



# Press Release

---

## The Board of Directors of Sandvik AB proposes a long-term incentive program 2012

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

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 2012 comprises a maximum of 12,000,000 Sandvik shares, corresponding to about 1% of the total number of shares on 31 December 2011, and will be secured in the form of share swaps with a third party, thus resulting in no dilution effect. Assuming a share price of 100 SEK, expected volatility of 40% and a five-year term, the cost of LTI 2012 is estimated to approximately 258 MSEK.

Sandviken, 1 February 2012

Sandvik Aktiebolag (publ)

For further information, contact Anders Wallin, Vice President Group Communications, Sandvik AB, tel +46 26 26 09 20.

---

### **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 2011, the Group had about 50,000 employees and representation in 130 countries, with annual sales of nearly 94,000 MSEK.*

For more information visit [www.sandvik.com](http://www.sandvik.com)

---

Postal address

SANDVIK AB  
Investor Relations  
SE-811 81 SANDVIKEN  
SWEDEN

Public Company (publ)

Reg.No 556000-3468  
VAT No. SE663000060901  
[www.sandvik.com](http://www.sandvik.com)

Telephone

+46 26 26 10 26

Telefax

+46 26 26 10 43