



Atlas Copco Group Financials

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Agenda

- Balance sheet
- Cash flow
- Currency effects

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Atlas Copco

Atlas Copco Group - Balance Sheet

MSEK	Sept. 30, 2003	%	Dec 31 1998	%	Dec 31 1993	%
Intangible fixed assets	11,751	25	11,311	30	1,237	7
Rental equipment	9,966	21	5,038	14	4,928	28
Other fixed assets	6,036	13	5,659	15	4,491	25
Inventories	5,692	12	5,383	14	5,043	28
Receivables	10,263	22	7,657	21	2,123	12
Cash and bank	2,813	6	2,118	6	17,822	100
Total assets	46,521		37,166		17,822	
Equity	20,401	44	15,267	41	8,394	47
Minority interest	52	0	198	0	119	1
Interest-bearing liabilities	12,255	26	12,170	33	3,902	22
Non-interest-bearing liabilities	13,813	30	9,531	26	5,407	30
Total liabilities and equity	46,521		37,166		17,822	

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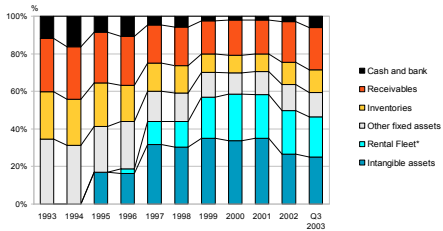
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Atlas Copco Group - Balance Sheet

Assets

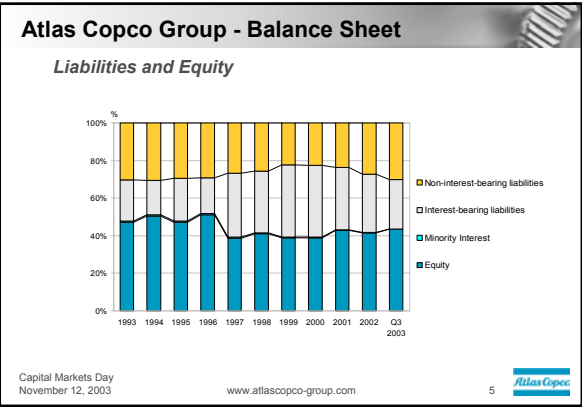


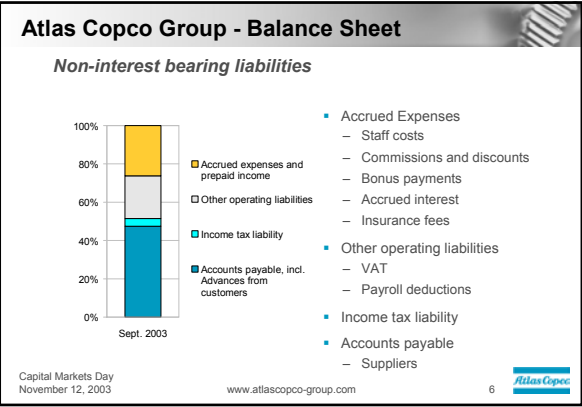
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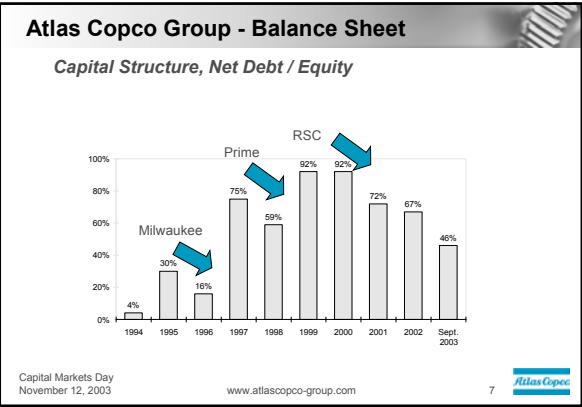
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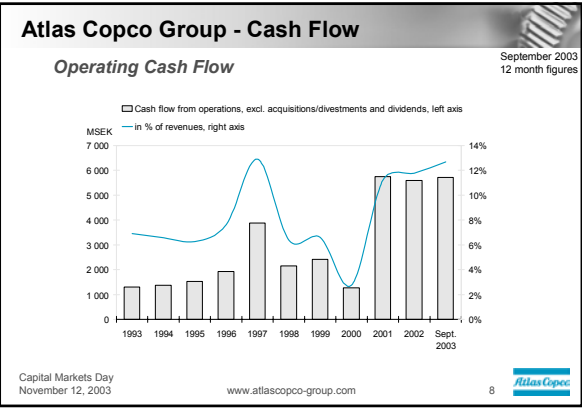
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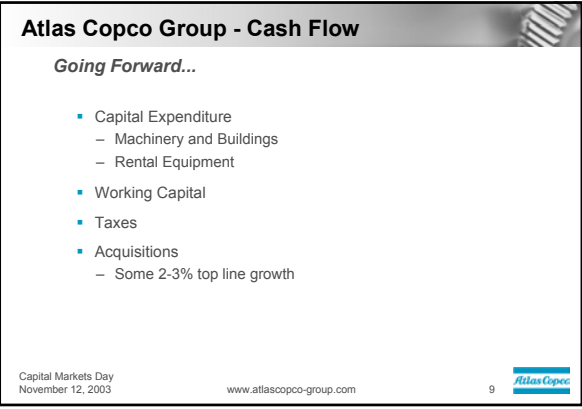
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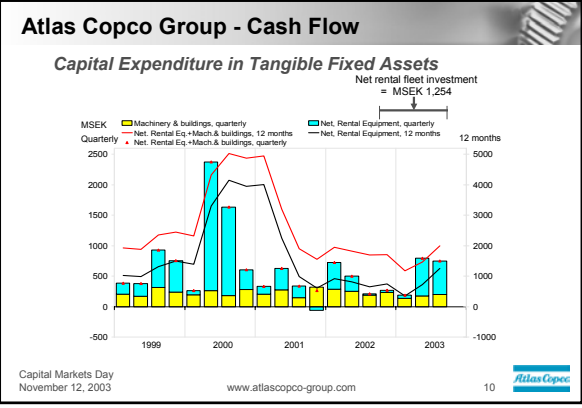












