



Press Release

Sandvik Capital Markets Day – with focus on opportunities

Sandvik's Capital Markets Day on 15 August in Sandviken attracted record interest among analysts, investors and journalists. More than 70 persons representing the international financial community and the Swedish media participated. All members of Group executive management were on hand to present Sandvik's business opportunities within various key areas.

Sandvik secures its leading position

CEO Lars Pettersson characterized Sandvik as innovative, global, expansive, productive and goal oriented. He stated that now as before the key is to grow organically and through acquisitions while concurrently prioritizing profitability. One of the cornerstones of sustained profitable growth is the focus on R&D and the development of new products that provide enhanced productivity for customers. After the strategic acquisitions of Walter and Valenite, the Group has an even stronger focus on tools for metalcutting – about half of sales is from this product area. Accordingly, the leading position on markets worldwide is strengthened. Internally, the focus is on improving productivity through the ongoing programs of change.

Corporate culture as a growth factor

Another point in the CEO's presentation was Sandvik's corporate culture, with such guiding principles as openness, profit-mindedness and goal-orientation. This Sandvik spirit in itself is a strong growth factor for the future. Lars Pettersson emphasized Sandvik's long-term approach and illustrated this by showing the trend of sales and earnings during the past 20 years. Expansion has been substantial, particularly during the past decade. Executive Vice President Peter Larson supplemented the presentation with the current financial goals. He pointed out that Sandvik's ambition is to improve capital efficiency and that the Group is striving to reduce working capital from 35% of sales to 25% during the next three years.

The extensive program included presentations by the Sandvik Tooling, Sandvik Specialty Steels and Sandvik Mining and Construction business areas – the latter with an emphasis on the new sector Sandvik Rock Processing. Sandvik's IT strategy and aggressive investment in human resources were the other topics for the day – a day focused on Sandvik's opportunities.

Sandviken, 15 August 2002

Sandvik AB; (publ)

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 37,000 employees in 130 countries, with annual sales of approximately SEK 52 billion.

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