



Sandvik signs 12-year agreement with mining company in Indonesia

Sandvik's Mining and Construction business area has signed an agreement with the P.T. Freeport Indonesia mining company covering delivery and service from Driltech Mission of customized equipment for surface mining of copper and gold in Indonesia. The agreement is for a period of 12 years and has a total value of SEK 700 M. The first deliveries of new equipment are scheduled for the spring of 2003.

The principal owner of the mining company, Freeport McMoRan Copper & Gold, is one of the world's largest copper and gold producers. Mining operations are conducted at an altitude of above 3,000 meters and this places heavy demands on the functionality and durability of the equipment. Driltech Mission, a sector within Sandvik Mining and Construction, will deliver drilling rigs, tools, spare parts and service to the mine. Deliveries include roller cone bits from Sandvik Smith.

"The agreement is the result of long and successful relations and through this cooperation the customer can increase the mine's productivity and cost-efficiency significantly," says Anders Ilstam, President of the Sandvik Mining and Construction business area. "Our position in the industry as a leading supplier of high-efficiency products and services is further strengthened as a result of the agreement."

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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.

Driltech Mission is a business sector within Sandvik Mining and Construction and a leading manufacturer in the areas of drilling rigs and tools for rotary surface drilling. Annual sales amount to about SEK 1,000 M with 400 employees.