



2007 Annual General Meeting of shareholders in Sandvik

Sandvik AB's Annual General Meeting, held in Sandviken on 26 April, approved a dividend of SEK 3.25 per share for 2006. The record date for payment of the dividend is Wednesday, 2 May. The dividend is expected to be mailed to shareholders by VPC on Monday, 7 May. Moreover, the Annual General Meeting voted in accordance with the Board's proposal of an automatic redemption procedure, which means that an additional SEK 3 per share will be distributed to Sandvik's shareholders. See further, below.

In his speech, Lars Pettersson, President and CEO, commented on the 2006 fiscal year and on the company's performance in the first quarter of the year. The presentation included a report on the Group's business concept and future development. With a strong product portfolio and focused R&D investments, Sandvik offers high customer value to a global customer base, making it well-positioned to continue its trend of profitable growth. The Group's financial strength makes it possible to combine a generous dividend policy and an aggressive growth strategy based on corporate acquisitions and investments.

Hanne de Mora, Georg Ehrnrooth, Sigrun Hjelmquist, Fredrik Lundberg, Egil Myklebust, Anders Nyrén, Lars Pettersson and Clas Åke Hedström were re-elected members of the Board, with Clas Åke Hedström as Chairman.

The unions appointed Tomas Kärnström and Göran Lindstedt as members of the Board and Mette Ramberg and Bo Westin as deputy members of the Board.

Decision on the Nomination Committee

The Annual General Meeting decided that the four largest shareholders known to the Company shall each appoint one member, and that the Nomination Committee shall consist of these members plus the Chairman of the Board, who is also the convener for the Committee.

Decision on the principles of remuneration and other employment conditions for Group management

The Annual General Meeting voted to approve the Board's proposal regarding principles of remuneration, etc., for Group management.

Decision on automatic redemption procedure

The Annual General Meeting resolved in accordance with the Board of Directors' proposal of an automatic redemption procedure. Through the automatic redemption procedure SEK 3 per share, approximately SEK 3.6 billion, will be distributed to the Sandvik shareholders, in addition to the ordinary dividend distribution of SEK 3.25 per share, which corresponds to SEK 6.25 per original share.

In brief, the redemption procedure means that:

- The company carries out a share split 2:1.
- Every other share, the redemption share, will be automatically redeemed for SEK 3.
- The record day for the share split is 22 May 2007.
- Shareholders who wish to sell their redemption shares before redemption takes place will be able to do so during the period 23 May – 12 June 2007, when the redemption share will be listed at the Stockholm Stock Exchange.
- Payment of the redemption amount is planned to take place 20 June 2007.

The resolution of the Annual General Meeting included the following:

- Change of the Articles of Association so that the range of the share capital is reduced from a minimum of SEK 1.2 billion – a maximum of SEK 4.8 billion to a minimum of SEK 700 million - a maximum of SEK 2.8 billion.

Postal address

SANDVIK AB
Group Communications
SE-811 81 SANDVIKEN
SWEDEN

Public Company (publ)

Reg.No 556000-3468
VAT No. SE663000060901
www.sandvik.com

Telephone

+46 26 26 10 47

Telefax

+46 26 26 10 43

- Division of each existing share into two shares (share split 2:1), of which one is to be named redemption share.
- Reduction of the share capital by SEK 711,772,305 for repayment to the shareholders by redemption of all existing 1,186,287,175 redemption shares. In addition to the reduction amount, SEK 2,847,089,220 will be distributed from the non-restricted equity.
- Increase of the share capital by SEK 711,772,305 by way of a bonus issue, whereby part of the non-restricted equity will be used. No new shares are to be issued in connection with the bonus issue.

Statutory meeting of the Board of Directors

A statutory meeting of the Board of Directors was held following the Annual General Meeting. Anders Nyrén, Fredrik Lundberg and Sigrun Hjelmquist were appointed members of the Audit Committee. Clas Åke Hedström, Georg Ehrnroth and Egil Myklebust were appointed members of the Remuneration Committee. Anders Nyrén was elected as deputy chairman of the board.

Wilhelm Haglund Medal

Timo Soikkeli from Sandvik Mining and Construction was appointed Product Developer of the Year and awarded the Wilhelm Haglund Medal for the development of AutoMine, an automated production system for loading and hauling of ore in underground mines. Brett Cook and Riku Pulli received Honorable Mention for their contributions to its development.

Sandviken, 26 April 2007

Sandvik AB (publ)