

Compressor Technique



Atlas Copco Capital Markets Day, November 19, 2009
Stephan Kuhn, Business Area President



Agenda

Sustainable productivity in and after the crisis

COMPRESSOR TECHNIQUE TODAY

- What we do
- Where we stand

FUTURE GROWTH

- Meeting customer needs
- Applications and products
- Markets
- Brands
- Aftermarket



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Compressor Technique Today

- What we do



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Revenue Diversity



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Compressor Technique Today

- Where we stand

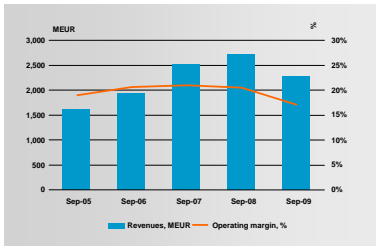


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Revenues and Operating Margin



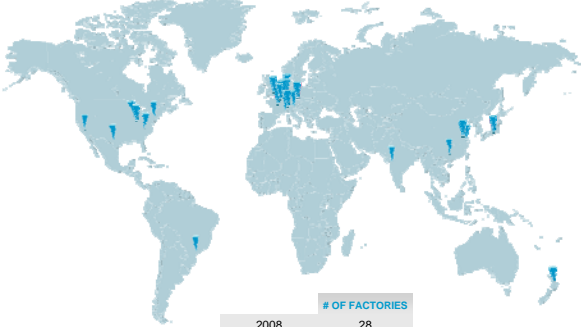
- Revenues stabilized
- Positive development of the product cost
- Positive impact from functional cost reductions
- Some factories still under absorbed

M EURO	Q1	Q2	Q3	YTD	% vs. '08
OR	700	681	716	2,097	-29.7%
NIS	760	762	756	2,278	-16.3%
EBIT%	16.6%	16.1%	18.6%	17.1% (20.5%)	

12 month values, 2009 pro forma, continuing business included in CT



Capacity Adjustments



Current factory footprint

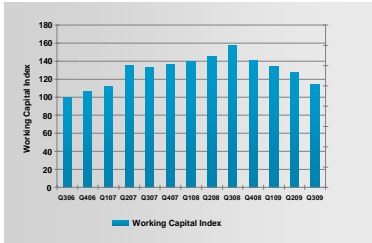


Cost Reductions

- Marketing & administration cost: substantial reduction achieved
- Continued high focus on design & development
- Product cost changes through:
 - purchasing savings
 - design modifications



Working Capital Development



- Working capital reduced to former benchmarks

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Future Growth

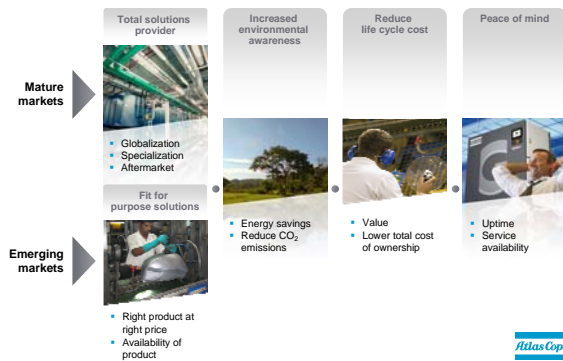
- Meeting customer needs



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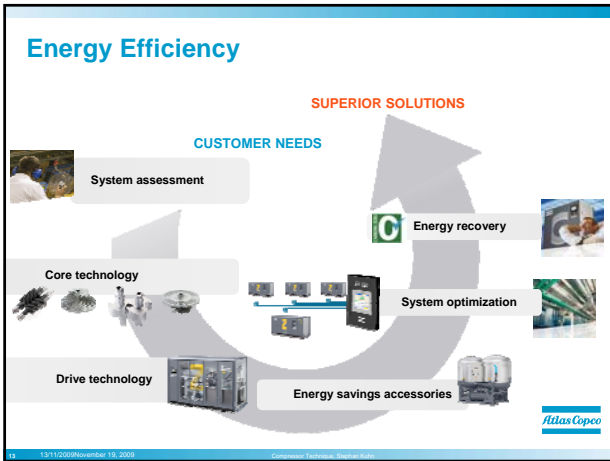
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Meeting Customer Needs

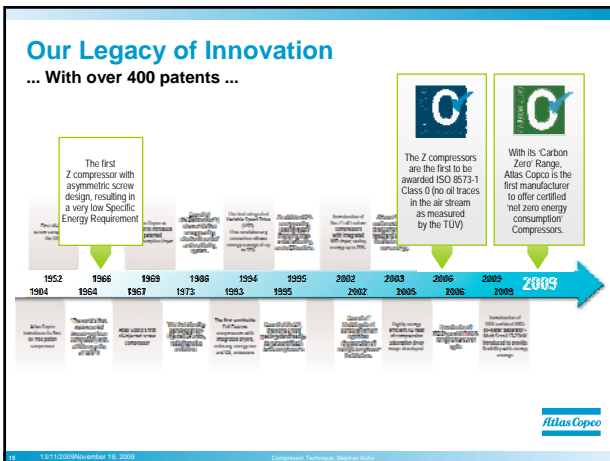


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Carbon Zero

ULTIMATE RELIABILITY
CUSTOMER EXPECTATIONS
ULTIMATE AIR QUALITY
ULTIMATE EFFICIENCY

Carbon Zero

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Carbon Zero

Air input atmospheric

Energy input electricity

Energy output tool holder

Air output compressed

Low pressure element

Intercooler

High pressure element

Aftercooler

100% heat recovery

Atmospheric air at specific design conditions

Oil cooler

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Fit for Purpose

Customer demands require:

- Right product at right price
- Availability of product close to the customer

- ✓ Product
- ✓ Price
- ✓ Promotion
- ✓ Place

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Future Growth

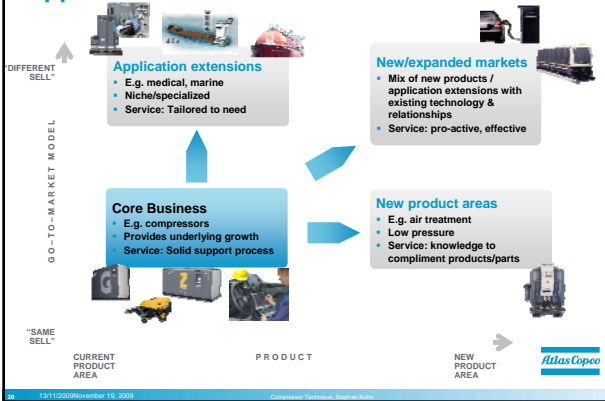
- Applications and products



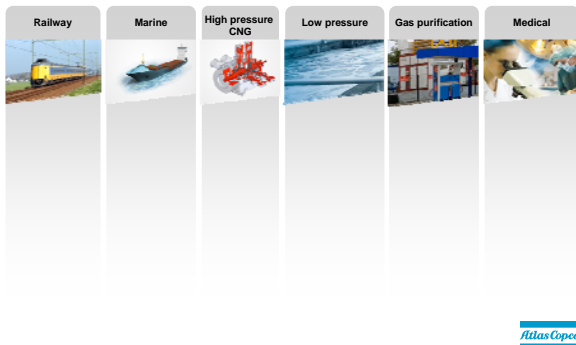
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Applications & Products



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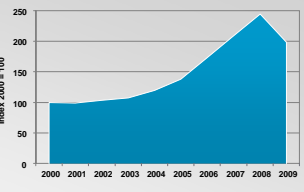
Medical 



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Gas Purification

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Satisfying Customer Needs in Growing Markets

- Developing markets seeking ways to limit the environmental impact of their activities
- We have the technology to achieve their goals
- Fit for purpose products providing cost effective solutions to reduce carbon footprints



warmco.

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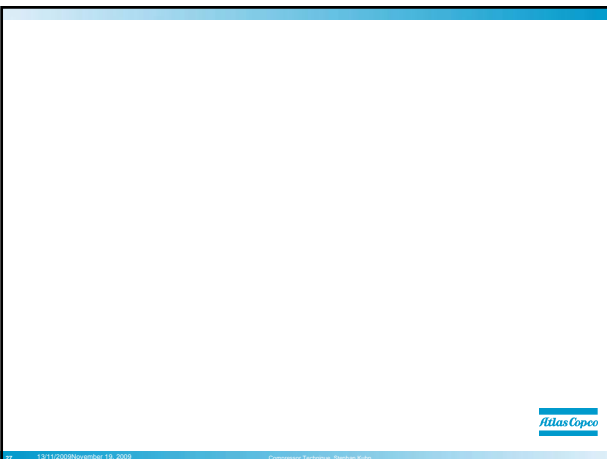
Future Growth

- Markets



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Future Growth

- Brands



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Brands



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Future Growth

- Aftermarket



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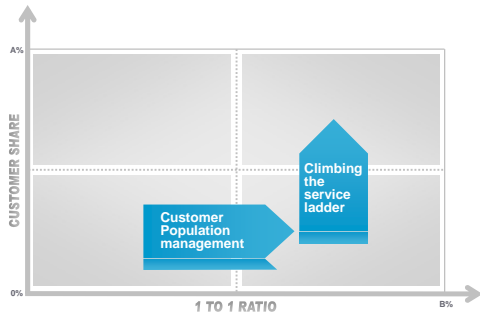
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Growth in Aftermarket

Driven by 2 dimensions



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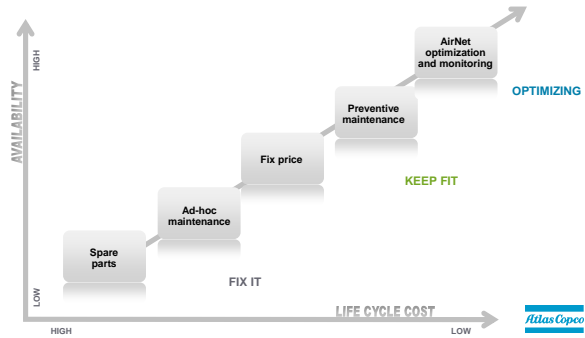
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The Strategy

Climbing the service ladder supported by a complete aftermarket offer



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OPTIMIZATION



- Energy savings in the compressor room



- Customer satisfaction
- Reducing administration costs
- Operational efficiency

AFTERMARKET EFFICIENCY

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Aftermarket Product



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Customers Trust our Capability



Jim Dickinson, Longley Farms, UK
(Several oil-free compressors)



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



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