



Press Release

Sandvik expands within the Japanese mining and construction market

Sandvik's Mining and Construction business area has acquired Mazda Earth Technologies' operations in Japan. Mazda Earth Technologies is a leading manufacturer of machinery and equipment for the Japanese mining and construction industry. The company offers a wide range of machinery, hammers and breakers, tools and spare parts as well as a well-developed service organization on the Japanese market.

The operations being acquired have annual sales of about SEK 500 M and include the Toyo brand, development and production rights as well as a sales and service organization with about 30 employees. Consolidation will be from and including 1 November 2002 and the acquisition will have a positive effect on Group earnings in 2003.

"The acquisition is an important element in our growth strategy and strengthens Sandvik Mining and Construction's position in Japan" says Anders Ilstam, President of Sandvik Mining and Construction. "We will now become one of the leading players within the Japanese mining and construction industry, with an established service organization in an area with a substantial aftermarket. The products complement parts of our current program and we gain the access to the strong Toyo brand."

Sandvik products have been on the Japanese market since 1880. In 1961 Sandvik established its own subsidiary in Japan and in 1976 a plant for production of cemented-carbide tools. Today, Sandvik K.K. has its headquarters in Kobe. Invoiced sales amounted to SEK 2,100 M in 2001, with 550 employees.

Sandviken, 13 September 2002

Sandvik Mining and Construction

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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 37,000 employees in 130 countries, with annual sales of approximately SEK 55,000 M.

Sandvik Mining and Construction is a business area within the Sandvik Group and a world-leading manufacturer of drilling and excavation machinery, tools and service for the mining and construction industries. Annual sales amount to SEK 14,800 M, with about 8,000 employees.

Mazda Earth Technologies Co. is wholly owned by Mazda Motor Corporation. Its business includes manufacturing and sales of machinery to the construction-, civil engineering- and mining industries.

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