

Interim report fourth quarter 2025



Summary Q4

Strong ending to the year with double-digit order intake and revenue growth

- Strong demand in mining and infrastructure improving. Mixed demand in cutting tools – strong in aerospace and defense, while automotive remains weak. Strong demand also in both software solutions and powder solutions
- Total order intake grew by 4% year on year. Organic order intake growth of 15%
- Total revenue increased by 1%, and increased organically by 12%

12%

Revenue growth at fixed exchange rates

19.6%

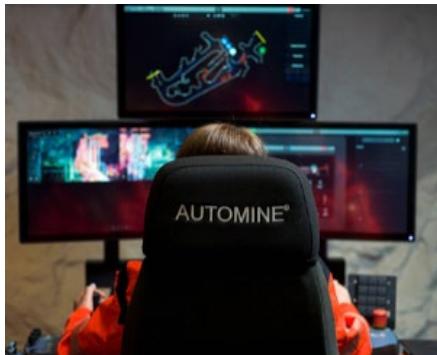
Adjusted EBITA margin

0.9

Financial net debt/EBITDA

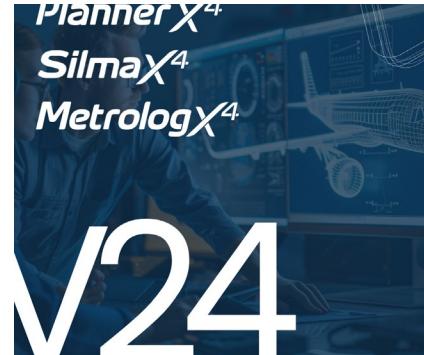


Key strategic highlights in the quarter



Strong momentum for digital solutions in Mining

- Two large automation orders in the quarter
- Strong growth in software
- Double-digit order growth for Digital Mining Technologies



Multiple innovations in Intelligent Manufacturing - V24 launch

- Metrolog Copilot: AI-based assistant offering instant guidance for all users of its software suite
- New Machining Module brings powerful process optimization capabilities



Blueprint Jaw Crusher chamber platform

- Automated features that improve proactive maintenance and part verification
- Up to 42% productivity gains and 15% longer service life
- Innovation Prize 2025



YoY market development

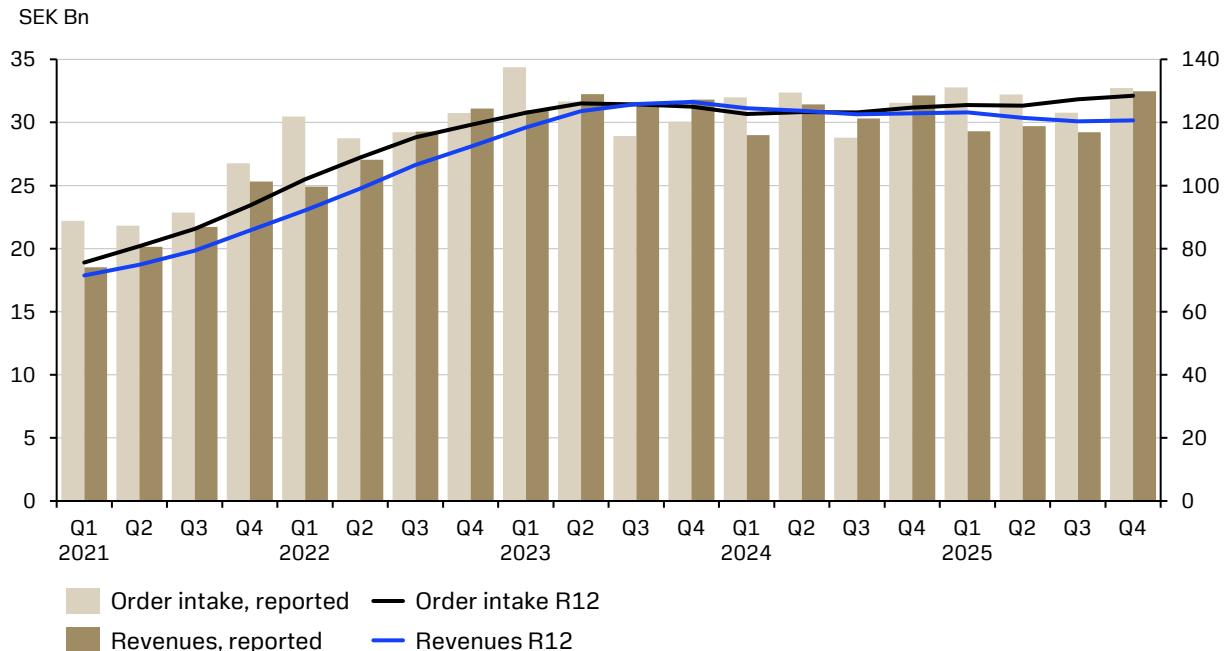
Region	Percent of revenue 2025	Order intake Y/Y Q4 25
Europe	25%	13%
North America	26%	9%
Asia	18%	14%
Africa and Middle East	12%	5%
Australia	12%	43%
South America	7%	13%



