

The Atlas Copco logo is displayed in white text on a blue rectangular background in the top right corner of the image.A technical drawing of a mechanical component is overlaid on a blue triangular graphic on the left side of the image. The drawing includes various dimensions and labels such as 1380 (64.9), 1630 (64.2), C-C (1.3), Ø10, Ø72, 0.8, 10.5, 30.8, 16.5, 4.8, and 1.7.

# Power Technique

Andrew Walker, Business Area President

Capital Markets Day 2018



# Agenda

- 1 Facts in brief
- 2 Trends and driving forces
- 3 Focus and priorities
- 4 Innovation in reality
- 5 Summary



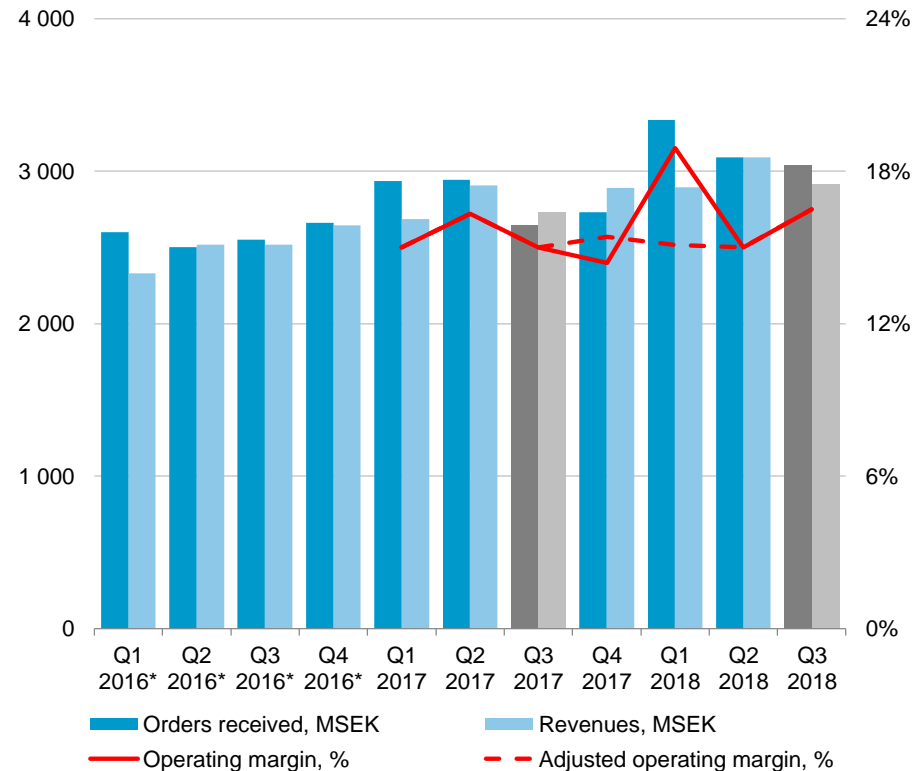
# Power Technique

## Growth drivers

- Increased infrastructure investments
- Localization of our products to meet local legislations
- Innovation in equipment
- Expanding the service offer
- Strengthen market position in pumps, generators and light towers
- Develop a service network for indirect channels
- Environmental regulations



ORDERS, REVENUES AND OPERATING MARGIN



\*2016 quarterly figures shows best estimated numbers, as effects of the split of the Group and restatements for IFRS 15, are not fully reconciled.

