

The Atlas Copco logo is positioned in the top right corner of the image. It consists of the company name "Atlas Copco" in a white, serif font, centered between two horizontal white bars. The logo is set against a blue rectangular background.A technical drawing of a compressor is overlaid on the left side of the image. The drawing is a detailed line drawing showing various components and dimensions of the compressor. It includes labels such as "390", "1390", "1630", "C-C (1:3)", and various diameters like "Ø12", "Ø10", "Ø12.5", "Ø10.8", "Ø10.5", "Ø10.8", "Ø10.5", "Ø10.8", "Ø10.5", "Ø10.8", "Ø10.5".

# Compressor Technique

Capital Markets Day 2019

Vagner Rego, Business Area President

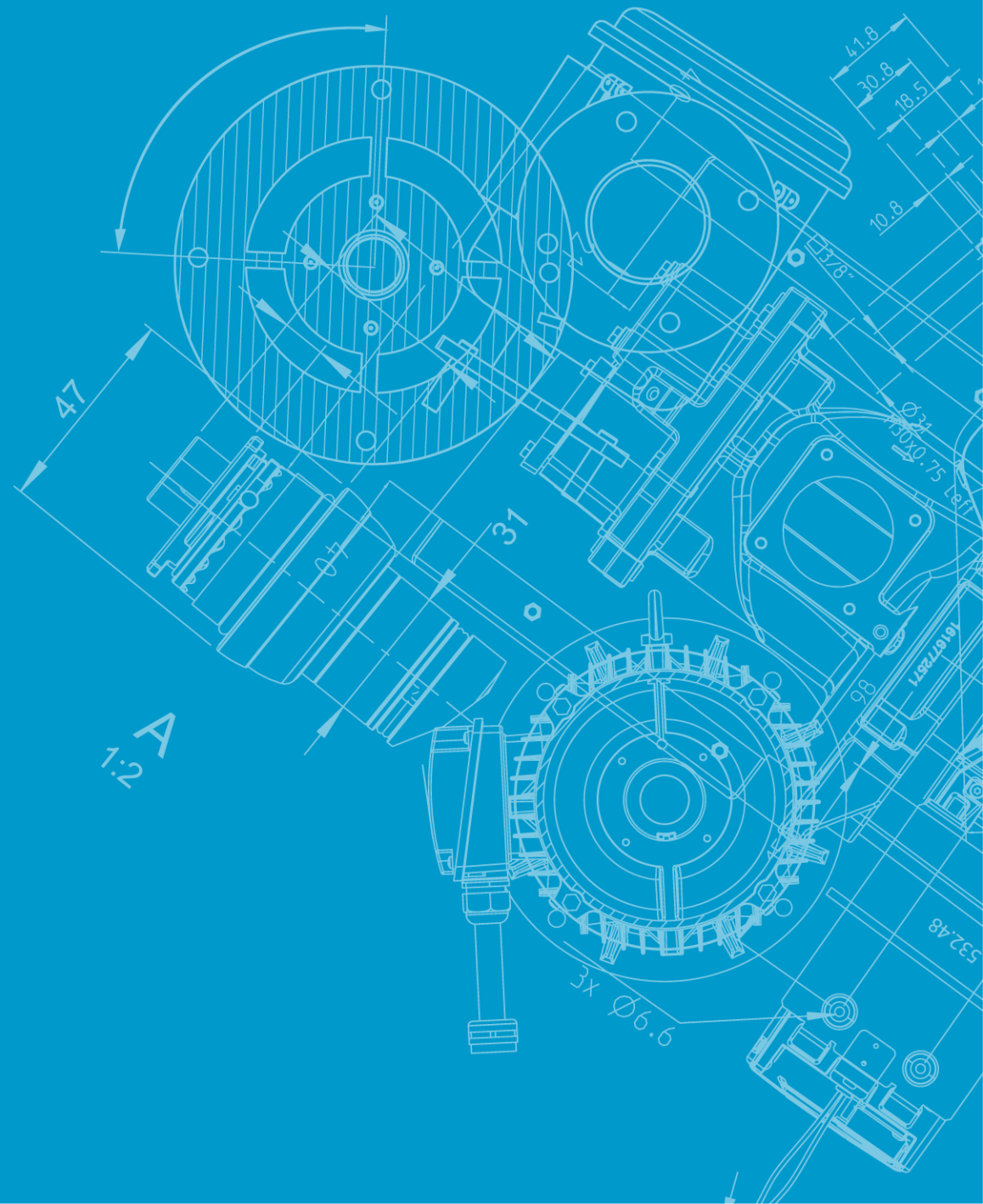
# Agenda



- 1 Facts in brief
- 2 The market and business fundamentals
- 3 Strategy for growth
- 4 Summary



