ATLAS COPCO CREATES VACUUM TECHNIQUE

August 18, 2016
New Group structure from January 1, 2017
WHY SEPARATE BUSINESS AREA?

Vacuum Technique

- Vacuum is a growth area
- Vision is to become global market leader in vacuum solutions
- A dedicated organization can focus entirely on the vacuum business
- Compressor Technique can focus entirely on industrial compressor business
SUPPORTING A WIDE VARIETY OF INDUSTRIES

Revenues by business area

- Construction Technique: 14%
- Compressor Technique: 34%
- Mining and Rock Excavation Technique: 24%
- Industrial Technique: 14%
- Vacuum Technique: 14%

12 months ending June 2016 including Leybold and CSK (when acquired)
FIVE BUSINESS AREAS AND 28 DIVISIONS

A decentralized Group

Board of Directors

President and CEO

Group Management and corporate functions

Compressor Technique
- Compressor Technique Service
- Industrial Air
- Oil-free Air
- Professional Air
- Gas and Process
- Medical Gas Solutions
- Airtec

Vacuum Technique
- Vacuum Technique Service
- Semiconductor Service
- Semiconductor
- High Vacuum
- Industrial Vacuum

Industrial Technique
- Industrial Technique Service
- MVI Tools and Assembly Systems
- General Industry Tools and Assembly Systems
- Chicago Pneumatic Tools
- Industrial Assembly Solutions

Mining and Rock Excavation Technique
- Mining and Rock Excavation Service
- Underground Rock Excavation
- Surface and Exploration
- Drilling
- Drilling Solutions
- Rock Drilling Tools
- Rocktec

Construction Technique
- Construction Technique Service
- Specialty Rental
- Portable Energy
- Road Construction Equipment
- Construction Tools
BUSINESS AREAS

June 2016, 12 months figures – restated

**COMPRESSOR TECHNIQUE**
- Revenues MSEK 35,828
- 22.9% EBIT-margin
- 67% ROCE
- 42% Service
- 15,095 Employees

**VACUUM TECHNIQUE**
- Revenues MSEK 10,465
- 20.0% EBIT-margin
- 15% ROCE
- 24% Service
- 3,989 Employees

**INDUSTRIAL TECHNIQUE**
- Revenues MSEK 14,526
- 22.4% EBIT-margin
- 31% ROCE
- 29% Service
- 6,050 Employees

**MINING AND ROCK EXCAVATION TECHNIQUE**
- Revenues MSEK 24,899
- 17.5% EBIT-margin
- 31% ROCE
- 70% Service/consumables
- 11,135 Employees

**CONSTRUCTION TECHNIQUE**
- Revenues MSEK 14,663
- 12.5% EBIT-margin
- 13% ROCE
- 34% Service/rental
- 5,502 Employees
Key figures are available on: http://www.atlascopco.com/investor-relations
COMPRESSOR TECHNIQUE

Quarterly order intake, revenues and operating margin – restated

Key figures are available on: http://www.atlascopcogroup.com/investor-relations
VACUUM TECHNIQUE

Vacuum products

Exhaust management systems

Semiconductor

Flat panel displays

Solar panels

Metallurgy

Food & beverages

Packaging

Conveying and assembly

...and more

Atlas Copco Group - New structure from January 1, 2017
FACTS IN BRIEF

Edwards / Vacuum solutions division 2015

- Headquarters: Burgess-Hill, UK
- Employees (2015): 3,903 + 759 add. workforce
- Revenue (2015): MSEK 9,955

Business description

- A leading developer and manufacturer of vacuum products, exhaust management systems and related services
  - Strong presence in the semiconductor industry
FACTS IN BRIEF

Leybold overview

- Headquarters: Cologne, Germany
- Employees: > 1 600
- Revenue (2015): MCHF 360 (MSEK 3 100)
- Business description

