



## SANDVIK AB Interim report, third quarter 2002

- **Profit after financial items: SEK 1,036 M in the quarter, 9% of invoicing**
- **Order intake: SEK 11,850 M, up 2% at fixed exchange rates for comparable units**
- **Strong cash flow from operations: SEK 2,212 M**
- **Acquisition of Valenite tool company completed**

Key figures SEK M	Q3 2002	Q3 2001	Change %	Q1-3 2002	Q1-3 2001	Change %
Order intake	11 850	11 000	+8 <sup>1)</sup>	37 550	36 550	+3 <sup>1)</sup>
Invoiced sales	11 730	11 630	+1 <sup>2)</sup>	36 040	36 120	0 <sup>2)</sup>
Operating profit	1 213	1 425	-15	4 248	4 825	-12
%	10	12		12	13	
Profit after financial items	1 036	1 297	-20	3 754	4 457	-16
%	9	11		10	12	
Net profit	758	740	+2	2 496	2 623	-5
%	6	6		7	7	
Earnings per share <sup>3)</sup> , SEK				14.20	14.10	
Return on capital employed <sup>3)</sup> , %				14.8	18.7	

1) +2% and -4% at fixed exchange rates for comparable units.

2) -5% and -7% at fixed exchange rates for comparable units.

3) Rolling 12 months.

### Short-term market outlook\*

No significant change in the demand situation is expected for Sandvik in the near future.

#### **\*Previous short-term market outlook (published 7 august 2002)**

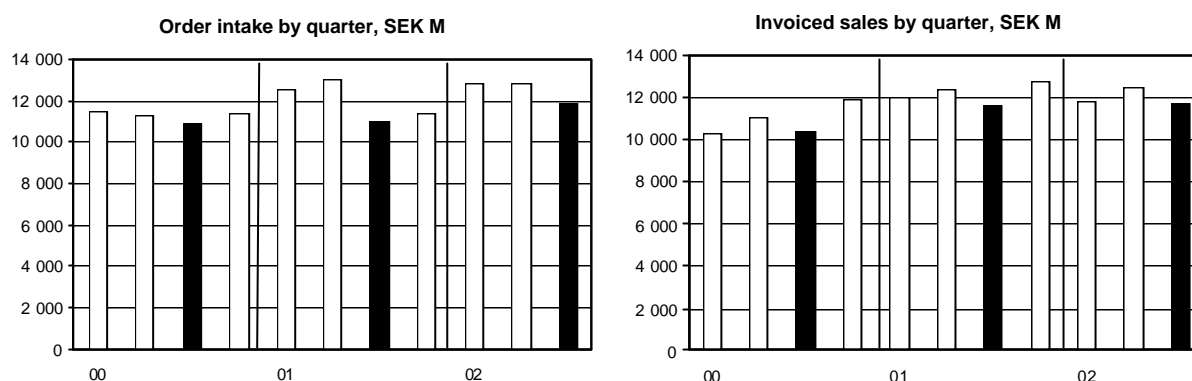
*“The outlook presented in the preceding interim report remains valid:*

*No significant change in the demand situation is expected for Sandvik in the near future. The process of change under way in the Group is proceeding as planned, which means that higher efficiency and cost savings successively affect profitability positively. The readiness is high to capitalize on a future increase in demand.*

*Concurrently, Sandvik’s market position is being strengthened through acquisitions.”*

## Third quarter 2002

### Sales (see appendix 2)



**Order intake** in the third quarter amounted to SEK 11,850 M (11,000), an increase of 8% in total compared with the year-earlier period, and 2% at fixed exchange rates for comparable units. Changes in currency rates affected order intake negatively by 6% in the quarter, while acquisitions contributed positively by 12%. Order intake increased for Sandvik Mining and Construction business area, but was largely unchanged for Sandvik Tooling and Sandvik Specialty Steels.