# Orders received – local currency Q3 2018

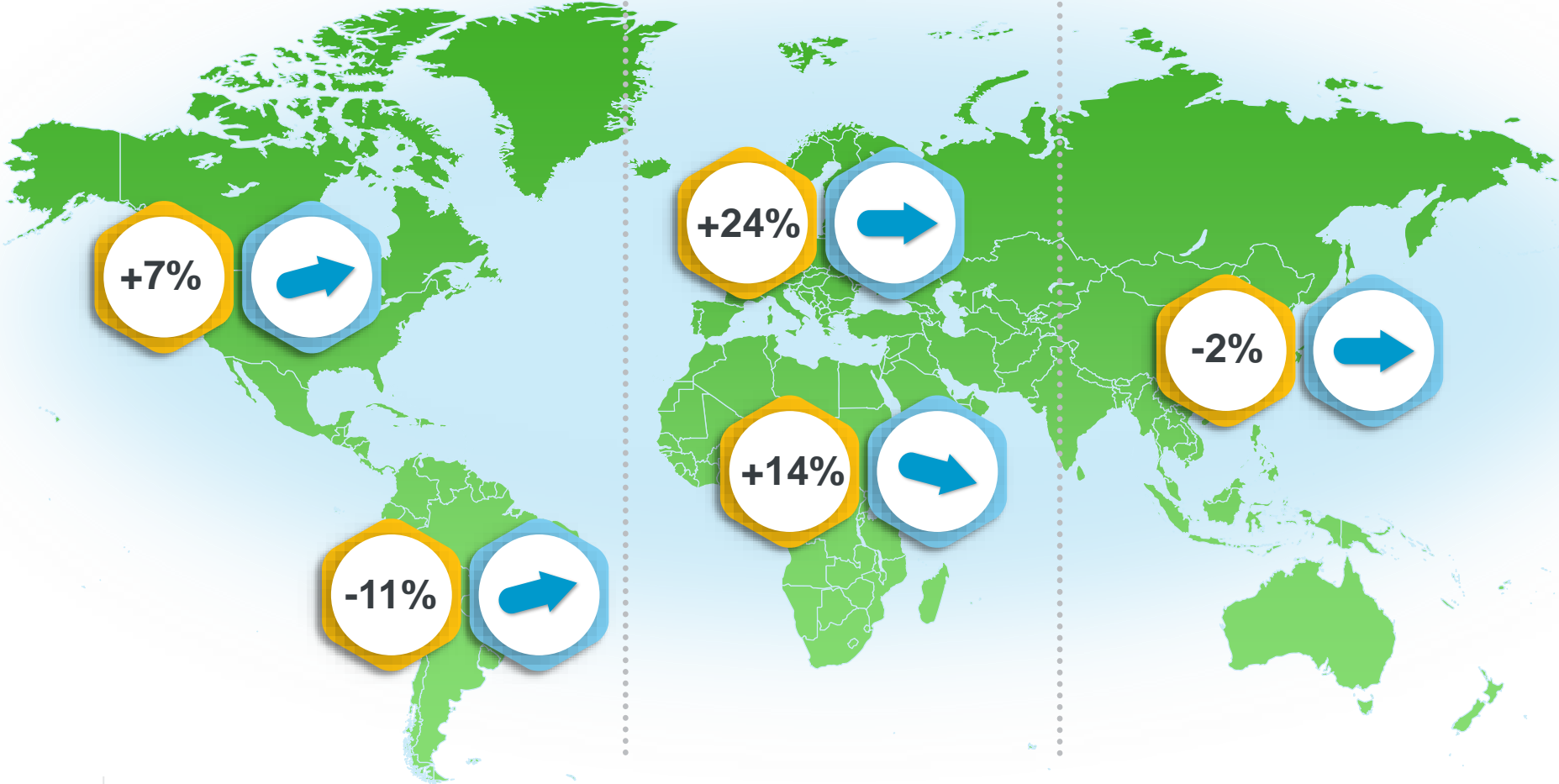
YoY Q3 vs. Q2

SHARE OF ORDERS RECEIVED YEAR TO DATE:

29%

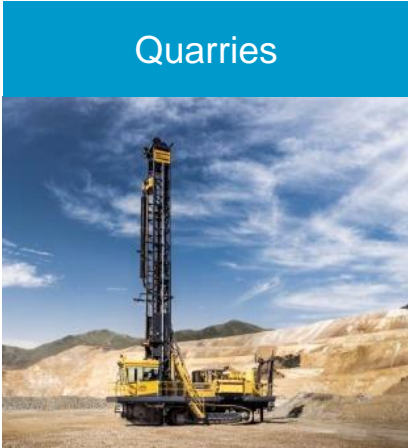
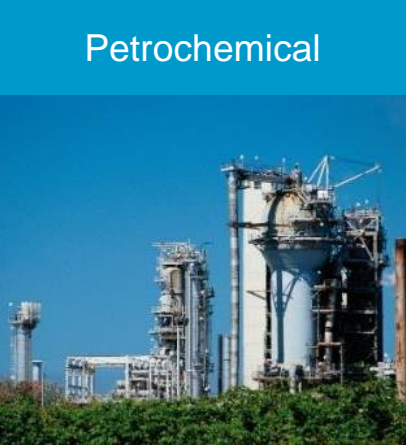
51%

