

A hot air balloon with the Atlas Copco logo is floating in the sky above a city at dusk. The balloon is blue with white stripes and the text "Atlas Copco" in white. The city below is illuminated with lights, and a body of water is visible in the distance.

# ***COMMITTED TO SUSTAINABLE PRODUCTIVITY***

Q3 2015 results

October 20, 2015

The Atlas Copco logo consists of two horizontal white bars above the text "Atlas Copco" in a white, italicized serif font, which is itself above another horizontal white bar.

*Atlas Copco*

## Q3 IN BRIEF

- Mixed demand development
  - Growth in service
  - Low order volumes for equipment
    - Stable industrial business
    - Weak mining and oil & gas
- Order growth in Europe – declines in China, Brazil and the Middle East
- Record profit and strong operating cash flow

# INNOVATION HIGHLIGHTS

## Vacuum solutions

### *iXM dry pump*

- For semiconductor manufacturing
- Patented technology and design
- Increased energy efficiency and longer lifetime



### *GHS VSD+*

- For general manufacturing
- Energy savings of 50% on average

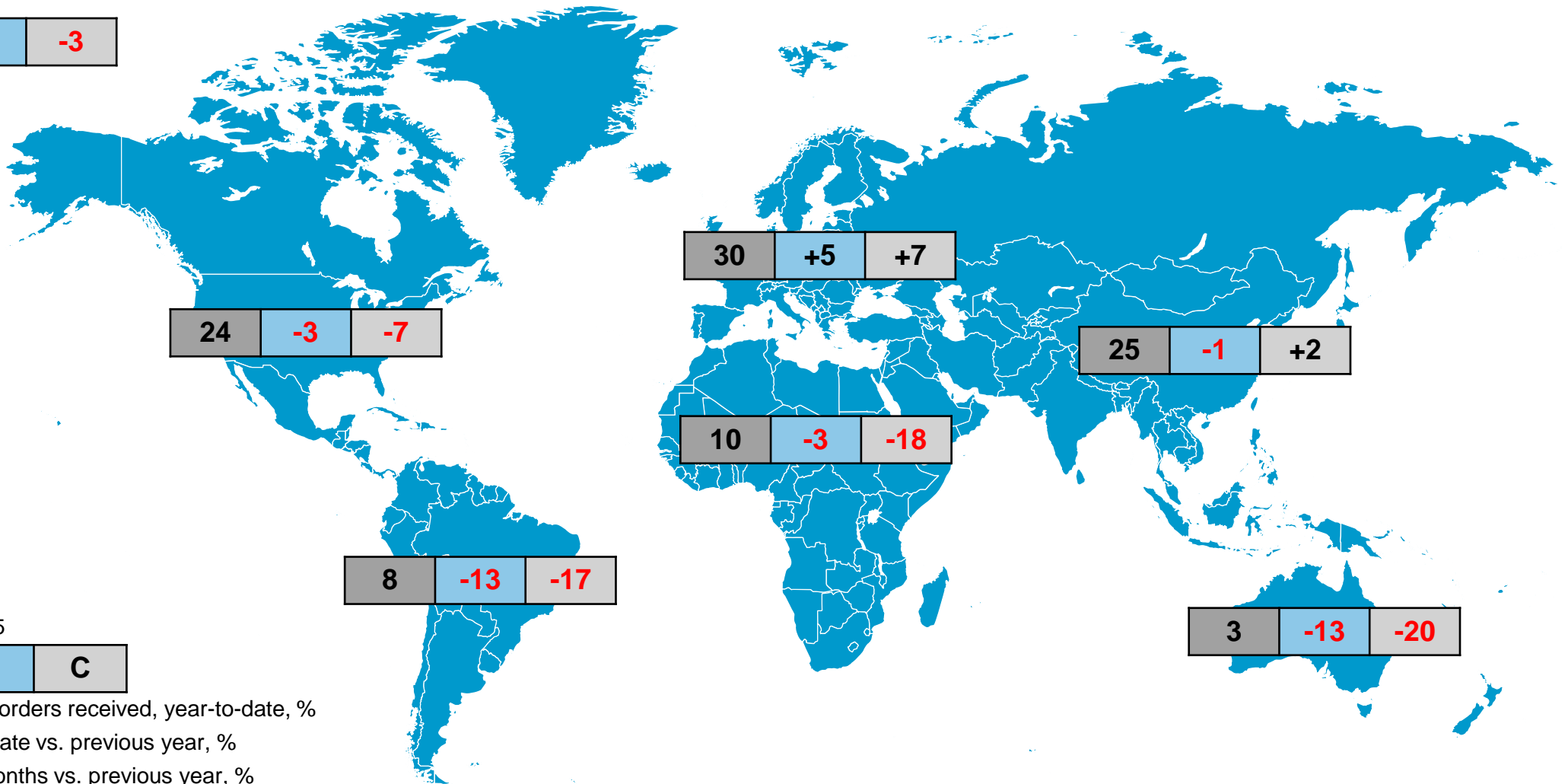


## Q3 FIGURES IN SUMMARY

- Orders received increased 3% to MSEK 24 149, organic decline of 5%
- Revenues increased 9% to MSEK 25 723, unchanged organically
- Record operating profit of MSEK 5 313 (4 145), margin at 20.7% (17.6)
- Adjusted operating profit was MSEK 5 239 (4 604), margin at 20.4% (19.5)
  - Items affecting comparability of MSEK +74 (-459)
- Profit before tax at MSEK 5 042 (3 879)
- Basic earnings per share SEK 3.12 (2.37)
- Operating cash flow at MSEK 4 621 (4 075)

# ORDERS RECEIVED - LOCAL CURRENCY

100	-1	-3
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September 2015

A	B	C
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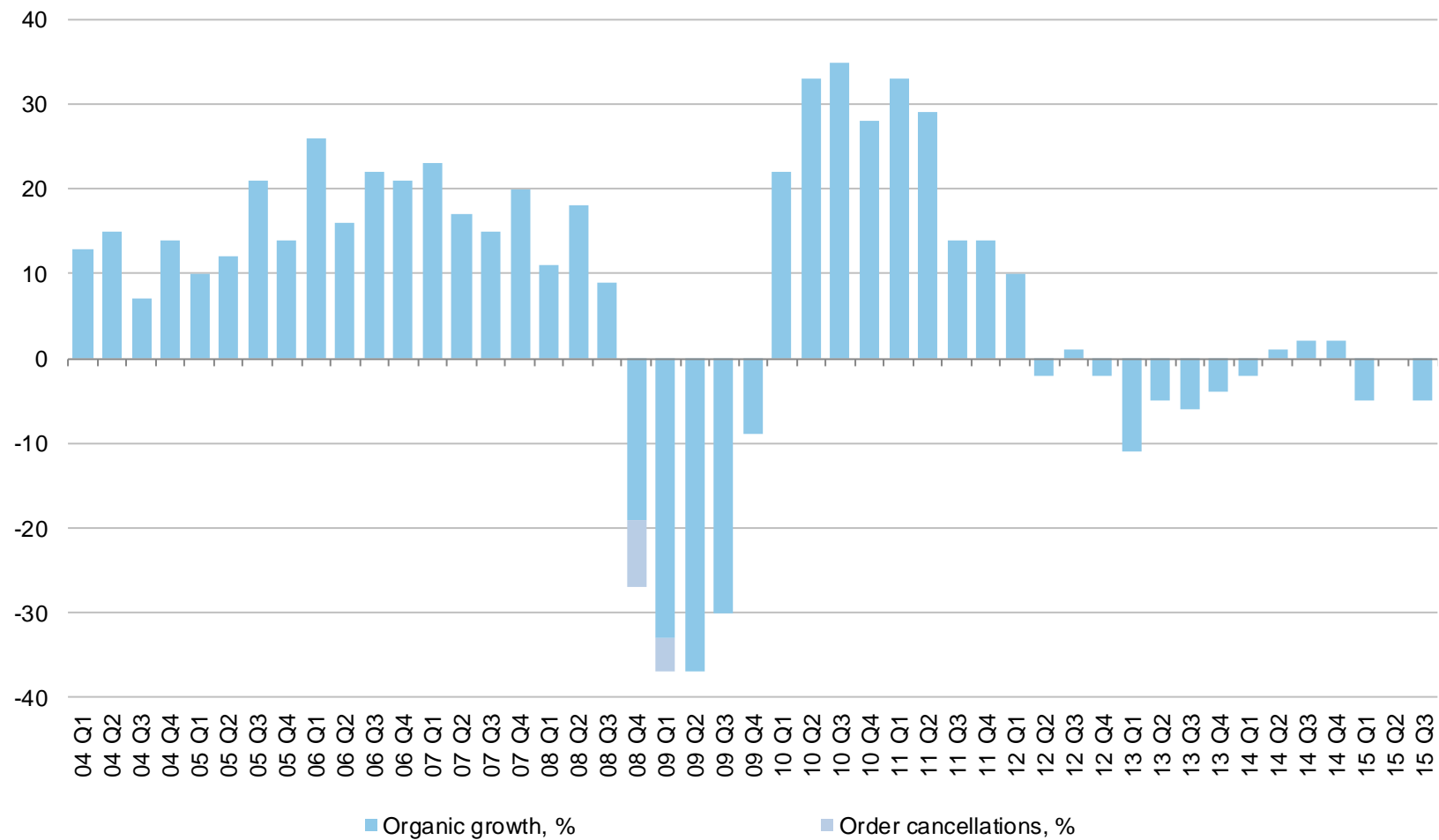
A = Share of orders received, year-to-date, %