### Order intake – Development by market area third quarter 2002

Market area	Order intake SEK M	Share %	Change* Q3 2001 %
EU	4 485	38	-8
Rest of Europe	900	7	-10
<b>Europe total</b>	<b>5 385</b>	<b>45</b>	<b>-9</b>
NAFTA	2 745	23	+1
South America	495	4	+8
Africa/Middle East	655	6	+72
Asia/Australia	2 570	22	+20
<b>Total</b>	<b>11 850</b>	<b>100</b>	<b>+2</b>

\* at fixed exchange rates for comparable units.

**Order intake** declined within the EU for Sandvik Specialty Steels business area, while it was largely unchanged for Sandvik Tooling. The negative trend in Rest of Europe was attributable to Sandvik Specialty Steels and Sandvik Tooling, while the order intake for Sandvik Mining and Construction increased.

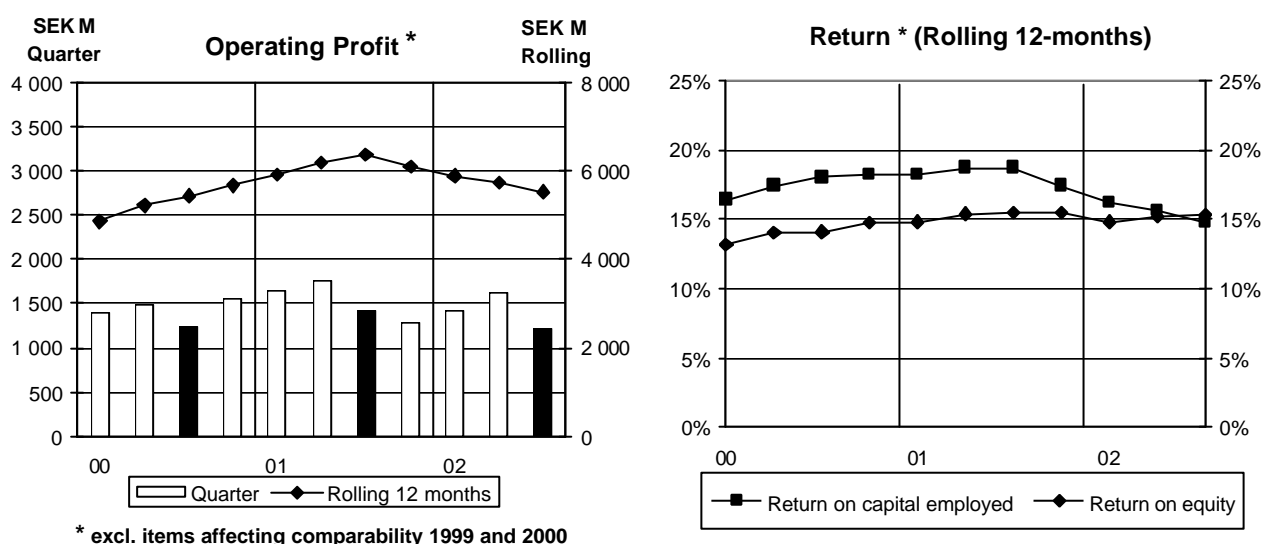
Demand in NAFTA stabilized, but the trend varied among the business areas. Sandvik Tooling reported an unchanged level compared with a year earlier, Sandvik Mining and Construction a decline and Sandvik Specialty Steels an increase.

In the other market areas – Africa/Middle East and Asia/Australia – order intake continued to be favorable.

Demand varied within the Group's customer segments. The activity in the general engineering industry continued to decline in the EU but stabilized in NAFTA. Demand in the automotive industry developed positively in NAFTA and Asia, while activity in South America and parts of Europe remained weak. Demand in the commercial aerospace industry continued to be weak. As previously, order intake from the electronics industry was low. Demand was high from the mining industry within base and precious metals. The activity within coal mining decreased. Demand for products to the construction and offshore industries declined somewhat from a previously high level.

**Invoicing** amounted to SEK 11,730 M (11,630), an increase of 1% in total. At fixed exchange rates for comparable units invoicing declined 5%. Acquisitions affected invoicing positively by 13%, while changes in currency rates impacted negatively by 6%. All business areas had lower invoicing volume excluding acquisitions than in the corresponding quarter a year earlier. Invoicing declined in all market areas except Africa/Middle East. In the Asia/Australia market area, development was favorable, with the exception of Japan.

