

Interim report third quarter 2025



Summary Q3

Strong momentum

- Strong demand for mining and software solutions. Cutting tools up high-single-digits, underlying demand in general engineering stable, strong in aerospace and defense, and weak in automotive. Demand in infrastructure mixed
- Total order intake grew by 7% year on year. Organic order intake growth of 16%
- Total revenue decreased by 4%, and increased organically by 5%

Resilient margins on significant currency headwinds

- Adjusted EBITA amounted to SEK 5,539 M (5,866), corresponding to a margin of 19.0% (19.4), adjusted EBITA margin R12 at 19.3 % (19.2)
- Savings from restructuring programs had a positive bridge effect of SEK 145 M
- Adjusted profit for the period amounted to SEK 3.5 Bn (3.7)
- Free operating cash flow of SEK 5.6 Bn (6.8) corresponding to a cash conversion of 105%

5%

Revenue growth at fixed exchange rates

19.0%

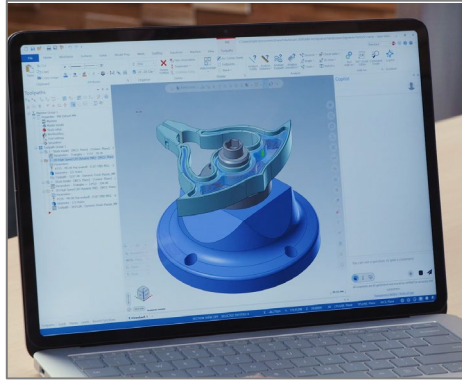
Adjusted EBITA margin

1.2

Financial net debt/EBITDA



Key innovations launched in the quarter



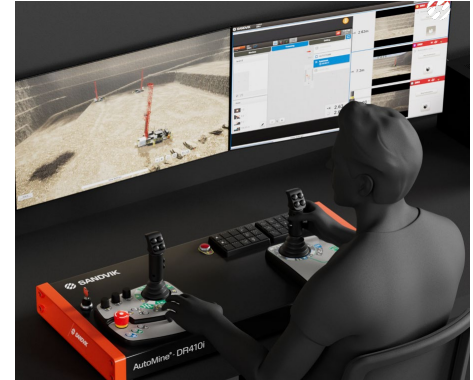
Mastercam Copilot

- AI-infused Copilot built for machinists to simplify CAM programming for all skill levels
- Conversational help and command agent: ask questions or give commands in natural language and Copilot guides or executes



New jaw plate range

- Up to 40% longer wear life
- Up to 30% reduction in running costs
- Optimized chamber geometry for improved crushing efficiency and throughput



AutoMine® surface drilling training simulator

- Immersive, realistic training environment for AutoMine® i-series surface drill rigs
- Accelerated operator readiness



YoY market development

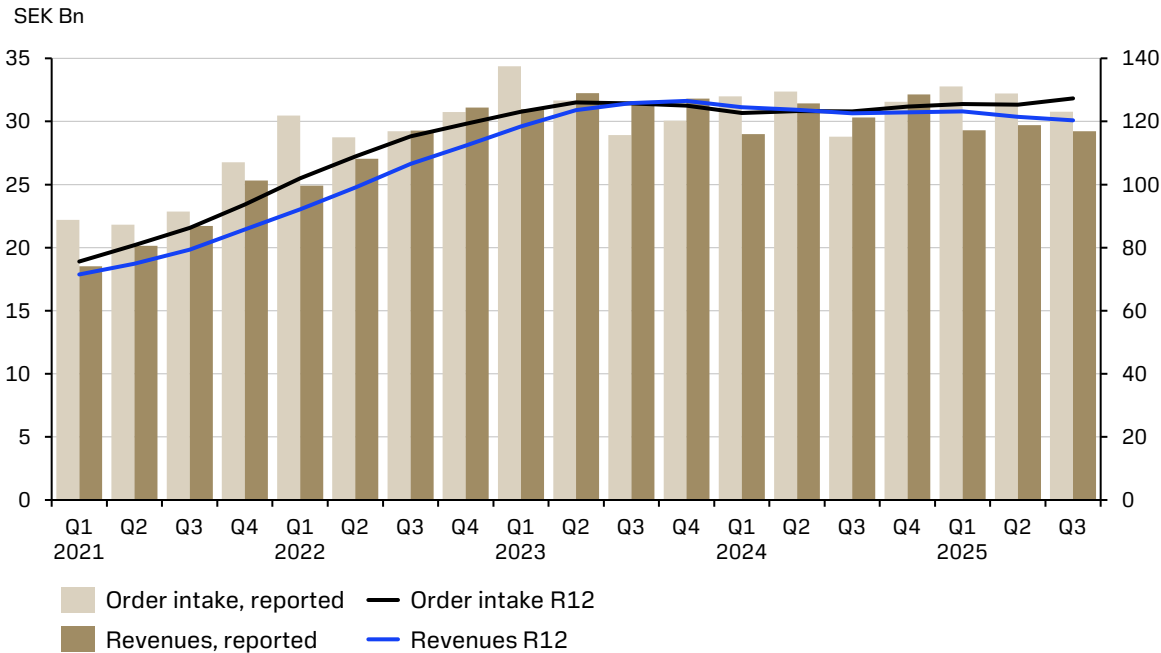
Percent of revenue 2024	Order intake Y/Y Q3 25
Europe26%	6%
North America25%	18%
Asia18%	18%
Africa and Middle East12%	31%
Australia12%	18%
South America7%	6%

