Agenda

1. Facts in brief
2. The market and business fundamentals
3. Strategy for growth
4. Summary
Facts in brief
Compressor Technique

Growth drivers

- Industrial production
- Need for reduced energy consumption
- Innovation
- Leverage investments in presence
- Service offer
- Further expand the core organically and with acquisitions
- Digital value creation
- People development

Orders, revenues and operating margin

- Orders received, MSEK
- Revenues, MSEK
- Operating margin, %

November 26, 2019
Atlas Copco Capital Markets Day
The market we operate in

- Compressed air is often referred to as the 4th utility
  - We serve all industry segments

- Largest technology range
  - Application driven solutions
  - Small to big industries

- Providing Total Solutions
  - Quality air treatment
  - Industrial Gases

- Strong service organization
  - Global market coverage

* Share of orders received 12 months ending September 2019.
Traditional industries
New technology industries

Laboratories

Battery cell production

Packaging Automation

Electronics

Process Automation

Control Engineering

Laser Cutting

Robotics

Automatization & Industry 4.0 bring lots of opportunities for pneumatic controls and compressed air

... many more
Applications

Waste water treatment – Blower technologies

- Traditional solution
- Simple & reliable
- Energy efficient solution
- Low cost of ownership
- Premium solution
- Lowest cost of ownership
Applications

On-site Nitrogen Generator

Proven technology
- Simple
- Reliable
- Durable

Purity in line with application needs
Low operating costs

Total Cost

On-site investment

N₂/O₂ consumption

Bottle supply
Liquid supply
On-site generation
# Our product offering

## ATLAS COPCO COMPRESSOR TECHNOLOGY

<table>
<thead>
<tr>
<th>TECHNOLOGIES</th>
<th>PRESSURE</th>
<th>AIR QUALITY</th>
<th>MONITORING &amp; CONTROL</th>
<th>SERVICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>OIL LUBRICATED</td>
<td>Screw, Piston, Scroll, Centrifugal</td>
<td>0.1 bar - 400 bar</td>
<td>Dryers, Filters, Condensate treatment, Ancillaries, Nitrogen, Oxygen</td>
<td>Central control, Energy recovery, Connectivity, Industry 4.0 integration</td>
</tr>
<tr>
<td>100% OIL FREE</td>
<td>LARGEST PRESSURE RANGE</td>
<td>LARGEST POWER RANGE</td>
<td></td>
<td>Global presence, World class logistics, Certified technicians, Service plans, Diagnostic services</td>
</tr>
<tr>
<td>POWER</td>
<td>1 kW - 20 MW</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

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Recent product launches

More than 40 new products launched during the last 12 months
Sustainable profitable growth
Trends and driving forces

### GROSS DOMESTIC PRODUCT PER CAPITA

The table below shows the G20 countries' GDP per capita for 2019, ranked by GDP per capita (current prices in US dollars per capita). The data is sourced from the IMF World Economic Outlook, October 2018.

<table>
<thead>
<tr>
<th>Country</th>
<th>GDP per Capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>65,062</td>
</tr>
<tr>
<td>European Union</td>
<td>59,617</td>
</tr>
<tr>
<td>Japan</td>
<td>5,273</td>
</tr>
<tr>
<td>Germany</td>
<td>45,327</td>
</tr>
<tr>
<td>India</td>
<td>2,580</td>
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<tr>
<td>France</td>
<td>41,040</td>
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<tr>
<td>United Kingdom</td>
<td>37,417</td>
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<tr>
<td>Italy</td>
<td>34,764</td>
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<tr>
<td>Brazil</td>
<td>9,080</td>
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<tr>
<td>Australia</td>
<td>39,704</td>
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<tr>
<td>Mexico</td>
<td>38,794</td>
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<tr>
<td>Indonesia</td>
<td>37,204</td>
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<tr>
<td>South Africa</td>
<td>38,000</td>
</tr>
<tr>
<td>Turkey</td>
<td>12,646</td>
</tr>
<tr>
<td>Argentina</td>
<td>10,920</td>
</tr>
</tbody>
</table>

### SUSTAINABILITY

The image briefly mentions Sustainable Development Goals (SDGs) and plans to make industrial parks eco-friendly. The text reads: "Plans to make industrial parks eco-friendly. Industry urged to create watchdog for preventing pollution."
Trends and driving forces

