Mining and Rock Excavation Technique

Bob Fassl, Business Area President

Safety First!

Organic and acquisition growth
Mining and Rock Excavation Technique

- 2001: Christensen
- 2004: Ingersoll-Rand Drilling Solutions, Baker Hughes Mining Tools, Rotex
- 2006: Thiessen, CRM
- 2008: Focus + Prisma, Fluidcon
- 2009: Hartl, H&F
- 2010: Pro-forma
- 2011: Revenues BSEK 29.4
- 2010: Revenues BSEK 22.5
- Sep. 2012: 12 months Revenues BSEK 33.8
- Profitable growth

- Revenues:
  - 2001: BSEK ~6.2
  - 2006: BSEK ~16.5
  - 2010: BSEK 22.5
  - Sep. 2012: BSEK 33.8
More than 100 years experience

Mining and Rock Excavation Technique

Today

- Strong global market position
- Large aftermarket and consumables business
- A significant local presence in high growth emerging markets
- Customers rate Atlas Copco very high on product performance and reliability
- Stable and flexible organization and a strong management pool
Mining and Rock Excavation Technique

Orders received by customer category

- Construction: 28%
- Mining: 72%
- Services: 1%
- Others: 1%

Revenues by business type

- Equipment: 45%
- Aftermarket, incl. rental: 33%
- Consumables: 22%

Revenues by geographic area

- North America: 23%
- Europe: 19%
- Asia/Australia: 14%
- South America: 17%
- Africa/Middle East: 13%
- Others: 2%

Global growth
Continued strong demand for minerals
Investments in infrastructure
The energy efficiency and productivity requirements from the industry

Capitalize on major trends
Mining

Estimated exposure to minerals

- Gold 31%
- Copper 16%
- Iron 14%
- Zink 6%
- Nickel 5%
- Lead 1%
- Silver 5%
- Platinum 5%
- Diamond 3%
- Other 3%
- Coal 11%
Outlook / trends

Mining

- Continued demand for minerals long term
  - Somewhat weaker short term
- Total cost of ownership and optimization of full value chain
  - Increased mechanization and more automation
  - Equipment availability
  - Energy and safety
- More underground, lower ore grades and remote locations
- Consolidation
Civil engineering / construction

<table>
<thead>
<tr>
<th>Underground civil engineering</th>
<th>Quarrying</th>
<th>Surface civil engineering</th>
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<th>Crushing and screening</th>
<th>Ground engineering</th>
<th>Waterwell Oil &amp; Gas</th>
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Outlook / trends

Civil engineering / Infrastructure

- Investments in infrastructure
  - Tunneling
  - Hydropower plants
  - Road development
  - Geotechnical work
## Priorities

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<tr>
<th>Innovation / Product development</th>
<th>Aftermarket</th>
<th>Presence</th>
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<td><img src="image1" alt="Innovation / Product development" /></td>
<td><img src="image2" alt="Aftermarket" /></td>
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<th>Operational excellence</th>
<th>Acquisitions</th>
<th>People management</th>
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<td><img src="image5" alt="Acquisitions" /></td>
<td><img src="image6" alt="People management" /></td>
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## Automation

Peter Salditt  
Division President, Drilling Solutions
Differentiated offer
Meeting the demands for surface drilling in China

Markku Teräsvasara
Division President, Surface Drilling

Atlas Copco Service

Andreas Malmberg
Division President, Mining and Rock Excavation Service
Adding value through drilling consumables contracts

Johan Halling
Division President, Rock Drilling Tools

Examples of new presence

- Eastern Russia
- Mongolia
- Western China
- Western Africa
- Central America

Operational excellence

- Increase equipment availability through excellent service
- Reduce lead time in manufacturing
- Working capital efficiency
Acquisitions

- Extending the offer
- Increase presence and penetration in the market

Dimensional stone industry

Acquisition of Perfora
**Utility vehicles**
Acquisition of GIA

**Drill bits**
Acquisition of Newtech
Committed to sustainable productivity.