

Interim report third quarter 2026

Summary Q3

Strong revenues and profit margin

- Broad-based demand and strong operational execution, profit margin above target range and record-high cash flow
- Total order intake grew by 20% year on year. Organic order intake growth of 17%
- Total revenues increased by 29% year on year. Organic revenue growth of 25%
- Adjusted EBITA amounted to SEK 8.5 Bn (5.5), corresponding to a margin of 22.5% (19.0), adjusted EBITA margin R12 at 21.3 % (19.3)
- Adjusted profit for the period amounted to SEK 5.8 Bn (3.5)
- Free operating cash flow of SEK 7.2 Bn (5.6) corresponding to a cash conversion of 87%



26%

Revenue growth at
fixed exchange rates

22.5%

Adjusted EBITA
margin

0.9

Financial net
debt/EBITDA



Key strategic highlights in the quarter

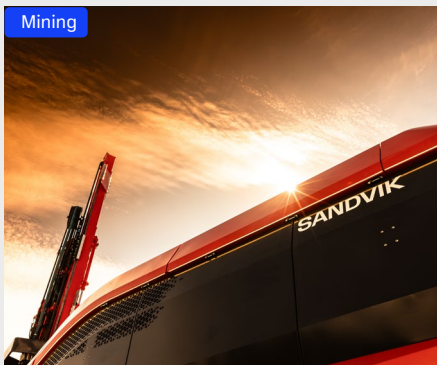
Rock Processing



New standardized screen range

- **Compact Screens**
- Pre-engineered models based on proven designs
- Enables faster specification and reduces project-specific engineering effort

Mining



Future of surface mining

- **Surface concept machine**
- Fully autonomous and battery-electric, combining AI, robotics, electrification and digital connectivity
- Demonstrates technologies that can support safer, more productive and sustainable surface mines

Intelligent Manufacturing



Connecting the dots at IMTS

- **One of world's largest trade show**
- First time represented as Sandvik across all software brands
- Showcased Manufacturing lifecycle Management (MLM), connecting design, machining and quality data across entire manufacturing life cycle

Machining



Solid carbide end mills

- **Xill-tec® Aero MC331 & MC333**
- Universal use with expanded focus on aerospace applications for titanium and stainless steel
- Up to 50% longer tool life in titanium application



