



Atlas Copco



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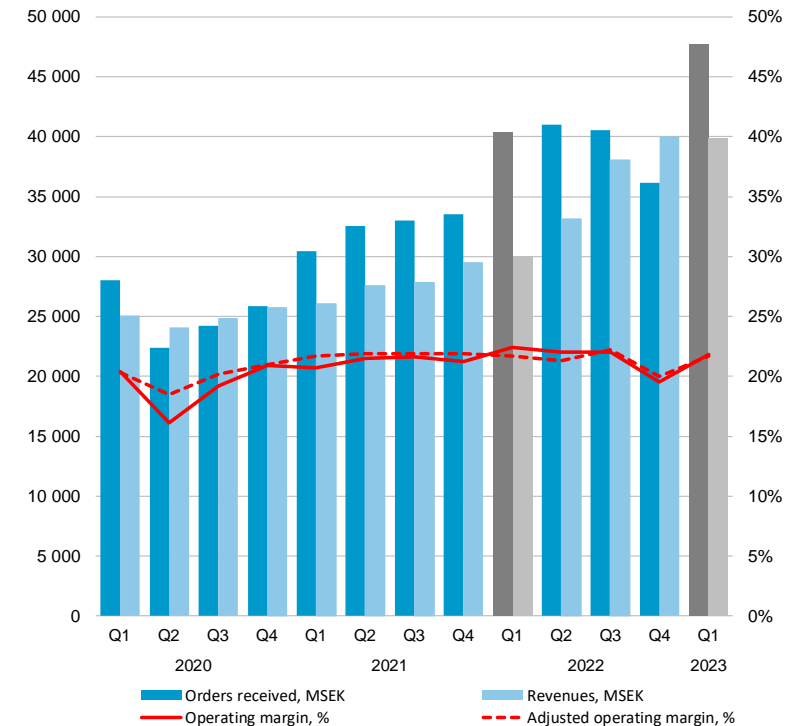


Q1 results 2023

April 27, 2023

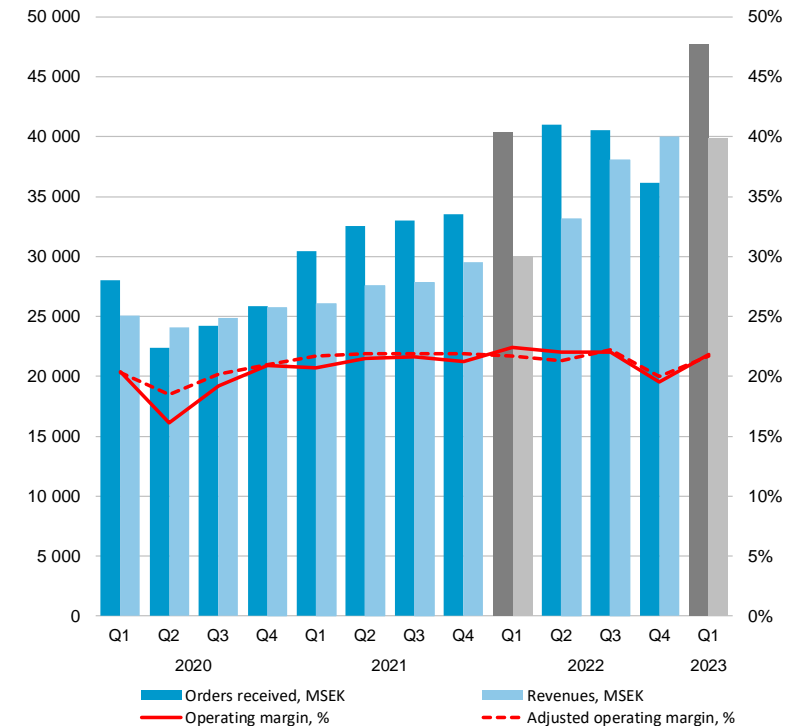
Q1 in brief

- Strong demand and record orders
 - Supported by several significant orders, strong development of project business and orders to customer segments supporting the transition to a low carbon society
 - Extraordinary growth for gas and process compressors
 - Strong growth for larger industrial compressors, power equipment, and industrial assembly and vision solutions
 - Vacuum equipment orders down due to lower semi demand
 - Growth for service in all business areas
 - Order growth in all regions
- Solid revenues and profitability