B = Year-to-date vs. previous year, %

C = Last 3 months vs. previous year, %

# ORGANIC\* ORDER GROWTH PER QUARTER

## Atlas Copco Group, continuing operations



\* Volume and price

■ Organic growth, %

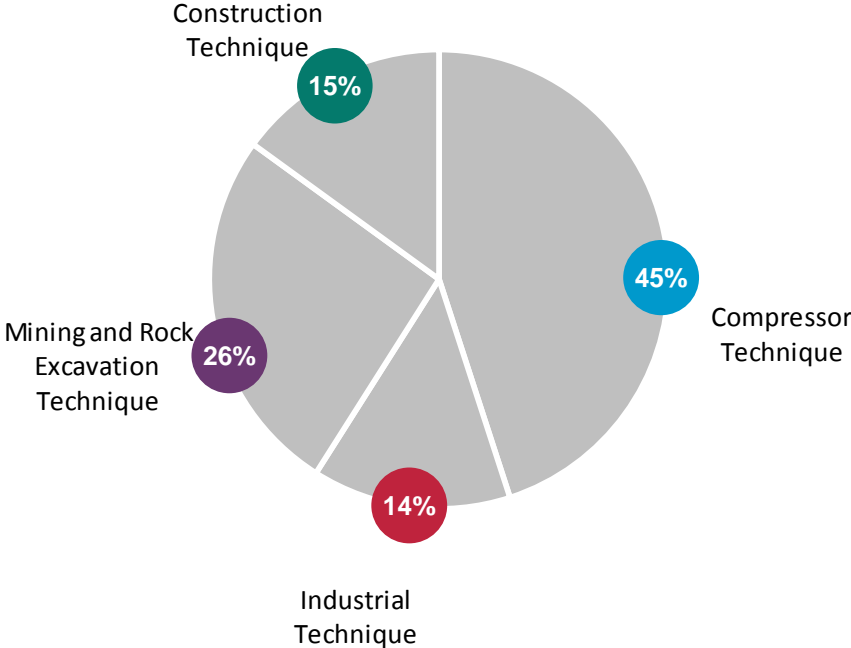
■ Order cancellations, %

# ATLAS COPCO GROUP – SALES BRIDGE

MSEK	July - September		January - September	
	Orders received	Revenues	Orders received	Revenues
2014	23 395	23 590	69 498	68 361
Structural change, %	+1	+1	+2	+2
Currency, %	+7	+8	+11	+12
Price, %	+0	+1	+0	+0
Volume, %	-5	-1	-3	-2
Total, %	+3	+9	+10	+12
2015	24 149	25 723	76 394	76 579

