

Press Release from the Atlas Copco Group

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Atlas Copco's new service center improves logistics in China

Stockholm, Sweden, October 21, 2004: Atlas Copco China Investment Co. Ltd has established a new service center in Shanghai, to improve service to customers and to speed up the delivery of parts to the whole of mainland China.

The new facility primarily houses and distributes parts for compressed air products, as well as some pneumatic tools and spares.

With the opening of the new service center, stock availability will be substantially improved. In response to a strong business growth, it has a much increased capacity compared to the previous facility. There will be a decrease in transportation costs and relative inventory levels. Customers will benefit from greatly reduced lead times and from the improved stock availability for the most commonly ordered items.

"The new service center is a major step forward for Atlas Copco in China and is a good structured base for future growth in the Chinese market. In line with our aftermarket strategy, the facility will enable us to provide an excellent delivery service to Chinese customers and be more efficient in logistics," says Bengt Kvarnäck, Business Area Executive Compressor Technique.

The new facility, designated the Chinese Service Center, mainly serves the Compressor Technique business area, but also the Atlas Copco Tools and Assembly Systems division. The concept is the same as that of Atlas Copco's much larger Airpower Service Center in Antwerp, Belgium, a worldwide outbound logistics center for the Compressor Technique business area.

Atlas Copco is an international industrial Group with its head office in Stockholm, Sweden. In 2003, the Group had revenues of approximately BSEK 45 (BEUR 4.9), with 98% of revenues outside Sweden, and about 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, and CP Chicago Pneumatic. More information can be found on www.atlascopco-group.com.

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