### Earnings, cash flow and return in the third quarter (see appendix 1)



Operating profit in the third quarter amounted to SEK 1,213 M (1,425), 10% of invoicing. Changes in currency rates had a negative effect of SEK 50 M. In addition, earnings were charged for costs covering deficits in primarily foreign pension funds of about SEK 50 M. The new accounting principle for capitalizing certain development costs affected earnings positively by about SEK 15 M.

Operating profit declined, mainly for Sandvik Tooling and Sandvik Specialty Steels. Lower invoicing volumes and rate of production and the effects of changed currency rates were the main reasons for the decline.

Net financial expense was SEK 177 M (expense: 128). The increase was due to a higher level of debt. Profit after net financial items declined by 20% to SEK 1,036 M, 9% of invoicing. Net profit amounted to SEK 758 M (740). The tax rate during the quarter was affected positively by deductible losses related to changes in the foreign organization. Earnings per share were SEK 3.00 (2.90) in the quarter and SEK 14.20 in the most recent 12 months (SEK 14.40 for full-year 2001).

Cash flow from operations amounted to SEK 2,212 M (1,819), an increase of about 20% compared with the preceding year. The improvement was attributable primarily to a reduction of working capital. Investments in fixed assets amounted to SEK 644 M and acquisitions to SEK 1,689 M.

Interest-bearing liabilities and provisions less liquid funds resulted in a net debt of SEK 11,771 M (11,689 at 30 June 2002). Liquid funds amounted to SEK 2,217 M (2,113) and loans to SEK 11,865 M (11,670).

The return on capital employed during the most recent 12 months amounted to 14.8% (17.4% for full-year 2001) and the return on equity was 15.3% (15.5). The number of shares outstanding was 250,510,600. Equity per share amounted to SEK 90.20 SEK (94.00) and the equity/assets ratio was 47% (50). Net debt/equity ratio was 0.5 (0.4).

The number of employees amounted to 37,342 (34,848) at 30 September. For comparable units, the number of employees declined by about 90 persons during the quarter. Excluding an increase in service personnel for customer contracts, the decline was about 280 persons.

<b>Key figures</b>	<b>30 Sept. 2002</b>	30 Sept. 2001	31 Dec. 2001
No. of shares at end of period ('000)	<b>250 511</b>	252 849	251 025
Earnings per share, SEK*	<b>14.20</b>	14.10	14.40
After full dilution**	<b>14.00</b>	13.80	14.30
Return on capital employed, %	<b>14.8</b>	18.7	17.4
Return on shareholders' equity, %	<b>15.3</b>	15.5	15.5
Net debt/equity ratio	<b>0.5</b>	0.4	0.4

\* Most recent 12 months divided by average number of outstanding shares, 251,064,000.

\*\* Most recent 12 months. After full dilution of outstanding convertible and warrants programs the average number of shares amounts to 255,985,000.

## **Business areas (see appendix 2) – Third quarter 2002**

### **Sandvik Tooling**

<b>SEK M</b>	<b>Q3 2002</b>	Q3 2001	Change %	<b>Q1-3 2002</b>	Q1-3 2001	Change %
Order intake	<b>4 404</b>	3 789	+1 *	<b>13 286</b>	12 467	-5 *
Invoiced sales	<b>4 439</b>	3 954	-2 *	<b>13 083</b>	12 508	-7 *
Operating profit	<b>558</b>	735	-24	<b>2 016</b>	2 505	-20
%	<b>13 **</b>	19		<b>15 **</b>	20	

\* at fixed exchange rates for comparable units.

\*\* 15% and 17% respectively, excluding Walter and Valenite.

**Sandvik Tooling's** order intake amounted to SEK 4,404 M (3,789), an increase of 1% compared with a year earlier at fixed exchange rates for comparable units.

