



Sandvik Materials Technology divests its welding wire business

Sandvik Materials Technology has signed an agreement to divest the welding wire operations to ESAB, a global leader in the welding industry and part of Colfax Corporation. The agreement completes the main step in the divestment plan for welding wire and stainless wire announced on 17 May 2017.

The deal includes the production units in Sandviken, Sweden and Scranton, US as well as the global sales and product management organization; in total approximately 120 employees. Revenues for the welding wire business amounted to 470 million SEK in 2016.

“We strongly believe that ESAB, with welding as its core business, is the right owner. The divestment enables us to further focus on our core operations according to Sandvik’s strategy”, says Björn Rosengren, Sandvik’s President and CEO.

“We are excited by the opportunity to better serve customers with a broader and enhanced portfolio of stainless steel and nickel filler metals”, says Shyam Kambeyanda, President of ESAB.

The cash flow impact from the transaction is expected to be positive. Closing of the divestment is estimated to be completed within 2-4 months, following customary closing conditions.

The process to exit the stainless wire business, with about 270 million SEK in sales 2016, is progressing according to plan.

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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 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 2016, the Group had approximately 43,000 employees and sales of 82 billion SEK in more than 150 countries within continuing operations.

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 and special alloys as well as products for industrial heating. The cutting-edge expertise is based on an integrated production platform and industry-leading metallurgy and R&D. In 2016, sales were approximately 13 billion SEK with about 6,500 employees.

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