# Facts in brief



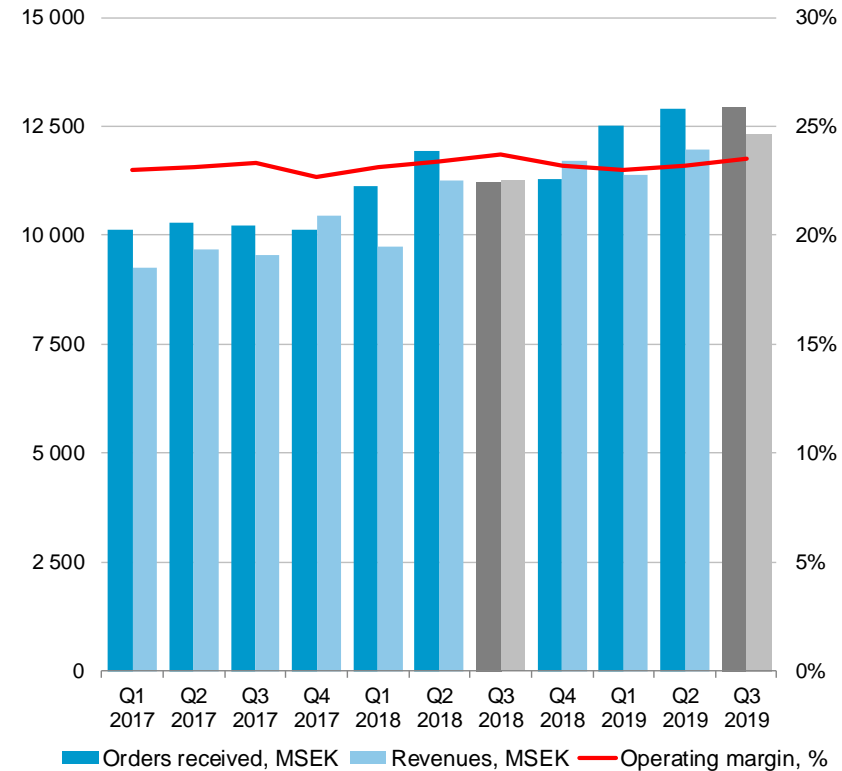
# Compressor Technique

ROCE  
93%

## Growth drivers

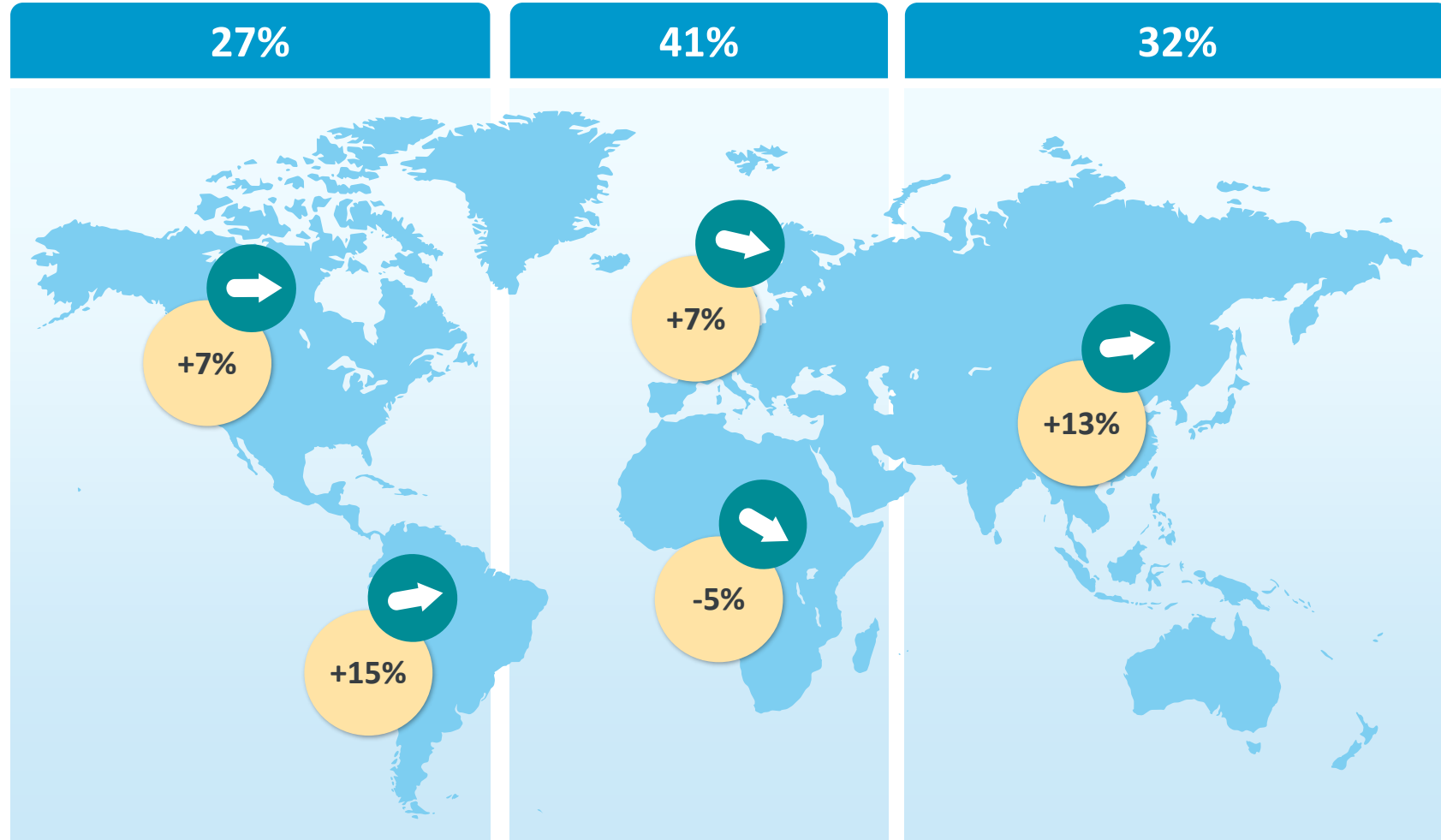
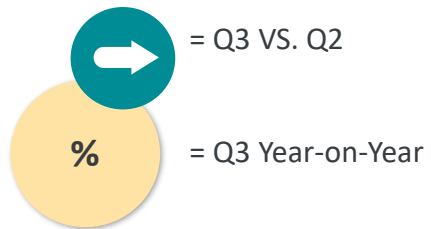
- Industrial production
- Need for reduced energy consumption
- Innovation
- Leverage investments in presence
- Service offer
- Further expand the core organically and with acquisitions
- Digital value creation
- People development

## Orders, revenues and operating margin



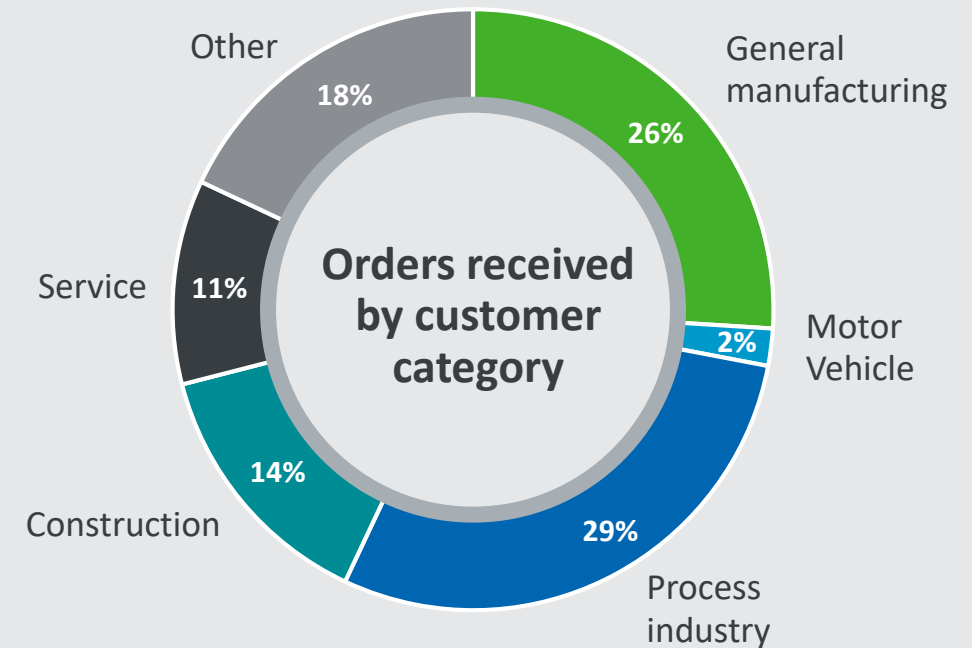
# Orders received – Local currency Q3 2019

SHARE OF ORDERS  
RECEIVED YEAR TO DATE:



# The market we operate in

- Compressed air is often referred to as the 4th utility
  - We serve all industry segments
- Largest technology range
  - Application driven solutions
  - Small to big industries
- Providing Total Solutions
  - Quality air treatment
  - Industrial Gases
- Strong service organization
  - Global market coverage



\* Share of orders received 12 months ending September 2019.