Mining51%	General Engineering20%	Infrastructure9%	Automotive6%	Aerospace4%	Other10%	% of revenue 2024
↗	→	→	↘	↗	→	
→	↘	→	↘	↗	→	
↗	→	↗	↘	↗	↗	
→	↗	→	↗	↗	↘	
↗		→				
↗		→				
↗		→				

Other includes mainly energy, die and mold, electronics, medical, pump and valve, rail and defense.



Order intake and revenues



Order intake
Reported (MSEK)

30,769

Revenues
Reported (MSEK)

29,218

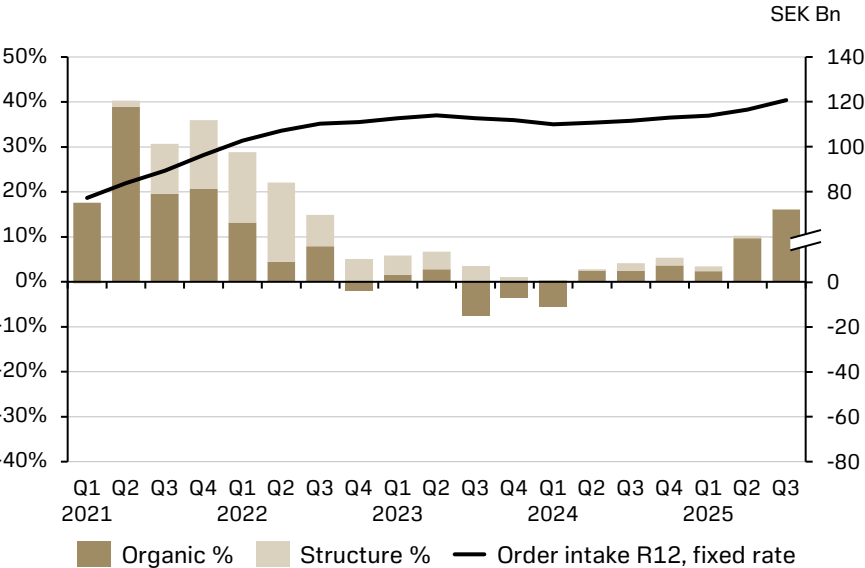
Book-to-bill

105%

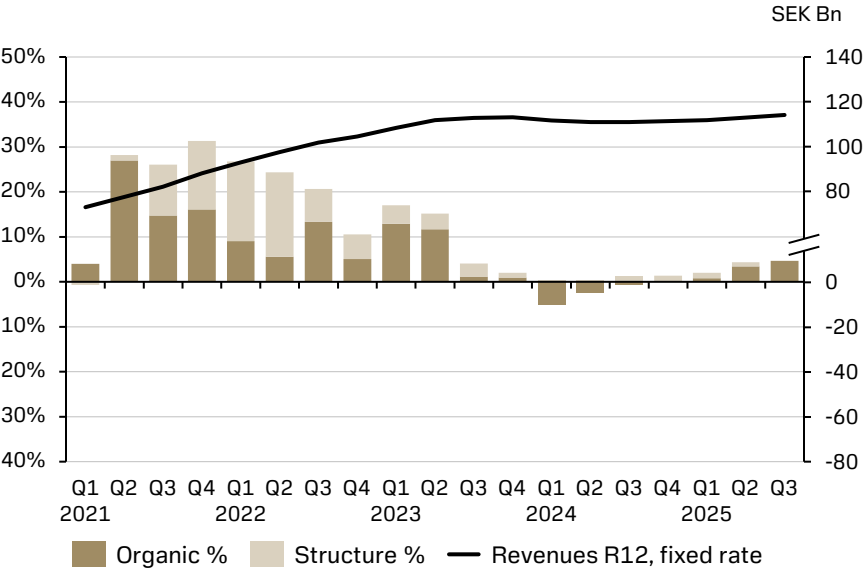


Growth in order intake and revenues

Order intake

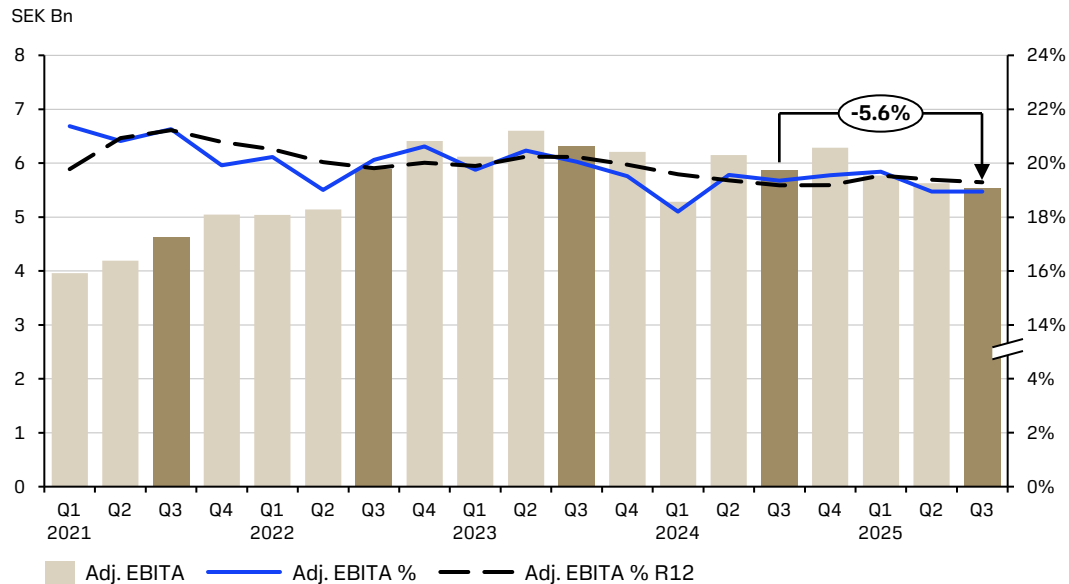


Revenue





Adjusted EBITA development



Adj. EBITA margin:

19.0%

- Adj. EBITA SEK 5,539 M (5,866)
- Good leverage on higher volumes and good price execution negatively off-set by currency
- Currency impact of SEK -837 million, dilution of 130 basis points
- R12 adj. EBITA margin 19.3% (19.2)



