally conscious and safe manner. The products are an excellent complement to the business area's range aimed at the rapidly expanding exploration industry," says Lars Josefsson, President of the Sandvik Mining and Construction business area.

"The increase in exploration activities in Africa entails favorable growth opportunities for Sandvik combined with the potential to expand in other markets through Sandvik's global network."

The acquisition is subject to approval by the relevant competition authorities in South Africa and is expected to be concluded during the first quarter of 2008.

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Sandvik AB; (publ)

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Sandvik is a global industrial group with advanced products and world-leading positions in selected areas – tools for metal cutting, machinery and tools for rock excavation, stainless materials, special alloys, metallic and ceramic resistance materials as well as process systems. The Group had at the end of 2006 about 42,000 employees and representation in 130 countries, with annual sales of more than SEK 72,000 M.

Sandvik Mining and Construction is a business area within the Sandvik Group and a leading global supplier of machinery, cemented-carbide tools, service and technical solutions for the excavation of rock and minerals in the mining and construction industries. Annual sales in 2006 amounted to about SEK 25,000 M, with approximately 12,200 employees.

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