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Atlas Copco to divest concrete and compaction business to Husqvarna Group

Atlas Copco has taken a decision to divest its concrete and compaction business to Husqvarna Group's Construction division. The planned divestment will enable Atlas Copco's Power Technique business area to intensify focus on its core technologies of air, power and flow.

Atlas Copco Power Technique, which recently evolved out of the success of the Construction Technique business area, brings complete air (portable compressors), power (generators and light towers) and flow (pumps) solutions and services to mining and industry.

In addition to the complete concrete and compaction product ranges including plate compactors, tandem rollers and concrete vibrators, the production facility in Ruse, Bulgaria, as well as production assets in Nashik, India, along with sales and service operations worldwide are included in the divestment transaction.

"This development will now enable us to create focus within our business area to further accelerate growth in our core technologies of air, power and flow," comments Philip Herselman, General Manager, Power Technique, Atlas Copco Industrial South Africa.

"With this development it is important to know that Atlas Copco remains committed to our channel partners. We will work hand-in-hand with Husqvarna to ensure a smooth transition and continuity in supply and support, albeit under a new brand and working with a new organisation. In essence, it will be business as usual."

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Herselman says that in terms of their remaining product offering and strategy referenced to earlier, Portable Energy will now be evolved into two divisions to bring more focus. *“This process is ongoing now and this move will enable our Power Technique business area to accelerate research and development within its newly formed Portable Air and Power and Flow divisions.”*

“Our commitment to the construction industry, along with many others served, remains as strong as ever. We now have a more streamlined product portfolio through which we can more deeply focus our resources to add real innovation and differentiation,” concludes Herselman.

The concrete and compaction business had revenues of approximately MEUR 57 (MSEK 570) in 2016. Approximately 200 employees will join Husqvarna Group. Subject to regulatory approvals, the divestment is expected to be completed during Q1 2018.

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Atlas Copco is a world-leading provider of sustainable productivity solutions. The Group serves customers with innovative compressors, vacuum solutions and air treatment systems, construction and mining equipment, power tools and assembly systems. Atlas Copco develops products and services focused on productivity, energy efficiency, safety and ergonomics. The company was founded in 1873, is based in Stockholm, Sweden, and has a global reach spanning more than 180 countries. In 2016, Atlas Copco had revenues of BSEK 101 (BEUR 11) and about 45 000 employees. Learn more at www.atlascopco.co.za.

Atlas Copco's Power Technique business area provides construction and demolition tools, portable compressors, pumps and generators, lighting towers, and compaction and paving equipment. It offers service through a global network. Power Technique innovates for sustainable productivity in infrastructure, civil works, oil and gas, energy, drilling and road construction projects. Principal product development and manufacturing units are located in Belgium, Germany, Sweden, the United States, China, India and Brazil.