ENERGY CONSUMPTION
INVESTMENT
INSTALLATION
MAINTENANCE
ENERGY SAVINGS
Focus and priorities
Customer requirements

INCREASED PRODUCTIVITY
- Maximum Uptime
- Performance Increase
- Guaranteed Air Quality
- Service Agreements

ELIMINATE RISKS

REDUCED OPERATING COST
- Energy Savings
- Eliminate Breakdown Cost
- Energy Savings
- Environmental Footprint

PROTECT ENVIRONMENT
Strategy for profitable growth – Summary

**GROWTH**

- Innovation for Reduced TCO
- Expanding Applications
- Increased Presence
- Service Offering
- Digitalization

**OPERATIONAL EXCELLENCE**

- Modular Product Design
- Lean Management
- Digitalization of Processes
CUSTOMER VALUE

PRODUCTIVITY

ENERGY COST

GA 90-160 (VSD+)
RELIABILITY
AVAILABILITY OF 98%

EFFICIENCY
MOST EFFICIENT COMPRESSOR ON THE MARKET

SERVICEABILITY
50% REDUCTION IN SERVICE TIME
Reliability

– Separate cool oil flow to bearings
– Longer bearing life

– IP66 Drive train (toughest conditions)
– Oil cooled motors (no greasing)
Efficiency

– Smart Injection oil system
– Optimum efficiency

– IE4 & IE5 motors
– Highest efficiency classes
Serviceability

50% reduced service time

Service time reduced in 6 key areas
GA90 – 160(VSD+)

5% energy reduction

Saving 3,360 euro per annum

VSD 35% reduction compared to fixed speed compressors

TOTAL 40%

Saving 26,880 euro per annum compared to old fixed speed range
Environmental savings

40% energy saving = 268,800 kWh of electricity or carbon dioxide reduction of 190 metric tons

Greenhouse gas emissions from

- Passenger vehicles driven for one year: 40.4
- Miles driven by an average passenger vehicle: 464,749

CO₂ emissions from

- Gallons of gasoline consumed: 21,389
- Gallons of diesel consumed: 18,672
- Pounds of coal burned: 207,803
- Tanker trucks’ worth of gasoline: 2.5
- Homes’ energy use for one year: 22.8
- Railcars’ worth of coal burned: 1
- Barrels of oil consumed: 440
- Propane cylinders used for home barbeques: 7,771
- Number of smartphones charged: 24,237,821

Calculation based on 160 Kw, 8000 Operating Hours, Electrical Cost 0.1 Euro, working 70% average load
Increase Customer Productivity

Well maintained compressed air installations with increased reliability

Guaranteed maximum uptime through fast and professional service response

Reduce Total Operating Cost

Energy savings through optimizing the efficiency of the complete compressed air installation

Service Plan agreements to ensure optimal compressor operations
Compressor Technique – Service

Equipment revenues, MSEK
Service revenues, MSEK
Service, share of revenues, %

CAGR
Service 8%
Equipment 5%
Strategy for profitable growth – Service

Our service offering

- Genuine Parts
- Customer Support Plans
- Air Optimization
- Monitoring & Control

LIFE CYCLE COST

MACHINE AVAILABILITY

High

Low

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Strategy for profitable growth – Service

Connectivity

>130,000 CONNECTIONS

More Service Leads

>98% Uptime

Additional Revenue

Customer Loyalty
People Key Focus Areas

Talent pipeline for future BLM’s and GM’s. Development plans for potential successors for business critical roles. Diversity & inclusion: Master in Marketing & Sales programs.

Top 350 leaders all have an individual development plan. Leadership development courses in place.

71% employees believe there is opportunity for professional development, mobility and growth. 73% employees believe we have a culture of respect, fairness and openness.

>85% usage of curated learning paths developed for target employee populations. LinkedIn learning available throughout the organization.
Summary – Compressor Technique

• Diversified market place
• Growing number of applications
• Broad product portfolio
• Focus on innovation
• Complete solution provider
• People are key
Forward looking statements

“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 and adversely affected by other factors such as the effect of economic conditions, exchange-rate and interest-rate movements, political risks, the impact of competing products and their pricing, product development, commercialization and technological difficulties, supply disturbances, and major customer credit losses.”