# Traditional industries



Automotive



Brewery



Medical



PET Bottle Blowing



Wastewater treatment



Textile



Oil & Gas



Railway



Food and Beverage



Chemical and Petrochemical



Marine



Pharmaceutical



Pulp and Paper



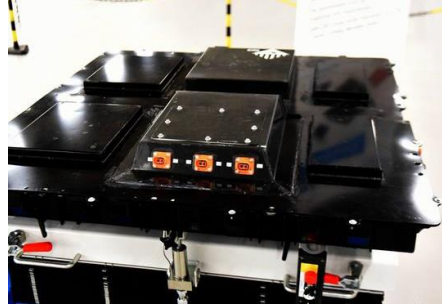
Fish Farming

...  
many more

# New technology industries



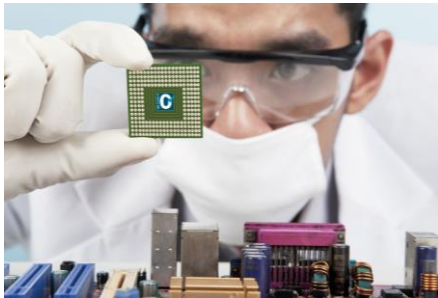
Laboratories



Battery cell production



Packaging Automation



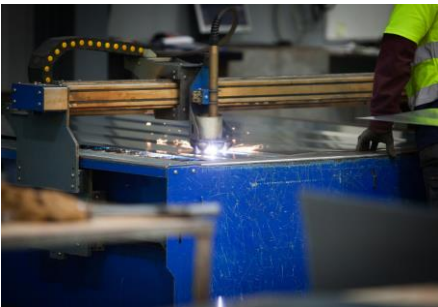
Electronics



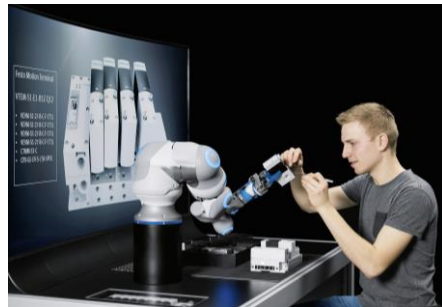
Process Automation



Control Engineering



Laser Cutting



Robotics

...  
many more

Automatization & Industry 4.0  
bring lots of opportunities for  
pneumatic controls and  
compressed air



# Applications

## Waste water treatment – Blower technologies



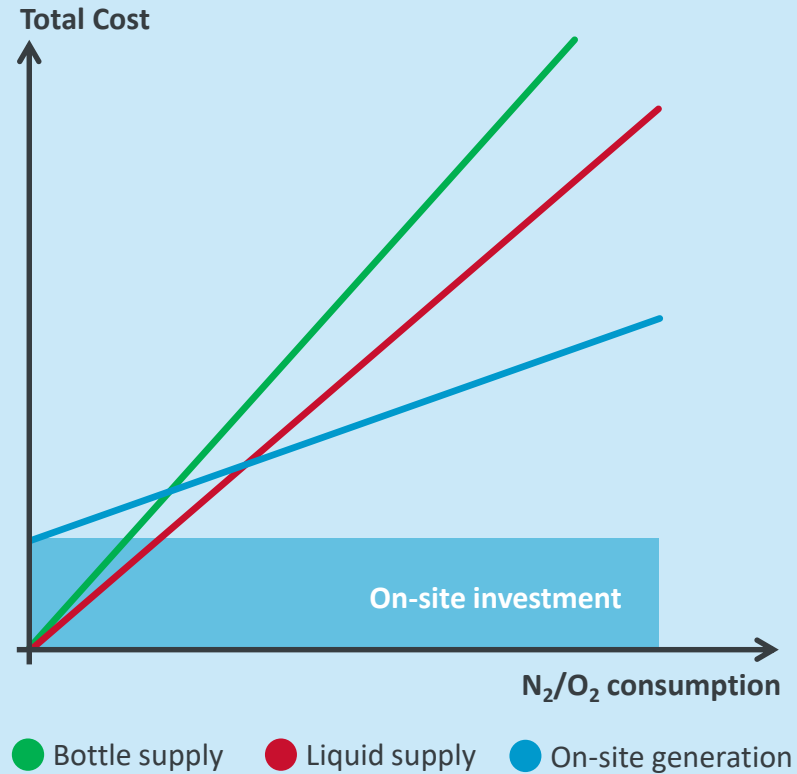
- ✓ Traditional solution
- ✓ Simple & reliable

- ✓ Energy efficient solution
- ✓ Low cost of ownership

- ✓ Premium solution
- ✓ Lowest cost of ownership

# Applications

## On-site Nitrogen Generator



### Proven technology




















- Simple
- Reliable
- Durable

Purity in line with application needs

Low operating costs

# Our product offering

## ATLAS COPCO COMPRESSOR TECHNOLOGY

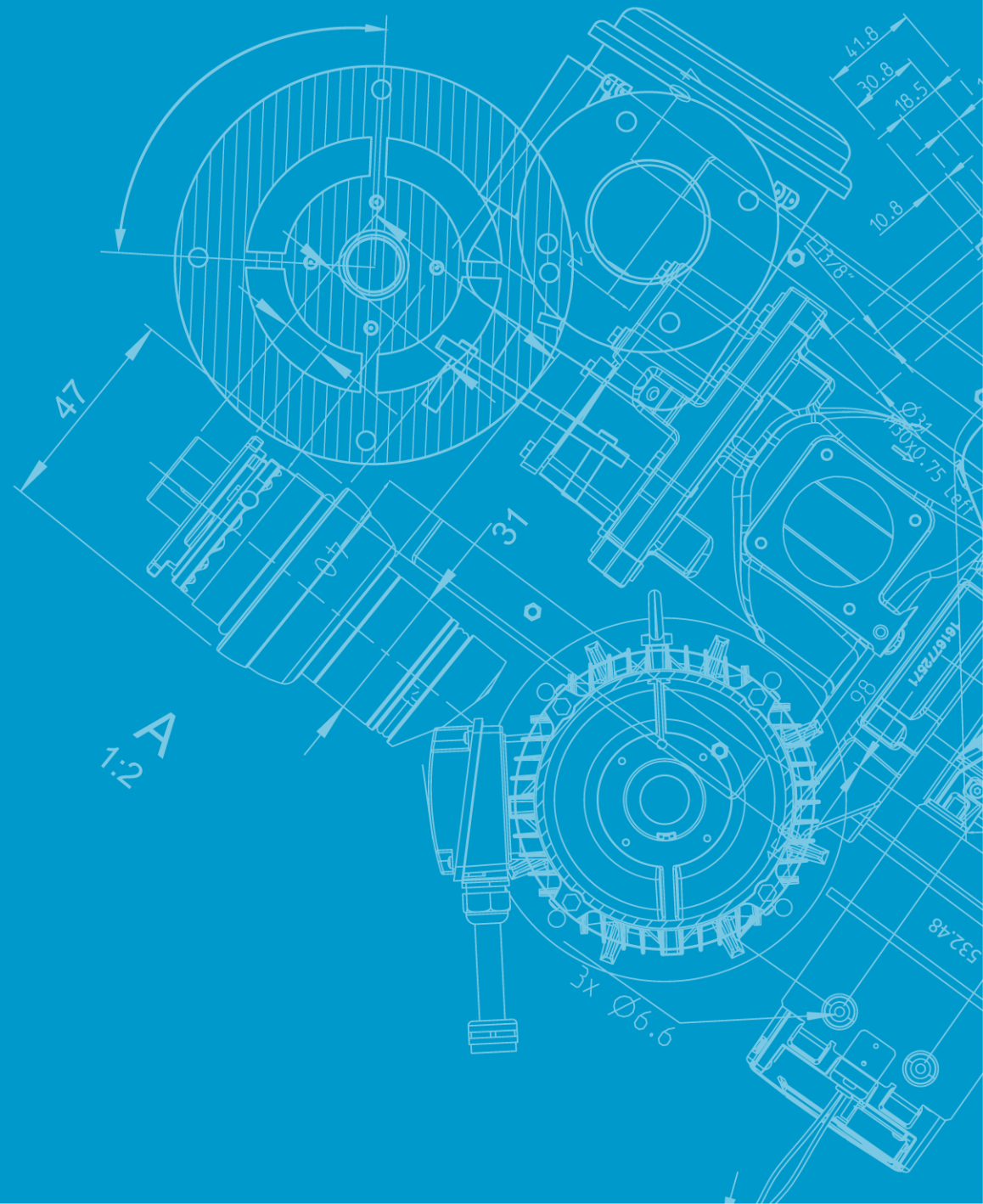
<b>OIL LUBRICATED</b>	<b>TECHNOLOGIES</b>	<b>PRESSURE</b>	<b>AIR QUALITY</b>	<b>MONITORING &amp; CONTROL</b>	<b>SERVICE</b>
<b>100% OIL FREE</b>	 Screw	 0.1 bar      400 bar LARGEST PRESSURE RANGE	 Dryers	 Central control	 Global presence
	 Piston		 Filters	 Energy recovery	World class logistics
	 Scroll		 Condensate treatment	 Connectivity	Certified technicians
	 Centrifugal	<b>POWER</b>	 Ancillaries	 Industry 4.0 integration	Service plans
	 Lobe	 1 kW      20 MW LARGEST POWER RANGE	 Nitrogen		Diagnostic services
	 Tooth		 Oxygen		