# ATLAS COPCO GROUP

Revenues by business area



12 months until September 2015

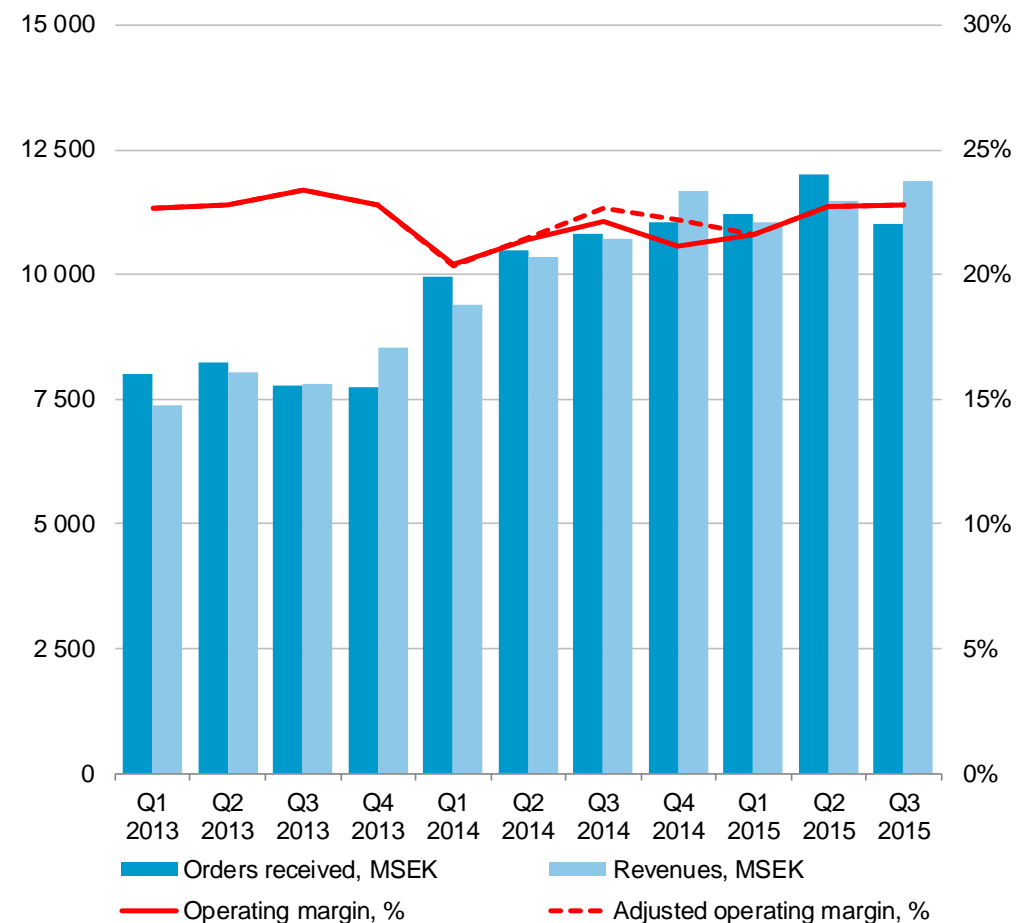




# COMPRESSOR TECHNIQUE

- Growth in service
- Weak order intake for equipment
  - Positive in Europe, negative in China and Brazil
  - United States affected by weak oil & gas and low vacuum orders
  - Low orders for gas and process compressors
- Record revenues and operating profit
  - Operating margin at 22.8% (22.1)

Extended and upgraded range of nitrogen generators with quick payback for the customer