Atlas Copco Group - Cash Flow

Going Forward...

- Capital Expenditure, Net Rental Equipment
 - Current 12 month spending, approximately 1.2 billion SEK is adequate for a "no-growth" environment in Rental Service
 - For a 5% rental revenue volume growth in Rental Service, approximately 1 billion SEK more in net rental equipment capital expenditure will be needed

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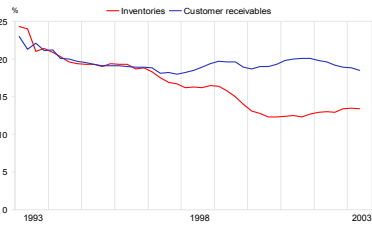
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Atlas Copco Group - Cash Flow

Inventories and Customer Receivables

Percent of sales
12 month values



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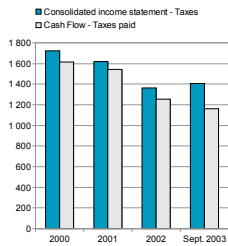
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Atlas Copco Group - Cash Flow

Deferred Tax

12 month values



- USA
 - Tax vs. accounting depreciation
- Sweden
 - Untaxed reserves

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Atlas Copco Group - Currency Effects

Policy

- **Transaction exposure:** match the currency flows as much as possible. In case of a mismatch, hedge for a period necessary to adapt to sudden changes in exchange rates, i.e. to secure calculated gross profit margins
- **Translation exposure:** match assets and liabilities in the same currencies as much as possible. A mismatch is normally left unhedged

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Currency Impact on PAFI, Summary

January – September 2003 vs. 2002

SEK/USD 8.25 vs 9.93 - SEK/EUR 9.15 vs. 9.17

- Translation exposure ~ MSEK ~ -200
- Transaction exposure ~ MSEK ~ -575
- Including effects of financial hedges

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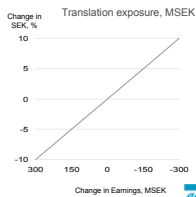


Currency Impact on PAFI

Translation exposure

	Average exchange rate 2002	Exchange rate av. Est. 2003	Difference	Simplified currency basket	Approximate impact 2003
USD / SEK	9.72	8.15	-16%	60%	-9.7%
EUR / SEK	9.15	9.10	-1%	30%	-0.2%
Total					-9.9%

- 1% stronger SEK against all other currencies equals a negative of approx. MSEK 30 in translation effect.
- Using a simplified currency basket, and with average exchange rates as above, the theoretical translation effect on PAFI for 2003 will be approximately MSEK -300 compared with 2002.



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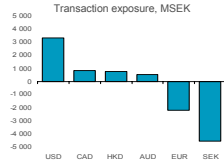


Currency Impact on PAFI

Transaction exposure

	Average exchange rate 2002	Exchange rate av. Est. 2003	Difference	Approximate impact per % difference, MSEK	Approximate impact 2003
USD / SEK	9.72	8.15	-16%	+30	-480
EUR / SEK	9.15	9.10	-1%	-20	-200
Other					-200
Total					-700

- With average exchange rates for 2003 as above, the theoretical impact on PAFI in 2003, compared with 2002, is approx. MSEK -700.
- Hedging contracts and effects of operational actions during 2003 are not taken into account.



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Currency Impact on PAFI, Summary

Assumption SEK/USD 8.15 vs 9.72 - SEK/EUR 9.10 vs. 9.15

- Translation exposure ~ MSEK ~ -300
- Transaction exposure ~ MSEK ~ -700
- Hedges will *delay* transaction effects of currency exchange rate fluctuations between one and two quarters
- Operational actions will *mitigate or offset* negative currency effects

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