The trend was weak for tools in high-speed steel and for cemented-carbide blanks, but the order intake for cemented-carbide tools remained stable. Demand in the EU continued to decline. Order intake in NAFTA stabilized. In Asia/Australia, particularly in China, demand continued to be highly favorable.

Invoicing amounted to SEK 4,439 M (3,954), which was a decrease compared with the preceding year of 2% at fixed exchange rates for comparable units.

Operating profit in the quarter declined compared with a year earlier by 24% and amounted to SEK 558 M (735), or 13% of invoicing. The decrease was attributable to lower sales and production volumes, particularly for tools in high-speed steel and for cemented-carbide blanks, and to currency effects. Excluding acquisitions during the year, the operating margin was about 15%.

The restructuring program initiated in November 2001 is proceeding as planned. A concentration of the number of production and logistics units has to date resulted in a reduction in the number of employees by about 1,200 persons.

Walter was included during the third quarter at the amount of SEK 579 M in order intake and SEK 593 M in sales. The net positive effect on Sandvik Tooling's operating profit was SEK 19 M.

The acquisition of Valenite was completed during the quarter. Valenite is consolidated as of 12 August. Order intake is included in the amount of SEK 252 M and sales totaling SEK 246 M. Sandvik Tooling's operating profit was affected negatively by SEK 8 M, net.

### Sandvik Mining and Construction

SEK M	Q3 2002	Q3 2001	Change %		Q1-3 2002	Q1-3 2001	Change %
Order intake	3 539	3 040	+9 *		11 307	10 134	0 *
Invoiced sales	3 338	3 398	-8 *		10 455	9 652	-4 *
Operating profit	327	336	-3		1 080	1 002	8
%	10	10			10	10	

\* at fixed exchange rates for comparable units.

**Sandvik Mining and Construction's** order intake amounted to SEK 3,539 M (3,040), which was an increase of 9% at fixed exchange rates for comparable units. Demand from the mining industry for base and precious metals continued to be favorable in Africa and Australia. The activity in coal mining, particularly in NAFTA, showed clear signs of a decline. In the civil engineering industry, activity remained low in Europe, stable within NAFTA and favorable in Asia/Australia.

The trend was positive for business that comprises combined deliveries of machinery, tools and service.

Invoicing declined by 8% at fixed exchange rates for comparable units compared with the third quarter of 2001 and amounted to SEK 3,338 M (3,398).

Operating profit amounted to SEK 327 M (336), or 10% of invoicing, a decline of 3% compared with the preceding year. The decline was mainly due to lower invoicing volume.

During the quarter, the acquisition of Mazda Earth Technologies in Japan was announced. The operations have annual sales of about SEK 500 M and are included in Sandvik from 1 November 2002. The acquisition results in a significantly stronger presence in Japan and other markets in Asia.

## Sandvik Specialty Steels

SEK M	Q3 2002	Q3 2001	Change %	Q1-3 2002	Q1-3 2001	Change %
Order intake	2 953	3 154	-2 *	9 872	10 692	-7 *
Invoiced sales	3 008	3 258	-2 *	9 452	10 711	-11 *
Operating profit	230	295	-22	840	953	-12
%	8	9		9	9	

\* at fixed exchange rates for comparable units.

**Sandvik Specialty Steels'** order intake amounted to SEK 2,953 M (3,154), a decline of 2% compared with a year earlier at fixed exchange rates for comparable units. Demand in the EU weakened further. In contrast, order intake in NAFTA increased and activity in Asia/Australia remained high. Demand was favorable for projects to the oil/gas industry and also for products to consumer-related industrial segments.

Invoicing amounted to SEK 3,008 M (3,258), a decline of 2% at fixed exchange rates for comparable units.

Operating profit amounted to SEK 230 M (295), or 8% of invoiced sales. The decrease compared with a year earlier was attributable to lower invoicing and production volumes for products to the electronics industry and to the process and sorting industry.

