



press information

Group Communications

Atlas Copco Secoroc to consolidate production

Stockholm, Sweden, April 27, 2001— To improve productivity and meet increased demand on shorter lead-times, Atlas Copco Secoroc today announced a plan to invest in modern production in Sweden. As a part of the program, which is worth approximately MSEK 100, manufacturing in Sweden will be consolidated.

Atlas Copco Secoroc, a division within Atlas Copco's Construction and Mining Technique business area, develops, manufactures and markets rock drilling tools. In addition to production units outside Sweden, the company has facilities in Fagersta, Östersund and Ockelbo.

As a result of this new investment program, which includes large-scale investments in modern machine tools, Atlas Copco Secoroc plans to move production from Östersund to its main facility in Fagersta. Production in Ockelbo is not affected.

"The reorganisation will give us more efficient production with a lean administration, which is crucial to safeguard long-term profitability," said Stefan Andersson, President of Atlas Copco Secoroc.

The plan to close the Östersund operation affects about 120 people. Negotiations with the local union representatives have commenced today.

The manufacturing plant in Fagersta currently has 400 employees. It is estimated that 55 new jobs will be created because of the transfer.

The restructuring is expected to be completed by the end of 2002.

The Atlas Copco Group is an international industrial company with its head office in Stockholm, Sweden. In 2000, the Group had revenues of BSEK 46, with 98 percent of revenues outside Sweden, and close to 27,000 employees. Atlas Copco companies develop, manufacture, and market electric and pneumatic tools, compressed air equipment and generators, construction and mining equipment, and assembly systems, and offer related service and equipment rental. More information is available on www.atlascopco-group.com.

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