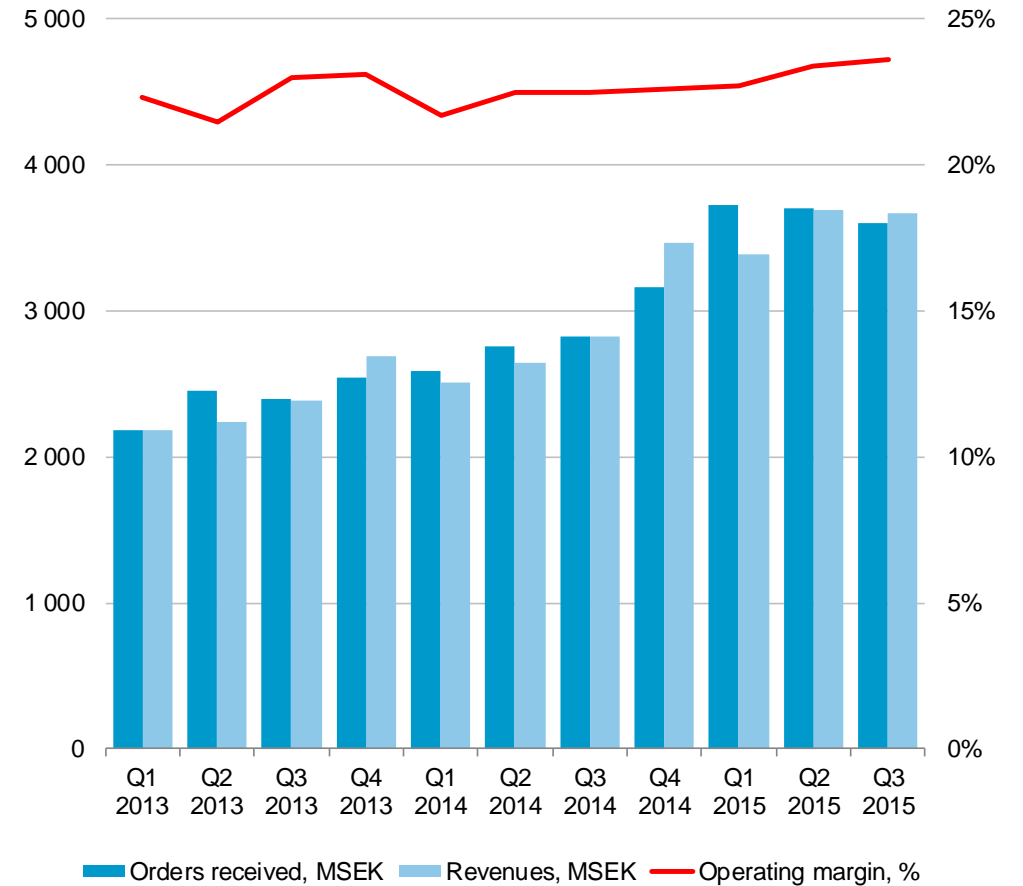


# INDUSTRIAL TECHNIQUE

- Increased order intake
  - Strong demand from motor vehicle industry, aerospace and electronics
- Growth in service
- Acquisition of process control systems specialist
- Record operating profit
  - Operating margin at 23.6% (22.5)



High torque electric assembly tool for high productivity

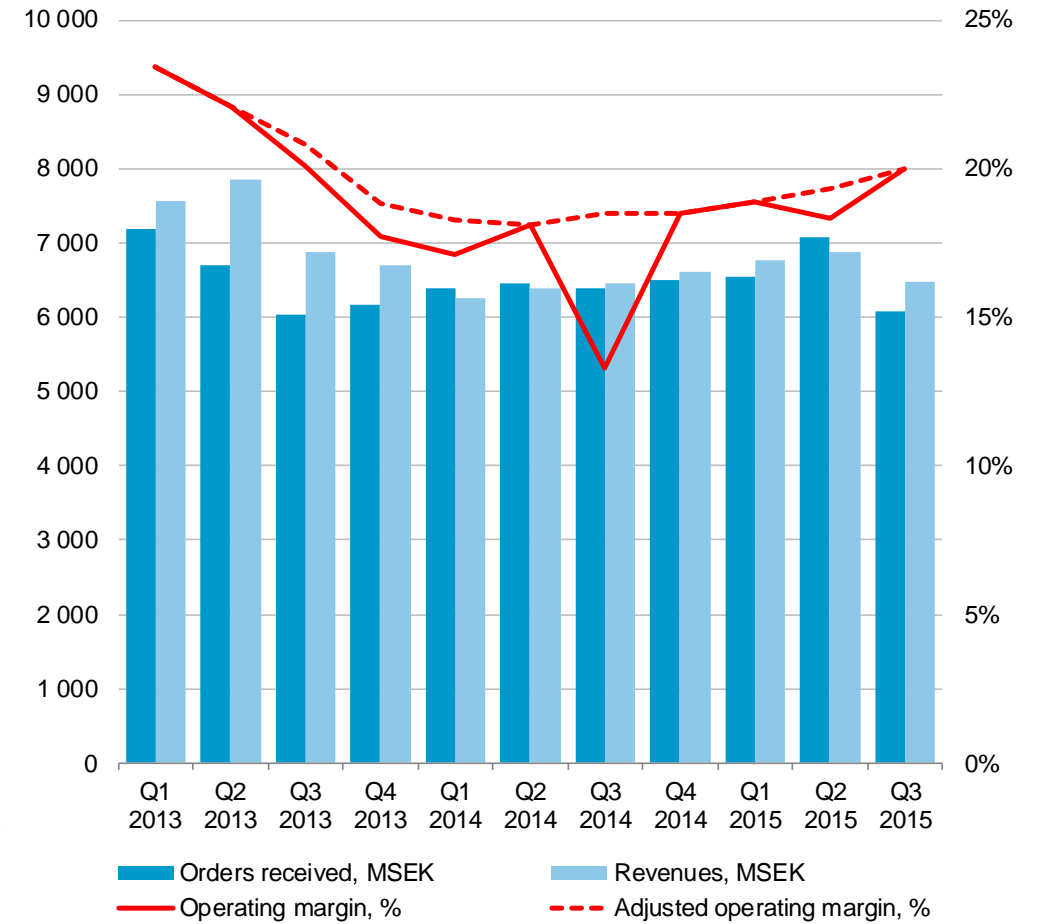


# MINING AND ROCK EXCAVATION TECHNIQUE

- Growth in service and parts
- Lower order intake for equipment
  - Cancellations of MSEK 300, mainly in Australia
  - Further efficiency measures
- Operating margin at 20.0% (18.5 adjusted)