20%



# Focused on construction and so much more...

Industries served include:



# Power Technique divisions

Portable Air  
Inc. Tools



Power  
and Flow



Power Technique  
Service



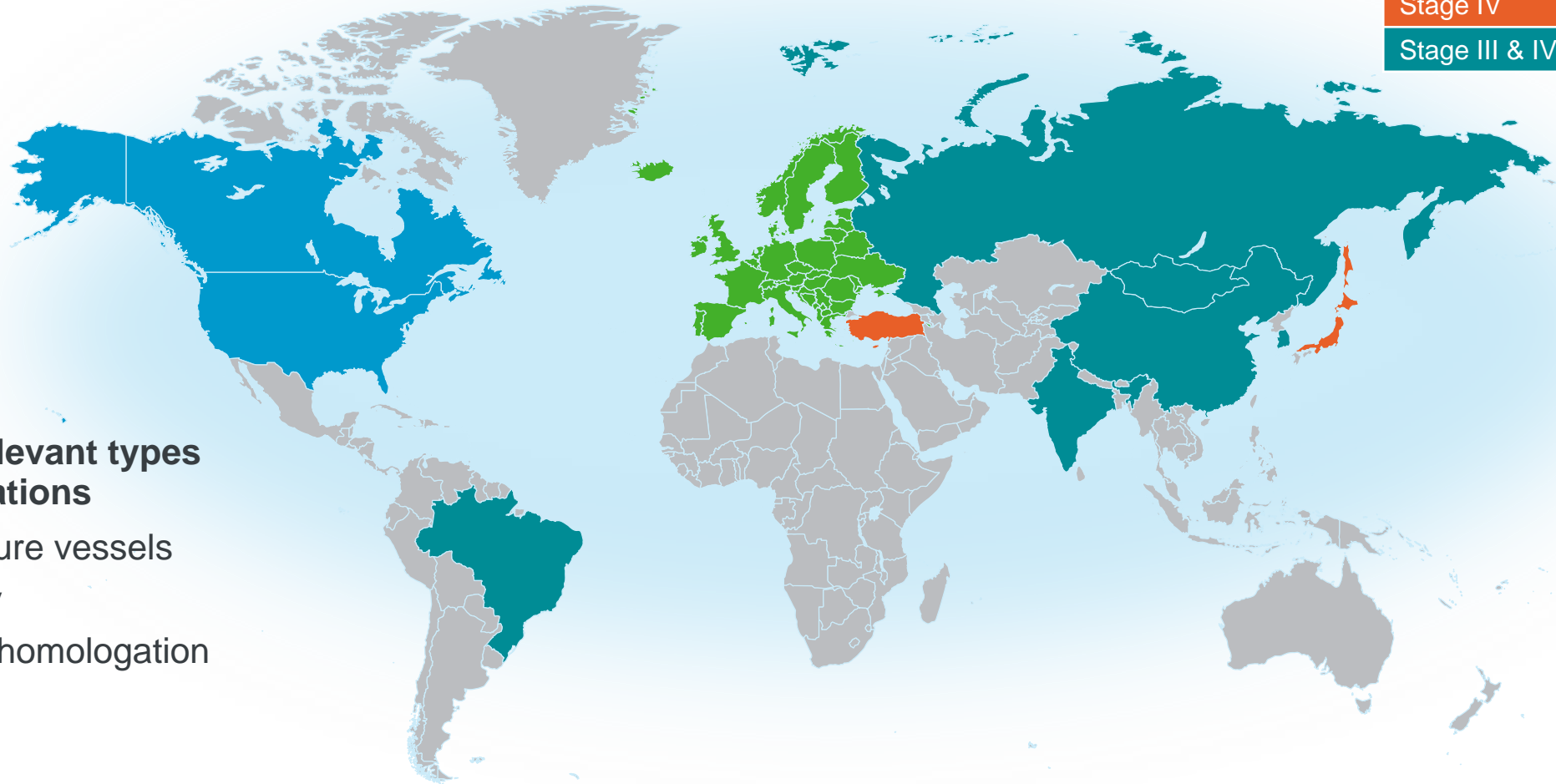
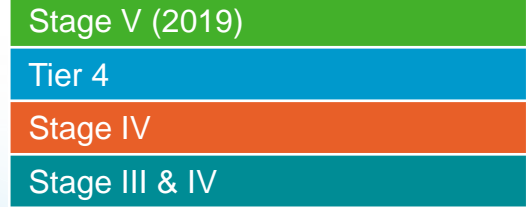
Specialty Rental