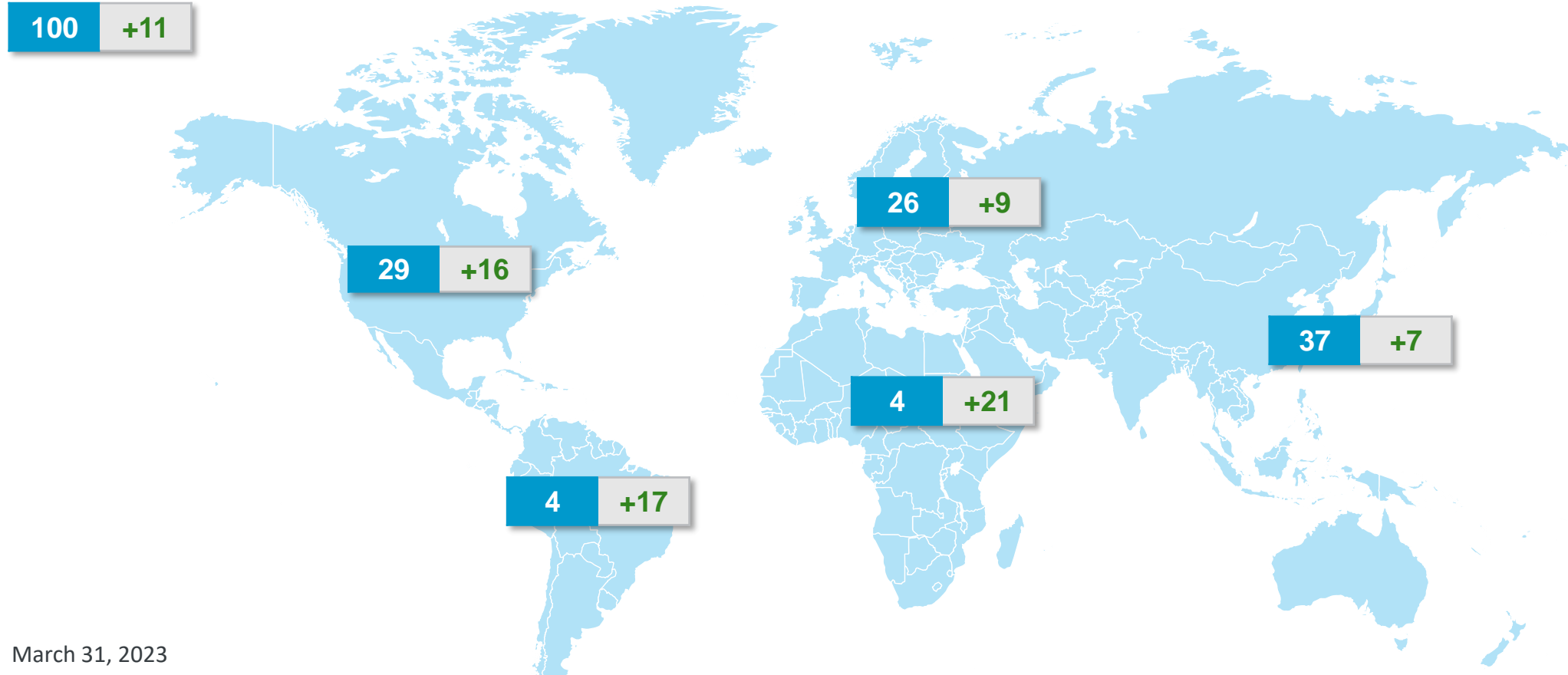


Q1 financials

- Orders received were MSEK 47 707 (40 379), organic growth of 5%
- Revenues were MSEK 39 861 (30 086), organic growth of 18%
- Operating profit was MSEK 8 699 (6 749), margin at 21.8% (22.4)
 - Adjusted operating profit at MSEK 8 663 (6 525), margin at 21.7% (21.7)
- Profit for the period was MSEK 6 528 (5 213)
- Basic earnings per share were SEK 1.34 (1.07 adjusted for share split)
- Operating cash flow at MSEK 4 948 (2 400)
- Return on capital employed was 29% (27)



