

## Atlas Copco Industrial Technique



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



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## Agenda

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



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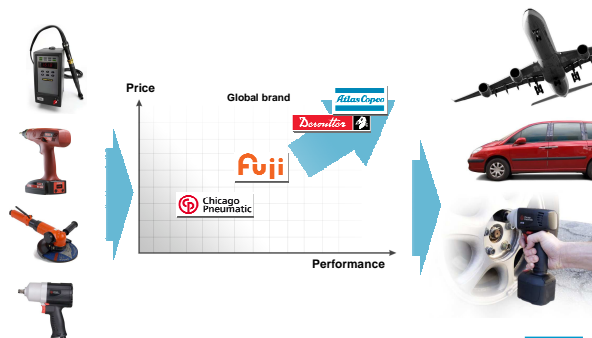
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## This is Our Business



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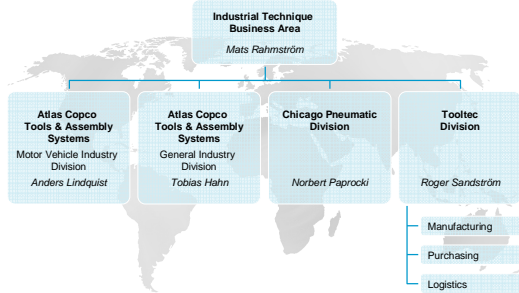
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## Organization



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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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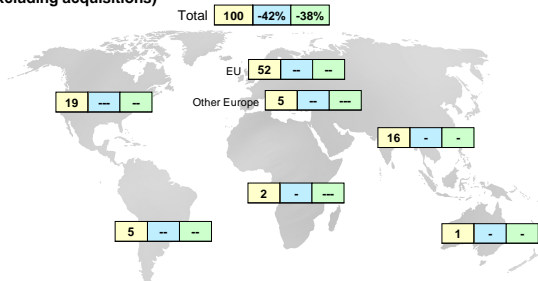
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## Orders Received – Local Currency

(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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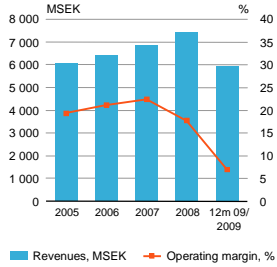
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## Financial Performance

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



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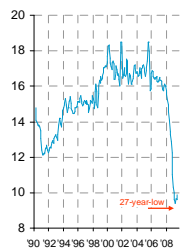
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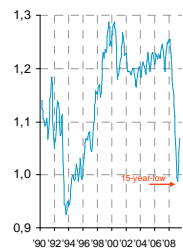
## Sharp Downfall of Triad PV Markets

### Triad Automotive

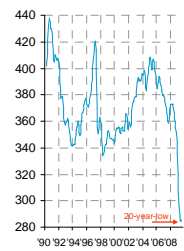
US – Light vehicles  
m units, SAAR rates, BEA



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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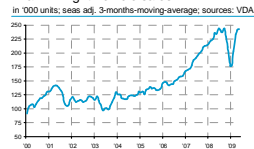
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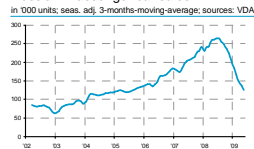
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## BRIC with Minor Dips (Except Russia)

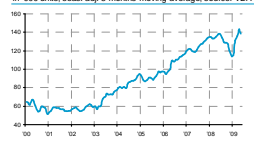
Brazil – Light vehicle sales



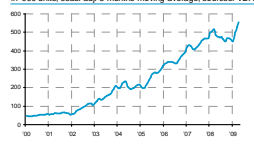
Russia – Passenger car sales



India – Passenger car sales



China – Passenger car sales



Source: VDA = Verband Der Automobilindustrie

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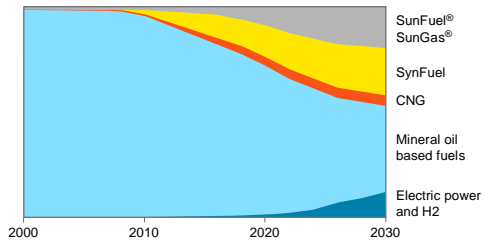
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## Energy Carrier in Mobility

### A European Scenario



Source: Volkswagen  
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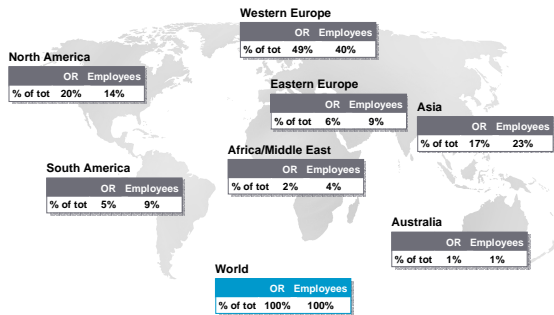
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## Resource Allocation

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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### General Industry Market Trends

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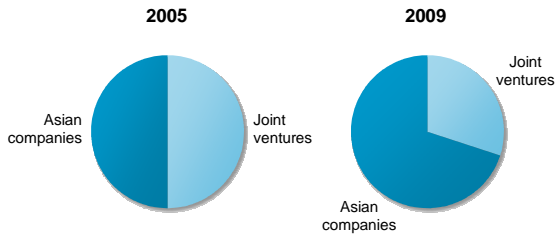
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## Top 20 Customers Asia – General Industry



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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



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## Environmental Priorities

- 93% of all production sites are ISO 14001 certified
- Reduction of CO<sub>2</sub> 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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### 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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