# Trends and driving forces

## Global regulations

Diesel emission regulations  
(particles / nox exhaust)



### Other relevant types of regulations

- Pressure vessels
- Safety
- Road homologation
- Noise
- ....

# Trends and driving forces

## Investments



Oil & Gas



Construction



Mining



Manufacturing



### Global trends

- Government investments in infrastructure drive
- Consolidation rental market
- Increased demand for service (focus on their core)
- Digitalization



# Summary of strategic focus areas



Channel management



Portable air and handheld tools



Recurring business



Market coverage



Developing generator and pump market



Digitalizing customer experience

# Channel management

## Three main segments

Dealers



Rental companies



Direct to end-users



# Recurring business

2 service divisions

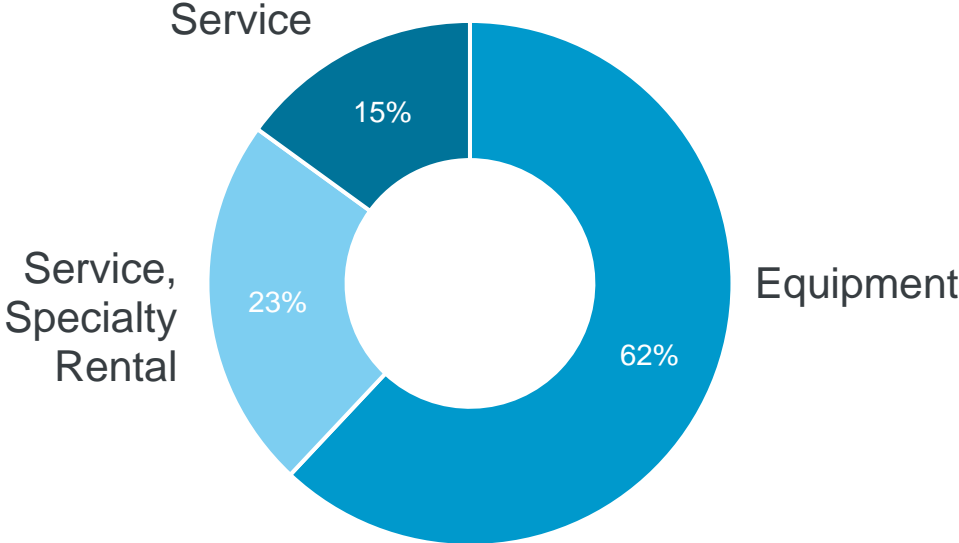


Power  
Technique  
Service



Specialty  
Rental

SHARE OF REVENUES 2017



# Developing generator and pump market

## Profitable niches



Innovate to grow market share in generators



Significant player in flow  
Develop service business in selected niches pumps  
Selected acquisitions to develop market share



Become market leader in light towers

# Portable air and handheld tools

Consolidate our number 1 position for portable air compressors

The logo for Eid Air, featuring the letters 'Eid' in a bold, black, sans-serif font, followed by a blue plug icon, and the word 'Air' in a larger, bold, black, sans-serif font.

