

A hot air balloon with the Atlas Copco logo is floating in the sky over a city at dusk. The balloon is blue with white stripes and the company name in white script. The city below is illuminated with lights, and a large industrial facility with a tall chimney is visible in the distance.

# ***COMMITTED TO SUSTAINABLE PRODUCTIVITY***

Q2 2015 results

July 16, 2015

The Atlas Copco logo consists of two horizontal white bars above and below the company name in a white script font.

*Atlas Copco*

## Q2 IN BRIEF

- Growth in service
- Increased order intake in Europe – decreased in Asia
- Order volumes for equipment better than in Q1 2015
- Record orders received, revenues and operating profit
  - Strong impact from currency
- Solid operating cash flow

# ***INNOVATION HIGHLIGHT***

## **LT6005 / LT5005 compaction tool**

- Significant sales increase
- Ergonomic and user-friendly design
- High impact force and speed give outstanding compaction efficiency
- Durable and service friendly

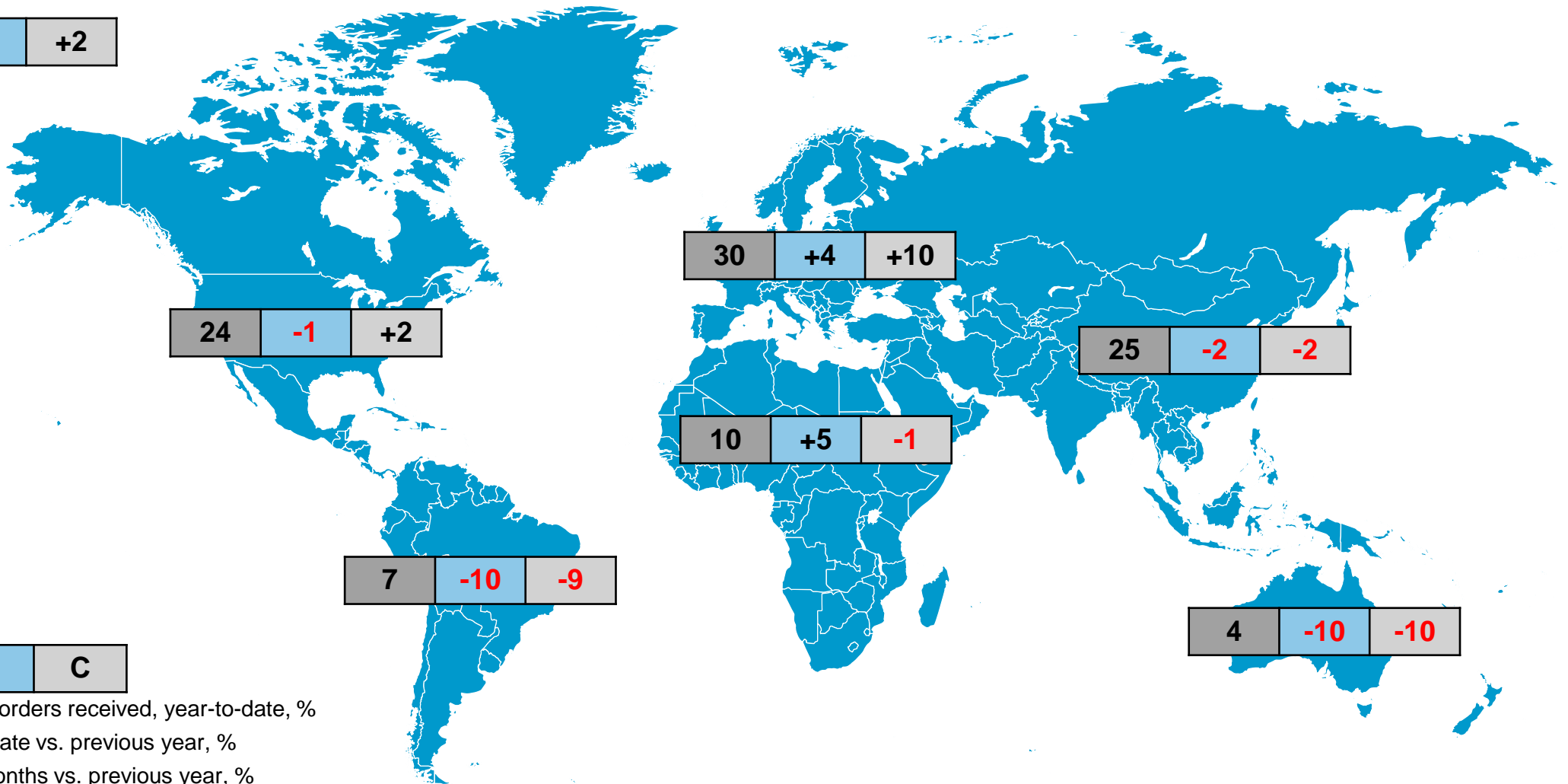


## Q2 FIGURES IN SUMMARY

- Orders received increased 14% to MSEK 26 775, flat organically
- Revenues increased to MSEK 26 111, organic decline of 3%
- Adjusted operating profit was MSEK 5 162 (4 382), margin at 19.8% (18.8)
  - Reported operating profit was MSEK 5 072 (4 339), margin at 19.4% (18.6)
  - Change in provision for long-term incentive program MSEK +70 (-43)
  - Restructuring costs of MSEK 160 (0)
- Profit before tax at MSEK 4 850 (4 174)
- Basic earnings per share SEK 3.00 (2.64)
- Operating cash flow at MSEK 3 481 (3 102)

# ORDERS RECEIVED - LOCAL CURRENCY

100	0	+2
-----	---	----



June 2015

A	B	C
---	---	---

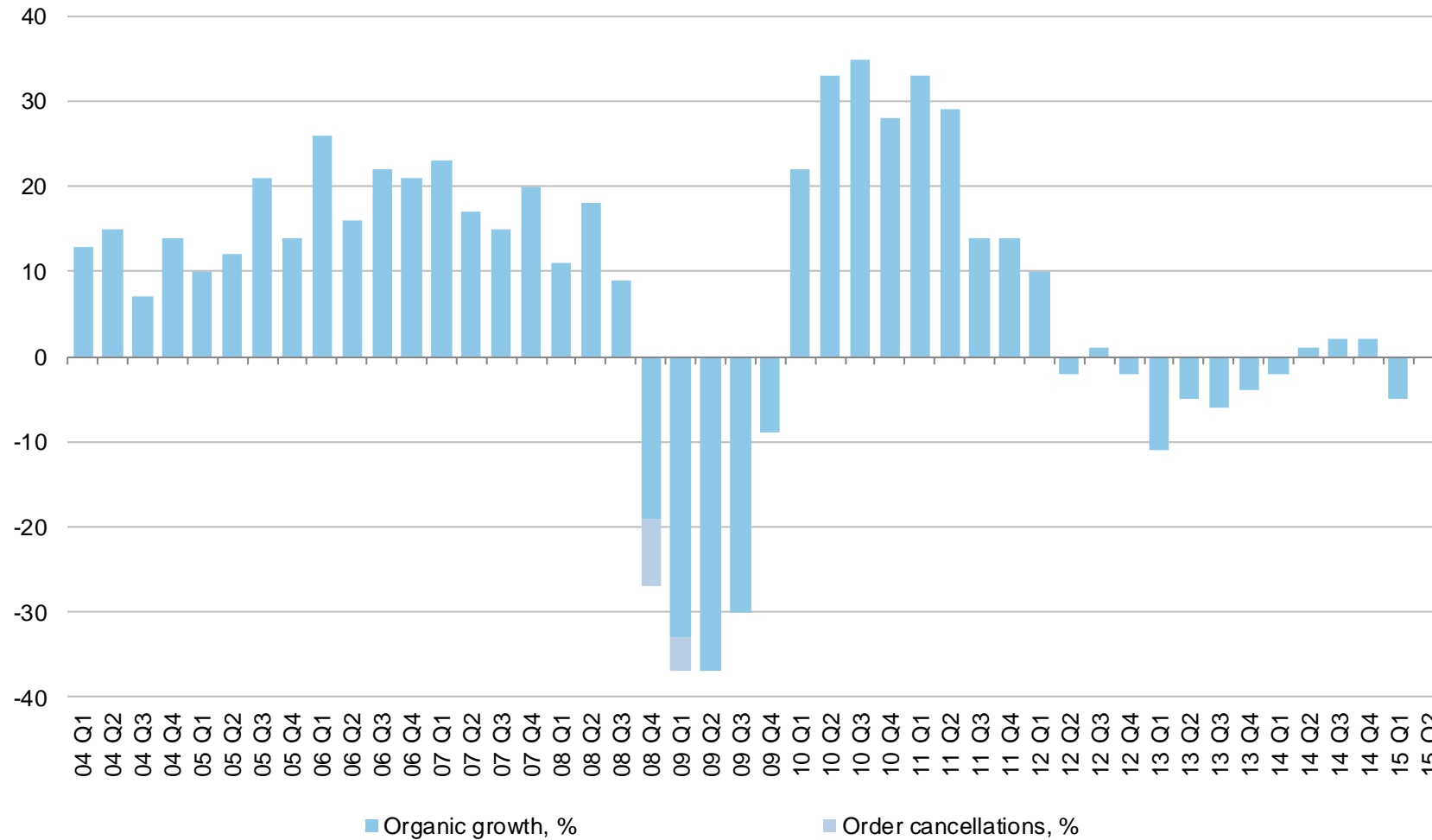
A = Share of orders received, year-to-date, %

