

Q2 results 2022

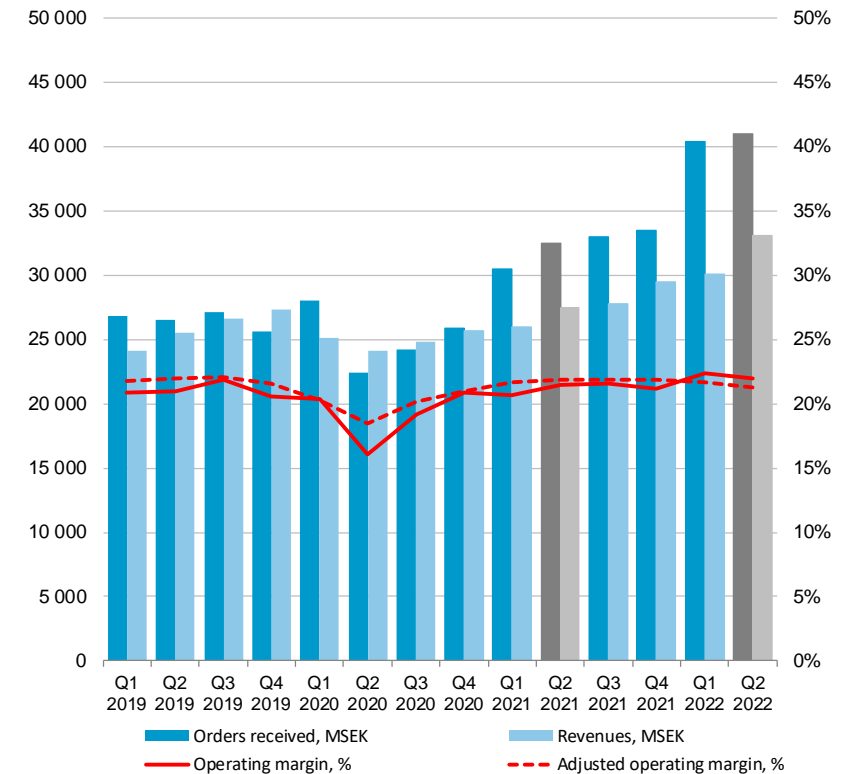
July 19, 2022

Q2 in brief

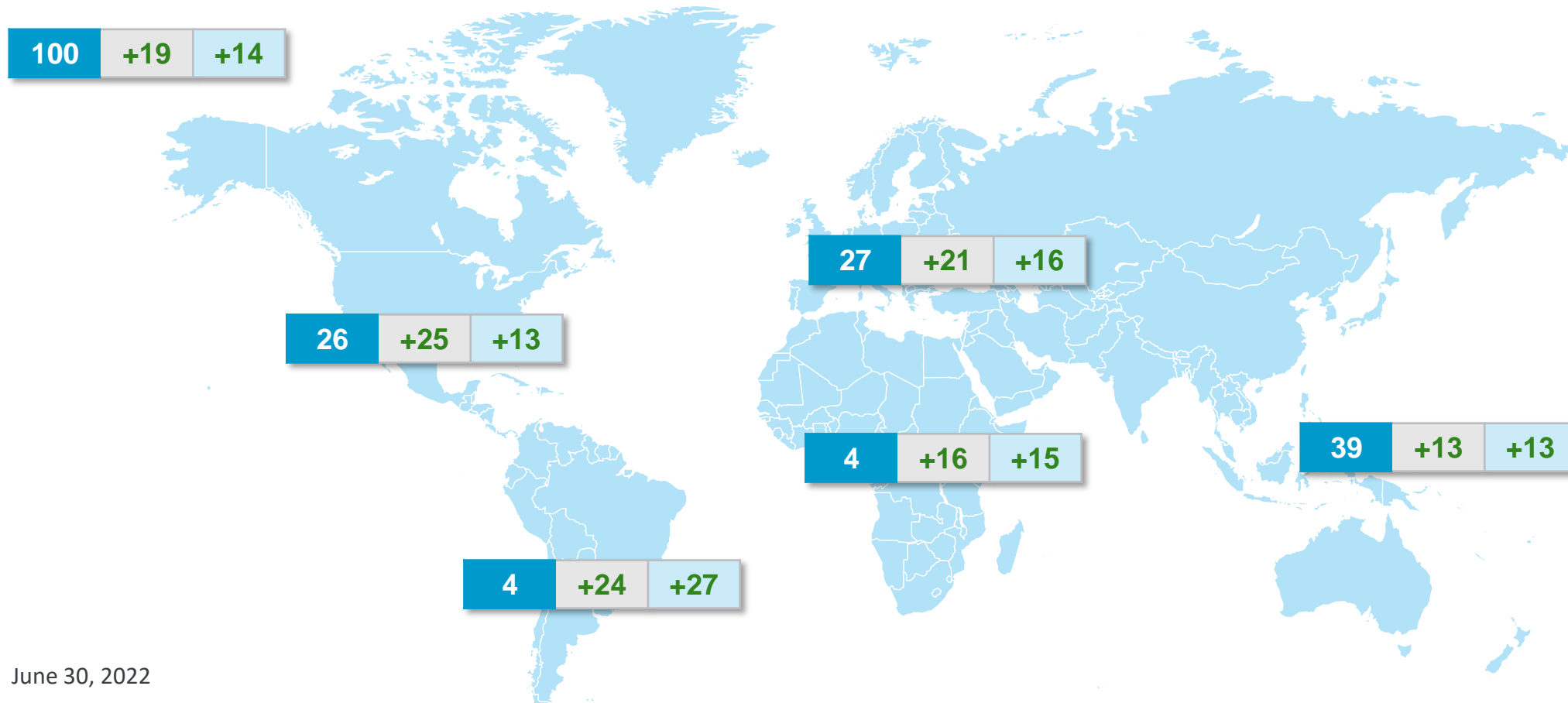
- Strong order intake with solid growth in all business areas
 - Double-digit growth in all regions
- Sequentially, slight organic order decrease
 - Compressor and Industrial Technique up
 - Vacuum and Power Technique down
- Record revenues despite continued supply chain constraints
- Solid operating profit:
 - Margin supported by currency but negatively affected by supply chain disruptions, COVID-19, and investments in market presence and R&D
- Five acquisitions completed

Q2 financials

- Orders received reached MSEK 41 010 (32 529), organic growth of 13%
- Revenues were MSEK 33 111 (27 534), organic growth of 8%
- Operating profit was MSEK 7 279 (5 924), margin at 22.0% (21.5)
 - Adjusted operating profit at MSEK 7 042 (6 026), margin of 21.3% (21.9)
- Profit for the period was MSEK 5 678 (4 571)
- Basic earnings per share were SEK 1.17 (0.94, adjusted for share split)
- Operating cash flow at MSEK 3 064 (3 743)
- Return on capital employed was 28% (26)



