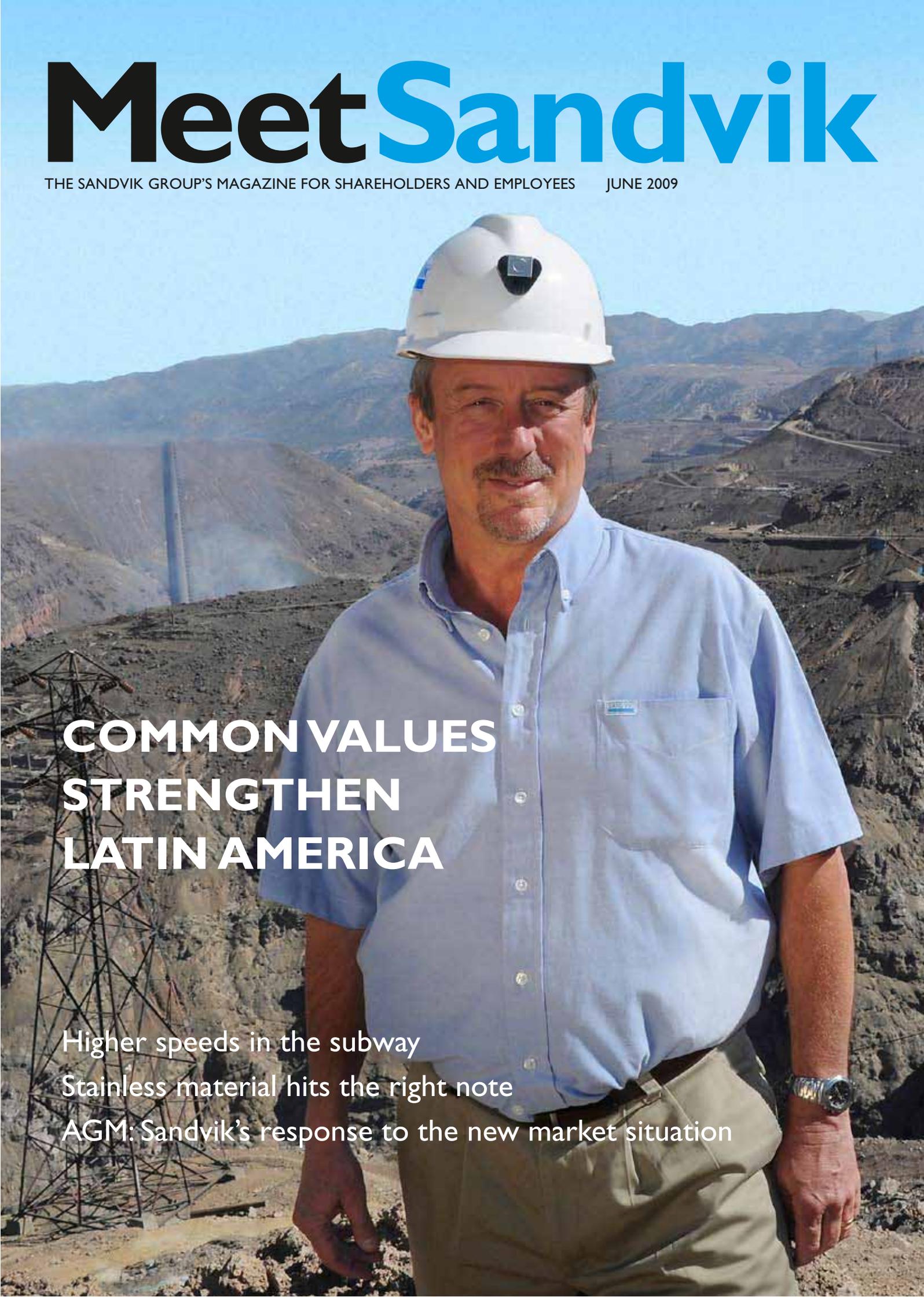


# Meet Sandvik

THE SANDVIK GROUP'S MAGAZINE FOR SHAREHOLDERS AND EMPLOYEES

JUNE 2009

A man with a mustache, wearing a white hard hat and a light blue short-sleeved button-down shirt, stands in the foreground. He is smiling slightly. The background shows a vast, arid mining landscape with mountains, a large conveyor belt structure, and a power line tower. The sky is clear and blue.

