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Atlas Copco wins German geothermal power plant order

Stockholm, Sweden, October 7, 2008: Atlas Copco has received an order to supply an expansion turbine for a geothermal power plant in Germany. The contract follows a similar deal in the United States last year, highlighting the continued growth of the environment-friendly geothermal energy market.

Atlas Copco's Gas and Process division has also agreed to cooperate further with the customer, Exorka International Limited of Iceland. The aim is to develop and advance the process technology used at the German plant, which differs in some respects from the U.S. geothermal project. The technology makes possible a wider use of geothermal power generation than in the past.

"This is a breakthrough order for us as it shows we have the technological capabilities to supply customers in all kinds of geothermal energy projects," says Ronnie Leten, Business Area President, Atlas Copco Compressor Technique. "There are numerous other projects planned in the future, and we continue to see great potential in this market."

Exorka, which has its head office in Munich, is building a 5.5 megawatt power plant system in Mauerstetten, southern Germany. The plant will tap the country's most abundant geothermal resource, the so-called Molasse Basin, located between four and five kilometers beneath the earth's surface. Geothermal energy is obtained from natural hot water or steam basins, making it a significant source of renewable energy.

The process technology used at Mauerstetten is known as the Kalina Cycle. While not yet in widespread commercial use, this technology can be more efficient than conventional methods, especially when using lower-temperature heat sources for electricity production. A large part of the world's undeveloped geothermal resources show the low temperature range that is suitable for use of the Kalina Cycle.

Atlas Copco may be required to disclose the information provided herein pursuant to the Securities Markets Act.

Atlas Copco is a world leading provider of industrial productivity solutions. The products and services range from compressed air and gas equipment, generators, construction and mining equipment, industrial tools and assembly systems, to related aftermarket and rental. In close cooperation with customers and business partners, and with 135 years of experience, Atlas Copco innovates for superior productivity. Headquartered in Stockholm, Sweden, the Group's global reach spans more than 160 markets. In 2007, Atlas Copco had 33 000 employees and revenues of BSEK 63 (BEUR 6.7). Learn more at www.atlascopco.com.

Gas and Process is a division within Atlas Copco's Compressor Technique business area. It develops, manufactures and markets large, customized gas and process compressors and turbo expanders, and their respective aftermarket products. Its products are used primarily by the oil and gas, chemical/petrochemical process and power industries worldwide, and also by industries that specialize in gas production through air separation. The divisional headquarters and main production center is located in Cologne, Germany.

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