Mining

Order intake

- Continued momentum in mining with robust demand for Sandvik's solutions
- Strong organic order intake growth, driven by equipment growth of 75%. Parts and Services and Digital Mining Technologies grew by double-digits
- Total order intake increased by 13%. At fixed exchange rates, order intake grew by 24%, of which organic 24%. Excluding major orders of SEK 1.6 billion (0.5) organic order intake increased by 16%

Adjusted EBITA

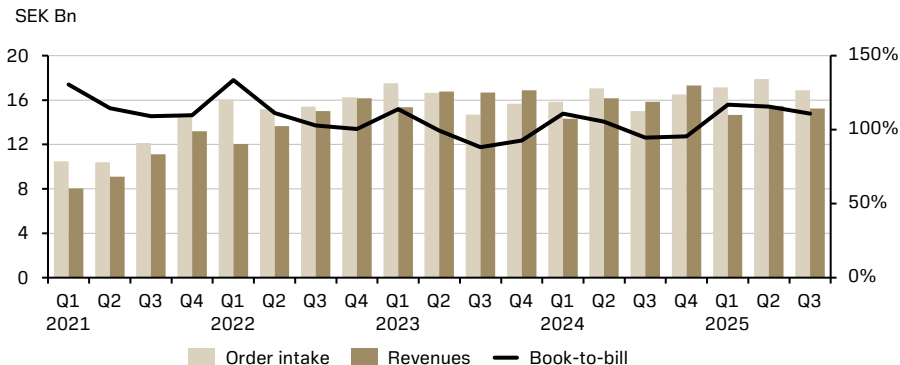
- Adjusted EBITA amounted to SEK 3,059 million (3,269), corresponding to a margin of 20.1% (20.6). Good leverage on higher volumes was negatively off-set by exchange rates. ERP go live (from Q2) had a 30 bps dilution on the margin
- Tariffs were fully offset by surcharges
- Exchange rates had a negative impact of SEK 530 million year on year, corresponding to a dilution of 150 basis points

