



## Sandvik signs agreement to divest its Mining Systems operations

Sandvik has signed an agreement to divest its Mining Systems operations, reported in the Sandvik income statement as discontinued operations, to the private equity company CoBe Capital. Sandvik will maintain ownership of ongoing projects which are close to finalization.

The closing of the transaction is expected during the fourth quarter of 2016, subject to the satisfaction of certain conditions precedent. The parties have agreed not to disclose the purchase price.

The transaction entails a capital loss of -800 million SEK impacting the result of Sandvik's discontinued operations for the third quarter of 2016. The capital loss includes a negative cash flow impact of -600 million SEK, primarily in conjunction with the closing of the deal.

Mining Systems is a supplier of design and engineering of material handling systems for the mining industry. In 2015 the Mining Systems operations, with 1,100 employees, had annual sales of 5 billion SEK representing 6% of Sandvik Group revenues, and an operating loss was reported at a low single digit margin level.

"Divesting the Mining Systems is an important step in consolidating Sandvik to its core operations, which for Sandvik Mining and Rock Technology is high technology mining equipment and aftermarket offerings", says Björn Rosengren, President and CEO of Sandvik.

The intention to divest Mining Systems was first communicated through a press release 1 October 2015.

Stockholm, 18 July 2016  
Sandvik AB

For further information contact: Ann-Sofie Nordh, Head of Investor Relations, Sandvik AB, tel +46 8 456 1494 or Pär Altan, Head of External Communications, Sandvik AB, tel +46 70 616 2024.

---

### **Sandvik Group**

*Sandvik is a high-tech and global engineering group offering products and services that enhance customer productivity, profitability and safety. We hold world-leading positions in selected areas – tools and tooling systems for metal cutting; equipment and tools, service and technical solutions for the mining and construction industries; products in advanced stainless steels and special alloys as well as products for industrial heating. In 2015, the Group had approximately 45,000 employees and sales of 86 billion SEK in more than 150 countries within continuing operations.*

---

Postal address

SANDVIK AB  
Box 510  
SE-101 30 STOCKHOLM  
SWEDEN

Public Company (publ)

Reg.No 556000-3468  
VAT No. SE663000060901  
home.sandvik

Telephone

+46 8 456 11 00