Mining market

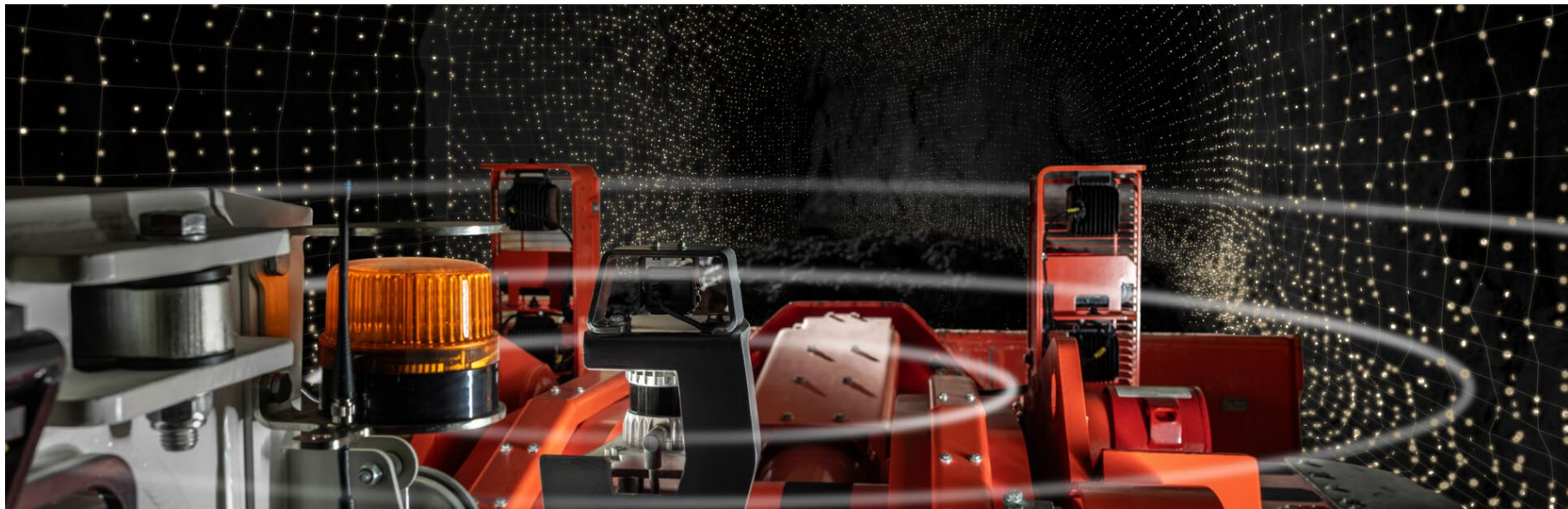


Upstream



Downstream

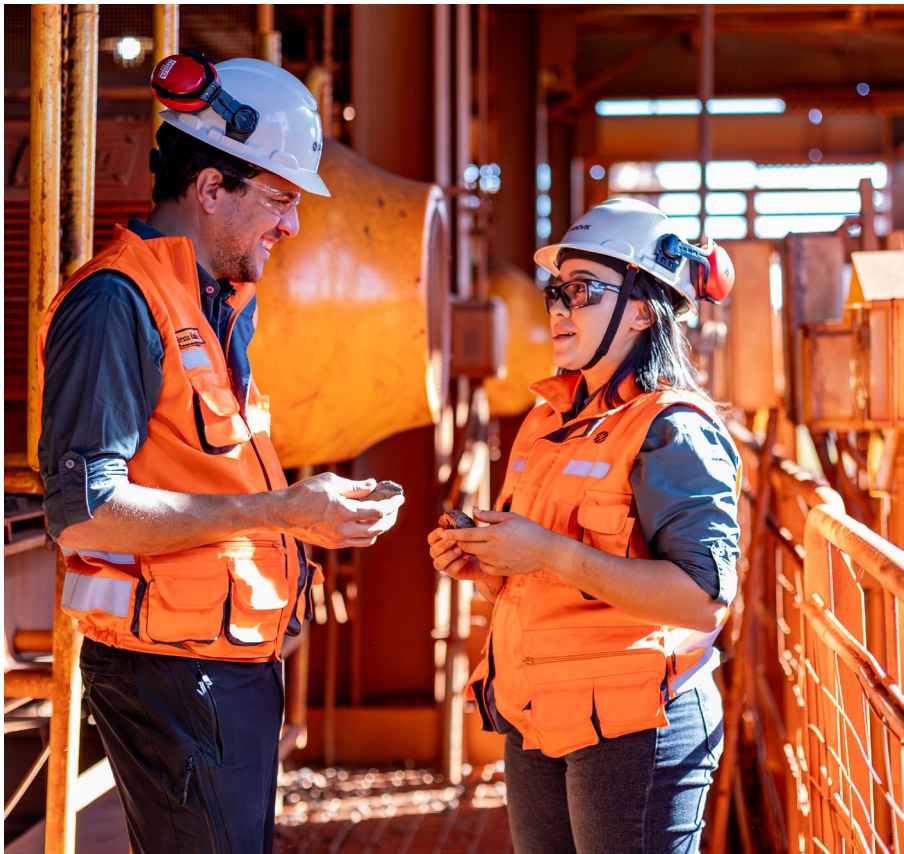
- High commodity prices continue to underpin strong activity in the mining market and robust demand for equipment and aftermarket
- High utilization rate and an aging fleet drives consumption demand for parts and services
- Interest in digital and automation solutions remained solid
- Increased activity in downstream mining





Infrastructure market

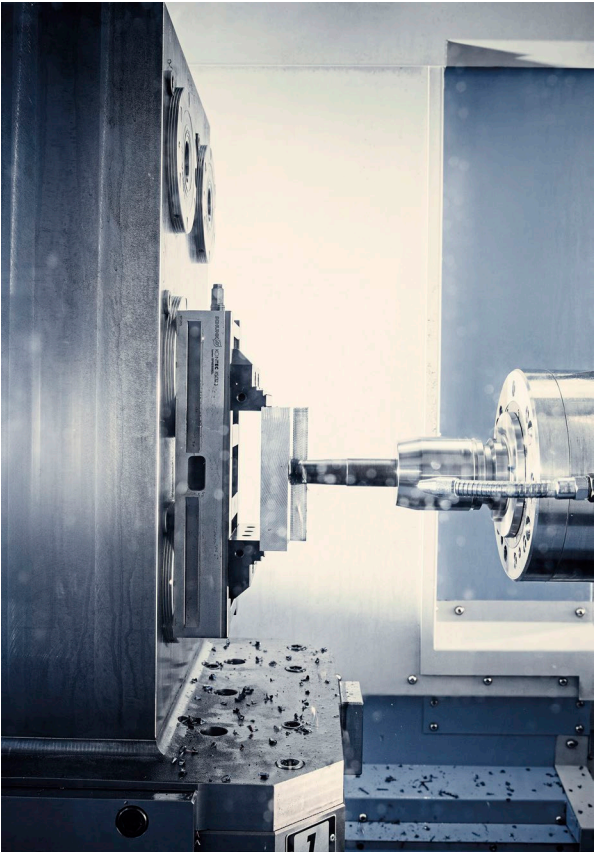
	↗ Aggregates	↗ Demolition & recycling
Europe	↗	↗
North America	↗	↗
Asia	→	→





Industrial manufacturing market

	↗ General industry	↗ Aerospace & defense	→ Light vehicles	↗ Mining & energy	↗ Transportation	↗ Medical & electronics
Europe	↗	↗	→	↗	↗	↗
North America	↗	↗	→	↗	↗	→
China	↗	↗	↘	→	↗	→
India	↗	↗	↗			
Rest of world	↗	↗	↘			





Cutting tools organic order intake development

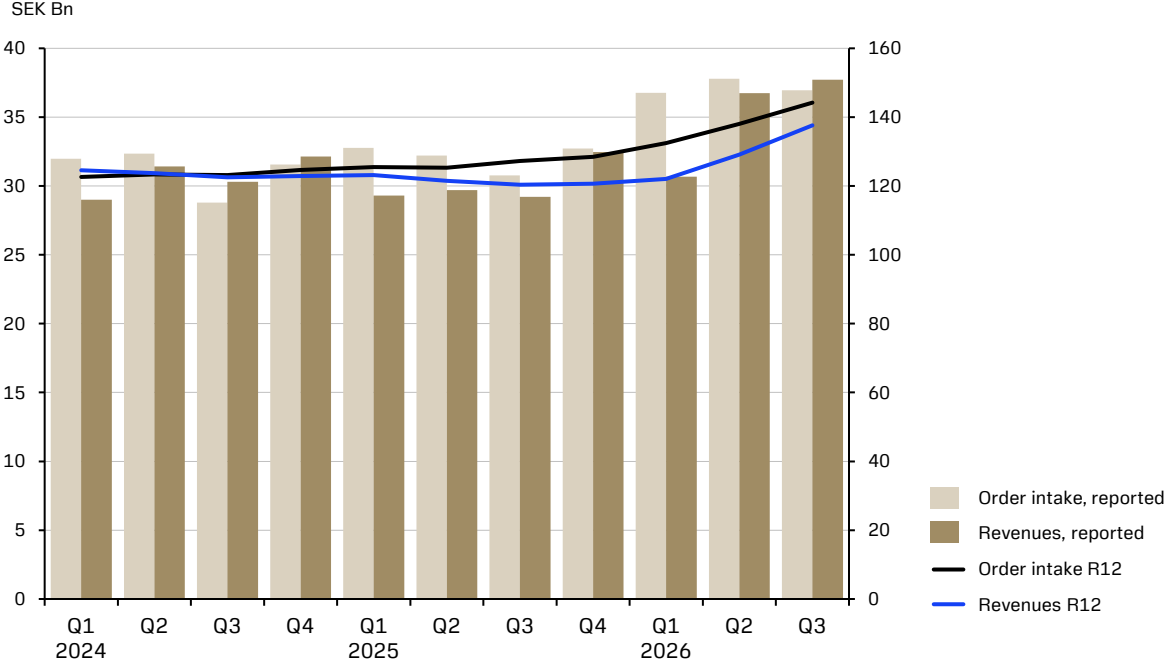
	General industry	Aerospace & defense	Light vehicles	Mining & energy	Transportation	Medical & Electronics
Europe	++++	++++	+++	++++	++++	++++
North America	++++	++++	++++	++++	++++	-
China	--	++++	----	--	++++	++++
India	++++	++++	++++			
Rest of world	++++	++++	+			
Total	++++	++++	+++	++++	++++	++++