# Recent product launches

More than 40 new products launched during the last 12 months



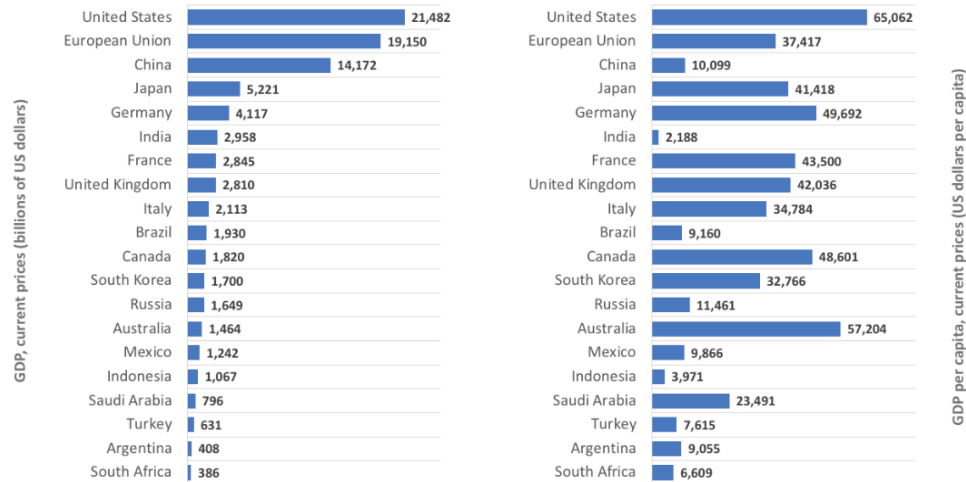
**Sustainable  
profitable growth**



# Trends and driving forces

## GROSS DOMESTIC PRODUCT PER CAPITA

G20 COUNTRIES GDP AND GDP PER CAPITA – 2019 FORECAST



Data Source: IMF World Economic Outlook, October 2018

Data Analysis by: MGM Research

## SUSTAINABILITY



**SUSTAINABLE  
DEVELOPMENT  
GOALS**

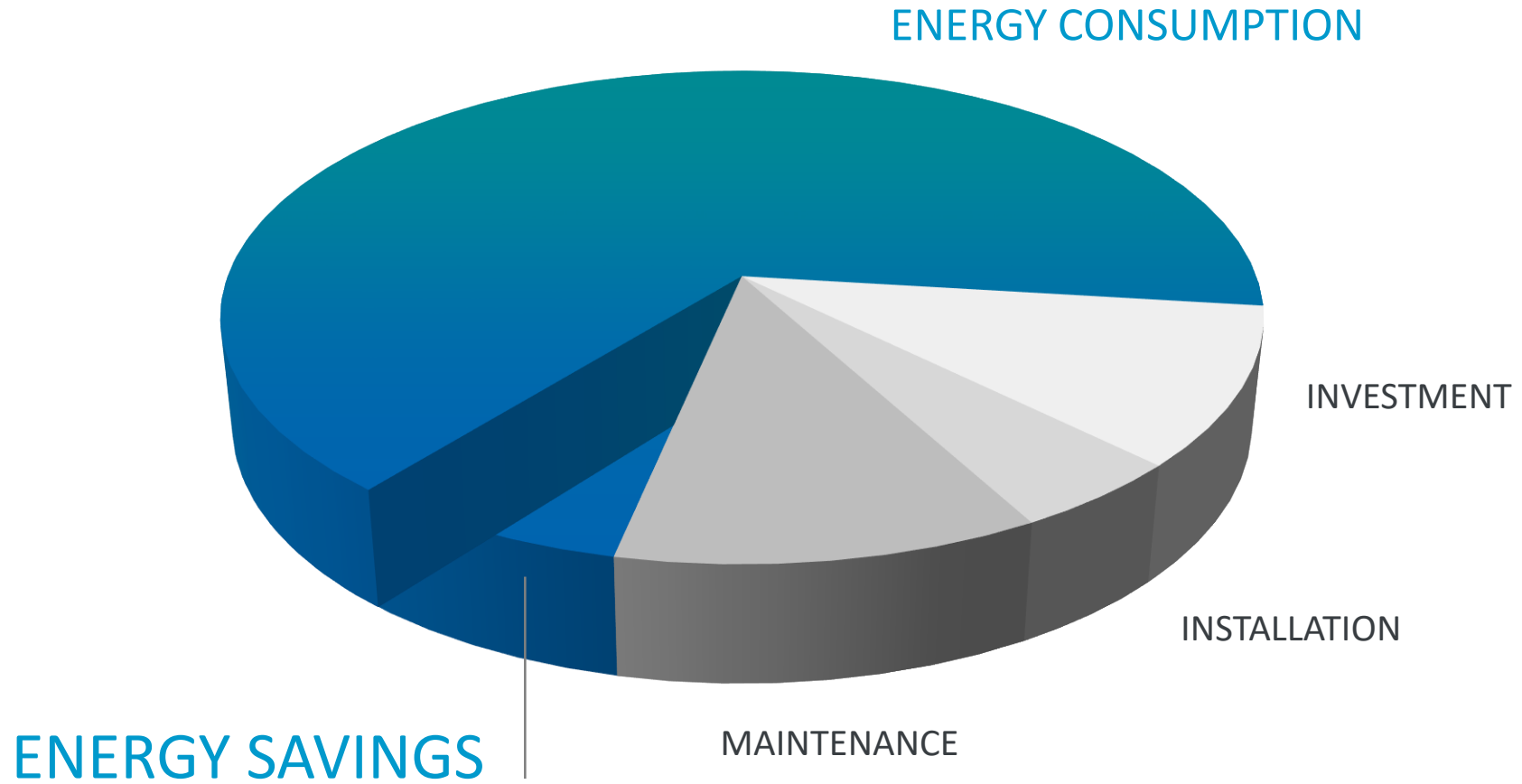
**UN**  
environment

United Nations  
Environment Programme

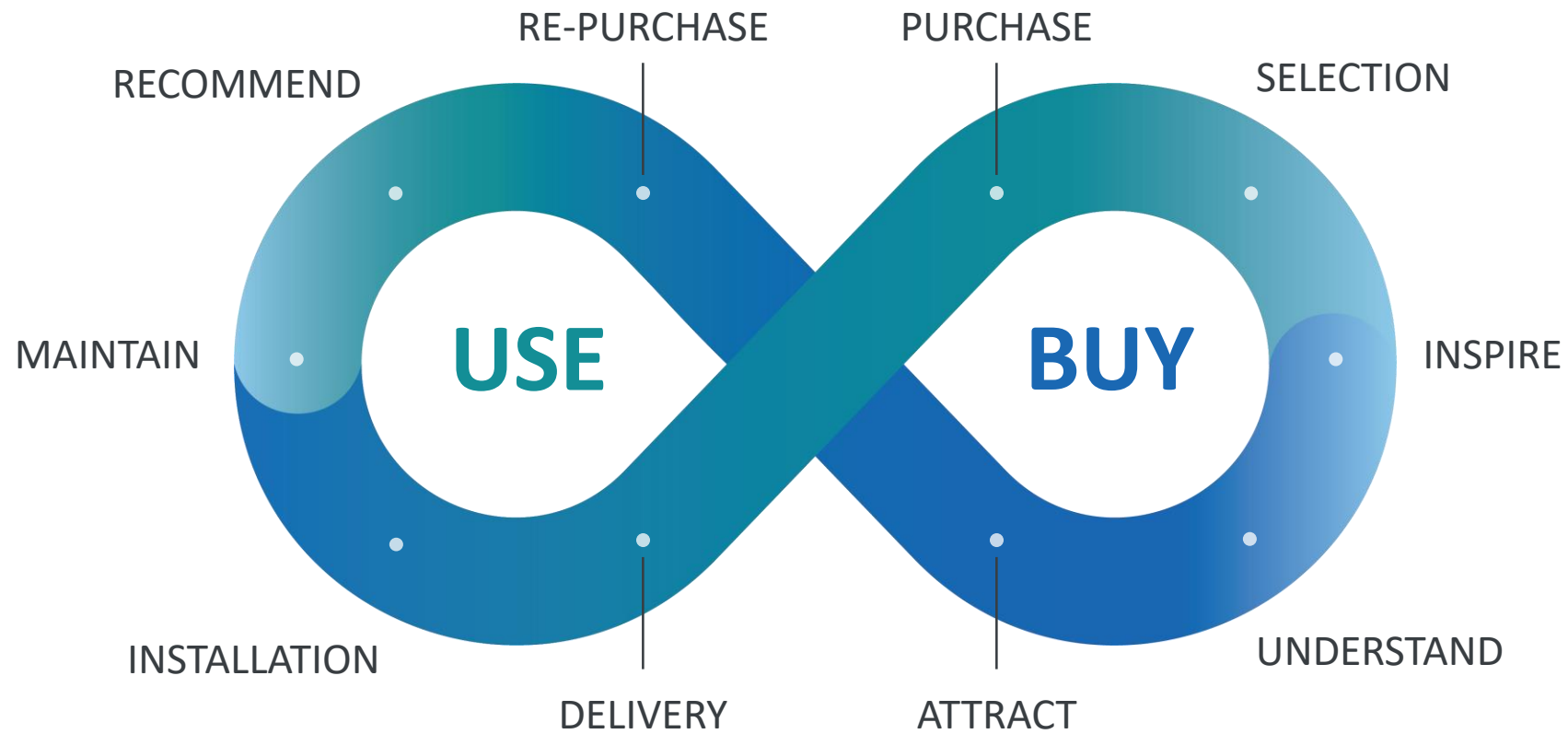
Plans to make industrial  
parks eco-friendly