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

C = Last 3 months vs. previous year, %

# ORGANIC\* ORDER GROWTH PER QUARTER

## Atlas Copco Group, continuing operations

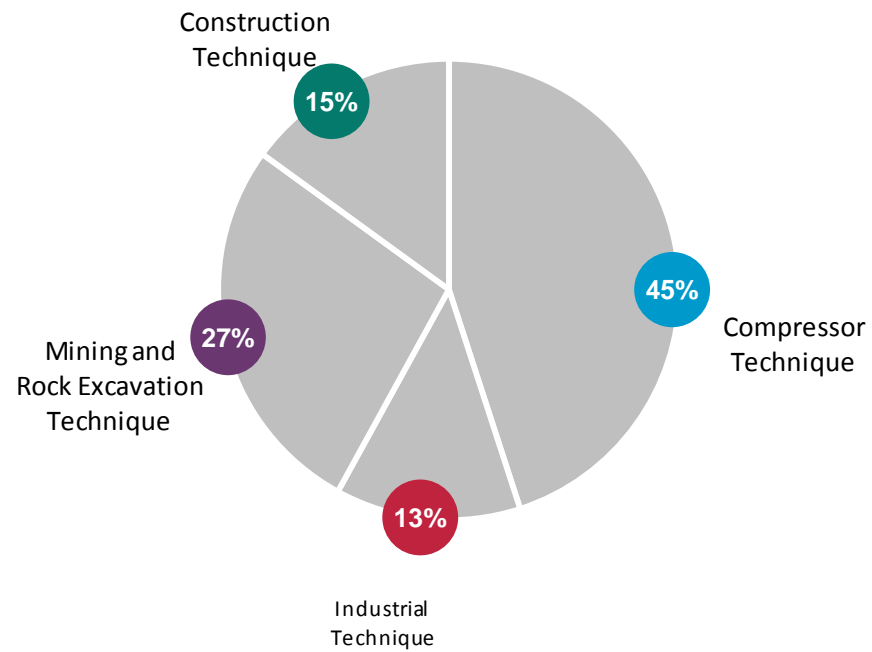


# ATLAS COPCO GROUP – SALES BRIDGE

MSEK	April - June	
	Orders received	Revenues
2014	23 450	23 348
Structural change, %	+2	+2
Currency, %	+12	+13
Price, %	+1	+0
Volume, %	-1	-3
Total, %	+14	+12
2015	26 775	26 111

