

## Atlas Copco Group – Product Development



Atlas Copco Capital Markets Day, November 19, 2009  
Ronnie Leten, President and CEO



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## Why Product Development?

- New products and solutions, a driving force in organic growth
- Increase customer value
- Long-term strategic importance
  - Stay ahead of competition
  - Support profitability and pricing
  - Stay ahead of trends and regulations



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## External Drivers for Product Development

- Safety
- Emissions
- Noise
- Vibration levels
- Energy efficiency
- Enhanced productivity
- Design and ergonomics
- Intelligent product concept
- Set the benchmark



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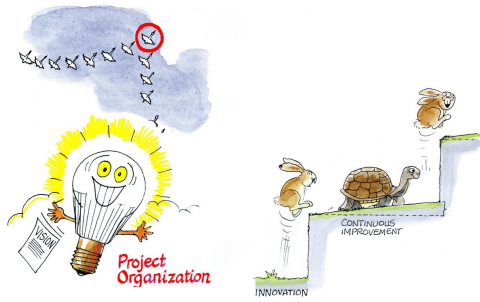
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## Innovation Steps



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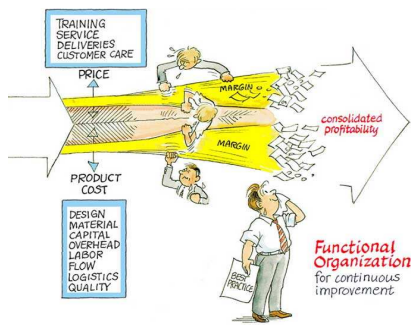
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## Incremental Steps



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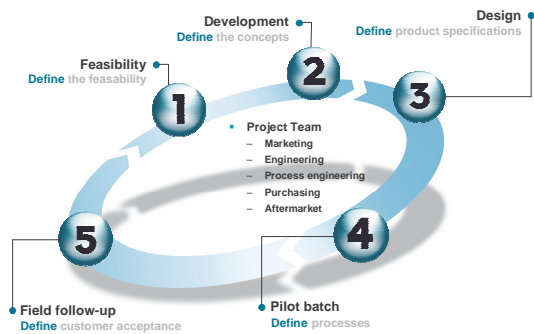
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## Core Process



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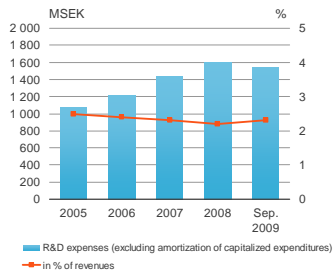
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## Financial Commitment



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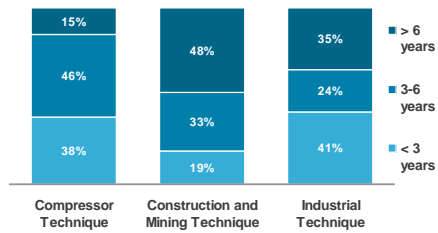
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## Vitality of the Product Portfolio

Share of revenues and product age



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## Leverage Product Development – Result in Greater Presence



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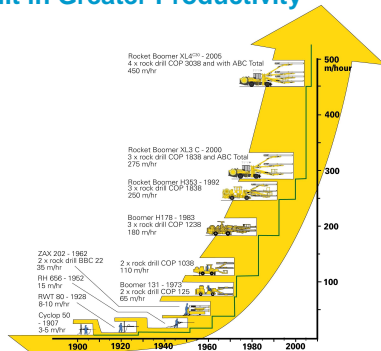
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## Leverage Product Development – Result in Greater Productivity



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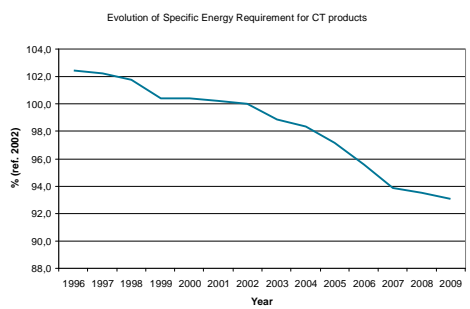
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## Leverage Product Development – Result in Greater Energy Efficiency



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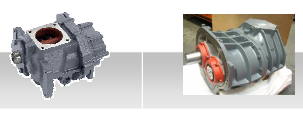
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## Leverage Product Development – Result in Lower Cost



Weight reduction	-16%	-14%
Capacity increase	+4%	+2%

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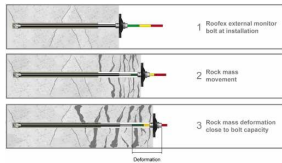
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## Leverage Product Development – Result in Greater Safety

- Roofex Rock Bolts



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## Leverage Product Development – Result in Greater Ergonomics

- Tensor Revo
  - 50% lighter
  - 41% shorter
  - 30% faster



6 kg

364 mm

Comparison: ETP ST101-1000-25 vs. ETP 99-1000-25

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## Leverage Product Development – Result in Greater Customer Value

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## Summary

- Product development – a key to success
  - Core process
  - High focus
  - Increase investments

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## 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.”

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