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



Order intake and revenues



Order intake
Reported (MSEK)

32,717

Revenues
Reported (MSEK)

32,461

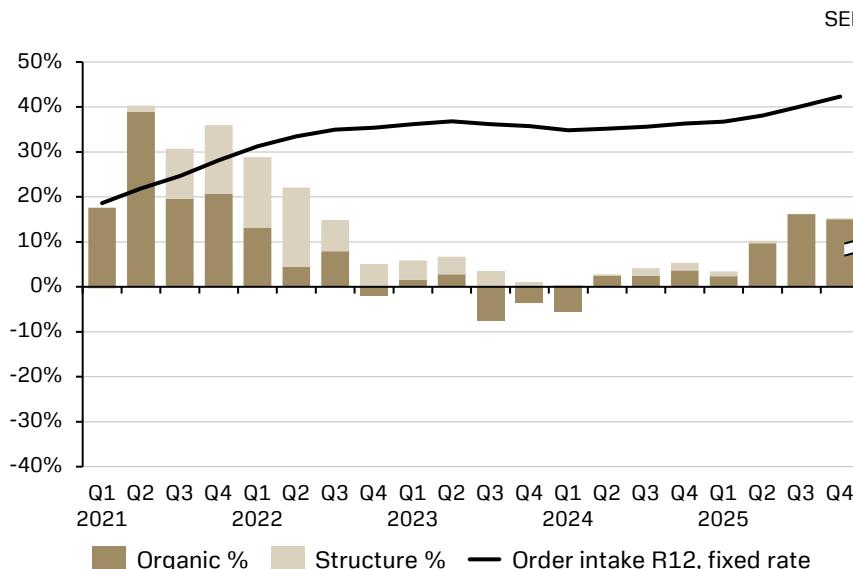
Book-to-bill

101%

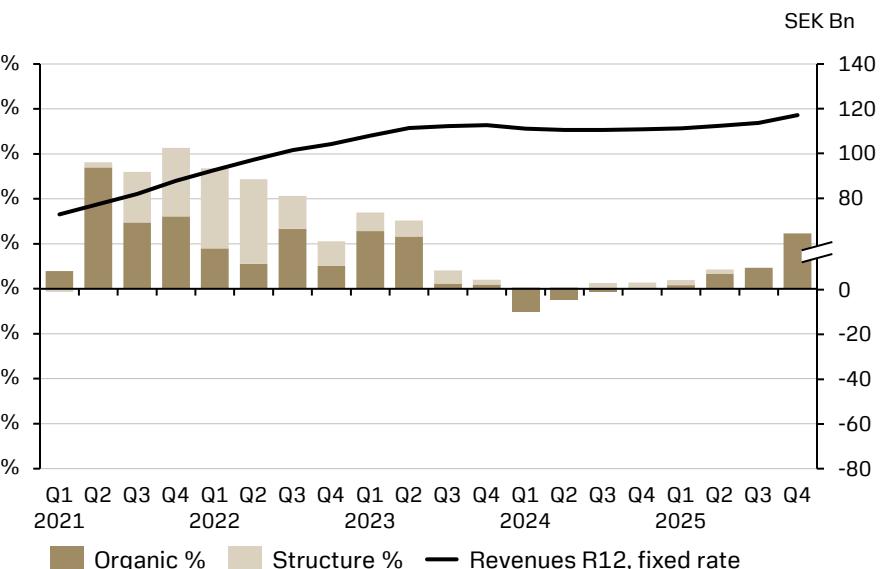


Growth in order intake and revenues

Order intake

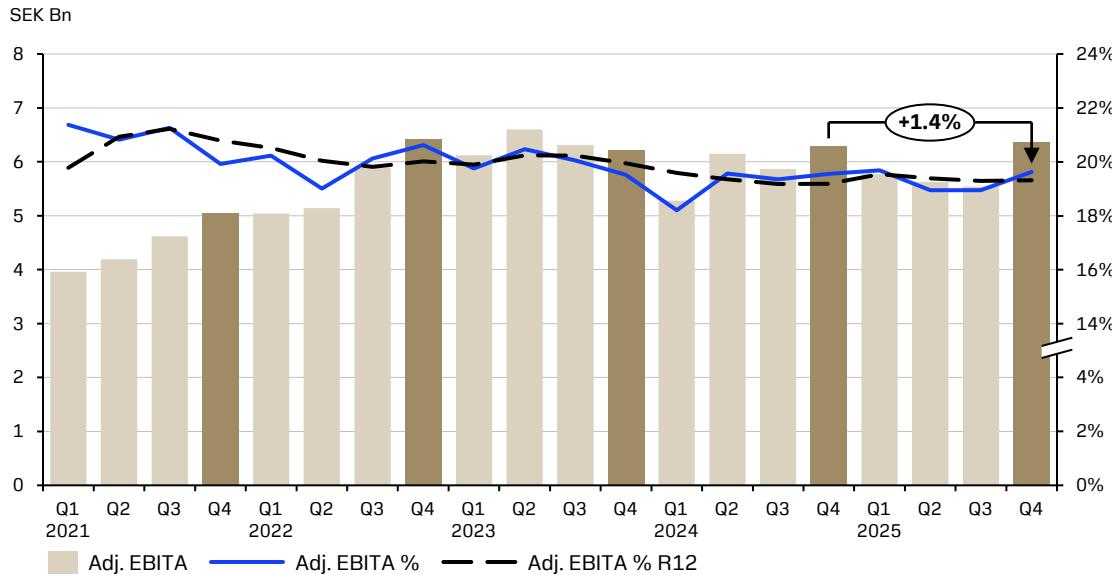


Revenue





Adjusted EBITA development



Adj. EBITA margin:
19.6%

- Adj. EBITA SEK 6,373 M (6,288)
- Solid leverage on higher volumes, good price execution and savings off-set by negative impact from currency
- Currency impact of SEK -1,172 million, dilution of 130 basis points
- R12 adj. EBITA margin 19.3% (19.2)



Mining

Order intake

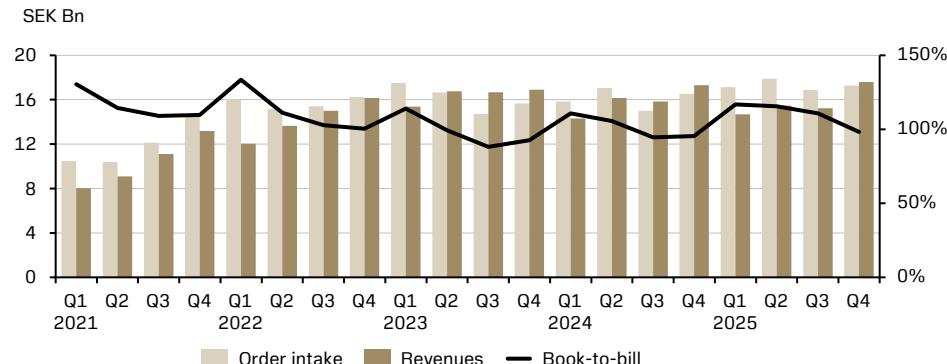