Orders received – local currency

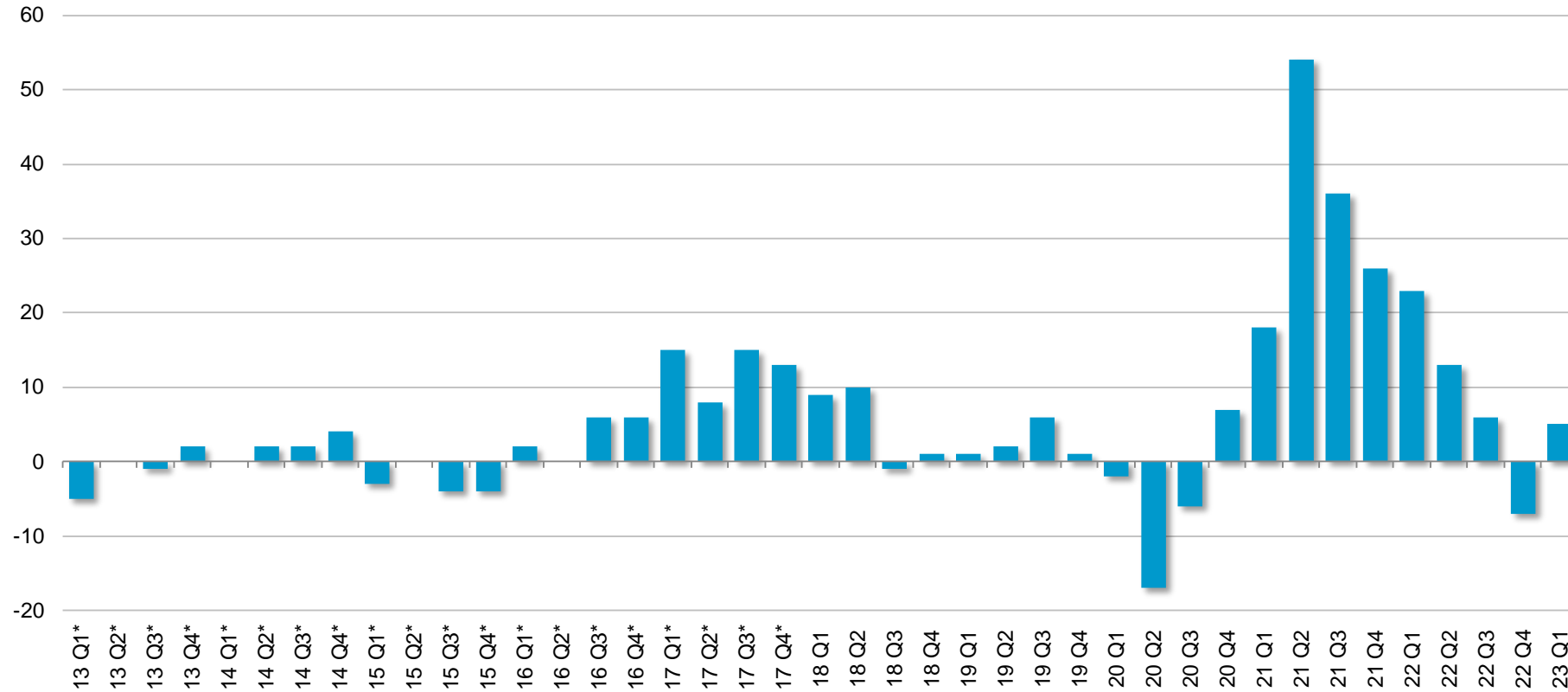


March 31, 2023

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

Organic growth, %



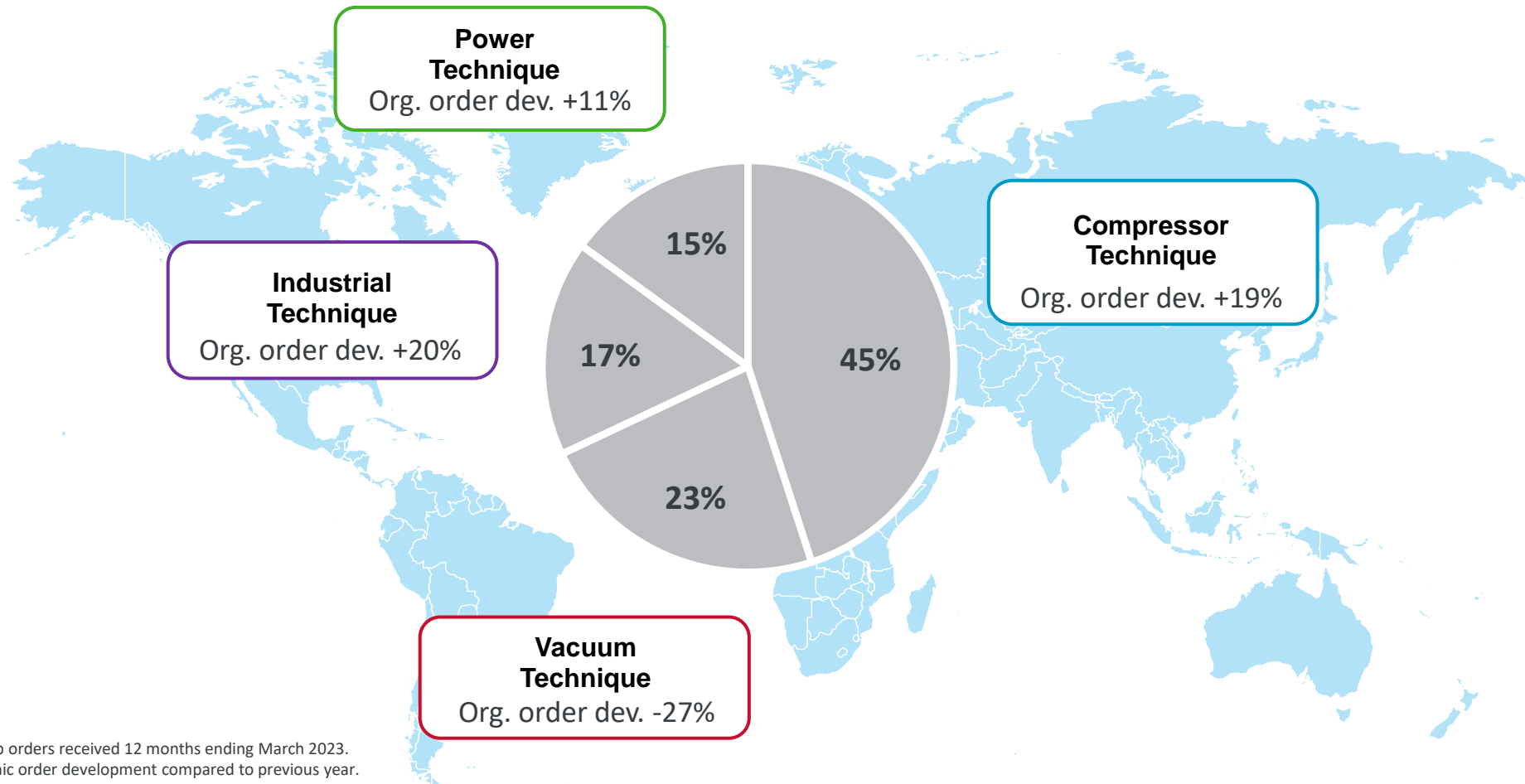
*2013-2017 excluding Mining and Rock Excavation Technique business area (now part of Epiroc AB).

Sales bridge

	January - March	
MSEK	Orders received	Revenues
2022	40 379	30 086
Structural change, %	+6	+6
Currency, %	+7	+8
Organic*, %	+5	+18
Total, %	+18	+32
2023	47 707	39 861

*Volume, price and mix.