0 = Flat
+ (-) = Low single-digit
++ (-) = Mid single-digit
+++ (---) = High single-digit
++++ (----) = Double-digits





Order intake and revenues



Order intake
Reported (MSEK)

36,948

Revenues
Reported (MSEK)

37,728

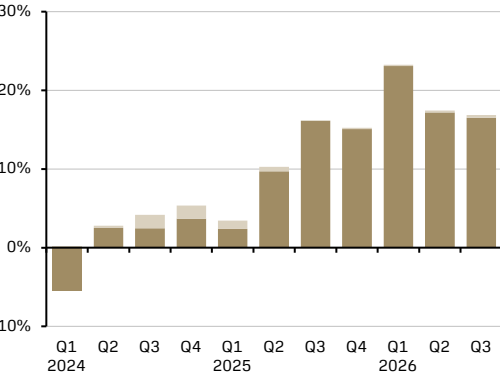
Book-to-bill

98%

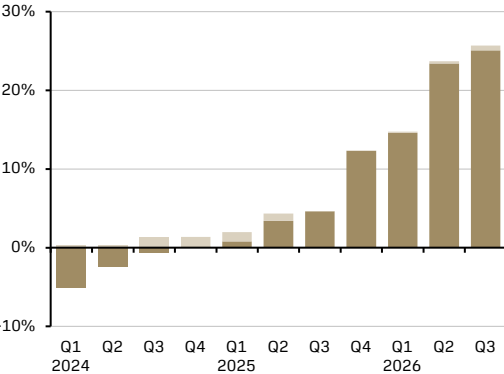


Growth in order intake and revenues

Order intake



Revenue



Organic % Structure %

Growth Q3 2026	Order intake	Revenue
Organic	17%	25%
Structure	0%	1%
Growth at fixed exchange rates	17%	26%
Currency	3%	3%
Total	20%	29%



Mining

52% share of revenues 2025

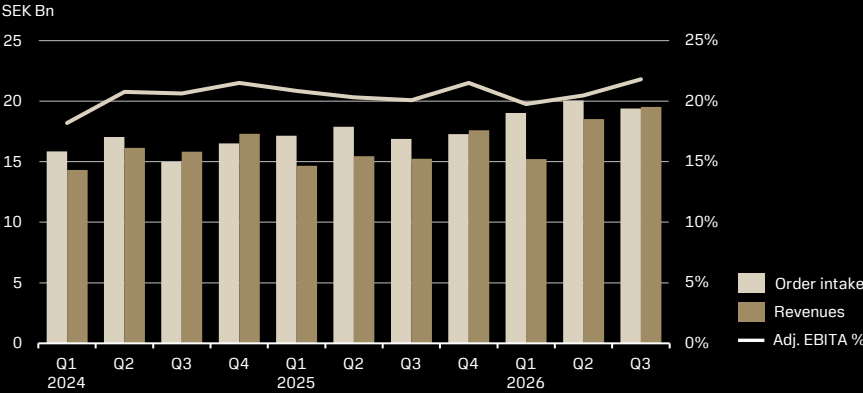
Order intake and revenues

- Demand remained strong for both equipment and aftermarket
- Good organic order intake growth, driven by strong growth across all aftermarket divisions. Excluding major orders, equipment grew by 23%
- Total order intake increased by 15%. At fixed exchange rates, order intake grew by 11%, of which organic 11%
- Excluding major orders of SEK 0.7 billion (1.6) organic order intake increased by 18%

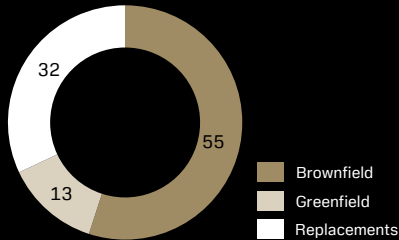
Profitability

- Adjusted EBITA was SEK 4,259 million (3,059), and profit margin of 21.8% (20.1)
- Organic operating leverage of 31%
- Currency had a positive impact on EBITA of SEK 87 million year on year, but the higher impact on revenues diluted the margin by 40 basis points

Order intake, revenues & adj. EBITA %



Share of orders % (Q3 2026)



Equipment vs. Aftermarket (Q3 2026)

	Equipment	Aftermarket
Organic order intake growth	0%	16%
Share of revenues	33%	67%



Rock Processing

9% share of revenues 2025

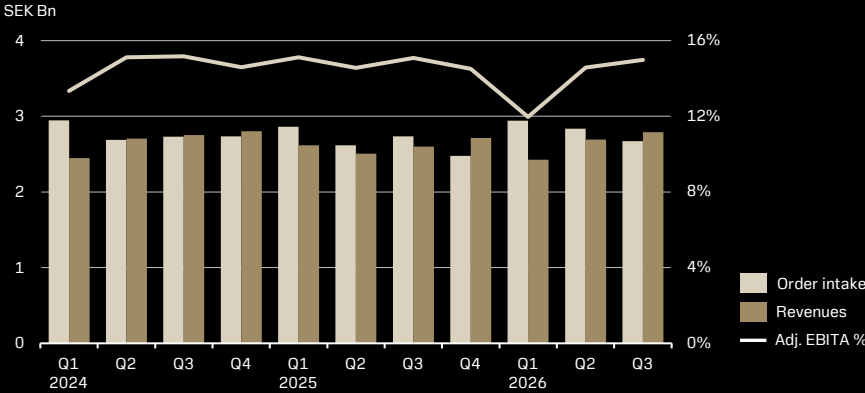
Order intake and revenues

- Underlying demand in mining robust, and positive market sentiment in demolition and recycling
- Total order intake decreased by 2%. At fixed exchange rates, order intake decreased by 6%, of which organic was negative by 8%
- No major orders in the quarter. Excluding major orders of SEK 189 million in the year earlier period, organic order intake growth was negative by 1%