Orders received – local currency

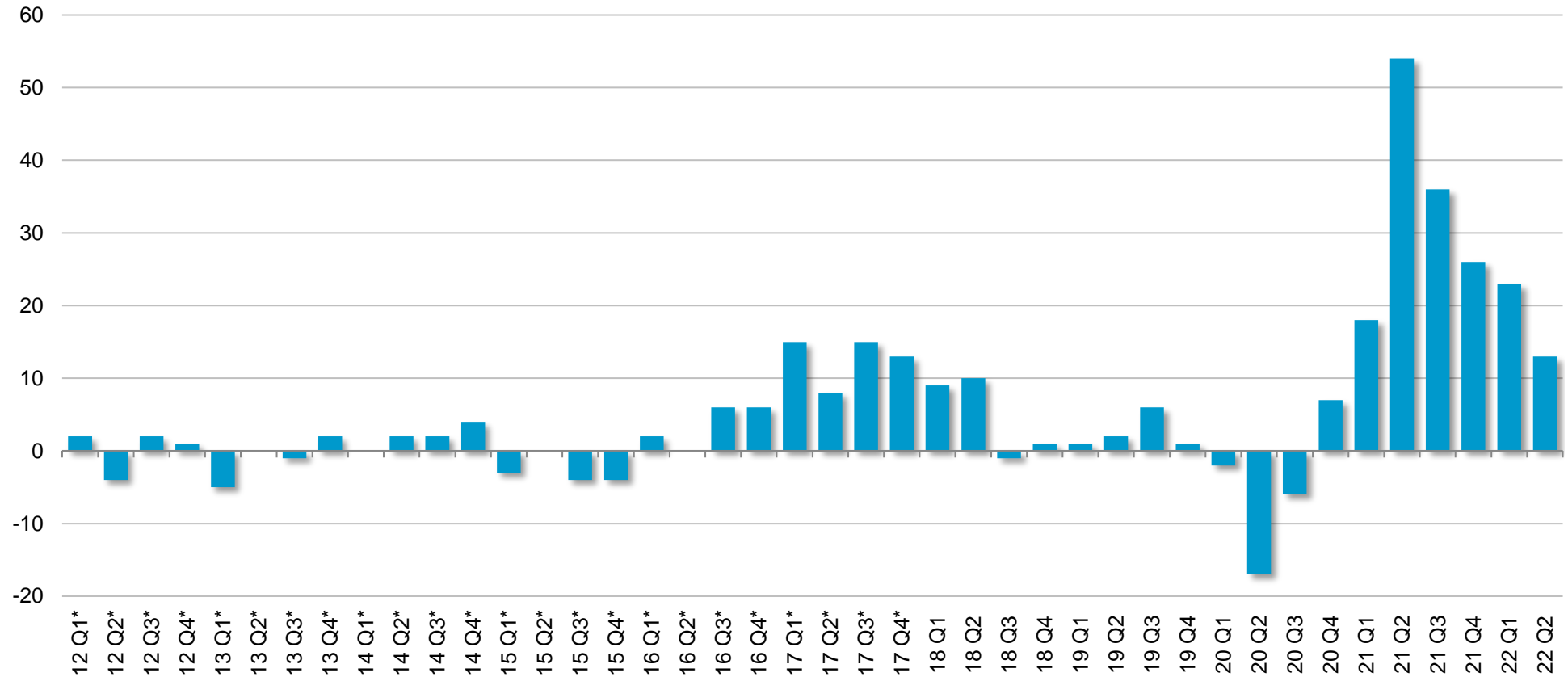


June 30, 2022

Share of orders received, year-to-date, %	Year-to-date vs. previous year, %	Last 3 months vs. previous year, %
