

# Atlas Copco Financials



Atlas Copco Capital Markets Day, December 2, 2008

Hans Ola Meyer, CFO

## Income Statement

MSEK	12M Sep 30, 2008		12M Sep 30, 2007	
Revenues	71 995		59 388	
Cost of goods sold	-45 839		-37 400	
<b>Gross profit</b>	<b>26 156</b>	<b>36.3%</b>	<b>21 988</b>	<b>37.0%</b>
Marketing expenses	-7 215	-10.0%	-6 197	-10.4%
Administration expenses	-3 757	-5.2%	-3 423	-5.8%
Research and development costs	-1 468	-2.0%	-1 230	-2.1%
Other income and expense from operations	163		31	
<b>Operating profit</b>	<b>13 879</b>	<b>19.3%</b>	<b>11 169</b>	<b>18.8%</b>
Net financial items	-2 141	-3.0%	-387	-0.7%
<b>Profit before tax</b>	<b>11 738</b>	<b>16.3%</b>	<b>10 782</b>	<b>18.2%</b>
Income tax expenses	-3 275		-2 975	
Profit for the period from continuing operations	8 463		7 807	
Profit for the period from discontinued operation	194		7 458	
<b>Profit for the period</b>	<b>8 647</b>	<b>12.0%</b>	<b>15 265</b>	<b>25.7%</b>
- attributable to equity holders of the parent	8 614		15 238	
- attributable to minority interest	33		27	
<b>Basic earnings per share, SEK</b>	<b>7.06</b>		<b>12.42</b>	
- of which continuing operations, SEK	6.91		6.35	

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## Profit Bridge

12 month numbers

MSEK	Q3 2008 12M	Organic Growth Price/Volume	Currency	One-time Items Acq./Div.	Q3 2007 12M
<b>Atlas Copco Group</b>					
Revenues	71 995	9 367	-1 495	4 735	59 388
EBIT	13 879	3 340	-910	280	11 169
%	19.3%	36%	-	-	18.8%

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## Profit Bridge – by Business Area

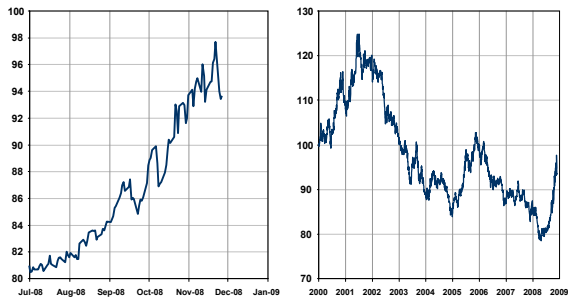
12 month numbers

MSEK	Q3 2008 12M	Organic Growth Price/Volume	Currency	One-time Items Acq./Div.	Q3 2007 12M
<b>Compressor Technique</b>					
Revenues	34 397	3 689	-550	1 090	30 168
EBIT	7 161	1 297	-505	95	6 274
%	20.8%	35%	-	-	20.8%
<b>Construction &amp; Mining Technique</b>					
Revenues	30 774	5 030	-830	3 495	23 079
EBIT	5 550	1 839	-545	262	3 994
%	18.0%	37%	-	7%	17.3%
<b>Industrial Technique</b>					
Revenues	7 369	728	-102	150	6 593
EBIT	1 493	112	-56	-25	1 461
%	20.3%	15%	-	-	22.2%

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## Atlas Copco Currency Index



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## Atlas Copco Group - Currency Effects

### Policy

- Transaction exposure: Match the currency flows as much as possible.  
Remaining exposure:
  - Surplus: USD, AUD, CAD, HKD, ZAR, GBP etc
  - Deficit: SEK, EUR

The Group does not hedge this transaction exposure on a regular basis. However, the Financial Risk Management Committee decides from time to time to hedge specific currency exposures.

The result of such Group hedges is reported as a corporate item, while the Business Area results always show an "un-hedged" situation.

- Translation exposure: match assets and liabilities in the same currencies as much as possible. A mismatch is left unhedged.

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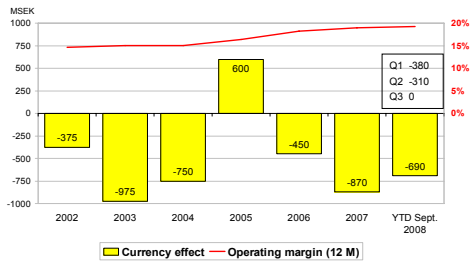
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## Currency

### Effect on operating profit



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Continuing operations, pro-forma 2002-2005  
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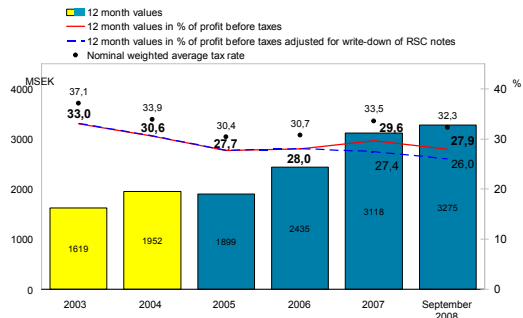
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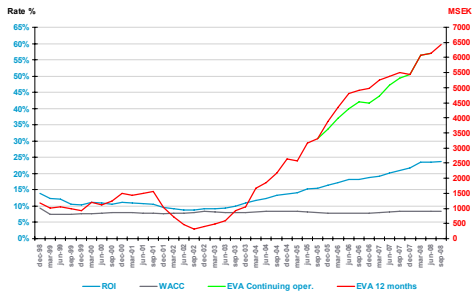
## Taxes



Adjusted for IFRS from 2004. Figures from 2005 and onwards are for continuing operations.

