

Translation

Atlas Copco AB Nacka, Sweden Notice of Annual General Meeting

The Shareholders of Atlas Copco AB are invited to attend the Annual General Meeting (the Meeting) to be held on Thursday April 24, 2008 at 5.00 p.m. (Swedish time) at Aula Magna, University of Stockholm*, Frescativägen 6, Stockholm. Registration starts 3.30 p.m.

* Subway red line towards Mörby Centrum, station Universitetet. Bus 40, 540 or 670, stop Universitetet

Notification of attendance

Shareholders, intending to participate in the Meeting, must

- be recorded in the register of shareholders kept by VPC AB (the Swedish Securities Register Centre) on Friday April 18, 2008, and
- notify the Company in writing of their intent to participate in the Meeting no later than Friday April 18, 2008 to the registration address Atlas Copco AB, Box 10, SE-182 11 Stockholm, or by telephone +46 (0)8 755 13 46 not later than 4.00 p.m. or on the Company website www.atlascopco.com/agm or by telefax +46 (0)8 622 63 51 until 12.00 p.m.

Shareholders whose shares are held in trust by a bank or other trustee must temporarily register their shares in their own names in the register of shareholders of VPC AB to be able to participate in the Meeting. Such temporary registration must be recorded by Friday April 18, 2008. Shareholders should notify their trustees well in advance of this date.

Shareholders may attend and vote at the Meeting in person or by proxy. A proxy form is available on www.atlascopco.com/agm. The Company will also send a proxy form to those shareholders who so request. For the ordering of proxy forms the same address and telephone number stated for the notification of attendance apply. Representatives of legal entities must be able to present a copy of the registration certificate or other similar authorization document to support the proxy.

Personal data obtained from notifications, proxies and the register of shareholders kept by VPC will solely be used for the necessary registration and preparation of the voting list for the Meeting.

Entrance cards will be sent to the Shareholders who have notified their intention to participate.

The President's speech as well as supporting presentation material will be available on the Company website www.atlascopco.com/agm from April 25, 2008.

Agenda

Atlas Copco Group Center

Atlas Copco AB	Visitors address:	Telephone: +46 (0)8 743 8000	A Public Company (publ)
SE-105 23 Stockholm	Sickla Industriväg 3	Telefax: +46 (0)8 644 9045	Reg. No: 556014-2720
Sweden	Nacka	www.atlascopco.com	Reg. Office Nacka

1. Opening of the Meeting and election of Chairman
2. Preparation and approval of voting list
3. Approval of agenda
4. Election of one or two persons to approve the minutes
5. Determination whether the Meeting has been properly convened or not
6. Presentation of the Annual Report and the Auditor's Report as well as the Consolidated Annual Report and the Consolidated Auditor's Report
7. The President's speech and questions from shareholders to the Board of Directors and the Management
8. Report on the functions of and work performed by the Board of Directors and its Audit Committee
9. Decisions
 - a) regarding approval of the Profit and Loss Account and the Balance Sheet and the Consolidated Profit and Loss Account and the Consolidated Balance Sheet as well as the presentation by the auditor
 - b) regarding discharge from liability of the Board members and the President
 - c) regarding the allocation of the Company's profit according to the approved Balance Sheet
 - d) regarding record day for receiving dividend
10. Determination of the number of Board members and deputy members to be elected at the Meeting
11. Election of Board members and of Chairman of the Board and Vice Chairman of the Board
12. Determining the remuneration (in cash or partially in the form of synthetic shares) to the Board of Directors and its committees, including the proposal from the Board regarding the granting of a mandate to acquire series A shares to hedge the costs for the synthetic shares
13. Report on the function and work performed by the Board's Remuneration Committee as well as proposal regarding
 - a) guiding principles for the remuneration of senior executives
 - b) a performance related personnel option program for 2008
 - c) a mandate to acquire and transfer series A shares
14. Proposal regarding a mandate to transfer own series B shares to cover costs in connection with the performance related personnel option program for 2006
15. Proposal regarding a mandate to acquire own shares
16. Report on the work performed by the Nomination Committee and proposal regarding Nomination Committee
17. Closing of the Meeting

The Board of Directors' proposals regarding dividend and record day

Item 9c) and d) The Board proposes that the dividend for 2007 is decided to be SEK 3.00 per share and that April 29, 2008 is the record day for the dividend. If the Meeting decides as proposed, the dividend is expected to be distributed by VPC on May 5, 2008.