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Order growth per quarter

Organic growth, %



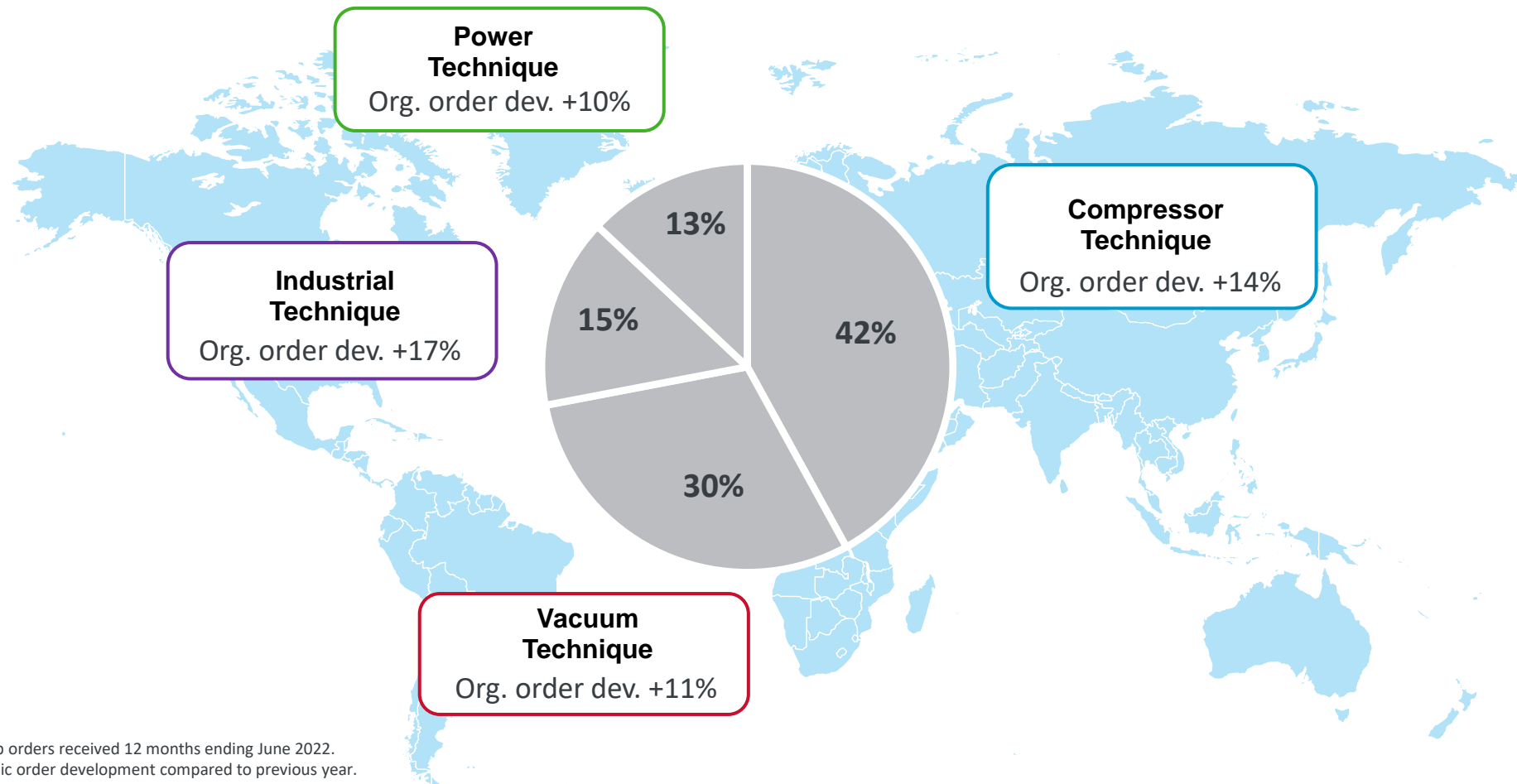
*2012-2017 excluding Mining and Rock Excavation Technique business area (now part of Epiroc AB).

