



Sandvik Materials Technology is closing down its Die Cutting business in China

Sandvik Materials Technology (SMT) is closing down its Die Cutting business in Qingdao, China. SMT is proposing to also close down the Die Cutting sales office in Halesowen, UK, subject to consultation with the employees as required by local legislation. The closure is in line with SMT's strategy to focus more towards the energy segment and applications related to energy efficiency, and exit businesses considered non-core.

The Die Cutting operation manufactures various cutting, creasing and special rules mainly for the packaging industry - and involves a limited linkage to the rest of SMT. Invoiced sales for the business concerned amounted to about 75 MSEK in 2013 and the total number of employees is 57, of which 51 in China and 6 in the UK. The Die Cutting business operated on a low single digit EBIT margin in 2013 and the closure will have marginal impact on EBIT for SMT. Currently, the Die Cutting operation forms part of the Strip, Wire and Heating Technology product area at SMT.

The operations will be phased out during three months and the closure of the Die Cutting operation is expected to be finalized during the second quarter of 2015. SMT will honor current customer agreements in the best possible way and work closely with the customers to ensure the process runs as smoothly as possible.

"We see this closure as another step in the transformation of SMT into an energy focused niche actor. We are continuously developing our product portfolio towards even more advanced products and materials for the most demanding industries", says Petra Einarsson, President of SMT.

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Sandvik Group

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 2013 the Group had about 47,000 employees and representation in 130 countries, with annual sales of about 87,000 million SEK.

Sandvik Materials Technology

Sandvik Materials Technology is a business area within the Sandvik Group and a world-leading manufacturer of high value-added products in advanced stainless steels, special alloys, as well as metallic and ceramic resistance materials for the most demanding industries. Its cutting-edge expertise is based on an integrated production platform and world-leading metallurgy and R&D. Operations are divided into three product areas: Tube, Strip, Wire and Heating Technology as well as Primary Products. In 2013 sales were about SEK 14,000 million SEK with 7,100 employees.

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