



Press Release

Sandvik Tooling announces layoff of 490 employees in Sweden

Today, Sandvik Tooling served notice of termination of employment covering a total of 490 employees in Sweden. The notice applies to 120 employees in Sandviken, 350 employees in Gimo and 20 employees in Stockholm. The reduction in the workforce is a consequence of the continued weak demand.

Local negotiations with the personnel organizations affected will commence immediately with the aim of implementing the personnel reductions as soon as possible.

"In the current market situation, we must adjust our costs and our workforce levels. It is important that the employees are notified as soon as possible, at the same time as the negotiations must be conducted with care and in an atmosphere of goodwill and mutual respect," says Anders Thelin, President of the Sandvik Tooling business area.

Sandviken, 31 March 2009

Sandvik Aktiebolag (publ)

A press conference will be held today in Swedish at Sandvik Tooling's head office in Sandviken, Sweden, at 10:15 a.m. It is possible to participate in this press conference by telephone: +46 8 562 14 158.

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 10:15 a.m. on 31 March 2009.

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Sandvik is a global industrial group with advanced products and world-leading positions in selected areas – tools for metal cutting, machinery and tools for rock excavation, stainless materials, special alloys, metallic and ceramic resistance materials as well as process systems. The Group had at the end of 2008 about 50,000 employees and representation in 130 countries, with annual sales of approximately SEK 93,000 M.

Sandvik Tooling is a business area within the Sandvik Group and a global market-leading manufacturer of tools and tooling systems for cutting operations as well as of blanks and components. Annual sales 2008 were about SEK 26,000 M with 17,000 employees. Approximately 4% of the turnover is invested in R&D. Products are manufactured in cemented carbide, high-speed steel and other hard materials such as diamond, cubic boron nitride and special ceramics.

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