



Sandvik restructures operations within Valenite

Sandvik has decided to restructure production within the US-based tool manufacturer Valenite, which was acquired by Sandvik in 2002 and is organized within business area Sandvik Tooling.

The facility in Gainesville, Texas, is being closed as well as three small production units in South Carolina. Instead, production of cemented-carbide tools is being concentrated to the plant in Westminister, South Carolina, which is being expanded and upgraded with modern manufacturing technology.

About 80 persons will be redundant at the plant in Gainesville. In South Carolina, the affected employees, totaling about 200, are being offered jobs at the new facility in Westminister.

In order to further enhance the company's competitiveness, Valenite is being fully integrated into Sandvik Tooling's distribution network in the NAFTA region. At the same time, Valenite's customer offering is being strengthened through a large number of introductions of new products based on Sandvik Tooling's technology platform.

- In many areas, Valenite will be the best in class, says Anders Thelin, President of Sandvik Tooling. As a result of these changes, Valenite gains modern and cost-efficient production, a fast and flexible distribution and a world-class product portfolio.

Sandviken, 11 December 2003

Sandvik AB; (publ)

For additional information, contact Anders Thelin, President of business area Sandvik Tooling, +46 26 26 63 84.

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, metallic and ceramic resistance materials as well as process systems and sorting systems. The Group has 37,000 employees in 130 countries, with annual sales of approximately SEK 50,000 M.

Sandvik Tooling is a business area within the Sandvik Group and the world-leading manufacturer of tools and tooling systems for metalworking as well as of blanks and components. Annual sales are about SEK 18,000 M with 15,000 employees. Approximately 5% of the annual sales is invested in R&D. Products are manufactured in cemented carbide, high-speed steel and other hard materials such as diamond and special ceramics. Well-established brands are Sandvik, Sandvik Coromant, Walter, Valenite, Dormer, Titex, Prototyp, Precision etc.