



press information

Group Communications

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Atlas Copco strengthens its presence in Asia

Stockholm, Sweden, March 7, 2003—Atlas Copco has received approval from the Chinese Authorities to convert its 92% equity joint venture, Wuxi Atlas Copco Compressor Co. Ltd., into a 100 % Wholly Foreign Owned Enterprise (WFOE), owned by Atlas Copco (China) Investment Co. Ltd. The name of the company remains unchanged after the transformation. This move is in line with Atlas Copco's strategy of increasing its presence in Asia and of owning as much as possible of all companies in which investments are made.

Wuxi Atlas Copco Compressor Co. Ltd, established in 1994, employs 80 people. It assembles compressors from 5 to 250 kW for Chinese industry, including the textile, electronics, appliances, machinery, chemical and power generation segments. Atlas Copco has been active in the Chinese market for over 80 years. In 2002, it further supported its growth by adding a second brand of compressor to its Chinese portfolio with the acquisition of the Chinese compressor manufacturer, Liuzhou Tech Machinery Co. Ltd (Liutech).

To further strengthen its Asian operations, Atlas Copco also recently took 100% ownership of its customer centers in Thailand and Vietnam. An agreement was signed late 2002 to purchase the remaining 51% of the shares in Atlas Copco Diethelm Ltd. in Thailand. The company is now 100% owned by Atlas Copco and has changed its name to Atlas Copco (Thailand) Ltd. A new company, Atlas Copco Service (Thailand) Ltd. has been established to handle service and rental, primarily in Thailand. Atlas Copco (Vietnam) Ltd. is a wholly owned subsidiary of Atlas Copco (Thailand) Ltd.

The companies in Thailand and Vietnam are responsible for the sales and service of Atlas Copco air compressors, construction and mining equipment, as well as industrial power tools and ancillary equipment in their respective countries.

Atlas Copco is an international industrial Group with its head office in Stockholm, Sweden. In 2002, the Group had revenues of SEK 48 billion with 98% of revenues outside Sweden, and close to 26,000 employees. The Group produces and markets compressed air equipment and generators, construction and mining equipment, electric and pneumatic tools, and assembly systems and offers related service and equipment rental. The Atlas Copco Group includes famous brands such as Atlas Copco, RSC, Milwaukee Electric Tool, Chicago Pneumatic, and AEG Power Tools. More information can be found on the web site: www.atlascopco-group.com.