



# Press Release

## Sandvik to divest Sandvik Medical Solutions

Sandvik has reached an agreement with Orchid Orthopedic Solutions (Orchid), owned by Altor Fund III, to divest Sandvik Medical Solutions, a unit within the Sandvik Venture business area with contract manufacturing of medical implants and instruments for orthopaedic and dental applications. In 2011 the operation had sales of approximately 600 MSEK (90 MUSD) and comprised production units in US and UK with about 550 employees.

“The divestment of Sandvik Medical Solutions is in line with our strategy to exit operations outside of the defined core businesses. There is a strong industrial logic in combining Orchid and Sandvik Medical Solutions and we are convinced that Sandvik Medical Solutions will have a positive development with its new owners”, says Anders Thelin, president of Sandvik Venture.

”The combination of Orchid and Sandvik Medical Solutions will have a unique offering to its customers and become the leading orthopaedic implant supplier globally. The acquisition also demonstrates Orchid’s commitment to be a leader in a consolidating industry”, says Claes Ekström, Board Member in Orchid and Partner at Altor Equity Partners.

The divestment is expected to be concluded in March 2012.

Sandviken, 24 February 2012

Sandvik Aktiebolag (publ)

Sandvik AB discloses the information provided herein pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. The information was submitted for publication at 09.00 CET on 24 February 2012.

For further information, contact Anders Thelin, President of Sandvik Venture business area, tel: +46 26 26 63 84 or Jan Lissåker, Vice President Investor Relations, Sandvik AB, tel: +46 26 26 10 23.

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### **About Sandvik**

*Sandvik is a global industrial group with advanced products and world-leading positions in selected areas – tools for metal cutting, equipment and tools for the mining and construction industries, stainless materials, special alloys, metallic and ceramic resistance materials as well as process systems. In 2011, the Group had about 50,000 employees and representation in 130 countries, with annual sales of nearly 94,000 MSEK. For more information, please visit [www.sandvik.com](http://www.sandvik.com)*

### **About Orchid**

*Orchid Orthopedic Solutions is a worldwide leader in contract design and manufacturing for the orthopedic, dental, and cardiovascular markets. Orchid's mission is to be the leader in contract medical design and manufacturing by compressing time to market, providing new technology, and being the best total supply-chain value. The company consists of five divisions that offer an array of implants and instruments within the five core capabilities: design, forging, machining, plastics, and coatings. For more information, please visit [www.orchid-orthopedics.com](http://www.orchid-orthopedics.com)*

### **About Altor**

*The Altor Funds consist of the “Altor 2003 Fund”, which has committed capital of EUR 650 million, “Altor Fund II”, which has committed capital of EUR 1,150 million, and “Altor Fund III”, which has committed capital of EUR 2,000 million. The Altor Funds are advised by Altor Equity Partners. Altor’s investors include, among others, leading US university endowments and leading European pension and insurance institutions. Altor invests in companies, committed to creating value through growth, strategic development and operational improvements. Since being founded in 2003, the Altor Funds have made more than 30 platform investments and more than 35 strategic add-on acquisitions. Current and previous investments within the health care sector include Sonion, Ferrosan, and PaloDEX. For more information please visit [www.althor.com](http://www.althor.com)*

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