



Press Release

Sandvik and Carpenter Technology to establish cooperation in the field of powder technology

Sandvik Materials Technology has decided to establish a strategic partnership with Carpenter Technology Corporation to further strengthen its position in the field of powder technology and advanced materials. As part of the arrangement, Sandvik AB will acquire 40% of the shares in Carpenter Powder Products AB and Carpenter Technology Corporation will acquire 40% of the shares in Sandvik Powdermet AB.

Carpenter Powder Products AB manufactures high-alloy powder and is already one of Sandvik Powdermet AB's suppliers. The joint venture will safeguard Sandvik's supply of powder and Carpenter Technology will gain access to Sandvik Powdermet AB's manufacturing and sales of powder-based products, which are delivered in the form of near-net-shape products. The strategic partnership also provides the opportunity for product development collaboration. The two companies will continue to operate under their current respective brands, Sandvik and Carpenter.

"Powder technology is one of the development areas to which we have assigned highest priority to enable us to further strengthen our position in the field of advanced materials in, for example, the rapidly expanding energy sector. The strategic partnership with Carpenter Technology makes us a leading player in the field of powder technology," says Peter Gossas, President of the Sandvik Materials Technology business area.

"We are committed to enhancing our market position in powder manufacturing and technology, which will strengthen our portfolio of high-value, differentiated products and provide a vehicle for continued future growth. The partnership with Sandvik will further establish us as a leading global supplier of technologically advanced materials required by the energy and other demanding market sectors," says William A. Wulfsohn, President and Chief Executive Officer of Carpenter Technology.

Sandvik Materials Technology also has powder technology operations in Sandvik Osprey Ltd in Wales, powder manufacturing in Surahammar, Sweden and a powder technology R&D unit in Sandviken, Sweden. Carpenter Technology Corporation has additional powder manufacturing operations in the US: in Bridgeville, PA, and Woonsocket, RI, as well as powder R&D in Reading, PA. These units will not be included in the joint venture.

Sandviken, 19 October 2010

Sandvik Aktiebolag (publ)

Sandvik AB discloses the information provided herein pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. The information was submitted for publication at 13:00 CET. on 19 October 2010.

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Carpenter Powder Products AB is a manufacturer of high-alloy metal powder used as a raw material in the powder technology process. The company, which is located in Torshälla, Sweden, has about 50 employees and sales of approximately 150 MSEK.

Sandvik Powdermet AB is specialized with respect to product development, manufacturing, sales and marketing of powder-based products delivered in the form of near-net-shape products. The company, is located in Surahammar, Sweden, and has about 30 employees and sales of approximately 150 MSEK.

Sandvik Materials Technology is a business area within the Sandvik Group and a world-leading manufacturer of high value-added products in advanced stainless materials, special alloys, metallic and ceramic resistance materials, as well as process systems. Annual sales in 2009 were about SEK 15,300 M with 8,200 employees. The product area comprises Tube, Strip, Wire and Heating Technology, Process Systems and MedTech.

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