  Leader in industrial vacuum with significant presence in high vacuum

Products

- DRYVAC
  Dry Compressing Screw Pumps
- TURBOVAC iX
  Mechanical Turbomolecular Pumps
- TRIVAC
  Rotary Vane Vacuum Pumps
- SOGEVAC
  Rotary Vane Vacuum Pumps
- RUVAC
  Roots Vacuum Pumps
- TURBOSTREAM
  Turbo radial Blowers
- SCROLLVAC
  Dry Compressing Scroll Vacuum Pumps
- SYSTEMS
  Standardized & customized
- SCREWLINE
  Dry Compressing Screw Vacuum Pumps
- COOLVAC
  Cryo pumps
- TMP MAG Line
  Turbomolecular Pumps
- TMP Classic Line
  Turbomolecular Pumps
FACTS IN BRIEF

CSK overview

- Headquarters: Gyeonggi-do, South Korea
- Employees: 400
- Revenue (2015): BKRW 124.5 (MSEK 870)
- Business description
  A leading supplier of exhaust management and delivery systems in the Korean market, focused on semiconductor market

Products

- Exhaust management systems
  - Burn & Wet
  - Plasma & Wet
  - Thermal & Wet
  - Wet

- Delivery systems
Device proliferation

- Mobility and connectivity
- Electronics as necessity

New processes

- EUV lithography
- Advanced packaging

Integrated Systems

- Enabling rapid technology deployment
- Time to 1st wafer

OLED

- Significant investment
- Hyper growth market

Industrial / Process

- Freeze drying
- Food processing
- Pharmaceuticals and Healthcare

Miniaturization

- Moore’s law
- Next generation technologies

Scientific OEMs

- Point of Use spectrometry (simplification)
- Bigger system requirements

LED/Solar

- LED and general lighting
- ‘Green technology’

Electrical

- Lithium Ion batteries
- Electric vehicle applications

Increasing vacuum intensity

Vacuum Technique

New vacuum applications

450 mm transition

- Increasing complexity
- Consolidation
## VACUUM TECHNIQUE

<table>
<thead>
<tr>
<th>Typical operating pressure</th>
<th>Rough, process and industrial vacuum</th>
<th>Semiconductor</th>
<th>High and ultra high vacuum</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1 bar - 10(^{-6}) mbar</td>
<td>10(^{-3}) - 10(^{-6}) mbar</td>
<td>10(^{-3}) - 10(^{-11}) mbar</td>
</tr>
</tbody>
</table>

### Applications main classifications

- **Rough vacuum**
  - Packaging, printing, pick-up and conveying, medical etc.
- **Process vacuum**
  - Chemicals, petrochemicals, pharmaceuticals, plastics, food and beverage, textile, paper, etc.
- **Industrial vacuum**
  - Metallurgy, vacuum heat technology, laser technology, electron tubes, light bulbs, industrial leak detection, automotive, etc.

- **Semiconductor process vacuum**
- **TFT-LCD display**

- **Thin film**
  - LED, Glass/web/optical coating, data storage, surface coatings, display coatings, solar, etc.
- **Instrument**
  - Mass spectrometer, electron microscope, metrology, leak detection, analysis, etc.
- **R&D**
  - Universities, laboratories, scientific research, space simulation, etc.

### Main brands used

- **Rough vacuum**
  - Leybold
  - Edwards
  - Atlas Copco
  - Quincy
- **Semiconductor**
  - Edwards
  - CSK
- **High and ultra high vacuum**
  - Edwards
  - CSK
  - Leybold
  - Gamma

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Atlas Copco Group - New structure from January 1, 2017
VACUUM TECHNIQUE
Including Leybold and CSK

Revenues by region

North America 24%
South America 1%
Europe 19%
Asia/ Australia 54%
Africa/ Middle East 2%

Revenues

Revenues by region including Leybold and CSK (when acquired)

Revenues

<table>
<thead>
<tr>
<th>Year</th>
<th>Vacuum Technique, restated</th>
<th>Leybold</th>
<th>CSK</th>
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<tbody>
<tr>
<td>2014</td>
<td>8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12 months June 2016</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>12 months June 2016 incl. Leybold and CSK</td>
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<td></td>
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COMMITTED TO SUSTAINABLE PRODUCTIVITY.