Sales bridge

MSEK	April - June		January - June	
	Orders received	Revenues	Orders received	Revenues
2021	32 529	27 534	62 997	53 555
Structural change, %	+1	+1	+1	+1
Currency, %	+12	+11	+10	+10
Organic*, %	+13	+8	+18	+7
Total, %	+26	+20	+29	+18
2022	41 010	33 111	81 389	63 197

*Volume, price and mix.

Orders by business area and organic order development*



* Share of Group orders received 12 months ending June 2022.
3 month organic order development compared to previous year.

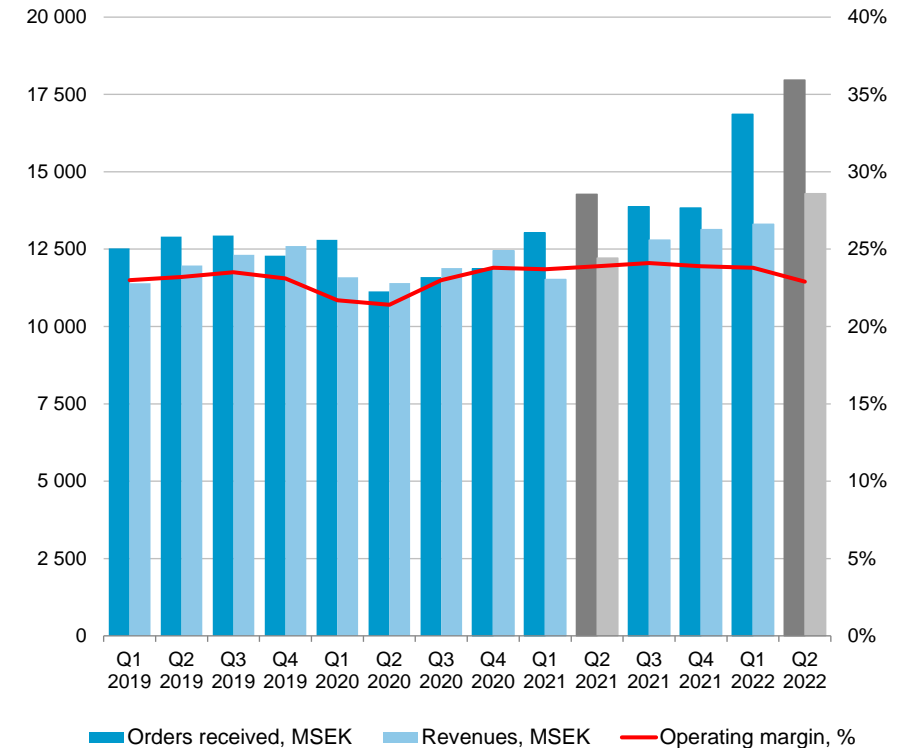
Compressor Technique

- Record orders, organic growth of 14%
 - Solid growth for industrial compressors and service
 - Strong demand for gas and process compressors
- Record revenues, up 6% organically
- Operating profit margin at 22.9% (23.9)
 - Negatively affected by supply chain constraints and COVID-19
 - Positive currency effect
- ROCE at 86% (91)



Innovation:

A new range of desiccant dryers, the BD 360+ - 1260+ (ZP), offering increased flow, higher energy efficiency and hence lower CO₂ emissions.



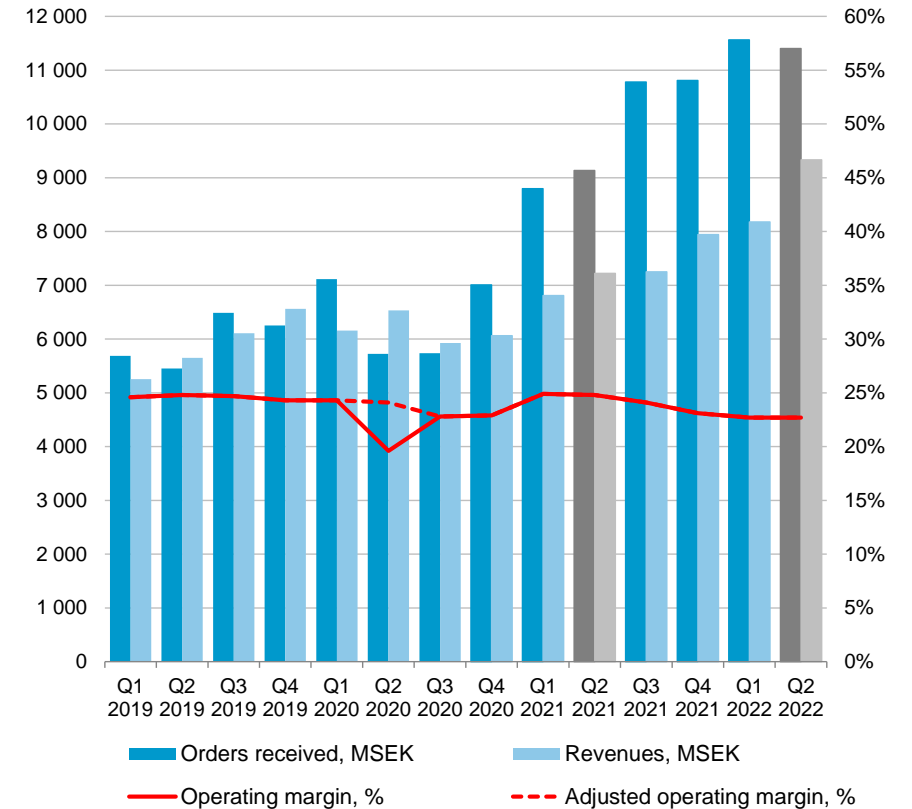
Vacuum Technique

- Continued high demand, organic order growth of 11%
 - Strong growth for equipment – semi and general vacuum
 - Continued growth for service
- Record revenues, up 15% organically
- Operating profit margin at 22.7% (24.8)
 - Heavily affected by supply chain constraints, COVID-19 and related inefficiencies in factories
 - Positive currency effect
- ROCE at 25% (23)



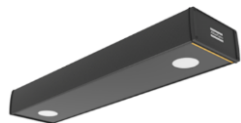
Innovation:

A new cryogenic pump, the Edwards CTI On-Board® IS 320F XVS, offering high performance and solid vacuum consistency while providing real-time system information for optimum temperature control.