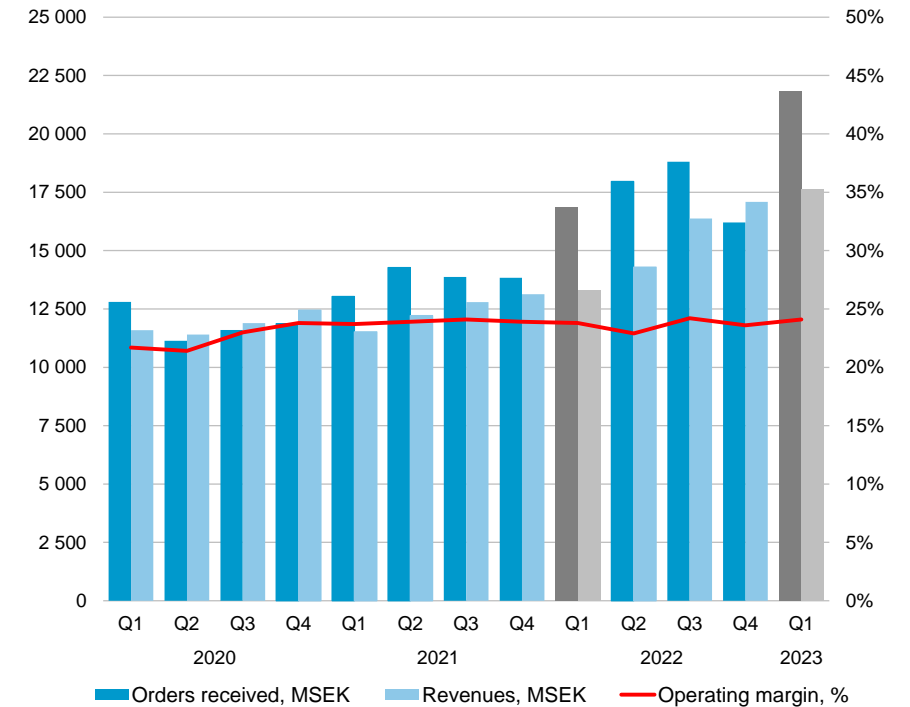
Orders by business area and organic order development*



* Share of Group orders received 12 months ending March 2023.
3-month organic order development compared to previous year.

Compressor Technique

- Record orders, organic growth of 19%
 - Extraordinary growth for gas and process compressors
 - Solid growth for larger industrial compressors, small/medium-sized compressors about flat
 - Solid growth for service
- Record revenues, 22% organic increase
- Operating profit margin at 24.1% (23.8)
 - Supported by increased organic revenues and currency
- ROCE at 82% (90)



Innovation:

A new range of oil-injected screw compressors, the GA 55+-90, offers high reliability and energy efficiency thanks to the latest compressor element technology and an intelligent temperature control system.