- Positive momentum with strong demand for Sandvik's underground and surface solutions
- Double-digit organic growth across all equipment divisions as well as Parts and Services and Digital Mining Technologies
- Total order intake increased by 5%. At fixed exchange rates, order intake grew by 17%, of which organic 17%. Excluding major orders of SEK 0.9 billion (0.0) organic order intake increased by 12%

Adjusted EBITA

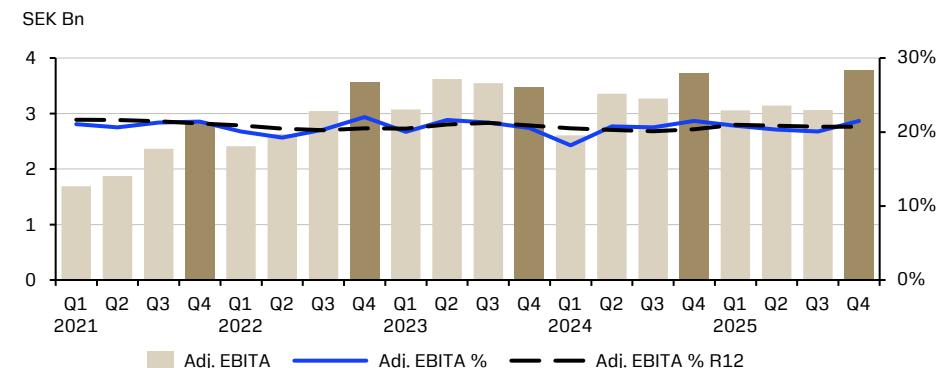
- Adjusted EBITA amounted to SEK 3,784 million (3,721), corresponding to a margin of 21.5% (21.5). Good leverage on higher volumes was offset by negative impact from currency. Organic operating leverage was 32%
- Currency had a negative impact of SEK 713 million year on year, corresponding to a margin dilution of 120 basis points