Item 1, 10, 11, 12, and 16 - Proposals from the Nomination Committee

The Nomination Committee, consisting of Petra Hedengran, the chairman of the Committee, Investor AB, KG Lindvall, Swedbank Robur fonder, Ramsay Brufer, Alecta Pensionsförsäkring, and Patrik Hertsberg, Handelsbanken fonder, who together represent more than 27% of the total number of votes, as well as Sune Carlsson, the chairman of the Board, propose as follows:

Item 1: That Sune Carlsson is elected chairman of the Meeting.

Item 10: That eight Board members be elected.

Item 11: That the following Board members are re-elected: Sune Carlsson, Jacob Wallenberg, Gunnar Brock, Staffan Bohman, Ulla Litzén, and Anders Ullberg. Grace Reksten Skaugen has declined re-election.

That Margareth Övrum, Executive Vice President Technology and New Energy of StatoilHydro and board member of Elkem AS and Johan Forssell, member of the management of Investor AB, are elected new members of the Board

That Sune Carlsson is elected chairman and Jacob Wallenberg vice chairman of the Board of Directors.

Information regarding all proposed Board members is available on www.atlascopco.com/agm.

Item 12 – Proposal regarding Fee

A fee of SEK 1,500,000 to the chairman, SEK 550,000 to the vice chairman and SEK 450,000 to each other Board member not employed by the Company. A fee to the members of the Audit Committee of SEK 170,000 to the chairman and SEK 110,000 to the other two members. A fee to each of the three members of the Remuneration Committee of SEK 60,000.

A fee of SEK 60,000 to each Board member who, in addition to the above, participates in a committee in accordance with a decision of the Board of Directors

In addition, the Nomination Committee proposes that each nominated Board member shall have the right to receive a part of the Board fee in the form of synthetic shares and the remaining part in cash. The part that could be in the form of synthetic shares amounts, for the chairman to SEK 825,000, to the vice chairman to SEK 300,000 and to the other Board members not employed by the Company to SEK 250,000.

The synthetic shares shall be valued at an average of the closing price for series A shares during ten trading days after the publishing by the Company of the quarterly report for the first quarter of 2008. The right of the Board member to receive a payment, corresponding to the value of the then owned synthetic shares, matures after five years from the Meeting 2008. The amount to be paid shall be determined based on an average of the closing price for series A shares during ten trading days after the publishing of the quarterly report for

the first quarter the year the payment is made and the transfer of the amount due shall take place within five banking days thereafter.

The synthetic shares are earned continuously during the tenure of the Board member with 25% each quarter. Dividends on series A shares shall be credited to the Board member in the form of allocation of additional synthetic shares. The number of synthetic shares and/or the value of synthetic shares may also be subject to recalculation reflecting bonus issue of shares, preferential issue and similar actions in accordance with the terms of the synthetic shares. In case the Board member leaves his/her position as Board member prior to the maturity date above stated, the Board member has the right to request within three months from the date when the Board member resigned that the payment date is twelve months after the date of resignation. If this is not done, the original maturity date applies.

The Board proposes that the obligation of the Company to pay an amount corresponding to the synthetic shares shall be hedged through the purchase of own shares that later will be sold on the market in connection with the payment to the Board member in compliance with a request for mandate that will be presented at that point in time. The economic difference for the Company if all Board members choose to receive a part of their fee in the form of synthetic shares compared to get the whole fee in cash is assessed to be very limited due to the hedging.