## COMMON VALUES STRENGTHEN LATIN AMERICA

Higher speeds in the subway

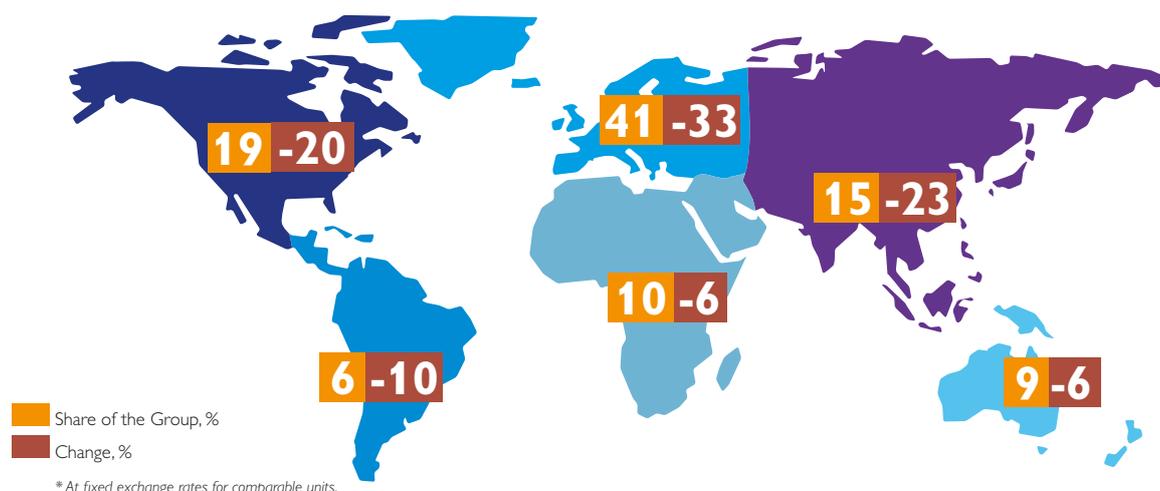
Stainless material hits the right note

AGM: Sandvik's response to the new market situation

# FIRST QUARTER 2009 IN FIGURES

## INVOICING BY MARKET AREA

Share of Group invoicing and percentage change compared with year-earlier period.\*



## INVOICING BY BUSINESS AREA

SEK M	Q1 2009	Q1 2008	Change %	Change % <sup>1)</sup>
Sandvik Tooling	5,193	6,600	-21	-35
Sandvik Mining and Construction	8,330	8,352	0	-12
Sandvik Materials Technology	4,255	5,402	-21	-31
Seco Tools <sup>2)</sup>	1,347	1,627	-17	-26
Group activities	11	9		
<b>Group total</b>	<b>19,136</b>	<b>21,990</b>	<b>-13</b>	<b>-25</b>

## OPERATING PROFIT BY BUSINESS AREA

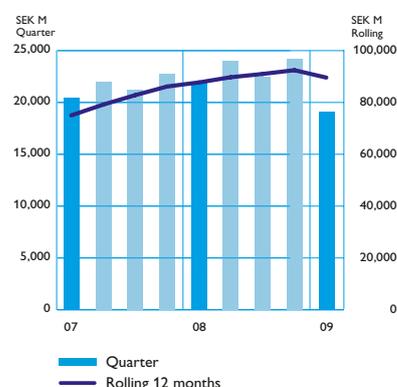
SEK M	Q1 2009	Q1 2008	Change %
Sandvik Tooling	267	1,595	-83
Sandvik Mining and Construction	392	1,184	-67
Sandvik Materials Technology	-521	82	neg
Seco Tools <sup>2)</sup>	95	403	-76
Group activities	-118	-76	
<b>Group total<sup>3)</sup></b>	<b>115</b>	<b>3,190</b>	<b>-96</b>

## OPERATING MARGIN BY BUSINESS AREA

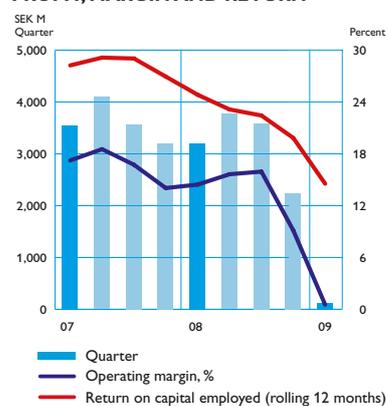
% of invoicing	Q1 2009	Q1 2008
Sandvik Tooling	5.1	24.2
Sandvik Mining and Construction	4.7	14.2
Sandvik Materials Technology	-12.2	1.5
Seco Tools <sup>2)</sup>	7.0	24.8
<b>Group total</b>	<b>0.6</b>	<b>14.5</b>

- 1) Change compared with preceding year at fixed exchange rates for comparable units.  
 2) As a result of the majority holding in Seco Tools AB, Sandvik consolidates this company.  
 3) Internal transactions had a negligible impact on earnings for the business areas.

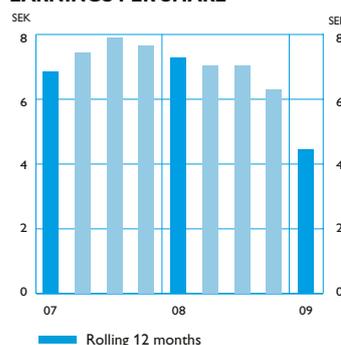
## INVOICING



## PROFIT, MARGIN AND RETURN



## EARNINGS PER SHARE



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**Address:** Sandvik AB, Group Staff Communications, SE-811 81 Sandviken, Sweden, [info.group@sandvik.com](mailto:info.group@sandvik.com)  
 Cover: Gary Hughes, Regional Manager, Sandvik Mining and Construction in Latin America.



# Market situation remains very weak

**THE DRAMATIC GLOBAL** slowdown that began in the latter part of 2008 also characterized the first quarter of 2009. The market situation for nearly all customer segments remained extremely weak and many customers severely curtailed production and investment plans.

Market activity was further weakened due to inventory reductions in many customer groups.

The decline in demand that we are now experiencing is probably the most dramatic in the company's history and it is a decline that has affected all market areas.

The exceptions to the overall weak picture are the energy-related segments, primarily nuclear power, coal mining and oil and gas, in which the order levels remained favorable.

Overall, the demand trend during the quarter was stable, but at a very low level.

**OPERATING PROFIT FOR** the quarter was significantly impacted by the very sharp drop in demand levels.

In the two most recent quarters, the workforce has been reduced by more than 5,000 employees and contracted staff, notice of termination of employment was served to about a further 2,000 persons and a number of production units have been closed or are in the process of being closed.