Order intake and revenues

52% share of revenues 2025



Adjusted EBITA development





Rock Processing

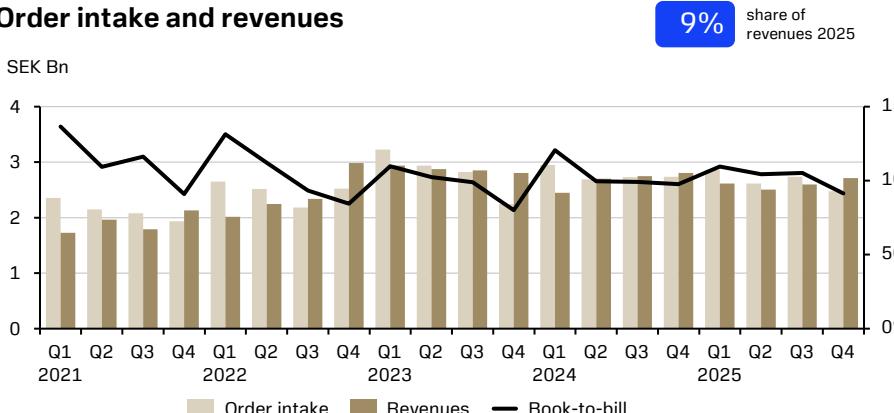
Order intake

- Order intake in mining declined year on year on tough mining comparables, while underlying demand remained robust
- Solid demand in infrastructure driven by US demolition and recycling as well as improvement in aggregates. Positive signs noted in Europe
- Total order intake declined by 9%. At fixed exchange rates, order intake increased by 2%, of which organic was 0%
- Excluding major orders of SEK 129 million (188), organic order intake growth of 2%

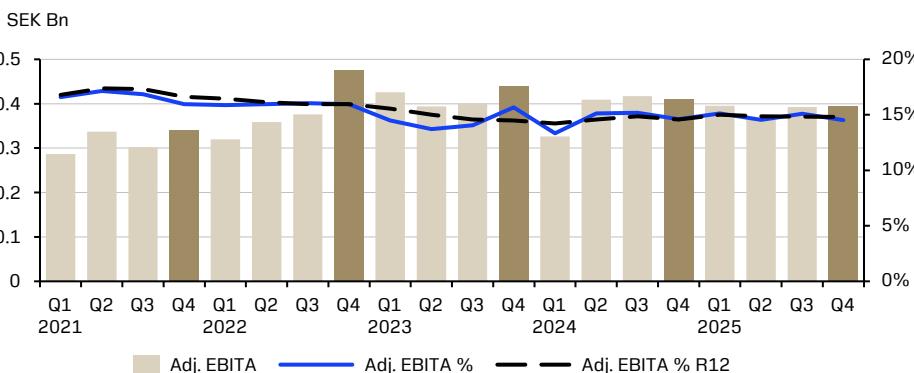
Adjusted EBITA

- Adjusted EBITA amounted to SEK 394 million (409) corresponding to a margin of 14.5% (14.6). Strong leverage and savings was off-set by negative impact from currency. Organic operating leverage was 41%
- Currency had a negative impact of SEK 96 million year on year, corresponding to a margin dilution of 170 basis points

Order intake and revenues



Adjusted EBITA development





Machining and Intelligent Manufacturing

Order intake

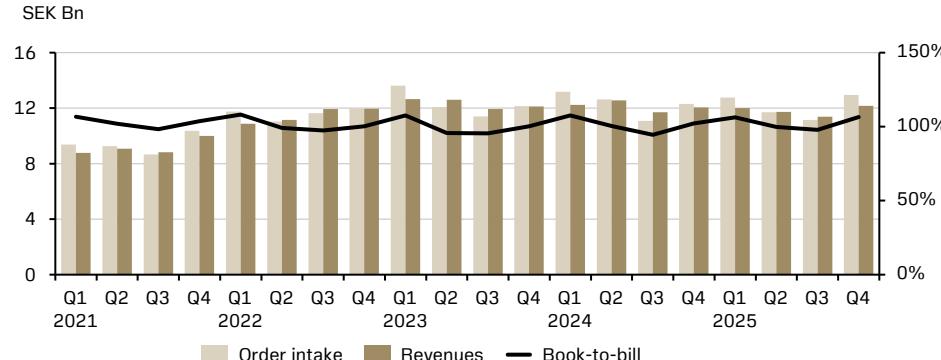
- Mixed demand for cutting tools between regions and segments. Strong demand in aerospace and defense. Demand in general engineering improved, driven by Asia, while automotive remained weak across regions
- Orders in cutting tools increased by high single digits, partly due to low comparables, and with positive contribution from price and tariff surcharges
- Double-digit growth in intelligent manufacturing and powder solutions
- Total order intake increased by 5%. At fixed exchange rates, order intake increased by 15% of which organic 15%
- Daily order intake for cutting tools was stable in the first two weeks of January compared to the fourth quarter, taking normal seasonality into account