Shift to growth

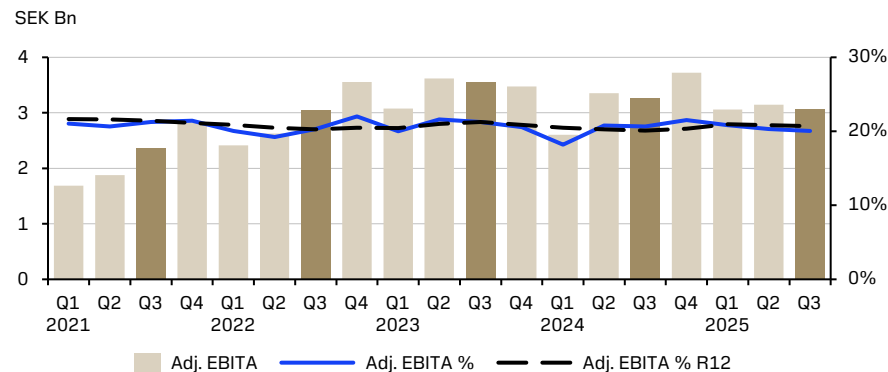
- Launch of Sandvik MB 672 bolter miner and introduction of Automine®
- Surface Drilling Training Simulator
- Glencore expanded its use of Sandvik's Automine® and anti-collision avoidance systems

Order intake and revenues

51% share of revenues 2024



Adjusted EBITA development





Rock Processing

Order intake

- Solid growth in mining. Infrastructure demand subdued, but with accelerated dealer activity in the US in the demolition and recycling
- Total order intake was flat at 0%. At fixed exchange rates, order intake increased by 9%, of which organic was 9%
- Excluding major orders of SEK 189 million (318), organic order intake growth of 14%

Adjusted EBITA

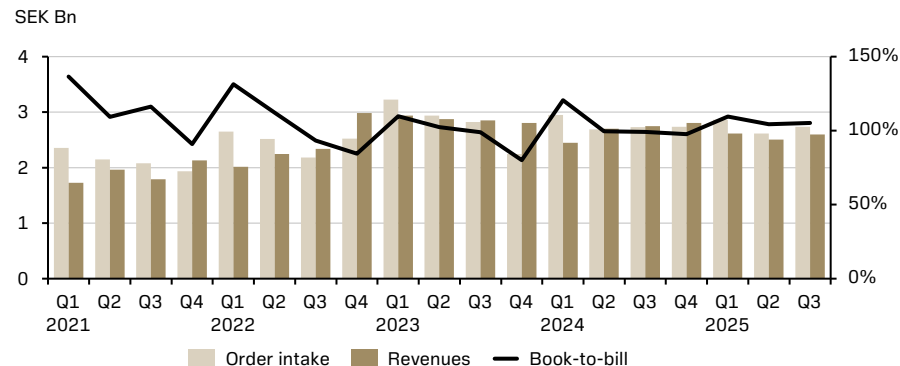
- Adjusted EBITA amounted to SEK 392 million (417) corresponding to a margin of 15.1% (15.2). Strong leverage and savings were off-set by negative impact from exchange rates
- Tariffs fully off-set by surcharges
- Exchange rates had a negative impact of SEK 69 million year on year, corresponding to a margin dilution of 130 basis points

Shift to growth

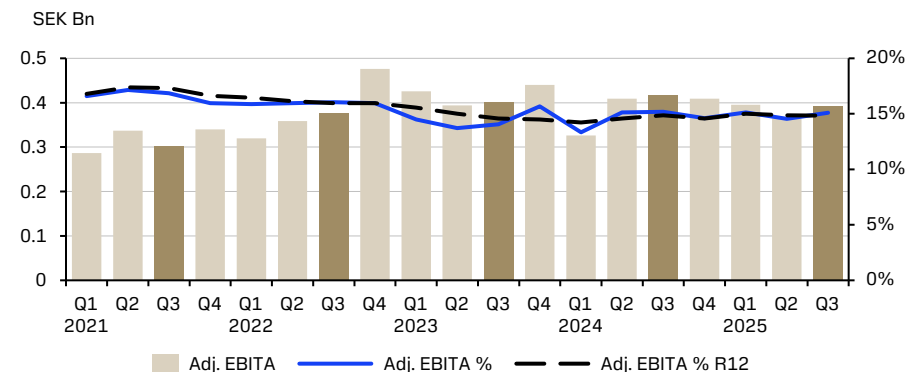
- Launch of new jaw crusher plate range

Order intake and revenues

9% share of revenues 2024



Adjusted EBITA development





Machining and Intelligent Manufacturing

Order intake

- Mixed demand picture with strong growth in aerospace and smaller strategic segments. Underlying demand in general engineering was stable
- Organic order intake for cutting tools increased by high single digits year on year on low comparables. Strong development was noted in the powder business. Software orders increased by double-digits
- Total order intake increased by 1%. At fixed exchange rates, order intake increased by 8% of which organic 8%
- Daily order intake in the first two weeks of October was stable compared to the third quarter, taking normal seasonality into account