During the first quarter, investments amounted to SEK 1,746 M (1,712). The level of investment will be gradually reduced over the remainder of the year.

**ALL THREE BUSINESS** areas reported an extremely weak demand scenario during the quarter.

Several of Sandvik Mining and Construction's major customers announced significantly reduced investment plans. Cancellations of orders already placed had a negative impact on order intake. A significantly more stable trend was reported for tools, spare parts and service, although lower production rates, inventory reductions by customers and a concentration to fewer mines caused a slight decline in volume.

However, a positive development for the business area, as was also the case for Sandvik Tooling, was that it had increased its market shares.

Regarding Sandvik Materials Technology, the market remained strong primarily for tube products to the energy segment. Demand for products to the nuclear power industry was very favorable and a high degree of capacity utilization was reported. Order intake from the oil and gas industry was also healthy. Demand from other segments, mainly the automotive and consumer-related industries, was weak or exceptionally weak essentially in all markets and for all product areas.

**IT IS IMPORTANT** to emphasize that a deep business recession can also give rise to opportunities for a company such as Sandvik. The Group has a strong customer offering and broad geographic presence. Sandvik is a commercial and technology leader in its field of operations and this has also resulted in increased market shares in the prevailing business situation. Demand for new technologies and innovations is strong. As an example, the Group has conducted discussions with customers who require a partner that offers target-oriented and systematic research and product development, a strong presence in emerging economies, fundamental financial strength and sustainability. Customers also value a correct and long-term sustainable approach to conducting business based on clearly defined values. Through its positioning in these areas, Sandvik has major opportunities for success.

The Group's state of readiness is exceptionally high. Further cost savings may be required, but it is also important to maintain our ability to quickly step up efforts when the business climate rebounds. ■

**Lars Pettersson**  
President and CEO  
Sandvik AB



<b>Order intake</b>	SEK 17,754 M, -39%*
<b>Invoicing</b>	SEK 19,136 M, -25%*
<b>Operating result</b>	SEK 115 M, -96%
<b>Result after financial items</b>	SEK -429 M
<b>Result for the period</b>	SEK -299 M
<b>Result per share</b>	SEK -0.27 <sup>1)</sup>
<b>Cash flow</b>	SEK 1,784 M, -11%

\* Change compared with the corresponding quarter in the preceding year, at fixed exchange rates for comparable units.

<sup>1)</sup> Calculated on shareholders' participation in earnings for the period. No dilution effects.

# Sandvik tunes up

Sandvik Materials Technology has developed a new stainless material that is adapted for the manufacturing of guitar strings. Tests show that the new strings are more durable than traditional carbon-steel strings, which rust from sweat and lose their tone.

"I have played on mine for months. The feel and tuning is precisely as good today as when they were new," says Phil Etheridge, responsible for the market introduction of the new material and also an experienced guitarist.



**Phil Etheridge**

Many companies in the music industry have shown an interest in the material, which is magnetic and is suitable for acoustic and electric guitars.

"It can also be used to make strings for other instruments, such as violins and mandolins," says Phil Etheridge.

The new stainless material is not the first to be developed specifically for the music industry by the Sandvik Group. The Kanthal product area produces a flat wire that can be used as wrapping material around the core wire on the three thickest strings on a guitar.

"The wrapping must be extremely even and tight. If it is uneven or if there are gaps between the wire turns, the tone will be lost," says Anke Krönert, who works with application developments at Kanthal. ■



## CoroPak turns spotlight on Sandvik Coromant

Every year, on 1 March and 1 October, the machining world turns its focus to Sandvik Coromant.

This is when the product area releases its CoroPak package, which contains more than 1,000 new products.



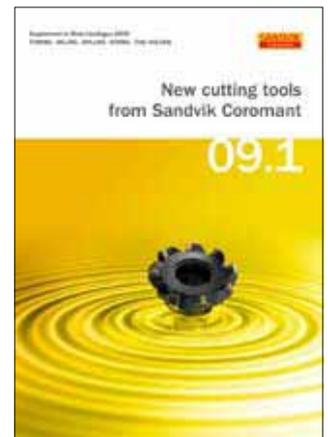
**Martin Brunnander**

"CoroPak has become a major event and has meant that we have the market's full attention at every launch, which takes place at the same time throughout the world. This means that the catalog and other sales information are produced simultaneously for

40 markets and in 20 languages," says Martin Brunnander, Senior Manager, Product and Application Marketing at Sandvik Coromant.

The catalog featuring new products is produced in 200,000 copies and is available to customers at the same time as the new products and solutions are launched. At that point, the sales team will have been trained in the most important new products and be ready with various activities and marketing events.

"We have used CoroPak to launch our new products for ten years now. The CoroPak concept in itself creates a clear customer value. Moreover, it is a unique process that is difficult to copy. None of our competitors has anything similar," says Martin Brunnander. ■



**Sandvik's new TS650 can transport up to 60 tons.**



## Ready for heavy transports

With Sandvik's four-wheel drive shield haulers, components and machines in mines can be transported quickly, safely and effectively.

The new Sandvik TS650 can transport up to 60 tons – an improvement of 50% compared with the previous model. The machine

is primarily used for moving roof supports and other large structural components in mines.

Other equipment and modules used to secure the environment in the mining shafts are also becoming increasingly heavy. Accordingly, the need for large transport capacity also increases. ■

## Cone crushers marching forward

As of 2010, twelve cone crushers from Sandvik Mining and Construction will be in use in the Sino Iron open magnetite mine. The mine is located in Western Australia and has a planned annual capacity of about 27 million tons of magnetite (a form of iron ore). The project is a partnership between Australia and China.