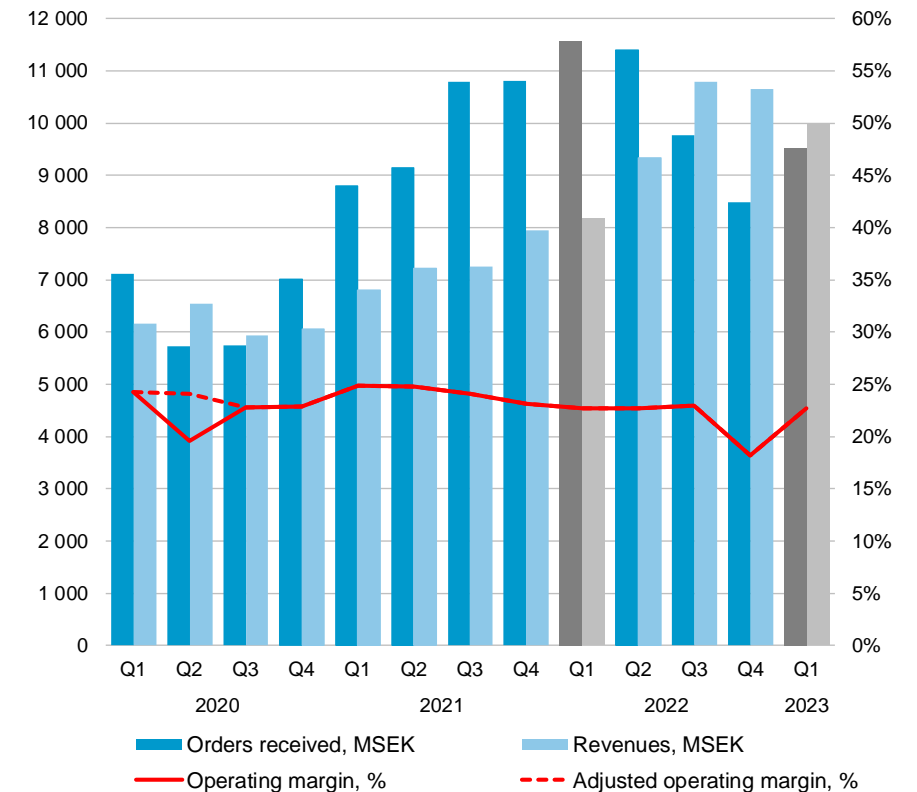
Vacuum Technique

- Organic order decline of 27%
 - Significantly decreased demand for semi equipment
 - Growth for industrial vacuum equipment
 - Solid growth for service
- Revenues increased 9% organically
- Operating profit margin at 22.7% (22.7)
 - Supported by increased organic revenues and currency, negatively affected by supply chain related costs, investments in R&D and marketing
- ROCE at 24% (25)



Innovation:

A new range of dry claw vacuum pumps, the DZS 600-1200 VSD+, for industrial applications, providing high energy efficiency and low noise level for customers.



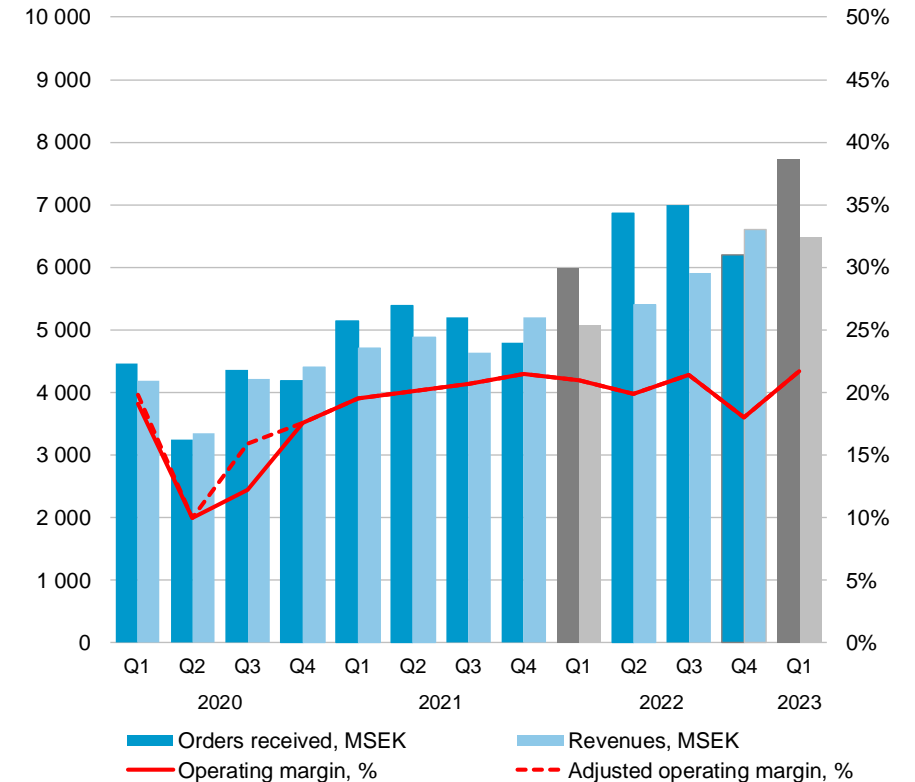
Industrial Technique

- Record orders, organic growth of 20%
 - Strong growth for automotive equipment
 - Growth for equipment to general industry
 - Strong growth for service
- Revenues increased 19% organically
- Operating margin at 21.1% (21.0)
 - Supported by increased organic revenues, partly offset by currency and supply chain related costs
- ROCE at 18% (17)



Innovation:

A new server-based controller for industrial assembly tools, the ToolsControl, offers a single-point connection to customers' systems, reduce the need for physical controllers, and saves floor space.



