



press information

Group Communications

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Atlas Copco Electric Tools to strengthen its competitiveness

Stockholm Sweden, September 24, 2002—Atlas Copco have launched the exclusive Milwaukee brand of electric professional tools across Europe, and are taking new marketing initiatives to grow the AEG Power Tools business. By establishing a manufacturing subsidiary in the Czech Republic, an accelerated expansion in Eastern Europe is enabled, and production efficiency will increase.

“By establishing these aggressive actions, combined with a cautious cost control, I’m confident the division will improve and strengthen its competitiveness,” says Åke Sundby, President of the Atlas Copco Electric Tools Division, with headquarter in Winnenden, Germany.

In March 2002, Atlas Copco introduced the full line of professional electric tools from U.S.-based Milwaukee Electric Tool at the international hardware show in Cologne, Germany. Milwaukee is a leading brand in North America, and its range has been adapted to the needs of European tradesmen. Customer response has been positive from each country getting access to the Milwaukee line, and distributors are queuing up to get hold of the new range.

AEG Power Tools, familiar to the European market since the past 100 years is again gaining momentum after Atlas Copco last year acquired unlimited rights to use the AEG brand for power tools, and now adding resources promoting and developing the range. AEG Power Tools appeal particularly to electricians and tradesmen demanding precision and durability from the tools they use.

A relocation of assembly operations to a subsidiary in Pilsen, Czech Republic, is part of the improvement program. Around 150 jobs will be transferred from Winnenden, and the relocation is planned to be finalized by the end of 2003. Local management and Works Council have agreed upon this step and a number of other efficiency improvement actions. The Winnenden operation will develop into a Competence Center for advanced manufacturing, research and development, supply chain management, logistics and production engineering. To support the comprehensive marketing activities, a new training center for both customers and employees is being established and will be inaugurated at the end of September. A restructuring provision of MSEK 48 related to the program, was taken and announced in the second quarter report.

Atlas Copco Electric Tool Division, located in Winnenden near Stuttgart/Germany, is a company within the Atlas Copco Group. Within the business area Industrial Technique Atlas Copco Electric Tools GmbH is responsible for developing, manufacturing and distribution of high quality handheld power tools and accessories for well-known, high-profile brands like Atlas Copco, AEG Power Tools, and Milwaukee. The division markets its products through 21 sales companies worldwide, and 1200 employees support business with focus mainly in Europe, Asia, Australia and South Africa. More information can be found on the web site: www.atlascopco-group.com/www.aeg-pt.com

Atlas Copco is an international industrial Group with its head office in Stockholm, Sweden. In 2001, the Group had revenues of MSEK 51 (MEUR 5.4), 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.