The Sandvik CH880 cone crusher will be delivered in 2009 but production will not begin until 2010. The machines will be installed at six stations in the mining area, with two cone crushers in each location. Each station will thus have a capacity of 1,300 tons an hour:

"This is an order that is gratifying in several ways," says Jonas Olsson, Global Market and Sales Manager Crushing and Screening Equipment Mining at Sandvik Mining and Construction.

"Sino Iron is a prestigious project and, at the same time, the transaction shows how well we can collaborate within Sandvik across geographic borders. This project has involved employees from China, Australia and Sweden."

In China, cone crushers from Sandvik are also being used. In Baise, in the Guangxi province, eleven cone crushers have been installed since 2002 for crushing bauxite – a brownish type of mineral from which aluminum, copper and iron can be extracted. ■



**The Sandvik CH880 cone crusher in an Australian open-cast mine.**



## Substantial demand for tubes for nuclear power plants

Recently, Sandvik Materials Technology has secured several orders regarding steam generator tubes for nuclear power plants. The orders have a combined value of more than SEK 1.1 billion. The companies placing the orders include a number of manufacturers of steam generators and the tubes will be used in nuclear power plants in the US and China.

"The steam generator tubes are among the most advanced tubes we supply. Sandvik is one of three producers in the world that manufacture this type of tube and the Group has a strong position in the market in terms of products for nuclear applications," says Cecilia Hägglöf, Marketing Manager within the Tube product area.

Sandvik's products are found in nearly a quarter of the world's 400 nuclear power plants. In addition to steam generator tubes, zirconium-alloy cladding tubes (zirconium is a metal specially developed to use in nuclear fuel) for the reactors are also manufactured. Sandvik also produces strip, tube, bar and welding products for a number of key components.

There are currently about 30 new reactors under construction throughout the world and at least 60 more planned or on order.

To meet the rapidly growing demand in the area, Sandvik has decided to substantially increase its capacity for manufacturing high-alloy steam generator tubes. ■

## Sandvik Mining and Construction's local values

**Flexibility** – to other people's ideas and backgrounds, and to new concepts

**Adaptability** – to changes in the market and our environment

**Trainability** – to learn from one another and from all situations

**Mobility** – be close to customers and promote change

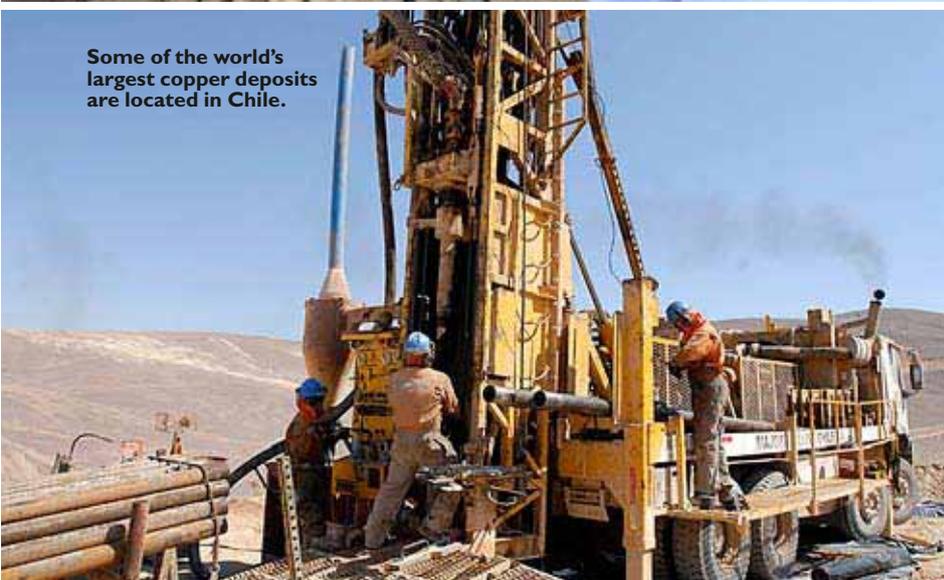
**Speciality** – be an expert at what we do – first time

**Commonality** – to maintain a consistent image and performance, always



Gary Hughes' leadership approach is appreciated by the employees in Latin America.

Some of the world's largest copper deposits are located in Chile.



Daniella Orellana, Production Manager at the Pipa Norte mine in Chile, received assistance from Sandvik to automate production.

# Power of the Puma

The puma was chosen as a symbol for the company's values when Sandvik Mining and Construction's regional manager for Latin America adapted Sandvik's general value terms to the local organization.

**G**ary Hughes is described by his colleagues as an honest person who is passionate about his work and good at getting things done. He sees himself as a participative leader who appreciates working in a strong, value-driven organization and a multi-cultural environment, something that he experienced when he moved to Chile in 2003.

"The huge benefit of living and working here has been being able to discuss, agree upon and implement a new organizational culture based on global Sandvik core values and the local reality. It has helped me learn so much and grow as a manager and leader of people," says Gary Hughes, who believes that leadership must be based on strong personal and corporate values.

"I believe in the power of values to drive organizational change and performance. My principles are to discuss, decide on, adhere to and protect our commonly agreed organizational values

and to never compromise. To me, leadership is about being true to your beliefs, since credibility and trust are essential in leadership. If I don't live up to our values and make sure others do, where is my credibility?"

