

Group Strategy

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Atlas Copco Capital Markets Day - May 18, 2000



Vision



Development

Continuous improvements

production
products
marketing
organization
business flows



**Flow organization
to better serve our
customers**

Innovations

new technology
new concepts
new methods



**Project organization to
safeguard long-term
results**

Directions for Growth



Organic growth



Asia



Use of products

Multi-brand



Chicago
Pneumatic



In Today's Program Innovations

Better Sales Reach

- Technology
- Service initiatives
- Rental service
- E-business

Improved Efficiency

- E-business
- Common service providers

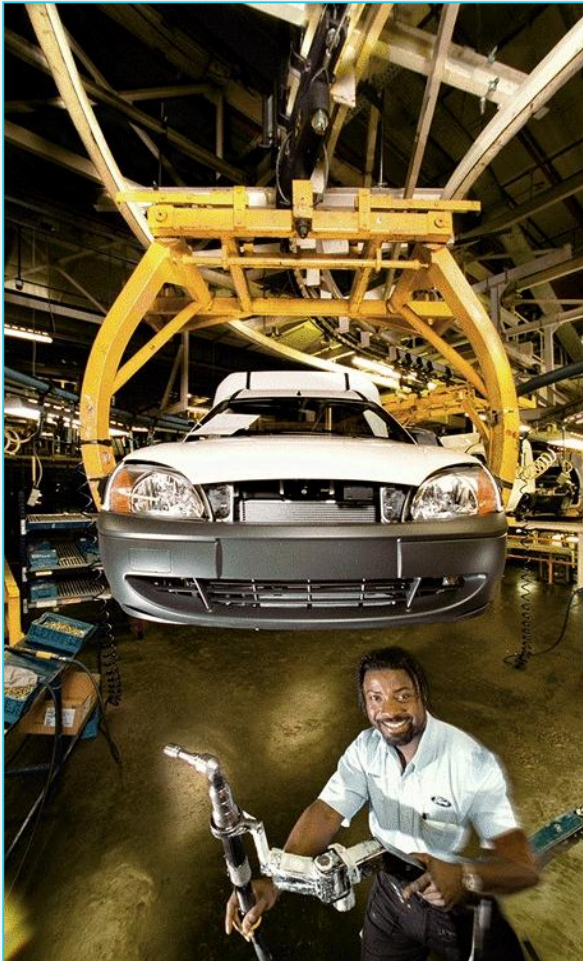
Tensor



- Project organization

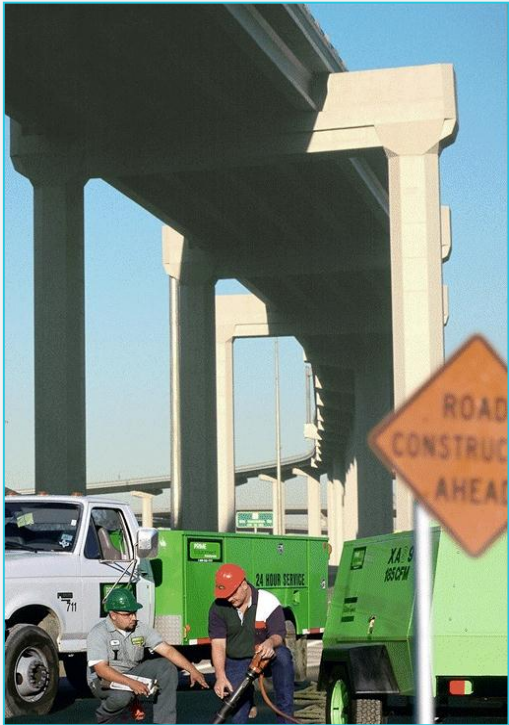
Christer Hansson

Use of Products Service



Peter Möller

Use of Products Rental Service



Lennart Johansson

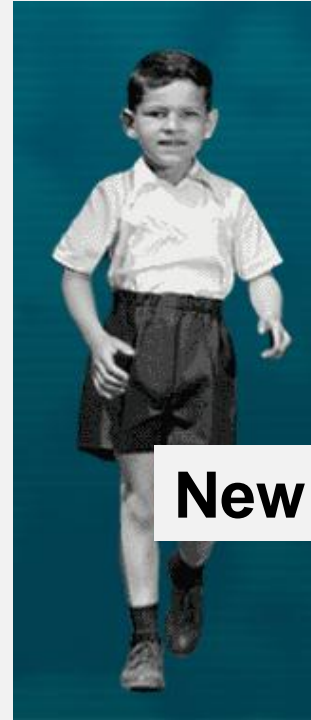


Internet



Old

Annika Berglund
Christer Bülow



New

Old AND New Economy



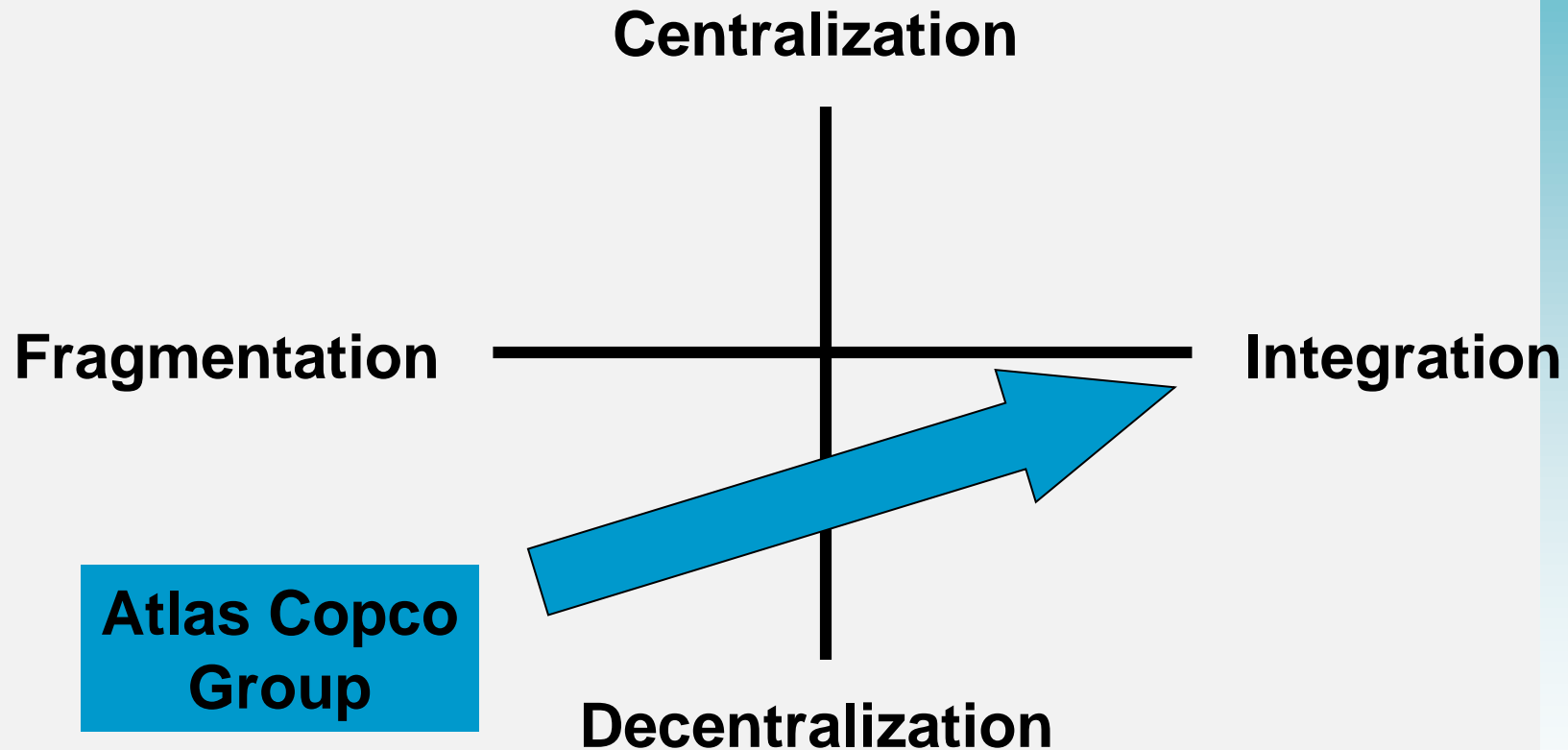
BETTER SALES REACH

- Territory management
- Global sales
- Product innovation

IMPROVED EFFICIENCY

- Production
- Logistics

Integration vs. Business Unit Culture



Common Service Providers Distribution Center