# ATLAS COPCO GROUP

## Revenues by business area



12 months until June 2015

July 16, 2015  
Atlas Copco - Q2 results 2015



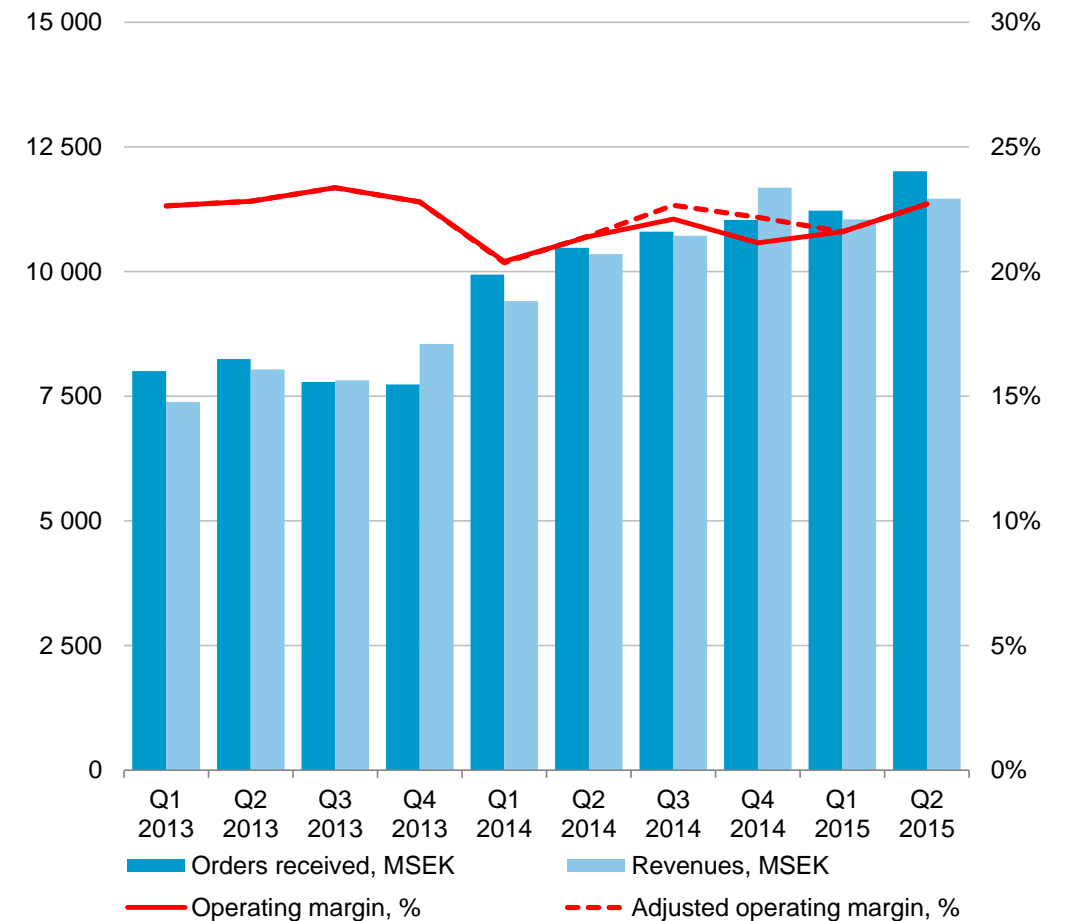


# COMPRESSOR TECHNIQUE

- Record order intake, supported by currency
  - Growth in service
  - Stable demand for small and medium-sized compressors, low for large
  - Increased order intake for vacuum solutions
- Record operating profit
  - Operating margin at 22.7% (21.4)

