



Press Release

Sandvik to acquire Chinese supplier of crushing and screening equipment

Sandvik has reached an agreement with the owners of Shanghai Jianshe Luqiao Machinery Co., Ltd. ("SJL" or "the Company"), in Shanghai, China, to acquire 80% of the equity interest in the Company.

The acquisition is expected to be completed within six to nine months, following customary regulatory approvals.

SJL is one of the leading companies in the design and manufacture of crushing and screening equipment, including consumables and services, to the Chinese mining and construction industries. The Company also has a growing footprint in the international market for competitive and cost-effective crushing and screening solutions.

SJL has approximately 1,200 employees and sales of approximately SEK 1,000 M in 2010, of which crushing and screening equipment for mining and construction applications accounts for about 85%. Profitability is low, but positive and the acquisition will initially have a slight dilutive effect on profit margin and return for Sandvik Mining and Construction. SJL has two manufacturing facilities in Shanghai in addition to sales and service distribution networks in most Chinese provinces and in several countries outside China.

"This acquisition is in line with Sandvik's long-term strategy of continued profitable growth and our aim is to become a leading supplier of crushing and screening solutions to the Chinese and international markets. The acquisition of SJL extends our customer offering by adding crushing and screening equipment for new, large customer segments in China and abroad, thus enabling Sandvik to become a strong supplier in this fast-growing industry," says Lars Josefsson, President of Sandvik Mining and Construction.

"SJL is well positioned in the rapidly expanding crushing and screening market in China and has modern manufacturing facilities, competitive and cost-effective products and a well-developed distribution network. Combined with Sandvik's global capabilities, this will allow us to broaden and further develop our crushing and screening business into new markets and provide our customers with an even more comprehensive range of competitive products, services and solutions," says Lars Josefsson.

Sandviken, 21 December 2010

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 10:00 a.m. on 21 December 2010.

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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 2009, the Group had about 44,000 employees and representation in 130 countries, with annual sales of nearly SEK 72,000 M.

Sandvik Mining and Construction is a business area within the Sandvik Group and a leading global supplier of equipment, 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 2009 amounted to about SEK 32,600 M, with approximately 14,400 employees.

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