

Sandvik's Annual General Meeting 2013

Sandvik AB held its Annual General Meeting on 25 April 2013 in Sandviken.

In his address, Olof Faxander, President and CEO, commented on the 2012 financial year and the trend for the first quarter of 2013. The presentation comprised a report on Sandvik's results per Business Area as well as geographically. Olof Faxander also reported on a number of important events during the year, such as improved co-ordination and use of group resources and strategic focus on growth markets. He also emphasized how research and development is a precondition for success and that Sandvik has been named one of the world's 100 most innovative companies by Thomson Reuters.

Adoption of the Profit and Loss Accounts and Balance Sheets

The General Meeting adopted the Profit and Loss Account and Balance Sheet for the parent company as well as the Consolidated Profit and Loss Account and Consolidated Balance Sheet for 2012. The Board members and the President were discharged from liability for the financial year 2012.

Dividend

The General Meeting resolved on a dividend of SEK 3.50 per share. The record date for payment of the dividend was set at Tuesday, 30 April 2013. The dividend is expected to be sent by Euroclear Sweden AB on Monday, 6 May 2013.

Board of Directors

Pursuant to the Nomination Committee's proposal, Olof Faxander, Jürgen M Geissinger, Johan Karlström, Fredrik Lundberg, Hanne de Mora, Anders Nyrén, Simon Thompson and Lars Westerberg were re-elected members of the Board. Anders Nyrén was re-elected Chairman of the Board.

The employee unions have appointed Jan Kjellgren and Tomas Kärnström as members of the Board and Thomas Andersson and Alicia Espinosa as deputy members of the Board.

Fees to the Board

The General Meeting resolved pursuant to the Nomination Committee's proposal that the fee to each Board member not employed by the company should be SEK 550,000 (previously SEK 525,000) and that the fee to the Chairman of the Board should be SEK 1,650,000 (previously SEK 1,575,000). Further, the following fees were resolved on: SEK 150,000 (unchanged) to each Board member elected by the General Meeting who is a member of the Audit Committee, SEK 175,000 (unchanged) to the Chairman of the Audit Committee, SEK 100,000 (unchanged) to each Board member elected by the General Meeting who is a member of the Remuneration Committee and SEK 125,000 (unchanged) to the Chairman of the Remuneration Committee.

Resolution on guidelines for remuneration of senior executives

The General Meeting resolved to adopt the Board's proposal regarding guidelines for remuneration of senior executives.

Resolution on a long-term incentive program (LTI 2013)

The General Meeting approved the Board's proposal on a long-term incentive program (LTI 2013) for about 350 senior executives and key employees in the Group, on substantially the same terms and conditions as the 2011 and 2012 incentive programs.

Participants will have the opportunity to be allotted employee stock options enabling the participant to acquire Sandvik shares at a certain price after a period of three years, on the condition that certain performance goals are met. More senior executives are required to make a private investment in Sandvik shares in order to be eligible to

receive employee stock options and matching rights enabling the executive to acquire Sandvik shares at a certain price after a period of three years.

The program includes a maximum of 12,000,000 Sandvik shares. Assuming a share price of SEK 100, an expected volatility of 40 per cent and a five-year term, the cost of the program is estimated at approximately SEK 241 M.

Shareholder proposal

As regards the proposal that the Business Area Sandvik Materials Technology should be distributed to Sandvik's shareholders and listed on the stock exchange, it was noted that this proposal was to be understood as a request for the Board to further contemplate the issue.

Wilhelm Haglund medal

Silvia Dahlund, Sakari Rупpi and Jenni Zackrisson, Seco Tools, were named product developers of the year and were awarded the Wilhelm Haglund Medal for their development of Seco Tools TP2500 and Duratomic® for steel turning.

Stockholm, 25 April 2013

Sandvik AB