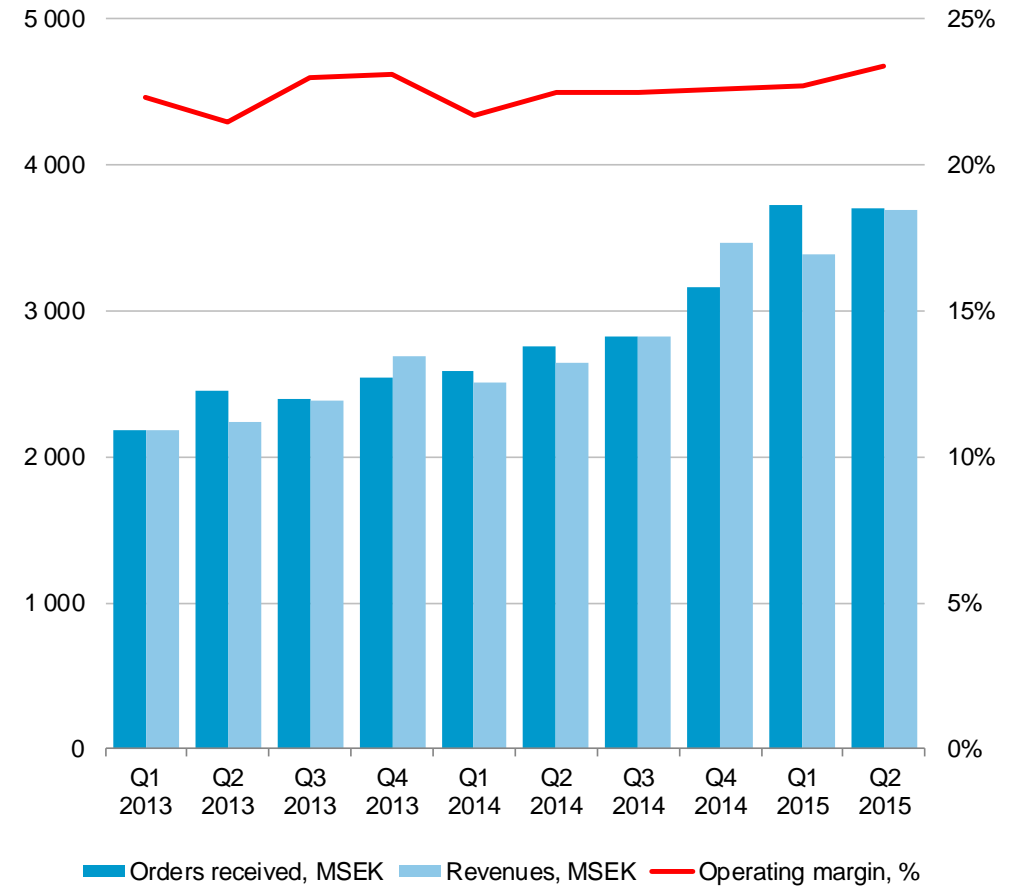
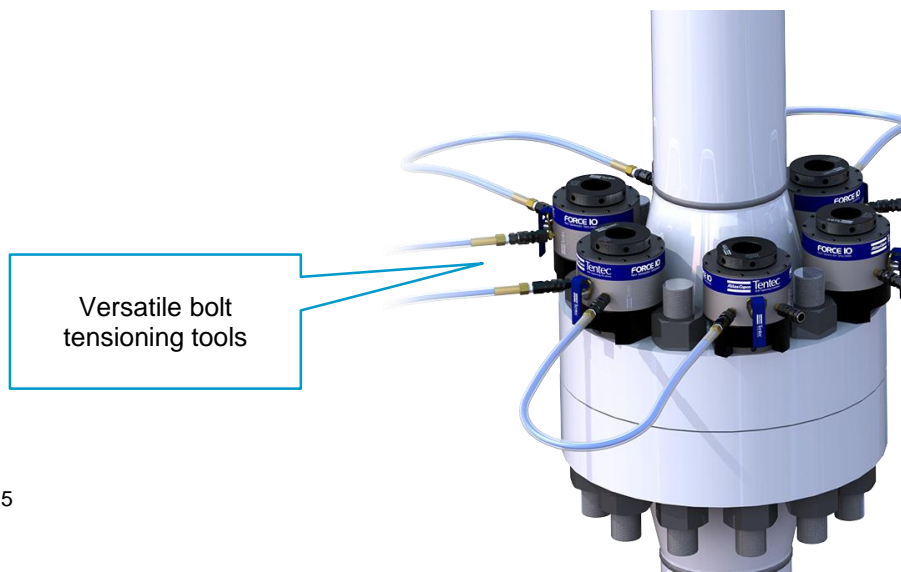