For a decision in accordance with the proposal from the Nomination Committee the resolution must be supported by shareholders holding at least fifty percent of the votes cast at the Meeting.

The Board proposes that the Board is granted the mandate until the next Annual General Meeting to decide on the acquisition of shares in the Company at one or more occasions in accordance with the following:

1. Acquisition of not more than 75,000 series A shares
2. The shares may only be acquired on the Nordic Stock Exchange in Stockholm
3. The shares may only be acquired at a price per share within the registered trading interval
at any given point in time

The intention with the acquisition is to hedge the obligations of the Company towards Board members, inclusive of social charges, who have chosen to receive a part of the Board fee in the form of synthetic shares.

For a decision in accordance with the proposal from the Board the resolution must be supported by shareholders holding at least two-thirds of the votes cast as well as of the shares represented at the Meeting.

Item 16 – Nomination Committee

a) That the Company shall have a nomination committee consisting of the chairman of the Board and a representative from each of the four largest shareholders in terms of voting rights. During the third quarter of 2008 the chairman of the Board shall contact the

four largest by VPC directly registered or ownership grouped shareholders for the appointing of an owner representative. The names of the four owner representatives and the names of the shareholders they represent shall be made public latest six months prior to the Annual General Meeting 2009 and be based upon the known number of votes immediately prior to the publishing. The term of office of the nomination committee lasts until a new nomination committee has been appointed. The chairman of the nomination committee shall, unless the members otherwise agree, be the member who represents the shareholder with the largest number of votes.

b) that representatives who have been appointed by such shareholders who, during the term of the nomination committee, no longer belong to the group of four largest shareholders in terms of voting rights, shall cease to be members of the committee and the one, or those, shareholder(s) who has been added among the four shareholders with the largest voting rights shall appoint its/their representative(s). Unless there are special circumstances to the contrary, there shall be no change in the composition of the nomination committee if there are only marginal changes in the number of votes or a change occurs later than three months prior to the Annual General Meeting. A shareholder who has appointed a representative as member of the nomination committee can replace such representative with a new representative to be a member of the nomination committee. Every change in the composition of the nomination committee shall be made public as soon as it has taken place.

c) that the nomination committee shall prepare proposals to the Annual General Meeting 2009 regarding the following matters for decision:

Proposal regarding chairman for the Annual General Meeting, number of Board members, composition of the Board of Directors, chairman and vice chairman of the Board of Directors, remuneration to the chairman, vice chairman and other Board members not employed by the Company, compensation for committee work and the criteria for the selection of the nomination committee and decision points for the Annual General Meeting 2010.

d) that, in connection with its mission in general, the nomination committee shall fulfil those tasks that, according to the Swedish Code of Corporate Governance, are allocated to a nomination committee and that the Company, upon request from the nomination committee, shall provide resources like, for example, the secretary function in the nomination committee in order to facilitate the work of the committee. Upon request, the Company shall also carry such reasonable costs for external consultants who are deemed by the nomination committee to be required in order for the nomination committee to carry out its mission.

For a decision in accordance with the proposal from the Nomination Committee, the resolution must be supported by shareholders holding at least fifty percent of the votes cast at the Meeting.

Item 13 – The proposal of the Board of Directors regarding

a) guiding principles for remuneration for senior executives

The term "senior executives" covers the President and the other seven members in the Group management team.

The proposal of the Board for 2008, which is in compliance with the principles of previous years and are based on agreements already entered into between Atlas Copco and respective employee, is as follows.

The remuneration to the senior executives shall consist of a base salary, variable compensation, long term incentive (personnel options), pension premium and additional benefits.

The base salary reflects the position, qualification and individual performance.

The size of the variable compensation depends on the extent to which predetermined quantitative and qualitative goals are met. The variable compensation is limited to maximum 70% of the base salary for the President, to 50% for the Business Area Executives and to 40% for the other senior executives.