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## Economic Value Added (EVA)



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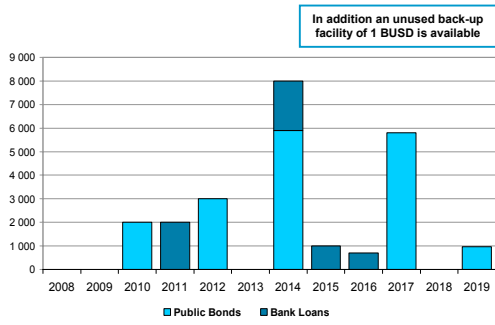
## Balance Sheet

MSEK	Sep 30, 2008	Dec 31, 2007	Sep 30, 2007
Intangible assets	12 177	11 665	11 578
Rental equipment	1 992	1 906	1 920
Other property, plant and equipment	5 698	4 894	4 629
Other fixed assets	4 797	4 245	4 793
Inventories	16 371	12 725	11 962
Receivables	19 770	16 627	16 141
Current financial assets	1 531	1 124	1 131
Cash and cash equivalents	3 403	3 473	4 020
Assets classified as held for sale	39	0	0
<b>TOTAL ASSETS</b>	<b>65 778</b>	<b>56 659</b>	<b>56 174</b>
Total equity	18 759	14 640	13 054
Interest-bearing liabilities	27 694	24 397	25 403
Non-interest-bearing liabilities	19 325	17 622	17 717
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>65 778</b>	<b>56 659</b>	<b>56 174</b>

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## Loan Maturity Profile



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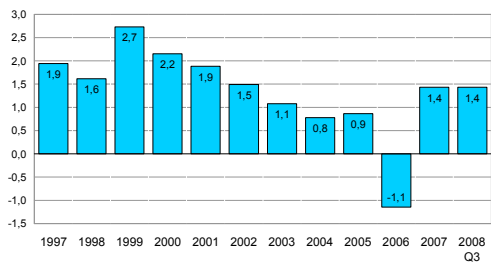
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## Capital Structure

Net Debt/EBITDA



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Adjusted for IFRS from 2004. Including discontinued operations.

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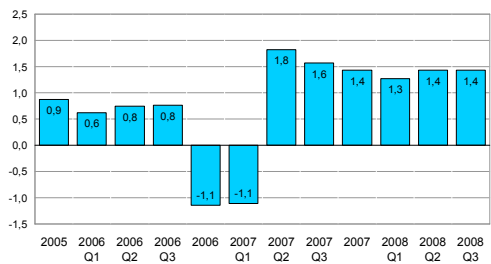
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## Capital Structure

Net Debt/EBITDA



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Including discontinued operations.

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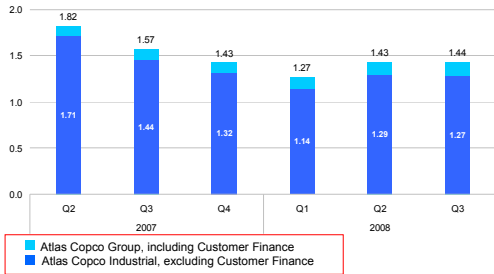
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## Net Debt / EBITDA



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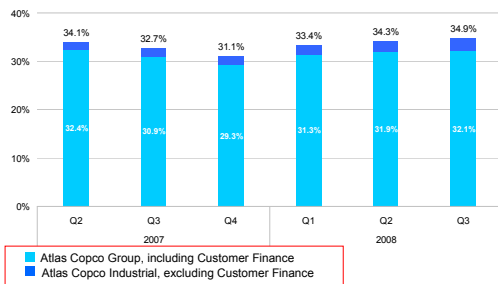
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## ROCE



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## Cash Flow

### Continuing operations

MSEK	July - September		January - September	
	2008	2007	2008	2007
Operational cash surplus after tax	2 936	2 576	8 557	7 312
of which depreciation added back	524	445	1 483	1 302
Change in working capital	-772	-168	-3 103	-1 461
<b>Cash flows from operational activities</b>	<b>2 164</b>	<b>2 408</b>	<b>5 454</b>	<b>5 551</b>
Investments in tangible fixed assets	-708	-635	-2 008	-1 707
Sale of tangible fixed assets	126	165	370	532
Other investments, net	-528	-352	-1 466	-1 013
Cash flow from investments	-1 110	-822	-3 104	-2 188
<b>Operating cash flow</b>	<b>1 054</b>	<b>1 586</b>	<b>2 350</b>	<b>3 663</b>
Company acquisitions/ divestments	-45	-68	-223	-5 750

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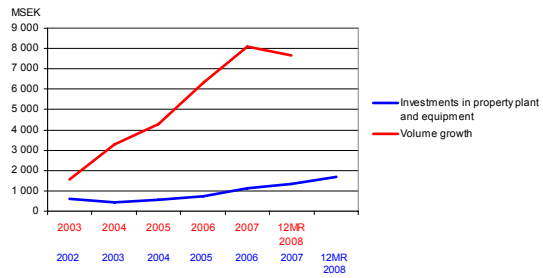
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## Capital efficiency



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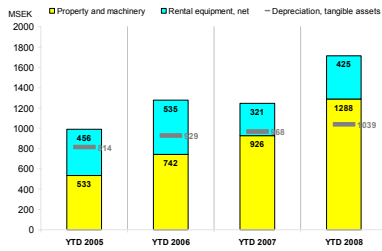
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## Capital Expenditures and Depreciation

Tangible fixed assets, continuing operations



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YTD until September

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## 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 effected by other factors like for example, the effect of economic conditions, exchange-rate and interest-rate movements, political risks, impact of competing products and their pricing, product development, commercialization and technological difficulties, supply disturbances, and major customer credit losses."

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