Industry urged to create watchdog for preventing pollution

# Trends and driving forces



# Focus and priorities





# Customer requirements

## INCREASED PRODUCTIVITY

Maximum Uptime  
Performance Increase

Guaranteed Air Quality  
Service Agreements

## ELIMINATE RISKS



## REDUCED OPERATING COST

Energy Savings  
Eliminate Breakdown Cost

Energy Savings  
Environmental Footprint

## PROTECT ENVIRONMENT

# Strategy for profitable growth – Summary

Innovation for Reduced TCO

Expanding Applications

Increased Presence

Service Offering

Digitalization

**GROWTH**

Modular Product Design

Lean Management

Digitalization of Processes

**OPERATIONAL EXCELLENCE**

## CUSTOMER VALUE

PRODUCTIVITY

ENERGY COST

## GA 90-160 (VSD+)



***RELIABILITY***

***AVAILABILITY OF 98%***

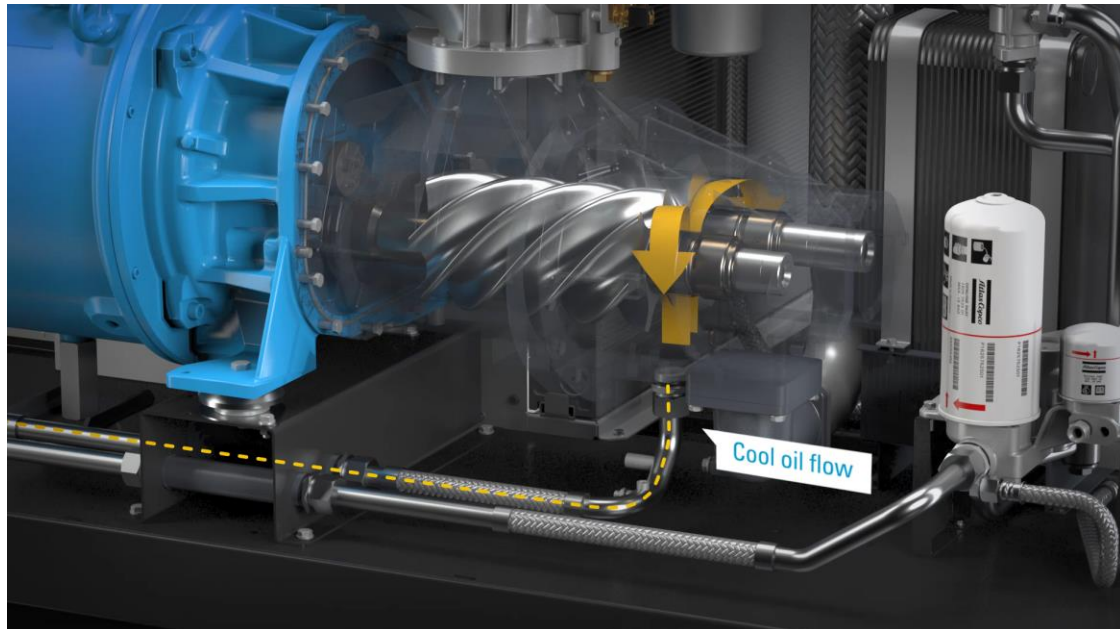
***EFFICIENCY***

***MOST EFFICIENT COMPRESSOR ON THE MARKET***

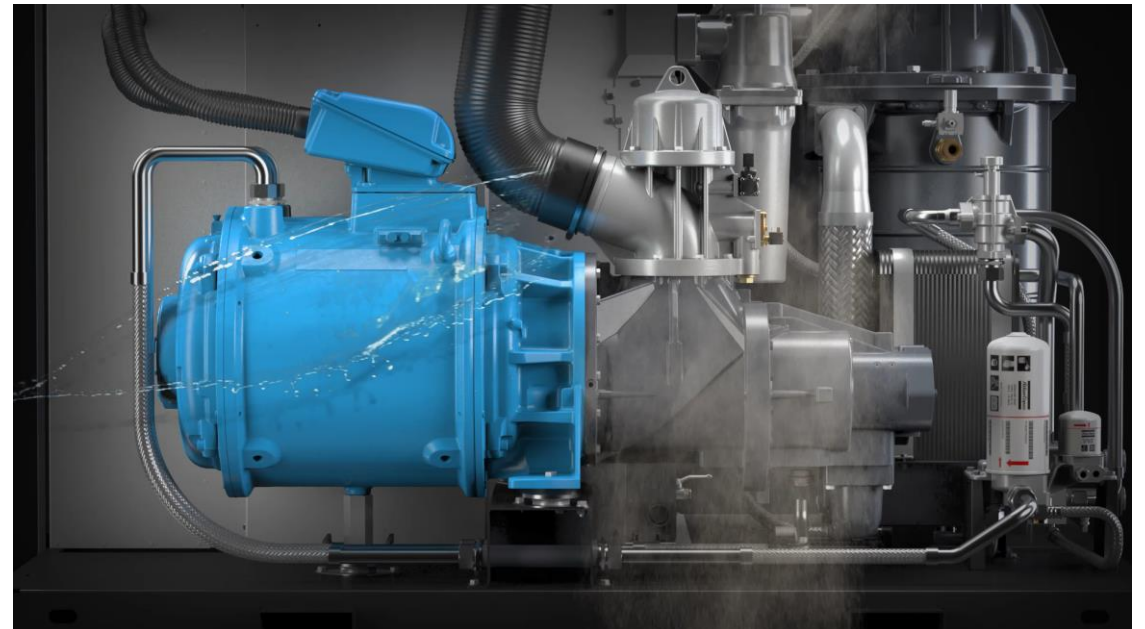
***SERVICEABILITY***

***50% REDUCTION IN SERVICE TIME***

# Reliability

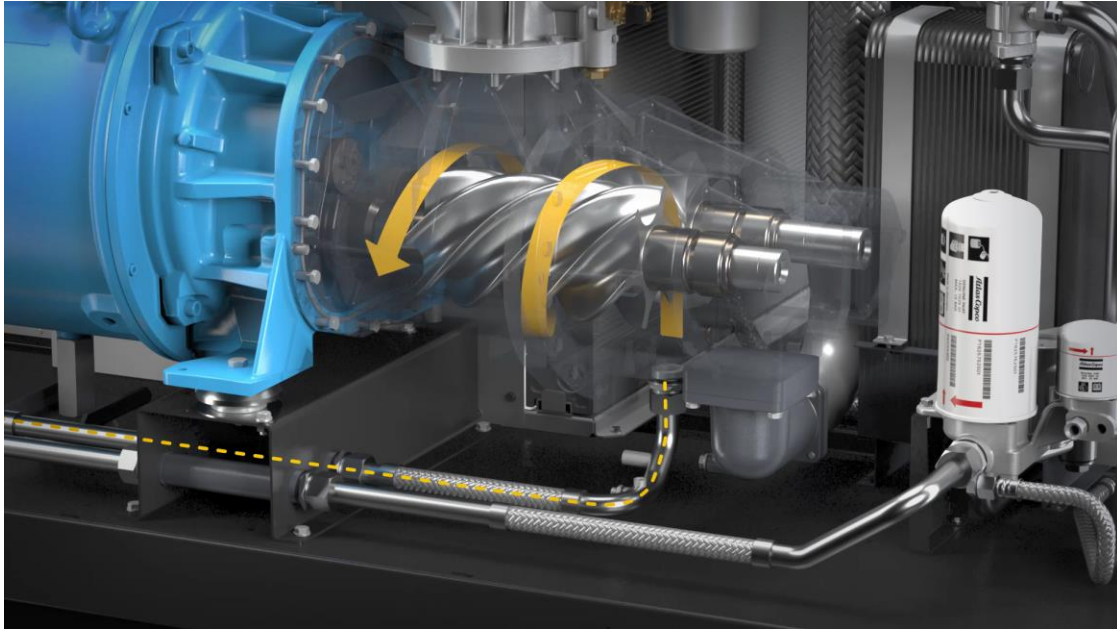


- Separate cool oil flow to bearings
- Longer bearing life

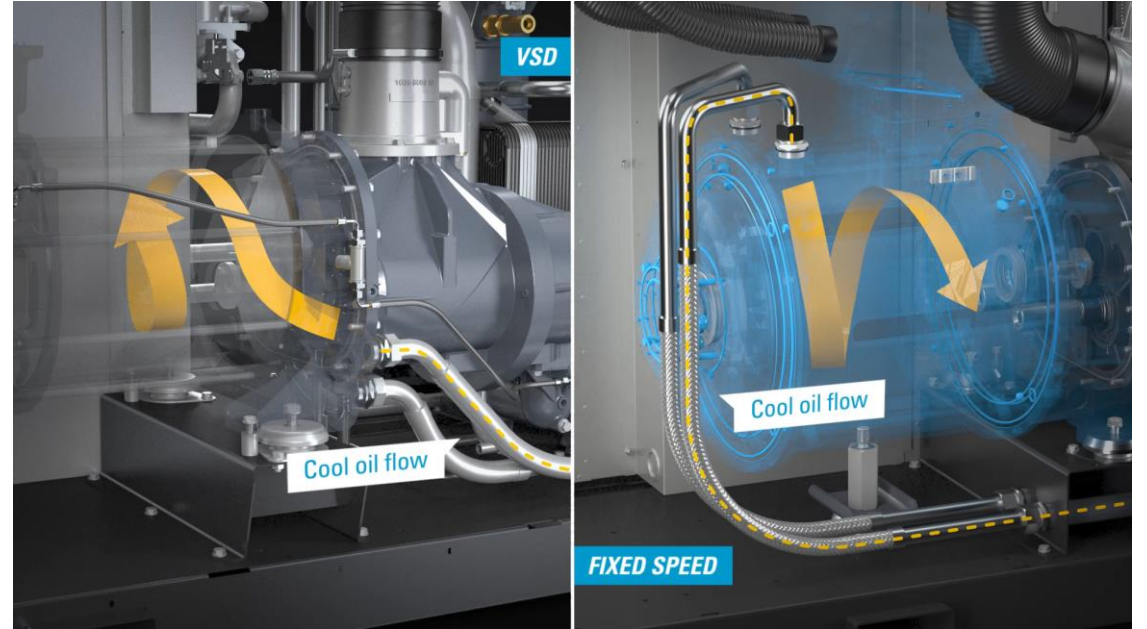


- IP66 Drive train (toughest conditions)
- Oil cooled motors (no greasing)