Reliable low-pressure  
rock drill for surface  
applications

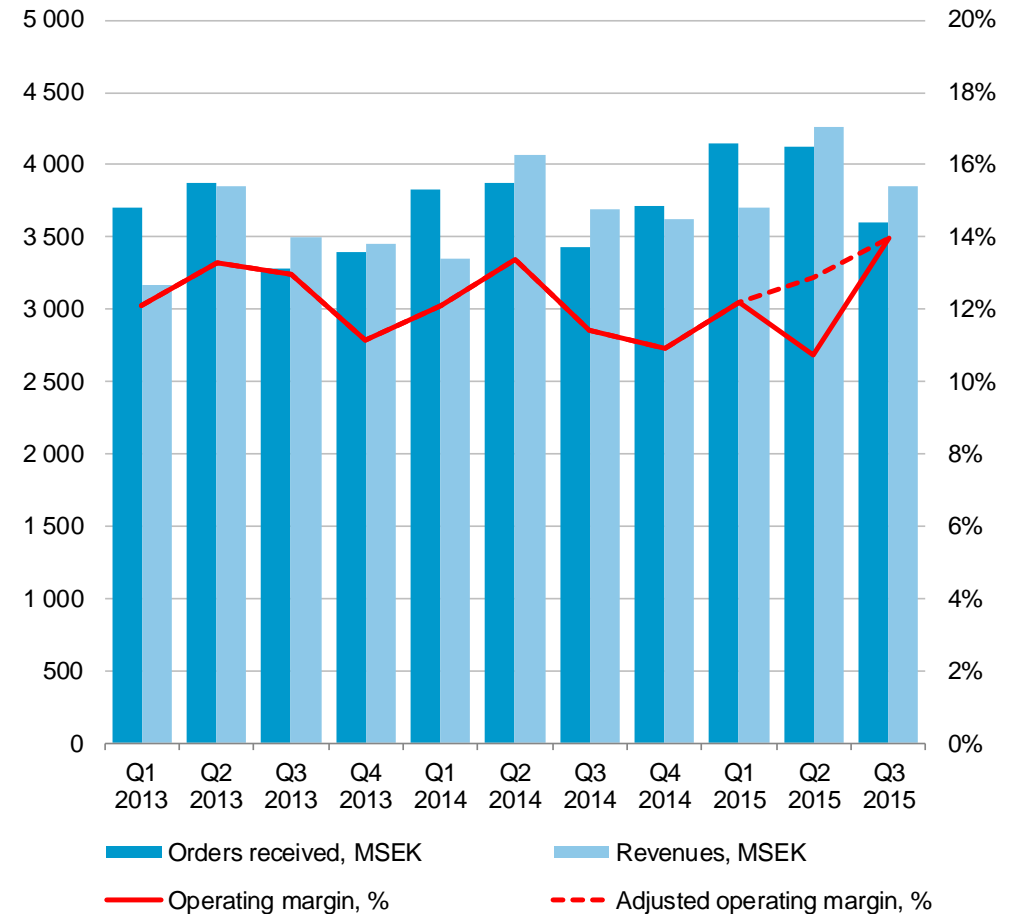


# CONSTRUCTION TECHNIQUE

- Positive development for specialty rental and stable service business
  - Acquisition of specialty dryer rental business
- Lower order intake for equipment
  - Significant decrease in Brazil and China
  - Growth in Europe, India and the United States
- Operating margin at 14.0% (11.4)