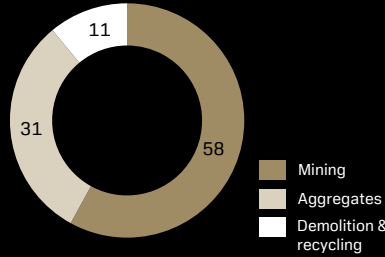
Profitability

- Adjusted EBITA was SEK 418 million (392), corresponding to a margin of 15.0% (15.1)
- Organic operating leverage was negative in the quarter
- Currency had a positive impact of SEK 16 million year on year, corresponding to a margin accretion of 10 bps

Order intake, revenues & adj. EBITA %



Share of orders, % (2025)



Equipment vs. Aftermarket (Q3 2026)

	Equipment	Aftermarket
Organic order intake growth	-27%	7%
Share of revenues	39%	61%



Machining

36% share of revenues 2025

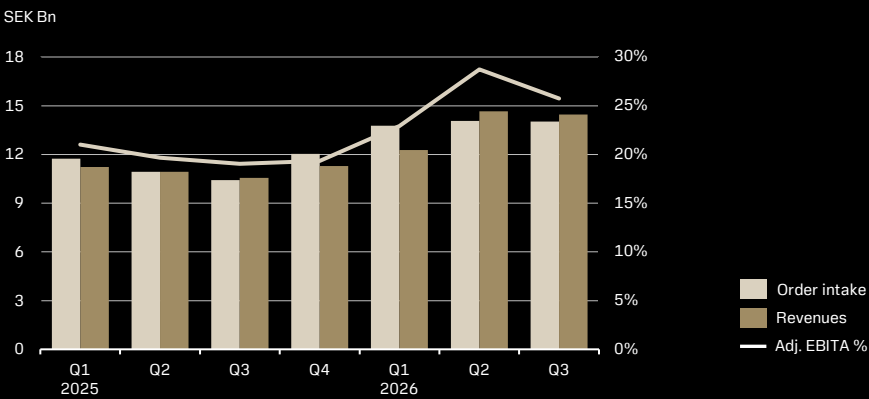
Order intake and revenues

- Positive demand in general industry, and continued strong momentum in aerospace and defense
- Total order intake increased by 35%. At fixed exchange rates, order intake increased by 33% of which organic 33%. Cutting tools grew 19%
- Daily order intake for cutting tools was stable in the first two weeks of October versus the second quarter, taking normal seasonality into account

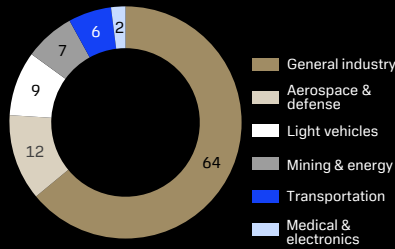
Profitability

- Adjusted EBITA was SEK 3,720 million (2,010), corresponding to a profit margin of 25.7% (19.0). Higher volumes, Powder Solutions, and savings of SEK 82 million contributed positively
- The temporary timing effect from tungsten price development was SEK +104 million, corresponding to an in-quarter effect of 70 bps
- Organic operating leverage was 45% in the quarter
- Currency had a positive impact of SEK 53 million year on year, corresponding to a margin accretion of 10 bps

Order intake, revenues & adj. EBITA %



Share of revenue, % (2025)



Organic order intake and revenue (Q3 2026)

	Order intake growth	Revenue growth
Cutting tools	++++	++++
Powder Solutions	++++	++++



Intelligent Manufacturing

3% share of revenues 2025

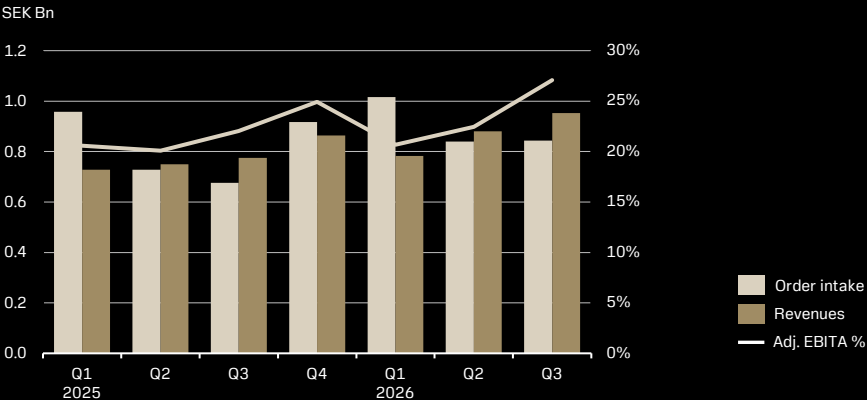
Order intake and revenues

- Positive broad-based demand across regions and segments. Strongest demand in aerospace and defense
- Double-digit organic order intake growth in licenses and subscriptions
- Total order intake increased by 25%. At fixed exchange rates, order intake increased by 24% of which organic 12%

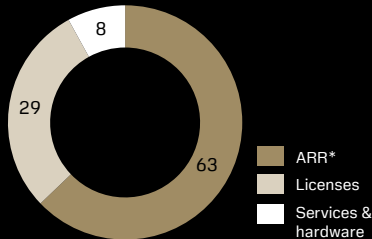
Profitability

- Adjusted EBITA was SEK 258 million (171), profit margin of 27.1% (22.0) and leverage of 33%
- Currency had a neutral impact year on year, corresponding to a margin dilution of 20 bps
- Acquisitions had an accretive effect on the margin of 420 bps

Order intake, revenues & adj. EBITA %



Share of revenue, % (2025)