# Efficiency



- Smart Injection oil system
- Optimum efficiency

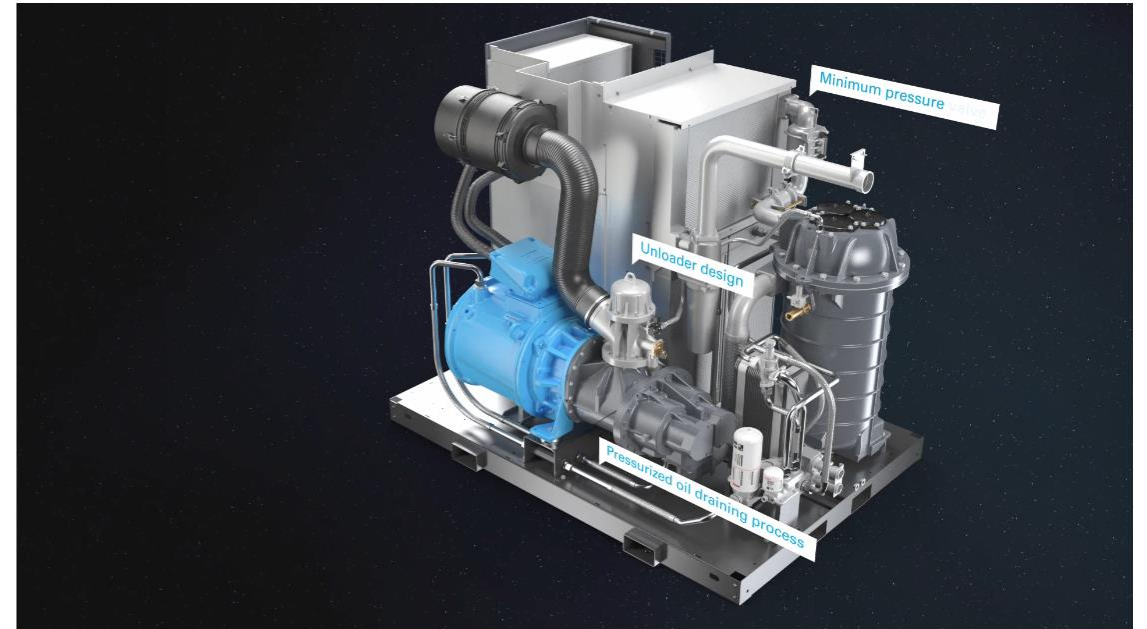


- IE4 & IE5 motors
- Highest efficiency classes

# Serviceability



50% reduced service time



Service time reduced in 6 key areas

# GA90 – 160(VSD+)



5% energy reduction

Saving **3,360** euro per annum

VSD 35% reduction compared to  
fixed speed compressors

TOTAL **40%**

Saving **26,880** euro per annum

compared to old fixed speed range



# Environmental savings

**40%**  
energy saving =  
**268,800 kWh**  
of electricity or  
carbon dioxide  
reduction of  
**190 metric tons**

### Greenhouse gas emissions from

**40.4**  
Passenger vehicles driven for one year

**464,749**  
Miles driven by an average passenger vehicle



### CO<sub>2</sub> emissions from

**21,389**  
gallons of gasoline consumed

**18,672**  
gallons of diesel consumed

**207,803**  
Pounds of coal burned

**2.5**  
tanker trucks' worth of gasoline

**22.8**  
homes' energy use for one year

**33.1**  
homes' electricity use for one year

**1**  
railcars' worth of coal burned

**440**  
barrels of oil consumed

**7,771**  
propane cylinders used for home barbeques

**24,237,821**  
number of smartphones charged

Calculation based on 160 Kw, 8000 Operating Hours, Electrical Cost 0.1 Euro, working 70% average load



# Strategy for profitable growth – Service



## Increase Customer Productivity

Well maintained compressed air installations with increased reliability

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Guaranteed maximum uptime through fast and professional service response



## Reduce Total Operating Cost

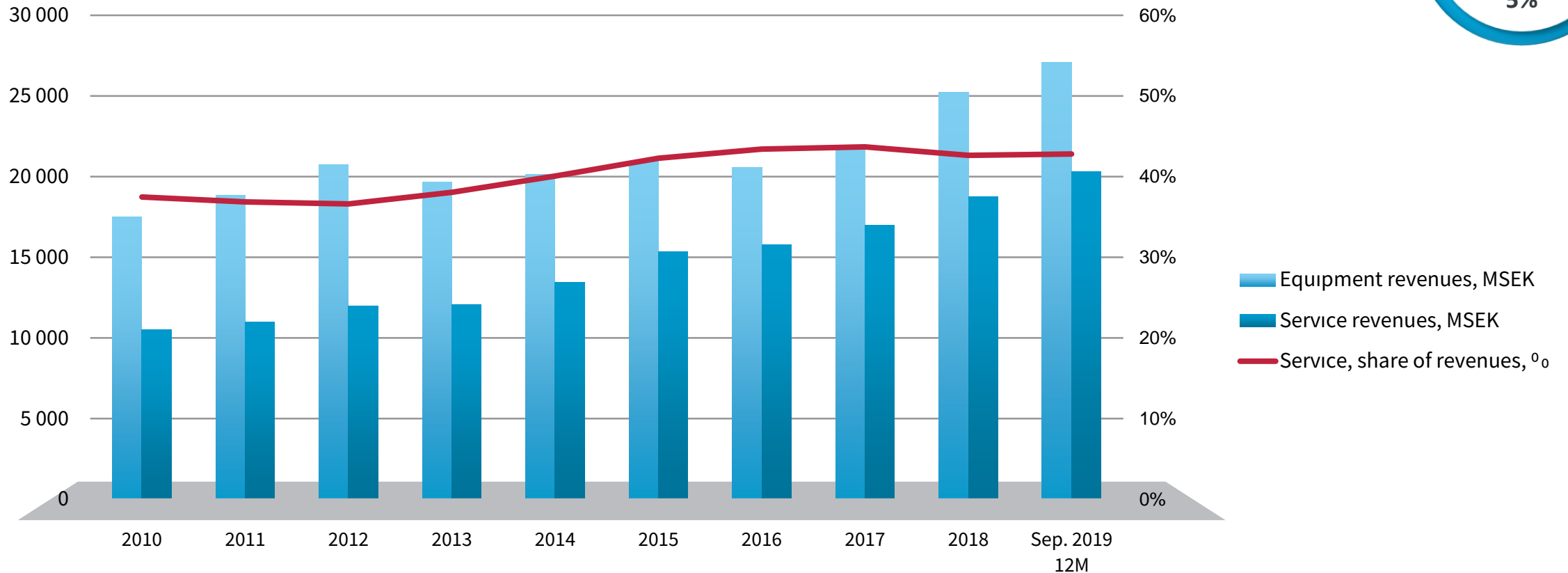
Energy savings through optimizing the efficiency of the complete compressed air installation

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Service Plan agreements to ensure optimal compressor operations