## First nine months of 2002

Order intake during the first nine months amounted to SEK 37,550 M (36,550), which was a total increase of 3%, but down 4% at fixed exchange rates for comparable units. Invoiced sales amounted to SEK 36,040 M (36,120), unchanged in total but a decline of 7% at fixed exchange rates for comparable units. Acquisitions contributed positively by 10%.

Operating profit for the January-September period amounted to SEK 4,248 M (4,825), which was a decline of 12%. The operating margin amounted to 12% of invoicing. Changes in currency rates affected earnings positively by SEK 160 M. The new accounting principle for capitalizing certain development costs affected earnings positively by about SEK 105 M.

Net financial expense was SEK 494 M (expense: 368) and profit after net financial items was SEK 3,754 M (4,457), down 16%. The tax rate was 30% and net profit amounted to SEK 2,496 M (2,623).

Cash flow from operations was SEK 5,399 M (3,514). Investments in fixed assets amounted to SEK 1,547 M (1,830). Company acquisitions amounted to SEK 2,511 M. After investments, acquisitions and divestments, the cash flow was SEK 1,658 M (1,705).

The number of employees was 37,342 (34,848 at 31 December 2001), which was a decline of about 855 persons for comparable units from the beginning of the year. Excluding an increase in service personnel for Sandvik Mining and Construction, the decline was about 1,050 persons.

## Parent company

Parent Company invoicing was SEK 8,973 M (8,636), operating profit SEK 1,170 M (1,276) and net debt SEK 460 M (1,086 at 31 December 2001). Parent Company investments in fixed assets amounted to SEK 333 M (472).

## Accounting principles

This report has been prepared in accordance with the Swedish Financial Accounting Standards Council's recommendation RR20 Interim Reports. As of 2002, an additional number of recommendations from the Swedish Financial Accounting Standards Council became effective, of which only RR15 Intangible Assets has had any effect on earnings for the year.

## Buy-back of shares

At 30 September 2002, Sandvik's holding of own shares (treasury stock) totaled 8,197,000 corresponding to 3.2% of the total number of shares (258,707,600) and the amount paid was SEK 1,784 M. No shares were repurchased during the third quarter. In accordance with the decision at the Annual General Meeting in May 2002, Sandvik is authorized to repurchase 10% of the total number of shares in the company. The authorization is valid for the period up to the date of the next Annual General Meeting.

## Structural changes 2002

- An agreement was reached in February with the principal owners of German Walter AG to complete the acquisition. This meant that Sandvik is consolidating the Walter Group as of 25 February. At 30 September, Sandvik's ownership interest was 81% of the shares outstanding. During the third quarter, Sandvik decided to make a public offer to the other shareholders in Walter AG for the acquisition of all shares outstanding at a price of EUR 32.50 (SEK 302) per share. The total value of the offer is about EUR 29.3 M (SEK 272 M). The offer is conditional upon Sandvik attaining ownership exceeding 95% and is valid until the beginning of December.
- In the first quarter, Sandvik's interest in the associated company Avesta Sandvik Tube AB was reduced from 25% to 17%. The company has changed name to AvestaPolarit Stainless Tube AB.
- In May, Sandvik Steel announced the decision to close the production of stainless-steel spring wire at the Gusab Stainless AB subsidiary in Mjölby, Sweden, which has about 110 employees. The closing is expected to be completed during 2003 and is part of the previously announced program of change intended to increase efficiency and align production capacity within Sandvik Specialty Steels.
- Sandvik Hard Materials decided in May to close production of cemented-carbide seal rings and wear parts in Espergaerde, Denmark, and transfer most of the production to the unit in Barcelona, Spain. The action affects slightly more than 100 employees and is expected to be completed within the next 12 months. The closure is part of Sandvik Tooling's ongoing program of change.
- An agreement was reached in June with Milacron Inc., in the US, covering the acquisition of the North American tool company Valenite. The company, with approximately 1,300 employees,

has its head office in Madison Heights, Michigan, US, and production units in South Carolina, Michigan and Texas. Sales in 2001 amounted to about SEK 2 billion. The purchase price was SEK 1,750 M and goodwill is estimated preliminarily to about SEK 1,000 M. After approval was received from the anti-trust authorities, the acquisition was completed and Valenite was consolidated as of 12 August 2002.