Order intake and revenues (Q3 2026)

	Order intake	Revenues
Underlying organic growth	14%	13%
Subscription transition impact	-2%	-2%
Organic growth	12%	11%

*ARR: Maintenance and subscription



Cecilia Felton

CFO



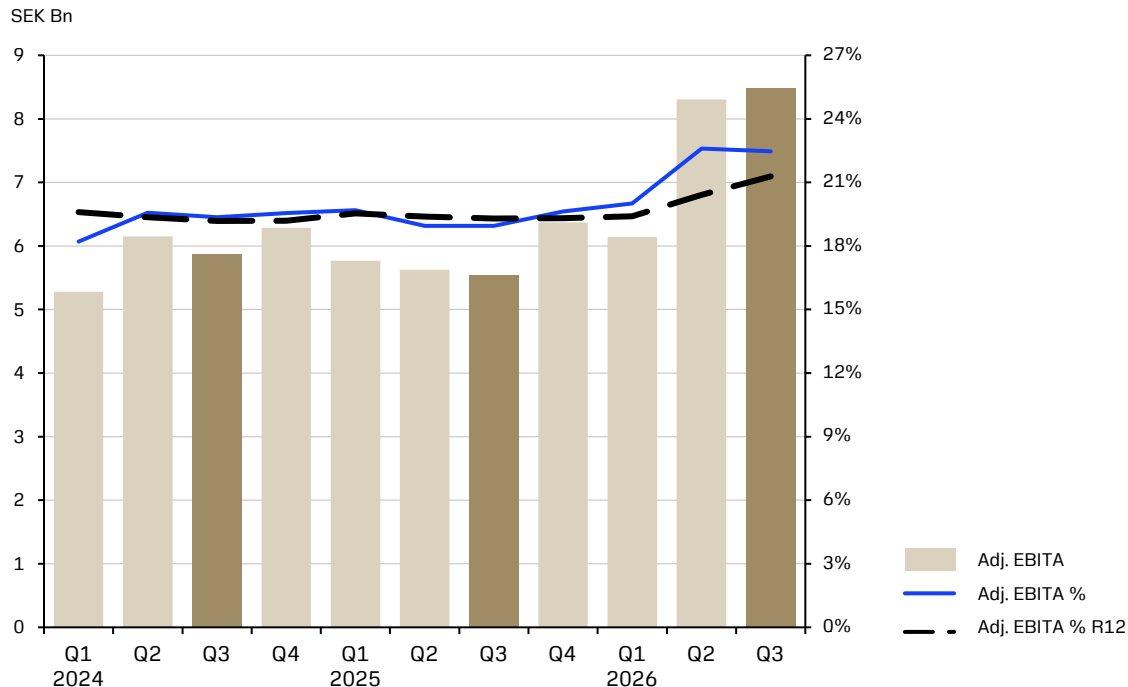
Financial summary

MSEK	Q3 '25	Q3 '26
Order intake	30,769	36,948
Revenues	29,218	37,728
Adjusted EBITA	5,539	8,477
Adjusted EBITA margin	19.0%	22.5%
Net financial items	-396	-304
Tax rate excluding IAC	25.0%	24.3%
NWC ¹	29.3%	27.2%
Free operating cash flow	5,603	7,167
ROCE ¹	15.1%	19.1%
ROCE excl. amortization of surplus values ¹	16.5%	20.4%
Adjusted EPS, diluted	2.81	4.64

1) R12 revenues and R12 month average NWC / ROCE



Profitability development



Adj. EBITA margin:

22.5%

- Adj. EBITA SEK 8,477 million (5,539)
- Higher volumes, Powder Solutions and savings
- Timing effect from tungsten price development estimated to SEK 104 million, corresponding to an in-quarter effect of 30 bps
- Organic leverage of 37%
- Currency dilution of 20 bps
- R12 adj. EBITA margin 21.3% (19.3)



Bridge analysis

MSEK	Q3 2025	Organic	Currency	Structure	Q3 2026
Revenues	29,218	7,336	1000	174	37,728
Adjusted EBITA	5,539	2,690	158	90	8,477
Adjusted EBITA margin	19.0%	37%			22.5%
Accretion/dilution		3.6%	-0.2%	0.1%	



Net financials

MSEK	Q3 '25	Q3 '26
Interest net	-201	-195
Pension	-20	-11
Bank charges	-23	-22
Other financial income and cost	-14	-37
Leases IFRS16	-70	-66
Fx and other asset classes	-68	27
Total	-396	-304
Total yield cost, R3	3.5%	4.0%
Total yield cost, R12	4.0%	3.9%



