



Press Release

Sandvik provides an update on total M&A cost impact for the third quarter

Sandvik will report transaction costs of around SEK 180 million in total for the third quarter as a consequence of the accelerated M&A activities in recent quarters, which have resulted in eight announced acquisitions, signed or closed, during 2021.

Sandvik Manufacturing and Machining Solutions will report transaction costs of around SEK 160 million in total for the third quarter.

The transaction costs for Sandvik Mining and Rock Solutions (SMR) of approximately SEK 20 million are mainly related to the acquisition of DSI Underground. These are already included in the previously communicated dilution impact of 300 basis points on SMR's operating profit (EBIT) margin for the second half of 2021, of which the dilution impact is expected to be approximately 400 basis points in the third quarter and approximately 200 basis points dilution for the fourth quarter. See announcement dated August 3, 2021: [Sandvik acquires DSI Underground Joint Ventures, Rocbolt Technologies](#)

The M&A charges will not be reported as items affecting comparability and hence impact reported and adjusted operating profit in the business areas Sandvik Manufacturing and Machining Solutions and Sandvik Mining and Rock Solutions.

Sandvik has stepped up the pace of acquisitions this year as part of its strategy to increase focus on growth. Out of the total signed or closed acquisitions so far in 2021, five acquisitions is within Sandvik Manufacturing and Machining Solutions, two in Sandvik Mining and Rock Solutions and one in Sandvik Rock Processing Solutions.

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Sandvik AB

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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 sustainability. 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 2020 the Group had approximately 37,000 employees and revenues of about 86 billion SEK in more than 160 countries within continuing operations.

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