**GARY HUGHES FINDS** Sandvik's core values – Open Mind, Fair Play and Team Spirit – both well-balanced and useful in promoting value-driven leadership. However, he emphasizes the importance of adapting the English expressions to local conditions in order to facilitate understanding and acceptance.

"Many global organizations make a mistake when trying to enforce the same definition of values worldwide. To give our organization in Latin America greater ownership of our corporate values, we established our own set of values that incorporate the core values of Sandvik and the business areas."

The local set of values that Gary and his team developed includes flexibility, adaptability, trainability, mobility, specialty and commonality. The puma was chosen as the symbol for these values, and visual images of the powerful cat are found across the organization.

"I believe in the power of metaphors. They are good for getting teams to work together and to give common identity to something," explains Gary Hughes.

The local values are communicated throughout the entire organization using a variety of tools, from seminars and workshops to employee introductions. The values have helped to drive organizational changes in the region, according to Gary Hughes.

Flexibility and mobility, for example, were demonstrated by Sandvik Mining and Construction moving its Brazil sales office from Sao Paulo to Belo Horizonte

to move closer to customers in the mining heartland of Minas Gerais. During 2008, the business area also merged five separate facilities into a combined new facility in Chile. In addition, a process was recently initiated to establish manufacturing in Vespasiano in Brazil.

"In the autumn, we will move some resources to Panama to help us get closer to our ever-increasing customer base in Central America and the Caribbean. Investments to improve support to the aftermarket business have now been completed in all countries, with the exception of Mexico, which is in progress," he says.

**GARY HUGHES WAS** born in the UK but moved with his family to Zambia in 1967. Following studies in Zambia, South Africa and the UK, he became a mining engineer and spent ten years working in Zambia's copper mines. In 2001, he moved back to South Africa to work at Sandvik's regional business area office as vice president and business line manager.

Before moving to Chile in 2003, Gary Hughes admits to being a bit wary of leaving the familiar African culture for Latin America, but he settled in quickly.

"We usually tend to view getting to know another culture as a struggle, but that is complicating things too much. Instead of taking a three-month course on the culture you are about to face, why not just sit down and talk to people once you're there? Define how you are going to work together, what you want to achieve and then do it."

Working in Sandvik companies in Africa and Latin America, Gary Hughes has come to understand how similar the different cultures are.

"We all look for common universal values of fairness, honesty and compassion," concludes Gary Hughes. ■

## Sandvik in South America

Sandvik currently has its own offices in Argentina, Brazil, Chile and Peru.

All business areas conduct manufacturing in Brazil. In Chile, Sandvik Mining and Construction has its own production unit, which is the business area's largest in South America.

The Group has total sales of SEK 6 billion and nearly 2,900 employees in the South America market area.

Sandvik Mining and Construction's customers are primarily found in iron and copper mining, for example.

Sandvik Materials Technology and Sandvik Tooling have their most important customers in the oil/gas and automotive industries, respectively.

# Annual General Meeting: Focus on actions and opportunities

More than 1,200 shareholders and guests attended Sandvik's Annual General Meeting. Participants were most anxious to hear more about how the Group is responding to the dramatic market trend that began in the fourth quarter of 2008.

**THE ANNUAL GENERAL MEETING** was held on 28 April in Sandviken. The focus was on Sandvik's ability to respond to the changed market situation. In his presentation, Lars Pettersson, President and CEO, reported on the dramatic developments during the fourth quarter of 2008 and the decline in the Group's order bookings.

The uncertain business conditions remain, resulting in forceful actions to reduce costs and improve cash flow, explained Lars Pettersson. These actions include adjustment of the company's production capacity, personnel reductions and fewer new investments.

However, Lars Pettersson also talked about Sandvik's future business opportunities based on the Group's strengths and new customer requirements.

Lars Pettersson's presentation is available on [www.sandvik.com](http://www.sandvik.com).

The Annual General Meeting approved a dividend of SEK 3.15 per share for 2008.

**THE BOARD MEMBERS** Hanne de Mora, Georg Ehrnrooth, Fredrik Lundberg, Egil Myklebust, Anders Nyrén, Lars Pettersson, Simon Thompson and Chairman Clas Åke Hedström were re-elected.

The employee organizations appointed Tomas Kärnström and Jan Kjellgren as members and Mette Ramberg Frodigh and Bo Westin as deputy members of the Board of Directors.

**THE ANNUAL GENERAL MEETING** decided that the four largest known shareholders each shall appoint a member who to-

gether with the Chairman will comprise the Nominations Committee. The members must be appointed not later than the last banking day in August 2009. The Nominations Committee is convened by the Chairman.

The Annual General Meeting voted to approve the Board of Directors' proposal regarding principles for remuneration, etc. to Group Executive Management.

**A STATUTORY BOARD MEETING** was held after the Annual General Meeting. Anders Nyrén was appointed Vice Chairman. The Audit Committee comprises Anders Nyrén (Chairman) and Hanne de Mora. The Remuneration Committee comprises Clas Åke Hedström, Georg Ehrnrooth and Egil Myklebust. ■

## Work environment improvements gave prestigious prize

**THE WILHELM HAGLUND MEDAL** for 2009 was awarded to the Austrians Gerhard Reiter and Thomas Galler. The two Sandvik employees, who work at the Group's plant in Zeltweg, developed a new generation of the popular Bolter

Miner MB 600 mining machine. The machine is used to construct transport paths underground and to reinforce rock in tunnels.

