



Sandvik Capital Markets Day with strategic focus on stability, profitability and growth

Today, at the Capital Markets Day in Tübingen, Germany, Björn Rosengren, President and CEO and Tomas Eliasson, Executive Vice President and CFO of Sandvik, presented the key focus areas for the different businesses based on Sandvik's fundamental strategic principle of stability and profitability before growth.

“During the past two years we have set the fundamentals in terms of moving into a decentralized structure, improved our performance review process, consolidated the business portfolio and virtually completed the supply chain optimization program. This, in combination with a stronger market environment, has resulted in improved profitability for the group. We have strengthened the balance sheet, enabling those businesses which are both stable and profitable to increasingly shift focus to growth. Each of the more than 30 different operations in Sandvik has its separate opportunities and challenges and must act accordingly. I expect each business to continuously improve and I am convinced there are more efficiencies to be gained”, says Björn Rosengren, President and CEO of Sandvik.

At the Capital Markets Day the business area presidents presented the key focus areas for their respective operations:

Sandvik Machining Solutions, Klas Forsström

- Continued focus on strengthening the core business of cutting tools.
 - High focus on R&D, product development and operational excellence.
 - Increased share of round tools, services and customized offerings.
- Accelerated growth through development of adjacent offerings.
 - Commercialization of the capabilities in Additive Manufacturing.
 - Broadening of digital service offerings.
- Continued strategic focus on technical innovation and customer intimacy.
- Increased focus on Mergers & Acquisitions.

Sandvik Mining and Rock Technology, Lars Engström

- Growth
 - Further growth in the aftermarket business through new or improved customer offerings such as e-solutions and increased productivity through data-driven predictive maintenance.
 - Leading position in customer offering for automation and digital solutions for the mining and rock excavation industries.
- Improve profitability through e.g. grow the aftermarket business implying reduced earnings volatility.

Sandvik Materials Technology, Göran Björkman

- Restore profitability both short- and mid-term.
 - Short-term this includes the recently implemented decentralized structure and cost reductions.
 - Mid-term this includes new product development, operational excellence and optimization of product mix.
 - Accelerate growth in product areas Powder and Kanthal.

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