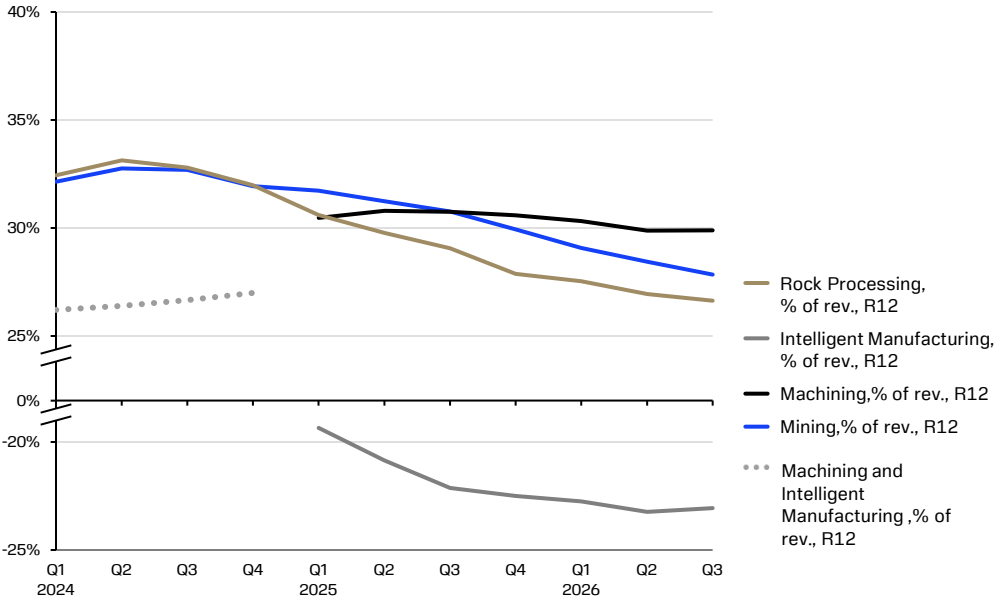
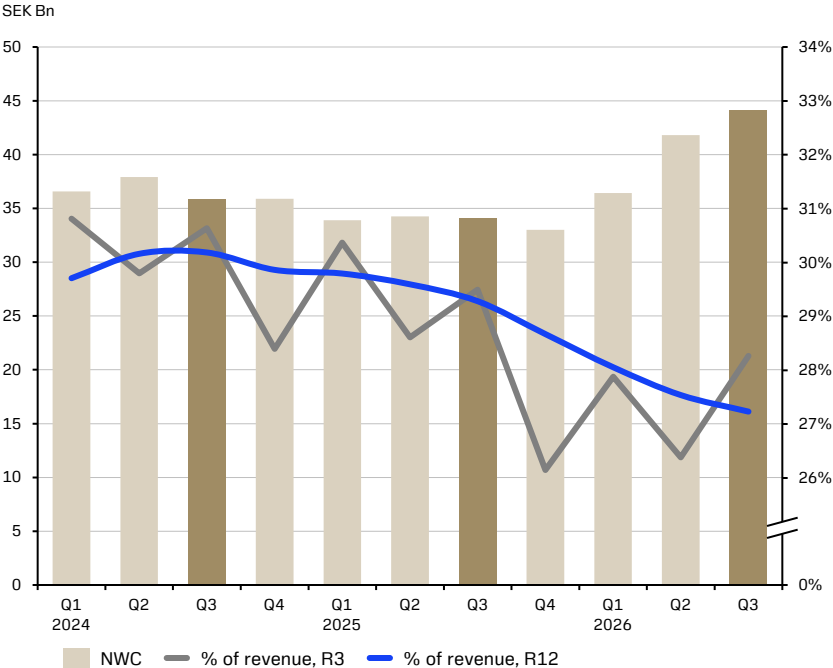
Tax rate

MSEK	Q3 '25	Q3 '26
Reported	25.8%	24.3%
Excluding IAC	25.0%	24.3%
Normalized	25.0%	24.3%