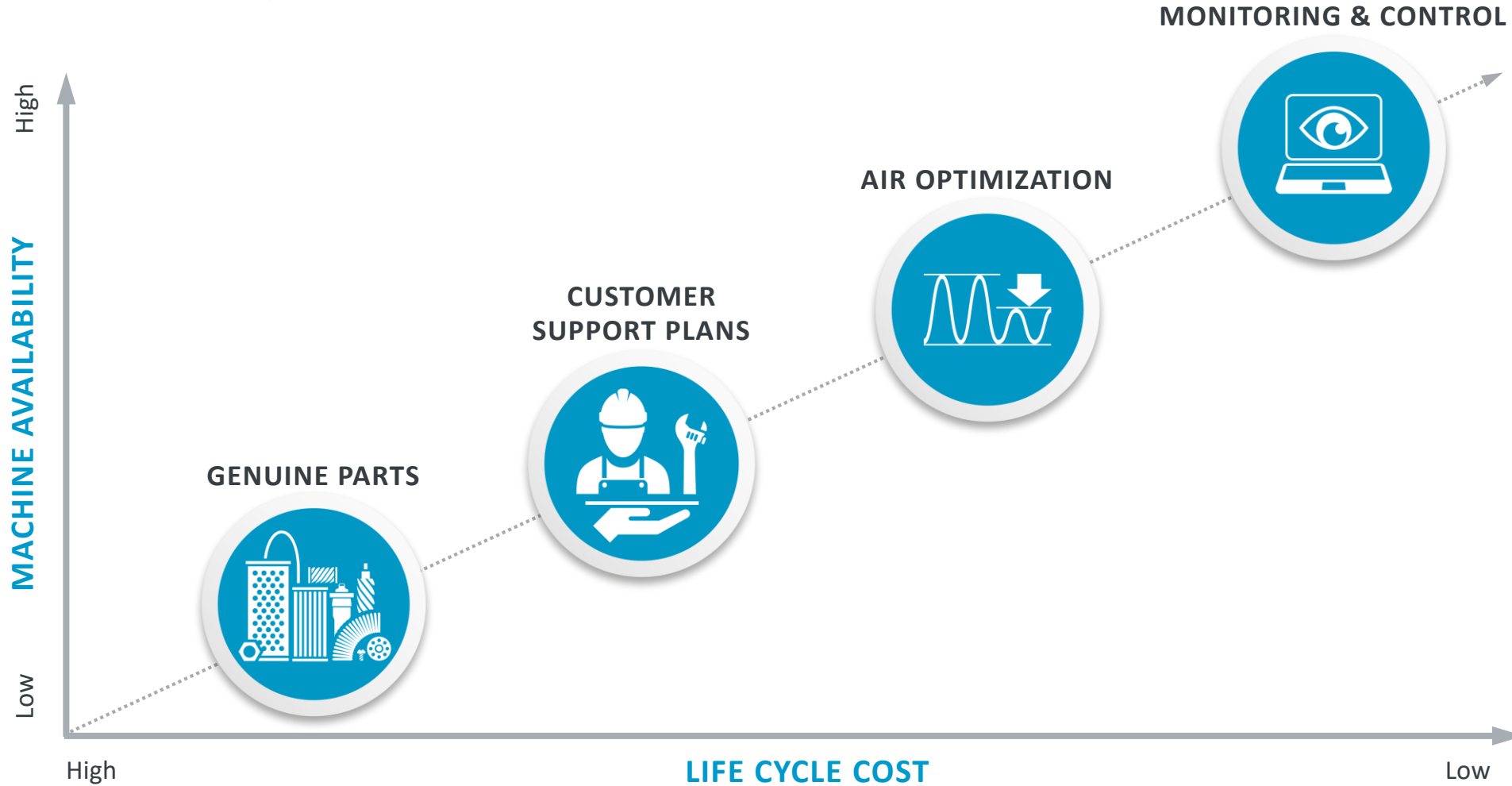
# Compressor Technique – Service

**CAGR**  
**Service**  
**8%**  
**Equipment**  
**5%**



# Strategy for profitable growth – Service

## Our service offering



# Strategy for profitable growth – Service

## Connectivity



# People Key Focus Areas

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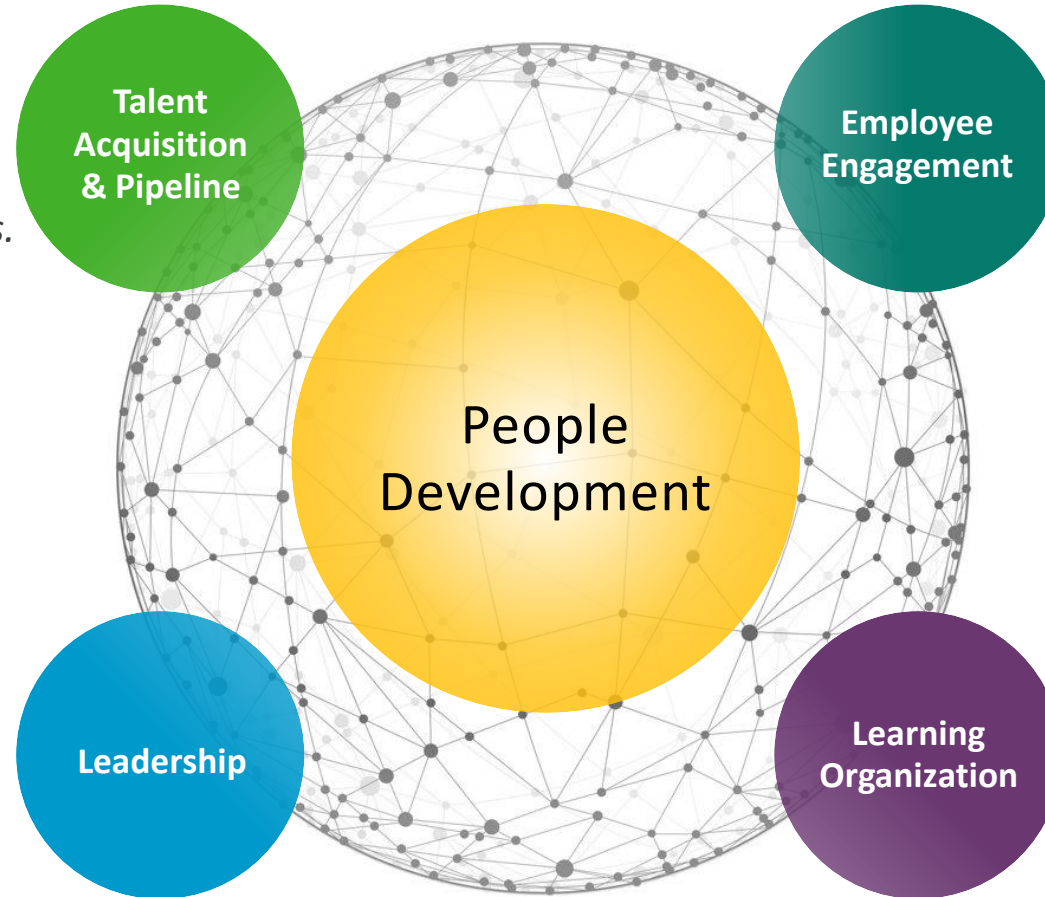
*Talent pipeline for future BLM's and GM's.  
Development plans for potential successors for business critical roles.  
Diversity & inclusion : Master in Marketing & Sales programs.*

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*Top 350 leaders all have an individual development plan.  
Leadership development courses in place.*

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*71% employees believe there is opportunity for professional development, mobility and growth.  
73% employees believe we have a culture of respect, fairness and openness.*

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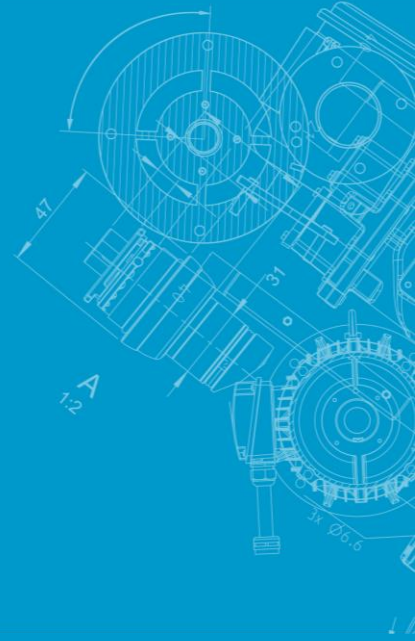
*>85% usage of curated learning paths developed for target employee populations.  
LinkedIn learning available throughout the organization.*

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# Summary – Compressor Technique



- Diversified market place
- Growing number of applications
- Broad product portfolio
- Focus on innovation
- Complete solution provider
- People are key





*Atlas Copco*



[atlas-copco.com](http://atlas-copco.com)





# Forward looking statements

“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.”