- During the third quarter, a consolidation of operations in Precision Twist Drill in the US was carried out. One of the major actions was that production in Rhinelander, Wisconsin, was transferred to Crystal Lake, Illinois, which resulted in a reduction of about 250 employees.
- Sandvik Steel decided in the third quarter to intensify the ongoing program of change through carrying out a review of the organizational structure at the main facilities in Sandviken. The aim is to improve the profitability through reduced costs, enhanced efficiency and increased flexibility. As a result of this action, the number of salaried employees in Sandviken is expected to be reduced by 140 positions.
- During the quarter, Sandvik Mining and Construction announced the acquisition of Mazda Earth Technologies' operations in Japan. Mazda Earth Technologies is a leading manufacturer of machinery and equipment for the Japanese mining and construction industry. The operations being acquired have annual sales of about SEK 500 M and include the Toyo brand, development and production rights as well as a sales and service organization with about 30 employees. The operations are consolidated in Sandvik as of 1 November 2002.

## **Nominating Committee for Annual General Meeting 2003**

In accordance with a prior decision by Sandvik AB's Annual General Meeting, the Nominating Committee comprises Sandvik's Board Chairman and representatives of the four largest shareholders. Accordingly, prior to the Annual General Meeting 2003, Sandvik's Nominating Committee comprises: Clas Åke Hedström, Sandvik's Board Chairman, Carl-Olof By, Industrivärden, Curt Källströmer, Handelsbanken Pension Foundation and Pension Fund, Marianne Nilsson, Robur and Lars Otterbeck, Alecta.

Sandviken, 6 November 2002

Sandvik AB; (publ)

Lars Pettersson  
President and CEO

Appendices:

1. Group summary
2. Invoicing and operating profit

The interim report for the third quarter of 2002 is unaudited. The year-end report for 2002 will be published on 11 February 2003.

For additional information, please call +46 (0)26-26 10 26

A combined presentation and telephone conference will be held at Operaterrassen in Stockholm, Sweden, on 6 November, 1:00 p.m. For further information visit [www.sandvik.com](http://www.sandvik.com)



**Consolidated Financial Information, SEK M**

	<b>Q3 2002</b>	Q3 2001	<b>Q1-3 2002</b>	Q1-3 2001
<b>Income statement</b>				
Invoiced sales	<b>11 730</b>	11 630	<b>36 040</b>	36 120
Cost of goods sold	<b>-8 071</b>	-8 175	<b>-24 576</b>	-24 667
Gross profit	<b>3 659</b>	3 455	<b>11 464</b>	11 453
Selling and administrative expenses	<b>-2 520</b>	-2 136	<b>-7 275</b>	- 6 721
Other operating income and expenses	<b>+74</b>	+106	<b>+59</b>	+93
Operating profit	<b>1 213</b>	1 425	<b>4 248</b>	4 825
Financial income and expenses, net	<b>-177</b>	-128	<b>-494</b>	-368
Profit after financial items	<b>1 036</b>	1 297	<b>3 754</b>	4 457
Income taxes	<b>-239</b>	-513	<b>-1 121</b>	-1 664
Minority interests	<b>-39</b>	-44	<b>-137</b>	-170
Net profit	<b>758</b>	740	<b>2 496</b>	2 623
Earnings per share before dilution, SEK	<b>3.00</b>	2.90	<b>10.00</b>	10.20
Earnings per share after full dilution, SEK	<b>2.90</b>	2.80	<b>9.80</b>	10.10
Earnings per share, recent 12 months, before dilution, SEK	-	-	<b>14.20</b>	14.10
<b>Cash-flow statement</b>				
Profit after financial items	<b>+1 036</b>	+1 297	<b>+3 754</b>	+4 457
Items not affecting cash flow	<b>-117</b>	-79	<b>-194</b>	-620
Reversal of depreciation	<b>+645</b>	+627	<b>+1 955</b>	+1 819
Taxes paid	<b>-263</b>	-402	<b>-1 280</b>	-1 357
Change in inventories	<b>+394</b>	-91	<b>+293</b>	-906
Change in operating receivables and liabilities	<b>+517</b>	+467	<b>+871</b>	+121
Cash flow from operations	<b>+2 212</b>	+1 819	<b>+5 399</b>	+3 514
Investments, acquisitions and divestments	<b>-2 279</b>	-648	<b>-3 741</b>	-1 809
Change in short-term loans	<b>+16</b>	+1 414	<b>-40</b>	+3 547
Change in long-term loans	<b>+154</b>	+211	<b>+1 127</b>	+217
Own shares acquired	<b>0</b>	-847	<b>-124</b>	-1 257
Payment to pension fund	<b>0</b>	-1 070	<b>0</b>	-1 070
Dividends paid	<b>0</b>	0	<b>-2 545</b>	-2 554
Net cash flow	<b>+103</b>	+879	<b>+76</b>	+588
Liquid funds at beginning of period	<b>2 113</b>	1 916	<b>2 258</b>	2 097
Exchange-rate differences in liquid funds	<b>+1</b>	+1	<b>-117</b>	+111
Liquid funds at end of period	<b>2 217</b>	2 796	<b>2 217</b>	2 796