- Normalized tax rate: In line with guidance of 23-25%

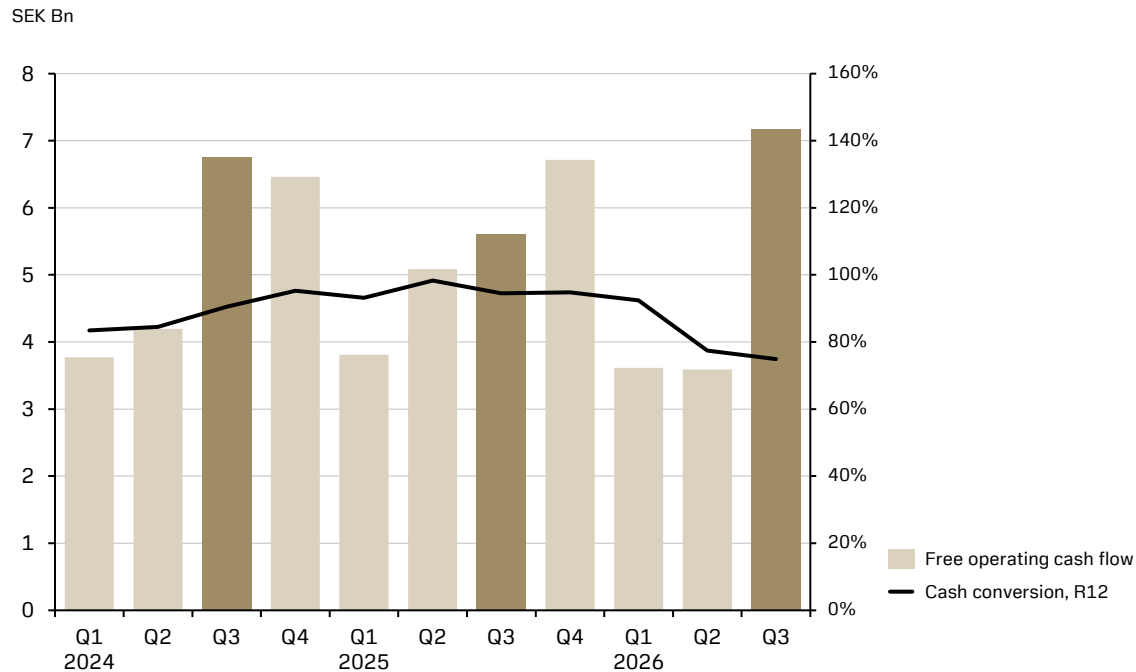


Net working capital





Free operating cash flow

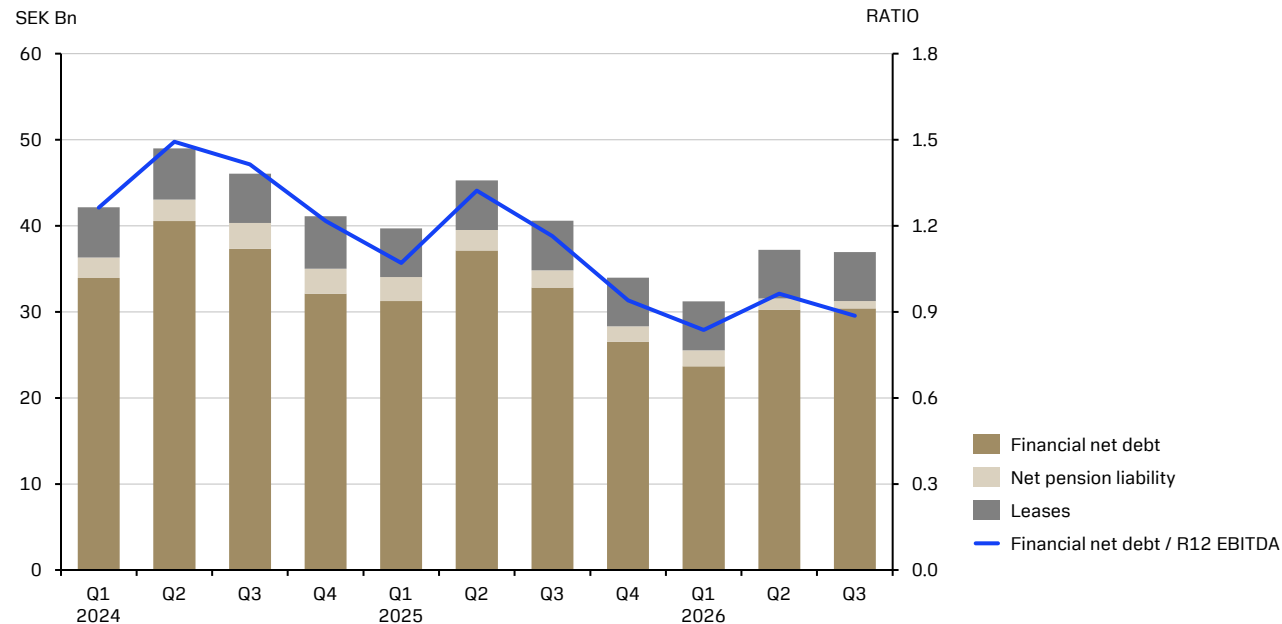


MSEK	Q3 '25	Q3 '26
EBITDA	6,984	9,870
Non-cash and other items*	-664	-501
EBITDA adj for non-cash and other items	6,320	9,368
Capex	-817	-998
NWC	100	-1,203
FOCF	5,603	7,167
Cash Conversion	105%	87%

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



Net debt



Financial net debt/R12 EBITDA

0.9

- Financial net debt SEK 30 billion
- Net debt SEK 37 billion



Outcome versus guidance

	Outcome Q3	Guidance Q3
Currency YoY effect (MSEK)	158	200
Temporary timing effect from tungsten price (MSEK)	104	200

	Outcome Q1-Q3	Guidance FY26
Capex (BSEK)	2.8	4-4.5
Interest net (BSEK)	-0.5	-0.6
Normalized tax rate (%)	24.2%	23-25%



Guidance Q4 and FY 2026

Currency effect	Given currency rates per September 30, the effect on adjusted EBITA from transaction and translation would be SEK +0.6 Bn for Q4 2026 compared to the year-earlier period
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Temporary timing effect from tungsten price development	Based on tungsten prices per September 30, the effect is estimated to have a limited impact on adjusted EBITA for Q4 2026 , compared with the year-earlier period
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Tariff refund	Estimated impact on revenues and order intake SEK -0.4 billion for Q4 2026 . No impact on absolute adjusted EBITA
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CAPEX (Cash)	Estimated to SEK 4.0-4.5 Bn for 2026
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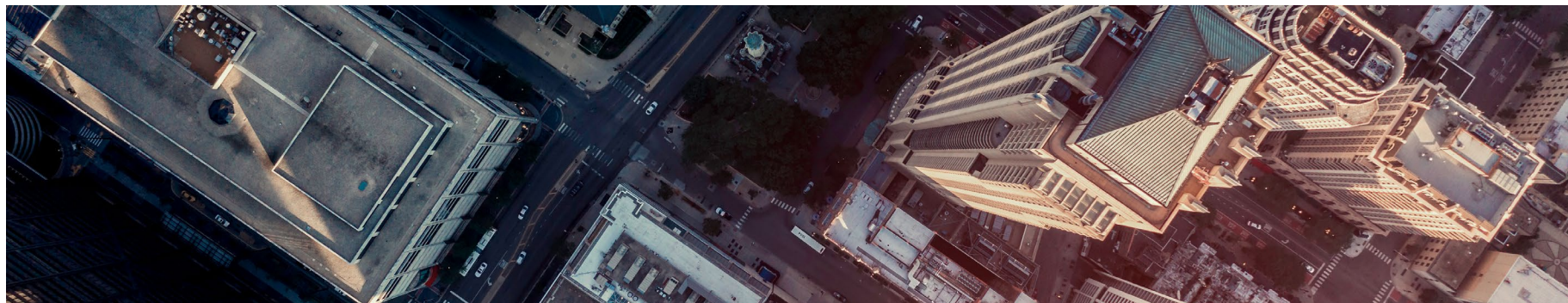
Interest net	Underlying interest net is estimated to SEK -0.7 Bn for 2026
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Tax rate	The normalized tax rate is estimated to 23-25% for 2026
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Conclusion



Markets & macro

- Strong demand in upstream mining. Increased activity in downstream
- Positive demand in cutting tools
- Supply constraints and high market activity continues to support strong tungsten demand

Financial performance

- Order intake grew double digits and strong execution led to 26% revenue growth
- Profit margin above target range and record cash flow
- 65% EPS growth in the quarter

Strategic progress

- Innovations launched in strategically important areas such as digital and surface mining
- Demonstrated strong innovation progress at manufacturing trade show IMTS
- Closing of Diemme® Filtration

Advancing to 2030

- Consistent delivery each quarter, while building long-term strength
- Agility and speed in responding to macro-economic developments
- Proven strength of business portfolio, strategy and operating model