Åke Larsson

Package Detail

Tracking Number: 34432321647 Pickup Date: 7/06/99
 Shipper Number: 477W46 Package Weight: 15 KGS
 Service Level: STANDARD Reference Numbers
 Current Status: DELIVERED 163973

Delivery Details

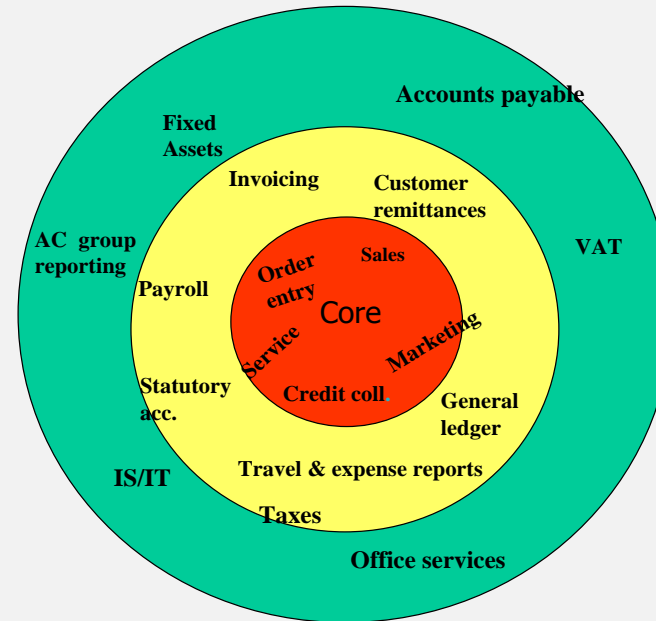
Receiver Name: N/A
 Receiver Address: SCHWEDT / ODER DE
 Delivery Date: 8/06/99 Delivery Time: 10:25
 Received By: BOZYK
 Location: GESCHAEFT

Package Progress	City	State	Ctry	Date	Time
DELIVERED	BERLIN EAST I		DE	8/06/99	10:25
DESTINATION	BERLIN EAST I			8/06/99	9:07
ORIGIN BUILDING	BRUSSELS			7/06/99	22:39
ORIGIN BUILDING	HERNE HUB			7/06/99	21:20