Adjusted EBITA

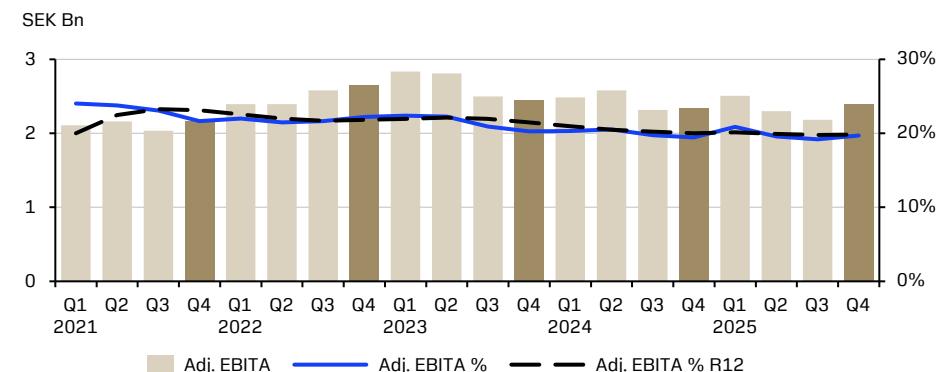
- Adjusted EBITA amounted to SEK 2,398 million (2,340), corresponding to a margin of 19.7% (19.4). Good price execution, savings and structure partly offset by negative impact from currency. Organic operating leverage was 28%
- Savings from the restructuring programs had a positive bridge effect of SEK 103 million. Acquisitions had an accretive effect on the margin of 20 basis points.
- Currency had a negative impact of SEK 330 million year on year, corresponding to a margin dilution of 80 basis points

Order intake and revenues

39% share of revenues 2025



Adjusted EBITA development





Cecilia Felton

CFO



Financial summary

MSEK	Dec'24	Dec'25	Growth	OI	Rev
Order intake	31,562	32,717	Organic	15%	12%
Revenues	32,151	32,461	Structure	0%	0%
Adjusted EBITA	6,288	6,373	Organic + structure	15%	12%
Adjusted EBITA margin	19.6%	19.6%	Currency	-12%	-11%
Net financial items	-364	-319	Total	4%	1%
Tax rate excluding IAC	24.0%	24.4%			
NWC ¹	29.9%	28.7%			
Free operating cash flow	6,463	6,714			
ROCE ¹	13.4%	15.2%			
ROCE excl. amortization of surplus values ¹	14.8%	16.5%			
Adjusted EPS, diluted	3.25	3.38			

¹ R12 revenues and R12 month average NWC / ROCE



Bridge analysis

MSEK	Q4 2024	Organic	Currency	Structure	Q4 2025
Revenues	32,151	3,944	-3,651	17	32,461
Adjusted EBITA	6,288	1,234	-1,172	23	6,373
Adjusted EBITA margin	19.6%	31%			19.6%
Accretion/dilution		1.3%	-1.3%	0.1%	



Net financials

MSEK	Dec'24	Dec'25
Interest net	-309	-151
Pension	-26	-21
Bank charges	-26	-30
Other financial income and cost	61	-50
Leases IFRS16	-72	-62
Fx and other asset classes	9	-4
Total	-364	-319
Total yield cost, R3	4.9%	3.5%
Total yield cost, R12	5.0%	3.6%



Tax rate

MSEK	Dec'24	Dec'25
Reported	20.1%	24.5%
Excluding IAC	24.0%	24.4%
Normalized	24.0%	24.4%

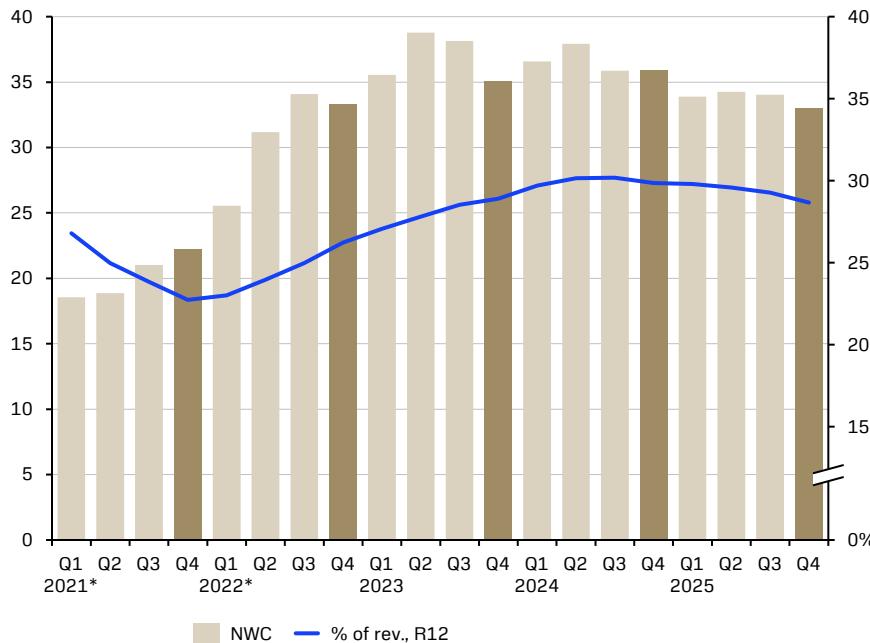
- Normalized tax: In line with guidance for 2025 – 23-25%