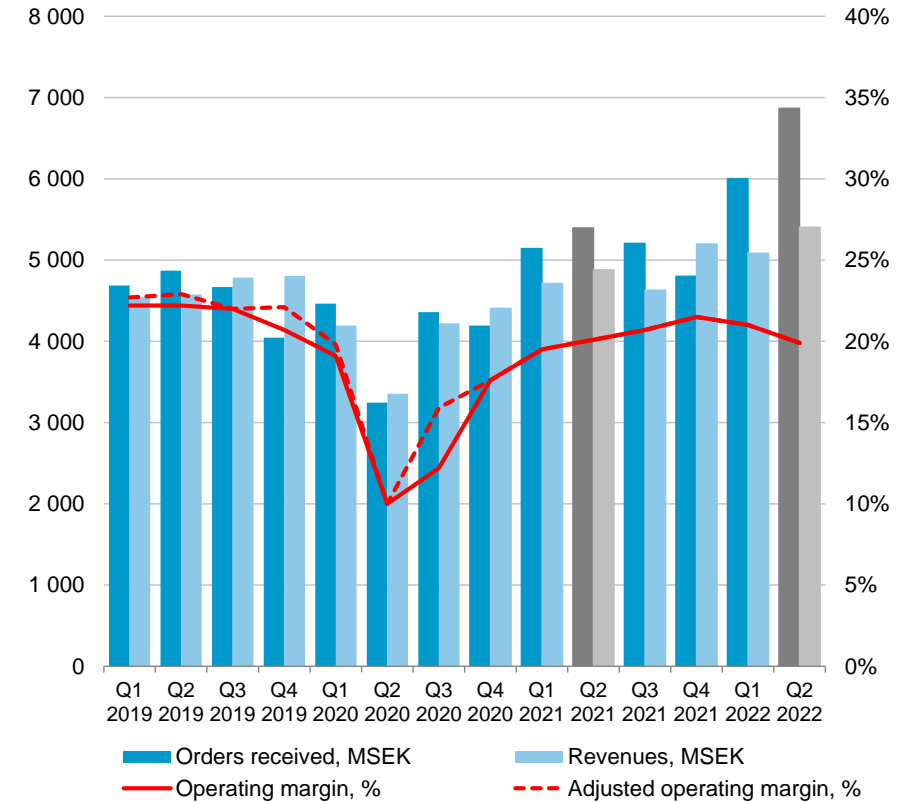
Industrial Technique

- Record orders, organic growth of 17%
 - Strong growth for automotive and general industry
 - Solid growth for service
- Record revenues, up 2% organically
- Operating profit margin at 19.9% (20.1)
 - Negatively affected by supply chain constraints, COVID- 19, and investments in R&D and digitalization
 - Positive currency effect
- ROCE at 17% (13)



Innovation:

A new positioning system for Atlas Copco's battery assembly tools, the ILS 2.0, using machine vision technology to track tool position generating increased production quality and remained flexibility.