Adjusted EBITA

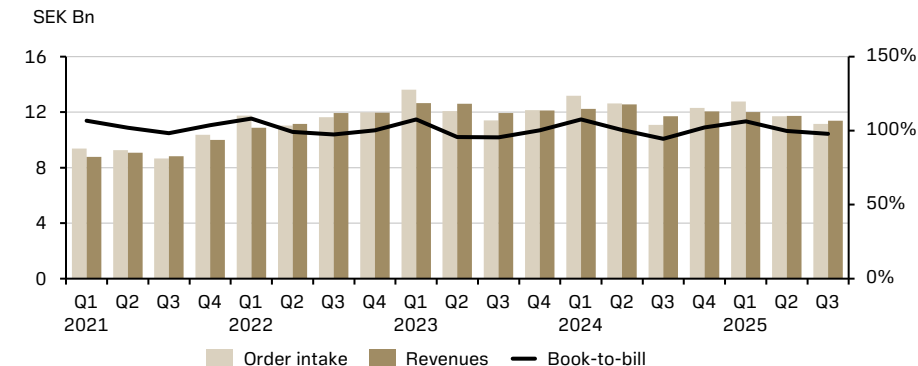
- Adjusted EBITA amounted to SEK 2,184 million (2,314), corresponding to a margin of 19.2% (19.8). Good price execution and savings were negatively off-set by currency. Tariffs were fully off-set by surcharges
- Savings from the restructuring programs had a positive bridge effect of SEK 116 million
- Exchange rates had a negative impact of SEK 218 million year on year, corresponding to a dilution of 60 basis points

Shift to growth

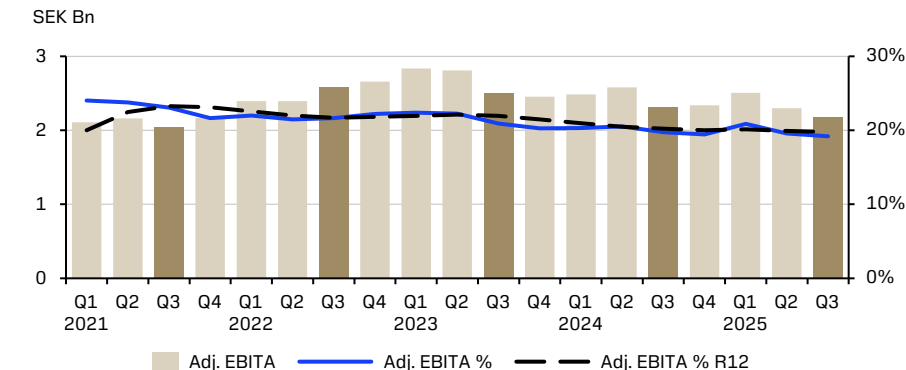
- Multiple innovations introduced within Machining and Intelligent Manufacturing

Order intake and revenues

40% share of revenues 2024



Adjusted EBITA development





Cecilia Felton

CFO



Financial summary

MSEK	Q3 2024	Q3 2025
Order intake	28,796	30,769
Revenues	30,306	29,218
Adjusted EBITA	5,866	5,539
Adjusted EBITA margin	19.4%	19.0%
Net financial items	-526	-396
Tax rate excluding IAC	24.1%	25.0%
NWC ¹	30.2%	29.3%
Free operating cash flow	6,762	5,603
ROCE ¹	13.5%	15.1%
ROCE excl. amortization of surplus values ¹	14.9%	16.5%
Adjusted EPS, diluted	2.94	2.81

Growth	OI	Rev
Organic	16%	5%
Structure	0%	0%
Organic + structure	16%	5%
Currency	-9%	-8%
Total	7%	-4%

¹ R12 revenues and R12 month average NWC / ROCE



Bridge analysis

MSEK	Q3 2024	Organic	Currency	Structure	Q3 2025
Revenues	30,306	1,390	-2,496	18	29,218
Adjusted EBITA	5,866	479	-837	31	5,539
Adjusted EBITA margin	19.4%	34%			19.0%
Accretion/dilution		0.7%	-1.3%	0.1%	



Net financials

MSEK	Q3 2024	Q3 2025
Interest net	-390	-201
Pension	-26	-20
Bank charges	-22	-23
Other financial income and cost	-8	-14
Leases IFRS16	-66	-70
FX and other asset classes	-13	-68
Total	-526	-396
Total yield cost, R3	4.9%	3.5%
Total yield cost, R12	5.2%	4.0%



