

## **Sandviks Board of Directors propose a long-term incentive program 2013**

Sandviks Board of Directors propose that the Annual General Meeting resolve on a long-term incentive program for 2013 (LTI 2013) encompassing approximately 350 senior executives and key individuals within the Group, on substantially the same terms and conditions as the 2011 and 2012 long-term incentive programs.

Participants are offered allotment of employee stock options that entitle the holder to acquire Sandvik shares after three years at a set exercise price, on condition that certain performance targets are met. For some executives in more senior positions, a personal investment in Sandvik shares will also be required to gain entitlement to allotment of employee stock options and matching rights which entitle the holder to acquire Sandvik shares after three years at a set exercise price.

LTI 2013 comprises a maximum of 12,000,000 Sandvik shares, corresponding to approximately 1% of the total number of shares in the company. The Board of Directors does not at present intend to take measures to hedge the program to ensure the delivery of Sandvik shares. Assuming a share price of 100 SEK, expected volatility of 40% and a five-year term, the cost of LTI 2013 is estimated at approximately 241 MSEK.

Stockholm, 29 January 2013

Sandvik Aktiebolag (publ)

Sandvik AB discloses the information provided herein pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. The information was submitted for publication at 08:15 CET on 29 January 2013.

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### ***The Sandvik Group***

*Sandvik is a global industrial group with advanced products and world-leading positions in selected areas – tools for metal cutting, equipment and tools for the mining and construction industries, stainless materials, special alloys, metallic and ceramic resistance materials as well as process systems. In 2012 the Group had about 49,000 employees and representation in 130 countries, with annual sales of more than 98,000 MSEK.*

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