



Press Release

Sandvik to divest construction division

In 2006, Sandvik acquired Hagby-Asahi AB in Nora, Sweden. This was one in a series of strategic acquisitions that established Sandvik as a leading supplier to the exploration industry.

In addition to Hagby-Asahi's leading position as a manufacturer and supplier of tools and equipment for mineral exploration, the company also included a construction division that develops and sells equipment for drilling and grinding of concrete using diamond tools. This operation has sales of approximately SEK 65 M and has about 30 employees in Sweden and Finland.

The construction division has a focus and market in an area in which Sandvik otherwise does not have a business presence and can therefore not be considered core operation for Sandvik. Accordingly, Sandvik has decided to divest this operation.

Sandvik has reached an agreement with Husqvarna Construction Products Sweden AB, which will be the new owner of the construction division.

The construction division will be transferred to the new owner on 30 April 2008.

Sandviken, 30 April 2008

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 and sorting systems. The Group had at the end of 2007 about 47,000 employees and representation in 130 countries, with annual sales of more than SEK 86,000 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 and sizing of rock and minerals in the mining and construction industries. Annual sales in 2007 amounted to about SEK 33,100 M, with approximately 15,200 employees.

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