



press information

Group Communications

Atlas Copco acquires the Diamond Bit Manufacturer, Hobic Bit Industries Corporation.

Stockholm September 6, 2000 -- Atlas Copco has acquired the Canadian company Hobic Bit Industries Corp., with manufacturing plants in Vancouver, Canada, and Wuxi, China. The company has 85 employees and an annual turnover in excess of CAD 10 m (approx SEK 60m). Hobic will become part of the Atlas Copco Craelius Division. The acquisition is in line with the division's strategy to expand the business in the mineral exploration field.

Hobic, based in Vancouver, British Columbia, Canada, is one of the world's leading manufacturers of diamond core drill bits for the mineral exploration industry. The company has well-established manufacturing operations in Vancouver and Wuxi, China. The Chinese part of the acquisition is subject to Chinese authority approval. Hobic will continue to operate with its existing product line name on a worldwide basis.

This new strategic acquisition will make Atlas Copco one of the largest diamond bit manufacturers in the world. The Chinese manufacturing operation enhances Atlas Copco's competitiveness and creates a base for further expansion in Asia.

Atlas Copco Craelius, is a leading company in core drilling and ground engineering, parts, and services. Additional information on Atlas Copco Craelius is available on the website: www.atlascopco.com/craelius/

Atlas Copco is an international industrial Group with its head office in Stockholm, Sweden. In 1999, the Group had revenues of SEK 36 billion, with 97 percent of revenues outside Sweden, and over 26,000 employees. Atlas Copco companies develop, manufacture, and market electric and pneumatic tools, compressed air equipment and generators, construction and mining equipment, assembly systems, and offer related service and equipment rental. More information about the Group is available on the website: www.atlascopco-group.com.

For further information please contact:

Atlas Copco Craelius division

Björn Rosengren, President Atlas Copco Craelius Division, + 46 8 58778501

Robert Fassl, General Manager JKS Boyles International + 1 705 472 3320

Tony Graham, President Hobic Bit Industries Corp. + 1 604 241 0086

Atlas Copco AB

Annika Berglund, Senior Vice President Group Communications, Atlas Copco AB, + 46 8 743 8070, mobile +46 70 322 8070, e-mail: annika.berglund@atlascopco.com