Develop complete  
electric compressor  
portfolio



Regionalized product  
offering for local needs  
and legislation

Dealer management tools

Focus on handheld tools



Using boosters  
to focus on  
oil & gas segment  
Roll out Stage V

# Market coverage

Geographic footprint gives increased versatility



Generators  
Light Towers  
Submersible Pumps



Air compressors and breakers  
Boosters  
Oil free portables



Surface pumps



Air compressors  
Generators  
Pumps



Air compressors  
Generators



Air compressors  
Generators  
Light towers  
Pumps  
Breakers



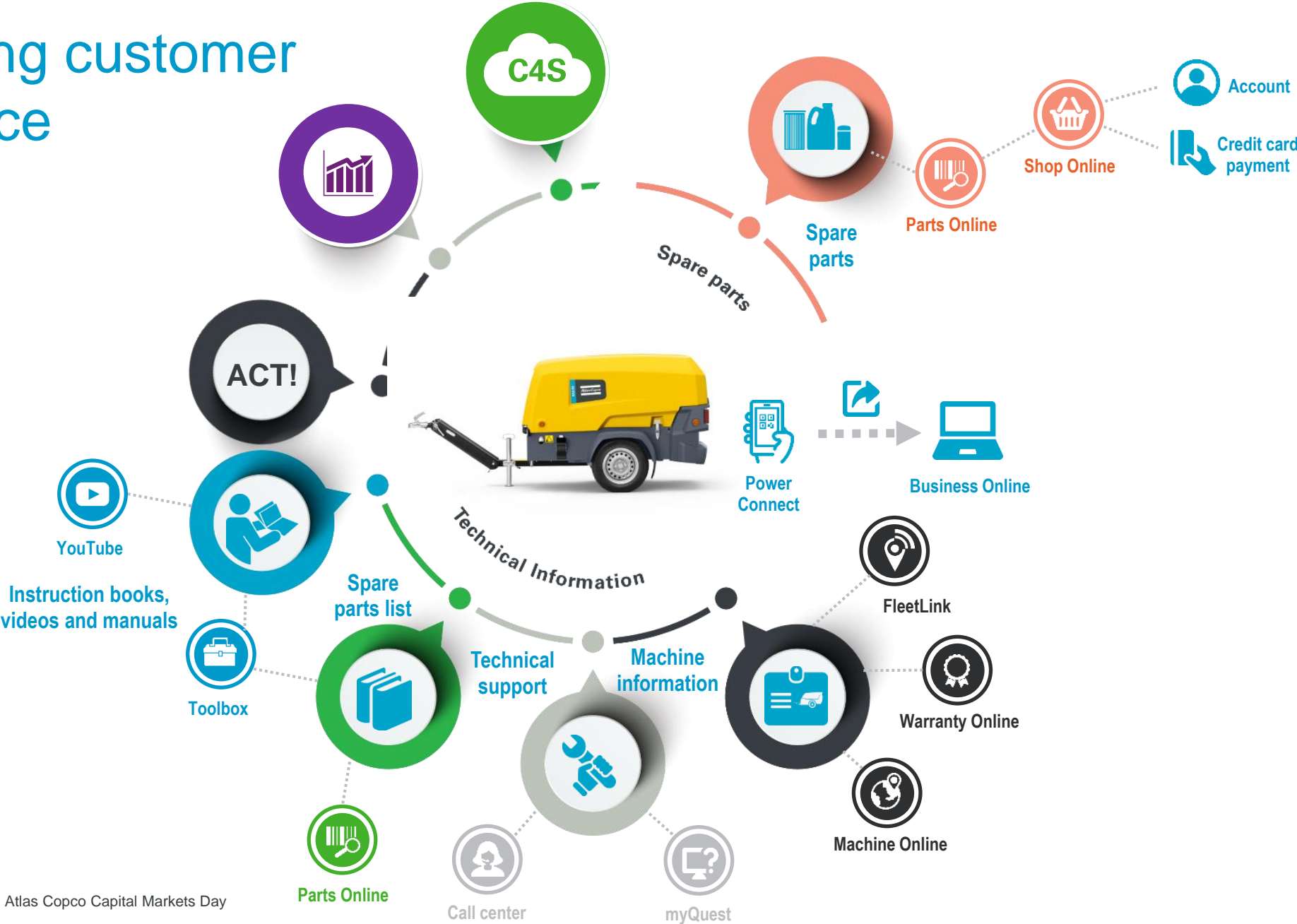
Air compressors  
Generators  
Light towers  
Pumps



