

Atlas Copco Industrial Technique



Atlas Copco Capital Markets Day, November 19, 2009
Mats Rahmström, Business Area President

Atlas Copco

Agenda

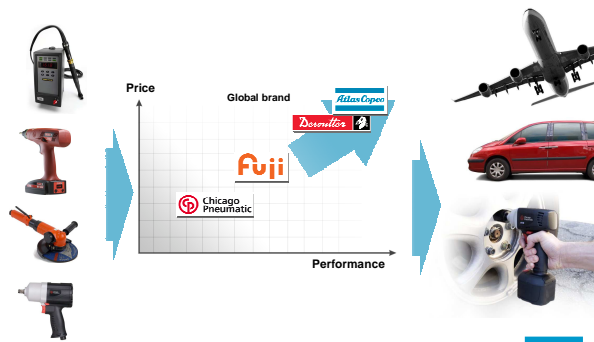
- Our business
- Financial performance
- Market trends
- Product development



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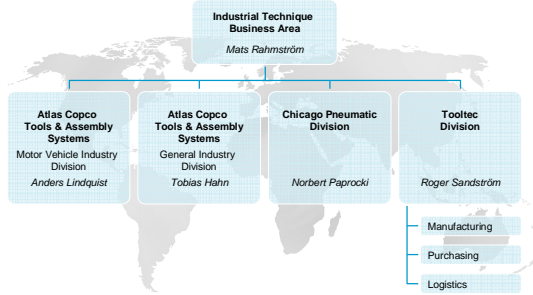
This is Our Business



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Organization



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Mission for Industrial Technique



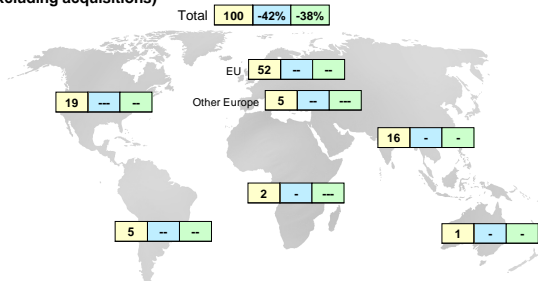
"To offer our customers ergonomic tools and solutions that provide the highest quality and productivity, while ensuring lowest total cost of operation and least environmental impact"

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Orders Received – Local Currency

(Excluding acquisitions)



A = 12M Sales of IT Total Sales (%)
 B = YTD vs. YTD previous year (%)
 C = 3Months vs. same period previous year (%)

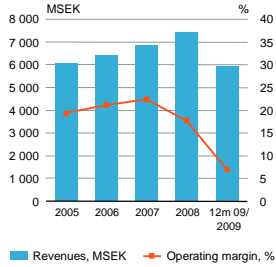
Other Europe: Croatia, Bosnia-Herzegovina, Russia, Ukraine, Belarus, Serbia, Turkey, Norway, Iceland, Switzerland.

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Financial Performance

Market position, sales and operating margin



World leading supplier of industrial power tools and assembly systems for industrial manufacturing



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Operations



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Trends



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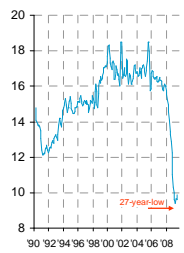
Center of Gravity Moving East



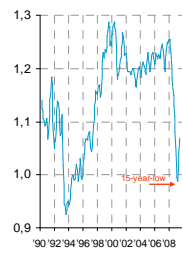
Sharp Downfall of Triad PV Markets

Triad Automotive

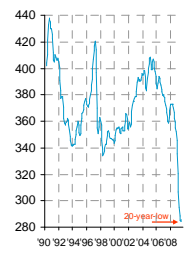
US – Light vehicles
m units, SAAR rates, BEA



WEU – Passenger vehicles
m units, Season, adj., 3-month-average, VDA



Japan – Passenger vehicles
'000 units, Season, adj., 3-month-average, VDA



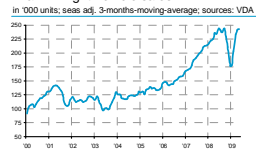
Source: BEA = Bureau of Economic Analysis
VDA = Verband Der Automobilindustrie

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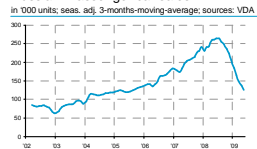
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BRIC with Minor Dips (Except Russia)