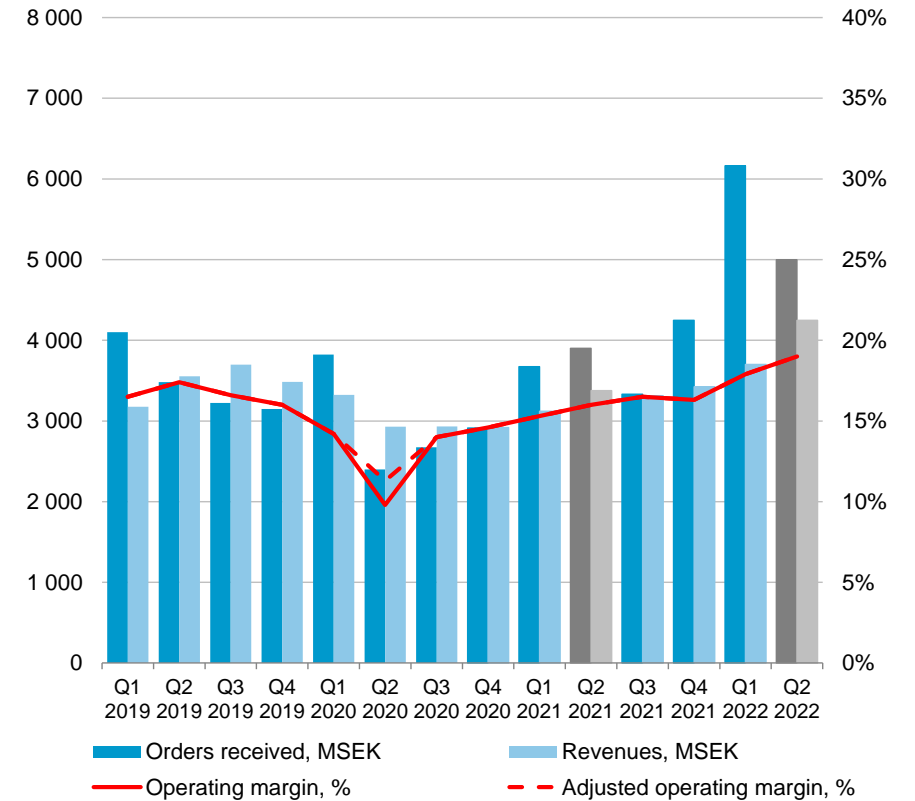
Power Technique

- Continued high demand, organic order growth of 10%
 - Solid equipment growth
 - Strong growth for specialty rental and tangible growth for service
- Record revenues, up 9% organically
- Strong operating profit margin at 19.0% (16.0)
 - Driven by increased organic revenue volumes
- ROCE at 29% (23)



Innovation:

A new drainage pump, the WEDA D95, suitable for harsh conditions targeting applications such as general dewatering, mining, and tunnelling.



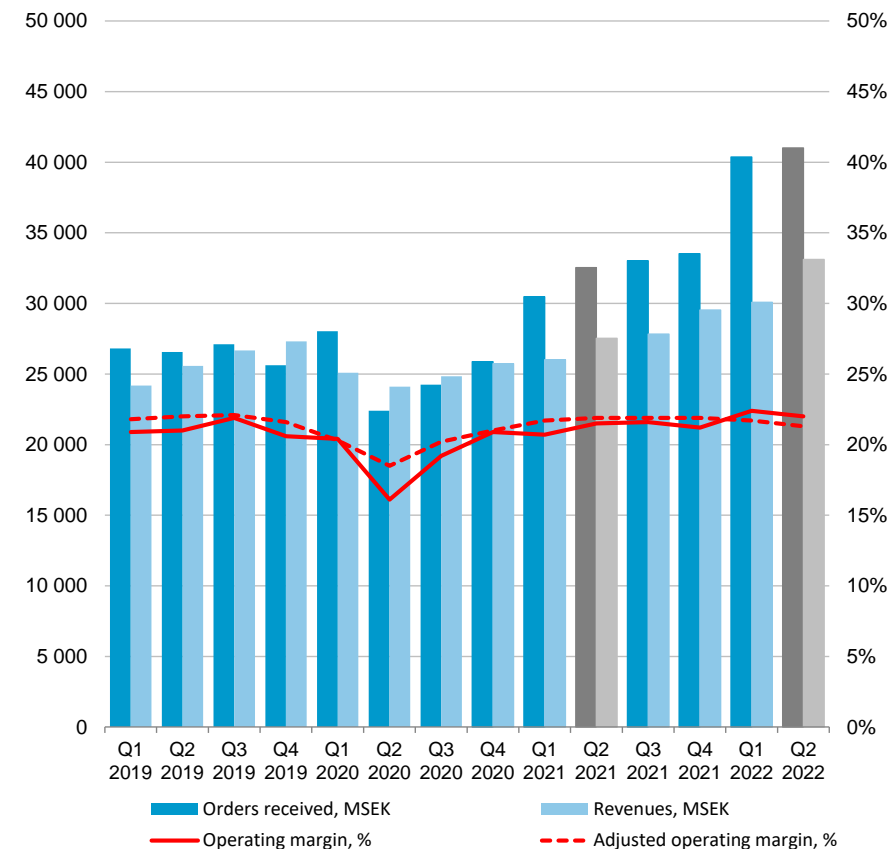
Group total

April – June 2022 vs. 2021

MSEK	April - June		
	2022	2021	
Orders received	41 010	32 529	26%
Revenues	33 111	27 534	20%
EBITA¹⁾	7 679	6 285	22%
– as a percentage of revenues	23.2	22.8	
Operating profit	7 279	5 924	23%
– as a percentage of revenues	22.0	21.5	
Net financial items	26	-52	
Profit before tax	7 305	5 872	24%
– as a percentage of revenues	22.1	21.3	
Income tax expense	-1 627	-1 301	25%
– as a percentage of profit before tax	22.3	22.2	
Profit for the period	5 678	4 571	24%
Basic earnings per share, SEK	1.17	0.94²⁾	
Return on capital employed, %	28	26	
Return on equity, %	31	29	

¹⁾ Operating profit excluding amortization of intangibles related to acquisitions.