The Board is now proposing a performance related personnel option program for 2008 as outlined in b) below.

Pension premiums are paid in accordance with a premium based plan within a range of 25-35% of the base salary depending on age. In addition, the President is entitled to pension in case of illness corresponding to 50% of the base salary.

Additional benefits consist of Company car and private health insurance.

A mutual notice term of six months applies. The maximum compensation in case of termination of employment is 24 months base salary.

The Board reserves the right to deviate from these guiding principles if special reasons for such a deviation exist in an individual case.

b) a performance related personnel option program for 2008

In the opinion of the Board it is important, and it is also in the best interest of the shareholders, that key personnel in Atlas Copco have a long term interest in a good value development of the shares of the Company and align their performance in a manner that enhances such a development. It is also the assessment of the Board that a share related option program increases the attractiveness of Atlas Copco on the global market and enhances the possibility to recruit and keep key personnel in the Group.

Scope and main principles

Granting

The Board asks for the right to decide on the granting of personnel options that can give a maximum of 245 key personnel in the Group the possibility to acquire a maximum of 4,200,000 Atlas Copco series A shares. The granting is dependent on the value increase of the Group expressed as Economic Value Added (EVA) during 2008. In an interval of SEK 900,000,000 the granting varies linear from zero to 100% of the maximum grant. The size and the limits of the interval have been established by the Board and are in full compliance with the goals for the Group set in the long range plan.

The granting of personnel options is maximized to the following number per person within the respective key group:

category 1 – the President – 117,500 personnel options

category 2 – Business Area Executives (3) – 58,750 personnel options

category 3 – other members of the Group management and division Presidents (24) – 29,375 personnel options

category 4 – other key personnel (approx 213) – 14,687 personnel options

The Board shall decide which persons shall be included in the categories above based on position, qualification and individual performance. The granting of personnel options will take place not later than March 20, 2009.

The Board shall have the right to introduce an alternative incentive program for key personnel in such countries where the granting of personnel options is not feasible. Such alternative incentive solutions shall, to the extent possible, have terms and conditions corresponding to the ones applicable to the personnel option programme.

The term of the personnel options

The term of the personnel options shall be five years from the date of the grant. The personnel options are not transferable.

Exercise price

The exercise price shall be set to an amount corresponding to 110 % of the average of the closing rates at the Nordic Stock Exchange in Stockholm of series A shares during a period of ten business days next following the date of the publishing of the annual accounts (fourth quarter press release) for the year 2008 operations.

Delivery of shares and costs

Personnel options shall give the right to purchase already issued shares.

To limit the economic risk in case of an increase of the share value during the term of the personnel options and in order to secure the delivery of shares in accordance with agreements regarding personnel options the Company has the intention to transfer and acquire own shares as stated in the proposal below.

c) Acquisition and transfer of series A shares of the Company in connection with the personnel option program 2008

The Board proposes that the Board is granted the mandate until the next Annual General Meeting to decide, on one or more occasions, on the acquisition of shares in the Company as follows:

1. Acquisition of not more than 4,800,000 series A shares
2. The shares may only be acquired on the Nordic Stock Exchange in Stockholm
3. The shares may only be acquired at a price per share within the registered trading interval
at any given point in time

The acquisition is made with the intention to limit the economic risk caused by an increase of the share value during the period the personnel options remain outstanding, to be able to fulfil future delivery obligations, to be able to cover cash settlement in applicable cases and to cover social charges.

The Board further proposes that the Meeting resolves to transfer shares in the Company in relation to the Company's personnel option program 2008 according to the following. A maximum of 4,200,000 A-shares may be transferred. Right to acquire shares is to be granted to the persons participating in the Company's personnel option program 2008, with a right for each participant to acquire the maximum number of shares stipulated in the terms and conditions of the Company's personnel option program 2008. The participants' right to receive shares is conditional upon all terms and conditions of the Company's personnel option program 2008 being fulfilled. Shares are to be transferred

on the terms and conditions stipulated by the Company's personnel option program 2008, meaning inter alia, that what is there stated regarding price and time during which the participants are to be entitled to use their right to acquire shares is also applicable to the transfer. Participants are to pay for the shares within the time and on the terms stipulated in the personnel option program 2008.

