



Sandvik Capital Markets Day with new financial and sustainability targets

Today, at the Capital Markets Day in Tampere, Finland, Björn Rosengren, President and CEO of Sandvik and Tomas Eliasson, Executive Vice President and CFO of Sandvik, will present the key strategic focus areas based on Sandvik's fundamental principle of stability and profitability before growth and introduce new financial and sustainability targets.

"In the last three years we have set the decentralized structure and improved both profitability and the financial strength of Sandvik. This enables us to increase the pace of acquisitions, not least are we looking to expand the digital offering to increase customer productivity. We will also achieve additional cost efficiencies through continuous review of the manufacturing footprint and focus on cost," says Björn Rosengren, President and CEO of Sandvik.

New targets for Sandvik Group

Financial targets

Having achieved the financial targets for 2016-2018, Sandvik introduces new long-term targets. Targets include all three business areas currently in the Sandvik Group.

GROWTH ≥5%	TROUGH EBIT MARGIN ≥16%	NET GEARING <0.5	DIVIDEND 50% of EPS
through economic cycle organic and M&A	rolling 12 months adjusted for items affecting comparability	net debt / equity	through economic cycle adj. for items affecting comparability

Sustainability targets

Sustainability is already an integral part of Sandvik's business and increasingly, Sandvik is becoming the true sustainable business partner for its customers. Sandvik now takes the next big step by launching four 2030 sustainability goals, addressing circularity, climate change, health and safety and fair play.

CIRCULARITY more than 90%	CLIMATE CHANGE halve the CO ₂ impact	CHAMPION PEOPLE zero harm to people	FAIR PLAY always do the right thing
resource efficiency through the whole life cycle	product development and focus on operations and transports	health and safety focus where we are active	compliance, diversity, community involvement

"I am very pleased that we have delivered strong shareholder value on the back of improved operational performance and a strong market situation. I hope our new financial targets indicates our focus on growth whilst achieving improved performance not only in times of strong demand, but through the economic cycle. In parallel, we continue to prioritize a strong financial position and dividend. Combined with our new sustainability targets I feel we have a strong foundation for creating long-term shareholder value," says Björn Rosengren.

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

Sandvik Machining Solutions, Klas Forsström

- Accelerated growth through development of offerings driving customer productivity by
 - maintaining a leading position in cutting tools through high focus on R&D and operational excellence
 - scale up revenues in Additive Manufacturing
 - broadening of digital solutions offerings
 - maintain high focus on Mergers & Acquisition
- Profitability supported by continuous review of the manufacturing footprint and general cost discipline

Sandvik Mining and Rock Technology, Henrik Ager

- Maintain leading position in underground mining
- Further growth in the aftermarket business through new or improved customer offerings such as e-solutions and increased productivity through data-driven predictive maintenance
- Maintain leading position in customer offering for automation and digital solutions for the mining and rock excavation industries
- Improve product portfolio in surface mining to gain market share
- Cost efficiency in focus

Sandvik Materials Technology, Göran Björkman

- Accelerate new product development to maintain a leading market position for tubular products
- Accelerate growth in industrial heating systems division Kanthal both organic and through acquisitions
- Further improve operational performance in division Strip and focus to grow the business through expanding customer portfolio and new product- and application development

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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 industry and rock excavation within the construction industry; products in advanced stainless steels and special alloys as well as products for industrial heating. In 2018, the Group had approximately 42,000 employees and revenues of about 100 billion SEK in more than 160 countries within continuing operations.