Oil-injected screw compressors with up to 5% improved performance



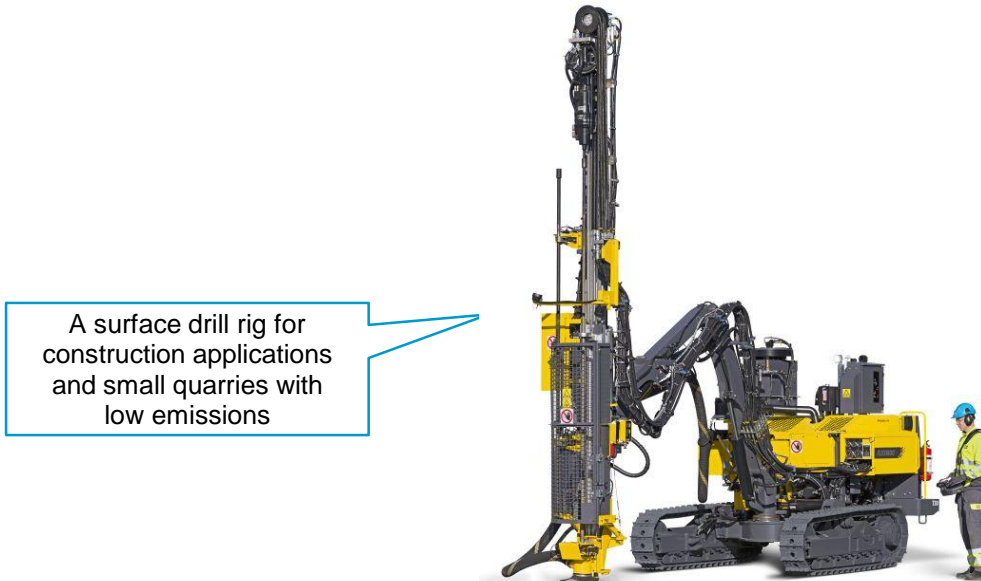
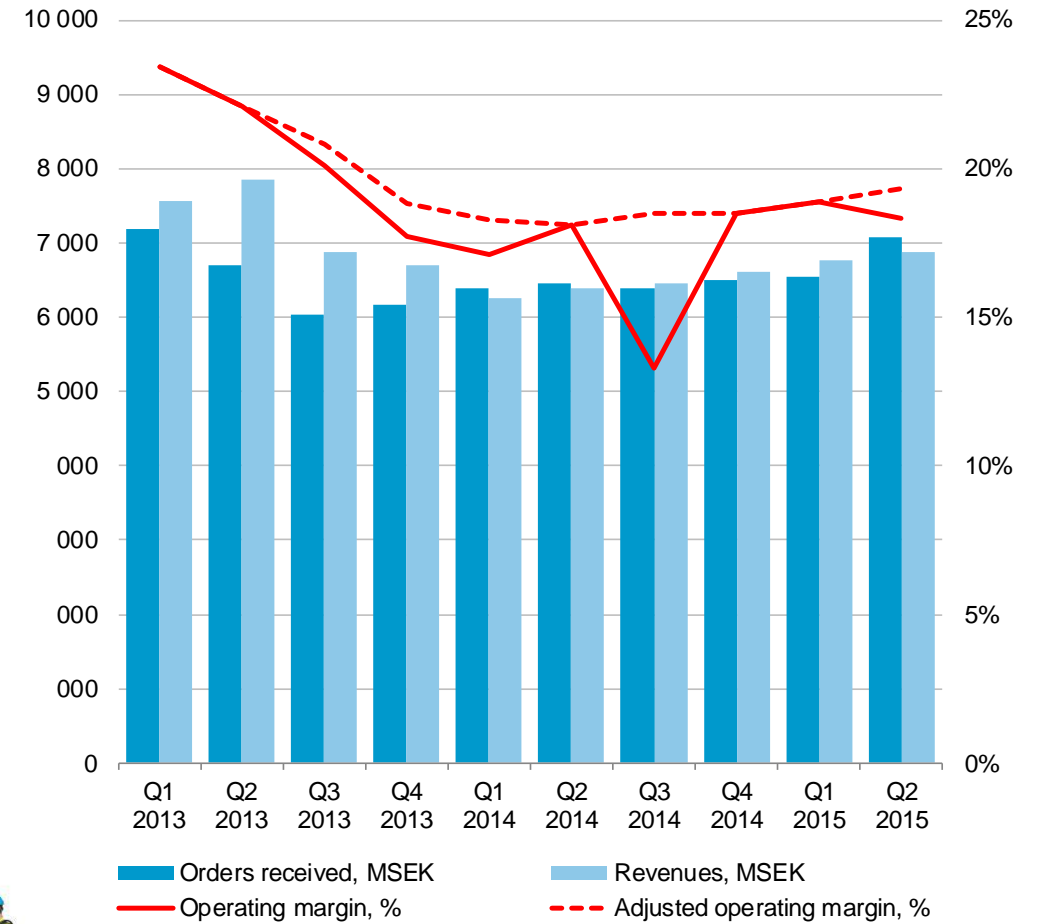
# INDUSTRIAL TECHNIQUE