²⁾ Adjusted for share split.



Profit bridge

April – June 2022 vs. 2021

MSEK	Q2 2022	Volume, price, mix and other	Currency	Acquisitions	Items affecting comparability	Share-based LTI* programs	Q2 2021
Atlas Copco Group							
Revenues	33 111	2 157	3 090	330	-	-	27 534
Operating profit	7 279	-274	1 275	15	0	339	5 924
	22.0%						21.5%

*LTI= Long term incentive

Profit bridge – by business area

April – June 2022 vs. 2021

MSEK	Q2 2022	Volume, price, mix and other	Currency	Acquisitions	Items affecting comparability	Q2 2021
Compressor Technique						
Revenues	14 291	689	1 240	150		12 212
Operating profit	3 266	-105	455	0	0	2 916
	22.9%					23.9%
Vacuum Technique						
Revenues	9 335	1 075	1 005	35		7 220
Operating profit	2 123	-166	500	0	0	1 789
	22.7%					24.8%
Industrial Technique						
Revenues	5 405	80	460	-15		4 880
Operating profit	1 077	-139	245	-10	0	981
	19.9%					20.1%
Power Technique						
Revenues	4 247	315	395	160		3 377
Operating profit	807	148	95	25	0	539
	19.0%					16.0%

Balance sheet

MSEK	Jun. 30, 2022	Jun. 30, 2021	Dec. 31, 2021
Intangible assets	56 807	47 528	50 348
Rental equipment	2 566	2 422	2 342
Other property, plant and equipment	10 498	8 204	8 991
Right-of-use assets	3 470	3 244	3 244
Other non-current assets	4 257	3 204	3 752
Inventories	23 609	15 242	17 801
Receivables	36 600	29 682	30 363
Current financial assets	1 016	624	847
Cash and cash equivalents	10 419	13 720	18 990
Assets classified as held for sale	1	5	5
TOTAL ASSETS	149 243	123 875	136 683
Total equity	65 846	55 730	67 634
Interest-bearing liabilities	31 872	27 420	27 988
Non-interest-bearing liabilities	51 525	40 725	41 061
TOTAL EQUITY AND LIABILITIES	149 243	123 875	136 683

Cash flow

MSEK	April - June		January - June	
	2022	2021	2022	2021
Operating cash surplus	8 645	7 268	16 790	14 041
<i>of which depreciation added back</i>	1 491	1 338	2 932	2 616
Net financial items	21	-5	-204	133
Taxes paid	-2 060	-2 266	-3 159	-3 332
Pension funding	-83	-71	-165	-146
Change in working capital	-2 301	-345	-5 380	-845
Increase in rental equipment, net	-172	-124	-357	-208
Cash flows from operating activities	4 050	4 457	7 525	9 643
Investments of property, plant & eq., net	-760	-396	-1 596	-736
Other investments, net	-322	-372	-671	-690
Cash flow from investments	-1 082	-768	-2 267	-1 426
Adjustment, currency hedges of loans	96	54	206	-153
Operating cash flow	3 064	3 743	5 464	8 064
Company acquisitions/ divestments	-957	-594	-1 183	-718

Near-term outlook

Atlas Copco expects that the customers' activity level will be lower than in the second quarter.

Forward-looking statements

“Some statements herein are forward-looking and the actual outcome could be materially different. In addition to the factors explicitly commented upon other factors could have a material effect on the actual outcome. Such factors include, but are not limited to, general business conditions, fluctuations in exchange rates and interest rates, political developments, the impact of competing products and their pricing, product development, commercialization and technological difficulties, interruptions in supply, and major customer credit losses.”