

Press Release from the Atlas Copco Group

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Atlas Copco doubles its compressor capacity in China

Stockholm, Sweden, October 21, 2004: Atlas Copco's Compressor Technique business area inaugurates the third extension of its compressor assembly facility in Wuxi, China.

The new extension to Wuxi Atlas Copco Compressor Co. Ltd., only three years after the previous extension, will double the present annual compressor assembly capacity. The expansion was made necessary not only to cope with the increased demands for Atlas Copco's products, but also to enable the Wuxi plant to extend further its range of compressed air equipment, which is produced in China. These include turbo compressors and portable compressors.

"The new extension of the Wuxi plant gives us the possibility to meet the growing market demands in China with an extended product range and state-of-the-art products, produced by the most modern manufacturing techniques," says Bengt Kvarnäck, Business Area Executive, Atlas Copco Compressor Technique. *"The investment fits our strategy of increasing Atlas Copco's presence in Asia."*

The fully-owned Wuxi factory was originally set up as a joint venture in 1994. It supplies products primarily to the Chinese market and is now also exporting units to some other countries in Asia. Besides the Wuxi factory, Atlas Copco acquired compressor manufacturer Liutech, in southern China, in 2002, which produces for the Chinese market under the Liutech brand.

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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