Appendix 1  
(cont)

	<b>30 Sept. 2002</b>	30 Sept. 2001	31 Dec. 2001
<b>Balance sheet</b>			
Fixed assets	<b>22 843</b>	21 809	22 505
Inventories	<b>13 109</b>	13 216	12 953
Current receivables	<b>12 400</b>	11 878	11 833
Liquid assets	<b>2 217</b>	2 796	2 258
Total assets	<b>50 569</b>	49 699	49 549
Shareholders' equity	<b>22 600</b>	23 756	23 972
Minority interests	<b>1 071</b>	949	967
Interest-bearing provisions and liabilities	<b>13 988</b>	12 033	12 222
Non-interest-bearing provisions and liabilities	<b>12 910</b>	12 961	12 388
Total provisions, liabilities and shareholders' equity	<b>50 569</b>	49 699	49 549
<b>Change in shareholders' equity</b>			
Opening equity as shown in approved balance sheet	<b>23 972</b>	22 472	22 472
Effect of change in accounting principles	<b>0</b>	547	547
Opening equity in accordance with new accounting principles	<b>23 972</b>	23 019	23 019
Translation differences due to changed currency rates	<b>-1 366</b>	1 699	1 253
Dividend paid	<b>-2 380</b>	-2 328	-2 328
Own shares acquired	<b>-124</b>	-1 257	-1 660
Loan conversion	<b>2</b>		
Net profit of the period	<b>2 496</b>	2 623	3 688
Closing balance	<b>22 600</b>	23 756	23 972

Invoiced sales by market area	Q3	Q1-3	Full-year	Q1	Q2	Q3	Q1-3	Change	
SEK M	2001	2001	2001	2002	2002	2002	2002	%	% <sup>1)</sup>
EU	4 326	14 510	19 698	4 833	5 140	<b>4 734</b>	<b>14 707</b>	+1	-7
Rest of Europe	902	2 654	3 566	842	1 008	<b>865</b>	<b>2 715</b>	+2	-7
Europe total	5 228	17 164	23 264	5 675	6 148	<b>5 599</b>	<b>17 422</b>	+2	-8
NAFTA	2 855	8 784	11 543	2 799	2 787	<b>2 715</b>	<b>8 301</b>	-5	-11
South America	475	1 452	2 013	527	561	<b>456</b>	<b>1 544</b>	+6	-11
Africa/Middle East	603	1 830	2 511	610	657	<b>673</b>	<b>1 940</b>	+6	+14
Asia/Australia	2 469	6 890	9 569	2 189	2 357	<b>2 287</b>	<b>6 833</b>	-1	-6
Group total	11 630	36 120	48 900	11 800	12 510	<b>11 730</b>	<b>36 040</b>	0	-7

