Compressor Technique

Stephan Kuhn, Business Area President

Business overview
Growth
Efficiency
Customer passion
Compressed air is used almost everywhere

Our business
Revenue diversity

- Gas compressors: 8%
- Parts & service: 35%
- Compressed air equipment and solutions: 51%
- Specialty rental: 6%
Orders, revenues and operating margin

Order development – equipment vs. aftermarket

Local currency

September 2011

Atlas Copco
Equipment vs. aftermarket
Industrial compressors

Revenues, 12 months figures

ROCE and operating capital turnover
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Market presence – the shift

A = Share of orders received 2002 (pro-forma)
B = Share of orders received 12 months until September 30, 2011

MSEK
Air and gas treatment
Quality Air – new division as from Jan. 1, 2012

Low pressure – 0.3 to 4 bar

Applications
- Wastewater treatment
- Pneumatic conveying
- Flue gas desulphurization
- …and many more

Potential
- Market size for low pressure is approx. BEUR 1
- Atlas Copco growth potential is large
Low pressure kicks off
Yeast fermentation project

Recent acquisitions

<table>
<thead>
<tr>
<th>Year</th>
<th>Acquisitions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>Compressor Engineering, Servis</td>
</tr>
<tr>
<td>2009</td>
<td>Aggreko Rental, Gulf Atlantic, Compressed Air Products</td>
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<tr>
<td>2010</td>
<td>JC Carter, Penlon Medical Gas Solutions, ABAC Catalunya, Tencarva</td>
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<tr>
<td>2011</td>
<td>Quincy Compressor, Cirmac, American Air, Premier Equipment</td>
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</tbody>
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Brands around the world...

Quincy
New products and order development

![Chart showing orders received, quarter, index](chart.png)

- Refrigerated Dryers
- QGS 5-30 Rotary
- GGV 2B-200 Rotary
- AIRnet
- AirMaster Recip
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Operational efficiency

- Logistics
- Lean assembly
Operational efficiency – logistics

- North American logistics center substantially strengthened
- China logistics center regional hub
- Inventory management improved

Achievements example – Sequencing

- Line stations reduced from 12 to 8 (-33%)
- Work in progress reduced from 16 to 10 units (-38%)
- Throughput time reduced with 38%
- Reduction of operators from 12 to 10 (-17%)
Working capital efficiency

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Customer loyalty
Net Promoter Score

- 63 operating units
- 48 countries
- 45 languages
- 1,500 responses per month

Compressor Technique
Committed to sustainable productivity.
Cautionary statement

“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.”