Air compressors  
Generators  
Pumps



# Digitalizing customer experience



# Innovation for growth

New portable efficient electric compressors



Containerized efficient Twin-engine generator for Europe



Battery technology in light towers



Extended high-flow pump range



Full range of compact utility compressors



Variable speed generator (QAS VSG)



**Monitoring control**  
As standard on select new units retrofitting field units



Oil-free rental compressor





# Innovation in reality

# Innovation: portable electric air compressor range

**ZERO%**  
EMISSION

**1/2**  
NOISE



## **E-Air 250**

Electric motor driven

Free air delivery:  
247 cfm – 117 l/s

Pressure:  
174 psig – 12 bar



# Summary

Significant player in selected flow segments  
– Pumps

Consolidate our number 1 position in portable air compressors

Become market leader in light towers

Grow rental business in adjacent segments

Increase product innovation to grow organically in generators

Develop service business in selected product segments

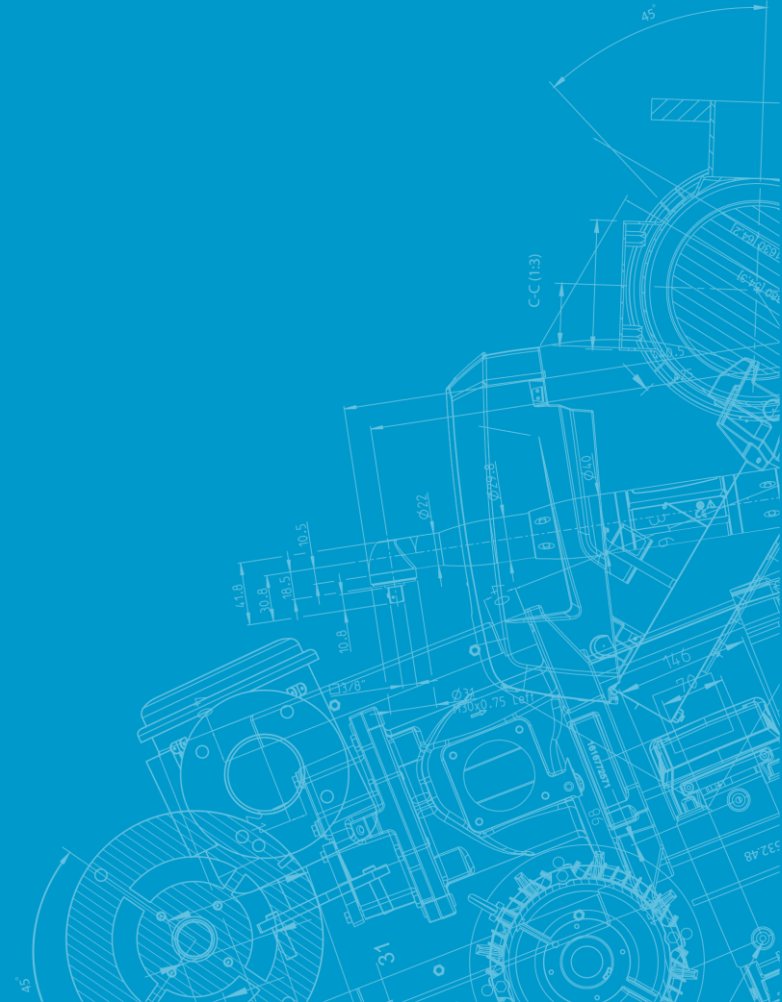
- Pumps
- Generators
- Light towers

Selected acquisitions to develop flow business



The Atlas Copco logo is centered on the page. It consists of the brand name "Atlas Copco" written in a white, elegant, cursive script. The text is framed by two thick, white horizontal bars, one positioned above and one below the script.

[www.atlascopcogroup.com](http://www.atlascopcogroup.com)



# 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.”