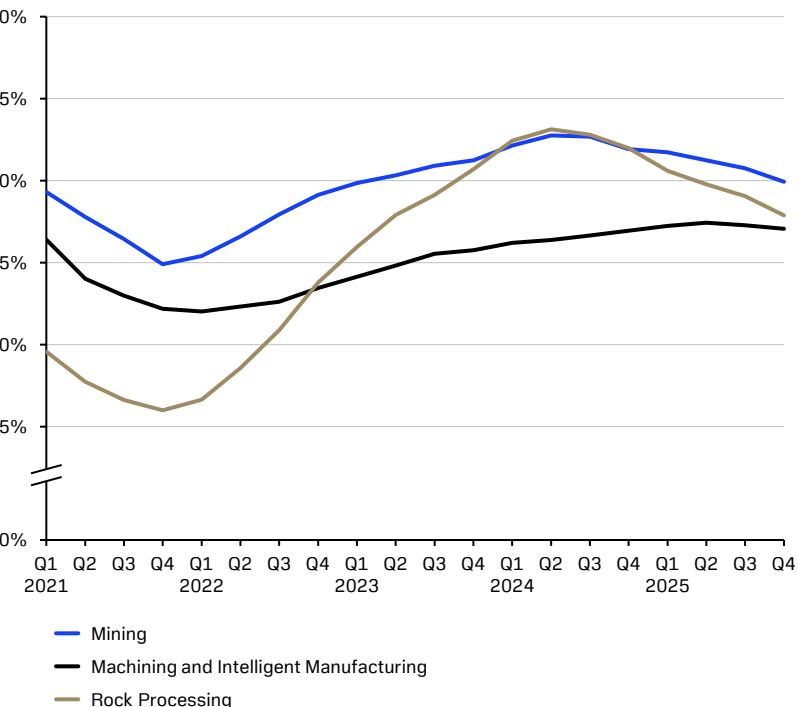
Net working capital

Net working capital

SEK Bn



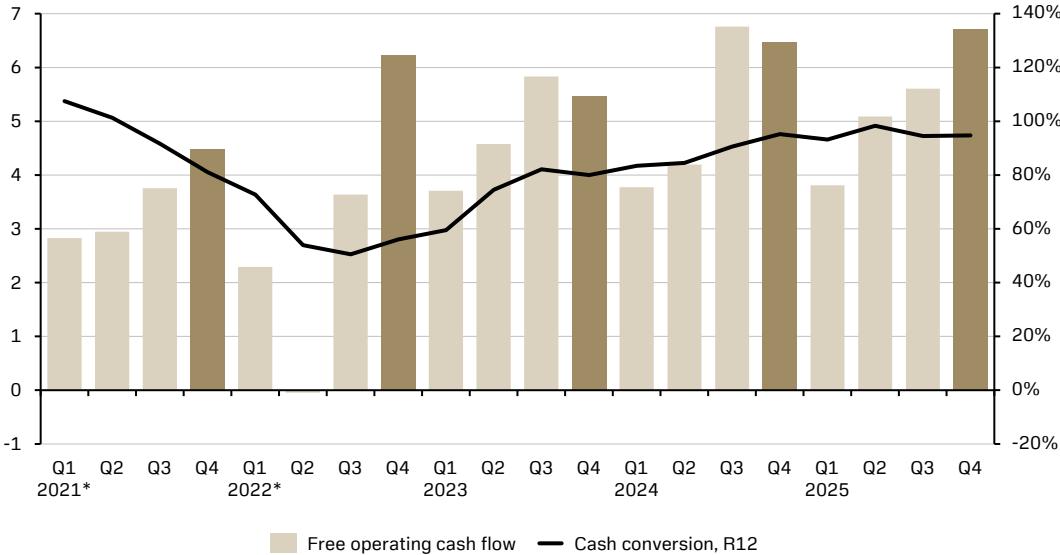
Per BA, % of revenues, R12





Free operating cash flow

SEK Bn



	Dec'24	Dec'25
MSEK		
EBITDA	7,736	7,770
Non-cash and other items**	-1,084	-482
EBITDA adj for non-cash and other items	6,651	7,289
Capex	-1,366	-1,024
NWC	1,178	450
FOCF	6,463	6,714