Tax rate

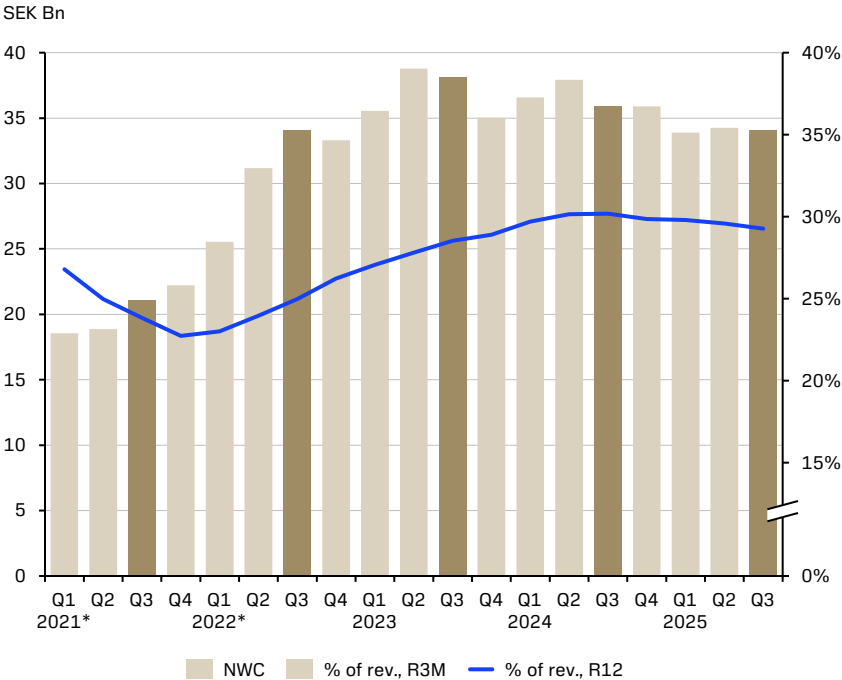
MSEK	Q3 2024	Q3 2025
Reported	26.4%	25.8%
Excluding IAC	24.1%	25.0%
Normalized	24.1%	25.0%