"Everyone within Sandvik recognizes the significance of the Haglund Medal. Many teams try to win the prize every year. That we succeeded, naturally gives us great pleasure," says Gerhard Reiter.

Gerhard started at Sandvik as a trainee back in 1970. Since then, he has worked as a product developer and a product manager. He has also had global responsibility for Sandvik's Bolter Miner program. His colleague, Thomas Galler, works as an R&D and design engineer for the Bolter Miner project.

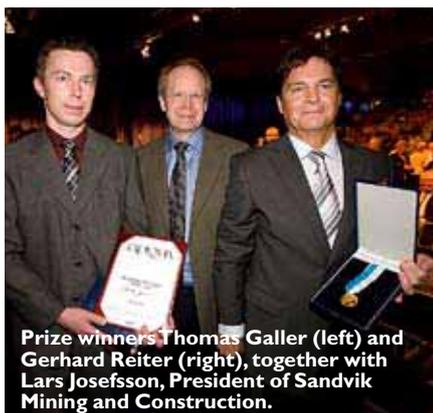
The Wilhelm Haglund Medal for the Product Developer of the Year is awarded every year at the Sandvik Annual General Meeting. This prestigious award

is named after the legendary Managing Director Wilhelm Haglund, who laid the foundation for today's success in the area of cemented carbide. ■

### About the Bolter Miner:

The first Bolter Miner machines were introduced in 1991 in Australia. In 2002, work began to upgrade the MB 600 model. This new generation of machines achieved major sales successes throughout the world.

Health, safety and the environment are the focus areas. Improvements developed by Reiter and Galler include vertically adjustable work platforms for operators, ergonomic working positions, sound-absorbing materials and dust protection. They also developed a system for real-time monitoring of the process from the surface level.



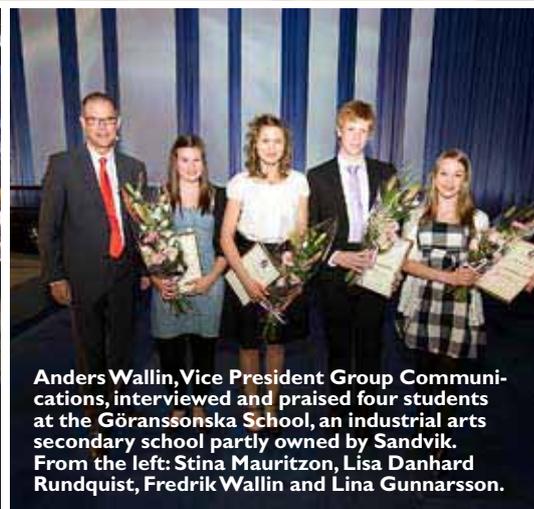
Prize winners Thomas Galler (left) and Gerhard Reiter (right), together with Lars Josefsson, President of Sandvik Mining and Construction.



Interest for the year's Annual General Meeting was great. More than 1,200 shareholders and guests were in attendance.



Prior to the Annual General Meeting, entertainment was provided by the Hiltones, a choir consisting of employees at Sandvik Coromant.



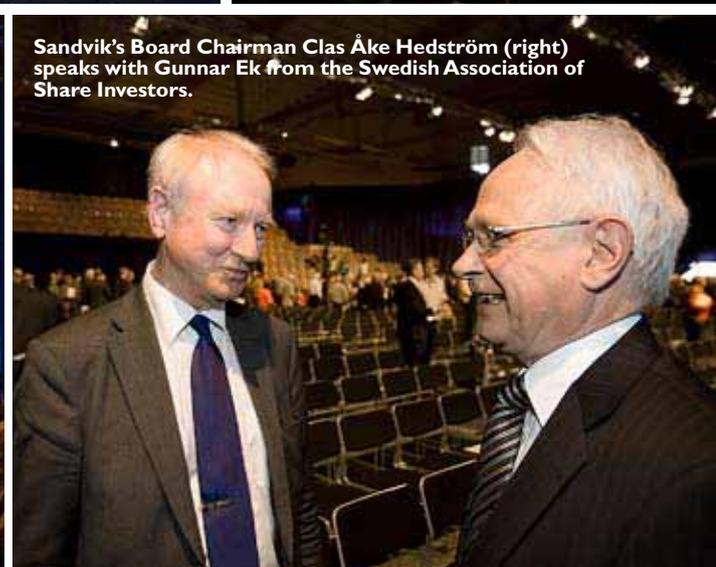
Anders Wallin, Vice President Group Communications, interviewed and praised four students at the Göranssonskola School, an industrial arts secondary school partly owned by Sandvik. From the left: Stina Mauritzon, Lisa Danhard Rundquist, Fredrik Wallin and Lina Gunnarsson.



While mingling with the crowd before the meeting, Carl-Olof By (left) from Industrivärden, Chairman of Sandvik's Nominations Committee, talked with Håkan Sandberg from Handelsbanken.



Folksam's representative Emilie Westholm requested the floor and supported Sandvik's principles for remuneration to management.



Sandvik's Board Chairman Clas Åke Hedström (right) speaks with Gunnar Ek from the Swedish Association of Share Investors.

## Sandvik acquires British drilling expert

Sandvik has acquired the British company BTA Heller Drilling Systems. The company has made a name for itself for its expertise and innovative ability in deep hole drilling. Many of its customers are found in the aviation and energy industries, but manufacturers of steel and other metals also use the products.