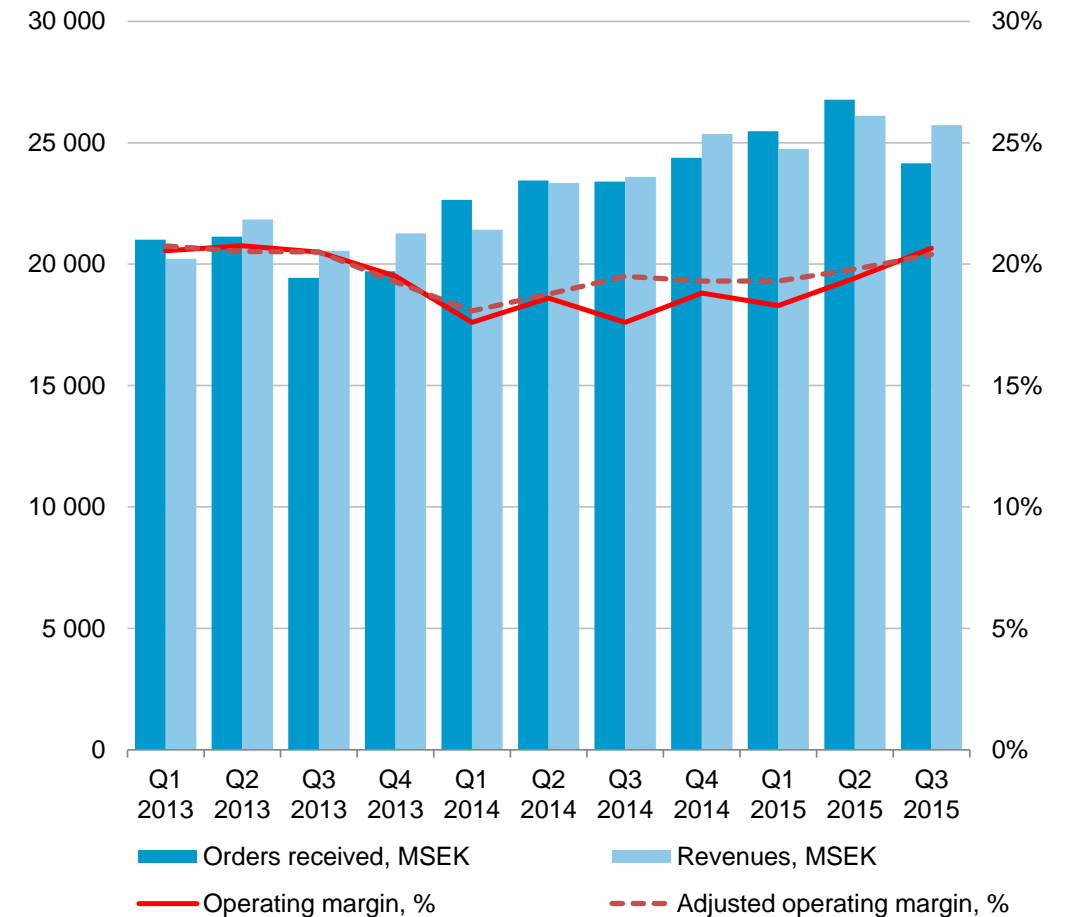
High pressure portable compressor with improved fuel efficiency



# GROUP TOTAL

## July – September 2015 vs. 2014

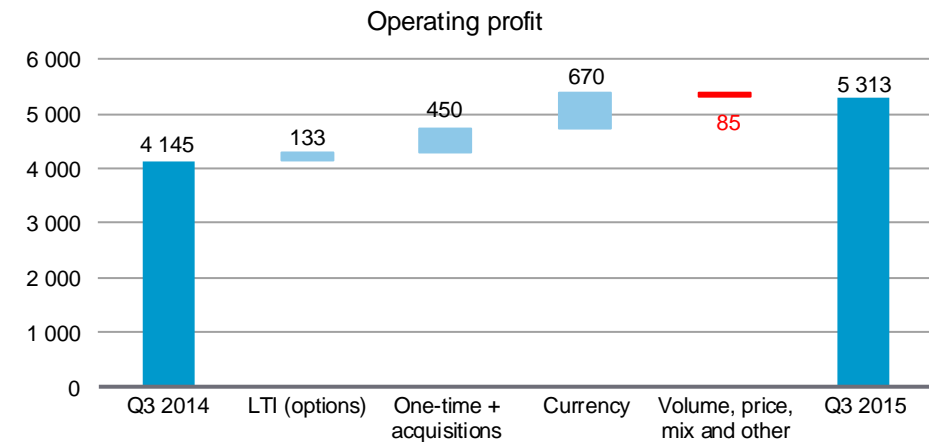
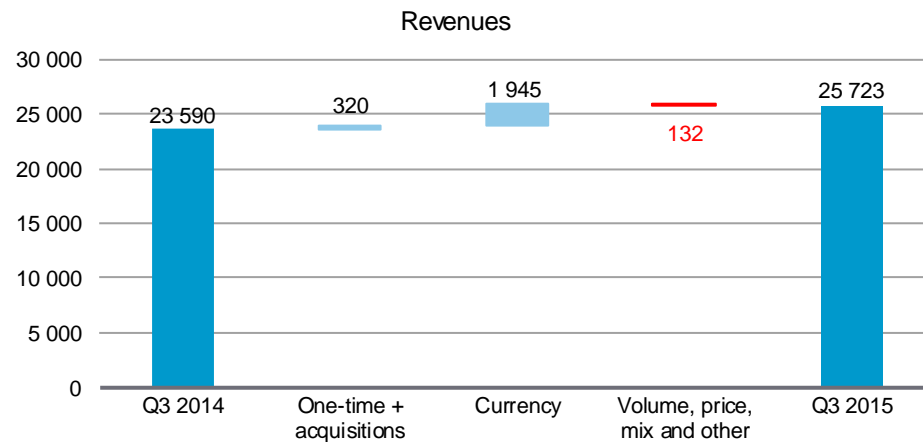
MSEK	July - September		
	2015	2014	%
Orders received	24 149	23 395	3%
Revenues	25 723	23 590	9%
Operating profit	5 313	4 145	28%
– as a percentage of revenues	20.7	17.6	
Profit before tax	5 042	3 879	30%
– as a percentage of revenues	19.6	16.4	
Profit for the period	3 806	2 878	32%
Basic earnings per share, SEK	3.12	2.37	
Return on capital employed, %	27	25	