Proof Of Delivery... Close Help



Common Service Providers ASAP



Anna-Karin Stenberg



Atlas Copco



Our Values



Interaction

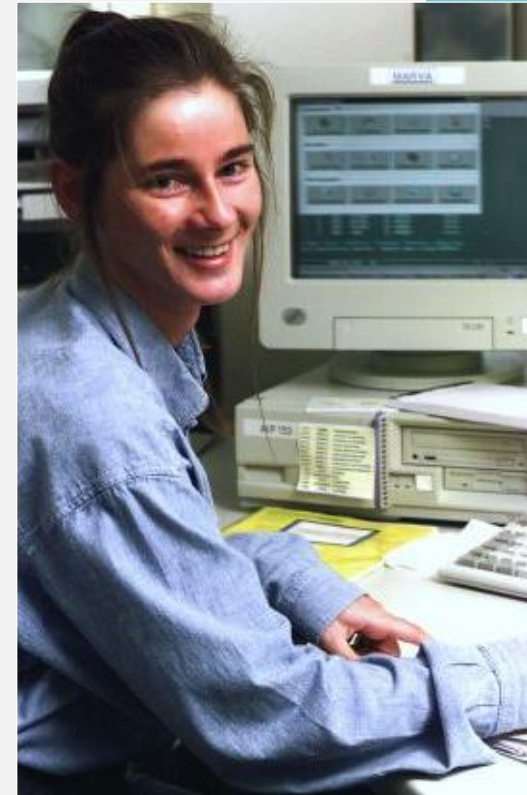


Innovation



Commitment

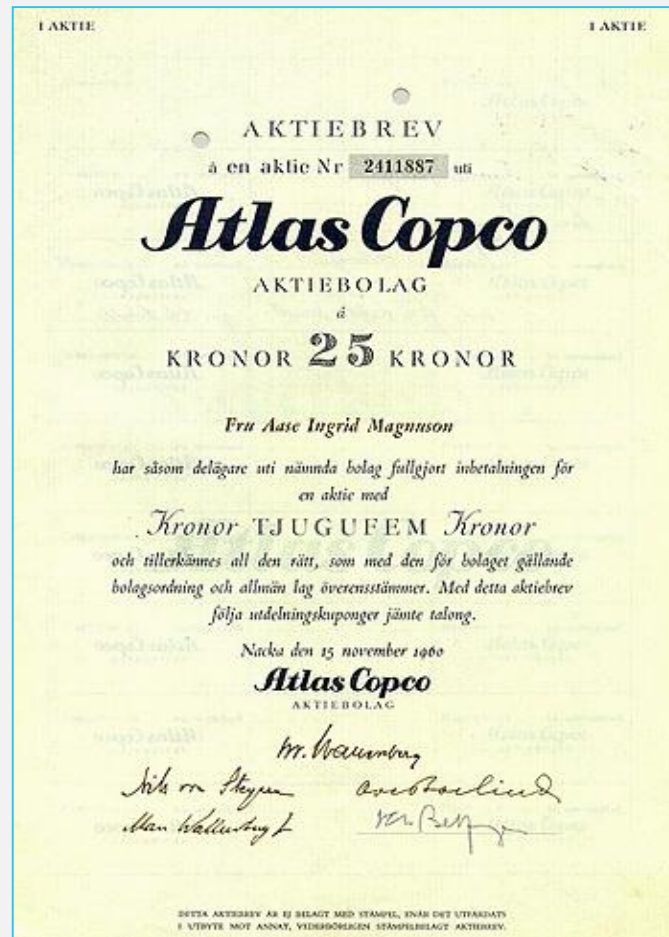
World Class People



Competence Development



Option Program





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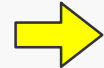
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Industrial and Geographical Near Term

Demand Outlook (Dotted Arrows Indicate Risk/Opportunity)

Weight by Industry

Others	5%
Process	15%
Mining	10%
Automotive	10%
Mechanical	20%
Construction	40%



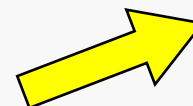
Weight by Region

Africa/Middle East	4%
Asia/Australia	10%
South America	4%
North America	50%
Europe	32%

May 2000



Total Demand Outlook



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“Six Demand Keys”

Capital Goods 45%

Expendables and
After Market 55%

May 2000

Industry

Industrial
Machine
Investment



Industrial
Production



Mining

Mining Machine
Investment



Metal Ore
Production



Construction

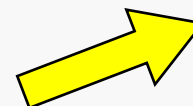
Infrastructure and
Public Investment



Construction
Activity



Total Demand Outlook





The face of interaction





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