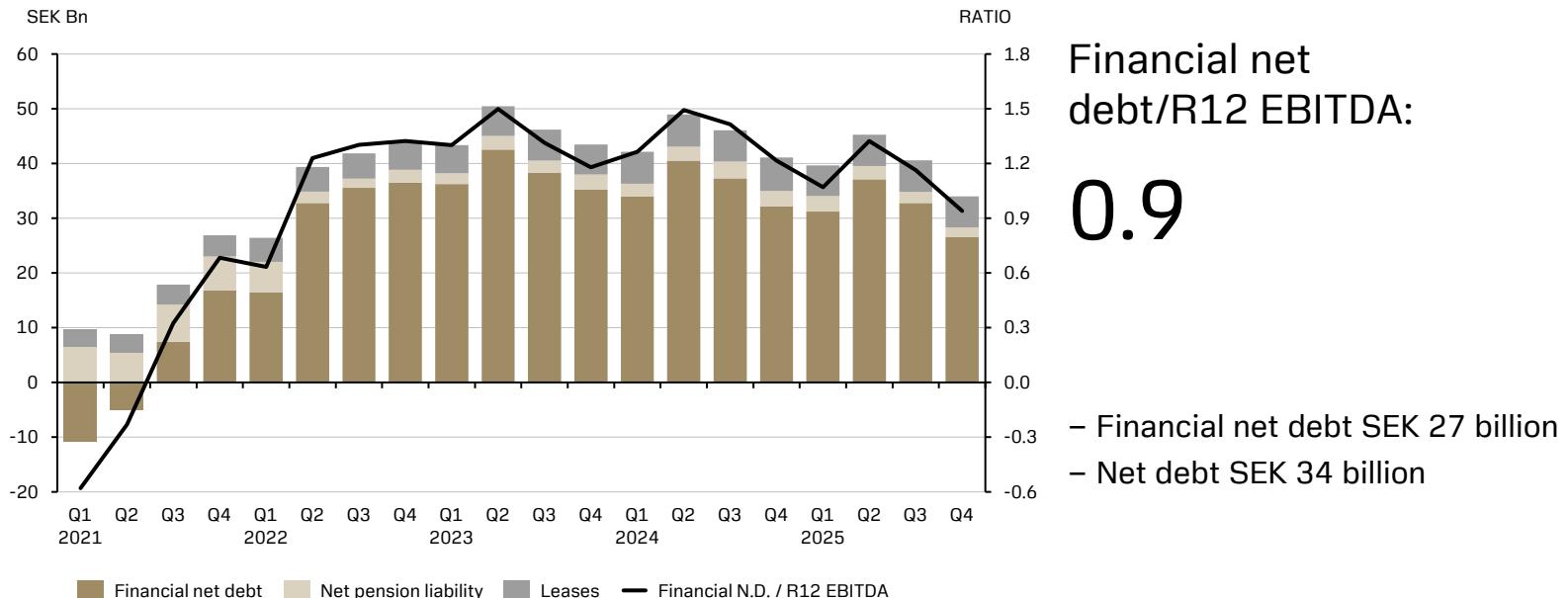
■ Free operating cash flow — Cash conversion, R12

* Best estimates excluding Alleima

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



Net debt





Outcome versus guidance

	Outcome Q4	Guidance Q4
Currency YoY effect (MSEK)	-1,172	-1,000
	Outcome FY25	Guidance FY25
Capex (BSEK)	3.8	4.5
Interest net (BSEK)	-0.8	-0.8
Normalized tax rate (%)	24.2%	23-25%



Guidance Q1 and FY 2026

Currency effect Given currency rates on January 23, 2026 the effect on operating profit from transaction and translation would be **SEK -1.4 Bn for Q1 2026**

CAPEX (Cash) Estimated to **SEK 4.0-4.5 Bn for 2026**

Interest net Underlying interest net is estimated to approximately **SEK -0.6 Bn for 2026**

Tax rate The normalized tax rate is estimated to **23% - 25% for 2026**



Conclusion

Strong financial performance for the fourth quarter and 2025

- Fourth quarter with double-digit organic growth in orders and revenues, improved margin and strong cash conversion
- Full year organic order intake and revenues increased by 11% and 5%, respectively
- Operating profit margin full year improved to 19.3% despite tariffs and significant currency headwinds

Progress in key strategic areas

- Good innovation pace and welcomed new companies to the Group
- Progress in digital, strong growth in Intelligent Manufacturing and Digital Mining Technologies
- Continued successful traction in surface mining
- Strong growth in important regions in Machining such as India, and local premium China

