Compressor Technique

Bengt Kvarnbäck

Atlas Copco
Compressor Technique

Market Position

- World leader in compressed air products and solutions
- Global coverage with own resources in sales and after-market support
- Technology and cost leadership
  - High R&D investments
  - High volumes and focus on core activities
- Advanced global logistics
- Growth by strong market penetration and presence, and by continuous introduction of new and innovative products and services, extending the offer and increasing customer value.

Our Businesses

Compressed Air...

Machines 86%
Solutions 37%
Aftermarket 29%

...and a bit of

Gas Compressors 6%
Generators 4%
Specialty Rental 4%
Our Customers

- Industry
- Service Providers
- Distributors

Our Vision

To be...
First in Mind...

First in Choice...

Our Vision

Through...

Interaction  Commitment  Innovation
Our Vision

Offering Customers

Best Value

Our Performance

Revenues and Growth

Profitability - EBIT-margin
Our Performance

Profitability - ROCE development

September 2003
12 month figures

Our Performance

Profitability - ROCE development

September 2003
12 month figures

Capital Markets Day
November 12, 2003
www.atlascopco-group.com

The Foundation

Concept Developments
- Benchmarking
Is there a Better Way?

Global Presence

Orders received per region and trend in Q3 2003

Change in volume, Q3 2003 vs. Q3 2002
The Aftermarket

- Total Recurring: 35%
- Installed Base
  - > 800,000 Machines
The Aftermarket

- Profitability
- Stability
- Presence - Everywhere
- Growth

About 2,800 persons in customer centers directly involved in recurring revenues business (~ 50%)

“4 P”

Presence – People – Process - Products
**The Aftermarket**

- **Presence** means many thousand direct customer contacts every day.
- **Presence** means same service and support everywhere.

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**The Aftermarket**

*Machines vs. Aftermarket (orders invoiced 12m)*

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**The Aftermarket**

Machines vs. Aftermarket (CT - Invoiced 12m)

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**The Aftermarket**

- Machines
- Businesses

(Installed base)

1 to 1 concept

Different approaches and scope

High level of Specialization
The Aftermarket

Optimize

Lowest Cost – Optimal running

Keep Fit

Peace of Mind – Problem taken care of before it happens

Repair

Event Driven – Cost play

The Aftermarket

Development of Concepts and Tools for “Various Levels”

The Aftermarket

Market Presence

Products

After Market

Compressor Technique
The Aftermarket

For the indirect channel

- Spares
- Services

- Parts
- Kits
- Consumables
- Exchange units

- Maintenance
  - Fixed price
  - CoverCare™
  - AIRmonitor™
  - AIR Services

Structure/Support/Partner

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The Aftermarket

Offering and Marketing more Service Products

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Most distributors/dealers are here today

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The Aftermarket

AirScan™ provides tools for:

- Configuration
- Simulation
- Reporting
  - on solutions, savings, recommendations

Output: Present improvement/savings potential to customers

AirConnect™

- Remote monitoring of contracted installation
- Service Level Agreement (SLA)

New Product, being rolled out
The Aftermarket

AirOptimizer™

- Software for optimized energy use
- Linked with service plan
- Subscription base
  - Pricing based on tangible savings

The Aftermarket

AirOptimizer™

- New concept
- Requires a lot of training and new skills

Summary

- Forceful business development
- A lot of new products
- Actions in all Aftermarket areas
Summary

- Stable/improving business trend
- Currency an issue - more added value in low-currency markets
- A lot of new products
  - Aftermarket
  - Machines
- Strong growth in China continues