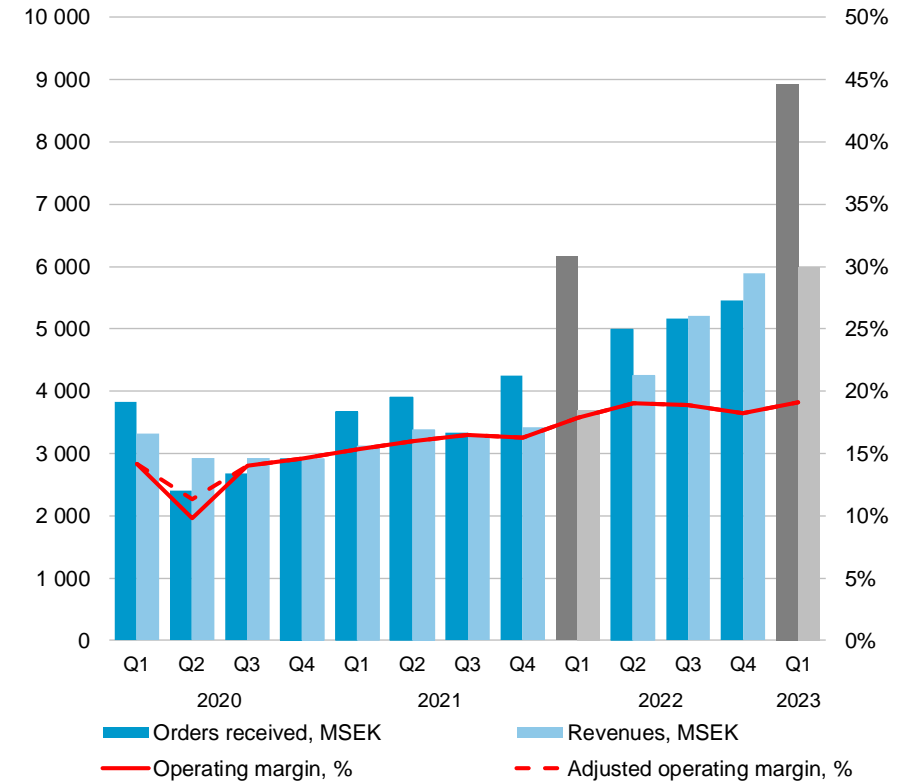
Power Technique

- Record orders, organic growth of 11%
 - Strong equipment demand
 - Significant growth for the specialty rental business
 - Solid growth for service
- Record revenues, 24% organic increase
- Operating profit margin at 19.1% (17.9)
 - Driven by increased organic revenues and supported by currency
- ROCE at 24% (29)



Innovation:

A new series of electric-driven dewatering pumps, the E Pumps (E PAS and E PAC), offers customers low noise levels, minimal CO₂ emissions, and up to 40% lower total cost of ownership versus traditional diesel-powered counterparts.