Q&A



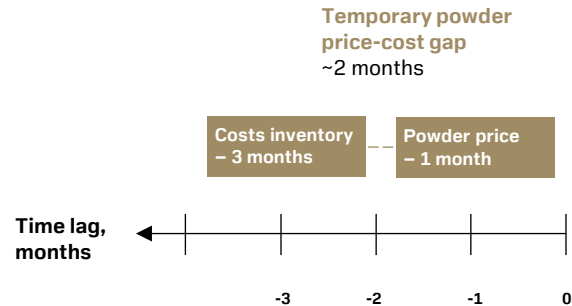
Backup slides



Tungsten price dynamics Machining

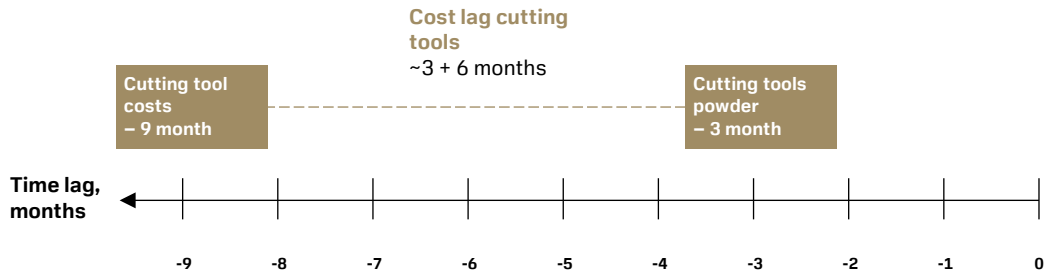
Powder business

- Sourcing: 10-15% own mine, 55% recycled material, 30-35% external virgin tungsten (outside of China)
- Price-cost gap:
 - Price: Based on a mix of APT and Argus price in many powder contracts (with 1-month lag)
 - Costs: average inventory cycle is ~3 months
- 1/3 of produced tungsten powder sold internally, 2/3 externally



Metal cutting

- List price increases done with a notice period of 3 months to distributors
- Cost lag:
 - The average inventory cycle for tools is ~6 months on top of ~3 months in the powder business





Adjusted EBITA bridge, per BA

MSEK	Q3 2025	Organic	Currency	Structure	Q3 2026
Mining					
Revenues	15,240	3,555	731	-	19,525
Adjusted EBITA	3,059	1,113	87	0	4,259
Adjusted EBITA margin	20.1%	31%			21.8%
Accretion/dilution		2.1%	-0.4%	0.0%	
Rock Processing					
Revenues	2,600	-11	94	108	2,791
Adjusted EBITA	392	-17	16	27	418
Adjusted EBITA margin	15.1%	152%			15.0%
Accretion/dilution		-0.6%	0.1%	0.4%	
Machining					
Revenues	10,560	3,707	166	26	14,459
Adjusted EBITA	2,010	1,650	53	7	3,720
Adjusted EBITA margin	19.0%	45%			25.7%
Accretion/dilution		6.6%	0.1%	0.0%	
Intelligent Manufacturing					
Revenues	774	85	9	84	952
Adjusted EBITA	171	28	0	59	258
Adjusted EBITA margin	22.0%	33%			27.1%
Accretion/dilution		1.0%	-0.2%	4.2%	



Loan and duration profile

MSEK	Amount	Duration
Bonds MTN	13,701	3.2 years
Bank Loans	9,174	4.8 years
Commercial papers	5,277	2.7 years
Bonds MTN	6,172	0.7 years
Bank Loans	98	0.5 years
Total	34,421	3.1 years

Long term:

82%

Short term:

18%

Committed Credit facilities **SEK 11,474 million**

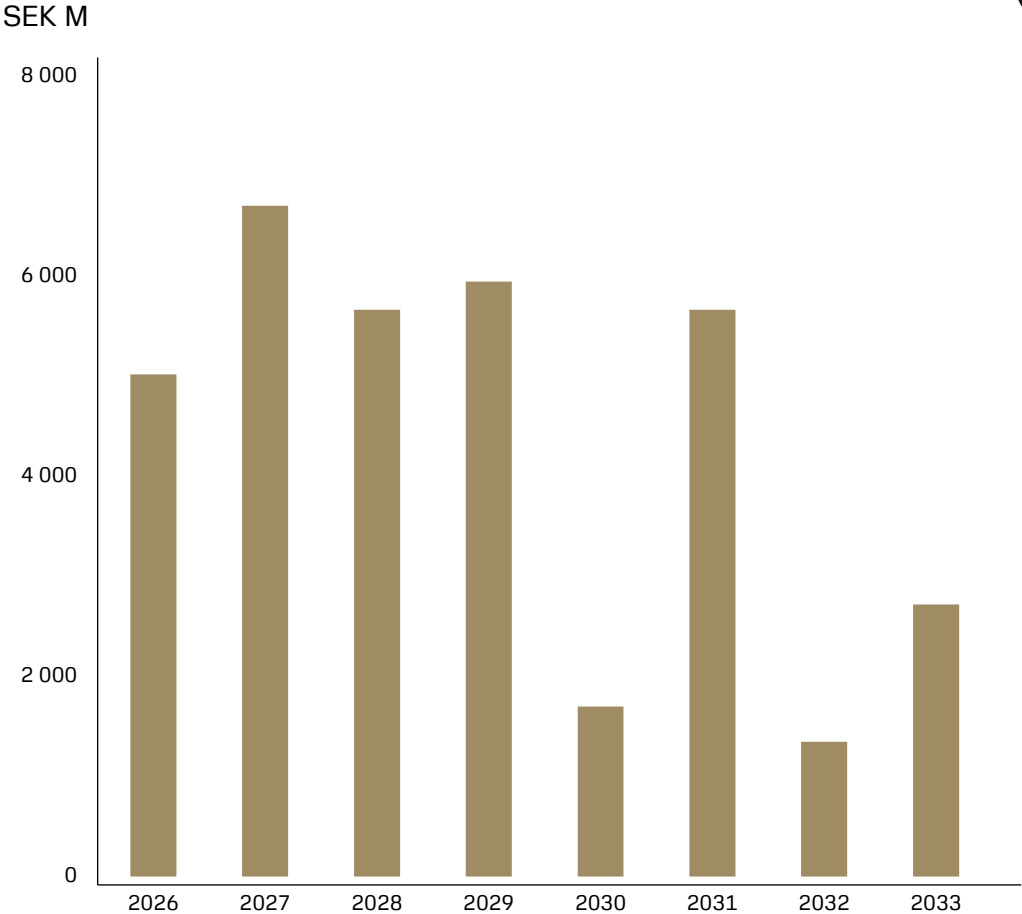


Loan maturity profile

Average interest rate:

~2.9%

(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.