BTA's plant in Cirencester, northwest of London, will be converted to an Application Center for Sandvik Coromant. At this center, manufacturers will be able to develop new solutions for deep hole drilling in partnership with Sandvik Coromant and BTA. ■

## Red-hot new burners

When electricity is converted to heat, Kanthal, a product area within Sandvik Materials Technology, often plays a part. Kanthal is now expanding its product portfolio with a gas-fired heating system for industrial furnaces known as Ecothal®. These gas burners are designed for a high degree of productivity and reliability. Their need for service is also minimal.

"Gas is an area with considerable potential. Three sizes of our gas burners are ready and a fourth is under development," says Krister Wickman, Global Product Manager at Kanthal.

The Ecothal heating system is used in various types of heat treatments, such as the tempering of components for the automotive industry, or for the annealing of strip and wire in larger furnaces in the steel industry.

Since the efficiency of the gas burners is as high as 80%, users can increase their productivity while reducing their environmental impact.

"The efficient combustion also leads to a radical reduction in emissions of carbon dioxide and nitric oxide," says Krister Wickman. "In addition, energy costs can be reduced by up to 35%." ■



## Royal visit

On 19 March, King Carl XVI Gustaf and Queen Silvia visited Sandvik during a royal tour in Gästrikland in Sweden. CEO Lars Pettersson greeted the King and Queen, who received a brief presentation of Sandvik's operations after signing the guest book.

As a souvenir of the visit, the Queen was given an hourglass in which the sand had been replaced by 250,000 industrial diamonds. ■



## Measuring with precision

The Sandvik Hard Materials product area has started to produce special-order components made from extremely hard tungsten alloy for the oil industry. These components protect the drills' measuring instruments from radioactive radiation, ensuring more accurate registration of data.

The components have been used in two different types of instruments: MWD tools (Measuring While Drilling) locate the oil and transmit real-time information to the surface from their position close to the drill bit.

LWD tools (Logging While Drilling)

measure and report geological formations to the surface in real time.

Both tools use radioactive gamma rays to locate hydrocarbons in shale and oil deposits. To protect the measuring equipment and the precision of the measurement values, special shielding components are required – and these are supplied by Sandvik Hard Materials.

Customers who use the equipment require certified and tested products. Through Sandvik's package offering of service, quality control and shortened lead times, customers can reduce their own component inventories significantly. ■

The new train will service Stockholm's subway system.



## Efficient service under ground

Stockholm has about 60 kilometers of underground subway track. Now, for the first time in nearly 60 years, Stockholm Public Transport (SL) has received delivery of a new service train for tunnel maintenance.

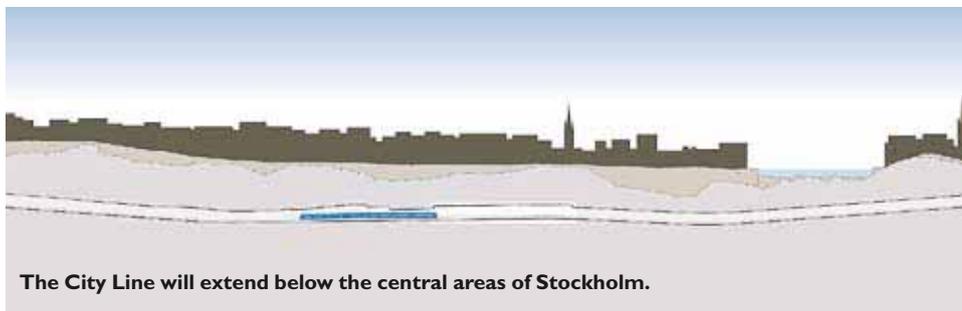
The new train comprises two locomotives and two carriages with various types of equipment aimed at facilitating and enhancing the efficiency of inspection, installation, reinforcement and other measures. The equipment on the train, named "Bergforan" (Rock Driver), includes two drilling booms with hydraulic systems from Sandvik.

"We traveled around Europe to see how other cities solved the issue of maintenance in their subway systems, but we didn't find a satisfactory solution," says Jan Söderberg, Section Manager at SL.

Instead, SL placed a special order for the train based on its requirements relating to environment, health, safety and efficiency. The machine was completed in the spring of 2009.

"The previous service train was older than the subway system and in recent times, we have been out working 220 nights a year. It is not up to the job anymore, so we are very pleased with the arrival of the new train, with a drilling system that is three times more efficient than the old one," says Söderberg.

The first task of the service train will be to drill holes for approximately 4,000 rock bolts, each of which are three meters in length. The bolts are needed to reinforce the tunnels that are adjacent to the future City Line (see separate news item below). ■



The City Line will extend below the central areas of Stockholm.

## Tunnel will boost Stockholm's railway traffic

Stockholm is the point of departure or arrival for eight out of ten train trips that take place in Sweden. At the same time, a quarter of a million trips are made daily on commuter trains around Stockholm, hence the decision to build The City Line – a tunnel under the city's central areas.

The tunnel's two tracks will double capacity.

The German contractor Bilfinger Berger uses two tunnel rigs from Sandvik to drill blast holes in driving the tunnel. The drilling rigs will be in operation from the summer of 2009.

The City Line will open in 2017 at an estimated cost of about SEK 16 billion. ■

## Acquisition safeguards access to raw material

Sandvik has acquired Wolfram Bergbau- und Hütten-GmbH Nfg. KG (WBH), an Austrian producer and supplier of tungsten material. In this manner, Sandvik increases its capacity to produce and recycle tungsten carbide – the main constituent in cemented carbide.