Ending a successful strategy period

- Good financial performance, and strategic progress despite significant macro- and geopolitical challenges
- Strengthened our offering, gained traction in important growth areas and introduced leading solutions
- A stronger Sandvik, Advancing to 2030



Q&A



Backup slides



Adjusted EBITA bridge, per BA

MSEK	Q4 2024	Organic	Currency	Structure	Q4 2025
Mining					
Revenues	17,306	2,462	-2,184	3	17,588
Adjusted EBITA	3,721	779	-714	-2	3,784
Adjusted EBITA margin	21.5%	32%			21.5%
 Rock Processing					
Revenues	2,803	191	-313	34	2,715
Adjusted EBITA	409	77	-96	4	394
Adjusted EBITA margin	14.6%	41%			14.5%
 Machining & Intelligent Manufacturing					
Revenues	12,041	1,292	-1,154	-19	12,159
Adjusted EBITA	2,340	367	-330	22	2,398
Adjusted EBITA margin	19.4%	28%			19.7%

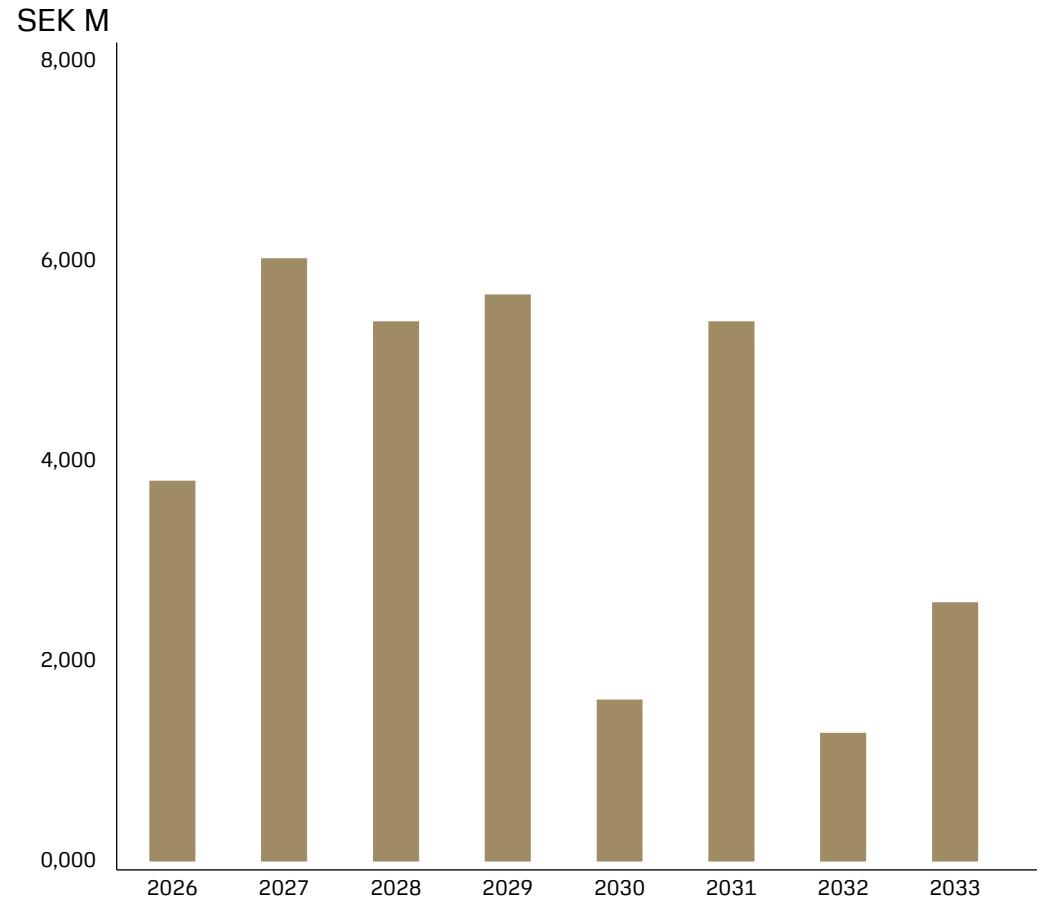


Loan maturity profile

Average interest rate:

~2.8%

(excluding swap costs)





Loan and duration profile

MSEK	Amount	Duration
Bonds MTN	18,931	3.2 years
Bank Loans	8,734	5.5 years
Commercial papers	0	0.0 years
Bonds MTN	3,780	0.5 years
Bank Loans	28	0.5 years
Total	31,474	3.5 years

Long term:

88%

Short term:

12%Committed Credit facilities **SEK 16,502 million**

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.