– Normalized tax: In line with guidance for 2025 – 23-25%

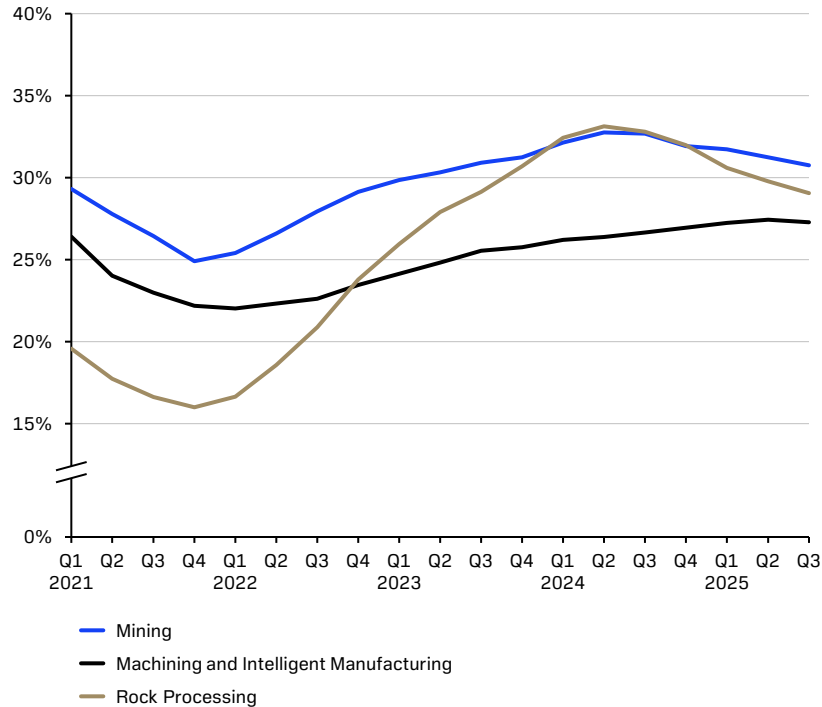


Net working capital

Net working capital



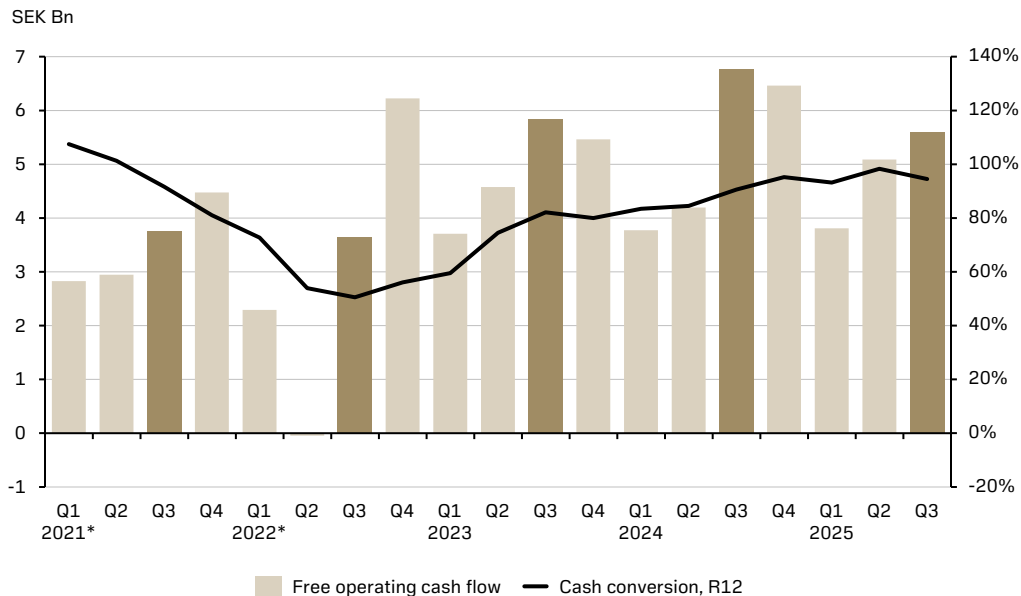
Per BA, % of revenues, R12



* Best estimates excluding Alleima



Free operating cash flow



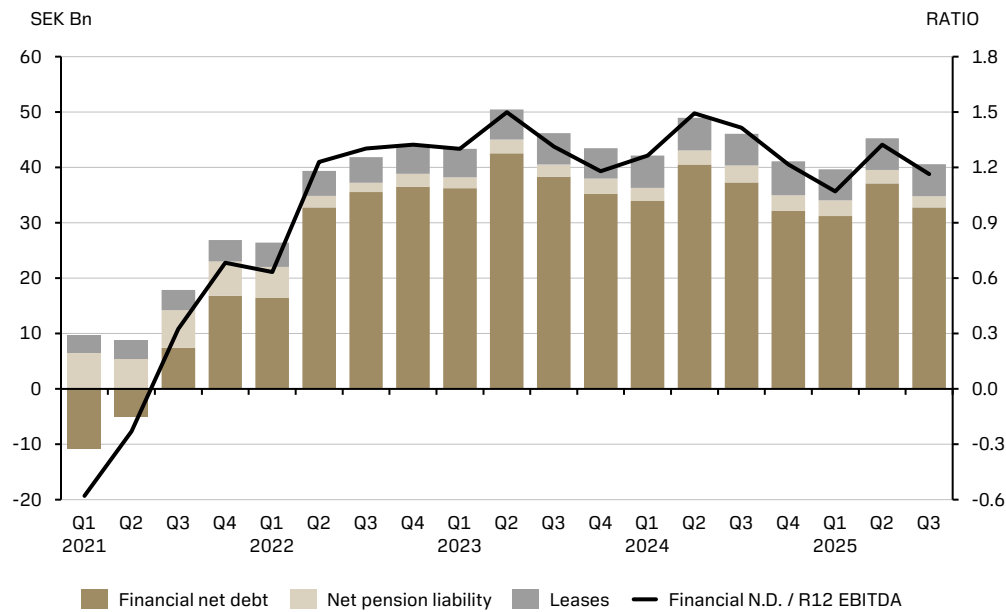
MSEK	Q3 2024	Q3 2025
EBITDA	6,856	6,984
Non-cash and other items**	-669	-664
EBITDA adj for non-cash and other items	6,186	6,320
Capex	-1,179	-817
NWC	1,755	100
FOCF	6,762	5,603

* Best estimates excluding Alleima

**Includes rental equipment, lease payments and proceeds from asset sales



Net debt



Financial net debt/R12 EBITDA:

1.2

- Financial net debt SEK 33 billion
- Net debt SEK 41 billion



Outcome versus guidance

	Outcome Q3	Guidance Q3
Currency YoY effect (MSEK)	-837	-800

	Outcome Q1-Q3'25	Guidance FY25
Capex (BSEK)	2.8	4.5
Interest net (BSEK)	-0.6	-0.8
Normalized tax rate (%)	24.1%	23-25%



Guidance Q4 and FY 2025

Currency effect	Given currency rates at the end of September 2025 the effect on operating profit from transaction and translation would be SEK -1 Bn for Q4 2025
CAPEX (Cash)	Estimated to approximately SEK 4.5 Bn for 2025
Interest net	Underlying interest net is estimated to approximately SEK -0.8 Bn for 2025
Tax rate	The normalized tax rate is estimated to 23% - 25% for 2025



Conclusion

Order growth momentum and good performance

- Strong organic order intake growth of 16% with momentum in key segments
 - Resilient margin of 19.0% on significant currency headwinds. Tariffs fully mitigated
 - Strong cash conversion of 105%
-

Leveraging on Sandvik's solid digital platform

- Double-digit growth in Intelligent Manufacturing and Digital Mining Technologies
 - Good progress with market-leading Automine platform
 - Multiple innovations launched in the quarter
-