With respect to the number of shares that may be transferred under the Company's personnel option program 2008, customary terms for recalculation as a result of bonus issue, share split, rights issues and similar measures apply in accordance with the terms and conditions of the personnel option program.

As reason for the deviation from the shareholders right of first refusal and as the base for the transfer price in connection with the transfer of own shares, the Board states that the transfer of own shares is a part of the proposed personnel option program for 2008.

In order for the resolutions by the Meeting in accordance with the Board's proposal under a) and b) above to be adopted, the resolutions must be supported by shareholders holding at least fifty percent of the votes cast. For decisions in accordance with the proposals from the Board under c) it is required that at least two thirds of both the votes cast and of the shares represented at the Meeting support the proposals and in order for a resolution by the Meeting regarding the transfer of shares to be adopted it must be supported by shareholders holding at least nine tenths of the votes cast as well as the shares represented at the Meeting.

The Board of Directors proposes that the Meeting resolves to authorise the Company's managing director to make such minor adjustments, which may be required in connection with the registration of the resolutions with the Swedish Companies Registration Office or VPC AB.

Item 14 – The proposal from the Board of Directors regarding the sale of own shares in connection with the performance related personnel option program 2006

The Board proposes that the Board is granted the mandate to sell together maximum 200,000 series B shares, currently kept by the Company for this purpose, to cover costs, including social charges, that may be incurred in connection with the exercise of rights under the 2006 performance related personnel option program. The sale shall take place on the Nordic Stock Exchange in Stockholm at a price within the registered price interval at any given time.

For a decision in accordance with the proposal from the Board the resolution must be supported by shareholders holding at least two-thirds of the votes cast as well as of the shares represented at the Meeting.

Item 15 – The proposal from the Board of Directors regarding the acquisition of own shares

The Board proposes that the Board is granted the mandate until the next Annual General Meeting, considering the proposals in Items 12 and 13 regarding mandate for the Board to acquire shares as well as to the number of shares already owned by the Company, to

decide at one or more occasions on the acquisition of shares in the Company in accordance with the following:

1. The acquisition may be made by maximum the number of series A shares or series B shares
or a combination of those that the Company's possession of shares after each acquisition
does not exceed 10% of the total number of the shares issued by the Company
2. The shares may only be acquired on the Nordic Stock Exchange in Stockholm
3. The shares may only be acquired at a price per share within the registered trading interval
at any given point in time

The intention with the acquisition is to be able to continuously adapt the capital structure of the Company and by doing this, to increase shareholder value. The acquired shares, to the extent they will not be used for the purposes stated in items 12, 13 and 14, will be nullified subject to a proposal from the Board at a later Annual General Meeting.

For a decision under this item it is required that the proposal of the Board is supported by shareholders representing at least two thirds of both the votes cast and the number of shares represented at the Meeting.

Shares and Votes

The Company has issued in total 1,229,613,104 shares of which 839,394,096 are series A shares, of which the Company holds 6,400,000, and 390,219,008 are series B shares, of which the Company holds 2,428,400. The total number of votes, after a reduction of the shares held by the Company, is 873, 249,066.8.

Documentation

The Annual Report and the Audit Report as well as the complete proposals from the Nomination Committee and the Board of Directors under items 12-16 will be available at the Company and in www.atlascopco.com/agm. They will also be sent free of charge to the shareholders who so request and state their address from Tuesday March 25, 2008.

In connection with the Meeting two awards will be presented, "John Munck Award" for decisive contributions within the area of product development and "Peter Wallenberg Marketing and Sales Award" for the developing of new marketing and sales methods.

Nacka, March 2008

The Board of Directors