

# Surface Drilling Equipment Division



Atlas Copco Capital Markets Day, November 20, 2007

Stephan Kuhn, Division President

## Our business

Pneumatic and hydraulic drill rigs for the construction and mining industries



ROC 600 with separated rotated rock drill BBE 57 predecessor  
ROC 600 was the first AC crawler drill, introduced in 1964.



ROC 810H  
The first Atlas Copco hydraulic crawler drill rig, introduced in 1977.



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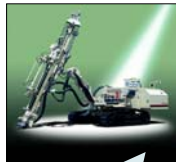
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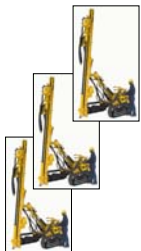
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## LM 100 vs. CM 470 LC in medium hard Granite



**TOTAL – 1 unit per shift**

- Drilling rate – 21 m/hr
- Crew – 1 operator
- Diesel – 14 l/hr



**TOTAL – 3 units per shift**

- Drilling rate – 21 m/hr
- Crew – 9 operators
- Diesel – 63 l/hr

For one shift operation



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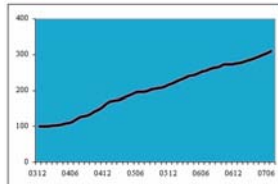
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## Growth

- Global leader for percussive surface drilling equipment
- 12 M Order Intake has doubled since 2004
- Market share is stable

Sales LTM



Top Three Market Players:

No 1: Atlas Copco

No 2: Tamrock

No 3: Furukawa



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## Standing on solid ground

Markets      Products & Applications      Efficiency

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## Factories close to main markets

Dallas Texas      Örebro      Zhangjiakou China      Yokohama Japan  
Nasik India      Nanjing China

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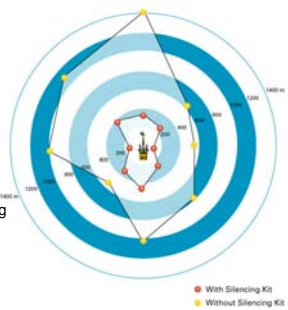
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## SMARTRIG™

- **Productivity:**
  - Automatic drilling by
    - Automatic feed alignment
    - Automatic rod adding system
    - GPS assisted hole navigation
- **Documentation:**
  - Efficient planning process
  - Streamlining the drilling and blasting process
  - Automatic hole documentation
- **Environment**
  - Less risk for oil spillage
  - Less noise - Silenced ROC
  - Lower fuel consumption



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## SMARTRIG™ rock drill control system

Result from field test

	SOUD	MEDIUM	FRAGMENTED
HARD	ROC D7C, Swedish customer Shank life +47% Productivity +15%		
MEDIUM		ROC D7C, Scottish customer Shank life +31%	ROC F9C, Hungarian customer Shank life Better Productivity +1%
SOFT		ROC F9C, French customer Drill steel +167% Productivity +18%	

Shank life - drill water  
Drill steel - drill water  
Productivity - drill water: equal

Shank

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## Radio ROC

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## ROC L6<sup>30</sup>

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## Movie about unique products

- **SMARTRIG™**
- Radio ROC
- ROC L6<sup>30</sup>



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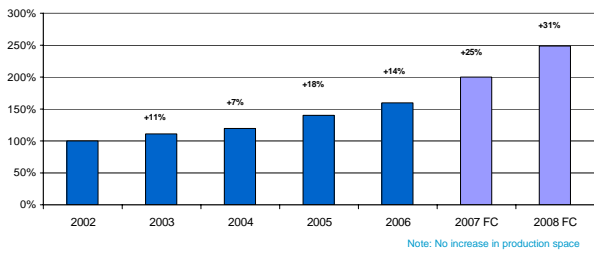
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## Indexed production Output in the Örebro factory



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## Efficiency

- **Outsourcing of Power Pack Assembly to Irmer & Elze**
  - Cost neutral
  - Completed by October 2007
  - Effect
    - 10% of blue collars
    - 20% less of total WIP
    - From 650 to 60 article numbers
    - Payment when rig leaves the line



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## Trends & Outlook

- Construction markets are still growing except the US market
- Most Mining markets continue to be robust
- Our growth is expected to continue but on more moderate level
  
- Shortage of technical hands (technicians and engineers) in certain markets will worsen
- Cost of ownership concept becomes key buying criteria for decision makers



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**We are committed to your  
superior productivity through  
interaction and innovation.**



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