- Increased order intake
  - Strong demand from motor vehicle industry and aerospace, weak from off-road
  - Growth in service
- Record revenues and operating profit
  - Operating margin at 23.4% (22.5)



# MINING AND ROCK EXCAVATION TECHNIQUE

- Order intake for equipment higher than Q1 2015
- Strong service business
- Further efficiency measures
  - Restructuring costs of MSEK 65
- Adjusted operating margin at 19.3% (18.1)



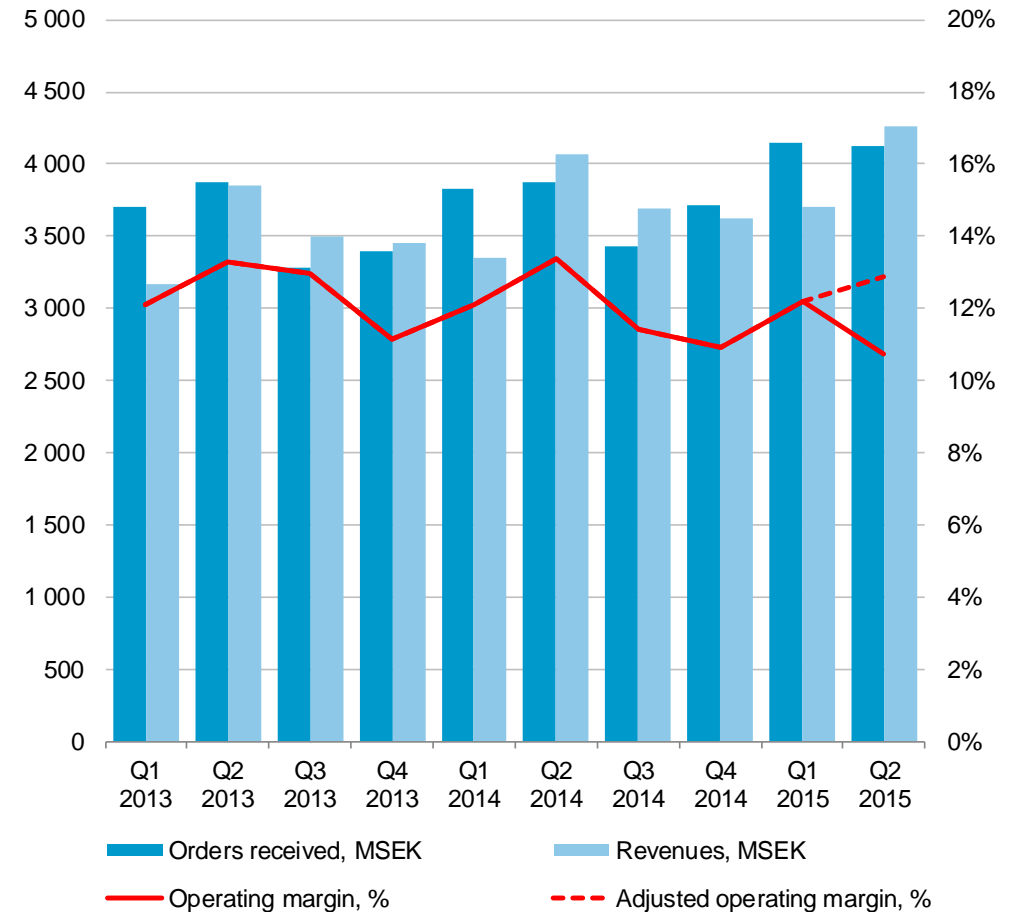
A surface drill rig for construction applications and small quarries with low emissions

# CONSTRUCTION TECHNIQUE

- Decreased order intake
  - Weak portable compressors and road construction
  - Growth in Europe, decrease in all other regions
- Restructuring costs of MSEK 95
  - Adjusted operating margin 13.0% (13.4)



An intelligent monitoring system for road construction equipment saves time and cost for the customers