#### Order intake by business area

SEK M	Q3	Q1-3	Full-year	Q1	Q2	Q3	Q1-3	Change	
SEK M	2001	2001	2001	2002	2002	2002	2002	%	% <sup>1)</sup>
Svk Tooling	3 789	12 467	16 355	4 274	4 608	<b>4 404</b>	<b>13 286</b>	+7	-5
Svk Mining and Construction	3 040	10 134	13 407	3 936	3 832	<b>3 539</b>	<b>11 307</b>	+12	0
Svk Specialty Steels	3 154	10 692	13 843	3 562	3 357	<b>2 953</b>	<b>9 872</b>	-8	-7
Seco Tools <sup>2)</sup>	1 008	3 232	4 269	1 051	1 066	<b>947</b>	<b>3 064</b>	-5	-6
Group activities	9	25	26	7	7	<b>7</b>	<b>21</b>	/	/
Group total	11 000	36 550	47 900	12 830	12 870	<b>11 850</b>	<b>37 550</b>	+3	-4

#### Invoiced sales by business area

SEK M	Q3	Q1-3	Full-year	Q1	Q2	Q3	Q1-3	Change	
SEK M	2001	2001	2001	2002	2002	2002	2002	%	% <sup>1)</sup>
Svk Tooling	3 954	12 508	16 561	4 107	4 537	<b>4 439</b>	<b>13 083</b>	+5	-7
Svk Mining and Construction	3 398	9 652	13 501	3 464	3 653	<b>3 338</b>	<b>10 455</b>	+8	-4
Svk Specialty Steels	3 258	10 711	14 528	3 200	3 244	<b>3 008</b>	<b>9 452</b>	-12	-11
Seco Tools <sup>2)</sup>	1 005	3 200	4 259	1 027	1 059	<b>938</b>	<b>3 024</b>	-6	-6
Group activities	15	49	51	2	17	<b>7</b>	<b>26</b>	/	/
Group total	11 630	36 120	48 900	11 800	12 510	<b>11 730</b>	<b>36 040</b>	0	-7

#### Operating profit by business area

SEK M	Q3	Q1-3	Full-year	Q1	Q2	Q3	Q1-3	Change	
SEK M	2001	2001	2001	2002	2002	2002	2002	%	% <sup>1)</sup>
Svk Tooling	735	2 505	2 964 <sup>3)</sup>	701	757	<b>558</b>	<b>2 016</b>		
Svk Mining and Construction	336	1 002	1 348	355	398	<b>327</b>	<b>1 080</b>		
Svk Specialty Steels	295	953	1 281	278	332	<b>230</b>	<b>840</b>		
Seco Tools <sup>2)</sup>	165	625	787	171	187	<b>132</b>	<b>490</b>		
Group activities	-106	-260	-277	-84	-60	<b>-34</b>	<b>-178</b>		
Group total	1 425	4 825	6 103 <sup>3)</sup>	1 421	1 614	<b>1 213</b>	<b>4 248</b>		

#### Operating profit by business area % of invoicing

% of invoicing	Q3	Q1-3	Full-year	Q1	Q2	Q3	Q1-3	Change	
% of invoicing	2001	2001	2001	2002	2002	2002	2002	%	% <sup>1)</sup>
Svk Tooling	19	20	18	17	17	<b>13</b>	<b>15</b>		
Svk Mining and Construction	10	10	10	10	11	<b>10</b>	<b>10</b>		
Svk Specialty Steels	9	9	9	9	10	<b>8</b>	<b>9</b>		
Seco Tools <sup>2)</sup>	16	20	18	17	18	<b>14</b>	<b>16</b>		
Group total	12	13	12	12	13	<b>10</b>	<b>12</b>		

<sup>1)</sup> Change compared with year earlier at fixed exchange rates for comparable units.

<sup>2)</sup> As a result of the majority holding in Seco Tools, Sandvik consolidates this company. For comments, refer to the company's report.

<sup>3)</sup> Including SEK +340 M in items affecting comparability.