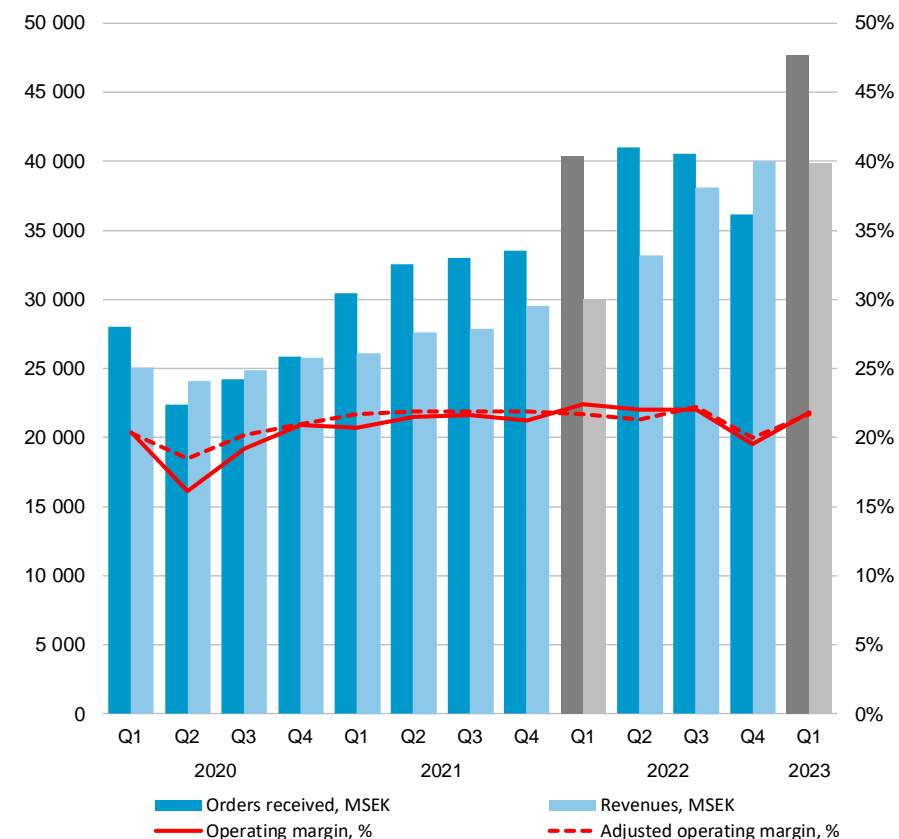
Group total

January – March 2023 vs. 2022

MSEK	January - March		
	2023	2022	
Orders received	47 707	40 379	18%
Revenues	39 861	30 086	32%
EBITA¹⁾	9 211	7 127	29%
– as a percentage of revenues	23.1	23.7	
Operating profit	8 699	6 749	29%
– as a percentage of revenues	21.8	22.4	
Net financial items	-44	-78	
Profit before tax	8 655	6 671	30%
– as a percentage of revenues	21.7	22.2	
Income tax expense	-2 127	-1 458	46%
– as a percentage of profit before tax	24.6	21.9	
Profit for the period	6 528	5 213	25%
Basic earnings per share, SEK	1.34	1.07²⁾	
Return on capital employed, %	29	27	
Return on equity, %	32	30	

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

²⁾ Adjusted for share split.



Profit bridge

January – March 2023 vs. 2022

MSEK	Q1 2023	Volume, price, mix and other	Currency	Acquisitions	Items affecting comparability	Share-based LTI* programs	Q1 2022
Atlas Copco Group							
Revenues	39 861	5 340	2 590	1 845	-	-	30 086
Operating profit	8 699	1 198	780	160	0	-188	6 749
	21.8%						22.4%

*LTI= Long term incentive

Profit bridge – by business area

January – March 2023 vs. 2022

MSEK	Q1 2023	Volume, price, mix and other	Currency	Acquisitions	Items affecting comparability	Q1 2022
Compressor Technique						
Revenues	17 632	2 857	1 075	395		13 305
Operating profit	4 245	785	315	-25	0	3 170
	24.1%					23.8%
Vacuum Technique						
Revenues	9 989	715	710	385		8 179
Operating profit	2 268	79	305	25	0	1 859
	22.7%					22.7%
Industrial Technique						
Revenues	6 492	944	460	5		5 083
Operating profit	1 371	231	75	0	0	1 065
	21.1%					21.0%
Power Technique						
Revenues	5 996	874	360	1 060		3 702
Operating profit	1 145	231	90	160	0	664
	19.1%					17.9%

Balance sheet

MSEK	Mar. 31, 2023	Mar. 31, 2022
Intangible assets	67 283	51 215
Rental equipment	2 805	2 437
Other property, plant and equipment	13 319	9 615
Right-of-use assets	5 490	3 213
Other non-current assets	4 643	3 773
Inventories	29 819	20 361
Receivables	41 925	32 390
Current financial assets	763	752
Cash and cash equivalents	9 882	24 183
Assets classified as held for sale	1	5
TOTAL ASSETS	175 930	147 944
Total equity	85 968	74 436
Interest-bearing liabilities	34 769	31 079
Non-interest-bearing liabilities	55 193	42 429
TOTAL EQUITY AND LIABILITIES	175 930	147 944

Cash flow

MSEK	January - March	
	2023	2022
Operating cash surplus	10 690	8 145
<i>of which depreciation added back</i>	1 778	1 441
Net financial items	-351	-225
Taxes paid	-1 625	-1 099
Pension funding	-142	-82
Change in working capital	-2 212	-3 079
Increase in rental equipment, net	-298	-185
Cash flows from operating activities	6 062	3 475
Investments of property, plant & eq., net	-983	-836
Other investments, net	-370	-349
Cash flow from investments	-1 353	-1 185
Adjustment, currency hedges of loans	239	110
Operating cash flow	4 948	2 400
Company acquisitions/ divestments	-564	-226

Near-term outlook

Atlas Copco expects that the underlying customer activity level will remain at the current level.

Forward-looking statements

“Some statements in this report are forward-looking, and the actual outcome could be materially different. In addition to the factors explicitly discussed, 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.”