

Sandvik expands in Australia **– acquires leading service company in mining industry**

Sandvik Mining and Construction's Roxon business sector has acquired Beltreco Limited, the leading Australian service company in the area of materials handling for the mining industry. The head office is in Perth and the company has a service network covering all main mining operations in Australia. Annual sales amount to SEK 450 M, with 400 employees. The acquisition will result in a positive contribution to Sandvik's earnings as of 2001.

Combined with the acquired Beltreco, Roxon's Australian company Prok will provide a complete range of equipment, systems and components as well as service for material handling and as a result strengthen its leading role on the market.

Australia is one of the world's largest markets for mining, with modern technology and a high level of automation. Sandvik Mining and Construction has a broad market presence in the area, with annual sales of nearly SEK 2 billion in the country.

"The acquisition strengthens our offering to the mining industry in the country and we are now the leading supplier of service and spare parts as well as machinery and materials handling systems," says Anders Ilstam, President of Sandvik Mining and Construction. "The acquisition is also well in line with our strategy to grow in the areas of tools, spare parts and service in order to increase our cooperation with the customers," states Anders Ilstam.

Sandviken, 8 November 2000

Sandvik AB; (publ)

For further information, contact Anders Ilstam, President, Sandvik Mining and Construction Business Area, +46 26 26 51 01.

Sandvik is a high-technology engineering group with advanced products and a world-leading position in selected niches – tools for metalworking, machinery and tools for rock excavation, products in stainless steel, special alloys and high-temperature materials. The Group has 34,000 employees at 300 companies in 130 countries and annual sales of about SEK 40 billion.

Sandvik Mining and Construction is a business area within the Sandvik Group specializing in machinery and tools for rock excavation. Annual sales amount to about SEK 9,000 M, with slightly more than 6,000 employees. Roxon is a business sector within Sandvik Mining and Construction, which supplies conveyors, systems and service for handling of bulk materials in mines, harbors etc.