# PROFIT BRIDGE

## July – September 2015 vs. 2014

MSEK	Q3 2015	Volume, price, mix and other	Currency	One-time items Acquisitions	Share based LTI programs	Q3 2014
<b>Atlas Copco Group</b>						
Revenues	25 723	-132	1 945	320		23 590
Operating profit	5 313	-85	670	450	133	4 145
%	20.7%	64.4%				17.6%



# PROFIT BRIDGE – BY BUSINESS AREA

July – September 2015 vs. 2014

MSEK	Q3 2015	Volume, price, mix and other	Currency	One-time items Acquisitions	Q3 2014
<b>Compressor Technique</b>					
Revenues	11 875	7	1 115	35	10 718
Operating profit	2 709	-30	310	60	2 369
%	22.8%	na			22.1%
<b>Industrial Technique</b>					
Revenues	3 668	291	275	275	2 827
Operating profit	866	75	110	45	636
%	23.6%	25.8%			22.5%
<b>Mining and Rock Excavation Technique</b>					
Revenues	6 481	-248	280	0	6 449
Operating profit	1 296	-100	200	340	856
%	20.0%	40.3%			13.3%
<b>Construction Technique</b>					
Revenues	3 855	-127	275	15	3 692
Operating profit	538	26	85	5	422
%	14.0%	na			11.4%

# BALANCE SHEET

MSEK	Sep. 30, 2015		Dec. 31, 2014		Sep. 30, 2014	
Intangible assets	33 789	32%	33 197	32%	31 425	32%
Rental equipment	3 077	3%	3 177	3%	3 039	3%
Other property, plant and equipment	9 069	9%	9 433	9%	8 998	9%
Other non-current assets	3 968	4%	3 530	3%	3 297	3%
Inventories	18 261	17%	18 364	17%	18 561	19%
Receivables	26 817	26%	26 015	25%	25 360	26%
Current financial assets	1 674	2%	2 150	2%	2 025	2%
Cash and cash equivalents	8 279	8%	9 404	9%	6 245	6%
Assets classified as held for sale	41	0%	11	0%	12	0%
<b>TOTAL ASSETS</b>	<b>104 975</b>		<b>105 281</b>		<b>98 962</b>	
Total equity	46 691	44%	50 753	48%	44 677	45%
Interest-bearing liabilities	25 934	25%	26 997	26%	27 835	28%
Non-interest-bearing liabilities	32 350	31%	27 531	26%	26 450	27%
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>104 975</b>		<b>105 281</b>		<b>98 962</b>	



# CASH FLOW

MSEK	July - September	
	2015	2014
Operating cash surplus	6 168	5 205
<i>of which depreciation added back</i>	1 148	1 033
Net financial items	130	-288
Taxes paid	-1 266	-1 136
Pension funding	7	3
Change in working capital	558	986
Increase in rental equipment, net	-181	-408
<b>Cash flows from operating activities</b>	<b>5 416</b>	<b>4 362</b>
Investments of property, plant & eq., net	-331	-297
Other investments, net	-253	-150
Cash flow from investments	-584	-447
Adjustment, currency hedges of loans	-211	160
<b>Operating cash flow</b>	<b>4 621</b>	<b>4 075</b>
Company acquisitions/ divestments	-115	-1 081

# *CAPITAL MARKETS DAY 2015*

Stockholm, Sweden

November 17, 2015

[www.atlascopco.com/CMD2015](http://www.atlascopco.com/CMD2015)

# *NEAR-TERM OUTLOOK*

The overall demand for the Group is expected to remain at current level.

***COMMITTED TO  
SUSTAINABLE PRODUCTIVITY.***



*Atlas Copco*



## ***CAUTIONARY STATEMENT***

“Some statements herein are forward-looking and the actual outcome could be materially different. In addition to the factors explicitly commented upon, the actual outcome could be materially and adversely affected by other factors such as the effect of economic conditions, exchange-rate and interest-rate movements, political risks, the impact of competing products and their pricing, product development, commercialization and technological difficulties, supply disturbances, and major customer credit losses.”