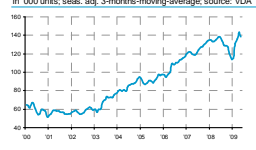
Brazil – Light vehicle sales



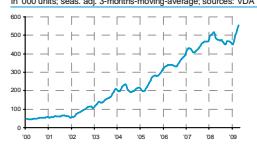
Russia – Passenger car sales



India – Passenger car sales



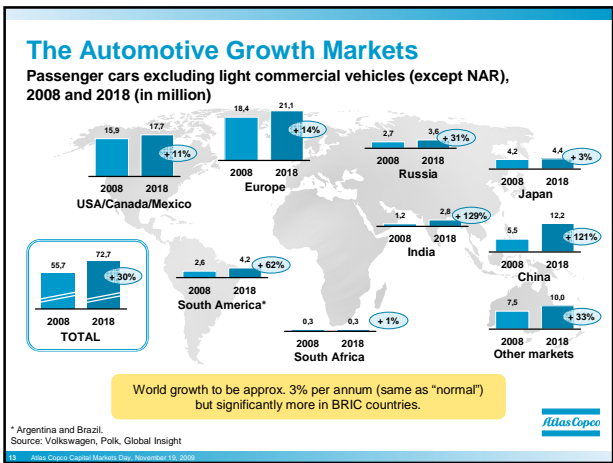
China – Passenger car sales



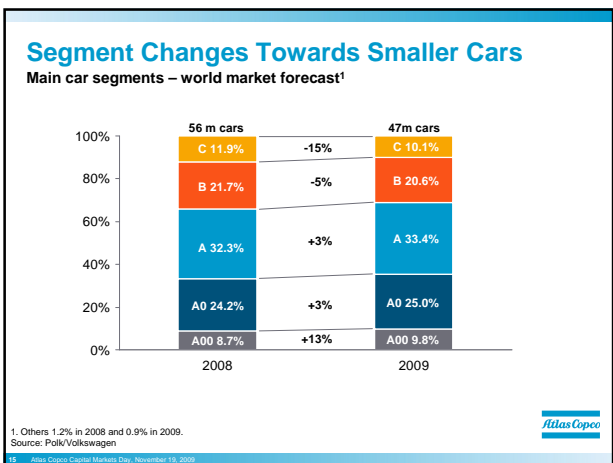
Source: VDA = Verband Der Automobilindustrie

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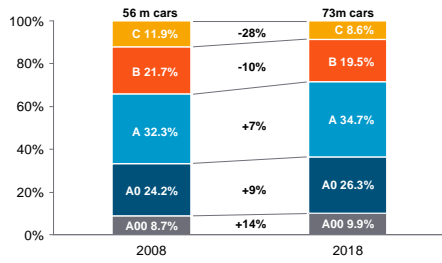






Segment Changes Towards Smaller Cars

Main car segments – world market forecast¹



1. Others 1.2% in 2008 and 1.1% in 2018.
Source: Polk/Volkswagen

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Technical data

- 2 wheel-hub electric motors
- 44 cells for a 300 Ah battery with 80 V
- V_{max} = 50 km/h
- Range 50 km
- Electric brake in the front, mechanical brake in the rear
- Total weight: 980 kg
- Battery weight: 410 kg
- Approx. 300 vehicles sold

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Energy Storage Systems: The Dilemma



Battery system
Weight: 68 kg
Energy content: 0,5 kWh



Gasoline
Volume: 55 ml
Energy content: 0,5 kWh



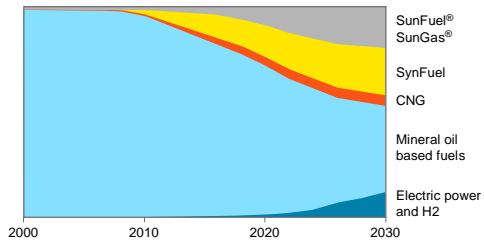
Chocolate
Weight: 85 g
Energy content: 0,5 kWh

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Energy Carrier in Mobility

A European Scenario

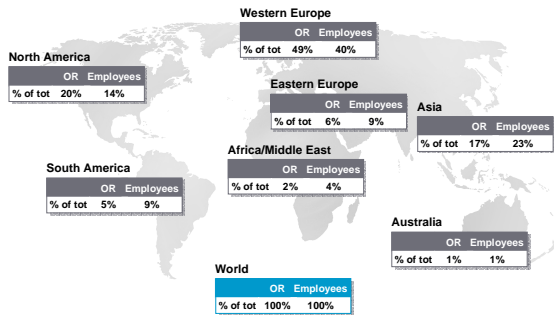


Source: Volkswagen
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Resource Allocation

Customer Centers – Year to date 2009/09



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People

- Management
- Products
- Applications



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Commonality in Process

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Top 20 Customers Asia – Motor Vehicle Industry

Year	Asian companies	Joint ventures
2005	~75%	~25%
2009	~65%	~35%

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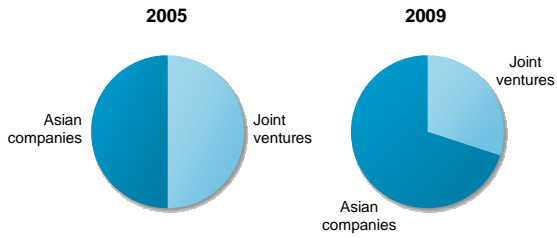
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General Industry Market Trends

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Top 20 Customers Asia – General Industry



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Recovery Ready

- People
- Structure
- Products
- Strong customer base with western companies in Asia and local companies



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Product Development



Innovation differentiate
leader from followers

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Product Launch Plan

- Not in Handout



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Innovation for Customers



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Atlas Copco Tool Location System



- High tech solution for tracking vehicles and tools on the assembly line
- Tracks assets indoors just like GPS outdoors
- Unique solution for zero fault fastening using cordless tools



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Service – Five Steps to Lean Production



Environmental Priorities

- 93% of all production sites are ISO 14001 certified
- Reduction of CO₂ from energy use 30% less emissions per used MWh
- Improved energy efficiency in our products
- Design for environment
- Sustainability in the supply chain
- Doing business for sustainable productivity



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Summary



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The Atlas Copco logo is centered within a white rectangular box. It features the company name "Atlas Copco" in a blue, italicized serif font. The text is flanked by two solid blue horizontal bars, one above and one below the name.

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."

A small version of the Atlas Copco logo, consisting of the company name in blue italicized serif font with a blue horizontal bar above it.

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