# GROUP TOTAL

## April – June 2015 vs. 2014

MSEK	April - June		
	2015	2014	%
<b>Orders received</b>	<b>26 775</b>	<b>23 450</b>	<b>14%</b>
<b>Revenues</b>	<b>26 111</b>	<b>23 348</b>	<b>12%</b>
<b>Operating profit</b>	<b>5 072</b>	<b>4 339</b>	<b>17%</b>
<i>– as a percentage of revenues</i>	<i>19.4</i>	<i>18.6</i>	
<b>Profit before tax</b>	<b>4 850</b>	<b>4 174</b>	<b>16%</b>
<i>– as a percentage of revenues</i>	<i>18.6</i>	<i>17.9</i>	
<b>Profit for the period</b>	<b>3 651</b>	<b>3 207</b>	<b>14%</b>
<b>Basic earnings per share, SEK</b>	<b>3.00</b>	<b>2.64</b>	
<b>Return on capital employed, %</b>	<b>25</b>	<b>25</b>	

# PROFIT BRIDGE

April – June 2015 vs. 2014

MSEK	Q2 2015	Volume, price, mix and other	Currency	One-time items Acquisitions	Share based LTI programs	Q2 2014
<b>Atlas Copco Group</b>						
Revenues	26 111	-667	2 900	530		23 348
EBIT	5 072	-255	945	-70	113	4 339
%	19.4%	38.2%				18.6%

# PROFIT BRIDGE – BY BUSINESS AREA

April – June 2015 vs. 2014

MSEK	Q2 2015	Volume, price, mix and other	Currency	One-time items Acquisitions	Q2 2014
<b>Compressor Technique</b>					
Revenues	11 462	-361	1 395	75	10 353
EBIT	2 603	-26	405	5	2 219
%	22.7%	7.2%			21.4%
<b>Industrial Technique</b>					
Revenues	3 697	242	350	455	2 650
EBIT	865	70	110	90	595
%	23.4%	28.9%			22.5%
<b>Mining and Rock Excavation Technique</b>					
Revenues	6 870	-216	690	0	6 396
EBIT	1 258	-187	355	-65	1 155
%	18.3%	86.6%			18.1%
<b>Construction Technique</b>					
Revenues	4 256	-272	460	0	4 068
EBIT	457	-93	100	-95	545
%	10.7%	34.2%			13.4%

# BALANCE SHEET

MSEK	Jun. 30, 2015		Dec. 31, 2014		Jun. 30, 2014	
Intangible assets	33 860	32%	33 197	32%	27 232	29%
Rental equipment	3 113	3%	3 177	3%	2 815	3%
Other property, plant and equipment	9 508	9%	9 433	9%	8 324	9%
Other non-current assets	3 690	4%	3 530	3%	3 631	4%
Inventories	18 968	18%	18 364	17%	18 643	20%
Receivables	27 398	26%	26 015	25%	24 786	27%
Current financial assets	1 910	2%	2 150	2%	1 943	2%
Cash and cash equivalents	6 301	6%	9 404	9%	5 364	6%
Assets classified as held for sale	34	0%	11	0%	12	0%
<b>TOTAL ASSETS</b>	<b>104 782</b>		<b>105 281</b>		<b>92 750</b>	
Total equity	43 074	41%	50 753	48%	40 220	43%
Interest-bearing liabilities	28 943	28%	26 997	26%	27 793	30%
Non-interest-bearing liabilities	32 765	31%	27 531	26%	24 737	27%
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>104 782</b>		<b>105 281</b>		<b>92 750</b>	



# CASH FLOW

MSEK	April - June	
	2015	2014
Operating cash surplus	6 170	4 999
<i>of which depreciation added back</i>	1 059	847
Net financial items	367	-422
Taxes paid	-1 199	-1 037
Pension funding	36	-14
Change in working capital	-520	409
Increase in rental equipment, net	-272	-318
<b>Cash flows from operating activities</b>	<b>4 582</b>	<b>3 617</b>
Investments of property, plant & eq., net	-399	-331
Other investments, net	-194	-378
Cash flow from investments	-593	-709
Adjustment, currency hedges of loans	-508	194
<b>Operating cash flow</b>	<b>3 481</b>	<b>3 102</b>
Company acquisitions/ divestments	-22	-356

# *NEAR-TERM OUTLOOK*

The overall demand for the Group is expected to increase somewhat.

***COMMITTED TO  
SUSTAINABLE PRODUCTIVITY.***



*Atlas Copco*