"This acquisition complements and strengthens our business. WBH provides us resources to manage the entire production process, from ore to finished cemented-carbide powder," says Anders Thelin, President of the Sandvik Tooling business area.

WBH will be included in Sandvik Tooling, but will continue to operate independently in relation to its customers. The acquisition includes a facility for producing tungsten carbide and a site for recycling used cemented carbide in St. Martin, Austria, as well as a dressing plant and mine in Mittersill, Austria.

In 2008, WBH had sales of approximately SEK 1,800 M and 300 employees. ■

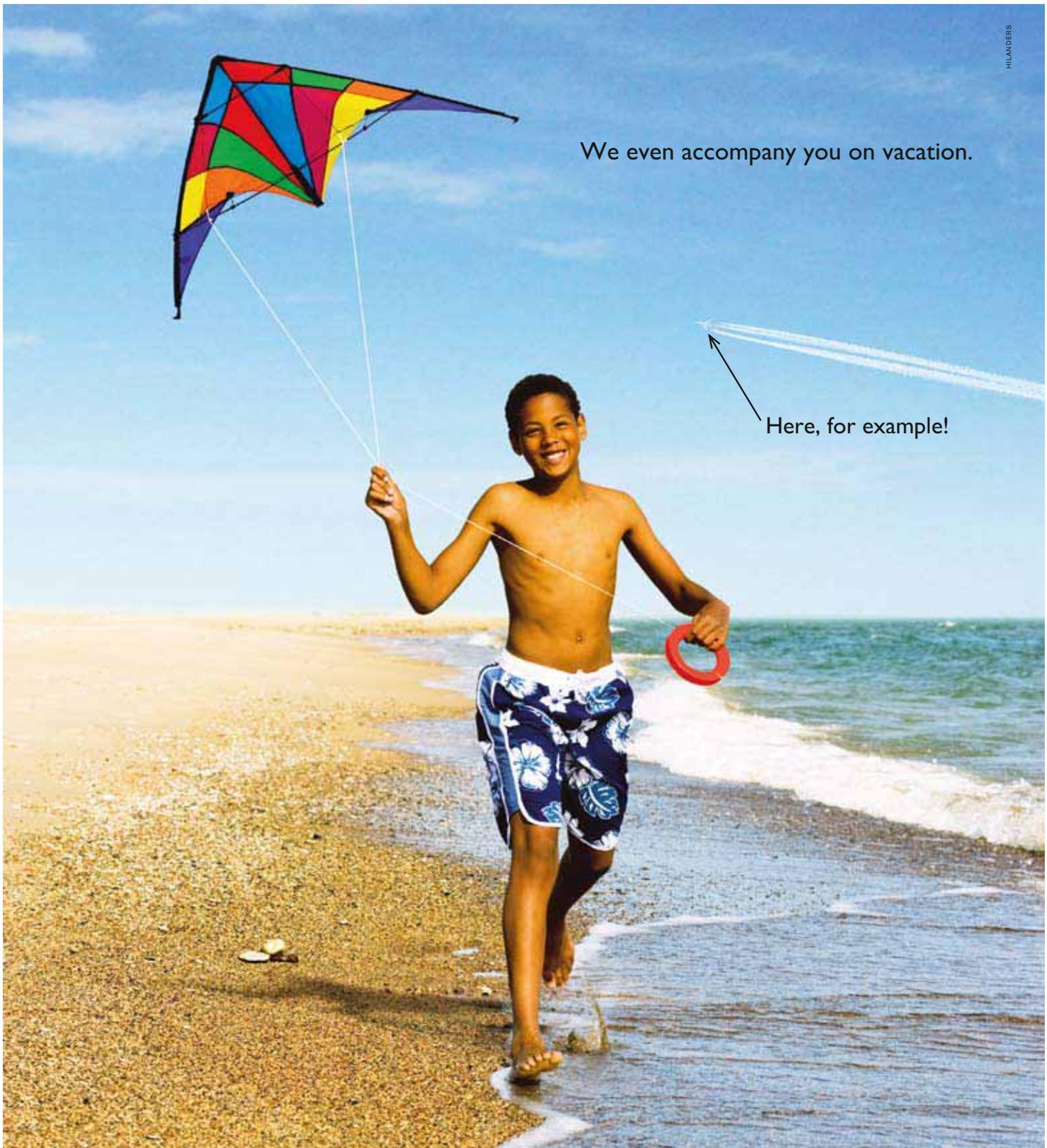
## Innovative approach to continuous mining

Today, the modern coal industry uses equipment for continuous mining. This means that instead of drilling and blasting, the material is removed using cutting equipment.

To meet this demand, Sandvik Mining and Construction launched its first machine in this area – the Sandvik MC350.

With its advanced cutting technology, it can effectively cut and gather material and convey it to, for example, a haulage vehicle.

The machines in the MC series are compact and easy to maneuver, allowing them to function effectively in narrow drifts. ■



We even accompany you on vacation.

Here, for example!

WE ARE IN PLACES YOU WOULD LEAST EXPECT! Sandvik's expertise is decisive in the manufacture of a modern commercial airliner. For example, the Group manufactures advanced cutting tools that machine the various components of the aircraft with great precision. Sandvik is also one of the world's leading suppliers of seamless titanium tubes used in such applications as hydraulic systems.

You will also find the results of our know-how in mobile phones, in a human knee, on the ocean floor and in many other places. But even if you are not thinking about where Sandvik can be found, customers are. Because our products enhance their productivity and profitability.

Visit [www.sandvik.com](http://www.sandvik.com). There you will find more than you could imagine!