Solid foundation and culture drives strong financial and strategic execution

- Strategic initiatives yielding results
- Sandvik's decentralized set-up drives swift response to market changes
- Proven agility in a complex and fast-changing environment
- Continued uncertain geopolitical and macro economic environment



Q&A



Backup slides



Adjusted EBITA bridge, per BA

MSEK	Q3 2024	Organic	Currency	Structure	Q3 2025
Mining					
Revenues	15,838	909	-1,511	4	15,240
Adjusted EBITA	3,269	325	-530	-5	3,059
Adjusted EBITA margin	20.6%				20.1%
Rock Processing					
Revenues	2,750	64	-236	22	2,600
Adjusted EBITA	417	41	-69	3	392
Adjusted EBITA margin	15.2%				15.1%
Machining & Intelligent Manufacturing					
Revenues	11,718	418	-748	-9	11,378
Adjusted EBITA	2,314	54	-218	33	2,184
Adjusted EBITA margin	19.8%				19.2%



Loan and duration profile

MSEK	Amount	Duration
Bonds MTN	19,343	3.4 years
Bank Loans	8,927	5.8 years
Commercial papers	4,042	0.1 years
Bonds MTN	3,860	0.7 years
Bank Loans	73	0.5 years
Total	36,246	3.3 years

Long term:

78%

Short term:

22%

Committed Credit facilities **SEK 11,100 million**

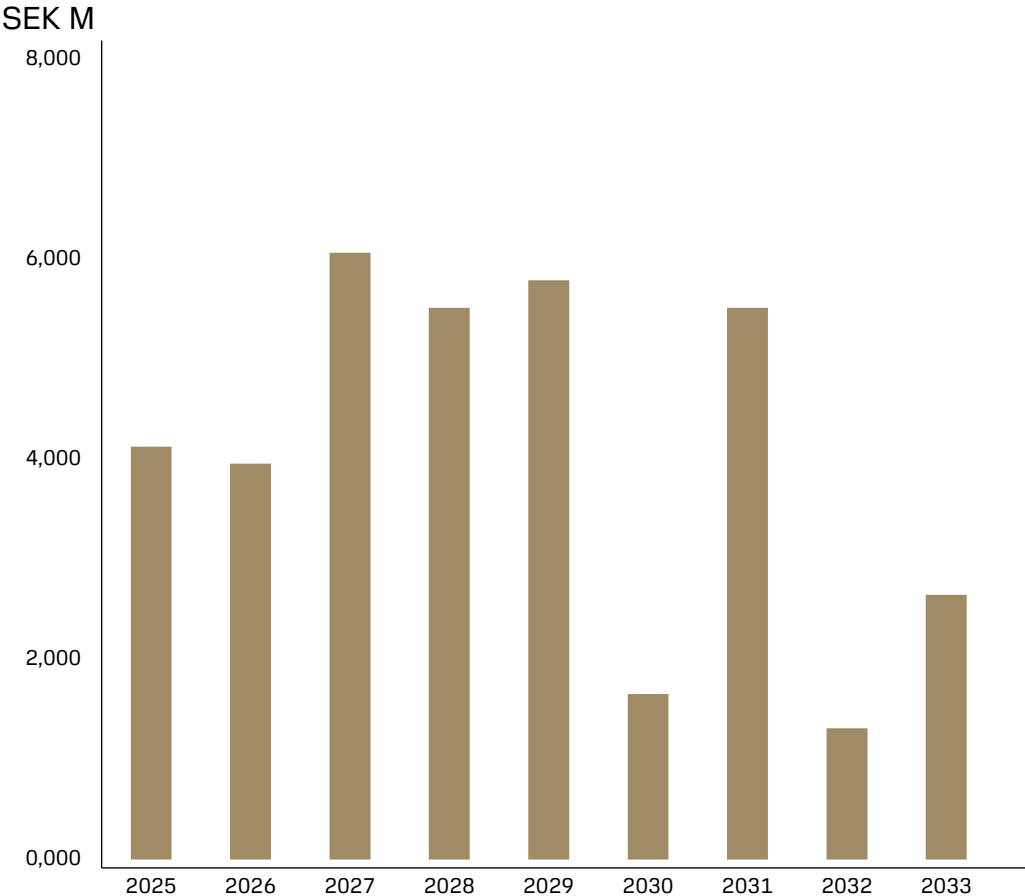


Loan maturity profile

Average interest rate:

~2.7%

(excluding swap costs)



Disclaimer statement

Some statements herein are forward-looking, and the actual outcome could be materially different. In addition to the factors explicitly commented upon, the actual outcome could be materially affected by other factors for example, the effect of economic conditions, exchange-rate and interest-rate movements, political risks, impact of competing products and their pricing, product development, commercialization and technological difficulties, supply disturbances, and the major customer credit losses.