

Sandvik reaches agreement to acquire part of Svedala

Sandvik, through its Mining and Construction business area, has reached an agreement with Metso Corporation of Finland covering acquisition of segments of Svedala Industri AB. For competition reasons, Metso's current purchase offer for Svedala Industri requires that certain segments of the company's operations must be divested. Sandvik's takeover is conditional upon the completion of Metso's offer and approval by the requisite authorities, which is expected in the near future.

The agreement covers products for the mining and construction industry – crushers, screens and feeders as well as mobile crushers and screening stations. The acquisition includes Svedala Industri's production units in Svedala and Arbrå, Sweden and in Chauny, France. The operations generate sales of SEK 1,400 M annually, with about 900 employees. The acquisition is expected to directly contribute positively to Sandvik's earnings.

The world market in the area amounts to more than SEK 40 billion and the products included in the acquisition represent a number of strong global brands.

"The products provide a natural complement to Sandvik Mining and Construction's operations and the acquisition means that we can offer our customers a complete program for drilling, loading and conveying of rock and minerals as well as crushing, screening and fragmentation," says Anders Ilstam, President of the Sandvik Mining and Construction business area.

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Sandvik AB; (publ)

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Sandvik is a high-technology engineering group with advanced products and world-leading positions in selected areas – tools for metalworking, machinery and tools for rock excavation, stainless steel, special alloys and resistance heating materials and process systems. The Group has 35,000 employees in 130 countries, with annual sales of approximately SEK 44 billion.

Sandvik Mining and Construction is a business area within the Sandvik Group and a world-leading supplier of drilling and excavation machinery, tools and service for the mining and construction industries. Annual sales amount to about SEK 10 billion, with nearly 7,000 employees.